

Town of Oakville's Financial Statements Description

Name
Consolidated
Statement of
Financial Position
(Balance Sheet)

Purpose

Provides a summary of the town's financial assets and liabilities and indicates the financial stability of the town.

The town currently has a **net financial asset** position which indicates the town has financial resources to pay for its existing liabilities and future goods/services. A **net financial debt** position would indicate that the town would require future revenues to pay for past transactions.

This statement also provides information on the amount of the town's tangible capital assets and other non-financial assets.

The net financial assets and the non-financial assets added together provide the town's accumulated surplus at the end of the year.

Consolidated
Statement of
Operations
(Income
Statement)

Presents a summary of the revenues raised by the town during the year and the activities funded by these revenues.

The **revenue** on this statement is listed by type to allow a reader to see how the town generates the revenue.

The **expenses** on this statement are listed by function type to allow the reader to see the key areas in which the town has incurred costs. Capital project spending that does not result in a tangible capital asset is also included in these expenses.

This statement also provides the reader with a comparison of the actual results to the Council approved budgets for the year. It is important to note that amortization expense on tangible capital assets is **not** included within the budget but is included in the actual expenses shown here.

This statement also calculates the net result for the year (surplus or deficit) and calculates the impact on accumulated surplus.

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Consolidated Statement of Changes in Net Financial Assets

Provides a summary of the impact that the acquisition and use of non-financial assets, such as tangible capital assets, prepaid expenses and inventory of supplies, has on net financial assets.

This statement explains the difference between the operating surplus/deficit and the change in net financial assets for the period.

Consolidated Statement of Cash Flows

Presents the changes to the town's cash position during the year.

This statement shows in which key areas the town has either generated or used cash.

Notes to Consolidated Financial Statements

Provide additional information on the town's financial results and balances.

Some of the key notes include:

- The town's accounting policies – the rules or framework within which the town prepares the financial results
- Additional information about Oakville Enterprises Corporation (Oakville Hydro)
- Descriptions of the town's long-term debt, including interest rates, repayment terms, and sources of funding
- Additional information about the town's employee future benefits (post employment and WSIB)
- Details on the balances and types of tangible capital assets
- Details on the types of reserves and reserve funds