

DISTRICT OF WELLS
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

INDEX

Management’s Responsibility	1
Independent Auditors’ Report.....	2
Consolidated Statement of Financial Position	3
Consolidated Statement of Operations.....	4
Consolidated Statement of Changes in Net Financial Assets	5
Consolidated Statement of Cash Flow.....	6
Notes to the Consolidated Financial Statements.....	7
Independent Auditors’ Report on Supplementary Information.....	8
General Operating Fund Statement of Financial Position.....	9
General Operating Fund Statement of Operations	10
Water System Statement of Financial Position	11
Water System Statement of Operations	12
Sewer System Statement of Financial Position.....	13
Sewer System Statement of Operations	14



District of Wells

...an Official British Columbia
Gateway Community

1.

MANAGEMENT'S RESPONSIBILITY

The information and representations in the consolidated financial statements are the responsibility of management and have been approved by the Mayor and Council of the District of Wells. The consolidated financial statements were prepared by management in accordance with Canadian public sector accounting standards and, where necessary, reflect Management's best estimates and judgments at this time. It is reasonably possible that circumstances may arise which cause actual results to differ. Management does not believe it is likely that any differences will be material.

The District of Wells maintains systems of internal accounting controls, policies and procedures to provide reasonable assurances as to the reliability of the financial records and the safeguarding of its assets.

The Mayor and Council are responsible for ensuring that management fulfills its responsibilities for financial reporting and are ultimately responsible for reviewing and approving the consolidated financial statements.

The consolidated financial statements have been reviewed and approved by the Mayor and Council. The consolidated financial statements have been audited by PMT Chartered Accountants/Business Advisors LLP, the independent auditors, whose report follows.

March 5, 2013
Wells, British Columbia



INDEPENDENT AUDITORS' REPORT

To The Mayor and Council,
District of Wells,

We have audited the accompanying consolidated financial statements of the District of Wells, which comprise the Consolidated Statement of Financial Position as at December 31, 2012 and the Consolidated Statements of Operations, Changes in Net Financial Assets and Cash Flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risk of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



CHARTERED ACCOUNTANTS / BUSINESS ADVISORS

2.2

INDEPENDENT AUDITORS' REPORT (continued)

Opinion

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the **District of Wells** as at December 31, 2012, and the results of its operations, changes in net financial assets and cash flow for the year then ended in accordance with Canadian public sector accounting standards.

March 5, 2013
Quesnel, British Columbia

PMT Chartered Accountants/Business Advisors LLP


DISTRICT OF WELLS

3.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2012

	<u>2012</u>	<u>2011</u>
FINANCIAL ASSETS		
Cash and investments	\$ 612,244	\$ 513,370
Taxes and accounts receivable (note 2)	170,089	151,204
Investment in wholly owned subsidiary (note 3)	<u>955</u>	<u>955</u>
	<u>783,288</u>	<u>665,529</u>
LIABILITIES		
Accounts payable and accrued liabilities	18,365	60,249
Deferred revenue (note 4)	232,846	161,280
Barkerville cemetery fund	1,137	1,137
District debt (note 5)	<u>146,843</u>	<u>215,643</u>
	<u>399,191</u>	<u>438,309</u>
NET FINANCIAL ASSETS	<u>384,097</u>	<u>227,220</u>
NON-FINANCIAL ASSETS		
Property acquired for taxes	4,620	4,620
Tangible capital assets (note 6)	<u>6,426,407</u>	<u>6,532,312</u>
	<u>6,431,027</u>	<u>6,536,932</u>
DISTRICT SURPLUS - page 4 (note 7)	\$ <u>6,815,124</u>	\$ <u>6,764,152</u>



 Chief Administrative Officer

See accompanying notes.

DISTRICT OF WELLS

4.

CONSOLIDATED STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>2012</u> <u>Budget</u> (unaudited)	<u>2012</u> <u>Actual</u>	<u>2011</u> <u>Actual</u>
REVENUE			
Government grants	\$ 647,295	\$ 678,017	\$ 593,029
Taxation	160,996	173,117	171,491
Other revenue from own sources	64,735	95,516	50,069
Utility user fees	66,809	68,611	68,331
Northern Development Initiative Trust	35,000	35,000	42,500
Worksafe BC	13,000	25,146	41,987
Sale of services	19,691	19,054	34,501
Barkerville co-operative marketing	-	2,205	-
Government and other contributions for capital	<u>59,514</u>	<u>59,514</u>	<u>85,772</u>
	<u>1,067,040</u>	<u>1,156,180</u>	<u>1,087,680</u>
 Deferred from previous year	 -	 161,280	 195,810
 Deferred to following year	 <u>-</u>	 <u>(232,846)</u>	 <u>(161,280)</u>
	<u>1,067,040</u>	<u>1,084,614</u>	<u>1,122,210</u>
 EXPENSES			
Amortization	-	171,090	167,494
General government services	721,785	795,917	735,943
Protective services	27,124	19,317	14,130
Water utility operations	35,311	21,156	18,517
Sewer utility operations	23,626	21,595	20,931
Interest	8,354	4,567	9,212
	<u>816,200</u>	<u>1,033,642</u>	<u>966,227</u>
 NET REVENUE FOR THE YEAR	 250,840	 50,972	 155,983
 DISTRICT SURPLUS - Beginning of year	 <u>6,764,152</u>	 <u>6,764,152</u>	 <u>6,608,169</u>
 DISTRICT SURPLUS - End of year - to page 3	 \$ <u>7,014,992</u>	 \$ <u>6,815,124</u>	 \$ <u>6,764,152</u>

See accompanying notes.

DISTRICT OF WELLS

5.

CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>2012</u>	<u>2011</u>
NET REVENUE FOR THE YEAR	\$ 50,972	\$ 155,983
Amortization	171,090	167,494
Tangible capital assets purchased	<u>(65,185)</u>	<u>(440,646)</u>
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	156,877	(117,169)
NET FINANCIAL ASSETS - Beginning of year	<u>227,220</u>	<u>344,389</u>
NET FINANCIAL ASSETS - End of year	\$ <u>384,097</u>	\$ <u>227,220</u>

See accompanying notes.

DISTRICT OF WELLS

6.

CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>2012</u>	<u>2011</u>
CASH PROVIDED (USED) BY:		
Operating Activities		
Net revenue for the year	\$ 50,972	\$ 155,983
Item not involving cash:		
Amortization	171,090	167,494
Changes in non-cash balances:		
Increase in taxes and accounts receivable	(18,885)	(46,739)
Increase (decrease) in accounts payable and accrued liabilities	(41,884)	50,873
Increase (decrease) in deferred revenue	71,566	(57,688)
Increase in Barkerville cemetery fund	<u>-</u>	<u>80</u>
	<u>232,859</u>	<u>270,003</u>
Capital Activities		
Tangible capital asset purchases	<u>(65,185)</u>	<u>(440,646)</u>
Financing Activities		
Proceeds of District debt	-	155,016
District debt repayment	<u>(68,800)</u>	<u>(11,167)</u>
	<u>(68,800)</u>	<u>143,849</u>
Investing Activities		
Investment in wholly owned subsidiary	<u>-</u>	<u>(955)</u>
INCREASE (DECREASE) IN CASH AND INVESTMENTS	98,874	(27,749)
CASH AND INVESTMENTS - Beginning of year	<u>513,370</u>	<u>541,119</u>
CASH AND INVESTMENTS - End of year	\$ <u>612,244</u>	\$ <u>513,370</u>

See accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2012

1. SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Presentation

These consolidated financial statements reflect all revenues, expenses, assets and liabilities of the **District of Wells**. It is the District's policy to follow Canadian public sector accounting standards and apply such principles consistently. The consolidated financial statements have been prepared incorporating guidelines issued by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants as recommended by Municipal Affairs, Province of British Columbia.

The focus of Canadian public sector accounting standards is on the financial position of the District and the changes thereto. The Consolidated Statement of Financial Position reflects the combined results and activities of the District's Operating, Capital and Reserve Funds. The purposes of these funds are:

i. Operating Funds

Operating Funds are used to record the costs associated with providing District services.

ii. Capital Funds

Capital Funds are used to account for the acquisition costs of the District's Tangible Capital Assets, the accumulated amortization thereon, and the funding thereof including related long term debt.

iii. Reserve Funds

Under the *Local Government Act* of the Province of British Columbia, the Mayor and Council of the District may, by bylaw, establish Reserve Funds for specific purposes. Money in a Reserve Fund and interest thereon must be used only for the purpose for which the fund was established. If the amount in a Reserve Fund is greater than required, the Mayor and Council may, by bylaw, transfer all or part of the balance to another Reserve Fund.

Financial assets are economic resources controlled by the government as a result of past transactions from which future economic benefits may be obtained. Liabilities are present obligations of the government to others arising from past transactions, the settlement of which is expected to result in the future sacrifice of economic benefits.

Revenues are accounted for in the period in which the transactions or events occurred that gave rise to the revenues.

Expenses are accounted for in the period the goods and services are acquired and a liability is incurred, or transfers are due.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2012

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

b. Restricted Financial Assets

Restricted financial assets include assets held in trust to be expended only in accordance with the conditions of the trust, and amounts from reserve funds set aside for future debt retirement or for future capital expenditures.

c. Tangible Capital Assets

Tangible capital assets are non-financial assets having physical substance that:

- i. Are held for use in the production or supply of goods and services, for rental to others, for administrative purposes or for the development, construction, maintenance or repair of other tangible assets;
- ii. Have useful economic lives extending beyond an accounting period;
- iii. Are to be used on a continuing basis; and
- iv. Are not for sale in the ordinary course of operations.

Tangible capital assets purchased are carried at cost. Tangible capital assets contributed are carried at the fair market value at the date of contribution.

Amortization is provided using the straight line method and the following rates:

Buildings	2.50%
Roads and infrastructure	2.00%
Equipment	10.00%
Water system	1.25%
Sewer system	1.25%
Mountain trails system	1.25%

d. Restricted and Deferred Revenues

Receipts which are restricted by the legislation of senior governments or by agreement with external parties are deferred and reported as restricted revenues. When related expenses are incurred they are brought into revenue at equal amounts.

Revenues received in advance of expenses which will be incurred in a later period are deferred until matched with those expenses.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

e. Use of Estimates

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the reporting period. Significant areas requiring the use of management estimates relate to the determination of accrued sick benefits, collectability of accounts receivable, amortization of tangible capital assets and provisions for contingencies. Actual results could differ from those estimates. Adjustments, if any, will be reflected in operations in the period of settlement.

f. Accounting Policy Developments

On April 1, 2014, the District will be required to adopt the provisions of Section PS 3260 - Liability for Contaminated Sites - of the PSAB Handbook.

Section PS 3260 establishes standards on accounting for and disclosure of liabilities associated with the remediation of contaminated sites in order to ensure relevant and reliable information is provided and to promote uniformity and consistency of application of the standards.

The District has implemented the necessary procedures to enable it to comply with the provisions of Section PS 3260.

2. TAXES AND ACCOUNTS RECEIVABLE

	<u>2012</u>	<u>2011</u>
Tax roll and utilities	\$ 45,569	\$ 40,491
HST refund	34,891	42,117
Northern Development Initiative Trust	35,000	35,000
UBCM	26,173	27,173
CMHC	10,000	-
Wells Curling Rink	9,557	-
Northern Health Authority	4,925	-
Real Estate Foundation	3,000	-
Other	974	-
Barkerville Heritage Trust	-	4,794
Cariboo Regional District	-	1,530
School District 28	-	99
	<u>\$ 170,089</u>	<u>\$ 151,204</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2012

3. INVESTMENT IN WHOLLY OWNED SUBSIDIARY		<u>2012</u>		<u>2011</u>
Wells - Barkerville Community Forest Ltd.				
Advances	\$	855	\$	855
100 common shares		<u>100</u>		<u>100</u>
	\$	<u>955</u>	\$	<u>955</u>

There are no specific terms of repayment on the unsecured non-interest bearing advances.

The company is in the process of developing a community forest, the economic benefits of which will accrue to the local area.

4. DEFERRED REVENUE

The District has recorded the following externally restricted revenues to be used in the completion of ongoing projects.

		<u>2012</u>		<u>2011</u>
Small Communities Grant	\$	230,165	\$	161,280
Community Works Fund		<u>2,681</u>		<u>-</u>
	\$	<u>232,846</u>	\$	<u>161,280</u>

Community Works Fund:

The District is a participant under the Community Works Fund that provides for the District's receiving Federal gas taxes transferred under the New Deal for Cities and Communities signed by the Union of BC Municipalities, the Province of BC, and the Government of Canada.

Although the District has some latitude in determining which projects to pursue, the agreement provides that projects should address the reduction of greenhouse gas emissions, cleaner air, and cleaner water.

Continuity of the Fund:		<u>2012</u>		<u>2011</u>
Balance - Beginning of year	\$	-	\$	23,158
Received from UBCM		59,514		59,514
Interest		26		124
Spent on Eligible Projects		<u>(56,859)</u>		<u>(82,796)</u>
Balance - End of year	\$	<u>2,681</u>	\$	<u>-</u>

DISTRICT OF WELLS

7.5

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2012

5. DISTRICT DEBT	<u>2012</u>	<u>2011</u>
General fund		
M.F.A Leasing Corporation		
Lease on Toshiba copier		
Repayable at \$166 per month including interest at 1.25%	\$ 2,747	\$ 4,317
Water fund		
Interim financing - Water System Upgrade Project	97,977	155,016
Debenture debt	<u>46,119</u>	<u>56,310</u>
	\$ <u>146,843</u>	\$ <u>215,643</u>

Principal repayments required in each of the next five years are approximately as follows:

2013	\$	8,581
2014		6,256
2015		6,256
2016		6,256
2017		6,256

6. TANGIBLE CAPITAL ASSETS			<u>2012</u>	<u>2011</u>
	Cost	Accumulated Amortization	Net Carrying Amount	
Land	\$ 257,524	\$ -	\$ 257,524	\$ 257,524
Buildings	2,768,937	611,003	2,157,934	2,221,682
Roads and infrastructure	708,957	136,221	572,736	586,915
Mountain trails system	181,580	4,306	177,274	178,409
Equipment	672,509	442,431	230,078	212,004
Water system	2,274,191	327,004	1,947,187	1,975,613
Sewer system	<u>1,319,257</u>	<u>235,583</u>	<u>1,083,674</u>	<u>1,100,165</u>
	\$ <u>8,182,955</u>	\$ <u>1,756,548</u>	\$ <u>6,426,407</u>	\$ <u>6,532,312</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2012

6. TANGIBLE CAPITAL ASSETS (continued)

The following summarizes the transactions in the District's Tangible Capital Asset accounts during the year.

	Cost January 1, 2012	Additions	Cost December 31, 2012
Land	\$ 257,524	\$ -	\$ 257,524
Buildings	2,763,529	5,408	2,768,937
Roads and infrastructure	708,957	-	708,957
Mountain trails system	181,580	-	181,580
Equipment	612,732	59,777	672,509
Water system	2,274,191	-	2,274,191
Sewer system	<u>1,319,257</u>	<u>-</u>	<u>1,319,257</u>
	\$ <u>8,117,770</u>	\$ <u>65,185</u>	\$ <u>8,182,955</u>

The following summarizes the transactions in the District's accumulated amortization accounts during the year.

	Balance January 1, 2012	Amortization	Balance December 31, 2012
Buildings	\$ 541,848	\$ 69,155	\$ 611,003
Roads and infrastructure	122,042	14,179	136,221
Mountain trails system	3,171	1,135	4,306
Equipment	400,728	41,703	442,431
Water system	298,577	28,427	327,004
Sewer system	<u>219,092</u>	<u>16,491</u>	<u>235,583</u>
	\$ <u>1,585,458</u>	\$ <u>171,090</u>	\$ <u>1,756,548</u>

7. DISTRICT SURPLUS

	2012	2011
General operating fund	\$ 3,898,350	\$ 3,868,984
Water system	1,826,336	1,791,199
Sewer system	<u>1,090,438</u>	<u>1,103,969</u>
BALANCE - End of year	\$ <u>6,815,124</u>	\$ <u>6,764,152</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2012

8. CONTINGENCIES AND COMMITMENTS

- a. The District is jointly and severally liable under the provisions of the *Community Charter* for any default on monies borrowed by the Cariboo Regional District.

- b. Municipal Pension Plan:

The District and its employees contribute to the Municipal Pension Plan (Plan), a jointly trustee pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are based on a formula. The Plan has about 176,000 active members and approximately 67,000 retired members. Active members include approximately 35,000 contributors from local governments.

Every three years an actuarial valuation is performed to assess the financial position of the Plan and the adequacy of Plan funding. The most recent valuation as at December 31, 2009 indicated a funding deficit of \$1,024 million for basic pension benefits. The next valuation will be as at December 31, 2012 with results available in 2013. Defined contribution plan accounting is applied to the Plan as the Plan exposes the participating entities to actuarial risks associated with the current and former employees of other entities with the result that there is no consistent and reliable basis for allocating the obligation, Plan assets and costs to individual entities participating in the Plan. The District of Wells paid \$5,708 for employer contributions to the plan in fiscal 2012 (2011 - \$19,810).

- c. Greenhouse Gas Reduction Targets

The Province of British Columbia has enacted the *Greenhouse Gas Reduction Targets Act*. The Act sets targets of reducing greenhouse gas emissions by at least 33% below 2007 levels by 2020. The Act requires that local governments comply with the Act commencing in 2011.

Management has taken the necessary steps to comply with the Act. Costs of compliance will be recorded in the years such costs are incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2012

9. ECONOMIC DEPENDENCE

The District receives a significant portion of revenue from the Province of British Columbia through the government's Small Community Protection program. The District's operations would be hampered in the event that the government discontinues this program.

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The District's financial instruments consist of cash and investments, taxes and accounts receivable, accounts payable and accrued liabilities and District debt. Unless otherwise noted, it is management's opinion that the District is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

The District is exposed to financial risk that arises from the credit quality of the entities to which it provides services. Credit risk arises from the possibility that the entities to which the District provides services may experience financial difficulty and be unable to fulfill their obligations.

The District is exposed to interest rate risk arising from fluctuations in interest rates on its cash and investments and does not hold any financial instruments that mitigate this risk.

11. EXPENSES BY OBJECT

	<u>2012</u>	<u>2011</u>
Salaries, wages and benefits	\$ 334,766	\$ 344,392
Materials and supplies	65,982	75,223
Contracted services	156,712	161,374
Rent, maintenance and utilities	138,803	141,259
Mayor and Council remuneration and travel	37,675	35,245
Insurance	24,618	23,499
Grants	99,429	8,530
Debt charges	4,567	9,211
Amortization	<u>171,090</u>	<u>167,494</u>
	<u>\$ 1,033,642</u>	<u>\$ 966,227</u>

12. RESTATEMENT OF 2012 BUDGET

The budget amounts presented throughout these financial statements are unaudited and represent the five year financial plan bylaw approved by the District Mayor and Council on May 14, 2012.

The financial plan anticipated use of surpluses accumulated in previous years to provide for current year expenditures in excess of current year revenues. Another significant variance is that the financial plan anticipated capital expenditures rather than amortization expense, and changes in District debt.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

12. RESTATEMENT OF 2012 BUDGET (continued)

The summary below reconciles the 2012 adopted financial plan to the Consolidated Statement of Operations.

Budgeted Consolidated Net Revenue for the Year	\$	-
Budgeted Amounts for:		
Tangible Capital Asset acquisitions		67,000
District debt principal repayments		62,269
Net transfers from reserves		<u>121,571</u>
Budgeted Consolidated Net Revenue, as restated	\$	<u>250,840</u>



INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

To the Mayor and Council,
District of Wells,

We have audited and reported separately herein on the consolidated financial statements of the **District of Wells** as at and for the year ended December 31, 2012.

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The current year's supplementary information included in pages nine through fourteen is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

March 5, 2013
Quesnel, British Columbia

PMT Chartered Accountants/Business Advisors LLP

DISTRICT OF WELLS

9.

GENERAL OPERATING FUND STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2012

	<u>2012</u>	<u>2011</u>
FINANCIAL ASSETS		
Cash and investments	\$ 612,244	\$ 513,370
Accounts receivable	170,089	151,204
Investment in wholly owned subsidiary	955	955
	<u>783,288</u>	<u>665,529</u>
LIABILITIES		
Accounts payable and accrued liabilities	18,365	60,249
Deferred revenue	232,846	161,280
Barkerville cemetery fund	1,137	1,137
District debt	2,747	4,317
Due to other funds	30,010	30,716
	<u>285,105</u>	<u>257,699</u>
NET FINANCIAL ASSETS	<u>498,183</u>	<u>407,830</u>
NON-FINANCIAL ASSETS		
Property acquired for taxes	4,620	4,620
Tangible capital assets	<u>3,395,547</u>	<u>3,456,534</u>
	<u>3,400,167</u>	<u>3,461,154</u>
OPERATING FUND SURPLUS - page 10.1	\$ <u>3,898,350</u>	\$ <u>3,868,984</u>

DISTRICT OF WELLS

10.1

GENERAL OPERATING FUND

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2012

	2012 <u>Budget</u> (unaudited)	2012 <u>Actual</u>	2011 <u>Actual</u>
REVENUE - page 10.2	\$ <u>925,267</u>	\$ <u>999,939</u>	\$ <u>931,659</u>
DEFERRED FROM PRIOR YEAR:			
Tangible capital assets	-	-	195,810
Operating	<u>-</u>	<u>161,280</u>	<u>-</u>
	<u>-</u>	<u>161,280</u>	<u>195,810</u>
DEFERRED TO FOLLOWING YEAR:			
Operating	<u>-</u>	<u>(232,846)</u>	<u>(161,280)</u>
	<u>925,267</u>	<u>928,373</u>	<u>966,189</u>
EXPENSES			
Amortization	-	126,172	124,144
General government - page 10.3	309,118	306,728	313,660
Civic buildings - page 10.3	58,670	72,490	73,186
Fire protection	27,124	17,453	12,930
Other protective services	-	1,864	1,200
Other - page 10.3	<u>281,835</u>	<u>317,261</u>	<u>246,992</u>
	<u>676,747</u>	<u>841,968</u>	<u>772,112</u>
NET REVENUE FOR THE YEAR	248,520	86,405	194,077
OPERATING FUND SURPLUS - Beginning of year	3,868,984	3,868,984	4,139,124
TRANSFER TO WATER SYSTEM	<u>(59,514)</u>	<u>(57,039)</u>	<u>(464,217)</u>
OPERATING FUND SURPLUS - End of year - to page 9	\$ <u>4,057,990</u>	\$ <u>3,898,350</u>	\$ <u>3,868,984</u>

DISTRICT OF WELLS

10.2

GENERAL OPERATING FUND

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2012

	2012 <u>Budget</u> (unaudited)	2012 <u>Actual</u>	2011 <u>Actual</u>
REVENUE			
Taxation	\$ 66,539	\$ 67,298	\$ 64,600
Other revenue from own sources	64,735	95,516	50,069
Worksafe BC	13,000	25,146	41,987
Northern Development Initiative	35,000	35,000	42,500
Grants in lieu of taxes	15,493	14,189	15,201
Sale of services	19,691	19,054	34,501
Barkerville co-operative marketing	-	2,205	-
Parcel tax	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>
	<u>218,458</u>	<u>262,408</u>	<u>252,858</u>
GOVERNMENT AND OTHER CONTRIBUTIONS			
FOR CAPITAL			
UBCM pooled funds	<u>59,514</u>	<u>59,514</u>	<u>85,772</u>
GOVERNMENT GRANTS			
Wildfire Protection Grant	-	-	27,173
Unconditional	612,620	642,542	538,558
Community Health	<u>34,675</u>	<u>35,475</u>	<u>27,298</u>
	<u>647,295</u>	<u>678,017</u>	<u>593,029</u>
TOTAL REVENUE - to page 10.1	\$ <u>925,267</u>	\$ <u>999,939</u>	\$ <u>931,659</u>

DISTRICT OF WELLS

10.3

GENERAL OPERATING FUND

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2012

	2012 <u>Budget</u> (unaudited)	2012 <u>Actual</u>	2011 <u>Actual</u>
GENERAL GOVERNMENT			
Administration	\$ 286,108	\$ 311,116	\$ 325,392
Audit and legal	14,500	13,706	13,474
Insurance and deductible claims	22,310	23,060	22,151
Legislative	38,990	39,793	37,949
Office supplies and service contracts	20,044	18,940	18,329
Administration recoveries	<u>(72,834)</u>	<u>(99,887)</u>	<u>(103,635)</u>
	\$ <u>309,118</u>	\$ <u>306,728</u>	\$ <u>313,660</u>
CIVIC BUILDINGS			
Community Hall	\$ 14,660	\$ 13,121	\$ 18,163
Municipal Hall	8,435	8,198	11,739
Wells/Barkerville school	<u>35,575</u>	<u>51,171</u>	<u>43,284</u>
	\$ <u>58,670</u>	\$ <u>72,490</u>	\$ <u>73,186</u>
OTHER			
Public works	\$ 121,550	\$ 120,456	\$ 119,697
Curling rink renovation project	10,000	87,064	-
Temporary post office	15,000	32,758	15,265
Municipal transit	23,400	20,779	25,592
Refuse collection	13,200	13,072	12,625
Economic development	19,784	12,461	10,396
Community promotion	14,100	9,333	21,733
Housing study	20,000	7,350	-
Street lighting	6,000	6,035	5,639
Community forest application	8,179	4,536	5,866
Visitor Centre operating	1,850	1,553	1,860
Barkerville cemetery	2,000	1,415	80
Interest and bank charges	672	449	1,530
United Church foundation project	25,000	-	-
Spring cleanup	1,100	-	536
Wildfire protection	<u>-</u>	<u>-</u>	<u>26,173</u>
	\$ <u>281,835</u>	\$ <u>317,261</u>	\$ <u>246,992</u>

DISTRICT OF WELLS

11.

WATER SYSTEM STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2012

	<u>2012</u>	<u>2011</u>
FINANCIAL ASSETS		
Due from general operating fund	\$ 23,246	\$ 26,912
LIABILITIES		
District debt	<u>144,096</u>	<u>211,326</u>
NET FINANCIAL LIABILITIES	(120,850)	(184,414)
TANGIBLE CAPITAL ASSETS	<u>1,947,186</u>	<u>1,975,613</u>
WATER SYSTEM SURPLUS - page 12	\$ <u>1,826,336</u>	\$ <u>1,791,199</u>

DISTRICT OF WELLS

12.

WATER SYSTEM

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2012

	2012 <u>Budget</u> (unaudited)	2012 <u>Actual</u>	2011 <u>Actual</u>
REVENUE			
Customer billings	\$ 34,854	\$ 34,701	\$ 34,854
Connection charges and custom work	1,725	1,325	3,447
Parcel taxes	<u>47,580</u>	<u>47,580</u>	<u>47,580</u>
TOTAL REVENUE	<u>84,159</u>	<u>83,606</u>	<u>85,881</u>
EXPENSES			
Administration	34,910	51,779	54,968
Amortization	-	28,427	26,859
Distribution	32,311	21,184	17,030
Hydrants	3,000	-	1,302
Interest	<u>7,682</u>	<u>4,118</u>	<u>7,682</u>
	<u>77,903</u>	<u>105,508</u>	<u>107,841</u>
NET REVENUE FOR THE YEAR	6,256	(21,902)	(21,960)
WATER SYSTEM SURPLUS - Beginning of year	1,791,199	1,791,199	1,348,942
TRANSFER FROM GENERAL OPERATING FUND	<u>59,514</u>	<u>57,039</u>	<u>464,217</u>
WATER SYSTEM SURPLUS - End of year - to page 11	\$ <u>1,856,969</u>	\$ <u>1,826,336</u>	\$ <u>1,791,199</u>

DISTRICT OF WELLS

13.

SEWER SYSTEM STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2012

	<u>2012</u>	<u>2011</u>
FINANCIAL ASSETS		
Due from general operating fund	\$ 6,764	\$ 3,804
TANGIBLE CAPITAL ASSETS	<u>1,083,674</u>	<u>1,100,165</u>
SEWER SYSTEM SURPLUS - page 14	\$ <u>1,090,438</u>	\$ <u>1,103,969</u>

DISTRICT OF WELLS

14.

SEWER SYSTEM STATEMENT OF OPERATIONS

AS AT DECEMBER 31, 2012

	2012 <u>Budget</u> (unaudited)	2012 <u>Actual</u>	2011 <u>Actual</u>
REVENUE			
Customer billings	\$ 30,030	\$ 29,885	\$ 30,030
Connection charges	200	2,700	-
Parcel taxes	<u>40,110</u>	<u>40,110</u>	<u>40,110</u>
TOTAL REVENUE	<u>70,340</u>	<u>72,695</u>	<u>70,140</u>
EXPENSES			
Administration	46,714	48,140	48,852
Amortization	-	16,491	16,491
Collection system	13,326	12,788	9,010
Lift station	1,500	1,618	3,099
Line flushing	<u>8,800</u>	<u>7,189</u>	<u>8,822</u>
	<u>70,340</u>	<u>86,226</u>	<u>86,274</u>
NET REVENUE FOR THE YEAR	-	(13,531)	(16,134)
SEWER SYSTEM SURPLUS			
- Beginning of year	<u>1,103,969</u>	<u>1,103,969</u>	<u>1,120,103</u>
SEWER SYSTEM SURPLUS - End of year			
- to page 13	\$ <u>1,103,969</u>	\$ <u>1,090,438</u>	\$ <u>1,103,969</u>