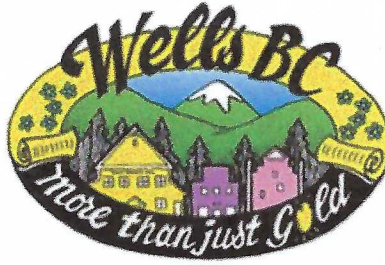




District of Wells

Statement of Financial Information (SOFI)

For the year ended December 31, 2020



District of Wells

The undersigned, as authorized by the Financial Information Regulation, Schedule 1, Subsection 9 (2), approves all the statements and schedules included in this Statement of Financial Information, produced under the Financial Information Act.

---

Donna Forseille  
Chief Administrative Officer  
District of Wells  
November 23, 2021

---

Mandy Kilsby  
Acting Mayor  
District of Wells  
November 23, 2021

**STATEMENT OF FINANCIAL INFORMATION**  
**DISTRICT OF WELLS**  
**Schedule of Remuneration and Expenses 2020**

**Staff 2018 Remuneration and Expenses (combined)**

<b>Name</b>	<b>Position</b>	<b>Salary</b>	<b>Expenses</b>
Donna Forseille	Chief Administrative Officer	\$ 90,000	\$ 425.59
Other under \$75,000		\$ 309,515.00	
TOTAL SALARIES and EXPENSES		\$ 399,515.00 **	

**\*\*Inclusive of Summer Students on Grants and VIC staff**

**Mayor and Council 2020 Remuneration and Expenses**

<b>Name</b>	<b>Position</b>	<b>Remuneration</b>	<b>Expenses</b>
Gabe Fourchalk	Mayor	\$ 10191.48	\$ 3354.48
Mandy Kilsby	Councillor	\$ 4146.96	\$ 0.00
Ksenya Dorwart	Councillor	\$ 4146.96	\$ 0.00
Chris Cooley	Councillor	\$ 4146.96	\$ 0.00
Jordan Rohatynski	Councillor	\$ 4146.96	\$ 0.00
TOTAL REMUNERATION AND EXPENSES		\$ 26,779.32	\$ 3354.48

**Employer Portions of CPP and EI**

CPP: \$ 23,594.40

EI: \$ 10,612.24

**STATEMENT OF FINANCIAL INFORMATION**  
**DISTRICT OF WELLS**

**Schedule Showing Payments Made for the Provision of Goods or Services in 2020**

1. List of suppliers who received aggregate payments exceeding \$25,000

Supplier Name	Aggregate Amount paid to supplier
BC Hydro and Power Authority	\$ 38,207
Cariboo Propane	\$ 39,396
EMCON Services Inc.	\$ 71,285
Two Boys Contracting	\$ 52,491
Terrawest	\$ 49,534
Receiver General of Canada	\$ 51,955
Total aggregate amount paid to above suppliers:	\$ 302,868

2. Consolidated total paid to suppliers who received aggregate payments of \$25,000 or less: \$133,750

3. Total paid to suppliers: \$ 436,618

**STATEMENT OF FINANCIAL INFORMATION**

**DISTRICT OF WELLS**

**Tax Exemptions for 2020 Tax Year (per Bylaw)**

**UNDER DIVISION 7, PART 7 OF THE COMMUNITY CHARTER**

<b>Name of Organization</b>	<b>Folio #</b>	<b>Class</b>	<b>2020 Rates</b>	<b>2020 Assessment</b>	<b>Tax Exempted</b>
Wells Historical Society	09351.002	6	20.3043	\$ 64,800	\$1316
Wells Historical Society	05541.991	6	20.3043	\$ 12,400	\$ 252
Island Mountain Arts Society	01650.000	6	20.3043	\$ 68,400	\$1389
Island Mountain Arts Society	01771.010	1	8.72257	\$ 22,500	\$ 196
Island Mountain Arts Society	01682.002	1	8.72257	\$284,500	\$ 2482
Wells Recreation Society	01480.002	6	20.3043	\$ 339,700	\$ 6897
Royal Canadian Legion Branch 128	01433.001	6	20.3043	\$ 94,300	\$1915
<b><u>TOTAL</u></b>					<b><u>\$ 14,447</u></b>

**Financial Information Act**  
**Financial Information Regulation (FIR), Schedule 1**

**Statement of Financial Information (SOFI)**  
**Index to FIR Schedule 1 and the Checklist**

**Page 1: Corporation Information**

**Ministry Information**

**General: Section One**

- 1(1)(a) Statement of assets and liabilities
- 1(1)(b) Operational statement
- 1(1)(c) Schedule of debts
- 1(1)(d) Schedule of guarantee and indemnity agreements
- 1(1)(e) Schedule of employee remuneration and expenses
- 1(1)(f) Schedule of suppliers of goods and services
- 1(2) [Explanatory information for reference]
- 1(3) Statements prepared on a consolidated basis or for each fund
- 1(4) & (5) Notes to the statements and schedules in section 1(1)

**Page 2: Statement of Assets & Liabilities: Section Two**

- 2 Balance sheet
- Changes in equity and surplus or deficit

**Operational Statement: Section Three**

- 3(1) Statement of Income / Statement of Revenue and Expenditures
- Statement of Changes in Financial Position
- 3(2) & (3) Omission of Statement of Changes in Financial Position, with explanation
- 3(4) Requirement for community colleges, school districts and municipalities

**Statement of Debts: Section Four**

- 4(1)(a) & 4(2) List and detail the schedule of long-term debts
- 4(1)(b) Identify debts covered by sinking funds / reserves
- 4(3) & (4) Omission of schedule, with explanation

**Page 3: Schedule of Guarantee and Indemnity Agreements: Section Five**

- 5(1) List agreements under the Guarantees and Indemnities Regulation
- 5(2) State the entities and amounts involved
- 5(3) & (4) Omission of schedule, with explanation

**Page 3 & 4: Schedule of Remuneration and Expenses: Section Six**

- 6(1) [Definitions for reference]
- 6(2)(a) List remuneration / expenses for each elected official, member of board, Cabinet appointees
- 6(2)(b) List each employee with remuneration exceeding \$75,000, plus expenses
- 6(2)(c) Consolidated total for all employees with remuneration of \$75,000 or less
- 6(2)(d) Reconcile difference in total remuneration above with operational statement
- 6(3) Exclude personal information other than as required



**Page 3 & 4: Schedule of Remuneration and Expenses: Section Six (continued)**

- 6(4) & (5) [Explanatory information for reference]
- 6(6) Report employer portion of EI and CPP as a supplier payment
- 6(7)(a) & (b) Statement of severance agreements
- 6(8) Explain an omission of statement of severance agreements
- 6(9) [Statement of severance agreements to minister – not required unless requested]

**Page 4: Schedule of Suppliers of Goods or Services: Section Seven**

- 7(1)(a) List suppliers receiving payments exceeding \$25,000
- 7(1)(b) Consolidated total of all payments of \$25,000 or less
- 7(1)(c) Reconcile difference in total above with operational statement
- 7(2)(a) [Explanatory information for reference]
- 7(2)(b) Statement of payments of grants or contributions
- 7(2)(c) [Explanatory information for reference]

**Page 5: Inactive Corporations: Section Eight**

- 8(1) Ministry to report for inactive corporations
- 8(2)(a) Contents of report – statements and schedules under section 1(1) to extent possible
- 8(2)(b) Contents of report – operational status of corporation

**Approval of Financial Information: Section Nine**

- 9(1) Approval of SOFI for corporations (other than municipalities)
- 9(2) Approval of SOFI for municipalities
- 9(3) Management report
- 9(4) Management report must explain roles and responsibilities
- 9(5) Signature approval is for all contents of the SOFI

**Access to the Financial Information: Section Ten**

- 10(1) to (3) [Explanatory information for reference]

## Financial Information Regulation, Schedule 1

### Checklist – Statement of Financial Information (SOFI)

**For the Corporation:**

Corporate Name: District of Wells Contact Name: Donna Forseille  
 Fiscal Year End: 31 December 2020 Phone Number: 250-994-3330  
 Date Submitted: November 9, 2021 E-mail: admin1@wells.ca

**For the Ministry:**

Ministry Name: \_\_\_\_\_ Reviewer: \_\_\_\_\_  
 Date Received: \_\_\_\_\_ Deficiencies: Yes  No   
 Date Reviewed: \_\_\_\_\_ Deficiencies Addressed: Yes  No   
 Approved (SFO): \_\_\_\_\_ Further Action Taken: \_\_\_\_\_

Distribution: Legislative Library  Ministry Retention

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
<b>General</b>					
1 (1) (a)	Statement of assets and liabilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
1 (1) (b)	Operational statement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
1 (1) (c)	Schedule of debts	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
1 (1) (d)	Schedule of guarantee and indemnity agreements	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Not Applicable
1 (1) (e)	Schedule of employee remuneration and expenses	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
1 (1) (f)	Schedule of suppliers of goods and services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
1 (3)	Statements prepared on a consolidated basis or for each fund, as appropriate	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
1 (4) 1 (5)	Notes to the financial statements for the statements and schedules listed above	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	



FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
<b>Statement of Assets &amp; Liabilities</b>					
2	<ul style="list-style-type: none"> <li>• A balance sheet prepared in accordance with GAAP or stated accounting principles / policies, and</li> <li>• Show changes in equity and surplus or deficit due to operations</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Operational Statement</b>					
3 (1)	<p>Prepared in accordance with GAAP or stated accounting principles / policies and consists of:</p> <ul style="list-style-type: none"> <li>• a Statement of Income or Statement of Revenue and Expenditures, and</li> <li>• a Statement of Changes in Financial Position</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3 (2) 3 (3)	<ul style="list-style-type: none"> <li>• The Statement of Changes in Financial Position may be omitted if it provides no additional information</li> <li>• The omission must be explained in the notes</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3 (4)	Community colleges, school districts, and municipalities must prepare a Statement of Changes in Financial Position for the Capital Fund	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<b>Schedule of Debts</b>					
4 (1) (a) 4 (2)	List each long-term debt (secured by debentures, mortgages, bonds, etc.), stating the amount outstanding, the interest rate, and the maturity date	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
4 (1) (b)	Identify debts covered by sinking funds or reserves and amounts in these accounts	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
4 (3) 4 (4)	<ul style="list-style-type: none"> <li>• The schedule may be omitted if addressed under section 2 or 5 and it provides no additional information</li> <li>• The omission must be explained in a note to the schedule</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
<b>Schedule of Guarantee and Indemnity Agreements</b>					
5 (1)	List financial agreements that required government approval prior to being given (see Guarantees and Indemnities Regulation in FIA Guidance Package)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
5 (2)	State the entities involved, and the specific amount involved if known	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
5 (3) 5 (4)	<ul style="list-style-type: none"> <li>• The schedule may be omitted if addressed under section 2 or 4 and it provides no additional information</li> <li>• The omission must be explained in a note to the schedule</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<b>Schedule of Remuneration and Expenses</b> (See Guidance Package for suggested format)					
6 (2) (a)	List separately, by name and position, the total remuneration and the total expenses for each elected official, member of the board of directors, and employee appointed by Cabinet	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6 (2) (b)	List alphabetically each employee whose total remuneration exceeds \$75,000 and the total expenses for each [excluding the persons listed under 6 (2) (a)]	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6 (2) (c)	Include a consolidated total for employees whose remuneration is \$75,000 or less [excluding the persons listed under 6 (2) (a)]	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6 (2) (d)	Reconcile or explain any difference between total remuneration in this schedule and related information in the operational statement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6 (3)	Exclude personal information other than name, position, function or remuneration and expenses of employees	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	



FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
<b>Schedule of Remuneration and Expenses</b> (See Guidance Package for suggested format)					
6 (6)	Report the employer portion of EI and CPP as a supplier payment to the Receiver General for Canada rather than as employee remuneration	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6 (7) (a) 6 (7) (b)	Include a statement of severance agreements providing: <ul style="list-style-type: none"> <li>• the number of severance agreements under which payment commenced in the fiscal year being reported on for non-union employees, and</li> <li>• the range of equivalent months' compensation for them</li> </ul> (see Guidance Package for suggested format)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
6 (8)	Provide the reason for omitting a statement of severance agreements in a note to the schedule of remuneration and expenses	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Schedule of Suppliers of Goods or Services</b> (See Guidance Package for suggested format)					
7 (1) (a)	List in alphabetical order all suppliers of goods and services who received aggregate payments exceeding \$25,000	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
7 (1) (b)	Include a consolidated total of all payments to suppliers who received \$25,000 or less	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
7 (1) (c)	Reconcile or explain any difference between the consolidated total and related figures in the operational statement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
7 (2) (b)	Include a statement of payments for the purposes of grants or contributions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
<b>Inactive Corporations</b>					
8 (1)	The ministry reports for the corporation if the corporation is not operating to the extent required to produce a SOFI	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
8 (2) (a)	The ministry's report contains the statements and schedules required under section 1 (1), to the extent possible	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
8 (2) (b)	The ministry's report contains a statement of the operational status of the corporation (see Guidance Package regarding what to include)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<b>Approval of Financial Information</b>					
9 (1)	Corporations other than municipalities – the SOFI is signed as approved by the board of directors or the governing body (see Guidance Package for example)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
9 (2)	Municipalities – the SOFI is approved by its council and by the officer assigned responsibility for financial administration (see Guidance Package for example)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
9 (3)	A management report is included, signed by the head and chief financial officer, or by the municipal officer assigned responsibility for financial administration (see examples in annual report at <a href="http://www.gov.bc.ca/cas/popt/">http://www.gov.bc.ca/cas/popt/</a> )	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
9 (4)	The management report explains the roles and responsibilities of the board of directors or governing body, audit committee, management, and the auditors	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
9 (5)	Signature approvals required in section 9 are for each of the statements and schedules of financial information, not just the financial statements	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	



## District of Wells

### STATEMENT OF FINANCIAL INFORMATION APPROVAL

The undersigned, as authorized by the Financial Information Regulation, schedule 1, subsection 9(2), approves all the statements and schedules included in this Statement of Financial Information, produced under the *Financial Information Act*.

---

Donna Forseille  
Chief Administrative Officer  
Date: November 23, 2021

---

Mandy Kilsby  
Acting Mayor, on behalf of Council  
Date: November 23, 2021





## District of Wells

### MANAGEMENT REPORT

The Financial Statements contained in this Statement of Financial Information under the Financial Information Act have been prepared by management in accordance with generally accepted accounting principles or stated accounting principles, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all the statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Board of Directors is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and exercises this responsibility through the Audit Committee of the Board. The external auditor meets with the municipality 1 times per year.

The corporation's internal auditor has the responsibility for assessing the management systems and practices of the corporation.

The external auditors, FBB Chartered Professional Accountants LLP conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements. Their examination does not relate to the other schedules and statements required by the Act. Their examination includes a review and evaluation of the corporation's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly. The external auditors have full and free access to the Audit Committee of the Board and meet with it on a regular basis.

On behalf of the District of Wells

---

Donna Forseille  
Chief Administrative Officer  
Date: November 23, 2021

**DISTRICT OF WELLS**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

**INDEX**

---

	<b>Page</b>
Management's Responsibility	2
Independent Auditor's Report	3-4
Consolidated Statement of Financial Position	5
Consolidated Statement of Operations	6
Consolidated Statement of Change in Net Financial Assets	7
Consolidated Statement of Cash Flows	8
Notes to the Consolidated Financial Statements	9-20
Independent Auditor's Report on Supplementary Information	21
General Operating Fund Statement of Financial Position	22
General Operating Fund Statement of Operations	23-25
Water System Statement of Financial Position	26
Water System Statement of Operations	27
Sewer System Statement of Financial Position	28
Sewer System Statement of Operations	29

## **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 judgements 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 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 FBB Chartered Professional Accountants LLP, the independent auditors, whose report follows.

October 7, 2021  
Wells, British Columbia

**INDEPENDENT AUDITOR'S REPORT**

To the Mayor and Council,  
**District of Wells**

**Qualified Opinion**

We have audited the financial statements of District of Wells, which comprise the consolidated statement of financial position as at December 31, 2020, and the consolidated statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the matters disclosed in the Basis for Qualified Opinion paragraph, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the District of Wells as at December 31, 2020, and its financial performance and cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

**Basis for Qualified Opinion**

During the year, the District's computer system did not appropriately capture the revenues related to property taxes on the general ledger. With the assistance of District management, we were able to rebuild the general ledger for the related revenues and were satisfied with the completeness and existence of those taxation revenues. However, this limitation in scope prevented our ability to obtain satisfactory audit evidence over the accuracy and valuation of taxation accounts receivable.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Village in accordance with ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Village's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the municipality's financial reporting process.

**INDEPENDENT AUDITOR'S REPORT (continued)**

**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



## District of Wells

### Consolidated Statement of Financial Position

As at December 31, 2020

	<u>2020</u>	<u>2019</u>
<b>Financial assets</b>		
Cash and investments	\$ 623,873	\$ 273,243
Taxes and accounts receivable (note 2)	322,000	185,700
Investment in wholly owned subsidiary (note 3)	242,407	170,107
	<u>1,188,280</u>	<u>629,050</u>
<b>Financial liabilities</b>		
Accounts payable and accrued liabilities (note 4)	58,405	91,743
Liability for contaminated site (note 12)	-	42,375
Deferred revenue (note 5)	85,475	94,925
	<u>143,880</u>	<u>229,043</u>
<b>Net financial assets</b>	<u>1,044,400</u>	<u>400,007</u>
<b>Non-financial assets</b>		
Property acquired for taxes	10,163	10,163
Prepaid expenses	2,803	2,672
Tangible capital assets (note 6)	6,282,956	6,418,033
	<u>6,295,922</u>	<u>6,430,868</u>
<b>Accumulated surplus (note 7)</b>	<u>\$ 7,340,322</u>	<u>\$ 6,830,875</u>

## District of Wells

### Consolidated Statement of Operations

For the year ended December 31, 2020

	<b>2020</b> <b>Budget</b> (unaudited)	<b>2020</b> <b>Actual</b>	<b>2019</b> <b>Actual</b>
<b>Revenue</b>			
Government grants	\$ 677,745	\$ 801,053	\$ 565,862
Taxation	179,529	208,192	205,851
Other revenue from own sources	35,946	67,091	68,650
Utility user fees	81,422	100,944	108,401
Other grants	62,643	170,219	101,481
Sale of services	20,360	14,899	14,130
Equity (loss) income from subsidiary	-	168,962	(36,915)
	<u>1,057,645</u>	<u>1,531,360</u>	<u>1,027,460</u>
Deferred from previous year	-	85,475	335,787
Deferred to following year	-	(85,475)	(85,475)
	<u>1,057,645</u>	<u>1,531,360</u>	<u>1,277,772</u>
<b>Expenses</b>			
Amortization	-	153,919	199,372
General government services	948,374	716,685	1,038,397
Protective services	40,065	26,055	18,164
Water utility operations	102,403	68,522	84,520
Sewer utility operations	76,615	56,732	80,340
	<u>1,167,457</u>	<u>1,021,913</u>	<u>1,420,793</u>
<b>Annual (deficit) surplus</b>	<u>\$ (109,812)</u>	509,447	(143,021)
<b>Accumulated surplus, beginning of year</b>		<u>6,830,875</u>	<u>6,973,896</u>
<b>Accumulated surplus, end of year</b>		<u>\$ 7,340,322</u>	<u>\$ 6,830,875</u>

## District of Wells

### Consolidated Statement of Changes in Net Financial Assets

For the year ended December 31, 2020

	<u>2020</u> <u>Budget</u> (unaudited)	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
<b>Annual (deficit) surplus</b>	\$ (109,812)	\$ 509,447	\$ (143,021)
Amortization	-	153,919	199,372
Tangible capital assets purchased	(6,500)	(18,842)	(303,568)
Change in prepaid expenses	-	(131)	1,731
<b>(Decrease) increase in net financial assets</b>	(116,312)	644,393	(245,486)
<b>Net Financial Assets, beginning of year</b>	-	400,007	645,493
<b>Net Financial Assets, end of year</b>	<u>\$ -</u>	<u>\$ 1,044,400</u>	<u>\$ 400,007</u>

## District of Wells

### Consolidated Statement of Cash Flows

For the year ended December 31, 2020

	<u>2020</u>	<u>2019</u>
<b>NET INFLOW (OUTFLOW) OF CASH:</b>		
<b>Operating activities</b>		
Annual surplus	\$ 509,447	\$ (143,021)
Non-cash charges to operations		
Amortization	153,919	199,372
Remediation for contaminated site	-	42,375
Equity loss (income) from subsidiary	(168,962)	36,915
Changes in non-cash operating balances:		
Taxes and accounts receivable	(136,300)	(38,699)
Accounts payable and accrued liabilities	(33,338)	4,505
Prepaid expenses	(131)	1,731
Deferred revenue	(9,450)	(240,862)
	<u>315,185</u>	<u>(137,684)</u>
<b>Capital activities</b>		
Tangible capital asset purchases	<u>(18,842)</u>	<u>(303,568)</u>
<b>Investing activity</b>		
Dividends from subsidiary	<u>96,662</u>	<u>-</u>
<b>Financing activity</b>		
Reduction in liability for contaminated sites	<u>(42,375)</u>	<u>-</u>
<b>Increase (decrease) in cash and investments</b>	350,630	(441,252)
<b>Cash and investments, beginning of year</b>	<u>273,243</u>	<u>714,495</u>
<b>Cash and investments, end of year</b>	<u>\$ 623,873</u>	<u>\$ 273,243</u>
<b>Cash and investments consists of the following:</b>		
Bank accounts	\$ 392,190	\$ 229,500
Guaranteed investment certificates	231,283	132,522
Overdraft and cheques issued in excess of funds on deposit	-	(89,179)
Petty cash	400	400
	<u>\$ 623,873</u>	<u>\$ 273,243</u>

The above GIC bears interest at 1.35% per annum and paid monthly.

## District of Wells

### Notes to the Consolidated Financial Statements

For the year ended December 31, 2020

---

The District of Wells (the "District") is a municipality established in 1998 under the Community Charter, formerly the Municipal Act, a statute of the Province of British Columbia. The District's principal activities include the provision of local government services to the residents of the incorporated area. These services include administrative, protective, water and sewer services.

#### 1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the District are prepared in accordance with Canadian public sector accounting standards for government as recommended by Municipal Affairs British Columbia and the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada. The significant accounting policies adopted by the District are as follows:

##### a. Basis of presentation

These consolidated financial statements reflect all revenues, expenses, assets and liabilities of the District of Wells. The District is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the District and which are owned or controlled by the District.

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 to be 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.



## District of Wells

### Notes to the Consolidated Financial Statements

For the year ended December 31, 2020

---

#### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

The District follows the accrual method of accounting for revenues and expenses. Revenues are accounted for in the period in which the transactions or events occurred that gave rise to the revenues. Expenses are recorded in the period in which goods and services are acquired and a liability is incurred.

##### b. Trust funds

Trust funds and their related operations administered by the District are not included in these consolidated financial statements.

##### c. Collections for other agencies

The District collects taxation and other revenue for other agencies and then pays them out to these agencies. These items are not considered revenue or expenses of the District and are excluded from the consolidated financial statements.

##### d. Revenue recognition

Taxation revenues are recognized in accordance with the provisions of the Community Charter. The District is required to act as the agent for collection of certain taxes and fees imposed by other authorities. Collections for other agencies are excluded from the District's taxation 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 in the year the expenses were incurred. Revenues received in advance of expenses which will be incurred in a later period are deferred until the expenses are incurred.

Investment revenue is reported as revenue in the period earned. When required by the funding agency or related Act, investment income earned on deferred revenue, it is included in the deferred revenue balance.

##### e. Cash

Cash consists of cash and investments of a short-term nature with funds available for day to day operations.

##### f. Property acquired for taxes

Property acquired for taxes is carried at the lower of cost and net realizable value. Cost consists of the original purchase price and the applicable carrying charges.

## District of Wells

### Notes to the Consolidated Financial Statements

For the year ended December 31, 2020

---

#### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

##### g. Investment in government business enterprises

The District's investment in the Wells-Barkerville Community Forest Corporation (the "GBE"), a wholly-owned subsidiary, is accounted for on a modified equity basis as recommended by Canadian public sector accounting standards. Under the modified equity basis, the GBE's accounting policies are not adjusted to conform with those of the District and inter-organizational transactions are not eliminated or consolidated. The District recognizes its equity interest in the annual earnings or loss of the GBE in its consolidated statement of operations and accumulated surplus with a corresponding increase or decrease in its investment asset account. Any dividends received from the GBE are recorded as reductions in the investment asset account.

##### h. Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset, excluding all interest costs. Tangible capital assets received as contributions are recorded at their fair value at the date of receipt, and that fair value is also recorded as revenue.

Amortization is provided using the straight-line method at 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%

Tangible capital assets are tested annually for any impairment in value based on continued usefulness of the assets and their related carrying values. Any impairment would be recorded in the period the impairment occurs in expenses. Annual amortization is recorded in the year an asset becomes available for use and in the year of disposal. Assets under construction are not amortized until the asset is available for use.

## District of Wells

### Notes to the Consolidated Financial Statements

For the year ended December 31, 2020

---

#### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

##### i. Contaminated sites

Contaminated sites are defined as the result of contamination being introduced in air, soil, water or sediment as a result of a chemical, organic or radioactive material or live organism that exceeds an environmental standard.

A liability for remediation of contaminated sites is recognized, net of any expected recoveries, when all of the following criteria are met: an environmental standard exists, contamination exceeds the environmental standard, the organization is directly responsible or accepts responsibility for the liability, future economic benefits will be given up and a reasonable estimate can be made.

##### j. Use of Estimates

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the period. Significant areas requiring the the use of management estimates include: determination of accrued sick benefits and carrying amount of tangible capital assets. Actual results could differ from those estimates. Adjustments, if any, will be reflected in operations in the period of settlement.

#### 2. TAXES AND ACCOUNTS RECEIVABLE

	<u>2020</u>	<u>2019</u>
Tax roll and utilities	\$ 125,694	\$ 93,775
GST/HST refund	66,755	45,995
Grants	-	24,293
Wells-Barkerville Community Forest dividends	96,662	-
Other	32,889	21,637
	<u>\$ 322,000</u>	<u>\$ 185,700</u>

#### 3. INVESTMENT IN WHOLLY OWNED SUBSIDIARY

Wells - Barkerville Community Forest Ltd.		
Accumulated surplus	\$ 242,307	\$ 170,007
Shares	100	100
	<u>\$ 242,407</u>	<u>\$ 170,107</u>

## District of Wells

### Notes to the Consolidated Financial Statements

For the year ended December 31, 2020

#### 3. INVESTMENT IN WHOLLY OWNED SUBSIDIARY (continued)

	<u>2020</u>	<u>2019</u>
<b>Operations</b>		
Revenue	\$ 210,932	\$ -
Expenses	<u>41,970</u>	<u>36,915</u>
Net earnings	168,962	(36,915)
Less dividends	(96,662)	-
Accumulated surplus, opening	<u>170,007</u>	<u>206,922</u>
Accumulated surplus, ending	<u><u>\$ 242,307</u></u>	<u><u>\$ 170,007</u></u>

The Wells - Barkerville Community Forest Corporation (the "Corporation") has entered into a Community Forest Agreement with the Province of British Columbia pursuant to an agreement in 2017 (the "agreement"). The agreement is for a 25 year term and gives the Corporation the right to harvest certain levels of timber on an annual basis and a total amount over the term of the Agreement. The advances are unsecured with no specific terms of repayment and recorded at the carrying amount. The accumulated surplus and advances are assessed annually for impairment based on audited financial statements provided by the Corporation.

#### 4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2020</u>	<u>2019</u>
Trade payables and accrued liabilities	\$ 37,174	\$ 74,941
WCB payable	5,231	802
Other	<u>16,000</u>	<u>16,000</u>
	<u><u>\$ 58,405</u></u>	<u><u>\$ 91,743</u></u>

#### 5. DEFERRED REVENUE

Prepaid utilities & taxes	\$ -	\$ 9,450
B.C. Rural Dividend - Housing Grant	475	475
B.C. Rural Dividend - Boundary Expansion Grant	<u>85,000</u>	<u>85,000</u>
	<u><u>\$ 85,475</u></u>	<u><u>\$ 94,925</u></u>

## District of Wells

### Notes to the Consolidated Financial Statements

For the year ended December 31, 2020

#### 6. TANGIBLE CAPITAL ASSETS

	2020			2019
	Cost	Accumulated Amortization	Net Carrying Amount	
Land	\$ 257,524	\$ -	\$ 257,524	\$ 257,524
Buildings	3,240,090	1,209,925	2,030,165	2,111,142
Roads and infrastructure	727,244	251,666	475,578	490,123
Mountain trail systems	181,580	13,386	168,194	169,329
Equipment	778,778	753,282	25,496	10,529
Water system	2,821,154	571,034	2,250,120	2,285,384
Sewer system	1,449,819	373,940	1,075,879	1,094,002
	<u>\$ 9,456,189</u>	<u>\$ 3,173,233</u>	<u>\$ 6,282,956</u>	<u>\$ 6,418,033</u>

Tangible Capital Asset Additions for the year are as follows:

	Cost		Cost December 31, 2020
	January 1, 2020	Additions	
Land	\$ 257,524	\$ -	\$ 257,524
Buildings	3,240,090	-	3,240,090
Roads and infrastructure	727,244	-	727,244
Mountain trail systems	181,580	-	181,580
Equipment	759,936	18,842	778,778
Water system	2,821,154	-	2,821,154
Sewer system	1,449,819	-	1,449,819
	<u>\$ 9,437,347</u>	<u>\$ 18,842</u>	<u>\$ 9,456,189</u>

Amortization for the year is as follows:

	Balance		Balance December 31, 2020
	January 1, 2020	Amortization	
Buildings	\$ 1,128,948	\$ 80,977	\$ 1,209,925
Roads and infrastructure	237,121	14,545	251,666
Mountain trail systems	12,251	1,135	13,386
Equipment	749,407	3,875	753,282
Water system	535,770	35,264	571,034
Sewer system	355,817	18,123	373,940
	<u>\$ 3,019,314</u>	<u>\$ 153,919</u>	<u>\$ 3,173,233</u>

## District of Wells

### Notes to the Consolidated Financial Statements

For the year ended December 31, 2020

---

#### 7. ACCUMULATED SURPLUS

	<u>2020</u>	<u>2019</u>
General operating fund	\$ 843,385	\$ 325,109
Water system	(32,019)	(63,422)
Sewer system	51,527	20,945
Invested in tangible capital assets	6,282,956	6,418,033
Reserves (Note 17)	194,473	130,210
	<u>\$ 7,340,322</u>	<u>\$ 6,830,875</u>

#### 8. COMMITMENTS AND CONTINGENCIES

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 213,000 active members and approximately 106,000 retired members. Active members include approximately 41,000 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 2018 indicated a funding surplus of \$2,866 million for basic pension benefits.

The next valuation will be December 31, 2021 with results available in 2022. Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension accounting). This is because the Plan records accrued liabilities and assets for the Plan in aggregate with the result that there is no consistent and reliable basis for allocating the obligation, assets and costs to the individual employers participating in the Plan.

The District of Wells paid \$11,350 for employer contributions to the Plan in fiscal 2020 (\$10,498 - 2019).

c. The District is responsible for collecting and transmitting property taxes and other levies on District of Wells taxpayers in respect of the following agencies: Ministry of Education, Cariboo Regional District, Cariboo-Chilcotin Regional Hospital District, B.C. Assessment Authority, Municipal Finance Authority and Royal Canadian Mounted Police.

## District of Wells

### Notes to the Consolidated Financial Statements

For the year ended December 31, 2020

---

#### 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 effect on the District's operations would be significantly adverse should the program be discontinued.

#### 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 mitigates this risk by dealing with counterparties management considers to be of high integrity.

The District is exposed to interest rate risk arising from fluctuations in interest rates on its cash and investments. No financial instruments are held that mitigate this risk.

#### 11. EXPENSES BY OBJECT

	<b>2020</b> <b>Budget</b> (unaudited)	<b>2020</b> <b>Actual</b>	<b>2019</b> <b>Actual</b>
Salaries, wages and benefits	\$ 366,540	\$ 399,515	\$ 242,479
Materials and supplies	91,025	44,019	301,085
Contracted services	375,361	191,642	300,959
Rent, maintenance and utilities	246,402	168,325	228,636
Mayor and Council remuneration and travel	56,729	31,861	67,100
Insurance	30,300	31,417	28,587
Grants	500	-	10,000
Debt charges	600	1,215	200
Remediation expenses	-	-	42,375
Amortization	-	153,919	199,372
	<u>\$ 1,167,457</u>	<u>\$ 1,021,913</u>	<u>\$ 1,420,793</u>



## District of Wells

### Notes to the Consolidated Financial Statements

For the year ended December 31, 2020

---

#### 12. LIABILITY FOR CONTAMINATED SITES

The District is aware of 3 sites in the municipal area which are known to be contaminated with hazardous historical mine waste as noted by various site assessments and exceed the environmental standard. The Province of British Columbia has taken responsibility for remediation of these sites. The sites are in a remote location and the contamination is contained at the sites. The contamination is not likely to affect public health, safety, cause damage or otherwise impair the quality of the surrounding environment. The Province of British Columbia has posted signs indicating "caution hazardous historical mine waste" and to the District's knowledge has no further plans to remediate the sites.

Since the District does not bear responsibility for these sites, no liability related to remediation has been recognized in these financial statements.

#### 13. BUDGETED FIGURES

The budget amounts presented throughout these consolidated financial statements are unaudited and represent the five year financial plan bylaw approved by the District Mayor and Council on March 18, 2020.

The financial plan anticipated use of surpluses accumulated in previous years to provide for any 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.

The summary below reconciles the 2020 adopted financial plan to the budgeted figures presented on the Consolidated Statement of Operations.

Budgeted consolidated annual surplus	\$ (109,812)
Budgeted amounts for:	
Tangible Capital Asset acquisitions	(6,500)
Net transfers to reserves	<u>(143,121)</u>
Budgeted consolidated annual surplus, as reported	<u><u>\$ (259,433)</u></u>

#### 14. TRUST FUNDS

The District maintains a cemetery perpetual care fund in accordance with the Cemeteries and Funeral Services Act. The funds held in trust as at December 31, 2020 are \$1,103 (2019 - \$1,102) and are not included in the District's consolidated statement of financial position.

## District of Wells

### Notes to the Consolidated Financial Statements

For the year ended December 31, 2020

---

#### 15. COVID-19

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization and has had a significant financial, market and social dislocating impact. At this time, these factors still continue to present uncertainty over future cash flows, may cause significant changes to the assets or liabilities and may have a significant impact on future operations. An estimate of the financial effect is not practicable at this time.

#### 16. SEGMENTED INFORMATION

The District is a diversified municipal organization that provides a wide range of services to its citizens. For management reporting purposes, the District's operations and activities are organized and reported by service areas. Municipal services are provided by departments and their activities are reported in these service areas. Service areas that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

a) General Government Services:

General government services operations provides the functions of corporate administration and legislative services and any other functions categorized as non-departmental of the District. General services also includes protective services, which is comprised of emergency management and regulatory services.

b) Water Utility Operations:

The water utility installs and maintains the water systems and facilities within the District. The treatment and distribution of water in the District through Public Works is included in this segment

c) Sewer Utility Operations

The sewer utility installs and maintains the sewer systems and facilities with the District. The collection of sewage in the District through Public Works is also included in this segment.

The operating results by segment are presented in the supplementary information.

## District of Wells

### Notes to the Consolidated Financial Statements

For the year ended December 31, 2020

---

#### 17. RESERVE FUNDS

	<u>2020</u>	<u>2019</u>
UBCM Gas Tax Funds, beginning of year	\$ 130,210	\$ -
Current year funding	64,263	130,210
	<hr/>	<hr/>
UBCM Gas Tax Funds, end of year	<u>\$ 194,473</u>	<u>\$ 130,210</u>

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 British Columbia, and the Government of Canada. Although the Village 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. Funds have been setup as reserve until such a time eligible expenses are made. These funds are currently invested in cash and investments.



**INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION**

To the Mayor and Council,  
**District of Wells,**

We have audited and reported separately herein on the consolidated financial statement of the District of Wells as at and for the year ended December 31, 2020.

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 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.

October 7, 2021  
Quesnel, British Columbia

FBB Chartered Professional Accountants LLP

## District of Wells

### General Operating Fund - Statement of Financial Position

As at December 31, 2020

	<u>2020</u>	<u>2019</u>
<b>Financial assets</b>		
Cash and investments	\$ 429,400	\$ 143,033
Taxes and accounts receivable	322,000	185,700
Due from water system	32,019	63,422
Investment in wholly owned subsidiary	242,407	170,107
	<u>1,025,826</u>	<u>562,262</u>
<b>Financial Liabilities</b>		
Accounts payable and accrued liabilities	58,405	91,743
Liability for contaminated site	-	42,375
Deferred revenue	85,475	94,925
Due to sewer system	51,527	20,945
	<u>195,407</u>	<u>249,988</u>
<b>Net financial assets</b>	<u>830,419</u>	<u>312,274</u>
<b>Non-financial assets</b>		
Property acquired for taxes	10,163	10,163
Prepaid expenses	2,803	2,672
Tangible capital assets	2,956,957	3,038,647
	<u>2,969,923</u>	<u>3,051,482</u>
<b>Accumulated surplus</b>	<u>\$ 3,800,342</u>	<u>\$ 3,363,756</u>
<b>Accumulated surplus</b>		
Operating surplus	\$ 843,385	\$ 325,109
Invested in tangible capital assets	2,956,957	3,038,647
	<u>\$ 3,800,342</u>	<u>\$ 3,363,756</u>

## District of Wells

### General Operating Fund - Statement of Operations

For the year ended December 31, 2020

	<b>2020</b> <b>Budget</b> (unaudited)	<b>2020</b> <b>Actual</b>	<b>2019</b> <b>Actual</b>
<b>Revenue - page 23</b>	\$ 890,729	\$ 1,344,121	\$ 832,312
Deferred from previous year	-	85,475	335,787
Deferred to following year	-	(85,475)	(85,475)
	<u>890,729</u>	<u>1,344,121</u>	<u>1,082,624</u>
<b>Expenses</b>			
Amortization	-	100,532	145,985
General government services - page 24	460,613	447,508	357,333
Civic Buildings - page 24	102,300	76,619	105,150
Protective services	26,065	26,055	11,800
Grants	-	1,000	-
Other - page 24	399,461	191,558	582,278
	<u>988,439</u>	<u>843,272</u>	<u>1,202,546</u>
<b>Annual Surplus (Deficit)</b>	<u>\$ (97,710)</u>	500,849	(119,922)
<b>Accumulated surplus, beginning of year</b>		3,363,756	3,771,822
<b>Transfers to reserve funds</b>		(64,263)	(130,210)
<b>Transfers to water system</b>		-	(157,934)
<b>Accumulated surplus, end of year</b>		<u>\$ 3,800,342</u>	<u>\$ 3,363,756</u>

## District of Wells

### General Operating Fund - Statement of Revenues

For the year ended December 31, 2020

	2020 Budget (unaudited)	2020 Actual	2019 Actual
<b>Revenue</b>			
Taxation	\$ 84,632	\$ 90,282	\$ 88,541
Other revenue from own sources	29,846	55,943	59,622
Interest and penalties	6,100	11,147	9,028
Other grants	62,643	170,219	101,481
Grants in lieu of taxes	5,503	27,716	26,642
Sale of services	20,360	14,899	14,130
Parcel taxes	3,900	3,900	3,920
Equity (loss) income from subsidiary	-	168,962	(36,915)
	<u>212,984</u>	<u>543,068</u>	<u>266,449</u>
<b>Government and other contributions</b>			
UBCM gas tax funds	<u>98,000</u>	<u>64,263</u>	<u>130,210</u>
<b>Government grants</b>			
Small Community Protection Grant	452,780	461,606	452,780
UBCM - Emergency preparedness	-	-	(22,461)
South Wells Infrastructure grant	10,000	-	-
Destination BC - new visitor centre grant	20,000	10,000	-
B.C. Rural Dividend - Business Recruiting	-	-	(10,000)
B.C. Rural Dividend - WBLC Assessment	-	-	15,334
Community health grant - Covid-19	-	241,000	-
Northern Health Authority - Access to Health	-	21,335	-
Other federal grants	7,148	-	-
Other provincial grants	86,100	-	-
BC Climate action grant	3,717	2,849	-
	<u>579,745</u>	<u>736,790</u>	<u>435,653</u>
	<u>\$ 890,729</u>	<u>\$ 1,344,121</u>	<u>\$ 832,312</u>



## District of Wells

### General Operating Fund - Detailed expenditures

For the year ended December 31, 2020

	<b>2020</b>	<b>2020</b>	<b>2019</b>
	<b>Budget</b>	<b>Actual</b>	<b>Actual</b>
	(unaudited)		
<b>General government</b>			
Administration	\$ 388,100	\$ 406,949	\$ 262,261
Audit and legal	17,000	15,626	31,111
Insurance and deductible claims	28,500	29,479	28,505
Legislative	58,229	31,861	67,942
Office supplies and service contracts	28,400	23,209	27,130
Administration recoveries	(59,616)	(59,616)	(59,616)
	<u>460,613</u>	<u>447,508</u>	<u>357,333</u>
<b>Civic Buildings</b>			
Community hall	27,500	24,888	29,719
Municipal hall	16,100	7,373	17,415
Church	-	22	129
Wells/Barkerville school	58,700	44,336	57,887
	<u>102,300</u>	<u>76,619</u>	<u>105,150</u>
<b>Other</b>			
Public works	136,900	128,241	155,633
Building inspection contract	14,000	-	6,364
Municipal transit	21,750	22,842	23,010
Refuse collection	16,000	13,693	15,843
Community promotion	19,000	7,640	252,900
Environment remediation	-	-	42,375
Street lighting	8,000	7,661	8,646
Visitor centre operating	23,500	2,679	512
Barkerville cemetery	500	-	-
Interest and bank charges	600	1,216	200
Economic development	159,211	7,586	76,795
NDIT Frontage Improvement Project	-	-	-
	<u>399,461</u>	<u>191,558</u>	<u>582,278</u>

## District of Wells

### Water System - Statement of Financial Position

As at December 31, 2020

	<u>2020</u>	<u>2019</u>
<b>Financial liabilities</b>		
Due to general operating fund	\$ 32,019	\$ 63,422
<b>Non-financial assets</b>		
Tangible capital assets	<u>2,250,120</u>	<u>2,285,384</u>
<b>Accumulated Surplus</b>	<u>\$ 2,218,101</u>	<u>\$ 2,221,962</u>
<b>Accumulated Surplus</b>		
Operating deficit	\$ (32,019)	\$ (63,422)
Invested in tangible capital assets	<u>2,250,120</u>	<u>2,285,384</u>
	<u>\$ 2,218,101</u>	<u>\$ 2,221,962</u>

**District of Wells**  
**Water System - Statement of Operations**  
**For the year ended December 31, 2020**

	<b>2020</b> <b>Budget</b> (unaudited)	<b>2020</b> <b>Actual</b>	<b>2019</b> <b>Actual</b>
<b>Revenue</b>			
Customer billings	\$ 41,947	\$ 53,321	\$ 56,120
Connection charges and custom work	2,500	-	1,100
Parcel taxes	46,604	46,604	46,848
	<u>91,051</u>	<u>99,925</u>	<u>104,068</u>
<b>Expenses</b>			
Administration	30,401	30,401	30,401
Amortization	-	35,264	35,264
Distribution	23,200	18,414	15,815
Operations and maintenance	48,802	19,707	38,304
	<u>102,403</u>	<u>103,786</u>	<u>119,784</u>
<b>Annual Surplus (Deficit)</b>	<u>\$ (11,352)</u>	(3,861)	(15,716)
<b>Accumulated surplus, beginning of year</b>		2,221,962	2,079,744
<b>Transfers from general operating surplus</b>		<u>-</u>	<u>157,934</u>
<b>Accumulated surplus, end of year</b>		<u>\$ 2,218,101</u>	<u>\$ 2,221,962</u>

## District of Wells

### Sewer System - Statement of Financial Position

As at December 31, 2020

	<u>2020</u>	<u>2019</u>
<b>Financial assets</b>		
Due from general operating fund	\$ 51,527	\$ 20,945
<b>Non-financial assets</b>		
Tangible capital assets	<u>1,075,879</u>	<u>1,094,002</u>
<b>Accumulated Surplus</b>	<u>\$ 1,127,406</u>	<u>\$ 1,114,947</u>
<b>Accumulated Surplus</b>		
Operating surplus	\$ 51,527	\$ 20,945
Invested in tangible capital assets	<u>1,075,879</u>	<u>1,094,002</u>
	<u>\$ 1,127,406</u>	<u>\$ 1,114,947</u>

**District of Wells**  
**Sewer System - Statement of Operations**  
**For the year ended December 31, 2020**

	<b>2020</b> <b>Budget</b> (unaudited)	<b>2020</b> <b>Actual</b>	<b>2019</b> <b>Actual</b>
<b>Revenue</b>			
Customer billings	\$ 36,975	\$ 47,624	\$ 50,080
Connection charges and custom work	2,200	-	1,100
Parcel taxes	36,690	39,690	39,900
	<u>75,865</u>	<u>87,314</u>	<u>91,080</u>
<b>Expenses</b>			
Administration	29,215	29,215	29,215
Amortization	-	18,123	18,123
Lift station	13,400	2,450	17,854
Operations and maintenance	26,200	25,067	25,484
Vehicle	7,800	-	7,787
	<u>76,615</u>	<u>74,855</u>	<u>98,463</u>
<b>Annual Surplus (Deficit)</b>	<u>\$ (750)</u>	12,459	(7,383)
<b>Accumulated surplus, beginning of year</b>		<u>1,114,947</u>	<u>1,122,330</u>
<b>Accumulated surplus, end of year</b>		<u>\$ 1,127,406</u>	<u>\$ 1,114,947</u>