

DISTRICT OF WELLS
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

R. E. RASMUSSEN
CHARTERED ACCOUNTANT
QUESNEL, BC

DISTRICT OF WELLS

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2011

INDEX

Management’s Responsibility	1
Independent Auditor’s 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 Auditor’s 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 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 financial statements.

The consolidated financial statements have been reviewed and approved by the Mayor and Council. The consolidated financial statements have been audited by R.E. Rasmussen, Chartered Accountant, the independent auditor, whose report follows.

Wells, B.C.
March 6, 2012

INDEPENDENT AUDITOR'S REPORT

To The Mayor and Council,
District of Wells,

I have audited the accompanying financial statements of the District of Wells, which comprise the Consolidated Statement of Financial Position as at December 31, 2011 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 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the 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 financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the **District of Wells** as at December 31, 2011, 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.

R. E. Rasmussen

Quesnel, B.C.
March 6, 2012

Chartered Accountant

DISTRICT OF WELLS

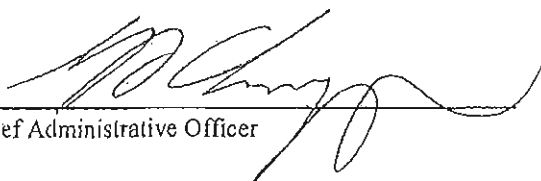
3.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2011

	<u>2011</u>	<u>2010</u>
FINANCIAL ASSETS		
Cash and investments	\$ 513,370	\$ 541,119
Taxes and accounts receivable (note 2)	151,204	104,465
Investment in wholly owned subsidiary (note 3)	<u>955</u>	<u>-</u>
	<u>665,529</u>	<u>645,584</u>
LIABILITIES		
Accounts payable and accrued liabilities	60,249	9,376
Deferred revenue (note 4)	161,280	218,968
Barkerville cemetery fund	1,137	1,057
District debt (note 5)	<u>215,643</u>	<u>71,794</u>
	<u>438,309</u>	<u>301,195</u>
NET FINANCIAL ASSETS	<u>227,220</u>	<u>344,389</u>
NON-FINANCIAL ASSETS		
Property acquired for taxes	4,620	4,620
Tangible capital assets (note 6)	<u>6,532,312</u>	<u>6,259,160</u>
	<u>6,536,932</u>	<u>6,263,780</u>
DISTRICT SURPLUS - page 4 (note 7)	\$ <u>6,764,152</u>	\$ <u>6,608,169</u>

Chief Administrative Officer



See accompanying notes.

DISTRICT OF WELLS

4.

CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2011

	2011 <u>Budget</u> (unaudited)	2011 <u>Actual</u>	2010 <u>Actual</u>
REVENUE			
Government grants	\$ 660,182	\$ 593,029	\$ 149,662
Taxation	173,454	171,491	173,250
Other revenue from own sources	47,377	50,069	38,750
Utility user fees	65,396	68,331	65,066
Northern Development Initiative Trust	35,000	42,500	52,500
Worksafe BC	-	41,987	-
Sale of services	15,589	34,501	16,487
Barkerville co-operative marketing	1,500	-	1,385
Government and other contributions for capital	<u>473,350</u>	<u>85,772</u>	<u>293,692</u>
	1,471,848	1,087,680	790,792
 Deferred from previous year	 -	 195,810	 620,723
 Deferred to following year	 -	 (161,280)	 (195,810)
	<u>1,471,848</u>	<u>1,122,210</u>	<u>1,215,705</u>
 EXPENSES			
Amortization	-	167,494	158,697
General government services	622,228	735,943	576,120
Protective services	31,663	14,130	14,220
Water utility operations	24,858	18,517	12,373
Sewer utility operations	24,540	20,931	24,417
Interest	8,082	9,212	8,083
	<u>711,371</u>	<u>966,227</u>	<u>793,910</u>
 NET REVENUE FOR THE YEAR	 760,477	 155,983	 421,795
 DISTRICT SURPLUS - Beginning of year	 <u>6,608,169</u>	 <u>6,608,169</u>	 <u>6,186,374</u>
 DISTRICT SURPLUS - End of year - to page 3	 \$ <u>7,368,646</u>	 \$ <u>6,764,152</u>	 \$ <u>6,608,169</u>

See accompanying notes.

DISTRICT OF WELLS

5.

CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>2011</u>	<u>2010</u>
NET REVENUE FOR THE YEAR	\$ 155,983	\$ 421,795
Amortization	167,494	158,697
Tangible capital assets purchased	<u>(440,646)</u>	<u>(480,897)</u>
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	(117,169)	99,595
NET FINANCIAL ASSETS - Beginning of year	<u>344,389</u>	<u>244,794</u>
NET FINANCIAL ASSETS - End of year	\$ <u>227,220</u>	\$ <u>344,389</u>

See accompanying notes.

DISTRICT OF WELLS

6.

CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>2011</u>	<u>2010</u>
CASH PROVIDED (USED) BY:		
Operating Activities		
Net revenue for the year	\$ 155,983	\$ 421,795
Item not involving cash:		
Amortization	167,494	158,697
Changes in non-cash balances:		
Increase (decrease) in taxes and accounts receivable	(46,739)	70,861
Increase (decrease) in accounts payable and accrued liabilities	50,873	(19,713)
Increase in Barkerville cemetery fund	80	235
Decrease in deferred revenue	<u>(57,688)</u>	<u>(502,711)</u>
	<u>270,003</u>	<u>129,164</u>
Capital Activities		
Tangible capital asset purchases	(440,646)	(480,897)
Financing Activities		
Proceeds of District debt	155,016	-
District debt reduction	<u>(11,167)</u>	<u>(13,782)</u>
	<u>143,849</u>	<u>(13,782)</u>
Investing Activities		
Investment in wholly owned subsidiary	<u>(955)</u>	<u>-</u>
DECREASE IN CASH AND INVESTMENTS	(27,749)	(365,515)
CASH AND INVESTMENTS - Beginning of year	<u>541,119</u>	<u>906,634</u>
CASH AND INVESTMENTS - End of year	\$ <u>513,370</u>	\$ <u>541,119</u>

See accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

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 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, 2011

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, 2011

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 - Contaminated Sites - of the PSAB Handbook.

Section PS 3260 provides recommendations on the disclosure of environmental liabilities 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>2011</u>	<u>2010</u>
Tax roll and utilities	\$ 40,491	\$ 32,670
HST refund	42,117	28,026
Northern Development Initiative Trust	35,000	35,000
UBCM	27,173	-
Barkerville Heritage Trust	4,794	-
Cariboo Regional District	1,530	-
School District 28	99	-
Wells Snowmobile Club	-	5,370
Tangible capital asset funding	<u>-</u>	<u>3,399</u>
	\$ <u>151,204</u>	\$ <u>104,465</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2011

3. INVESTMENT IN WHOLLY OWNED SUBSIDIARY		<u>2011</u>	<u>2010</u>
Wells - Barkerville Community Forest Ltd.			
Advances	\$	855	\$ -
100 common shares		<u>100</u>	<u>-</u>
	\$	<u>955</u>	\$ <u>-</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>2011</u>	<u>2010</u>
Water quality and improvement project	\$	-	\$ 195,810
Small Communities Grant		161,280	-
Community Works Fund		<u>-</u>	<u>23,158</u>
	\$	<u>161,280</u>	\$ <u>218,968</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>2011</u>	<u>2010</u>
Balance - Beginning of year	\$	23,158	\$ 100,956
Received from UBCM		59,332	59,515
Spent on Eligible Projects		<u>(82,490)</u>	<u>(137,313)</u>
Balance - End of year	\$	<u>-</u>	\$ <u>23,158</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2011

5. DISTRICT DEBT		<u>2011</u>		<u>2010</u>
General fund				
M.F.A Leasing Corporation				
Lease on Toshiba copier				
Repayable at \$166 per month including				
interest at 1.25%	\$	4,317	\$	5,778
Water fund				
Interim financing - Water System Upgrade Project		155,016		-
Debenture debt		<u>56,310</u>		<u>66,016</u>
	\$	<u>215,643</u>	\$	<u>71,794</u>

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

2012	\$ 163,264
2013	8,581
2014	6,256
2015	6,256
2016	6,256

6. TANGIBLE CAPITAL ASSETS			<u>2011</u>	<u>2010</u>
	Cost	Accumulated Amortization	Net Carrying Amount	
Land	\$ 257,524	\$ -	\$ 257,524	\$ 257,524
Buildings	2,763,530	541,848	2,221,682	2,285,162
Roads and infrastructure	708,957	122,042	586,915	601,094
Mountain trails system	181,580	3,171	178,409	179,544
Equipment	612,733	400,729	212,004	251,766
Water system	2,274,190	298,577	1,975,613	1,567,414
Sewer system	<u>1,319,257</u>	<u>219,092</u>	<u>1,100,165</u>	<u>1,116,656</u>
	\$ <u>8,117,771</u>	\$ <u>1,585,459</u>	\$ <u>6,532,312</u>	\$ <u>6,259,160</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2011

6. TANGIBLE CAPITAL ASSETS (continued)

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

	Cost January 1, 2011	Additions	Disposals	Cost December 31, 2011
Land	\$ 257,524	\$ -	\$ -	\$ 257,524
Buildings	2,757,942	5,588	-	2,763,530
Roads and infrastructure	708,957	-	-	708,957
Mountain trails system	181,580	-	-	181,580
Equipment	612,733	-	-	612,733
Water system	1,839,132	435,058	-	2,274,190
Sewer system	<u>1,319,257</u>	<u>-</u>	<u>-</u>	<u>1,319,257</u>
	\$ <u>7,677,125</u>	\$ <u>440,646</u>	\$ <u>-</u>	\$ <u>8,117,771</u>

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

	Balance January 1, 2011	Amortization	Balance December 31, 2011
Buildings	\$ 472,780	\$ 69,068	\$ 541,848
Roads and infrastructure	107,863	14,179	122,042
Mountain trails system	2,036	1,135	3,171
Equipment	360,967	39,762	400,729
Water system	271,718	26,859	298,577
Sewer system	<u>202,601</u>	<u>16,491</u>	<u>219,092</u>
	\$ <u>1,417,965</u>	\$ <u>167,494</u>	\$ <u>1,585,459</u>

No amortization was provided on the Water System Upgrade Project because it was not complete at year end.

7. DISTRICT SURPLUS

	2011	2010
General operating fund	\$ 3,868,984	\$ 4,139,124
Water system	1,791,199	1,348,942
Sewer system	<u>1,103,969</u>	<u>1,120,103</u>
BALANCE - End of year	\$ <u>6,764,152</u>	\$ <u>6,608,169</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

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 the investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are defined. The Plan has about 163,000 active members and approximately 60,000 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, 2010 indicated an unfunded liability of \$1,024 million for basic pension benefits. The next valuation will be as at December 31, 2012 with results available in 2013. The actuary does not attribute portions of the unfunded liability to individual employers. The District of Wells paid \$19,810 for employer contributions to the plan in fiscal 2011 (2010 - \$17,576).

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, 2011

9. 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.

10. EXPENSES BY OBJECT	<u>2011</u>	<u>2010</u>
Salaries, wages and benefits	\$ 344,392	\$ 294,715
Materials and supplies	75,223	35,677
Contracted services	161,374	132,469
Rent, maintenance and utilities	141,259	100,516
Mayor and Council remuneration and travel	35,245	30,208
Insurance	23,499	23,845
Grants	8,530	9,700
Debt charges	9,211	8,083
Amortization	<u>167,494</u>	<u>158,697</u>
	<u>\$ 966,227</u>	<u>\$ 793,910</u>

11. RESTATEMENT OF 2011 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 9, 2011.

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, 2011

11. RESTATEMENT OF 2011 BUDGET (continued)

The summary below reconciles the 2011 adopted financial plan to the Consolidated Statement of Operations.

Budgeted Consolidated Net Revenue for the Year	\$	(10,399)
Budgeted Amounts for:		
Tangible Capital Asset acquisitions		984,965
District debt principal repayments		65,770
Net transfers from reserves		(80,000)
District debt proceeds		<u>(199,859)</u>
Budgeted Consolidated Net Revenue, as restated	\$	<u>760,477</u>

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

To the Mayor and Council,
District of Wells,

I 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, 2011.

My 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 my opinion, is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

R. E. Rasmussen

Quesnel, B.C.
March 6, 2012

Chartered Accountant

DISTRICT OF WELLS

9.

GENERAL OPERATING FUND STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2011

	<u>2011</u>	<u>2010</u>
FINANCIAL ASSETS		
Cash and investments	\$ 513,370	\$ 541,119
Accounts receivable	151,204	104,465
Investment in wholly owned subsidiary	955	-
Due from other funds	<u>-</u>	<u>131,854</u>
	<u>665,529</u>	<u>777,438</u>
LIABILITIES		
Accounts payable and accrued liabilities	60,249	9,376
Deferred revenue	161,280	218,968
Barkerville cemetery fund	1,137	1,057
District debt	4,317	5,778
Due to other funds	<u>30,716</u>	<u>-</u>
	<u>257,699</u>	<u>235,179</u>
NET FINANCIAL ASSETS	<u>407,830</u>	<u>542,259</u>
NON-FINANCIAL ASSETS		
Property acquired for taxes	4,620	4,620
Tangible capital assets	<u>3,456,534</u>	<u>3,592,245</u>
	<u>3,461,154</u>	<u>3,596,865</u>
OPERATING FUND SURPLUS - page 10.1	\$ <u>3,868,984</u>	\$ <u>4,139,124</u>

DISTRICT OF WELLS

10.1

GENERAL OPERATING FUND

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2011

	2011 <u>Budget</u> (unaudited)	2011 <u>Actual</u>	2010 <u>Actual</u>
REVENUE - page 10.2	\$ <u>1,112,059</u>	\$ <u>931,659</u>	\$ <u>636,674</u>
DEFERRED FROM PRIOR YEAR:			
Tangible capital assets	195,810	195,810	360,695
Operating	<u>-</u>	<u>-</u>	<u>260,028</u>
	<u>195,810</u>	<u>195,810</u>	<u>620,723</u>
DEFERRED TO FOLLOWING 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>
	<u>195,810</u>	<u>34,530</u>	<u>424,913</u>
	<u>1,307,869</u>	<u>966,189</u>	<u>1,061,587</u>
EXPENSES			
Amortization	-	124,144	120,247
General government - page 10.3	320,106	313,660	286,112
Civic buildings - page 10.3	47,480	73,186	46,519
Fire protection	29,663	12,930	11,520
Other protective services	2,000	1,200	2,700
Other - page 10.3	<u>163,930</u>	<u>246,992</u>	<u>149,578</u>
	<u>563,179</u>	<u>772,112</u>	<u>616,676</u>
NET REVENUE FOR THE YEAR	744,690	194,077	444,911
OPERATING FUND SURPLUS - Beginning of year	4,139,124	4,139,124	3,694,213
TRANSFER TO WATER SYSTEM	<u>-</u>	<u>(464,217)</u>	<u>-</u>
OPERATING FUND SURPLUS - End of year - to page 9	\$ <u>4,883,814</u>	\$ <u>3,868,984</u>	\$ <u>4,139,124</u>

DISTRICT OF WELLS

10.2

GENERAL OPERATING FUND

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2011

	2011 <u>Budget</u> (unaudited)	2011 <u>Actual</u>	2010 <u>Actual</u>
REVENUE			
Taxation	\$ 64,601	\$ 64,600	\$ 64,601
Other revenue from own sources	47,377	50,069	38,750
Worksafe BC	-	41,987	-
Northern Development Initiative	35,000	42,500	52,500
Grants in lieu of taxes	15,741	15,201	15,537
Sale of services	15,589	34,501	16,487
Barkerville co-operative marketing	1,500	-	1,385
Parcel tax	<u>4,060</u>	<u>4,000</u>	<u>4,060</u>
	<u>183,868</u>	<u>252,858</u>	<u>193,320</u>
GOVERNMENT AND OTHER CONTRIBUTIONS			
FOR CAPITAL			
Towns for Tomorrow	400,000	-	4,584
UBCM pooled funds	-	85,772	285,765
Western Economic Development	-	-	2,056
Province of British Columbia	8,350	-	-
Friends of Wells Community Hall	5,000	-	-
JEPP	-	-	1,287
Wells Fire Brigade	<u>60,000</u>	<u>-</u>	<u>-</u>
	<u>473,350</u>	<u>85,772</u>	<u>293,692</u>
GOVERNMENT GRANTS			
Wildfire Protection Grant	-	27,173	11,285
Conditional	60,563	-	13,326
Unconditional	370,678	538,558	102,515
Job Opportunities Program	-	-	10,886
Community Health	<u>23,600</u>	<u>27,298</u>	<u>11,650</u>
	<u>454,841</u>	<u>593,029</u>	<u>149,662</u>
TOTAL REVENUE - to page 10.1	\$ <u>1,112,059</u>	\$ <u>931,659</u>	\$ <u>636,674</u>

DISTRICT OF WELLS

10.3

GENERAL OPERATING FUND

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2011

	2011 <u>Budget</u> (unaudited)	2011 <u>Actual</u>	2010 <u>Actual</u>
GENERAL GOVERNMENT			
Administration	\$ 315,646	\$ 325,392	\$ 281,705
Audit and legal	15,500	13,474	17,146
Insurance and deductible claims	21,772	22,151	22,096
Legislative	38,300	37,949	32,359
Office supplies and service contracts	20,000	18,329	27,118
Administration recoveries	<u>(91,112)</u>	<u>(103,635)</u>	<u>(94,312)</u>
	\$ <u>320,106</u>	\$ <u>313,660</u>	\$ <u>286,112</u>
CIVIC BUILDINGS			
Community Hall	\$ 16,300	\$ 18,163	\$ 11,155
Municipal Hall	6,630	11,739	6,087
Wells/Barkerville school	<u>24,550</u>	<u>43,284</u>	<u>29,277</u>
	\$ <u>47,480</u>	\$ <u>73,186</u>	\$ <u>46,519</u>
OTHER			
Barkerville cemetery	\$ 2,000	\$ 80	\$ 235
Bike lane planning	-	-	6,451
Community forest application	-	5,866	-
Community promotion	5,000	21,733	2,876
Economic development	17,350	10,396	12,085
Interest and bank charges	400	1,530	401
Municipal transit	23,600	25,592	21,150
Public works	94,000	119,697	84,089
Refuse collection	11,480	12,625	11,480
Spring cleanup	1,100	536	686
Street lighting	5,500	5,639	5,432
Temporary post office	-	15,265	-
Trails maintenance	2,000	-	-
Visitor Centre operating	1,500	1,860	1,513
Wildfire protection	<u>-</u>	<u>26,173</u>	<u>3,180</u>
	\$ <u>163,930</u>	\$ <u>246,992</u>	\$ <u>149,578</u>

DISTRICT OF WELLS

11.

WATER SYSTEM STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2011

	<u>2011</u>	<u>2010</u>
FINANCIAL ASSETS		
Due from general operating fund	\$ <u>26,912</u>	\$ _____ -
LIABILITIES		
Due to general operating fund	-	152,456
District debt	<u>211,326</u>	<u>66,016</u>
	<u>211,326</u>	<u>218,472</u>
NET FINANCIAL LIABILITIES	(184,414)	(218,472)
TANGIBLE CAPITAL ASSETS	<u>1,975,613</u>	<u>1,567,414</u>
WATER SYSTEM SURPLUS - page 12	\$ <u>1,791,199</u>	\$ <u>1,348,942</u>

DISTRICT OF WELLS

WATER SYSTEM

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2011

	2011 <u>Budget</u> (unaudited)	2011 <u>Actual</u>	2010 <u>Actual</u>
REVENUE			
Customer billings	\$ <u>34,826</u>	\$ <u>34,854</u>	\$ <u>34,826</u>
Province of British Columbia	<u>205,341</u>	-	-
Connection charges and custom work	550	3,447	420
Parcel taxes	<u>48,312</u>	<u>47,580</u>	<u>48,312</u>
	<u>48,862</u>	<u>51,027</u>	<u>48,732</u>
TOTAL REVENUE	<u>289,029</u>	<u>85,881</u>	<u>83,558</u>
EXPENSES			
Administration	51,062	54,968	50,000
Amortization	-	26,859	21,959
Distribution	13,988	17,030	11,695
Hydrants	4,700	1,302	678
Interest	<u>7,682</u>	<u>7,682</u>	<u>7,682</u>
	<u>77,432</u>	<u>107,841</u>	<u>92,014</u>
NET REVENUE FOR THE YEAR	211,597	(21,960)	(8,456)
WATER SYSTEM SURPLUS - Beginning of year	1,348,942	1,348,942	1,357,398
TRANSFER FROM GENERAL OPERATING FUND	-	<u>464,217</u>	-
WATER SYSTEM SURPLUS - End of year	\$ <u>1,560,539</u>	\$ <u>1,791,199</u>	\$ <u>1,348,942</u>
- to page 11			

DISTRICT OF WELLS

13.

SEWER SYSTEM STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2011

	<u>2011</u>	<u>2010</u>
FINANCIAL ASSETS		
Duc from general operating fund	\$ 3,804	\$ 3,447
TANGIBLE CAPITAL ASSETS	<u>1,100,165</u>	<u>1,116,656</u>
SEWER SYSTEM SURPLUS - page 14	\$ <u>1,103,969</u>	\$ <u>1,120,103</u>

DISTRICT OF WELLS

14.

SEWER SYSTEM STATEMENT OF OPERATIONS

AS AT DECEMBER 31, 2011

	2011 <u>Budget</u> (unaudited)	2011 <u>Actual</u>	2010 <u>Actual</u>
REVENUE			
Customer billings	\$ 30,020	\$ 30,030	\$ 29,820
Parcel taxes	<u>40,740</u>	<u>40,110</u>	<u>40,740</u>
TOTAL REVENUE	<u>70,760</u>	<u>70,140</u>	<u>70,560</u>
EXPENSES			
Administration	50,060	48,852	52,907
Amortization	-	16,491	16,491
Collection system	4,500	6,424	-
Lift station	1,500	3,099	3,757
Treatment and disposal	8,700	2,586	5,893
Line flushing	<u>6,000</u>	<u>8,822</u>	<u>6,172</u>
	<u>70,760</u>	<u>86,274</u>	<u>85,220</u>
NET REVENUE FOR THE YEAR	-	(16,134)	(14,660)
SEWER SYSTEM SURPLUS			
- Beginning of year	<u>1,120,103</u>	<u>1,120,103</u>	<u>1,134,763</u>
<hr/>			
SEWER SYSTEM SURPLUS - End of year			
- to page 13	\$ <u>1,120,103</u>	\$ <u>1,103,969</u>	\$ <u>1,120,103</u>