

Community Government of Whati
Financial Statements
March 31, 2011

Community Government of Whati

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For the year ended March 31, 2011

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To the Members of Community Government of Whati

The accompanying financial statements of Community Government of Whati are the responsibility of management and have been approved by the Chief and Council.

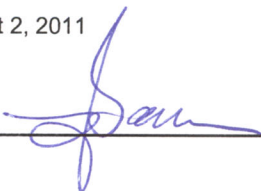
Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian generally accepted accounting principles. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Community Government of Whati Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial statements. The Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Council is also responsible for recommending the appointment of the Community's external auditors.

MNP LLP, an independent firm of Chartered Accountants, is appointed by the members to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and management to discuss their audit findings.

August 2, 2011



Senior
Administrative
Officer

Independent Auditors' Report

To the Members of Community Government of Whati:

We have audited the accompanying financial statements of Community Government of Whati which comprise the statement of financial position as at March 31, 2011 and the statements of operations, changes in net debt and cash flows 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the 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 auditors' judgment, including the assessment of the risks 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 statement.

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

Basis for Qualified Opinion

The Community derives revenue from the general public in the form of cash receipts and incurs related cash expenses. Due to insufficient internal control procedures, the completeness of these transactions are not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues and expense were limited to the amounts recorded in the records of the Community and we were unable to determine if further adjustments were required.

The Community was not able to provide reasonable estimates on future reclamation costs associated with the restorations. We were unable to satisfy ourselves concerning those reclamation liabilities by alternative means. Since reclamation liabilities enter into the determination of the results of operations, we were unable to determine whether adjustments to expenditures for the year might be necessary.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly in all material respects the financial position of the Community Government of Whati as at March 31, 2011 and the results of its operations, changes in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Grande Prairie, Alberta

August 2, 2011

MNP LLP

Community Government of Whati

Statement of Financial Position

As at March 31, 2011

	2011	2010 (Restated)
Financial assets		
Current		
Cash resources (Note 2)	1,018,459	42,349
Trades and other receivables (Note 3)	1,523,176	431,706
Reserve deposits (Note 4)	73,695	323,761
Total financial assets	2,615,330	797,816
Liabilities		
Current		
Accounts payable and accrued liabilities (Note 5)	286,569	580,086
Deferred revenue (Note 6)	2,787,305	1,058,762
	3,073,874	1,638,848
Capital lease obligation (Note 7)	29,521	38,133
Total financial liabilities	3,103,395	1,676,981
Net financial debt	(488,065)	(879,165)
Non-financial assets		
Tangible capital assets (Note 9)	8,856,988	9,232,085
Accumulated surplus	8,368,924	8,352,924

Approved on behalf of the Council



Chief



Councillor

Community Government of Whati

Statement of Operations

For the year ended March 31, 2011

		2011 Budget (Unaudited)	2011	2010 (Restated)
Revenue				
Government transfers (Note 12)		1,977,393	4,144,564	3,317,331
Contract revenue		144,000	138,000	536,188
Water and sewer - residential		50,000	61,617	48,529
Water and sewer - commercial and industrial		5,000	4,627	4,484
Water and sewer - local government charges		158,900	150,336	165,254
Other revenue		281,700	403,658	333,166
Deferred revenue opening		-	1,058,762	788,429
Deferred revenue closing		-	(2,787,305)	(1,058,762)
		2,616,993	3,174,259	4,134,619
Expenses				
General Government Services	2	661,154	840,369	874,962
Protective Services	3	45,721	90,216	76,694
Water and Sewage Services	4	664,071	552,991	810,942
Transportation and Public Works Services	5	368,124	572,223	681,258
Environmental and Public Health Services	6	60,087	9,513	16,014
Land Development	7	86,761	75,960	17,604
Recreation and Community Services	8	624,772	692,098	830,678
Contract Services	9	110,799	322,952	1,015,680
Total expenses		2,621,489	3,156,322	4,323,832
Excess (shortfall) of revenue over expenses before other items		(4,496)	17,937	(189,213)
Other income (expense)				
Gain (loss) on disposal of tangible capital assets		-	(1,937)	-
Excess (shortfall) of revenue over expenses		(4,496)	16,000	(189,213)
Accumulated surplus, beginning of year		8,352,924	8,352,924	8,534,637
Prior period adjustment (Note 18)		-	-	7,500
Accumulated surplus, end of year			8,368,924	8,352,924

Community Government of Whati
Statement of Change in Net Financial Debt
For the year ended March 31, 2011

	2011 Budget (Unaudited)	2011	2010 (Restated)
Excess (shortfall) of revenue over expenses	(4,496)	16,000	(189,213)
Purchases of tangible capital assets	-	(7,567)	(438,103)
Amortization of tangible capital assets	-	378,727	391,067
Loss on sale of tangible capital assets	-	1,937	-
Proceeds of disposal of tangible capital assets	-	2,003	-
	-	375,100	(47,036)
Decrease (increase) in net financial debt	(4,496)	391,100	(236,249)
Net financial debt, beginning of year	(879,165)	(879,165)	(642,916)
Net financial debt, end of year	(883,661)	(488,065)	(879,165)

Community Government of Whati
Statement of Cash Flows
For the year ended March 31, 2011

	2011	2010 (Restated)
Net inflow (outflow) of cash related to the following activities:		
Operating activities		
Excess (shortfall) of revenues over expenditures	16,000	(189,213)
Amortization	378,727	391,067
Deferred revenue closing	41,842	-
Loss on disposal of tangible capital assets	1,937	-
Changes in operations (net change)		
Trades and other receivables	(1,091,470)	(148,369)
Accounts payable and accrued liabilities	(293,518)	161,376
Deferred revenue	1,686,702	270,332
	740,220	485,193
Financing activities		
Repayment of capital lease obligations	(8,612)	(7,525)
Capital activities		
Purchases of tangible capital assets	(7,567)	(438,103)
Proceeds of disposal of tangible capital assets	2,003	-
	(5,564)	(438,103)
Increase in cash resources	726,044	39,565
Cash resources, beginning of year	366,110	326,545
Cash resources, end of year	1,092,154	366,110
Cash resources are composed of:		
Cash	1,018,459	42,349
Reserve deposits	73,695	323,761
	1,092,154	366,110
Supplementary cash flow information		
Interest paid	14,587	43,752
Interest received	44	-

1. Significant accounting policies

The financial statements of the Community Government of Whati (the Community) are the representations of management prepared in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. Significant aspects of the accounting policies adopted by the Community are as follows:

Reporting entity

The financial statements reflect the assets, liabilities, revenues and expenses, changes in net financial debt and change in financial position of the reporting entity. This entity is comprised of the municipal operations plus all of the organizations that are owned or controlled by the Community and are, therefore, accountable to the Council for administration of their financial affairs and resources.

The Community received significant funding from the Government of the Northwest Territories in the form of operating grants and capital grants. Administration is of the opinion that discontinuance of funding would significantly disrupt operations.

Basis of accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned, measurable and reasonably collectible. Expenses are recognized as they are incurred and measurable based upon receipt of goods and services and/or the legal obligation to pay.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used for certain programs, in the completion of specific work, or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services performed or the tangible capital assets are acquired.

Use of estimates

The preparation of 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 and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the reporting period. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates.

Impairment of long-lived assets

The Community reviews its long-lived assets for impairment on a regular basis or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long-lived assets are expected to generate. No impairment has been identified and, thus, no impairment loss has been recognized in these financial statements.

Pension expenditures

Contributions for current and past service pension benefits are recorded as expenses in the year in which they become due.

Landfill Closure and Solid Waste Landfill

The Community is required to fund the closure of its landfill solid waste site and provide for post-closure care of the facility. Closure and post-closure activities include the final clay cover, landscaping, as well as surface and ground water monitoring, control, and visual inspection. The requirement has not been satisfied as described in Note 7.

1. Significant accounting policies *(Continued from previous page)*

Government Transfers

Government transfers are the transfer of monetary assets or tangible capital assets from a government for which the senior level of government making the transfer does not:

- receive any goods or services directly in return; or
- expected to be repaid in future; or
- expect a direct financial return.

Government transfers are recognized as revenue in the period in which the events giving rise to the transaction occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be determined.

Non-Financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial debt during the year, together with the excess of revenues over expenses, provides the consolidated change in net financial debt for the year.

i. Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

ii. 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. The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over the estimated useful life. One-half of the annual amortization is charged in the year of acquisition. Assets under construction are not amortized until the asset is available for production use. Amortization rates are as follows:

	Rate
Land Improvements	15-25 years
Buildings	25-50 years
Engineered structures - Water and wastewater system	30-45 years
Engineered structures - Roadway systems	25-75 years
Machinery and equipment	3-20 years
Vehicles	10 years

iii. Contributions of Tangible capital Assets

Tangible capital assets received as contributions are recorded at fair value at the date of receipt and also are recorded as revenue.

iv. Inventory

Inventories held for consumption are recorded at the lower of cost and replacement cost. No inventory was held at the end of the year.

Segments

During 2011, the Community had 8 (8 in 2010), reportable segments: General government services, Protective services, Water and sewage, Transportation and public works, Environmental and public health services, Land development, Recreation and community services and Contract services. These segments are differentiated by major activities (departments) at the Community.

Community Government of Whati
Notes to the Financial Statements
For the year ended March 31, 2011

2. Cash resources

	<i>2011</i>	<i>2010</i>
Cash on hand	8,582	25,009
Cash	1,009,877	17,340
	1,018,459	42,349

Cash accounts bear interest at 0-2% in 2011.

3. Trades and other receivables

	<i>2011</i>	<i>2010</i>
GNWT - MACA	1,323,945	184,362
Allowance for doubtful accounts	(112,554)	(113,474)
	1,211,391	70,888
Water and Sewage	94,195	135,107
Allowance for doubtful accounts	(24,942)	(32,321)
	69,253	102,786
GST	113,156	153,525
Trade/Other	316,758	288,837
Allowance for doubtful accounts	(187,382)	(184,360)
	129,376	104,477
	1,523,176	536,183

4. Reserve Deposits

	<i>2011 Required Reserve</i>	<i>2011 Reserve Deposit</i>	<i>2011 Deposit Surplus (Deficiency)</i>	<i>2010 Deposit Surplus (Deficiency)</i>
Equipment replacement reserve	34,326	73,695	39,369	289,435
Vehicle capital reserve	1,392	-	(1,392)	(1,392)
	35,718	73,695	37,977	288,043

Sufficient funds must be deposited into separate bank accounts to correspond with the respective Reserve balance. The account is non-interest bearing.

Community Government of Whati
Notes to the Financial Statements
For the year ended March 31, 2011

5. Accounts payable and accrued liabilities

	2011	2010 <i>(Restated)</i>
GNWT payable	31,277	32,918
Trade accounts payable	214,915	460,842
Wages and benefits payable	40,377	86,326
	286,569	580,086

6. Deferred revenue

	2011	2010 <i>(Restated)</i>
Community Public Infrastructure	1,438,960	850,402
Mini Hydro Study - NWT Power Corporation	56,809	56,809
Building Canada Plan	924,633	-
Federal Gas Tax	366,903	151,551
	2,787,305	1,058,762

There is cash balance of \$1,018,459 (\$42,349 - 2010) and excess reserve deposits of \$37,977 (\$288,043 - 2010), these combined are deficient to cover deferred revenue by \$1,727,004 (\$727,370 - 2010). Included in accounts receivable is \$1,186,195 (\$nil - 2010) relating to amounts included in deferred revenue.

7. Capital lease obligation

	2011	2010 <i>(Restated)</i>
MCAP lease obligation bearing interest at 13.56% payable in monthly instalments of \$1,105, due 2014, with radio equipment pledged as collateral with net book value of \$33,565 (\$38,359 - 2010).	29,521	38,133

Principal and interest payments are as follows:

	Principal	Interest	Total
2012	9,855	3,405	13,260
2013	11,277	1,983	13,260
2014	8,389	431	8,820
	29,521	5,819	35,340

8. Landfill closure and solid waste landfill

The total liability to close the landfill and solid waste landfill can not be reasonably estimated at this time due to the uncertainty of the future costs. When the costs can be reasonably estimated a liability will be accrued to record the future cost.

Community Government of Whati
Notes to the Financial Statements
For the year ended March 31, 2011

9. Tangible capital assets

The tangible capital assets reconciliation is included in Schedule 1.

10. Equity in tangible capital assets

	2011	2010 <i>(Restated)</i>
Tangible capital assets (Schedule 1)	14,036,677	14,362,102
Accumulated amortization (Schedule 1)	(5,179,689)	(5,130,017)
Capital lease obligation (Note 7)	(29,521)	(38,133)
	8,827,467	9,193,952

11. Accumulated surplus

Accumulated surplus consists of restricted amounts and equity in tangible capital assets as follows:

	2011	2010 <i>(Restated)</i>
Unrestricted deficit	(389,664)	(557,895)
Water and sewage operations	(100,295)	(349,648)
Land Development	(4,302)	30,797
Equity in tangible capital assets	8,827,467	9,193,952
Reserve - equipment replacement	34,326	34,326
Reserve - vehicle replacement	1,392	1,392
	8,368,924	8,352,924

Community Government of Whati
Notes to the Financial Statements
For the year ended March 31, 2011

12. Government Transfers

	2011	2010 <i>(Restated)</i>
Operating Transfers		
Operating and Maintenance Funding	1,425,000	1,360,000
Water and Sewer Funding	518,393	500,145
Community Public Infrastructure	787,810	787,810
Sport, Recreation and Youth Contributions	48,705	54,111
Land Administration	9,873	7,140
Property tax grant	13,588	12,995
Fuel Management Activities Funding	-	107,900
TCA Funding	10,000	-
SAO Training	100,000	-
Biomass Energy Program	15,000	-
	2,928,369	2,830,101
Capital Transfers		
Community Development Program	30,000	-
Building Canada Plan	924,633	-
Gas Tax	261,562	487,230
	1,216,195	487,230
	4,144,564	3,317,331

13. Northern employee benefits services

Employees of the Community Government of Whati participate in the Northern Employee Benefits Services. The plan services about 1902 people and 86 employers. It is financed by employer and employee contributions and investment earnings of the Northern Employee Benefits Services fund.

The Community Government of Whati is required to make current service contributions to the plan of 8% of pensionable earnings up to \$144,516 (2010 - \$141,242), and 0% for the excess.

The current service contributions by the Community Government of Whati of the Northern Employee Benefits Services in 2011 were \$31,694 (2010 - \$36,902). Total current service contributions by the employee of the Community in 2011 were \$31,694 (2010 - \$36,397).

At January 1, 2011 the Plan disclosed an actuarial excess of \$449,800 on a going concern basis.

14. Commitments and contingencies

Insurance

The Community Government participates in the Northwest Territories Association of Municipalities insurance programs. Under these programs the Community Government is insured for property, automotive and liability. Under the terms of memberships, the Community could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred would be accounted for as a current transaction in the year the loss are determined.

Lease agreements.

The Community Government has entered into various lease agreements with estimated minimum annual payments as follows:

2012	132,393
2013	117,927
2014	<u>63,304</u>
	<u>313,624</u>

15. Economic dependence

Community Government of Whati receives substantially all of its revenue from the Minister of Municipal and Community Affairs (MACA) as a result of treaties entered into with the Government of Canada. These treaties are administered by MACA under the terms and conditions of the Tlicho Community Government Act. The ability of the Community to continue operations is dependent upon the Government of Canada's continued financial commitments.

16. Financial instruments

The community's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities. It is management's opinion that the community is not exposed to significant interest or currency risks arising from these financial instruments.

The community is subject to credit risk with respect to trade and other receivables. Credit risk arises from the possibility that entities to which the community provides services may experience financial difficulty and be unable to fulfill their obligations. As most receivables are due from senior levels of government the credit risk is minimal.

Unless otherwise noted, the carrying value of the financial instruments approximates fair value.

17. Comparative figures

Certain comparative figures have been reclassified to conform with current year presentation.

18. Prior period adjustment

During the year, the Community determined that there were expenses in prior periods which qualified for the application of deferred revenue, this caused an adjustment to increase opening equity and a decrease in deferred revenue of \$7,500. The retroactive application of this prior period adjustment did not have a material impact on the results of operations and financial condition of the Community.

The Community also found expenses related to the March 31, 2011 year which should have qualified for the application of deferred revenue, this caused an increase in excess of revenue over expenses and a decrease in deferred revenue of \$92,130. This also created a reallocation of expenses from various departments to contract services of \$92,130.

In the prior year amortization expense was not removed from the Water and sewage operations for the disclosure of equity, by correcting this there will be an increase the Water and sewage operations and a decrease in the unrestricted surplus of \$77,008.

19. Approval of financial statements

Council and Management have approved these financial statements.

20. Budget information

The disclosed budget information has not been approved by the Chief and Council .

Community Government of Whati
Schedule 1 - Schedule of Tangible Capital Assets

For the year ended March 31, 2011

						2011	2010
	Land Improvements	Buildings	Engineering Structure	Machinery and Equipment	Vehicles		
Cost:							
Balance, beginning of year	231,741	9,644,125	1,740,945	2,635,015	110,276	14,362,102	13,923,999
Acquisition of tangible capital assets	-	-	-	7,566	-	7,566	438,103
Disposal of tangible capital assets	-	(10,359)	-	(322,632)	-	(332,991)	-
Balance, end of year	231,741	9,633,766	1,740,945	2,319,949	110,276	14,036,677	14,362,102
Accumulated amortization:							
Balance, beginning of year	24,827	2,661,436	626,703	1,751,364	65,687	5,130,017	4,738,949
Annual amortization	14,650	192,675	38,649	121,725	11,028	378,727	391,068
Accumulated amortization on disposals	-	(6,423)	-	(322,632)	-	(329,055)	-
Balance, end of year	39,477	2,847,688	665,352	1,550,457	76,715	5,179,689	5,130,017
Net book value of tangible capital assets	192,264	6,786,078	1,075,593	769,492	33,561	8,856,988	9,232,085
2010 net book value of tangible capital assets	206,914	6,982,689	1,114,242	883,651	44,589	9,232,085	

Community Government of Whati
General Government Services
Schedule 2 - Schedule of Revenue and Expenses
For the year ended March 31, 2011

	2011 Budget (Unaudited)	2011	2010 (Restated)
Revenue			
Government transfers	1,425,000	1,535,000	1,360,000
Other revenue	58,200	123,587	70,285
	1,483,200	1,658,587	1,430,285
Expenses			
Administration	-	-	4,034
Advertising	6,000	6,662	9,055
Amortization	-	48,559	48,559
Audit and legal fees	40,000	47,278	37,000
Bad debt (recovery)	-	2,102	(18,289)
Bank and interest charges	8,000	14,587	43,752
Building O & M	14,000	6,420	1,491
Building rent	-	2,400	-
Business travel and expense	14,000	38,311	33,991
Chief and council expenses	151,939	100,212	206,924
Communications	8,500	8,953	17,001
Contracted services	30,000	91,422	15,100
Electricity	40,000	17,426	31,661
Equipment O & M	500	121	478
Equipment fuel	3,000	1,432	2,823
Equipment rental	10,400	8,732	10,111
Freight	1,500	1,931	10,000
Grants to groups	2,000	766	334
Heating fuel	12,000	13,031	8,764
Honoraria	15,000	11,700	-
Insurance	40,682	40,720	34,951
Material and supplies	8,000	1,880	14,233
Miscellaneous	5,000	3,432	9,797
Office equipment and supplies	25,600	59,442	49,532
Salaries and benefits	216,033	297,875	285,109
Staff training	5,000	8,619	10,968
Translation services	2,000	-	5,982
Water and sewage	2,000	6,356	1,601
	661,154	840,369	874,962
Excess of revenue over expenses	822,046	818,218	555,323

Community Government of Whatì
Protective Services
Schedule 3 - Schedule of Revenue and Expenses
For the year ended March 31, 2011

	2011 Budget (Unaudited)	2011	2010 (Restated)
Revenue			
Other revenue	6,000	6,650	4,500
Expenses			
Amortization	-	28,302	28,302
Building O & M	500	178	178
Business travel and expense	1,500	444	8,761
Communications	4,750	5,405	6,142
Contracted services	-	5,525	5,335
Electricity	8,000	5,122	6,275
Equipment O & M	3,000	1,336	1,626
Equipment fuel	1,000	1,057	470
Freight	50	196	24
Heating fuel	8,000	8,672	6,113
Insurance	2,838	2,838	2,438
Material and supplies	2,000	23,754	43
Miscellaneous	-	-	1,430
Salaries and benefits	11,983	7,387	5,437
Staff training	2,000	-	4,120
Water and sewage	100	-	-
	45,721	90,216	76,694
Deficiency of revenue over expenses	(39,721)	(83,566)	(72,194)

Community Government of Whati
Water and Sewage Services
Schedule 4 - Schedule of Revenue and Expenses
For the year ended March 31, 2011

	2011 Budget (Unaudited)	2011	2010 (Restated)
Revenue			
Government transfers	518,393	518,393	500,145
Water and sewer - residential	50,000	61,617	48,529
Water and sewer - commercial and industrial	5,000	4,627	4,484
Water and sewer - local government charges	158,900	150,336	165,254
Other revenue	2,500	1,000	12,558
	734,793	735,973	730,970
Expenses			
Administration	111,190	7,237	5,182
Amortization	-	64,371	77,008
Audit and legal fees	10,000	-	-
Bad debt (recovery)	-	(7,379)	(1,124)
Building O & M	5,000	5,902	4,929
Business travel and expense	-	3,104	-
Communications	2,000	1,777	1,774
Electricity	25,000	17,652	17,373
Equipment O & M	10,000	11,075	7,169
Equipment fuel	40,000	39,261	37,608
Freight	-	3,909	-
Heating fuel	40,000	32,143	25,364
Insurance	10,407	10,407	8,941
Material and supplies	51,500	17,169	92,782
Miscellaneous	500	104	-
Office equipment and supplies	1,000	6,100	13,962
Salaries and benefits	357,474	337,601	519,747
Staff training	-	1,450	-
Water and sewage	-	1,108	227
	664,071	552,991	810,942
Excess (deficiency) of revenue over expenses before other items	70,722	182,982	(79,972)
Other income			
Gain on disposal of tangible capital assets	-	2,000	-
Excess (deficiency) of revenue over expenses	70,722	184,982	(79,972)

Community Government of Whati
Transportation and Public Works Services
Schedule 5 - Schedule of Expenses

For the year ended March 31, 2011

	2011 Budget (Unaudited)	2011	2010 (Restated)
Expenses			
Amortization	-	87,756	87,459
Building O & M	5,000	6,582	9,229
Building rent	-	300	8,571
Business travel and expense	6,500	10,413	7,966
Communications	3,200	3,501	3,091
Contracted services	1,000	-	2,843
Electricity	47,000	39,931	50,221
Equipment O & M	25,000	35,126	27,578
Equipment fuel	32,000	52,439	52,756
Freight	4,000	4,502	27,195
Heating fuel	25,000	14,521	19,897
Insurance	14,191	14,191	12,652
Material and supplies	21,000	83,939	131,723
Miscellaneous	5,000	286	1,470
Salaries and benefits	177,933	216,645	236,527
Staff training	1,000	1,891	1,990
Water and sewage	300	200	90
	368,124	572,223	681,258
Deficiency of revenue over expenses before other items	(368,124)	(572,223)	(681,258)
Other income (expense)			
Gain (loss) on disposal of tangible capital assets	-	(3,937)	-
Deficiency of revenue over expenses	(368,124)	(576,160)	(681,258)

Community Government of Whati
Environmental and Public Health Services
Schedule 6 - Schedule of Expenses
For the year ended March 31, 2011

	2011 Budget (Unaudited)	2011	2010 (Restated)
Equipment O & M	1,000	576	2,403
Equipment fuel	5,000	2,107	5,235
Insurance	5,677	5,677	4,877
Material and supplies	500	53	-
Miscellaneous	-	26	-
Salaries and benefits	47,910	1,074	3,499
Total expenses	60,087	9,513	16,014

Community Government of Whati
Land Development
Schedule 7 - Schedule of Revenue and Expenses
For the year ended March 31, 2011

	2011 Budget (Unaudited)	2011	2010 (Restated)
Revenue			
Government transfers	-	23,461	20,135
Other revenue	-	17,400	13,013
	-	40,861	33,148
Expenses			
Business travel and expense	11,000	2,592	432
Contracted services	-	-	12,375
Miscellaneous	500	-	-
Salaries and benefits	74,261	71,541	4,797
Staff training	1,000	1,827	-
	86,761	75,960	17,604
Excess (deficiency) of revenue over expenses	(86,761)	(35,099)	15,544

Community Government of Whati
Recreation and Community Services
Schedule 8 - Schedule of Revenue and Expenses
For the year ended March 31, 2011

	2011 Budget (Unaudited)	2011	2010 (Restated)
Revenue			
Government transfers	34,000	48,705	54,111
Other revenue	215,000	255,021	225,276
	249,000	303,726	279,387
Expenses			
Amortization	-	149,739	149,739
Building O & M	3,000	6,034	3,838
Business travel and expense	21,000	9,312	27,837
Communications	5,000	4,132	5,061
Community events	50,000	64,533	100,174
Electricity	54,000	61,729	53,180
Equipment O & M	55,000	1,962	776
Equipment fuel	3,500	2,210	3,012
Freight	20,100	20,482	22,498
Grants to groups	10,000	9,628	18,679
Heating fuel	39,000	43,158	36,362
Honoraria	14,400	800	15,200
Insurance	20,814	20,814	17,882
Material and supplies	107,500	89,817	115,202
Miscellaneous	500	1,164	3,360
Office equipment and supplies	10,500	8,034	12,624
Salaries and benefits	204,708	189,512	240,727
Staff training	1,750	908	3,053
Water and sewage	4,000	8,130	1,474
	624,772	692,098	830,678
Deficiency of revenue over expenses	(375,772)	(388,372)	(551,291)

Community Government of Whati
Contract Services
Schedule 9 - Schedule of Revenue and Expenses
For the year ended March 31, 2011

	Airport Maintenance	Hydro Study Funding Program	Community Development Program	Biomass Energy Program	Federal Gas Tax	Community Public Infrastructure	Building Canada Plan	2011 Budget (Unaudited)	2011	2010 (Restated)
Revenue										
Contract revenue	138,000	-	-	-	-	-	-	144,000	138,000	536,188
Government transfers	-	-	30,000	15,000	261,562	787,810	924,633	-	2,019,005	1,382,940
Other revenue	-	-	-	-	-	-	-	-	-	7,535
Deferred revenue opening	-	56,809	-	-	151,551	850,402	-	-	1,058,762	788,429
Deferred revenue closing	-	(56,809)	-	-	(366,903)	(1,438,960)	(924,633)	-	(2,787,305)	(1,058,762)
	138,000	-	30,000	15,000	46,210	199,252	-	144,000	428,462	1,656,330
Expenses										
Administration	7,200	-	1,381	-	-	-	-	7,200	8,581	-
Business travel and expense	-	-	705	-	-	-	-	-	705	2,975
Contracted services	-	-	27,914	15,000	-	19,936	-	-	62,850	327,934
Electricity	22,166	-	-	-	-	-	-	26,000	22,166	18,601
Equipment O & M	350	-	-	-	-	-	-	37,500	350	-
Equipment rental	-	-	-	-	-	119,133	-	-	119,133	110,826
Freight	-	-	-	-	-	-	-	100	-	-
Heating fuel	3,506	-	-	-	-	-	-	4,000	3,506	3,070
Interest on capital leases	-	-	-	-	-	4,649	-	-	4,649	5,735
Material and supplies	-	-	-	-	-	13,103	-	500	13,103	259,026
Salaries and benefits	13,860	-	-	-	-	25,590	-	32,999	39,450	287,058
Staff training	-	-	-	-	46,210	-	-	-	46,210	-
Water and sewage	2,249	-	-	-	-	-	-	2,500	2,249	455
	49,331	-	30,000	15,000	46,210	182,411	-	110,799	322,952	1,015,680
Excess of revenue over expenses	88,669	-	-	-	-	16,841	-	33,201	105,510	640,650
Additional information:										
Capital expenditures	-	-	-	-	-	7,566	-	-	7,566	393,190
Principal payments on capital lease	-	-	-	-	-	9,275	-	-	9,275	8,188
	-	-	-	-	-	16,841	-	-	16,841	401,378

Community Government of Whati
Schedule 10 - Schedule of Other Revenue

For the year ended March 31, 2011

	2011	2011	2010
	Budget		(Restated)
	(Unaudited)		
Administration fees	7,200	9,308	-
Chartered seat revenue	-	13,383	6,975
Garage revenue	2,000	11,638	1,848
Interest income	-	44	-
Land rent/lease	-	17,400	13,013
Miscellaneous	5,000	9,048	24,249
Recreation			
Canteen sales	100,000	136,374	85,291
Special events and days	20,000	27,270	21,330
Bingos and lotteries	90,000	72,839	93,046
User fees	5,000	6,500	5,377
Miscellaneous	-	11,880	20,232
Rental of building	24,000	43,975	8,800
Rental of equipment	20,000	36,530	-
Subsidy - travel	-	819	22,953
User fees	8,500	6,650	30,052
	281,700	403,658	333,166

Community Government of Whati

Schedule 11 - Schedule of Expenses by Object

For the year ended March 31, 2011

	2011	2011	2010
	Budget		(Restated)
	(Unaudited)		
Administration fees	118,390	15,818	9,216
Advertising	6,000	6,662	9,055
Amortization	-	378,727	391,067
Audit and legal fees	50,000	47,278	37,000
Bad debts (recovery)	-	(5,277)	(19,413)
Bank and interest charges	8,000	14,587	43,752
Building O & M	27,500	25,116	19,665
Building rent	-	2,700	8,571
Business travel and expense	54,000	64,880	81,961
Chief and council expenses	151,937	100,212	206,924
Communications	23,450	23,770	33,070
Community events	50,000	64,533	100,174
Contracted services	31,000	159,797	363,587
Electricity	200,000	164,027	177,312
Equipment fuel	84,500	98,505	101,904
Equipment O & M	132,000	50,545	40,030
Equipment rental	10,400	127,865	120,937
Freight	25,750	31,020	59,717
Grants to groups	12,000	10,394	19,012
Heating fuel	128,000	115,031	99,570
Honoraria	29,400	12,500	15,200
Insurance	94,609	94,647	81,742
Interest on capital leases	-	4,647	5,735
Material and supplies	191,000	229,715	613,007
Miscellaneous	11,500	5,011	16,057
Office equipment and supplies	37,100	73,576	76,118
Salaries and benefits	1,123,303	1,161,085	1,582,902
Staff training	10,750	60,907	20,132
Translation services	2,000	-	5,982
Water and sewage	8,900	18,044	3,846
	2,621,489	3,156,322	4,323,832

Community Government of Whati
Schedule 12 - Schedule of Change in Accumulated Surplus

For the year ended March 31, 2011

	Unrestricted Deficit	Water and Sewage Operations	Land Development	Equity in Tangible Capital Assets	Equipment Replacement	Vehicle Replacement	2011	2010 <i>(Restated)</i>
Accumulated surplus (deficit), beginning of year as previously stated	(573,017)	(426,656)	30,797	9,193,952	34,326	1,392	8,260,794	8,534,637
Prior period adjustment (Note 18)								
Expenses eligible against deferred revenue	92,130	-	-	-	-	-	92,130	7,500
Reallocate amortization between departments	(77,008)	77,008	-	-	-	-	-	-
Adjusted balance, beginning of year	(557,895)	(349,648)	30,797	9,193,952	34,326	1,392	8,352,924	8,542,137
Excess (deficiency) of revenue over expenses	16,000	-	-	-	-	-	16,000	(189,213)
Unrestricted funds designated for future use	(149,883)	184,982	(35,099)	-	-	-	-	-
Funds used for tangible capital assets	(7,566)	-	-	7,566	-	-	-	-
Sale of tangible capital assets	3,936	-	-	(3,936)	-	-	-	-
Annual amortization expense	314,356	64,371	-	(378,727)	-	-	-	-
Capital lease obligation repaid	(8,612)	-	-	8,612	-	-	-	-
Change in accumulated surplus (deficit)	168,231	249,353	(35,099)	(366,485)	-	-	16,000	(189,213)
Accumulated surplus (deficit), end of year	(389,664)	(100,295)	(4,302)	8,827,467	34,326	1,392	8,368,924	8,352,924

Community Government of Whati
Schedule 13 - Schedule of Gas Tax Expenditure Report
For the year ended March 31, 2011

	2007	2008	2009	2010 (Restated)	2011
Funding					
Opening balance	38,119	152,454	107,737	104,767	104,767
Annual Gas Tax Allocation	114,335	-	-	487,230	261,562
	152,454	152,454	107,737	591,997	366,329
Eligible expenses					
Dust Control Program	-	44,717	2,970	166,450	-
ICSP Project	-	-	-	81,396	-
Staff training	-	-	-	-	46,210
Water truck	-	-	-	192,600	-
	-	44,717	2,970	440,446	46,210
Accumulated excess of funding over expenses	152,454	107,737	104,767	151,551	320,119

Community Government of Whati
Schedule 14 - Schedule of Community Public Infrastructure Funding

For the year ended March 31, 2011

	2008	2009 (Restated)	2010 (Restated)	2011	Cumulative
Funding					
Opening balance	Accumulated	519,101	472,161	850,402	-
Annual Funding	635,646	787,810	787,810	787,810	2,999,076
	635,646	1,306,911	1,259,971	1,638,212	2,999,076
Eligible Expenses					
2009 F250 Ford lease	-	2,172	8,307	8,307	18,786
320DL Excavator lease	10,811	30,910	31,061	31,060	103,842
Baseball diamonds	-	-	20,333	-	20,333
Bobcat	69,980	-	-	-	69,980
Cat 950H loader lease	-	10,450	54,464	54,464	119,378
Cat D4 tractor lease	10,339	26,261	25,301	25,301	87,202
Computer equipment and software upgrade	-	72,099	-	-	72,099
Consulting fees - capital projects	-	-	-	15,587	15,587
Consulting fees - ERN pallet study	-	-	-	4,349	4,349
Dump truck	-	137,000	-	-	137,000
Fire truck	-	250,040	-	-	250,040
Freight on loader	-	7,500	-	-	7,500
Freightliner dump truck	-	-	119,300	-	119,300
Garbage truck transmission	-	-	4,589	-	4,589
Gravel screener	-	-	30,448	-	30,448
Miniature golf system - 18 holes	-	-	22,750	-	22,750
Mini hydro project study	-	32,398	-	-	32,398
Old sewage truck	-	1,448	-	-	1,448
Playground equipment	-	99,370	-	-	99,370
Power pole installation	-	41,452	-	-	41,452
Pressure washer	-	-	-	7,566	7,566
Putting green and tee box	-	-	43,818	-	43,818
Quonset building	-	51,298	-	-	51,298
Radio equipment lease	-	4,129	13,923	13,924	31,976
Recreation equipment	-	-	26,772	7,439	34,211
Salary and wages for capital projects	-	-	-	25,591	25,591
Shop tools	-	31,722	-	-	31,722
Staff House Furniture	-	-	8,503	5,664	14,167
Translation equipment	-	13,630	-	-	13,630
Water source study	5,415	-	-	-	5,415
Whati water intact study	-	22,871	-	-	22,871
Zamboni	20,000	-	-	-	20,000
	116,545	834,750	409,569	199,252	1,560,116
Accumulated excess of funding over expenses	519,101	472,161	850,402	1,438,960	1,438,960

Community Government of Whati
Schedule 15 - Schedule of Honoraria, Per-diem and Travel

For the year ended March 31, 2011

				2011	2010
	Honoraria	Per-diem	Travel		
POSITION					
Alfonz Nitsiza - Chief	12,550	210	-	12,760	24,807
Francis Beaverho - Councillor	800	-	-	800	17,594
George Nitsiza - Councillor	12,350	105	-	12,455	24,220
Moise Nitsiza - Councillor	8,500	-	-	8,500	16,174
Jimmy B. Rabesca - Councillor	9,500	-	-	9,500	22,657
Michael Rabesca - Councillor	9,300	-	-	9,300	15,795
Freddy Simpson - Councillor	11,650	105	-	11,755	16,459
Sonny Zoe - Councillor	13,600	210	-	13,810	23,921
Total Remuneration	78,250	630	-	78,880	161,627

Community Government of Whati
Schedule 16 - Consolidated Schedule of Water and Sewage Reporting
For the year ended March 31, 2011

Water and Sewage Rates

Economic Rate	\$0.059/L
Residential Rate	\$0.0042/L
Commercial and Public Rate	90% charged at \$0.0092/L, 10% charged at \$0.059/L

Water and Sewage Costs (dollars)

Total Audited Water and Sewage Costs less Amortization	\$ 488,620
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Water and Sewage Revenue (dollars)

Revenue - Public Sector	\$ 150,336
Revenue - Residential	\$ 61,617
Revenue - Commercial	\$ 4,627
Total Audited Water & Sewage Revenue	\$ 735,973

Water and Sewage Consumption (in litres)

Actual Consumption - Residential	14,340,019
Actual Consumption - Commercial	243,637
Actual Volume of Water Consumed/Billed	<u>14,583,656</u>