

REGIONAL DISTRICT OF BULKLEY-NECHAKO
CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2012

INDEPENDENT AUDITORS' REPORT

To the Directors of Regional District of Bulkley-Nechako

We have audited the accompanying financial statements of the Regional District of Bulkley-Nechako, which comprise the consolidated statement of financial position as at December 31, 2012, and the consolidated statements of financial activities, change in financial assets, and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian generally accepted accounting principles, 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 consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Regional District of Bulkley-Nechako as at December 31, 2012, and its financial performance and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles. As required by the Local Government Act, we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.



March 19, 2013
Prince George, BC

Chartered Accountants

RHB SCHMITZ de GRACE
Chartered Accountants

REGIONAL DISTRICT OF BULKLEY-NECHAKO
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

December 31, 2012

	2012	2011
FINANCIAL ASSETS		
Cash and temporary investments	\$ 7,905,667	\$ 7,334,680
Accounts receivable	554,055	743,311
Grants receivable	68,933	57,920
MFA Debt Reserve Fund (Note 2)	161,049	165,082
Due from Municipalities for debt (Note 3)	5,174,932	5,788,936
	13,864,636	14,089,929
LIABILITIES		
Unearned grants	96,997	9,318
Accounts payable and accruals (Note 8)	2,994,669	3,065,891
Debentures issued for the Regional District (Note 5)	1,423,175	1,693,503
Debentures issued for Municipalities (Note 3)	5,174,932	5,788,936
MFA Debt Reserve Fund (Note 2)	128,842	125,063
	9,818,615	10,682,711
NET FINANCIAL ASSETS	4,046,021	3,407,218
NON FINANCIAL ASSETS		
Tangible Capital Assets, (Note 1, Schedule 3)	13,983,483	14,173,780
Prepaid expenses	60,418	42,900
	14,043,901	14,216,680
ACCUMULATED SURPLUS	\$ 18,089,922	\$ 17,623,898

CONTINGENCIES (Note 6)

Approved by the Board:

_____ Chairperson

_____ Financial Administrator

RHB SCHMITZ de GRACE

See notes to the consolidated financial statements. Chartered Accountants

REGIONAL DISTRICT OF BULKLEY-NECHAKO
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

For the year ended December 31, 2012

	2012		2011
	<u>Budget</u> (unaudited) (Note 11)	<u>Actual</u>	<u>Actual</u>
REVENUE			
Property tax requisition			
Municipal	\$ 3,076,001	\$ 3,076,001	3,097,905
Electoral Area	4,223,350	4,223,356	4,101,352
	7,299,351	7,299,357	7,199,257
Federal grants - conditional	1,061,699	1,036,060	888,699
Municipal debt payments (Note 3)	1,003,970	875,997	869,091
Grants in lieu of taxes	784,899	825,820	798,322
Fees and permits	653,921	821,532	685,588
Provincial grants - unconditional	261,954	261,954	173,397
Other grants - conditional	431,332	110,005	365,396
Sundry	29,503	88,929	76,225
Municipal cost sharing	83,136	83,136	58,978
Interest	13,500	81,720	72,353
Debt Sinking Fund actuarial earnings (Note 4)	-	61,358	49,921
Emergency expenditure recoveries	-	50,806	110,814
Administration recoveries	16,116	12,273	15,605
Provincial grants - conditional	-	-	81,194
Donations	20,000	20,000	-
	11,659,381	11,628,947	11,444,840
EXPENSES (Schedule 1)			
Environmental Services	4,843,162	3,466,374	3,189,940
Government - General, Rural and Local Commission	3,202,343	2,737,011	2,392,804
Recreation and Culture	1,760,350	1,680,427	1,692,386
Fire Protection and Emergency Response	1,649,802	1,326,577	977,901
Building Inspection, Building Numbering, Planning and Development Services	1,025,042	876,419	815,997
Municipal debt payments (Note 3)	1,003,970	875,997	869,091
Street Lighting and Transportation	103,542	101,595	100,399
Sewer and water	126,992	98,523	108,613
	13,715,203	11,162,923	10,147,131
ANNUAL SURPLUS (DEFICIT)	(2,055,822)	466,024	1,297,709
SURPLUS AT BEGINNING OF THE YEAR	17,623,898	17,623,898	16,326,189
SURPLUS AT END OF THE YEAR	<u>\$ 15,568,076</u>	<u>\$ 18,089,922</u>	<u>\$ 17,623,898</u>
Comprised of			
Operating		\$ 258,640	\$ 86,267
Reserves		5,275,346	4,983,753
Capital		(1,487,965)	(1,662,802)
Non-Financial assets		14,043,901	14,216,680
		<u>\$ 18,089,922</u>	<u>\$ 17,623,898</u>

RHB SCHMITZ de GRACE
Chartered Accountants

See notes to the consolidated financial statements.

REGIONAL DISTRICT OF BULKLEY-NECHAKO
CONSOLIDATED STATEMENT OF CASH FLOW

For the year ended December 31, 2012

	2012	2011
OPERATING ACTIVITIES		
Annual Surplus	\$ 466,024	\$ 1,297,709
Add: Non-cash items		
Amortization on tangible capital assets	698,942	678,473
Loss (gain) on sale of tangible capital assets	16,142	(130)
Changes in non-cash working capital:		
Accounts receivable	189,256	(347,824)
Grants receivable	(11,013)	37,995
Accounts payable and accruals	(71,222)	(261,316)
Unearned grants	87,679	(266,451)
Prepaid expenses	(17,518)	(1,628)
	1,358,290	1,136,828
FINANCING ACTIVITIES		
Actuarial earnings on Debt Sinking Fund	(61,358)	(49,921)
MFA Debt Reserve Fund	7,812	(40,019)
Debt repayments	(208,970)	(208,970)
	(262,516)	(298,910)
INVESTING ACTIVITIES		
Purchase of Tangible Capital Assets	(558,792)	(729,021)
Disposals of Tangible Capital Assets	34,005	21,828
	(524,787)	(707,193)
INCREASE DURING THE YEAR	570,987	130,725
CASH AND TEMPORARY INVESTMENTS AT BEGINNING OF THE YEAR	7,334,680	7,203,955
CASH AND TEMPORARY INVESTMENTS AT END OF THE YEAR	\$ 7,905,667	\$ 7,334,680

RHB SCHMITZ de GRACE

See notes to the consolidated financial statements. Chartered Accountants

REGIONAL DISTRICT OF BULKLEY-NECHAKO
CONSOLIDATED STATEMENT OF CHANGE IN FINANCIAL ASSETS

For the year ended December 31, 2012

	<u>2012</u>		<u>2011</u>
	<u>Budget</u> (unaudited)	<u>Actual</u>	<u>Actual</u>
ANNUAL SURPLUS	\$ (2,055,822)	\$ 466,024	\$ 1,297,709
Acquisition of tangible capital assets	(826,862)	(558,792)	(729,021)
Loss (gain) on sale of tangible capital assets	-	16,142	(130)
Proceeds on sale of tangible capital assets	-	34,005	21,828
Amortization of tangible capital assets	711,900	698,942	678,473
	<u>(2,170,784)</u>	<u>656,321</u>	1,268,859
Net (acquisition) consumption of prepaid expenses	-	(17,518)	(1,628)
CHANGES IN NET FINANCIAL ASSETS	(2,170,784)	638,803	1,267,231
NET FINANCIAL ASSETS AT BEGINNING OF THE YEAR	<u>3,407,218</u>	<u>3,407,218</u>	<u>2,139,987</u>
NET FINANCIAL ASSETS AT END OF THE YEAR	<u>\$ 1,236,434</u>	<u>\$ 4,046,021</u>	<u>\$ 3,407,218</u>

RHB SCHMITZ de GRACE
Chartered Accountants

See notes to the consolidated financial statements.

REGIONAL DISTRICT OF BULKLEY-NECHAKO
NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS
For the year ended December 31, 2012

1. SIGNIFICANT ACCOUNTING POLICIES

The Regional District uses Canadian generally accepted accounting principles for governments, as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

Basis of Presentation

The consolidated financial statements include all the funds of the Regional District. Inter-fund transactions and balances have been eliminated.

Budget figures disclosed throughout the financial statements have been extracted from the 2012 final budget, adopted in March 2012.

Basis of Accounting

A full accrual basis of accounting is used.

Tangible Capital Assets

Tangible Capital Assets are recorded at cost less accumulated amortization.

Amortization

The Regional District amortizes tangible capital assets on a straight line basis over the estimated useful life of the asset.

Buildings	40-50 years
Water and waste systems	50
Heavy vehicles	10-20
Passenger vehicles	6-10
Other equipment	5-10

Reserves

Reserves consist of funds set aside from current and prior year's operations as well as third party contributions and are available for future years' expenditures.

Revenue Recognition

The Regional District recognizes revenue as follows:

Revenue generated by property taxes and utility user fees is recognized in the period to which it relates.

Unrestricted revenue from government and other grants is recognized in the year in which it is approved by the funders.

REGIONAL DISTRICT OF BULKLEY-NECHAKO
NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS
For the year ended December 31, 2012

1. SIGNIFICANT ACCOUNTING POLICIES, continued

Revenue Recognition, continued

Grants received for specific projects or purposes are recognized as the related expenditures are incurred.

Grants received from the Federal Gas Tax Agreement are recorded as revenue in the year received.

Revenue from sales and services is recognized at the point of sale or when service is provided

Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of sales and expenditures during the year. Actual results could differ from management's best estimates as additional information becomes available in the future.

2. MFA DEBT RESERVE FUND

The Regional District issues debt instruments through the Municipal Finance Authority of B.C., and as a condition of borrowing, one percent of the debenture proceeds is withheld as a debt reserve fund. The Regional District also executes demand notes in connection with each debenture whereby the Regional District could be required to pay certain amounts to the Municipal Finance Authority in excess of the debt borrowed. The demand notes are contingent in nature and are not reported in the Financial Statements (see note 6).

The Regional District reports the Debt Reserve Fund Balances for both debts issued on its behalf, and on behalf of member Municipalities, as a Financial Asset. Because all Debt Reserve Fund refunds received on behalf of Municipal borrowing are repayable to those Municipalities, the Municipal portion of the Debt Reserve Fund balances are also reported as a Financial Liability.

3. MUNICIPAL DEBENTURE DEBT

When a member Municipality within the Regional District wishes to issue debenture debt through the Municipal Finance Authority of B.C., the borrowing is done through the Regional District. The Regional District is therefore responsible for repayment of the debt to the Authority. When payments (interest and sinking fund or principal) are made on this debt, the Regional District pays the Authority and is in turn reimbursed by the Municipality.

The Regional District therefore reports the net outstanding debt borrowed on behalf of Municipalities as both a financial liability and a financial asset. Municipal debt payments are shown as revenue and an offsetting expenditure.

REGIONAL DISTRICT OF BULKLEY-NECHAKO

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS

For the year ended December 31, 2012

4. SINKING FUND ACTUARIAL EARNINGS

The majority of issues of debt instruments through the Municipal Finance Authority of B.C. are sinking fund debentures. The Authority uses a 4-5% internal rate of return when it sets the annual sinking fund payments required. The actuarial earnings on Debt Sinking Funds reported on the Consolidated Statement of Financial Position are computed at this 4-5% rate of return.

5. DEBENTURES ISSUED FOR THE REGIONAL DISTRICT

The Regional District's long term debt is in the form of Debentures issued by the Municipal Finance Authority of BC. These are all sinking fund debentures, stated and repayable in Canadian funds as shown below:

Service borrowing was incurred for:	Originally Borrowed		Year of Maturity	Current Rate of Interest	Net Debt Outstanding	
	Year	Amount			2012	2011
Environmental Services	2002	\$ 438,000	2012	5.37%	\$ -	\$ 54,022
Environmental Services	2008	677,000	2018	4.65%	437,551	500,979
Environmental Services	2010	729,517	2020	3.73%	605,562	668,755
Bulkley Valley Pool and Recreation Centre	2002	150,000	2012	5.37%	-	18,502
Burns Lake Arena	1999	500,000	2014	6.15%	89,000	130,629
Burns Lake Arena	1999	200,000	2019	6.20%	92,316	103,321
Fort Fraser Sewer	2001	30,000	2016	5.93%	10,249	12,513
Fort Fraser Sewer	2002	10,000	2012	5.37%	-	1,233
Fort Fraser Fire Protection	2004	147,140	2019	5.30%	82,025	91,621
Luck Bay Fire Protection	2006	125,000	2026	4.67%	97,157	102,264
Luck Bay Fire Protection	2010	10,000	2030	3.73%	9,315	9,664
		<u>\$ 3,016,657</u>			<u>\$ 1,423,175</u>	<u>\$ 1,693,503</u>

Scheduled principal, interest, total debt payments, and actuarial earnings projected on the sinking funds over the next 5 years are:

	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total Payments</u>	<u>Actuarial Earnings</u>
2013	\$ 161,427	\$ 117,617	\$ 279,044	\$ 43,405
2014	161,427	117,617	279,044	52,012
2015	136,523	86,867	223,390	38,343
2016	136,523	85,978	222,501	45,542
2017	135,132	85,088	220,220	51,537

REGIONAL DISTRICT OF BULKLEY-NECHAKO
NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS
For the year ended December 31, 2012

6. CONTINGENCIES

a) MFA Issues:

The Regional District is contingently liable to the Municipal Finance Authority of B.C. in excess of the amounts borrowed under the terms of demand notes issued to the Authority. Member Municipalities have signed offsetting demand notes to the Regional District for borrowing made on their behalf:

	2012	2011
Demand Notes Outstanding:		
Borrowing on behalf of member Municipalities	\$ 373,795	\$ 373,795
Borrowing for Regional District purposes	113,770	147,887
	\$ 487,565	\$ 521,682

b) Employee Sick Leave

The Regional District is contingently liable to pay its employees sick leave. The total value of the accumulated sick time is \$437,814 at December 31, 2012 (2011 - \$395,778). As at year-end an amount of \$199,967 (2011 - \$181,280) has been accrued as an estimate of the liability.

c) Employee Retiring Allowance

The Regional District is contingently liable to pay employees one week salary for every year of employment upon normal retirement from the Regional District. The total value of this retiring allowance is \$159,585 at December 31, 2012 (2011 - \$146,136). As at year-end an amount of \$114,704 (2011 - \$100,186) has been accrued as an estimate of the liability.

7. MUNICIPAL PENSION PLAN

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

The most recent actuarial valuation as at December 31, 2009 indicated a \$1,024 million funding deficit for basic pension benefits. The next valuation will be as at December 31, 2012 with results available in 2013. Defined contribution plan accounting is applied to the Plan as the Plan exposes the participating entities to actuarial risks associated with the current and former employees of other entities, with the result that there is no consistent and reliable basis for allocating the obligation, Plan assets and cost to individual entities participating in the Plan.

REGIONAL DISTRICT OF BULKLEY-NECHAKO
NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS
For the year ended December 31, 2012

7. MUNICIPAL PENSION PLAN, continued

The Regional District of Bulkley-Nechako paid \$190,693 (2011 - \$160,418) for employer contributions to the Plan in fiscal 2012.

8. ACCOUNTS PAYABLE AND ACCRUALS

As at year-end, accounts payable and accruals include \$242,926 (2011 - \$194,381) of unused employee vacation entitlement.

9. UNFUNDED LIABILITY FOR LANDFILL CLOSURE COSTS

Accounts payable and accruals include \$ 1.8 million of liabilities at December 31, 2012 (\$2.20 million at December 31, 2011) which the Public Sector Accounting and Auditing Board stipulates be recognized in the financial statements but which are not included in the Regional District's budgets but are recorded as accounting adjustments at the end of the year. These amounts represent management's best estimate of the future closure and post-closure costs of both active and inactive landfill sites in the Regional District. Additional costs will be recognized in future years during the life of active landfill sites in proportion to the waste capacity used up in each year. A reserve created to fund closure and post-closure monitoring costs held a balance of \$779,059 as at December 31, 2012 (2011 - \$1,187,351).

10. FEDERAL GAS TAX AGREEMENTS

Gas Tax funding is provided by the Government of Canada. The use of the funding is established by funding agreement between the Regional District and the Union of British Columbia Municipalities. Gas Tax funding may be used towards designated public transit, community energy, water, wastewater, solid waste and capacity buildings projects, as specified in the funding agreements.

	2012	2011
Opening balance	\$ 2,513,237	\$ 1,979,906
Add: Amounts received in the year	838,699	838,699
Interest earned	27,760	21,652
	866,459	860,351
Less: Amounts spent in the year	(446,342)	(327,020)
Closing balance	\$ 2,933,354	\$ 2,513,237

REGIONAL DISTRICT OF BULKLEY-NECHAKO
NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS
For the year ended December 31, 2012

11. BUDGET

The Financial Plan adopted by the Board of Directors was prepared on a modified accrual basis while the Financial Statements are prepared on a full accrual basis as required by Canadian Public Sector Accounting Standards. The Financial Plan anticipated the use of surpluses accumulated in prior years to supplement current year revenues. In addition, the Financial Plan expensed tangible capital asset expenditures, debt re-payments and reserve transfers. The budget figures included in these Financial Statements represent the Financial Plan adopted by the Board of Directors with adjustments as follows:

	2012
Surplus (deficit) in the Financial Plan	\$ -
Add: Capital expenditures	826,862
Debt principal payments	208,975
Contributions to reserves	1,483,543
	2,519,380
Less: Prior years net surplus	(2,813,463)
Withdrawal from capital reserves	(1,049,844)
Transfer from equity in tangible capital assets	(711,895)
	(4,575,202)
Budgeted deficit per statement of financial activities	\$ (2,055,822)

12. FINANCIAL INSTRUMENTS

The Regional District's financial instruments are comprised of cash, temporary investments, grants receivable, accounts receivable, due from Municipalities, accounts payable, accrued liabilities, debentures issued for the Regional District and debentures issued for Municipalities.

Credit Risk

The Regional District provides credit to its clients in the normal course of business and carries out specific procedures to minimize the risk. Credit risk is minimal.

Interest Rate Risk

The Regional District is exposed to interest rate risk arising from fluctuating interest rate on borrowing and investments.

Fair Value

The carrying value for primary instruments approximates fair value, due to their short-term maturities. The carrying value of non-current instruments approximates fair value because it is based upon interest rates currently available to entities in similar circumstances.

REGIONAL DISTRICT OF BULKLEY-NECHAKO
NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS
For the year ended December 31, 2012

13. INVESTMENTS

The Regional District holds investments in Municipal Finance Authority money market funds at varying interest rates throughout the year. The average interest rate for the year was 1.0% (2011 – 1.0%).

REGIONAL DISTRICT OF BULKLEY-NECHAKO
SCHEDULE OF CONSOLIDATED EXPENSES BY OBJECT

For the year ended December 31, 2012

	2012		2011
	<u>Budget</u> (unaudited)	<u>Actual</u>	<u>Actual</u>
Purchased services and supplies	\$ 5,428,351	\$ 3,293,460	\$ 2,830,648
Staff remuneration and benefits	2,958,333	2,932,256	2,517,594
Payments to Societies	1,534,286	1,642,246	1,513,630
Municipal debt payments	1,003,970	875,997	869,091
Payments to Municipalities	795,819	795,819	778,093
Directors' remuneration	312,012	272,894	273,064
Electoral Area Grants in Aid	389,840	165,293	192,360
Interest on debentures	148,866	148,866	149,298
Insurance and permits	121,314	106,172	110,534
Directors' travel and expenses	140,539	98,065	110,783
Staff travel, upgrading and conferences	63,550	75,303	53,007
Memberships and dues	36,668	32,861	32,644
First Nations dialogue	20,000	10,572	-
Elections and referenda	40,000	10,492	28,824
Volunteer benefits	3,753	2,703	3,307
Interest	6,002	982	3,309
Bad debts	-	-	2,472
Amortization	711,900	698,942	678,473
	<u>\$ 13,715,203</u>	<u>\$ 11,162,923</u>	<u>\$ 10,147,131</u>

See notes to the consolidated financial statements.

RHB SCHMITZ de GRACE
Chartered Accountants

REGIONAL DISTRICT OF BULKLEY-NECHAKO

SCHEDULE OF CONTINUITY OF RESERVE FUNDS

For the year ended December 31, 2012

	<u>2012</u>	<u>2011</u>
BALANCE AT BEGINNING OF THE YEAR	\$ 4,983,753	\$ 4,396,480
Contribution to funds	1,193,072	1,112,845
Interest earned on funds	54,760	47,549
Withdrawals from funds	<u>(956,239)</u>	<u>(573,121)</u>
BALANCE AT END OF THE YEAR	<u>\$ 5,275,346</u>	<u>\$ 4,983,753</u>
 REPRESENTED BY THE FOLLOWING RESERVE FUNDS		
Administrative equipment	\$ 55,144	\$ 59,452
Administration/Planning vehicle	42,731	43,145
Building Inspection vehicle	25,775	15,574
Bulkley Valley Pool	320,525	188,999
Burns Lake Arena	59,543	56,269
Burns Lake Rural Fire Protection	45	45
Election	25,253	8,105
Environmental Services vehicle	14,906	(147)
Fort Fraser Sewer	62,784	46,236
Fort Fraser Rural Fire Protection	26,079	22,826
Fort Fraser Water	201,617	146,869
Fort St. James Rural Fire Protection	41,163	20,869
Federal Gas Tax (Note 10)	2,933,354	2,513,237
Glacier Gulch Water Diversion	2,109	2,087
Houston Rural Fire Protection	8,354	7,025
Insurance	66,603	61,031
Landfill Phase Development	473,812	429,120
Landfill closure costs	648,653	1,058,314
Landfill post closure and monitoring costs	130,406	129,038
Luck Bay Rural Fire Protection	7,152	3,104
Planning plotter	20,950	20,730
Smithers Rural Fire Protection	72,973	62,277
Southside Rural Fire Protection	7,983	12,203
Telkwa Rural Fire Protection	7,053	1,021
Vanderhoof Rural Fire Protection	14,978	35,900
Weed Control vehicle	<u>5,401</u>	<u>40,424</u>
	<u>\$ 5,275,346</u>	<u>\$ 4,983,753</u>

RHB SCHMITZ de GRACE

See notes to the consolidated financial statements. Chartered Accountants

Regional District of Bulkley-Nechako
CONSOLIDATED STATEMENT OF TANGIBLE CAPITAL ASSETS
 For the Year Ended December 31, 2012

	Land	Building	Equipment / Vehicles	Engineered Structures					2011 Total
				Water	Sewer	Landfills	Transfer Stations	2012 Total	
COST									
Opening Balance	\$ 261,291	\$ 6,392,827	\$ 3,144,051	\$ 1,109,807	\$ 718,501	\$ 3,524,163	\$ 4,623,492	\$ 19,774,132	\$ 19,158,355
Add: Additions	-	9,700	356,455	-	-	192,637	-	558,792	729,021
Less: Disposals	-	-	128,492	-	-	-	-	128,492	113,244
Less: Write-downs	-	-	-	-	-	-	-	-	-
Closing Balance	261,291	6,402,527	3,372,014	1,109,807	718,501	3,716,800	4,623,492	20,204,432	19,774,132

ACCUMULATED AMORTIZATION

Opening Balance	-	1,681,192	1,133,049	564,564	287,839	907,105	1,026,603	5,600,352	5,013,425
Add: Amortization	-	131,772	303,441	28,045	15,196	113,006	107,482	698,942	678,473
Less: Acc. Amortization on Disposals	-	-	78,345	-	-	-	-	78,345	91,546
Closing Balance	-	1,812,964	1,358,145	592,609	303,035	1,020,111	1,134,085	6,220,949	5,600,352

**Net Book Value for year ended
December 31, 2012**

\$ 261,291	\$ 4,589,563	\$ 2,013,869	\$ 517,198	\$ 415,466	\$ 2,696,689	\$ 3,489,407	\$ 13,983,483
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Net Book Value, year ended
December 31, 2011

\$ 261,291	\$ 4,711,635	\$ 2,011,002	\$ 545,243	\$ 430,662	\$ 2,617,058	\$ 3,596,889	\$ 14,173,780
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See notes to the consolidated financial statements.