

Consolidated financial statements of

Municipality of the District of West Hants

March 31, 2016

Municipality of the District of West Hants

March 31, 2016

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Independent Auditor's Report

Municipality of the District of West Hants

We have audited the accompanying consolidated financial statements of the Municipality of the District of West Hants, which comprise the consolidated statement of financial position as at March 31, 2016, and the consolidated statement of financial operations and changes in accumulated surplus, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's 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

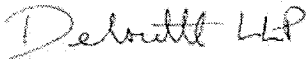
In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Municipality of the District of West Hants as at March 31, 2016, and the results of its operations, changes in its net financial assets, and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 12 to the financial statements, which explains that certain comparative information for the year ended March 31, 2015 has been restated.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary information included on Pages 15 to 24 is presented for purposes of additional information, is not a required part of the consolidated financial statements and is done using an accounting framework other than Canadian Public Sector Accounting Standards. Such supplementary information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion in the audit of consolidated financial statements taken as a whole.

A handwritten signature in dark ink, appearing to read "Deloitte LLP", is positioned above the printed name of the firm.

Chartered Professional Accountants
October 5, 2016
Halifax, Nova Scotia

Municipality of the District of West Hants

Consolidated statement of financial operations and changes in accumulated surplus Year ended March 31, 2016

	Budget 2016	Actual 2016	Actual 2015
	\$	\$	\$
			(Note 12 - Restated)
Revenue			
Taxes	13,053,018	12,971,447	10,718,945
Sale of services - water	1,774,337	1,468,745	792,862
Capital grants and revenues	45,550	679,652	666,472
Conditional transfers from other governments	281,042	574,590	95,180
Services to other governments	485,548	468,134	273,259
Other revenue from own sources	395,350	434,281	268,784
Unconditional transfers from other governments	219,820	259,970	128,907
Grants in lieu of taxes	105,663	122,128	115,617
Interest	-	37,442	39,642
	16,360,328	17,016,389	13,099,668
Expenditures			
Protective services	4,913,911	4,372,754	3,811,431
Fiscal services	3,147,070	3,214,083	2,829,041
General government services	2,708,514	3,132,534	1,860,388
Water treatment and distribution	1,515,508	1,417,120	815,518
Environmental health services	1,465,998	1,327,589	1,168,033
Amortization	279,061	1,436,241	646,135
Recreation and cultural services	692,806	819,409	520,869
Transportation services	927,104	716,810	449,262
Environmental development services	682,163	601,642	532,693
	16,332,135	17,038,182	12,633,370
Annual surplus (deficit)	28,193	(21,793)	466,298
Accumulated surplus, beginning of year	-	22,321,243	21,854,945
Adjustment due to dissolution (Note 11)	-	7,810,971	-
Accumulated surplus, end of year	-	30,110,421	22,321,243

Municipality of the District of West Hants

Consolidated statement of financial position

as at March 31, 2016

	2016	2015
	\$	\$
	(Note 12 - Restated)	
Financial assets		
Cash	8,812,112	6,708,960
Receivables		
Taxes (Note 2)	1,446,850	1,247,468
Due from Federal Government and its agencies	492,505	53,835
Due from other municipal governments and agencies	302,547	359,755
Long-term receivable	804	1,098
Deposit on truck	650,000	-
Land held for resale	149,113	-
Equity in Valley Waste Resource Management	152,558	-
Total financial assets	12,006,489	8,371,116
Liabilities		
Payables and accruals	2,202,188	1,434,767
Deferred revenue	1,117,418	41,900
Tax sale surplus	148,917	146,123
Long-term debt (Note 4)	7,513,134	2,861,839
Trust funds	90,072	-
Accrued landfill closure costs (Note 6)	349,246	406,717
Total liabilities	11,420,975	4,891,346
Net financial assets	585,514	3,479,770
Non-financial assets		
Tangible capital assets (Note 5)	29,429,819	18,755,484
Prepaid expenses	20,716	85,989
Inventory	74,372	-
	29,524,907	18,841,473
Accumulated surplus (Note 7)	30,110,421	22,321,243

On behalf of the Municipality of
The District of West Hants

Richard Dauphinais / Warden
Chie Stone, CW

The accompanying notes to the financial statements are an integral part of this financial statement.

Municipality of the District of West Hants

Consolidated statement of changes in net financial assets year ended March 31, 2016

	2016	2015
	\$	\$
	(Note 12 - Restated)	
Annual surplus	(21,793)	466,298
Changes in tangible capital assets		
Acquisition of tangible capital assets	(12,110,576)	(459,663)
Amortization of tangible capital assets	1,436,241	646,135
	(10,674,335)	186,472
Changes in other non-financial assets	(9,099)	(34,907)
(Increase) decrease in non-financial assets	(10,705,227)	617,863
Net financial assets, beginning of year	3,479,770	2,861,907
Adjustment due to dissolution (Note 11)	7,810,971	-
Net financial assets, end of year	585,514	3,479,770

The accompanying notes to the financial statements are an integral part of this financial statement.

Municipality of the District of West Hants

Consolidated statement of cash flows

year ended March 31, 2016

	2016	2015
	\$	\$
	(Note 12 - Restated)	
Operating transactions		
Annual surplus	(21,793)	466,298
Amortization and write-down of tangible capital assets	1,436,241	646,135
Increase in accumulated surplus due to dissolution	7,810,971	-
Changes in non-cash working capital (Note 8)	246,942	(172,715)
	9,472,361	939,718
Financing transactions		
Repayment of long-term debt	(180,707)	(180,707)
New issuance of long term debt	4,832,002	-
Change in trust funds	90,072	(2,062)
	4,741,367	(182,769)
Capital transaction		
Acquisition of tangible capital assets	(12,110,576)	(459,663)
Change in cash	2,103,152	297,286
Cash, beginning of year	6,708,960	6,411,674
Cash, end of year	8,812,112	6,708,960

The accompanying notes to the financial statements are an integral part of this financial statement.

Municipality of the District of West Hants

Notes to the consolidated financial statements

March 31, 2016

1. Significant accounting policies

Principles and basis of consolidation

The consolidated financial statements of the Municipality of the District of West Hants (the "Municipality") are the representations of management prepared in accordance with Canadian Public Sector Accounting Standards ("PSAS") as established by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada. Schedules 1-9 are prepared using the framework described in the Water Utility Accounting and Reporting Handbook as prescribed by the Nova Scotia Utility and Review Board.

The consolidated accounts include the Falmouth, Three Mile Plains ("TMP") - Wentworth Water Utilities and Hantsport Water Utility (the "Water Utilities") in which the Municipality has a 100% interest.

Basis of accounting

The accrual basis of accounting recognizes revenues as they become available and measurable. Expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributed to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital asset, excluding land, is amortized on a straight line basis over their estimated useful life as follows:

Building	40 years
Motor Vehicles	5 years
Sewer lagoon	50 years
Sewer	50 years
Roads	50 years
Office and computer equipment	5 years
School board assets	40 years
Water utility assets	as prescribed by the Utilities and Review Board ("URB")

In the Water Utilities an amount equal to the amortization is transferred to a special bank account in the water capital fund which is used to help fund the replacement of existing plant and equipment or subject to approval by the URB, to repay principal of capital debt.

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Municipality's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the consolidated statement of financial activities.

Municipality of the District of West Hants

Notes to the consolidated financial statements

March 31, 2016

1. Significant accounting policies (continued)

Allocation of municipal costs to Water Utility funds

Where identifiable, costs incurred by the Municipality on behalf of the Water Utilities are charged to the utility funds. Salary and wages related costs are allocated in proportion to time spent performing functions on behalf of the Water Utilities.

Revenue recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is not practical.

Transfers (revenues from non-exchange transactions) are recognized as revenues when the transfer is authorized, any eligibility criteria are met, and reasonable estimates of the amount can be made. Transfers are recognized as deferred revenue when amounts have been received but not all eligibility criteria have been met.

Asset retirement obligations

Liabilities are recognized for statutory, contractual or legal obligations, associated with the retirement of property, plant, and equipment when those obligations result from the acquisition, construction, development or normal operations of the assets. The obligations are measured initially at fair value, determined using the present value methodology, and the resulting costs capitalized into the carrying amount of the related asset. In subsequent periods, the liability is adjusted for the accretion of discount and any changes in the amount or timing of the underlying cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and the discount accretion is included in determining the results of the operations.

Funds and reserves

Certain amounts, as approved by council, are set aside in accumulated surplus for future operating and capital purposes. Transfers to/from funds and reserves are an adjustment to the respective funds when approved.

Use of estimates

The preparation of the financial statements in conformity with Canadian PSAS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates. The most significant accounting estimates in these financial statements include allowance for doubtful accounts, accrued landfill closure costs and estimated useful life plus residual value of tangible capital assets.

Equity in Valley Waste Resource Management

The Valley Region Solid Waste-Resource Management Authority is a body corporate formed under an Inter-Municipal Services Agreement encompassing the Municipality of Annapolis County, the Municipality of the County of Kings, and the Towns of Annapolis Royal, Berwick, Kentville, Middleton, Wolfville and in prior years the Town of Hantsport for the purpose of collaborative resource management in the region. The Municipality records the investment in Valley Region Solid Waste-Resource Management under the modified equity method.

Municipality of the District of West Hants

Notes to the consolidated financial statements

March 31, 2016

2. Receivables – taxes

	2016	2015
	\$	\$
Taxes	1,140,207	1,082,968
Water rates	370,763	196,448
Allowance for doubtful accounts	(64,120)	(31,948)
	1,446,850	1,247,468

3. Remuneration

The Municipal Act requires the total remuneration paid to each member of council and the chief administrative officer be disclosed in a note to the financial statements. These are as follows:

	Salary and chair fees	
	2016	2015
	\$	\$
Councillors		
R. Dauphinee - Warden	39,351	39,308
G. Cochrane - Deputy Warden	22,974	22,674
S. Pineo	19,297	19,401
J. Daniels	18,068	18,138
R. Matheson	17,888	18,268
T. Brown	17,888	17,868
R. Allen	17,693	17,313
R. Zwicker	13,849	-
P. Morton	10,205	-
V. Swinamer (Resigned)	7,404	18,438
G. Miller	5,967	-
M. Campbell (Resigned)	1,570	17,783
Employees		
C. Osborne - CAO	92,339	62,864

4. Long-term debt

	2016	2015
	\$	\$
General capital		
Royal Bank of Canada, demand loan, interest at rate of 0.6% plus prime, no due date.	2,600,000	-
N.S. Municipal Finance Corporation, repayable in annual principal instalments of \$356,000 plus interest at rates from 0% to 1.902%, due November 20, 2020.	1,780,000	-
N.S. Municipal Finance Corporation, repayable in annual principal instalments of \$43,333 plus interest at rates from 4.56% to 4.88%, due June 1, 2020.	866,670	-

Municipality of the District of West Hants

Notes to the consolidated financial statements

March 31, 2016

4. Long-term debt (continued)	2016	2015
	\$	\$
Royal Bank of Canada, demand loan, interest at rate of 0.6% plus prime, due August 12, 2016.	550,532	-
N.S. Municipal Finance Corporation, repayable in annual principal instalments of \$54,000 plus interest at rates from 3.387% to 4.939%, due October 27, 2024.	486,000	540,000
N.S. Municipal Finance Corporation, debenture debt, repayable in annual principal instalments of \$37,667, plus interest at rates from 2.057% to 4.026%, due November 9, 2026.	414,332	451,999
N.S. Municipal Finance Corporation, repayable in annual principal instalments of \$58,200 plus interest at rates from 3.43% to 4.875%, due June 29, 2025.	351,000	-
N.S. Municipal Finance Corporation, repayable in annual principal instalments of \$20,500 plus interest at rates from 2.165% to 3.856%, due May 15, 2027.	223,500	-
N.S. Municipal Finance Corporation, repayable in annual principal instalments of \$23,050 plus interest at rates from 3.666% to 4.889%, due June 1, 2019.	92,200	-
N.S. Municipal Finance Corporation, repayable in annual principal instalments of \$18,000 plus interest at rates from 4.584% to 4.884%, due July 7, 2018.	54,000	-
N.S. Municipal Finance Corporation, repayable in annual principal instalments of \$4,500 plus interest at rates from 1.245% to 3.347%, due June 5, 2024.	40,500	-
N.S. Municipal Finance Corporation, repayable in annual principal instalments of \$14,700 plus interest at rates from 4.912% to 5.01%, due October 17, 2016.	29,400	-
N.S. Municipal Finance Corporation, repayable in annual principal instalments of \$25,000 plus interest at rates from 4.34% to 4.41%, due October 24, 2016.	25,000	-
N.S. Municipal Finance Corporation, repaid during the year.	-	1,869,840
	7,513,134	2,861,839

Municipality of the District of West Hants

Notes to the consolidated financial statements

March 31, 2016

4. Long-term debt (continued)

Principal payments required during the next five years and thereafter are as follows:

2016	934,182
2017	362,990
2018	348,290
2019	330,290
2020	957,245
Thereafter	4,580,137

5. Tangible capital assets

	2016		2015
	Cost	Accumulated amortization	Net book value
	\$	\$	\$
(Note 12 - Restated)			
General capital			
Land	2,826,653	-	2,826,653
Parks	377,853	(146,988)	230,865
Buildings	7,221,375	(1,900,408)	5,320,967
Motor vehicles	396,203	(277,842)	118,361
Sewer lagoon	159,293	(29,715)	129,578
Sewers	10,376,527	(3,551,064)	6,825,463
Roads	2,989,010	(724,520)	2,264,490
Equipment	5,025,741	(1,931,964)	3,093,777
	29,372,655	(8,562,501)	20,810,154
Water utilities			
Falmouth	3,979,179	(1,248,518)	2,730,661
TMP/Wentworth	3,275,156	(744,084)	2,531,072
Hantsport	4,209,774	(905,570)	3,304,204
	11,464,109	(2,898,172)	8,565,937
School board buildings	684,472	(630,744)	53,728
	41,521,236	(12,091,417)	29,429,819

6. Accrued landfill closure costs

The Cogmagun landfill site previously looked after the solid waste of the Municipality and the Town of Windsor.

The facility was closed December 31, 2005. The Municipality of the District of West Hants' share of the estimated future landfill closure cost in the amount of \$349,246 (2015 - \$406,717) is recorded as a liability in these consolidated financial statements.

Municipality of the District of West Hants

Notes to the consolidated financial statements

March 31, 2016

7. Accumulated surplus (deficit)

	2016	2015
	\$	\$
	(Note 12 - Restated)	
General Operating Fund	1,768,626	1,205,768
Falmouth Water Operating Fund (Schedule 1)	207,514	178,857
TMP - Wentworth Water Operating Fund (Schedule 4)	(178,765)	(139,873)
Hantsport Water Operating Fund (Schedule 7)	(3,929)	-
Operating Reserves Funds	509,417	240,787
Special Reserve Fund (Schedule 10)	4,615,745	3,634,232
Capital Fund	23,191,813	17,201,472
	30,110,421	22,321,243

8. Changes in non-cash working capital

	2016	2015
	\$	\$
Changes in non-cash operating working capital items		
Taxes	(199,382)	(169,264)
Due from Federal Government and its agencies	(438,670)	11,087
Due from other municipal governments and agencies	57,208	490,856
Long-term receivable	294	1,973
Payables and accruals	767,421	(381,235)
Deferred revenue	1,075,518	(33,346)
Tax sale surplus	2,794	28,880
Accrued landfill closure costs	(57,471)	(47,966)
Prepaid expenses	65,273	(73,700)
Deposit on truck	(650,000)	-
Land held for resale	(149,113)	-
Inventory	(74,372)	-
Equity in Valley Waste Resource Management	(152,558)	-
	246,942	(172,715)

9. Financial instruments

Financial assets

Financial assets include cash which is recorded at fair value and receivables which are recorded at amortized cost.

Municipality of the District of West Hants

Notes to the consolidated financial statements

March 31, 2016

9. Financial instruments (continued)

Liquidity risk

The Municipality's objective is to have sufficient liquidity to meet its liabilities when due. The Municipality monitors its cash balances and cash flows generated from operations to meet its requirements. As at March 31, 2016, the most significant financial liabilities are payables and accruals, long-term debt and accrued landfill closure costs.

Credit risk

The Municipality provides credit in the normal course of its operations. It maintains an allowance for doubtful accounts. As of March 31, 2016, the allowance for doubtful accounts was \$64,210 (2015 - \$31,948).

10. Budget figures

The Municipality's Operating, Water Utility, and Capital Budgets are approved by Council. The budget figures are not subject to audit procedures.

11. Dissolution of the Town of Hantsport

Effective July 1, 2015 the Nova Scotia Utility and Board approved an application by the Town of Hantsport to be dissolved under Section 394 of the *Municipal Government Act*. Accordingly, the boundaries of the former Town were included with the Municipality of the District of West Hants. All assets, liabilities and reserves were transferred to the Municipality on that date.

Hantsport balances included in dissolution:

Total financial assets	\$1,191,100
Total liabilities	(\$2,626,572)
Total non-financial assets	\$9,246,443
Accumulated surplus	\$7,810,971

12. Prior year error note disclosure

During the years ended March 31, 2012 to March 31, 2014, The Municipality expensed costs related to the replacement of pipes in the Three Mile Plains Water Utility distribution system. These costs extended the useful life of the pipe system, and therefore should have been capitalized. The error was detected as part of the audit procedures for the year ended March 31, 2016.

As a result of this correction, the following financial statement line items as at March 31, 2016 have been increased (decreased) by the following amounts:

Consolidated Statement of Operations March 31, 2015

Repairs and maintenance expense	(\$191,000)
Amortization	\$9,740

Municipality of the District of West Hants

Notes to the consolidated financial statements

March 31, 2016

12. Prior year error note disclosure (continued)

Consolidated Statement of Financial Position March 31, 2015

Accumulated depreciation	(\$64,750)
Accumulated surplus (deficit)	(\$116,510)
Intercompany accounts receivable	\$181,260
Intercompany accounts payable	(\$181,260)

Municipality of the District of West Hants

Falmouth Water Utility - Schedule 1

Statement of financial operations year ended March 31, 2016

	Budget 2016	Actual 2016	Actual 2015
	\$	\$	\$
Operating revenue			
Sales	366,122	357,840	353,485
Public fire protection	102,782	102,782	99,755
Other	1,500	6,200	4,600
Interest	800	487	2,632
Sprinklers	500	300	300
	471,704	467,609	460,772
Operating expenditures			
Water treatment	112,754	108,423	103,381
Amortization	88,570	102,033	96,037
Transmission and distribution	71,550	97,189	97,734
Administration and general	56,600	57,685	60,240
Pumping	34,194	33,975	27,678
Source of supply	44,594	32,453	32,169
Professional fees	41,282	10,889	8,076
	449,544	442,647	425,315
Operating profit	22,160	24,962	35,457
Non-operating revenue			
Interest	(1,400)	8,652	1,399
	(1,400)	8,652	1,399
Capital expenditures out of revenue	-	4,957	35,606
	-	4,957	35,606
Excess of revenue over expenditures	20,760	28,657	1,250
Surplus, beginning of year	178,857	178,857	177,607
Surplus, end of year	199,617	207,514	178,857

The accompanying notes to the financial statements are an integral part of this financial statement.

Municipality of the District of West Hants

Falmouth Water Utility - Schedule 2

Statement of financial position

as at March 31, 2016

	2016	2015
	\$	\$
Assets		
Cash	274,013	63,621
Accounts receivable		
Consumers	100,815	87,318
Other funds	-	55,644
	374,828	206,583
Liabilities		
Payables and accruals		
Trade	15,044	7,726
Other funds	129,908	-
Reserve for future expenditures	22,362	20,000
	167,314	27,726
Equity		
Surplus	207,514	178,857
	374,828	206,583

On behalf of the Municipality of

The District of West Hants

Richard Daughine / Warden
Arthur Gibson, CAO

Municipality of the District of West Hants

Falmouth Water Utility - Schedule 3

Statement of financial position capital fund

as at March 31, 2016

	2016	2015
	\$	\$
Assets		
Cash - capital	291,133	220,604
- amortization	235,565	233,552
Due from other funds	99,946	92,656
Utility plant in service	3,979,179	3,928,748
	4,605,823	4,475,560
Liabilities		
Accumulated allowance for amortization	1,248,518	1,161,886
Deferred capital contributions	508,331	508,331
	1,756,849	1,670,217
Equity		
Surplus	2,848,974	2,805,343
	4,605,823	4,475,560

On behalf of the Municipality of
The District of West Hants

Richard D. Phipps, Warden
Cathie Osborne, CAO

Statement of investment in capital assets
as at March 31, 2016

	2016	2015
	\$	\$
Balance, beginning of year	2,805,343	2,740,273
Add:		
Interest earned on capital accounts	3,680	1,122
Capital expenditures from operating fund	39,951	63,948
	43,631	65,070
Balance, end of year	2,848,974	2,805,343

Municipality of the District of West Hants

Three Mile Plains - Wentworth Water Utility - Schedule 4

Statement of financial operations

year ended March 31, 2016

	Budget 2016	Actual 2016	Actual 2015
	\$	\$	\$
		(Note 12 - Restated)	
Operating revenue			
Sales	420,000	466,643	426,177
Public fire protection	178,862	178,862	160,228
Other	5,000	6,749	7,800
Interest	-	702	-
Sprinklers	250	500	500
	604,112	653,456	594,705
Operating expenditures			
Source of supply	313,500	393,458	402,606
Transmission and distribution	138,173	92,000	52,354
Amortization	61,879	73,573	72,781
Administration and general	112,292	119,872	59,229
Pumping	3,075	5,041	4,138
Professional fees	9,832	2,256	2,100
	638,751	686,200	593,208
Operating (loss) gain	(34,639)	(32,744)	1,497
Non-operating revenue			
Interest	650	490	641
Transfer from reserve	-	-	20,531
	650	490	21,172
Non-operating expenditures			
Capital expenditures out of revenue	-	6,638	9,111
Excess of (expenditures over revenue)			
revenue over expenditures	(33,989)	(38,892)	13,558
Deficit, beginning of year	-	(139,873)	(153,431)
Surplus, end of year	-	(178,765)	(139,873)

The accompanying notes to the financial statements are an integral part of this financial statement.

Municipality of the District of West Hants

Three Mile Plains - Wentworth Water Utility - Schedule 5

Statement of financial position

as at March 31, 2016

	2016	2015
	\$	\$
	(Note 12 - Restated)	
Assets		
Cash	61,080	53,930
Accounts receivable		
Consumers	113,000	109,130
	174,080	163,060
Liabilities		
Payables and accruals		
Trade	15,473	9,085
Due to other funds	337,372	293,848
	352,845	302,933
Equity		
Surplus	(178,765)	(139,873)
	174,080	163,060

On behalf of the Municipality of

The District of West Hants

Richard J. Dauphinais / Warden
Cherie Borne, CFO

The accompanying notes to the financial statements are an integral part of this financial statement.

Municipality of the District of West Hants

Three Mile Plains - Wentworth Water Utility - Schedule 6

Statement of financial position capital fund

as at March 31, 2016

	2016	2015
	\$	\$
	(Note 12 - Restated)	
Assets		
Cash - capital	(4,912)	12,717
- amortization	691,143	685,942
Due from other funds	-	156,038
Utility plant in service	3,275,156	2,896,857
	3,961,387	3,751,554
Liabilities		
Accumulated allowance for amortization	744,084	735,500
Due to other funds	103,426	181,260
	847,510	916,760
Equity		
Surplus	3,113,877	2,834,794
	3,961,387	3,751,554

On behalf of the Municipality of

The District of West Hants

Richard D. Dyer, Warden
Carol Dyer, CAO

Statement of investment in capital assets

as at March 31, 2016

	2016	2015
	\$	\$
Balance, beginning of year	2,834,794	2,782,219
Add:		
Interest earned on capital accounts	773	1,029
Capital expenditures from operating fund	14,236	39,966
Capital revenue	264,074	11,580
	279,083	52,575
Balance, end of year	3,113,877	2,834,794

The accompanying notes to the financial statements are an integral part of this financial statement.

Municipality of the District of West Hants

Hantsport Water Utility - Schedule 7

Statement of financial operations year ended March 31, 2016

	Budget 2016	Actual 2016
	\$	\$
Operating revenue		
Sales	476,039	404,947
Public fire protection	217,482	221,814
Other	5,000	3,752
Interest	-	6,134
	698,521	636,647
Operating expenditures		
Administration and general	129,016	102,516
Pumping	4,635	-
Water treatment	174,403	164,282
Source of supply	515	522
Transmission and distribution	168,118	151,800
Amortization	80,187	123,084
Professional fees	5,150	-
	562,024	542,204
Operating loss	136,497	94,443
Non-operating revenue		
Interest	-	897
Transfer from reserve	43,333	43,333
	43,333	44,230
Non-operating expenditures		
Long Term debt payment	66,635	60,133
Interest	71,773	37,641
Capital expenditures out of revenue	-	1,947
	138,408	99,721
Revenue over expenditures	41,422	38,952
Deficit, beginning of year	-	(42,881)
Deficit, end of year	-	(3,929)

The accompanying notes to the financial statements are an integral part of this financial statement.

Municipality of the District of West Hants

Hantsport Water Utility - Schedule 8

Statement of financial position

as at March 31, 2016

	2016
	\$
Assets	
Cash	47,706
Accounts receivable	
Consumers	156,814
Other	206,901
Inventory, at cost	74,372
	485,793
Liabilities	
Deferred revenue	27,655
Payables and accruals	
Trade	4,207
Other funds	420,012
Other liabilities	37,848
	489,722
Equity	
Deficit	(3,929)
	485,793

On behalf of the Municipality of
The District of West Hants

Richard Dauphinee / Warden
Cathie Osborne, CAO

The accompanying notes to the financial statements are an integral part of this financial statement.

Municipality of the District of West Hants

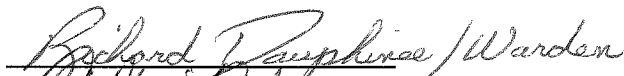

Hantsport Water Utility - Schedule 9

Statement of financial position capital fund

as at March 31, 2016

	2016
	\$
Assets	
Cash	126,015
Receivables	
Due from other funds	141,757
Utility plant in service	4,209,774
	<u>4,477,546</u>
Liabilities	
Payables	
Other funds	149,396
Trade	91,252
Deferred revenue	1,075,371
Long term debt	1,134,670
Accumulated allowance for amortization	905,570
Equity	
Investment in capital assets	1,121,287
	<u>4,477,546</u>

On behalf of the Municipality of
The District of West Hants



C. Shults, CAO

Statement of investment in capital assets
as at March 31, 2016

	2016
	\$
Balance, beginning of year	1,059,512
Add:	
Interest earned on capital accounts	240
Term debt retired	60,133
Transfer from Special Reserve - Gas Tax Section	26,327
Transfer to Water Operating Fund	(43,333)
Capital expenditures	1,947
Capital revenue	16,461
	<u>61,775</u>
Balance, end of year	<u>1,121,287</u>

Municipality of the District of West Hants

Statement of changes in special reserve fund - Schedule 10 year ended March 31, 2016

	Gas tax reserve	Landfill tipping fees	Landfill post-closure	Landfill pre-closure	Capital grants	Tax sale surplus	Hantsport Special Dissolution Fund	Total 2016	Total 2015
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance, beginning of year	3,032,063	250,214	559,432	87,472	89,753	22,016	-	4,040,950	4,199,547
Add:									
Interest	24,080	-	-	2,355	1,283	-	-	27,718	34,970
Grant	679,652	-	-	-	-	-	550,129	1,229,781	588,582
Transfers from other funds	108,969	-	-	559,432	157,417	4,689	-	830,507	-
Less:									
Transfers to other funds	(205,763)	(250,214)	(559,432)	(62,581)	(41,347)	-	(44,628)	(1,163,965)	(782,150)
	3,639,001	-	-	586,678	207,106	26,705	505,501	4,964,991	4,040,949
Less:									
Accrued landfill closure costs	-	-	-	(349,246)	-	-	-	(349,246)	(406,717)
Balance, end of year	3,639,001	-	-	237,432	207,106	26,705	505,501	4,615,745	3,634,232

The accompanying notes to the financial statements are an integral part of this financial statement.