

(D) Rate Reconciliation

The following table reconciles the expected income tax expense using the statutory tax rate to the expense:

	For the year ended	
	Dec 31, 2012	Dec 31, 2011
Income (loss) before income taxes	53,832	(39,021)
Statutory income tax rate	25.47%	28.17%
Income tax expense based on statutory income tax rate	13,711	(10,992)
Permanent differences	(1,461)	4,950
Tax rate differentials	(7,076)	764
Change in tax status	—	(34,808)
Unrecognized losses arising in the year	4,075	5,186
Other	859	(858)
Total income tax recovery	10,108	(35,758)

The weighted average applicable tax rate was 25.47% (2011 – 28.17%). The decrease in the weighted average rate is attributed to a change in the Federal and Ontario rates.

NOTE 16. ACCOUNTS PAYABLE AND OTHER LIABILITIES

(A) Current Accounts Payable and Accrued Liabilities

	Dec 31, 2012	Dec 31, 2011
Accounts payable and accrued liabilities	100,465	77,233
Dividends payable	6,302	4,501
	106,767	81,734

(B) Deferred Revenue

Deferred revenue represents grants and contributions received by the utilities – water segment in respect of assets that are not related to the water network less amounts amortized to the statement of income:

	2012	2011
As at January 1	1,363	—
Contributions received	4,856	1,396
Amortized to statement of income	(55)	—
Net foreign exchange difference	134	(33)
As at December 31	6,298	1,363

NOTE 17. FINANCE LEASE OBLIGATIONS

	Interest Rate	Maturity	Dec 31, 2012	Dec 31, 2011
Power: equipment lease	7%	2012	—	129
Utilities – water: equipment leases	3.71 – 4.23%	2012 – 2020	7,201	11,854
			7,201	11,983
Less: current portion			(3,502)	(5,256)
Non-current portion			3,699	6,727

For the year ended December 31, 2012, the Corporation repaid \$5,172 (December 31, 2011 - \$133) on finance leases, including interest of \$221 (December 31, 2011 – \$108).

The minimum lease payments in the next five years and thereafter are reconciled to the finance lease obligation as follow:

	Within one year	One year to five years	Beyond five years	Less: future finance charges	Total
Utilities – water	3,528	2,689	2,572	(1,588)	7,201