GRAHAM LAKE IMPROVEMENT DISTRICT

Financial Statements

Year Ended December 31, 2015

(Unaudited - See Notice To Reader)

PINCH & REID
LICENSED PROFESSIONAL ACCOUNTANTS

GRAHAM LAKE IMPROVEMENT DISTRICT

Index to Financial Statements

Year Ended December 31, 2015

(Unaudited - See Notice To Reader)

PINCH & REID
CHARTERED PROFESSIONAL ACCOUNTANTS

*incorporated professionals
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NOTICE TO READER

On the basis of information provided by management, we have compiled the statement of financial position of Graham Lake Improvement District as at December 31, 2015 and the statements of revenues and expenditures and changes in net assets for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

Courtenay, British Columbia
January 12, 2016

PINCH & REID
LICENSED PROFESSIONAL ACCOUNTANTS

GRAHAM LAKE IMPROVEMENT DISTRICT

Statement of Financial Position

December 31, 2015

(Unaudited - See Notice To Reader)

	2015		2014
ASSETS			
CURRENT			
Cash	$ **62,327**	$	60,277
Term deposits	**189,180**		160,872
	251,507		221,149
CAPITAL ASSETS *(Note 3)*	**37,705**		42,405
	$ **289,212**	$	263,554
NET ASSETS			
Share capital			
Operating fund	$ **62,327**	$	60,277
Renewal			
reserve fund	**189,180**		160,872
Capital			
asset fund	**37,705**		42,405
	$ **289,212**	$	263,554

ON BEHALF OF THE BOARD

_____ *Director*

_____ *Director*

The accompanying notes are a part of these financial statements

GRAHAM LAKE IMPROVEMENT DISTRICT

Statement of Changes in Net Assets

Year Ended December 31, 2015

(Unaudited - See Notice To Reader)

	Operating Fund	Renewal Reserve Fund	Capital Asset Fund	2015	2014
NET ASSETS - BEGINNING OF YEAR	$ 60,277	$ 160,872	$ 42,405	$ **263,554**	$ 225,298
Excess of revenue over expenditures	30,358	-	(4,700)	**25,658**	38,256
Transfer to Renewal Reserve Fund	(28,308)	28,308	-	**-**	-
NET ASSETS - END OF YEAR	$ 62,327	$ 189,180	$ 37,705	$ **289,212**	$ 263,554

The accompanying notes are a part of these financial statements

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GRAHAM LAKE IMPROVEMENT DISTRICT

Statement of Revenues and Expenditures

Year Ended December 31, 2015

(Unaudited - See Notice To Reader)

	2015	2014
REVENUE		
Revenue - Tolls and taxes	$ 54,865	$ 54,783
Revenue - CVRD/DIWLSA	9,315	8,985
Revenue - GST rebate	537	6,286
Revenue - Bulk water sales	950	540
	65,667	70,594
EXPENDITURES		
Amortization	4,700	4,700
Business taxes, licenses and memberships	354	427
Insurance	5,495	4,897
Interest and bank charges	184	181
Office	266	1,345
Training expense	-	1,284
Professional fees	1,260	394
Repairs and maintenance	20,662	12,154
Supplies	3,965	3,774
Utilities	5,760	5,500
	42,646	34,656
EXCESS OF REVENUE OVER EXPENDITURES FROM OPERATIONS	23,021	35,938
OTHER INCOME		
Interest income	2,637	2,318
EXCESS OF REVENUE OVER EXPENDITURES	$ 25,658	$ 38,256

The accompanying notes are a part of these financial statements

GRAHAM LAKE IMPROVEMENT DISTRICT

Notes to Financial Statements

Year Ended December 31, 2015

(Unaudited - See Notice To Reader)

1. PURPOSE OF THE SOCIETY

Graham Lake Improvement District is incorporated under the Society Act of British Columbia. The purpose is establish, maintain and operate a water operating system. Graham Lake Improvement District is a not for profit organization and accordingly no provision for income taxes has been recognized in these financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization. Capital assets are amortized over their estimated useful lives on a straight-line basisat the following rates and methods:

Buildings	40 years	straight-line method
Equipment	40 years	straight-line method
Other machinery and equipment	40 years	straight-line method

Capital assets

Capital assets are recorded at cost. The fair value of contributed assets is only reported in the financial statements when the value is reasonably determinable and when the assets would be purchased in the normal course of operations.

3. CAPITAL ASSETS

	Cost		Accumulated amortization		2015 Net book value		2014 Net book value
Buildings	$	61,854	$	49,854	$	**12,000**	$ 13,500
Equipment		103,553		82,753		**20,800**	23,400
Other machinery and equipment		21,050		16,250		**4,800**	5,400
Furniture and fixtures		105		-		**105**	105
	$	186,562	$	148,857	$	**37,705**	$ 42,405