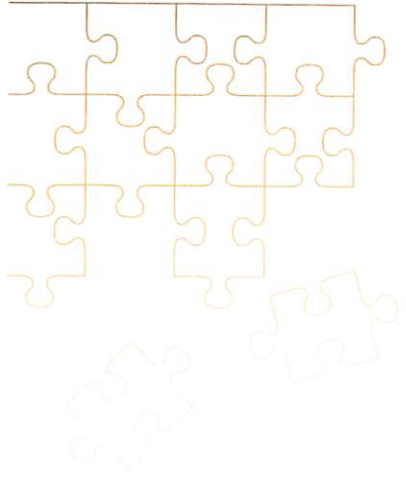


GRAHAM LAKE IMPROVEMENT DISTRICT
Financial Statements
Year Ended December 31, 2021

GRAHAM LAKE IMPROVEMENT DISTRICT
Index to Financial Statements
Year Ended December 31, 2021

	Page
COMPILATION ENGAGEMENT REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Revenues and Expenditures	3
Statement of Changes in Net Assets	4
Notes to Financial Statements	5 - 6



520 4th Street
 Courtenay, BC
 V9N 1H2
 ☎ 250-871-0050
 ☎ 250-871-0051
 robbinsandco.ca

COMPILATION ENGAGEMENT REPORT

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, 2021 and the statements of revenues and expenditures and changes in net assets for the year then ended, and Note 1, which describes the basis of accounting applied in the preparation of the compiled financial statements.

Management is responsible for the accompanying financial statements, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

We performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, *Compilation Engagements*, which requires us to comply with relevant ethical requirements. Our responsibility is to assist management in the preparation of the financial information.

We have not performed an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial information.

Readers are cautioned that the financial information may not be appropriate for their purposes.

ROBBINS & COMPANY
 CHARTERED PROFESSIONAL ACCOUNTANTS

Courtenay, British Columbia
 March 8, 2022

GRAHAM LAKE IMPROVEMENT DISTRICT
Statement of Revenues and Expenditures
Year Ended December 31, 2021

	2021	2020
REVENUE		
Taxes - GLID property owners	\$ 33,500	\$ 33,500
Tolls - GLID property owners	59,400	59,400
CVRD/DIWLSA - Allocation to taxes	11,500	11,500
CVRD/DIWLSA - Allocation to tolls	18,900	18,900
	<u>123,300</u>	<u>123,300</u>
EXPENSES		
Amortization	5,496	5,447
Business taxes and licenses	486	604
Insurance	9,394	8,879
Interest and bank charges	239	252
Office	3,071	6,470
Operations Personnel	13,564	12,200
Professional fees	1,626	2,015
Repairs and maintenance	13,465	10,007
Managing and maintaining dam	241	2,336
Supplies	244	542
Utilities	5,504	6,242
Water tests and supplies	6,935	7,935
Training	-	699
Water treatment	8,082	9,608
	<u>68,347</u>	<u>73,236</u>
EXCESS OF REVENUE OVER EXPENSES FROM OPERATIONS	<u>54,953</u>	<u>50,064</u>
OTHER INCOME		
Interest income - operating funds	306	298
Interest income - renewal reserve	1,024	1,450
Interest income - late payment penalties	140	140
SWTO - Study	-	(9,364)
SWTO - Pilot Project 2	-	(6,941)
SWTO - Pilot Project 3	(27,828)	-
	<u>(26,358)</u>	<u>(14,417)</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 28,595</u>	<u>\$ 35,647</u>

GRAHAM LAKE IMPROVEMENT DISTRICT
Statement of Changes in Net Assets
Year Ended December 31, 2021

	Operating Fund	Renewal Reserve Fund	Capital Asset Fund	2021	2020
NET ASSETS - BEGINNING OF YEAR	\$ 37,529	\$ 347,171	\$ 40,699	\$ 425,399	\$ 389,753
EXCESS OF REVENUE OVER EXPENSES	5,768	22,827	-	28,595	35,647
CONTRIBUTIONS	-	46,024	3,942	49,966	46,450
WITHDRAWALS	(16,642)	(27,828)	(5,496)	(49,966)	(46,451)
NET ASSETS - END OF YEAR	\$ 26,655	\$ 388,194	\$ 39,145	\$ 453,994	\$ 425,399

The accompanying notes are a part of these financial statements

GRAHAM LAKE IMPROVEMENT DISTRICT
Notes to Financial Statements
Year Ended December 31, 2021

1. BASIS OF ACCOUNTING

The basis of accounting applied in the preparation of the statement of financial position of Graham Lake Improvement District as at December 31, 2021 and the statements of revenues and expenditures and changes in net assets for the year then ended is the historical cost basis and reflects cash transactions with the addition of:

- accounts receivable
- property, plant and equipment amortized over their useful lives
- accounts payable and accrued liabilities

2. PURPOSE OF THE ORGANIZATION

Graham Lake Improvement District is a public local body incorporated through an Order in Council by Letters Patent granted pursuant to the British Columbia Local Government Act.

Federal Income Tax: Section 149(1)(c) of the Federal Income Tax Act grants tax-exempt status to a municipal or public body performing a function of government in Canada.

BC Taxes: Section 27 of the BC Income Tax Act provides that if income is exempt from federal income tax under Section 149(1) of the Federal Income Tax Act, then it is also exempt from BC income tax. Land and improvements owned by an improvement district are exempt from taxation by the B.C. government, regional districts and municipalities pursuant to Section 731 of the BC Local Government Act.

Graham Lake Improvement District exists for the purpose of establishing, maintaining and operating a water system.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Property and equipment

Property and equipment is stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life on a declining balance basis at the following rates and methods:

Buildings	40 years	declining balance method
Office equipment	N/A	
Furniture and fixtures	40 years	declining balance method
Other machinery and equipment	40 years	declining balance method

The organization regularly reviews its property and equipment to eliminate obsolete items.

GRAHAM LAKE IMPROVEMENT DISTRICT
Notes to Financial Statements
Year Ended December 31, 2021

4. PROPERTY AND EQUIPMENT

	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
Buildings	\$ 74,294	\$ 60,720	\$ 13,574	\$ 15,385
Office equipment	105	-	105	105
Furniture and fixtures	21,050	19,850	1,200	1,800
Tools and equipment	124,933	100,667	24,266	23,409
	\$ 220,382	\$ 181,237	\$ 39,145	\$ 40,699

5. STATEMENT OF CHANGES IN NET ASSETS

Graham Lake Improvement District incurred a net expense of \$27,828 (2020 - \$16,305) for the Water Treatment Plant Upgrade Project as part of its ongoing efforts to comply with the Surface Water Treatment Objectives (SWTO) that are mandated by the Vancouver Island Health Authority (VIHA).