

THETIS ISLAND COMMUNITY ASSOCIATION

Financial Statements

Year Ended December 31, 2019

(Unaudited - See Notice To Reader)

THETIS ISLAND COMMUNITY ASSOCIATION

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Year Ended December 31, 2019

(Unaudited - See Notice To Reader)

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PA Professional Corporation

NOTICE TO READER

On the basis of information provided by management, we have compiled the balance sheet of Thetis Island Community Association as at December 31, 2019 and the statements of changes in net assets and income 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.

Duncan, British Columbia
July 14, 2020

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ACCOUNTANTS

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THETIS ISLAND COMMUNITY ASSOCIATION

Balance Sheet

December 31, 2019

(Unaudited - See Notice To Reader)

	Operating Fund	Property and Equipment Fund	Library Fund	Soups on Fund	Hall Expansion Fund	2019	2018
ASSETS							
CURRENT							
Cash	\$ 44,554	\$ -	\$ -	\$ -	\$ 181,914	\$ 226,468	\$ 5,791
Term deposits	417,695	-	-	-	-	417,695	1,009,689
Accounts receivable	886	-	-	-	26,449	27,335	3,069
Inventory	1,800	-	-	-	-	1,800	1,301
Prepaid expenses	491	-	-	-	57,500	57,991	660
Due from related parties	-	-	13,508	12,288	386,004	411,800	970,327
	465,426	-	13,508	12,288	651,867	1,143,089	1,990,837
PLANT AND EQUIPMENT							
	-	982,849	-	-	-	982,849	404,749
	\$ 465,426	\$ 982,849	\$ 13,508	\$ 12,288	\$ 651,867	\$ 2,125,938	\$ 2,395,586
LIABILITIES AND NET ASSETS							
CURRENT							
Accounts payable	\$ 2,897	\$ -	\$ -	\$ -	\$ 90,290	\$ 93,187	\$ 2,821
Due to related parties	411,800	-	-	-	-	411,800	970,327
	414,697	-	-	-	90,290	504,987	973,148
NET ASSETS							
	50,729	982,849	13,508	12,288	561,577	1,620,951	1,422,438
	\$ 465,426	\$ 982,849	\$ 13,508	\$ 12,288	\$ 651,867	\$ 2,125,938	\$ 2,395,586

APPROVED BY  Director

The accompanying notes form an integral part of these financial statements

Palmer Leslie
Chartered Professional Accountants

THETIS ISLAND COMMUNITY ASSOCIATION
Statement of Changes in Net Assets
Year Ended December 31, 2019
(Unaudited - See Notice To Reader)

	Operating Fund	Property and Equipment Fund	Library Fund	Soup's on Fund	Hall Expansion Fund	2019	2018
NET ASSETS - BEGINNING OF YEAR	\$ 45,705	\$ 404,749	\$ 12,642	\$ 9,980	\$ 949,362	\$ 1,422,438	\$ 850,211
Excess of revenues over expenses	5,024	(74,957)	866	2,308	265,272	198,513	572,227
Capital purchases	-	653,057	-	-	(653,057)	-	-
NET ASSETS - END OF YEAR	\$ 50,729	\$ 982,849	\$ 13,508	\$ 12,288	\$ 561,577	\$ 1,620,951	\$ 1,422,438

The accompanying notes form an integral part of these financial statements

Palmer Leslie
Chartered Professional Accountants

THETIS ISLAND COMMUNITY ASSOCIATION
Statement of Income
Year Ended December 31, 2019
(Unaudited - See Notice To Reader)

	Operating Fund	Property and Equipment Fund	Library Fund	Soup's on Fund	Hall Expansion Fund	2019	2018
REVENUES							
Membership dues	\$ 15,612	\$ -	\$ -	\$ -	\$ -	\$ 15,612	\$ 15,863
Fundraising	-	-	1,420	2,308	9,511	13,239	28,797
Donations	506	-	-	-	162,448	162,954	313,832
Community Fund	-	-	-	-	78,204	78,204	49
Government funding	-	-	-	-	5,000	5,000	260,000
Hall rentals and user contributions	1,189	-	-	-	30	1,219	5,392
Quarterly newsletter	3,829	-	-	-	-	3,829	5,477
Interest	396	-	-	-	-	17,389	5,248
Miscellaneous other revenues	162	500	-	-	16,993	662	-
	21,694	500	1,420	2,308	272,186	298,108	634,658
EXPENSES							
Business taxes, licenses and memberships	90	-	-	-	-	90	-
Insurance	1,910	-	-	-	-	1,910	3,228
Accounting and legal	2,383	-	-	-	-	2,383	2,383
Office and sundry	6,760	-	-	-	995	7,755	14,311
Program expenses	-	-	554	-	5,919	6,473	31,977
Repairs and maintenance	3,264	-	-	-	-	3,264	6,435
Telephone and utilities	2,263	-	-	-	-	2,263	4,097
	16,670	-	554	-	6,914	24,138	62,431
EXCESS OF REVENUES OVER EXPENSES FROM OPERATIONS	5,024	500	866	2,308	265,272	273,970	572,227
OTHER INCOME							
Gain (loss) on disposal of assets	-	(75,457)	-	-	-	(75,457)	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ 5,024	\$ (74,957)	\$ 866	\$ 2,308	\$ 265,272	\$ 198,513	\$ 572,227

The accompanying notes form an integral part of these financial statements

Palmer Leslie
Chartered Professional Accountants

THETIS ISLAND COMMUNITY ASSOCIATION

Notes to Financial Statements

Year Ended December 31, 2019

Unaudited - See "NOTICE TO READER" dated July 27, 2020.

1. PURPOSE OF ORGANIZATION

The Thetis Island Community Association was established to maintain and make available facilities for the use and enjoyment of all residents of the Thetis Island community, including: community hall, sports and picnic facilities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

Revenue and expenditures are reported on the accrual basis of accounting. Under the accrual basis of accounting, revenue are recognized as they become available and are measurable. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonable assured. Expenditures are recognized as they are incurred upon receipt of goods and services.

Contributed services

Volunteers have contributed significant time to assist the Association in carrying out its programs and activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

Property and equipment

Property and equipment are stated at cost. Contributed capital assets are recorded at fair value at the date of contribution. Amortization has not been recorded to date.

The Company regularly reviews its property, plant and equipment to eliminate obsolete items. Government grants are treated as a reduction of property, plant and equipment cost.

Statement of Cash Flows

A Statement of Cash Flows has not been presented as it would not provide additional meaningful information.

3. IMPAIRMENT OF ASSETS

With the expansion of the hall underway, it was necessary to tear down the existing structure leaving the frame, roof and foundation to expand upon. This is a partial disposal of the building and resulted in an impairment of the asset. An independent third party contractor was brought in to assess the value of the remaining structure and the cost of the asset was reduced to reflect the actual value of the remaining structure that was assessed. This impairment has been reflected in the income statement of the Property and Equipment fund.

	2019
Building value - 2018	\$ 227,357
Impairment of building	(74,957)
Remaining structure value	<u>\$ 152,400</u>

THETIS ISLAND COMMUNITY ASSOCIATION

Notes to Financial Statements

Year Ended December 31, 2019

Unaudited - See "NOTICE TO READER" dated July 14, 2020.

4. RELATED PARTY TRANSACTIONS

The Association has hired Ravenscall Enterprises Ltd. for several maintenance projects during the year. This company is owned by one of the Directors. The Association has only paid for out of pocket expenses incurred by Ravenscall Enterprises Ltd. and all the labour supplied by the director has been donated. At December 31, 2019 there was no balance owing. Amounts paid to the related party totaled \$472 including applicable taxes in 2019 (2018 - \$1,762).
