

THETIS ISLAND COMMUNITY ASSOCIATION
Financial Information
Year Ended December 31, 2021

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Year Ended December 31, 2021

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*A Professional Corporation

COMPILATION ENGAGEMENT REPORT

To the Members of Thetis Island Community Association

On the basis of information provided by management, we have compiled the statement of financial position of Thetis Island Community Association 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 information ("financial information").

Management is responsible for the accompanying financial information, 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.

Duncan, British Columbia
April 19, 2022

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ACCOUNTANTS

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THETIS ISLAND COMMUNITY ASSOCIATION
Statement of Financial Position
December 31, 2021

	Operating Fund	Property and Equipment Fund	Library Fund	Soup's on Fund	Hall Expansion Fund	2021	2020
ASSETS							
CURRENT							
Cash	\$ 6,110	\$ -	\$ -	\$ -	\$ -	\$ 6,110	\$ 7,206
Term deposits	34,032	-	-	-	-	34,032	49,001
Accounts receivable	435	-	-	-	8,914	9,349	25,172
Inventory	-	-	-	-	-	-	1,191
Prepaid expenses	-	-	-	-	-	-	10,343
Due from related parties	346,293	-	6,720	2,910	-	355,923	135,789
	386,870	-	6,720	2,910	8,914	405,414	228,702
PROPERTY, PLANT AND EQUIPMENT <i>(Net of accumulated amortization) (Note 4)</i>	-	2,301,905	-	-	-	2,301,905	1,886,834
	\$ 386,870	\$ 2,301,905	\$ 6,720	\$ 2,910	\$ 8,914	\$ 2,707,319	\$ 2,115,536

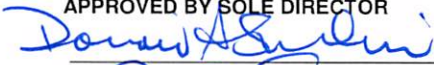
See notes to financial information

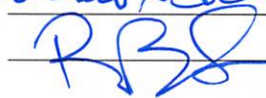
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THETIS ISLAND COMMUNITY ASSOCIATION
Statement of Financial Position
December 31, 2021

	Operating Fund	Property and Equipment Fund	Library Fund	Soup's on Fund	Hall Expansion Fund	2021	2020
LIABILITIES AND NET ASSETS							
CURRENT							
Accounts payable	\$ 2,189	\$ -	\$ -	\$ -	\$ -	\$ 2,189	\$ 8,292
Interest payable	-	-	-	-	3,100	3,100	-
Due to related parties	21,629	-	-	-	334,293	355,922	135,789
	23,818	-	-	-	337,393	361,211	144,081
LONG TERM DEBT (Note 5)	335,000	-	-	-	-	335,000	100,000
	358,818	-	-	-	337,393	696,211	244,081
NET ASSETS (DEBT)	28,052	2,301,905	6,720	2,910	(328,479)	2,011,108	1,871,455
	\$ 386,870	\$ 2,301,905	\$ 6,720	\$ 2,910	\$ 8,914	\$ 2,707,319	\$ 2,115,536

APPROVED BY SOLE DIRECTOR


 _____ Director


 _____ Director

See notes to financial information

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THETIS ISLAND COMMUNITY ASSOCIATION
Statement of Revenues and Expenditures
Year Ended December 31, 2021

	Operating Fund	Property and Equipment Fund	Library Fund	Soup's on Fund	Hall Expansion Fund	2021	2020
REVENUES							
Membership dues	\$ 14,469	\$ -	\$ -	\$ -	\$ -	\$ 14,469	\$ 14,625
Fundraising	-	-	2,345	1,140	740	4,225	624
Donations	1,499	-	-	-	187,232	188,731	253,008
Hall rentals and user contributions	8,015	-	-	-	-	8,015	1,105
Quarterly newsletter	4,600	-	-	-	-	4,600	4,150
Interest	24	-	-	-	29	53	1,318
	28,607	-	2,345	1,140	188,001	220,093	274,830
EXPENSES							
Amortization	-	43,737	-	-	-	43,737	-
Insurance	9,054	-	-	-	-	9,054	1,541
Interest and bank charges	824	-	-	-	-	824	-
Interest on long term debt	-	-	-	-	3,100	3,100	-
Accounting and legal	2,657	-	-	-	-	2,657	3,383
Office and sundry	4,626	-	-	-	65	4,691	4,257
Program expenses	-	-	931	2,033	-	2,964	4,553
Repairs and maintenance	7,155	-	-	-	-	7,155	7,914
Telephone and utilities	6,258	-	-	-	-	6,258	2,678
	30,574	43,737	931	2,033	3,165	80,440	24,326
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ (1,967)	\$ (43,737)	\$ 1,414	\$ (893)	\$ 184,836	\$ 139,653	\$ 250,504

See notes to financial information

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THETIS ISLAND COMMUNITY ASSOCIATION
Statement of Changes in Net Assets
Year Ended December 31, 2021

	Operating Fund	Property and Equipment Fund	Library Fund	Soup's on Fund	Hall Expansion Fund	2021	2020
NET ASSETS - BEGINNING OF YEAR	\$ 30,019	\$ 1,886,834	\$ 5,306	\$ 15,803	\$ (66,507)	\$ 1,871,455	\$ 1,620,951
Excess of revenues over expenses	(1,967)	(43,737)	1,414	(893)	184,836	139,653	250,504
Capital purchases	-	458,808	-	-	(458,808)	-	-
Soup's on fund transfer	-	-	-	(12,000)	12,000	-	-
NET ASSETS - END OF YEAR	\$ 28,052	\$ 2,301,905	\$ 6,720	\$ 2,910	\$ (328,479)	\$ 2,011,108	\$ 1,871,455

See notes to financial information

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THETIS ISLAND COMMUNITY ASSOCIATION

Notes to Financial Information

Year Ended December 31, 2021

Unaudited - See "NOTICE TO READER" dated April 21, 2022.

1. BASIS OF ACCOUNTING

The basis of accounting applied in the preparation of the statement of financial position of Thetis Island Community Association 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:

- property, plant and equipment amortized over their useful lives
 - accounts payable and accrued liabilities
 - current income taxes payable as at the reporting date
-

2. 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.

3. 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.

Land		non-amortizable
Land improvements	8%	declining balance method
Buildings	4%	declining balance method

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.

THETIS ISLAND COMMUNITY ASSOCIATION

Notes to Financial Information

Year Ended December 31, 2021

Unaudited - See "NOTICE TO READER" dated April 21, 2022.

4. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
Land	\$ 50,000	\$ -	\$ 50,000	\$ 50,000
Land improvements	120,621	4,825	115,796	120,621
Buildings	2,175,021	38,912	2,136,109	1,716,213
	\$ 2,345,642	\$ 43,737	\$ 2,301,905	\$ 1,886,834

The Association received its occupancy permit for the Hall in July 2021.

5. LONG TERM DEBT

	2021	2020
Two \$50,000 loans from local supporters of the Association bearing interest at 0.0% per annum, no monthly payments required. The loans mature on January 1, 2024, and are secured by promissory notes.	\$ 100,000	\$ 100,000
Three \$50,000 loans from local supporters bearing interest at 2% per annum, no monthly payments required. The loans mature on January 1, 2024 and are secured by promissory notes.	150,000	-
Five \$10,000 loans and one \$25,000 loan from local supporters bearing interest at 0% per annum, no monthly repayments required. The loans mature on April 1, 2024 and are secured by promissory notes. The loans are subordinate to future bank loans and to the \$50,000 local lender loans.	75,000	-
One \$10,000 loan from a local supporter bearing interest at 1.5% per annum, no monthly payments required. The loan matures on April 1, 2024 and is secured by a promissory note. The loan is subordinate to future bank loans and to the \$50,000 local lender loans.	10,000	-
Amounts payable within one year	-	-
	\$ 335,000	\$ 100,000

Principal repayment terms are approximately:

2024	\$ 335,000
	\$ 335,000

THETIS ISLAND COMMUNITY ASSOCIATION

Notes to Financial Information

Year Ended December 31, 2021

Unaudited - See "NOTICE TO READER" dated April 21, 2022.

6. 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, 2021 there was no balance owing. Amounts paid to the related party for maintenance totaled \$1,533 and \$383 including applicable taxes for the years ending December 31, 2021 and 2020, respectively. In 2021 the Association also reimbursed Ravenscall for \$14,666 in materials for the Hall construction.
