

**LILLOOET LAKE ESTATES LTD.**

**FINANCIAL STATEMENTS**

**(UNAUDITED - DRAFT)**

**DECEMBER 31, 2016**

**LILLOOET LAKE ESTATES LTD.**  
**STATEMENT OF FINANCIAL POSITION**  
**(UNAUDITED - DRAFT)**  
**AS AT DECEMBER 31,**

**2016**

**2015**

**ASSETS**

**CURRENT ASSETS**

Cash - General	\$ 80,704	\$ 148,730
Cash - Restricted <i>(Note 1)</i>	119,806	89,750
Short term investments <i>(Note 2)</i>	3,572	3,540
Assessments due from owners	40,014	36,715
Deposits	-	2,000
	<u>244,096</u>	<u>280,735</u>

**PROPERTY, PLANT AND EQUIPMENT**

Water system	1,153,693	1,153,693
Land	61,000	61,000
Tool Cat	68,645	68,645
Maintenance building	95,996	95,996
	<u>1,379,334</u>	<u>1,379,334</u>
Less: Accumulated amortization	165,966	152,273
	<u>1,213,368</u>	<u>1,227,061</u>

**\$ 1,457,464      \$ 1,507,796**

**LIABILITIES AND SHAREHOLDER'S EQUITY**

**CURRENT LIABILITIES**

Accounts payable <i>(Note 3)</i>	\$ 36,948	\$ 7,017
Prepaid assessments <i>(Note 4)</i>	7,417	6,211
	<u>44,365</u>	<u>13,228</u>

**SHAREHOLDER'S EQUITY**

Share Capital	152	152
Net assets from operations	79,767	177,599
Net assets invested in water system	1,056,035	1,062,139
Net assets invested in land	61,000	61,000
Net assets invested in maintenance building	95,996	95,996
Net assets invested in Tool Cat	343	7,932
Restricted funds	119,806	89,750
	<u>1,413,099</u>	<u>1,494,568</u>

**\$ 1,457,464      \$ 1,507,796**

**LILLOOET LAKE ESTATES LTD.**  
**STATEMENT OF INCOME**  
**(UNAUDITED - DRAFT)**  
**FOR THE YEAR ENDED DECEMBER 31,**

**2016**

**2015**

**ASSESSMENTS**

Annual assessments	\$	208,789	\$	206,990
Interest and penalties <i>(Note 5)</i>		8,572		8,713
		217,361		215,703

**OPERATING EXPENSES**

Accounting		3,900		1,751
Amortization		13,693		13,693
Bank charges		457		564
Collection costs <i>(Note 6)</i>		4,165		-
Communications and travel		3,070		3,426
Creek mitigation expenses <i>(Note 7)</i>		123,534		-
Insurance and WCB		10,021		9,397
Legal - annual filings, opinions and fees		3,449		3,171
Maintenance - common property <i>(Note 8)</i>		49,343		27,830
Property taxes		34,612		40,580
Waterworks operations		52,642		52,034
		298,886		152,446

**EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES**

**\$ (81,524.59)      \$ 63,257**

**LILLOOET LAKE ESTATES LTD.**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**(UNAUDITED - DRAFT)**  
**FOR THE YEAR ENDED DECEMBER 31,**

**2016**

**2015**

**NET ASSETS FROM OPERATIONS**

Surplus, beginning of year	\$ 177,599	\$ 125,649
Operating surplus (Deficiency)- see Statement of Income	(81,525)	63,257
Transfer amortization from capital fund	13,693	13,693
Transfer to restricted funds	(30,000)	(25,000)
Surplus, end of year	\$ 79,767	\$ 177,599

**NET ASSETS INVESTED IN WATER SYSTEM**

Balance, beginning of year	\$ 1,062,139	\$ 1,068,243
Transfer amortization to operating fund	(6,104)	(6,104)
Balance, end of year	\$ 1,056,035	\$ 1,062,139

**NET ASSETS INVESTED IN LAND**

Balance, beginning of year - Lot 93	\$ 55,000	\$ 55,000
Balance, beginning of year - Creek corridor	6,000	6,000
Balance, end of year	\$ 61,000	\$ 61,000

**NET ASSETS INVESTED IN MAINTENANCE BUILDING**

Balance, beginning of year	\$ 95,996	\$ 95,996
Invested during the year	-	-
Balance, end of year	\$ 95,996	\$ 95,996

**NET ASSETS INVESTED IN TOOL CAT**

Balance, beginning of year	\$ 7,932	\$ 15,521
Transfer amortization to operating fund	(7,589)	(7,589)
Balance, end of year	\$ 343	\$ 7,932

**NET ASSETS IN RESTRICTED FUNDS**

Balance, beginning of year	\$ 89,750	\$ 64,679
Interest earned during the year	56	71
Transferred during the year from the Operating Fund	30,000	25,000
	\$ 119,806	\$ 89,750

**LILLOOET LATE ESTATES LTD.**  
**NOTES TO FINANCIAL STATEMENTS**  
**(UNAUDITED - DRAFT)**  
**DECEMBER 31, 2016**

**Note 1 - Restricted funds**

Balance consists of funds set aside for future requirements and consists of the following:

Funds for acquisition of fire fighting equipment	\$	10,000
Contribution made during 2011		12,000
Contribution made during 2012		12,000
Contribution made during 2013		15,000
Contribution made during 2014		15,000
Contribution made during 2015		25,000
Contribution made during 2016		30,000
Accumulated interest on deposits		806
	\$	<u>119,806</u>

**Note 2 - Short term investments**

Amount of bank deposits held as security for guarantee issued by the bank as required by the Province of British Columbia for water licenses

**Note 3- Accounts payable**

Accounts payable are composed of the following:

Collection	\$	2,728
Contractor		5,575
Creek Mitigation		23,962
Director expenses		227
Engineering		1,509
Legal and accounting		2,400
Parts and supplies		547
	\$	<u>36,948</u>

**Note 4- Prepaid assessments**

Balance consists of two components. The first are amounts which have been prepaid by various owners which will be applied against future annual assessments. The residual balance (\$3,379.81) is being held for an absentee owner resulting from the sale of a lot to pay arrears. This balance is refundable to that owner.

**LILLOOET LAKE ESTATES LTD.**  
**NOTES TO FINANCIAL STATEMENTS**  
**(UNAUDITED - DRAFT)**  
**DECEMBER 31, 2016**

**Note 5- Interest and penalties**

Interest is charged monthly on unpaid accounts from owners at a compounded rate of 2% per month (26.8% per annum).

**Note 6- Collection costs**

This year the Board opted to assign delinquent accounts to a collection agency. This expense is for the accounts which were paid after assignment. The rate charged by the agency is 35% of the collected amount for accounts which are unpaid up to two years and 50% for those two years and older.

**Note 7 - Creek Mitigation Expense**

During the year engineers were engaged to complete a detailed analysis of the work required to decrease the risk of damage from a debris torrent in Cataline Creek. The cost of this work was split with the Squamish Lillooet Regional District. This expense is the portion of the cost to Lillooet Lake Estates Ltd. as well as the cost of a consultant hired to represent Lillooet Lake Estates Ltd. in negotiations with various levels of government.

**Note 8- Maintenance - common property.**

Common area maintenance costs are composed of the following

Contractors	\$	9,127
Dust suppression		6,638
Excavator and other equipment		30,395
Parts and supplies		3,183
	\$	<u>49,343</u>