



Compiled Financial Information

Lower Nipit Improvement District

December 31, 2022

Contents

	Page
Compilation Engagement Report	1
Statement of Financial Position	2
Statement of Operations	3
Statement of Changes in Net Assets	4
Notes to the Financial Information	5

Compilation Engagement Report

Grant Thornton LLP
201 - 99 Padmore Ave E
Penticton, BC
V2A 7H7

T +1 250 493 0600
F +1 250 493 4709
www.GrantThornton.ca

To the Management of
Lower Nipit Improvement District

On the basis of information provided by Management, we have compiled the statement of financial position of Lower Nipit Improvement District as at December 31, 2022, the statements of operations and changes in net assets for the year then ended, and Note 2, 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 did not perform 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.

Report on other legal and regulatory requirements

As required by the Societies Act of British Columbia, we report nothing has come to our attention that causes us to believe that these financial statements were not prepared on a basis consistent with that applied in preparing the financial statements of the preceding year.

Penticton, Canada
February 15, 2023



Chartered Professional Accountants

Lower Nipit Improvement District Statement of Financial Position

December 31

2022

2021

Assets

Current

Cash	\$ 56,033	\$ 45,470
Short term investments	13,644	13,511
Accounts receivable	<u>1,980</u>	<u>2,647</u>
	71,657	61,628

Property and equipment (Note 3)

5,288 6,610

\$ 76,945 \$ 68,238

Liabilities

Current

Accounts payable and accrued liabilities	\$ <u>4,616</u>	\$ <u>4,275</u>
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Fund balances

General Fund	42,969	36,281
Restricted Fund	5,288	6,610
Reserve Fund	<u>24,072</u>	<u>21,072</u>
	<u>72,329</u>	<u>63,963</u>

\$ 76,945 \$ 68,238

On behalf of the board

_____ Trustee

_____ Treasurer

Lower Nipit Improvement District

Statement of Operations

Year ended December 31	2022 Budget	2022 Actual	2021 Actual
Revenues	\$ 20,900	\$ 19,562	\$ 20,985
Expenditures			
Honouraria	5,250	5,000	5,250
Professional fees	1,800	2,638	1,750
Amortization	1,652	1,322	1,652
Water monitoring equipment	-	1,133	127
Office and general	890	315	217
Pump expenses	2,300	308	2,036
Bad debts	-	300	-
Licenses, dues and fees	150	150	150
Interest and bank charges	25	30	19
Water testing	250	-	126
Travel and training	300	-	-
	12,617	11,196	11,327
Excess of revenues over expenditures	\$ 8,283	\$ 8,366	\$ 9,658

Lower Nipit Improvement District

Statement of Changes in Net Assets

Year ended December 31

	General Fund	Restricted Fund	Reserve Fund	Total 2022	Total 2021
Net assets, beginning of year	\$ 36,281	\$ 6,610	\$ 21,072	\$ 63,963	\$ 54,305
Excess (deficiency) of revenues over expenditures	9,688	(1,322)	-	8,366	9,658
Transfer to reserve fund	(3,000)	-	3,000	-	-
Net assets, end of year	<u>\$ 42,969</u>	<u>\$ 5,288</u>	<u>\$ 24,072</u>	<u>\$ 72,329</u>	<u>\$ 63,963</u>

Lower Nipit Improvement District

Notes to the Financial Information

December 31, 2022

1. Nature of operations

Lower Nipit Improvement District is a not-for-profit organization incorporated under the Water Act on September 21, 1965. The object of the improvement district is the acquisition, maintenance, and operation of works for land improvement purposes and all matters incidental thereto.

2. Basis of accounting

The preparation of the statement of financial position of Lower Nipit Improvement District as at December 31, 2022, the statements of operations and changes in net assets for the year then ended is on the cash basis of accounting with the addition of the following:

- (a) accounts receivable are accrued as at the reporting date
 - (b) property, plant and equipment purchased since 1998 has been amortized at 20% per year using the declining balance
 - (c) accounts payable and accrued liabilities are accrued as at the reporting date
 - (d) unrestricted contributions are recognized as revenue when received. Contributions that are restricted by third parties are recognized as revenue when the related expenses have been incurred. When the related expenses have not yet been incurred, contributions that are restricted by third parties are recorded as deferred revenue.
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3. Property and equipment

			<u>2022</u>	<u>2021</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Equipment	\$ 42,962	\$ 37,674	\$ 5,288	\$ 6,610

4. British Columbia Societies Act

The British Columbia Societies Act requires disclosure of the amounts of remuneration paid to all directors, the ten highest paid employees, and all contractors who were paid at least \$75,000 annually. The organization had no individuals who would fall into this category.
