

GILLIES BAY IMPROVEMENT DISTRICT

Financial Statements

Year Ended December 31, 2024

GILLIES BAY IMPROVEMENT DISTRICT

Index to Financial Statements

Year Ended December 31, 2024

	Page
MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING	1
INDEPENDENT AUDITOR'S REPORT	2 - 3
FINANCIAL STATEMENTS	
Statement of Financial Position	4
Statement of Operations	5
Statement of Changes in Accumulated Surplus	6
Statement of Changes in Net Financial Assets	7
Statement of Cash Flows	8
Notes to Financial Statements	9 - 14
Schedule of Expenses by Object - Street Lighting <i>(Schedule 1)</i>	15
Schedule of Expenses by Object - Water Services <i>(Schedule 2)</i>	16
Schedule of Expenses by Object - Fire Department <i>(Schedule 3)</i>	17
Schedule of Expenses by Object - Governance and Administration <i>(Schedule 4)</i>	18
Schedule of Expenses by Object - Water Services Development <i>(Schedule 5)</i>	19

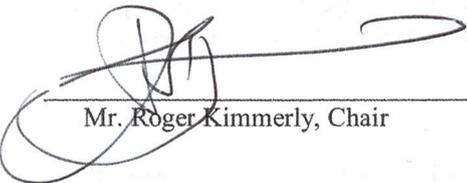
MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Gillies Bay Improvement District have been prepared in accordance with Canadian public sector accounting standards (PSAS). When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

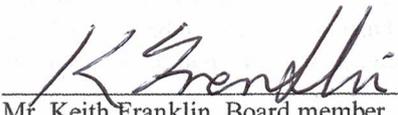
The integrity and reliability of Gillies Bay Improvement District's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Board of Trustees is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board meets periodically with management and the members' auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Board of Trustees moves for the approval of the financial statements. The Board also considers, for review and approval by the members, the engagement or re-appointment of the external auditors.

The financial statements have been audited on behalf of the members by DMD Chartered Professional Accountants, in accordance with Canadian public sector accounting standards (PSAS).



Mr. Roger Kimmerly, Chair



Mr. Keith Franklin, Board member

Gillies Bay, British Columbia
May 05, 2024



Chartered Professional Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Members of Gillies Bay Improvement District

Report on the Financial Statements

Opinion

We have audited the financial statements of Gillies Bay Improvement District (the "District"), which comprise the statement of financial position as at December 31, 2024, and the statements of operations, changes in accumulated surplus, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the District as at December 31, 2024, and the results of its operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards (PSAS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the District in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw your attention to Note 11 in the financial statements, which indicates over the next 5 to 20 years significant capital asset upgrades may be necessary. Significant and onerous costs may be required in order to meet the objectives of a study and current research. This may require increased taxation, the borrowing of infrastructure funding, or a combination of both. our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PSAS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the District's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the District or to cease operations, or has no realistic alternative but to do so.

(continues)

Independent Auditor's Report to the Members of Gillies Bay Improvement District (*continued*)

Those charged with governance are responsible for overseeing the District's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the District's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the District to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Powell River, British Columbia
May 4, 2025



CHARTERED PROFESSIONAL ACCOUNTANTS

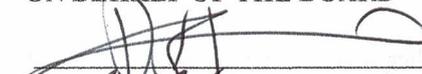
GILLIES BAY IMPROVEMENT DISTRICT

Statement of Financial Position

December 31, 2024

	2024	2023
FINANCIAL ASSETS		
Cash (Note 3)	\$ 102,579	\$ 91,828
Term deposits (Note 4)	909,157	784,456
Accounts receivable	23,521	22,527
Interest receivable (Note 4)	40,298	26,474
Goods and services tax recoverable	9,308	10,240
	<u>1,084,863</u>	<u>935,525</u>
LIABILITIES		
Accounts payable	21,754	29,073
Wages payable	9,772	3,892
Employee deductions payable	6,971	3,912
Deferred income (Note 5)	28,266	30,740
Long term debt (Note 6)	109,547	125,990
	<u>176,310</u>	<u>193,607</u>
NET FINANCIAL ASSETS	<u>908,553</u>	<u>741,918</u>
NON-FINANCIAL ASSETS		
Inventory	111,514	113,610
Prepaid expenses	27,241	27,241
Tangible capital assets (Note 7)	805,066	834,635
	<u>943,821</u>	<u>975,486</u>
ACCUMULATED SURPLUS (Note 8)	<u>\$ 1,852,374</u>	<u>\$ 1,717,404</u>

ON BEHALF OF THE BOARD


 _____ Trustee

 _____ Trustee

GILLIES BAY IMPROVEMENT DISTRICT

Statement of Operations

Year Ended December 31, 2024

	2024	2023
REVENUES		
Water Services		
Water tolls	\$ 142,260	\$ 122,779
Capital expenditure charges	-	15,000
Water metering	1,250	50
	<u>143,510</u>	<u>137,829</u>
Street Lighting		
Street lighting	19,857	19,380
	<u>19,857</u>	<u>19,380</u>
Fire Department		
Tax revenue	157,817	148,407
Union of BC Municipalities	27,174	24,426
Interest	3,578	3,186
Grants and donations	16,400	5,118
	<u>204,969</u>	<u>181,137</u>
Governance and Administration		
Parcel tax	173,857	169,800
Interest	40,153	32,261
Other charges	4,239	13,762
	<u>218,249</u>	<u>215,823</u>
	<u>586,585</u>	<u>554,169</u>
EXPENSES		
Schedule of Expenses by Object - Street Lighting <i>(Schedule 1)</i>	16,971	18,352
Schedule of Expenses by Object - Water Services <i>(Schedule 2)</i>	133,323	116,859
Schedule of Expenses by Object - Fire Department <i>(Schedule 3)</i>	149,294	171,435
Schedule of Expenses by Object - Governance and Administration <i>(Schedule 4)</i>	119,540	93,217
Schedule of Expenses by Object - Water Services Development <i>(Schedule 5)</i>	32,487	37,414
	<u>451,615</u>	<u>437,277</u>
ANNUAL SURPLUS	<u>\$ 134,970</u>	<u>\$ 116,892</u>

The accompanying notes form an integral part of these financial statements.

GILLIES BAY IMPROVEMENT DISTRICT
Statement of Changes in Accumulated Surplus
Year Ended December 31, 2024

	2024	2023
ACCUMULATED SURPLUS - BEGINNING OF YEAR	\$ 1,717,404	\$ 1,600,512
ANNUAL SURPLUS	134,970	116,892
ACCUMULATED SURPLUS - END OF YEAR	\$ 1,852,374	\$ 1,717,404

The accompanying notes form an integral part of these financial statements.

GILLIES BAY IMPROVEMENT DISTRICT
Statement of Changes in Net Financial Assets
Year Ended December 31, 2024

	2024 <i>December 31</i>	2023 <i>December 31</i>
ANNUAL SURPLUS	\$ 134,970	\$ 116,892
Amortization of tangible capital assets	48,446	48,359
Purchase of tangible capital assets	(18,877)	(17,892)
Loss on disposal of assets	-	39
Decrease (increase) in prepaid expenses	-	(1,393)
Decrease in inventory	2,096	1,559
	<u>31,665</u>	<u>30,672</u>
INCREASE IN NET FINANCIAL ASSETS	166,635	147,564
NET FINANCIAL ASSETS - BEGINNING OF YEAR	741,918	594,354
NET FINANCIAL ASSETS - END OF YEAR	\$ 908,553	\$ 741,918

The accompanying notes form an integral part of these financial statements.

GILLIES BAY IMPROVEMENT DISTRICT**Statement of Cash Flows
Year Ended December 31, 2024**

	2024	2023
OPERATING ACTIVITIES		
Annual surplus	\$ 134,970	\$ 116,892
Items not affecting cash:		
Amortization of property, plant and equipment	48,446	48,359
Loss on disposal of property, plant and equipment	-	39
	<u>183,416</u>	<u>165,290</u>
Changes in non-cash working capital:		
Accounts receivable	(994)	(18,743)
Interest receivable	(13,824)	(20,940)
Inventory	2,096	1,559
Accounts payable	(7,320)	8,577
Deferred income	(2,474)	(3,289)
Prepaid expenses	-	(1,393)
Goods and services tax payable	932	(4,500)
Wages payable	5,880	(876)
Employee deductions payable	3,059	3,334
	<u>(12,645)</u>	<u>(36,271)</u>
Cash flow from operating activities	<u>170,771</u>	<u>129,019</u>
INVESTING ACTIVITY		
Purchase of property, plant and equipment	<u>(18,877)</u>	<u>(17,892)</u>
Cash flow used by investing activity	<u>(18,877)</u>	<u>(17,892)</u>
FINANCING ACTIVITY		
Repayment of long term debt	<u>(16,442)</u>	<u>(15,964)</u>
Cash flow used by financing activity	<u>(16,442)</u>	<u>(15,964)</u>
INCREASE IN CASH FLOW	135,452	95,163
Cash - beginning of year	<u>876,284</u>	<u>781,121</u>
CASH - END OF YEAR	\$ 1,011,736	\$ 876,284
CASH CONSISTS OF:		
Cash	\$ 102,579	\$ 91,828
Term deposits	<u>909,157</u>	<u>784,456</u>
	<u>\$ 1,011,736</u>	<u>\$ 876,284</u>

The accompanying notes form an integral part of these financial statements.

GILLIES BAY IMPROVEMENT DISTRICT

Notes to Financial Statements

Year Ended December 31, 2024

1. DESCRIPTION OF OPERATIONS

The Gillies Bay Improvement District (the 'District') provides waterworks, street lighting, and fire protection to the properties within the district's boundaries. The Gillies Bay Improvement District's Letter Patent was established in 1963 and the District is governed by its own by-laws.

The District has water licenses issued under the Water Sustainability Act (British Columbia), allowing a total of 317,800 m³ of water to be diverted annually for local provision.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian public sector accounting standards (PSAS) and, in management's opinion, with consideration of materiality and within the framework of the following accounting policies:

Fund accounting

The District follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Revenues and expenses related to program delivery and administrative activities are reported in the Operating Fund. Operating fund surplus comprise the excess of revenue over expenses accumulated by the organization each year, net of transfers, and are available for general purposes.

Expenses related to the ownership and cost of tangible capital assets are reported in the Tangible Capital Asset Fund.

The Capital Works and Equipment Renewal Reserve Fund reports amounts transferred from the Operating Fund as designated by the Trustees, interest earned, and expenditures for upgrading, repairs, replacement, and renewal of tangible capital assets.

The Capital Expenditure Charge Reserve Fund reports funds received for capital expenditure charges transferred from the Operating Fund and related expenditures related to the development or upgrading the water services facilities to new types of systems.

Measurement uncertainty

Certain amounts in the financial statements are subject to measurement uncertainty and are based on the District's best information and judgment. Actual results could differ from these estimates.

Examples of significant estimates include:

- providing for amortization of tangible capital assets;
- the estimated useful lives of assets;
- the allowance for doubtful accounts; and
- the allowance for inventory obsolescence.

Inventory

The District's inventory of waterworks replacement parts and consumables is recorded at the lower of cost and replacement cost. Cost is determined by the first-in, first-out method. Net realizable value is the estimated selling price in the ordinary course of business, less selling costs.

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GILLIES BAY IMPROVEMENT DISTRICT

Notes to Financial Statements

Year Ended December 31, 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Tangible capital assets

Tangible capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives at the following rates and methods:

Building	4%	declining balance method
Computer equipment	55%	declining balance method
Dam	2%	declining balance method
Equipment	5% and 20%	declining balance method
Meters	15 years	straight-line method
Motor vehicle	25 years	straight-line method
Waterworks and lighting	3%	declining balance method

The District regularly reviews its tangible capital assets to eliminate obsolete items.

Tangible capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

Donated capital assets or assets partially funded by specified donations or grants are recorded at their fair market value at the time of the donation. The donation value related to the donated asset is recognized over the life of the asset, at the same rate that the asset is being amortized.

Revenue recognition

The District recognizes revenues when they are earned, specifically when all the following conditions are met:

- tax assessments and levies are recognized annually, at the beginning of the year to which they relate.
- interest income is recorded using the effective interest rate method.
- government transfers are recognized in the period the stipulations and eligibility criteria have been met.

3. CASH

The cash consists of the following:

	2024	2023
<u>Operations</u>		
Current account and cash	\$ 27,644	\$ 47,201
Equity Shares	256	256
	27,900	47,457
 <u>Fire Department</u>		
Current Account	28,036	44,334
Equity Shares	37	37
	28,073	44,371
 <u>Capital Renewal Reserve Fund</u>		
GBID Capital Renewal Reserve Fund	31,606	-

(continues)

GILLIES BAY IMPROVEMENT DISTRICT

Notes to Financial Statements

Year Ended December 31, 2024

3. CASH (continued)

Capital Expenditure Fund

RBC Business Essentials - Cash account

15,000	-
<hr/>	
\$ 102,579	\$ 91,828

4. TERM DEPOSITS HELD FOR CAPITAL WORKS AND EQUIPMENT RENEWAL RESERVE FUNDS

	<u>2024</u>	<u>2023</u>
Water Services deposits held		
Term deposit, bearing interest at a variable interest rate, maturing January 23, 2025.	\$ 147,741	\$ -
Term deposits, bearing interest at 5.10% per annum, maturing January 23, 2025	477,396	-
Term deposit, bearing interest at 5.20% per annum, maturing March 15, 2025	200,000	-
Term deposits, matured	-	702,359
	<hr/>	<hr/>
	825,137	702,359
Fire Department deposits held		
Term deposit, bearing interest at a variable interest rate, maturing January 23, 2025	84,020	-
Term deposits, matured	-	82,097
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	84,020	82,097
	<hr/>	<hr/>
	909,157	784,456
Interest receivable		
Water Services	36,989	24,775
Fire Department	3,309	1,699
	<hr/>	<hr/>
	40,298	26,474
	<hr/>	<hr/>
	\$ 949,455	\$ 810,930

The term deposits have been allocated by the Board to the operating segments as noted.

5. DEFERRED REVENUE

	<u>Opening</u>	<u>Additions (Refunds)</u>	<u>Recognized as Income</u>	<u>Closing</u>
Structural Protection Unit grants and donations	\$ 17,830	\$ -	\$ 891	\$ 16,939
Donated water pumps	5,938	-	1,188	4,750
AED device grant	1,972	-	395	1,577
BC Hydro Broad Impact Grant	5,000	-	-	5,000
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	\$ 30,740	\$ -	\$ 2,474	\$ 28,266

GILLIES BAY IMPROVEMENT DISTRICT

Notes to Financial Statements

Year Ended December 31, 2024

6. LONG TERM DEBT

	<u>2024</u>	<u>2023</u>
Ministry of Finance Fire Truck loan bearing interest at 3% per annum, repayable in annual blended payments of \$20,222. The loan matures on July 1, 2030.	\$ 109,547	\$ 125,990

Principal repayment terms are approximately:

2025	\$ 16,936
2026	17,444
2027	17,967
2028	18,506
2029	19,061
Thereafter	19,633
	<u>\$ 109,547</u>

7. TANGIBLE CAPITAL ASSETS

	Land	Building	Equipment	Dam	Water Distribution and Pipework and Meters	Motor Vehicle	Total
Cost							
Balance Jan 1, 2024	\$ 64,804	\$ 84,287	\$ 378,622	\$ 100,000	\$ 762,155	\$ 504,392	\$ 1,894,260
Additions	-	11,228	2,618	-	5,031	-	18,877
Disposals	-	-	-	-	-	-	-
Balance Dec 31, 2024	\$ 64,804	\$ 95,515	\$ 381,240	\$ 100,000	\$ 767,186	\$ 504,392	\$ 1,913,137
Accumulated Amortization							
Balance Jan 1, 2024	\$ -	\$ (64,496)	\$ (299,582)	\$ (69,328)	\$ (353,091)	\$ (273,128)	\$ (1,059,625)
Amortization	-	(1,158)	(11,880)	(613)	(14,619)	(20,176)	(48,446)
Disposals	-	-	-	-	-	-	-
Balance Dec 31, 2024	\$ -	\$ (65,654)	\$ (311,462)	\$ (69,941)	\$ (367,710)	\$ (293,304)	\$ (1,108,071)
Net book value	\$ 64,804	\$ 29,861	\$ 69,778	\$ 30,059	\$ 399,476	\$ 211,088	\$ 805,066

	Land	Building	Equipment	Dam	Water Distribution and Pipework	Motor Vehicle	Total
Cost							
Balance Jan 1, 2023	\$ 64,804	\$ 84,287	\$ 375,534	\$ 100,000	\$ 754,099	\$ 498,232	\$ 1,876,956
Additions	-	-	3,676	-	8,056	6,160	17,892
Disposals	-	-	(588)	-	-	-	(588)
Balance Dec 31, 2023	\$ 64,804	\$ 84,287	\$ 378,622	\$ 100,000	\$ 762,155	\$ 504,392	\$ 1,894,260
Accumulated Amortization							
Balance Jan 1, 2023	\$ -	\$ (63,671)	\$ (286,050)	\$ (68,702)	\$ (340,440)	\$ (252,952)	\$ (1,011,815)
Amortization	-	(825)	(14,081)	(626)	(12,651)	(20,176)	(48,359)
Disposals	-	-	549	-	-	-	549
Balance Dec 31, 2023	\$ -	\$ (64,496)	\$ (299,582)	\$ (69,328)	\$ (353,091)	\$ (273,128)	\$ (1,059,625)
Net book value	\$ 64,804	\$ 19,791	\$ 79,040	\$ 30,672	\$ 409,064	\$ 231,264	\$ 834,635

GILLIES BAY IMPROVEMENT DISTRICT

Notes to Financial Statements

Year Ended December 31, 2024

8. ACCUMULATED SURPLUS

	<u>2024</u>	<u>2023</u>
<u>OPERATING FUND</u>		
Balance, beginning of year	\$ 182,829	\$ 201,790
Excess of expenditures over revenues	134,970	116,892
Operating funds used for the purchase of tangible capital assets	(18,877)	(17,853)
Amortization of tangible capital assets	48,446	48,359
Repayment of long term debt	(16,442)	(15,963)
Interest income on capital works and equipment renewal reserve	(43,731)	(35,447)
Transfer to capital works and equipment renewal reserve	(94,794)	(99,949)
Transfer to capital expenditure charge reserve	-	(15,000)
	<hr/>	<hr/>
Balance, end of year	192,401	182,829
 <u>TANGIBLE CAPITAL ASSET FUND</u>		
Balance, beginning of year	708,645	723,188
Tangible capital asset additions	18,877	17,853
Amortization - waterworks assets	(16,175)	(14,247)
Amortization - fire department assets	(32,271)	(34,112)
Repayment of long-term debt	16,442	15,963
	<hr/>	<hr/>
Balance, end of year	695,518	708,645
 <u>CAPITAL WORKS AND EQUIPMENT RENEWAL RESERVE FUND</u>		
Balance, beginning of year	810,930	675,534
Interest income	43,731	35,447
Transfer in from operating fund	94,794	99,949
	<hr/>	<hr/>
Balance, end of year	949,455	810,930
 <u>CAPITAL EXPENDITURE CHARGE RESERVE FUND</u>		
Balance, beginning of year	15,000	-
Transfer in from operating fund	-	15,000
	<hr/>	<hr/>
	15,000	15,000
	<hr/>	<hr/>
Grand total	\$ 1,852,374	\$ 1,717,404

9. BUDGET

Budget figures as approved by the Board of Trustees do not conform to the presentation required by PSAS, and as such they have not been included in these financial statements.

GILLIES BAY IMPROVEMENT DISTRICT

Notes to Financial Statements

Year Ended December 31, 2024

10. OPERATING SEGMENTS

Operations of the District are separated based upon the nature of the activities as they relate to the following segments:

Water Services

Water services operations relate to the provision of water to the properties within the District's boundaries including routine operations and maintenance to the water related assets.

Street Lighting

Street lighting operations provide public street lighting within the District's boundaries including related utility costs.

Fire Department

Fire department operations provide fire protection within the District's boundaries including maintenance of fire department assets, education of relevant personnel and fire safety awareness to residents.

Governance and Administration

Governance and administration maintains the office and administration facilities as well as operations relating to office, financial management, Board of Trustees and any duties that do not relate specifically to the other segments.

Water Services Development

Water services development is the one-time or limited time costs relating to research and development of water purification systems and costs related to requirements to upgrade the water license from the Government of British Columbia. These costs are not considered part of routine operations and have been separated from the water services segment.

11. GOING CONCERN

These financial statements have been prepared on a going concern basis. However, as indicated by the Master Water Plan study published by Kerr Wood Leidal Associates Ltd, Consulting Engineers (KWL) in July 2016, coupled with the KWL environmental flow needs assessment, over the next 5 to 20 years significant capital asset upgrades may be necessary. Significant and onerous costs may be required in order to meet the objectives of the study and current research. This may require increased taxation, the borrowing of infrastructure funding, or a combination of both to fund the difference between required needs and the balance of the Capital Works and Equipment Renewal Reserve Fund and Capital Expenditure Charge Reserve Fund allocated to Water Services.

GILLIES BAY IMPROVEMENT DISTRICT
Schedule of Expenses by Object - Street Lighting
Year Ended December 31, 2024

(Schedule 1)

	2024	2023
EXPENSES		
Utilities	<u>\$ 16,971</u>	<u>\$ 18,352</u>

The accompanying notes form an integral part of these financial statements.

GILLIES BAY IMPROVEMENT DISTRICT
Schedule of Expenses by Object - Water Services
Year Ended December 31, 2024

(Schedule 2)

	2024	2023
EXPENSES		
Amortization of tangible assets	\$ 16,175	\$ 14,247
Bad debts (recovery)	680	(2,556)
Freight	9,905	6,979
Inventory impairment	883	1,680
Licenses and permits	849	770
Repairs and maintenance	7,309	12,068
Supplies	10,376	10,518
Travel and training	2,370	2,523
Utilities	4,899	4,406
Wages and benefits	79,877	66,224
	\$ 133,323	\$ 116,859

The accompanying notes form an integral part of these financial statements.

GILLIES BAY IMPROVEMENT DISTRICT
Schedule of Expenses by Object - Fire Department *(Schedule 3)*
Year Ended December 31, 2024

	2024	2023
EXPENSES		
Advertising and promotion	\$ 2,708	\$ 1,797
Amortization of tangible assets	32,271	34,112
Freight	488	269
Honorarium and other	9,571	2,000
Insurance	16,096	15,606
Interest and bank charges	192	22
Interest on long term debt	3,794	4,237
Licenses and permits	1,389	1,330
Memberships	275	400
Professional fees	5,601	5,106
Repairs and maintenance	12,921	7,060
Supplies	3,557	31,954
Telephone	2,794	3,248
Travel and training	27,111	36,136
Utilities	5,392	4,304
Vehicle	11,466	10,816
Wages and benefits	13,668	13,038
	\$ 149,294	\$ 171,435

The accompanying notes form an integral part of these financial statements.

GILLIES BAY IMPROVEMENT DISTRICT
Schedule of Expenses by Object - Governance and Administration (Schedule 4)
Year Ended December 31, 2024

	2024	2023
EXPENSES		
Advertising and promotion	\$ 261	\$ 138
Board	117	1,611
Contractors	918	2,507
Honorarium and other	2,700	2,081
Insurance	15,269	9,424
Interest and bank charges	529	2
Losses on disposal of assets	-	39
Office	3,879	4,743
Professional fees	7,798	7,219
Repairs and Maintenance	2,101	912
Telephone	3,748	2,882
Wages and benefits	82,220	61,659
	<u>\$ 119,540</u>	<u>\$ 93,217</u>

The accompanying notes form an integral part of these financial statements.

GILLIES BAY IMPROVEMENT DISTRICT
Schedule of Expenses by Object - Water Services Development *(Schedule 5)*
Year Ended December 31, 2024

	2024	2023
EXPENSES		
Contractors	\$ 5,636	\$ 7,264
Engineering	26,307	30,150
Supplies	544	-
	\$ 32,487	\$ 37,414

The accompanying notes form an integral part of these financial statements.