

# Deer Park Vineland Road Local Service District Inc.

**Financial Statements**

**December 31, 2021**

*(Unaudited)*

# Deer Park Vineland Road Local Service District Inc.

December 31, 2021

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## Independent Practitioners' Review Engagement Report

To the Board  
Deer Park Vineland Road Local Service District Inc.

We have reviewed the accompanying financial statements of Deer Park Vineland Road Local Service District Inc. that comprise the statement of financial position as at December 31, 2021, and the Statements of operations, net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not for profit organizations, 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.

### ***Practitioner's Responsibility***

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

### ***Conclusion***

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Deer Park Vineland Road Local Service District Inc. as at December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not for profit organizations.

  
Chartered Professional Accountants

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# Deer Park Vineland Road Local Service District Inc.

Statement of Financial Position  
December 31, 2021

(Unaudited)

	2021	2020
<b>Assets</b>		
<b>Current Assets</b>		
Cash	\$ 44,231	\$ 43,915
Short term investments	25,000	25,000
Accounts receivable, net of allowances	38,711	49,255
Prepays	17,972	-
	<b>\$ 125,914</b>	<b>\$ 118,170</b>
<b>Net assets</b>	<b>\$ 125,914</b>	<b>\$ 118,170</b>

Approved on Behalf of the Board:

\_\_\_\_\_, Director

\_\_\_\_\_, Director

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

# Deer Park Vineland Road Local Service District Inc.

## Statement of Operations

For the Year Ended December 31, 2021

(Unaudited)

	2021	2020
<b>Revenue</b>		
Road fees (net of discounts)	\$ 149,600	\$ 147,000
Fire protection	22,050	22,050
Interest income	-	445
	<b>171,650</b>	<b>169,495</b>
<b>Operating expenses</b>		
Road maintenance - snowclearing	77,401	62,244
Road maintenance - grading	52,735	66,394
Fire prevention	23,355	19,483
Bad debt expense	3,222	7,500
Office expenses	2,645	2,105
Emergency number project	2,000	-
Insurance	1,605	1,574
Signage	698	4,771
Interest and bank charges	246	212
	<b>163,907</b>	<b>164,283</b>
<b>Excess of revenues over expenditures</b>	<b>\$ 7,743</b>	<b>\$ 5,212</b>

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

# Deer Park Vineland Road Local Service District Inc.

## Statement of Retained Earnings

For the Year Ended December 31, 2021

*(Unaudited)*

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	2021	2020
Net assets, beginning of year	\$ 118,170	\$ 112,958
Excess of revenues over expenditures	7,743	5,212
<b>Net assets, end of year</b>	<b>\$ 125,913</b>	<b>\$ 118,170</b>

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

# Deer Park Vineland Road Local Service District Inc.

## Statement of Cash Flows

For the Year Ended December 31, 2021

(Unaudited)

	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Excess of revenues over expenditures	\$ 7,743	\$ 5,212
<b>Net change in non-cash working capital:</b>		
Accounts receivable	10,544	(8,942)
Prepays	(17,971)	16,574
Deferred revenue	-	(346)
<b>TOTAL CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>316</b>	<b>12,498</b>
<b>Net increase in cash</b>	<b>316</b>	<b>12,498</b>
Cash, beginning of year	43,915	31,417
<b>Cash, end of year</b>	<b>\$ 44,231</b>	<b>\$ 43,915</b>

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

# Deer Park Vineland Road Local Service District Inc.

Notes to the Financial Statements  
For the Year Ended December 31, 2021

(Unaudited)

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## 1. Significant Accounting Policies

### Nature of business/basis of preparation

Deer Park Vineland Road Local Service District Inc. (the corporation) is incorporated without share capital under the Business Corporations Act of Newfoundland and Labrador. The Corporation's principal activity is to control and manage the affairs of the local service district and, in particular, oversee and contract road maintenance and snowclearing. The Corporation is considered a not for profit organization and as such is exempt from corporate income tax.

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles for not for profit organizations.

### Revenue recognition

Revenue is derived from annual road and fire fees earned during the fiscal year. These funds are used for the benefit of residents and for the main purpose of maintaining roads and fire safety within the Corporation's jurisdiction.

### Deferred revenue

Deferred revenue represents prepaid road and fire protection fees.

### Contributed services

Volunteers contribute numerous hours per year to assist the corporation in carrying out its activities. Because of the difficulty in determining their value, these contributions are not recognized in the financial statements.

### Financial instruments

The corporation has determined that the estimated fair value of the financial assets and liabilities do not differ considerably from their book value.

### Use of estimates

The preparation of financial statements in accordance with Canadian accounting standards for not for profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Management makes estimates with respect to the allowance for doubtful accounts. Actual results could differ from those estimates and may have impact on future periods.



# Deer Park Vineland Road Local Service District Inc.

Notes to the Financial Statements  
For the Year Ended December 31, 2021

(Unaudited)

## 2. Short term investments

	2021	2020
One year cashable GIC bearing interest at 2.90%, matures December 6, 2022	\$ 12,000	\$ 12,000
One year cashable GIC bearing interest at 2.90%, matures December 6, 2022	13,000	13,000
	<b>\$ 25,000</b>	<b>\$ 25,000</b>

## 3. Accounts receivable

Accounts receivable consist of the following:

	2021	2020
Fees receivable	\$ 46,866	\$ 64,769
HST receivable	15,278	12,214
	62,144	76,983
Allowance for doubtful accounts	(23,433)	(27,728)
	<b>\$ 38,711</b>	<b>\$ 49,255</b>

## 4. Credit risk

The corporation is exposed to normal credit risk resulting from the possibility that a customer or counterparty to a financial instrument defaults on their financial obligations; if there is a concentration of transactions carried out with the same counterparty; or of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions. The corporation's financial instruments that are exposed to concentrations of credit risk relate primarily to accounts receivable. In managements opinion, they are not exposed to significant credit risk as the allowance for doubtful accounts reflects the amounts estimated to be uncollectable.