

**SOUTH YELLOWHEAD WATER CORPORATION**  
**FINANCIAL INFORMATION**  
**DECEMBER 31, 2021**



## COMPILATION ENGAGEMENT REPORT

To the Shareholders of South Yellowhead Water Corporation

On the basis of information provided by management, we have compiled the statement of financial position of South Yellowhead Water Corporation 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 and other explanatory 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.

**March 2, 2022**  
**Saskatoon, Saskatchewan**

**VIRTUS GROUP LLP**  
**Chartered Professional Accountants**

**SASKATOON**

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**SOUTH YELLOWHEAD WATER CORPORATION**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2021**

	2021	2020
<b>ASSETS</b>		
Current		
Cash	\$ 191,364	\$ 177,184
Accounts receivable	14,489	13,138
Goods and services tax recoverable	944	947
Loan receivable	3,040	3,394
	209,837	194,663
Capital assets <i>(Note 4)</i>	338,164	338,164
	<b>\$ 548,001</b>	<b>\$ 532,827</b>
<b>LIABILITIES</b>		
Current		
Accounts payable	\$ -	\$ 2,114
<b>NET ASSETS</b>		
Members' capital	396,426	396,426
General fund	85,483	74,635
Maintenance reserve fund	66,092	59,652
	548,001	530,713
	<b>\$ 548,001</b>	<b>\$ 532,827</b>

See accompanying notes to the financial information

**SOUTH YELLOWHEAD WATER CORPORATION**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	2021	2020
<b>Revenue</b>		
Interest received on members' capital loans	\$ 233	\$ 258
Membership fees	1,150	1,150
Other	3,863	4,855
Water distribution charges	52,364	51,355
	<u>57,610</u>	<u>57,618</u>
<b>Expenses</b>		
Insurance	1,261	1,154
Interest and bank charges	25	32
Memberships	77	-
Office	1,658	252
Professional fees	4,574	4,467
Repairs and maintenance	5,103	5,561
Water charges and supplies	34,064	32,245
	<u>46,762</u>	<u>43,711</u>
<b>Excess of revenue over expenses from operations</b>	10,848	13,907
<b>Other income (expenses)</b>		
Maintenance fund charges	6,440	6,440
	<u>6,440</u>	<u>6,440</u>
<b>Excess of revenue over expenses for the year</b>	<u>\$ 17,288</u>	<u>\$ 20,347</u>

See accompanying notes to the financial information

**SOUTH YELLOWHEAD WATER CORPORATION**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

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	General Fund	Restricted Fund	2021	2020
<b>Net assets - beginning of year</b>	\$ 74,635	\$ 59,652	\$ 134,287	\$ 113,940
<b>Excess of revenue over expenses</b>	10,848	6,440	17,288	20,347
<b>Net assets - end of year</b>	<u>\$ 85,483</u>	<u>\$ 66,092</u>	<u>\$ 151,575</u>	<u>\$ 134,287</u>

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See accompanying notes to the financial information

**SOUTH YELLOWHEAD WATER CORPORATION**  
**NOTES TO FINANCIAL INFORMATION**  
**YEAR ENDED DECEMBER 31, 2021**

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**1. Basis of accounting**

The basis of accounting applied in the preparation of the statement of financial position of South Yellowhead Water Corporation 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:

- accounts receivable
- goods and services tax recoverable
- loan receivable
- accounts payable

**2. Purpose of the corporation**

South Yellowhead Water Corporation (the "corporation") is incorporated under the Non-Profit Corporations Act of Saskatchewan as a not-for-profit organization. As a registered charity the corporation is exempt from the payment of income tax under Subsection 149(1) of the Income Tax Act.

The corporation was formed to construct and maintain a water pipeline near Saskatoon, Saskatchewan. Members' capital is used to finance the capital costs, and members are charged for water usage and system maintenance.

**3. Summary of significant accounting policies**

Capital assets

Capital asset purchases are fully funded by members' capital and accordingly are not amortized against operations.

**4. Capital Assets**

	2021	2020
Pipeline - Main Line	\$ 237,770	\$ 237,770
Equipment	592	592
Pipeline-capitalized startup costs	9,052	9,052
Prairie Haven Extention	90,750	90,750
	<u>\$ 338,164</u>	<u>\$ 338,164</u>