

**Cheakamus Community Forest  
Limited Partnership  
Financial Information  
For the Year Ended December 31, 2021**

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**Financial Information**  
**For the Year Ended December 31, 2021**

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## Compilation Engagement Report

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On the basis of information provided by management, we have compiled the balance sheet of Cheakamus Community Forest Limited Partnership as at December 31, 2021 and the statements of operations and partners' capital for the year then ended, and Note 1, which describes the basis of accounting applied in the preparation of the compiled financial information (the "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.

*BDO Canada LLP*

Chartered Professional Accountants

Whistler, British Columbia  
December 20, 2022

## Cheakamus Community Forest Limited Partnership Balance Sheet

December 31	2021	2020
		(restated)
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 433,591	\$ 425,144
Silviculture bank account	5,660	34,964
Accounts receivable	162,881	209,427
GST receivable	29,002	10,054
Prepaid expenses	8,605	7,340
	639,739	686,929
<b>Intangible asset</b>	52,135	-
	\$ 691,874	\$ 686,929
 <b>Liabilities and Partners' Capital</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 193,739	\$ 8,489
Silviculture liability	24,121	22,548
Waste Liability	5,462	3,889
	223,322	34,926
<b>Partners' Capital (Note 1)</b>	468,552	652,003
	\$ 691,874	\$ 686,929

## Cheakamus Community Forest Limited Partnership Statement of Operations and Partners' Capital

For the year ended December 31	2021	2020
		(restated)
<b>Revenue</b>		
Log sales	\$ 386,647	\$ 730,326
FESBC revenue	175,907	861,207
Overhead revenue	10,037	73,748
Silviculture	2,725	6,171
Carbon sales	77,576	598,826
	<u>652,892</u>	<u>2,270,278</u>
<b>Cost of goods sold</b>		
Cost of log sales	492,295	749,527
FESBC expenses	307,746	970,466
	<u>800,041</u>	<u>1,719,993</u>
<b>Gross profit (loss)</b>	(147,149)	550,285
<b>Operating expenses</b>		
Bad debt expense	602	2,594
CCF administration	5,996	8,846
Carbon offset projects	-	54,758
Insurance	-	2,403
Interest and bank charges	98	142
Mapping and other services	-	11,116
Memberships and licences	4,168	2,123
Office expenses	-	7,971
Professional fees	52,864	3,000
Rental	6,604	7,771
	<u>70,332</u>	<u>100,724</u>
<b>Income (loss) before other income</b>	(217,481)	449,561
<b>Other income</b>		
Interest Income	742	221
Other income	33,288	10,954
	<u>34,030</u>	<u>11,175</u>
<b>Net income (loss)</b>	(183,451)	460,736
<b>Partners' capital, beginning of the year</b>	<u>652,003</u>	<u>191,267</u>
<b>Partners' capital, end of the year</b>	<u>\$ 468,552</u>	<u>\$ 652,003</u>

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## Cheakamus Community Forest Limited Partnership Note to Financial Information

December 31, 2021

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### 1. Basis of Accounting

The basis of accounting applied in the preparation of the financial information is on the historical cost basis, reflecting cash transactions with the addition of:

- accounts receivable
  - prepaid expenses amortized over the life of the expense
  - purchased intangible assets recorded at cost are amortized straight-line over the expected 5 year life of the asset, commencing in 2022
  - accounts payable and accrued liabilities
  - 2020 Partners' Capital was restated from \$709,406 to \$652,003 to reflect corrected Net Income for 2020 of \$518,139 to \$428,418. 2020 comparative figures have been restated to reflect these corrections.
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