

Mayne Island Recycling has gone through some significant changes in 2021 when it comes to accounting. In the first half of the year we hired Kirsty Legge as bookkeeper to take over the day to day accounting upgrading our system to Quick Books Online. Kirsty holds her CGA designation and has experience working with non-profit organizations.

The other big change was in the appointment of Accountants. Until last year the Society engaged Lina Beaudet to perform a friendly audit on an annual basis. As the assets of the Society have grown and become more complex in nature (our Victoria Foundation Fund), it became apparent that we needed to have a more formal review process. We put a call out to accounting firms, that members of the Finance Committee and Kirsty had experience working with. The firm Tompkins Wozny Chartered Professional Accountants was selected, with Gary Wozny as our primary contact. I can say on behalf of the committee that we are very happy with our decision and look forward working with Gary and his team in future years.

There were a few significant changes to our accounting as a result of our first review with TWCPA. The changes that have been and are being made to accounting systems in keeping with Good Accounting Practices of Non Profit Organizations.

- 1) We add the Victoria Foundation Fund to our Balance Sheet and recognize the annual and historic earnings as income. The 2021 financial statements have been adjusted to reflect earnings in 2020 and prior years.
- 2) The slope remediation work that was done by Dan Hafting in 2019/2020 has being written off – it does not meet the criteria for a depreciable asset and was partially offset by a grant from the CRD.
- 3) For 2021 we paid the GST that we collected and claimed the 50% allowable by NFPs the balance accounted for as an expense
- 4) We are in the process of closing our GST accounts and will inform our service partners (Encorp, Product Care, Green by Nature etc) so that they stop including GST in payments.
- 5) We discussed increasing and restricting the Capital Fund which has already been established on the GL. (this was recently passed by the 2021/22 BOD)

The attached statements show the Society has assets of \$554,000 including \$149,000 in cash and current assets (will mature/be paid within one year) at 12/31/2021, while Current liabilities were sitting at \$7,700 and unrestricted assets & the capital fund combined sit at \$547,000. The Society has a healthy balance sheet moving in to 2022.

Revenue and expenses appear differently on the Compilation Statements that you will see annually moving forward, in future years, comparative data will be provided. It did not make sense to incur significantly higher fees to validate the balances from the previous year.

Note the investment return on the Mayne Island Recycling Retractable fund is reinvested into the fund and while recognized as income is not available to the Society without applying for withdrawal.

The net result (revenue less expenses) for 2021 is recorded as \$66,000.

As mentioned prior year adjustments have been made on these financial statements, writing off the slope remediation work and recording adjusted value of the Victoria Foundation Fund at Dec 31 2020.

This results in an additional \$8,000 in the accumulated surplus now totaling over \$547,000 after more than 30 years of operations.

I will close this report by stating that I am stepping down from the MIRS board after 11 years of serving as treasurer of the organization. Having a qualified, seasoned bookkeeper on staff will make for an easy transition for everyone involved. Thank you for giving me your confidence for the last 11 years. Who knows you might see me volunteering at the depot or assisting Carol on membership sales next spring.