

ENIYUD COMMUNITY FORESTS LTD.
Financial Information
Year Ended March 31, 2022

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COMPILATION ENGAGEMENT REPORT

To the Directors of Eniyud Community Forests Ltd.

On the basis of information provided by management, we have compiled the balance sheet of Eniyud Community Forests Ltd. as at March 31, 2022, and the statement of income and retained earnings for the year then ended, and Note 1, which describes the basis of accounting applied in the preparation of the compiled financial 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.

Williams Lake, BC
September 22, 2022


PMT CHARTERED PROFESSIONAL
ACCOUNTANTS LLP

ENIYUD COMMUNITY FORESTS LTD.**Balance Sheet****March 31, 2022**

	2022	2021
ASSETS		
Current		
Cash	\$ 1,482,680	\$ 2,129,957
Accounts receivable	432,576	408,251
Work in progress	-	77,762
Prepaid expenses	19,509	32,870
	<u>\$ 1,934,765</u>	<u>\$ 2,648,840</u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 301,017	\$ 200,348
Income taxes payable	63,295	339,722
Silviculture accrued liability	667,553	671,182
	<u>1,031,865</u>	<u>1,211,252</u>
SHAREHOLDERS' EQUITY		
Share capital (Note 2)	2	2
Retained earnings	902,898	1,437,586
	<u>902,900</u>	<u>1,437,588</u>
	<u>\$ 1,934,765</u>	<u>\$ 2,648,840</u>

APPROVED BY THE DIRECTORS_____
*Director*_____
Director

The accompanying notes are an integral part of this statement

ENIYUD COMMUNITY FORESTS LTD.
Statement of Income and Retained Earnings
Year Ended March 31, 2022

	2022	2021
Revenue		
Government funding	\$ 578,352	\$ 313,518
Log sales	560,770	1,593,671
Silviculture, planning and other	137,654	307,552
	<u>1,276,776</u>	<u>2,214,741</u>
General and administrative expenses		
Bank charges and interest	2,775	300
Insurance	3,920	3,131
Licences, dues and fees	15,173	15,038
Management fees	98,884	46,874
Planning and consulting	41,446	171,335
Post harvesting	-	43,518
Professional fees	13,665	20,421
Silviculture	498,767	265,981
Stumpage	-	36
Sub-contracts	77,057	99,375
	<u>751,687</u>	<u>666,009</u>
Income from operations	525,089	1,548,732
Other income		
Interest income	4,239	2,758
Income before income taxes	529,328	1,551,490
Income taxes	64,016	355,380
Net income	465,312	1,196,110
Retained earnings - beginning of year	1,437,586	242,321
	1,902,898	1,438,431
Dividends declared	(1,000,000)	-
Refundable income taxes paid	-	(845)
Retained earnings - end of year	\$ 902,898	\$ 1,437,586

The accompanying notes are an integral part of this statement

ENIYUD COMMUNITY FORESTS LTD.

Notes to Financial Information

Year Ended March 31, 2022

1. Basis of accounting

The basis of accounting applied in the preparation of the balance sheet of Eniyud Community Forests Ltd. as at March 31, 2022, and the statement of income and retained earnings for the year then ended is on the historical cost basis and reflects cash transactions with the addition of:

- accounts receivable
- work in progress valued at cost
- prepaid expenses over the specified term of the expense
- accounts payable and accrued liabilities
- current income taxes payable as at the reporting date
- Silviculture accrued liability as estimated by the current cost of reforestation
- revenue from log sales is recognized when scaled and delivered.

2. Share capital

	<u>2022</u>	<u>2021</u>
Issued:		
2 Class A common shares	<u>\$ 2</u>	<u>\$ 2</u>

3. Comparative figures

Some of the comparative figures have been reclassified to conform to the current year's presentation.