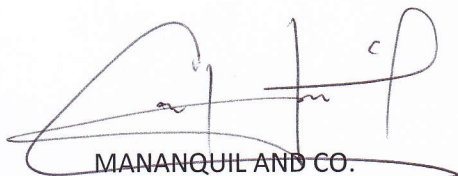


NOTICE TO READER

On the basis of information provided by the owners of Strata Plan VR1591, we have compiled the statement of financial position as at December 31, 2016 and the statement of operations and changes in fund balances for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.



MANANQUIL AND CO.

January 26, 2017

Burnaby, BC

THE OWNERS STRATA PLAN VR1591

STATEMENT OF FINANCIAL POSITION

Statement 1

(Unaudited - See Notice to Reader)

December 31, 2016.

	2016	2015
ASSETS		
Current Assets		
Cash in bank	\$ 19,978	\$ 10,942
Cash - contingency reserve	11,916	6,868
Accounts receivable	730	86
	\$ 32,624	\$ 17,896
LIABILITIES		
Current liabilities		
Account payable and accruals	\$ 1,382	1,382
	1,382	1,382
FUND BALANCES		
UNRESTRICTED	31,242	16,514
RESTRICTED	-	-
	31,242	16,514
	\$ 32,624	\$ 17,896

Approved on behalf of
The Owners, Strata Plan VR1591

The attached notes are an integral part of these financial statements

THE OWNERS STRATA PLAN VR1591

STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES

Statement 2

(Unaudited - See Notice to Reader)

For The Year Ending December 31, 2016

	2016	2015
REVENUES:		
Strata Fees	\$ 46,976	\$ 41,594
Coinamatic	1,751	1,117
Miscellaneous	15	326
Interest income	48	9
	\$ 48,790	\$ 43,046
EXPENDITURES		
General		
Accounting fee	2,100	2,100
Administration	-	257
Appraisal	-	578
Bank charges	5	132
Insurance	6,926	6,790
Office supplies	108	17
Permit and licenses	-	242
	9,139	10,116
Buildings and Grounds		
Electricity	1,236	1,818
Gas	5,046	5,597
Garbage and Recycling	4,312	3,344
Janitorial	5,521	5,661
Pest control	-	745
Repair and maintenance	7,027	4,323
Water	1,781	1,339
	24,923	22,827
	34,062	32,943
EXCESS OF REVENUE OVER EXPENDITURES	14,728	10,103
FUND BALANCES BEGINNING OF THE YEAR	16,514	6,411
FUND BALANCES END OF THE YEAR	\$ 31,242	16,514

STRATA VR1591**STATEMENT OF OPERATIONS WITH BUDGET COMPARISON
FOR TWELVE MONTHS PERIOD ENDING DECEMBER 31, 2016**

	2017 BUDGET		Monthly Budget	# mos	2016 BUDGET	ACTUAL 31-Dec-16	VARIANCE
REVENUES:							
Coignamatic	\$ 1,200.00	12	100	12	1,200	\$ 1,751.00	\$ 551.00
Strata Fee	47,000.00	12	3,917	12	47,000	46,976.00	(24.00)
Interest Income	100.00	12	8	12	100	48.00	52.00
Miscellaneous fees	100.00	12	8	12	100	15.00	85.00
TOTAL	<u>\$ 48,400.00</u>				<u>\$48,400.00</u>	<u>\$ 48,790.00</u>	<u>\$ 390.00</u>
OPERATING EXPENSES:							
Accounting	2,100.00	12	175	12	2,100	2,100.00	-
Appraisal fee	200.00	12	17	12	200	-	(200.00)
Administration	100.00	12	8	12	100	-	(100.00)
Office supplies	150.00	12	13	12	100	108.00	8.00
Permit and licenses	250.00	12	21	12	250	-	(250.00)
Bank charges	155.00	12	13	12	155	5.00	(150.00)
							-
Building repair and maintenance							-
Janitorial and supplies	7,000.00	12	583	12	6,888	5,521.00	(1,367.00)
Other repair and maintenance	12,000.00	12	1,000	12	11,500	7,027.00	(4,473.00)
							-
Utilities							-
Electricity	2,000.00	12	167	12	2,000	1,236.00	(764.00)
Garbage collection	5,000.00	12	417	12	3,500	4,312.00	812.00
Gas	7,000.00	12	583	12	6,500	5,046.00	(1,454.00)
Water Sewer	2,000.00	12	167	12	1,500	1,781.00	281.00
							-
Insurance	7,500.00				7,000	6,926.00	(74.00)
TOTAL OPERATING EXPENSES	<u>\$ 45,455.00</u>				<u>\$41,793.00</u>	<u>\$ 34,062.00</u>	<u>\$ (7,731.00)</u>
EXCESS OF REVENUE OVER EXPENDITURES	<u>\$ 2,945.00</u>				<u>\$ 6,607.00</u>	<u>\$ 14,728.00</u>	

THE OWNERS, STRATA PLAN VR1591

NOTES TO FINANCIAL STATEMENTS

(Unaudited)

December 31, 2016

1. PURPOSE OF THE STRATA CORPORATION

The Strata Corporation has been established and is responsible for managing and maintaining the common property and common assets of the Strata Corporation for the benefit for the owners in accordance with the Strata Property Act of British Columbia.

2. SIGNIFICANT ACCOUNTING POLICIES

Restricted Fund Method of Accounting

These financial statements have been prepared following the restricted fund method of accounting, where revenues are recorded in the period in which they were assessed or earned and expenditures are recorded in the period in which they become obligation.

(i) Operating Fund

The Operating Fund accounts for administrative activities and routine maintenance. This fund reports unrestricted resources.

(ii) Contingency Reserve Fund

The Contingency Reserve Fund reports restricted resources used for non-annual repair, maintenance and replacement of common property, common facilities and other assets.

Effective December 14, 2011, the Strata Property Act requires that if the amount of money in the Contingency Reserve Fund at the end of any fiscal year after the first annual general meeting is less than 25% of the total contribution to the Operating Fund for the fiscal year that has just ended, the annual contribution to the Contingency Reserve Fund for the current fiscal year must be at least the lesser of: 10% of the total contribution to the Operating Fund for the current fiscal year and the amount required to bring the Contingency Reserve Fund to at least 25% of the total amount budgeted for the contribution to the Operating Fund for the current fiscal year. If the balance in the Contingency Reserve Fund at the end of any fiscal year after the first annual general meeting is equal to or greater than the 25% of the annual budgeted contribution to the Operating Fund for the fiscal year that has just ended, additional contribution to the Contingency Reserve Fund may be made as part of the annual budget approval process after consideration of the depreciation report, if any, obtained under section 94 of the Strata Property Act.

3. COTINGENCY RESERVE FUND

	2016	2015
Balance, beginning of year	\$ 6,868	\$ 5,030
Transferred to CRF (\$5,000 + 48 interest)	<u>5,048</u>	<u>6,868</u>
	11,916	11,898
Withdrawals	<u>-</u>	<u>(5,030)</u>
Balance, end of year	<u>\$ 11,916</u>	<u>\$ 6,868</u>