

**HORNBY ISLAND COMMUNITY ECONOMIC ENHANCEMENT CORPORATION**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

Compilation Engagement Report

Balance Sheet

Statement of Operations and Change in Net Assets

Notes to Financial Statements

# Tara Smith CPA Inc.

Chartered Professional Accountant

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## COMPILATION ENGAGEMENT REPORT

To the Management of Hornby Island Community Economic Enhancement Corporation:

On the basis of information provided by management, I have compiled the balance sheet of Hornby Island Community Economic Enhancement Corporation as at December 31, 2022, the statement of operations and change 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 (“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.

I performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, *Compilation Engagements*, which requires me to comply with relevant ethical requirements. My responsibility is to assist management in the preparation of the financial information.

I did not perform an audit engagement or a review engagement, nor was I required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, I 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.

*Tara Smith CPA Inc.*

**CHARTERED PROFESSIONAL ACCOUNTANT**

October 10, 2023

Comox, British Columbia

**HORNBY ISLAND COMMUNITY ECONOMIC ENHANCEMENT CORPORATION**  
**BALANCE SHEET**  
**AS AT DECEMBER 31, 2022**  
(Unaudited - See Notice to Reader)

	<u>2022</u>	<u>2021</u>
	\$	\$
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	235,780	91,306
Accounts receivable	10,267	12,810
GST receivable	7,570	7,270
	<u>253,617</u>	<u>111,386</u>
 INVESTMENT IN HORNBYISLAND.COM	 33,500	 33,500
 COMMUNITY BUS - at cost less accumulated amortization	 <u>33,500</u>	 <u>6,000</u>
	<u>287,117</u>	<u>150,886</u>
 <b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities	2,033	4,461
Deferred contributions	139,292	35,700
Prepaid revenue	18,000	
	<u>159,325</u>	<u>40,161</u>
 <b>NET ASSETS</b>		
 UNRESTRICTED	 94,292	 77,225
 RESTRICTED - INVESTED IN HORNBYISLAND.COM	 <u>33,500</u>	 <u>33,500</u>
	<u>127,792</u>	<u>110,725</u>
	<u>287,117</u>	<u>150,886</u>

Approved by the Directors

\_\_\_\_\_ Director

\_\_\_\_\_ Director

**HORNBY ISLAND COMMUNITY ECONOMIC ENHANCEMENT CORPORATION**  
**STATEMENT OF OPERATIONS AND CHANGE IN NET ASSETS**  
**YEAR ENDED DECEMBER 31, 2022**  
(Unaudited - See Notice to Reader)

	<u>2022</u>	<u>2021</u>
	\$	\$
<b>REVENUE</b>		
Grant Income:		
Comox Valley Regional District	121,822	131,312
Provincial	2,532	44,925
Regional	500	1,650
Advertising Revenue:		
Visitor Guide	26,754	28,698
HornbyIsland.com	17,600	3,500
Community Bus	11,922	13,000
Fare Box - Transit	1,813	2,032
Other	845	183
	<u>183,788</u>	<u>225,300</u>
<b>EXPENSES</b>		
Advertising and promotion:		
Visitor Guide	19,325	10,224
HornbyIsland.com	3,658	4,275
Amortization		2,000
Consulting	5,924	2,553
Interest and bank charges	253	1,155
Loss on disposal of capital asset	1,500	
Marketing	3,793	8,200
Professional fees	1,750	3,512
Programs:		
Program grants	2,750	8,054
Materials and office expenses	10,734	11,659
Rent	7,960	3,872
Telephone and internet	3,209	3,674
Transit operations	55,702	49,923
Travel	1,341	730
Wages and benefits	48,822	65,603
	<u>166,721</u>	<u>175,434</u>
<b>EXCESS OF REVENUE OVER EXPENSES</b>	17,067	49,866
<b>OPENING NET ASSETS</b>	<u>110,725</u>	<u>60,859</u>
<b>ENDING NET ASSETS</b>	<u><u>127,792</u></u>	<u><u>110,725</u></u>

**HORNBY ISLAND COMMUNITY ECONOMIC ENHANCEMENT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**  
(Unaudited - See Notice to Reader)

**1. BASIS OF ACCOUNTING**

The basis of accounting applied in the preparation of the balance sheet of Hornby Island Community Economic Enhancement Corporation as at December 31, 2022 and the statement of operations and change in net assets for the year then ended is on the historical cost basis, reflecting cash transactions with the addition of:

- (a) Accounts receivable
- (b) Investments recorded at cost
- (c) Property and equipment amortized over their useful life
- (d) Accounts payable and accrued liabilities
- (e) Deferred contributions and revenue recorded on an accrual basis

**2. DEFERRED CONTRIBUTIONS**

Deferred contributions are unspent contributions which are restricted to the following programs:

	<u>2022</u>	<u>2021</u>
	\$	\$
Bus and transportation	60,428	23,000
Housing	16,600	12,700
Municipal and Regional District Tax	<u>62,264</u>	<u>          </u>
	<u><u>139,292</u></u>	<u><u>35,700</u></u>