

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, 2024, 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

September 25, 2025

Comox, British Columbia

HORNBY ISLAND COMMUNITY ECONOMIC ENHANCEMENT CORPORATION
BALANCE SHEET
AS AT DECEMBER 31, 2024

	<u>2024</u>	<u>2023</u>
	\$	\$
ASSETS		
CURRENT ASSETS		
Cash	140,825	79,399
Guaranteed investment certificates	439,000	235,000
Accounts receivable	31,100	21,171
GST receivable	12,216	8,981
Prepaid expense	15,000	15,000
	<u>638,141</u>	<u>359,551</u>
INVESTMENT IN HORNBYISLAND.COM	33,500	33,500
	\$ 24,442	\$ 20,186
CAPITAL ASSETS	11,500	11,500
Community Bus	34,000	34,000
Bus Stops	4,000	4,000
	<u>38,000</u>	<u>38,000</u>
Less: accumulated amortization	7,600	3,800
	<u>702,041</u>	<u>427,251</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	13,037	12,725
Deferred contributions (Note 2)	452,703	237,169
Prepaid revenue	22,475	22,250
	<u>488,215</u>	<u>272,144</u>
NET ASSETS		
UNRESTRICTED	180,326	121,607
RESTRICTED - INVESTED IN HORNBYISLAND.COM	33,500	33,500
	<u>213,826</u>	<u>155,107</u>
	<u>702,041</u>	<u>427,251</u>
EXCESS OF REVENUE OVER EXPENSES	38,179	37,513
OPENING NET ASSETS	195,107	197,792
ENDING NET ASSETS	213,826	195,107

HORNBY ISLAND COMMUNITY ECONOMIC ENHANCEMENT CORPORATION
STATEMENT OF OPERATIONS AND CHANGE IN NET ASSETS
YEAR ENDED DECEMBER 31, 2024

	2024	2023
	\$	\$
REVENUE		
Grant Income:		
Comox Valley Regional District	201,300	169,300
Less: Transfer to Deferred Income	<u>53,676</u>	<u>24,303</u>
	147,624	144,997
Provincial - REDIP	100,000	
Less: Transfer to Deferred Income	<u>93,696</u>	6,304
Advertising Revenue:		
Visitor Guide	36,975	29,990
HornbyIsland.com	24,446	22,398
Community Bus	11,500	11,500
Municipal and Regional District Tax	122,084	95,686
Less: Transfer to Deferred Income	<u>68,162</u>	<u>73,574</u>
Interest income	9,676	2,663
Other	3,769	3,087
	<u>294,216</u>	<u>236,747</u>
EXPENSES		
Advertising and promotion:		
Visitor Guide	5,876	19,120
HornbyIsland.com	767	1,557
Amortization	3,800	3,800
Bad debts	1,169	
Consulting	23,934	11,937
Interest and bank charges	418	310
Marketing	12,956	3,297
Professional fees	1,850	1,825
Programs:		
Program grants	12,006	3,800
Materials and office expenses	27,759	10,440
Rent	11,656	7,051
Telephone and internet	1,984	2,825
Transit operations	58,052	57,400
Travel	1,547	2,102
Wages and benefits	<u>71,723</u>	<u>83,968</u>
	<u>235,497</u>	<u>209,432</u>
EXCESS OF REVENUE OVER EXPENSES	58,719	27,315
OPENING NET ASSETS	<u>155,107</u>	<u>127,792</u>
ENDING NET ASSETS	<u><u>213,826</u></u>	<u><u>155,107</u></u>

HORNBY ISLAND COMMUNITY ECONOMIC ENHANCEMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

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, 2023 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>2024</u>	<u>2023</u>
	\$	\$
Arts	2,138	4,303
Bus and transportation	128,952	73,111
Housing	23,917	23,917
Municipal and Regional District Tax	204,000	135,838
REDIP	<u>93,696</u>	<u> </u>
	<u>452,703</u>	<u>237,169</u>