

TOFINO HOUSING CORPORATION INC.

Financial Statements

Year Ended December 31, 2018

(Unaudited - See Notice To Reader)

TOFINO HOUSING CORPORATION INC.

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Year Ended December 31, 2018

(Unaudited - See Notice To Reader)

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NOTICE TO READER

On the basis of information provided by management, we have compiled the statement of financial position of Tofino Housing Corporation Inc. as at December 31, 2018 and the statements of income and retained earnings 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.

Port Alberni, BC
March 19, 2019

CHARTERED PROFESSIONAL ACCOUNTANTS

TOFINO HOUSING CORPORATION INC.**Statement of Income****Year Ended December 31, 2018***(Unaudited - See Notice To Reader)*

| | 2018 | 2017 |
|--|-------------------|------------------|
| REVENUES | | |
| Rural Dividend Fund | \$ 375,000 | \$ - |
| Grants | 140,000 | - |
| Recaptures | 1,000 | 4,430 |
| Affordable Housing Reserve from DoT | - | 7,828 |
| Amenity Reserve Fund transfer from DoT | - | 76,000 |
| CMHC SEED Funding grant | - | 30,000 |
| | 516,000 | 118,258 |
| EXPENSES | | |
| Accounting fees | 4,345 | 2,032 |
| Advertising and promotion | 172 | - |
| Communications | 221 | 650 |
| Consulting fees | 204,710 | 19,632 |
| Interest and bank charges | 131 | 61 |
| Legal fees | 6,707 | 2,741 |
| Management contract | 50,750 | 36,750 |
| Meetings and conventions | 88 | 3,000 |
| Supplies | - | 168 |
| Travel | 6,174 | 4,318 |
| | 273,298 | 69,352 |
| NET INCOME | \$ 242,702 | \$ 48,906 |

TOFINO HOUSING CORPORATION INC.

Statement of Retained Earnings

Year Ended December 31, 2018

(Unaudited - See Notice To Reader)

| | 2018 | 2017 |
|--|-------------------|-----------|
| RETAINED EARNINGS - BEGINNING OF YEAR | \$ 48,906 | \$ - |
| NET INCOME FOR THE YEAR | 242,702 | 48,906 |
| RETAINED EARNINGS - END OF YEAR | \$ 291,608 | \$ 48,906 |

TOFINO HOUSING CORPORATION INC.

Statement of Financial Position

December 31, 2018

(Unaudited - See Notice To Reader)

| | 2018 | 2017 |
|---|-------------------|------------------|
| ASSETS | | |
| CURRENT | | |
| Cash | \$ 324,666 | \$ 23,468 |
| Accounts receivable | 6,098 | 34,431 |
| Goods and services tax recoverable | 8,861 | - |
| | \$ 339,625 | \$ 57,899 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | |
| CURRENT | | |
| Accounts payable | \$ 48,016 | \$ 8,992 |
| SHAREHOLDERS' EQUITY | | |
| Share capital (Note 2) | 1 | 1 |
| Retained earnings | 291,608 | 48,906 |
| | 291,609 | 48,907 |
| | \$ 339,625 | \$ 57,899 |

ON BEHALF OF THE BOARD

Director

Director

TOFINO HOUSING CORPORATION INC.

Notes to Financial Statements

Year Ended December 31, 2018

(Unaudited - See Notice To Reader)

1. DESCRIPTION OF OPERATIONS

Tofino Housing Corporation Inc. (the "company") is incorporated provincially under the Business Corporations Act of British Columbia. The Company is a Not for Profit entity. The company's principal activity is to provide affordable and attainable housing to Tofino residents and employees.

2. SHARE CAPITAL

Authorized:

10,000 Class A common shares, no par value

| | 2018 | 2017 |
|------------------------|-------------|------|
| Issued: | | |
| 1 Class A Common share | \$ 1 | \$ 1 |
