Cox Bay Beach Resort

Financial Statements

Year Ended December 31, 2024

Dusanj + Wirk CHARTERED PROFESSIONAL ACCOUNTANTS

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Compilation Engagement Report

To the Owners of Cox Bay Beach Resort

On the basis of information provided by management, we have compiled the statement of financial position of Cox Bay Beach Resort as at December 31, 2024, and the statements of changes in owners' capital, income and cash flows for the year then ended, and Note 1, which describes the basis of accounting applied in the preparation of the compiled financial statements .

Management is responsible for the accompanying financial statements, 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 statements.

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 statements provided by management. Accordingly, we do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial statements.

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

Dusanj & Wirk

Victoria, British Columbia
April 23, 2025

Chartered Professional Accountants

Cox Bay Beach Resort
Statement of Financial Position
December 31, 2024

	2024 $	2023 $
Assets		
Current		
Cash and term deposits	431,387	402,129
Cash held for internally restricted fund	646,057	527,784
Accounts receivable	18,573	23,119
Inventory	19,024	20,346
Prepaid expenses	7,640	7,901
	1,122,681	981,279
Equipment	37,241	46,569
Total assets	1,159,922	1,027,848
Liabilities		
Current		
Accounts payable and accrued liabilities	450,145	531,798
Government remittances payable	32,288	59,336
Total liabilities	482,433	591,134
Owners' Capital		
Internally restricted for contingencies	646,057	527,784
Distributable income (deficiency)	31,432	(91,070)
	677,489	436,714
Total liabilities and owners' capital	1,159,922	1,027,848

On behalf of the Owner's Committee

Owner

Owner

The accompanying notes are an integral part of these financial statements

Cox Bay Beach Resort
Statement of Changes in Owners' Capital
Year Ended December 31, 2024

	Distributable Income (deficiency) $	Internally Restricted for Contingencies $	2024 $	2023 $
Balance - beginning of year	(91,070)	527,784	436,714	1,494,566
Net income for the year	767,362	-	767,362	645,234
Distributions	(550,000)	-	(550,000)	(1,720,000)
Interest earned	-	23,413	23,413	16,914
Net transfer to contingencies	(94,860)	94,860	-	-
Balance - end of year	31,432	646,057	677,489	436,714

The accompanying notes are an integral part of these financial statements

Cox Bay Beach Resort
Statement of Income
Year Ended December 31, 2024

	2024 $	2023 $
Revenue	2,956,811	2,669,710
Expenses		
Advertising and promotion	21,250	14,878
Amortization	9,329	11,683
Commissions	49,811	58,834
Insurance	18,378	18,231
Interest and bank charges	76,769	66,210
Management fees	295,684	266,988
Memberships	1,490	2,904
Office	39,538	23,540
Professional fees	31,229	35,001
Repairs and maintenance	256,901	222,738
Strata fees	5,606	5,606
Supplies	150,116	129,257
Telephone	15,092	16,856
Utilities	153,447	137,170
Vehicle	14,565	9,700
Wages and employee benefits	1,050,244	1,004,880
	2,189,449	2,024,476
Net income for the year	767,362	645,234

The accompanying notes are an integral part of these financial statements

Cox Bay Beach Resort
Statement of Cash Flows
Year Ended December 31, 2024

	2024 $	2023 $
Operating activities		
Net income for the year	767,362	645,234
Item not affecting cash:		
Amortization of equipment	9,329	11,683
	776,691	656,917
Changes in non-cash working capital:		
Accounts receivable	4,546	(15,027)
Inventory	1,322	5,199
Accounts payable and accrued liabilities	(81,654)	(33,786)
Prepaid expenses	261	(587)
Government remittances payable	(27,048)	(322)
	(102,573)	(44,523)
Cash flow from operating activities	674,118	612,394
Financing activities		
Distributions to owners	(550,000)	(1,720,000)
Loan receivable	-	1,342
Interest to contingency fund	23,413	16,914
Cash flow used by financing activities	(526,587)	(1,701,744)
Increase (decrease) in cash flow	147,531	(1,089,350)
Cash - beginning of year	929,913	2,019,263
Cash - end of year	1,077,444	929,913
Cash consists of:		
Cash and term deposits	431,387	402,129
Cash held for internally restricted fund	646,057	527,784
	1,077,444	929,913

The accompanying notes are an integral part of these financial statements

1. Basis of accounting

The basis of accounting applied in the preparation of the statement of financial position of Cox Bay Beach Resort as at December 31, 2024, and the statements of changes in owners' capital, income and cash flows for the year then ended is the historical cost basis and reflects cash transactions with the addition of:

- Accounts receivable;
- Equipment amortized over its useful life;
- Accounts payable and accrued liabilities.