

Comox Valley Economic Development Society
Financial Statements
December 31, 2015

Comox Valley Economic Development Society Contents

For the year ended December 31, 2015

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Management's Responsibility

To the Members of Comox Valley Economic Development Society:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors is composed entirely of Directors who are neither management nor employees of the Society. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Board is also responsible for recommending the appointment of the Society's external auditors.

MNP LLP is appointed by the members to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically with, both the Board and management to discuss their audit findings.

June 23, 2016



John Watson, Economic Development Officer

Independent Auditors' Report

To the Members of Comox Valley Economic Development Society:

Report on the Financial Statements

We have audited the accompanying financial statements of Comox Valley Economic Development Society, which comprise the statement of financial position as at December 31, 2015, and the statements of operations and changes in net assets and related schedules 1 through 6 and schedule 8, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Comox Valley Economic Development Society as at December 31, 2015 and the results of its operations, changes in net assets and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Other Matter

The supplementary information in Schedule 7 has been presented for purposes of additional analysis and is unaudited. We do not express an opinion on this schedule because our examination did not extend to the detailed information therein.

Report on Other Legal and Regulatory Requirements

As required by the Society Act (British Columbia), we report that, in our opinion, the accounting principles in Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding year.

Nanaimo, British Columbia

June 23, 2016

MNP LLP

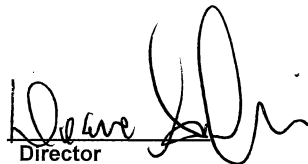
Chartered Professional Accountants

Comox Valley Economic Development Society
Statement of Financial Position
As at December 31, 2015

	2015	2014
Assets		
Current		
Cash	663	-
Accounts receivable	74,869	76,931
GST receivable	36,464	10,584
Prepaid expenses and deposits	3,612	51,740
	115,608	139,255
Capital assets (Note 3)	5,160,131	5,245,326
	5,275,739	5,384,581
Liabilities		
Current		
Bank indebtedness	138,360	9,918
Accounts payable and accruals	178,451	308,665
Wages and deductions payable (Note 4)	14,593	12,042
Deposits	535	535
Deferred revenue (Notes 5 and 6)	59,605	105,554
Demand loan (Note 7)	690,000	750,000
	1,081,544	1,186,714
Deferred capital contributions (Note 8)	3,105,511	3,172,297
	4,187,055	4,359,011
Commitments (Note 9)		
Contingencies (Note 10)		
Net Assets (Note 11)	1,088,684	1,025,570
	5,275,739	5,384,581

Approved by the Directors


 Director


 Director

Comox Valley Economic Development Society

Statement of Operations and Changes in Net Assets

For the year ended December 31, 2015

	2015	2015	2014
	Budget	Total	Total
	(Unaudited - Note 12)		
Revenue			
Funding from local governments <i>(Note 15)</i>	1,165,400	1,165,401	1,020,000
External revenues			
Advertising and related sales	120,000	161,527	166,454
Visitor services program	95,000	66,861	100,726
Retail commissions and bookings <i>(Note 13)</i>	40,000	6,138	12,395
MRDT revenue	230,000	225,755	220,506
Funding from provincial government	41,000	41,226	36,614
Funding from federal government	36,000	27,632	-
Interest and other <i>(Note 14)</i>	25,000	56,591	59,968
	587,000	585,730	596,663
Amortization of deferred capital contributions <i>(Note 8)</i>	-	66,786	66,786
Total revenue	1,752,400	1,817,917	1,683,449
Expenses			
Amortization	-	89,970	88,917
Communication and marketing	8,500	5,784	11,871
Directors and meeting costs	14,500	3,450	5,628
Equipment lease	14,000	13,604	14,183
Events and delegations	16,500	29,565	41,002
Insurance	8,500	7,724	7,419
Interest and bank charges	41,000	37,151	54,686
Local government related - strategic planning	76,000	75,076	-
Membership dues and subscriptions	12,500	9,156	14,311
Office and supplies	10,200	16,427	6,470
Professional fees	55,000	75,012	87,987
Property management	15,900	11,064	8,305
Property taxes	27,000	21,878	26,273
Rent	14,000	13,268	12,948
Repairs and maintenance	47,500	35,319	30,371
Telephone and utilities	34,000	31,410	30,917
Travel	6,500	37,907	24,724
Wages and benefits <i>(Note 17)</i>	590,039	589,071	412,878
Website and network support	16,500	16,432	16,843
Total expenses before initiatives and contract services	1,008,139	1,119,268	895,733
Initiatives and contract services			
Initiatives	532,073	492,003	590,774
Contract services	152,188	143,532	306,090
Total initiatives and contract services expenses	684,261	635,535	896,864
Total expenses	1,692,400	1,754,803	1,792,597
Excess (deficiency) of revenue over expenses	60,000	63,114	(109,148)
Net assets - beginning of year	1,025,570	1,025,570	1,134,718
Net assets - end of year	1,085,570	1,088,684	1,025,570

The accompanying notes are an integral part of these financial statements

Comox Valley Economic Development Society

Statement of Cash Flows

For the year ended December 31, 2015

	2015	2014
Cash provided by (used for) the following activities		
Operating activities		
Excess (deficiency) of revenue over expenses	63,114	(109,148)
Amortization of deferred capital contributions	(66,786)	(66,786)
Amortization expense	89,970	88,917
Capital addition related to GST reassessment	-	(62,345)
	86,298	(149,362)
Changes in working capital accounts		
Accounts receivable	2,062	(18,922)
GST receivable	(25,880)	13,388
Prepaid expenses and deposits	48,128	(11,895)
Accounts payable and accruals	(130,214)	189,190
Wages and deductions payable	2,551	4,041
Deferred revenue	(45,949)	(18,450)
	(63,004)	7,990
Financing activities		
Draws from bank overdraft	128,442	9,918
Repayments of demand loan	(60,000)	(60,000)
	68,442	(50,082)
Investing activities		
Proceeds from short term investments	-	25,000
Purchase of capital assets	(4,775)	(8,287)
	(4,775)	16,713
Increase (decrease) in cash resources	663	(25,379)
Cash resources, beginning of year	-	25,379
Cash resources, end of year	663	-

The accompanying notes are an integral part of these financial statements

Comox Valley Economic Development Society

Notes to the Financial Statements

For the year ended December 31, 2015

1. Incorporation and nature of the organization

Comox Valley Economic Development Society (the "Society") was incorporated under the Society Act of British Columbia on June 9, 1983. Under the Society's constitution the Society's purpose is as follows:

- a) To promote, market and generally facilitate economic development in the Comox Valley;
- b) To develop and implement economic strategies for the Comox Valley;
- c) To develop and assist in the development of properties and facilities for the purpose of creating new economic activities in the Comox Valley;
- d) To develop information on the economic activity in the Comox Valley; and
- e) To provide business information services for the Comox Valley.

The Society qualifies as a not-for profit organization under the Income Tax Act (the "Act") and as such is exempt from income taxes. In order to maintain its status as a not-for-profit organization under the Act, the Society must meet certain requirements within the Act. In the opinion of management, these requirements have been met.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada using the following significant accounting policies:

Fund accounting

In order to ensure observance of limitations and restrictions placed on the use of resources available to the Society, the accounts are maintained on a fund accounting basis. Accordingly, resources are classified for accounting and reporting purposes into funds. These funds are held in accordance with the objectives specified by the contributors or in accordance with the directives issued by the Board of Directors.

Six funds are maintained - Operating Fund, Capital Assets Fund, Externally Restricted Programs Fund, Visitor Centre Fund, Destination Marketing Fund and Visitor Centre Renewal Reserve Fund.

Revenues and expenses related to program delivery and administrative activities are reported in the Operating Fund.

The Capital Assets Fund reports the assets, liabilities, revenues and expenses related to the Society's capital assets, except for those included in the Visitor Centre Fund.

The Externally Restricted Programs Fund reports the assets, liabilities, revenues and expenses related to all programs with externally restricted contributions.

The Visitor Centre Fund reports the assets, liabilities, revenues and expenses related to the Discovery Center.

The Destination Marketing Fund reports the assets, liabilities, revenues and expenses related to tourism promotion of the Comox Valley.

The Visitor Centre Renewal Reserve Fund consists of funds set aside for maintenance and replacement of the visitor centre and related capital assets.

Comox Valley Economic Development Society

Notes to the Financial Statements

For the year ended December 31, 2015

2. Significant accounting policies (Continued from previous page)

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution if fair value can be reasonably determined.

Amortization is provided using the methods described below. method at rates intended to amortize the cost of assets over their estimated useful lives.

	Method	Rate
Buildings	straight-line	50 years
Computer equipment	declining balance	30 to 50 %
Computer software	declining balance	100 %
Equipment	declining balance	20 %
Office equipment	declining balance	20 %
Leasehold improvements	straight-line	5 years

Revenue recognition

The Society follows the deferral method of accounting for contributions.

Restricted contributions, including funding from the provincial government, are recognized as revenue of the appropriate fund in the year in which the related expenses are incurred. All unexpended externally restricted contributions are therefore recorded as deferred grants.

Unrestricted contributions, including funding from local governments and MRDT revenue, are recognized as revenue in the year specified by the funder.

All other revenues, including interest and other income, advertising and related sales, are recognized as revenue when the goods or services are provided, when the revenue is received or the amount can be reasonably estimated and collection is reasonably assured.

Deferred capital contributions are amortized into revenue at a rate corresponding with the amortization rate for the related capital assets.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of capital assets. Amortization of deferred capital contributions is based on the estimated useful life of the Visitor Centre. Wages and benefits have been allocated to specific funds based on management's estimate of the use of staff time.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues and expenses in the periods in which they become known.

Contributed materials

Contributions of materials and services are recognized in the statement of operations and changes in net assets when a fair value can be reasonably estimated and when they are used in the normal course of the Society's operations and would otherwise have been purchased.

Comox Valley Economic Development Society

Notes to the Financial Statements

For the year ended December 31, 2015

2. Significant accounting policies *(Continued from previous page)*

Financial instruments

The Society recognizes its financial instruments when the Society becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management. Financial assets and liabilities originated and issued in all other related party transactions are initially measured at their carrying or exchange amount in accordance with Section 3840 *Related Party Transactions* (refer to Note 16).

At initial recognition, the Society may irrevocably elect to subsequently measure any financial instrument at fair value. No election has been made in the current year.

All financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in the excess (deficiency) of revenue over expenses for the current period. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

3. Capital assets

	Cost	Accumulated amortization	2015 Net book value	2014 Net book value
Land	1,135,000	-	1,135,000	1,135,000
Buildings	4,313,314	300,063	4,013,251	4,099,518
Computer equipment	66,301	61,622	4,679	4,231
Equipment	36,958	34,097	2,861	1,082
Office equipment	20,440	18,354	2,086	2,597
Leasehold improvements	3,220	966	2,254	2,898
Computer software	3,183	3,183	-	-
	5,578,416	418,285	5,160,131	5,245,326

The Society received contributed materials and services during the construction of the Visitor Centre. In accordance with the Society's accounting policies, as the fair value of these contributed materials and services could not be reasonably determined (or verified for audit purposes), no amount has been recorded in these financial statements.

4. Wages and deductions payable

Included in wages and deductions payable are government remittances of \$12,395 (2014 - \$11,481).

Comox Valley Economic Development Society

Notes to the Financial Statements

For the year ended December 31, 2015

5. Deferred revenue

Contributions are received from contributors who have restricted their use for specific projects and operating purposes. Other amounts are received in advance of the year that they relate to. Recognition of these amounts as revenue is deferred to periods when the specified expenditures are made.

	2015	2014
Brochure racking	3,705	8,364
Comox Valley Visitor Guide	23,295	34,470
Vancouver Island Vacation Guide	-	10,287
Online marketing	1,380	4,210
Signage	2,700	4,100
Comox Valley Airport Marketing	8,025	18,814
Winter Jam	11,500	21,046
Dine Around	4,000	-
Other	5,000	4,263
	59,605	105,554

6. Deferred revenue continuity

	2015	2014
Balance, beginning of year	105,554	124,004
Funding received	283,636	321,860
Recognized as revenue	(329,585)	(340,310)
	59,605	105,554

7. Demand loan

	2015	2014
CIBC demand loan, repayable in monthly instalments of \$5,000 plus interest at prime plus 1%, secured by a collateral mortgage over the land and Visitor Centre building owned by the Society with a net book value of \$5,148,250 (2014 - \$5,234,517), maturing June 30, 2027	690,000	750,000

Principal repayments on the demand loan in each of the next five years are estimated as follows:

	<i>Principal</i>
2016	60,000
2017	60,000
2018	60,000
2019	60,000
2020	60,000
	300,000

Interest on long-term debt amounted to \$27,782 (2014 – \$31,495).

Comox Valley Economic Development Society

Notes to the Financial Statements

For the year ended December 31, 2015

8. Deferred capital contributions

Deferred capital contributions represent the unamortized portion of contributed capital assets and restricted contributions that were used to build the Visitor Centre. Recognition of these amounts as revenue is deferred to periods when the related capital assets are amortized.

Changes in deferred capital contributions are as follows:

	2015	2014
Balance, beginning of year	3,172,297	3,239,083
Less: Amounts recognized as revenue during the year	(66,786)	(66,786)
Balance, end of year	3,105,511	3,172,297

9. Commitments

The Society has entered into a renewable lease agreement for office space with the City of Courtenay expiring April 30, 2017, with estimated minimum annual payments as follows:

2016	11,988
2017	3,996
	15,984

10. Contingencies

During 2014 the Society was subject to a GST/HST audit by the Canada Revenue Agency (CRA). At the completion of their audit CRA issued a reassessment for \$62,345 related to GST paid on construction of the Visitor Centre. The Society is appealing the reassessment and as at the date of these statements, the outcome of that appeal is unknown. An accrual has been recorded in Accounts payable and accruals for \$75,400, with the GST amount of \$62,345 being capitalized and the arrears interest amount of \$13,055 being expensed as interest expense in the prior year.

11. Net assets

According to the Society's constitution, in the event of the wind-up or dissolution of the Society, all the funds and assets of the Society remaining after the satisfaction of its debts and liabilities shall be paid to the Corporation of the City of Courtenay, the Town of Comox and the Comox Valley Regional District or their successors and any other corporate body incorporated under the Municipal Act of the Province of British Columbia (and any amendments to it) which participates in the funding of the Society. Amounts shall be paid in proportion to the funding provided by each municipality or corporation and the Regional District during the existence of the Society.

The Society manages the following as capital:

	2015	2014
Capital Asset Fund	10,634	10,810
Visitor Centre Fund	968,800	1,007,083
Destination Marketing Fund	(148,143)	(209,808)
Externally Restricted Programs Fund	6,116	(31,044)
Restricted Visitor Centre Renewal Reserve	5,000	-
Operating Fund	246,277	248,529
	1,088,684	1,025,570

Comox Valley Economic Development Society

Notes to the Financial Statements

For the year ended December 31, 2015

12. Budget information

The budget information is provided for comparative purposes and has not been subject to audit.

A reconciliation of the Board-approved budget to the numbers presented on the Statement of Operations is included below.

	<i>Operating fund</i>	<i>Capital assets</i>	<i>Externally restricted programs fund</i>	<i>Visitor Centre fund</i>	<i>Destination marketing fund</i>	2015	2014
	<i>Surplus (deficit)</i>	<i>Surplus (deficit)</i>	<i>Surplus (deficit)</i>	<i>Surplus (deficit)</i>	<i>Surplus (deficit)</i>	<i>Total</i>	<i>Total</i>
Presented in financial statements	60,000	-	-	-	-	60,000	60,000
Debt reduction	(60,000)	-	-	-	-	(60,000)	(60,000)
Board approved budget	-	-	-	-	-	-	-

13. Retail commissions and bookings

The following is a summary of revenue and expenses included in retail commissions and bookings:

	2015	2014
Visitor Centre sales	38,460	-
Adventure management commissions	3,384	12,395
PST commissions	132	-
Product purchases	(22,900)	-
Visitor Centre commissions	(12,938)	-
	6,138	12,395

14. Interest and other

The following is a summary of revenue included in interest and other:

	2015	2014
Interest, rental and other	-	1,275
ICCI program	-	22,049
BC shellfish festival	27,646	21,000
Pacific toast expo	-	4,851
Go Vancouver Island	-	4,498
Gateway signage	3,500	5,288
Other	-	1,007
Seafood expo	9,600	-
Island agriculture show	4,814	-
Fixed wing	4,433	-
Delegations	3,380	-
Eventbrite	3,218	-
	56,591	59,968

Comox Valley Economic Development Society

Notes to the Financial Statements

For the year ended December 31, 2015

15. Related party transactions

The Society is related to the Comox Valley Regional District, City of Courtenay, Town of Comox and Village of Cumberland through common board members. The Society recorded \$1,105,400 (2014 - \$1,020,000) of operating funding from these related parties in 2015, of which \$19,936 (2014 - \$28,162) was receivable at December 31, 2015.

The above transactions occur in the normal course of operations and are measured at the exchange amounts agreed to by the related parties.

16. Allocation of expenses - professional fees

Professional fees expense of \$75,012 (2014 - \$87,987) have been allocated to the respective schedules noted below using the following methodology:

1. First, specifically identified amounts were allocated to the respective fund
2. The remainder was allocated to the respective funds based on the percentage of total expenses incurred in that fund, except that no amounts were allocated to the Capital Assets Fund or to the Externally Restricted Programs Fund (as no allocations of professional fees are allowed by the funding organizations).

	2015	2014
Schedule 1 - Schedule of Operating Fund	39,413	19,120
Schedule 4 - Schedule of Visitor Centre Fund	16,581	29,289
Schedule 5 - Schedule of Destination Marketing Fund	19,018	39,578
	75,012	87,987

17. Allocation of expenses - wages and benefits

Wages and benefits of \$589,071 (2014 - \$412,878) have been allocated to the respective schedules based on management's estimate of the amount of staff time utilized in each fund, except that no amounts have been allocated to the Capital Assets Fund or the Externally Restricted Programs Fund. In 2015, the Visitor Centre was operated by employees of the Society (in 2014, it was operated by contractors).

	2015	2014
Schedule 1 - Schedule of Operating Fund	173,285	181,110
Schedule 4 - Schedule of Visitor Centre Fund	161,973	20,344
Schedule 5 - Schedule of Destination Marketing Fund	253,813	211,424
	589,071	412,878

18. Economic dependence

The Society's primary source of income is operational funding from the Comox Valley Regional District. The funding can be cancelled if the Society does not observe certain established guidelines. The Society's ability to continue viable operations is dependent upon meeting those guidelines. As at the date of these financial statements the Society believes that it is in compliance with the guidelines. The current funding agreement expires on March 31, 2020.

Comox Valley Economic Development Society
Notes to the Financial Statements
For the year ended December 31, 2015

19. Financial instruments

The Society as part of its operations carries a number of financial instruments. It is management's opinion that the Society is not exposed to significant currency, liquidity, price or credit risks arising from these financial instruments except as otherwise disclosed.

The Society is exposed to interest rate risk resulting from the CIBC demand loan which bears interest at Prime plus 1%.

20. Comparative figures

Certain comparative figures have been reclassified to conform with current year presentation.

Comox Valley Economic Development Society

Schedule 1 - Schedule of Operating Fund

For the year ended December 31, 2015

	2015	2015	2014
	Budget	Actual	Actual
	(Unaudited - Note 12)		
Revenue			
Funding from local governments	452,400	452,401	448,500
External revenues			
Funding from federal government	36,000	27,632	-
Interest and other	25,000	11,031	23,045
	61,000	38,663	23,045
Total revenue	513,400	491,064	471,545
Expenses			
Communication and marketing	8,500	5,784	11,167
Directors and meeting costs	14,500	3,450	5,628
Equipment lease	2,800	10,881	2,864
Events and delegations	9,000	28,431	26,854
Insurance	3,500	7,724	2,078
Interest and bank charges	11,000	9,369	10,136
Local government related - strategic planning	76,000	75,076	-
Membership dues and subscriptions	10,500	9,156	10,552
Office and supplies	8,200	12,956	1,613
Professional fees	27,500	39,413	19,120
Property management	500	75	-
Rent	7,000	13,268	8,821
Repairs and maintenance	14,100	4,789	4,695
Telephone and utilities	8,700	13,360	8,710
Travel	-	23,169	21,571
Wages and benefits	167,761	173,285	181,110
Website and network support	16,500	10,144	8,827
Total expenses before initiatives and contract services	386,061	440,330	323,746
Initiatives			
Tourism promotion and advertising	-	60	751
Exhibits and displays	750	421	-
Food and beverage	7,500	3,570	1,879
Total initiatives expenses	8,250	4,051	2,630
Contract services			
Media relations	8,500	307	-
Event co-ordination	4,500	-	-
Agrifood	10,500	13,344	32,849
Business and technology	12,500	8,988	-
Economic data and research	15,450	16,522	30,804
Total contract services expenses	51,450	39,161	63,653
Total expenses	445,761	483,542	390,029
Excess of revenue over expenses	67,639	7,522	81,516
Interfund transfers	-	(9,774)	(83,687)
Net assets - beginning of year	248,529	248,529	250,700
Net assets - end of year	316,168	246,277	248,529

The accompanying notes are an integral part of these financial statements

Comox Valley Economic Development Society

Schedule 2 - Schedule of Capital Assets Fund

For the year ended December 31, 2015

	2015	2015	2014
	Budget	Actual	Actual
	(Unaudited - Note 12)		
Revenue	-	-	-
Expenses			
Amortization	-	4,950	2,650
Deficiency of revenue over expenses	-	(4,950)	(2,650)
Interfund transfers	-	4,774	8,287
Net assets - beginning of year	10,810	10,810	5,173
Net assets - end of year	10,810	10,634	10,810

Comox Valley Economic Development Society
Schedule 3 - Schedule of Externally Restricted Programs Fund
For the year ended December 31, 2015

	2015	2015	2014
	Budget	Actual	Actual
	(Unaudited - Note 12)		
Revenue			
Funding from local governments	20,000	20,000	1,500
External revenues			
Advertising and related sales	20,000	35,474	32,739
MRDT revenue	230,000	225,755	220,506
Interest and other	-	13,000	5,288
	250,000	274,229	258,533
Total revenue	270,000	294,229	260,033
Expenses			
Events and delegations	-	82	-
Repairs and maintenance	-	-	325
Travel	-	40	-
Total expenses before initiatives and contract services	-	122	325
Initiatives			
Tourism promotion and advertising	20,000	20,350	31,954
MRDT expenses	230,000	206,527	262,231
Exhibits and displays	3,000	-	-
Gateway signage	20,000	10,912	6,520
Total initiatives expenses	273,000	237,789	300,705
Contract services			
Media relations	-	19,158	-
Agrifood	-	-	12,715
Total contract services	-	19,158	12,715
Total expenses	273,000	257,069	313,745
Excess (deficiency) of revenue over expenses	(3,000)	37,160	(53,712)
Net assets (deficit) - beginning of year	(31,044)	(31,044)	22,668
Net assets (deficit) - end of year	(34,044)	6,116	(31,044)

Comox Valley Economic Development Society
Schedule 4 - Schedule of Visitor Centre Fund
For the year ended December 31, 2015

	2015	2015	2014
	Budget	Actual	Actual
	(Unaudited - Note 12)		
Revenue			
Funding from local governments	328,000	328,000	287,000
External revenues			
Retail commissions and bookings	40,000	6,138	12,395
Funding from provincial government	20,000	20,226	20,226
	60,000	26,364	32,621
Amortization of deferred capital contributions	-	66,786	66,786
Total revenue	388,000	421,150	386,407
Expenses			
Amortization	-	85,020	86,267
Equipment lease	9,100	2,723	9,319
Events and delegations	2,500	-	-
Insurance	2,500	-	5,341
Interest and bank charges	30,000	27,782	44,550
Membership dues and subscriptions	500	-	-
Office and supplies	500	3,267	2,042
Professional fees	13,750	16,581	29,289
Property management	14,900	10,989	8,305
Property taxes	27,000	21,878	26,273
Repairs and maintenance	28,500	30,530	22,680
Telephone and utilities	22,155	18,050	19,062
Travel	1,500	253	-
Wages and benefits	162,052	161,973	20,344
Website and network support	-	6,134	6,852
Total expenses before initiatives and contract services	314,957	385,180	280,324
Initiatives			
Tourism promotion and advertising	-	99	86
Exhibits and displays	4,500	-	1,216
Total initiatives expenses	4,500	99	1,302
Contract services			
Event co-ordination	500	-	-
Economic data and research	-	-	186,369
VI Visitor Centre operations	83,738	74,154	-
Total contract services	84,238	74,154	186,369
Total expenses	403,695	459,433	467,995
Deficiency of revenue over expenses	(15,695)	(38,283)	(81,588)
Interfund transfers	-	-	75,400
Net assets - beginning of year	1,007,083	1,007,083	1,013,271
Net assets - end of year	991,388	968,800	1,007,083

Comox Valley Economic Development Society
Schedule 5 - Schedule of Destination Marketing Fund
For the year ended December 31, 2015

	2015	2015	2014
	Budget	Actual	Actual
	(Unaudited - Note 12)		
Revenue			
Funding from local governments	365,000	365,000	283,000
External revenues			
Advertising and related sales	100,000	126,053	133,715
Visitor services program	95,000	66,861	100,726
Funding from provincial government	21,000	21,000	16,388
Interest and other	-	32,560	31,635
	216,000	246,474	282,464
Total revenue	581,000	611,474	565,464
Expenses			
Communication and marketing	-	-	704
Equipment lease	2,100	-	2,000
Events and delegations	5,000	1,052	14,148
Insurance	2,500	-	-
Membership dues and subscriptions	1,500	-	3,759
Office and supplies	1,500	204	2,815
Professional fees	13,750	19,018	39,578
Property management	500	-	-
Rent	7,000	-	4,127
Repairs and maintenance	4,900	-	2,671
Telephone and utilities	3,145	-	3,145
Travel	5,000	14,445	3,153
Wages and benefits	260,226	253,813	211,424
Website and network support	-	154	1,164
Total expenses before initiatives and contract services	307,121	288,686	288,688
Initiatives			
Tourism promotion and advertising	151,573	187,943	202,865
Visitor services program	92,500	62,121	81,950
Exhibits and displays	2,250	-	-
Food and beverage	-	-	1,322
Total initiatives expenses	246,323	250,064	286,137
Contract services			
Media relations	-	1,449	36,041
Event co-ordination	7,500	-	7,312
Agrifood	9,000	9,610	-
Total contract services expenses	16,500	11,059	43,353
Total expenses	569,944	549,809	618,178
Excess (deficiency) of revenue over expenses	11,056	61,665	(52,714)
Interfund transfers	-	-	-
Net deficit - beginning of year	(209,808)	(209,808)	(157,094)
Net deficit - end of year	(198,752)	(148,143)	(209,808)

Comox Valley Economic Development Society

Schedule 6 - Schedule of Operations by Fund

For the year ended December 31, 2015

	2015		2015		2014						
	Operating Fund	Capital Assets Fund	MRDT	CVAC	Gateway Signage	Visitor Centre Fund	Visitor Centre Fund	Destination Marketing Fund	Total	Budget	Total
										(Unaudited)	
										(Note 12)	
Revenue											
Funding from local governments	452,401	-	-	-	20,000	328,000	-	365,000	1,165,401	1,165,400	1,020,000
External revenues											
Advertising and related sales	-	-	-	28,974	6,500	-	-	126,053	161,527	120,000	166,454
Visitor services program	-	-	-	-	-	-	-	66,861	66,861	95,000	100,726
Retail commissions and bookings	-	-	-	-	-	6,138	-	-	6,138	40,000	12,395
MRDT revenue	-	-	225,755	-	-	-	-	-	225,755	230,000	220,506
Funding from provincial government	-	-	-	-	-	20,226	-	-	41,226	41,000	36,614
Funding from federal government	27,632	-	-	-	-	-	-	-	27,632	36,000	-
Interest and other	11,031	-	9,500	-	3,500	-	-	32,560	56,591	25,000	59,968
	38,663	-	235,255	28,974	10,000	26,364	-	246,474	585,730	587,000	596,663
Amortization of deferred capital contributions	-	-	-	-	-	66,786	-	-	66,786	-	66,786
Total revenue	491,064	-	235,255	28,974	30,000	421,150	-	611,474	1,817,917	1,752,400	1,683,449
Expenses											
Amortization	-	4,950	-	-	-	85,020	-	-	89,970	-	88,917
Communication and marketing	5,784	-	-	-	-	-	-	-	5,784	8,500	11,871
Directors and meeting costs	3,450	-	-	-	-	-	-	-	3,450	14,500	5,628
Equipment lease	10,881	-	-	-	-	2,723	-	-	13,604	14,000	14,183
Events and delegations	28,431	-	82	-	-	-	-	1,052	29,565	16,500	41,002
Insurance	7,724	-	-	-	-	-	-	-	7,724	8,500	7,419
Interest and bank charges	9,369	-	-	-	-	27,782	-	-	37,151	41,000	54,686
Local government related - strategic planning	75,076	-	-	-	-	-	-	-	75,076	76,000	-
Membership dues and subscriptions	9,156	-	-	-	-	-	-	-	9,156	12,500	14,311
Office and supplies	12,956	-	-	-	-	3,267	-	204	16,427	10,200	6,470
Professional fees	39,413	-	-	-	-	16,581	-	19,018	75,012	55,000	87,987
Property management	75	-	-	-	-	10,989	-	-	11,064	15,900	8,305
Property taxes	-	-	-	-	-	21,878	-	-	21,878	27,000	26,273
Rent	13,268	-	-	-	-	-	-	-	13,268	14,000	12,948
Repairs and maintenance	4,789	-	-	-	-	30,530	-	-	35,319	47,500	30,371
Telephone and utilities	13,360	-	-	-	-	18,050	-	-	31,410	34,000	30,917
Travel	23,169	-	-	-	40	253	-	14,445	37,907	6,500	24,724
Wages and benefits	173,285	-	-	-	-	161,973	-	253,813	589,071	590,039	412,878
Website and network support	10,144	-	-	-	-	6,134	-	154	16,432	16,500	16,843
Total expenses before initiatives and contract services	440,330	4,950	82	-	40	385,180	-	288,686	1,119,268	1,008,139	895,733
Initiatives											
Tourism promotion and advertising	60	-	-	20,350	-	99	-	187,943	208,452	171,573	235,656
Visitor services program	-	-	-	-	-	-	-	62,121	62,121	92,500	81,950
MRDT expenses	-	-	206,527	-	-	-	-	-	206,527	230,000	262,231
Exhibits and displays	421	-	-	-	-	-	-	-	421	10,500	1,216
Gateway signage	-	-	-	-	10,912	-	-	-	10,912	20,000	6,520
Food and beverage	3,570	-	-	-	-	-	-	-	3,570	7,500	3,201
Total initiatives expenses	4,051	-	206,527	20,350	10,912	99	-	250,064	492,003	532,073	590,774
Contract services											
Media relations	307	-	19,158	-	-	-	-	1,449	20,914	8,500	36,041
Event co-ordination	-	-	-	-	-	-	-	-	-	12,500	7,312
Agrifood	13,344	-	-	-	-	-	-	9,610	22,954	19,500	45,564
Business and technology	8,988	-	-	-	-	-	-	-	8,988	12,500	-
Economic data and research	16,522	-	-	-	-	-	-	-	16,522	15,450	217,173
VI Visitor Centre operations	-	-	-	-	-	74,154	-	-	74,154	83,738	-
Total contract services expenses	39,161	-	19,158	-	-	74,154	-	11,059	143,532	152,188	306,090
Total expenses	483,542	4,950	225,767	20,350	10,952	459,433	-	549,809	1,754,803	1,692,400	1,792,597
Excess (deficiency) of revenue over expenses	7,522	(4,950)	9,488	8,624	19,048	(38,283)	-	61,665	63,114	60,000	(109,148)
Interfund transfers	(9,774)	4,774	-	-	-	-	5,000	-	-	-	-
Net assets (deficit) - beginning of year	248,529	10,810	(21,364)	(17,232)	7,552	1,007,083	-	(209,808)	1,025,570	1,025,570	1,134,718
Net assets (deficit) - end of year	246,277	10,634	(11,876)	(8,608)	26,600	968,800	5,000	(148,143)	1,088,684	1,085,570	1,025,570

Comox Valley Economic Development Society
Schedule 7 - Schedule of Budgeted Operations by Fund (unaudited)
For the year ended December 31, 2015

2015								
	Operating Fund	Capital Assets Fund	MRDT	CVAC	Gateway Signage	Visitor Centre Fund	Destination Marketing Fund	Budgeted Total
Revenue								
Funding from local governments	452,400	-	-	-	20,000	328,000	365,000	1,165,400
External revenues								
Advertising and related sales	-	-	-	20,000	-	-	100,000	120,000
Visitor services program	-	-	-	-	-	-	95,000	95,000
Retail commissions and bookings	-	-	-	-	-	40,000	-	40,000
MRDT revenue	-	-	230,000	-	-	-	-	230,000
Funding from provincial government	-	-	-	-	-	20,000	21,000	41,000
Funding from federal government	36,000	-	-	-	-	-	-	36,000
Interest and other	25,000	-	-	-	-	-	-	25,000
	61,000	-	230,000	20,000	-	60,000	216,000	587,000
Amortization of deferred capital contributions								
	-	-	-	-	-	-	-	-
Total revenue	513,400	-	230,000	20,000	20,000	388,000	581,000	1,752,400
Expenses								
Amortization	-	-	-	-	-	-	-	-
Bad debts	-	-	-	-	-	-	-	-
Directors and meeting costs	14,500	-	-	-	-	-	-	14,500
Communication and marketing	8,500	-	-	-	-	-	-	8,500
Equipment lease	2,800	-	-	-	-	9,100	2,100	14,000
Events and delegations	9,000	-	-	-	-	2,500	5,000	16,500
Insurance	3,500	-	-	-	-	2,500	2,500	8,500
Interest and bank charges	11,000	-	-	-	-	30,000	-	41,000
Local government related - strategic planning	76,000	-	-	-	-	-	-	76,000
Membership dues and subscriptions	10,500	-	-	-	-	500	1,500	12,500
Office and supplies	8,200	-	-	-	-	500	1,500	10,200
Professional fees	27,500	-	-	-	-	13,750	13,750	55,000
Property management	500	-	-	-	-	14,900	500	15,900
Property taxes	-	-	-	-	-	27,000	-	27,000
Rent	7,000	-	-	-	-	-	7,000	14,000
Repairs and maintenance	14,100	-	-	-	-	28,500	4,900	47,500
Telephone and utilities	8,700	-	-	-	-	22,155	3,145	34,000
Travel	-	-	-	-	-	1,500	5,000	6,500
Wages and benefits	167,761	-	-	-	-	162,052	260,226	590,039
Website and network support	16,500	-	-	-	-	-	-	16,500
Total expenses before initiatives and contract services								
	386,061	-	-	-	-	314,957	307,121	1,008,139
Initiatives								
Tourism promotion and advertising	-	-	-	20,000	-	-	151,573	171,573
Visitor services program	-	-	-	-	-	-	92,500	92,500
MRDT expenses	-	-	230,000	-	-	-	-	230,000
Exhibits and displays	750	-	-	-	3,000	4,500	2,250	10,500
Gateway signage	-	-	-	-	20,000	-	-	20,000
Food and beverage	7,500	-	-	-	-	-	-	7,500
Total initiatives expenses	8,250	-	230,000	20,000	23,000	4,500	246,323	532,073
Contract services								
Media relations	8,500	-	-	-	-	-	-	8,500
Event co-ordination	4,500	-	-	-	-	500	7,500	12,500
Agrifood	10,500	-	-	-	-	-	9,000	19,500
Business and technology	12,500	-	-	-	-	-	-	12,500
Economic data and research	15,450	-	-	-	-	-	-	15,450
V1 Visitor Centre operations	-	-	-	-	-	83,738.00	-	83,738
Total contract services expenses	51,450	-	-	-	-	84,238	16,500	152,188
Total expenses	445,761	-	230,000	20,000	23,000	403,695	569,944	1,692,400
Excess (deficiency) of revenue over expenses	67,639	-	-	-	(3,000)	(15,695)	11,056	60,000

The accompanying notes are an integral part of these financial statements

Comox Valley Economic Development Society

Schedule 8 - Schedule of MRDT and Destination Marketing

For the year ended December 31, 2015

	MRDT	Destination Marketing	Total
Revenue			
Local government revenues	-	365,000	365,000
External revenue			
MRDT revenue	225,755	-	225,755
Tourism promotion and sales	-	126,053	126,053
Visitor services marketing opportunities program	-	66,860	66,860
Destination BC	-	21,000	21,000
Interest and other income	9,500	32,561	42,061
	235,255	246,474	481,729
Total revenue	235,255	611,474	846,729
Expenses			
Marketing			
Collateral production and distribution	12,430	12,253	24,683
Consumer shows and events	98,682	114,475	213,157
Marketing staff wages and benefits	-	88,343	88,343
Media advertising and production	80,962	27,536	108,498
Other marketing	2,939	17,140	20,079
Social media	14,318	2,623	16,941
Travel media relations	16,056	34,486	50,542
Website hosting, development and maintenance	380	116	496
	225,767	296,972	522,739
Destination and product experience			
Destination and product experience wages and benefits	-	165,471	165,471
Industry development and training	-	370	370
Product experience enhancement training	-	778	778
	-	166,619	166,619
Visitor services opportunities	-	62,121	62,121
Overhead and administration support	-	24,097	24,097
Total expenses	225,767	549,809	775,576
Excess of revenue over expenses	9,488	61,665	71,153
Net deficit - beginning of year	(21,364)	(209,808)	(231,172)
Net deficit - end of year	(11,876)	(148,143)	(160,019)