

Whistler.com Systems Inc.
Financial Statements
For the year ended June 30, 2024
(Unaudited)

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For the year ended June 30, 2024
(Unaudited)

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Review Engagement Report

To the Shareholders of Whistler.com Systems Inc.

We have reviewed the accompanying financial statements of Whistler.com Systems Inc. (the "Company") that comprise the Balance Sheet as at June 30, 2024 and the Statements of Operations and Retained Earnings 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 private enterprises, 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Whistler.com Systems Inc. as at June 30, 2024, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises.

BDO Canada LLP

Chartered Professional Accountants

Whistler, British Columbia
December 20, 2024

Whistler.com Systems Inc.
Balance Sheet
(Unaudited)

June 30 **2024** **2023**

Assets

Current

Cash and cash equivalents (Note 2)	\$ 5,301,013	\$ 5,051,852
Short-term investments (Note 3)	40,562	-
Accounts receivable (Note 7)	182,679	188,713
Prepaid expenses and deposits	34,060	37,031
Income taxes recoverable	94,686	-
	5,653,000	5,277,596

Investments (Note 3)	-	40,562
Property and equipment (Note 4)	17,072	14,692
	\$ 5,670,072	\$ 5,332,850

Liabilities and Shareholders' Equity

Liabilities

Current

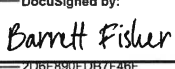
Accounts payable and accrued liabilities (Notes 5 and 7)	\$ 2,947,306	\$ 2,583,079
Current portion of loan payable (Note 9)	-	40,000
Income taxes payable	-	56,839
	2,947,306	2,679,918

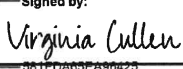
Due to related parties (Note 6)	38,680	40,639
	2,985,986	2,720,557

Shareholders' equity

Share capital (Note 8)	2,500	2,500
Retained earnings	2,681,586	2,609,793
	2,684,086	2,612,293
	\$ 5,670,072	\$ 5,332,850

On behalf of the Board:

DocuSigned by:

2D6F890FDB7F48F... Director

Signed by:

361FDA03EA90425... Director

Whistler.com Systems Inc.
Statement of Operations and Retained Earnings
(Unaudited)

For the year ended June 30	2024	2023
Revenue		
Commission	\$ 2,099,394	\$ 2,514,503
Interest	270,983	168,887
Other	115,267	207,962
	<u>2,485,644</u>	<u>2,891,352</u>
Expenses		
Advertising and promotion	289,256	223,818
Amortization	7,659	7,990
Commissions	120,101	165,785
Communication	31,954	34,940
Credit card commissions	267,971	242,961
Insurance	30,420	25,925
Interest and bank charges	11,890	12,257
Memberships	1,431	2,237
Office and other general	12,846	7,260
Professional fees	26,645	15,457
PST on commissions	84,278	-
Rental	29,690	28,226
Salaries and wages	1,458,587	1,425,261
Subcontracts	32,549	23,259
	<u>2,405,277</u>	<u>2,215,376</u>
Income before income taxes for the year	80,367	675,976
Income taxes (Note 10)	8,574	103,255
Net income for the year	71,793	572,721
Retained earnings, beginning of year	2,609,793	2,037,072
Retained earnings, end of year	\$ 2,681,586	\$ 2,609,793

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements

Whistler.com Systems Inc.
Statement of Cash Flows
(Unaudited)

For the year ended June 30	2024	2023
Cash (used in) provided by		
Operating activities		
Net income for the year	\$ 71,793	\$ 572,721
Items not requiring cash		
Amortization	7,659	7,990
Accrued interest earned on investments	-	(282)
	<u>79,452</u>	<u>580,429</u>
Changes in non-cash working capital balances		
Accounts receivable	6,034	28,965
Prepaid expenses	2,971	(5,371)
Accounts payable and accrued liabilities	364,227	921,326
Income taxes payable or recoverable	(151,525)	10,433
Deferred revenue	-	(28,058)
	<u>301,159</u>	<u>1,507,724</u>
Financing activities		
Repayments to related parties	(1,959)	(1,696)
Repayment of CEBA loan	(40,000)	-
	<u>(41,959)</u>	<u>(1,696)</u>
Investing activities		
Purchase of property and equipment	(10,039)	(3,580)
Increase in cash during the year	249,161	1,502,448
Cash, beginning of year	5,051,852	3,549,404
Cash, end of year	\$ 5,301,013	\$ 5,051,852

Whistler.com Systems Inc.
Notes to the Financial Statements
(Unaudited)

June 30, 2024

1. Significant Accounting Policies

Nature of Business The Company is incorporated under the laws of British Columbia, Canada. The Company is in the business of providing an on-line reservation system for the resort of Whistler, BC.

Basis of Presentation These financial statements have been prepared in accordance with Canadian accounting standards for private enterprises.

Investments Investments consist of term deposits with maturity of greater than 90 days from the date of acquisition.

Use of Estimates The preparation of financial statements in accordance with Canadian accounting standards for private enterprises 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 revenue and expenses during the year. Items subject to such estimates and assumptions include the recoverability of accounts receivable, estimated useful lives and impairment of property and equipment, and completeness of accounts payable and accrued liabilities.

Actual results could differ from management's best estimates as additional information becomes available and may impact future periods.

Income Taxes The Company accounts for income taxes using the taxes payable method. The taxes payable basis is a method of accounting under which the Company reports as an expense (income) of the year only the cost (benefit) of current income taxes determined in accordance with the rules established by taxation authorities.

Property and Equipment Property and equipment are recorded at cost less accumulated amortization. Amortization is determined based on an estimated useful life of the assets as follows:

Equipment	- 5 year straight line
Furniture and fixtures	- 5 year straight line
Computer equipment	- 5 year straight line
Reservation management system	- 30% declining balance

Whistler.com Systems Inc.
Notes to the Financial Statements
(Unaudited)

June 30, 2024

1. Significant Accounting Policies (continued)

Revenue Recognition	<p>Revenue received from commissions derived from accommodation, activity and other reservations is recognized when revenue is earned by the seller or all other contractual obligations have been satisfied, and when collection is reasonably assured.</p> <p>Interest income is recognized as it accrues, in accordance with the stated terms of each financial instrument.</p> <p>Other revenue is recognized as any contractual obligations have been met and when collection is reasonably assured.</p>
Impairment of Long-Lived Assets	<p>Property and equipment and other long-lived assets are reviewed for impairment whenever changes in circumstances indicate that the carrying value of an asset may not be recoverable. Impairment is assessed by comparing the carrying amount of an asset with its fair value. If the carrying amount of the assets exceed the expected cash flows, an impairment is recognized for the amount which the carrying value exceeds the assets fair value. Any impairment results in a write-down of the assets and a charge to net income during the year. Whistler.com Systems Inc. considers that no circumstances exist that indicate the Company's long-lived assets may be impaired. Thus no test for recoverability has been performed.</p>
Financial Instruments	<p>The Company's financial instruments consist of cash, accounts receivable, investments, accounts payable and accrued liabilities and due to related parties. The Company initially measures all of its financial instruments at fair value. In subsequent periods, financial instruments are reported at amortized cost using the effective interest rate method.</p>
Foreign Currency Translation	<p>Foreign currency transactions are translated at the rates of exchange in effect at the dates of the transaction. Resulting foreign currency denominated monetary assets and liabilities are translated at the rates of exchange in effect at the balance sheet date. Gains and losses on translation of monetary assets and liabilities are included in net income.</p>

Whistler.com Systems Inc.
Notes to the Financial Statements
(Unaudited)

June 30, 2024

2. Cash and Cash Equivalents

The Company's bank accounts are held at a Canadian chartered bank. The bank accounts earn interest at the current prevailing rates for business operating accounts.

Included in cash and cash equivalents at year end is \$2,653,631 (2023 - \$2,282,729) in deposits received from customers for future bookings which is used to pay amounts owing to suppliers in relation to these bookings. Amounts owing to suppliers in relation to these future bookings are included in accounts payable and accrued liabilities.

As at June 30, 2024, the Company's US dollar denominated cash totaled \$238,006 USD, \$325,759 converted to Canadian dollars (2023 - \$353,404 USD, \$467,907 converted to Canadian dollars).

3. Investments

At June 30, 2024, the Company holds a non-redeemable Guaranteed Investment Certificate ("GIC"), which earns interest at 5.0% (2023 - 5.0%) per annum and matures on June 30, 2025.

4. Property and Equipment

	2024			2023
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Equipment	\$ 137,897	\$ 137,897	\$ -	\$ 322
Furniture and fixtures	40,373	39,757	616	502
Computer equipment	204,158	190,070	14,088	10,486
Reservation management system	164,180	161,812	2,368	3,382
	<u>\$ 546,608</u>	<u>\$ 529,536</u>	<u>\$ 17,072</u>	<u>\$ 14,692</u>

5. Accounts Payable and Accrued Liabilities

Included in accounts payable and accrued liabilities are government remittances payable of \$93,899 (2023 - \$6,064).

Effective July 1, 2023, the Company was required to collect and remit PST on all online marketplace services, regardless of the nature of the underlying goods or services. The Company has determined that commissions earned on transactions processed by the Company on behalf of other vendors meet the definition of online marketplace services and has therefore accrued PST of \$72,973 that must be remitted on these transactions.

Whistler.com Systems Inc.
Notes to the Financial Statements
(Unaudited)

June 30, 2024

6. Due to Related Parties

Amounts due to Tourdex.com Systems Inc., a company under common control, are non-interest bearing and unsecured. Tourdex.com Systems Inc. has waived the right to demand payment for the next 12 months.

Transactions with related parties are in the normal course of operations and are conducted at arm's length and are recorded at the exchange amount.

7. Related Party Transactions

Tourism Whistler provides employee services to the Company, and invoices for these amounts. During the year, the Company incurred fees of \$228,132 (2023 - \$236,212) for these services. Other expenses paid by Tourism Whistler on behalf of the Company and charged to the Company were \$386,776 (2023 - \$212,427).

The Company receives marketing reinvestment from Tourism Whistler and pays other expenses on behalf of Tourism Whistler. During the year, the total amount charged to Tourism Whistler was \$25,299 (2023 - \$184,428).

As a result of these transactions \$44,581 was due to Tourism Whistler at June 30, 2024 and recorded in accounts payable and accrued liabilities (2023 - \$88,372).

The Company facilitates customer reservations for the Whistler Golf Club, a division of Tourism Whistler, and earns commissions on these services. Commissions of \$13,963 were earned from the Whistler Golf Course during the year (2023 - \$19,611), and \$nil in customer payments was due to the Whistler Golf Club at June 30, 2024 and is recorded in accounts payable and accrued liabilities (2023 - \$23,080).

Transactions with shareholders are in the normal course of operations, are conducted at arm's length and, as a result, are recorded at the exchange amount.

8. Share Capital

	<u>2024</u>	<u>2023</u>
Issued and outstanding		
2,500,000 Voting, Non-Participating shares;		
and 2,500,000 Non-Voting Participating shares	<u>\$ 2,500</u>	<u>\$ 2,500</u>

The Company's two shareholders hold the issued and outstanding share capital as follows:

Whistler Resort Association: 1,225,000 voting, non-participating shares and 1,250,000 non-voting, participating shares.

Resort Municipality of Whistler: 1,275,000 voting, non-participating shares and 1,250,000 non-voting, participating shares.

Whistler.com Systems Inc.
Notes to the Financial Statements
(Unaudited)

June 30, 2024

9. Loan Payable

The non-forgivable portion of the emergency COVID-19 relief loan of \$40,000 was interest-free and repaid November 29, 2023 to meet the terms of the forgivable loan portion of \$20,000, which was recognized as grant revenue in a previous year.

10. Income Taxes

The Company accounts for income taxes using the taxes payable method. As a result, the Company's income tax expense varies from the amount that would otherwise result from the application of the statutory income tax rates as set out below:

	2024	2023
Net income before income taxes	\$ 80,367	\$ 675,976
Expected income tax expense	8,840	102,875
Income or expenses claimed in different periods for income tax purposes		
Amortization and gain/loss on disposal of assets (less than) in excess of capital cost allowance (CCA)	(466)	89
Non-deductible items for tax purposes	200	291
Income tax expense	\$ 8,574	\$ 103,255

The Company has available capital losses of \$58,491 (2023 - \$58,491) which can be applied to reduce future capital gains.

June 30, 2024

11. Financial Instruments

The Company through its financial assets and liabilities is exposed to various risks.

The following analysis provides an assessment of those risks as at June 30, 2024. There have been no significant changes in the Company's exposure to these risks from the prior year.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. It is management's opinion that the Company is not exposed to significant interest rate risk arising from its financial instruments.

(b) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company is potentially exposed to credit risk on its accounts receivables, cash and investments. The Company mitigates its risk on accounts receivables through diversification of its customer base and not limiting its exposure to any one customer. In addition, the Company has deposited its cash and investments with a reputable financial institution.

(c) Liquidity risk

Liquidity risk is the risk that the Company encounters difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the Company will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value, which is less than what they are worth; or may be unable to settle or recover a financial asset. Liquidity risk arises primarily from accounts payable, accrued liabilities, and due to related parties. The Company mitigates this risk by maintaining sufficient liquid financial assets while also actively monitoring market conditions and adjusting operations as necessary to meet operational liquidity requirements.