
Local Media Concepts Inc.

Financial Information

December 31, 2024

Local Media Concepts Inc.

Financial Statements

December 31, 2024

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Compilation Engagement Report

**To the management of
Local Media Concepts Inc.**

On the basis of information provided by management, we have compiled the balance sheet of Local Media Concepts Inc. as at December 31, 2024, the statement of income and retained earnings for the year then ended, and note 2, 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.

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 information.

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 information provided by management. Accordingly, we 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.

Vaive and Associates

**Ottawa
March 3, 2025**

**Vaive and Associates Professional Corporation
(Authorized to practice public accounting by the
Chartered Professional Accountants of Ontario)**

Local Media Concepts Inc.**Statement of Income and Retained Earnings**

For the year ended December 31,

	<u>2024</u>	<u>2023</u>
Revenue	\$ 1,275,999	\$ 1,396,159
Expenses		
Advertising and promotion	-	500
Amortization	6,151	7,289
Automotive	9,175	9,402
Communications	5,141	7,089
Interest and bank charges	256,619	246,638
Management fees	44,199	370,000
Meals and entertainment	3,235	3,544
Office	26,923	20,167
Professional fees	3,100	3,000
Rent	2,139	2,003
Salaries and benefits	133,858	123,243
Software subscriptions	4,841	2,682
Subcontract	620,750	658,618
Travel	9,122	3,106
	<u>1,125,253</u>	<u>1,457,281</u>
Income (loss) before other items and income taxes	<u>150,746</u>	<u>(61,122)</u>
Other expenses (income)		
Lost revenue due to fraud	-	43,827
Government assistance	-	(20,000)
	<u>-</u>	<u>23,827</u>
Income (loss) before income taxes	150,746	(84,949)
Income tax (recovery)	<u>17,369</u>	<u>(11,135)</u>
Net income (Net loss)	133,377	(73,814)
Retained earnings, beginning of year	<u>175,849</u>	<u>249,663</u>
Retained earnings, end of year	<u>\$ 309,226</u>	<u>\$ 175,849</u>

Local Media Concepts Inc.**Balance Sheet**

December 31,	<u>2024</u>	<u>2023</u>
Assets		
Current		
Cash	\$ 148,760	\$ -
Accounts receivable	186,638	273,856
Income taxes receivable	-	16,141
	<u>335,398</u>	289,997
Due from a shareholder	30,000	30,000
Property, plant and equipment (note 4)	7,817	9,229
Domain name, net of accumulated amortization	<u>20,928</u>	<u>20,928</u>
	<u>\$ 394,143</u>	<u>\$ 350,154</u>
Liabilities		
Current		
Bank indebtedness	\$ -	\$ 7,348
Accounts payable and accrued liabilities	67,566	166,857
Income taxes payable	<u>17,251</u>	<u>-</u>
	<u>84,817</u>	<u>174,205</u>
Shareholders' equity		
Capital stock (note 5)	100	100
Retained earnings	<u>309,226</u>	<u>175,849</u>
	<u>309,326</u>	<u>175,949</u>
	<u>\$ 394,143</u>	<u>\$ 350,154</u>

Approved by the board:

Director

Local Media Concepts Inc.

Notes to the Financial Information

For the year ended December 31, 2024

1. General information

Local Media Concepts Inc. was incorporated under the Canada Business Corporations Act on February 3, 2012. The Company's primary business activity is providing advertising services.

2. Basis of accounting

The basis of accounting applied in the preparation of the balance sheet of Local Media Concepts Inc. as at December 31, 2024 and the statement of income and retained earnings for the year then ended is the historical cost basis and reflects cash transactions with the addition of the following:

- ♦ accounts receivable less an allowance for doubtful accounts
- ♦ property, plant and equipment amortized on the same basis as for income tax
- ♦ accounts payable and accrued liabilities
- ♦ current income taxes payable as at the reporting date

3. Significant accounting policy

Property, plant and equipment

Property, plant and equipment are recorded at cost. The company provides for amortization using the declining balance method at rates designed to amortize the cost of the property, plant and equipment over their estimated useful lives. The annual amortization rates are as follows:

Furniture and fixtures	20%
Computer equipment	55%

4. Property, plant and equipment

	2024		
	Cost	Accumulated amortization	Net book value
Furniture and fixtures	\$ 1,770	\$ 1,249	\$ 521
Computer equipment	71,899	64,603	7,296
	\$ 73,669	\$ 65,852	\$ 7,817

Local Media Concepts Inc.**Notes to the Financial Information**

For the year ended December 31, 2024

4. Property, plant and equipment (continued)

	<u>2023</u>		
	Cost	Accumulated amortization	Net book value
Furniture and fixtures	\$ 1,770	\$ 1,117	\$ 653
Computer equipment	67,159	58,583	8,576
	<u>\$ 68,929</u>	<u>\$ 59,700</u>	<u>\$ 9,229</u>

5. Capital stock

	<u>2024</u>	<u>2023</u>
Authorized		
Unlimited number of First Preferred Shares		
Unlimited number of Second Preferred Shares		
Unlimited number of Third Preferred Shares		
Unlimited number of Fourth Preferred Shares		
Unlimited number of Class A Common Shares		
Unlimited number of Class B Common Shares		
Unlimited number of Class C Common Shares		
Issued		
1,000 Class A Common Shares	<u>\$ 100</u>	<u>\$ 100</u>