

OUTWARD BOUND CANADA

FINANCIAL STATEMENTS

DECEMBER 31, 2020

Independent Auditor's Report

To the Members of Outward Bound Canada

Opinion

We have audited the financial statements of Outward Bound Canada (the "Organization"), which comprise the statement of financial position as at December 31, 2020, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the ability of the Organization to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of the Organization.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 internal control of the Organization.

Independent Auditor's Report (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Organization to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Toronto, Ontario
May 27, 2021

Chartered Professional Accountants
Licensed Public Accountants

OUTWARD BOUND CANADA

Statement of Financial Position

December 31	2020 \$	2019 \$
ASSETS		
Current assets		
Cash	695,459	171,829
Short term investments	40,149	38,792
Accounts receivable (note 11)	99,251	240,984
Inventory	17,762	17,503
Prepaid expenses	68,718	115,485
Due from Outward Bound Canada Foundation (note 3)	-	15,000
	921,339	599,593
Capital assets (note 4)	295,663	362,412
	1,217,002	962,005
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (note 6)	215,553	236,450
Deferred contributions, grants and bursaries (note 7)	509,690	235,218
Deferred course and contract fees	306,516	86,149
Current portion of vehicle loans payable (note 8)	43,685	50,076
	1,075,444	607,893
Vehicle loans payable (note 8)	40,758	84,443
	1,116,202	692,336
NET ASSETS		
Invested in capital assets	211,220	227,893
Sustainability Fund (note 9)	32,000	32,000
Unrestricted	(142,420)	9,776
	100,800	269,669
	1,217,002	962,005

The accompanying notes are an integral part of these financial statements

Approved on behalf of the Board:

Director



Director



OUTWARD BOUND CANADA

Statement of Operations

Year ended December 31	2020 \$	2019 \$
Revenues		
Course fees	520,776	1,781,496
Contributions, grants and bursaries	315,997	1,723,996
Donations and fundraising	1,066,758	1,925,140
Donations from Outward Bound Canada Foundation (note 3)	100,000	235,764
Other income	9,218	16,941
	<u>2,012,749</u>	<u>5,683,337</u>
Expenses		
Program (schedule 1)	354,227	1,319,786
Administration (schedule 2)	558,869	926,132
Salaries and benefits (schedule 3)	2,318,432	3,264,011
	<u>3,231,528</u>	<u>5,509,929</u>
Excess of revenues over expenses (expenses over revenues) before the following	(1,218,779)	173,408
Government assistance (note 11)	<u>1,049,910</u>	-
Excess of revenues over expenses (expenses over revenues) for year	<u>(168,869)</u>	<u>173,408</u>

The accompanying notes are an integral part of these financial statements

OUTWARD BOUND CANADA

Statement of Changes in Net Assets

Year ended December 31

	2020			
	Invested in Capital Assets \$	Sustainability Fund (note 9) \$	Unrestricted \$	Total \$
Balance, beginning of year	227,893	32,000	9,776	269,669
Excess of expenses over revenues	-	-	(168,869)	(168,869)
Amortization	(66,749)	-	66,749	-
Repayment of vehicle loans net of additions	50,076	-	(50,076)	-
Balance, end of year	<u>211,220</u>	<u>32,000</u>	<u>(142,420)</u>	<u>100,800</u>

	2019			
	Invested in Capital Assets \$	Sustainability Fund (note 9) \$	Unrestricted \$	Total \$
Balance, beginning of year	130,187	32,000	(65,926)	96,261
Excess of revenues over expenses	-	-	173,408	173,408
Purchase of capital assets, net of disposals	161,843	-	(161,843)	-
Amortization	(62,136)	-	62,136	-
Repayment of vehicle loans net of additions	(2,001)	-	2,001	-
Balance, end of year	<u>227,893</u>	<u>32,000</u>	<u>9,776</u>	<u>269,669</u>

The accompanying notes are an integral part of these financial statements

OUTWARD BOUND CANADA

Statement of Cash Flows

Year ended December 31	2020 \$	2019 \$
Cash flows from operating activities		
Excess of revenues over expenses (expenses over revenues) for year	(168,869)	173,408
Adjustments to determine net cash provided by (used in) operating activities		
Amortization of capital assets	66,749	62,136
Loss on disposal of capital assets	-	4,553
	(102,120)	240,097
Change in non-cash working capital items		
Decrease (increase) in short term investments	(1,357)	371
Decrease (increase) in accounts receivable	141,733	(67,601)
Increase in inventory	(259)	(17,503)
Decrease in prepaid expenses	46,767	34,476
Increase (decrease) in accounts payable and accrued liabilities	(20,897)	54,211
Increase (decrease) in deferred contributions, grants and bursaries	274,472	(603,154)
Increase (decrease) in deferred course and contract fees	220,367	(144,464)
	558,706	(503,567)
Cash flows from investing activities		
Additions to capital assets	-	(169,896)
Proceeds received on disposal of capital assets	-	3,500
	-	(166,396)
Cash flows from financing activities		
Decrease (increase) in due from Outward Bound Canada Foundation	15,000	72,616
Proceeds received from vehicle loans	-	58,331
Repayment of vehicle loans payable	(50,076)	(56,330)
	(35,076)	74,617
Net change in cash	523,630	(595,346)
Cash, beginning of year	171,829	767,175
Cash, end of year	695,459	171,829

The accompanying notes are an integral part of these financial statements

OUTWARD BOUND CANADA

Schedules to Financial Statements

Year ended December 31

Schedule of program expenses

Schedule 1

	2020	2019
	\$	\$
Program supplies and services	255,384	678,538
Food	68,298	307,286
Transportation	30,545	333,962
	<u>354,227</u>	<u>1,319,786</u>

Schedule of administration expenses

Schedule 2

	2020	2019
	\$	\$
Office and communications	138,017	154,155
Marketing	100,951	124,467
Fundraising	7,213	243,659
Travel	24,848	102,111
Insurance	62,311	53,571
Amortization	66,749	62,136
Dues and fees (note 3)	86,719	80,750
Interest and credit card charges	21,059	44,822
Professional fees	24,000	36,294
Rent	23,617	21,767
Board expenditures	3,385	2,400
	<u>558,869</u>	<u>926,132</u>

Schedule of salaries and benefits

Schedule 3

	2020	2019
	\$	\$
Direct program delivery	1,212,670	2,359,023
Administration and program supervision	1,105,762	904,988
	<u>2,318,432</u>	<u>3,264,011</u>

The accompanying notes are an integral part of these financial statements

OUTWARD BOUND CANADA

Notes to Financial Statements

December 31, 2020

Purpose of the organization

Outward Bound Canada (the "Organization") was incorporated as a not-for-profit corporation without share capital under the Canada Corporations Act, and received its certificate of continuance under the Canada Not-for-profit Corporations Act. The Organization is a registered charity in Canada and is exempt from income taxes.

The Organization's mission is to cultivate resilience, leadership, connections and compassion through inspiring and challenging journeys of self-discovery in the natural world. The Organization's experiential educational process is based upon the philosophy that learning and understanding take place when people engage in and reflect upon experiences in challenging environments in which they must acquire new skills and work with each other.

The Organization is partnered with high schools, universities, community groups, government agencies, corporate groups and learning institutes across Canada to provide a wide range of services that enhance capacity and leadership and assist youth and adults in challenging times of transition in urban and wilderness settings.

1. Significant accounting policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and are in accordance with Canadian generally accepted accounting principles. These financial statements have been prepared within the framework of the significant accounting policies summarized below:

(a) Revenue recognition

The Organization follows the deferral method of accounting for contributions, which include donations, bursaries and grants.

Contributions made for restricted purposes related to expenses of future periods are deferred and recognized as revenue at the time the related expenses are incurred.

Unrestricted contributions are recognized as revenue when received or, if the amount to be received can be reasonably estimated and collection is reasonably assured, when receivable.

Course fee revenue is recognized on a pro-rata basis over the term of the related course.

(b) Government assistance

Government assistance is recognized in income when the related expenses are incurred or when there is reasonable assurance that the Organization has complied or will comply with the conditions of the assistance, and collection is reasonably assured.

(c) Short-term investments

Short-term investments consist of guaranteed investment certificates held as security for the Organization's credit cards. These investments are readily convertible into cash and are not subject to significant risk of change in values.

OUTWARD BOUND CANADA

Notes to Financial Statements (continued)

December 31, 2020

1. Significant accounting policies (continued)

(d) Inventory

The Organization's inventory, which consists of various branded clothing and accessories available for sale, is recorded at the lower of cost and net realizable value.

(e) Financial instruments

(i) Measurement of financial instruments

The Organization initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument. Amounts due to and from related parties are initially measured at the exchange amount, being the amount agreed upon by the related parties.

The Organization subsequently measures its financial assets and financial liabilities at amortized cost. Amortized cost is the amount at which a financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortization of any difference between that initial amount and the maturity amount, and minus any reduction for impairment.

Financial assets measured at amortized cost include cash, short term investments, accounts receivable and due from Outward Bound Canada Foundation.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and vehicle loans payable.

(ii) Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset or group of assets, a write-down is recognized in the statement of operations. The write down reflects the difference between the carrying amount and the higher of:

- the present value of the cash flows expected to be generated by the asset or group of assets;
- the amount that could be realized by selling the assets or group of assets;

When the events occurring after the impairment confirm that a reversal is necessary, the reversal is recognized in net income up to the amount of the previously recognized impairment.

OUTWARD BOUND CANADA

Notes to Financial Statements (continued)

December 31, 2020

1. Significant accounting policies (continued)

(f) Capital assets

The costs of capital assets are capitalized upon meeting the criteria for recognition as an asset; otherwise, costs are expensed as incurred. The cost of a capital asset comprises its purchase price and any directly attributable cost of preparing the asset for its intended use.

Capital assets are measured at cost less accumulated amortization and accumulated impairment losses.

The Organization provides for amortization using the straight-line method at rates designed to amortize the cost of the capital assets over their estimated useful lives. The estimated useful lives are as follows:

Program and computer equipment	5-7 years
Vehicles	6 years

A capital asset is tested for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. An impairment loss is recognized in the statements of operations when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the capital asset exceeds its fair value. Any impairment of capital assets is charged to income in the period in which the impairment occurs.

An impairment loss is not reversed if the fair value of the capital asset subsequently increases.

(g) Related parties

For the purposes of these financial statements, a party is considered to be related to the Organization if such party or the Organization has the ability to, directly or indirectly, control or exercise significant influence over the other entity's financial and operating decisions, or if the Organization and such party are subject to common significant influence. Related parties may be individuals or other entities. Transactions with related parties in the normal course of business are initially recorded at their exchange amount, which is the amount of consideration established and agreed to by the related parties (note 3). Transactions with related parties not in the normal course of business are recorded at their carrying amount.

(h) Contributed materials and services

Volunteers contributed time to assist the Organization in carrying out its programs. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

OUTWARD BOUND CANADA

Notes to Financial Statements (continued)

December 31, 2020

1. Significant accounting policies (continued)

(i) Management estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates are based on information available as of the date of issuance of the financial statements. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

2. Financial instrument risk management

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The following disclosures provide information to assist users of the financial statements in assessing the extent of risk related to the Organization's financial instruments.

The financial instruments of the Organization and the nature of the risks to which it may be subject are as follows:

Financial instrument	Risks				
	Credit	Liquidity	Market risk		
Currency			Interest rate	Other price	
Cash	X		X		
Short term investments	X			X	
Accounts receivable	X				
Due from Outward Bound Canada Foundation	X				
Accounts payable and accrued liabilities		X			
Vehicle loans payable		X			

OUTWARD BOUND CANADA

Notes to Financial Statements (continued)

December 31, 2020

2. Financial instrument risk management (continued)

Credit risk

Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. The Organization reduces its exposure to credit risk associated with cash and short term investments by holding these balances in a major Canadian institutions. The Organization reduces its exposure to credit risk associated with accounts receivable by performing credit evaluations on a regular basis, granting credit upon a review of the credit history of the applicant and creating an allowance for bad debts when applicable. The maximum exposures of the Organization to credit risk are as follows:

	2020 \$	2019 \$
Cash	695,459	171,829
Short term investments	40,149	38,792
Accounts receivable	99,251	240,984
Due from Outward Bound Canada Foundation	-	15,000
	<u>834,859</u>	<u>466,605</u>

Liquidity risk

Liquidity risk is the risk that the Organization cannot repay its obligations when they become due to its creditors. The Organization reduces its exposure to liquidity risk by ensuring that it documents when authorized payments become due, maintains adequate credit facilities (note 5) to repay its trade creditors as they become due, anticipating investing and financing activities and holding assets that can be readily converted into cash. The Organization has liquidity risk in accounts payable and accrued liabilities and vehicle loans payable to a maximum of \$299,996 (2019 - \$370,969).

OUTWARD BOUND CANADA

Notes to Financial Statements (continued)

December 31, 2020

2. Financial instrument risk management (continued)

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk, interest rate risk and other price risk.

i) Currency risk

Currency risk is the risk that the exchange rate that was in effect on the date that an obligation in a foreign currency was made to the Organization by a customer, or that an obligation in a foreign currency was entered into by the Organization to a supplier, is different at the time of settlement than it was at time that the obligation originated. The Organization's exposure to foreign exchange risk is minimal as it does not have any significant foreign denominated financial instruments at year end.

ii) 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. The Organization is exposed to interest rate risk on the maturity of its short term investments.

iii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Organization is not exposed to other price risk as it has no investments in marketable securities.

Changes in risk

There have been no changes in the Organization's risk exposures from the prior year.

3. Related party transactions

The Organization has related party transactions with Outward Bound Canada Foundation ("the Foundation"), which was established to help the Organization reach its fundraising and other objectives, and Outward Bound International ("OBI"), a membership organization of all the Outward Bound Centres worldwide as follows:

- (a) During the year, the Organization received donations from the Foundation in the amount of \$100,000 (2019 - \$235,764).
- (b) During the year, the Organization paid dues to OBI in the amount of \$18,415 (2019 - \$14,407).
- (c) At year end, the Organization has a balance due from the Foundation in the amount of \$nil (2019 - \$15,000). Amounts due from the Foundation are unsecured, non-interest bearing, due on demand and have no specific terms of repayment.
- (d) At year end, included in accounts payable and accrued liabilities (note 6) is an amount payable to OBI of \$7,018 (2019 - \$10,018).

OUTWARD BOUND CANADA

Notes to Financial Statements (continued)

December 31, 2020

4. Capital assets

	2020		
	Cost	Accumulated	Net
	\$	Amortization	\$
	\$	\$	\$
Program and computer equipment	422,311	269,099	153,212
Vehicles	271,606	129,155	142,451
	<u>693,917</u>	<u>398,254</u>	<u>295,663</u>
	2019		
	Cost	Accumulated	Net
	\$	Amortization	\$
	\$	\$	\$
Program and computer equipment	422,311	230,840	191,471
Vehicles	271,606	100,665	170,941
	<u>693,917</u>	<u>331,505</u>	<u>362,412</u>

5. Credit facilities

Under the terms of a credit facility agreement dated December 27, 2017 with the Royal Bank of Canada ("RBC") the Organization has available to it a revolving demand facility to a maximum of \$200,000. During the year, from May - August 2020, RBC temporarily increased the available credit limit to \$220,000 to assist with potential cash flow issues arising from COVID-19.

Borrowings under this facility are due on demand with no specific terms of repayment and bear interest at RBC prime rate plus 1.80%. At year end, the Organization has \$nil (2019 - \$nil) outstanding under this facility.

Additionally, the Organization has available to it a Visa Business card with a credit limit of \$30,000. At year end \$8,258 (2019 - \$6,490) is outstanding on this card.

All borrowings under these facilities are secured by a general security agreement constituting a first ranking security interest on all of the Organization's assets.

6. Accounts payable and accrued liabilities

	2020	2019
	\$	\$
Accounts payable and accrued liabilities	192,045	202,684
Government remittances	23,508	33,766
	<u>215,553</u>	<u>236,450</u>

OUTWARD BOUND CANADA

Notes to Financial Statements (continued)

December 31, 2020

7. Deferred contributions, grants and bursaries

	2020 \$	2019 \$
Balance, beginning of year	235,218	838,372
Contributions received	722,208	919,866
Amount recognized as revenue	(447,736)	(1,523,020)
Balance, end of year	<u>509,690</u>	<u>235,218</u>

8. Vehicle loans payable

The Company has entered into the following vehicle loan agreements to finance the purchase of the following vehicles:

	2020 \$	2019 \$
Silver Ford F150 - payable in blended equal bi-weekly payments of \$595 and bears interest at 2.99% per annum. The loan matures in June 2023 and is secured by the vehicle	41,120	55,152
Silver Ford 250 - payable in blended equal monthly payments of \$696 per month and bears interest at 3.49% per annum. The loan matures in December 2022 and is secured by the vehicle	16,115	23,762
White Ford F250 - non-interest bearing and is payable in equal monthly principal payments of \$783 per month. The loan matures in May 2022 and is secured by the vehicle	13,307	22,700
Silver Ford 350 - non-interest bearing and is payable in equal monthly principal payments of \$993 per month. The loan matures in February 2022 and is secured by the vehicle	13,901	25,817
White Ford Transit - payable in blended equal monthly payments of \$1,455 per month and bears interest at 2.99% per annum. The loan matured in May 2020	-	7,088
	<u>84,443</u>	<u>134,519</u>
Less current portion:	<u>43,685</u>	<u>50,076</u>
	<u>40,758</u>	<u>84,443</u>

OUTWARD BOUND CANADA

Notes to Financial Statements (continued)

December 31, 2020

8. Vehicle loans payable (continued)

Principal payments over the next five years are as follows:

	<u>\$</u>
2021	43,685
2022	28,993
2023	<u>11,765</u>
	<u><u>84,443</u></u>

9. Sustainability fund

The sustainability fund was established in recognition of the need to maintain working capital for continuing operations, and for the purpose of putting income aside in surplus years in order to offset deficits in other years. This fund is represented by internally restricted net assets as directed by the Board.

10. Commitments

The Organization is committed to annual payments for leases for premises until September 30, 2022. Future minimum lease payments, excluding HST, operating costs and property taxes, are as follows:

	<u>\$</u>
2021	70,630
2022	<u>28,787</u>
	<u><u>99,417</u></u>

11. Impact of Global Pandemic and government assistance

The global pandemic of the virus known as COVID-19 led the Canadian Federal government, as well as provincial and local governments, to impose measures, such as restricting foreign travel, mandating self-isolations and physical distancing and closing non-essential businesses. These restrictions restricted the Organization's ability to offer its regular schedule of courses.

Because of the high level of uncertainty related to the outcome of this pandemic, it is difficult to estimate the financial effect on the Organization. As such, no adjustments have been made in the financial statements as a result of these events.

OUTWARD BOUND CANADA

Notes to Financial Statements (continued)

December 31, 2020

11. Impact of Global Pandemic and government assistance (continued)

During the year, the Organization received the following government assistance as a result of COVID-19:

	2020 \$	2019 \$
Canada Emergency Wage Subsidy	1,024,165	-
Canada Emergency Rent Subsidy	25,745	-
	<u>1,049,910</u>	<u>-</u>

Canada Emergency Wage Subsidy ("CEWS")

The CEWS provides a subsidy of up to 75% of eligible remuneration, paid by the Organization, to each eligible employee – up to a pre-determined maximum per period.

Canada Emergency Rent Subsidy ("CERS")

The CERS provides a subsidy to cover a portion of the commercial rent paid by the Organization, to a maximum of \$75,000 per location and an overall maximum of \$300,00 for the Organization and any affiliated entities.

The assistance received under the CEWS and CERS programs are not subject to any specific future terms or conditions; however, the Canadian Revenue Agency may require additional reporting in a future period to verify the Organization's eligibility and compliance with terms and conditions.

Included in accounts receivable is \$63,521 (2019 - \$nil) of government assistance receivable under these programs.

HILBORN

LISTENERS. THINKERS. DOERS.