

**CANADIAN ASSOCIATION OF GIFT PLANNERS/ASSOCIATION CANADIENNE DES PROFESSIONNELS EN  
DONS PLANIFIÉS**

**CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2020**

**CANADIAN ASSOCIATION OF GIFT PLANNERS/ASSOCIATION CANADIENNE DES PROFESSIONNELS EN  
DONS PLANIFIÉS**

**DECEMBER 31, 2020**

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1.

## INDEPENDENT AUDITORS' REPORT

To the Members of  
Canadian Association of Gift Planners/Association  
canadienne des professionnels en dons planifiés

### Opinion

We have audited the consolidated financial statements of Canadian Association of Gift Planners/Association canadienne des professionnels en dons planifiés (the "Association"), which comprise the consolidated statement of financial position as at December 31, 2020, and the consolidated statement of operations, consolidated statement of changes in net assets and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Association 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 *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the consolidated 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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## INDEPENDENT AUDITORS' REPORT

In preparing the consolidated financial statements, management is responsible for assessing the Association's ability 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 Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

### Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 these consolidated 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 consolidated 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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### INDEPENDENT AUDITORS' REPORT

- 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 Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated 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 auditors' report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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.

*McCay Duff LLP*

McCay Duff LLP,  
Licensed Public Accountants.

Ottawa, Ontario,  
April 22, 2021.

## CANADIAN ASSOCIATION OF GIFT PLANNERS/ASSOCIATION CANADIENNE DES PROFESSIONNELS EN DONNS PLANIFIÉS

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020

	National Office	Chapters	CAGP Foundation	Total 2020	Total 2019
<b>CURRENT ASSETS</b>					
Cash	\$ 415,064	\$ 302,685	\$ 272,137	\$ 989,886	\$ 961,933
Short-term investments (note 4)	-	10,000	-	10,000	65,000
Accounts receivable	38,744	1,480	23,653	63,877	116,505
Fund distribution receivable (note 5)	-	-	28,955	28,955	48,754
Government assistance	32,562	-	-	32,562	-
Prepaid expenses	69,337	-	6,716	76,053	86,451
	555,707	314,165	331,461	1,201,333	1,278,643
<b>LONG-TERM INVESTMENTS</b> (note 4)	-	30,000	-	30,000	-
<b>TANGIBLE CAPITAL ASSETS</b> (note 6)	11,834	-	-	11,834	10,447
	<u>\$ 567,541</u>	<u>\$ 344,165</u>	<u>\$ 331,461</u>	<u>\$ 1,243,167</u>	<u>\$ 1,289,090</u>
<b>CURRENT LIABILITIES</b>					
Accounts payable and accrued liabilities	\$ 37,863	\$ 1,736	\$ -	\$ 39,599	\$ 53,448
Sales tax remittances payable	9,817	-	-	9,817	7,917
Deferred revenue (note 7)	305,808	8,570	76,947	391,325	484,463
Due to National Office (from CAGP Foundation) (note 1)	( 77,628)	-	77,628	-	-
Due to Chapters (from National Office)	12,392	( 12,392)	-	-	-
	288,252	( 2,086)	154,575	440,741	545,828
<b>NET ASSETS</b>					
Unrestricted	147,455	346,251	176,886	670,592	632,815
Reserve stability fund (note 8)	120,000	-	-	120,000	100,000
Invested in tangible capital assets	11,834	-	-	11,834	10,447
	<u>279,289</u>	<u>346,251</u>	<u>176,886</u>	<u>802,426</u>	<u>743,262</u>
	<u>\$ 567,541</u>	<u>\$ 344,165</u>	<u>\$ 331,461</u>	<u>\$ 1,243,167</u>	<u>\$ 1,289,090</u>
Commitments (note 9)					

Approved on behalf of the Board:

\_\_\_\_\_  
Director\_\_\_\_\_  
Director

**CANADIAN ASSOCIATION OF GIFT PLANNERS/ASSOCIATION CANADIENNE DES PROFESSIONNELS EN DONS PLANIFIÉS**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>National Office</u>	<u>Chapters</u>	<u>CAGP Foundation</u>	<u>Total 2020</u>	<u>Total 2019</u>
<b>REVENUE</b>					
Will Power campaign contributions	\$ -	\$ -	\$ 350,675	\$ 350,675	\$ 56,661
Membership fees	286,846	-	-	286,846	299,890
Education courses and designation program	20,167	-	214,016	234,183	272,658
Donations	-	-	228,129	228,129	205,212
Leave a Legacy sponsorships	-	190,887	-	190,887	274,403
Conference	143,417	-	-	143,417	520,181
Government assistance	100,235	-	-	100,235	-
Chapter events	-	31,641	-	31,641	79,973
Job postings	22,100	-	-	22,100	33,000
Sponsorships	-	5,250	-	5,250	17,375
Interest and other	20,724	909	-	21,633	39,827
	<u>593,489</u>	<u>228,687</u>	<u>792,820</u>	<u>1,614,996</u>	<u>1,799,180</u>
<b>EXPENSES</b>					
Personnel	318,319	-	237,913	556,232	519,392
Will Power campaign	-	-	343,197	343,197	56,661
Leave a Legacy	-	172,641	-	172,641	256,415
Conference	147,071	-	-	147,071	425,573
Administration	55,409	31,048	20,009	106,466	124,459
Fundraising	-	-	46,039	46,039	50,919
Professional fees	32,473	-	11,835	44,308	74,768
Chapter events	-	43,619	-	43,619	100,511
Meals, travel and accommodation	1,218	-	37,612	38,830	130,549
Rent	22,112	-	15,165	37,277	38,213
Memberships and honorariums	6,310	-	13,842	20,152	34,708
	<u>582,912</u>	<u>247,308</u>	<u>725,612</u>	<u>1,555,832</u>	<u>1,812,168</u>
<b>NET REVENUE (EXPENSES) BEFORE INTER-FUND REVENUE AND EXPENSES</b>	10,577	( 18,621)	67,208	59,164	( 12,988)
Contribution from Chapter to National Office	30,000	( 30,000)	-	-	-
Chapter grants	( 30,330)	30,330	-	-	-
Management fee	91,478	-	( 91,478)	-	-
Sponsorship	15,000	-	( 15,000)	-	-
<b>NET REVENUE (EXPENSES) FOR THE YEAR</b>	<u>\$ 116,725</u>	<u>\$( 18,291)</u>	<u>\$( 39,270)</u>	<u>\$ 59,164</u>	<u>\$( 12,988)</u>

**CANADIAN ASSOCIATION OF GIFT PLANNERS/ASSOCIATION CANADIENNE DES PROFESSIONNELS EN DONNS  
PLANIFIÉS**

**CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS**

**FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Unrestricted National Office</u>	<u>Unrestricted Chapters</u>	<u>Unrestricted CAGP Foundation</u>	<u>Reserve Stability Fund</u>	<u>Invested in Tangible Capital Assets</u>	<u>Total 2020</u>	<u>Total 2019</u>
<b>BALANCE - BEGINNING OF YEAR</b>	\$ 52,117	\$ 364,542	\$ 216,156	\$ 100,000	\$ 10,447	<b>\$ 743,262</b>	\$ 756,250
Net revenue (expenses) for the year	116,725	( 18,291)	( 39,270)	-	-	<b>59,164</b>	( 12,988)
Transfer from (to) invested in tangible capital assets	( 1,387)	-	-	-	1,387	-	-
Transfer to Reserve Stability Fund	<u>( 20,000)</u>	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>BALANCE - END OF YEAR</b>	<b><u>\$ 147,455</u></b>	<b><u>\$ 346,251</u></b>	<b><u>\$ 176,886</u></b>	<b><u>\$ 120,000</u></b>	<b><u>\$ 11,834</u></b>	<b><u>\$ 802,426</u></b>	<b><u>\$ 743,262</u></b>



**CANADIAN ASSOCIATION OF GIFT PLANNERS/ASSOCIATION CANADIENNE DES PROFESSIONNELS EN  
DONS PLANIFIÉS**

**CONSOLIDATED STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>2020</u>	<u>2019</u>
<b>CASH PROVIDED BY (USED FOR)</b>		
<b>OPERATING ACTIVITIES</b>		
Cash from operations		
Net revenue (expenses) for the year	\$ 59,164	\$( 12,988)
Item not requiring an outlay of cash:		
- amortization	<u>2,660</u>	<u>3,388</u>
	<b>61,824</b>	<b>( 9,600)</b>
 Changes in non-cash working capital		
- accounts receivable	52,628	( 16,184)
- fund distribution receivable	19,799	( 22,977)
- government assistance	( 32,562)	-
- prepaid expenses	10,398	22,056
- accounts payable and accrued liabilities	( 13,849)	( 33,994)
- sales tax remittances payable	1,900	( 830)
- deferred revenue	<u>( 93,138)</u>	<u>57,803</u>
	<u>7,000</u>	<u>( 3,726)</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of tangible capital assets	( 4,047)	( 1,038)
Change in investments (net)	<u>25,000</u>	<u>36,390</u>
	<u>20,953</u>	<u>35,352</u>
<b>CHANGE IN CASH POSITION DURING THE YEAR</b>	<b>27,953</b>	<b>31,626</b>
 Cash - beginning of year	<u>961,933</u>	<u>930,307</u>
<b>CASH - END OF YEAR</b>	<b>\$ <u>989,886</u></b>	<b>\$ <u>961,933</u></b>

**CANADIAN ASSOCIATION OF GIFT PLANNERS/ASSOCIATION CANADIENNE DES PROFESSIONNELS EN  
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**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2020**

**1. ORGANIZATION**

Canadian Association of Gift Planners/Association canadienne des professionnels en dons planifiés (the "Association") was incorporated without share capital under the Canada Not-for-profit Corporations Act. The purpose of the Association is to support philanthropy by fostering the development and growth of gift planning, by: developing knowledge and providing education; building awareness and promoting philanthropy; creating connections and facilitating partnerships; and engaging in national dialogues and influencing public policy. For Canadian income tax purposes, the Association is qualified as a not-for-profit organization, which is exempt from income tax under the Income Tax Act.

In April 2016, the Association established the CAGP Foundation, the purpose of which is to promote and maintain efficiency and high standards of practice in the areas of planned giving, fundraising and other philanthropic services for the benefit of the public. The CAGP Foundation was incorporated without share capital under the Canada Not-for-profit Corporations Act and is a registered charity under the Income Tax Act. The Association has the ability to elect and remove members of the CAGP Foundation's Board of Directors. The financial position and results of the CAGP Foundation's operations are consolidated in these financial statements and all transactions between the two organizations are eliminated.

Effective July 1, 2018, the CAGP Foundation assumed leadership and responsibility of education activities, and engaged the Association under an agency agreement to deliver courses and webinars on its behalf. A service agreement is also in place to recover administrative, communication, marketing, fund development, and financial services costs provided by the Association to the CAGP Foundation.

Amounts due to (from) the CAGP Foundation and the Chapters at year-end are non-interest bearing with no specific terms of repayment.

**2. SIGNIFICANT ACCOUNTING POLICIES**

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The Association's significant accounting policies are as follows:

(a) Revenue Recognition

The Association follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which related restrictions are met. Unrestricted contributions are recognized as revenue when received or receivable, if the amount can be reasonably estimated and collection is reasonably assured.

**CANADIAN ASSOCIATION OF GIFT PLANNERS/ASSOCIATION CANADIENNE DES PROFESSIONNELS EN  
DONS PLANIFIÉS**

**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2020**

**2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd.)**

(a) Revenue Recognition (Cont'd.)

Chapter event and conference revenue is recognized in the period in which the event or conference is held. Conference revenue includes conference registration fees and sponsorships.

Government assistance is recognized when received or receivable in the year the Association meets the eligibility criteria.

Membership fees revenue is recognized in the period in which it is earned.

Education courses revenue is recognized in the period in which the specific course is held.

Sponsorship revenue is recognized in proportion to the related benefits that have been received by the sponsor as compared to the total benefits available through the sponsorship.

Job posting revenue is recognized over the period in which the job posting is active.

(b) Fund Accounting

The National Office Fund reports the assets, liabilities, and net assets, including both unrestricted net assets and the Reserve Stability Fund, of the National Office, as well as the revenues and expenses for national activities.

The Chapters Fund reports the assets, liabilities, and net assets of the Chapters, as well as the revenues and expenses relating to local activities and initiatives by Chapters.

The CAGP Foundation Fund reports the assets, liabilities, and net assets of the CAGP Foundation, as well as the revenues earned and expenses incurred by the CAGP Foundation, as described in note 1.

(c) Tangible Capital Assets and Amortization

Tangible capital assets are stated at cost, net of accumulated amortization. Amortization is provided as follows:

Computer equipment	30%	Declining balance basis
Office equipment	20%	Declining balance basis

One-half of the above rate is recorded in the year of acquisition.

Tangible capital assets are tested for impairment when events or changes in circumstances indicate that an asset might be impaired. The assets are tested for impairment by comparing the net carrying value to its fair value or replacement cost. If the asset's fair value or replacement cost is determined to be less than its net carrying value, the resulting impairment is reported in the consolidated statement of operations. Any impairment recognized is not reversed.

CANADIAN ASSOCIATION OF GIFT PLANNERS/ASSOCIATION CANADIENNE DES PROFESSIONNELS EN  
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CONSOLIDATED NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

**2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd.)**

(d) Use of Estimates

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, liabilities, revenue and expenses. These estimates are reviewed periodically and adjustments are made to net revenue (expenses) as appropriate in the year they become known.

(e) Contributed Services and Goods

The Association benefits from the services of many volunteers who have made significant contributions. Since these services are not normally purchased by the Association, and because of the difficulty of determining their fair value, the value of these services is not reflected in these financial statements. Contributed goods are recognized when a fair value can be reasonably estimated and when they would be used in the normal course of operations, and would otherwise have been purchased.

(f) Financial Instruments

The Association's financial instruments consist of cash, investments, accounts receivable, fund distribution receivable, government grants receivable and accounts payable.

*Measurement*

Financial instruments are recorded at fair value on initial recognition.

The Association subsequently measures all of its financial assets and liabilities at amortized cost.

*Impairment*

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of any write-down or subsequent recovery is recognized in net revenue (expenses).

**3. FINANCIAL RISKS AND CONCENTRATION OF RISKS**

It is management's opinion that the Association is not exposed to significant market, liquidity, or credit risks arising from its financial instruments. There have been no changes to the risk exposure from the prior year.

**CANADIAN ASSOCIATION OF GIFT PLANNERS/ASSOCIATION CANADIENNE DES PROFESSIONNELS EN  
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**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2020**

**4. INVESTMENTS**

The short-term investments balance is comprised of GIC investments with interest rates ranging from 0.15% to 1.45% (2019 - 1.2% to 1.9%) and maturity dates ranging from March 1, 2021 to September 30, 2021 (2019 - April 20, 2020 to September 30, 2020).

The long-term investments balance is comprised of GIC investments with interest rates ranging from 0.5% to 1.9% and maturity dates ranging from February 28, 2022 to September 30, 2024.

**5. FUND DISTRIBUTION RECEIVABLE**

CAGP Foundation is the beneficiary of a designated fund held by The Winnipeg Foundation (the "Fund"). Pursuant to the terms of the agreement establishing this fund, contributions are held in a separate fund designated for the benefit of CAGP Foundation. In accordance with its spending policy, The Winnipeg Foundation makes quarterly distributions from the fund to CAGP Foundation. As at December 31, 2020, total distributions receivable from the Fund were \$28,955 (2019 - \$48,754).

Under the terms of the agreement, unless otherwise requested by the donor, 10% of all donations received by the Fund are retained within the Fund as endowments. As the endowments are to be held in perpetuity by The Winnipeg Foundation, no related amount is included in these financial statements. A portion of the income earned by the endowments is to be disbursed to CAGP Foundation on an annual basis, in accordance with The Winnipeg Foundation's spending policy. The total value of endowments held in the Fund as at December 31, 2020 was \$32,993 (2019 - \$24,000).

**6. TANGIBLE CAPITAL ASSETS**

	<u>2020</u>			<u>2019</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net</u>	<u>Net</u>
Computer equipment	\$ 39,436	\$ 31,489	\$ 7,947	\$ 5,588
Office equipment	<u>18,276</u>	<u>14,389</u>	<u>3,887</u>	<u>4,859</u>
	<u>\$ 57,712</u>	<u>\$ 45,878</u>	<u>\$ 11,834</u>	<u>\$ 10,447</u>

**CANADIAN ASSOCIATION OF GIFT PLANNERS/ASSOCIATION CANADIENNE DES PROFESSIONNELS EN  
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**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2020**

**7. DEFERRED REVENUE**

Deferred revenue relates to membership fees received for which the term of membership continues into the following year; course fees, conference fees, and sponsorships and events paid in advance; unspent restricted donations and lease inducements that are recognized over the term of the lease.

	<u>2020</u>	<u>2019</u>
National Office		
Conference fees and sponsorships	\$ 143,696	\$ 162,652
Membership fees	161,000	144,291
Deferred lease inducement	<u>1,112</u>	<u>2,447</u>
	<u>305,808</u>	<u>309,390</u>
Chapters		
Sponsorships and events	<u>8,570</u>	<u>28,242</u>
CAGP Foundation		
Education courses	14,749	68,867
Restricted donations	<u>62,198</u>	<u>77,964</u>
	<u>76,947</u>	<u>146,831</u>
	<u>\$ 391,325</u>	<u>\$ 484,463</u>

**8. INTERNALLY RESTRICTED NET ASSETS**

The Reserve Stability Fund is an internally restricted reserve set aside by the Board of Directors to cover minimum legal obligations in the event of an unexpected cash shortfall or unusual circumstances, or to invest in the Association's strategic priorities beyond the resources available from general operations. Any additions to, or withdrawals from, the Reserve are made by approval by the Board of Directors.

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**9. COMMITMENTS**

The Association has leased office space under an operating lease agreement which expires October 31, 2021. Future minimum payments excluding additional operating costs and applicable sales tax under this lease are \$12,784.

The Foundation has engaged a consulting company to develop and promote the Will Power campaign at a total cost of \$624,425, excluding applicable taxes. The cost of these services will be funded by Will Power Campaign membership sales and sponsorships, and can be adjusted accordingly based on actual funds secured. The services are scheduled to be provided between February 2021 and June 2022.

**10. COVID-19 IMPLICATIONS**

The impact of COVID-19 to the public since its outbreak in mid-March 2020 has been extensive. In response to ongoing health concerns, the Association has been adhering to government guidelines as they relate to states of emergency, physical distancing measures, and mandated closures. As a result, the 2020 conference was cancelled, and education programmes were delivered virtually for the remainder of 2020.

The Canadian government has implemented financial easing policies to mitigate the financial impact on the economy in which the Association operates. The financial impact on the Association as a result of COVID-19 is unknown as the potential impact on future operations cannot be reasonably determined. No amounts have been recognized in the audited financial statements relating to the potential impact of future events on the Association as a result of COVID-19. It is management's assessment that the Association will have sufficient resources to mitigate the uncertainty in 2021 as a result of COVID-19.

Subsequent to year-end, the Association received the Canada Emergency Business Account ("CEBA") loan of \$60,000. The CEBA loan is non-interest bearing up to the initial term date of December 31, 2022. From the period commencing December 31, 2022 to the extended term date of December 31, 2025, the loan will bear an annual interest rate of 5%.

Based on the CEBA Term Loan Agreement, if at least \$40,000 of the loan amount is repaid by December 31, 2022, the remaining balance will be forgiven.

**11. COMPARATIVE FIGURES**

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