

**RED DEER & DISTRICT
MUSEUM SOCIETY
FINANCIAL STATEMENTS
DECEMBER 31, 2022**

RED DEER & DISTRICT MUSEUM SOCIETY**TABLE OF CONTENTS
DECEMBER 31, 2022**

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of:
Red Deer & District Museum Society

Qualified Opinion

We have audited the accompanying financial statements of Red Deer & District Museum Society ("the Society") which comprise the statement of financial position as at December 31, 2022 and the statements of changes in net assets, operations, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Society as at December 31, 2022, 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 Qualified Opinion

In common with many not-for-profit organizations, the Society derives a material amount of revenue from donations and programs, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Society. Therefore, we were not able to determine whether any adjustments might be necessary to donation and program revenue, excess revenues over expenses, and cash flows from operations.

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 Financial Statements* section of our report. We are independent of the Society 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.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance 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.

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

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

Auditors' 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 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 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 Society's internal control.
- 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 Society'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 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 Society 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.

Other Matter

The financial statements of the Society for the year ended December 31, 2021, were audited by another auditor who expressed a qualified opinion with respect to completeness of donation and program revenue on March 17, 2022.

Red Deer County, Alberta
March 14, 2023

Pivotal LLP
Chartered Professional Accountants

RED DEER & DISTRICT MUSEUM SOCIETY
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2022

	2022	2021
ASSETS		
CURRENT ASSETS		
Cash and restricted cash (Note 3)	\$ 838,837	\$ 910,650
Accounts receivable (Note 4)	30,177	236,939
Government remittances receivable	5,557	2,079
Inventories	9,059	9,257
Prepaid expenses and deposits	<u>5,889</u>	<u>4,755</u>
	889,519	1,163,680
CAPITAL ASSETS (Note 5)	582,320	708,146
COLLECTION ASSETS (Note 6)	<u>841,309</u>	<u>830,569</u>
	\$ 2,313,148	\$ 2,702,395
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 61,138	\$ 75,904
Government remittances payable	18,243	-
Deferred revenue (Note 7)	<u>158,578</u>	<u>404,693</u>
	237,959	480,597
CANADA EMERGENCY BUSINESS ACCOUNT LOAN (Note 8)	24,000	24,000
DEFERRED CAPITAL CONTRIBUTIONS (Note 9)	<u>517,309</u>	<u>613,274</u>
TOTAL LIABILITIES	<u>779,268</u>	<u>1,117,871</u>
NET ASSETS		
NET ASSETS INVESTED IN CAPITAL ASSETS	65,011	94,872
NET ASSETS INVESTED IN COLLECTIONS	841,309	830,569
UNRESTRICTED NET ASSETS	327,560	359,083
INTERNALLY RESTRICTED RESERVE (Note 3)	<u>300,000</u>	<u>300,000</u>
	\$ 2,313,148	\$ 2,702,395

COMMITMENTS (Note 10)

On Behalf of the Board of Directors:

_____ Director

_____ Director

See accompanying notes to financial statements

RED DEER & DISTRICT MUSEUM SOCIETY
STATEMENT OF CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2022

	Invested in Capital Assets	Invested in Collections	Unrestricted	Internally Restricted	Total 2022	Total 2021
Balance, beginning of year	\$ 94,872	\$ 830,569	\$ 359,083	\$ 300,000	\$ 1,584,524	\$ 836,240
Excess (deficiency) of revenues over expenses	-	-	(61,169)	-	(61,169)	303,297
Amortization of capital assets	(128,853)	-	128,853	-	-	-
Amortization of capital contributions	95,965	-	(95,965)	-	-	-
Purchase of capital assets	3,027	-	(3,027)	-	-	-
Purchased collection assets	-	215	(215)	-	-	-
Contributed collection assets	-	10,525	-	-	10,525	444,987
Balance, end of year	<u>\$ 65,011</u>	<u>\$ 841,309</u>	<u>\$ 327,560</u>	<u>\$ 300,000</u>	<u>\$ 1,533,880</u>	<u>\$ 1,584,524</u>

See accompanying notes to financial statements

RED DEER & DISTRICT MUSEUM SOCIETY

STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2022

	2022	2021
REVENUE		
Admin recovery	\$ 2,376	\$ 4,316
Amortization of deferred capital contributions	95,965	66,023
Casino	-	16,000
Donations	25,792	28,352
Government assistance (Note 11)	-	337,361
Grants	132,437	179,308
Grants from the City of Red Deer (Note 7 and 12).....	1,136,114	1,131,844
Memberships	4,008	2,526
Other revenue (Note 13)	10,738	9,099
Programs and admissions	46,774	20,343
Room rentals	1,648	800
	<u>1,455,852</u>	<u>1,795,972</u>
EXPENSES		
Advertising and promotion	53,937	77,081
Amortization of capital assets	128,853	80,277
Equipment rental	615	100
Exhibits	53,027	65,758
Insurance	3,389	5,093
Interest and bank charges	2,686	2,841
Memberships	3,426	2,151
Office	72,852	61,483
Professional fees	41,480	19,475
Repairs and maintenance	147,162	137,005
Subcontracts	15,048	50,406
Supplies	31,441	22,054
Travel	7,475	2,906
Utilities	112,893	75,503
Wages and benefits	850,737	890,542
	<u>1,525,021</u>	<u>1,492,675</u>
EXCESS (DEFICIENCY) OF REVENUES BEFORE THE FOLLOWING	(69,169)	303,297
GAIN ON DISPOSAL OF CAPITAL ASSETS	8,000	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES ...	\$ (61,169)	\$ 303,297

See accompanying notes to financial statements

RED DEER & DISTRICT MUSEUM SOCIETY

**STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2022**

	2022	2021
CASH PROVIDED BY (USED FOR)		
OPERATIONS		
Excess (deficiency) of revenues over expenses	\$ (61,169)	\$ 303,297
Add (deduct) non-cash items:		
Amortization of capital assets	128,853	80,277
Amortization of deferred capital contributions	(95,965)	(66,023)
Gain on disposal of capital assets	(8,000)	-
	<u>(36,281)</u>	<u>317,551</u>
Net changes in non-cash working capital:		
Accounts receivable	206,762	13,780
Government remittances receivable	(3,478)	(2,079)
Term deposit	-	50,000
Inventories	198	(8,160)
Prepaid expenses and deposits	(1,134)	70,219
Accounts payable and accrued liabilities	(14,766)	12,813
Government remittances payable	18,243	-
Deferred revenue	(246,115)	53
Cash from (used for) operating activities	<u>(76,571)</u>	<u>454,177</u>
FINANCING		
Repayment of Canada Emergency Business Account loan	-	(6,000)
Capital contributions received	-	290,927
Cash from financing activities	<u>-</u>	<u>284,927</u>
INVESTMENTS		
Purchase of capital assets	(3,027)	(375,789)
Purchase of collection assets	(215)	(205)
Proceeds on disposal of capital assets	8,000	-
Cash from (used for) investment activities	<u>4,758</u>	<u>(375,994)</u>
INCREASE (DECREASE) IN CASH AND RESTRICTED CASH	(71,813)	363,110
CASH AND RESTRICTED CASH, BEGINNING OF YEAR	910,650	547,540
CASH AND RESTRICTED CASH, END OF YEAR	\$ <u>838,837</u>	\$ <u>910,650</u>

NON-CASH TRANSACTIONS (Note 16)

See accompanying notes to financial statements

RED DEER & DISTRICT MUSEUM SOCIETY

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

1. STATUS AND PURPOSE OF THE ORGANIZATION

Red Deer & District Museum Society was incorporated under the Societies Act of the Province of Alberta for the purpose of maintaining museum artifacts, managing and operating the museum and to administer special projects related to the museum.

The Society is a registered charitable organization entitled to issue charitable donation receipts and is exempt from income tax in accordance with the Canadian Income Tax Act.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the *CPA Canada Handbook* and include the following significant accounting policies:

Inventories

Inventories are valued at the lower of cost and current replacement cost, cost being determined by using the first-in, first-out method. Any previous inventory write-downs will be reversed if economic circumstances have changed to support an increased inventory value.

Capital Assets

Capital assets are accounted for at cost. Amortization is based on the estimated useful life of each asset, using the straight-line method as follows:

Computer equipment	3 years
Furniture and fixtures	5 years
Leasehold improvements	5 - 25 years
Vehicles	5 years

Amortization of leasehold improvements is recorded over the remaining term of the lease plus the first renewal option.

One half amortization is calculated in the year of acquisition. No amortization is calculated in the year of disposition.

When conditions indicate a capital asset is impaired, the carrying value of the capital asset is written down to the asset's fair value or replacement cost. The write down of the capital asset is recorded as an expense in the statement of operations. A write down is not reversed.

RED DEER & DISTRICT MUSEUM SOCIETY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Collection Assets

The Society maintains a collection of Indigenous artifacts, Indigenous art, general artwork and agricultural artifacts.

Purchased collections are recognized at cost. Contributed collections are recognized at cost, which is deemed to be fair value at the date of contribution, unless fair value cannot be reasonably determined in which case contributed collections are recognized at a nominal value. If fair value at the date of contribution can reasonably be determined within three years, by obtaining appropriate supporting documentation such as an appraisal, the contributed items will be adjusted to their fair value.

Write down of collection assets occurs when circumstances indicate that the collection assets carrying value is greater than the fair value. Write downs that are previously recorded shall not be reversed.

The Society has never sold collection items, nor does it have plans to in the future. If an item was disposed of, proceeds from the sale can either be used to acquire new items for the collection or for the direct care of the collection.

Fundraising Wages

No staff are specifically designated to provide fundraising activities, as such, amounts paid to employees whose duties involve fundraising is \$nil.

Contributed Services

The Society would not be able to carry out its activities without the services of the many volunteers who donate a considerable number of hours. Due to the difficulty of determining the fair value of this time, contributed services are not recognized in the financial statements.

Donation In Kind

Donations in kind are recorded in the financial statements at fair market value when fair market value can be reasonably estimated and when the Society would otherwise have purchased these items.

Estimates

The preparation of the financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the current year. Significant items subject to such estimates and assumptions include: allowance for doubtful accounts; valuation of inventory; the estimated useful lives of capital assets; amortization of deferred capital contributions, determination of cost of collections, gift in kind contributions and accrued expenses. Actual results could differ from those estimates.

RED DEER & DISTRICT MUSEUM SOCIETY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Instruments

Measurement of financial instruments

The Society initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions.

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

Financial assets measured at amortized cost include cash and cash equivalents and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and Canada Emergency Business Loan Account.

The Society does not currently hold any financial assets measured at fair value.

Revenue Recognition

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

Government assistance is recognized as revenue when the requirements determining eligibility have been met for the period and the amount can be reasonably determined.

Capital contributions are recorded as deferred capital contributions until the amount is invested in capital assets, the amount invested is then transferred to deferred capital contributions. These deferred capital contributions are amortized to revenue on the same basis as the amortization of the related capital assets.

Programs and admissions, and other income are recognized as revenue when received or when a service is provided if the amount to be received can be reasonably estimated and collection is reasonably assured.

RED DEER & DISTRICT MUSEUM SOCIETY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

3. CASH AND RESTRICTED CASH

The Society obtains gaming revenue under licenses granted by the Alberta Gaming, Liquor and Cannabis Commission ("AGLC"). These funds must be maintained in separate bank accounts and disbursements are restricted to certain expenditures. Included in cash is \$869 (2021 - \$869) of undisbursed funds that are subject to these restrictions as disclosed in Note 7.

The Society receives grants specified for various programs. Included in cash is \$157,709 (2021 - \$403,824) of undisbursed funds that are subject to the restrictions as disclosed in Note 7.

Included in cash is \$300,000 that the board of directors has established as an internally restricted reserve fund for the purpose of future operational needs. The amount is not available for use without approval by the Board. Any investment income earned on these funds is restricted for the same purpose.

4. ACCOUNTS RECEIVABLE

	2022	2021
Accounts receivable	\$ 30,177	\$ 28,255
Government Assistance receivable	-	108,684
Museums Assistance Program receivable	-	100,000
	<u>\$ 30,177</u>	<u>\$ 236,939</u>

5. CAPITAL ASSETS

	<u>2022</u>			<u>2021</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Computer equipment	\$ 168,683	\$ 105,747	\$ 62,936	\$ 108,484
Furniture and fixtures	338,786	142,848	195,938	255,558
Leasehold improvements	439,573	117,664	321,909	339,491
Vehicles	15,375	13,838	1,537	4,613
	<u>\$ 962,417</u>	<u>\$ 380,097</u>	<u>\$ 582,320</u>	<u>\$ 708,146</u>

RED DEER & DISTRICT MUSEUM SOCIETY

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

6. COLLECTION ASSETS

Items recorded at nominal value of \$1 include 63,211 (2021 - 63,454) items in artifacts and 1,170 (2021 - 1,169) items in art collections.

Included in repairs and maintenance is \$54,933 (2021 - \$54,482) of expenditures related to maintenance of collections.

	2022	2021
Artifact collections, beginning of year	\$ 129,490	\$ 130,108
Additions	325	159
Disposals	<u>(353)</u>	<u>(777)</u>
Artifact collections, end of year	<u>129,462</u>	<u>129,490</u>
Art collections, beginning of year	701,079	255,269
Additions	<u>10,768</u>	<u>445,810</u>
Art collections, end of year	<u>711,847</u>	<u>701,079</u>
Total collections	<u>\$ 841,309</u>	<u>\$ 830,569</u>

7. DEFERRED REVENUE

	Balance, beginning of year	Received	Recognized	Balance, end of year
Grants				
Alberta Foundation for the Arts	\$ 17,714	\$ 35,427	\$ 35,427	\$ 17,714
Alberta Museum Association	25,000	25,000	25,000	25,000
City of Red Deer Museum Assistance Program	262,668	873,446	1,136,114	-
Costume Society of America	42,642	40,000	42,642	40,000
Canada Council for the Arts	-	934	-	934
	<u>-</u>	<u>34,825</u>	<u>13,410</u>	<u>21,415</u>
	<u>348,024</u>	<u>1,009,632</u>	<u>1,252,593</u>	<u>105,063</u>
Casino	869	-	-	869
Other	3,154	13,009	16,163	-
Permanent exhibits	<u>52,646</u>	<u>-</u>	<u>-</u>	<u>52,646</u>
	<u>\$ 404,693</u>	<u>\$ 1,022,641</u>	<u>\$ 1,268,756</u>	<u>\$ 158,578</u>

The casino deferred revenue represents money received from providing volunteers for casinos and will be recognized when the funds are utilized in accordance with the license granted by AGLC.

RED DEER & DISTRICT MUSEUM SOCIETY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

8. CANADA EMERGENCY BUSINESS ACCOUNT LOAN

The Canada Emergency Business Account is a non-interest bearing loan with an initial face value of \$40,000. There are no required principal payments until December 31, 2025. If the loan is repaid prior to December 31, 2023, \$10,000 of the principal will be forgiven. Interest will be charged at 5.00% on any principal balance outstanding after December 31, 2023. It is the Society's intention to repay the outstanding portion of the loan on or before December 31, 2023. As such, the forgivable portion of the loan was recorded on the statement of operations in previous years. As at December 31, 2022, \$6,000 of the outstanding loan had been repaid.

9. DEFERRED CAPITAL CONTRIBUTIONS

Unamortized deferred capital contributions relate to restricted contributions used to acquire capital assets. The balances are amortized using the same basis as the asset acquired. The change in the deferred contributions are as follows:

	2022	2021
Balance, beginning of year	\$ 613,274	\$ 388,370
Capital contribution received		290,927
Less amount amortized to revenue	<u>(95,965)</u>	<u>(66,023)</u>
Balance, end of year	<u>\$ 517,309</u>	<u>\$ 613,274</u>

10. COMMITMENTS

The Society has entered into operating leases for office equipment, premises, utilities and maintenance. The minimum payments are as follows:

2023	\$ 77,913
2024	15,051
2025	4,233
2026	233
2027	233
Thereafter	<u>39</u>
	<u>\$ 97,702</u>

The Society has a license and operating agreement with the City of Red Deer ("the City") for the museum building that expires on December 31, 2022. As part of the agreement, the Society is expected to conduct research to increase knowledge of the community about its social history and art and to develop educational techniques to share them effectively.

RED DEER & DISTRICT MUSEUM SOCIETY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

11. GOVERNMENT ASSISTANCE

In the prior year, the Society received \$274,770 in funding from the Canada Emergency Wage Subsidy program and \$62,591 from the Tourism and Hospitality Recovery program. These programs were administered by the Government of Canada in response to COVID-19.

12. GRANTS FROM THE CITY OF RED DEER

During the year, the Society received the following funds from the City:

	2022	2021
Operating grants	\$ 1,136,114	\$ 1,131,844
Capital grants	<u>-</u>	<u>236,320</u>
	<u>\$ 1,136,114</u>	<u>\$ 1,368,164</u>

13. OTHER REVENUE

Included in other revenue is \$6,029 (2021 - \$8,662) received from the Red Deer and District Community Foundation ("the Foundation"). The revenue is from a designated donation that was made to the Foundation from which the Foundation distributes a portion of the earnings to the Society. The Society has no control over the designated fund, it is only entitled to disbursements from the fund.

14. ECONOMIC DEPENDENCE

The Society is economically dependent on the City as it receives 84% (2021 - 63%) of its funding from the City.

The museum building and land are owned by the City and are not reflected in these financial statements.

15. RELATED PARTY TRANSACTIONS

During the year, the Society entered into transactions with related parties. Related parties consist of individuals on the Board of Directors, key employees and their immediate families. The related parties were entitled to receive expense reimbursements for out of pocket expenses.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

RED DEER & DISTRICT MUSEUM SOCIETY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

16. NON-CASH TRANSACTIONS

Excluded from the statement of cash flows is \$9,500 (2021 - \$15,600) of gifts in kind contributions, \$10,768 (2021 - \$445,605) of contributed art collections, \$325 (2021 - \$159) of contributed artifact collections, and \$353 (2021 - \$777) of deaccessioned artifact collections.

17. FINANCIAL INSTRUMENTS

The Society is exposed to various risks through its financial instruments. The following analysis provides a measure of the Society's risk exposure and concentrations at December 31, 2022.

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 Society's main credit risks relate to its accounts receivable. The Society provides credit to its clients in the normal course of its operations.

Liquidity Risk

Liquidity risk is the risk that the Society will encounter difficulty in meeting obligations associated with financial liabilities. The Society is exposed to this risk mainly in respect of its accounts payable and accrued liabilities and Canada Emergency Business Account loan.

18. COMPARATIVE FIGURES

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