

ONTARIO PHARMACISTS ASSOCIATION

Financial Statements

Year Ended December 31, 2020

ONTARIO PHARMACISTS ASSOCIATION

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Year Ended December 31, 2020

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Members of Ontario Pharmacists Association

Opinion

We have audited the financial statements of Ontario Pharmacists Association (the Association), which comprise the statement of financial position - general and insurance fund as at December 31, 2020, and the statements of revenues and expenditures, 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 Association as at December 31, 2020, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

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 Association in accordance with 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 ASNPO, 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 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.

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 these financial statements.

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Independent Auditor's Report to the Board of Directors and Members of Ontario Pharmacists Association
(continued)

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 Association'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 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 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 Association 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.

Mississauga, Ontario
May 12, 2021

McCarney Group LLP

McCARNEY GROUP LLP
Chartered Professional Accountants
Licensed Public Accountants

ONTARIO PHARMACISTS ASSOCIATION
Statement of Financial Position - General and Insurance Fund
As at December 31, 2020

	General Fund	Insurance Fund	2020	2019
ASSETS				
Current				
Cash	\$ 2,978,067	\$ 105,134	\$ 3,083,201	\$ 3,272,291
Miscellaneous receivables	210,508	-	210,508	83,907
Inter-fund receivables	-	907,465	907,465	886,757
Prepaid expenses and deposits	194,886	-	194,886	300,367
	3,383,461	1,012,599	4,396,060	4,543,322
INVESTMENTS <i>(Note 2)</i>	5,875,245	-	5,875,245	5,563,155
TANGIBLE CAPITAL AND INTANGIBLE ASSETS <i>(Note 3)</i>	560,723	-	560,723	541,339
	\$ 9,819,429	\$ 1,012,599	\$ 10,832,028	\$ 10,647,816

See notes to financial statements

ONTARIO PHARMACISTS ASSOCIATION
Statement of Financial Position - General and Insurance Fund
As at December 31, 2020

	General Fund	Insurance Fund	2020	2019
LIABILITIES				
Current				
Accounts payable and accrued liabilities	\$ 760,665	\$ 45,037	\$ 805,702	\$ 1,005,846
Deferred occupancy costs (Note 5)	14,754	-	14,754	19,344
Inter-fund payables	907,465	-	907,465	886,757
Membership fees received in advance	2,507,278	-	2,507,278	2,536,520
Insurance premiums received in advance	-	967,562	967,562	1,071,738
Programs under administration (Note 6)	217,455	-	217,455	238,652
	4,407,617	1,012,599	5,420,216	5,758,857
Net Assets				
Net assets invested in tangible capital and intangible assets	560,723	-	560,723	541,339
Internally restricted Capital Development Fund (Note 7)	-	-	-	75,861
Unrestricted net assets	4,851,089	-	4,851,089	4,271,759
	5,411,812	-	5,411,812	4,888,959
	\$ 9,819,429	\$ 1,012,599	\$ 10,832,028	\$ 10,647,816

COMMITMENTS (Note 10)

ON BEHALF OF THE BOARD

Jen Baker

Chair

Amedeo Zottola

Chief Financial Officer

See notes to financial statements

ONTARIO PHARMACISTS ASSOCIATION

Statement of Revenues and Expenditures

Year Ended December 31, 2020

	2020	2019
REVENUES		
Memberships and subscriptions	\$ 2,806,722	\$ 2,796,055
Professional development	901,665	897,887
Insurance administration fee (Note 8)	558,262	587,485
Interest and investment income	312,780	249,673
Medical writing and services	102,190	163,417
Affiliated partners	93,224	59,439
Conference (Note 15)	15,000	505,224
	4,789,843	5,259,180
EXPENSES		
Salaries and benefits	3,259,459	2,853,354
Occupancy costs	492,762	482,888
Public and government relations	305,202	174,952
Computer service	165,747	97,684
Membership services	160,614	204,593
Amortization	117,199	72,862
Bank and credit card charges	98,712	101,384
Professional development	80,433	172,192
Committee, district and other meetings	71,789	150,727
General office	62,988	57,208
Investment management fee	45,394	44,056
Corporate branding	35,531	37,778
Insurance	34,247	25,473
Board meetings	32,348	95,044
Legal and audit	32,087	26,627
Conference (Note 15)	19,816	381,080
Staff and board training	19,496	45,556
	5,033,824	5,023,458
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER INCOME (EXPENSES) AND DISCONTINUED OPERATIONS	(243,981)	235,722
OTHER INCOME (EXPENSES)		
Fair market value adjustment on investments	287,785	434,653
Excess (deficiency) of revenues over expenditures from discontinued operations	-	(58,016)
Canada Emergency Wage Subsidy (CEWS) (Note 14)	571,749	-
IT Transformation	(92,700)	-
	766,834	376,637
EXCESS OF REVENUES OVER EXPENSES	\$ 522,853	\$ 612,359

See notes to financial statements

ONTARIO PHARMACISTS ASSOCIATION

Statement of Changes in Net Assets

Year Ended December 31, 2020

	2020	2019
NET ASSETS - BEGINNING OF YEAR	\$ 4,888,959	\$ 4,276,600
Excess of revenues over expenses	522,853	612,359
NET ASSETS - END OF YEAR	\$ 5,411,812	\$ 4,888,959

ONTARIO PHARMACISTS ASSOCIATION

Statement of Cash Flows

Year Ended December 31, 2020

	2020	2019
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 522,853	\$ 612,359
Items not affecting cash:		
Amortization	117,199	118,917
Amortization of deferred occupancy costs	(4,591)	(4,591)
Fair market value adjustment on investments	(287,785)	(434,653)
	347,676	292,032
Changes in non-cash working capital:		
Miscellaneous receivables	(126,601)	55,141
Prepaid expenses and deposits	105,483	(54,989)
Accounts payable and accrued liabilities	(200,145)	211,676
Membership fees received in advance	(29,242)	(237,619)
Insurance premiums received in advance	(104,176)	(104,443)
Programs under administration	(21,197)	2,997
	(375,878)	(127,237)
Cash flows from operating activities	(28,202)	164,795
INVESTING ACTIVITIES		
Purchases of tangible capital and intangible assets <i>(Note 9)</i>	(136,583)	(37,403)
Purchase of investments	(24,305)	(44,103)
Cash flows from investing activities	(160,888)	(81,506)
INCREASE (DECREASE) IN CASH	(189,090)	83,289
CASH - BEGINNING OF YEAR	3,272,291	3,189,002
CASH - END OF YEAR	\$ 3,083,201	\$ 3,272,291
REPRESENTED BY:		
General Fund	\$ 2,978,067	\$ 3,060,180
Insurance Fund	105,134	212,111
	\$ 3,083,201	\$ 3,272,291

See notes to financial statements

ONTARIO PHARMACISTS ASSOCIATION

Notes to Financial Statements

December 31, 2020

The Ontario Pharmacists Association (the Association) represents the views and interests of pharmacists and pharmacists-in-training across the province. The Association works to advance the pharmacy profession as a vital healthcare provider through advocacy, innovation and support services.

The Ontario Pharmacists Association is incorporated without share capital as a not-for-profit organization under the Income Tax Act.

1. SUMMARY OF ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Measurement uncertainty

Certain amounts in the financial statements are subject to measurement uncertainty and are based on the Association's best information and judgment. Actual results could differ from these estimates. Examples of significant estimates include:

- the useful lives of tangible capital and intangible assets; and
- the accrual of liabilities.

Fund accounting

These financial statements have been prepared using fund accounting whereby the revenue and expenditures relating to particular activities are grouped together and reflected in a separate fund.

The General Fund records transactions related to the Association's general operating activities.

The Insurance Fund was established to administer the voluntary health, long-term disability and life insurance plans for all pharmacist members of the Association. The cash balance is not available to the Association, as it represents policy holders' premiums which are remitted to the insurance companies in the succeeding accounting period. For administering the insurance plans, the Association receives a fee based on a percentage of the insurance premiums collected. This fee is recorded as revenue in the General Fund and is available for use by the General Fund.

Investments

Investments are in managed portfolios through an investment firm, operating under approved policies.

Revenue recognition

The Association's membership and subscription year is from January 1 to December 31. Any memberships and subscriptions collected in the year prior to the membership and subscription year are reported as membership fees received in advance.

The program revenues are recognized as services are performed. Funds received in advance are deferred and recognized as revenue when related services are performed.

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ONTARIO PHARMACISTS ASSOCIATION

Notes to Financial Statements

December 31, 2020

1. SUMMARY OF ACCOUNTING POLICIES (continued)

Tangible capital and intangible assets

Tangible capital and intangible assets are recorded at cost less accumulated amortization. Amortization is provided using the following:

	<u>Rate</u>	<u>Method</u>
Computer hardware	30%	declining balance
Computer software	5 years	straight-line
Furniture and equipment	20%	declining balance
Website	5 years	straight-line
Leaseholds	10 years	straight-line

The Association applies a partial year of amortization for tangible capital and intangible assets acquired or disposed of during the year and acquisitions are not amortized until placed into use. The Association regularly reviews its tangible capital and intangible assets to eliminate obsolete items.

Impairment of long-lived assets

The Association reviews long-lived assets such as tangible capital and intangible assets whenever events or changes in circumstances indicate that the carry value of an asset is greater than the net recoverable value calculated as the net future undiscounted cash flows related to that asset. When indicators of impairment exist and the carrying value is greater than the net recoverable value, an impairment is recognized to the extent that the fair value is below carrying value.

Deferred occupancy costs

The Association's premises operating lease obligations over the 10 years ending August 2026 include base rent escalations and free rent, which are amortized on a straight-line basis over the term of the lease.

Pension

The Association's employees are members of a defined contribution pension plan. Pension expense is recognized in the year in which the employee service occurs.

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ONTARIO PHARMACISTS ASSOCIATION

Notes to Financial Statements

December 31, 2020

1. SUMMARY OF ACCOUNTING POLICIES *(continued)*

Financial instruments

Measurement

The Association initially measures its financial assets and financial liabilities at fair value.

The Association subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in excess of revenues over expenditures.

Financial assets measured at amortized cost include cash and miscellaneous receivables. Financial liabilities measured at amortized cost includes accounts payable and accrued liabilities. The Association's financial assets measured at fair value include investments.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in excess of revenues over expenditures. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of operations.

Transaction costs

The Association recognizes its transaction costs in excess of revenues over expenditures in the year incurred. However, financial instruments that will not be subsequently measured at fair values are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

2. INVESTMENTS

The Association has invested an initial \$6,000,000 with Connor Clark and Lunn into managed portfolios of pooled funds in March 2011. During some years afterwards, some amounts were withdrawn, as needed for working capital or capital items such as leasehold improvements for new premises. The funds invested are done so in accordance with structured and Board approved investment policies. These policies look to provide a conservative approach and the results are reported throughout the year to the Audit and Finance Committee and to the Board.

Long-term investments comprise the following:

	2020	2019
<u>Pooled funds</u>		
Fixed income	\$ 2,998,242	\$ 3,043,548
Canadian equity	1,249,386	1,028,829
Global equity	1,627,617	1,490,778
	<u>\$ 5,875,245</u>	<u>\$ 5,563,155</u>

As at December 31, 2020 the investment accounts included \$1,307,221 (2019 - \$1,019,436) of unrealized fair market gains in the General Fund balance. Throughout the year \$Nil (2019 - \$Nil) was withdrawn from the investments for working capital requirements. Any funds not required for working capital may be recommended by the Audit and Finance Committee for Board approval to be directed to investments.

ONTARIO PHARMACISTS ASSOCIATION

Notes to Financial Statements

December 31, 2020

3. TANGIBLE CAPITAL AND INTANGIBLE ASSETS

	Cost	Accumulated amortization	2020 Net book value	2019 Net book value
Computer hardware	\$ 777,871	\$ 722,759	\$ 55,112	\$ 78,732
Computer software	836,581	790,371	46,210	20,349
Furniture and equipment	296,548	230,349	66,199	82,748
Website	281,132	189,564	91,568	4,646
Leaseholds	532,297	230,663	301,634	354,864
	\$ 2,724,429	\$ 2,163,706	\$ 560,723	\$ 541,339

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The balance of the Association's accounts payable and accrued liabilities include general payables and government remittances payable. These include amounts owing for payroll, employee health and sales taxes:

	2020	2019
General payables	\$ 459,803	\$ 659,792
Government remittances payable	345,899	346,054
	\$ 805,702	\$ 1,005,846

5. DEFERRED OCCUPANCY COSTS

The head offices of the Association moved location on August 26, 2016 to 155 University Avenue in downtown Toronto. The Association had entered into a combined 10-year sublease and then lease with landlord Great West Life at this location, which includes base rent escalations and leasehold inducements and/or free rent. The landlord will provide leasehold inducements or free rent to the Association in the amount of \$155,910 when our lease with them is effected in November 2021. These amounts were deferred and are being amortized to occupancy costs on a straight-line basis over the term of the lease. At December 31, 2020, deferred occupancy costs totalled \$14,754 (2019 - \$19,344).

6. PROGRAMS UNDER ADMINISTRATION

The Ontario Pharmacists Association has partnered with the Ministry of Health and Long Term Care (Ministry) and other parties to administer various programs. In the year 2020 total of \$434,771 (2019 - \$432,594) was advanced to administer the following programs, in addition to funds held at December 31, 2019:

- Methadone Program
- LGBTQ Care
- Education
- Cardiovascular Program

At December 31, 2020, the General Fund has deferred \$217,455 to continue administering these programs in 2021. During the year, the Methadone, Beyond the Flu and Dehydration and Travel programs were completed based on the initial funding and proposal. A report for the Ministry program is provided to the Ministry of Health in accordance with the Ministry's reporting requirements.

ONTARIO PHARMACISTS ASSOCIATION

Notes to Financial Statements

December 31, 2020

7. CAPITAL DEVELOPMENT FUND

The premises owned by the Association in Don Mills, was sold in 2006, subsequent to the office relocation to downtown Toronto. The net proceeds of the sale generated \$492,667. The Board of Directors had approved that these funds will form part of the General Fund but will be internally restricted to fund the future capital development and needs of the Association.

The Board of Directors had maintained the restriction for the 10-year term of the lease at 375 University and until such time as a decision was made for new premises in 2016. The decision to move forward into a new lease in downtown Toronto had produced the need to purchase new capital assets.

In 2016, the Capital Development Fund had been accessed in connection with the new capital requirements surrounding the Association's head office relocation. The Board of Directors had approved the removal of the restriction in the amount of \$416,806 used to fund capital acquisitions in 2016, including furniture, computer hardware and audio visual equipment.

During 2020, the Board of Directors had approved to remove the internal restriction imposed and to transfer this balance to the unrestricted net assets.

8. INSURANCE ADMINISTRATION FEE

	2020	2019
Insurance premiums received	\$ 3,773,264	\$ 3,870,047
Less: paid to insurance companies	(3,560,605)	(3,649,767)
Recoverable from (payable to) insurance companies	(12,216)	2,363
Insurance administration fee - Insurance Fund	200,443	222,643
- other	357,819	364,842
	\$ 558,262	\$ 587,485

The insurance administration fee - Insurance Fund, is determined as a percentage of the total insurance premiums collected by the Association on behalf of the Insurance Fund during the year. Insurance administration fee - other is determined as a percentage of the total insurance premiums received directly by the insurance company during the year. Beginning in 2008, the Association introduced prescription drug coverage, and in doing so, has outsourced the collection of a large portion of the group health premiums to a third party administrator to facilitate monthly billing and electronic claims processing. The premiums related to the insurance administration fee - other were approximately \$8,864,506 (2019 - \$8,665,354).

9. PURCHASE OF TANGIBLE CAPITAL AND INTANGIBLE ASSETS

	2020	2019
Computer hardware	\$ -	\$ 22,073
Computer software	36,684	15,330
Website	99,899	-
	\$ 136,583	\$ 37,403

ONTARIO PHARMACISTS ASSOCIATION

Notes to Financial Statements

December 31, 2020

10. COMMITMENTS

The Ontario Pharmacists Association is committed to sublease office space located in downtown Toronto, commencing September 1, 2016 and expiring October 31, 2021. In addition, the Association is committed to lease the same office space for a period commencing November 1, 2021 and expiring August 31, 2026. On November 1, 2021, the Association becomes eligible for a tenant allowance from the landlord in the amount of \$155,910, which is included in the calculation of the base rent below.

The Ontario Pharmacists Association is committed under the terms of leases for its premises to the following minimum amounts i.e. base rent:

2021	\$	234,471
2022		234,471
2023		234,471
2024		234,471
Thereafter		<u>390,786</u>
	\$	<u>1,328,670</u>

In addition to the above base rent, the Association is obligated under the terms of lease to pay additional rent representing its proportional share of the premises' costs and expenses which include taxes, dues and levies, and operating and utility costs. Additional rent is paid in instalments on a monthly basis and is adjusted with reference to a calendar year of 12 months. Total additional rent expected for 2021, amounts to approximately \$250,000. For 2020, the additional rent was \$248,417.

11. CAPITAL MANAGEMENT

The Association's capital comprises its net asset balances in the General Fund and the Insurance Fund. The Association's objectives in managing its capital are to safeguard its net assets and to maintain a sufficient level of funds to ensure that members' and other stakeholders' requirements are met.

The Association manages its capital structure based on the level of funds received through membership fees, insurance administration and investment returns. Prudent investment policies are in place to ensure that the Association's investments are safeguarded against loss. The Association reviews its capital management approach on an ongoing basis.

There were no changes in the Association's approach to capital management in the year ended December 31, 2020.

ONTARIO PHARMACISTS ASSOCIATION

Notes to Financial Statements

December 31, 2020

12. FINANCIAL INSTRUMENTS

The Association is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Association's risk exposure and concentration as of December 31, 2020.

(a) 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 Association is exposed to other price risk through its investment in Canadian and Global equities.

(b) Credit risk

The Association is exposed to credit risk on the accounts receivable from sponsors, government and members. Based on past history and knowledge of the current accounts, the Association does not have any significant credit exposure with respect to any individual sponsors, government or member.

(c) Currency risk

The Association is not exposed to significant currency risk arising from its financial instruments, except as it relates foreign exchange impact to the fair value of the global equity component of its investments.

(d) Interest rate risk

The Association is exposed to interest rate risk primarily on its fixed interest rate financial instruments. The extent of the Association's exposure to risk did not change significantly from the prior year.

(e) Liquidity risk

Liquidity risk is the risk that the Association will have difficulty in paying its financial liabilities. The Association meets its obligations as they come due, primarily from cash flows from operations and the drawdown of investments if necessary.

ONTARIO PHARMACISTS ASSOCIATION

Notes to Financial Statements

December 31, 2020

13. DISCONTINUED OPERATIONS

The operations of the Drug Information and Resource Center have been discontinued as at December 31, 2019. These revenues and expenditures have been attributed to providing the subscription service and are not continued in 2020. The results listed below do not include a number of overhead expenditures such as occupancy costs that are normally considered part of the financial results.

A breakdown of the discontinued operations is presented in the table below, these items have been extracted from the revenues and expenditures as presented on the Statement of Operations:

	2020	2019
Memberships and subscriptions revenues	\$ -	\$ 845,790
Salaries and benefits	-	(693,127)
Pension	-	(20,832)
Computer service	-	(73,196)
Amortization	-	(46,056)
Insurance	-	(8,046)
Call centre resources	-	(19,828)
Telephone	-	(10,803)
Printing and mailings	-	(4,047)
General office	-	(6,253)
Staff development and training	-	(6,708)
Bank and credit card charges	-	(11,875)
Corporate branding	-	(3,035)
Excess (deficiency) of revenues from discontinued operations	\$ -	\$ (58,016)

14. CANADA EMERGENCY WAGE SUBSIDY (CEWS)

During the year, the Association met eligibility criteria as outlined by Canada Revenue Agency to receive assistance with respect to the cost of salaries as part of the COVID-19 assistance programs. The 2021 Federal budget has extended the program to September 25, 2021 and the association will review monthly the eligibility for additional assistance during 2021 and file the appropriate requests for assistance when eligible.

15. COVID-19

Since March 2020, the outbreak of the novel strain of coronavirus, specifically identified as COVID-19, has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Association in the future periods.

16. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.