



## Financial Statements

The Evangelical Fellowship of Canada/  
Alliance Evangelique du Canada

May 31, 2020

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# Independent Auditor's Report

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To the Constituents of  
The Evangelical Fellowship of Canada/Alliance Evangelique du Canada

## Opinion

We have audited the financial statements of The Evangelical Fellowship of Canada/Alliance Evangelique du Canada (the "Organization"), which comprise the statement of financial position as at May 31, 2020, and the statements of activity, 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 financial statements present fairly, in all material respects, the financial position of the Organization as at May 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 ("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 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 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 Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization'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 ASNPO 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 Organization'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 Organization'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 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.

*Grant Thornton LLP*

Toronto, Canada  
November 3, 2020

Chartered Professional Accountants  
Licensed Public Accountants

**The Evangelical Fellowship of Canada/  
Alliance Evangelique du Canada  
Statement of Financial Position**

May 31 2020 2019

**Assets**

Current

Cash	\$ 1,266,739	\$ 942,966
Investments (Note 3)	83,081	80,960
Short-term notes receivable (Note 4)	200,169	201,197
Accounts receivable (Note 17)	188,105	35,727
Due from the World Evangelical Alliance (Note 5)	-	76,732
Prepaid expenses	<u>63,000</u>	<u>55,442</u>

**1,801,094** 1,393,024

Investments held for Vandervelde Endowment Fund (Note 6)	7,241	7,051
Long term investment (Note 7)	254,666	248,131
Property and equipment (Note 8)	<u>961,747</u>	<u>988,410</u>

**\$ 3,024,748** **\$ 2,636,616**

**Liabilities**

Current

Accounts payable and accrued liabilities	\$ 51,698	\$ 173,597
Promissory note payable (Note 9)	46,318	92,637
Deferred revenue	48,736	24,764
Accrued vacation payable	132,963	102,654
Due to the World Evangelical Alliance (Note 5)	27,318	-
Current portion of mortgage payable (Note 10)	<u>17,118</u>	<u>16,253</u>

**324,151** 409,905

Mortgage payable (Note 10)	<u>482,565</u>	<u>499,683</u>
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**806,716** 909,588

**Net assets**

Invested in property and equipment	462,064	472,474
Unrestricted	1,750,824	1,249,410
Restricted for endowment purposes	<u>5,144</u>	<u>5,144</u>

**2,218,032** 1,727,028

**\$ 3,024,748** **\$ 2,636,616**

Commitment (Note 13)

On behalf of the Board of Directors

 Director

 Director

See accompanying notes to the financial statements.

# The Evangelical Fellowship of Canada/ Alliance Evangelique du Canada

## Statement of Activity

Year ended May 31	2020	2019
<b>Revenue</b>		
Contributions	<b>\$ 1,860,477</b>	\$ 2,612,798
Program registrations and program specific contributions	<b>1,071,053</b>	674,827
Interest and other miscellaneous income	<b>414,671</b>	194,370
Affiliation fees	<b>375,980</b>	436,663
Sales of advertising, magazines and products	<b>233,103</b>	279,771
Government subsidy	<b>225,777</b>	-
	<b><u>4,181,061</u></b>	<u>4,198,429</u>
<b>Expenditures (Note 11)</b>		
Operating costs incurred in supporting our ministries		
Equipping and encouraging ministry leaders through networks, partnerships, consultations, forums and roundtables	<b>1,103,870</b>	811,149
Facilitating growth in the Christian faith and evangelical identity through Faith Today Magazine, Canada Watch, web sites and other communications ministries	<b>893,752</b>	879,972
Fostering and engaging in public witness, including conferences, seminars, speaking engagements, research, submissions, legal arguments and presentations	<b>621,870</b>	674,830
	<b><u>2,619,492</u></b>	<u>2,365,951</u>
Other expenditures		
Fundraising and ministry advancement	<b>643,036</b>	694,844
Governance, leadership and World Evangelical Alliance support and involvement	<b>253,856</b>	377,033
General and administrative to support above ministries	<b>109,842</b>	142,326
	<b><u>1,006,734</u></b>	<u>1,214,203</u>
	<b><u>3,626,226</u></b>	<u>3,580,154</u>
Excess of revenue over expenditures before other item	<b>554,835</b>	618,275
Amortization of property and equipment	<b><u>(63,831)</u></b>	<u>(63,403)</u>
Excess of revenue over expenditures	<b><u>\$ 491,004</u></b>	<u>\$ 554,872</u>

**The Evangelical Fellowship of Canada/  
Alliance Evangelique du Canada  
Statement of Changes in Net Assets**

Year ended May 31

	Invested in property and equipment	Unrestricted	Restricted for endowment purposes	Total 2020	Total 2019
Balance, beginning of year	\$ 472,474	\$ 1,249,410	\$ 5,144	<b>\$ 1,727,028</b>	\$ 1,172,156
Excess (deficiency) of revenue over expenditures	(63,831)	554,835	-	<b>491,004</b>	554,872
Purchase of property and equipment	37,168	(37,168)	-	-	-
Repayment of mortgage payable	<u>16,253</u>	<u>(16,253)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance, end of year	<b><u>\$ 462,064</u></b>	<b><u>\$ 1,750,824</u></b>	<b><u>\$ 5,144</u></b>	<b><u>\$ 2,218,032</u></b>	<b><u>\$ 1,727,028</u></b>

# The Evangelical Fellowship of Canada/ Alliance Evangelique du Canada

## Statement of Cash Flows

Year ended May 31

2020

2019

Increase (decrease) in cash

### Operating

Excess of revenue over expenditures	\$ 491,004	\$ 554,872
Items not affecting cash		
Unrealized gain on investments	(6,535)	(11,689)
Amortization of property and equipment	<u>63,831</u>	<u>63,403</u>
	<b>548,300</b>	606,586
Change in non-cash working capital items		
Accounts receivable	(152,378)	(1,506)
Due from the World Evangelical Alliance	76,732	(61,841)
Prepaid expenses	(7,558)	7,695
Accounts payable and accrued liabilities	(121,899)	60,899
Deferred revenue	23,972	(1,058)
Accrued vacation payable	30,309	3,324
Due to the World Evangelism Alliance	<u>27,318</u>	<u>-</u>
	<b>424,796</b>	614,099

### Financing

Repayment of promissory note payable	(46,319)	-
Repayment of mortgage payable	<u>(16,253)</u>	<u>(15,383)</u>
	<b>(62,572)</b>	(15,383)

### Investing

Purchase of investments	(2,121)	(80,960)
Redemption (purchase) of short-term notes receivable	1,028	(34)
Purchase of investments held for Vandervelde Endowment Fund	(190)	(207)
Purchase of property and equipment	<u>(37,168)</u>	<u>(40,436)</u>
	<b>(38,451)</b>	(121,637)

Increase in cash

323,773

477,079

Cash

Beginning of year

942,966

465,887

End of year

\$ 1,266,739

\$ 942,966



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# The Evangelical Fellowship of Canada/ Alliance Evangelique du Canada

## Notes to the Financial Statements

May 31, 2020

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### 1. Nature of operations

The Evangelical Fellowship of Canada/Alliance Evangelique du Canada (the "EFC") promotes loyalty to the historical doctrines of Christianity and provides a united voice to express concerns for spiritual and moral values. The EFC is incorporated under the Canada Not-for-profit Corporations Act, and is a registered charity under the Income Tax Act (Canada) and as such, is exempt from income taxes.

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### 2. Summary of significant accounting policies

The financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO), the more significant of which are outlined below.

#### Use of estimates

Management reviews the carrying amounts of items in the financial statements at each statement of financial position date to assess the need for revision or any possibility of impairment. Certain items in the preparation of these financial statements require management's best estimate. Management determines these estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action.

These estimates are reviewed periodically and adjustments are made to excess of revenue over expenditures as appropriate in the fiscal year they become known.

#### Revenue recognition

The EFC follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the fiscal year in which the related expenditures 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. Endowment contributions are recognized as direct increases in net assets.

Affiliation fees are recognized when received or receivable.

Program registrations and sales of product revenue are recognized in the period in which the services are provided.

Interest and other miscellaneous income and government subsidies are recognized as earned.

Sales of advertising and magazines are recognized upon publication of each issue of the Faith Today Magazine.

Revenue from subscriptions to the magazine received in advance is recorded as deferred revenue.

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# The Evangelical Fellowship of Canada/ Alliance Evangelique du Canada

## Notes to the Financial Statements

May 31, 2020

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### 2. Summary of significant accounting policies (continued)

#### Property and equipment

Property and equipment is recorded at cost and is being amortized over its estimated useful life on a straight-line basis. The annual amortization rates are as follows:

Buildings	40 years
Office equipment	5 years
Computer equipment	3 - 5 years
Computer software	5 years

Amortization of leasehold improvements is recorded over the remaining term of the lease.

One-half of the regular rate is charged in the fiscal year of acquisition.

#### Allocation of expenditures

The EFC incurs general support expenses including salaries and benefits, occupancy costs, human resource costs and travel that are common to the administration of each respective program. The EFC allocates its general support expenses to each program based on time spent by individuals in each ministry area.

The details of the allocation of expenditures are included in Note 11. The basis of expenditure allocation is consistent with the prior fiscal year.

#### Contributed goods and services

Contributed goods and capital donations are recorded at fair market value as at the date of contribution.

Volunteers assist the EFC in carrying out its service delivery activities. Because of the difficulty of determining their fair value, contributed services, although clearly substantial, are not recognized in the financial statements.

#### Financial instruments

The EFC's financial instruments are comprised of cash, investments, short-term notes receivable, accounts receivable, investments held for Vandervelde Endowment Fund, accounts payable, promissory note payable, and mortgage payable.

Financial assets or liabilities are initially measured at fair value and subsequently measured at amortized cost except for all investments which are recorded at fair value. Unrealized gains and losses are recorded directly in the statement of activity.

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# The Evangelical Fellowship of Canada/ Alliance Evangelique du Canada

## Notes to the Financial Statements

May 31, 2020

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### 2. Summary of significant accounting policies (continued)

#### Adoption of new accounting standards

On June 1, 2019, the EFC adopted new accounting standards Section 4433 Tangible capital assets held by not-for-profit organizations and Section 4434 Intangible assets held by not-for-profit organizations (the “standards”). The most significant requirements include:

- (i) tangible capital assets must be separated into their component parts, when practicable, and when estimates can be made of the lives of the separate components;
- (ii) tangible capital assets and intangible assets are written down to fair value or replacement cost to reflect partial impairments when conditions indicate that the assets no longer contribute to an organization's ability to provide goods and services, or that the value of future economic benefits or service potential associated with the tangible capital assets are less than their net carrying amounts; and
- (iii) additional disclosures when an impairment has occurred.

The adoption of the new accounting standards was applied prospectively, except the EFC was permitted to recognize an adjustment to opening net assets at June 1, 2019 to reflect partial impairments of tangible and intangible assets existing at that date, if any. The adoption of these standards did not have any impact on the statement of financial position as at June 1, 2019 and the changes in financial position for the current period.

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### 3. Investments

	<u>2020</u>	<u>2019</u>
RBC Investment Savings Account	<u>\$ 83,081</u>	<u>\$ 80,960</u>

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# The Evangelical Fellowship of Canada/ Alliance Evangelique du Canada

## Notes to the Financial Statements

May 31, 2020

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#### 4. Short-term notes receivable

The short-term notes receivable balance is composed of the following two notes:

	<u>2020</u>	<u>2019</u>
Christian Stewardship Services (CSS) revocable deposit agreement	\$ 100,000	\$ 100,000
Indwell open promissory note	100,000	100,000
Interest receivable	<u>169</u>	<u>1,197</u>
	<u>\$ 200,169</u>	<u>\$ 201,197</u>

The agreement with CSS earns interest based on CSS investment pool results less an administration fee, and can be called within 60 days upon written request. For fiscal 2020, net interest earned was 4.4% (2019 - 4.0%).

The Indwell promissory note earns interest at a rate of 3.5% and can be called with a minimum 30 days notice.

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#### 5. Related party transactions

The World Evangelical Alliance (WEA) is the global body of Evangelical Alliances (Fellowships) that exist in each country, the EFC being one of them. The WEA and the EFC have some common directors and entered together into a joint ministry agreement in November 2007.

The amount due from the WEA is unsecured, non-interest bearing, and is due on demand.

In fiscal 2020, the EFC made contributions to the WEA in the amount of \$343,928 (2019 - \$148,995) representing restricted donations, including a membership contribution of \$10,000 (2019 - \$10,000), net of expenses owing to the WEA in the amount of \$Nil (2019 - \$5,000).

The above transactions have been recorded at their exchange amount.

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#### 6. Investments held for Vandervelde Endowment Fund

The investments held for the Vandervelde Endowment Fund consists of a revocable deposit agreement with Christian Stewardship Services (CSS). The agreement with CSS earns interest based on CSS investment pool results less an administration fee, and can be called within 60 days upon written request. For fiscal 2020, net interest earned was 4.4% (2019 - 4.0%).

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**The Evangelical Fellowship of Canada/  
Alliance Evangelique du Canada**  
**Notes to the Financial Statements**

May 31, 2020

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**7. Long term investment**

	<u>2020</u>	<u>2019</u>
RES Bank of Montreal earning interest at a rate of 2.71%, maturing June 1, 2021	<b>\$ 254,666</b>	<b>\$ 248,131</b>

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**8. Property and equipment**

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2020 Net Book Value</u>	<u>2019 Net Book Value</u>
Land	\$ 142,600	\$ -	<b>\$ 142,600</b>	\$ 142,600
Buildings	858,297	150,202	<b>708,095</b>	729,552
Office equipment	94,598	84,586	<b>10,012</b>	3,288
Leasehold improvements	6,161	5,218	<b>943</b>	1,415
Computer equipment	235,349	205,072	<b>30,277</b>	35,687
Computer software	118,137	48,317	<b>69,820</b>	75,868
	<b><u>\$ 1,455,142</u></b>	<b><u>\$ 493,395</u></b>	<b><u>\$ 961,747</u></b>	<b><u>\$ 988,410</u></b>

Additions to property and equipment during the fiscal year were as follows:

	<u>2020</u>	<u>2019</u>
Office equipment	<b>\$ 8,814</b>	\$ 2,164
Computer equipment	<b>18,020</b>	18,569
Computer software	<b>10,334</b>	19,703
	<b><u>\$ 37,168</u></b>	<b><u>\$ 40,436</u></b>

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**9. Promissory note payable**

The promissory note payable of \$45,000 plus accrued interest of \$1,318 is unsecured, the principal bears interest at the rate of 7% per annum, and is due on demand. Interest of \$3,442 (2019 - \$6,508) was incurred and paid during the year and is included in general and administrative to support above ministries expenditures in the statement of activity.

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**The Evangelical Fellowship of Canada/  
Alliance Evangelique du Canada**  
**Notes to the Financial Statements**

May 31, 2020

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**10. Mortgage payable**

	<u>2020</u>	<u>2019</u>
Mortgage payable, repayable in monthly blended payments of \$3,555, bearing interest at a fixed rate of 5.25%, due June 30, 2023	<b>\$ 499,683</b>	\$ 515,936
Less current portion	<u>17,118</u>	<u>16,253</u>
Due beyond one year	<b>\$ 482,565</b>	<b>\$ 499,683</b>
Estimated principal repayments are as follows:		
2021	\$ 17,118	
2022	18,028	
2023	18,987	
2024	<u>445,550</u>	
	<b>\$ 499,683</b>	

Interest of \$26,412 (2019 - \$27,384) has been expensed in general and administrative to support above ministries expenditures in the statement of activity.

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**11. Allocation of expenditures**

General support costs were allocated as follows:

	<u>2020</u>	<u>2019</u>
Equipping and encouraging ministry leaders through networks, partnerships, consultations, forums and roundtables	<b>\$ 260,627</b>	\$ 204,985
Facilitating growth in the Christian faith and evangelical identity through Faith Today Magazine, Canada Watch, web sites and other communications ministries	<b>555,852</b>	552,467
Fostering and engaging in public witness, including conferences, seminars, speaking engagements, research, submissions, legal arguments and presentations	<b>454,047</b>	334,496
Fundraising, administrative, governance and leadership	<b>389,289</b>	376,175
Governance, leadership and World Evangelical Alliance support and involvement	<u>233,764</u>	<u>336,086</u>
	<b>\$ 1,893,579</b>	<b>\$ 1,804,209</b>

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# The Evangelical Fellowship of Canada/ Alliance Evangelique du Canada

## Notes to the Financial Statements

May 31, 2020

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### 12. Pension plan

The EFC maintains a defined contribution pension plan for its employees. Included in the statement of activity are contributions to the plan made by the EFC of \$69,187 (2019 - \$68,959) during the fiscal year which are considered general support costs and allocated in Note 11. The plan calls for the employee to match the EFC's contribution so the total contributions to the registered pension plan are at least twice the amount reflected above.

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### 13. Commitment

The EFC is committed under a leasing agreement for its Ottawa office, expiring in August 2023. Future minimum annual payments over the next four fiscal years are as follows:

2021	\$ 29,000
2022	28,800
2023	28,800
2024	7,000

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### 14. Objectives, policies and processes for managing capital

The EFC's capital is comprised of the net assets invested in property and equipment, unrestricted funds and restricted funds held for endowment. The goal of the Board of Directors (the "Board") is to maintain current assets at a level sufficient to meet three months of working capital requirements, along with the funds required to finance the annual maintenance of property and equipment.

Each fiscal year, the Board reviews the annual capital maintenance and improvement plan as part of the annual plan and authorizes the funds for expenditure.

The Board invests in property and equipment in order to provide staff and constituents a friendly environment that allows for networking and team-building meetings.

During fiscal 2020, no additional money was received which was designated for the endowment fund (the "George Vandervelde Memorial Fund") for support of the theological work of the World Evangelical Alliance. The unencroachable portion of the endowment fund is \$5,144. The fund continues to be managed by Christian Stewardship Services.

Unrestricted net assets for short-term working capital requirements are held in various bank accounts, and longer term amounts are invested according to the EFC's investment policy. The Investment Committee (comprised of the President and the Executive Vice President) select and evaluate the fund managers, and the distribution of funds. The objective of the investment policy is, over the long-term, to maintain the capital of the funds after inflation. The policy allows funds to be invested in money market funds, bonds and equities in accordance with a portfolio mix reviewed routinely by the Investment Committee.

The EFC is subject to the disbursement requirements set by the Income Tax Act for Canadian charities, and as at the end of fiscal 2020, was in compliance with these requirements.

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# The Evangelical Fellowship of Canada/ Alliance Evangelique du Canada

## Notes to the Financial Statements

May 31, 2020

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### 15. Financial instruments

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 required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

#### Credit risk

Credit risk is the risk of financial loss occurring as a result of a counterparty to a financial instrument failing to discharge an obligation or commitment that it has entered into with the EFC. The EFC's main credit risks relate to its short-term notes receivable and accounts receivable.

The EFC reduces its exposure to credit risk by assessing credit on a regular basis and providing for an allowance for doubtful accounts when applicable. At May 31, 2020, the allowance for doubtful accounts is \$Nil (2019 - \$Nil).

#### 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 EFC is exposed to interest rate risk with respect to investments with fixed interest rates, short-term receivables with variable and fixed rates, mortgage payable with a fixed interest rate, and the promissory note payable with a fixed interest rate.

#### Liquidity risk

Liquidity risk is the risk that the EFC will encounter difficulty in meeting obligations associated with financial liabilities. The EFC is exposed to liquidity risk with respect to its accounts payable, promissory note payable and mortgage payable.

The EFC reduces its exposure to liquidity risk by ensuring that it documents when authorized payments are due and maintains adequate cash reserves to pay vendors.

Included in accounts payable and accrued liabilities are government remittances owing of \$Nil (2019 - \$Nil).

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### 16. Comparative figures

Certain comparative figures have been reclassified from those previously presented to conform to the presentation of the 2020 financial statements.



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# The Evangelical Fellowship of Canada/ Alliance Evangelique du Canada

## Notes to the Financial Statements

May 31, 2020

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### 17. COVID-19

On March 11, 2020, the World Health Organization declared a global pandemic (the “pandemic”) as a result of the spread of COVID-19. Since that time, the pandemic has severely impacted local economies around the globe. In many countries, including Canada, organizations were forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of COVID-19, including travel bans, quarantines, physical distancing, and closures of non-essential services have triggered significant disruptions to organizations worldwide, resulting in a widespread economic slowdown. Governments and central banks have responded with monetary and fiscal interventions in an attempt to stabilize economic conditions.

The duration and impact of the pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position of the Church for future periods. In March 2020, the EFC curtailed its operations in order to limit the exposure of the virus. The EFC has successfully applied for government incentives available to assist with the decline in revenue resulting from the pandemic. As at the audit report date, the EFC has experienced a decline in donations relative to historical trends. However, the EFC anticipates that available liquid assets and ongoing cost mitigation efforts will provide the necessary support to sustain the EFC. Included in accounts receivable is \$122,756 related to government subsidies.