
Financial statements of Arts Commons

August 31, 2022

Independent Auditor's Report	1-2
Statement of operations and changes in fund balances	3
Statement of financial position	4
Statement of cash flows	5
Notes to the financial statements	6-14

Independent Auditor's Report

To the Members of
Arts Commons

Opinion

We have audited the financial statements of Arts Commons (the "Organization"), which comprise the statement of financial position as at August 31, 2022, and the statements of operations and changes in fund balances, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at August 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 Opinion

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the 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 Canadian GAAS 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 GAAS, 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.

Deloitte LLP

Chartered Professional Accountants
November 22, 2022
Calgary, Alberta

Arts Commons
Statement of operations and changes in fund balances

Year ended August 31, 2022

	Notes	Operating Fund	Capital Replacement Fund	Arts Commons Transformation Fund	2022 Total	2021 Total
		\$	\$	\$	\$	\$
Revenue						
Venue operations		3,991,913	—	—	3,991,913	1,617,082
Programming		1,137,512	—	—	1,137,512	26,020
Ticketing services		535,512	—	—	535,512	1,283
Facility		98,934	—	—	98,934	46,163
Support services		316,161	—	143	316,304	589,676
Grants	7	4,105,395	—	77,040	4,182,435	3,647,020
Government assistance	13	903,544	—	—	903,544	2,136,875
Fundraising		—	—	283,305	283,305	—
Deferred contributions	6	2,053,320	2,161,376	—	4,214,696	2,602,039
		13,142,291	2,161,376	360,488	15,664,155	10,666,158
Expenses						
Venue operations		3,078,245	—	—	3,078,245	1,862,515
Programming		2,411,158	—	—	2,411,158	1,010,780
Ticketing services		744,638	—	—	744,638	497,517
Facility operations		3,414,098	—	—	3,414,098	2,294,650
Fundraising	9	755,516	—	228,900	984,416	721,730
Administration		1,865,713	—	89,221	1,954,934	1,885,782
Amortization of tangible capital assets		—	2,137,882	—	2,137,882	1,879,811
Marketing and communications		925,567	—	51,535	977,102	537,985
Investment fees and grants		—	23,494	—	23,494	23,220
		13,194,935	2,161,376	369,656	15,725,967	10,713,990
Deficiency of revenue over expenses		(52,644)	—	(9,168)	(61,812)	(47,832)
Fund balances, beginning of year		1,177,159	—	—	1,177,159	1,224,991
Fund balances, end of year		1,124,515	—	(9,168)	1,115,347	1,177,159

The accompanying notes are an integral part of the financial statements.


Arts Commons
Statement of financial position
As at August 31, 2022

	Notes	Operating Fund \$	Capital Replacement Fund \$	Arts Commons Transformation Fund \$	2022 Total \$	2021 Total \$
Assets						
Current assets						
Cash		4,878,216	235,463	7,473	5,121,152	4,703,220
Accounts receivable	3	1,045,898	436,967	106,379	1,589,244	1,942,372
Prepaid expenses		180,939	—	—	180,939	149,075
Deposits		56,132	—	—	56,132	—
Inventory		42,541	—	—	42,541	35,911
Interfund balances	12	1,164,774	(1,110,726)	(54,048)	—	—
		7,368,500	(438,296)	59,804	6,990,008	6,830,578
Investments	4	—	5,620,853	—	5,620,853	6,454,408
Tangible capital assets	5	—	25,878,968	—	25,878,968	26,429,248
		7,368,500	31,061,525	59,804	38,489,829	39,714,234
Liabilities						
Current liabilities						
Accounts payable and accrued liabilities	3	3,796,078	284,923	68,972	4,149,973	3,550,089
Deferred revenue		219,204	—	—	219,204	155,850
Current portion of deferred contributions	6	2,228,703	1,981,673	—	4,210,376	4,287,315
		6,243,985	2,266,596	68,972	8,579,553	7,993,254
Deferred contributions	6	—	28,794,929	—	28,794,929	30,543,821
		6,243,985	31,061,525	68,972	37,374,482	38,537,075
Fund balances						
Internally restricted	8	378,000	—	—	378,000	378,000
Unrestricted		746,515	—	(9,168)	737,347	799,159
		1,124,515	—	(9,168)	1,115,347	1,177,159
		7,368,500	31,061,525	59,804	38,489,829	39,714,234

The accompanying notes are an integral part of the financial statements.

Approved by the Board

 _____, Director

 _____, Director

Arts Commons

Statement of cash flows

Year ended August 31, 2022

	2022	2021
	\$	\$
Operating activities		
Deficiency of revenue over expenses	(61,812)	(47,832)
Items not affecting cash		
Gain on disposal of tangible capital asset	(39,285)	—
Amortization of tangible capital assets	2,137,882	1,879,811
	2,036,785	1,831,979
Changes in non-cash working capital		
Accounts receivable	353,128	(726,187)
Prepaid expenses	(31,864)	(12,464)
Deposits	(56,132)	—
Inventory	(6,630)	1,911
Accounts payable and accrued liabilities	599,884	1,695,003
Deferred revenue	63,354	(31,800)
	2,958,525	2,758,442
Financing activities		
Increase in deferred contributions	3,412,261	6,665,089
Non-cash item		
Amortization of deferred contributions	(4,214,696)	(2,602,039)
	(802,435)	4,063,050
Investing activities		
Proceeds on disposal of investments	23,494	23,220
Proceeds on disposal of tangible capital asset	59,500	—
Realized gains on investments	(91,402)	(29,136)
Purchase of investments	(121,933)	(149,438)
Purchase of tangible capital assets	(1,607,817)	(4,973,906)
	(1,738,158)	(5,129,260)
Net increase in cash	417,932	1,692,232
Cash, beginning of year	4,703,220	3,010,988
Cash, end of year	5,121,152	4,703,220

The accompanying notes are an integral part of the financial statements.

1. Purpose of the organization

Arts Commons ("Arts Commons") is a not-for-profit organization incorporated under the Companies Act of Alberta. Arts Commons is one of North America's largest performing arts facilities with eight venues showcasing music, theatre and dance. The resident companies include Theatre Calgary, Alberta Theatre Projects, Calgary Philharmonic Orchestra, One Yellow Rabbit and Downstage Performance Society. Arts Commons is registered as a Canadian charitable organization under the Income Tax Act and, accordingly, is exempt from income taxes and can issue donation receipts for income tax purposes.

Arts Commons underwent a formal name change on February 23, 2021. Previously, Arts Commons legal name was Calgary Centre for Performing Arts.

Arts Commons' financial statements are prepared using accounting standards for not-for-profit organizations ("ASNFP") issued by the Accounting Standards Board of Chartered Professional Accountants of Canada ("CPA Canada") and set out in Part III of the CPA Canada Handbook.

2. Significant accounting policies

The financial statements of Arts Commons have been prepared by management in accordance with ASNFP and reflect the following significant accounting policies:

Fund accounting

- (i) The Operating Fund accounts for revenue and expenses related to the operations, program delivery and administration of Arts Commons.
- (ii) The Capital Replacement Fund accounts for revenue and expenses for building improvement and replacement of existing tangible capital assets.
- (iii) The Arts Commons Transformation Fund Accounts for revenue and expenses specific to the capital campaign launched to fundraise for the renovation of the existing building.

Financial instruments

Financial instruments are recorded at fair value on initial recognition. All other financial instruments are recorded at cost or amortized cost, unless management has elected to record at fair value. Investments have been elected to be recognized at fair value.

Transaction costs related to financial instruments measured at fair value are expensed as incurred. For all other financial instruments, the transaction costs are added to the carrying value of the asset or netted against the carrying value of the liability and are then recognized over the expected life of the instrument using the straight-line method. Any premium or discount related to an instrument measured at amortized cost is amortized over the expected life of the item using the straight-line method and recognized in the excess of revenue over expenses as dividends and other distributions.

With respect to financial assets measured at cost or amortized cost, Arts Commons recognizes in the statement of operations and changes in fund balances an impairment loss, if any, when it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed in the statement of operations and changes in fund balances in the period the reversal occurs.

Arts Commons does not enter into any derivative financial instrument arrangements.

2. Significant accounting policies (continued)

Revenue recognition

Arts Commons follows the deferral method of accounting for contributions whereby restricted contributions are recognized as revenue of the appropriate fund in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue of the appropriate fund when received or receivable if the amount is fixed or can be reasonably estimated and collection is reasonably assured. Restricted capital contributions related to tangible capital assets are deferred and amortized on a straight-line basis over the estimated useful life of the corresponding asset.

Government assistance is not recognized until there is reasonable assurance that the Arts Commons will comply with the conditions attaching to them and that the grants will be received.

Investment income earned on Capital Replacement Fund resources is restricted for the purchase of tangible capital assets and is recognized as revenue in the Capital Replacement Fund in the year in which the related tangible capital assets are purchased.

Theatre and concert hall revenue and costs are recognized only for programs which have taken place. Revenue received and costs incurred prior to the date of performance are deferred.

Donated materials and services

Donated materials and services are recorded at fair market value if Arts Commons would normally have paid for such materials and services and the fair market value can be determined.

Inventory

Inventory is recorded at the lower of cost and net realizable value and is relieved from inventory on a first-in, first-out basis. Net realizable value is determined using current estimated selling prices less selling costs. The estimated selling price considers management's best estimate of the most probable set of economic conditions.

Inventory consists of product purchased for resale at events including liquor, beverages, and concessions. The sale of inventory during the year resulted in the recognition of expenses aggregating \$89,598 (\$12,777 in 2021). This is recorded in the statement of operations and changes in fund balances in venue operations expense.

Investments

Investments are initially recorded at fair value in the statement of financial position as established by the closing bid price for trading on the recognized exchange on which the investment is listed or principally traded. Interest and dividends on investments are recorded on an accrual basis and realized and unrealized gains and losses are restricted and recognized through deferred contributions in the Capital Replacement Fund.

Tangible capital assets

Arts Commons has leased its land and building from The City of Calgary for \$1 per year until 2040. Construction expenses and tenant improvements made by Arts Commons vest with The City of Calgary. The repair, maintenance and capital replacement of the building are solely the responsibility of Arts Commons. Property of every description is insured for \$183 million.

2. Significant accounting policies (continued)

Tangible capital assets(continued)

Purchased tangible capital assets are recorded in the appropriate fund at cost. Contributed tangible capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expenses. Betterments that extend the estimated life of an asset are capitalized. When the asset no longer contributes to Arts Commons' ability to provide services, its carrying amount is written down to its residual value. Amortization expense is recorded as an expense in the appropriate fund.

Tangible capital assets are amortized on a straight-line basis over the assets' estimated useful lives as follows:

Custom-built computer systems	10 years
Equipment	
Office	5 years
Stage	5 years
Building	20 years
Venue infrastructure	20 years
Leasehold improvements	10 years

Capital development projects are not subject to amortization until the development is complete. At that point, the balance will be allocated to the appropriate asset category and amortized over its estimated useful life.

Tangible capital assets are tested for impairment whenever events or changes in circumstances indicate that an asset can no longer be used as originally expected and its carrying amount may not be fully recoverable. When condition indicate that a tangible asset is impaired, the net carrying amount of the tangible capital asset is written down to the asset's fair value or replacement cost. A write-down of tangible assets shall be accounted for as an expense in the statement of operations and fund balances. A write-down shall not be reversed.

Use of estimates

The preparation of the financial statements in accordance with ASNFPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The most significant of these estimates relate to the allowance for doubtful accounts, net realizable value of inventory, the amortization period for and potential impairment of tangible capital assets, the determination of accrued liabilities and potential contingencies. By their nature, these estimates are subject to measurement uncertainty, and the effect on the financial statements of changes in such estimates could be significant. Management reviews its estimates on a periodic basis and, if required, makes adjustments prospectively.

3. Government remittances

Accounting standards require separate disclosure of the amounts of government remittances (other than income taxes) recoverable or payable. Accordingly, an amount of \$167,929 (\$188,265 in 2021) of Goods and Services Tax recoverable as at August 31, 2022 is included in the accounts receivable balance. A total of nil (\$355 in 2021) of source deductions payable is included in the accounts payable and accrued liabilities balance.

Arts Commons
Notes to the financial statements
August 31, 2022

4. Investments

Arts Commons' investments are professionally managed and held in the Capital Replacement Fund and are invested in accordance with the investment policies approved by the board of directors (the "Board"). Investments have been recorded at fair market value as follows:

	Cost	2022 Market	Cost	2021 Market
	\$	\$	\$	\$
Capital Replacement Fund managed funds	4,355,429	5,620,853	4,165,588	6,454,408

5. Tangible capital assets

	Cost	Accumulated amortization	2022 Net book value
	\$	\$	\$
Land and building	1	—	1
Custom-built computer systems	782,066	782,066	—
Equipment			
Office	954,699	953,571	1,128
Stage	10,225,048	9,348,898	876,150
Building	27,788,557	11,273,033	16,515,524
Venue Infrastructure	5,645,246	307,332	5,337,914
Leasehold improvements	8,285,851	7,009,566	1,276,285
Capital-development projects*	1,871,966	—	1,871,966
	55,553,434	29,674,466	25,878,968

	Cost	Accumulated amortization	2021 Net book value
	\$	\$	\$
Land and building	1	—	1
Custom-built computer systems	782,066	782,066	—
Equipment			
Office	954,699	952,441	2,258
Stage	10,097,940	8,980,880	1,117,060
Building	25,474,647	10,119,636	15,355,011
Venue Infrastructure	5,315,926	41,536	5,274,390
Leasehold improvements	8,285,851	6,758,139	1,527,712
Capital development projects*	3,152,816	—	3,152,816
	54,063,946	27,634,698	26,429,248

* Capital development projects consist of costs related to work-in-progress on building projects expected to be completed by December 2022. Capital projects are not subject to amortization until the project is substantially complete. At August 31, 2022, Arts Commons had commitments to various contractors relating to these development projects in the amount of \$1,871,966 (\$3,152,816 in 2021). All commitments will be met during the next 12 months.

6. Deferred contributions

Operating Fund

Deferred contributions reported in the Operating Fund represent externally restricted donations relating to expenses of future periods. The changes in deferred contributions are as follows:

	2022	2021
	\$	\$
Balance, beginning of year	2,396,967	699,008
Contributions	1,885,056	2,396,967
Less: amounts amortized to revenue	(2,053,320)	(699,008)
Balance, end of year	2,228,703	2,396,967

Deferred contributions reported in the Operating Fund, which will be recognized as revenue in less than 12 months, totaled \$2,228,703 (\$2,146,967 in 2021).

Capital Replacement Fund

Deferred contributions reported in the Capital Replacement Fund represent the unamortized portion of restricted contributions, which have been expended or are expendable on Arts Commons' tangible capital assets.

The changes in deferred contributions are as follows:

	2022	2021
	\$	\$
Balance, beginning of year	32,434,169	29,616,081
Contributions		
Construction grants (Note 9)	1,229,245	4,768,887
Ticket surcharge	389,034	4,876
Realized gains on investment	91,402	29,136
Gain on disposal of tangible capital asset	39,285	—
Interest and dividend income	121,933	149,437
Capital donation and other	(343,695)	(684,215)
Less: amounts amortized to revenue	(2,161,376)	(1,903,031)
Change in unrealized (loss) gain on investments	(1,023,395)	452,998
Balance, end of year	30,776,602	32,434,169

Deferred contributions reported in the Capital Replacement Fund, which will be recognized as revenue in less than 12 months at minimum, totaled \$1,981,673 (\$2,140,348 in 2021). The amount which will be recognized in more than 12 months was \$28,794,929 (\$30,293,821 in 2021).

Arts Commons

Notes to the financial statements

August 31, 2022

7. Grants

The City of Calgary provides operating grants to Arts Commons, which are approved on an annual basis.

Grants received in the year are as follows:

	2022	2021
	\$	\$
Operating Grants		
The City of Calgary – Civic Partners Program	2,373,127	2,334,215
City of Calgary Resiliency Fund	439,000	523,000
	2,812,127	2,857,215
Programming Grants		
Canadian Heritage – Canada Arts Presentation Fund	104,500	104,500
Canadian Heritage – Emergency Support Fund	–	26,125
Canadian Heritage – Support for Workers in Live Arts and Music Fund	63,335	31,665
Canadian Heritage - Recovery for Professional Arts Presentation Organization		
Infrastructure Canada – Healthy Communities Initiative	125,000	–
Alberta Foundation for the Arts – Arts Organizations Operational Grant Program	9,375	28,125
Canadian Association for the Performing Arts – Presenters Capacity Building Program	72,000	75,000
Canada Council – Strategic Fund	1,500	13,500
Canada Council - Arts Abroad	–	24,400
Canada Council - Explore and Create	24,300	–
The SOCAN Foundation	100,000	–
	1,500	–
	501,510	303,315
Educations, facilities, and other		
Alberta Gaming, Liquor and Cannabis Commission	62,461	–
Alberta Culture - Community Initiative Program	75,000	–
Alberta Culture - Culture Days Grant	4,000	–
City of Calgary - Arts and Culture	102,500	–
Norreen Baker Fund	16,000	–
Harry & Martha Cohen Foundation	4,500	–
Service Canada - Canada Summer Jobs	26,245	3,290
Alberta Labour - Canada-Alberta Job Grant Program	14,667	–
Alberta Jobs Now Program	–	1,333
Rosza Foundation	12,936	–
The Calgary Foundation – Endowment	348,822	283,193
The Calgary Foundation	3,000	–
Calgary Foundation – Calgary International Children Festival	827	805
Swiftsure Foundation	25,000	–
Nickle Family Foundation	27,800	–
Dinner Optimist	8,000	–
	731,758	288,621
	137,040	197,869
Donations in kind	4,182,435	3,647,020

8. Internally restricted fund balance

Arts Commons has established a policy to set aside a certain level of internally restricted funds achieved through current year or cumulative surpluses to be retained to offset any future (projected or unexpected) operating deficiencies or to undertake significant projects. During the current year, the Board internally restricted nil (nil in 2021).

	2022	2021
	\$	\$
Operations contingency fund, beginning of the year	378,000	378,000
Additions	—	—
Operations contingency fund, end of the year	378,000	378,000

9. Fundraising expenses

The amounts received pertaining to fundraising activities were as follows:

	2022	2021
	\$	\$
Grants in deferred contributions in the capital Replacement Fund (Note 6)	1,229,245	4,768,887

As required under Section 7(2) of the Alberta Charitable Fundraising Regulation, the following amounts are disclosed:

	2022	2021
	\$	\$
Amounts paid as remuneration to employees whose principal duties involve fundraising	550,875	449,230
Expenses incurred for donations and services in kind	137,040	197,869
Other expenses incurred for the purposes of soliciting contributions	296,501	74,631
	984,416	721,730

10. Bank indebtedness

Arts Commons has available a line of credit secured by its investment portfolio. The line of credit, which is payable on demand, is approved for a maximum amount of \$2,000,000 and bears interest at Royal Bank Prime plus 0.5% per annum. Royal Bank Prime was 4.70% as at August 31, 2022 (2.45% as at August 31, 2021). As at August 31, 2022 the balance is nil (nil in 2021). Interest expenses of \$372 (nil in 2021) were incurred for using the line of credit during the year.

11. Financial instruments

Arts Commons' financial instruments consist of cash, accounts receivable, investments and accounts payable and accrued liabilities. The fair values of these financial instruments approximate their carrying values.

Arts Commons has exposure to the following risks from its use of financial instruments:

Market risk

Market risk is the risk that changes in market prices as a result of changes in interest rates and stock market fluctuations will affect Arts Commons' results of operations or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximizing the return.

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of interest-bearing financial instruments held by Arts Commons. Arts Commons has holdings in fixed-income securities. As interest rates fluctuate, the fair values of the investments will be impacted.

Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment resulting in a financial loss to Arts Commons. Credit risk is managed for Arts Commons' investments by ensuring that they are in accordance with the Statement of Investment Policy established by the Board. The maximum exposure to credit risk on these instruments is their carrying value.

Arts Commons is exposed to credit risk associated with accounts receivable to the extent that its customers or donors may experience financial difficulty and would be unable to meet their obligations. However, Arts Commons has a large number of diverse customers and donors, which minimizes the concentration of credit risk.

Liquidity risk

Liquidity risk is the risk that Arts Commons will not be able to meet its liabilities as they fall due. Arts Commons currently holds enough cash to pay all current liabilities; therefore, Arts Commons' liquidity risk is considered minimal. In addition, Arts Commons aims to retain a sufficient cash position to manage liquidity. Arts Commons' exposure to and management of liquidity risk has not changed materially since August 31, 2021.

12. Interfund balances

Interfund balances are the amounts owed for project management and administrative costs incurred in the management of capital projects during the year. Any amounts outstanding are non-bearing and have no fixed terms of repayment.

13. Government assistance

During the year ended August 31, 2022, \$798,450 (nil in 2021) was received from Tourism and Hospitality Recovery Program ("THRP"). This amount has been included in "Government Assistance" in the statement of operations and changes in fund balances.

During the year ended August 31, 2022, \$105,094 (\$1,838,067 in 2021) was received from the Canadian Emergency Wage Subsidy ("CEWS"). This amount has been included in "Government assistance" in the statement of operations and changes in fund balances.

During the year ended August 31, 2022, nil (\$298,808 in 2021) was received from the Canadian Emergency Commercial Rent Assistance ("CECRA").