

# **THE CANADIAN HERITAGE ARTS SOCIETY**

## **FINANCIAL STATEMENTS**

**June 30, 2021**



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## INDEPENDENT AUDITORS' REPORT

To the Directors of the Canadian Heritage Arts Society

### ***Opinion***

We have audited the financial statements of the Canadian Heritage Arts Society (the Entity), which comprise:

- the statement of financial position as at June 30, 2021
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at June 30, 2021 and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### ***Basis for Opinion***

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the Entity 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.

### ***Emphasis of Matter – Comparative Information***

We draw attention to Note 12 to the financial statements, which explains that certain comparative information presented for the year ended June 30, 2020 has been restated.

Note 12 explains the reason for the restatement and also explains the adjustments that were applied to restate certain comparative information.



Our opinion is not modified in respect of this matter.

### ***Other Matter - Comparative Information***

The financial statements for the year ended June 30, 2020, excluding the adjustments that were applied to restate certain comparative information, were audited by another auditor who expressed a qualified opinion with respect to the verification of the completeness of revenues from donations and fundraising on those financial statements on October 16, 2020.

As part of our audit of the financial statements for the year ended June 30, 2021, we also audited the adjustments that were applied to restate certain comparative information presented for the year ended June 30, 2020. In our opinion, such adjustments are appropriate and have been properly applied.

Other than with respect to the adjustments that were applied to restate certain comparative information, we were not engaged to audit, review or apply any procedures to the financial statements for the year ended June 30, 2020. Accordingly, we do not express an opinion or any other form of assurance on those financial statements taken as a whole.

### ***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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with Governance are responsible for overseeing the Entity'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 the 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 Entity'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 Entity'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 Entity 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.
- 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.

### ***Report on Other Legal and Regulatory Requirements***

As required by the Societies Act (British Columbia), we report that, in our opinion, the accounting policies applied in preparing and presenting financial statements in accordance with applicable financial reporting framework have been applied on a basis consistent with that of the preceding year.

Chartered Professional Accountants

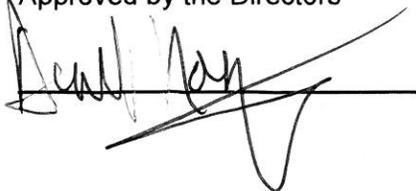
Victoria, Canada  
October 22, 2021

# THE CANADIAN HERITAGE ARTS SOCIETY

## Statement of Financial Position As at June 30,

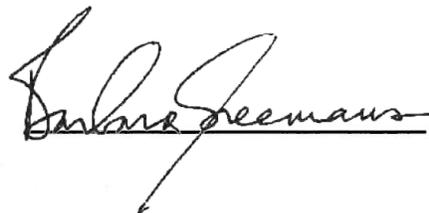
	2021	2020
		Restated (Note 12)
<b>Assets</b>		
Current		
Cash	\$ 535,837	\$ 425,335
Restricted cash (Note 3)	143,523	216,110
Accounts receivable	18,273	52,159
Tuition accounts receivable	174,672	245,857
GST receivable	5,757	10,360
Inventory	2,110	2,579
Prepaid expenses	11,469	9,885
	<u>891,641</u>	<u>962,285</u>
Tangible capital assets (Note 4)	<u>166,366</u>	<u>65,095</u>
	<u>\$ 1,058,007</u>	<u>\$ 1,027,380</u>
<b>Liabilities</b>		
Current		
Accounts payable and accrued liabilities	\$ 79,105	\$ 91,139
Government remittances payable	408	447
Deferred revenue	169,441	281,491
Unearned tuition	207,268	277,355
Current portion of lease obligation (Note 5)	2,992	3,535
	<u>459,214</u>	<u>653,967</u>
Non current		
Canada Emergency Business Account (Note 12)	40,000	-
Lease obligation (Note 5)	7,566	10,557
	<u>506,780</u>	<u>664,524</u>
<b>Internally restricted (Note 6):</b>		
Facility fund	120,000	196,024
Bursary fund	-	20,086
Student assistance fund	23,523	-
Invested in capital assets	155,811	51,002
Unrestricted	251,893	95,744
	<u>551,227</u>	<u>362,856</u>
Contingent liabilities (Note 10)		
Impact of COVID - 19 (Note 13)		
	<u>\$ 1,058,007</u>	<u>\$ 1,027,380</u>

Approved by the Directors



Director

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Director

# THE CANADIAN HERITAGE ARTS SOCIETY

## Statement of Operations For the year ended June 30

	<b>2021</b>	<b>2020</b>
		Restated (Note 12)
Revenue		
Government grants (Note 7)	\$ 580,202	\$ 450,802
Tuition	532,089	668,556
Fundraising	257,309	112,708
Government subsidies	185,587	103,165
Events & other operating revenue	167,131	149,690
Individual donations (Note 13)	59,610	54,902
Loan forgiveness (Note 13)	20,000	-
	<u>1,801,928</u>	<u>1,539,823</u>
Expenses		
Payroll and contract fees	1,031,497	857,563
Facility	184,697	168,808
Artistic	160,548	147,046
General and administration	70,438	94,969
Amortization	47,425	28,024
Education services	37,224	33,169
Donations to endowment funds	28,237	23,250
Insurance, licences and dues	17,789	21,378
Marketing	17,424	41,039
Interest and bank charges	12,692	8,688
Development and fundraising	4,611	14,098
Interest on lease liability	589	818
Travel	386	7,364
	<u>1,613,557</u>	<u>1,446,214</u>
Excess of revenue over expenses	<u>\$ 188,371</u>	<u>\$ 93,609</u>

# THE CANADIAN HERITAGE ARTS SOCIETY

## Statement of Changes in Net Assets For the year ended June 30

	Internally restricted facility fund	Internally restricted bursary fund	Internally restricted student assistance fund	Invested in capital assets	Unrestricted	2021	2020
<b>Balance, beginning of year</b>							
As previously reported	\$ 196,024	\$ 20,086	\$ -	\$ 51,002	\$ 48,453	\$ 315,565	\$ 231,882
Prior period adjustment (Note 12)	-	-	-	-	47,291	47,291	37,365
As restated	<u>196,024</u>	<u>20,086</u>	<u>-</u>	<u>51,002</u>	<u>95,744</u>	<u>362,856</u>	<u>269,247</u>
Excess (deficiency) of revenue over expenses	-	-	-	(48,282)	236,653	188,371	93,609
Acquisition of tangible capital assets	-	-	-	149,556	(149,556)	-	-
Repayment of lease obligation	-	-	-	3,535	(3,535)	-	-
Transfers	<u>(76,024)</u>	<u>(20,086)</u>	<u>23,523</u>	<u>-</u>	<u>72,587</u>	<u>-</u>	<u>-</u>
Balance, end of year	<u>\$ 120,000</u>	<u>\$ -</u>	<u>\$ 23,523</u>	<u>\$ 155,811</u>	<u>\$ 251,893</u>	<u>\$ 551,227</u>	<u>\$ 362,856</u>

# THE CANADIAN HERITAGE ARTS SOCIETY

## Statement of Cash Flows For the year ended June 30

	2021	2020
<b>Operating activities</b>		
Excess of revenue over expenses	\$ 188,371	\$ 93,609
Add charge to operations not requiring a current cash payment:		
Amortization	47,425	28,024
Loan forgiveness	(20,000)	-
Loss in disposal of tangible capital assets	858	1,003
	<u>216,654</u>	<u>122,636</u>
Net change in non-working capital balances related to operations:		
Accounts receivable	33,886	23,735
Tuition accounts receivable	71,185	402,907
GST receivable	4,603	(1,319)
Inventory	469	(1,771)
Prepaid expenses	(1,584)	11,382
Accounts payable and accrued liabilities	(12,031)	7,700
Government remittances payable	(39)	(584)
Deferred revenue	(112,050)	32,057
Unearned tuition	(70,087)	(457,465)
	<u>131,006</u>	<u>139,278</u>
<b>Financing activities</b>		
Repayment of lease obligation	(3,535)	(5,369)
Proceeds from Canada Emergency Business Account	60,000	-
	<u>56,465</u>	<u>(5,369)</u>
<b>Investing activities</b>		
Acquisitions of tangible capital assets	(149,556)	(26,626)
Net increase in cash	37,915	107,283
Cash, beginning of year	<u>641,445</u>	<u>534,162</u>
Cash, end of year	<u>\$ 679,360</u>	<u>\$ 641,445</u>
<b>Cash consists of:</b>		
Cash	\$ 535,837	\$ 425,335
Restricted cash	<u>143,523</u>	<u>216,110</u>
	<u>\$ 679,360</u>	<u>\$ 641,445</u>

# THE CANADIAN HERITAGE ARTS SOCIETY

## Notes to the Financial Statements Year ended June 30, 2021

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### 1. Purpose of the organization

The Canadian Heritage Arts Society (the "Society") is an organization created to raise the aesthetic taste and artistic appreciation of the public at large through the medium of public performances and exhibitions and to promote heritage, arts, and culture. The Society provides instruction and training in performing arts through The Canadian College of Performing Arts (the "College"), an accredited college managed by the Society. The Canadian Heritage Arts Society is incorporated under the Society Act of British Columbia as a not-for-profit organization and is a registered charity under the Income Tax Act and accordingly is exempt from income taxes, provided certain requirements of the Income Tax Act are met.

### 2. Significant accounting policies

The financial statements of the Society have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. Because a precise determination of many assets and liabilities and disclosure of contingent assets and liabilities is dependent upon future events, the preparation of financial statements for a period necessarily involves the use of estimates. Items subject to estimation include allowance for doubtful accounts, prepaid expenses, accrued liabilities, amortization of tangible capital assets, which have been made using careful judgement. Actual results could differ from the estimates.

#### (a) Inventory

Inventory is valued at the lower of cost and net realizable value.

#### (b) Tangible capital assets

Tangible capital assets purchased are stated at cost and tangible capital assets contributed are recorded at fair value where determinable. Tangible capital assets are amortized on a straight line basis over their estimated useful lives using the annual rates set out in note 4.

Capital assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

#### (c) Revenue recognition

The Society follows the deferral method of accounting for contributions. Restricted contributions, including those received for the purchase of tangible capital assets, are recognized as revenue in the period in which the related expenditures are incurred. Unrestricted contributions and revenues, including government grants, fundraising, and donations, are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Gifts in kind of assets are recorded at their estimated fair market value on date of receipt. Because of the difficulty in determining fair value, contributed services are not recognized in the financial statements.

# THE CANADIAN HERITAGE ARTS SOCIETY

## Notes to the Financial Statements Year ended June 30, 2021

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### 2. Significant accounting policies, continued

#### (d) Tuition accounts receivable and unearned tuition

The Society initially records a tuition accounts receivable when a student signs a contract, with the related obligation for the Society to provide services recorded as unearned tuition. This unearned tuition consists of tuition revenue and student tuition deposits, and is recognized as revenue during the school year to which it relates. If amounts are not reasonably assured of collection, they are reversed and the tuition accounts receivable and unearned tuition are reduced accordingly.

#### (e) Measurement of financial instruments

The Society initially measures its financial assets and liabilities at fair value. The entity subsequently measures all its financial assets and liabilities at amortized cost.

Financial assets measured at amortized cost include cash, accounts receivable, tuition accounts receivable, and restricted cash. Financial liabilities measured at cost or amortized cost include accounts payable and accrued liabilities, and lease obligation.

#### (f) Impairment

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Society determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Society expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

#### (g) Transaction costs

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight line method.

### 3. Restricted cash

The balance represents the total of the internally restricted funds described in note 6 to be used specifically for those funds.

# THE CANADIAN HERITAGE ARTS SOCIETY

## Notes to the Financial Statements Year ended June 30, 2021

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### 4. Tangible capital assets

	<u>Rate</u>	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2021 Net</u>	<u>2020 Net</u>
Computer equipment	25%	\$ 86,747	\$ 40,048	\$ 46,699	\$ 2,638
Flooring	20%	46,479	37,998	8,481	10,730
Furniture and equipment	20%	74,166	64,533	9,633	15,212
Leasehold improvements	20%	121,099	70,153	50,946	21,465
Lighting	20%	83,735	53,054	30,681	1,256
Musical instruments	25%	17,528	15,685	1,843	1,570
Software	50%	36,505	24,584	11,921	-
Equipment under capital lease	25%	<u>24,249</u>	<u>18,087</u>	<u>6,162</u>	<u>12,224</u>
		<u>\$ 490,508</u>	<u>\$ 324,142</u>	<u>\$ 166,366</u>	<u>\$ 65,095</u>

During the year, the Society recorded \$6,062 of amortization (2020 - \$6,062) on equipment under capital lease.

# THE CANADIAN HERITAGE ARTS SOCIETY

## Notes to the Financial Statements Year ended June 30, 2021

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### 5. Capital lease obligation

	<u>2021</u>	<u>2020</u>
Capital lease obligation payable to RCA Leasing Inc. expiring October 2, 2024, with monthly payments of \$286 including interest at 4.82% per annum.	\$ 10,558	\$ 13,409
Capital lease obligation payable to Dell Finance expiring September 15, 2020, with monthly payments of \$211 including interest at 5.15% per annum.	<u>-</u>	<u>683</u>
	10,558	14,092
Less current portion	<u>2,992</u>	<u>3,535</u>
Due beyond one year	<u>\$ 7,566</u>	<u>\$ 10,557</u>
Future minimum lease payments are as follows:		
2022	\$ 3,432	
2023	3,434	
2024	3,434	
2025	<u>1,144</u>	
Total minimum lease payments	11,444	
Less amount representing interest	<u>886</u>	
Balance of the obligation	<u>\$ 10,558</u>	

# THE CANADIAN HERITAGE ARTS SOCIETY

## Notes to the Financial Statements Year ended June 30, 2021

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### 6. Internally restricted funds

On approval by the Board of Directors, funds may be internally restricted for specific purposes. Any changes or use of the internally restricted funds must also be approved by the Board of Directors. During the year, the Board approved several changes to the internally restricted funds, including the discontinuation of the Bursaries Fund and the Student Medical Fund and the establishment of the Student Assistance Fund. As at June 30, 2021, funds established by the Society as internally restricted include:

#### Facility Fund

The balance represents internally restricted funds for the purpose of large scale enhancements to the current College facilities, or for the purchase and enhancement of new College facilities. The use of these funds may include expenses for the running of a capital campaign related to the enhancement of the College's current facilities, or the purchase and enhancement of new facilities.

#### Student Assistance Fund

The balance represents internally restricted funds for the purpose of student aid in the event that a student is experiencing unexpected financial difficulties due to large unforeseen events (i.e. excessive medical bills, a death in the family).

The balance in the student assistance fund is not to exceed \$40,000 at the end of a fiscal year. Any funds in excess of this amount are to be released into unrestricted funds with the intention of them being used towards student scholarships and bursaries in the following year.

# THE CANADIAN HERITAGE ARTS SOCIETY

## Notes to the Financial Statements Year ended June 30, 2021

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### 7. Government grants

Government grants include:

	<u>2021</u>	<u>2020</u>
Government of Canada		
Department of Canadian Heritage (Canada Arts Training Fund)	\$ 406,250	\$ 324,998
Canada Cultural Spaces Fund Program	10,313	-
Canada Summer Jobs Program	13,659	8,679
New Horizons for Senior Program	-	4,250
Province of BC		
Gaming Policy and Enforcement Branch	80,000	80,000
British Columbia Arts Council	<u>70,000</u>	<u>32,875</u>
	<u>\$ 580,222</u>	<u>\$ 450,802</u>

# THE CANADIAN HERITAGE ARTS SOCIETY

## Notes to the Financial Statements Year ended June 30, 2021

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### 8. Endowment funds

Three hosted endowment funds for the benefit of the Society are held with the Victoria Foundation. The funds are managed for the benefit of the Society and are held permanently. The funds earn investment income in accordance with the Investment Policy of the Victoria Foundation and distributions from the funds are determined by the Distribution Policy of the Victoria Foundation and the initial provisions by which property is donated.

Fund balances at market values are:

	<u>2021</u>	<u>2020</u>
The Canadian College of Performing Arts Fund	\$ 226,979	\$ 204,558
Legacy Scholarship Fund for The Canadian College of Performing Arts	250,628	203,579
Betty Wilkinson Fund for The Canadian College of Performing Arts	<u>37,798</u>	<u>34,697</u>
	<u>\$ 515,405</u>	<u>\$ 442,834</u>

### 9. Remuneration

Under the British Columbia Societies Act, there is a requirement to disclose the remuneration paid to all directors, to the highest paid employees who are paid at least \$75,000 annually, and to all contractors who are paid at least \$ 75,000 annually.

For the fiscal year ending June 30, 2021, the Society paid remuneration of \$98,215 to one employee (2020 - \$197,495 to two employees).

There were no contractors paid in excess of \$75,000 and no directors were paid in the years ending June 30, 2021 and June 30, 2020.

### 10. Contingent liabilities

The Society operates in leased premises. The current lease runs from June 1, 2018 to May 31, 2023; rent is \$5,250 for July 2021 - August 2021, \$12,050 for September 2021 - April 2022, and \$5,400 for May 2022 - June 2022. These payments continue to increase over the term of the lease. Net minimum lease payments to expiry are:

2022	\$ 117,700
2023	<u>111,300</u>
	<u>\$ 229,000</u>

# THE CANADIAN HERITAGE ARTS SOCIETY

## Notes to the Financial Statements Year ended June 30, 2021

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### 11. Financial instruments

The Society's financial instruments consist of cash, accounts receivable, tuition accounts receivable, restricted cash, and accounts payable and accrued liabilities, and lease obligation.

It is management's opinion that the Society is not exposed to significant interest, currency or credit risks arising from its financial instruments. The Society manages its liquidity risk by monitoring its operating requirements. The Society prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no change to risk exposures from 2020.

### 12. Prior period adjustment

Deferred revenue has been revised to correct an error relating to the accounting for the Student Medical Fund. This change has been recorded retroactively and accordingly, the comparative financial statements have been restated as follows:

<b>June 30, 2020</b>	<b><u>Previously reported</u></b>	<b><u>Adjustments</u></b>	<b><u>Restated</u></b>
Statement of Financial Position:			
Deferred revenue	\$ 328,782	\$ (47,291)	\$ 281,491
Net Assets	315,565	47,291	362,856
Statement of Operations:			
Tuition	\$ 658,630	\$ 9,926	\$ 668,556
Excess of revenue over expenses	83,683	9,926	96,609

# THE CANADIAN HERITAGE ARTS SOCIETY

## Notes to the Financial Statements Year ended June 30, 2021

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### 13. Impact of COVID - 19

In March 2020, the World Health Organization declared a global pandemic due to the novel coronavirus COVID-19. The situation is constantly evolving, and the measures put in place have multiple impacts on local, provincial, national, and global economies. The operations of the College have had to be significantly changed as a result of the pandemic, as have the related safety guidelines for students, faculty, staff and members of the public.

Both our Board of Directors and the management team of the CCPA are closely monitoring the ongoing situation. Since March 2020, the methods and location of teaching have been reviewed on an ongoing basis. A portion of the 2020-2021 curriculum was delivered through a mix of in-person and digital learning. The safety of all staff, faculty, students, and any audience members are, and have been, the top priority of the management team.

Renovations to the College and other significant capital investments were made during FY20-21 to ensure that the space was safe to deliver programs in person during the pandemic. In addition to this, the College also incurred considerable costs related to additional investment in cleaning labour and supply costs, air purifiers, COVID-19 barriers, and hand-sanitizing stations.

Due to the COVID-19 pandemic, the College altered the normal timing of the program delivery for the Performing Arts Diploma Program. The program normally runs from September through to April. To allow for increased safety and appropriate self-isolation period around breaks in the College calendar, the program was altered to run from October through to June.

The impact of the COVID-19 pandemic have resulted in a loss of income in tuition revenue, and events and other operating revenue. The Society estimates a loss of tuition revenue due to a decrease in international student attendance and the need for a smaller class size due to building capacity. The Society estimates a loss of events and other operating revenue due to shows being viewed mainly by livestream with little to no in-person attendance. In addition, the College has seen a decrease in revenues from facilities rentals, concessions, merchandise sales, and advertising revenue.

The Society did not lay off any employees and has defrayed staff salary costs through the Canada Emergency Wage Subsidy. In addition, the Society has defrayed facilities costs through the Canada Emergency Rent Subsidy. These subsidies resulted in \$185,587 of revenue for the year ended June 30, 2021 (2020 - \$103,165). The Canada Emergency Subsidy and Canada Emergency Rent Subsidy are scheduled to continue until October 2021, and the Society plans to continue applying for these subsidies if it meets the criteria.

As part of COVID-19 relief measure, the Canada Emergency Business Account, a program administered by Export Development Canada, was put in place to provide loans up to \$ 60,000 to eligible entities. The funds are not subject to interest and \$20,000 of the loan is forgivable if repaid by December 31, 2022. The Society has received funding of \$60,000 during the year ending June 30, 2021 and recognized the \$20,000 forgivable portion in revenue.

# THE CANADIAN HERITAGE ARTS SOCIETY

## Notes to the Financial Statements Year ended June 30, 2021

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### 13. Impact of COVID - 19, continued

The overall impact of the pandemic on the Society and the College it operates is too uncertain to be fully estimated 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 and results of the Society for future periods.