

OUTWARD BOUND CANADA

FINANCIAL STATEMENTS

DECEMBER 31, 2021

Independent Auditor's Report

To the Members of Outward Bound Canada

Opinion

We have audited the financial statements of Outward Bound Canada (the "Organization"), which comprise the statement of financial position as at December 31, 2021, and the statements of operations, 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 Organization as at December 31, 2021, 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. 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 ability of the Organization 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 financial reporting process of the Organization.

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 the financial statements.

Independent Auditor's Report (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (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 internal control of the Organization.
- 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 ability of the Organization 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Toronto, Ontario
May 5, 2022

Chartered Professional Accountants
Licensed Public Accountants

OUTWARD BOUND CANADA

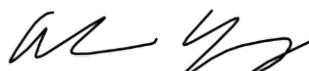
Statement of Financial Position

December 31	2021 \$	2020 \$
ASSETS		
Current assets		
Cash	336,532	695,459
Short-term investments	205,218	40,149
Accounts receivable (note 11)	158,337	99,251
Inventory	16,690	17,762
Prepaid expenses	100,942	68,718
	817,719	921,339
Capital assets (note 4)	228,539	295,663
	1,046,258	1,217,002
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (note 6)	218,087	215,553
Deferred contributions, grants and bursaries (note 7)	569,920	509,690
Deferred course and contract fees	295,083	306,516
Current portion of vehicle loans payable (note 8)	28,556	43,685
	1,111,646	1,075,444
Vehicle loans payable (note 8)	10,743	40,758
	1,122,389	1,116,202
NET ASSETS (DEFICIT)		
Invested in capital assets	189,240	211,220
Sustainability Fund (note 9)	32,000	32,000
Unrestricted	(297,371)	(142,420)
	(76,131)	100,800
	1,046,258	1,217,002

The accompanying notes are an integral part of these financial statements

Approved on behalf of the Board:

Director



Director



OUTWARD BOUND CANADA

Statement of Operations

Year ended December 31	2021 \$	2020 \$
Revenues		
Course fees	1,011,087	520,776
Contributions, grants and bursaries	986,558	315,997
Donations and fundraising	816,189	1,066,758
Donations from Outward Bound Canada Foundation (note 3(a))	2,250	100,000
Other income	5,817	9,218
	2,821,901	2,012,749
Expenses		
Program (schedule 1)	757,807	354,227
Administration (schedule 2)	552,480	558,869
Salaries and benefits (schedule 3)	2,535,392	2,318,432
	3,845,679	3,231,528
Excess of expenses over revenues before the following	(1,023,778)	(1,218,779)
Government assistance (note 11)	846,847	1,049,910
Excess of expenses over revenues for year	(176,931)	(168,869)

The accompanying notes are an integral part of these financial statements

OUTWARD BOUND CANADA

Statement of Changes in Net Assets

Year ended December 31				2021
	Invested in Capital Assets	Sustainability Fund (note 9)	Unrestricted	Total
	\$	\$	\$	\$
Balance, beginning of year	211,220	32,000	(142,420)	100,800
Excess of expenses over revenues	-	-	(176,931)	(176,931)
Amortization	(67,124)	-	67,124	-
Repayment of vehicle loans net of additions	45,144	-	(45,144)	-
Balance, end of year	189,240	32,000	(297,371)	(76,131)
				2020
	Invested in Capital Assets	Sustainability Fund (note 9)	Unrestricted	Total
	\$	\$	\$	\$
Balance, beginning of year	227,893	32,000	9,776	269,669
Excess of expenses over revenues	-	-	(168,869)	(168,869)
Amortization	(66,749)	-	66,749	-
Repayment of vehicle loans net of additions	50,076	-	(50,076)	-
Balance, end of year	211,220	32,000	(142,420)	100,800

The accompanying notes are an integral part of these financial statements

OUTWARD BOUND CANADA

Statement of Cash Flows

Year ended December 31	2021 \$	2020 \$
Cash flows from operating activities		
Excess of expenses over revenues for year	(176,931)	(168,869)
Adjustments to determine net cash provided by (used in) operating activities		
Amortization of capital assets	67,124	66,749
	(109,807)	(102,120)
Change in non-cash working capital items		
Increase in short term investments	(165,069)	(1,357)
Decrease (increase) in accounts receivable	(59,086)	141,733
Decrease (increase) in inventory	1,072	(259)
Decrease (increase) in prepaid expenses	(32,224)	46,767
Decrease in accounts payable and accrued liabilities	2,534	(20,897)
Increase in deferred contributions, grants and bursaries	60,230	274,472
Increase (decrease) in deferred course and contract fees	(11,433)	220,367
	(313,783)	558,706
Cash flows from financing activities		
Decrease in due from Outward Bound Canada Foundation	-	15,000
Repayment of vehicle loans payable	(45,144)	(50,076)
	(45,144)	(35,076)
Net change in cash	(358,927)	523,630
Cash, beginning of year	695,459	171,829
Cash, end of year	336,532	695,459

The accompanying notes are an integral part of these financial statements

OUTWARD BOUND CANADA

Schedules to Financial Statements

Year ended December 31

Schedule of program expenses

Schedule 1

	2021 \$	2020 \$
Program supplies and services	546,895	255,384
Food	127,866	68,298
Transportation	83,046	30,545
	757,807	354,227

Schedule of administration expenses

Schedule 2

	2021 \$	2020 \$
Office and communications	135,119	138,017
Marketing	85,680	100,951
Fundraising	4,086	7,213
Travel	27,853	24,848
Insurance	56,409	62,311
Amortization	67,124	66,749
Dues and fees (note 3(b))	96,543	86,719
Interest and credit card charges	20,504	21,059
Professional fees	24,000	24,000
Rent	34,352	23,617
Board expenditures	810	3,385
	552,480	558,869

Schedule of salaries and benefits

Schedule 3

	2021 \$	2020 \$
Direct program delivery	1,588,769	1,212,670
Administration and program supervision	946,623	1,105,762
	2,535,392	2,318,432

The accompanying notes are an integral part of these financial statements

OUTWARD BOUND CANADA

Notes to Financial Statements

December 31, 2021

Purpose of the organization

Outward Bound Canada (the "Organization") was incorporated as a not-for-profit corporation without share capital under the Canada Corporations Act, and received its certificate of continuance under the Canada Not-for-profit Corporations Act. The Organization is a registered charity in Canada and is exempt from income taxes.

The Organization's mission is to cultivate resilience, leadership, connections and compassion through inspiring and challenging journeys of self-discovery in the natural world. The Organization's experiential educational process is based upon the philosophy that learning and understanding take place when people engage in and reflect upon experiences in challenging environments in which they must acquire new skills and work with each other.

The Organization is partnered with high schools, universities, community groups, government agencies, corporate groups and learning institutes across Canada to provide a wide range of services that enhance capacity and leadership and assist youth and adults in challenging times of transition in urban and wilderness settings.

1. Significant accounting policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and are in accordance with Canadian generally accepted accounting principles. These financial statements have been prepared within the framework of the significant accounting policies summarized below:

(a) Revenue recognition

The Organization follows the deferral method of accounting for contributions, which include donations, bursaries and grants.

Contributions made for restricted purposes related to expenses of future periods are deferred and recognized as revenue at the time the related expenses are incurred.

Unrestricted contributions are recognized as revenue when received or, if the amount to be received can be reasonably estimated and collection is reasonably assured, when receivable.

Course fee revenue is recognized on a pro-rata basis over the term of the related course.

(b) Government assistance

Government assistance is recognized in income when the related expenses are incurred, the application to receive the funding has been made, there is reasonable assurance that the Organization has complied or will comply with the conditions of the assistance and collection is reasonably assured.

(c) Short-term investments

Short-term investments consist of guaranteed investment certificates that are readily convertible into cash and are not subject to significant risk of change in values.

OUTWARD BOUND CANADA

Notes to Financial Statements (continued)

December 31, 2021

1. Significant accounting policies (continued)

(d) Inventory

The Organization's inventory, which consists of various branded clothing and accessories available for sale, is recorded at the lower of cost and net realizable value.

(e) Financial instruments

(i) Measurement of financial instruments

The Organization initially measures its financial assets and financial liabilities, except for related party financial instruments (note 1(e)(ii)), at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The Organization subsequently measures its financial assets and financial liabilities at amortized cost. Amortized cost is the amount at which a financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortization of any difference between that initial amount and the maturity amount, and minus any reduction for impairment.

Financial assets measured at amortized cost include cash, short-term investments and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and vehicle loans payable.

(ii) Related Party Financial Instruments

The Organization initially measures its related party financial instruments as follows:

- at fair value if a derivative contract or quoted in an active market;
- at cost, determined using undiscounted cash flows excluding interest and dividend payments, less any impairment losses previously recognized by the transferor, if the financial instrument has repayment terms;
- at cost, determined using the amount of consideration transferred or received, if the financial instrument does not have repayment terms.

Subsequently, all related party financial instruments quoted in an active market and derivatives are measured at fair value. All other related party financial instruments are subsequently measured at cost less impairment.

Related party financial assets and liabilities that are forgiven are recognized in net income if the original transaction was in the normal course of operations, and within equity if the original transaction was not in the normal course of operations.

OUTWARD BOUND CANADA

Notes to Financial Statements (continued)

December 31, 2021

1. Significant accounting policies (continued)

(e) Financial instruments (continued)

(ii) Related Party Financial Instruments (continued)

The Organization initially measures non-financial items transferred in a related party transaction at the carrying amount, unless the transaction meets all of the following criteria, as defined in Section 3840, Related Party Transactions;

- the transaction has commercial substance,
- the change in ownership interests is substantive, and
- the amount of consideration is supported by independent evidence.

(iii) Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset or group of assets, a write-down is recognized in the statement of operations. The write down reflects the difference between the carrying amount and the higher of:

- the present value of the cash flows expected to be generated by the asset or group of assets;
- the amount that could be realized by selling the assets or group of assets;

When the events occurring after the impairment confirm that a reversal is necessary, the reversal is recognized in net income up to the amount of the previously recognized impairment.

(f) Capital assets

The costs of capital assets are capitalized upon meeting the criteria for recognition as an asset; otherwise, costs are expensed as incurred. The cost of a capital asset comprises its purchase price and any directly attributable cost of preparing the asset for its intended use.

Capital assets are measured at cost less accumulated amortization and accumulated impairment losses.

The Organization provides for amortization using the straight-line method at rates designed to amortize the cost of the capital assets over their estimated useful lives. The estimated useful lives are as follows:

Program and computer equipment	5 - 7 years
Vehicles	6 years

OUTWARD BOUND CANADA

Notes to Financial Statements (continued)

December 31, 2021

1. Significant accounting policies (continued)

(f) Capital assets (continued)

A capital asset is tested for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. An impairment loss is recognized in the statements of operations when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the capital asset exceeds its fair value. Any impairment of capital assets is charged to income in the period in which the impairment occurs.

An impairment loss is not reversed if the fair value of the capital asset subsequently increases.

(g) Related parties

For the purposes of these financial statements, a party is considered to be related to the Organization if such party or the Organization has the ability to, directly or indirectly, control or exercise significant influence over the other entity's financial and operating decisions, or if the Organization and such party are subject to common significant influence. Related parties may be individuals or other entities.

(h) Contributed materials and services

Volunteers contributed time to assist the Organization in carrying out its programs. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

(i) Management estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates are based on information available as of the date of issuance of the financial statements. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

(j) Accounting changes - Related party transactions

The Organization adopted amendments in Section 3856, Financial Instruments, relating to the recognition of financial instruments originated or exchanged in a related party transaction on January 1, 2021. The adoption of these amendments has had no impact on the Organization's financial statements.

OUTWARD BOUND CANADA

Notes to Financial Statements (continued)

December 31, 2021

2. Financial instrument risk management

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 following disclosures provide information to assist users of the financial statements in assessing the extent of risk related to the Organization's financial instruments.

The financial instruments of the Organization and the nature of the risks to which it may be subject are as follows:

Financial instrument	Risks				
	Credit	Liquidity	Market risk		
Currency			Interest rate	Other price	
Cash	X		X		
Short-term investments	X			X	
Accounts receivable	X				
Accounts payable and accrued liabilities		X			
Vehicle loans payable		X			

Credit risk

Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. The Organization reduces its exposure to credit risk associated with cash and short-term investments by holding these balances in a major Canadian institutions. The Organization reduces its exposure to credit risk associated with accounts receivable by performing credit evaluations on a regular basis, granting credit upon a review of the credit history of the applicant and creating an allowance for bad debts when applicable. The maximum exposures of the Organization to credit risk are as follows:

	2021	2020
	\$	\$
Cash	336,532	695,459
Short term investments	205,218	40,149
Accounts receivable	158,337	99,251
	<u>700,087</u>	<u>834,859</u>

Liquidity risk

Liquidity risk is the risk that the Organization cannot repay its obligations when they become due to its creditors. The Organization reduces its exposure to liquidity risk by ensuring that it documents when authorized payments become due, maintains adequate credit facilities (note 5) to repay its trade creditors as they become due, anticipating investing and financing activities and holding assets that can be readily converted into cash. The Organization has liquidity risk in accounts payable and accrued liabilities and vehicle loans payable to a maximum of \$257,386 (2020 - \$299,996).

OUTWARD BOUND CANADA

Notes to Financial Statements (continued)

December 31, 2021

2. Financial instrument risk management (continued)

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk, interest rate risk and other price risk.

i) Currency risk

Currency risk is the risk that the exchange rate that was in effect on the date that an obligation in a foreign currency was made to the Organization by a customer, or that an obligation in a foreign currency was entered into by the Organization to a supplier, is different at the time of settlement than it was at time that the obligation originated. The Organization's exposure to foreign exchange risk is minimal as it does not have any significant foreign denominated financial instruments at year end.

ii) 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 Organization is exposed to interest rate risk on the maturity of its short-term investments.

iii) 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 Organization is not exposed to other price risk as it has no investments in marketable securities.

Changes in risk

There have been no changes in the Organization's risk exposures from the prior year.

3. Related party transactions

The Organization has related party transactions with Outward Bound Canada Foundation ("the Foundation"), an entity under common control, which was established to help the Organization reach its fundraising and other objectives, and Outward Bound International ("OBI"), a membership organization of all the Outward Bound Centres worldwide as follows:

- (a) During the year, the Organization received donations from the Foundation in the amount of \$2,250 (2020 - \$100,000).
- (b) During the year, the Organization paid dues to OBI in the amount of \$37,753 (2020 - \$18,415).
- (c) At year end, included in accounts payable and accrued liabilities (note 6) is an amount payable to OBI of \$nil (2020 - \$7,018).

OUTWARD BOUND CANADA

Notes to Financial Statements (continued)

December 31, 2021

4. Capital assets

	2021		
	Cost	Accumulated Amortization	Net
	\$	\$	\$
Program and computer equipment	422,311	304,535	117,776
Vehicles	271,606	160,843	110,763
	<u>693,917</u>	<u>465,378</u>	<u>228,539</u>

	2020		
	Cost	Accumulated Amortization	Net
	\$	\$	\$
Program and computer equipment	422,311	269,099	153,212
Vehicles	271,606	129,155	142,451
	<u>693,917</u>	<u>398,254</u>	<u>295,663</u>

5. Credit facilities

Under the terms of a credit facility agreement dated December 27, 2017 with the Royal Bank of Canada ("RBC") the Organization has available to it a revolving demand facility to a maximum of \$200,000.

Borrowings under this facility are due on demand with no specific terms of repayment and bear interest at RBC prime rate plus 1.80%. At year end, the Organization has \$nil (2020 - \$nil) outstanding under this facility.

Additionally, the Organization has available to it a Visa Business card with a credit limit of \$60,000 (2020 - \$30,000). At year end \$1,811 (2020 - \$8,258) is outstanding on this card.

All borrowings under these facilities are secured by a general security agreement constituting a first ranking security interest on all of the Organization's assets.

6. Accounts payable and accrued liabilities

	2021	2020
	\$	\$
Accounts payable and accrued liabilities (note 3(c))	199,792	192,045
Government remittances	18,295	23,508
	<u>218,087</u>	<u>215,553</u>

OUTWARD BOUND CANADA

Notes to Financial Statements (continued)

December 31, 2021

7. Deferred contributions, grants and bursaries

	2021 \$	2020 \$
Balance, beginning of year	509,690	235,218
Contributions received	975,020	519,708
Amount recognized as revenue	(914,790)	(245,236)
Balance, end of year	<u>569,920</u>	<u>509,690</u>

8. Vehicle loans payable

The Company has entered into the following vehicle loan agreements to finance the purchase of the following vehicles:

	2021 \$	2020 \$
Silver Ford F150 - payable in blended equal bi-weekly payments of \$595 and bears interest at 2.99% per annum. The loan matures in June 2023 and is secured by the vehicle	25,639	41,120
Silver Ford 250 - payable in blended equal monthly payments of \$696 and bears interest at 3.49% per annum. The loan matures in December 2022 and is secured by the vehicle	7,760	16,115
White Ford F250 - non-interest bearing and is payable in equal monthly principal payments of \$783. The loan matures in May 2022 and is secured by the vehicle	3,914	13,307
Silver Ford 350 - non-interest bearing and is payable in equal monthly principal payments of \$993. The loan matures in February 2022 and is secured by the vehicle	1,986	13,901
	<u>39,299</u>	<u>84,443</u>
Less: current portion	28,556	43,685
	<u>10,743</u>	<u>40,758</u>

Principal payments over the next five years are as follows:

	\$
2022	<u>28,556</u>
2023	<u>10,743</u>
	<u>39,299</u>

OUTWARD BOUND CANADA

Notes to Financial Statements (continued)

December 31, 2021

9. Sustainability fund

The sustainability fund was established in recognition of the need to maintain working capital for continuing operations, and for the purpose of putting income aside in surplus years in order to offset deficits in other years. This fund is represented by internally restricted net assets as directed by the Board.

10. Commitments

The Organization is committed to the following minimum lease payments for various premises with commitments expiring at various dates until August 31, 2026:

	\$
2022	70,848
2023	42,000
2024	42,000
2025	42,000
2026	28,000
	<u>224,848</u>

11. Impact of Global Pandemic and government assistance

The global pandemic of the virus known as COVID-19 led the Canadian Federal government, as well as provincial and local governments, to impose measures, such as restricting foreign travel, mandating self-isolations and physical distancing and closing non-essential businesses. These restrictions restricted the Organization's ability to offer its regular schedule of courses.

Because of the high level of uncertainty related to the outcome of this pandemic, it is difficult to estimate the financial effect on the Organization. As such, no adjustments have been made in the financial statements as a result of these events.

During the year, the Organization received the following government assistance as a result of COVID-19:

	2021 \$	2020 \$
Canada Emergency Wage Subsidy	678,102	1,024,165
Canada Emergency Rent Subsidy	65,173	25,745
Tourism and Hospitality Recovery Program	103,572	-
	<u>846,847</u>	<u>1,049,910</u>

Canada Emergency Wage Subsidy ("CEWS")

The CEWS provides a subsidy of up to 75% of eligible remuneration, paid by the Organization, to each eligible employee – up to a pre-determined maximum per period.

Canada Emergency Rent Subsidy ("CERS")

The CERS provides a subsidy to cover a portion of the commercial rent paid by the Organization, to a maximum of \$75,000 per location and an overall maximum of \$300,00 for the Organization and any affiliated entities.

OUTWARD BOUND CANADA

Notes to Financial Statements (continued)

December 31, 2021

11. **Impact of Global Pandemic and government assistance (continued)**

Funding under the CEWS and CERS programs ended on October 23, 2021. Subsequently, the Organization received government assistance under the Tourism and Hospitality Recovery Program, one of the programs that replaced the CEWS and CERS:

Tourism and Hospitality Recovery Program ("THRP")

The THRP provides both wage and rent subsidies to organizations who received revenues from tourism, hospitality and recreation activities prior to the pandemic. The THRP provides a subsidy of up to 75% of qualifying expenditures made for wages and rent.

The assistance received under the CEWS, CERS and THRP programs are not subject to any specific future terms or conditions; however, the Canadian Revenue Agency may require additional reporting in a future period to verify the Organization's eligibility and compliance with terms and conditions.

Included in accounts receivable is \$91,692 (2020 - \$63,521) of government assistance receivable under these programs.

12. **Subsequent event**

Subsequent to year end, the Organization was approved to commence a project that will increase access to employment in the outdoor leadership industry through the creation of an innovative recruitment and training program titled *The Training Academy for Outdoor Professionals*. This project commenced in March 2022 and is anticipated to run through March 2025. Funding for this project, to a maximum of \$7,313,102, is provided by Employment and Social Development Canada.

HILBORN

LISTENERS. THINKERS. DOERS.