Financial Statements of

TO LIVE

And Independent Auditors' Report thereon

Year ended December 31, 2021

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of TO Live

Opinion

We have audited the financial statements of TO Live (the Entity), which comprise:

- the statement of financial position as at December 31, 2021
- the statement of operations and changes in net deficit 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 December 31, 2021, and its results of operations, its changes in net deficit and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

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.

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 public sector accounting standards, 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' Responsibility 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the group Entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Vaughan, Canada

May 30, 2022

TO LIVE

Statement of Financial Position
(In thousands of dollars)

December 31, 2021, with comparative information for 2020

	2021	2020
Assets		
Current assets:		
Cash	$ 18,464	$ 7,165
Accounts receivable	660	763
Due from the City (note 3)	–	516
Prepaid expenses	258	210
	19,382	8,654
Capital assets (note 4)	3,453	3,609
Art collection	29	29
	$ 22,864	$ 12,292
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities	$ 5,193	$ 3,931
Due to the City (note 3)	4,911	645
Deferred revenue	1,782	1,106
Advance ticket sales	8,015	3,491
	19,901	9,173
Deferred capital contributions (note 6)	3,086	3,222
Unrestricted net deficit:		
Accumulated net deficit	(123)	(103)
	$ 22,864	$ 12,292

Commitments and contingencies (note 8)

See accompanying notes to financial statements.

Approved by the Board:

________________________ Director ________________________ Director

TO LIVE

Statement of Operations and Changes in Net Deficit
(In thousands of dollars)

Year ended December 31, 2021, with comparative information for 2020

	2021 Budget	2021 Actual	2020 Actual
Revenue:			
Operating:			
Performance	$ –	$ 776	$ 628
Rental	–	755	2,496
Ancillary	–	1,504	2,658
Other recoveries	–	59	100
Interest and other (note 10)	–	114	143
Subsidy from the City (note 12)	10,796	10,038	8,717
Amortization of deferred capital contributions (note 6)	–	748	800
Transfer from:			
Facility Fee Reserve Fund	1,000	–	19
State of Good Repair Program	613	1,655	523
	12,409	15,649	16,084
Expenses:			
Salaries, wages and benefits (note 5)	$ 6,189	$ 8,658	$ 8,929
Presentation and production	2,000	1,596	1,211
Ancillary	–	328	487
Building operations	2,752	1,622	1,304
Program services	525	657	350
Administration	943	780	1,095
Amortization of capital assets	–	768	837
Transfer to:			
Programming Reserve Fund	–	–	353
State of Good Repair Program	–	165	–
Facility Fee Reserve Fund	–	597	1,555
	12,409	15,171	16,121
Excess (deficiency) of revenue over expenses before City transfers	–	478	(37)
Transfer from (to) the City (note 3)	–	(498)	–
Deficiency of revenue over expenses	–	(20)	(37)
Unrestricted net deficit, beginning of year	–	(103)	(66)
Unrestricted net deficit, end of year	$ –	$ (123)	$ (103)

See accompanying notes to financial statements.

TO LIVE

Statement of Cash Flows
(In thousands of dollars)

Year ended December 31, 2021, with comparative information for 2020

	2021	2020
Cash provided by (used in):		
Operating activities:		
Deficiency of revenue over expenses	$ (20)	$ (37)
Items not involving cash:		
Amortization of deferred capital contributions	(748)	(800)
Amortization of capital assets	768	837
Change in non-cash working capital balances (note 7)	6,517	(3,887)
Due to (from) the City (note 7)	500	1,401
	7,017	(2,486)
Financing activities:		
Due to (from) the City (note 7)	4,282	2,812
Repayment of loan payable	–	(85)
Capital contributions received	612	752
	4,894	3,479
Investing activities:		
Purchase of capital assets	(612)	(752)
Increase in cash	11,299	241
Cash, beginning of year	7,165	6,924
Cash, end of year	$ 18,464	$ 7,165

See accompanying notes to financial statements.

TO Live (the "Board") is continued as a city board pursuant to the provisions of the City of Toronto Act, 2006. The Board is a corporate body, and its purposes are the operation, management and maintenance of the City of Toronto (the "City") owned theatres known as Meridian Hall, St. Lawrence Centre for the Arts ("STLC") and Meridian Arts Centre (collectively, the "theatres"), as theatres and auditoriums and as centres for meetings, receptions and displays, on behalf of the City.

The City is responsible for the Board's operating deficit and is entitled to its operating surplus. The Board may not borrow money without the approval of City Council. The Board has an operating line of credit with the City not to exceed $1.25 million repayable before December 31 in any year.

The Board is a registered charitable organization and, as such, can issue tax receipts and is not subject to income taxes under Section 149(1) of the Income Tax Act (Canada).

1. Significant accounting policies:

The financial statements of the Board have been prepared by management in accordance with Canadian public sector accounting standards ("PSAS"), including accounting standards that only apply to government not-for-profit organizations. The significant accounting policies are summarized below.

(a) Cash:

Cash represents cash on hand and cash at the bank.

(b) Financial instruments:

The Board's financial instruments included in the statement of financial position comprise cash, accounts receivable, accounts payable and accrued liabilities, loan payable and amounts due to/from the City. The financial instruments are initially measured at fair value and subsequently measured at amortized cost.

For certain financial instruments, comprising cash, accounts receivable and accounts payable and accrued liabilities, the carrying values approximate their fair values due to their short-term maturities.

All financial instruments are assessed annually for impairment. When a financial asset is impaired, impairment losses are recorded in the statement of operations and changes in net deficit. A write-down is not subsequently reversed for a subsequent increase in value.

1. Significant accounting policies (continued):

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense.

(c) Capital assets:

Capital assets are recorded at cost and are amortized on a straight-line basis over their estimated useful lives as follows:

Stage equipment	10 years
Computer equipment	4 years
Other equipment	5 years
Building improvements	12 years
Furniture	5 years

Expenditures for chattel assets are capitalized and amortized over the periods of their useful lives, and funding is provided through the Facility Fee Reserve Fund ("FFRF").

The Board reviews long-lived assets for impairment whenever events or changes in circumstances indicate the asset no longer has any long-term service potential to the Board. The impairment loss, if any, is the excess of the carrying value over any residual value. The Board writes down the cost of its capital asset when it can objectively estimate a reduction in the value of the asset's service potential to the Board and has persuasive evidence that the reduction is expected to be permanent in nature. The capital asset would be written down to the revised estimate of the value of the asset's remaining service potential to the Board. Write-downs are not subsequently reversed.

Major facilities of the theatres, including the land and building in which the Board operates, are recorded in the accounts of the City. Expenditures for significant improvements to the building are charged to the City's capital program and the corresponding funding is withdrawn from the State of Good Repair Program. These improvements are not recorded as assets of the Board.

Art collection is carried and cost and not amortized due to the nature of the underlying asset.

1. Significant accounting policies (continued):

(d) Leases:

Operating lease costs are recognized as an expense on a straight-line basis over the life of the lease.

(e) Employee benefit plan:

The employee benefit plan is the multi-employer pension plan (note 5). The Board has adopted the following policies with respect to employee benefit plans:

- the Board's contributions to a multi-employer defined benefit pension plan and to deferred retirement savings plans are expensed when contributions are due; and

- the costs of termination benefits and compensated absences are recognized when the Board is demonstrably committed to either terminate the employment of an employee or group of employees, or to provide termination benefits as a result of an offer to encourage voluntary termination. Costs include projected future compensation payments, fees paid for career counselling and accrued benefits.

(f) Contributed materials and services:

Contributed materials are recognized as received only when the fair value of the material can be determined, and the goods and services would otherwise have been purchased.

(g) Revenue recognition:

The Board follows the deferral method of accounting for contributions. Contributions, including grants, are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted contributions are deferred and recognized as revenue in the year in which the related expenses are incurred. Externally restricted contributions for amortizable capital assets are deferred and amortized over the life of the related capital asset. Performance and rental revenue is recognized on the date of the attraction or event. Ancillary revenue is generally recognized at the point of sale.

1. Significant accounting policies (continued):

Deferred revenue consists of the Board's advance ticket sales for its presentations, unredeemed gift certificates, sponsorship revenue and donation revenue for which no tax receipt has been issued attributable to future periods of benefit.

(h) Foreign currency translation:

Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the rate of exchange in effect at the statement of financial position date. Non-monetary assets and liabilities are translated at the rates prevailing at the transaction dates. Revenue and expenses are translated at the exchange rates on the dates of the transactions. There were no unrealized exchange gains and losses; therefore, a statement of remeasurement gains and losses has not been presented.

(i) Use of estimates:

The preparation of financial statements in conformity with PSAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting year. Actual results could differ from those estimates.

2. Funds of the Board held by the City:

(a) Facility Fee Reserve Fund ("FFRF"):

In October 2011, the City updated its administrative amendments to the Board's FFRF. Contributions to the FFRF can now include the facility fee surcharge, which is applied to most tickets sold for attractions at the centre at a rate determined by the Board; capital salvage; corporate and naming right contributions for a capital purpose; developer capital contributions; other recoveries of a capital nature; and any other contributions directed by City Council. The FFRF is banked by the City and is recorded on the City's books.

(In thousands of dollars)

2. Funds of the Board held by the City (continued):

The changes in the Board's FFRF are as follows:

	2021	2020
Balance, beginning of year	$ 2,891	$ 3,302
Revenue from ticket capital surcharge	58	231
Investment income	5	53
Proceeds from name-in-title sponsor	533	131
Building maintenance	–	(572)
Chattel asset purchases	(610)	(254)
Transfers from TCA Capital Maintenance Reserve Fund	161	–
Balance, end of year	$ 3,038	$ 2,891

(b) TCA Capital Maintenance Reserve Fund:

The TCA Capital Maintenance Reserve Fund, which consists of ticket surcharges, is treasured by the City and is recorded on the City's books. The surcharge on the sale of tickets for performances is considered to be externally restricted, with the funds and interest earned on the funds only to be used for capital improvements of the TCA.

The changes in the TCA Capital Maintenance Reserve Fund are as follows, the fund was closed in 2021 with the remaining balance transferred to the FFRF.

	2021	2020
Balance, beginning of year	$ 237	$ 369
Investment income	–	6
Withdrawals to fund capital projects	(76)	(138)
Transfer to FFRF	(161)	–
Balance, end of year	$ –	$ 237

(In thousands of dollars)

2. Funds of the Board held by the City (continued):

(c) Programming Reserve Fund:

The Programming Reserve Fund was created in 2019 and funded through the operating surplus from 2018. Its mandate is to assist in subsidizing important initiatives facing budgetary constraints, which may not otherwise be initiated by the Board.

The changes in the Board's Programming Reserve Fund are as follows:

	2021	2020
Balance, beginning of year	$ 391	$ 38
Funds transferred in from operating surplus	–	353
Balance, end of year	$ 391	$ 391

3. Related party transactions:

Due from the City:

	2021	2020
Capital Reserve Funds	$ –	$ 6
Capital program - State of Good Repair	–	510
Balance, end of year	$ –	$ 516

Due to the City:

	2021	2020
Operating Surplus	$ 498	$ –
CIF Surcharge Payable	592	245
Trade Payables	55	47
Capital Advances	3,766	–
Transfer to Programming Reserve fund	–	353
Balance, end of year	$ 4,911	$ 645

(In thousands of dollars)

3. Related party transactions (continued):

(a) Intercompany expenses and payables:

In the normal course of operations, the Board incurs costs for various expenses payable to the City such as legal and other administration expenses. Transactions between the City and the Board are made at the agreed-on exchange amount.

As part of the terms of the agreement between the Board and the City, any operating excess (deficiency) is to be transferred to or recovered from the City. The amount of the transfer of the operating excess (deficiency) to (from) the City is based on excess (deficiency) of revenue after adjustments for non-cash items.

(b) Due from the City - Capital Reserve Funds:

The Capital Reserve Funds can be used to fund maintenance, state of good repair, heritage preservation and renovation of the theatres as well as repayment of advances and/or loans - principal and interest - made by the City to the Board (note 2). The total amount expended in 2021 was $686 (2020 - $964), of which nil is due as at December 31, 2021 (2020 - $6).

The transfer of operating excess of revenue is calculated as follows:

	2021	2020
Excess (deficiency) of revenue over expenses for the year, before transfer to the City, debt forgiveness	$ 478	$ (37)
Add (deduct) non-cash and other items:		
Amortization of deferred capital contribution	(748)	(800)
Amortization of capital assets	768	837
Transfer to (from) the City	$ 498	$ –

These intercompany balances are non-interest bearing.

(In thousands of dollars)

4. Capital assets:

2021:

	Cost	Accumulated amortization	Net book value
Stage equipment	$ 8,873	$ 7,283	$ 1,590
Computer equipment	2,965	2,466	499
Other equipment	1,266	1,165	101
Building improvements	5,424	4,307	1,117
Furniture	846	700	146
	$ 19,374	$ 15,921	$ 3,453

2020:

	Cost	Accumulated amortization	Net book value
Stage equipment	$ 8,873	$ 6,844	$ 2,029
Computer equipment	2,422	2,367	55
Other equipment	1,266	1,093	173
Building improvements	5,426	4,184	1,242
Furniture	775	665	110
	$ 18,762	$ 15,153	$ 3,609

During 2021, the Board did not dispose of capital assets (disposals in 2020 were nil, accumulated amortization in 2020 was nil). Proceeds from the disposal of assets in 2021 were nil (2020 - nil).

(In thousands of dollars)

5. Employee benefits:

The Board makes contributions to the Ontario Municipal Employees Retirement System ("OMERS"), which is a multi-employer pension plan, on behalf of many of its employees. The plan is a defined benefit plan, which specifies the amount of the retirement benefit to be received by the employees. Employees and employers contribute equally to the plan.

Because OMERS is a multi-employer pension plan, any pension plan surpluses or deficits are a joint responsibility of all Ontario municipalities and their employees. As a result, the Board does not recognize any share of the OMERS pension surplus or deficit, as the amount is not determinable. Employers' current service contributions to the OMERS pension plan in the amount of $610 (2020 - $592) were expensed and are included in salaries, wages and benefits.

In addition to other than continuous full-time offers to participate in the OMERS plan, the Board has arrangements with labour unions to make contributions to registered retirement savings plans on behalf of its employees. Contributions in the amount of $51 (2020 - $55) were expensed and are included in salaries, wages and benefits.

6. Deferred capital contributions:

Deferred capital contributions represent unamortized amounts of capital contributions. These contributions comprise of capital assets donated by corporations, the Board's FFRF and contributions in-kind. The most significant sources of the balance are contributions from the City's Capital Reserve Fund. The changes in deferred capital contributions during the year are as follows:

	2021	2020
Balance, beginning of year	$ 3,222	$ 3,270
Amortization of deferred capital contributions	(748)	(800)
Contributions restricted for the purchase of capital assets	612	752
Balance, end of year	$ 3,086	$ 3,222

Included in the contributions received during the year is $612 (2020 - $752) to fund chattel asset purchases and building maintenance. (note 4).

(In thousands of dollars)

7. Statement of cash flows:

The net change in non-cash working capital balances related to operations consists of the following:

	2021	2020
Accounts receivable	$ 103	$ 691
Prepaid expenses	(48)	1,281
Accounts payable and accrued liabilities	1,262	(1,485)
Deferred revenue	676	(1,539)
Advance ticket sales	4,524	(2,835)
	$ 6,517	$ (3,887)

The changes in due to/from the City for operating activities constitute of the following:

	2021	2020
Due to/from the City:		
Transfer from Programming Reserve Fund	$ (353)	$ 703
Operating surplus/deficit - current fiscal year	498	537
Trade payables	8	4
Surcharge payable	347	157
	$ 500	$ 1,401

The changes in due to/from the City for financing activities constitute of the following:

	2021	2020
Due to/from the City:		
Transfers from Facility Fee Reserve Fund ("FFRF")	$ 6	$ 1,053
Transfers from State of Good Repair Program ("SOGR")	510	1,759
Advances from City (FFRF and SOGR)	3,766	-
	$ 4,282	$ 2,812

8. Commitments and contingencies:

(a) Leases:

The Board is committed under the terms of equipment operating leases approximately as follows:

2022	$ 7
2023	3
	$ 10

(b) Contingencies:

From time to time, the Board is named in lawsuits relating to its activities. These claims are at various stages and, therefore, it is not possible to determine the merits of these claims or to estimate the possible financial liability, if any, to the Board. Accordingly, no material provisions have been made for loss in these financial statements, but in management's view, these claims should not have a material adverse effect on the financial position of the Board.

In 2018, the City and the Board were served with a claim from a developer in the amount of $9.7 million in connection with a redevelopment project completed in a prior year. The claim is proceeding to arbitration. The City and the Board are being jointly defended by lawyers from the legal services division of the City. The outcome of the claim is not determinable at this time. No amounts have been accrued in relation to this claim at year-end.

9. Financial risk management:

The main risks to which the Board's financial instruments are exposed are as follows.

(a) Foreign exchange risk:

Foreign exchange risk is the risk due to fluctuations in foreign exchange prices. Realized exchange gains of nil are included in the statement of operations and changes in net deficit for the year ended December 31, 2021 (2020 - gains of $4).

9. Financial risk management (continued):

The Board is exposed to gains/(losses) that arise with respect to the degree of volatility of foreign exchange rates. The Board believes it has a low exposure to foreign exchange risk given the value of its foreign denominated assets.

(b) Credit risk:

Credit risk is the risk one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Accounts that are receivable result in exposure to credit risk since there is a risk of counterparty default. The Board provides for an allowance for doubtful accounts to absorb potential credit losses where required. As at December 31, 2021, 3 accounts represent 91% of the total accounts receivable balance (2020 - 3 accounts represent 95%).

The Board believes it has low exposure to credit risk.

(c) Liquidity risk:

Liquidity risk is the risk of the inability of an entity to meet its current obligations from proceeds of current assets.

The Board manages its liquidity risk by forecasting cash flows from operations and other activities and maintains credit facilities with the City to ensure it has sufficient available funds to meet current and foreseeable financial requirements.

10. Interest and other revenue:

Interest and other revenue of $114 (2020 - $143), includes $65 related to interest (2020 - $112), and $48 related to settlements, claims and miscellaneous items (2020 - $31).

11. Toronto Live Foundation:

In 2018, the Toronto Live Foundation (the "Foundation") was established to support and raise funds for the Board initiatives and special projects. The Foundation is a separate corporation without share capital and with its own Board of Directors. It is registered as a charitable organization under the Income Tax Act (Canada). These financial statements do not include the net assets or revenue and expenditures of the Foundation.

The Foundation acquires, owns, holds in trust and applies funds to assist in the development of programming for the benefit of the Board. In 2021, the Board transferred nil to the Foundation (2020 - nil). The fund balances held by the Foundation as at December 31, 2021 totaled $2,343 (2020 - $2,337). During the year, the Foundation received nil in donations (2020 - nil) and granted nil (2020 - nil) in support of ongoing operations. The Foundation's revenue over expenses for the year ended December 31, 2021 was $6 (2020 - $6) resulting from income generated from investments.

12. COVID-19:

The rapid spread of the COVID-19 virus, which was declared by the World Health Organization to be a pandemic on March 11, 2020, and actions taken globally in response to COVID-19, have significantly disrupted business activities throughout the world. The Board's operations rely, to a certain extent, on free movement of goods, services and capital within Canada, which was significantly restricted as a result of the COVID-19 pandemic. Given the ongoing and dynamic nature of the circumstances surrounding COVID-19, it is difficult to predict how significant the impact of COVID-19, including any responses to it, will be on the economy and the Board's operations in particular, or for how long any disruptions are likely to continue. The extent of such impact will depend on future developments, which are highly uncertain, rapidly evolving and difficult to predict, including new information that may emerge concerning the severity of COVID-19 and additional actions that may be taken to contain COVID-19, as well as the timing of the re-opening of the economy in Canada. Such further developments could have a material adverse effect on the Board's operations, financial condition, results of operations and cash flows.

12. COVID-19 (continued):

With the government imposed restrictions as a result of the COVID-19 pandemic, the Board closed its performance facilities in March 2020 and, consequently, many performances since then have been cancelled and/or postponed, resulting in significant reductions in revenue and operating cash flows in 2021. As an agency of the City, the Board is dependent on continued funding from the City to fund any operating deficits including receipt of the annual subsidy and emergency funding from the City. The Board received $10 million from the City for the year ended December 31, 2021, comprised of the budgeted subsidy of $5.6 million plus additional emergency funding totaling $4.4 million to fund short-term operating cash flow deficiencies and may continue ongoing discussions with the City in regards to additional funding required. The Board made significant reductions in workforce subsequent to year-end as well as reduced other costs to match this decline in revenue and mitigate its impact on cash flows.

Further developments related to the economy in Canada, which were unforeseen as at March 31, 2020, could have a further adverse effect on the Board. The ultimate impact of COVID-19 on the Board may not be fully known for an extended period of time.