
Financial statements of St. John Council for Ontario

December 31, 2021

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To the Members of St. John Council for Ontario:

Opinion

We have audited the financial statements of St. John Council for Ontario (the "Council"), 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 Council 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 Council 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 Council'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 Council or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Council's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian 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 these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council'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 Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Council 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.

Burlington, Ontario

April 21, 2022

MNP LLP

Chartered Professional Accountants

Licensed Public Accountants

St. John Council for Ontario
Statement of operations
Year ended December 31, 2021

	Notes	2021	2020
		\$	\$
Revenue			
Training programs		10,705,394	8,543,510
Product sales		1,064,605	1,253,613
Donations and fundraising	6	809,459	792,571
Government grants		1,583,385	465,498
Nevada and bingo		268,677	272,369
Rental and sundry		1,780,451	1,745,252
Other revenue	13	1,066,337	2,004,602
	19	17,278,308	15,077,415
Expenses			
Service delivery and administration	5(b) and 11 (b)	17,279,908	16,411,597
Deficiency of revenue over expenses before the following		(1,600)	(1,334,182)
Investment income	3(c) and 9	3,089,997	1,378,323
Net gain on sale of capital assets		25,756	11,648
Excess of revenue over expenses for the year		3,114,153	55,789

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

St. John Council for Ontario
Statement of changes in net assets
Year ended December 31, 2021

	Notes	Internally restricted (Note 8) \$	Endowment (Note 9) \$	Unrestricted \$	2021 Total \$
Net assets, beginning of year		5,427,855	18,416,748	14,955,357	38,799,960
Excess of revenue over expenses for the year		—	—	3,114,153	3,114,153
Investment income related to externally restricted endowments	9	—	1,631,828	—	1,631,828
Interfund transfers	9	1,496,531	261,234	(1,757,765)	—
Net assets, end of year		6,924,386	20,309,810	16,311,745	43,545,941
		Internally restricted (Note 8) \$	Endowment (Note 9) \$	Unrestricted \$	2020 Total \$
Net assets, beginning of year		5,320,548	18,427,091	14,996,532	38,744,171
Excess of revenue over expenses for the year		—	—	55,789	55,789
Investment income related to externally restricted endowments		—	—	—	—
Interfund transfers		107,307	(10,343)	(96,964)	—
Net assets, end of year		5,427,855	18,416,748	14,955,357	38,799,960

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

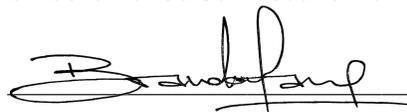
St. John Council for Ontario
Statement of financial position

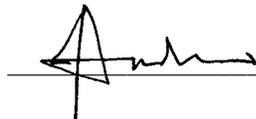
As at December 31, 2021

	Notes	2021 \$	2020 \$
Assets			
Current assets			
Cash and cash equivalents		3,729,289	2,302,890
Accounts receivable	11(a)	1,386,165	1,240,976
Inventory		306,265	298,946
Prepaid expenses		127,069	121,670
		5,548,788	3,964,482
Long-term			
Investments	3 (a) and 5 (a)	36,117,236	32,616,829
Capital assets, net	4	4,171,948	4,524,253
		40,289,184	37,141,082
		45,837,972	41,105,564
Liabilities			
Current liabilities			
Bank indebtedness	5	143,490	257,712
Accounts payable and accrued liabilities	11(a)	698,951	800,477
Deferred revenue		664,804	406,724
		1,507,245	1,464,913
Long-term			
Deferred capital contributions	6	784,786	840,691
		2,292,031	2,305,604
Contingencies and commitments			
Net assets			
Internally restricted	8	6,924,386	5,427,855
Endowment	9	20,309,810	18,416,748
Unrestricted		16,311,745	14,955,357
		43,545,941	38,799,960
		45,837,972	41,105,564

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

On behalf of St. John Council for Ontario

 _____, Chair

 _____, Treasurer

St. John Council for Ontario**Statement of cash flows**

Year ended December 31, 2021

	2021	2020
	\$	\$
Operating activities		
Excess of revenue over expenses for the year	3,114,153	55,789
Items not affecting cash		
Amortization of tangible capital assets	444,341	533,539
Amortization of intangible capital assets	187,834	136,591
Net gain on sale of capital assets	(25,756)	(11,648)
Unrealized investment income	(2,032,707)	(579,876)
Amortization of deferred capital contributions	(75,905)	(79,916)
	1,611,960	54,479
Changes in non-cash working capital		
Accounts receivable	(145,189)	(363,851)
Inventory	(7,319)	5,567
Prepaid expenses	(5,399)	53,767
Accounts payable and accrued liabilities	(101,526)	2,738
Deferred revenue	258,080	183,159
	1,610,607	(64,141)
Investing activities		
Additions to capital assets	(280,272)	(252,074)
Proceeds on sale of capital assets	26,158	12,247
Reinvestment of net realized investment income	(1,057,290)	(798,447)
Withdrawals from investments, net	1,221,418	191,815
	(89,986)	(846,459)
Financing activities		
Contributions (refunds) restricted for capital asset purchases	20,000	(17,073)
Change in bank indebtedness	(114,222)	(16,564)
	(94,222)	(33,637)
Net increase (decrease) in cash and cash equivalents	1,426,399	(944,237)
Cash and cash equivalents, beginning of year	2,302,890	3,247,127
Cash and cash equivalents, end of year	3,729,289	2,302,890

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

1. Organization

St. John Council for Ontario is a provincial body of The Priory of Canada of the Most Venerable Order of the Hospital of St. John of Jerusalem ("St. John Priory of Canada"). St. John Council for Ontario was incorporated on October 24, 1989 by Letters Patent issued under the Corporations Act (Ontario).

St. John Council for Ontario provides first-aid and health-care training and public first-aid service through a number of branches and community services units throughout the province.

Income tax status

St. John Council for Ontario is classified as a registered charity (Reg. #108022237-RR0001) under Section 149.1 of the Income Tax Act (Canada) (the "Act"). Accordingly, it is exempt from taxation and will continue to be exempt as long as it continues to comply with certain requirements of the Act.

Impact of COVID-19 on operations

The outbreak of the coronavirus, also known as "COVID-19", continues to spread across the globe and impact worldwide economic activity. Conditions surrounding the coronavirus continue to rapidly evolve and government authorities have implemented emergency measures to mitigate the spread of the virus. The outbreak and the related mitigation measures may have an adverse impact on global economic conditions as well as on the Council's business activities. The extent to which the coronavirus may impact the Council's business activities will depend on future developments, such as the ultimate geographic spread of the disease, the duration of the outbreak, travel restrictions, business disruptions and the effectiveness of actions taken in Canada and other countries to contain and treat the disease. These events have not had a significant impact on the St. John Council for Ontario.

2. Summary of significant accounting policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Basis of presentation

These financial statements present the financial position and results of operations of St. John Council for Ontario, which include the assets, liabilities and results of operations of the Provincial Head Office and its branches, as follows:

Barrie-Simcoe-Muskoka	Niagara Falls
Burlington	Niagara Region
Cambridge	Northeastern Ontario
Centre Wellington	Peel-Dufferin
Durham Region	Peterborough
Grey-Bruce-Huron	Renfrew County
Guelph	Southwestern Ontario
Halton Region	St. Thomas-Elgin
Hamilton	Stratford-Perth
Kawartha	Thunder Bay & Northwestern Ontario
Kitchener-Waterloo	Toronto
Leeds-Grenville-Lanark	Woodstock-Brant
Loyalist	York Region

2. Summary of significant accounting policies (continued)

Revenue recognition

St. John Council for Ontario follows the deferral method of accounting for contributions, which include government grants, bequests and other donations. Grants and bequests are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Other donations are recognized when received since pledges are not legally enforceable claims. Unrestricted contributions are recorded as revenue when received or receivable. Externally restricted contributions are deferred when initially received and recognized as revenue in the year in which the related expenses are incurred, except for endowment contributions, which are recorded as direct increases in net assets. Capital donations of land or capital grants for the purchase of land are recorded as capital contributions for non-depreciable assets in unrestricted net assets at the time the grant or donation is received.

Training fees are recognized when classes have been completed. Sales and service revenue are recognized when the services are rendered and the goods provided.

Investment income (loss), which consists of interest, dividends, income distributions from pooled funds and realized and unrealized gains and losses, is recorded in the statement of operations, except to the extent it is externally restricted, in which case it is added to (deducted from) endowment net assets or other restricted balances on the statement of financial position.

Deferred revenue mostly arises when payment is received prior to the training courses being delivered.

Cash and cash equivalents

Cash and cash equivalents consist of cash on deposit and short-term investments with a short maturity of approximately three months or less from the date of purchase, unless they are held for investment rather than liquidity purposes, in which case they are classified as investments.

Inventory

Inventory is stated at the lower of cost and net realizable value. Cost is based on the first-in, first-out method.

Capital assets

Purchased capital assets are recorded at acquisition cost. Contributed capital assets are recorded at fair market value at the date of contribution. Amortization is provided on a straight-line basis over the estimated useful lives of the assets as follows:

Tangible	
Buildings	33-50 years
Vehicles	5-10 years
Equipment	3-10 years
Leasehold improvements	Term of the lease
Intangible	
Licensed software	7 years

2. Summary of significant accounting policies (continued)

Financial instruments

Financial assets and financial liabilities are initially recognized at fair value when St. John Council for Ontario becomes a party to the contractual provisions of the financial instrument. Subsequently, all financial instruments are measured at amortized cost, except for investments. St. John Council for Ontario has elected to use the fair value option to measure investments.

St. John Council for Ontario's financial instruments and their respective measurement base are as follows:

Asset/liability	Measurement
Cash	Amortized cost
Accounts receivable	Amortized cost
Bank indebtedness	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Investments	Fair value

Financial assets measured at amortized cost are assessed at each reporting date for indications of impairment. If such impairment exists, the asset is written down and the resulting impairment loss is recognized in the statement of operations.

Contributed materials and services

Because of the difficulty of determining their fair value, contributed materials and services are not recognized in the financial statements.

Post-employment Benefits

St. John Council for Ontario is part of a multi-employer defined benefit pension plan which is accounted for using defined contribution accounting. Defined contribution plan accounting is applied for a multi-employer defined benefit pension plan, whereby contributions are expensed on an accrual basis since Council of Ontario has insufficient information to apply defined benefit accounting.

Foreign currency translation

Transactions denominated in foreign currencies are translated into Canadian dollars at exchange rates in effect on the date of the related transaction. Monetary assets and liabilities are translated into Canadian dollars at exchange rates as at the date of the statement of financial position. Exchange gains and losses are included in income, except to the extent that they relate to investments, in which case they are accounted for consistently with investment income.

Government assistance

Government assistance is recorded in the financial statements when there is reasonable assurance that St. John Council for Ontario has complied with, and will continue to comply with, all conditions necessary to obtain the assistance.

Government assistance related to wages and rent subsidies are recorded in other revenue on the statement of operations.

2. Summary of significant accounting policies (continued)

Use of estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. The principal estimates used in the preparation of these financial statements are amortization expense, amortization of deferred capital contributions and accrued liabilities. Actual results could differ from management's best estimates, as additional information becomes available in the future.

3. Investments

(a) Investments consist of the following:

	2021	2020
	\$	\$
Cash and cash equivalents	1,092,032	1,123,108
Short-term	757,401	1,362,845
Canadian fixed income	11,068,840	9,862,773
Canadian equities	10,760,651	9,388,299
United States equities	7,688,444	6,163,027
Other foreign equities	4,749,868	4,716,777
	36,117,236	32,616,829

Investments in pooled funds have been allocated among the asset classes based on the underlying investments in the pooled funds.

(b) As at December 31, 2021, Canadian fixed income investments held outside pooled funds of \$2,379,360 (\$2,045,583 in 2020) have a weighted average term to maturity of two years (three years in 2020) and a weighted average return of 2.8% (2.7% in 2020).

(c) Investment income recorded in the statement of operations is calculated as follows:

	2021	2020
	\$	\$
Investment income		
Dividends and interest	1,219,372	845,238
Capital gains – realized	456,425	101,949
Capital gains – unrealized	3,217,690	579,876
Total investment income	4,893,487	1,527,063
Less: Management fees	(171,662)	(148,740)
Net investment income	4,721,825	1,378,323
Less: Investment income on investments held for Endowment net assets not available for spending (Note 9)	(1,631,828)	—
Net investment income	3,089,997	1,378,323

4. Capital assets

(a) Capital assets consist of the following:

	Cost \$	Accumulated amortization \$	2021 Net book value \$	2020 Net book value \$
Tangible				
Land	930,026	—	930,026	930,026
Buildings	5,437,227	3,366,005	2,071,222	2,187,588
Vehicles	2,504,247	2,182,236	322,011	374,725
Equipment	2,805,971	2,564,866	241,105	415,139
Leasehold improvements	1,843,786	1,562,640	281,146	348,242
Intangible				
Licensed software	1,322,136	995,698	326,438	268,533
	14,843,393	10,671,445	4,171,948	4,524,253

(b) The land and buildings are recorded at historical cost, which does not reflect current market value.

5. Bank indebtedness

(a) St. John Council for Ontario maintains (i) an unsecured operating line of credit of \$1,000,000, that is charged interest at the bank's prime rate, which is 2.45% at December 31, 2021; (ii) a demand credit facility not to exceed \$1,000,000 for the purchase and renovation of facilities with interest charged at the bank's prime rate plus 0.25%, which is 2.7% at December 31, 2021; (iii) a demand non-revolving credit facility of \$200,000 for leasehold improvements with interest charged at the bank prime rate plus 0.25%, which is 2.7% at December 31, 2021; and (iv) a demand non-revolving credit facility of \$4,470 (\$600,000 in 2020) for the purchase of software with interest charged at the bank prime rate plus 0.25%, which is 2.7% at December 31, 2021. Investments with a fair value of approximately \$600,000 (\$2,000,000 in 2020) are pledged for security for the demand credit facility and the demand non-revolving credit facilities.

As at December 31, 2021, there were drawings of \$nil (\$71,470 in 2020) on the operating line of credit, \$142,895 (\$159,726 in 2020) on the facility for the purchase and renovation of facilities, \$nil (\$nil in 2020) on the facility for leasehold improvements, and \$595 (\$26,516 in 2020) on the demand non-revolving credit facility for the purchase of software.

(b) Interest of \$5,008 (\$15,244 in 2020) is included in expenses reported in the statement of operations.

6. Deferred capital contributions

Deferred capital contributions represent the unamortized amount of donations received for the purchase of capital assets. The amortization of contributions is recorded as revenue in the statement of operations.

	2021 \$	2020 \$
Balance, beginning of year	840,691	937,680
Amortization of deferred capital contributions included in donations and fundraising revenue	(75,905)	(79,916)
Contributions/Refunds restricted for capital asset purchases	20,000	(17,073)
balance, end of year	784,786	840,691

7. Contingencies and commitments

- (a) St. John Council for Ontario is named as a defendant in legal actions that management is contesting. Management believes any potential judgment or settlement would be covered by insurance.
- (b) St. John Council for Ontario leases certain premises and equipment under operating leases. The aggregate minimum annual commitments under operating leases in future years are as follows:

	<u>\$</u>
2022	876,867
2023	862,273
2024	773,366
2025	570,077
2026	349,381
Thereafter	<u>724,617</u>
	<u>4,156,581</u>

In addition to minimum rentals, leases for certain premises require the payment of various operating costs.

8. Internally restricted net assets

Internally restricted net assets consist of the following funds that have been designated as restricted by St. John Council for Ontario for various purposes and which may be used as directed by the Board of Directors (the "Board") of St. John Council for Ontario:

	2021	2020
	\$	\$
Provincial Head Office	6,924,386	5,427,855
	6,924,386	<u>5,427,855</u>

Each year, the Board determines what amount, if any, should be transferred to/from internally restricted net assets. In 2021, a net amount of \$1,496,531 was transferred to internally restricted net assets from unrestricted net assets (\$107,307 in 2020).

9. Endowment net assets

Endowment net assets comprise the resources that are required by the donor or the Board to be maintained by St. John Council for Ontario on a permanent basis. The Board has a policy to transfer certain donations to endowment net assets when there is no current intention of making the original donation available for spending.

Endowment net assets consist of the following:

	2021	2020
	\$	\$
Externally restricted	18,009,453	16,375,411
Internally restricted	2,300,357	2,041,337
	20,309,810	<u>18,416,748</u>

9. Endowment net assets (continued)

St. John Council for Ontario has a policy with the objective of protecting the purchasing power of the endowments by requiring the reinvestment of income which has not been made available for spending. The policy is based on an anticipated long-term real rate of return on investments of 4.5%. In any particular year, should net investment income be insufficient to fund the amount to be made available for spending or the investment return is negative, the amount is funded by a transfer from unrestricted net assets.

In 2021, investment income of \$1,631,828 (\$nil in 2020) was earned on externally restricted endowments, and \$733,329 (\$735,658 in 2020) was made available for spending in accordance with the Board policy and recorded as investment income in the statement of operations. Of the amount available for spending, \$733,329 (\$735,658 in 2020) was spent during the year. All unspent amounts are transferred from unrestricted to externally restricted endowment net assets. Each year, the Board determines what amount, if any, should be transferred to internally restricted endowment net assets. In 2021, an amount of \$303,321 relating to investment income (\$85,606 in 2020) on internally restricted endowments was transferred from unrestricted to internally restricted endowment net assets. An amount of \$44,300 (\$46,027 in 2020) in connection with these internally restricted endowments was made available for spending and transferred from internally restricted endowment net assets to unrestricted.

Each year, the Board determines what amount, if any, should be transferred from/to endowment net assets. In 2021, an amount of \$261,234 was transferred to endowment net assets from unrestricted net assets (\$10,343 from endowment net assets to unrestricted net assets in 2020).

10. Pension costs and obligations

St. John Priory of Canada administers a contributory defined benefit pension plan, the St. John Priory of Canada Properties Pension Plan (the "Benefit Plan"), on behalf of the provincial and territorial councils. The Plan covers employees of St. John Priory of Canada and the councils across Canada. Current service contributions to the Defined Benefit Plan ceased December 31, 2014, when all current members joined the Defined Contribution Plan (the "Contribution Plan").

The Benefit Plan provides pensions based on length of service and final average earnings. The annual funding requirements are determined in consultation with the actuaries to provide long-term stability to the Benefit Plan. The latest actuarial valuation of the Benefit Plan was performed as at June 1, 2020. Based on this valuation, an extrapolation of the assets and accrued pension benefits obligations was performed for accounting purposes to June 1, 2020 and as at that date, the Benefit Plan's net assets available for benefits of \$19,981,500 (\$20,730,000 at December 31, 2020) with pension obligations of \$14,503,900 (\$16,236,800 at December 31, 2020) results in a surplus of \$5,477,600 (\$4,493,200 at December 31, 2020).

Employer contributions made to the Contribution Plan during the year by St. John Council for Ontario are reflected in the statement of operations and amounted to \$129,573 (2020-\$474,610).

On April 13, 2020, St. John Priory of Canada and the Provincial and Territorial Councils of St. John Ambulance (the "Employers"), including St. John Council for Ontario, signed a Memorandum of Agreement (the "MOA") with the Sponsors Committee and Board of Trustees of the Colleges of Applied Arts and Technology Pension Plan (the "CAAT Pension Plan"), a defined benefit plan. The MOA was subsequently amended on December 14, 2020. The amended MOA sets out the agreement among the parties for the participation by St. John Priory of Canada and the Provincial and Territorial Councils of St. John Ambulance including St. John Council for Ontario in the CAAT Pension Plan, and for the transfer of defined benefit assets and liabilities from the Plan to the CAAT Pension Plan effective April 1, 2021. On that date, all employees of the Employers joined the CAAT Pension Plan. This agreement is subject to approval by the Financial Services Regulatory Authority of Ontario. In addition, subject to regulatory approval, the defined Benefit assets and liabilities of the Plan were transferred to the CAAT Pension Plan effective April 1, 2021.

11. Related party transactions

- (a) As at December 31, 2021, there is an amount payable to St. John Priory of Canada of \$30,241 (\$13,540 in 2020) included in account payable and accrued liabilities and an amount receivable from St. John Priory of Canada of \$18,610 (\$154,056 in 2020) included in accounts receivable.
- (b) During the year, St. John Council for Ontario expensed the following charges from St. John Priory of Canada: \$1,053,358 (\$1,136,580 in 2020) in assessments. St. John Council for Ontario was licensed to use software developed by St. John Priory of Canada, for which, St. John Council for Ontario paid St. John Priory of Canada \$61,385 (\$59,303 in 2020).

12. Financial instruments

St. John Council for Ontario is exposed to various financial risks through transactions in financial instruments.

Foreign currency risk

St. John Council for Ontario is exposed to foreign currency risk with respect to its investments denominated in foreign currencies, including the underlying securities of its investment in pooled funds denominated in foreign currencies, because of fluctuations in the relative value of foreign currencies.

Credit risk

St. John Council for Ontario is exposed to credit risk with respect to its accounts receivable and its short-term and fixed income securities, including the underlying securities of its investment in pooled fund.

Interest rate risk

St. John Council for Ontario is exposed to interest rate risk with respect to its investments in fixed income securities and a pooled fund which holds fixed income securities, the values of which will fluctuate with changes in market interest rates. In addition, St. John Council for Ontario is exposed to interest rate risk with respect to its operating line of credit since the interest rate is linked to the bank's prime rate which changes from time to time.

Other price risk

St. John Council for Ontario is exposed to other price risk through changes in market prices (other than changes arising from interest rate or currency risks) in connection with its investments in equity securities and pooled funds.

13. Government assistance

Government assistance - wage subsidy

The wage subsidy relates to the Canadian Emergency Wage Subsidy (CEWS) that is available to corporations that experienced a reduction in revenue. This amount does not have to be repaid and has been taken into earnings as other revenue for the periods covering January 1, 2021 to October 23, 2021, receiving a total amount of \$804,048 (\$1,746,216 in March 16, 2020 to December 31, 2020) from the program.

Government assistance - rent subsidy

The rent subsidy relates to the Canadian Emergency Rent Subsidy (CERS) that is available to corporations that experienced a reduction in revenue. This amount does not have to be repaid and has been taken into earnings as other revenue for the periods covering January 1, 2021 to October 23, 2021, receiving a total amount of \$262,289 (\$76,229 in September 27, 2020 to December 31, 2020) from the program.

13. Government assistance (continued)

Government assistance – Gain on rent waiver

The gain on rent waiver relates to the Canadian Emergency Commercial Rent Assistance (CECRA) rent subsidy program that is available to corporations that experience financial hardship due to the pandemic. The landlord has qualified for the subsidy and has provided a rent reduction to St. John Council for Ontario for a portion of monthly rent payments. This amount does not have to be repaid and has been recorded as other revenue in the statement of operations.

In the current year, the Council received \$nil rent reductions (\$182,157 in April to September 2020).