

**THE REGENT THEATRE FOUNDATION
FINANCIAL STATEMENTS
AS AT SEPTEMBER 30, 2021**

THE REGENT THEATRE FOUNDATION
TABLE OF CONTENTS
AS AT SEPTEMBER 30, 2021

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	1-2
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Changes in Net Assets	4
Statement of Operations	5
Statement of Cash Flows	6
Notes to Financial Statements	7-15

INDEPENDENT AUDITOR'S REPORT

To the Members
The Regent Theatre Foundation

Qualified Opinion

We have audited the financial statements of The Regent Theatre Foundation (RTF), which comprise the statement of financial position as at September 30, 2021, and the statements of changes in net assets, operations and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the RTF as at September 30, 2021, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many charitable organizations, the RTF derives revenue from donations and fundraising activities, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the RTF and we were not able to determine whether, as at and for the years ended September 30, 2021 and September 30, 2020, any adjustments might be necessary to donation and fundraising revenue, excess of expenses over revenues, assets and general fund balance.

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 RTF 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 qualified 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 these financial statements, management is responsible for assessing the RTF'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 RTF, or to cease operations, or has no realistic alternative but to do so.

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

**INDEPENDENT AUDITOR'S REPORT
(CONT'D)**

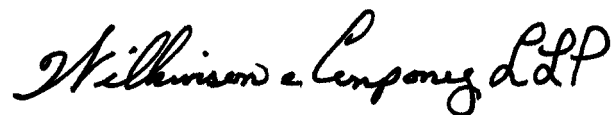
Auditor's Responsibilities for the Audit of the Financial Statements

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 RTF'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 RTF'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 RTF 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.



BELLEVILLE, Canada
March 2, 2022

Chartered Professional Accountants
Licensed Public Accountants

**THE REGENT THEATRE FOUNDATION
STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2021**

	2021	2020
	\$	\$
ASSETS		
CURRENT		
Cash	311,268	182,624
Short-term investments - Note 3		20,494
Accounts receivable	21,049	18,053
Inventory	1,547	1,277
Prepaid expenses	4,471	24,883
	338,335	247,331
LONG-TERM		
Tangible capital assets - Note 5	628,238	534,924
	966,573	782,255
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	84,615	25,951
Government remittances payable	2,661	1,377
Deferred revenue - Note 6	143,481	188,535
Current portion of long-term debt	25,479	24,145
	256,236	240,008
LONG-TERM		
Loans payable - Note 7	60,000	10,000
Mortgage payable - Note 8	181,357	206,853
	241,357	216,853
	497,593	456,861
NET ASSETS		
General fund	468,980	325,394
	966,573	782,255

APPROVED ON BEHALF OF THE BOARD

_____ Director

_____ Director

The accompanying notes form an integral part of these financial statements

**THE REGENT THEATRE FOUNDATION
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	2021	2020
	\$	\$
GENERAL FUND - BEGINNING OF YEAR	325,394	203,236
EXCESS OF REVENUE OVER EXPENSES	143,586	122,158
GENERAL FUND - END OF YEAR	468,980	325,394

The accompanying notes form an integral part of these financial statements

**THE REGENT THEATRE FOUNDATION
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	2021 \$	2020 \$
REVENUE		
Live shows and theatre rental	12,839	48,776
Movies	8,339	68,435
Satellite presentations		10,965
Donations - Note 9	108,604	90,963
Memberships	16,422	35,589
Special events and Nevada fundraising	13,083	16,301
Sponsorships and advertising	72,089	93,989
Grants	206,775	7,547
Rental	49,669	40,611
Concession and wine bar	3,000	37,352
Building improvement fee	603	15,080
Ticket service charges	626	7,041
Ontario Arts Endowment Fund - Note 10	4,599	6,033
Interest	330	
	496,978	478,682
EXPENSES		
Production costs:		
- Live shows	52,263	25,468
- Movies	8,317	41,092
- Satellite presentations		8,142
Publicity, promotion and box office	13,296	17,867
Special events and Nevada fundraising	5,692	5,288
Concession and wine bar	2,319	16,431
Premises	78,473	73,733
Administration	41,813	49,092
Processing fees	5,276	6,458
Impairment of website		9,814
Interest and bank charges	1,751	3,681
Interest on long-term debt	11,788	12,706
Amortization	29,851	25,677
Professional fees	10,927	9,497
Salaries and benefits (net of subsidies) - Note 12	91,626	51,578
	353,392	356,524
EXCESS OF REVENUE OVER EXPENSES	143,586	122,158

The accompanying notes form an integral part of these financial statements

THE REGENT THEATRE FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	2021	2020
	\$	\$
OPERATING ACTIVITIES		
Excess of revenue over expenses	143,586	122,158
Adjustment for items which do not affect cash -		
Amortization	29,851	25,677
Impairment of website		9,814
	<u>173,437</u>	<u>157,649</u>
Net change in non-cash working capital balances related to operations		
Accounts receivable	(2,996)	(11,703)
Inventory	(270)	2,045
Prepaid expenses	20,412	(21,640)
Accounts payable and accrued liabilities	58,664	(11,296)
Government remittances payable	1,284	(5,005)
Deferred revenue	(45,054)	40,649
	<u>32,040</u>	<u>(6,950)</u>
CASH FLOWS PROVIDED FROM OPERATING ACTIVITIES	<u>205,477</u>	<u>150,699</u>
INVESTING ACTIVITIES		
Proceeds (purchase) of short-term investments	20,494	(20,494)
Purchase of tangible capital assets	(123,165)	(5,223)
Investment in website		(2,601)
CASH FLOWS USED IN INVESTING ACTIVITIES	<u>(102,671)</u>	<u>(28,318)</u>
FINANCING ACTIVITIES		
Repayment of mortgage payable	(24,162)	(11,587)
Issuance of loans payable	50,000	10,000
Repayment of loans payable		(2,955)
CASH FLOWS USED IN FINANCING ACTIVITIES	<u>25,838</u>	<u>(4,542)</u>
NET INCREASE IN CASH FOR YEAR	<u>128,644</u>	<u>117,839</u>
CASH - BEGINNING OF YEAR	<u>182,624</u>	<u>64,785</u>
CASH - END OF YEAR	<u>311,268</u>	<u>182,624</u>

The accompanying notes form an integral part of these financial statements

**THE REGENT THEATRE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

1. NATURE OF BUSINESS

The Regent Theatre Foundation (RTF) is a not-for-profit organization which owns and operates The Regent Theatre in Picton, a heritage structure and community asset. The Regent Theatre Foundation provides programming and promotes the Theatre as a self-sustaining centre for arts, cultural and community events.

The Regent Theatre Foundation was incorporated February 12, 1982 under the laws of Ontario without share capital. RTF obtained status as a registered charity under Section 149(1) of the Canada Income Tax Act in October 1983, and is therefore, exempt from corporate income tax and is eligible to issue official income tax receipts for charitable activities.

2. ACCOUNTING POLICIES

Outlined below are those accounting policies adopted by RTF considered to be particularly significant:

(a) Basis of Accounting

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations.

(b) Accounting Estimates

The preparation of financial instruments in conformity 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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Significant items subject to such estimates and assumptions include the valuation of accounts receivable, accounts payable, accrued liabilities and deferred revenue and the estimated useful life of tangible capital assets. Actual results could differ from those estimates.

(c) Fund Accounting

RTF follows the restricted fund method of accounting for contributions. External restrictions are imposed from outside RTF. Internal restrictions are imposed by RTF in a formal manner, usually by resolution of the Board of Directors.

RTF reports through one general fund. This fund accounts for all of RTF's production, charitable activities and capital expenditures.

**THE REGENT THEATRE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

2. ACCOUNTING POLICIES (Cont'd)

(d) Financial Instruments

RTF initially measures its financial assets and financial liabilities 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.

RTF subsequently measures all its financial assets and financial liabilities at amortized cost except for equities quoted in an active market, which are subsequently measured at fair value. Changes in fair value are recognized in income.

Financial assets measured at amortized cost include cash and accounts receivable.

Financial liabilities measured at amortized cost include the accounts payable and accrued liabilities, government remittances payable, loans payable and mortgage payable.

(e) Revenue Recognition

Unrestricted revenues are recognized as revenue in the year in which they are received or receivable if the amount can be reasonably estimated and collection is reasonably assured. Revenue from live shows, presentations and related services is recognized in the year in which the event occurs. Restricted contributions relating to operations are recognized as revenue in the year in which the related expenditures are incurred. Restricted contributions relating to capital expenditures are recognized in accordance with Note 2(g) in the year in which the related expenditures are incurred. Revenues from memberships, sponsorships and certain funding contracts are recognized over the membership or sponsorship year to which they apply.

Donations and grants that are internally designated for the purpose of financing capital expenditures, major renovations and repayment of principal on the mortgage are recognized as revenue in the year in which they are received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Deferred revenue represents contributions received which relate to future years. They are deferred and recognized as revenue in the year in which the related expenditure or service is incurred.

(f) Inventory

Inventory consists of wine bar and concession merchandise purchased for resale and are valued at the lower of cost and net realizable value, with cost being determined substantially on a first-in, first-out basis. Net realizable value is defined as current replacement cost.

**THE REGENT THEATRE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

2. ACCOUNTING POLICIES (Cont'd)

(g) Tangible Capital Assets

Tangible capital assets are recorded at cost, net of direct government and other assistance. Contributed assets are recorded at fair value at the date of contribution. The following annual rates and methods allow for annual straight-line amortization expense of RTF's assets to reflect management's estimate of the useful life of each class of asset:

Building	40 years
Pianos	25 years
Movie projection and sound equipment	5 years
Furniture and equipment	5 years
Computer equipment and software	3 years

(h) Impairment of Long-Lived Assets

A long-lived 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 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 long-lived asset exceeds its fair value.

(i) Contributed Materials and Services

Due to the difficulty of determining volunteer hours contributed per year and their fair value, services are not recognized in the financial statements unless they are from a business where the expense would have been incurred regardless of the contribution. In addition, they must have been invoiced and subsequently donated back.

(j) Government Assistance

(i) Wage Subsidies

Government assistance in the form of wage subsidies due to COVID-19 has been included as a reduction of salaries and benefits as RTF incurs the related eligible wages. Government assistance is further described in Note 12, COVID-19.

**THE REGENT THEATRE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

2. ACCOUNTING POLICIES (Cont'd)

(j) Government Assistance (Cont'd)

(ii) Forgivable Loans

Government assistance in the form of grants and forgivable loans is accounted for using the cost reduction approach, whereby the cost of the capital item or operating expense is reduced by the assistance received; if assistance received is not for a specific expenditure, the assistance is recorded as revenue. Government assistance is recognized in the period where all conditions of the grants or forgivable loans are met.

(k) Cash

Cash consists of cash on deposit.

3. SHORT-TERM INVESTMENTS

Short-term investments consist of a Guaranteed Investment Certificate bearing interest at 1.6% that matured during the year.

4. BANK CREDIT FACILITY

RTF has available an authorized unsecured operating line of credit of \$15,000 (2020 - \$15,000) at an interest rate of prime plus 2.00%. As at September 30, 2021, the credit facility was not utilized.

**THE REGENT THEATRE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

5. TANGIBLE CAPITAL ASSETS

	2021		2020	
	Cost \$	Accumulated amortization \$	Cost \$	Accumulated amortization \$
Land	177,557		177,557	
Building				
Theatre	587,241	333,130	637,241	364,615
Theatre renovation (net) ^(A)	137,923	7,573	72,232	7,573
Box office renovations	7,565	1,560	7,565	1,371
Concession/bar remodel ^(B)	18,933			
Pianos	23,869	23,869	23,869	23,649
Movie projection and sound equipment (net) ^(C)	69,120	59,779	64,364	54,067
Furniture and equipment (net) ^(D)	123,043	91,472	89,258	86,571
Computer equipment and software	18,095	17,725	18,095	17,411
	1,163,346	535,108	1,090,181	555,257
Cost less accumulated amortization	\$ 628,238		\$ 534,924	

(A) Costs include work performed since 2011. Total costs to date of \$720,350, have been partially offset by grants and funding recognized in the 2011 fiscal year (\$508,000), 2014 fiscal year (\$43,970), 2015 fiscal year (\$1,446), 2018 fiscal year (\$28,211), and 2019 fiscal year (\$800).

(B) Costs include work performed during the 2021 fiscal year. The project was incomplete as at September 30, 2021, therefore no amortization was recorded. Total costs to date of \$22,933 have been partially offset by grants of \$4,000.

(C) Total costs include equipment valued at \$152,997, partially offset by a Trillium Foundation grant received in the 2012 fiscal year of \$67,300 and a PEC grant received in the 2020 fiscal year of \$16,577.

(D) Costs include furniture and equipment valued at \$160,749, partially offset by Trillium Foundation and John M. & Bernice Parrott Foundation Inc. grants received in prior years totalling \$37,706.

THE REGENT THEATRE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

6. DEFERRED REVENUE

Deferred revenue represents unspent resources which relate to future years operations, and which will be recognized as revenue in the year in which the related expenditure or service is incurred.

	2021	2020
	\$	\$
Deferred revenues consist of:		
Unrestricted		
Memberships	9,106	9,026
Sponsorships	60,553	44,162
Future events	25,912	15,039
Membership Bucks, gift certificates and other miscellaneous	12,459	13,841
	108,030	82,068
Externally restricted		
Parrott Foundation		17,600
Huff Family Fund		4,000
Prince Edward County Grant	20,173	24,867
FACTOR Grant	6,580	60,000
TELEFILM Grant	2,273	
Young Canada Works Grant	6,425	
	35,451	106,467
	143,481	188,535

7. LOANS PAYABLE

	2021	2020
	\$	\$
Non-interest bearing, unsecured loan, with no repayment requirements until December 2023, under the Canada Emergency Business Account program. Up to \$30,000 is forgivable if certain conditions are met, including repayment of \$40,000 on or before December 31, 2023. Amounts owing after December 31, 2023 are converted into a 3-year term loan, repayable in monthly instalments, bearing interest at 5% per annum.	60,000	10,000

**THE REGENT THEATRE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

8. MORTGAGE PAYABLE

	2021	2020
	\$	\$
First Mortgage - Royal Bank of Canada, 5.39% fixed interest rate per annum, repayable by monthly blended payments of principal and interest of \$3,000, based on a 60 month term and a 121 month amortization maturing in October, 2023. Secured by lands and improvements located at 224 Main Street, Picton.	206,836	230,998
Less: current portion under normal repayment terms	25,479	24,145
	181,357	206,853

The scheduled repayments under normal repayment terms over the next three years are as follows:

	\$
2022	25,479
2023	26,887
2024	154,470
	206,836

As at September 30, 2021, RTF was in compliance with the covenants under their loan agreement with the Royal Bank of Canada.

9. RAISE THE CURTAIN FUNDRAISING CAMPAIGN

During the 2020 fiscal year, RTF launched a fundraising campaign called "Raise the Curtain". This initiative was to raise funds for significant safety and accessibility upgrades to the building including a new fire curtain, HVAC units, roof repairs, and accessibility updates to the bar/concession area, seating and exits. The goal of the fundraiser was to raise \$250,000 to cover these expenditures. During the 2021 fiscal year, \$88,228 of donations were received.

10. ONTARIO ARTS ENDOWMENT FUND PROGRAM

The Ontario Ministry of Tourism, Culture and Recreation has established an Arts Endowment Fund, administered by the Ontario Arts Council Foundation. For specified fundraising events and donation revenue, the Ministry sets aside funds to be invested on behalf of RTF. RTF has no claim to the principal amount contributed to this fund but will receive income in perpetuity from these investments. In 2021, income received from the Arts Endowment Fund amounted to \$4,599 (2020 - \$6,033).

**THE REGENT THEATRE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

11. FINANCIAL RISKS AND CONCENTRATION OF RISK

RTF has a comprehensive risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. The risks that arise from transacting financial instruments include market (other price) risk, interest rate risk, liquidity risk and credit risk. Market (other price) risk arises from changes in interest rates, foreign currency exchange rates and market prices.

(a) Market (Other Price) Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of market factors. Market factors include three types of risk: currency risk, interest rate risk and equity risk. It is management's opinion that it is not exposed to currency and equity risk as it does not hold amounts denominated in foreign currency or equity instruments.

(b) Interest Rate Risk

Interest rate risk is the potential for financial loss caused by fluctuations in fair value or future cash flows of financial instruments because of changes in market interest rates.

RTF would be exposed to interest rate risk on its operating lines of credit, as described in Note 4 to these financial statements, if it were to utilize these credit facilities. Changes in the bank's prime lending rate can cause fluctuations in interest payments and cash flows.

RTF is also exposed to interest rate risk on its loan payable in the amount of \$60,000 as detailed in Note 7 to these financial statements and on its mortgage loan with a carrying value of \$206,836 (2020 - \$230,998) as detailed in Note 8 to these financial statements. Changes in market rate of interest will affect the fair market value of the debt. The risk is mitigated as RTF intends to hold the mortgage to maturity.

RTF does not use derivative financial instruments to alter the effects of this risk.

(c) Liquidity Risk

Liquidity risk is the risk that RTF will not be able to meet all cash outflow obligations as they come due.

RTF's exposure to liquidity risk is dependent on the receipt of funds from its operations. This risk is mitigated by the availability of an operating line of credit with a total limit of \$15,000 as described in Note 4 to these financial statements. Management is of the opinion that RTF will be able to meet all of its cash flow obligations as they come due and are not subject to significant liquidity risk.

**THE REGENT THEATRE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

11. FINANCIAL RISKS AND CONCENTRATION OF RISK (Cont'd)

(d) Credit Risk

Credit risk is the risk of financial loss to RTF if a debtor fails to make payments of interest and principal when due.

RTF is exposed to credit risk in the event of non-performance by debtors in connection with its accounts receivable. RTF does not obtain collateral or other security to support the accounts receivable subject to credit risk but mitigates this risk by dealing only with what management believes to be financially sound counterparties and, accordingly, does not anticipate significant loss for non-performance.

12. COVID-19

Since the beginning of calendar year 2020, a virus known as Coronavirus (COVID-19) has caused a world-wide pandemic, including being present in Canada. The pandemic has had a considerable impact both globally and locally, which has the potential to create financial stress on RTF.

Both federal and provincial governments have introduced legislative measures to combat the financial impact of the pandemic as well as combating the spread of the virus, including forced closures and/or operating restrictions on several businesses.

RTF is eligible for government assistance as a result of COVID-19, in the form of the Canada Emergency Wage Subsidy (CEWS). RTF's CEWS entitlement of \$35,750 (2020 - \$28,527) is included as a reduction of salaries and benefits on the Statement of Operations. Of the CEWS entitlement, \$1,837 (2020 - \$2,311) is receivable at year end.

At the date these financial statements were issued, management does not anticipate these events impacting RTF's ability to continue as a going concern.

At the time that these financial statements were finalized, the amount of the financial impact on RTF could not be determined.

13. SUBSEQUENT EVENT

Subsequent to year end, there was a theft of sound and lighting equipment from RTF. This equipment has a replacement cost value of approximately \$12,000. RTF has been receiving donations to replace the equipment and it has not had a significant impact on continued operations.

14. COMPARATIVE FIGURES

In order to conform with the financial statement presentation adopted for the current year, certain elements of the comparative figures have been regrouped.