



5207 Baseline Road

P.O. Box 699, Sutton, ON, L0E 1R0

905-722-6300 | www.gtti.ca | inquiry@gtti.ca

The Training Centre

Training for tomorrow. Today.

Septmeber 1, 2022

Dina Havkin, CPA, CMA
Manager of Financial Strategy and Planning & Deputy Treasurer
Office of the Deputy CAO
26557 Civic Centre Rd. Keswick, ON, L4P 3G1

Re: 2023 Community Organization Funding Request

Dear Mayor and Council, Town of Georgina, via Mr. Rob Wheater:

We are writing on behalf of **Georgina Trades Training Inc. (GTTI) – The Training Centre** to request a \$50,000 grant from the Town of Georgina for the 2023 budget year.

The Town of Georgina has been instrumental in the founding of GTTI and is our leading partner in delivering much needed training to our community. Since its inception in 2006, GTTI has provided training and support services to more than 11, 000 residents. GTTI has enabled many of our graduates to land that all important first job or to increase their earnings by graduating from a wide range of professionally delivered training.

GTTI's training is a fast track to successful employment. Over the years we have been able to cover free or low-cost training to the community in a number of fields including: Truck Driving, Welding, Plumbing, Carpentry, Arborist, HVAC, Electrical, Culinary, Hairdressing, Automotive, Cabinetry, Golf Greenskeeper, Construction, Roofing, Flooring, Drywall, Bookkeeping, Administration, Landscaping and Small Engines.

We are proud of our accomplishments to date, but we are setting even higher goals for the years ahead.

The recent pandemic triggered unforeseen challenges in all areas of our services and in our on-going Baseline Road endeavours. Despite our need to sustain adequate staffing levels and operations, some expected funding for usual programs was not announced, delayed or cancelled without notice.

In the next few weeks GTTI will be undertaking a new strategic planning exercise with a view towards focusing our energies and services towards a more stable and sustainable environment for our students and community. To achieve this, we need your help.

Continued income development is at the forefront of our planning for 2023, and towards this end, we have initiated a new 6-week series of seminars entitled "Entrepreneurism in Georgina" that is scheduled to launch in September. It will feature leading experts delivering valuable messages to would-be entrepreneurs.



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Another example is our S.E.T. Metal Roofing program, scheduled for November. For this program we have partnered with a local business owner to provide training to community members that will lead directly to employment in the field. Since its inaugural year in 2009, our S.E.T. program has successfully assisted over 230 students gain employment.

GTTI will continue to work to bring new career training opportunities to Georgina. The pandemic has taught us to evolve and expand our training capabilities. In 2023 we will continue to expand on our online and hybrid training opportunities. Further we will be engaging in market research with community members and local businesses to aid in development and adaptation of new and existing programming to ensure that their training needs are met.

2023 year is proving difficult to forecast as governments have put a hold on our normal grant opportunities. However, we believe that stability should return in 2023 barring any further outbreak of covid. We respectfully request the sum of \$50,000 to continue to allow us to offer more training opportunities to the citizens of Georgina and the surrounding area.

In closing, it cannot be said too often how much GTTI appreciates the support that the Town has given both financially and operationally during the past 16 years. Our partnership is an example of community building that we are confident will lead to even more achievement in the coming years.

Yours very truly,

Carr Hatch
Chair of the Board

Sean Bell
Vice Chair of the Board

Georgina Trades Training Inc.



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GTTI 2023 Budget Forecast

Funding Sources

Ontario Trillium Foundation	\$87,850.00
Quick Action Community Grant	\$5,000.00
Total	\$92,850.00

Estimated Earnings

GTTI Courses	\$10,000.00
GTTI Bus Charter	\$5,000.00
GTTI Facility Rentals	\$4,000.00
Total	\$19,000.00

Pending Applications

Town of Georgina	\$50,000.00
Home Depot	\$50,000.00
Regional Municipality of York	\$164,000.00
Total	\$264,000.00

*Budget forecast reflects grants received and current applications. It does not reflect additional grants that may become available.

GEORGINA TRADES TRAINING INC.
Financial Statements
Year Ended December 31, 2021

GEORGINA TRADES TRAINING INC.
Index to Financial Statements
Year Ended December 31, 2021

	Page
INDEPENDENT AUDITOR'S REPORT	1 - 2
FINANCIAL STATEMENTS	
Statement of Financial Position	3 - 4
Statement of Financial Position Comparatives (<i>Schedule 1</i>)	5
Statement of Revenues and Expenditures	6 - 7
Expenses (<i>Schedule 2</i>)	8
Statement of Revenues and Expenditures Comparatives (<i>Schedule 3</i>)	9 - 11
Statement of Changes in Net Assets	12
Statement of Changes in Net Assets Comparatives (<i>Schedule 4</i>)	13
Statement of Cash Flows	14
Notes to Financial Statements	15 - 23



INDEPENDENT AUDITOR'S REPORT

To the Members of Georgina Trades Training Inc.

Opinion

We have audited the financial statements of Georgina Trades Training Inc. (the organization), which comprise the statement of financial position as at December 31, 2021, and the statements of revenues and expenditures, statement of expenses, 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 cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

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 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 ASNPO, 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 organization'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 organization or to cease operations, or has no realistic alternative but to do so.

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

(continues)

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 organization'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 organization'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 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.



Keswick, Ontario
April 25, 2022

ENUMERATE CPAs PROFESSIONAL CORPORATION
CHARTERED PROFESSIONAL ACCOUNTANTS
Authorized to practise public accounting by
the Chartered Professional Accountants of Ontario

GEORGINA TRADES TRAINING INC.
Statement of Financial Position
December 31, 2021

	Division 1 December 31 2021	Division 1 December 31 2020	Division 2 December 31 2021	Division 2 December 31 2020	Georgia Trades Training Inc. December 31 2021	Georgia Trades Training Inc. December 31 2020
ASSETS						
CURRENT						
Cash	\$ 787,943	\$ 496,993	\$ 48,013	\$ 425,404	\$ 835,956	\$ 922,397
Accounts receivable	36,092	37,546	125	-	36,218	37,546
Grant receivable	37,046	343,074	14,489	-	51,535	343,074
HST receivable	18,895	24,781	20,551	24,185	39,446	48,966
Prepaid expenses	10,578	-	-	12,622	10,578	12,622
Due to/(from) Inter-division	(231,835)	(411,335)	231,835	411,335	-	-
	658,719	491,059	315,013	873,546	973,733	1,364,605
PROPERTY, PLANT AND EQUIPMENT (Net of accumulated amortization) (Note 5)	<u>489,020</u>	<u>522,155</u>	<u>121,971</u>	<u>128,370</u>	<u>610,990</u>	<u>650,525</u>
	<u>\$ 1,147,739</u>	<u>\$ 1,013,214</u>	<u>\$ 436,984</u>	<u>\$ 1,001,916</u>	<u>\$ 1,584,723</u>	<u>\$ 2,015,130</u>

See notes to financial statements

GEORGINA TRADES TRAINING INC.
Statement of Financial Position
December 31, 2021

	Division 1 December 31 2021	Division 1 December 31 2020	Division 2 December 31 2021	Division 2 December 31 2020	Georgia Trades Training Inc. December 31 2021	Georgia Trades Training Inc. December 31 2020
LIABILITIES						
CURRENT						
Accounts payable and accrued liabilities	\$ 215,308	\$ 34,015	\$ 54,556	\$ 130,811	\$ 269,865	\$ 164,827
Wages payable	8,115	24,708	17,940	41,593	26,055	66,301
Employee deductions payable	4,561	10,248	33,600	26,043	38,161	36,291
Employer Health Tax payable (Note 4)	-	-	31,404	-	31,404	-
Current portion of long term debt (Note 7)	13,841	5,000	-	-	13,841	5,000
Deferred income (Note 6)	127,007	99,548	-	285,212	127,007	384,760
	368,832	173,519	137,500	483,659	506,333	657,179
LONG TERM						
Southlake Community Futures Development Corporation (Note 7)	134,702	139,784	-	-	134,702	139,784
Canada Emergency Benefit Account (CEBA) loan (Note 8)	30,000	30,000	-	-	30,000	30,000
Town of Georgina loan (Note 7)	149,688	-	-	-	149,688	-
	683,222	343,303	137,500	483,659	820,723	826,963
	464,517	669,911	299,484	518,257	764,000	1,188,167
NET ASSETS	\$ 1,147,739	\$ 1,013,214	\$ 436,984	\$ 1,001,916	\$ 1,584,723	\$ 2,015,130

ON BEHALF OF THE BOARD

Director

Director

See notes to financial statements

GEORGINA TRADES TRAINING INC.
Statement of Financial Position Comparatives
Year Ended December 31, 2021

(Schedule 1)

	Division 1 Operating Fund December 31 2021	Division 1 Operating Fund December 31 2020	Division 1 Capital Fund December 31 2021	Division 1 Capital Fund December 31 2020	Division 2 Operating fund December 31 2021	Division 2 Operating fund December 31 2020	Division 2 Capital Fund December 31 2021	Division 2 Capital Fund December 31 2020
Assets								
Current								
Cash	\$ 787,943	\$ 496,993	\$ -	\$ -	\$ 48,013	\$ 425,404	\$ -	\$ -
Accounts receivable	36,092	37,546	-	-	125	-	-	-
Grant receivable	37,046	343,074	-	-	14,489	-	-	-
HST receivable	18,895	24,781	-	-	20,551	24,185	-	-
Prepaid expenses	10,578	-	-	-	-	12,822	-	-
Due to/(from) Inter-division	(231,835)	(411,335)	-	-	231,835	411,335	-	-
Long term	658,719	491,059	-	-	315,013	873,546	-	-
Property, plant and equipment (Note 5)	-	-	489,020	522,155	-	-	121,971	128,370
Assets total	\$ 658,719	\$ 491,059	\$ 489,020	\$ 522,155	\$ 315,013	\$ 873,546	\$ 121,971	\$ 128,370
Liabilities								
Current								
Accounts payable and accrued liabilities	\$ 215,308	\$ 34,015	\$ -	\$ -	\$ 54,556	\$ 130,811	\$ -	\$ -
Wages payable	8,115	24,708	-	-	17,940	41,593	-	-
Employee deductions payable	4,561	10,248	-	-	33,600	26,043	-	-
Employer Health Tax payable (Note 4)	-	-	-	-	31,404	-	-	-
Current portion of long term debt (Note 7)	-	-	13,841	5,000	-	-	-	-
Deferred income (Note 6)	86,535	41,734	40,472	57,814	-	285,212	-	-
Long term	314,519	110,705	54,313	62,814	137,500	483,659	-	-
Canada Emergency Benefit Account (CEBA) loan (Note 8)	30,000	30,000	-	-	-	-	-	-
Southlake Community Futures Development Corporation (Note 7)	-	-	134,702	139,784	-	-	-	-
Town of Georgina loan (Note 7)	-	-	149,688	-	-	-	-	-
Net assets	30,000	30,000	284,390	139,784	-	-	-	-
	314,200	350,354	150,317	319,557	177,513	389,887	121,971	128,370
Net assets and liabilities total	\$ 658,719	\$ 491,059	\$ 489,020	\$ 522,155	\$ 315,013	\$ 873,546	\$ 121,971	\$ 128,370

See notes to financial statements

GEORGINA TRADES TRAINING INC.
Statement of Revenues and Expenditures
Year Ended December 31, 2021

	Division 1		Division 2		Division 2		Georgina Trades Training Inc.	
	2021	2020	2021	2020	2020	2021	2020	2020
REVENUES								
Bus charters (Note 12)	\$ 82,455	\$ 4,510	\$ -	\$ -	\$ -	\$ 82,455	\$ 4,510	
Course fees	26,940	20,126	-	-	-	26,940	20,126	
Donations and fundraising	-	6,459	-	-	-	-	6,459	
Government of Canada - New Horizons	4,387	-	-	-	-	4,387	-	
Government of Canada summer position funding	5,826	16,920	14,489	-	-	20,315	16,920	
Home Depot Foundation	-	5,000	-	-	-	-	5,000	
In Kind revenue	-	7,514	61,194	-	-	61,194	7,514	
Ministry of Advanced Education and Skills Development	82,048	184,319	-	-	-	82,048	184,319	
Ministry of Economic Development	-	16,155	-	-	-	-	16,155	
Ministry of Labour, Training and Skills Development - Skills								
Advance Ontario (SAO)	-	-	2,087,640	1,189,750	1,189,750	2,087,640	1,189,750	
Ontario Trillium Foundation	(41,200)	139,100	-	-	-	(41,200)	139,100	
Other grants	716	-	-	-	-	716	-	
Property tax charity rebate	11,340	11,058	-	-	-	11,340	11,058	
Region of York	163,732	163,963	-	-	-	163,732	163,963	
Rental, administrative and other fees	6,888	4,509	-	-	-	6,888	4,509	
Routes Connecting Communities								
Quest bus Partnership (Note 14)	55,599	31,283	-	-	-	55,599	31,283	
South Lake Community Futures Development Corporation	-	26,363	-	-	-	-	26,363	
Town of Georgina	67,345	77,779	-	-	-	67,345	77,779	
	466,076	715,058	2,163,323	1,189,750	1,189,750	2,629,399	1,904,808	
EXPENSES (Schedule 2)	615,705	677,603	2,382,911	671,495	671,495	2,998,616	1,349,097	

(continues)

See notes to financial statements

GEORGINA TRADES TRAINING INC.
Statement of Revenues and Expenditures (continued)
Year Ended December 31, 2021

	Division 1	Division 1	Division 2	Division 2	Georgina Trades Training Inc.	Georgina Trades Training Inc.
	2021	2020	2021	2020	2021	2020
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FROM OPERATIONS	(149,629)	37,455	(219,588)	518,255	(369,217)	555,711
OTHER INCOME (EXPENSES)						
Gain (loss) on disposal of property, plant and equipment	-	(23,848)	-	-	-	(23,848)
Interest income	-	-	815	-	815	-
Canada Emergency Benefit Account (CEBA) loan forgiveness (Note 8)	-	10,000	-	-	-	10,000
Canada Emergency Wage Subsidy (CEWS) (Note 16)	90,054	106,132	-	-	90,054	106,132
Land improvement and service costs (Note 9)	(145,819)	-	-	-	(145,819)	-
	(55,765)	92,284	815	-	(54,950)	92,284
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ (205,394)	\$ 129,739	\$ (218,773)	\$ 518,255	\$ (424,167)	\$ 647,995

See notes to financial statements

GEORGINA TRADES TRAINING INC.

Expenses

Year Ended December 31, 2021

(Schedule 2)

	Division 1		Division 2		Division 2		Georgia Trades Training Inc.		Georgia Trades Training Inc.	
	2021	2020	2021	2020	2020	2021	2020	2021	2020	
Advertising and promotion	\$ 16,052	\$ 13,984	\$ 87,581	\$ 18,085	\$ 18,085	\$ 103,634	\$ 32,069	\$ 103,634	\$ 32,069	
Amortization	74,107	71,870	37,363	19,591	19,591	111,470	91,461	111,470	91,461	
Business taxes, licences and memberships	-	-	1,637	-	-	1,637	-	1,637	-	
Consulting fees	-	-	11,785	813	813	11,785	813	11,785	813	
Covid19 Relief	1,397	4,341	-	-	-	1,397	4,341	1,397	4,341	
Delivery, freight and express	-	-	7,535	1,733	1,733	7,535	1,733	7,535	1,733	
Exchange gain or loss	-	-	-	31	31	-	31	-	31	
Fundraising	-	7,514	-	-	-	-	7,514	-	7,514	
HST non-rebate portion	2,283	1,559	29,880	10,237	10,237	32,163	11,796	32,163	11,796	
Insurance	8,637	13,168	8,624	-	-	17,261	13,168	17,261	13,168	
Interest and bank charges	793	829	1,282	379	379	2,075	1,207	2,075	1,207	
Interest on long term debt	2,811	2,628	-	-	-	2,811	2,628	2,811	2,628	
Learning Management System	-	-	5,028	806	806	5,028	806	5,028	806	
Meetings	2,282	1,608	109	56	56	2,391	1,664	2,391	1,664	
Moving expenses	-	-	20,980	-	-	20,980	-	20,980	-	
Occupancy costs	23,191	27,645	256,134	40,993	40,993	279,325	68,637	279,325	68,637	
Office and general	20,527	18,835	14,809	4,237	4,237	35,336	23,072	35,336	23,072	
Professional development	2,246	3,900	1,075	-	-	3,321	3,900	3,321	3,900	
Professional fees	41,291	16,357	25,047	20,000	20,000	66,338	36,357	66,338	36,357	
Program costs	134,613	153,824	426,772	62,144	62,144	561,385	215,968	561,385	215,968	
Recruitment	-	-	5,931	17,625	17,625	5,931	17,625	5,931	17,625	
Repairs and maintenance	8,711	16,288	11,370	-	-	20,081	16,288	20,081	16,288	
Salaries and wages	241,806	295,440	1,332,516	470,954	470,954	1,574,322	766,394	1,574,322	766,394	
Security	1,251	1,505	-	-	-	1,251	1,505	1,251	1,505	
Telephone	9,892	9,117	17,757	3,811	3,811	27,649	12,929	27,649	12,929	
Travel	-	938	-	-	-	-	938	-	938	
Utilities	8,434	8,600	1,780	-	-	10,214	8,600	10,214	8,600	
Vehicle	15,381	7,653	77,916	-	-	93,296	7,653	93,296	7,653	
	\$ 615,705	\$ 677,603	\$ 2,382,911	\$ 671,495	\$ 671,495	\$ 2,998,616	\$ 1,349,097	\$ 2,998,616	\$ 1,349,097	

See notes to financial statements

GEORGINA TRADES TRAINING INC.
Statement of Revenues and Expenditures Comparatives
Year Ended December 31, 2021

(Schedule 3)

	Division 1 Operating Fund 2021	Division 1 Operating Fund 2020	Division 1 Capital Fund 2021	Division 1 Capital Fund 2020	Division 2 Operating fund 2021	Division 2 Operating fund 2020	Division 2 Capital Fund 2021	Division 2 Capital Fund 2020
Revenue								
Bus charters (Note 12)	\$ 82,455	\$ 4,510	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Course fees	26,940	20,126	-	-	-	-	-	-
Donations and fundraising	-	6,459	-	-	-	-	-	-
Government of Canada - New Horizons	4,387	-	-	-	-	-	-	-
Government of Canada summer position funding	5,826	16,920	-	-	14,489	-	-	-
Home Depot Foundation	-	5,000	-	-	-	-	-	-
In Kind revenue	-	7,514	-	-	61,194	-	-	-
Ministry of Advanced Education and Skills Development	82,048	184,319	-	-	-	-	-	-
Ministry of Economic Development	-	16,155	-	-	-	-	-	-
Ministry of Labour, Training and Skills Development - Skills Advance Ontario (SAO)	-	-	-	-	2,087,640	1,189,750	-	-
Ontario Trillium Foundation	(41,200)	139,100	-	-	-	-	-	-
Other grants	716	-	-	-	-	-	-	-
Property tax charity rebate	11,340	11,058	-	-	-	-	-	-
Region of York	163,732	163,963	-	-	-	-	-	-
Rental, administrative and other fees	6,888	4,509	-	-	-	-	-	-
Routes Connecting Communities Quest bus Partnership	55,599	31,283	-	-	-	-	-	-
South Lake Community Futures Development Corporation	-	26,363	-	-	-	-	-	-
Town of Georgina	50,000	53,000	17,345	24,779	-	-	-	-
Revenue total	448,731	690,279	17,345	24,779	2,163,323	1,189,750	-	-
Expenses								
Advertising and promotion	16,052	13,984	-	-	87,581	18,085	-	-
Amortization	-	-	74,107	71,870	-	-	37,363	19,591
Business taxes, licences and memberships	-	-	-	-	1,637	-	-	-
Consulting fees	-	-	-	-	11,765	813	-	-
Covid19 Relief	1,397	4,341	-	-	-	-	-	-
Delivery, freight and express	-	-	-	-	7,535	1,733	-	-

(continues)

See notes to financial statements

GEORGINA TRADES TRAINING INC.
Statement of Revenues and Expenditures Comparatives (continued)
Year Ended December 31, 2021 (Schedule 3)

	Division 1 Operating Fund 2021	Division 1 Operating Fund 2020	Division 1 Capital Fund 2021	Division 1 Capital Fund 2020	Division 2 Operating fund 2021	Division 2 Operating fund 2020	Division 2 Capital Fund 2021	Division 2 Capital Fund 2020
Expenses (continued)								
Fundraising	-	7,514	-	-	-	-	-	-
HST non-rebate portion	2,283	1,559	-	-	29,880	10,237	-	-
Insurance	8,637	13,168	-	-	8,624	-	-	-
Exchange gain or loss	-	-	-	-	-	31	-	-
Interest and bank charges	791	829	-	-	1,282	377	-	-
Interest on long term debt	-	-	2,813	2,628	-	-	-	-
Learning Management System	-	-	-	-	5,028	806	-	-
Meetings	2,282	1,608	-	-	109	56	-	-
Moving expenses	-	-	-	-	20,980	-	-	-
Occupancy costs	23,191	27,645	-	-	256,134	40,993	-	-
Office and general	20,527	18,835	-	-	14,809	4,237	-	-
Professional development	2,246	3,900	-	-	1,075	-	-	-
Program costs	41,291	16,357	-	-	25,047	20,000	-	-
Program costs	134,613	153,824	-	-	426,772	62,144	-	-
Recruitment	-	-	-	-	5,931	17,625	-	-
Repairs and maintenance	8,711	16,288	-	-	11,370	-	-	-
Salaries and wages	241,806	295,440	-	-	1,332,516	470,954	-	-
Security	1,251	1,505	-	-	-	-	-	-
Telephone	9,892	9,117	-	-	17,757	3,811	-	-
Travel	-	938	-	-	-	-	-	-
Utilities	8,434	8,600	-	-	1,780	-	-	-
Vehicle	15,381	7,653	-	-	77,916	-	-	-
Expenses total	538,785	603,105	76,920	74,498	2,345,548	651,902	37,363	19,591
Other revenue								
Canada Emergency Benefit Account (CEBA) loan forgiveness (Note 8)	-	10,000	-	-	-	-	-	-
Canada Emergency Wage Subsidy (CEWS)	90,054	106,132	-	-	-	-	-	-
Gains (losses) on disposal of assets	-	-	-	(23,848)	-	-	-	-
Interest income	-	-	-	-	815	-	-	-

(continues)

See notes to financial statements

GEORGINA TRADES TRAINING INC.
Statement of Changes in Net Assets
Year Ended December 31, 2021

	Division 1	Division 1	Division 2	Division 2	Division 2	Georgia Trades Training Inc. Total	Georgia Trades Training Inc. Total
	2021	2020	2021	2020	2020	2021	2020
NET ASSETS - BEGINNING OF YEAR	\$ 669,911	\$ 540,172	\$ 518,257	\$ -	\$ -	\$ 1,188,167	\$ 540,171
Deficiency of revenues over expenses	(205,394)	129,739	(218,773)	518,257	(424,167)	(424,167)	647,996
Interfund transfer - Capital fund	(36,154)	(116,996)	(30,964)	(147,961)	(67,118)	(67,118)	(264,957)
Interfund transfer - Operating	36,154	116,996	30,964	147,961	147,961	67,118	264,957
NET ASSETS - END OF YEAR	\$ 464,517	\$ 669,911	\$ 299,484	\$ 518,257	\$ 518,257	\$ 764,000	\$ 1,188,167

See notes to financial statements

GEORGINA TRADES TRAINING INC.
Statement of Revenues and Expenditures Comparatives (continued)
Year Ended December 31, 2021 (Schedule 3)

	Division 1 Operating Fund 2021	Division 1 Operating Fund 2020	Division 1 Capital Fund 2021	Division 1 Capital Fund 2020	Division 2 Operating fund 2021	Division 2 Operating fund 2020	Division 2 Capital Fund 2021	Division 2 Capital Fund 2020
Other revenue total	90,054	116,132	-	(23,848)	815	-	-	-
Other expenses								
Land improvement and service costs (Notes 7, 9)	-	-	145,819	-	-	-	-	-
	\$ -	\$ 203,306	\$ (205,394)	\$ (73,567)	\$ (181,410)	\$ 537,848	\$ (37,363)	\$ (19,591)

See notes to financial statements

GEORGINA TRADES TRAINING INC.
Statement of Changes in Net Assets Comparatives
Year Ended December 31, 2021

(Schedule 4)

	Division 1 Operating Fund December 31 2021	Division 1 Operating Fund December 31 2020	Division 1 Capital Fund December 31 2021	Division 1 Capital Fund December 31 2020	Division 2 Operating fund December 31 2021	Division 2 Operating fund December 31 2020	Division 2 Capital Fund December 31 2021	Division 2 Capital Fund December 31 2020
Net Assets - beginning of year	\$ 350,354	\$ 264,044	\$ 319,557	\$ 276,128	\$ 389,887	\$ -	\$ 128,370	\$ -
Excess (deficiency) of revenues over expenses	-	203,306	(205,394)	(73,567)	(181,410)	537,848	(37,363)	(19,591)
Interfund transfer - Operating	(36,154)	(116,996)	36,154	116,996	(30,964)	(147,961)	30,964	147,961
Interfund transfer - Capital fund								
	\$ 314,200	\$ 350,354	\$ 150,317	\$ 319,557	\$ 177,513	\$ 389,887	\$ 121,971	\$ 128,370

See notes to financial statements

GEORGINA TRADES TRAINING INC.

Statement of Cash Flows

Year Ended December 31, 2021

	2021	2020
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	\$ (424,167)	\$ 647,995
Items not affecting cash:		
Amortization of property, plant and equipment	111,470	91,461
Loss on disposal of property, plant and equipment	-	23,848
	<u>(312,697)</u>	<u>763,304</u>
Changes in non-cash working capital:		
Accounts receivable	1,328	(13,198)
Grant receivable	291,539	(256,820)
HST receivable	9,520	(16,001)
Prepaid expenses	2,044	(5,806)
Accounts payable and accrued liabilities	105,039	134,545
Employee deductions payable	1,870	31,611
Wages payable	(40,246)	66,301
Deferred income	(257,753)	246,808
Employer Health Tax payable	31,404	-
	<u>144,745</u>	<u>187,440</u>
Cash flow from (used by) operating activities	<u>(167,952)</u>	<u>950,744</u>
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(71,935)	(242,373)
Proceeds on disposal of property, plant and equipment	-	1,200
Cash flow used by investing activities	<u>(71,935)</u>	<u>(241,173)</u>
FINANCING ACTIVITIES		
Canada Emergency Benefit Account (CEBA) loan proceeds	-	40,000
Canada Emergency Benefit Account (CEBA) loan forgiveness	-	(10,000)
Proceeds (repayment) of Southlake Community Futures Development Corporation loan payable	(5,083)	(5,000)
Advancement of Town of Georgina loan	158,529	-
Cash flow from financing activities	<u>153,446</u>	<u>25,000</u>
INCREASE (DECREASE) IN CASH FLOW	(86,441)	734,571
Cash - beginning of year	<u>922,397</u>	<u>187,826</u>
CASH - END OF YEAR	\$ 835,956	\$ 922,397

See notes to financial statements

GEORGINA TRADES TRAINING INC.

Notes to Financial Statements

Year Ended December 31, 2021

1. PURPOSE OF THE ORGANIZATION

Georgina Trades Training Inc. (the "organization", also herein referred to as GTTI) a not-for-profit organization, was incorporated on March 3, 2006 without share capital by letters patent pursuant to the Ontario Corporations Act, 1982. As a registered charity the organization is exempt from the payment of income tax under Section 149(1) of the Income Tax Act and is managed by a volunteer Board of Directors. GTTI is also prohibited from distributing any of its earnings to, or for the personal benefit of, the members or directors of the organization.

The organization operates to provide training to increase the employability of residents of the community and surrounding areas; thereby, enhancing the economic viability of the town, the region, and beyond.

Georgina Trades Training Inc. received registered charity status from the Canada Revenue Agency on June 1, 2012. This allows the organization to issue income tax deductible receipts to donors for proper qualifying gifts or donations received.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued and subsequently reported at cost or amortized cost, unless management has elected to carry the instruments at fair value.

Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

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

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Fund accounting

Georgina Trades Training Inc. follows the deferral method of accounting for contributions.

Revenues and expenses related to program delivery and administrative activities are reported in the Operating Fund.

The Capital Fund reports the assets, liabilities, revenues, and expenses related to Georgina Trades Training Inc.'s capital assets and building improvements campaign.

(continues)

GEORGINA TRADES TRAINING INC.

Notes to Financial Statements

Year Ended December 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

HST receivable

The organization qualifies as a registered charity. Accordingly, under the Canada Excise Tax Act and the Regulations it obtains a rebate of 69.69% of all Harmonized Sales Tax paid to suppliers and vendors. The unrecoverable portion is recorded as an expense with the rebate treated as a receivable.

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives at the following rates and methods:

Artwork		non-amortizable
Computer site lab	30%	declining balance method
Computer equipment	30%	declining balance method
Computer software	30%	declining balance method
Furniture and fixtures	20%	declining balance method
Leasehold improvements	5%	declining balance method
Motor vehicles	30%	declining balance method
Signs	20%	declining balance method
Web portal development	30%	declining balance method

The organization regularly reviews its capital assets to eliminate obsolete items.

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

Revenue recognition

Georgina Trades Training Inc. follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Fees for services and courses provided are recognized as revenue in the Operating Fund when the services have been rendered and payments are assured.

Government grants

Government grants are recorded when there is a reasonable assurance that the organization had complied with and will continue to comply with, all the necessary conditions to obtain the grants.

Donated goods and services

A number of volunteers have donated significant amounts of their time to the organization. No amount has been reflected in the statements for these donated services because no objective basis is available to measure their value.

(continues)

GEORGINA TRADES TRAINING INC.

Notes to Financial Statements

Year Ended December 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. These include life span of capital assets, unearned revenues, uncollectable amounts, and year end accruals. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

3. GEORGINA TRADES TRAINING INC SKILLED TRADES INSTITUTE (GTTI-STI)

Effective March 31, 2020, Georgina Trades Training Inc. opened a second location by establishing a new GTTI Skilled Trades Institute (GTTI-STI), by the Ministry of Labour, Training and Skills Development, via a project partially funded through the Skills Advance Ontario (SAO) with an initial contract length of one year covering the period of March 31, 2020 to March 3, 2021. It was extended twice, once to Sept 30, 2021 and then to March 31, 2022, totaling \$4,026,500, offering training to 240 students each year in eight residential construction trades, including electrical, plumbing, HVAC, carpentry, cabinetry, flooring, roofing and drywall.

As part of the curriculum, students were to build and finish 1,100 square foot bungalows to be sold within Georgina, York Region and surrounding areas. The initiative was to be self funding in that the students were to be engaged in the construction of affordable, modular homes directed towards meeting the demands of the affordable housing market. The proceeds from the sale of these homes was to be used to offset tuition costs for the next intakes of students.

Starting on January 5, 2021, the newly established GTTI Skilled Trades Institute (GTTI-STI) welcomed the first intake of students for the pre-apprenticeship training program. During 2021, the GTTI-STI operated out of a leased premise at the Salvation Army site on Metro road and the Sutton Kin Hall with the intention of moving into the permanent site once it is complete. The permanent school site was in the process of being developed at 1614 Metro Road North, Georgina, Ontario, with an anticipated completion build date at the end of 2021. The permanent site is owned by the Town of Georgina who had committed an additional \$2.6 million in funding to provide a new campus for the purpose of assisting in constructing the building and facilities. It was the intention that GTTI-STI would lease back the land and the buildings, from the Town, that are yet to be constructed. Subsequent to the December 31, 2021 year end, in January 2022, it was announced that the permanent building plans were cancelled.

As of March 31st 2022, the GTTI Skilled Trades Institute (GTTI-STI), finalized its operations after conducting two cohorts involving eight residential construction trades, including electrical, plumbing, HVAC, carpentry, cabinetry, flooring, roofing and drywall; teaching trades, and placing students in the Ontario trade workforce.

GEORGINA TRADES TRAINING INC.

Notes to Financial Statements

Year Ended December 31, 2021

4. EMPLOYER HEALTH TAX (EHT) PAYABLE

Employer Health Tax (EHT) is payroll tax on remuneration (such as salaries, wages, and bonuses) that employers in Ontario provide to current and former employees. The purpose of this tax is to assist in providing the government with revenue to fund health care in Ontario.

In 2021, the payroll for both divisions cumulatively exceeded the threshold; therefore, the organization was required to pay employer health tax. As well, as a result of an audit from the Ministry of Finance during March 2022, since the board of directors consisted of two representatives from government organizations, Georgina Trades Training Inc., was not eligible for the exemption of one million in payroll prior to the requirement of paying employer health tax. An amount has been accrued in the financial statements for the year ending December 31, 2021.

Georgina Trades Training Inc does not agree with the Ministry of Finance Ruling and intends to file a motion to oppose the ruling.

5. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
Computer equipment	\$ 40,445	\$ 16,207	\$ 24,238	\$ 33,800
Computer site lab	53,824	20,962	32,862	42,962
Computer software	7,157	1,660	5,497	1,954
Furniture and fixtures	70,201	16,390	53,811	46,850
Signs	4,000	400	3,600	-
Web portal development	3,299	1,336	1,963	2,804
TOTAL DIVISION 2	178,926	56,955	121,971	128,370
Artwork	1,663	-	1,663	1,663
Computer equipment	71,370	52,096	19,274	14,041
Computer software	9,559	7,508	2,051	2,930
Furniture and fixtures	185,622	143,611	42,011	29,879
Leasehold improvements	643,317	321,509	321,808	333,832
Motor vehicles	189,958	93,015	96,943	132,476
Signs	9,040	7,948	1,092	1,365
Web portal development	94,229	90,051	4,178	5,969
TOTAL DIVISION 1	1,204,758	715,738	489,020	522,155
	\$ 1,383,684	\$ 772,693	\$ 610,991	\$ 650,525

GEORGINA TRADES TRAINING INC.

Notes to Financial Statements

Year Ended December 31, 2021

6. DEFERRED REVENUE

The organization is holding cash deposits that have been committed as follows:

	<u>2021</u>	<u>2020</u>
Division 1 operating fund		
Gerry Brouwer Scholarship Fund	\$ 6,956	\$ 7,934
King Power Safety	300	300
Len Westcott Bursary Fund	5,000	6,500
William Wahrer Scholarship Fund	-	10,000
Street naming	17,000	17,000
Home Depot Orange Door	50,000	-
New Horizon Seniors grant	7,279	-
	<u>86,535</u>	<u>41,734</u>
Division 1 capital fund		
Town of Georgina (Quest bus)	40,472	57,814
Division 2 operating fund		
Ministry of Labour, Training and Skills Development	-	285,212
	<u>\$ 127,007</u>	<u>\$ 384,760</u>

7. LONG TERM DEBT

	<u>2021</u>	<u>2020</u>
South Lake Community Futures Development Corporation loan.	\$ 139,702	\$ 144,784
Town of Georgina loan bearing interest at 2.5% per annum, repayable in quarterly blended payments of \$12,804.	<u>158,529</u>	<u>-</u>
	298,231	144,784
Amounts payable within one year	<u>(13,841)</u>	<u>(5,000)</u>
	<u>\$ 284,390</u>	<u>\$ 139,784</u>

The loan payable to South Lake Community Futures Development Corporation (SLCFDC) was renewed during the year on an annual renewal basis. This loan is repayable in monthly payments of interest only at a rate of 1.75% per annum and is guaranteed by the Town of Georgina; however, starting in 2019, a mandatory \$5,000 principal repayment is required annually (which had been optional since the loan's inception). The loan was originally obtained in 2008 to complete renovations to the Georgina Trades Training Inc. facility, located at Baseline in Sutton, Ontario. During 2019, an additional amount of \$44,851 was obtained to bring the loan back up to the \$150,000 that had been initially loaned from Southlake Community Futures Development Corporation on June 27, 2008, per the original promissory note.

With regards to the property at 1614 Metro Road, the intended future site of the Skilled Trades Institute, a loan was obtained with the Town of Georgina during the year to cover the costs associated with the leasehold improvements infrastructure, such as sewer and water, architectural designs and other preliminary costs associated with prepping the property for the intended development. As no further funding is currently available, the development will not be continuing at this time. However, Georgina Trades Training Inc. is responsible for the costs incurred to date on the property.

(continues)

GEORGINA TRADES TRAINING INC.

Notes to Financial Statements

Year Ended December 31, 2021

7. LONG TERM DEBT *(continued)*

Principal repayment terms are approximately:

2022	\$	13,841
2023		14,062
2024		14,288
2025		14,520
2026		14,758
Thereafter		<u>226,762</u>
	\$	<u>298,231</u>

8. THE CANADA EMERGENCY BENEFIT ACCOUNT (CEBA) LOAN

The Government of Canada introduced support for businesses facing hardship as a result of the Covid-19 pandemic. The Canada Emergency Benefit Account (CEBA) provides interest-free loans of up to \$40,000 with 25% of the loan forgivable if the balance of the loan is repaid by December 31, 2022. The Federal government expanded the program on December 4, 2020, to provide an additional \$20,000 (50% of which is forgivable if also repaid by December 31, 2022).

If the CEBA loan is not repaid by December 31, 2022, it will be extended for an additional three year term bearing interest rate of 5% per annum. However, at December 31, 2021, Georgina Trades Training Inc. intends to repay the loan prior to December 31, 2022.

In 2020, the organization received a \$40,000 loan. The \$10,000 forgivable portion of the loan has been included in income for the period ending December 31, 2020.

Subsequent to the year end, on January 12, 2022, the Federal government extended the forgiveness repayment deadline from December 31, 2022 to December 31, 2023. Outstanding loans after the forgiveness period expires would convert to two year term loans with interest of five percent commencing on January 1, 2024, with the loans fully due by December 31, 2025.

9. LAND IMPROVEMENT AND SERVICE COSTS

During the year, initial preliminary work had been started on the site that had been intended for the proposed new building for the Skill Trades Institute. These costs, which include soil sampling, engineering, water and sewer work, were started prior to finalizing a lease agreement with the Town of Georgina. These costs are one time, non-recurring as the funding that had been anticipated from the Ministry of Labour, Training, and Skills Development, had never received final approval. Since Georgina Trades Training Inc. did not have a finalized lease agreement, the costs incurred have no future benefit to the organization, as the property belongs to the Town of Georgina. Currently, there are no plans in progress to proceed with the building of the Skill Trades Institute (GTTI-STI).

10. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of December 31, 2021.

(continues)

GEORGINA TRADES TRAINING INC.

Notes to Financial Statements

Year Ended December 31, 2021

10. FINANCIAL INSTRUMENTS *(continued)*

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from customers and funders, as a result of potential non-repayment of course fees and/or fundraising amounts. In order to reduce its credit risk, course fees are usually paid in advance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The organization has a significant number of funders which minimizes concentration of credit risk.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its receipt of funds from its funders and other related sources, long-term debt, and accounts payable.

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 comprises three types of risk: currency rate risk, interest rate risk and other price risk. The organization is not materially exposed to any of these risks.

Additional risk

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant other price risks arising from these financial instruments.

11. GEORGINA'S COMMUNITY CONNECTION CENTRE (THE LINK)

During 2014, a grant of \$150,000 was received from the Ontario Trillium Foundation, on behalf of the Town of Georgina, to be used to build and equip a kitchen for a new community hub in Georgina, called Georgina's Community Connection Centre, hereinafter referred to as the "Link". The new kitchen is to host community meals, nutrition/cooking workshops and food-related training. The equipment and renovations became the property of the Town of Georgina once they were acquired and installed initiated through a licence agreement allowing use and access for program offerings, ending September 18, 2018. A new two year licence agreement between the Town of Georgina and Georgina Trades Training Inc. for the use of the Link kitchen for the 2019 and 2020 fiscal years was entered into with a rate of \$30 + HST per day for 2019 and \$31 + HST per day for 2020 based on usage of the kitchen for culinary training programs. Georgina Trades Training Inc. is to receive 20 free hours of shared space per year (i.e. event hall, meetings rooms) and is required to pay for space usage beyond the annual allotment. The licence agreement pertaining to the use of the kitchen located in the Link has not been renewed as at December 31, 2021.

12. BUS CHARTER REVENUE

	<u>2021</u>	<u>2020</u>
Bus Charter	\$ 4,539	\$ 4,510
Bus Charter - Division 2	77,916	-
	<u>\$ 82,455</u>	<u>\$ 4,510</u>

Since division 2 (Skills Trades Institute) was incurring the most usage of the buses for the students, a monthly fee of \$8,000 (from January to September 2021) was paid to Division 1 to offset the costs incurred, such as the driver, maintenance, amortization, and fuel. For the months of October to December, a prorated amount based on usage was paid to division 1, as usage was reduced.

GEORGINA TRADES TRAINING INC.
Notes to Financial Statements
Year Ended December 31, 2021

13. LEASE COMMITMENT - 5207 BASELINE ROAD

On June 10, 2020, Georgina Trades Training Inc. renewed the lease agreement with the Town of Georgina for a period of five years, commencing July 1, 2020 for the use of the property and building located at 5207 Baseline Road, Sutton. As per the agreement, Georgina Trades Training Inc. is to cover the costs of future capital repairs, pay all applicable property taxes levied (currently \$26,000 per year) in lieu of rent, and pay all utility costs and insurance premiums for the property.

14. COMMITMENT - ROUTES CONNECTING COMMUNITIES INC. QUEST BUS PARTNERSHIP

On April 30, 2019, Georgina Trades Training Inc. entered into an agreement with Routes Connecting Communities Inc. The agreement pertains to services relating to the purchase of a new bus, commonly referred to as the "Quest bus", and programming, as outlined in the Grant Agreement involving Georgina Trades Training Inc, Routes Connecting Communities Inc, the Ministry of Transportation and the Town of Georgina. The term of the agreement began on the date of the agreement and remains in full force and effect until March 31, 2023, subject to earlier termination as provided in the agreement and with 90 days written notice to the other parties. When the parties agree to not extend the agreement, the capital assets obtained through the Grant will be equally divided based on market value at that date. An independent appraisal of market value may be required.

On June 28, 2021, the Government of Ontario extended the Community Transportation (CT) Grant Program for an additional two years to continue supporting communities across Ontario until the 2024-2025 fiscal year.

15. ECONOMIC DEPENDENCE

Georgina Trades Training Inc. is dependent on annual contributions from various levels of government to finance its general fund operations. Should these contributions cease, the organization would be unable to continue these operations.

During 2020, Georgina Trades Training Inc. opened the Skilled Trades Institute (STI), known as Division 2. The Skilled Trades Institute is dependent upon the funding from the Ministry of Labour, Training and Skills Development (formerly the Ministry of Training, Colleges and Universities) under the project Skills Advance Ontario.

Subsequent to December 31, 2021, the funding which had been proposed in regards to the building of the new Skill Trades Institute, originally proposed, was never offered for Year 3 and beyond, and the project has been cancelled, resulting in the closure of STI on March 31, 2022. Georgina Trades Training Inc. is still in hopes that the project will be re-introduced in the future.

16. CANADA EMERGENCY WAGE SUBSIDY (CEWS)

The federal government, managed through the Canada Revenue Agency, has implemented a program called the Canada Emergency Wage Subsidy (CEWS). The program was implemented to assist with staff costs associated with the negative economic impact of the COVID-19 pandemic, in an effort to reduce the employment impact (and help prevent further job loss) of businesses and organizations who have incurred a significant drop in revenue due to the COVID-19 pandemic.

During the year, the organization received \$90,054 in CEWS. Since the program ended on October 23, 2021, there is no receivable at December 31, 2021. Two new subsidy programs were introduced, starting on October 31, 2021 offering wage and rent support called the Tourism and Hospitality Recovery Program and the Hardest Hit Business Recovery Program. Georgina Trades Training Inc. did not qualify for these new covid-19 relief programs.

GEORGINA TRADES TRAINING INC.

Notes to Financial Statements

Year Ended December 31, 2021

17. SUBSEQUENT - EMPLOYMENT SETTLEMENT

The organization has a contingent liability for the termination of a former employee which was settled in 2022. Subsequent to the year end, the settlement, reached on Feb 23, 2022 indicates a settlement amount consisting of reimbursement of legal and a lump sum payment, which is to be paid on or before March 18, 2022. These amounts have been accrued in the financial statements for the year ending December 31, 2022. The amount has been paid in March 2022, in compliance of the settlement agreement and at this time, there are no additional payables anticipated pertaining to this matter..

18. COVID-19

In March 2020, the World Health Organization declared a global pandemic due to the novel coronavirus (COVID-19). The situation is constantly evolving, and the measures put in place are having multiple impacts on local, provincial, national and global economies.

The organization is aware of changes in its operations as a result of the COVID-19 crisis, As a result, a few of the funding agreements from the prior year had been extended to allow the organization to complete the requirements which were hindered by the provincial mandated closures. As well, to mitigate the potential loss, the organization applied for the federal government funding, Canada Emergency Wage Subsidy (CEWS), as explained in note 16. The organization applied for the Canada Emergency Benefit Account (CEBA) loan, as explained in note 8, to assist with cash flow concerns that arose.

Management is uncertain of the effects of these changes on its financial statements and believes that any disturbance may be temporary; however, there is uncertainty about the length and potential impact of the disturbance.

As a result, we are unable to estimate the potential impact on the organization's operations as at the date of these financial statements.

19. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.