

Financial Statements

Make-A-Wish Foundation
Of Canada

September 30, 2024

Contents

	Page
Independent Auditor's Report	1 - 3
Statement of Financial Position	4
Statement of Operations	5
Statement of Changes in Net Assets	6
Statement of Cash Flows	7
Notes to the Financial Statements	8 - 15

Independent Auditor's Report

Doane Grant Thornton LLP
11th Floor
200 King Street West, Box 11
Toronto, ON
M5H 3T4
T +1 416 366 0100
F +1 416 360 4949
www.doanegrantthornton.ca

To the Members of
Make-A-Wish Foundation of Canada

Qualified Opinion

We have audited the financial statements of Make-A-Wish Foundation of Canada (the "Foundation"), which comprise the statement of financial position as at September 30, 2024, 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 and other explanatory information.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at September 30, 2024, 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 Qualified Opinion

In common with many charitable organizations, the Foundation derives revenue from charitable donations from the public, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Foundation. Therefore, we were not able to determine whether any adjustments might be necessary to the excess of revenue over expenses, and cash flows from operations for the years ended September 30, 2024, current assets as at September 30, 2024 and net assets as at October 1 2023 and September 30 2024. The predecessor auditor's opinion on the financial statements for the year ended September 30, 2023, was modified accordingly because of the possible effects of this limitation in scope.

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 Foundation in accordance with the ethical requirements that are relevant to our audit of 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.

Other matter

The financial statements of the Foundation for the year ended September 30, 2023 were audited by another auditor who expressed a qualified opinion on those statements on February 23, 2024.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations or has no realistic alternative to do so.

Those charged with governance are responsible for overseeing the Foundation'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 Foundation'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 Foundation'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 Foundation 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.

Doane Grant Thornton LLP

Toronto, Canada

Chartered Professional Accountants

December 13, 2024

Licensed Public Accountants

Make-A-Wish Foundation of Canada

Statement of Financial Position

As at September 30

2024

2023

Assets

Current assets

Cash and cash equivalents (Note 2)	\$ 3,987,520	\$ 3,307,181
Short-term investments (Note 3)	3,976,982	476,089
Accounts receivable (Note 4)	913,893	1,218,611
Prepaid expenses	<u>2,270,950</u>	<u>2,611,897</u>

11,149,345 7,613,778

Long-term investments (Note 3)

27,758,780 43,623,707

Capital assets (Note 5 (a))

233,795 243,754

Intangible assets (Note 5(b))

2,271,922 2,555,299

\$ 41,413,842 \$ 54,036,538

Liabilities

Current liabilities

Accounts payable and accrued charges	\$ 3,099,248	\$ 3,694,600
Deferred contributions (Note 6)	<u>13,804</u>	<u>110,285</u>

3,113,052 3,804,885

Deferred capital contributions (Note 7)

22,223 30,303

3,135,275 3,835,188

Net assets

Invested in capital and intangible assets (Note 5(c))

2,483,494 2,768,750

Unrestricted

34,445,353 46,182,604

Endowment


1,349,720 1,249,996

38,278,567 50,201,350

\$ 41,413,842 \$ 54,036,538

Lease Commitment (Note 11)

On behalf of the Board of Directors



Chair



Treasurer

See accompanying notes to the financial statements.

Make-A-Wish Foundation of Canada

Statement of Operations

Year ended September 30

2024

2023

Revenue		
Donations and fundraising	\$ 25,706,509	\$22,421,614
Donations-in-kind	18,546,420	13,655,544
Bequests	3,291,218	3,589,249
Investment income	2,944,316	3,228,027
Other	57,740	12,524
	<u>50,546,203</u>	<u>42,906,958</u>
Expenses (Note 10)		
Programs	47,332,273	33,702,218
Fundraising	15,666,650	13,377,120
General and administration	2,395,527	2,810,851
	<u>65,394,450</u>	<u>49,890,189</u>
Deficiency of revenue over expenses before the undernoted	(14,848,247)	(6,983,231)
Unrealized gain (loss) on investments	<u>2,825,740</u>	<u>(260,500)</u>
Deficiency of revenue over expenses	<u>\$(12,022,507)</u>	<u>\$ (7,243,731)</u>

Make-A-Wish Foundation of Canada

Statement of Changes in Net Assets

Year ended September 30

	Invested in intangible and capital assets	Unrestricted	Endowment	Total 2024	Total 2023
Net assets, beginning of year	\$ 2,768,750	\$ 46,182,604	\$ 1,249,996	\$ 50,201,350	\$ 57,652,509
Deficiency of revenue over expenses	(608,447)	(11,414,060)	-	(12,022,507)	(7,243,731)
Invested in capital and intangible assets (Note 5(d))	323,191	(323,191)	-	-	-
Unrealized gain (loss) on investments in endowment fund	-	-	99,724	99,724	(207,428)
Net assets, end of year	<u>\$ 2,483,494</u>	<u>\$ 34,445,353</u>	<u>\$ 1,349,720</u>	<u>\$ 38,278,567</u>	<u>\$ 50,201,350</u>

Make-A-Wish Foundation of Canada

Statement of Cash Flows

Year ended September 30

2024

2023

Operating

Deficiency of revenue over expenses	\$(12,022,507)	\$ (7,243,731)
Items not involving cash		
Amortization and disposal of capital assets	173,901	113,841
Amortization and disposal of intangible assets	442,626	130,348
Amortization of deferred capital contributions	(8,080)	(8,080)
Unrealized (gain) loss on investments	(2,825,740)	260,500
Changes in non-cash operating working capital		
Accounts receivable	304,718	271,221
Prepaid expenses	340,947	(1,901,512)
Accounts payable and accrued charges	(595,352)	529,645
Deferred contributions	(96,481)	(22,224)
	<u>(14,285,968)</u>	<u>(7,869,992)</u>

Financing

Unrealized gain (loss) on investments in endowment fund	<u>99,724</u>	<u>(207,428)</u>
---	----------------------	------------------

Investing

Additions to capital assets	(163,942)	(158,159)
Additions to intangible assets	(159,249)	(2,293,743)
Decrease in investments, net	<u>15,189,774</u>	<u>7,789,775</u>
	<u>14,866,583</u>	<u>5,337,873</u>

Increase (decrease) in cash and cash equivalents	680,339	(2,739,547)
--	----------------	-------------

Cash and cash equivalents, beginning of year	<u>3,307,181</u>	<u>6,046,728</u>
--	-------------------------	------------------

Cash and cash equivalents, end of year	<u>\$ 3,987,520</u>	<u>\$ 3,307,181</u>
--	----------------------------	---------------------

Make-A-Wish Foundation of Canada

Notes to the Financial Statements

September 30, 2024

Operations of the organization

Make-A-Wish Foundation of Canada ("MAWC") is an organization which operates under the Canada Not-for-profit Corporations Act. MAWC is registered with the Canada Revenue Agency as a charitable organization and is exempt from income taxes provided certain requirements of the Income Tax Act (Canada) are met.

MAWC creates life-changing wishes for children with critical illnesses. It is on a quest to bring every eligible child's wish to life because a wish is an integral part of a child's treatment journey. Children who have wishes granted can build the physical and emotional need to fight a critical illness.

MAWC's purposes are:

- (a) To fund, facilitate, promote and carry out activities and programs which have the purpose of granting wishes to children who have been diagnosed with a critical illness in a life-threatening stage or with extreme long-term complications in a way the law regards as charitable;
 - (b) To receive bequests, trusts, funds and property, and to hold, invest, administer and distribute funds and property for the purposes of MAWC as presently set out and for such other organizations as are "qualified donees" under the provisions of the Income Tax Act (Canada) and for such other purposes and activities which are authorized for registered charities under the provisions of the Income Tax Act (Canada); and
 - (c) To do all such other things as are incidental and ancillary to the attainment of these purposes and to the exercise of the powers of MAWC.
-

1. Significant accounting policies

Basis of presentation

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations.

(a) Revenue recognition

MAWC follows the deferral method of accounting for contributions. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonable assured. No accruals are made for monies pledged but not yet received. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Donations-in-kind are recognized when fair value can be reasonably estimated and when the materials and services are used in the normal course of MAWC's operations and would otherwise have been purchased. Donated material and services for the year ended September 30, 2024 amounted to \$18,546,420 (2023 - \$13,655,544) of which \$17,189,093 (2023 - \$12,365,195) are related to missions.

Make-A-Wish Foundation of Canada

Notes to the Financial Statements

September 30, 2024

1. Significant accounting policies (continued)

(a) Revenue recognition (continued)

Investment income, which is recorded on the accrual basis, includes interest, dividends and net realized gains (losses) on sale of investments. All changes in fair value are recognized in the statement of operations.

Government subsidies are recognized when approval for funding is received, and applicable conditions are met.

Bequests are recognized as revenue when received or receivable provided the amount to be received can be reasonably estimated and collection is reasonably assured.

Endowment contributions, where donors have restricted the original contribution to be maintained in perpetuity, are recognized as direct increases in endowment net assets. The original contribution (the endowment principal) is protected and defined as the book value of the related investments. Endowment funds are recorded at fair value and unrealized changes are recognized as direct increases or decreases in endowment net assets. Restricted investment income, including interest, dividends and realized gains and losses is recognized in deferred contributions until the related expense is incurred. Unrestricted investment income is recorded in the statement of operations immediately.

The efforts of volunteer workers are not reflected in the accompanying financial statements as no objective basis is available to measure the value of such services; however, a substantial number of volunteers have donated significant amounts of their time to MAWC.

(b) Financial instruments

Financial assets and financial liabilities are initially measured at fair value. MAWC subsequently measures its financial assets and financial liabilities at amortized cost except for investments that are quoted in an active market, which are subsequently measured at fair value.

MAWC investment activities are governed by the investment policies set by the Board of Directors. These policies have strict guidelines as to asset categories and mix in accordance with the risk and return objectives established by the Board of Directors and management. The funds are professionally managed by advisers associated with a major Canadian chartered bank. Investments maturing within one year from the statement of financial position date are reflected as short-term investments. Transaction costs incurred on management of investments are expensed in the year incurred. Changes in fair value are treated as an unrealized gain or loss in the statement of operations.

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, MAWC determines if there is a significant adverse change in the expected amount or 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 MAWC expects to realize by exercising its rights to any collateral. If events and circumstances reverse in a future year, an impairment loss will be reversed to the extent of the impairment, not exceeding the initial carrying value.

Make-A-Wish Foundation of Canada

Notes to the Financial Statements

September 30, 2024

1. Significant accounting policies (continued)

(c) Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated life of an asset are capitalized. When a capital asset no longer contributes to MAWC's ability to provide services, its carrying amount is written down to its fair value or replacement cost.

Capital assets are amortized on a straight-line basis over their useful lives as follows:

Computer hardware	3 years
Leasehold improvements	Over terms of various leases

(d) Intangible assets

Intangible assets include software and are carried at cost and are amortized on a straight-line basis over their useful lives of 7 years.

(e) Net assets

Net assets invested in capital and intangible assets represents the net book value of capital and intangible assets less indebtedness thereon.

Unrestricted net assets reflect resources available for immediate use.

Endowment net assets consist of restricted contributions received whereby the principal gift is required to be maintained intact and the investment income generated is used in accordance with the purposes established by the donors.

(f) Foreign currency translation

The fair values of foreign currency-denominated investments included in the statement of financial position are translated into Canadian dollars at year-end rates of exchange. Revenue and expenses are translated at the exchange rate prevailing on the transaction date. Gains and losses arising from translation are reflected in the statement of operations in investment income.

(g) Expense allocations

MAWC classifies expenses on the statement of operations by function. Expenses are allocated to the functional areas of programs, fundraising and general and administration based upon staff time directed to those functional areas.

(h) Use of estimates

The preparation of financial statements 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 revenue and expenses during the year. Significant items subject to such estimates and assumptions include the carrying amount of capital assets and the fair market value of gift in kind revenues. Actual results could differ from those estimates.

Make-A-Wish Foundation of Canada

Notes to the Financial Statements

September 30, 2024

2. Cash and cash equivalents

Cash and cash equivalents includes \$625,978 (2023 - \$92,348) of restricted funds held in bank accounts for the purpose of expense payments relating to lotteries and raffles.

3. Investments

	<u>2024</u>	<u>2023</u>
Short-term		
Canadian fixed income and cash equivalents	<u>\$ 3,976,982</u>	<u>\$ 476,089</u>
Long-term		
Canadian fixed income	<u>\$ 18,292,565</u>	\$ 30,140,298
Foreign equities	<u>6,059,205</u>	8,721,247
Canadian equities	<u>3,407,010</u>	<u>4,762,162</u>
	<u>\$ 27,758,780</u>	<u>\$ 43,623,707</u>

4. Accounts receivable

	<u>2024</u>	<u>2023</u>
Harmonized sales tax receivable	<u>\$ 832,185</u>	\$ 1,104,984
General receivables	<u>81,708</u>	<u>113,627</u>
	<u>\$ 913,893</u>	<u>\$ 1,218,611</u>

5. Capital and intangible assets

(a) Capital assets

			<u>2024</u>	<u>2023</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Computer hardware	\$ 369,278	\$ 251,705	<u>\$ 117,573</u>	\$ 163,926
Leasehold improvements	<u>219,832</u>	<u>103,610</u>	<u>116,222</u>	<u>79,828</u>
	<u>\$ 589,110</u>	<u>\$ 355,315</u>	<u>\$ 233,795</u>	<u>\$ 243,754</u>

Make-A-Wish Foundation of Canada

Notes to the Financial Statements

September 30, 2024

5. Capital and intangible assets (continued)

(b) Intangible assets

			<u>2024</u>	<u>2023</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Software	\$ 3,542,437	\$ 1,270,515	\$ 2,271,922	\$ 2,555,299

(c) Invested in capital and intangible assets is calculated as follows:

	<u>2024</u>	<u>2023</u>
Capital and intangible assets	\$ 2,505,717	\$ 2,799,053
Amounts financed by deferred capital contributions	<u>(22,223)</u>	<u>(30,303)</u>
	<u>\$ 2,483,494</u>	<u>\$ 2,768,750</u>

(d) Change in net assets invested in capital and intangible assets is calculated as follows:

	<u>2024</u>	<u>2023</u>
Deficiency of revenue over expenses		
Disposal of capital assets	\$ (38,687)	\$ -
Amortization of capital assets	(135,214)	(113,841)
Amortization of intangible assets	(442,626)	(130,348)
Amortization of deferred capital contributions	<u>8,080</u>	<u>8,080</u>
	<u>\$ (608,447)</u>	<u>\$ (236,109)</u>
Net change in invested in capital assets		
Additions to capital assets	\$ 163,942	\$ 158,160
Additions to intangible assets	<u>159,249</u>	<u>2,293,742</u>
	<u>\$ 323,191</u>	<u>\$ 2,451,902</u>

Make-A-Wish Foundation of Canada

Notes to the Financial Statements

September 30, 2024

6. Deferred contributions

			<u>2024</u>	<u>2023</u>
	<u>Deferred contributions</u>	<u>Deferred rent</u>	<u>Total</u>	<u>Total</u>
Balance, beginning of year	\$ 27,970	\$ 82,315	\$ 110,285	\$ 132,509
Amounts received	17,715	-	17,715	21,089
Amortized to revenue	<u>(31,881)</u>	<u>(82,315)</u>	<u>(114,196)</u>	<u>(43,313)</u>
Balance, end of year	<u>\$ 13,804</u>	<u>\$ -</u>	<u>\$ 13,804</u>	<u>\$ 110,285</u>

7. Deferred capital contributions

	<u>2023</u>	<u>Additions</u>	<u>Amortization</u>	<u>2024</u>
Deferred capital contributions	<u>\$ 30,303</u>	<u>\$ -</u>	<u>\$ (8,080)</u>	<u>\$ 22,223</u>

8. Related party transactions

MAWC is affiliated, via the federated model, with Make-A-Wish Foundation International and Make-A-Wish Foundation America. MAWC paid fees of \$456,863 (2023 - \$427,951) to those organizations in support of mission delivery to children around the world.

These transactions with related parties are subject to normal trade terms and are recorded at the exchange amount agreed to by the related parties.

9. Fundraising

As required by Alberta legislation, with regard to reporting of fundraising, gross fundraising revenue received in Alberta was \$4,554,892 (2023 - \$3,098,185). Remuneration to employees whose principal duties involve fundraising totalled \$471,755 (2023 - \$391,737).

Make-A-Wish Foundation of Canada

Notes to the Financial Statements

September 30, 2024

10. Allocation of expenses

Expenses have been allocated as follows:

	<u>Mission</u>	<u>Fundraising</u>	<u>General and Administration</u>	<u>Total 2024</u>
Allocated expense				
In-kind expenses	\$ 17,189,093	\$ 1,317,257	\$ 36,040	\$ 18,542,390
Compensation (1)	7,145,562	7,917,115	1,497,882	16,560,559
Common expense (2)	1,329,213	3,638,008	775,882	5,743,103
Amortization	<u>212,721</u>	<u>279,395</u>	<u>85,723</u>	<u>577,839</u>
	25,876,589	13,151,775	2,395,527	41,423,891
Direct expenses	<u>21,455,684</u>	<u>2,514,875</u>	<u>-</u>	<u>23,970,559</u>
Total	<u>\$ 47,332,273</u>	<u>\$ 15,666,650</u>	<u>\$ 2,395,527</u>	<u>\$ 65,394,450</u>

(1) The compensation allocation comprises direct compensation expenses and indirect compensation expenses that have been allocated on the basis of effort spent on activities.

(2) Common expense comprises office costs, professional fees and staff costs including travel.

	<u>Mission</u>	<u>Fundraising</u>	<u>General and Administration</u>	<u>Total 2023</u>
Allocated expense				
In-kind expenses	\$ 12,365,195	\$ 1,148,127	\$ 133,246	\$ 13,646,568
Compensation (1)	5,524,698	6,255,848	1,414,379	13,194,925
Common expense (2)	1,420,667	3,518,898	1,216,216	6,155,781
Amortization	<u>78,349</u>	<u>118,830</u>	<u>47,010</u>	<u>244,189</u>
	19,388,909	11,041,703	2,810,851	33,241,463
Direct expenses	<u>14,313,309</u>	<u>2,335,417</u>	<u>-</u>	<u>16,648,726</u>
Total	<u>\$ 33,702,218</u>	<u>\$ 13,377,120</u>	<u>\$ 2,810,851</u>	<u>\$ 49,890,189</u>

11. Lease commitments

MAWC is committed to payments, under operating leases for buildings through 2029. Annual payments are as follows:

2025	\$ 780,000
2026	781,000
2027	740,000
2028	418,000
2029	<u>156,000</u>
Total	<u>\$ 2,875,000</u>

Make-A-Wish Foundation of Canada

Notes to the Financial Statements

September 30, 2024

12. Financial instruments risk management

Risk management relates to the understanding and active management of risks associated with all areas of MAWC's activities and the associated operating environment. Investments are primarily exposed to market, interest rate, foreign currency, liquidity and credit risks. MAWC has formal policies and procedures that establish target asset mix. MAWC's policies also require diversification of investments within categories and set limits on exposure to individual investments. MAWC revised and adopted a new Statement of Investment Policy and Goals on December 17, 2020. There have been no significant changes to risk exposures from 2023.

Market risk

The value of equity securities changes with stock market conditions, which are affected by general economic and market conditions. The value of fixed income securities will vary with developments within the specific companies or governments which issue the securities. MAWC manages this risk through controls to monitor and limit concentration levels.

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect the value of fixed income securities held by MAWC. Changes in interest rates may also affect the value of equity securities. MAWC's policies for managing this risk are disclosed above.

Foreign currency risk

The value of securities denominated in a currency other than the Canadian dollar will be affected by changes in the value of the Canadian dollar in relation to the value of the currency in which the security is denominated. MAWC's investment manager mitigates this risk by limiting concentration levels.

Liquidity risk

Liquidity risk is the risk that MAWC will be unable to fulfill its obligations on a timely basis or at a reasonable cost. MAWC manages its liquidity risk by monitoring its operating requirements. MAWC prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations.

Credit risk

MAWC grants credit in the normal course of business and is exposed to credit risk on its accounts receivable. Credit evaluations are performed regularly, and the financial statements take into account an allowance for bad debts.

13. Comparative information

Certain comparative information has been reclassified to conform with the financial statement presentation adopted in the current year.