

Hamilton Community Foundation
Consolidated Financial Statements
For the year ended March 31, 2015

Hamilton Community Foundation
Consolidated Financial Statements
For the year ended March 31, 2015

	Contents
Independent Auditor's Report	2
Consolidated Financial Statements	
Consolidated Statement of Financial Position	3
Consolidated Statement of Revenue and Expenses and Changes in Net Assets	4
Consolidated Statement of Cash Flows	5
Notes to Consolidated Financial Statements	6 - 14

Independent Auditor's Report

To the Board of Directors of Hamilton Community Foundation

We have audited the accompanying consolidated financial statements of the Hamilton Community Foundation (the "Foundation"), which comprise the consolidated statement of financial position as at March 31, 2015 and the consolidated statements of revenue and expenses and changes in net assets and cash flows for the year ended March 31, 2015, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Foundation's preparation and fair presentation of the consolidated financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Hamilton Community Foundation as at March 31, 2015 and the results of its operations and its cash flows for the year then ended March 31, 2015 in accordance with Canadian accounting standards for not-for-profit organizations.



Chartered Professional Accountants, Licensed Public Accountants
Burlington, Ontario
June 17, 2015

Hamilton Community Foundation Consolidated Statement of Financial Position

March 31	Endowment		Operating/Invested in Capital Assets		Restricted		Total	
	2015	2014	2015	2014	2015	2014	March 31 2015	March 31 2014
Assets								
Current								
Cash	\$ 77,090	\$ 50,167	\$ 12,575	\$ 105,404	\$ 253,292	\$ 109,629	\$ 342,957	\$ 265,200
Accounts receivable	-	-	55,698	62,914	-	-	55,698	62,914
Accrued income receivable	-	-	-	-	346,085	361,859	346,085	361,859
Prepaid expenses	-	-	49,567	30,178	-	-	49,567	30,178
	77,090	50,167	117,840	198,496	599,377	471,488	794,307	720,151
Investments at								
Cost (Note 2)	4,976,015	1,705,670	-	-	-	-	4,976,015	1,705,670
Market (Note 3)	121,362,420	116,306,333	9,417,628	8,299,814	43,400,554	28,759,456	174,180,602	153,365,603
Capital assets (Note 4)	-	-	47,212	52,205	-	-	47,212	52,205
	\$126,415,525	\$ 118,062,170	\$ 9,582,680	\$ 8,550,515	\$43,999,931	\$29,230,944	\$179,998,136	\$ 155,843,629

Liabilities and Net Assets

Current								
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 121,327	\$ 168,701	\$ 261,131	\$ 344,114	\$ 382,458	\$ 512,815
Deferred revenue	-	-	10,000	15,000	472,408	512,354	482,408	527,354
Funds held on behalf of third parties (Note 5)	-	-	9,404,141	8,314,609	-	-	9,404,141	8,314,609
			9,535,468	8,498,310	733,539	856,468	10,269,007	9,354,778
Net Assets								
Endowment funds	126,415,525	118,062,170	-	-	-	-	126,415,525	118,062,170
Invested in capital assets	-	-	47,212	52,205	-	-	47,212	52,205
Restricted funds	-	-	-	-	43,266,392	28,374,476	43,266,392	28,374,476
	126,415,525	118,062,170	47,212	52,205	43,266,392	28,374,476	169,729,129	146,488,851
	\$126,415,525	\$ 118,062,170	\$ 9,582,680	\$ 8,550,515	\$43,999,931	\$29,230,944	\$179,998,136	\$ 155,843,629

On behalf of the Board of Directors:

_____ Chair _____ Director

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

Hamilton Community Foundation Consolidated Statement of Revenue and Expenses and Changes in Net Assets

For the year ended March 31	Endowment		Operating/Invested in Capital Assets		Restricted		Total	
	2015	2014	2015	2014	2015	2014	2015	2014
Revenue								
Investment income, net (Note 6)	\$ 570,928	\$ 969,353	\$ 2,184,412	\$ 2,099,381	\$ 16,448,033	\$ 17,507,542	\$19,203,373	\$ 20,576,276
Donations including bequests	7,953,228	4,000,964	17,548	11,591	3,900,259	2,113,507	11,871,035	6,126,062
Gifts specified for community leadership projects	-	-	-	-	735,194	430,957	735,194	430,957
	8,524,156	4,970,317	2,201,960	2,110,972	21,083,486	20,052,006	31,809,602	27,133,295
Operational expenses (Note 7)								
Grant administration Community and Philanthropic Leadership	-	-	259,386	251,470	-	-	259,386	251,470
Development activities	-	-	186,426	187,029	-	-	186,426	187,029
Community Relations and Knowledge Dissemination	-	-	631,487	608,123	-	-	631,487	608,123
Administration and Governance	-	-	323,641	326,062	-	-	323,641	326,062
	-	-	803,469	776,267	-	-	803,469	776,267
	-	-	2,204,409	2,148,951	-	-	2,204,409	2,148,951
Excess (deficiency) of revenue over expenses before grants and leadership projects	8,524,156	4,970,317	(2,449)	(37,979)	21,083,486	20,052,006	29,605,193	24,984,344
Grants and leadership projects distributed (Note 8)					(6,364,915)	(6,455,955)	(6,364,915)	(6,455,955)
Excess (deficiency) of revenue over expenses for the year	8,524,156	4,970,317	(2,449)	(37,979)	14,718,571	13,596,051	23,240,278	18,528,389
Fund balances, beginning of year	118,062,170	111,956,638	52,205	90,184	28,374,476	15,913,640	146,488,851	127,960,462
Transfers (Note 9)	(170,801)	1,135,215	(2,544)	-	173,345	(1,135,215)	-	-
Fund balances, end of year	\$126,415,525	\$118,062,170	\$47,212	\$ 52,205	\$43,266,392	\$ 28,374,476	\$169,729,129	\$146,488,851

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

Hamilton Community Foundation Consolidated Statement of Cash Flows

For the year ended March 31	2015	2014
Cash flows from operating activities		
Excess of revenue over expenses for the year	\$ 23,240,278	\$ 18,528,389
Items not affecting cash:		
Amortization of capital assets	40,368	54,544
Donated securities	(2,331,362)	(1,859,962)
Unrealized gains	(8,004,945)	(12,476,644)
Gain on sale of investments	(7,333,221)	(5,265,857)
Changes in non-cash working capital items:		
Accounts receivable	7,216	(57,727)
Accrued income receivable	15,774	15,873
Prepaid expenses	(19,389)	(10,345)
Accounts payable and accrued liabilities	(130,357)	(728,553)
Deferred revenue	(44,946)	107,317
Funds held on behalf of third parties	1,089,532	922,394
	6,528,948	(770,571)
Cash flows from investing activities		
Purchase of investments	(99,378,750)	(84,309,846)
Proceeds from the sale of investments	92,962,934	84,825,766
Purchase of capital assets	(35,375)	(16,565)
	(6,451,191)	499,355
Increase (decrease) in cash during the year	77,757	(271,216)
Cash, beginning of year	265,200	536,416
Cash, end of year	\$ 342,957	\$ 265,200

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

Hamilton Community Foundation

Notes to Consolidated Financial Statements

March 31, 2015

1. Significant Accounting Policies

Nature and Purpose of Organization

Hamilton Community Foundation (the "Foundation") was incorporated without share capital by special act in 1954 and then continued under the Hamilton Community Foundation Act, 1994, Ontario (the "Act"). The Foundation's purpose is to act as a vehicle for donors to improve their community and to meet the changing needs and opportunities across all sectors of the Hamilton community through grant making and community leadership.

The Foundation is a public foundation registered under the Income Tax Act (Canada) (the "Tax Act") and, as such, is exempt from income taxes and able to issue donation receipts for income tax purposes.

Principles of Consolidation

The consolidated financial statements include the accounts of the Foundation, its wholly-owned subsidiary, 2375419 Ontario Inc. and The Hamilton Community Foundation Investment Trust. The Hamilton Community Foundation Investment Trust is a trust, established on June 19, 2013, whose sole beneficiary is the Foundation. 2375419 Ontario Inc. is the trustee corporation. On consolidation, all transactions and balances between the Foundation, 2375419 Ontario Inc. and the Hamilton Community Foundation Investment Trust have been eliminated.

Basis of Accounting

The consolidated financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.

Fund Accounting

The Foundation follows the Restricted Fund method for accounting for contributions. The Foundation ensures, as part of its fiduciary responsibilities, all funds received with a restricted purpose are expensed for that purpose.

For financial reporting purposes, the accounts have been classified into the following funds:

- i) Endowment Fund
The Endowment Fund reports resources that are generally required to be maintained by the Foundation on a permanent basis.
- ii) Operating/Invested in Capital Assets Fund
The Operating/Invested in Capital Assets Fund ("Operating Fund") reports resources available for the Foundation's general operating activities. These activities include asset development, granting, administration and governance, community relations and knowledge dissemination and community and philanthropic leadership. The general costs of supporting these activities are reported as expenses in the Operating Fund.
- iii) Restricted Fund
The Restricted Fund reports resources that are available to be used for purposes specified by the donor. Also included are allocations of resources via interfund transfers that are restricted by the Foundation's Board of Directors (the "Board").

Revenue Recognition

Gifts received are generally considered unrestricted contributions to the Foundation unless a donor specifies otherwise, and are, therefore, reflected as revenue of the Restricted Fund. If a donor specifies that the contribution is for an existing endowed fund or specifies that it is to be retained permanently, it is recognized as revenue of the Endowment Fund.

Hamilton Community Foundation

Notes to Consolidated Financial Statements

March 31, 2015

1. Significant Accounting Policies (Continued)

Revenue Recognition (continued)

Contributions are recognized when received, except where amounts are received for specific community leadership projects. In these cases, contributions are deferred and recorded as revenue when the related expenses are incurred. Bequests are recorded upon receipt of the donated assets.

Contributed Services

Volunteers contribute a substantial number of hours each year to assist the Foundation in carrying out its activities. Because of the difficulty of determining their fair value, contributions of such services are not recognized in the financial statements.

Contributed Securities

Contributed securities are recorded at their fair value at the date of the contribution if fair value can be reasonably estimated.

Disclosure of Allocated Expenses

The Foundation engages in:

- Grant administration
- Community and philanthropic leadership
- Development activities
- Community relations and knowledge dissemination
- Administration and governance

Salaries and benefits, representing the largest portion of operating costs, are allocated to reflect time spent in each area. Direct expenses are charged directly to each area including consulting costs, travel, conferences, and memberships. In addition, general and administrative support expenses are incurred that are common to all functional areas of the Foundation. These expenses are allocated based on space allocation by functional area.

Investments

The investments of the Foundation are recorded at fair value based on quoted market prices. Investments that do not have a quoted value on an active market are recorded at cost, less impairment. Investment income includes dividends, interest, realized gains/(losses) and the net change in unrealized gains/(losses) for the year, less investment counsel and custodian fees.

The market values of investments denominated in foreign currencies are translated into Canadian dollars at the rate of exchange prevailing at the end of the year.

Purchases and sales of investments and investment income denominated in foreign currencies are translated into Canadian dollars at the rate of exchange prevailing on the respective dates of the transactions.

Investment income is allocated as follows:

- i) Endowment Fund:
 - Income earned on funds which the donor has stipulated a portion of income be added to principal; and
 - A portion of income equal to the amount required to preserve the purchasing power of the endowed capital as determined by the Foundation's Board.

Hamilton Community Foundation

Notes to Consolidated Financial Statements

March 31, 2015

1. Significant Accounting Policies (Continued)

Investments (continued)

ii) Operating Fund:

- Interest earned on the assets held in the Operating Fund;
- Income earned on funds which the donor has stipulated the income be used for operations; and
- An amount equal to the aggregate of the administrative fee charged to each Endowment and Restricted Fund.

iii) Restricted Fund:

- Income earned on resources of the Endowment or Restricted Funds which is available for granting purposes as determined by the Board via interfund transfers or donor restrictions; and
- Reserve for future market declines.

Capital Assets

Capital assets, consisting of leasehold improvements, furniture and fixtures and computer equipment, are recorded at cost less accumulated amortization. Amortization is provided on a straight-line basis over five years for furniture and fixture, three years for computer equipment and the term of the lease for leasehold improvements.

Foreign Currency Translation

Foreign currency accounts are translated to Canadian dollars as follows:

At the transaction date, each asset, liability, revenue or expense is translated into Canadian dollars by the use of the exchange rate in effect at that date. At the year end date, monetary assets and liabilities are translated into Canadian dollars by using the exchange rate in effect at that date. The resulting foreign exchange gains and losses are included in income in the current period.

Use of Estimates

The preparation of consolidated financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses for the year. Actual results could differ from those estimates as additional information becomes available in the future.

Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, equities traded in an active market are reported at fair value, with any unrealized gains and losses reported in the restricted fund and operating fund, other than financial instruments related to the endowment fund. In addition, all bonds and cash equivalents have been designated to be in the fair value category, with gains and losses reported in the restricted fund and operating fund, other than financial instruments related to the endowment fund. Changes in fair value of financial instruments related to the endowment fund are recorded directly in net assets. All other financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items remeasured at fair value at each statement of financial position date and charged to the financial instrument for those measured at amortized cost.

Hamilton Community Foundation Notes to Consolidated Financial Statements

March 31, 2015

2. Investments at Cost

	2015	2014
Private equity	\$ 2,178,295	\$ 796,770
Real estate	1,182,950	463,560
Infrastructure	914,770	395,340
Loans receivable	700,000	50,000
	\$ 4,976,015	\$ 1,705,670

The Foundation is moving toward an integrated investment approach, which includes investing in alternative investment classes, such as private equity, real estate and infrastructure. Investments at cost represent investments that do not have a quoted value in an active market and are recorded in accordance with the significant account policies of the Foundation. These investments are made in accordance with the Foundation's investment policy as approved by the Board, which includes guidelines regarding the minimum and maximum amount of alternative investment holdings.

Loans receivable includes a five year term loan in the amount of \$650,000, bearing interest at 3% per annum. Interest only payments are due until the construction project by the borrower is completed, at which point monthly payments of principal and interest will be required. The amount is secured by the land and building of the construction project.

Loans receivable also includes a non-interest bearing promissory note in the amount of \$50,000 (2013 - \$50,000), with no specific terms of repayment.

3. Investments at Market

	2015	2014
Bonds	\$ 51,768,127	\$ 42,406,263
Equities:		
Canadian	50,655,860	42,773,499
Foreign	56,921,667	57,870,802
	159,345,654	143,050,564
Cash and cash equivalents	14,834,948	10,315,039
	\$ 174,180,602	\$ 153,365,603

The investments are held in four separate portfolios each of which is managed by a professional investment counselor selected to provide diversity of investment philosophy and style. Investments in each portfolio are made in accordance with the Foundation's investment policy as approved by the Board. The goal of the policy is to ensure that funds are maintained and grown while achieving maximum returns consistent with prudent investment. The investment policy includes guidelines regarding the minimum and maximum amount of equity holdings, foreign equity holdings and a maximum to be invested in any one related party or industry.

Hamilton Community Foundation Notes to Consolidated Financial Statements

March 31, 2015

3. Investments at Market (Continued)

The Foundation manages its portfolio investments based on its cash flow needs and with a view to optimizing its investment income within an appropriate level of risk.

The effective interest rate on bonds during the year varied from 1.000% to 7.405% (2014 – from 1.422% to 7.405%). The maturities of these bonds range from May 28, 2015 to December 31, 2108 (2014 – January 30, 2015 to December 31, 2108).

The effective interest rate on treasury bills and bankers acceptance included in cash equivalents during the year varied from 0.01% to 1.03% (2014 – from 0.01% to 1.27%) with maturities ranging from April 9, 2015 to January 14, 2016 (2014 – from April 20, 2014 to October 23, 2014)

4. Capital Assets

	2015		2014	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Leasehold improvements	\$ 9,609	\$ 115	\$ 349,750	\$ 321,237
Furniture and fixtures	18,880	12,452	19,181	9,365
Computer equipment	40,838	9,548	20,452	6,576
	\$ 69,327	\$ 22,115	\$ 389,383	\$ 337,178
Net book value		\$ 47,212		\$ 52,205

During the year, \$40,368 (2014 - \$54,544) of amortization expense on capital assets was incurred and is reported in the consolidated statement of revenue and expenses and changes in net assets.

During the year, fully amortized capital assets in the amount of \$355,431 (2014 - \$54,446) were written off by the Foundation.

5. Funds Held on Behalf of Third Parties

Funds held on behalf of third parties of \$9,404,141 (2014 - \$8,314,609) are pooled with the investments of the Foundation. Capital and related income (losses) earned on these funds are to be distributed by the owners. Investment income or losses are allocated to these funds in the proportion of their capital to the total capital. Administration fees ranging from 0.5% to 2.0% of the fund balance are charged on these funds. The receipt and disbursement of these funds are not reflected in the consolidated statement of revenue and expenses and changes in net assets.

Hamilton Community Foundation Notes to Consolidated Financial Statements

March 31, 2015

6. Investment Income, Net

The assets held by the Foundation are pooled for investment purposes. The investment income is allocated to the Endowment, Operating and Restricted Funds and funds held on behalf of third parties in accordance with stated accounting policies.

	2015	2014
Investment income during the year:		
Interest and dividends	\$ 5,635,699	\$ 4,660,349
Realized gains	7,333,221	5,265,857
Unrealized gains	8,004,945	12,476,644
	20,973,865	22,402,850
Deduct:		
Investment fees	(645,228)	(554,827)
Investment income allocated to funds held on behalf of third parties	(1,125,264)	(1,271,747)
	\$ 19,203,373	\$ 20,576,276
Allocated to:		
Endowment Fund	\$ 570,928	\$ 969,353
Operating Fund	2,184,412	2,099,381
Restricted Fund	16,448,033	17,507,542
	\$ 19,203,373	\$ 20,576,276

Hamilton Community Foundation Notes to Consolidated Financial Statements

March 31, 2015

7. Expenses as Percentage of Average Total Assets

	2015	2014
Total assets:		
Opening	\$ 155,843,629	\$ 137,014,082
Closing	179,998,136	155,843,629
Average	167,920,883	146,428,856
Total operating expenses	\$ 2,204,409	\$ 2,148,951
Expenses as percentage of average total assets	1.3%	1.5%

The Foundation's operating expenses involve asset development, administration and governance, community relations and knowledge dissemination and activities related to grant administration, leadership and philanthropic services. These activities are not necessarily related to the donations received in any one year and the asset development methodology used by the Foundation creates normal gift delays which may result in costs preceding the receipt of the gifts by several years.

In management's view, the ratio of total operating expenses to average total assets should be used to evaluate the operating costs. Ratios may fall within a range depending on the size and stage of development of a community foundation. Management considers the ratio of 1.3% (2014 - 1.5%) to be within an acceptable range compared with benchmarks established in the community foundation sector and continues to monitor both the actual results and the benchmarks on an ongoing basis.

8. Grants and Leadership Projects

In addition to grant administration, the Foundation undertakes a number of community leadership projects. These projects, many of which span a number of years, have a separate funding stream from operations through external gifts from donors, as well, as commitments made by the Board to support these initiatives.

	2015	2014
Grants and leadership projects were made as follows:		
Grants	\$ 5,853,893	\$ 6,116,998
Community leadership projects:		
Hamilton Roundtable for Poverty Reduction	246,615	232,630
Hamilton Education Project	90,677	21,164
Neighbourhood Leadership Institute	73,145	42,479
Community Investing: Research, Development & Education	68,326	-
Youth in Philanthropy Program	13,295	16,794
Neighbourhood Action Strategy Evaluation (formerly Tackling Poverty Together)	-	10,290
Other leadership projects	18,964	15,600
	\$ 6,364,915	\$ 6,455,955

Hamilton Community Foundation Notes to Consolidated Financial Statements

March 31, 2015

8. Grants and Leadership Projects (Continued)

Philanthropic services represent the Foundation's work to provide technical assistance to other philanthropic organizations and projects, as well as to foster the growth of community philanthropy and include the costs of the Hamilton Roundtable for Poverty Reduction.

9. Transfers

During the year, an amount of \$170,801 has been transferred from the Endowment Fund to the Restricted Fund to reverse a prior year allocation to capital. In 2013, \$1,135,215 was transferred from the Restricted Fund to the Endowment Fund to repay capital that was used to support granting.

10. Commitments

As at March 31, 2015, the Foundation has extended pledges for future grants and distributions. These amounts, which have not been reflected as liabilities, total \$148,317 (2014 - \$536,634) and they are expected to be granted and paid over the next year.

The Foundation has unfunded investment commitments related to private equity investments that can be drawn on demand. At March 31, 2015, the unfunded amount for private equity is:

U.S. dollars	\$	2,520,000
Canadian dollars		2,210,000

The Foundation is committed to minimum annual operating lease payments on its premises as follows:

2016	\$	147,361
2017		147,361
2018		147,361
2019		147,361
2020		<u>98,241</u>
	\$	<u>687,685</u>

11. Interest in Life Insurance Policies

The Foundation is the assignee and/or owner of life insurance policies totaling approximately \$1,058,130 (2014 - \$5,058,130). No value related to these policies is included in these consolidated financial statements.

Hamilton Community Foundation

Notes to Consolidated Financial Statements

March 31, 2015

12. Financial Instrument Risks

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Foundation is exposed to interest rate risk arising from the possibility that changes in interest rates will affect the value of fixed income denominated investments. There have been no changes in this risk from the prior year.

Market Risk

The Foundation is subject to market risk with respect to its investments. The values of these investments will fluctuate as a result of changes in market prices or other factors affecting the value of the investments. There have been no changes in this risk from the prior year.

Credit Risk

The Foundation is exposed to normal credit risk resulting from the possibility that a counterparty to a financial instrument defaults on their financial obligations; if there is a concentration of transactions carried out with the same counterparty; or of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions. The Foundation's financial instruments that are exposed to concentrations of credit risk relate primarily to fixed income investments. The Foundation manages the risk by limiting the credit exposure allowed by the fixed income managers. There have been no changes in this risk from the prior year.

Currency Risk

Investments in foreign securities are exposed to currency risk due to fluctuations in foreign exchange rates. The Foundation is exposed to currency risk on its foreign market equities as the prices denominated in foreign currencies are converted to Canadian dollars in determining fair value. The objective of the Foundation's investment policy is to control currency risk by maintaining a geographically diversified portfolio. There have been no changes in this risk from the prior year.

13. Comparative Amounts

Certain comparative amounts have been reclassified to conform to the current year's presentation.