

Financial Statements of

**HAMILTON RENEWABLE
POWER INCORPORATED**

Year ended December 31, 2019

HAMILTON RENEWABLE POWER INCORPORATED

Table of Contents

	Page
Independent Auditors' Report	
Statement of Financial Position	1
Statement of Income and Comprehensive Income	2
Statement of Changes in Equity	3
Statement of Cash Flows	4
Notes to Financial Statements	5 - 12

KPMG LLP
Commerce Place
21 King Street West, Suite 700
Hamilton ON L8P 4W7
Canada
Telephone (905) 523-8200
Fax (905) 523-2222

INDEPENDENT AUDITORS' REPORT

To the Shareholder of Hamilton Renewable Power Incorporated

Opinion

We have audited the accompanying financial statements of Hamilton Renewable Power Incorporated (the "Entity"), which comprise:

- the statement of financial position as at December 31, 2019
- the statement of income and comprehensive income for the year then ended
- the statement of changes in equity for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

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 "Auditors' Responsibilities for the Audit of the Financial Statements" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other 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.

Page 2

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 International Financial Reporting Standards (IFRS), 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditors' 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 auditors' 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 the 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Page 3

- 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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusion is based on the audit evidence obtained up to the date of our auditors report. However, future events or conditions may cause the Entity 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.
- 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.

A handwritten signature in black ink that reads "KPMG LLP". The signature is written in a cursive, stylized font and is underlined with a single horizontal stroke.

Chartered Professional Accountants, Licensed Public Accountants

Hamilton, Ontario
September 17, 2020

HAMILTON RENEWABLE POWER INCORPORATED

Statement of Financial Position

December 31, 2019, with comparative information for 2018

	2019	2018
Assets		
Current assets:		
Cash	\$ 789,665	\$ 461,865
Accounts receivable	268,087	300,268
Due from related party	73,784	88,020
Prepaid expenses	210	206
	<u>1,131,746</u>	<u>850,359</u>
Deposit (note 5)	32,000	32,000
Property, plant and equipment (note 6)	5,602,074	6,186,574
	<u>\$ 6,765,820</u>	<u>\$ 7,068,933</u>

Liabilities and Shareholder's Equity

Current liabilities:		
Accounts payable and accrued liabilities	\$ 144,354	\$ 143,793
Due to related party	488,712	480,151
Payment in lieu of taxes	34,549	74,010
Current portion of capital loan (note 7)	-	278,305
HST payable	16,775	19,079
	<u>684,390</u>	<u>995,338</u>
Non-current liabilities:		
Deferred payment in lieu of taxes (note 9)	312,281	375,122
Total liabilities	<u>996,671</u>	<u>1,370,460</u>
Shareholder's equity:		
Common shares (note 8)	6,000,010	6,000,010
Deficit	(230,861)	(301,537)
	<u>5,769,149</u>	<u>5,698,473</u>
Economic dependence (note 11)		
Subsequent event (note 13)		
	<u>\$ 6,765,820</u>	<u>\$ 7,068,933</u>

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

On behalf of the Board:

_____ Director

_____ Director

HAMILTON RENEWABLE POWER INCORPORATED

Statement of Income and Comprehensive Income

Year ended December 31, 2019, with comparative information for 2018

	2019	2018
Revenue:		
Electricity distribution service charges	\$ 2,904,695	\$ 2,811,433
Thermal energy	284,389	223,576
	3,189,084	3,035,009
Cost of goods sold:		
Methane purchases	814,168	771,480
Gross profit	2,374,916	2,263,529
Expenses:		
Repairs and maintenance	1,179,385	1,124,527
Depreciation	584,500	548,376
Professional fees	277,359	275,315
Insurance	37,017	42,326
Communication charges	44,616	44,345
Bank charges and interest	484	566
Miscellaneous	14,801	14,730
	2,138,162	2,050,185
Income from operating activities	236,754	213,344
Finance income	9,638	5,947
Finance charges	(4,696)	(36,810)
Income before payment in lieu of taxes	241,696	182,481
Payment in lieu of taxes (note 9):		
Current	126,890	92,754
Deferred	(62,840)	(43,984)
	64,050	48,770
Net income and comprehensive income	\$ 177,646	\$ 133,711

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

HAMILTON RENEWABLE POWER INCORPORATED

Statement of Changes in Equity

Year ended December 31, 2019, with comparative information for 2018

	Common shares	Deficit	Total
Balance at January 1, 2018	\$ 6,000,010	\$ (332,191)	\$ 5,667,819
Net income and comprehensive income	-	133,711	133,711
Dividends	-	(103,057)	(103,057)
Balance at December 31, 2018	\$ 6,000,010	\$ (301,537)	\$ 5,698,473
Balance at January 1, 2019	\$ 6,000,010	\$ (301,537)	\$ 5,698,473
Net income and comprehensive income	-	177,646	177,646
Dividends	-	(106,970)	(106,970)
Balance at December 31, 2019	\$ 6,000,010	\$ (230,861)	\$ 5,769,149

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

HAMILTON RENEWABLE POWER INCORPORATED

Statement of Cash Flows

Year ended December 31, 2019, with comparative information for 2018

	2019	2018
Operating activities:		
Net income and comprehensive income	\$ 177,646	\$ 133,711
Adjustments for:		
Depreciation	584,500	548,376
Payments in lieu of income taxes expense	126,890	92,754
Finance income	(9,638)	(5,947)
Finance charges	4,696	36,810
Deferred payment in lieu of income taxes expense	(62,840)	(43,984)
Accounts receivable	32,181	(92,638)
HST payable	(2,304)	66,029
Prepaid expenses	(4)	(109)
Accounts payable and accrued liabilities	561	6,026
Cash provided by operating activities	851,688	741,028
Finance charges paid	(4,696)	(45,747)
Finance charges received	9,638	5,947
Payments in lieu of income taxes paid	(166,352)	(41,404)
Net cash used in operating activities	690,278	659,824
Financing activities:		
Advances from (payments to) the City of Hamilton	22,797	(53,394)
Repayment of capital loan	(278,305)	(529,649)
Dividends paid / payable	(106,970)	(103,057)
Net cash used in financing activities	(362,478)	(686,100)
Increase (decrease) in cash	327,800	(26,276)
Cash, beginning of year	461,865	488,141
Cash, end of year	\$ 789,665	\$ 461,865

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

HAMILTON RENEWABLE POWER INCORPORATED

Notes to Financial Statements

Year ended December 31, 2019

1. Purpose of the organization:

Hamilton Renewable Power Inc. ("the Entity") owns and operates two renewable power generation facilities in Hamilton, Ontario. The Woodward Plant is a 1.6 Megawatt ("MW") cogeneration facility, which is fueled by methane gas provided from the City of Hamilton's wastewater treatment facility. The Glanbrook Plant, is comprised of two 1.6 MW generators (3.2 MW in total) and is fueled by methane gas provided by a landfill gas collection system in the Glanbrook Landfill. Electricity produced by both plants is sold to the Independent Electricity System Operator. Thermal energy produced at Woodward is used by the wastewater treatment facility processes and for space heating.

The address of the Entity's registered office is 71 Main Street West, Hamilton, Ontario, Canada.

2. Significant accounting policies:**a) Basis of presentation:**

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These financial statements were authorized by the Board of Directors on September 17, 2020.

b) Functional and presentation currency:

These financial statements are presented in Canadian dollars, which is the Entity's functional currency.

c) Revenue recognition:Electricity distribution and thermal energy service charges

These charges comprise charges to customers for use of the Entity's electricity and thermal distribution systems. The performance obligations are recognized over time using an output method to measure the satisfaction of the performance obligation. The value of the electricity and thermal services transferred to the customer is determined on the basis of cyclical meter readings plus estimated customer usage since the last meter reading date to the end of the year and represents the amount that the Entity has the right to bill.

d) Expenses:

Expenses are reported on the accrual basis of accounting which recognizes expenses as they are incurred and measurable as a result of a receipt of goods or services and the creation of a legal obligation to pay.

HAMILTON RENEWABLE POWER INCORPORATED

Notes to Financial Statements (continued)

Year ended December 31, 2019

2. Significant accounting policies (continued):**e) Property, plant and equipment and depreciation:**

Property, plant and equipment and depreciation are initially recorded at acquisition cost or manufacturing cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the Entity's management. All property, plant and equipment are subsequently measured using the cost model, cost less accumulated depreciation and impairment losses.

Depreciation is calculated on a straight-line basis over the estimated service life of property, plant and equipment, less its residual value as follows:

Asset	Service life
Building	20 years
Generating equipment	45,000-180,000 hours
Interconnect to Grid	20 years
Pipeline	20 years

Material residual value estimates and estimates of useful life are updated as required, but are reviewed at least annually.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognized in profit or loss.

f) Impairment:**(i) Financial assets measured at amortized cost:**

A loss allowance for expected credit losses on financial assets measured at amortized cost is recognized at the reporting date. The loss allowance is measured at an amount equal to the lifetime expected credit losses for the asset.

(ii) Non-financial assets:

The carrying amounts of the Entity's non-financial assets, other than materials and supplies and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit" or "CGU"). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

HAMILTON RENEWABLE POWER INCORPORATED

Notes to Financial Statements (continued)

Year ended December 31, 2019

2. Significant accounting policies (continued):

f) Impairment (continued):

(ii) Non-financial assets (continued):

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss.

g) Payments in Lieu of Taxes ("PILs"):

The Entity is currently exempt from taxes under the Income Tax Act of Canada ("ITA") and the Ontario Corporations Tax Act ("OCTA"). Pursuant to the Electricity Act, 1998 (Ontario) ("EA"), the Entity is required to compute taxes under the ITA and OCTA and remit such amounts to the Ontario Electricity Financial Corporation ("OEFC").

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year using rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable with respect to previous years.

Deferred tax assets and liabilities is recognized in respect of temporary differences between the tax basis of assets and liabilities and their respective carrying amounts for accounting purposes. A deferred tax asset is recognized to the extent that it is probable that future taxable income will be available against which the temporary difference can be utilized. Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the date of enactment or substantive enactment.

h) Equity and dividend payments:

Share capital represents the nominal value of shares that have been issued. Retained earnings include all current and prior period retained profits. Dividend distributions payable to the shareholder are included in liabilities when the dividends have been approved in a general meeting prior to the reporting date.

All transactions with the shareholder are recorded separately within equity.

i) Financial instruments:

All financial instruments are recognized on the balance sheet when the Entity becomes a party to the contractual provision of the financial instrument and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of all financial assets and liabilities, except those held-for-trading and available for sale, are measured at amortized cost determined using the effective interest rate method.

All financial assets and financial liabilities are classified as amortized cost. These financial instruments are recognized initially at fair value plus any directly attributable transaction costs. Subsequently, they are measured at amortized cost using the effective interest method less any impairment for the financial assets as described in note 1(f). The Entity does not enter into derivative instruments.

HAMILTON RENEWABLE POWER INCORPORATED

Notes to Financial Statements (continued)

Year ended December 31, 2019

2. Significant accounting policies (continued):

j) Capital disclosures:

The Entity is not subject to externally imposed capital requirements and there has been no change with respect to the overall capital risk management strategy during the year.

k) Provisions:

A provision is recognized if, as a result of a past event, the Entity has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic resources will be required to settle the obligation.

l) Finance income and finance charges:

Finance income is recognized as it accrues in net income and comprises interest earned on cash and cash equivalents.

Finance charges comprise expenses on the capital loan. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss using the effective interest method.

3. Change in accounting policy:*IFRS 16 Leases*

The Entity has initially applied IFRS 16 Leases from January 1, 2019 on a retrospective basis. These standards did not have an impact on net income and comprehensive income.

4. Estimation uncertainty:

The preparation of financial statements requires that the Entity's management make assumptions and estimates of effects of uncertain future events on the carrying amounts of the Entity's assets and liabilities at the end of each reporting period. Actual results may differ from those estimates as the estimation process is inherently uncertain. Actual future outcomes could differ from present estimates and assumptions potentially having a material future effect on the Entity's historical experience and other facts and circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Entity's assets and liabilities are accounted for prospectively.

Areas requiring the use of significant assumptions and that have a significant risk of resulting in a material adjustment to the carrying amounts of the Entity's assets and liabilities are as follows:

Useful lives of depreciable assets

Management reviews its estimate of useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of the asset.

Impairment of property, plant and equipment

Management reviews property, plant and equipment for possible impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

HAMILTON RENEWABLE POWER INCORPORATED

Notes to Financial Statements (continued)

Year ended December 31, 2019

5. Deposit:

The balance is made up of a security deposit of \$32,000 (2018 - \$32,000) paid to the Ontario Electricity Financial Corporation ("OEFC"). On December 23, 2004, Hamilton Renewable Power Inc. (then called Hamilton Hydro Energy Inc.) signed a Renewable Power Energy Supply contract with the OEFC, which was subsequently transferred by the OEFC to the Independent Electricity System Operator ("IESO"), for the supply of 1.6 MW of electricity. During 2007, the IESO determined the security required under this contract to be \$32,000.

6. Property, plant and equipment:

	Building	Generating equipment	Interconnect to grid	Pipeline	Total
<i>Cost or deemed cost</i>					
Balance at January 1, 2018	\$ 498,509	\$ 8,214,549	\$ 2,659,720	\$ 1,528,917	\$ 12,901,695
Additions	-	-	-	-	-
Transfers	-	-	-	-	-
Disposals	-	-	-	-	-
Balance at December 31, 2018	\$ 498,509	\$ 8,214,549	\$ 2,659,720	\$ 1,528,917	\$ 12,901,695
Balance at January 1, 2019	\$ 498,509	\$ 8,214,549	\$ 2,659,720	\$ 1,528,917	\$ 12,901,695
Additions	-	-	-	-	-
Transfers	-	-	-	-	-
Disposals	-	-	-	-	-
Balance at December 31, 2019	\$ 498,509	\$ 8,214,549	\$ 2,659,720	\$ 1,528,917	\$ 12,901,695
<i>Accumulated Depreciation</i>					
Balance at January 1, 2018	\$ 266,641	\$ 3,892,429	\$ 1,248,745	\$ 758,930	\$ 6,166,745
Additions	24,925	314,019	132,986	76,446	548,376
Transfers	-	-	-	-	-
Disposals	-	-	-	-	-
Balance at December 31, 2018	\$ 291,566	\$ 4,206,448	\$ 1,381,731	\$ 835,376	\$ 6,715,121
Balance at January 1, 2019	\$ 291,566	\$ 4,206,448	\$ 1,381,731	\$ 835,376	\$ 6,715,121
Additions	24,926	350,142	132,986	76,446	584,500
Transfers	-	-	-	-	-
Disposals	-	-	-	-	-
Balance at December 31, 2019	\$ 316,492	\$ 4,556,590	\$ 1,514,717	\$ 911,822	\$ 7,299,621
<i>Carrying amount</i>					
December 31, 2018	\$ 206,943	\$ 4,008,101	\$ 1,277,989	\$ 693,541	\$ 6,186,574
December 31, 2019	\$ 182,017	\$ 3,657,959	\$ 1,145,003	\$ 617,095	\$ 5,602,074

HAMILTON RENEWABLE POWER INCORPORATED

Notes to Financial Statements (continued)

Year ended December 31, 2019

7. Capital loan:

The City of Hamilton, the sole shareholder, has provided a capital loan, bearing interest at 6.75% compounded semi-annually, due in semi-annual payments of \$287,698 principal and interest which matured in the current fiscal year.

	2019	2018
Capital loan	\$ -	\$ 278,305
Less current portion	-	(278,305)
	\$ -	\$ -

The capital loan was secured by a first charge general security agreement over all of the Entity's assets.

8. Common shares:

The Entity is authorized to issue an unlimited number of common shares. Any invitation to the public to subscribe for shares of the Entity is prohibited.

	2019	2018
Issued:		
600,001 Common shares	\$ 6,000,010	\$ 6,000,010

The Entity paid dividends in the year on common shares which amount to total dividends paid in the year of \$106,970 (2018 - \$103,057).

9. Payments in lieu of income taxes:

The provision for payments in lieu of income taxes ("PILs") recognized in income is as follows:

	2019	2018
Current PILs:		
Current year	\$ 126,890	\$ 92,754
Deferred PILs:		
Origination and reversal of temporary differences	(62,840)	(43,984)
	\$ 64,050	\$ 48,770

HAMILTON RENEWABLE POWER INCORPORATED

Notes to Financial Statements (continued)

Year ended December 31, 2019

9. Payments in lieu of income taxes (continued):**Reconciliation of effective tax rate**

The provision for PILs is computed by applying the Entity's combined statutory income tax rate of 26.5% (2018 – 26.5%) to income before payment in lieu of taxes.

Deferred payments in lieu of income tax

Significant component of the Entity's deferred PILs is as follows:

	2019	2018
Deferred PILs liability:		
Property, plant and equipment	\$ 312,281	\$ 375,122

10. Related party transactions:

The Entity sold \$284,389 (2018 - \$223,576) of thermal energy to the sole shareholder, the City of Hamilton, and incurred methane purchase costs of \$814,168 (2018 - \$771,480) from the City of Hamilton, which are included in cost of goods sold. These transactions are recorded at fair value.

The Entity paid \$245,719 (2018 - \$236,875) to the City of Hamilton for administrative support.

The Entity paid \$134,378 (2018 - \$118,788) to a corporation under common control for operation charges related to the Woodward co-generation facility.

These transactions are in the normal course of operations and are measured at the exchange value as agreed upon by the related parties.

Amounts due to and from related party included in current liabilities and current assets is due to/from the City of Hamilton and is non-interest bearing with no fixed terms of repayment.

11. Economic dependence:

The Entity earns its revenue from three customers, one of which is the City of Hamilton. Remaining revenue is earned from Ontario Power Generation and Hydro One under the terms of an agreement with the Independent Electricity System Operator which expires in November 2027.

HAMILTON RENEWABLE POWER INCORPORATED

Notes to Financial Statements (continued)

Year ended December 31, 2019

12. Financial instruments:

Fair value

The carrying value of the Entity's financial instruments as at December 31, 2019 approximate fair value.

Financial risk management

The types of financial risk exposure and the way in which such exposure is managed by the Entity are as follows:

Credit risk

The Entity's exposure to credit risk is influenced mainly by the individual characteristics of each customer. 100% of the Entity's revenue is attributable to sales transactions with three customers. The carrying amounts of the Entity's accounts receivable is reduced through the use of an allowance for impairment and the amount of the related impairment loss is recognized in net income. The balance of the allowance for impairment as at December 31, 2019 is \$nil (2018 - \$nil). The Entity's exposure to credit risk and management of this risk has not changed from the previous year. Management believes that the exposure is minimal as all amounts receivable are not past due.

Liquidity risk

Liquidity risk is the risk that the Entity will be unable to meet its financial obligations as they become due. The Entity manages liquidity risk by ensuring that it has sufficient cash available to meet its obligations. The Entity forecasts cash flows for a period of 12 months to identify financial requirements. These requirements are met through cash flows from operations. Management believes that the Entity's exposure to liquidity risk and management of this risk has not changed from the previous year.

At December 31, 2019, the Entity's current liabilities consisted of accounts payable and accrued liabilities, HST payable, payment in lieu of taxes and due to related party. The Entity's cash and cash equivalents together with projected cash flows over the next 12 months is sufficient to pay these current liabilities.

13. Subsequent event:

Subsequent to December 31, 2019, the COVID-19 outbreak was declared a pandemic by the World Health Organization. This has resulted in governments worldwide, including the Canadian and Ontario governments, enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally and in Ontario resulting in an economic slowdown. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic condition however the success of these interventions is currently not determinable. The current challenging economic climate may lead to adverse changes in cash flows, working capital levels and/or debt balances, which may also have a direct impact on the Corporation's operating results and financial position in the future. The situation is dynamic and the ultimate durations and magnitude of the impact on the economy and our business are not known at this time.