

S.A.L.T.S. SAIL AND LIFE TRAINING SOCIETY

Financial Statements

Year Ended December 31, 2015

S.A.L.T.S. SAIL AND LIFE TRAINING SOCIETY

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Year Ended December 31, 2015

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INDEPENDENT AUDITOR'S REPORT

To the Members of S.A.L.T.S. Sail and Life Training Society

We have audited the accompanying financial statements of S.A.L.T.S. Sail and Life Training Society, which comprise the statement of financial position as at December 31, 2015 and the statements of operations, changes in fund balances and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the 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 entity'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 financial statements.

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

Basis for Qualified Opinion

In common with many not-for-profit organizations, S.A.L.T.S. Sail and Life Training Society derives revenue from fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of S.A.L.T.S. Sail and Life Training Society. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended December 31, 2015, current assets and net assets as at December 31, 2015.

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Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of S.A.L.T.S. Sail and Life Training Society as at December 31, 2015 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.

Other Matter

As required by the Society Act (British Columbia), we report that, in our opinion, the accounting principles in the Canadian Accounting Standards for Not for Profit Organizations have been applied on a basis consistent with that of the preceding year.

Victoria, BC
February 17, 2016

Hayes Stewart Little + Co

CHARTERED PROFESSIONAL ACCOUNTANTS

S.A.L.T.S. SAIL AND LIFE TRAINING SOCIETY

Statement of Financial Position

December 31, 2015

	General Fund	Endowment Fund	New Ship Fund	Total 2015	Total 2014
ASSETS					
CURRENT					
Cash and cash equivalents <i>(Note 4)</i>	\$ 306,930	\$ -	\$ 3,451	\$ 310,381	\$ 1,434,110
Short-term investments <i>(Note 5)</i>	766,432	58,111	1,606,932	2,431,475	943,253
Accounts receivable <i>(net of Allowance for doubtful accounts: \$0 - 2014: \$5,224)</i>	5,288	-	-	5,288	35,687
Inventory	258,205	-	-	258,205	566,006
Prepaid expenses	36,289	-	-	36,289	31,696
Due from other funds <i>(Note 11)</i>	64,238	-	-	64,238	21,077
	<u>1,437,382</u>	<u>58,111</u>	<u>1,610,383</u>	<u>3,105,876</u>	<u>3,031,829</u>
DEPOSITS <i>(Note 6)</i>	64,709	-	-	64,709	64,709
TANGIBLE CAPITAL ASSETS <i>(Note 7)</i>	<u>2,558,265</u>	<u>-</u>	<u>272,582</u>	<u>2,830,847</u>	<u>2,901,800</u>
	<u>\$ 4,060,356</u>	<u>\$ 58,111</u>	<u>\$ 1,882,965</u>	<u>\$ 6,001,432</u>	<u>\$ 5,998,338</u>

See notes to the financial statements

S.A.L.T.S. SAIL AND LIFE TRAINING SOCIETY

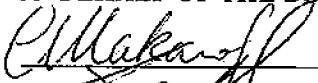
Statement of Financial Position

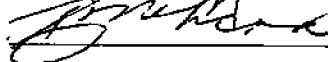
December 31, 2015

	General Fund	Endowment Fund	New Ship Fund	Total 2015	Total 2014
LIABILITIES AND NET ASSETS					
CURRENT					
Accounts payable and accrued charges	\$ 48,283	\$ -	\$ -	\$ 48,283	\$ 42,205
Employee deductions	19,958	-	-	19,958	11,876
GST/PST payable	28,718	-	-	28,718	444
Deferred revenue (Note 9)	439,085	-	-	439,085	452,494
Due to other funds (Note 11)	-	-	64,238	64,238	21,077
Loan payable (Note 10)	5,000	-	-	5,000	5,000
	<u>541,044</u>	<u>-</u>	<u>64,238</u>	<u>605,282</u>	<u>533,096</u>
DEFERRED CONTRIBUTIONS (Note 12)	125,081	-	-	125,081	165,455
	<u>666,125</u>	<u>-</u>	<u>64,238</u>	<u>730,363</u>	<u>698,551</u>
FUND BALANCES					
Invested in tangible capital assets	2,558,265	-	272,582	2,830,847	2,901,800
Externally Restricted	-	58,111	1,546,145	1,604,256	1,684,969
Unrestricted	835,966	-	-	835,966	713,018
	<u>3,394,231</u>	<u>58,111</u>	<u>1,818,727</u>	<u>5,271,069</u>	<u>5,299,787</u>
	<u>\$ 4,060,356</u>	<u>\$ 58,111</u>	<u>\$ 1,882,965</u>	<u>\$ 6,001,432</u>	<u>\$ 5,998,338</u>

COMMITMENTS (Note 13)

ON BEHALF OF THE BOARD

 _____ Director *Chair*

 _____ Director

See notes to the financial statements

S.A.L.T.S. SAIL AND LIFE TRAINING SOCIETY

Statement of Operations

For the Year Ended December 31, 2015

	General Fund	Endowment Fund	New Ship Fund	Total 2015	Total 2014
REVENUE					
Boat donations	\$ 485,908	\$ -	\$ -	\$ 485,908	\$ 543,700
Donations	381,608	-	9,500	391,108	365,409
Investment income (loss)	3,178	(4,419)	12,638	11,397	25,588
Memberships	9,976	-	-	9,976	4,627
Merchandise sales	43,334	-	-	43,334	49,065
Miscellaneous	11,204	-	-	11,204	3,999
Program fees	1,370,933	-	-	1,370,933	1,271,633
	2,306,141	(4,419)	22,138	2,323,860	2,264,021
EXPENSES					
Advertising	32,518	-	4,196	36,714	36,121
Amortization	85,957	-	-	85,957	87,221
Bad debt (recovery)	(1,526)	-	-	(1,526)	-
Bank charges and interest	23,181	-	-	23,181	23,755
Boat inventory write-down	-	-	-	-	32,800
Cost of boat sales	105,159	-	-	105,159	125,364
Cost of merchandise sales	29,035	-	-	29,035	28,987
Food and provisions	91,085	-	-	91,085	97,453
Fuel and oil	33,412	-	-	33,412	41,454
Insurance	98,219	-	-	98,219	101,955
Miscellaneous	5,678	-	-	5,678	4,625
Moorage	27,504	-	-	27,504	38,908
Office	55,189	-	442	55,631	66,293
Professional fees	37,338	-	41,146	78,484	46,106
Rent	162,349	-	-	162,349	158,474
Repairs and maintenance	389,752	-	-	389,752	360,031
Scholarships	109,253	-	-	109,253	67,023
Telephone	23,709	-	400	24,109	17,825
Training	25,070	-	19	25,089	30,289
Travel	3,536	-	7,929	11,465	8,402
Wages and employee benefits	924,106	-	52,428	976,534	918,339

See notes to the financial statements

S.A.L.T.S. SAIL AND LIFE TRAINING SOCIETY

Statement of Operations (continued)

For the Year Ended December 31, 2015

	General Fund	Endowment Fund	New Ship Fund	Total 2015	Total 2014
Total Expenses	2,260,524	-	106,560	2,367,084	2,291,425
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FROM OPERATIONS	45,617	(4,419)	(84,422)	(43,224)	(27,404)
OTHER INCOME					
Write down of other inventory	(443)	-	-	(443)	(262)
Foreign exchange gain	6,821	-	8,128	14,949	-
	6,378	-	8,128	14,506	(262)
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 51,995	\$ (4,419)	\$ (76,294)	\$ (28,718)	\$ (27,666)

See notes to the financial statements

S.A.L.T.S. SAIL AND LIFE TRAINING SOCIETY
Statement of Changes in Fund Balances
Year Ended December 31, 2015

	General Fund	Endowment Fund	New Ship Fund	Invested in Capital Assets - General	Total 2015	Total 2014
FUND BALANCES - BEGINNING OF YEAR	\$ 713,018	\$ 62,530	\$ 1,895,021	\$ 2,629,218	\$ 5,299,787	\$ 5,327,453
Excess (deficiency) of revenue over expenses	137,952	(4,419)	(76,294)	(85,957)	(28,718)	(27,666)
Transfer to invested in tangible capital assets	(15,004)	-	-	15,004	-	-
FUND BALANCES - END OF YEAR	\$ 835,966	\$ 58,111	\$ 1,818,727	\$ 2,558,265	\$ 5,271,069	\$ 5,299,787

See notes to the financial statements

S.A.L.T.S. SAIL AND LIFE TRAINING SOCIETY

General Fund Statement of Cash Flows

Year Ended December 31, 2015

	Total 2015	Total 2014
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses	\$ 51,995	\$ (57,274)
Items not affecting cash:		
Amortization	85,957	87,221
Unrealized loss on investments	-	486
Boat and in kind donation	(485,908)	(647,813)
Cost of boat sales	105,159	125,364
Inventory write-down	-	33,062
Bad debts	(1,526)	-
	<u>(244,323)</u>	<u>(458,954)</u>
Changes in non-cash working capital balances, net		
Accounts receivable	6,899	10,715
Inventory	(38,400)	(7,401)
Prepaid expenses and deposits	(4,593)	1,201
Accounts payable and accrued liabilities	4,167	(4,963)
Employee deductions	9,998	(7,368)
GST/PST payable	28,274	(2,296)
Deferred revenue	(13,409)	52,039
Deferred contributions	(40,374)	53,166
Due to/(from) other funds	(43,162)	(52,755)
Sale of boats	709,752	525,636
	<u>619,152</u>	<u>567,974</u>
Cash flow from operating activities	<u>374,829</u>	<u>109,020</u>
INVESTING ACTIVITIES		
Funds transfer	-	3,183
Purchase of tangible capital assets	(15,006)	(12,446)
Net redemption (purchase) of short-term investments	(354,648)	106,545
Cash flow (used by) from investing activities	<u>(369,654)</u>	<u>97,282</u>
INCREASE IN CASH FLOW	5,175	206,302
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>301,755</u>	<u>95,453</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 306,930</u>	<u>\$ 301,755</u>
CASH CONSISTS OF:		
Cash and cash equivalents	<u>\$ 306,930</u>	<u>\$ 301,755</u>

See notes to the financial statements

S.A.L.T.S. SAIL AND LIFE TRAINING SOCIETY

Notes to Financial Statements

Year Ended December 31, 2015

1. PURPOSE OF THE SOCIETY

S.A.L.T.S. Sail and Life Training Society (the "Society") is incorporated under the Society Act of British Columbia as a not-for-profit organization and is a registered charity under the Income tax Act. The Society's principal purpose is to develop the spiritual, relational, and physical potential of young people through sail training, shipboard life, and associated activities in a Christian environment.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

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

Fund accounting

The Society follows the restricted fund method of accounting for contributions.

The General Fund accounts for the Society's program delivery, tangible capital assets, and administrative activities.

The New Ship Fund reports the revenue, expenses, assets and liabilities related to the construction of a new sail training vessel.

The Endowment Fund reports resources contributed for endowment. Investment income earned on resources of the Endowment Fund is transferred to the General Fund and is used to fund scholarships.

Revenue recognition

Revenue is recognized after services/programs have been provided when the amount of revenue can be determined, and has been received or collectability is reasonably assured.

Restricted contributions related to general operations are recognized as revenue of the General Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributions for the New Ship Fund are recognized as revenue in the New Ship Fund when the amount of revenue can be determined, and has been received or collectability is reasonably assured.

Contributions for endowment are recognized as revenue in the Endowment Fund when the amount of revenue can be determined, and has been received or collectability is reasonably assured.

Inventory

The value of inventory of donated boats is determined using specific identification and recorded at appraised fair market values (cost) and adjusted annually to the lower of cost and net realizable value where necessary.

All other inventory is measured at the lower of average cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business.

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S.A.L.T.S. SAIL AND LIFE TRAINING SOCIETY

Notes to Financial Statements

Year Ended December 31, 2015

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

Tangible Capital Assets

Tangible capital assets are stated at cost or deemed cost less accumulated amortization. Tangible capital assets are amortized over their estimated useful life on a declining balance basis at the following rates and methods:

Vessels	2.5%
Tools and machinery	10%
Office furniture and equipment	15%
Vehicles	15%
Equipment	20%
Computer equipment	55%
Charts and publications	20%

Leasehold improvements are amortized on a straight line basis over the term of the lease which includes any terms of renewal at management's discretion.

The Society regularly reviews its tangible capital assets to eliminate obsolete items.

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

Contributed materials and services

Donated equipment is recorded at fair value when received, if the equipment would have normally been purchased by the Society.

The Society is dependent on the voluntary service of many members and others. Since these services are not normally purchased by the Society, and because of the difficulty of determining their fair value, donated services are not recognized in these financial statements.

Capitalized costs

Capitalized costs include development costs, administrative and general expenses incurred in connection with the development and construction of a tall ship. No costs were capitalized in 2015 (2014 - \$NIL)

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations 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. 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. Significant estimates include collectability of accounts receivable, valuation of boat inventory, accrual of liabilities and useful life of tangible capital assets.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

S.A.L.T.S. SAIL AND LIFE TRAINING SOCIETY

Notes to Financial Statements

Year Ended December 31, 2015

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

Foreign currency translation

Accounts in foreign currencies have been translated into Canadian dollars using the temporal method. Under this method, monetary assets and liabilities have been translated at the year end exchange rate. Non-monetary assets have been translated at the rate of exchange prevailing at the date of transaction. Revenues and expenses have been translated at the average rates of exchange during the year.

Foreign exchange gains and losses on monetary assets and liabilities are included in the determination of earnings.

Statement of cash flows

A statement of cash flows has not been presented for the Endowment Fund and New Ship Fund because it would not provide any additional meaningful information that is not readily determinable from information presented in the other financial statements.

3. FINANCIAL INSTRUMENTS

The Society is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The Society's financial instruments consist of cash and cash equivalents, short term investments, accounts receivable, accounts payable and accrued charges and loans payable. The following analysis provides information about the Society's risk exposure and concentration as of December 31, 2015.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Society is exposed to this risk mainly in respect of receipt of donations, proceeds from boat sales and accounts payable.

Currency risk

Currency risk is the risk to the company's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Society is exposed to foreign currency exchange risk on cash, accounts receivable, and accounts payable held in U.S. dollars. The Society does not use derivative instruments to reduce its exposure to foreign currency risk.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Society manages exposure through its normal operating and financing activities. The Society is exposed to interest rate risk primarily through its fixed rate investments.

(continues)

S.A.L.T.S. SAIL AND LIFE TRAINING SOCIETY

Notes to Financial Statements

Year Ended December 31, 2015

3. FINANCIAL INSTRUMENTS *(continued)*

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Society is exposed to other price risk through its investment in quoted shares and its boat inventory which are both susceptible to fluctuating fair market values beyond the control of the Society.

The Society is not exposed to significant credit rate risk. The Society regularly reviews the collectability of receivables, and feels that it has made adequate provisions to protect itself against credit risk.

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the General Fund consists of balances held in segregated money market high interest savings accounts and current accounts.

Cash and cash equivalents in the New Ship Fund consists of balances held in segregated money market high interest savings accounts and current accounts.

5. SHORT-TERM INVESTMENTS AND ENDOWMENT FUNDS

Short-term investments in the General Fund consist of:

- a) equity and money market mutual fund investments in addition to cash with a market value of \$766,432 (2014 - \$394,562) and a book value of \$766,432 (2014 - \$390,000).

The Society has established Endowment Funds that consist of the following short-term investments:

- b) the Endowment investment known as "The Martyn J. Clark Seafarer Award Fund" consists of a non-redeemable guaranteed investment certificate in the amount of \$20,000 (2014 - \$20,000) which matures January 15, 2021, and earns annual interest at 2.25%.
- c) the Endowment investment known as "The Robyn Sheppard Memorial Bursary" consists of an investment in equities, mutual funds, and a money market fund with a book value of \$43,618 (2014 - \$43,981) and a market value of \$38,111 (2014 - \$45,417).

The purpose of these funds is to hold investments. The income from these investments will be used in the General Fund to pay for annual bursaries for those applicants who wouldn't otherwise be able to participate in a voyage.

Short-term investments in the New Ship Fund consist of a segregated money market high interest savings account with a market and book value of \$1,606,922 (2014 - \$483,274).

6. DEPOSITS

Deposits relating to leased premises consist of \$20,000 (2014 - \$20,000), held in trust for the Society, but available to the landlord in the event the Society defaults on its lease. The remaining balance of deposits \$44,709 (2014 - \$44,709) are prepayments of rents to be applied at the end of the term of the leases.

S.A.L.T.S. SAIL AND LIFE TRAINING SOCIETY

Notes to Financial Statements

Year Ended December 31, 2015

7. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2015 Net book value	2014 Net book value
Vessel - Pacific Grace	\$ 2,598,416	\$ 791,650	\$ 1,806,766	\$ 1,853,093
Vessel - Pacific Swift	1,084,575	522,135	562,440	567,874
New ship fund	272,582	-	272,582	272,582
Tools and machinery	156,726	111,074	45,652	46,666
Leasehold improvements	125,127	38,650	86,477	97,852
Office furniture and equipment	98,987	86,052	12,935	15,218
Vehicles	50,016	31,341	18,675	21,972
Vessel - runabouts/dories	31,525	16,249	15,276	15,668
Equipment	7,138	3,027	4,111	5,139
Computer equipment	11,589	6,518	5,071	4,659
Charts and publications	4,936	4,074	862	1,077
	\$ 4,441,617	\$ 1,610,770	\$ 2,830,847	\$ 2,901,800

The asset listed above as New Ship Fund consists of capitalized costs incurred for the construction of a new vessel and are not being amortized until the date the new vessel becomes available for use. There were no additions to assets under construction for the year (2014 - \$nil).

8. BANK INDEBTEDNESS

The Society has an operating line of credit facility to a maximum of \$43,000 with HSBC Bank of Canada. Interest at bank prime plus 1.25% is payable monthly. The principal is payable on demand. The line of credit is secured by a general security agreement with a first fixed charge of a marine mortgage in the amount of \$43,000 over the Pacific Swift (Net book value of \$562,440; 2014 - \$567,874). At December 31, 2015, the available credit was \$43,000 and the amount outstanding was \$nil (2014 - \$nil).

9. DEFERRED REVENUE

Deferred revenue is made up of program deposits and membership fees of \$439,085 (2014 - \$452,494) received in 2015 for the 2016 season.

10. LOAN PAYABLE

	2015	2014
Payable to a benefactor, non-interest bearing with no fixed terms of repayment.	\$ 5,000	\$ 5,000

11. INTERFUND LOANS

Loans between funds are non-interest bearing and have no set repayment terms.

S.A.L.T.S. SAIL AND LIFE TRAINING SOCIETY

Notes to Financial Statements

Year Ended December 31, 2015

12. DEFERRED CONTRIBUTIONS

Deferred safety enhancement contributions represent contributions restricted for the purpose of meeting food safety requirements on the "Pacific Swift" and for purchasing immersion suits and inflatable life jackets. The deferred engineering fees contribution represents a contribution restricted for the purpose of engineering related to the planned refit of the "Pacific Grace" vessel. The change in both the deferred safety enhancement contributions and deferred engineering fee contributions balances are outlined in the table below.

Deferred bursary contributions represent contributions restricted for the purpose of awarding bursaries to groups who may not otherwise be able to participate on sailing trips. The changes in the deferred bursary contribution balances are outlined in the table below.

Deferred diabetes bursary contributions represent contributions restricted for the purpose of awarding bursaries to individuals with Type 1 diabetes who may not otherwise be able to participate on sailing trips. The changes in the deferred diabetes bursary contribution balances are outlined in the table below.

	Safety Enhancements & Engineering Fees	Bursary	Diabetes	2015	2014
Balance, beginning of year	\$ 34,000	\$ 97,317	\$ 34,139	\$ 165,456	\$ 112,289
Add: Contributions received in the year	-	111,977	902	112,879	160,189
Less: Amounts recognized as revenue in the year	(34,000)	(111,804)	(7,450)	(153,254)	(107,023)
Balance, end of year	\$ -	\$ 97,490	\$ 27,591	\$ 125,081	\$ 165,455

S.A.L.T.S. SAIL AND LIFE TRAINING SOCIETY

Notes to Financial Statements

Year Ended December 31, 2015

13. LEASE COMMITMENTS

The Society leases premises at 451 Herald Street and a water lease at 450 Swift Street under a lease that expires on September 30, 2017. Under the lease, the Society was required to pay a base rent of \$8,750 per month to September 30, 2015 and then \$9,500 per month for the remainder of the term.

Future base rent payments as at year end are as follows:

2016	\$	114,000
2017		<u>85,500</u>
	\$	<u>199,500</u>

The Society leases premises at 539 David Street under a lease expiring September 30, 2017. The lease requires base rent of \$2,768 per month in addition to a monthly triple net payment (currently \$1,241).

Future base rent payments required are as follows:

2016	\$	33,216
2017		<u>24,912</u>
	\$	<u>58,128</u>

The Society leases its photocopier/printer/fax machine. The terms of the lease require quarterly payments of \$400 plus taxes to February 28, 2019.

Future net lease payments required are as follows:

2016	\$	1,600
2017		1,600
2018		1,600
2019		<u>400</u>
	\$	<u>5,200</u>

14. COMPARATIVE FIGURES

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