

Canadian Forces Morale and Welfare Services

Financial statements
March 31, 2020



Independent auditor's report

To the Members of the Non-Public Property Board of
Canadian Forces Morale and Welfare Services

Opinion

We have audited the accompanying financial statements of Canadian Forces Morale and Welfare Services [the "Organization"], which comprise the statement of financial position as at March 31, 2020 and the statement of operations, the statement of changes in net assets and the statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2020, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for audit of the financial statement* section of our report. We are independent of the Organization in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other matter – change in auditor

The financial statements of the Organization for the year ended March 31, 2019, were audited by another auditor who expressed an unmodified opinion on those statements on November 25, 2019.

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 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 Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Organization's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Organization to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Ernst & Young LLP

Ottawa, Canada
October 26, 2020

Chartered Professional Accountants
Licensed Public Accountants



Canadian Forces Morale and Welfare Services

Statement of financial position

	2020	2019
	\$	\$
Assets		
Current assets		
Cash	15,100	15,100
Accounts receivable	14,437,017	15,363,112
Prepaid expenses	1,002,603	645,568
	15,454,720	16,023,780
Capital assets [note 4]	16,865,312	13,706,735
	32,320,032	29,730,515
Liabilities and net assets		
Current liabilities		
Accounts payable and accrued liabilities	1,727,357	962,355
Deferred revenue	1,443,524	3,233,116
Due to Canadian Forces Central Fund [note 7]	4,548,682	2,920,649
	7,719,563	7,116,120
Deferred contributions for capital assets (non-cash) [note 4]	15,712,197	12,727,784
	23,431,760	19,843,904
Net assets		
Internally restricted [note 5]		
Personnel [Public]	5,865,032	6,583,724
Insurance	3,023,240	3,302,887
	8,888,272	9,886,611
	32,320,032	29,730,515

See accompanying notes

Approved on behalf of the Non-Public Property Board:

 Julie Focke
Chief Financial Officer

Canadian Forces Morale and Welfare Services

Statement of operations

Year ended March 31

	2020	2019
	\$	\$
Revenue		
User fees and contributions <i>[note 7]</i>		
Canadian Forces Exchange System ["CANEX"]	6,450,080	6,493,163
SISIP Financial ["SISIP"]	19,334,220	15,614,988
Canadian Forces Central Fund ["CFCF"]	350,000	4,036,635
Other Non-Public Property ["NPP"] revenue	893,441	1,547,196
Department of Defence ["DND"]		
C108 - Military Family Services	35,170,674	34,594,521
C109 - Morale and Welfare	89,718,203	87,545,268
C109 - Morale and Welfare [unbilled]	643,873	—
Cost recoveries from other parts of DND	13,902,597	13,095,714
Other government departments	4,567,303	3,479,953
Deferral of contributions	(5,312,200)	(3,531,715)
Amortization of deferred contributions	2,327,787	1,827,303
	168,045,978	164,703,026
Expense		
Personnel	101,801,900	97,731,707
IT hardware, software and licensing	7,123,899	5,831,470
Contract services	6,925,845	6,730,655
Travel	4,508,972	4,828,058
Depreciation	2,746,718	2,229,790
Insurance	1,050,319	1,221,198
Facilities	947,028	1,022,727
Other	2,191,836	2,781,225
Capitalization of technology assets	(5,312,200)	(3,531,715)
	121,984,317	118,845,115
Net revenue before the undernoted Distributions	46,061,661	45,857,911
Distributions	47,060,000	45,820,784
Net revenue (expense) for the year	(998,339)	37,127

See accompanying notes

Canadian Forces Morale and Welfare Services

Statement of changes in net assets

Year ended March 31, 2020

	Balance, beginning of year \$	Net expense for the year \$	Transfers \$	Balance, end of year \$
Unrestricted	—	(998,339)	998,339	—
Internally restricted <i>[note 5]</i>				
Personnel [Public]	6,583,724	—	(718,692)	5,865,032
Insurance	3,302,887	—	(279,647)	3,023,240
	9,886,611	(998,339)	—	8,888,272

See accompanying notes

Canadian Forces Morale and Welfare Services

Statement of cash flows

Year ended March 31

	2020	2019
	\$	\$
Cash provided by (used in)		
Operating activities		
Net revenue (expense) for the year	(998,339)	37,127
Items not affecting cash		
Depreciation	2,746,718	2,229,790
Amortization of deferred contributions for capital assets	(2,327,787)	(1,827,303)
Net change in non-cash working capital items		
Accounts receivable	926,095	3,787,035
Prepaid expenses	(357,035)	(222,347)
Accounts payable and accrued liabilities	765,002	(4,674,061)
Deferred revenue	(1,789,592)	531,777
Due to Canadian Forces Central Fund	1,628,033	323,641
	<u>593,095</u>	<u>185,659</u>
Investing activities		
Purchase of capital assets	(5,905,295)	(4,212,866)
Proceeds from disposals of capital assets	—	495,174
	<u>(5,905,295)</u>	<u>(3,717,692)</u>
Financing activity		
Contributions for capital assets received	<u>5,312,200</u>	<u>3,531,715</u>
Net change in cash for the year	—	(318)
Cash, beginning of year	<u>15,100</u>	<u>15,418</u>
Cash, end of year	<u>15,100</u>	<u>15,100</u>

See accompanying notes

Canadian Forces Morale and Welfare Services

Notes to financial statements

March 31, 2020

1. Nature of operations

Canadian Forces Morale and Welfare Services ["CFMWS" or the "Organization"] is both a staff/headquarters organization for the Non-Public Property ["NPP"], Public reimbursed NPP programs and Public funded programs. CFMWS operates under the authority of the Chief of the Defence Staff ["CDS"] in his NPP capacity.

CFMWS is responsible for delivering selected morale and welfare programs, activities and services through operational divisions, Personnel Support Programs and Military Family Services.

CFMWS provides support services in the areas of NPP accounting, information management and information technology, human resources and corporate services. CFMWS distributes grants and contributions to enhance NPP programs and activities for the military community at all locations.

NPP programs and services are funded through contributions from Service Income Security Insurance Financial Services ["SISIP"], Canadian Forces Exchange System ["CANEX"] and Canadian Forces Central Fund ["CFCF"], while funding for public responsibilities are reimbursed by the Department of National Defence ["DND"] primarily through two corporate accounts [C108 and C109].

C108 is the core funding for the delivery of the Military Family Service Program ["MFSP"] through Military Family Resource Centers ["MFRC"]. C109 is the funding for Public programs and services delivered by CFMWS, which comprises governance [Public, NPP and MFSP] and program delivery.

In common with other non-public funds, CFMWS is exempt from paying income tax under Part I of the *Income Tax Act*.

2. Summary of significant accounting policies

Basis of accounting

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

Revenue recognition

CFMWS follows the deferral method of accounting for contributions. Restricted contributions related to the expenses of future periods are deferred and recognized as revenue in the period in which the related expenses are incurred.

Revenue from user fees is recognized as revenue in the month the applicable program service or activity is rendered.

In addition to this revenue from related parties, CFMWS also provides support programs for the benefit of the Public [Department of National Defence ["DND"]]. These amounts are recognized as revenue in the month the support programs are rendered to the Public.

Canadian Forces Morale and Welfare Services

Notes to financial statements

March 31, 2020

Capital assets

Capital assets are initially recorded at cost and are then amortized on a straight-line basis at the following annual rates:

Computer equipment	17% – 24%
Building	5%
Office furniture	12%

Employee future benefits

CFMWS participates in the Canadian Forces Non-Public Funds Employees Pension Plan [the “Plan”], which is a multiemployer, contributory, defined benefit plan. The Plan provides retirement benefits relating to contributions and years of service of staff of all Non-Public Funds. Substantially all CFMWS employees are eligible to be members of the Plan.

The CFMWS portion of the Plan is accounted for as a defined contribution plan as there is insufficient information available to use defined benefit plan accounting. As a result, the CFMWS contributions to the Plan are included as an expense in the statement of operations. A pension asset has not been recorded on the statement of financial position.

Use of estimates

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 amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the reporting period.

Actual results could differ from those estimates. The estimates are reviewed annually and as adjustments become necessary, they are recognized in the financial statements in the period that they become known.

Financial instruments

CFMWS initially measures its financial assets and financial liabilities at fair value. CFMWS subsequently measures its financial assets and financial liabilities at amortized cost.

Financial assets subsequently measured at amortized cost are tested for impairment when there are indicators of possible impairment. Any impairment loss is recognized in net revenue (expense) for the year. The previously recognized impairment loss may subsequently be reversed to a maximum of the amortized cost that would have been reported at the date of the reversal had the impairment not been recognized previously.

The carrying amount of the financial asset or liability is adjusted by the transaction costs, which are recognized in net revenue (expense) for the year using the straight-line method.

Canadian Forces Morale and Welfare Services

Notes to financial statements

March 31, 2020

New accounting standards

During the year, CFMWS adopted the new accounting standards Section 4433, *Tangible Capital Assets*, and Section 4434, *Intangible Capital Assets*, as of April 1, 2019. Section 4433, *Tangible Capital Assets*, replaces the previous Section 4431, *Tangible Capital Assets*, and provides additional guidance on contributed assets and the write-down (partial impairment) of assets. Section 4434, *Intangible Capital Assets*, replaces the previous Section 4432, *Intangible Capital Assets*, and provides additional guidance on contributed assets and the write-down (partial impairment) of assets. The changes did not have any impact on these financial statements.

3. Concentration of credit risk

Substantially all accounts receivable are owing from DND.

4. Capital assets

Capital assets include:

	2020		2019	
	Cost	Accumulated amortization	Net	Net
	\$	\$	\$	\$
Computer equipment	23,973,739	15,184,965	8,788,774	9,181,738
Building	570,623	318,148	252,475	281,006
Office furniture	317,898	282,985	34,913	24,714
Work-in-progress	7,789,150	—	7,789,150	4,219,277
	32,651,410	15,786,098	16,865,312	13,706,735

CFMWS technology projects are partially or wholly NPP and / or Publicly funded. These projects are initially expensed in order to receive NPP contributions, and / or Public funding. This expense is substantially reversed; recognized as an asset, and depreciated over the asset's useful life. The NPP contributions and / or Public funding received are deferred and amortized over the same period to offset future depreciation of capital technology project assets.

5. Internally restricted net assets

Personnel

In accordance with VCDS 3/96 instruction, a fixed employer cost percentage was established to reimburse the Public-funded Staff of Non-Public Funds, Canadian Forces charged with delivering morale and welfare programs. The difference between the actual employer costs and those reimbursed by Public have been internally restricted to provide funding for personnel costs, such as pension, severance pay, hiring costs, maternity leave and other personnel costs.

The same fixed employer cost percentage is applied to staff funded, partly or wholly by NPP, with any shortfall funded with the contribution from CFCF and SISIP.

Canadian Forces Morale and Welfare Services

Notes to financial statements

March 31, 2020

Insurance

Amounts have been internally restricted to provide funding for Non-Public Fund ["NPF"] insurance claims.

6. Pension plan

The CFMWS share of contributions to the Plan were \$4,979,066 [2019 – \$6,732,231] and are included as an expense in the statement of operations.

An extrapolation of an actuarial valuation prepared as at December 31, 2019 [2019 – December 31, 2018] indicated the following information about the overall Plan:

	2019 \$	2018 \$
Fair value of plan assets	415,364,343	362,094,715
Accrual benefit obligation	(315,227,000)	(282,280,000)
Surplus	100,137,343	79,814,715

Under the going concern basis, this valuation compares the relationship between the value of the Plan's assets under the present value of the expected future benefit cash flows in respect of accrued service, assuming the Plan will be maintained indefinitely. Under this scenario, the valuation resulted in a surplus of \$91.5 million [2018 – \$93.5 million].

Conversely, under the hypothetical solvency (wind up) basis, the Plan is assumed to be wound up and settled on the valuation date, assuming benefits are settled in accordance with the existing taxation rules under circumstances producing the maximum wind up liabilities on the valuation date. This valuation resulting in a deficit of \$48.6 million [2018 –\$41.8 million].

These valuations are utilized to assess monthly and annual employer contributions. The Plan is required to have its next actuarial valuation performed as at December 31, 2020.

7. Related party transactions

Among the other entities that operate under the authority of the CDS in his NPP capacity are the CANEX, SISIP Financial, Canadian Forces Central Fund CFCF and individual bases wings and messes.

Canadian Forces Morale and Welfare Services

Notes to financial statements

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Revenue includes user fees for services charged to related parties for accounting, human resources management, information management and information technology consolidated insurance programs, as follows:

						2020	2019
	CANEX	SISIP	Bases/ wings/ messes	CFCF	Pension administration	Total	Total
	\$	\$	\$	\$	\$	\$	\$
Accounting	1,855,274	168,150	204,877	350,000	165,000	2,743,301	2,780,187
Human resources management services	634,332	215,146	—	—	—	849,161	836,727
IM/IT	560,534	426,572	9,055	—	—	996,161	971,895
Consolidated Insurance Program	249,940	6,079	426,028	—	—	682,047	677,319
	3,300,080	815,947	639,960	350,000	165,000	5,270,987	5,266,128

During the year CFMWS received contributions from SISIP, CANEX and CFCF to support NPP morale and welfare services, programs and governance. Of the \$17,437,660 in combined contributions received from CFCF and SISIP [2019 – \$15,753,880], \$1,080,613 [2019 – \$2,780,060] was used to fund a shortfall in ‘Staff of the NPP employer costs’ primarily related to pension solvency payments.

CFMWS distributed \$4,558,686 [2019 – \$4,451,046] in CANEX/SISIP Morale and Welfare Grants to CAF Bases and Wings throughout Canada, Europe and deployed operations.

Related party transactions are measured at their exchange amounts, which are the amounts established and agreed to by the related parties involved.

The amount ‘Due to Canadian Forces Central Fund’ of \$4,548,682 [2019 – \$2,920,649] represents CFMWS share of an internal Consolidated Bank Account [“CBA”] administered by CFCF. This amount is non-interest bearing and has no specific terms of repayment.

NPP revenue and expense of approximately \$361 million and \$394 million, respectively, for the year ended March 31, 2020 and net equity of \$755 million at March 31, 2020, are excluded from the financial statements of the Government of Canada.

Under the *National Defence Act*, NPP is explicitly excluded from the *Financial Administration Act*. The government provides some services to NPP such as accommodation and security for which no charge is made. The cost of providing these services is included in the Public Accounts of Canada.

8. Government remittances

Government remittances of nil [2019 – nil] are included in accounts payable and accrued liabilities.

Canadian Forces Morale and Welfare Services

Notes to financial statements

March 31, 2020

9. Financial instruments

CFMWS is exposed to various risks through its financial instruments. The following analysis provides a measure of the CFMWS risk exposure as at March 31, 2020.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. CFMWS is exposed to credit risk on its accounts receivable. CFMWS believes the risk is low given all accounts receivable are owing from DND.

Liquidity risk

Liquidity risk is the risk CFMWS will have difficulty in meeting obligations associated with financial liabilities. Prudent management of liquidity risk implies retaining a sufficient level of liquidities and arranging for appropriate credit facilities. CFMWS believes that its recurring financial resources are adequate to fulfill its obligations.

10. Comparative figures

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

11. COVID-19 pandemic

Beginning March 2020, the outbreak of the Coronavirus disease ["COVID-19"] has resulted in governments worldwide 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 resulting in an economic slowdown. The duration and impact of the COVID-19 outbreak is unknown at this time, nor is the efficacy of the government and central bank monetary and fiscal interventions designed to stabilize economic conditions. As a result, the possibility of lower staff funding and overall budget cuts exists, however it is not possible to reliably estimate the length and severity of these developments nor the impact on the consolidated financial position and consolidated financial results of CFMWS in current and future periods.

Statement of operations - NPP

Year ended March 31

	2020	2019
	\$	\$
Revenue		
User fees for services <i>[note 7]</i>		
CANEX	3,300,080	3,343,163
SISIP	815,947	767,682
Bases/wings/messes	639,960	640,283
CFCF	350,000	350,000
Pension administration	165,000	165,000
	<u>5,270,987</u>	<u>5,266,128</u>
Contributions <i>[note 7]</i>		
CANEX	3,150,000	3,150,000
SISIP	17,437,660	12,745,151
CFCF	—	3,008,729
Other	88,481	741,913
	<u>20,676,141</u>	<u>19,645,793</u>
Deferral of contributions for capital assets	(2,417,615)	(1,635,587)
Amortization of deferred contributions for capital assets	830,524	577,655
	<u>24,360,037</u>	<u>23,853,989</u>
Expense		
Core NPP governance		
Corporate services	1,384,890	1,044,966
Accounting	5,061,112	4,996,639
Information management/information technology	5,897,845	5,486,018
Technology Investment Program	2,819,163	1,593,109
Human resources management services	3,855,854	3,584,220
Personal Support Program	303,001	277,653
	<u>19,321,865</u>	<u>16,982,605</u>
NPP programs		
CF appreciation	—	1,162,024
Consolidated insurance program	952,384	517,575
CFOne membership	647,638	703,219
Sponsorship	452,457	660,155
National sports	136,990	88,131
Conseil International du Sport Militaire	46,602	88,326
	<u>2,236,071</u>	<u>3,219,430</u>

Statement of operations - NPP

Year ended March 31

	2020	2019
	\$	\$
Capitalization of capital assets	(2,417,615)	(1,635,587)
Amortization of capital assets	830,524	577,655
	<u>19,970,845</u>	<u>19,144,103</u>
Distributions		
CANEX/SISIP Morale and Welfare Grant <i>[note 7]</i>	4,558,686	4,451,046
SEA Grant	110,153	117,447
	<u>4,668,839</u>	<u>4,568,493</u>
Revenue (expense) before the undernoted	<u>(279,647)</u>	<u>141,393</u>
Personnel <i>[note 5]</i>		
Entity cost recoveries	17,620,617	16,816,383
CFCF and SISIP contributions <i>[note 7]</i>	1,080,613	2,780,060
Expense	(18,701,230)	(19,596,443)
	<u>—</u>	<u>—</u>
Net revenue (expense) for the year	<u>(279,647)</u>	<u>141,393</u>

See accompanying notes

Statement of operations - Public

Year ended March 31

	2020	2019
	\$	\$
Revenue		
Cost recoveries from Department of Defence		
C108 - Military Family Services	35,170,674	34,594,521
C109 - Morale and Welfare	89,718,203	87,545,268
C109 - Morale and Welfare [unbilled]	643,873	—
Health services [health promotion]	7,042,431	7,224,805
OFA deployed operations	3,726,991	3,636,410
Other	3,133,174	2,234,499
	139,435,346	135,235,503
Other government departments		
Veterans Affairs Canada ["VAC"]	4,273,108	3,245,549
Other	294,195	234,403
	4,567,303	3,479,952
Deferral of contributions for capital assets	(2,894,584)	(1,896,129)
Amortization of deferred contributions for capital assets	1,497,263	1,249,648
	142,605,328	138,068,974
Expense		
Core NPP governance [C109]		
Corporate services	6,301,647	4,710,861
Accounting	8,200,686	8,070,319
Information management/information technology	5,840,539	5,356,478
Technology Investment Program	2,510,067	1,418,439
Human resources management services	4,826,996	4,480,053
CANEX management	2,716,245	2,555,334
Corporate costs	56,101	3,333,898
	30,452,281	29,925,382
CAF programs [C109]		
PSP management - HQ and field	9,051,326	8,480,964
CAF mess management	3,619,280	3,323,545
CAF community recreation management	2,470,817	2,132,872
CAF physical fitness and sports	34,723,397	32,641,593
SISIP financial counselling and education	3,081,683	3,346,531
Support to deployed operations	1,297,491	1,471,115
Comprehensive military family plan	—	378,599
	54,243,994	51,775,219

Statement of operations - Public

Year ended March 31

	2020	2019
	\$	\$
Family programs		
Military Family Resource Centres [C108]	34,988,923	34,594,521
Military Family Resource Centres - Virtual [C108]	181,751	—
Military Family Services [C109]	5,665,800	5,844,666
	<u>40,836,474</u>	<u>40,439,187</u>
Other Department of Defence [health services, OFA and other]	13,902,597	13,095,714
Other government departments [VAC and other]	4,567,303	3,479,953
Capitalization of capital assets	(2,894,584)	(1,896,129)
Amortization of capital assets	1,497,263	1,249,648
	<u>142,605,328</u>	<u>138,068,974</u>
Revenue before the undernoted	—	—
Personnel [note 5]		
Entity cost recoveries	17,006,794	19,288,289
Expense	(17,725,486)	(19,392,555)
	<u>(718,692)</u>	<u>(104,266)</u>
Net expense for the year	<u>(718,692)</u>	<u>(104,266)</u>

See accompanying notes