



## **CLEAR SEAS CENTRE FOR RESPONSIBLE MARINE SHIPPING SOCIETY**

**Financial Statements**  
**March 31, 2020**

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## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF CLEAR SEAS CENTRE FOR RESPONSIBLE MARINE SHIPPING SOCIETY

#### *Report on the Audit of the Financial Statements*

##### *Opinion*

We have audited the financial statements of Clear Seas Centre for Responsible Marine Shipping Society (the "Society"), which comprise:

- ♦ the statement of financial position as at March 31, 2020;
- ♦ the statement of operations and net assets for the year then ended;
- ♦ 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 Society 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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Society in accordance with the 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 opinion.

##### *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 Society'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 Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society'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 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 Society'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 Society'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 conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*Report on Other Legal and Regulatory Requirements*

As required by the *Societies Act* (British Columbia), we report that, in our opinion, these principles in Canadian accounting standards for not for profit organizations have been applied on a basis consistent with that of the preceding year.

*Smythe LLP*

Chartered Professional Accountants

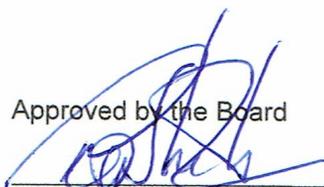
Vancouver, British Columbia  
July 28, 2020

**CLEAR SEAS CENTRE FOR RESPONSIBLE MARINE SHIPPING SOCIETY**  
**Statement of Financial Position**  
**March 31**

	2020	2019
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 861,601	\$ 483,676
Short-term investments (note 4)	1,025,000	2,325,166
Amounts receivable	8,265	345,825
GST receivable	4,693	11,028
Deposits and prepaid expenses	7,972	6,940
	<b>\$ 1,907,531</b>	<b>\$ 3,172,635</b>
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 52,922	\$ 37,968
Current portion of deferred revenue (note 5)	312,288	580,570
	365,210	618,538
<b>Deferred revenue (note 5)</b>	<b>100,000</b>	<b>412,288</b>
	465,210	1,030,826
<b>Net Assets</b>		
<b>Unrestricted</b>	<b>1,442,321</b>	<b>2,141,809</b>
	<b>\$ 1,907,531</b>	<b>\$ 3,172,635</b>

Commitments (note 7)

Approved by the Board



Director



Director

See notes to financial statements

**CLEAR SEAS CENTRE FOR RESPONSIBLE MARINE SHIPPING SOCIETY**  
**Statement of Operations and Changes in Net Assets**  
**Year Ended March 31**

	<b>2020</b>	<b>2019</b>
<b>Revenue</b>		
Grants (note 5)	\$ 580,569	\$ 528,571
Recovery - Transport Canada (note 5)	200,000	709,687
Interest	38,849	41,792
	<b>819,418</b>	<b>1,280,050</b>
<b>Expenditures</b>		
Salary and human resources	797,715	673,888
Communication and engagement	238,237	194,921
Board Fee and expenses	133,814	139,746
Research and development	126,806	242,606
Office and rent	110,325	113,456
Travel	35,853	20,131
Information technology	30,306	36,607
Professional fees	28,250	20,665
GST	17,600	14,257
Amortization	-	19,606
	<b>1,518,906</b>	<b>1,475,883</b>
<b>Deficiency of revenue over expenditures for year</b>	<b>(699,488)</b>	<b>(195,833)</b>
<b>Net assets, beginning of year</b>	<b>2,141,809</b>	<b>2,337,642</b>
<b>Net assets, end of year</b>	<b>\$ 1,442,321</b>	<b>\$ 2,141,809</b>

**CLEAR SEAS CENTRE FOR RESPONSIBLE MARINE SHIPPING SOCIETY**  
**Statement of Cash Flows**  
**Year Ended March 31**

	<b>2020</b>	<b>2019</b>
<b>Operating activities</b>		
Deficiency of revenue over expenditures	\$ (699,488)	\$ (195,833)
Item not involving cash		
Amortization	-	19,606
	(699,488)	(176,227)
Changes in non-cash working capital		
Amounts receivable	337,560	(76,869)
GST receivable	6,335	(8,443)
Deposits and prepaid expenses	(1,032)	-
Accounts payable and accrued liabilities	14,954	34,713
Deferred revenue	(580,570)	(328,571)
	(222,753)	(379,170)
Cash used in operating activities	(922,241)	(555,397)
<b>Investing activity</b>		
Redemption of short-term investments	1,300,166	700,000
<b>Inflow of cash</b>	377,925	144,603
<b>Cash, beginning of year</b>	483,676	339,073
<b>Cash, end of year</b>	\$ 861,601	\$ 483,676

# **CLEAR SEAS CENTRE FOR RESPONSIBLE MARINE SHIPPING SOCIETY**

## **Notes to Financial Statements**

**Year Ended March 31, 2020**

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### **1. NATURE OF OPERATIONS**

Clear Seas Centre for Responsible Marine Shipping Society was incorporated on November 6, 2013 under the Society Act (British Columbia). The goal of the Society is to promote and facilitate research and regulatory frameworks that deliver the highest standards in safe and sustainable marine shipping including, but not limited to, shipment of Canada's oil and liquefied natural gas commodities. The Society is exempt from taxes under section 149(1)(l) of the Income Tax Act (Canada).

### **2. SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Society were prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") and include the following significant accounting policies.

#### **(a) Revenue recognition**

The Society follows the deferral method of accounting for contributions. Contributions with specific purpose or with some other restrictions attached to them are recognized as revenue on a straight-line basis over the terms set out in the agreement. Until recognized as revenue, such amounts are shown as deferred revenue as a liability on the statement of financial position.

Unrestricted contributions and other revenues are recognized when received or receivable, if the amount can be reasonably estimated and collection is reasonably assured.

Interest income is recognized as earned based on the passage of time at the stated interest rate.

#### **(b) Use of estimates**

The preparation of these financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates include recoverability of amounts receivable and accrual of liabilities. While management believes these estimates are reasonable, actual results could differ from the estimates and could impact future results of operations and cash flows.

**CLEAR SEAS CENTRE FOR RESPONSIBLE MARINE SHIPPING SOCIETY**  
**Notes to Financial Statements**  
**Year Ended March 31, 2020**

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**2. SIGNIFICANT ACCOUNTING POLICIES — continued**

(c) Financial instruments

The Society initially measures its financial assets and liabilities at fair value. The Society subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in surplus of receipts over expenditures. In the event a previously recognized impairment loss should be reversed, the amount of the reversal is recognized in surplus of receipts over expenditures provided it is not greater than the original amount prior to write-down

For any financial instrument that is measured at amortized cost, the instrument's cost is adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption. These transaction costs are amortized into income on a straight-line basis over the term of the instrument. All other transaction costs are recognized in surplus of receipts over expenditures in the period incurred.

**3. FINANCIAL INSTRUMENTS**

(a) Liquidity risk

Liquidity risk is the risk that the Society will encounter difficulty in meeting obligations associated with financial liabilities.

The Society is exposed to this risk mainly in respect of its accounts payable and accrued liabilities. The Society has sufficient current assets to meet its short-term liabilities.

(b) 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.

The Society is not exposed to significant credit risk to its amounts receivable. Credit risk with respect to cash and short-term investments are minimized, as cash is held with a major Canadian financial institution.

**CLEAR SEAS CENTRE FOR RESPONSIBLE MARINE SHIPPING SOCIETY**  
**Notes to Financial Statements**  
**Year Ended March 31, 2020**

**3. FINANCIAL INSTRUMENTS — continued**

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

Interest rate risk consists of two components:

- (i) To the extent that payments made or received on the Society's monetary assets and liabilities are affected by changes in prevailing market interest rates, the Society is exposed to interest rate cash flow risk.
- (ii) To the extent that changes in prevailing market interest rates differ from the interest rates in the Society's monetary assets and liabilities, the Society is exposed to interest rate price risk.

The Society is not exposed to significant interest rate risk due to the short-term maturity of its financial assets and liabilities.

**4. SHORT-TERM INVESTMENTS**

Short-term investments consist of guaranteed investment certificates ("GIC's") bearing 1.2% to 1.25% interest per annum (2019 - 1.5%), maturing within the next fiscal year.

**5. DEFERRED REVENUE**

	Opening Balance	Recognized as Revenue	Closing Balance
Alberta Grant	\$ 992,858	\$ (580,570)	\$ 412,288
Less: Current portion			(312,288)
			\$ 100,000

# CLEAR SEAS CENTRE FOR RESPONSIBLE MARINE SHIPPING SOCIETY

## Notes to Financial Statements

Year Ended March 31, 2020

### 5. DEFERRED REVENUE — continued

#### Alberta Energy Grant

During fiscal 2013, the Society received a grant of \$3,700,000 from the Government of Alberta. The grant is recognized as revenue on a straight-line basis over the term of the agreement which will end during fiscal 2021.

During fiscal 2019, the Society received additional grant of \$200,000 from the Government of Alberta. The grant is being recognized as revenue on a straight-line basis over the term of the agreement which will end during fiscal 2024.

As at March 31, 2020, \$580,570 (2019 - \$528,571) has been recorded as revenue on the statement of operations and \$412,288 (2019 - \$992,858) has been recorded as deferred revenue from both agreements.

#### Transport Canada

In May 2015, the Society signed a contribution agreement with Transport Canada that reimburses the Society for eligible expenses (as defined in the agreement) up to a maximum of \$3,700,000 through a process whereby the Society submits claims for reimbursement on a quarterly basis. The contribution agreement was amended in December 2017 and again in March 2019. The amended agreement ended in March 2020.

### 6. REMUNERATION OF DIRECTORS, EMPLOYEES AND/OR CONTRACTORS

During the year, the Society paid four (2019 - three) employees earnings more than \$75,000 each a total of approximately \$484,000 (2019 - \$375,000) including benefits. There were no contractors for service contracts exceeding \$75,000 (2019 - three for approximately \$225,000). The Society remunerated its Board of Directors as follows

	2020
Chair Person	\$ 18,000
Vice Chair Person	12,854
Chair of HR and Governance Committee	11,042
Chair of Finance & Audit Committee	10,875
Director	11,437
Director	10,500
Director	10,250
Director	9,750
Director	7,000
Director	2,875
Director	2,658
	\$ 107,241

### 7. COMMITMENTS

The Society is committed to lease payments aggregating \$564,271 for its office premises and photocopier with the terms of the lease agreements expiring in November 2025 and July 2022, respectively. The Society's commitments in the next five fiscal years are as follows:

## CLEAR SEAS CENTRE FOR RESPONSIBLE MARINE SHIPPING SOCIETY

### Notes to Financial Statements

Year Ended March 31, 2020

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#### 7. COMMITMENTS — continued

	2020
2021	\$ 100,503
2022	113,627
2023	114,161
2024	117,340
2025	118,640
	\$ 564,271

#### 8. IMPACT OF COVID-19

The outbreak of the novel strain coronavirus, specifically identified as "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 physical distancing, have caused material disruption to business globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. The duration and impact of COVID-19 outbreak is unknown at this time. It is not possible to reliably estimate the length and severity of these development and the impact on the financial results and condition of the Society in future periods.

**Clear Seas Centre for Responsible Marine Shippin**

**TB**

Year End: March 31, 2020

Trial balance

PLAN - prep	PLAN - mgr	PLAN - ptr	Prepared by ES 6/15/2020
Reviewed by	Manager review DC 6/16/2020	Partner review RM 7/2/2020	EQCR/equiv

Account	Prelim	Adj's	Reclass	Rep	Rep 03/19	Amount	Chg	%Chg
1010 Bank - Operating (1178029)	291,594.02	0.00	0.00	291,594.02	347,567.51	(55,973.49)	(16)	
1020 Bank - Savings (143141)	569,611.84	0.00	0.00	569,611.84	136,108.04	433,503.80	318	
1040 Petty Cash	395.48	0.00	0.00	395.48	0.00	395.48	0	
<b>11.01 Cash</b>	<b>861,601.34</b>	<b>0.00</b>	<b>0.00</b>	<b>861,601.34</b>	<b>483,675.55</b>	<b>377,925.79</b>	<b>78</b>	
1120 Expense Recovery - Transport Canada	8,264.89	0.00	0.00	8,264.89	339,574.96	(331,310.07)	(98)	
1205 Due from Mitacs Inc.	0.00	0.00	0.00	0.00	6,250.00	(6,250.00)	(100)	
<b>11.02 Amounts receivable</b>	<b>8,264.89</b>	<b>0.00</b>	<b>0.00</b>	<b>8,264.89</b>	<b>345,824.96</b>	<b>(337,560.07)</b>	<b>(98)</b>	
1210 Prepaid Expenses & Deposits	7,972.20	0.00	0.00	7,972.20	6,939.73	1,032.47	15	
<b>11.07 Prepaid expenses (and deposits)</b>	<b>7,972.20</b>	<b>0.00</b>	<b>0.00</b>	<b>7,972.20</b>	<b>6,939.73</b>	<b>1,032.47</b>	<b>15</b>	
1030 Term Deposits:1030-0025 GIC0003	25,000.00	0.00	0.00	25,000.00	25,168.75	(168.75)	(1)	
1030-0015 Term Deposits:1030-0015 GIC0001	1,000,000.00	0.00	0.00	1,000,000.00	999,999.00	1.00	0	
1030-0020 GIC0002	0.00	0.00	0.00	0.00	999,999.00	(999,999.00)	(100)	
1030-0025 GIC0003	0.00	0.00	0.00	0.00	299,999.00	(299,999.00)	(100)	
<b>11.10 Short term investment</b>	<b>1,025,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1,025,000.00</b>	<b>2,325,165.75</b>	<b>(1,300,165.75)</b>	<b>(56)</b>	
1425 Capital Assets:1425 Equipment	7,550.03	0.00	0.00	7,550.03	7,550.03	0.00	0	
<b>12.20.03 Equipment</b>	<b>7,550.03</b>	<b>0.00</b>	<b>0.00</b>	<b>7,550.03</b>	<b>7,550.03</b>	<b>0.00</b>	<b>0</b>	
1415 Capital Assets:1415 Furniture & Fixtures	43,585.29	0.00	0.00	43,585.29	43,585.29	0.00	0	
<b>12.20.08 Furniture and fixtures</b>	<b>43,585.29</b>	<b>0.00</b>	<b>0.00</b>	<b>43,585.29</b>	<b>43,585.29</b>	<b>0.00</b>	<b>0</b>	
1405 Capital Assets:1405 Computer	34,564.49	0.00	0.00	34,564.49	34,564.49	0.00	0	
<b>12.20.13 Computer equipment</b>	<b>34,564.49</b>	<b>0.00</b>	<b>0.00</b>	<b>34,564.49</b>	<b>34,564.49</b>	<b>0.00</b>	<b>0</b>	
1400 Capital Assets:1430 Accum Amort - Equipment	(7,550.03)	0.00	0.00	(7,550.03)	0.00	(7,550.03)	0	
1430 Accum Amort - Equipment	0.00	0.00	0.00	0.00	(7,550.03)	7,550.03	(100)	
<b>12.21.03 Equipment</b>	<b>(7,550.03)</b>	<b>0.00</b>	<b>0.00</b>	<b>(7,550.03)</b>	<b>(7,550.03)</b>	<b>0.00</b>	<b>0</b>	
1420 Capital Assets:1420 Accum Amort - Furniture & Fi	(43,585.29)	0.00	0.00	(43,585.29)	(43,585.29)	0.00	0	
<b>12.21.08 Furniture &amp; fixtures</b>	<b>(43,585.29)</b>	<b>0.00</b>	<b>0.00</b>	<b>(43,585.29)</b>	<b>(43,585.29)</b>	<b>0.00</b>	<b>0</b>	
1410 Capital Assets:1410 Accum Amort - Computer	(34,564.49)	0.00	0.00	(34,564.49)	(34,564.49)	0.00	0	
<b>12.21.13 Computer equipment</b>	<b>(34,564.49)</b>	<b>0.00</b>	<b>0.00</b>	<b>(34,564.49)</b>	<b>(34,564.49)</b>	<b>0.00</b>	<b>0</b>	
2100 Accounts Payable	(7,795.68)	0.00	0.00	(7,795.68)	(31,646.74)	23,851.06	(75)	
2101 Accrued Liabilities	(39,778.00)	0.00	0.00	(39,778.00)	(1,700.00)	(38,078.00)	240	
2150-0200 Visa - Jody (2349)	0.00	0.00	0.00	0.00	(2,727.17)	2,727.17	(100)	
2150-0500 Visa - Meghan	(5,349.72)	0.00	0.00	(5,349.72)	(1,892.45)	(3,457.27)	183	
<b>13.01 Accounts payable and accrued liabilities</b>	<b>(52,923.40)</b>	<b>0.00</b>	<b>0.00</b>	<b>(52,923.40)</b>	<b>(37,966.36)</b>	<b>(14,957.04)</b>	<b>39</b>	
1150 GST Receivable	4,693.47	0.00	0.00	4,693.47	11,028.01	(6,334.54)	(57)	
<b>13.02 Government remittances</b>	<b>4,693.47</b>	<b>0.00</b>	<b>0.00</b>	<b>4,693.47</b>	<b>11,028.01</b>	<b>(6,334.54)</b>	<b>(57)</b>	
2350 Deferred Income:2350 Current portion of deferred	1,109,141.92	0.00	0.00	(312,287.51)	(580,570.00)	268,282.49	(46)	
<b>13.08 Current portion of deferred revenue</b>	<b>1,109,141.92</b>	<b>0.00</b>	<b>0.00</b>	<b>(312,287.51)</b>	<b>(580,570.00)</b>	<b>268,282.49</b>	<b>(46)</b>	
2310 Deferred Income:2310 Grant - AB Energy	(1,321,429.43)	0.00	0.00	0.00	(264,288.47)	264,288.47	(100)	
2330 Deferred Income:2330 Grant - Gov of AB	(200,000.00)	0.00	100,000.00	(100,000.00)	(148,000.00)	48,000.00	(32)	
<b>14.03.01 Dferred Revenue</b>	<b>(1,521,429.43)</b>	<b>0.00</b>	<b>100,000.00</b>	<b>(100,000.00)</b>	<b>(412,288.47)</b>	<b>312,288.47</b>	<b>(76)</b>	
3000 Opening Balance Equity	42,237.67	2.00	0.00	42,239.67	42,239.05	0.62	0	
3100 Net Assets	(2,184,048.84)	0.00	0.00	(2,184,048.84)	(2,379,881.05)	195,832.21	(8)	
<b>15.10.01 Opening/As previously stated</b>	<b>(2,141,811.17)</b>	<b>2.00</b>	<b>0.00</b>	<b>(2,141,809.17)</b>	<b>(2,337,642.00)</b>	<b>195,832.83</b>	<b>(8)</b>	

**Clear Seas Centre for Responsible Marine Shippin**

**TB-1**

Year End: March 31, 2020

Trial balance

PLAN - prep	PLAN - mgr	PLAN - ptr	Prepared by ES 6/15/2020
Reviewed by	Manager review DC 6/16/2020	Partner review RM 7/2/2020	EQCR/equiv

Account	Prelim	Adj's	Reclass	Rep	Rep 03/19	Amount	Chg %Chg
4100-0300 Receipts:4100-0300 Recovery - Trans Canac	(199,999.93)	0.00	0.00	(199,999.93)	(709,686.50)	509,686.57	(72)
<b>21.01 Recovery - Transport Canada</b>	<b>(199,999.93)</b>	<b>0.00</b>	<b>0.00</b>	<b>(199,999.93)</b>	<b>(709,686.50)</b>	<b>509,686.57</b>	<b>(72)</b>
4100-0100 Receipts:4100-0100 Grant - AB Energy	(580,570.96)	0.00	0.00	(580,570.96)	(528,570.96)	(52,000.00)	10
<b>21.07 Grants</b>	<b>(580,570.96)</b>	<b>0.00</b>	<b>0.00</b>	<b>(580,570.96)</b>	<b>(528,570.96)</b>	<b>(52,000.00)</b>	<b>10</b>
4200 Interest Income	(38,848.54)	0.00	0.00	(38,848.54)	(41,792.26)	2,943.72	(7)
<b>21.10 Interest</b>	<b>(38,848.54)</b>	<b>0.00</b>	<b>0.00</b>	<b>(38,848.54)</b>	<b>(41,792.26)</b>	<b>2,943.72</b>	<b>(7)</b>
5400 Communications & Engagement	992.00	0.00	0.00	992.00	0.00	992.00	0
5410 Communications & Engagement:5410 Advertising	17,868.60	0.00	0.00	17,868.60	6,285.09	11,583.51	184
5420 Communications & Engagement:5420 Events & Er	668.19	0.00	0.00	668.19	11,282.78	(10,614.59)	(94)
5425 Communications & Engagement:5425 Indigenous I	409.82	0.00	0.00	409.82	175.00	234.82	134
5430 Communications & Engagement:5430 Hospitality (I	2,334.15	0.00	0.00	2,334.15	1,890.89	443.26	23
5440 Strategy & Public Relations	0.00	0.00	0.00	0.00	963.14	(963.14)	(100)
5450 Communications & Engagement:5450 Translation	381.80	0.00	0.00	381.80	36,958.47	(36,576.67)	(99)
5460 Communications & Engagement:5460 Website & S	60,484.38	0.00	0.00	60,484.38	94,556.69	(34,072.31)	(36)
5465 Communications & Engagement:5465 Social Media	48,011.42	0.00	0.00	48,011.42	42,809.02	5,202.40	12
5470 Communications & Engagement:5470 Sustainable	96,573.08	0.00	(25,073.08)	71,500.00	0.00	71,500.00	0
5450-0002 Communications & Engagement:5450 Transl	3,806.50	0.00	0.00	3,806.50	0.00	3,806.50	0
5450-0003 Communications & Engagement:5450 Transl	95.45	0.00	0.00	95.45	0.00	95.45	0
5460-0003 Communications & Engagement:5460 Websi	9,803.45	0.00	0.00	9,803.45	0.00	9,803.45	0
5460-0004 Communications & Engagement:5460 Websi	4,299.05	0.00	0.00	4,299.05	0.00	4,299.05	0
5460-0005 Communications & Engagement:5460 Websi	1,047.00	0.00	0.00	1,047.00	0.00	1,047.00	0
5910-0002 Travel:5910 Accommodation:5910-0002 Eng	2,290.98	0.00	0.00	2,290.98	0.00	2,290.98	0
5930-0002 Travel:5930 Transportation:5930-0002 Enga	14,244.68	0.00	0.00	14,244.68	0.00	14,244.68	0
<b>23.01 Communication and engagement</b>	<b>263,310.55</b>	<b>0.00</b>	<b>(25,073.08)</b>	<b>238,237.47</b>	<b>194,921.08</b>	<b>43,316.39</b>	<b>22</b>
5000-5110 Amortization: Computers	0.00	0.00	0.00	0.00	7,780.15	(7,780.15)	(100)
5000-5120 Amortization: Furniture and Fixtures	0.00	0.00	0.00	0.00	9,671.83	(9,671.83)	(100)
5000-5130 Amortization:Equipment	0.00	0.00	0.00	0.00	2,153.80	(2,153.80)	(100)
<b>23.02 Amortization</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>19,605.78</b>	<b>(19,605.78)</b>	<b>(100)</b>
5210 Board Fees & Expenses:5210 Events & Catering	13.15	0.00	0.00	13.15	0.00	13.15	0
5230 Board Retainer	112,770.05	0.00	0.00	112,770.05	110,625.42	2,144.63	2
5220-0010 Board Fees & Expenses:5220 Meeting Exper	4,392.63	0.00	0.00	4,392.63	5,184.28	(791.65)	(15)
5220-0015 Board Fees & Expenses:5220 Meeting Exper	3,507.87	0.00	0.00	3,507.87	3,903.77	(395.90)	(10)
5220-0020 Board Fees & Expenses:5220 Meeting Exper	13,129.89	0.00	0.00	13,129.89	20,032.03	(6,902.14)	(34)
<b>23.10 Board Fee and expenses</b>	<b>133,813.59</b>	<b>0.00</b>	<b>0.00</b>	<b>133,813.59</b>	<b>139,745.50</b>	<b>(5,931.91)</b>	<b>(4)</b>
5600 Professional Fees	3,000.00	0.00	0.00	3,000.00	0.00	3,000.00	0
5610 Professional Fees:5610 Accounting	13,390.00	0.00	0.00	13,390.00	12,980.00	410.00	3
5620 Professional Fees:5620 Legal	11,860.48	0.00	0.00	11,860.48	7,684.69	4,175.79	54
<b>23.11 Professional fees</b>	<b>28,250.48</b>	<b>0.00</b>	<b>0.00</b>	<b>28,250.48</b>	<b>20,664.69</b>	<b>7,585.79</b>	<b>37</b>
5250 GST Expense	17,599.73	0.00	0.00	17,599.73	14,256.94	3,342.79	23
<b>23.31 GST</b>	<b>17,599.73</b>	<b>0.00</b>	<b>0.00</b>	<b>17,599.73</b>	<b>14,256.94</b>	<b>3,342.79</b>	<b>23</b>
5510 Office & Rent:5510 Bank Fees & Interest	1,383.02	0.00	0.00	1,383.02	1,657.22	(274.20)	(17)
5530 Office & Rent:5530 Insurances	6,111.43	0.00	0.00	6,111.43	6,068.23	43.20	1
5540 Office & Rent:5540 Parking & Taxi	9.52	0.00	0.00	9.52	222.82	(213.30)	(96)
5550 Office & Rent:5550 Postage & Courier	347.93	0.00	0.00	347.93	375.62	(27.69)	(7)
5560 Office & Rent:5560 Rent & Utilities	98,741.33	0.00	0.00	98,741.33	98,761.70	(20.37)	0
5570 Office & Rent:5570 Subscriptions - Trade & Busine	452.83	0.00	0.00	452.83	1,423.88	(971.05)	(68)
5580 Office & Rent:5580 Supplies & Sundry	3,280.77	(2.00)	0.00	3,278.77	4,947.03	(1,668.26)	(34)

**Clear Seas Centre for Responsible Marine Shippin**

**TB-2**

Year End: March 31, 2020

Trial balance

PLAN - prep	PLAN - mgr	PLAN - ptr	Prepared by ES 6/15/2020
Reviewed by	Manager review DC 6/16/2020	Partner review RM 7/2/2020	EQCR/equiv

Account	Prelim	Adj's	Reclass	Rep	Rep 03/19	Amount	Chg %Chg
<b>23.32 Office and rent</b>	<b>110,326.83</b>	<b>(2.00)</b>	<b>0.00</b>	<b>110,324.83</b>	<b>113,456.50</b>	<b>(3,131.67)</b>	<b>(3)</b>
5720 Research & Development:5720 Scientific Advisory	7,500.00	0.00	0.00	7,500.00	19.20	7,480.80	8963
5450-0001 Research - Risk Characterization	1,986.45	0.00	0.00	1,986.45	5,745.77	(3,759.32)	(65)
5710-0025 Vessel Drift & Recovery	0.00	0.00	0.00	0.00	141,057.82	(141,057.82)	(100)
5710-0045 Research & Development:5710 Research Pr	36.00	0.00	0.00	36.00	43,900.00	(43,864.00)	(100)
5710-0055 Research & Development:5710 Research Pr	40,862.80	0.00	0.00	40,862.80	0.00	40,862.80	0
5710-0060 Research & Development:5710 Research Pr	22,656.00	0.00	0.00	22,656.00	35,237.40	(12,581.40)	(36)
5910-0001 Research & Development:5910-0001 Resear	3,391.25	0.00	0.00	3,391.25	4,945.07	(1,553.82)	(31)
5920-0001 Research - Risk Characterization	0.00	0.00	0.00	0.00	3,087.81	(3,087.81)	(100)
5930-0001 Travel:5930 Transportation:5930-0001 Rese	6,878.76	0.00	0.00	6,878.76	8,613.27	(1,734.51)	(20)
5710-0025-01 Research & Development:5710 Research	2,339.10	0.00	0.00	2,339.10	0.00	2,339.10	0
5710-0025-02 Research & Development:5710 Research	21,000.00	0.00	0.00	21,000.00	0.00	21,000.00	0
5710-0025-03 Research & Development:5710 Research	18,750.00	0.00	0.00	18,750.00	0.00	18,750.00	0
5710-0025-07 Research & Development:5710 Research	1,405.95	0.00	0.00	1,405.95	0.00	1,405.95	0
<b>23.43 Research and development</b>	<b>126,806.31</b>	<b>0.00</b>	<b>0.00</b>	<b>126,806.31</b>	<b>242,606.34</b>	<b>(115,800.03)</b>	<b>(48)</b>
5300 Information Tech:5310 Equipment & Leases	3,613.35	0.00	0.00	3,613.35	0.00	3,613.35	0
5310 Equipment & Leases	0.00	0.00	0.00	0.00	3,640.80	(3,640.80)	(100)
5320 Information Tech:5320 IT Support	15,215.40	0.00	0.00	15,215.40	19,738.83	(4,523.43)	(23)
5330 Information Tech:5330 Software Subscriptions & Li	4,285.28	0.00	0.00	4,285.28	4,114.26	171.02	4
5340 Information Tech:5340 Utilities - Phones & Intern	7,192.28	0.00	0.00	7,192.28	9,113.11	(1,920.83)	(21)
<b>23.48 Information technology</b>	<b>30,306.31</b>	<b>0.00</b>	<b>0.00</b>	<b>30,306.31</b>	<b>36,607.00</b>	<b>(6,300.69)</b>	<b>(17)</b>
5415 Clear Seas Conferences and Workshops	0.00	0.00	0.00	0.00	11.91	(11.91)	(100)
5900 Travel:5920 Meals and incidentals:5920-0001 Res	2,452.97	0.00	0.00	2,452.97	0.00	2,452.97	0
5905 Travel:5905 Conference Registration	2,836.27	0.00	0.00	2,836.27	7,171.39	(4,335.12)	(60)
5910 Accommodation	0.00	0.00	25,073.08	25,073.08	1,680.39	23,392.69	1392
5920 Travel:5920 Meals and incidentals:5920-0004 Conl	50.55	0.00	0.00	50.55	2,117.70	(2,067.15)	(98)
5930 Travel:5930 Transportation:5930-0006 Travel - Tra	94.53	0.00	0.00	94.53	3,426.34	(3,331.81)	(97)
5910-0004 Travel:5910 Accommodation:5910-0004 Con	545.87	0.00	0.00	545.87	1,761.54	(1,215.67)	(69)
5910-0005 Travel:5910 Accommodation:5910-0005 Clea	497.89	0.00	0.00	497.89	0.00	497.89	0
5920-0002 Travel:5920 Meals and incidentals:5920-000	2,066.45	0.00	0.00	2,066.45	0.00	2,066.45	0
5920-0004 Conferences - Vessel Drift & Recovery	0.00	0.00	0.00	0.00	1,142.05	(1,142.05)	(100)
5920-0005 Travel:5920 Meals and incidentals:5920-000	482.20	0.00	0.00	482.20	0.00	482.20	0
5930-0004 Travel:5930 Transportation:5930-0004 Confe	141.50	0.00	0.00	141.50	2,819.63	(2,678.13)	(95)
5930-0005 Travel:5930 Transportation:5930-0005 Clear	1,612.16	0.00	0.00	1,612.16	0.00	1,612.16	0
<b>23.51 Travel and accommodation</b>	<b>10,780.39</b>	<b>0.00</b>	<b>25,073.08</b>	<b>35,853.47</b>	<b>20,130.95</b>	<b>15,722.52</b>	<b>78</b>
5800 Salary & Human Resources:5830 Professional & T	0.00	0.00	0.00	0.00	1,600.00	(1,600.00)	(100)
5802 Salary & Human Resources:5802 Payroll Admin Fe	2,634.42	0.00	0.00	2,634.42	2,510.24	124.18	5
5810 Salary & Human Resources:5810 Wages	671,726.90	0.00	0.00	671,726.90	613,437.83	58,289.07	10
5815 Salary & Human Resources:5815 Consultants & C	61,397.12	0.00	0.00	61,397.12	15,000.00	46,397.12	309
5820 Salary & Human Resources:5820 Benefits & WCB	58,851.48	0.00	0.00	58,851.48	41,129.70	17,721.78	43
5830 Salary & Human Resources:5830 Professional & T	3,105.50	0.00	0.00	3,105.50	210.00	2,895.50	1379
<b>23.54 Salary and human resources</b>	<b>797,715.42</b>	<b>0.00</b>	<b>0.00</b>	<b>797,715.42</b>	<b>673,887.77</b>	<b>123,827.65</b>	<b>18</b>
	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0</u>
<b>Net Income (Loss)</b>	<b>(699,490.18)</b>			<b>(699,488.18)</b>	<b>(195,832.83)</b>	<b>(503,655.35)</b>	<b>257</b>

**Clear Seas Centre for Responsible**

**AJE**

Year End: March 31, 2020

Adjusting journal entries

Date: 4/1/2019 To 3/31/2020

PLAN - prep	PLAN - mgr	PLAN - ptr	Prepared by ES 6/15/2020
Reviewed by	Manager review DC 6/16/2020	Partner review RM 7/2/2020	EQCR/equiv KDR 6/19/2020

Number	Date	Name	Account No	Reference	Debit	Credit
2	3/31/2020	Opening Balance Equity	3000	KEYSTONE	2.00	
2	3/31/2020	Office & Rent:5580 Supplies & Sundry	5580	KEYSTONE		2.00
For rounding purposes for financial statement.						
					<b>2.00</b>	<b>2.00</b>
<b>Net Income (Loss)</b>			<b>(699,488.18)</b>			

# T2 Corporation Income Tax Return

## EXEMPT FROM TAX

This form serves as a federal, provincial, and territorial corporation income tax return, unless the corporation is located in Quebec or Alberta. If the corporation is located in one of these provinces, you have to file a separate provincial corporation return.

All legislative references on this return are to the federal Income Tax Act and Income Tax Regulations. This return may contain changes that had not yet become law at the time of publication.

Send one completed copy of this return, including schedules and the General Index of Financial Information (GIFI), to your tax centre. You have to file the return within six months after the end of the corporation's tax year.

For more information see [canada.ca/taxes](http://canada.ca/taxes) or Guide T4012, T2 Corporation – Income Tax Guide.

**055** Do not use this area

### Identification

**Business number (BN)** ..... **001** 84032 0972 RC0001

#### Corporation's name

**002** Clear Seas Centre for Responsible Marine Shipping Society

#### Address of head office

Has this address changed since the last time we were notified? ..... **010** Yes  No

If **yes**, complete lines 011 to 018.

**011** 630 - 355 Burrard Street

**012** City Province, territory, or state  
**015** Vancouver **016** BC

**017** Country (other than Canada) Postal or ZIP code  
CA **018** V6C 2G8

#### Mailing address (if different from head office address)

Has this address changed since the last time we were notified? ..... **020** Yes  No

If **yes**, complete lines 021 to 028.

**021** c/o  
**022**  
**023**

**025** City Province, territory, or state  
**026**

**027** Country (other than Canada) Postal or ZIP code  
**028**

#### Location of books and records (if different from head office address)

Has this address changed since the last time we were notified? ..... **030** Yes  No

If **yes**, complete lines 031 to 038.

**031**  
**032**

**035** City Province, territory, or state  
**036**

**037** Country (other than Canada) Postal or ZIP code  
**038**

#### **040** Type of corporation at the end of the tax year (tick one)

- 1 Canadian-controlled private corporation (CCPC)
- 2 Other private corporation
- 3 Public corporation
- 4 Corporation controlled by a public corporation
- 5 Other corporation (specify) Society

If the type of corporation changed during the tax year, provide the effective date of the change ..... **043** Year Month Day

#### To which tax year does this return apply?

Tax year start Tax year-end  
Year Month Day Year Month Day  
**060** 2019-04-01 **061** 2020-03-31

#### Has there been an acquisition of control resulting in the application of subsection 249(4) since the tax year start on line 060?

..... **063** Yes  No

If **yes**, provide the date control was acquired ..... **065** Year Month Day

#### Is the date on line 061 a deemed tax year-end according to subsection 249(3.1)?

..... **066** Yes  No

#### Is the corporation a professional corporation that is a member of a partnership?

..... **067** Yes  No

#### Is this the first year of filing after:

Incorporation? ..... **070** Yes  No   
Amalgamation? ..... **071** Yes  No

If **yes**, complete lines 030 to 038 and attach Schedule 24.

#### Has there been a wind-up of a subsidiary under section 88 during the current tax year?

..... **072** Yes  No

If **yes**, complete and attach Schedule 24.

#### Is this the final tax year before amalgamation?

..... **076** Yes  No

#### Is this the final return up to dissolution?

..... **078** Yes  No

#### If an election was made under section 261, state the functional currency used

..... **079**

#### Is the corporation a resident of Canada?

..... **080** Yes  No

If **no**, give the country of residence on line 081 and complete and attach Schedule 97.

**081**

#### Is the non-resident corporation claiming an exemption under an income tax treaty?

..... **082** Yes  No

If **yes**, complete and attach Schedule 91.

#### If the corporation is exempt from tax under section 149, tick one of the following boxes:

- 085**  1 Exempt under paragraph 149(1)(e) or (l)
- 2 Exempt under paragraph 149(1)(j)
- 3 Exempt under paragraph 149(1)(t) (for tax years starting before 2019)
- 4 Exempt under other paragraphs of section 149

Do not use this area

**095**

**096**

**898**

**Attachments****Financial statement information:** Use GIFI schedules 100, 125, and 141.**Schedules** – Answer the following questions. For each **yes** response, **attach** the schedule to the T2 return, unless otherwise instructed.

	Yes	Schedule
Is the corporation related to any other corporations?	<input type="checkbox"/>	9
Is the corporation an associated CCPC?	<input type="checkbox"/>	23
Is the corporation an associated CCPC that is claiming the expenditure limit?	<input type="checkbox"/>	49
Does the corporation have any non-resident shareholders who own voting shares?	<input type="checkbox"/>	19
Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents	<input type="checkbox"/>	11
If you answered <b>yes</b> to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	<input type="checkbox"/>	44
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	<input type="checkbox"/>	14
Is the corporation claiming a deduction for payments to a type of employee benefit plan?	<input type="checkbox"/>	15
Is the corporation claiming a loss or deduction from a tax shelter?	<input type="checkbox"/>	T5004
Is the corporation a member of a partnership for which a partnership account number has been assigned?	<input type="checkbox"/>	T5013
Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust (without reference to section 94)?	<input type="checkbox"/>	22
Did the corporation own any shares in one or more foreign affiliates in the tax year?	<input type="checkbox"/>	25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the Income Tax Regulations?	<input type="checkbox"/>	29
Did the corporation have a total amount over CAN\$1 million of reportable transactions with non-arm's length non-residents?	<input type="checkbox"/>	T106
For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	<input type="checkbox"/>	50
Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year?	<input type="checkbox"/>	
Does the corporation earn income from one or more Internet web pages or websites?	<input type="checkbox"/>	88
Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	<input checked="" type="checkbox"/>	1
Has the corporation made any charitable donations; gifts of cultural or ecological property; or gifts of medicine?	<input type="checkbox"/>	2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	<input type="checkbox"/>	3
Is the corporation claiming any type of losses?	<input checked="" type="checkbox"/>	4
Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	<input type="checkbox"/>	5
Has the corporation realized any capital gains or incurred any capital losses during the tax year?	<input type="checkbox"/>	6
i) Is the corporation a CCPC and reporting a) income or loss from property (other than dividends deductible on line 320 of the T2 return), b) income from a partnership, c) income from a foreign business, d) income from a personal services business, e) income referred to in clause 125(1)(a)(i)(C) or 125(1)(a)(i)(B), f) aggregate investment income as defined in subsection 129(4), or g) an amount assigned to it under subsection 125(3.2) or 125(8); or		
ii) Is the corporation a member of a partnership and assigning its specified partnership business limit to a designated member under subsection 125(8)?	<input type="checkbox"/>	7
Does the corporation have any property that is eligible for capital cost allowance?	<input checked="" type="checkbox"/>	8
Does the corporation have any resource-related deductions?	<input type="checkbox"/>	12
Is the corporation claiming deductible reserves?	<input type="checkbox"/>	13
Is the corporation claiming a patronage dividend deduction?	<input type="checkbox"/>	16
Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or a provincial credit union tax reduction?	<input type="checkbox"/>	17
Is the corporation an investment corporation or a mutual fund corporation?	<input type="checkbox"/>	18
Is the corporation carrying on business in Canada as a non-resident corporation?	<input type="checkbox"/>	20
Is the corporation claiming any federal, provincial, or territorial foreign tax credits, or any federal logging tax credits?	<input type="checkbox"/>	21
Does the corporation have any Canadian manufacturing and processing profits?	<input type="checkbox"/>	27
Is the corporation claiming an investment tax credit?	<input type="checkbox"/>	31
Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures?	<input type="checkbox"/>	T661
Is the total taxable capital employed in Canada of the corporation and its related corporations over \$10,000,000?	<input type="checkbox"/>	33/34/35
Is the total taxable capital employed in Canada of the corporation and its associated corporations over \$10,000,000?	<input type="checkbox"/>	
Is the corporation subject to gross Part VI tax on capital of financial institutions?	<input type="checkbox"/>	38
Is the corporation claiming a Part I tax credit?	<input type="checkbox"/>	42
Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	<input type="checkbox"/>	43
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	<input type="checkbox"/>	45
Is the corporation subject to Part II tax for the tobacco manufacturers' surcharge?	<input type="checkbox"/>	46
For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	<input type="checkbox"/>	39
Is the corporation claiming a Canadian film or video production tax credit?	<input type="checkbox"/>	T1131
Is the corporation claiming a film or video production services tax credit?	<input type="checkbox"/>	T1177
Is the corporation subject to Part XIII.1 tax? (Show your calculations on a sheet that you identify as Schedule 92.)	<input type="checkbox"/>	92

**Attachments (continued)**

	Yes	Schedule
Did the corporation have any foreign affiliates in the tax year?	<input type="checkbox"/>	T 1134
Did the corporation own or hold specified foreign property where the total cost amount of all such property, at any time in the year, was more than CAN\$100,000?	<input type="checkbox"/>	T 1135
Did the corporation transfer or loan property to a non-resident trust?	<input type="checkbox"/>	T 1141
Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	<input type="checkbox"/>	T 1142
Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	<input type="checkbox"/>	T 1145
Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?	<input type="checkbox"/>	T 1146
Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?	<input type="checkbox"/>	T 1174
Did the corporation pay taxable dividends (other than capital gains dividends) in the tax year?	<input type="checkbox"/>	55
Has the corporation made an election under subsection 89(11) not to be a CCPC?	<input type="checkbox"/>	T2002
Has the corporation revoked any previous election made under subsection 89(11)?	<input type="checkbox"/>	T2002
Did the corporation (CCPC or deposit insurance corporation (DIC)) pay eligible dividends, or did its general rate income pool (GRIP) change in the tax year?	<input type="checkbox"/>	53
Did the corporation (other than a CCPC or DIC) pay eligible dividends, or did its low rate income pool (LRIP) change in the tax year?	<input type="checkbox"/>	54

**Additional information**

Did the corporation use the International Financial Reporting Standards (IFRS) when it prepared its financial statements?	270	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Is the corporation inactive?	280	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
What is the corporation's main revenue-generating business activity?	488390	Other Support Activities for Water Transportation	
Specify the principal products mined, manufactured, sold, constructed, or services provided, giving the approximate percentage of the total revenue that each product or service represents.	284	Promote research/regulatory framework (marine shi	285 100.000 %
	286		287 %
	288		289 %
Did the corporation immigrate to Canada during the tax year?	291	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Did the corporation emigrate from Canada during the tax year?	292	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Do you want to be considered as a quarterly instalment remitter if you are eligible?	293	Yes <input type="checkbox"/>	No <input type="checkbox"/>
If the corporation was eligible to remit instalments on a quarterly basis for part of the tax year, provide the date the corporation ceased to be eligible	294	Year Month Day	
If the corporation's major business activity is construction, did you have any subcontractors during the tax year?	295	Yes <input type="checkbox"/>	No <input type="checkbox"/>

**Taxable income**

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIF	300	-706,077	A
<b>Deduct:</b>			
Charitable donations from Schedule 2	311		
Cultural gifts from Schedule 2	313		
Ecological gifts from Schedule 2	314		
Gifts of medicine made before March 22, 2017, from Schedule 2	315		
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3	320		
Part VI.1 tax deduction*	325		
Non-capital losses of previous tax years from Schedule 4	331		
Net capital losses of previous tax years from Schedule 4	332		
Restricted farm losses of previous tax years from Schedule 4	333		
Farm losses of previous tax years from Schedule 4	334		
Limited partnership losses of previous tax years from Schedule 4	335		
Taxable capital gains or taxable dividends allocated from a central credit union	340		
Prospector's and grubstaker's shares	350		
Employer deduction for non-qualified securities under an employee stock options agreement			
		a	
		Subtotal	B
		Subtotal (amount A minus amount B) (if negative, enter "0")	C
Section 110.5 additions or subparagraph 115(1)(a)(vii) additions	355		D
<b>Taxable income</b> (amount C plus amount D)	360		
Income exempt under paragraph 149(1)(t) (for tax years starting before 2019)	370		
<b>Taxable income</b> for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370)			Z
<b>Taxable income</b> for the year from a personal services business			Z.1

\* This amount is equal to 3.5 times the Part VI.1 tax payable at line 724 on page 9.

**Small business deduction**

**Canadian-controlled private corporations (CCPCs) throughout the tax year**

Income eligible for the small business deduction from Schedule 7	<b>400</b>	A
Taxable income from line 360 on page 3, <b>minus</b> 100/28 ( 3.57143 ) of the amount on line 632* on page 8, <b>minus</b> 4 times the amount on line 636** on page 8, and <b>minus</b> any amount that, because of federal law, is exempt from Part I tax	<b>405</b>	B
Business limit (see notes 1 and 2 below)	<b>410</b>	C

**Notes:**

- For CCPCs that are not associated, enter \$ 500,000 on line 410. However, if the corporation's tax year is less than 51 weeks, prorate this amount by the number of days in the tax year **divided** by 365, and enter the result on line 410.
- For associated CCPCs, use Schedule 23 to calculate the amount to be entered on line 410.

**Business limit reduction**

**Taxable capital business limit reduction**

Amount C \_\_\_\_\_ x **415** \*\*\* \_\_\_\_\_ D = \_\_\_\_\_ E  
11,250

**Passive income business limit reduction**

Adjusted aggregate investment income from Schedule 7\*\*\*\* . **417** \_\_\_\_\_ - 50,000 = \_\_\_\_\_ F

Amount C \_\_\_\_\_ x Amount F \_\_\_\_\_ = \_\_\_\_\_ G  
100,000

Subtotal (the greater of amount E and amount G) **422** \_\_\_\_\_ H

Reduced business limit for tax years starting before 2019 (amount C **minus** amount E) (if negative, enter "0") \_\_\_\_\_ **425** \_\_\_\_\_ I

Reduced business limit for tax years starting after 2018 (amount C **minus** amount H) (if negative, enter "0") \_\_\_\_\_ **426** \_\_\_\_\_ J

Business limit the CCPC assigns under subsection 125(3.2) (from line 515 on page 5) \_\_\_\_\_ K

**Reduced business limit after assignment for tax years starting before 2019** (amount I **minus** amount K) \_\_\_\_\_ **427** \_\_\_\_\_ L

**Reduced business limit after assignment for tax years starting after 2018** (amount J **minus** amount K) \_\_\_\_\_ **428** \_\_\_\_\_ M

**Small business deduction**

**Tax years starting before 2019**

Amount A, B, C, or L, whichever is the least \_\_\_\_\_ x  $\frac{\text{Number of days in the tax year before January 1, 2018}}{\text{Number of days in the tax year}}$  x 17.5 % = \_\_\_\_\_ 1  
366

Amount A, B, C, or L, whichever is the least \_\_\_\_\_ x  $\frac{\text{Number of days in the tax year after December 31, 2017, and before January 1, 2019}}{\text{Number of days in the tax year}}$  x 18 % = \_\_\_\_\_ 2  
366

Amount A, B, C, or L, whichever is the least \_\_\_\_\_ x  $\frac{\text{Number of days in the tax year after December 31, 2018}}{\text{Number of days in the tax year}}$  x 19 % = \_\_\_\_\_ 3  
366

**Tax years starting after 2018**

Amount A, B, C, or M, whichever is the least \_\_\_\_\_ x 19 % = \_\_\_\_\_ 4

**Small business deduction** (total of amounts 1 to 4) \_\_\_\_\_ **430** \_\_\_\_\_ N

Enter amount N at amount J on page 8.

- \* Calculate the amount of foreign non-business income tax credit deductible on line 632 without reference to the refundable tax on the CCPC's investment income (line 604) and without reference to the corporate tax reductions under section 123.4.
- \*\* Calculate the amount of foreign business income tax credit deductible on line 636 without reference to the corporation tax reductions under section 123.4.

**\*\*\* Large corporations**

- If the corporation is not associated with any corporations in both the current and previous tax years, the amount to be entered on line 415 is: (total taxable capital employed in Canada for the **prior** year **minus** \$10,000,000) x 0.225%.
- If the corporation is not associated with any corporations in the current tax year, but was associated in the previous tax year, the amount to be entered on line 415 is: (total taxable capital employed in Canada for the **current** year **minus** \$10,000,000) x 0.225%.
- For corporations associated in the current tax year, see Schedule 23 for the special rules that apply.

\*\*\*\* Enter the total adjusted aggregate investment income of the corporation and all associated corporations. Each corporation with such income has to file a Schedule 7, which includes a line 744 and a line 745. For the first tax year starting after 2018, use the total of lines 744. Otherwise, use the total of lines 745 of the preceding tax year.

**Small business deduction (continued)**

**Specified corporate income and assignment under subsection 125(3.2)**

O1 Name of corporation receiving the income and assigned amount	O Business number of the corporation receiving the assigned amount	P Income paid under clause 125(1)(a)(i)(B) to the corporation identified in column O <sup>3</sup>	Q Business limit assigned to corporation identified in column O <sup>4</sup>
1.	<b>490</b>	<b>500</b>	<b>505</b>
Total		<b>510</b>	<b>515</b>

**Notes:**

- This amount is [as defined in subsection 125(7) **specified corporate income** (a)(i)] the total of all amounts each of which is income from an active business of the corporation for the year from the provision of services or property to a private corporation (directly or indirectly, in any manner whatever) if (A) at any time in the year, the corporation (or one of its shareholders) or a person who does not deal at arm's length with the corporation (or one of its shareholders) holds a direct or indirect interest in the private corporation, and (B) it is not the case that all or substantially all of the corporation's income for the year from an active business is from the provision of services or property to
  - persons (other than the private corporation) with which the corporation deals at arm's length, or
  - partnerships with which the corporation deals at arm's length, other than a partnership in which a person that does not deal at arm's length with the corporation holds a direct or indirect interest.
- The amount of the business limit you assign to a CCPC cannot be greater than the amount determined by the formula A – B, where A is the amount of income referred to in column P in respect of that CCPC and B is the portion of the amount described in A that is deductible by you in respect of the amount of income referred to in clauses 125(1)(a)(i)(A) or (B) for the year. The amount on line 515 cannot be greater than the amount on line 425 (426 for tax years starting after 2018).

**General tax reduction for Canadian-controlled private corporations**

**Canadian-controlled private corporations throughout the tax year**

Taxable income from page 3 (line 360 or amount Z, whichever applies)	_____	A
Lesser of amounts 9B and 9H from Part 9 of Schedule 27	_____	B
Amount 13K from Part 13 of Schedule 27	_____	C
Personal services business income	<b>432</b>	D
Amount from line 400, 405, 410, or 427 (428 instead of 427 for tax years starting after 2018) on page 4, whichever is the least	_____	E
Aggregate investment income from line 440 on page 6*	_____	F
Subtotal (add amounts B to F)	_____	G
Amount A <b>minus</b> amount G (if negative, enter "0")	_____	H

**General tax reduction for Canadian-controlled private corporations** – Amount H multiplied by 13 % \_\_\_\_\_ I  
Enter amount I on line 638 on page 8.

\* Except for a corporation that is, throughout the year, a cooperative corporation (within the meaning assigned by subsection 136(2)) or a credit union.

**General tax reduction**

**Do not complete this area if you are a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, a mutual fund corporation, or any corporation with taxable income that is not subject to the corporation tax rate of 38%.**

Taxable income from page 3 (line 360 or amount Z, whichever applies)	_____	J
Lesser of amounts 9B and 9H from Part 9 of Schedule 27	_____	K
Amount 13K from Part 13 of Schedule 27	_____	L
Personal services business income	<b>434</b>	M
Subtotal (add amounts K to M)	_____	N
Amount J <b>minus</b> amount N (if negative, enter "0")	_____	O

**General tax reduction** – Amount O multiplied by 13 % \_\_\_\_\_ P  
Enter amount P on line 639 on page 8.

**Refundable portion of Part I tax**

**Canadian-controlled private corporations throughout the tax year**

Aggregate investment income from Schedule 7 ..... **440** ..... x 30 2 / 3 % = ..... A

Foreign non-business income tax credit from line 632 on page 8 ..... B

Foreign investment income from Schedule 7 ..... **445** ..... x 8 % = ..... C

Subtotal (amount B **minus** amount C) (if negative, enter "0") ..... **▶** ..... D

Amount A **minus** amount D (if negative, enter "0") ..... **=====** E

Taxable income from line 360 on page 3 ..... F

Amount from line 400, 405, 410, or 427 (428 instead of 427 for tax years starting after 2018) on page 4, whichever is the least ..... G

Foreign non-business income tax credit from line 632 on page 8 ..... x 75 / 29 = ..... H

Foreign business income tax credit from line 636 on page 8 .. . . . . x 4 = ..... I

Subtotal (**add** amounts G to I) ..... **▶** ..... J

Subtotal (amount F **minus** amount J) (if negative, enter "0") ..... **=====** K x 30 2 / 3 % = ..... L

Part I tax payable minus investment tax credit refund (line 700 **minus** line 780 from page 9) ..... **=====** M

**Refundable portion of Part I tax** – Amount E, L, or M, whichever is the least ..... **450** ..... **=====** N

**Refundable dividend tax on hand (for tax years starting before 2019)**

Refundable dividend tax on hand at the end of the previous tax year ..... **460** .....

Dividend refund for the previous tax year ..... **465** .....

Subtotal (line 460 **minus** line 465) ..... **▶** ..... O

Refundable portion of Part I tax from line 450 above ..... P

Total Part IV tax payable from Schedule 3 ..... Q

Net refundable dividend tax on hand transferred on an amalgamation or the wind-up of a subsidiary ..... **480** .....

Subtotal (amount P **plus** amount Q **plus** line 480) ..... **▶** ..... R

**Refundable dividend tax on hand at the end of the tax year** – Amount O **plus** amount R ..... **485** ..... **=====**

**Dividend refund (for tax years starting before 2019)**

**Private and subject corporations at the time taxable dividends were paid in the tax year**

Taxable dividends paid in the tax year from line 460 on page 3 of Schedule 3 ..... x 38 1 / 3 % = ..... S

Refundable dividend tax on hand at the end of the tax year from line 485 above ..... **=====** T

**Dividend refund** – Amount S or T, whichever is less ..... **=====** U

Enter amount U on line 784 on page 9.

**Refundable dividend tax on hand (for tax years starting after 2018)**

<b>Refundable dividend tax on hand (RDTOH)</b> at the end of the previous tax year	460		
Dividend refund for the previous tax year	465		
Net RDTOH transferred on an amalgamation or the wind-up of a subsidiary	480		
Subtotal (line 460 <b>minus</b> line 465 <b>plus</b> line 480)			A
General rate income pool (GRIP) at the end of the previous tax year (from line 100 of schedule 53)			B
Total eligible dividends paid in the previous tax year (from line 300 of schedule 53)			C
Total excessive eligible dividend designation in the previous tax year (from line 310 of Schedule 53)			D
Subtotal (amount C <b>minus</b> amount D) (if negative, enter "0")			E
Net GRIP at the end of the previous tax year (amount B <b>minus</b> amount E) (if negative, enter "0")			F
GRIP transferred on an amalgamation or the wind-up of a subsidiary (total of lines 230 and 240 of schedule 53)			G
Subtotal (amount F <b>plus</b> amount G)			H
Amount H <b>multiplied</b> by 38 1 / 3 %			I
Eligible refundable dividend tax on hand (ERDTOH) at the end of the previous tax year (for the first tax year starting after 2018, amount A or I, whichever is less, otherwise, use line 530 of the preceding tax year)	520		J
Non-eligible refundable dividend tax on hand (NERDTOH) at the end of the previous tax year (for the first tax year starting after 2018, amount A <b>minus</b> amount I, otherwise, use line 545 of the preceding tax year) (if negative, enter "0")	535		K
Part IV tax payable on taxable dividends from connected corporations (amount 2G from Schedule 3)			L
Part IV tax payable on eligible dividends from non-connected corporations (amount 2J from Schedule 3)			M
Subtotal (amount L <b>plus</b> amount M)			N
Net ERDTOH transferred on an amalgamation or the wind-up of a subsidiary	525		O
ERDTOH dividend refund for the previous tax year	570		P
Refundable portion of Part I tax (from line 450 on page 6)			Q
Part IV tax before deductions (amount 2A from Schedule 3)			R
Part IV tax allocated to ERDTOH (amount N)			S
Part IV tax reduction due to Part IV.1 tax payable (amount 4D of Schedule 43)			T
Subtotal (amount R <b>minus</b> total of amounts S and T)			U
Net NERDTOH transferred on an amalgamation or the wind-up of a subsidiary	540		V
NERDTOH dividend refund for the previous tax year	575		W
38 1/3% of the total losses applied against Part IV tax (amount 2D from Schedule 3)			X
Part IV tax payable allocated to NERDTOH, net of losses claimed (amount U <b>minus</b> amount X) (if negative enter "0")			Y
<b>NERDTOH at the end of the tax year*</b> (total of amounts K, Q, V, and Y <b>minus</b> amount W) (if negative, enter "0")	545		Z
Part IV tax payable allocated to ERDTOH, net of losses claimed (amount N <b>minus</b> the amount, if any, by which amount X exceeds amount U) (if negative, enter "0")			
<b>ERDTOH at the end of the tax year*</b> (total of amounts J, O, and Z <b>minus</b> amount P) (if negative, enter "0")	530		

\* For more information, consult the Help (F1).

**Dividend refund (for tax years starting after 2018)**

38 1/3% of total eligible dividends paid in the tax year (amount 3A from Schedule 3)			AA
ERDTOH balance at the end of the tax year (line 530)			BB
<b>Eligible dividend refund</b> (amount AA or BB, whichever is less)			CC
38 1/3% of total non-eligible taxable dividends paid in the tax year (amount 3B from Schedule 3)			DD
NERDTOH balance at the end of the tax year (line 545)			EE
<b>Non-eligible dividend refund</b> (amount DD or EE, whichever is less)			FF
Amount DD <b>minus</b> amount EE (if negative, enter "0")			GG
Amount BB <b>minus</b> amount CC (if negative, enter "0")			HH
<b>Additional non-eligible dividend refund</b> (amount GG or HH, whichever is less)			II
<b>Dividend refund*</b> – Amount CC <b>plus</b> amount FF <b>plus</b> amount II			JJ
Enter amount JJ on line 784 on page 9.			

\* For more information, consult the Help (F1).

**Part I tax**

Base amount Part I tax – Taxable income from page 3 (line 360 or amount Z, whichever applies) **multiplied** by 38 % . . . . . **550** \_\_\_\_\_ A

**Additional tax on personal services business income** (section 123.5)

Taxable income from a personal services business . . . . . **555** \_\_\_\_\_ x 5 % = **560** \_\_\_\_\_ B

Recapture of investment tax credit from Schedule 31 . . . . . **602** \_\_\_\_\_ C

**Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income**  
(if it was a CCPC throughout the tax year)

Aggregate investment income from line 440 on page 6 . . . . . \_\_\_\_\_ D

Taxable income from line 360 on page 3 . . . . . \_\_\_\_\_ E

**Deduct:**  
Amount from line 400, 405, 410, or 427 (428 instead of 427 for tax years starting after 2018) on page 4, whichever is the least . . . . . \_\_\_\_\_ F

Net amount (amount E **minus** amount F) \_\_\_\_\_ **▶** \_\_\_\_\_ G

Refundable tax on CCPC's investment income – 10 / 2 / 3 % of whichever is less: amount D or amount G . . . . . **604** \_\_\_\_\_ H

Subtotal (**add** amounts A, B, C, and H) \_\_\_\_\_ I

**Deduct:**  
Small business deduction from line 430 on page 4 . . . . . \_\_\_\_\_ J

Federal tax abatement . . . . . **608** \_\_\_\_\_

Manufacturing and processing profits deduction from Schedule 27 . . . . . **616** \_\_\_\_\_

Investment corporation deduction . . . . . **620** \_\_\_\_\_

Taxed capital gains **624** \_\_\_\_\_

Federal foreign non-business income tax credit from Schedule 21 . . . . . **632** \_\_\_\_\_

Federal foreign business income tax credit from Schedule 21 . . . . . **636** \_\_\_\_\_

General tax reduction for CCPCs from amount I on page 5 . . . . . **638** \_\_\_\_\_

General tax reduction from amount P on page 5 . . . . . **639** \_\_\_\_\_

Federal logging tax credit from Schedule 21 . . . . . **640** \_\_\_\_\_

Eligible Canadian bank deduction under section 125.21 . . . . . **641** \_\_\_\_\_

Federal qualifying environmental trust tax credit . . . . . **648** \_\_\_\_\_

Investment tax credit from Schedule 31 . . . . . **652** \_\_\_\_\_

Subtotal \_\_\_\_\_ **▶** \_\_\_\_\_ K

**Part I tax payable** – Amount I **minus** amount K . . . . . \_\_\_\_\_ L

Enter amount L on line 700 on page 9.

**Privacy statement**

Personal information (including the SIN) is collected for the purposes of the administration or enforcement of the Income Tax Act and related programs and activities such as administering tax and benefits, audit, compliance, and collection. Personal information may be shared for purposes of other federal acts that provide for the imposition and collection of a tax or duty. Personal information may also be shared with other federal, provincial, territorial or foreign government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties or other actions. Under the Privacy Act, individuals have the right to access their personal information, request correction, or file a complaint to the Privacy Commissioner of Canada regarding the handling of the individual's personal information. Refer to Personal Information Bank CRA PPU 047 at [canada.ca/cra-info-source](http://canada.ca/cra-info-source).

**Summary of tax and credits**

**Federal tax**

Part I tax payable from amount L on page 8	700	_____
Part II surcharge payable from Schedule 46	708	_____
Part III.1 tax payable from Schedule 55	710	_____
Part IV tax payable from Schedule 3	712	_____
Part IV.1 tax payable from Schedule 43	716	_____
Part VI tax payable from Schedule 38	720	_____
Part VI.1 tax payable from Schedule 43	724	_____
Part XIII.1 tax payable from Schedule 92	727	_____
Part XIV tax payable from Schedule 20	728	_____

Total federal tax \_\_\_\_\_

**Add provincial or territorial tax:**

Provincial or territorial jurisdiction **750** BC  
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)

Net provincial or territorial tax payable (except Quebec and Alberta) **760** \_\_\_\_\_  
Total tax payable **770** \_\_\_\_\_ A

**Deduct other credits:**

Investment tax credit refund from Schedule 31	780	_____
Dividend refund from amount U on page 6 or JJ on page 7	784	_____
Federal capital gains refund from Schedule 18	788	_____
Federal qualifying environmental trust tax credit refund	792	_____
Canadian film or video production tax credit (Form T1131)	796	_____
Film or video production services tax credit (Form T1177)	797	_____
Canadian journalism labour tax credit from Schedule 58	798	_____
Tax withheld at source	800	_____

Total payments on which tax has been withheld **801** \_\_\_\_\_  
Provincial and territorial capital gains refund from Schedule 18 **808** \_\_\_\_\_  
Provincial and territorial refundable tax credits from Schedule 5 **812** \_\_\_\_\_  
Tax instalments paid **840** \_\_\_\_\_  
Total credits **890** \_\_\_\_\_ B

Refund code **894** \_\_\_\_\_

Refund \_\_\_\_\_

Balance (amount A minus amount B) \_\_\_\_\_

If the result is negative, you have a **refund**.  
If the result is positive, you have a **balance owing**.  
Enter the amount on whichever line applies.  
Generally, we do not charge or refund a difference of \$2 or less.

Balance owing \_\_\_\_\_

For information on how to make your payment, go to [canada.ca/payments](http://canada.ca/payments).

**Direct deposit request**

To have the corporation's refund deposited directly into the corporation's bank account at a financial institution in Canada, or to change banking information you already gave us, complete the information below:

Start  Change information **910** \_\_\_\_\_  
Branch number

**914** \_\_\_\_\_ **918** \_\_\_\_\_  
Institution number Account number

If the corporation is a Canadian-controlled private corporation throughout the tax year, does it qualify for the one-month extension of the date the balance of tax is due? **896** Yes  No

If this return was prepared by a tax preparer for a fee, provide their EFILE number **920** A4612

**Certification**

I, **950** Blomerus **951** Paul **954** Executive Director  
Last name First name Position, office, or rank

am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I also certify that the method of calculating income for this tax year is consistent with that of the previous tax year except as specifically disclosed in a statement attached to this return.

**955** 2020-08-13 **956** (604) 408-1648  
Date (yyyy/mm/dd) Signature of the authorized signing officer of the corporation Telephone number

Is the contact person the same as the authorized signing officer? If **no**, complete the information below **957** Yes  No

**958** Smythe LLP **959** (604) 687-1231  
Name of other authorized person Telephone number

**Language of correspondence – Langue de correspondance**

Indicate your language of correspondence by entering **1** for English or **2** for French.  
Indiquez votre langue de correspondance en inscrivant **1** pour anglais ou **2** pour français. **990**  1  2

Form identifier 100

**GENERAL INDEX OF FINANCIAL INFORMATION – GIF1**

Corporation's name	Business number	Tax year end Year Month Day
Clear Seas Centre for Responsible Marine Shipping Society	84032 0972 RC0001	2020-03-31

**Balance sheet information**

Account	Description	GIFI	Current year	Prior year
<b>Assets</b>				
	Total current assets	<b>1599</b> +	1,907,531	3,172,632
	Total tangible capital assets	<b>2008</b> +	85,699	85,699
	Total accumulated amortization of tangible capital assets	<b>2009</b> -	85,699	85,699
	Total intangible capital assets	<b>2178</b> +		
	Total accumulated amortization of intangible capital assets	<b>2179</b> -		
	Total long-term assets	<b>2589</b> +		
	* Assets held in trust	<b>2590</b> +		
	<b>Total assets</b> (mandatory field)	<b>2599</b> =	<u>1,907,531</u>	<u>3,172,632</u>
<b>Liabilities</b>				
	Total current liabilities	<b>3139</b> +	365,211	566,536
	Total long-term liabilities	<b>3450</b> +	100,000	464,288
	* Subordinated debt	<b>3460</b> +		
	* Amounts held in trust	<b>3470</b> +		
	<b>Total liabilities</b> (mandatory field)	<b>3499</b> =	<u>465,211</u>	<u>1,030,824</u>
<b>Shareholder equity</b>				
	<b>Total shareholder equity</b> (mandatory field)	<b>3620</b> +	<u>1,442,320</u>	<u>2,141,808</u>
	<b>Total liabilities and shareholder equity</b>	<b>3640</b> =	<u>1,907,531</u>	<u>3,172,632</u>
<b>Retained earnings</b>				
	<b>Retained earnings/deficit – end</b> (mandatory field)	<b>3849</b> =	<u>1,442,320</u>	<u>2,141,808</u>

\* Generic item

PREPARED SOLELY FOR INCOME TAX PURPOSES WITHOUT AUDIT OR REVIEW FROM INFORMATION PROVIDED BY THE TAXPAYER.

Form identifier 125

**GENERAL INDEX OF FINANCIAL INFORMATION – GIF1**

Corporation's name	Business number	Tax year-end Year Month Day
Clear Seas Centre for Responsible Marine Shipping Society	84032 0972 RC0001	2020-03-31

**Income statement information**

Description	GIFI
Operating name	0001
Description of the operation	0002
Sequence number	0003 01

Account	Description	GIFI	Current year	Prior year
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**Income statement information**

Total sales of goods and services	8089	+		
Cost of sales	8518	-		
<b>Gross profit/loss</b>	<b>8519</b>	=		
Cost of sales	8518	+		
Total operating expenses	9367	+	1,518,908	1,475,883
<b>Total expenses (mandatory field)</b>	<b>9368</b>	=	<b>1,518,908</b>	<b>1,475,883</b>
Total revenue (mandatory field)	8299	+	819,420	1,280,049
Total expenses (mandatory field)	9368	-	1,518,908	1,475,883
<b>Net non-farming income</b>	<b>9369</b>	=	<b>-699,488</b>	<b>-195,834</b>

**Farming income statement information**

Total farm revenue (mandatory field)	9659	+		
Total farm expenses (mandatory field)	9898	-		
<b>Net farm income</b>	<b>9899</b>	=		

<b>Net income/loss before taxes and extraordinary items</b>	<b>9970</b>	=	<b>-699,488</b>	<b>-195,834</b>
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<b>Total other comprehensive income</b>	<b>9998</b>	=		
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**Extraordinary items and income (linked to Schedule 140)**

Extraordinary item(s)	9975	-		
Legal settlements	9976	-		
Unrealized gains/losses	9980	+		
Unusual items	9985	-		
Current income taxes	9990	-		
Future (deferred) income tax provision	9995	-		
Total – Other comprehensive income	9998	+		
<b>Net income/loss after taxes and extraordinary items (mandatory field)</b>	<b>9999</b>	=	<b>-699,488</b>	<b>-195,834</b>

PREPARED SOLELY FOR INCOME TAX PURPOSES WITHOUT AUDIT OR REVIEW FROM INFORMATION PROVIDED BY THE TAXPAYER.

**Notes Checklist**

Corporation's name  Clear Seas Centre for Responsible Marine Shipping Society	Business number  84032 0972 RC0001	Tax Year End Year Month Day 2020-03-31
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- Parts 1, 2, and 3 of this schedule must be completed from the perspective of the person (referred to in these parts as the **accountant**) who prepared or reported on the financial statements. If the person preparing the tax return is not the accountant referred to above, they must still complete Parts 1, 2, 3, and 4, as applicable.
- For more information, see Guide RC4088, *General Index of Financial Information (GIFI)* and T4012, *T2 Corporation – Income Tax Guide*.
- Complete this schedule and include it with your T2 return along with the other GIFI schedules.

**Part 1 – Information on the accountant who prepared or reported on the financial statements**

Does the accountant have a professional designation? . . . . . **095** Yes  No

Is the accountant connected\* with the corporation? . . . . . **097** Yes  No

**Note**  
If the accountant does not have a professional designation or is connected to the corporation, you do not have to complete Parts 2 and 3 of this schedule. However, you **do have** to complete Part 4, as applicable.

\* A person connected with a corporation can be: (i) a shareholder of the corporation who owns more than 10% of the common shares; (ii) a director, an officer, or an employee of the corporation; or (iii) a person not dealing at arm's length with the corporation.

**Part 2 – Type of involvement with the financial statements**

Choose the option that represents the highest level of involvement of the accountant: **198**

Completed an auditor's report . . . . . 1

Completed a review engagement report . . . . . 2

Conducted a compilation engagement . . . . . 3

**Part 3 – Reservations**

If you selected option 1 or 2 under **Type of involvement with the financial statements** above, answer the following question:

Has the accountant expressed a reservation? . . . . . **099** Yes  No

**Part 4 – Other information**

If you have a professional designation and are not the accountant associated with the financial statements in Part 1 above, choose one of the following options: **110**

Prepared the tax return (financial statements prepared by client) . . . . . 1

Prepared the tax return and the financial information contained therein (financial statements have not been prepared) . . . . . 2

Were notes to the financial statements prepared? . . . . . **101** Yes  No

If **yes**, complete lines 104 to 107 below:

Are subsequent events mentioned in the notes? . . . . . **104** Yes  No

Is re-evaluation of asset information mentioned in the notes? . . . . . **105** Yes  No

Is contingent liability information mentioned in the notes? . . . . . **106** Yes  No

Is information regarding commitments mentioned in the notes? . . . . . **107** Yes  No

Does the corporation have investments in joint venture(s) or partnership(s)? . . . . . **108** Yes  No

**Part 4 – Other information (continued)****Impairment and fair value changes**

In any of the following assets, was an amount recognized in net income or other comprehensive income (OCI) as a result of an impairment loss in the tax year, a reversal of an impairment loss recognized in a previous tax year, or a change in fair value during the tax year? .....

**200** Yes  No

If **yes**, enter the amount recognized:

	<b>In net income</b> Increase (decrease)	<b>In OCI</b> Increase (decrease)
Property, plant, and equipment .....	<b>210</b>	<b>211</b>
Intangible assets .....	<b>215</b>	<b>216</b>
Investment property .....	<b>220</b>	
Biological assets .....	<b>225</b>	
Financial instruments .....	<b>230</b>	<b>231</b>
Other .....	<b>235</b>	<b>236</b>

**Financial instruments**

Did the corporation derecognize any financial instrument(s) during the tax year (other than trade receivables)? .....

**250** Yes  No

Did the corporation apply hedge accounting during the tax year? .....

**255** Yes  No

Did the corporation discontinue hedge accounting during the tax year? .....

**260** Yes  No

**Adjustments to opening equity**

Was an amount included in the opening balance of retained earnings or equity, in order to correct an error, to recognize a change in accounting policy, or to adopt a new accounting standard in the current tax year? .....

**265** Yes  No

If **yes**, you have to maintain a separate reconciliation.

Corporation's name	Business number	Tax year end Year Month Day
Clear Seas Centre for Responsible Marine Shipping Society	84032 0972 RC0001	2020-03-31

## General Index of Financial Information

### Notes to the financial statements

CLEAR SEAS CENTRE FOR RESPONSIBLE MARINE SHIPPING SOCIETY

Notes to Financial Statements

Year Ended March 31, 2020.

#### 1) NATURE OF OPERATIONS

Clear Seas Centre for Responsible Marine Shipping Society was incorporated on November 6, 2013 under the Society Act (British Columbia). The goal of the Society is to promote and facilitate research and regulatory frameworks that deliver the highest standards in safe and sustainable marine shipping including, but not limited to, shipment of Canada's oil and liquefied natural gas commodities. The Society is exempt from taxes under section 149(1)(1) of the Income Tax Act (Canada).

#### 2) SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are detailed below:

##### (a) Revenue recognition

The Society follows the deferral method of accounting for contributions. Contributions with specific purpose or with some other restrictions attached to them are recognized as revenue on a straight-line basis over the terms set out in the agreement. Until recognized as revenue, such amounts are shown as deferred revenue as a liability on the statement of financial position.

Unrestricted contributions and other revenues are recognized when received or receivable, if the amount can be reasonably estimated and collection is reasonably assured.

Interest income is recognized as earned based on the passage of time at the stated interest rate.

##### (b) Use of estimates

The preparation of these financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Significant estimates include recoverability of amounts receivable, useful life of capital assets and accrual of liabilities. While management believes these estimates are reasonable, actual results could differ from the estimates and could impact future results of operations and cash flows.

##### (c) Financial instruments

The Society initially measures its financial assets and liabilities at fair value. The Society subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in surplus of receipts over expenditures. In the event a previously recognized impairment loss should be reversed, the amount of the reversal is recognized in surplus of receipts over expenditures provided it is not greater than the original amount prior to write-down.

For any financial instrument that is measured at amortized cost, the instrument's cost is adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption. These transaction costs are amortized into income on a straight-line basis over the term of the instrument. All other transaction costs are recognized in surplus of receipts over expenditures in the period incurred.

#### 3) FINANCIAL INSTRUMENTS

Corporation's name	Business number	Tax year end Year Month Day
Clear Seas Centre for Responsible Marine Shipping Society	84032 0972 RC0001	2020-03-31

## General Index of Financial Information

### Notes to the financial statements

#### (a) 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. The Society is not exposed to credit risk, as amounts receivable consists primarily of balances receivable from government agencies. Credit risk with respect to cash and short-term investments are minimized, as cash is held with a major Canadian financial institution.

#### (b) Liquidity risk

Liquidity risk is the risk that the Society will encounter difficulty in meeting obligations associated with financial liabilities. The Society is exposed to this risk mainly in respect of its accounts payable and accrued liabilities. The Society has sufficient current assets to meet its short-term liabilities.

#### (c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Interest rate risk consists of two components:

(i) To the extent that payments made or received on the Society's monetary assets and liabilities are affected by changes in prevailing market interest rates, the Society is exposed to interest rate cash flow risk

(ii) To the extent that changes in prevailing market interest rates differ from the interest rates in the Society's monetary assets and liabilities, the Society is exposed to interest rate price risk. The Society is not exposed to significant interest rate risk due to the short-term maturity of its financial assets and liabilities.

#### 4) SHORT-TERM INVESTMENTS

Short-term investments consist of guaranteed investment certificates ("GIC") bearing 1.2% interest per annum (2019 - 1.5%), maturing within the next fiscal year.

#### 5) DEFERRED REVENUE

##### Alberta Energy grant

During fiscal 2013, the Society received a grant of \$3,700,000 from the Government of Alberta. The grant is recognized as revenue on a straight-line basis over the term of the agreement.

During fiscal 2019, the Society received additional grant of \$200,000 from the Government of Alberta and the full amount has been recognized as deferred revenue. The grant will be recognized as revenue starting fiscal 2020 on a straight-line basis over the term of the Energy Grants Regulations of the Government of Alberta.

As at March 31, 2020, \$580,571 (2019 - \$528,574) has been recorded as revenue on the statement of operations and \$412,288 (2019 - \$992,858) has been recorded as deferred revenue, as this balance will be recorded as revenue during the fiscal year ended 2021.

##### Transport Canada

In accordance with the Contribution Agreement, Transport Canada reimburses the Society eligible expenses (as defined in the agreement) through a process where the Society submits claims for reimbursement on a quarterly basis. The agreement ended during the year.

#### 6) REMUNERATION OF DIRECTORS, EMPLOYEES AND/OR CONTRACTORS

During the year, the Society paid four (2019 - three) employees earnings more than \$75,000 each a total of approximately \$484,000 (2019 - \$375,000) including benefits. There were no contractors for service contracts exceeding \$75,000 (2019 - three). The Society remunerated its Board of Directors as follows.

Corporation's name	Business number	Tax year end Year Month Day
Clear Seas Centre for Responsible Marine Shipping Society	84032 0972 RC0001	2020-03-31

## General Index of Financial Information

### Notes to the financial statements

#### 7) COMMITMENTS

The Society is committed to lease payments aggregating \$237,400 for its office premises and photocopier with the terms of the lease agreements expiring in November 2024 and April 2022, respectively. The Society's commitments in the next three fiscal years are as follows:

#### 8) SUBSEQUENT EVENTS

Subsequent to year end, the COVID-19 global outbreak was declared a pandemic by the World Health Organization in March 2020. The negative impact of COVID-19 in Canada and on the global economy has been significant. The global pandemic has disrupted economic activities and supply chains resulting in governments worldwide, and in Canada, enacting emergency measures to combat the spread of the virus and protect the economy.

These financial statements have been prepared based upon conditions existing at March 31, 2020 and considering those events occurring subsequent to that date, that provide evidence of conditions that existed at that date. As the outbreak of COVID-19 occurred after March 31, 2020, its impact is considered an event that is indicative of conditions that arose after the reporting period and accordingly, no adjustments have been made to these financial statements for the impacts of COVID-19.

Although the disruption from the pandemic is expected to be temporary, given the dynamic nature of these circumstances, the duration and severity of the disruption and related financial impact cannot be reasonably estimated at this time.

# Net Income (Loss) for Income Tax Purposes

## Schedule 1

Corporation's name <b>Clear Seas Centre for Responsible Marine Shipping Society</b>	Business number <b>84032 0972 RC0001</b>	Tax year-end Year Month Day <b>2020-03-31</b>
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- Use this schedule to reconcile the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes. For more information, see the T2 Corporation – Income Tax Guide.
- All legislative references are to the Income Tax Act.

Net income (loss) after taxes and extraordinary items from line 9999 of Schedule 125 ..... **-699,488** A

**Add:**

Subtotal of additions ..... **0**

**Other additions:**

**Miscellaneous other additions:**

1 Description	2 Amount
<b>605</b>	<b>295</b>
<b>Total of column 2</b>	

**296** ..... **0**

Subtotal of other additions **199** ..... **0** D

**Total additions** **500** ..... **0**

Amount A plus line 500 ..... **-699,488** B

**Deduct:**

Capital cost allowance from Schedule 8 ..... **403** ..... **6,589**

Subtotal of deductions ..... **6,589** ..... **6,589**

**Other deductions:**

**Miscellaneous other deductions:**

1 Description	2 Amount
<b>705</b>	<b>395</b>
<b>Total of column 2</b>	

**396** ..... **0**

Subtotal of other deductions **499** ..... **0** E

**Total deductions** **510** ..... **6,589**

**Net income (loss) for income tax purposes** (amount B minus line 510) ..... **-706,077** C

Enter amount C on line 300 of the T2 return.

## Corporation Loss Continuity and Application

Corporation's name <b>Clear Seas Centre for Responsible Marine Shipping Society</b>	Business number <b>84032 0972 RC0001</b>	Tax year-end Year Month Day <b>2020-03-31</b>
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- Use this form to determine the continuity and use of available losses; to determine a current-year non-capital loss, farm loss, restricted farm loss, or limited partnership loss; to determine the amount of restricted farm loss and limited partnership loss that can be applied in a year; and to ask for a loss carryback to previous years.
- A corporation can choose whether or not to deduct an available loss from income in a tax year. The corporation can deduct losses in any order. However, for each type of loss, deduct the oldest loss first.
- According to subsection 111(4) of the *Income Tax Act*, when control has been acquired, no amount of capital loss incurred for a tax year ending before that time is deductible in computing taxable income in a tax year ending after that time. Also, no amount of capital loss incurred in a tax year ending after that time is deductible in computing taxable income of a tax year ending before that time.
- When control has been acquired, subsection 111(5) provides for similar treatment of non-capital and farm losses, except as listed in paragraphs 111(5)(a) and (b).
- For information on these losses, see the *T2 Corporation – Income Tax Guide*.
- File one completed copy of this schedule with the T2 return, or send the schedule by itself to the tax centre where the return is filed.
- All legislative references are to the *Income Tax Act*.

### Part 1 – Non-capital losses

#### Determination of current-year non-capital loss

Net income (loss) for income tax purposes		-706,077	A
<b>Deduct:</b> (increase a loss)			
Net capital losses deducted in the year (enter as a positive amount)	a		
Taxable dividends deductible under section 112 or subsections 113(1) or 138(6)	b		
Amount of Part VI.1 tax deductible under paragraph 110(1)(k)	c		
Amount deductible as prospector's and grubstaker's shares – Paragraph 110(1)(d.2)	d		
Amount of an employer for non-qualified securities under an employee stock options agreement deductible under paragraph 110(1)(e)	1d		
Subtotal (total of amounts a to 1d)	▶		B
Subtotal (amount A <b>minus</b> amount B; if positive, enter "0")		-706,077	C
<b>Deduct:</b> (increase a loss)			
Section 110.5 or subparagraph 115(1)(a)(vii) – Addition for foreign tax deductions			D
Subtotal (amount C <b>minus</b> amount D)		-706,077	E
<b>Add:</b> (decrease a loss)			
Current-year farm loss (the lesser of: the net loss from farming or fishing included in income and the non-capital loss before deducting the farm loss)			F
Subtotal (amount E <b>plus</b> amount F; if positive, enter "0")		-706,077	G
If amount G is negative, enter it on line 110 as a positive.			

#### Continuity of non-capital losses and request for a carryback

Non-capital loss at the end of the previous tax year	185,990		e
<b>Deduct:</b> Non-capital loss expired (note 1)	100		f
Subtotal (amount e <b>minus</b> amount f)	▶	185,990	H
<b>Add:</b>			
Non-capital losses transferred on an amalgamation or on the wind-up of a subsidiary (note 2) corporation	105		g
Current-year non-capital loss (from amount G)	110	706,077	h
Subtotal (amount g <b>plus</b> amount h)	▶	706,077	I
Subtotal (amount H <b>plus</b> amount I)		892,067	J

Note 1: A non-capital loss expires as follows:

- after **10** tax years if it arose in a tax year ending after March 22, 2004, and before 2006; and
- after **20** tax years if it arose in a tax year ending after 2005.

An allowable business investment loss becomes a net capital loss after **10** tax years if it arose in a tax year ending after March 22, 2004.

Note 2: Subsidiary is defined in subsection 88(1) as a taxable Canadian corporation of which 90% or more of each class of issued shares are owned by its parent corporation and the remaining shares are owned by persons that deal at arm's length with the parent corporation.

**Part 1 – Non-capital losses (continued)**

<b>Deduct:</b>			
Other adjustments (includes adjustments for an acquisition of control)	150	_____	i
Section 80 – Adjustments for forgiven amounts	140	_____	j
Subsection 111(10) – Adjustments for fuel tax rebate		_____	j.1
Non-capital losses of previous tax years applied in the current tax year	130	_____	k
Enter amount k on line 331 of the T2 Return.			
Current and previous year non-capital losses applied against current-year taxable dividends subject to Part IV tax (note 3)	135	_____	l
		Subtotal (total of amounts i to l)	_____ K
		Non-capital losses before any request for a carryback (amount J minus amount K)	892,067 L
<b>Deduct – Request to carry back non-capital loss to:</b>			
First previous tax year to reduce taxable income	901	_____	m
Second previous tax year to reduce taxable income	902	_____	n
Third previous tax year to reduce taxable income	903	_____	o
First previous tax year to reduce taxable dividends subject to Part IV tax	911	_____	p
Second previous tax year to reduce taxable dividends subject to Part IV tax	912	_____	q
Third previous tax year to reduce taxable dividends subject to Part IV tax	913	_____	r
		Total of requests to carry back non-capital losses to previous tax years (total of amounts m to r)	_____ M
		Closing balance of non-capital losses to be carried forward to future tax years (amount L minus amount M)	180 892,067 N
Note 3: Amount l is the total of lines 330 and 335 from Schedule 3, <i>Dividends Received, Taxable Dividends Paid, and Part IV Tax Calculation</i> .			

**Part 2 – Capital losses**

<b>Continuity of capital losses and request for a carryback</b>			
Capital losses at the end of the previous tax year	200	_____	a
Capital losses transferred on an amalgamation or on the wind-up of a subsidiary corporation	205	_____	b
		Subtotal (amount a plus amount b)	_____ A
<b>Deduct:</b>			
Other adjustments (includes adjustments for an acquisition of control)	250	_____	c
Section 80 – Adjustments for forgiven amounts	240	_____	d
		Subtotal (amount c plus amount d)	_____ B
		Subtotal (amount A minus amount B)	_____ C
<b>Add:</b> Current-year capital loss (from the calculation on Schedule 6, <i>Summary of Dispositions of Capital Property</i> )	210	_____	D
Unused non-capital losses that expired in the tax year (note 4)		_____	e
Allowable business investment losses (ABILs) that expired as non-capital losses at the end of the previous tax year (note 5)		_____	f
Enter amount e or f, whichever is less	215	_____	g
ABILs expired as non-capital losses: line 215 multiplied by 2.000000		_____	220 E
		Subtotal (total of amounts C to E)	_____ F
<b>Note</b>			
If there has been an amalgamation or a wind-up of a subsidiary, do a separate calculation of the ABIL expired as non-capital loss for each predecessor or subsidiary corporation. Add all these amounts and enter the total on line 220 above.			
Note 4: If the loss was incurred in a tax year ending after March 22, 2004, determine the amount of the loss from the 11th previous tax year and enter the part of that loss that was not used in previous years and the current year on line e.			
Note 5: If the ABILs were incurred in a tax year ending after March 22, 2004, enter the amount of the ABILs from the 11th previous tax year. Enter the full amount on line f.			

**Part 2 – Capital losses (continued)**

**Deduct:** Capital losses from previous tax years applied against the current-year net capital gain (note 6) ..... **225** \_\_\_\_\_ G  
 Capital losses before any request for a carryback (amount F **minus** amount G) \_\_\_\_\_ H

**Deduct – Request to carry back capital loss to (note 7):**

	Capital gain (100%)	Amount carried back (100%)	
First previous tax year .....	<b>951</b>	_____	h
Second previous tax year .....	<b>952</b>	_____	i
Third previous tax year .....	<b>953</b>	_____	j
Subtotal (total of amounts h to j) _____			I
Closing balance of capital losses to be carried forward to future tax years (amount H <b>minus</b> amount I) <b>280</b> _____			J

Note 6: To get the net capital losses required to reduce the taxable capital gain included in the net income (loss) for the current-year tax, enter the amount from line 225 **divided** by 2 at line 332 of the T2 return.

Note 7: On line 225, 951, 952, or 953, whichever applies, enter the actual amount of the loss. When the loss is applied, divide this amount by 2. The result represents the 50% inclusion rate.

**Part 3 – Farm losses**

**Continuity of farm losses and request for a carryback**

Farm losses at the end of the previous tax year .....

**Deduct:** Farm loss expired (note 8) ..... **300** \_\_\_\_\_ b  
 Farm losses at the beginning of the tax year (amount a **minus** amount b) ..... **302** \_\_\_\_\_ A

**Add:**

Farm losses transferred on an amalgamation or on the wind-up of a subsidiary corporation ... **305** \_\_\_\_\_ c  
 Current-year farm loss (amount F in Part 1) ..... **310** \_\_\_\_\_ d  
 Subtotal (amount c **plus** amount d) \_\_\_\_\_ B  
 Subtotal (amount A **plus** amount B) \_\_\_\_\_ C

**Deduct:**

Other adjustments (includes adjustments for an acquisition of control) ..... **350** \_\_\_\_\_ e  
 Section 80 – Adjustments for forgiven amounts ..... **340** \_\_\_\_\_ f  
 Farm losses of previous tax years applied in the current tax year ..... **330** \_\_\_\_\_ g  
 Enter amount g on line 334 of the T2 Return.  
 Current and previous year farm losses applied against current-year taxable dividends subject to Part IV tax (note 9) ..... **335** \_\_\_\_\_ h  
 Subtotal (total of amounts e to h) \_\_\_\_\_ D  
 Farm losses before any request for a carryback (amount C **minus** amount D) \_\_\_\_\_ E

**Deduct – Request to carry back farm loss to:**

First previous tax year to reduce taxable income ..... **921** \_\_\_\_\_ i  
 Second previous tax year to reduce taxable income ..... **922** \_\_\_\_\_ j  
 Third previous tax year to reduce taxable income ..... **923** \_\_\_\_\_ k  
 First previous tax year to reduce taxable dividends subject to Part IV tax ..... **931** \_\_\_\_\_ l  
 Second previous tax year to reduce taxable dividends subject to Part IV tax ..... **932** \_\_\_\_\_ m  
 Third previous tax year to reduce taxable dividends subject to Part IV tax ..... **933** \_\_\_\_\_ n  
 Subtotal (total of amounts i to n) \_\_\_\_\_ F  
 Closing balance of farm losses to be carried forward to future tax years (amount E **minus** amount F) **380** \_\_\_\_\_ G

Note 8: A farm loss expires as follows:  
 • after **10** tax years if it arose in a tax year ending before 2006; and  
 • after **20** tax years if it arose in a tax year ending after 2005.

Note 9: Amount h is the total of lines 340 and 345 from Schedule 3.

**Part 4 – Restricted farm losses****Current-year restricted farm loss**

Total losses for the year from farming business	485	A
<b>Minus</b> the deductible farm loss:		
(amount A above _____ – \$2,500) <b>divided by 2 =</b> _____ a		
Amount a or \$ 15,000 (note 10), whichever is less	2,500	b
	2,500	c
Subtotal (amount b <b>plus</b> amount c)	2,500	B
Current-year restricted farm loss (amount A <b>minus</b> amount B)		C

**Continuity of restricted farm losses and request for a carryback**

Restricted farm losses at the end of the previous tax year		d
<b>Deduct:</b> Restricted farm loss expired (note 11)	400	e
Restricted farm losses at the beginning of the tax year (amount d <b>minus</b> amount e)	402	D
<b>Add:</b>		
Restricted farm losses transferred on an amalgamation or on the wind-up of a subsidiary corporation	405	f
Current-year restricted farm loss (from amount C)	410	g
Enter amount g on line 233 of Schedule 1, <i>Net Income (Loss) for Income Tax Purposes</i> .		
Subtotal (amount f <b>plus</b> amount g)		E
Subtotal (amount D <b>plus</b> amount E)		F

**Deduct:**

Restricted farm losses from previous tax years applied against current farming income	430	h
Enter amount h on line 333 of the T2 return.		
Section 80 – Adjustments for forgiven amounts	440	i
Other adjustments	450	j
Subtotal (total of amounts h to j)		G
Restricted farm losses before any request for a carryback (amount F <b>minus</b> amount G)		H

**Deduct – Request to carry back restricted farm loss to:**

First previous tax year to reduce farming income	941	k
Second previous tax year to reduce farming income	942	l
Third previous tax year to reduce farming income	943	m
Subtotal (total of amounts k to m)		I
Closing balance of restricted farm losses to be carried forward to future tax years (amount H <b>minus</b> amount I)	480	J

**Note**

The total losses for the year from all farming businesses are calculated without including scientific research expenses.

Note 10: For tax years that end before March 21, 2013, use \$6,250 instead of \$15,000.

Note 11: A restricted farm loss expires as follows:

- after **10** tax years if it arose in a tax year ending before 2006; and
- after **20** tax years if it arose in a tax year ending after 2005.

**Part 5 – Listed personal property losses**

**Continuity of listed personal property loss and request for a carryback**

Listed personal property losses at the end of the previous tax year ..... a

**Deduct:** Listed personal property loss expired after 7 tax years ..... **500** ..... b

Listed personal property losses at the beginning of the tax year (amount a **minus** amount b) ... **502** ..... **A**

**Add:** Current-year listed personal property loss (from Schedule 6) ..... **510** ..... **B**

Subtotal (amount A **plus** amount B) ..... **C**

**Deduct:**

Listed personal property losses from previous tax years applied against listed personal property gains ..... **530** ..... c  
Enter amount c on line 655 of Schedule 6.

Other adjustments ..... **550** ..... d

Subtotal (amount c **plus** amount d) ..... **D**

Listed personal property losses remaining before any request for a carryback (amount C **minus** amount D) ..... **E**

**Deduct – Request to carry back listed personal property loss to:**

First previous tax year to reduce listed personal property gains ..... **961** ..... e

Second previous tax year to reduce listed personal property gains ..... **962** ..... f

Third previous tax year to reduce listed personal property gains ..... **963** ..... g

Subtotal (total of amounts e to g) ..... **F**

Closing balance of listed personal property losses to be carried forward to future tax years (amount E **minus** amount F) **580** ..... **G**

**Part 7 – Limited partnership losses**

**Current-year limited partnership losses**

1	2	3	4	5	6	7
Partnership account number	Tax year ending yyyy/mm/dd	Corporation's share of limited partnership loss	Corporation's at-risk amount	Total of corporation's share of partnership investment tax credit, farming losses, and resource expenses	Column 4 <b>minus</b> column 5 (if negative, enter "0")	Current -year limited partnership losses (column 3 <b>minus</b> column 6)
<b>600</b>	<b>602</b>	<b>604</b>	<b>606</b>	<b>608</b>		<b>620</b>

1.

**Total** (enter this amount on line 222 of Schedule 1)

**Limited partnership losses from previous tax years that may be applied in the current year**

1	2	3	4	5	6	7
Partnership account number	Tax year ending yyyy/mm/dd	Limited partnership losses at the end of the previous tax year and amounts transferred on an amalgamation or on the wind-up of a subsidiary	Corporation's at-risk amount	Total of corporation's share of partnership investment tax credit, business or property losses, and resource expenses	Column 4 <b>minus</b> column 5 (if negative, enter "0")	Limited partnership losses that may be applied in the year (the lesser of columns 3 and 6)
<b>630</b>	<b>632</b>	<b>634</b>	<b>636</b>	<b>638</b>		<b>650</b>

1.

**Continuity of limited partnership losses that can be carried forward to future tax years**

1	2	3	4	5	6
Partnership account number	Limited partnership losses at the end of the previous tax year	Limited partnership losses transferred in the year on an amalgamation or on the wind-up of a subsidiary	Current-year limited partnership losses (from line 620)	Limited partnership losses applied in the current year (must be equal to or less than line 650)	Current year limited partnership losses closing balance to be carried forward to future years (column 2 <b>plus</b> column 3 <b>plus</b> column 4 <b>minus</b> column 5)
<b>660</b>	<b>662</b>	<b>664</b>	<b>670</b>	<b>675</b>	<b>680</b>

1.

**Total** (enter this amount on line 335 of the T2 return)

**Note**

If you need more space, you can attach more schedules.

**Part 8 – Election under paragraph 88(1.1)(f)**

If you are making an election under paragraph 88(1.1)(f), check the box

**190** Yes

In the case of the wind-up of a subsidiary, if the election is made, the non-capital loss, restricted farm loss, farm loss, or limited partnership loss of the subsidiary—that otherwise would become the loss of the parent corporation for a particular tax year starting after the wind-up began—will be considered as the loss of the parent corporation for its immediately preceding tax year and not for the particular year.

**Note**

This election is only applicable for wind-ups under subsection 88(1) that are reported on Schedule 24, *First-Time Filer after Incorporation, Amalgamation, or Winding-up of a Subsidiary into a Parent*.

## Non-Capital Loss Continuity Workchart

### Part 6 – Analysis of balance of losses by year of origin

#### Non-capital losses

Year of origin	Balance at beginning of year	Loss incurred in current year	Adjustments and transfers	Loss carried back Parts I & IV	Applied to reduce		Balance at end of year
					Taxable income	Part IV tax	
Current	N/A	706,077			N/A		706,077
1st preceding taxation year 2019-03-31	185,990	N/A		N/A			185,990
<b>Total</b>	185,990	706,077					892,067



## Capital Cost Allowance (CCA)

Corporation's name Clear Seas Centre for Responsible Marine Shipping Society	Business number 84032 0972 RC0001	Tax year-end Year Month Day 2020-03-31
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For more information, see the section called "Capital Cost Allowance" in the T2 Corporation Income Tax Guide.

Is the corporation electing under Regulation 1101(5q)? **101** Yes  No

1 Class number * See note 1	Description	2 Undepreciated capital cost (UCC) at the beginning of the year	3 Cost of acquisitions during the year (new property must be available for use) See note 2	4 Cost of acquisitions from column 3 that are accelerated investment incentive properties (AIIP) See note 3	5 Adjustments and transfers See note 4	6 Amount from column 5 that is assistance received or receivable during the year for a property, subsequent to its disposition See note 5	7 Amount from column 5 that is repaid during the year for a property, subsequent to its disposition See note 6	8 Proceeds of dispositions See note 7	For tax years ending before November 21, 2018: 50% rule (1/2 of net acquisitions)
<b>200</b>		<b>201</b>	<b>203</b>	<b>225</b>	<b>205</b>	<b>221</b>	<b>222</b>	<b>207</b>	<b>211</b>
1. 50	Computer equipment	2,852						0	
2. 8	Furniture & Fixtures	5,412						0	
3. 8	Equipment	19,691						0	
<b>Totals</b>		<b>27,955</b>							

1 Class number * See note 1	Description	9 UCC (column 2 plus column 3 minus column 5) See note 8	10 Proceeds of disposition available to reduce the UCC of AIIP (column 8 plus column 6 minus column 3 plus column 4 minus column 7) (if negative, enter "0")	11 Net capital cost additions of AIIP acquired during the year (column 4 minus column 10) (if negative, enter "0")	12 UCC adjustment for AIIP acquired during the year (column 11 multiplied by the relevant factor) See note 9	13 UCC adjustment for non-AIIP acquired during the year (0.5 multiplied by the result of column 3 minus column 4 minus column 6 plus column 7 minus column 8) (if negative, enter "0") See note 10	14 CCA rate % See note 11	15 Recapture of CCA See note 12	16 Terminal loss See note 13	17 CCA (for declining balance method, the result of column 9 plus column 12 minus column 13, multiplied by column 14 or a lower amount) See note 14	18 UCC at the end of the year (column 9 minus column 17)
<b>200</b>						<b>224</b>	<b>212</b>	<b>213</b>	<b>215</b>	<b>217</b>	<b>220</b>
1. 50	Compu	2,852					55	0	0	1,569	1,283
2. 8	Furnitu	5,412					20	0	0	1,082	4,330
3. 8	Equipn	19,691					20	0	0	3,938	15,753
<b>Totals</b>		<b>27,955</b>								<b>6,589</b>	<b>21,366</b>

Enter the total of column 15 on line 107 of Schedule 1.

Enter the total of column 16 on line 404 of Schedule 1.

Enter the total of column 17 on line 403 of Schedule 1.

- Note 1. If a class number has not been provided in Schedule II of the Income Tax Regulations for a particular class of property, use the subsection provided in Regulation 1101. Class numbers followed by a letter indicate the basic rate of the class taking into account the additional deduction allowed. Class 1a: 4% + 6% = 10% (class 1 to 10%), class 1b: 4% + 2% = 6% (class 1 to 6%).
- Note 2. Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions of property in the class that are not subject to the 50% rule. See Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance, for exceptions to the 50% rule.
- Note 3. An accelerated investment incentive property (AIIP) is a property (other than property included in Class 54 or 55) that you acquired after November 20, 2018 and became available for use before 2028. See the T2 Corporation Income Tax Guide for more information. Classes 54 and 55 include property that is a zero-emission vehicle you acquired after March 18, 2019 and became available for use before 2028.
- Note 4. Enter in column 5, "Adjustments and transfers", amounts that increase or reduce the undepreciated capital cost (column 9). Items that increase the undepreciated capital cost include amounts transferred under section 85, or transferred on amalgamation or winding-up of a subsidiary. Items that reduce the undepreciated capital cost (show amounts that reduce the undepreciated capital cost in brackets) include government assistance received or entitled to be received in the year, or a reduction of capital cost after the application of section 80. See the T2 Corporation Income Tax Guide for other examples of adjustments and transfers to include in column 5.
- Note 5. Include all amounts of assistance you received (or were entitled to receive) after the disposition of a depreciable property that would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f) if received before the disposition.
- Note 6. Include all amounts you have repaid during the year with respect to any legally required repayment, made after the disposition of a corresponding property, of:
- assistance that would have otherwise increased the capital cost of the property under paragraph 13(7.1)(d); and
  - an inducement, assistance or any other amount contemplated in paragraph 12(1)(x) received, that otherwise would have increased the capital cost of the property under paragraph 13(7.4)(b).
- Also include the UCC of each property of a prescribed class acquired in the course of a corporate reorganization described under paragraph 55(3)(b) of the Act (also known as "butterfly reorganization") or in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor less than 364 days before the end of your tax year.
- Note 7. For each property disposed of during the year, deduct from the proceeds of disposition any outlays and expenses to the extent that they were made or incurred for the purpose of making the disposition(s). The amount reported in respect of the property cannot exceed the property's capital cost, unless that property is a timber resource property as defined in subsection 13(21).
- Note 8. If the amount in column 5 reduces the undepreciated capital cost (i.e. it is shown in brackets), you must subtract it for the purposes of the calculation. Otherwise, add the amount in column 5 for the purposes of the calculation.
- Note 9. The relevant factors for AIIP of a class in Schedule II and for property included in classes 54 and 55, available for use before 2024, are:
- 2 1/3 for property in Classes 43.1 and 54;
  - 1 1/2 for property in Class 55;
  - 1 for property in Classes 43.2 and 53;
  - 0 for property in Classes 12, 13, 14, and 15, as well as properties that are Canadian vessels included in paragraph 1100(1)(v) of the Regulations (see note 14 for additional information); and
  - 0.5 for all other property that is AIIP.
- Note 10. The UCC adjustment for non-AIIP acquired during the year (formerly known as the half-year rule or 50% rule) does not apply to certain property (including AIIP). For special rules and exceptions, see Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance.
- Note 11. Enter a rate only if you are using the declining balance method. For any other method (for example the straight-line method, where calculations are always based on the cost of acquisitions), enter N/A. Then enter the amount you are claiming in column 17.
- Note 12. If the amount in column 9 is negative, you have a recapture of CCA. If applicable, enter the negative amount from column 9 in column 15 as a positive. The recapture rules do not apply to passenger vehicles in Class 10.1.
- Note 13. If no property is left in the class at the end of the tax year and there is still a positive amount in the column 9, you have a terminal loss. If applicable, enter the positive amount from column 9 in column 16. The terminal loss rules do not apply to:
- passenger vehicles in Class 10.1;
  - property in Class 14.1, unless you have ceased carrying on the business to which it relates; or
  - limited-period franchises, concessions, or licences in Class 14 if, at the time of acquisition, the property was a former property of the transferor or any similar property attributable to the same fixed place of business, and you had jointly elected with the transferor to have the replacement property rules apply.
- Note 14. If the tax year is shorter than 365 days, prorate the CCA claim. Some classes of property do not have to be prorated. See the T2 Corporation Income Tax Guide for more information. For property in class 10.1 disposed of during the year, deduct a maximum of 50% of the regular CCA deduction if you owned the property at the beginning of the tax year. For AIIP listed below, the maximum first year allowance you can claim is determined as follows:
- Class 13: the lesser of 150% of the amount calculated in Schedule III of the Regulations and the UCC at the end of the tax year (before any CCA deduction).
  - Class 14: the lesser of 150% of the allocation for the year of the capital cost of the property apportioned over the remaining life of the property (at the time the cost was incurred) and the UCC at the end of the tax year (before any CCA deduction).
  - Class 15: the lesser of 150% of an amount computed on the basis of a rate per cord, board foot or cubic metre cut in the tax year and the UCC at the end of the tax year (before any CCA deduction).
  - Canadian vessels described under paragraph 1100(1)(v) of the Regulations: the lesser of 50% of the capital cost of the property and the UCC at the end of the tax year (before any CCA deduction).
  - Class 41.2: use a 25% CCA rate. The additional allowance under paragraph 1100(1)(y.2)(for single mine properties) and 1100(1)(ya.2)(for multiple mine properties) of the Regulations is not eligible for the accelerated investment incentive. The additional allowance in respect of natural gas liquefaction under paragraph 1100(1)(yb) of the Regulations is eligible for the accelerated investment incentive.
  - Property (other than a timber resource property) that is a timber limit or a right to cut timber from a limit: 150% of the amount determined by first subtracting the total of the residual value of the timber limit and all amounts you expended for the 1949 or later tax years for surveys, cruises or preparation of prints, maps or plans for the purpose of obtaining a licence or right to cut timber from the capital cost of the limit or right, and then dividing the result by the quantity of timber in the limit or the quantity of timber you have the right to cut.
  - Industrial mineral mine or a right to remove industrial minerals from an industrial mineral mine: 150% of the amount determined by first subtracting the residual value, if any, of the mine or right from the capital cost of the mine or right, and then dividing the result by the number of units of commercially mineable material estimated to be in the mine when the mine or right was acquired (alternatively, if you have acquired a right to remove only a specified number of units, that number of units that you acquired a right to remove).

**Corporate Taxpayer Summary****Corporate information**

Corporation's name . . . . . <u>Clear Seas Centre for Responsible Marine Shipping Society</u>																
Taxation Year . . . . . <u>2019-04-01</u> to <u>2020-03-31</u>																
Jurisdiction . . . . . <u>British Columbia</u>																
BC	AB	SK	MB	ON	QC	NB	NS	NO	PE	NL	XO	YT	NT	NU	OC	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Corporation is associated . . . . . <u>N</u>																
Corporation is related . . . . . <u>N</u>																
Number of associated corporations . . . . . _____																
Type of corporation . . . . . <u>Other Corporation</u>																
Total amount due (refund) federal and provincial* . . . . . _____																
* The amounts displayed on lines "Total amount due (refund) federal and provincial" are all listed in the help. Press F1 to consult the context-sensitive help.																

**Summary of federal information**

Net income . . . . .	<u>-706,077</u>
Taxable income . . . . .	_____
Donations . . . . .	_____
Calculation of income from an active business carried on in Canada . . . . .	_____
Dividends paid . . . . .	_____
Dividends paid – Regular . . . . .	_____
Dividends paid – Eligible . . . . .	_____
Balance of the low rate income pool at the end of the previous year . . . . .	_____
Balance of the low rate income pool at the end of the year . . . . .	_____
Balance of the general rate income pool at the end of the previous year . . . . .	_____
Balance of the general rate income pool at the end of the year . . . . .	_____
Part I tax (base amount) . . . . .	_____

**Summary of federal carryforward/carryback information**

<b>Carryforward balances</b>	
Non-capital losses . . . . .	<u>892,067</u>

**Summary of provincial information – provincial income tax payable**

	British Columbia	Saskatchewan	Manitoba
% Allocation . . . . .	<u>100.00</u>	_____	_____
Attributed taxable income . . . . .	_____	_____	_____
Tax payable before deduction . . . . .	_____	_____	_____
Deductions and credits . . . . .	_____	_____	_____
Tax payable or refundable credit . . . . .	_____	_____	_____
Attributed taxable capital . . . . .	N/A	_____	_____
Capital tax payable* . . . . .	N/A	_____	_____
Instalments and refundable credits . . . . .	N/A	_____	_____
Balance due/Refund (-) . . . . .	N/A	_____	_____
<b>Credit unions and caisses populaires profits tax (MB-Credit Unions)</b>			
Tax payable . . . . .	N/A	N/A	_____
<b>Logging tax payable (FIN542)</b>			
Tax payable . . . . .	_____	N/A	N/A
* For Manitoba, this includes the Outstanding Balance Excluding Instalments.			

**Summary – taxable capital****Federal**

Corporate name	Taxable capital used to calculate the business limit reduction (T2, line 415)	Taxable capital used to calculate the SR&ED expenditure limit for a CCPC (Schedules 31 and 49)	Taxable capital used to calculate line 233 of the T2 return	Taxable capital used to calculate line 234 of the T2 return
Clear Seas Centre for Responsible Marine Shipping Society			1,442,320	1,442,320
Total			1,442,320	1,442,320

**Québec**

Corporate name	Paid-up capital used to calculate the Québec business limit reduction (CO-771) and to calculate the additional deduction for transportation costs of remote manufacturing SMEs (CO-156.TR)	Paid-up capital used to calculate the tax credit for investment (CO-1029.8.36.IN) and to determine the applicability of Form CO-1029.8.33.TE	Paid-up capital used to calculate the \$1 million deduction (CO-1137.A and CO-1137.E)	Paid-up capital used to determine the applicability of Form CO-737.SI
Total				

**Ontario**

Corporate name	Specified capital used to calculate the expenditure limit – Ontario innovation tax credit (Schedule 566)
Total	

**Other provinces**

Corporate name	Capital used to calculate the Newfoundland and Labrador capital deduction on financial institutions (Schedule 306)
Total	

## Non-Profit Organization (NPO) Information Return

- This return is for:
  - non-profit organizations (NPOs) described in paragraph 149(1)(l) of the Income Tax Act
  - organizations described in paragraph 149(1)(e) of the Act (agricultural organizations, boards of trade or chambers of commerce)
- An organization has to file this return if one of the following applies:
  - it received or is entitled to receive taxable dividends, interest, rentals or royalties totalling more than \$10,000 in the fiscal period
  - it owned assets valued at more than \$200,000 at the end of the immediately preceding fiscal period
  - it had to file an NPO information return for a previous fiscal period
- To determine if the organization you represent has to complete this return, see T4117, Income Tax Guide to the Non-Profit Organization (NPO) Information Return
- Mail your completed return to:  
Jonquière Tax Centre, T1044 Program, PO Box 1300 LCD Jonquière, Jonquière QC G7S 0L5

**Do not use this area**

<b>Part 1 – Identification</b>				Business number, if any		
Fiscal period	Year	Month	Day	Year	Month	Day
From	2019-04-01	to	2020-03-31	84032 0972 RC0001		
Name of organization				Trust number, T3, if any. 8 digits.		
Clear Seas Centre for Responsible Marine Shipping Society						
Mailing address				Is this the final return to be filed by this organization? If yes, attach an explanation.		
630 - 355 Burrard Street				Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
City		Province		Postal code		Type of organization (see Guide T4117)
Vancouver		BC		V6C 2G8		30
Name and title of person to contact				Telephone number		
Smythe LLP				(604) 687-1231		

<b>Part 2 – Amounts received during the fiscal period</b>			
Membership dues, fees, and assessments	<b>100</b>		
Federal, provincial, and municipal grants and payments	<b>101</b>	780,571	
Interest, taxable dividends, rentals, and royalties	<b>102</b>	38,849	
Proceeds of disposition of capital property	<b>103</b>		
Gross sales and revenues from organizational activities	<b>104</b>		
Gifts	<b>105</b>		
Other receipts (specify)	<b>106</b>		
<b>Total receipts (add lines 100 to 106)</b>	<b>107</b>	819,420	819,420

<b>Part 3 – Statement of assets and liabilities at the end of the fiscal period</b>			
<b>Assets</b>			
Method used to record assets <u>Accrual</u>			
Cash and short-term investments	<b>108</b>	1,886,601	
Amounts receivable from members	<b>109</b>		
Amounts receivable from all others (not included on line 109)	<b>110</b>	12,958	
Prepaid expenses	<b>111</b>	7,972	
Inventory	<b>112</b>		
Long-term investments	<b>113</b>		
Fixed assets	<b>114</b>		
Other assets (specify)	<b>115</b>		
<b>Total assets (add lines 108 to 115)</b>	<b>116</b>	1,907,531	1,907,531
<b>Liabilities</b>			
Amounts owing to members	<b>117</b>		
Amounts owing to all others (specify)	<b>118</b>	465,211	
<b>Total liabilities (add lines 117 and 118)</b>	<b>119</b>	465,211	465,211

**Part 4 – Remuneration**

Total remuneration and benefits paid to all employees and officers	120	797,715
Total remuneration and benefits paid to employees and officers who are members	121	0
Other payments to members (specify)	122	0
Number of members in the organization		0
Number of members who received remuneration or other amounts		0

**Part 5 – The organization's activities**

Briefly describe the activities of the organization. If this is the organization's first year filing this return, attach a copy of the organization's Mission Statement.

The purpose of the Society is to:

To be the leading source of credible, fact-based information to bring clarity for safe and sustainable marine shipping in Canada.

Are any of the organization's activities carried on outside of Canada? Yes  No

If yes, indicate where:

**Part 6 – Location of books and records**

Leave this area blank if the information is the same as in Part 1.

Name of person to contact

Mailing address

City	Province	Postal code	Telephone number
------	----------	-------------	------------------

**Part 7 – Certification**

I certify that the information given on this return and in any attached documents is correct and complete.

Paul Blomerus

Name of authorized officer

Executive Director

Position

2020-08-13

Authorized officer's signature

Date (YYYY/MM/DD)

**Language of correspondence**  
Indicate the language of your choice

**Langue de correspondance**  
Indiquer la langue de votre choix

English

Français

**Privacy statement**

Personal information is collected for the purposes of the administration or enforcement of the Income Tax Act and related programs and activities including administering tax, benefits, audit, compliance, and collection. The information collected may be used or disclosed for purposes of other federal acts that provide for the imposition and collection of a tax or duty. It may also be disclosed to other federal, provincial, territorial or foreign government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties or other actions. Under the Privacy Act, individuals have the right to access their personal information, request correction, or file a complaint to the Privacy Commissioner of Canada regarding the handling of the individual's personal information. Refer to Personal Information Bank CRA PPU 047 on Info Source at [canada.ca/cra-info-source](http://canada.ca/cra-info-source).



# **Report to the Board of Directors**

**Clear Seas Centre for Responsible Marine Shipping  
Society**

Year Ended March 31, 2020



July 7, 2020

**Private and Confidential**

Board of Directors and Management  
Clear Seas Centre for Responsible Marine Shipping Society  
630 - 355 Burrard Street  
Vancouver, BC V6C 2G8

Dear Sirs/Mesdames:

We are pleased to present our report on the audit of the financial statements of Clear Seas Centre for Responsible Marine Shipping Society (the "Society") for the year ended March 31, 2020. This report summarizes the results and status of our audit and includes required communications to assist you in discharging your responsibilities as directors.

Subject to the completion of our final audit procedures, we propose to issue an unqualified audit opinion on the Society's financial statements.

This report is intended solely for the information and use of the Board of Directors and management, and is not intended to be and should not be used by any other parties. This report summarizes our observations from our audit of the financial statements and does not identify all matters that may be of interest to the Board of Directors and management. No responsibility to any third party is accepted as the report has not been prepared for, and is not intended for, any other purpose.

Should any member of the Board of Directors or management wish to discuss or review any matter addressed in this report, or any other matters related to financial reporting, please do not hesitate to contact us at any time.

Yours very truly,

SMYTHE LLP

Renee Martin, CPA, CA  
Partner

RM//134580

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## SUMMARY OF OUR ENGAGEMENT

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Our audit plan is based on understanding the operations and related financial risks facing the Society. We then design our audit strategy and execute the plan based on our risk assessments of external factors (markets, environment and stakeholders) and internal factors (entity-wide controls, operational processes and controls, and accounting processes and controls). These risk assessments are then mapped relative to the significant accounts in the financial statements to design our audit procedures.



We have designed our audit to:

- ⇒ Comply with generally accepted auditing standards ("GAAS");
- ⇒ Express an opinion on the financial statements of the Society prepared by management, with the oversight of the Board of Directors, in accordance with accounting standards for private enterprises ("ASPE"). The audit of the financial statements does not relieve management or the Board of Directors of their governance responsibilities;
- ⇒ Comply with GAAS with respect to our required communications with the Board of Directors;
- ⇒ Report to management and the Board of Directors on the results of our audit; and
- ⇒ If appropriate, issue a management letter that provides our recommendations regarding internal controls and opportunities for improvement or efficiency, based on observations made during the course of our audit.

### Changes from the Audit Service Plan

There have been no significant changes regarding our audit from the Audit Service Plan previously provided to you.

## **STATUS OF THE AUDIT**

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We have substantially completed our audit of the financial statements of Clear Seas Centre for Responsible Marine Shipping Society with the final remaining items noted below:

- ⇒ Update and completion of subsequent events procedures;
- ⇒ Receipt of management representation letter; and
- ⇒ Approval of the financial statements by the Board of Directors.

We anticipate completion of these matters to our satisfaction without changes to our conclusion. We will update the Board of Directors on significant matters, if any, arising from the completion of the audit, including the completion of the above noted procedures.

The Canadian auditing standards require that the financial statements be approved by the Board of Directors prior to the dating and release of our independent auditors' report.

## SIGNIFICANT AUDIT, ACCOUNTING AND REPORTING MATTERS

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Our comments should only be taken in the context of the financial statements taken as a whole and are not meant to express an opinion or view on any individual items or accounting estimates.

The following significant audit, accounting and reporting matters are brought to your attention.

### Revenue Recognition / Deferred Revenue

*Description of matter:*

In accordance with Canadian Auditing Standards, there is an underlying presumption that the risk of fraud exists in revenue recognition.

The Society follows the deferral method of accounting for contributions. Contributions with specific purpose or with some restrictions are recognized as revenue on a straight-line basis over the terms of the agreement. Unrestricted contributions are recognized when received or receivable, and if the amount can be reasonably estimated and collection is reasonably assured.

**Alberta Energy Grant**

During fiscal 2013, the Society received a grant of \$3,700,000 from the Government of Alberta. The grant is recognized as revenue on a straight-line basis over the term of the agreement (Maturing during 2021 fiscal year), even though the agreement has not specified any restricted uses of this grant, it is clear that the grant is not intended to be used up in the year that it is received by the Society. Per review of the agreement and (in particular to Schedule A), the grant is intended to fund the Society's operations. In this case, the grant has an implicit timeline as to when it is intended to be used. Also the amount is repayable if a default occurs. As such, it is a restricted contribution, and under the deferral method of accounting for contributions, this grant will be recognized into income over the period from inception to the end of fiscal 2021 on a straight line basis.

During the 2019 fiscal year, the Society received an additional \$200,000 of funding. This funding is being amortized into income on a straight-line basis to April 30, 2023 to coincide with the expiration of the Energy Grants Regulation.

**Transport Canada**

In May 2015, the Society signed a contribution agreement with Transport Canada that reimburses the Society for eligible expenses (as defined in the agreement) up to a maximum of \$3,700,000 through a process whereby the Society submits claims for reimbursement on a quarterly basis. The contribution agreement was amended in December 2017 and again in March 2019. The amended agreement ended in March 2020.

*Audit implications:*

During the year ended March 31, 2020, we performed the following procedures:

- Agreed amounts and details of funding to agreements;
- Identified and recalculate any amount that has to be deferred for the next fiscal year.; and
- Trace a sample of reimbursements to invoices.

## Implications of COVID-19

*Description of matter:*

The World Health Organization categorized COVID-19 as a pandemic which has resulted in a widespread health crisis that has affected economics and financial markets around the world resulting in an economic downturn. During the year-end audit, we assessed the implications of COVID-19 on the Society's financial statements and have determined no adjustments to be made. The disclosure (Note 8) describing the uncertainty of the COVID-19 outbreak's impact to the Society is reasonable.

## REQUIRED COMMUNICATIONS TO THE BOARD OF DIRECTORS

GAAS and other professional standards require the auditor to communicate certain matters to the Board of Directors that may assist the Board of Directors in overseeing management's financial reporting and disclosure process. We have summarized these required communications below.

Area Requiring Communication	Auditors' Response
<p><b>Role and Responsibilities of the Engagement Partner</b></p> <p>The engagement partner is responsible for the engagement and its performance, and for the report that is issued on behalf of the firm.</p>	<p>In the role as Engagement Partner, Renee Martin, CPA, CA oversaw the planning and execution of the audit in accordance with GAAS.</p>
<p><b>Auditors' Responsibilities under GAAS</b></p> <p>The financial statements are the responsibility of management. An audit in accordance with GAAS provides reasonable, rather than absolute, assurance that the financial statements are free of material misstatement, whether caused by error or fraud. Accordingly, a material misstatement may remain undetected. An audit is not designed to detect error or fraud that is immaterial to the financial statements.</p>	<p>As part of our audit, we obtained an understanding of internal control sufficient to plan our audit and to determine the nature, timing and extent of testing performed.</p> <p>We expect to issue an unqualified audit opinion on the Society's financial statements for the year ended March 31, 2020, subject to the completion of the outstanding items described in the <i>Status of the Audit</i>.</p>
<p><b>Communication of Deficiencies in Internal Controls</b></p> <p>An auditor is required to obtain an understanding of internal control relevant to the audit when identifying and assessing the risks of material misstatement. In making these risk assessments, the auditor considers internal control 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 internal control.</p> <p>An auditor is required to communicate to the Board of Directors deficiencies in internal control that the auditor believes are of sufficient importance to merit the Board of Directors' attention (a "significant deficiency").</p>	<p>In the course of our audit, we did not find any significant deficiencies in the internal controls of the Society.</p>

Area Requiring Communication	Auditors' Response
<p><b>Accounting Estimates, Judgments and Disclosures</b></p> <p>The preparation of the financial statements requires the use of accounting estimates and judgments. An auditor is required to assess the reasonableness of the estimations and judgments, and take into account whether the reasons given to the risks of material misstatement relate to estimation uncertainty, or the effects of complexity, subjectivity or other inherent risk factors in making accounting estimates and disclosures.</p>	<p>We reviewed management's accounting estimates and judgments and the assumptions underlying the estimates and judgments used in preparation of the financial statements. We also assessed the possibility of management's exertion of biases.</p> <p>We report that we are satisfied with the accounting estimates and judgments used by management in the preparation of the financial statements and the related disclosures.</p>
<p><b>Proposed Audit Adjustments</b></p> <p>In accordance with GAAS, an auditor requests that misstatements be corrected. We report all misstatements that are not clearly trivial. We also report all misstatements that are quantitatively trivial, but qualitatively material.</p>	<p>There were no differences noted.</p>
<p><b>Fraud and Illegal Acts</b></p> <p>An auditor reports information about fraud and illegal acts involving management, employees who have significant roles in internal controls or others where the fraud results in a material misstatement in the financial statements.</p>	<p>As a result of our procedures, we did not identify any fraud or illegal acts involving management, employees or others within the Society. Our procedures to detect fraud and illegal acts are limited to those procedures required by GAAS. management indicated that they were not aware of any fraudulent activities in the Society.</p>
<p><b>Consideration of Laws and Regulations in an Audit of Financial Statements</b></p> <p>The auditor reports information involving non-compliance with laws and regulations that come to the auditors' attention during the course of the audit, other than when the matters are clearly inconsequential.</p>	<p>As a result of our procedures, we did not identify any instances of non-compliance with any laws or regulations.</p>
<p><b>Other Material Written Communications with Management</b></p>	<p>Please refer to our engagement letter given to you previously.</p>

Area Requiring Communication	Auditors' Response
<p><b>Related Party Transactions</b></p> <p>The auditor reports and discusses any significant matters arising during the audit in connection with the entity's related parties.</p>	<p>Management has advised that there were no related party transactions during the year that are required to be disclosed in the financial statements. Management is required to advise us if they are aware of or suspect any other related party transactions have occurred which have not been disclosed in the financial statements.</p>
<p><b>Subsequent Events</b></p> <p>The auditor is required to review events occurring between the date of the financial statements and the date of the audit report that require adjustment of, or disclosure in, the financial statements to ensure they are appropriately reflected in the financial statements and to respond appropriately to facts that become known after the date of the audit report, that, had they been known to the auditor at that time, may have caused the auditor to amend the audit report.</p>	<p>We reviewed the events between the dates of the financial statements and the audit report date and found all events have been accounted for and disclosed in accordance with ASNPO.</p>
<p><b>Going Concern</b></p> <p>The auditor reports to the Board of Directors any events or conditions identified that may cast significant doubt on the entity's ability to continue as a going concern.</p>	<p>During the course of the audit, we did not find any events or conditions that may cast significant doubt on the entity's ability to continue as a going concern.</p>
<p><b>Pre-approval of Services</b></p> <p>Prior to performing additional services that arise as part of the audit, we must seek approval from the Board of Directors.</p>	<p>For the year ended March 31, 2020, we have provided or continue to provide the following services:</p> <ul style="list-style-type: none"> <li>• Audit</li> <li>• Preparation of tax returns</li> </ul>