



Condensed Interim Consolidated Financial Statements  
(Unaudited)

**For the three months ended March 31, 2021 and 2020**

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**National Instrument 51-102  
Continuous Disclosure Obligations  
Notice**

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Pursuant to Part 4.3 (3) of National Instrument 51-102, these unaudited condensed interim consolidated financial statements of Enterprise Group, Inc. for the three months ended March 31, 2021, have not been reviewed by the Company's external auditors.

ENTERPRISE GROUP, INC.

Condensed Interim Consolidated Statements of Financial Position

	March 31, 2021 (unaudited)	December 31, 2020 (audited)
<b>Assets</b>		
Cash and cash equivalents (note 3)	\$ 1,164,504	\$ 783,617
Trade and other receivables (note 3)	5,304,569	3,944,592
Unbilled revenue	471,547	229,603
Inventories	242,423	211,856
Deposits and prepaid expenses	268,890	160,806
	<b>7,451,933</b>	<b>5,330,474</b>
<b>Property, plant and equipment (note 4)</b>	<b>42,794,546</b>	<b>44,015,112</b>
<b>Goodwill</b>	<b>351,910</b>	<b>351,910</b>
<b>Intangible assets</b>	<b>246,162</b>	<b>261,640</b>
<b>Deferred tax assets</b>	<b>2,420,929</b>	<b>2,292,026</b>
	<b>45,813,547</b>	<b>46,920,688</b>
<b>Total assets</b>	<b>\$ 53,265,480</b>	<b>\$ 52,251,162</b>
<b>Liabilities</b>		
Trade and other payables (note 3)	\$ 2,055,375	\$ 1,258,833
Current portion of loans and borrowings (note 6)	1,287,556	1,322,637
	<b>3,342,931</b>	<b>2,581,470</b>
<b>Long term portion of loans and borrowings (note 6)</b>		
Bank loan facility	9,125,497	8,861,872
Leases	713,918	806,835
Mortgages	2,259,220	2,295,353
Vendor take-back loans	290,007	272,627
Term loan facilities	106,900	134,251
<b>Deferred tax liabilities</b>	<b>2,420,929</b>	<b>2,292,026</b>
<b>Total liabilities</b>	<b>18,259,402</b>	<b>17,244,434</b>
<b>Equity</b>		
Share capital (note 7)	70,318,831	70,990,991
Contributed surplus	15,346,379	14,768,508
Deficit	(50,659,132)	(50,752,771)
<b>Total equity</b>	<b>35,006,078</b>	<b>35,006,728</b>
<b>Total equity and liabilities</b>	<b>\$ 53,265,480</b>	<b>\$ 52,251,162</b>

Approved on behalf of the Board:

\_\_\_\_\_(Signed) "Leonard D. Jaroszuk" Leonard D. Jaroszuk Director

\_\_\_\_\_(Signed) "John Pinsent" John Pinsent, FCPA, FCA, ICD.D. Director

## Condensed Interim Consolidated Statements of Income and Comprehensive Income

	Three months March 31, 2021	Three months March 31, 2020
<b>Revenue</b>	<b>\$ 5,859,287</b>	<b>\$ 6,986,550</b>
Direct expenses	<b>(3,132,929)</b>	<b>(4,137,254)</b>
<b>Gross margin</b>	<b>2,726,358</b>	<b>2,849,296</b>
General and administrative expenses	<b>(333,590)</b>	<b>(542,852)</b>
<b>Income from operations</b>	<b>2,392,768</b>	<b>2,306,444</b>
Depreciation of property, plant and equipment (note 4)	<b>(1,335,743)</b>	<b>(1,181,397)</b>
Depreciation of right-of-use assets (note 4)	<b>(186,237)</b>	<b>(97,002)</b>
Amortization of intangible assets	<b>(15,478)</b>	<b>(23,304)</b>
Loss on sale of property, plant and equipment (note 4)	<b>(540,693)</b>	<b>(27,568)</b>
<b>Income before financing and taxes</b>	<b>314,617</b>	<b>977,173</b>
Finance expense	<b>(220,978)</b>	<b>(271,314)</b>
<b>Income before income tax</b>	<b>93,639</b>	<b>705,859</b>
Income tax expense (note 5)	<b>-</b>	<b>(201,164)</b>
<b>Net income and comprehensive income</b>	<b>\$ 93,639</b>	<b>\$ 504,695</b>
<b>Earnings per share (note 9)</b>		
Basic and diluted earnings per share	<b>\$ 0.00</b>	<b>\$ 0.01</b>

ENTERPRISE GROUP, INC.

Condensed Interim Consolidated Statements of Cash Flows

	Three months March 31, 2021	Three months March 31, 2020
<b>Cash flows from operating activities:</b>		
<b>Net income</b>	<b>\$ 93,639</b>	<b>\$ 504,695</b>
<b>Adjustments for:</b>		
Depreciation of property, plant and equipment	1,335,743	1,181,397
Depreciation of right-of-use assets	186,237	97,002
Amortization of intangible assets	15,478	23,304
Loss on sale of property, plant and equipment	481,425	25,700
Finance expense	220,978	271,314
Change in non-cash working capital (note 11)	(944,030)	(1,457,183)
<b>Net cash provided by operating activities</b>	<b>1,389,470</b>	<b>646,229</b>
<b>Cash flows from financing activities:</b>		
Net proceeds from bank loan facility	261,164	275,569
Interest and borrowing costs paid on loans and borrowings	(188,623)	(240,045)
Repayment of lease liabilities	(238,793)	(162,381)
Repayment of mortgage facilities	(36,191)	(31,522)
Repayment of term loans	(44,318)	-
Share buyback and cancellation	(94,289)	(97,744)
<b>Net cash used in financing activities</b>	<b>(341,050)</b>	<b>(256,123)</b>
<b>Cash flows from investing activities:</b>		
Purchase of property, plant and equipment	(1,331,445)	(606,210)
Proceeds on sale of property, plant and equipment	663,912	42,424
<b>Net cash used in investing activities</b>	<b>(667,533)</b>	<b>(563,786)</b>
<b>Change in cash and cash equivalents</b>	<b>380,887</b>	<b>(173,680)</b>
<b>Cash and cash equivalents, beginning of period</b>	<b>783,617</b>	<b>969,051</b>
<b>Cash and cash equivalents, end of period</b>	<b>\$ 1,164,504</b>	<b>\$ 795,371</b>

**ENTERPRISE GROUP, INC.**

**Condensed Interim Consolidated Statements of Changes in Equity**

	Number of common shares	Share capital	Contributed surplus	Deficit	Total
Balance as at December 31, 2019	50,975,874	\$73,213,572	\$12,769,729	\$(45,719,061)	\$40,264,240
Common shares repurchased and cancelled (note 7)	(709,000)	(1,018,294)	920,550	-	(97,744)
Net income	-	-	-	504,695	504,695
<b>Balance as at March 31, 2020</b>	<b>50,266,874</b>	<b>\$72,195,278</b>	<b>\$13,690,279</b>	<b>\$(45,214,366)</b>	<b>\$40,671,191</b>
Balance as at December 31, 2020	49,428,374	\$70,990,991	\$14,768,508	\$(50,752,771)	\$35,006,728
Common shares repurchased and cancelled (note 7)	(468,000)	(672,160)	577,871	-	(94,289)
Net income	-	-	-	93,639	93,639
<b>Balance as at March 31, 2021</b>	<b>48,960,374</b>	<b>\$70,318,831</b>	<b>\$15,346,379</b>	<b>\$(50,659,132)</b>	<b>\$35,006,078</b>

## 1. Reporting entity

Enterprise Group, Inc. ("Enterprise" or the "Company") is a public company incorporated under the Alberta Business Corporations Act and its shares are listed on the Toronto Stock Exchange under the symbol "E". Enterprise is a consolidator of businesses providing services to the utility, energy and construction industries. The Company has a fleet of trucks and heavy equipment to provide rental services for heavy equipment, flameless heating units and oilfield site service infrastructure throughout Western Canada. Enterprise's head office is located at #2, 64 Riel Drive, St. Albert, Alberta, T8N 4A4.

The consolidated financial statements of the Company as at March 31, 2021, and December 31, 2020, are comprised of the Company and its wholly owned subsidiaries. These consolidated financial statements were authorized for issue by the Board of Directors on May 12, 2021.

## 2. Significant accounting policies

The unaudited condensed interim consolidated financial statements are prepared by management and reported in Canadian dollars, in accordance with International Accounting Standard "IAS" 34, "Interim Financial Reporting" as issued by the International Accounting Standards Board ("IASB"). These unaudited condensed interim consolidated financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the Company's 2020 Audited Consolidated Financial Statements and the notes thereto.

The unaudited condensed interim consolidated financial statements have been prepared, for all periods presented, following the same accounting policies and methods of computation as described in the Company's Audited Consolidated Financial Statements for the fiscal year ended December 31, 2020.

**3. Financial instruments and risk management**

**(a) Pandemics and health risks**

The Company is exposed to risks relating to public health emergencies and infectious diseases, including the COVID-19 pandemic, and related government responses, which has had a negative impact on global financial conditions and could have a material and adverse effect on the Company's business, financial condition and results of operations. The Company cannot accurately predict the impact COVID-19 will have on its ability to execute its business plans in response to government public health efforts to contain COVID-19 and to obtain financing or third parties' ability to meet their contractual obligations with the Company. To mitigate these risks, the Company has utilized certain Canadian Government assistance programs designed to assist businesses during COVID-19 including the Canadian Emergency Wage Subsidy program, the Canadian Emergency Rent Subsidy program and the Canadian Emergency Business Account program. In the event that the prevalence of COVID-19 continues to increase (or fears in respect of COVID-19 continue to increase), governments may increase regulations and restrictions regarding the flow of labour, products and travel bans which could impact the Company's ability to carry out its ongoing business plan.

**(b) Fair value of financial instruments**

The carrying value of trade and other receivables, deposits and trade and other payables approximate fair value because of the near term to maturity of these instruments. The fair value of loans and borrowings is a level 2 measurement and are based on discounted future cash flows using the rates that reflect observable current market rates for similar instruments with similar terms and conditions. The estimated fair value approximates the carrying value at March 31, 2021.

The carrying amounts presented in the statement of financial position relate to the following categories of assets and liabilities:

	March 31, 2021	December 31, 2020
<b><u>Financial assets</u></b>		
Cash and cash equivalents	\$ 1,164,504	\$ 783,617
Trade and other receivables	\$ 5,304,569	\$ 3,944,592
Deposits	\$ 98,263	\$ 78,388
<b><u>Financial liabilities</u></b>		
Trade and other payables	\$ 2,055,375	\$ 1,258,833
Loans and borrowings	\$ 13,783,098	\$ 13,693,575

**Financial risk management**

The Company's activities expose it to a variety of financial risks such as credit risk, liquidity risk and market risk. The Board of Directors oversees management's establishment and execution of the Company's risk management framework.

**(c) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk through cash and cash equivalents and trade and other receivables. The Company manages the credit risk associated with its cash and cash equivalents by holding its funds in financial institutions with high credit ratings. Credit risk for trade and other receivables are managed through established credit monitoring activities.

The Company has trade receivables from customers in the oil and gas industry, as well as customers in the utilities/infrastructure construction industry. Credit risk is mitigated due to significant customers being large industry leaders, following a program of credit evaluation and limiting the amount of customer credit where deemed necessary. The Company monitors trade receivables against an expected credit loss model to assess reasonability of impairment over accounts receivable. Individual invoices within trade receivables are written off when there is no reasonable expectation of collecting payment. The Company has recorded a provision for doubtful accounts at March 31, 2021, of \$16,025 (December 31, 2020 - \$16,025).

At March 31, 2021, \$2,058,000 or 39% of trade receivables was from three customers compared to \$1,225,000 or 23% from two customers as at March 31, 2020. As at March 31, 2021 an accrual of \$112,288 (\$629,720 as of December 31, 2020) and \$16,345 (\$150,316 as of December 31, 2020) is included in total receivables for the Canadian Emergency Wage Subsidy program and for the Canadian Emergency Rent Subsidy program respectively. The subsidies are accrued when the Company is reasonably assured the grant conditions are met and recorded to offset the related salary and wage expenses.



Notes to Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2021 and 2020

	March 31, 2021	December 31, 2020
Current (less than 90 days)	\$ 5,062,597	\$ 3,589,869
Past due (more than 90 days)	241,972	354,723
<b>Total</b>	<b>\$ 5,304,569</b>	<b>\$ 3,944,592</b>

(d) **Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations. On an ongoing basis the Company manages liquidity risk by maintaining adequate cash and cash equivalents balances and appropriately utilizing available lines of credit. For the three months ended March 31, 2021, the Company generated 30% of revenue from two customers (2020 - 28% from two customers). No other customers comprise more than 10% of revenues.

The outbreak of COVID-19 pandemic has negatively impacted economic conditions around the world. The decrease in oil demand, combined with other macro-economic factors, has resulted in significantly lower oil and liquids prices further driving economic uncertainty. Natural gas prices have also been volatile but in recent months the forward pricing curve has been strengthening. The Company's site infrastructure customers are substantially all natural gas and liquid producers.

During this period of uncertainty, the Company is committed to maintain its strong balance sheet and financial liquidity. The Company believes it has enough liquidity through cash flow and borrowing capacity on its credit facility to execute its business plan. The Company's priority is to continue to spend sufficient maintenance capital to keep its equipment fleet modern and meet specific customer demands.

The following are undiscounted contractual maturities of financial liabilities, including estimated interest at March 31, 2021, and December 31, 2020:

	Carrying amount	Contractual cash flows	Due within one year	Two-five years	More than five years
<b>March 31, 2021</b>					
Trade and other payables	\$ 2,055,375	\$ 2,055,375	\$ 2,055,375	\$ -	\$ -
Loans and borrowings	13,783,098	15,736,261	1,330,561	12,397,951	2,007,749
	<b>\$ 15,838,473</b>	<b>\$ 17,791,636</b>	<b>\$ 3,385,936</b>	<b>\$ 12,397,951</b>	<b>\$ 2,007,749</b>
<b>December 31, 2020</b>					
Trade and other payables	\$ 1,258,833	\$ 1,258,833	\$ 1,258,833	\$ -	\$ -
Loans and borrowings	13,693,575	15,850,435	1,504,545	12,280,105	2,065,785
	<b>\$ 14,952,408</b>	<b>\$ 17,109,268</b>	<b>\$ 2,763,378</b>	<b>\$ 12,280,105</b>	<b>\$ 2,065,785</b>

(e) **Market risk**

Market risk is the risk of changes in market prices, such as interest rates, which will affect the Company's income or the value of its financial instruments. Management has assessed the effect of a 1% interest rate increase or decrease in the prime lending rate at March 31, 2021, to impact the Company's annual interest expense by approximately \$115,000 (December 31, 2020 - \$113,000). The Company has not entered into any derivative agreements to mitigate this risk.

Notes to Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2021 and 2020

**Capital management**

The primary objective of capital management is to ensure the Company has sufficient capital to support its business and maximize shareholder value. The Company manages its capital in proportion to the risk of the underlying assets and makes adjustments in light of changes in economic conditions and risks. The Company's strategy remains unchanged from prior periods. Management considers its capital structure to include funded debt and adjusted capital of the Company. Adjusted capital comprises all components of equity (share capital, contributed surplus, and deficit). Included in funded debt is the bank loan facility which requires the Company to maintain certain financial covenants as defined below. The Company's objectives when managing capital are to finance its operations and growth strategies and to provide an adequate return to its shareholders. In order to maintain or adjust the capital structure, the Company may issue new shares, or sell assets to reduce debt. As at March 31, 2021, the Company has met these objectives.

	March 31, 2021	December 31, 2020
Bank loan facility	\$ 9,125,497	\$ 8,861,872
Current portion of loans and borrowings	1,287,556	1,322,637
Long term loans and borrowings	3,370,045	3,509,066
Net funded debt	13,783,098	13,693,575
Shareholders' equity	35,006,078	35,006,728
Total capital	\$ 48,789,176	\$ 48,700,303

Included in net funded debt is the bank loan facility which requires the Company to maintain certain financial covenants.

"Fixed Charge Coverage Ratio" - EBITDA less unfinanced capital expenditures, less taxes paid divided by fixed charges.

"Senior Leverage Ratio" - the result of the amount of Senior Funded Debt of the Company and its subsidiaries on a consolidated basis, to the trailing twelve month EBITDA for the 12 month period ended as of such date.

The Company's covenants are as follows:

	March 31, 2021	Required	December 31, 2020	Required
Fixed charge coverage ratio	2.26	> 1.25	2.20	> 1.25
Senior leverage ratio	3.50	< 3.75	3.53	< 4.00
Annual net capital expenditure	N/A	< \$1,750,000	393,001	< \$1,750,000

The minimum covenants are noted in the table above. The Company monitors these requirements on an ongoing basis and reports on its compliance to its lender on a monthly basis. As at March 31, 2021, the Company is in compliance with all covenants.

**4. Property, plant and equipment**

Cost	Balance at December 31, 2020	Additions	Disposals	Reclassified	Balance at March 31, 2021
Land	\$ 4,679,210	\$ -	\$ -	\$ -	\$ 4,679,210
Buildings	1,507,493	-	-	9,419	1,516,912
Leasehold improvements	238,926	-	-	950	239,876
Computers and communication equipment	382,136	2,971	-	13,691	398,798
Small equipment	672,820	39,712	-	25,896	738,428
Light automotive equipment	1,010,529	-	(126,869)	-	883,660
Heavy automotive, construction and portable rental equipment	64,267,718	1,007,582	(2,763,332)	-	62,511,968
Right-of-use assets	2,408,248	115,306	(33,466)	-	2,490,088
Property, plant and equipment under construction	541,195	281,180	-	(49,956)	772,419
	<b>\$ 75,708,275</b>	<b>\$ 1,446,751</b>	<b>\$ (2,923,667)</b>	<b>\$ -</b>	<b>\$ 74,231,359</b>

Notes to Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2021 and 2020

	Accumulated depreciation			Carrying amounts		
	Balance at December 31, 2020	Depreciation for the year	Disposals	Balance at March 31, 2021	Balance at December 31, 2020	Balance at March 31, 2021
Land	\$ -	\$ -	\$ -	\$ -	\$ 4,679,210	\$ 4,679,210
Buildings	71,724	5,407	-	77,131	1,435,769	1,439,781
Leasehold improvements	210,319	1,668	-	211,987	28,607	27,889
Computers and communication equipment	371,744	2,690	-	374,434	10,392	24,364
Small equipment	445,292	22,397	-	467,689	227,528	270,739
Light automotive equipment	693,375	9,019	(63,740)	638,654	317,154	245,006
Heavy automotive, construction and portable rental equipment	29,125,604	1,294,562	(1,706,101)	28,714,065	35,142,114	33,797,903
Right-of-use assets	775,105	186,237	(8,489)	952,853	1,633,143	1,537,235
Property, plant and equipment under construction	-	-	-	-	541,195	772,419
	<b>\$ 31,693,163</b>	<b>\$ 1,521,980</b>	<b>\$ (1,778,330)</b>	<b>\$ 31,436,813</b>	<b>\$ 44,015,112</b>	<b>\$ 42,794,546</b>

Included in the carrying amount of \$42,794,546 is \$771,230 (2020 - \$540,006) of heavy automotive, construction and portable rental equipment under construction and \$1,189 (2020 - \$1,189) of computers and equipment, which is not being depreciated as they are not yet available for use.

The carrying amounts of right-of-use assets as at March 31, 2021, were as follows:

Right-of-use assets	March 31, 2021	December 31, 2020,
Buildings and premises	\$ 914,819	\$ 1,038,344
Small equipment	18,792	20,419
Light automotive equipment	603,624	574,380
	<b>\$ 1,537,235</b>	<b>\$ 1,633,143</b>

For the three months ended March 31, 2021, rent expense for short-term leases and leases of low-value assets was \$141,320 (2020 - \$434,554). At March 31, 2021, the Company was committed to short term leases and the total commitment at that date was \$584,157 (2020 - \$558,301).

For the three months ended March 31, 2021, the Company sold property, plant and equipment with a net book value of \$1,145,337 and received proceeds of \$663,912. The loss on sale of equipment of \$540,693 included sales related costs of \$59,268.

5. Income tax

The actual income tax provision differs from the expected amount calculated by applying the Canadian combined provincial and federal income tax rates to income before tax. These differences result from the following:

Three months ended March 31,	2021	2020
Income before income tax	\$ 93,639	\$ 705,858
Expected tax rate	23.00 %	27.94 %
Current income tax expense	21,537	197,217
Decrease resulting from		
Non-deductible items	656	-
Change in tax rates and rate differences	6,848	6,444
Change in unrecognized temporary differences	(28,240)	(2,497)
Other	(801)	-
Income tax expense	\$ -	\$ 201,164

## Notes to Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2021 and 2020

**6. Loans and borrowings**

This note provides information about the contractual terms of the Company's interest-bearing loans and borrowings, which are measured at amortized cost.

	March 31, 2021	December 31, 2020
Current portion of loans and borrowings		
Current portion of vendor take-back loans	\$ 299,062	\$ 287,968
Current portion of term loan facilities	119,240	136,207
Current portion of lease liabilities	721,097	751,667
Current portion of mortgage facilities	148,157	146,795
<b>Total current portion of loans and borrowings</b>	<b>1,287,556</b>	<b>1,322,637</b>
Non-current portion of loans and borrowings		
Bank loan facility	9,125,497	8,861,872
Vendor take-back loans	290,007	272,627
Term loan facilities	106,900	134,251
Lease liabilities	713,918	806,835
Mortgage facilities	2,259,220	2,295,353
<b>Total non-current portion loans and borrowings</b>	<b>12,495,542</b>	<b>12,370,938</b>
<b>Total loans and borrowings</b>	<b>\$ 13,783,098</b>	<b>\$ 13,693,575</b>

**7. Share capital****Authorized:**

- Unlimited Common shares
- Unlimited Preferred shares, issuable in series, terms to be set at issuance

**Normal course issuer bid**

During the three months ended March 31, 2021, the Company repurchased and cancelled a total of 468,000 shares at a cost of \$94,289 (2020 - 709,000 shares at a cost of \$97,744). The shares were purchased in the open market in accordance with the normal course issuer bid approved by the TSX. The Company renewed its bid on August 24, 2020, with a termination date of August 23, 2021, or such earlier time as the bid is completed or terminated at the option of the Company.

**8. Share-based payments****Stock option program (equity-settled)**

The Company has a stock option plan to purchase common shares over a period ranging from one to five years from the date the option is granted at prices approximating market prices on the day prior to the date of grant.

Outstanding stock options March 31, 2021	Number	Weighted average exercise price	Weighted average remaining contractual life (months)
Stock options, beginning of year	5,025,000	\$ 0.18	15
<b>Stock options, March 31, 2021</b>	<b>5,025,000</b>	<b>\$ 0.18</b>	<b>15</b>
<b>Exercisable stock options, March 31, 2021</b>	<b>5,025,000</b>	<b>\$ 0.18</b>	<b>15</b>

Notes to Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2021 and 2020

**9. Earnings per share**

The loss available to common shareholders and weighted average number of common shares outstanding for comparative basic and diluted earnings per share are:

	2021	2020
Weighted average common shares outstanding - basic	49,342,941	50,197,352
Effect of stock options	737,654	-
Weighted average common shares - diluted	50,080,595	50,197,352
Net income and comprehensive income	\$93,639	\$504,695
Basic and diluted earnings per share from comprehensive income	\$0.00	\$0.01

**10. Related party transactions**

The Company has entered into various transactions in the normal course of business with a corporation controlled by an officer and director of the Company. These transactions were recorded at the exchange amount established and agreed to by the parties. Management and consulting fees were paid to a company controlled by Leonard Jaroszuk, President and Chief Executive Officer, as compensation for serving his role as officer for the Company.

Three months ended March 31,	2021	2020
Management and consulting fees	\$ 123,449	\$ 185,182

**11. Supplemental cash flow information**

Three months March 31,	2021	2020
<b>(a) Changes in non-cash working capital:</b>		
Trade and other receivables	\$ (1,359,977)	\$ (1,675,977)
Unbilled revenue	(241,944)	143,100
Inventories	(30,567)	11,452
Deposits and prepaid expenses	(108,084)	(35,327)
Trade and other payables	796,542	(101,594)
Income taxes payable	-	201,163
	<b>\$ (944,030)</b>	<b>\$ (1,457,183)</b>
<b>(b) Other non-cash transactions:</b>		
Purchases under lease liabilities	\$ 115,306	\$ -
Amortization of prepaid borrowing costs	\$ 18,716	\$ 31,269

**(c) Cash taxes paid**

Cash taxes paid for the period ended March 31, 2021, was \$nil (2020 - \$nil).

**12. COVID-19 impact**

The Company is utilizing the Canadian Emergency Wage Subsidy Program (CEWS), the Canadian Emergency Rent Subsidy (CERS), and the Canadian Emergency Business Account Program (CEBA). Under these programs the Company is eligible for/or has received: CEWS of \$171,237 (Dec 2020 - \$1,618,849), CERS of \$72,658 (Dec 2020 - \$90,782) and CEBA loans of \$120,000.

Utilizing the CEWS program, the Company recorded \$147,001 against direct costs and \$24,236 against general and administrative costs the for the three months ended March 31, 2021. Related to the CERS program, the Company recorded \$65,942 against direct costs and \$6,716 against general and administrative costs the for the three months ended March 31, 2021.