



PARKIT ENTERPRISE INC.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTH PERIODS ENDED JULY 31, 2020
EXPRESSED IN CANADIAN DOLLARS
(UNAUDITED)

Notice of Non-review of Interim Financial Statements

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the condensed consolidated interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the condensed consolidated interim financial statements.

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of condensed consolidated interim financial statements by an entity's auditor.

PARKIT ENTERPRISE INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
(Unaudited)

AS AT	July 31, 2020	October 31, 2019
ASSETS		
Current		
Cash and cash equivalents	\$ 696,281	\$ 768,434
Accounts receivable (note 4)	260,558	189,745
Prepaid expenses and deposits	18,011	14,111
	974,850	972,290
Long-term receivable (note 5)	1,286,784	1,263,360
Investment in associate (note 6)	1,244,078	1,244,078
Investment in joint venture (note 7)	16,223,576	17,215,992
	\$ 19,729,288	\$ 20,695,720
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	\$ 72,710	\$ 58,410
Tax liabilities	-	16,561
	72,710	74,971
Equity (note 8)		
Share capital	23,457,588	23,457,588
Reserves	34,424	27,094
Deficit	(3,835,434)	(2,863,933)
	19,656,578	20,620,749
	\$ 19,729,288	\$ 20,695,720

Nature of operations (note 1)
Commitments and contingencies (notes 7, 10 and 11)

Approved and authorized by the Board on September 29, 2020:

“Elie Norowitz”

Director

“Avi Geller”

Director

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

PARKIT ENTERPRISE INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF OPERATIONS
(Expressed in Canadian Dollars)
(Unaudited)

FOR THE	Three months ended July 31, 2020	Three months ended July 31, 2019	Nine months ended July 31, 2020	Nine months ended July 31, 2019
Parking services revenue	\$ -	\$ -	\$ -	\$ 40,000
Parking services operating expenses	-	(819)	-	(37,723)
Fee income	36,893	35,861	109,650	110,251
Share of profit from associate (note 6)	-	12,700	-	34,136
Share of (loss) profit from joint venture (note 7)	(359,780)	257,260	(607,911)	363,262
General and administrative (note 9)	(102,296)	(195,450)	(468,372)	(830,961)
	(425,183)	109,552	(966,633)	(321,035)
Foreign exchange (loss) income	(80,838)	(47,160)	30,371	(14,052)
Finance income	-	1,243	861	4,223
(Loss) income before tax	(506,021)	63,635	(935,401)	(330,864)
Income tax expense	(410)	(79,692)	(36,100)	(395,740)
NET LOSS FOR THE PERIOD	\$ (506,431)	\$ (16,057)	\$ (971,501)	\$ (726,604)
Earnings per share attributable to shareholders of the Company:				
Basic and diluted	\$ (0.01)	\$ (0.00)	\$ (0.03)	\$ (0.02)
Weighted average number of common shares outstanding:				
Basic and diluted	34,854,257	34,854,257	34,854,257	34,418,777

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

PARKIT ENTERPRISE INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
(Unaudited)

FOR THE NINE-MONTH PERIOD ENDED JULY 31	2020	2019
OPERATING ACTIVITIES		
Net loss for the period	\$ (971,501)	\$ (726,604)
Items not affecting cash:		
Share of profit from associate	-	(34,136)
Share of (loss) profit from joint venture	607,911	(363,262)
Amortization	-	45,833
Share-based payments	7,330	7,948
Unrealized foreign exchange	(31,333)	13,270
Changes in non-cash working capital items:		
Accounts receivable	(69,650)	(14,728)
Prepaid expenses and deposits	(3,900)	3,780
Accounts payable and accrued liabilities	14,300	(20,397)
Tax liabilities	(16,565)	(1,933,787)
Cash flows used in operating activities	(463,408)	(3,022,083)
INVESTING ACTIVITIES		
Long term receivable, net repayments	-	14,854
Contributions to PAVe LLC joint venture	(33,770)	-
Distributions from PAVe LLC joint venture	418,275	1,752,075
Cash flows from investing activities	384,505	1,766,929
FINANCING ACTIVITIES		
Proceeds from rights offering	-	718,271
Share issuance costs	-	(88,056)
Cash flows from financing activities	-	630,215
Change in cash and cash equivalents during the period	(78,903)	(624,939)
Effect of exchange rate changes on cash	6,750	15,287
Cash and cash equivalents, beginning of period	768,434	1,830,051
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ 696,281	\$ 1,220,399

Supplemental disclosure with respect to cash flows (note 12)

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

PARKIT ENTERPRISE INC.
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
(Expressed in Canadian Dollars)
(Unaudited)

	Share capital		Reserves	Deficit	Total
	Number	Amount			
Balance, October 31, 2018	32,377,462	\$ 22,827,373	\$ 472,381	\$ (2,441,571)	\$ 20,858,183
Rights offering	2,476,795	718,271	-	-	718,271
Share issuance costs	-	(88,056)	-	-	(88,056)
Share-based payments	-	-	7,948	-	7,948
Expiration of stock options	-	-	(387,124)	387,124	-
Net loss for the period	-	-	-	(726,604)	(726,604)
Balance, July 31, 2019	34,854,257	\$ 23,457,588	\$ 93,205	\$ (2,781,051)	\$ 20,769,742
Share-based payments	-	-	3,785	-	3,785
Expiration of stock options	-	-	(69,896)	69,896	-
Net loss for the period	-	-	-	(152,778)	(152,778)
Balance, October 31, 2019	34,854,257	\$ 23,457,588	\$ 27,094	\$ (2,863,933)	\$ 20,620,749
Share-based payments	-	-	7,330	-	7,330
Net loss for the period	-	-	-	(971,501)	(971,501)
Balance, July 31, 2020	34,854,257	\$ 23,457,588	\$ 34,424	\$ (3,835,434)	\$ 19,656,578

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

1. NATURE OF OPERATIONS

Parkit Enterprise Inc. (“Parkit” or the “Company”) was incorporated pursuant to the *Business Corporations Act* (British Columbia) on December 6, 2006. The Company’s head office and principal address is 500 – 666 Burrard Street, Vancouver, British Columbia, Canada V6C 2X8; its registered and records office is 2900 – 595 Burrard Street, Vancouver, British Columbia V7X 1J5. The Company is engaged in the acquisition and asset management of income producing parking facilities across the United States and Canada. The Company, through its subsidiary Greenswitch America, Inc. holds investments in parking real estate in the United States of America.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak has adversely affected workforces, economies, and financial markets globally. While the impact of COVID-19 is expected to be temporary, the current circumstances are dynamic and it is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company’s business or ability to raise funds.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation and Statement of Compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of interim financial statements, including International Accounting Standard (“IAS”) 34 Interim Financial Reporting.

These condensed consolidated interim financial statements follow the same accounting policies and methods of application as the Company’s most recent annual consolidated financial statement, and should be read in conjunction with the Company’s annual consolidated financial statements for the year ended October 31, 2019, which were prepared in accordance with IFRS as issued by the IASB.

Except as noted in Note 3, the accounting policies set out in Note 2 of the Company’s audited financial statements as at and for the year ended October 31, 2019, have been applied in preparing these condensed interim consolidated financial statements

Use of estimates and judgements and COVID-19

The preparation of these condensed consolidated interim financial statements in accordance with IFRS requires that the Company’s management make assumptions and estimates of effects of various future events on the carrying amounts of the Company’s assets and liabilities at the end of the reporting period. Estimates are reviewed on an ongoing basis using historical experience and other factors that are considered relevant given the circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company’s assets and liabilities are accounted for prospectively. Actual results may materially differ from these estimates.

The full extent of the impact of COVID-19 on the Company’s and its joint venture operations and future financial performance is currently unknown. It will depend on future developments that are uncertain and unpredictable, including the duration and spread of COVID-19, its continued impact on capital and financial markets and any new information that may emerge concerning the severity of the virus. It is difficult to estimate the nature, timing, and extent of the business and economic impact on the Company’s financial performance and this uncertainty could materially affect the Company’s operations and financial condition. This uncertainty could also materially affect estimates including those used in its impairment testing on receivables and investments in associates and joint ventures.

A full list of the key sources of estimation uncertainty can be found in the Company’s annual consolidated financial statements for the year ended October 31, 2019.

3. NEW ACCOUNTING STANDARDS EFFECTIVE 2019

IFRS 16– Leases

Impact of application of IFRS 16 Leases

Effective November 1, 2019, the Company adopted IFRS 16 using the modified retrospective application method, where the comparatives are not restated and the cumulative effect of initially applying IFRS 16 has been recorded on November 1, 2019 for any differences identified. The Company has determined that the adoption of IFRS 16 resulted in no adjustments to the opening balance of accumulated deficit.

IFRS 16 introduces significant changes to the lessee accounting by removing the distinction between operating and finance leases under IFRS 17 and requiring the recognition of a right-of-use asset (“ROU asset”) and a lease liability at the lease commencement for all leases, except for short-term leases (lease terms of 12 months or less) and leases of low value assets.

In applying IFRS 16 for all leases, except as noted above, the Company (i) recognizes the ROU asset and lease liabilities in the statement of financial position, initially measured at the present value of future lease payments; (ii) recognizes the depreciation of ROU assets and interest on lease liabilities in the consolidated statement of operations; and (iii) separates the total amount of cash paid into a principal portion (presented in financing activities) and interest (presented within operating activities) in the consolidated statement of cash flows. For short-term leases and leases of low value assets, the Company has opted to recognize a lease expense on a straight-line basis, and this expense is presented within general and administrative expenses in the consolidated statement of operations.

The Company has made use of the following practical expedients available on transition to IFRS 16:

- Measure the ROU assets equal to the lease liability calculated for each lease; and
- Apply the recognition exemptions for low value leases and leases that end within 12 months of the date of initial application, and account for them as low value and short-term leases, respectively; and
- Apply the assessment of IFRS 16 only to those contracts that were previously identified as leases under IAS17. The definition of a lease under IFRS 16 was only applied to contracts entered into or changed after November 1, 2019.

The Company leases office space with lease terms of 12 months or less. The Company has elected not to recognize ROU assets and liabilities for these leases, and recognized \$8,706 and \$26,601 lease expense in general and administrative expenses in the statement of operations during the three and nine month period ended July 31, 2020, respectively.

The operating lease obligations as at October 31, 2019 are reconciled as follows to the recognized lease liabilities as at November 1, 2019:

Operating lease obligations as at October 31, 2019	\$	9,194
Short-term leases (lease terms of 12 months or less)		(9,194)
Lease liabilities due to initial application of IFRS 16 at November 1, 2019		\$ -

New accounting policy for leases under IFRS 16

The Company assesses whether a contract is or contains a lease, at the inception of a contract. The Company recognizes a ROU asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, at the commencement of the lease, with the following exceptions: (i) the Company has elected not to recognize ROU assets and liabilities for leases where the total lease term is less than or equal to 12 months, or (ii) for leases of low value. The payments for such leases are recognized in the consolidated statement of operations on a straight-line basis over the lease term.

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3. NEW ACCOUNTING STANDARDS EFFECTIVE IN 2019 (continued)

New accounting policy for leases under IFRS 16 (continued)

The ROU asset is initially measured based on the present value of lease payments, lease payments made at or before the commencement day, and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. The ROU asset is depreciated over the shorter of the lease term or the useful life of the underlying asset. The ROU asset is subject to testing for impairment if there is an indicator of impairment.

The lease liability is initially measured at the present value of lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate. Lease payments include fixed payments less any lease incentives, and any variable lease payments where variability depends on an index or rate. When the lease contains an extension or purchase option that the Company considers reasonably certain to be exercised, the cost of the option is included in the lease payments.

ROU assets are included in property and equipment, and the lease liability is presented as a separate line in the consolidated statement of financial position. Variable lease payments that do not depend on an index or rate are not included in the measurement of the ROU asset and lease liability. The related payments are recognized as an expense in the period in which the triggering event occurs and are included in the consolidated statement of operations.

4. ACCOUNTS RECEIVABLE

	July 31, 2020	October 31, 2019
Current portion of advances to PRE (note 5)	\$ 38,606	\$ 37,903
Management fees	193,018	82,908
Parking services receivable	28,934	68,934
Total	\$ 260,558	\$ 189,745

5. LONG TERM RECEIVABLE

	July 31, 2020	October 31, 2019
Advances to PRE	\$ 1,325,390	\$ 1,301,263
Less current portion (note 4)	(38,606)	(37,903)
Long term receivable	\$ 1,286,784	\$ 1,263,360

As at July 31, 2020, the Company has advanced \$1,325,390 (US\$988,802) to Parking Real Estate, LLC (“PRE”), a joint venture partner, for the purpose of PRE funding investments in income producing properties and related costs of acquisition, of which \$38,606 (US\$28,802) is to be repaid from the assignment of certain distributions due to PRE and the balance of \$1,286,784 (US\$960,000) is to be repaid upon disposition of certain investments or parking assets.

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July 31, 2020

6. INVESTMENT IN ASSOCIATE

Green Park Denver

The only significant asset retained in the associate is an earnings-based contingent receivable from OP Holdings. The associate has no continuing operations and is being maintained to receive the earn-out payments. The earn-out is payable in three tranches. The first tranche was earned and paid upon achievement of targets on April 22, 2016. The second tranche was earned and paid upon achievement of targets on April 22, 2017. The final tranche is payable upon disposition of certain assets in OP Holdings. Pursuant to the members' agreement, the Company's interest was 47.7% for the first tranche and 40.6% for the second and third tranches.

Carrying value of associate

The activity for the Company's investment in associate is set out below:

	Nine months ended July 31, 2020
Balance – October 31, 2019	\$ 1,244,078
Share of profits in associate	-
Balance – July 31, 2020	\$ 1,244,078

7. INVESTMENT IN JOINT VENTURE

PAVe LLC

In April 2015, the Company's subsidiary, Greenswitch America and PRE jointly created separate legal entities, Parking Acquisition Ventures, LLC ("PAVe LLC") and PAVe Admin to manage and oversee the parking assets of OP Holdings as an administrator. PAVe Admin is an entity created for legal purposes and hold no assets or liabilities.

PAVe LLC has different class of membership units, and the entitlements to distributions from these investments are different among each class PAVe LLC.

The Company is entitled to an 82.83% (October 31, 2019 – 82.83%) economic allocation of distributions from OP Holdings to PAVe LLC. PAVe LLC is a 29.45% (October 31, 2019 – 29.45%) equity member of OP Holdings with PAVe LLC accounting for OP Holdings as an investment in associate. OP Holdings holds a portfolio of U.S. based parking facilities, including Canopy previously held by Green Park Denver (note 6).

PAVe LLC also owns Fly-away parking by PAVe Nashville, LLC ("Nashville"). Nashville is held by PAVe LLC directly, and is not part of OP Holdings. The Company is entitled to a 50% economic allocation of distributions from Nashville to PAVe LLC.

The activity for the Company's investment in PAVe LLC is set out below:

	Nine months ended July 31, 2020
Balance – October 31, 2019	\$ 17,215,992
Contributions	33,770
Distributions	(418,275)
Share of losses in joint venture	(607,911)
Balance – July 31, 2020	\$ 16,223,576

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7. INVESTMENT IN JOINT VENTURE (continued)

Commitments

The Company has a commitment to contribute 5% of any capital call made by the joint venture. Capital calls will be made for the purpose of acquiring new parking real estate assets as jointly agreed by the members, and at other times as the joint venture may require working capital. Management estimates this commitment to be US\$7.5 million based on investment targets set out at the inception of the joint venture in April 2015. Pursuant to the OP Holdings joint venture and the PAVe LLC operating agreements, PAVe LLC member contributions to OP Holdings in respect of any future capital commitments approximate US\$1,652,000, of which the Company was required to contribute US\$725,000.

In connection with the acquisition of Fly-Away Parking in October 2015, Greenswitch America together with PAVe LLC and two other parties (collectively the “Borrowers”) entered into a loan and security agreement pursuant to which the Borrowers received a bank loan in the principal amount of US\$5,460,000 as partial consideration for the acquisition (the “Loan”). In connection with the Loan, the Borrowers have each granted a security interest in all of their present and future assets and property including the property and assets of Fly-Away Parking. The loan bears interest at LIBOR plus 235 basis points and matures on October 30, 2020. As of July 31, 2020, the Company has not accrued any amounts due under this guarantee.

Summarized financial information of joint venture

The assets and liabilities of the joint ventures translated into Canadian dollars are summarized as follows:

	July 31, 2020	October 31, 2019
Cash and cash equivalents	\$ 189,582	\$ 60,482
Other current assets	-	52,654
Parking facility	6,584,564	6,660,949
Goodwill	2,884,430	2,831,923
Interest in associate	19,894,960	20,545,669
Subtotal - assets	\$ 29,553,536	\$ 30,151,677
Accounts payable	1,150,819	760,386
Borrowings	7,005,006	7,129,816
Subtotal - liabilities	\$ 8,155,825	\$ 7,890,202
Net assets of joint ventures	\$ 21,397,711	\$ 22,261,475
Company’s interests in net assets - (i)	81%	80%
Net assets attributable to the Company - (ii)	\$ 17,258,663	\$ 17,903,616
Investment in joint venture - (iii)	\$ 16,223,576	\$ 17,215,992

- i. PAVe LLC has different classes of membership units, and the entitlements to voting and distributions are different among each membership class. The Company’s entitlement to each membership class ranges from 0% to 82.83%. Accordingly, the Company has determined that it will equity account for its economic share of interest in the joint venture rather than its equity participation.
- ii. The functional currency of the joint ventures is the United States dollar. The net assets of the joint venture and the net assets attributable to the company in the above table were translated into Canadian dollars using the period end exchange rates.

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7. INVESTMENT IN JOINT VENTURE (continued)

Summarized financial information of joint venture (continued)

iii. In accordance with the Company's accounting policy, the carrying value of the investment in the joint venture on the consolidated statements of financial position is translated into Canadian dollars at historical cost. The difference in the translation method accounts for the difference between "net assets attributable to the Company" and "investment in joint venture" in the above table.

The operations of the joint ventures translated using average exchange rates for the periods are summarized as follows:

	Three months ended July 31, 2020	Three months ended July 31, 2019	Nine months ended July 31, 2020	Nine months ended July 31, 2019
Property revenue	\$ 95,959	\$ 966,845	\$ 1,228,219	\$ 2,378,305
Property expenses	(214,345)	(633,423)	(1,226,078)	(1,823,078)
Net property income	(118,386)	333,422	2,141	555,227
Depreciation Expense	(67,931)	(65,704)	(201,884)	(198,066)
Mortgage interest expense	(545)	(93,327)	(115,249)	(307,807)
Loss – property operations	(186,862)	174,391	(314,992)	49,354
Profit (loss) from associate	(318,579)	205,014	(455,801)	428,372
General and administrative	(352)	-	(74,459)	(19,923)
Profit (loss)	\$ (505,793)	\$ 379,405	\$ (845,252)	\$ 457,803
Company share of profit (loss) ⁽¹⁾	71%	68%	72%	79%
Share of profit (loss) from joint venture	\$ (359,780)	\$ 257,260	\$ (607,911)	\$ 363,262

(1) The Company is entitled to profits (losses) on the investments included in the joint venture ranging from 50% to 82.83%. As a result, the calculated percentage of the Company's total share of profits (losses) of the joint venture profits (losses) will vary from period to period.

8. EQUITY

a) **Authorized:** Unlimited common shares, without par value.

b) **Stock Options**

Stock option transactions are summarized as follows:

	Number of options	Weighted average exercise price
Balance as at October 31, 2019	250,000	\$ 0.28
Grants/expirations/cancellations	-	-
Balance as at July 31, 2020	250,000	\$ 0.28

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8. EQUITY (continued)

b) Stock Options

As at July 31, 2020, the following stock options were outstanding and exercisable:

Exercise Price	Number of exercisable options	Number of outstanding options	Weighted average years to expiry
\$0.27	75,000	100,000	4.10
\$0.29	100,000	100,000	3.06
\$0.30	50,000	50,000	1.44
	225,000	250,000	3.15

9. GENERAL AND ADMINISTRATIVE EXPENSES

	Three months ended July 31, 2020	Three months ended July 31, 2019	Nine months ended July 31, 2020	Nine months ended July 31, 2019
Management salaries and fees (note 10)	\$ 45,876	\$ 93,037	\$ 175,846	\$ 288,144
Director fees (note 10)	30,300	24,300	88,900	72,900
Share-based payments (note 10)	1,070	1,124	7,330	7,948
Professional fees (note 10)	5,194	22,609	99,958	216,339
Other administrative expenses	19,856	54,380	96,338	199,797
Amortization	-	-	-	45,833
Total	\$ 102,296	\$ 195,450	\$ 468,372	\$ 830,961

10. RELATED PARTY TRANSACTIONS

Compensation of key management personnel

Senior management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly and indirectly. Senior management personnel include the Company's executive officers and members of the Board of Directors.

	Nine months ended July 31, 2020	Nine months ended July 31, 2019
Total for all senior management		
Salaries, fees, and short-term benefits	\$ 185,469	\$ 280,900
Share-based payments	7,330	7,948
	192,799	288,848
Total for all directors		
Short-term benefits	88,900	72,900
	-	-
Total	\$ 281,699	\$ 361,748

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10. RELATED PARTY TRANSACTIONS (continued)

Transactions with related parties

Included in accounts payable and accrued liabilities as of July 31, 2020 is \$55,300 (October 31, 2019 - \$4,296) is amounts due to related parties for fees and expense reimbursements.

On July 1, 2018, the Company entered into an office lease agreement with an officer of the Company for premises located in Toronto, Ontario. The minimum monthly rent was \$1,200 plus operating costs and taxes. Effective July 1, 2020, the agreement was renewed on a month-to-month basis at \$500 per month plus taxes.

11. COMMITMENTS AND CONTINGENCIES

At July 31, 2020, the Company has total future aggregate minimum office lease payments of \$10,843 over the remaining lease term, which expires February 28, 2021.

12. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

	July 31, 2020	July 31, 2019
Cash and equivalents consist of:		
Cash	\$ 696,281	\$ 1,019,156
Cash equivalents	-	201,243
	\$ 696,281	\$ 1,220,399
Cash paid for taxes	\$ 52,665	\$ 2,329,527

13. FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

There are three levels of fair value hierarchy that prioritize the inputs to valuation techniques used to measure fair value, with level 1 inputs having the highest priority. The levels used to value the Company's financial assets and liabilities are described below.

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly, i.e. as prices, or indirectly, i.e. derived from prices.
- Level 3 – Inputs for the asset or liability that are not based on an observable market, i.e. unobservable inputs.

The fair value of the Company's accounts receivable, long-term receivable, accounts payable and accrued liabilities, and tax liabilities approximate carrying value, which is the amount recorded on the consolidated statements of financial position.

Cash and cash equivalents are carried at fair value in accordance with Level 1 of the fair value hierarchy, being unadjusted quoted prices in active markets for identical assets or liabilities.