



**DISCOURSE MEDIA INC**

**Financial Statements**

**Period Ended March 31, 2020**

*(Unaudited - See Notice To Reader)*

**DISCOURSE MEDIA INC**  
**Index to Financial Statements**  
**Period Ended March 31, 2020**  
*(Unaudited - See Notice To Reader)*

---

	Page
NOTICE TO READER	1
FINANCIAL STATEMENTS	
Balance Sheet	2
Statement of Deficit	3
Statement of Earnings	4
Notes to Financial Statements	5 - 6

---

## NOTICE TO READER

---

On the basis of information provided by management, we have compiled the balance sheet of Discourse Media Inc as at March 31, 2020 and the statements of deficit and earnings for the period then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

*Jason Ding*

Jason Ding, CPA Inc  
Chartered Professional Accountants

Surrey, British Columbia  
April 9, 2020

**DISCOURSE MEDIA INC**  
**Balance Sheet**  
**March 31, 2020**  
*(Unaudited - See Notice To Reader)*

	<i>March 31</i> <b>2020</b>	<i>December 31</i> 2019
<b>ASSETS</b>		
CURRENT		
Accounts receivable	\$ 182,301	\$ 13,562
Prepaid expenses	510	510
	<b>182,811</b>	14,072
PROPERTY AND EQUIPMENT <i>(Net of accumulated amortization) (Note 3)</i>	<b>21,790</b>	23,200
DEPOSITS	<b>22,414</b>	22,414
	<b>\$ 227,015</b>	\$ 59,686
<b>LIABILITIES</b>		
CURRENT		
Bank indebtedness	\$ 90,263	\$ 18,740
Line of credit	54,312	59,626
Accounts payable and accrued liabilities	96,689	89,986
Current portion of long-term debt	44,000	44,000
Sales tax payable	21,418	13,478
	<b>306,682</b>	225,830
DUE TO SHAREHOLDERS	<b>108,183</b>	108,183
CONVERTIBLE DEBT	<b>331,959</b>	331,959
CONVERSION FEATURE OF CONVERTIBLE DEBT	<b>138,475</b>	138,475
NOTE PAYABLE	<b>200,000</b>	200,000
INTEREST PAYABLE	<b>50,597</b>	44,046
LONG-TERM LOAN	<b>154,000</b>	154,000
	<b>1,289,896</b>	1,202,493
<b>SHAREHOLDERS' DEFICIENCY</b>		
SHARE CAPITAL	<b>607,187</b>	607,187
SUBSCRIPTIONS RECEIVABLE	<b>(20,000)</b>	(20,000)
DEFICIT	<b>(1,650,068)</b>	(1,729,994)
	<b>(1,062,881)</b>	(1,142,807)
	<b>\$ 227,015</b>	\$ 59,686

See notes to financial statements

**DISCOURSE MEDIA INC**  
**Statement of Deficit**  
**Period Ended March 31, 2020**  
*(Unaudited - See Notice To Reader)*

	<i>March 31</i> <b>2020</b> <i>(3 months)</i>	<i>December 31</i> 2019 <i>(12 months)</i>
<b>DEFICIT - BEGINNING OF PERIOD</b>	<b>\$ (1,729,994)</b>	\$ (1,675,822)
NET EARNINGS (LOSS) FOR THE PERIOD	<u>79,926</u>	<u>(54,172)</u>
<b>DEFICIT - END OF PERIOD</b>	<b><u>\$ (1,650,068)</u></b>	<b><u>\$ (1,729,994)</u></b>

See notes to financial statements

**DISCOURSE MEDIA INC**  
**Statement of Earnings**  
**Period Ended March 31, 2020**  
*(Unaudited - See Notice To Reader)*

	<i>March 31</i> <b>2020</b> <i>(3 months)</i>	<i>December 31</i> <b>2019</b> <i>(12 months)</i>
<b>REVENUE</b>	<b>\$ 244,509</b>	<b>\$ 685,497</b>
<b>EXPENSES</b>		
Advertising and promotion	44,422	64,573
Amortization	1,409	6,084
Insurance	-	3,620
Interest and bank charges	1,287	11,506
Interest on long-term debt	7,593	23,079
Office and miscellaneous	16,572	34,425
Professional fees	9,250	59,613
Rent	33,913	133,156
Salaries and wages	39,201	295,275
Sub-contracts	7,715	94,168
Travel	3,221	12,697
Utilities	-	1,069
	<b>164,583</b>	<b>739,265</b>
<b>EARNINGS (LOSS) FROM OPERATIONS</b>	<b>79,926</b>	<b>(53,768)</b>
<b>OTHER INCOME</b>		
Loss on foreign exchange	-	(404)
<b>NET EARNINGS (LOSS) FOR THE PERIOD</b>	<b>\$ 79,926</b>	<b>\$ (54,172)</b>

See notes to financial statements

**DISCOURSE MEDIA INC**  
**Notes to Financial Statements**  
**Period Ended March 31, 2020**  
*(Unaudited - See Notice To Reader)*

---

**1. DESCRIPTION OF BUSINESS**

Discourse Media Inc (the "company") was incorporated provincially under the Business Corporations Act of the British Columbia on January 20, 2016. It's principal business activity is to write and sell journalism articles about complex issues across Canada.

The principal business office of the Company is located at Suite 308, 877 East Hastings Street, Vancouver British Columbia, Canada, V6A 3Y1

---

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Comparative figures

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

Foreign currency translation

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

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

Property and equipment

Property and equipment is stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life on a declining balance basis at the following rates and methods:

Computer software	30% declining balance method
Furniture and fixtures	20% declining balance method
Leasehold improvements	5 years straight-line method

The company regularly reviews its property and equipment to eliminate obsolete items. Government grants are treated as a reduction of property and equipment cost.

Property and equipment acquired during the year but not placed into use are not amortized until they are placed into use.

---

**DISCOURSE MEDIA INC**  
**Notes to Financial Statements**  
**Period Ended March 31, 2020**  
*(Unaudited - See Notice To Reader)*

---

**3. PROPERTY AND EQUIPMENT**

	Cost	Accumulated amortization	<b>March 31 2020 Net book value</b>	<i>December 31 2019 Net book value</i>
Computer software	\$ 670	\$ 143	\$ 527	\$ 570
Furniture and fixtures	14,004	4,424	9,580	10,083
Leasehold improvements	17,316	5,633	11,683	12,547
	<b>\$ 31,990</b>	<b>\$ 10,200</b>	<b>\$ 21,790</b>	<b>\$ 23,200</b>

---