



DISCOURSE MEDIA INC
Financial Statements
Year Ended December 31, 2020
(Unaudited - See Notice To Reader)

DISCOURSE MEDIA INC
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(Unaudited - See Notice To Reader)

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NOTICE TO READER

On the basis of information provided by management, we have compiled the balance sheet of Discourse Media Inc as at December 31, 2020 and the statements of deficit and earnings for the year 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
March 15, 2021

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

	2020	2019
ASSETS		
CURRENT		
Cash	\$ 53,656	\$ -
Accounts receivable	88,945	13,562
Prepaid expenses	510	510
	143,111	14,072
PROPERTY AND EQUIPMENT <i>(Net of accumulated amortization) (Note 3)</i>	17,548	23,200
DUE FROM RELATED PARTIES	15,750	-
DEPOSITS	22,414	22,414
	\$ 198,823	\$ 59,686
LIABILITIES		
CURRENT		
Bank indebtedness	\$ -	\$ 18,740
Line of credit	91,887	59,626
Accounts payable and accrued liabilities	67,460	89,989
Current portion of long-term debt	44,000	44,000
Sales tax payable	13,478	13,478
	216,825	225,833
DUE TO SHAREHOLDERS	150,183	108,183
CONVERTIBLE DEBT	281,959	331,959
CONVERSION FEATURE OF CONVERTIBLE DEBT	138,475	138,475
INTEREST PAYABLE	67,672	44,046
LONG-TERM LOAN	152,500	154,000
NOTE PAYABLE	-	200,000
	1,007,614	1,202,496
SHAREHOLDERS' DEFICIENCY		
SHARE CAPITAL	607,187	607,187
SUBSCRIPTIONS RECEIVABLE	180,000	(20,000)
DEFICIT	(1,595,978)	(1,729,997)
	(808,791)	(1,142,810)
	\$ 198,823	\$ 59,686

See notes to financial statements

DISCOURSE MEDIA INC
Statement of Deficit
Year Ended December 31, 2020
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	2020	2019
DEFICIT - BEGINNING OF YEAR	\$ (1,729,997)	\$ (1,675,825)
NET EARNINGS (LOSS) FOR THE YEAR	<u>134,019</u>	(54,172)
DEFICIT - END OF YEAR	<u>\$ (1,595,978)</u>	\$ (1,729,997)

See notes to financial statements

DISCOURSE MEDIA INC
Statement of Earnings
Year Ended December 31, 2020
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	2020	2019
REVENUE	\$ 258,421	\$ 704,782
EXPENSES		
Advertising and promotion	72,605	64,573
Amortization	5,650	6,084
Insurance	2,762	3,620
Interest and bank charges	2,789	11,506
Interest on long-term debt	25,628	23,079
Office and miscellaneous	54,236	53,710
Professional fees	14,454	59,613
Rent	96,430	133,156
Salaries and wages	446,285	295,275
Sub-contract	30,899	94,168
Travel	5,886	12,697
Utilities	1,946	1,069
	759,570	758,550
LOSS FROM OPERATIONS	(501,149)	(53,768)
OTHER INCOME		
Local journalism initiative labour subsidy	322,838	-
Government special relief for journalism	161,795	-
Canada emergency wage subsidy	88,460	-
Journalism laour tax credit	55,386	-
Private covid relief subsidy	6,689	-
Loss on foreign exchange	-	(404)
	635,168	(404)
NET EARNINGS (LOSS) FOR THE YEAR	\$ 134,019	\$ (54,172)

See notes to financial statements

DISCOURSE MEDIA INC
Notes to Financial Statements
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1. DESCRIPTION OF BUSINESS

Discourse Media Inc (the "company") is 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.

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3. PROPERTY AND EQUIPMENT

	Cost	Accumulated amortization	2020 Net book value	2019 Net book value
Computer software	\$ 670	\$ 271	\$ 399	\$ 570
Furniture and fixtures	14,004	5,938	8,066	10,083
Leasehold improvements	17,316	8,233	9,083	12,547
	\$ 31,990	\$ 14,442	\$ 17,548	\$ 23,200