

10 CARDEN SHARED SPACE

Notes to the Unaudited Financial Statements
For the Year Ended December 31, 2017

Draft - For Final Review and Approval at AGM

2. Accounts Receivable

	2017	2016
Accounts receivable	36,044	6,904
Less: Allowance for doubtful accounts	1,685	
	<u>34,359</u>	<u>6,904</u>

3. Deferred Contributions:

	2017	2016
Balance - beginning of year	\$ 40,031	\$ 51,455
Less: Amount recognized as revenue in the year	(40,031)	(40,424)
Plus: Amount Received	28,000	29,000
	<u>28,000</u>	<u>40,031</u>

4. Related Party Transactions

10 Carden Shared Space and 42 Carden Shared Space are common control organizations. The By Laws of 42 Carden Shared Space grant 10 Carden Shared Space a founding member eight votes on any question submitted to any meeting of the members. The Board of Directors of 42 Carden Shared Space is a minimum of one and maximum of ten.

10 Carden Shared Space leases floor space from 42 Carden Shared Space

All these transactions are recorded at the exchange value. This value corresponds to the consideration agreed upon by the parties and is determined based on the costs incurred. At year end, amounts were due to 42 Carden Shared Space in the amount of \$12,251 (2016 - \$15,363).

5. Comparative Figures

The comparative figures are unaudited.

Comparative figures have been reclassified in certain instances to conform to the current year's presentation.

6. Financial Instruments

10 Carden Shared Space is exposed to various risks through its financial instruments. The following analysis presents the Organization's exposures to significant risk at the reporting date.

Credit risk

Credit risk is the potential for financial loss should a counterparty in a transaction fail to meet its obligations. The Organization is exposed to credit risk through accounts receivable.