CURRENCY EXCHANGE INTERNATIONAL, CORP.

Condensed Interim Consolidated Financial Statements
For the three-and six-month periods ended April 30, 2020 and 2019
(Expressed in U.S. Dollars)
(Unaudited)

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Management's Responsibility for the Condensed Interim Consolidated Financial Statements

The accompanying unaudited condensed interim consolidated financial statements of Currency Exchange International, Corp. (the "**Company**") are the responsibility of management and the Board of Directors.

The unaudited condensed interim consolidated financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited condensed interim consolidated financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the unaudited condensed interim consolidated financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34 - Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established processes, which are in place to provide it with sufficient knowledge to support management's representations that it has exercised reasonable diligence that (i) the unaudited condensed interim consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of, and for the periods presented by, the unaudited condensed interim consolidated financial statements and (ii) the unaudited condensed interim consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of, and for the periods presented by, the unaudited condensed interim consolidated financial statements.

The Board of Directors is responsible for reviewing and approving the unaudited condensed interim consolidated financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited condensed interim consolidated financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited condensed interim consolidated financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

(signed) *"Randolph Pinna"*
Randolph Pinna
President and Chief Executive Officer

(signed) *"Stephen Fitzpatrick"*
Stephen Fitzpatrick
Chief Financial Officer

Orlando, Florida
June 11, 2020

CURRENCY EXCHANGE INTERNATIONAL, CORP.
Condensed Interim Consolidated Statements of Financial Position
April 30, 2020 and October 31, 2019
(Expressed in U.S. Dollars)
(Unaudited)

	April 30, 2020	October 31, 2019
ASSETS		
Current assets	$	$
Cash (Note 7)	79,639,018	62,873,873
Accounts receivable (Note 15)	2,546,633	10,543,252
Restricted cash held in escrow (Note 8)	293,957	644,657
Forward and option contracts (Note 16)	1,999,650	1,735
Income taxes receivable	1,183,344	-
Other current assets (Note 21)	901,384	1,270,103
Total current assets	86,563,986	75,333,620
Property and equipment (Note 9)	1,279,695	1,552,941
Intangible assets (Note 10)	3,666,640	3,910,749
Goodwill (Note 10)	1,309,701	1,238,319
Other assets	104,186	101,686
Right-of-use assets (Note 11))	5,209,408	-
Net deferred tax asset	1,129,423	592,401
Total assets	99,263,039	82,729,716
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable	7,545,807	12,583,741
Contract liability	56,461	266,392
Lease liabilities (Note 11)	1,757,868	-
SBA loan (Note 13)	2,397,000	-
Line of credit (Note 13)	18,945,465	472,736
Accrued expenses	1,471,465	2,767,711
Income taxes payable	-	310,099
Total current liabilities	32,174,066	16,400,679
Long term liabilities		
Lease liabilities (Note 11)	4,110,602	-
Other long-term liabilities	12,497	-
Total long-term liabilities	4,123,099	-
Total liabilities	36,297,165	16,400,679
Equity		
Share capital	6,414,936	6,414,936
Equity reserves	28,963,465	29,204,576
Retained earnings	27,587,473	30,709,525
Total equity	62,965,874	66,329,037
Total liabilities and equity	99,263,039	82,729,716

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

CURRENCY EXCHANGE INTERNATIONAL, CORP.
Condensed Interim Consolidated Statements of Operations and Comprehensive Loss (Income)
Three-and six-month periods ended April 30, 2020 and 2019
(Expressed in U.S. Dollars)
(Unaudited)

	Six-months ended		Three-months ended	
	April 30, 2020	April 30, 2019	April 30, 2020	April 30, 2019
Revenues	$	$	$	$
Commissions revenue	15,173,977	16,866,642	5,930,063	8,919,270
Fee revenue	1,023,656	1,045,838	393,281	541,539
Total revenues (Note 6)	16,197,633	17,912,480	6,323,344	9,460,809
Operating expenses (Note 19)	17,351,059	16,559,778	8,639,700	8,379,517
Net operating (loss) income	(1,153,426)	1,352,702	(2,316,356)	1,081,292
Other income				
Interest revenue	8,882	5,745	3,014	4,285
Gain on sale of assets	-	1,975	-	-
(Losses) earnings before interest, taxes, depreciation and amortization	(1,144,544)	1,360,422	(2,313,342)	1,085,577
Interest expense (Note 13)	287,305	186,875	149,103	67,097
Interest on lease liabilities (Note 11)	144,760	-	70,803	
Depreciation and amortization	770,481	735,455	383,599	354,536
Depreciation of right-of-use-assets (Note 11)	1,036,457	-	518,440	
(Loss) income before income taxes	(3,383,547)	438,092	(3,435,287)	663,944
Income tax (benefit) expense	(599,871)	103,535	(492,339)	156,574
Net (loss) income for the period	(2,783,676)	334,557	(2,942,948)	507,370
Other comprehensive (loss) income, after tax				
Net (loss) income for the period	(2,783,676)	334,557	(2,942,948)	507,370
Items that may subsequently be reclassified to profit or loss				
Exchange differences on translating foreign operations	(739,373)	(391,724)	(658,927)	(364,498)
Total other comprehensive (loss) income	(3,523,049)	(57,167)	(3,601,875)	142,872
(Loss) earnings per share (Note 18)				
-basic	($0.43)	$0.05	($0.46)	$0.08
-diluted	($0.43)	$0.05	($0.46)	$0.08
Weighted average number of common shares outstanding (Note 18)				
-basic	6,414,936	6,411,057	6,414,936	6,414,091
-diluted	6,414,936	6,426,700	6,414,936	6,422,638

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

CURRENCY EXCHANGE INTERNATIONAL, CORP.
Condensed Interim Consolidated Statements of Changes in Equity
Three-and six-month periods ended April 30, 2020 and 2019
(Expressed in U.S Dollars)
(Unaudited)

	Share Capital		Equity Reserves				Retained Earnings	Total Equity
	Shares	Amount	Share premium	Accumulated Other Comprehensive Loss	Stock Options		Amount	Amount
	#	$	$	$	#	$	$	$
Balance at November 1, 2019	6,414,936	6,414,936	32,588,617	(5,591,093)	708,366	2,207,052	30,709,525	66,329,037
Stock based compensation (Note 17)	-	-	-	-	-	498,263	-	498,263
Loss on foreign currency translation	-	-	-	(739,374)	-	-	-	(739,374)
Adjustment from the adoption of IFRS 16	-	-	-	-	-	-	(338,376)	(338,376)
Net loss	-	-	-	-	-	-	(2,783,676)	(2,783,676)
Balance, April 30, 2020	6,414,936	6,414,936	32,588,617	(6,330,467)	708,366	2,705,315	27,587,473	62,965,874
Balance at November 1, 2018	6,407,667	6,407,667	32,427,578	(5,489,393)	424,495	1,591,280	27,784,805	62,721,937
Stock based compensation (Note 17)	-	-	-	-	17,443	497,459	-	497,459
Issue of share capital and share premium on exercise of stock options (Note 17)	6,424	6,424	100,563	-	(16,750)	(63,270)	-	43,717
Forfeited options (Note 17)	-	-	-	-	(26,088)	(183,120)	-	(183,120)
Loss on foreign currency translation	-	-	-	(391,724)	-	-	-	(391,724)
Net income	-	-	-	-	-	-	334,557	334,557
Balance, April 30, 2019	6,414,091	6,414,091	32,528,141	(5,881,117)	399,100	1,842,349	28,119,362	63,022,826

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

CURRENCY EXCHANGE INTERNATIONAL, CORP.
Condensed Interim Consolidated Statements of Cash Flows
Six-month periods ended April 30, 2020 and 2019
(Expressed in U.S. Dollars)
(Unaudited)

	Six-months ended	
	April 30, 2020	**April 30, 2019**
Cash flows from operating activities	**$**	**$**
Net income	(2,783,676)	334,557
Adjustments to reconcile net income to net cash flows from operating activities		
Depreciation and amortization	770,481	735,455
Depreciation of right-of-use assets	1,036,457	-
Stock based compensation	498,263	314,339
Change in forward and option contract positions (Note 16)	(2,036,195)	63,089
Gain on disposal of assets	-	(1,975)
Deferred taxes	(549,099)	(187,422)
Increase (decrease) in cash due to change in:		
Accounts receivable	7,860,064	(3,954,700)
Restricted cash held in escrow	350,699	110,699
Income taxes receivable	(618,497)	-
Other assets	347,918	102,319
Contract Liability	(208,518)	-
Accounts payable, accrued expenses, deposits and income taxes payable	(6,691,426)	5,296,596
Net cash flows from operating activities	(2,023,529)	2,812,957
Cash flows from investing activities		
Purchase of property and equipment	(119,806)	(846,439)
Purchase of intangible assets	(247,551)	(228,106)
Proceeds from sale of asset	-	15,012
Net cash outflow from investing activities	(367,357)	(1,059,533)
Cash flows from financing activities		
Proceeds from exercise of stock options (Note 17)	-	43,734
Repayment of leasing liabilities	(1,191,453)	-
Interest on leasing liabilities	144,626	-
Net borrowing of SBA loan (Note 13)	2,397,000	-
Net borrowing on line of credit (Note 13)	18,548,806	2,627,543
Net cash flows from financing activities	19,898,979	2,671,277
Net change in cash	17,508,093	4,424,701
Cash, beginning of period	62,873,873	56,402,979
Exchange difference on foreign operations	(742,948)	(333,885)
Cash, end of period	79,639,018	60,493,795

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the period for income taxes	1,422,518	1,174,829
Cash paid during the period for interest	287,305	186,875
Cash received during the year for interest	8,882	5,745

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

1. Nature of Operations and Basis of Presentation

Nature of operations

Currency Exchange International, Corp. (the "**Company**") was originally incorporated under the name Currency Exchange International, Inc. under the Florida Business Corporation Act on April 7, 1998. The Company changed its name to Currency Exchange International, Corp. on October 19, 2007 and commenced its current business operations at that time. The Company is a public corporation whose shares are listed and posted for trading on the Toronto Stock Exchange ("**TSX**") under the symbol "CXI," and the over the counter market ("**OTCBB**") in the United States under the symbol "CURN". The Company operates as a money service business and provides currency exchange, wire transfer, and cheque cashing services from its locations in the United States and Canada. The Company maintains a head office and five vaults as well as 46 branch locations. The Company's registered head office is located at 6675 Westwood Boulevard, Suite 300, Orlando, Florida, 32821, United States of America. The Company's wholly owned Canadian Subsidiary, Exchange Bank of Canada ("**EBC**") is a non-deposit taking, non-lending financial institution engaged in foreign exchange services and is registered as a Schedule 1 bank.

Basis of presentation

The presentation currency of the Company's consolidated financial statements is the U.S. Dollar. The accounting policies set out in Note 2 have been applied consistently to all periods presented in these condensed interim consolidated financial statements. These condensed interim consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which are stated at their fair value: financial instruments classified as fair value through profit or loss ("**FVTPL**"), foreign currency forward and option contracts and share-based payment plans. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

These condensed interim consolidated financial statements were authorized for issue and approved by the Board of Directors on June 11, 2020.

2. Accounting Policies

Principles of consolidation

The condensed interim consolidated financial statements comprise the financial statements of the Company and its wholly-owned subsidiaries, EBC, a Schedule 1 bank in Canada, and eZforex.com, Inc. ("eZforex"), a Texas-based money service business. Subsidiaries are entities over which the Company has control, where control is defined as the power to govern financial and operating policies of an entity so as to obtain benefit from its activities. Subsidiaries are fully consolidated from the date control is transferred to the Company, and are de-consolidated from the date control ceases. All material intercompany transactions are eliminated on consolidation.

Recently adopted accounting standards

Certain pronouncements were issued by the IASB or International Financial Reporting Interpretations Committee ("**IFRIC**"). Many are not applicable or do not have a significant impact to the Company and have been excluded.

2. Accounting Policies (continued)

In 2020, the Company has adopted new guidance for the recognition of leases (see Note 3). The new Standard has been applied using the modified retrospective approach, with the cumulative effect of adoption as at November 1, 2019 being recognized as a single adjustment to retained earnings. Accordingly, the Company is not required to present a third statement of financial position as at that date.

Future Accounting Pronouncements

Certain pronouncements were issued by the IASB or International Financial Reporting Interpretations Committee ("**IFRIC**"). Many are not applicable or do not have a significant impact to the Company and have been excluded. The following amended standards and interpretations have not yet been adopted and are not expected to have a significant impact on the Company's condensed interim consolidated financial statements:

- Amendments to References to Conceptual Framework in IFRS Standards;
- Definition of a Business (Amendments to IFRS 3);
- Definition of Material (Amendments to IAS 1 and IAS 8);
- IFRS 17 Insurance Contracts; and
- IFRIC 23 Uncertainty Over Income Tax Treatments.

3. IFRS 16 'Leases'

IFRS 16 'Leases' replaces IAS 17 'Leases' along with three Interpretations (IFRIC 4 'Determining whether an Arrangement contains a Lease', SIC 15 'Operating Leases-Incentives' and SIC 27 'Evaluating the Substance of Transactions Involving the Legal Form of a Lease').

The adoption of this new Standard has resulted in the Company recognizing a right-of-use asset and related lease liability in connection with all former operating leases except for those identified as low-value or leases having substantive substitution rights.

The new Standard has been applied using the modified retrospective approach, with the cumulative effect of adopting IFRS 16 being recognized in equity as an adjustment to the opening balance of retained earnings for the current period. Prior periods have not been restated.

The Company has elected not to include initial direct costs in the measurement of the right-of-use asset for operating leases in existence at the date of initial application of IFRS 16, being November 1, 2019. At this date, the Company has also elected to measure the right-of-use assets at an amount equal to the lease liability adjusted for any prepaid or accrued lease payments that existed at the date of transition.

Instead of performing an impairment review on the right-of-use assets at the date of initial application, the Company has relied on its historic assessment as to whether leases were onerous immediately before the date of initial application of IFRS 16.

On transition, for leases of low-value assets the Company has applied the optional exemptions to not recognize right-of-use assets but to account for the lease expense on a straight-line basis over the remaining lease term.

(Expressed in U.S. Dollars)

3. IFRS 16 'Leases' (continued)

On transition to IFRS 16 the weighted average incremental borrowing rate applied to all lease liabilities recognized under IFRS 16 was 5.0%.

The Company has applied historical experience in determining the estimated lease terms when considering options to extend and terminate leases.

The following is a reconciliation of the financial statement line items from IAS 17 to IFRS 16 at November 1, 2019:

	Carrying Amount at October 31,2019	Remeasurement	IFRS 16 carrying amount at November 1, 2019
	$	$	$
Right-of-use-assets	-	5,481,031	5,481,031
Lease liabilities	-	(6,092,927)	(6,092,927)
Total	-	(611,896)	(611,896)

The following is a reconciliation of total operating lease commitments at October 31, 2019 to the lease liabilities recognized at November 1, 2019:

Total operating lease commitments disclosed at October 31, 2019		**6,306,225**
Recognition exemptions:		
Leases with substantive substitution rights	(1,795,241)	
Leases with remaining lease term of less than 12 months	(149,864)	
Variable lease payments not recognized	(2,223,340)	
Other minor adjustments relating to commitment disclosers	-	
		(4,168,444)
Reasonably certain extension options		5,062,692
Operating lease liabilities before discounting		7,200,473
Discounted using incremental borrowing rate		(1,054,857)
Operating lease liabilities		6,145,616
Foreign currency translation		(52,689)
Total Lease liabilities recognized under IFRS 16 at November 1, 2019		**6,092,927**

Additional information with respect to the IFRS 16 changes can be found in Note 11.

4. Significant management judgment in applying accounting policies and estimation uncertainty

When preparing the condensed interim consolidated financial statements, management undertakes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from judgments, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgments, estimates and assumptions applied in the condensed interim consolidated financial statements, including the key sources of estimation uncertainty, have been updated based on information at April 30, 2020 and with particular respect to the analysis of potential impairment of the Company's assets and its ability to continue as a going concern.

(Expressed in U.S. Dollars)

4. Significant management judgment in applying accounting policies and estimation uncertainty (continued)

The only change from the annual consolidated financial statements at October 31, 2019 is in respect of the estimate of future income tax benefits, which has been determined in the condensed interim consolidated financial statements using the estimated average annual effective income tax rate applied to the pre-tax loss of the interim period for the entity's U.S. operations only. The entity has not recorded a future income tax benefit on losses incurred in its Canadian subsidiary during the interim period based on insufficient evidence to support the probability of future taxable income against which to offset the losses, in accordance with IAS 12.

5. Acquisition

On September 6, 2019 the Company completed a share acquisition of eZforex. The Company acquired 100% of the issued and outstanding shares of eZforex in exchange for cash consideration of $4,180,993. The acquisition is a business combination accounted for using the acquisition method in accordance with IFRS 3 *Business Combinations*. Assets assumed in the acquisition have been recorded at their fair values as at the date of acquisition. The excess of the consideration transferred over the fair value of the assets acquired has been included in goodwill.

The acquisition is expected to contribute to the profitability of the Company through key customer contracts acquired and synergies identified and expected to be realized in the elimination of redundant expenditures including staff and overheads. In determining the fair market value of the assets acquired, synergies are not factored in in order to assess a fair market participant value. As a result, goodwill was created which represents the synergistic benefits to be realized by the Company starting immediately following acquisition. The goodwill acquired is not expected to be deductible for tax purposes.

The allocation of the purchase consideration and the fair value of net assets acquired is as follows:

Net working capital, including cash	$954,377
Computer software	90,000
Trade name	470,000
Customer trading relationships	1,910,000
Non-compete agreements	200,000
Deferred tax liability	(681,703)
Goodwill	1,238,319
Consideration paid	$4,180,993

6. Segments

The Company operates in the United States and Canada. The Company's revenue from external customers and information about its assets by geographical location and product line are detailed below:

Revenues by Geography

	United States	Canada	Total
Six months ended April 30, 2020	12,357,811	3,839,822	16,197,633
Six months ended April 30, 2019	14,953,258	2,959,222	17,912,480

	United States	Canada	Total
Three months ended April 30, 2020	4,356,771	1,966,573	6,323,344
Three months ended April 30, 2019	7,940,808	1,520,001	9,460,809

(Expressed in U.S. Dollars)

6. Segments (continued)

Revenues by Product Line

	Banknotes	Payments	Total
Six months ended April 30, 2020	14,565,138	1,632,495	16,197,633
Six months ended April 30, 2019	16,609,043	1,303,437	17,912,480

	Banknotes	Payments	Total
Three months ended April 30, 2020	5,594,189	729,155	6,323,344
Three months ended April 30, 2019	8,726,210	734,599	9,460,809

	At April 30, 2020			At October 31, 2019		
Assets	**United States**	**Canada**	**Total**	**United States**	**Canada**	**Total**
	$	$	$	$	$	$
Cash	62,704,273	16,934,745	79,639,018	37,760,599	25,113,274	62,873,873
Accounts receivable	2,191,702	354,931	2,546,633	4,961,794	5,581,458	10,543,252
Restricted cash held in escrow	293,957	-	293,957	644,657	-	644,657
Forward and option contract assets	860,771	1,138,879	1,999,650	(10,379)	12,114	1,735
Other current assets	532,562	368,822	901,384	1,001,960	268,143	1,270,103
Property and equipment	756,213	523,482	1,279,695	904,475	648,466	1,552,941
Intangible assets	3,484,342	182,298	3,666,640	3,692,019	218,730	3,910,749
Goodwill	1,309,701	-	1,309,701	1,238,319	-	1,238,319
Other assets	104,185	-	104,185	101,686	-	101,686
Right-of-use assets	3,022,367	2,187,041	5,209,408	-	-	-
Income taxes receivable	578,724	604,620	1,183,344	-	-	-
Net deferred tax asset	917,499	211,925	1,129,424	368,399	224,002	592,401
Total assets	76,756,296	22,506,743	99,263,039	50,663,529	32,066,187	82,729,716

7. Cash

Included within cash of $79,639,018 at April 30, 2020 (October 31, 2019 - $62,873,873) are the following balances:

	At April 30, 2020	At October 31, 2019
	$	$
Cash held in transit, vaults, tills and consignment locations	25,390,057	49,714,265
Cash deposited in bank accounts in jurisdictions in which the Company operates	54,248,961	13,159,608
Total	79,639,018	62,873,873

(Expressed in U.S. Dollars)

8. Restricted Cash Held in Escrow

Certain of the Company's secured transactions and derivative contracts require the Company to post cash collateral or maintain minimum cash balances in escrow. The foreign currency forward contracts can be closed immediately resulting in the collateral being liquidated. The Company had cash collateral amounts of $293,957 at April 30, 2020 (October 31, 2019 - $644,657).

9. Property and Equipment

Property and equipment consisted of the following:

	Vehicles	Computer equipment	Furniture and equipment	Leasehold improvements	Total
Cost	$	$	$	$	$
Balance, October 31, 2018	81,239	408,305	859,348	2,213,576	3,562,468
Additions	17,723	326,611	179,542	681,561	1,205,437
Disposals	(32,988)	-	-	-	(32,988)
Net exchange differences	-	432	405	3,666	4,503
Balance, October 31, 2019	65,974	735,348	1,039,295	2,898,803	4,739,420
Additions	-	31,455	33,162	55,189	119,806
Disposals	-	-	-	-	-
Net exchange differences	-	(8,409)	(19,201)	(38,044)	(65,654)
Balance, April 30, 2020	65,974	758,394	1,053,256	2,915,948	4,793,573

	Vehicles	Computer equipment	Furniture and equipment	Leasehold improvements	Total
Depreciation	$	$	$	$	$
Balance, October 31, 2018	51,287	292,432	633,436	1,594,939	2,572,094
Additions	13,473	104,306	169,055	345,953	632,787
Disposals	(19,952)	-	-	-	(19,952)
Net exchange differences	-	266	542	742	1,550
Balance, October 31, 2019	44,808	397,004	803,033	1,941,634	3,186,479
Additions	5,721	79,456	75,955	200,016	361,148
Disposals	-	-	-	-	-
Net exchange differences	-	(4,867)	(14,169)	(14,714)	(33,750)
Balance, April 30, 2020	50,529	471,593	864,819	2,126,936	3,513,877

	Vehicles	Computer equipment	Furniture and equipment	Leasehold improvements	Total
Carrying amounts	$	$	$	$	$
Balance, October 31, 2019	21,166	338,344	236,262	957,169	1,552,941
Balance, April 30, 2020	15,445	286,801	188,437	789,012	1,279,695

(Expressed in U.S. Dollars)

10. Goodwill and Intangible Assets

Intangible assets are comprised of the Company's internally developed software ("**CEIFX**") and its related modules as well as software and customer trading relationships acquired through an asset purchase transaction as well as the purchase of eZforex (Note 5). Amortization for intangibles is computed on an individual basis over the estimated useful life using the straight-line method as follows:

Internally developed software	5 years
Acquired software	2 years
Customer trading relationships	5-10 years
Tradename & Non-compete agreements	5 years

Cost	**Internally developed software** $	**Acquired software** $	**Customer trading relationships** $	**Trade Name & Non-Compete** $	**Goodwill** $	**Total** $
Balance, October 31, 2018	2,241,771	480,000	3,288,283	-	-	6,010,054
Additions	526,260	93,161	1,910,000	670,000	1,238,319	4,437,740
Net exchange differences	(217)	-	-	-	-	(217)
Balance, October 31, 2019	2,767,814	573,161	5,198,283	670,000	1,238,319	10,447,577
Additions	174,734	1,435	-	-	71,382	247,551
Net exchange differences	(14,835)	-	-	-	-	(14,835)
Balance, April 30, 2020	2,927,713	574,596	5,198,283	670,000	1,309,701	10,680,293

Amortization	**Internally developed software** $	**Acquired software** $	**Customer trading relationships** $	**Trade Name & Non-Compete** $	**Goodwill** $	**Total** $
Balance, October 31, 2018	1,090,916	480,000	3,014,260	-	-	4,585,176
Amortization	378,823	6,750	292,098	19,800	-	697,471
Net exchange differences	488	-	15,375	-	-	15,863
Balance, October 31, 2019	1,470,227	486,750	3,321,733	19,800	-	5,298,510
Amortization	201,372	22,960	118,000	67,000	-	409,332
Net exchange differences	(3,890)	-	-	-	-	(3,890)
Balance, April 30, 2020	1,667,709	509,710	3,439,733	86,800	-	5,703,952

Carrying amounts	**Internally developed software** $	**Acquired software** $	**Customer trading relationships** $	**Trade Name & Non-Compete** $	**Goodwill**	**Total** $
Balance, October 31. 2019	1,297,587	86,411	1,876,550	650,200	1,238,319	5,149,068
Balance, April 30, 2020	1,260,004	64,886	1,758,550	583,200	1,309,701	4,976,341

(Expressed in U.S. Dollars)

11. Leases

Lease liabilities are presented in the statement of financial position as follows:

	April 30, 2020	October 31, 2019
	$	$
Current lease liabilities	1,757,868	-
Non-current lease liabilities	4,110,602	-
Total	5,868,470	-

The Company has leases for corporate offices as well as its retail store locations. With the exception of short-term leases and leases of low-value underlying assets, each lease, meeting the definition under IFRS 16, is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate (such as lease payments based on a percentage of Company sales) are excluded from the initial measurement of the lease liability and asset. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment (see Note 9).

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublet the asset to another party, the right-of-use asset can only be used by the Company. Leases are either non-cancellable or may only be cancelled by incurring a substantial termination fee. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security. For leases over corporate offices and retail store locations, the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease.

The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognized on balance sheet:

Right-of-use asset	No of right-of-use assets leased	Range of remaining term	Average remaining lease term	No of leases with extension options	No of lease with options to purchase	No of leases with variable payments linked to an index	No of leases with termination options
Equipment	1	4 years	4	1	-	-	-
Corporate offices	12	0-14 years	4	5	-	-	-
Retail store locations	20	0-7 years	2	1	-	-	1
Total	**33**	**0-14 years**	**2**	**7**	**0**	**0**	**1**

The lease liabilities are secured by the related underlying assets. Future minimum lease payments at April 30, 2020 were as follows:

	Within 1 Year	1-2 years	2-3 years	3-4 years	4-5 years	After 5 Years	Total
Lease payments	1,990,598	1,491,006	644,649	431,152	377,803	1,885,496	6,820,704
Finance charges	232,873	155,960	115,904	98,170	84,156	265,163	952,234
Net present values	1,757,725	1,335,046	528,745	332,982	293,647	1,620,333	5,868,470

(Expressed in U.S. Dollars)

11. Leases (continued)

The Company has elected not to recognize a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. In addition, the Company has not recognized a right-of-use asset or lease liability with respect to leases identified where the lessor was determined to have substantive substitution rights. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognized as lease liabilities and are expensed as incurred.

The expense relating to payments not included in the measurement of the lease liability is as follows:

	Six-months ended		Three-months ended	
	April 30, 2020	April 30, 2019	April 30, 2020	April 30, 2019
	$	$	$	$
Leases with substantial substitution rights	362,946	-	183,222	-
Short-term leases	108,743	-	56,707	-
Variable lease payments	272,523	-	106,817	-
Total	744,212	-	346,745	-

At April 30, 2020, the Company was committed to short-term leases and the total commitment at that date was $117,772.

Total cash outflow for leases for the six-months ended April 30, 2020 was $1,191,453.

Additional information on the right-of-use assets by class of assets is as follows:

	Carrying Amount	Depreciation Expense	Impairment
	$	$	$
Equipment	5,012	1,089	-
Corporate offices	2,772,699	298,646	-
Retail store locations	2,431,697	736,722	-
Total right-of-use assets	5,209,408	1,036,457	-

12. Seasonality of Operations and Impact of Global Pandemic

Seasonality is reflected in the timing of when foreign currencies are in greater or lower demand. In a normal operating year there is some seasonality to the Company's operations with higher commissions generally from March until September and lower commissions from October to February. This coincides with peak tourism seasons in North America when there are generally more travelers entering and leaving the United States and Canada.

On March 11, 2020 the World Health Organization (WHO) officially declared COVID-19, the disease caused by a novel coronavirus, a pandemic. The spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada and the United States of America, businesses have been forced to cease or limit operations for long or indefinite periods of time. Measures have been taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of nonessential services. These measures have triggered significant disruptions to business worldwide, resulting in reduced economic activity. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

12. Seasonality of Operations (continued)

The Company closed all of its retail locations on or around March 24, 2020, and they remained closed at April 30, 2020 with most of the retail employees furloughed. In addition, many of its commercial customers have been impacted by the pandemic, resulting in reduced demand for banknotes. While the Company continues to operate, it is not possible to reliably estimate the duration and severity of these consequences as well as their impact on the financial position and results of future periods.

13. Lines of Credit

On April 21, 2020 the Company received a loan in the amount of $2,397,000 from the Small Business Administration (SBA) under the Coronavirus Aid, Relief and Economic Security Act (CARES). The loan bears interest at 1% per annum and matures two years from the date of receipt, with no penalty for early payment. The loan may be forgiven if certain criteria are met.

The Company maintains a line of credit to meet borrowing needs during peak business periods. The Company has a revolving line of credit with BMO Harris Bank, N.A. which was increased in July of 2018 to $20,000,000. The credit line is secured against the Company's cash and other non-cash assets. The line of credit bears interest at Libor plus 2.0% (at April 30, 2020 – 0.68% (2019 – 2.3%)). At April 30, 2020, the balance outstanding was $16,982,420 (October 31, 2019 - $Nil).

In April of 2017, the Company's wholly-owned Canadian subsidiary, EBC, established a CDN$3,000,000 revolving line of credit with Bank of Montreal which was increased in June of 2018 to CDN$6,000,000 ($4,534,119) being secured against cash assets held in its vaults. The line of credit bears interest at CDN prime plus 0.5% [at April 30, 2020 – 2.45% (2019 – 3.95%)]. At April 30, 2020, the balance outstanding was $1,963,045 (October 31, 2019 - $472,736).

Interest expense relates to interest payments on lines of credit. Interest expense for the three-and six-month period ended April 30, 2020 was $149,103 and $287,305 (April 30, 2019 - $67,097 and $186,875).

14. Fair Value Measurement of Financial Instruments

IAS 34 requires that interim financial statements include certain disclosures about the fair value of financial instruments as set out in IFRS 13 and IFRS 7. These disclosures include the classification of fair values within a three-Level hierarchy. The three Levels are defined based on the observation of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) 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 or indirectly
- Level 3: unobservable inputs for the asset or liability

The fair value determination is the estimated amount that the Company would receive to sell a financial asset or pay to transfer a financial liability in an orderly transaction between market participants at the measurement date.

There were no transfers between Level 1 and Level 2 during the three-and six-month period ended April 30, 2020 and the year ended October 31, 2019. The following table shows the Levels within the hierarchy of financial assets and liabilities measured at fair value.

(Expressed in U.S. Dollars)

14. Fair Value Measurement of Financial Instruments (continued)

	At April 30, 2020			
	Level 1	**Level 2**	**Level 3**	**Total**
	$	**$**	**$**	**$**
Financial assets				
Cash	79,639,018	-	-	79,639,018
Forward and option contract assets	-	1,999,650	-	1,999,650
Total Assets	79,639,018	1,999,650	-	81,638,668

	At October 31, 2019			
	Level 1	**Level 2**	**Level 3**	**Total**
	$	**$**	**$**	**$**
Financial assets				
Cash	62,873,873	-	-	62,873,873
Forward and option contract assets	-	1,735	-	1,735
Total Assets	62,873,873	1,735	-	62,875,608

Cash (Level 1)

The Company's cash balances consisting of local and foreign currency notes held in tills, vaults, bank accounts, and in transit are based upon foreign exchange rates quoted in active markets as of April 30, 2020 and October 31, 2019.

Forward and option contract positions (Level 2)

The Company's forward contract positions are not traded in active markets. The fair value of these instruments has been determined using observable forward exchange rates. The effects of non-observable inputs are not significant for foreign contract positions.

Due to their short-term nature, the carrying value of the following financial instruments approximates their fair value at the balance sheet date:

- Accounts receivable
- Restricted cash held in escrow
- Accounts payable and accrued expenses
- Line of credit
- Contract liability
- SBA loan

15. Risk Management

The Company's activities expose it to a variety of financial risks: credit risk, foreign currency risk, interest rate risk, and liquidity risk. The Company's risk management policies are designed to minimize the potential adverse effects on the Company's financial performance.

Financial risk management is carried out by the Chief Financial Officer ("**CFO**") under policies approved by senior management and the Board of Directors. Policies are in place to evaluate and monitor risk and in some cases, prescribe that the Company hedge its financial risks.

The analysis below presents information about the Company's exposure to each of these financial risks arising from financial instruments and the Company's objectives, policies and processes for measuring and managing these risks.

(Expressed in U.S. Dollars)

15. Risk Management (continued)

Credit Risk

Credit risk is the risk of financial loss associated with counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash in bank accounts, accounts receivable and forward contracts from hedging counterparties.

All banking relationships are negotiated by senior management. The Company maintains accounts in high quality financial institutions. At various times, the Company's bank balances exceed insured limits.

The credit risk associated with accounts receivable is limited, as the Company's receivables consist primarily of bulk currency trades with a settlement cycle of 24 to 48 hours. The majority of the Company's receivables reside with banks, money service business customers and other financial institutions. Due to seasonality, amounts in accounts receivable are usually at their highest during peak periods. They are low at April 30, 2020 due to the reduction in economic activity caused by COVID-19 related impacts. The company has longstanding relationships with most of its money service business customers and has a strong repayment history. However, one of the Company's wholesale customers filed for bankruptcy protection on April 29, 2020, resulting in a provision for loss for the receivable amount of $1,012,946.

For the purpose of risk control, the customers are grouped as follows: domestic and international banks, money service businesses, and other customers. Credit limits are established for each customer, whereby the credit limit represents the maximum open amount without requiring payments in advance. These limits are reviewed regularly by senior management.

A breakdown of accounts receivable by category is below:

	At April 30, 2020	At October 31, 2019
Customer type	**$**	**$**
Domestic and international banks	1,141,564	2,575,497
Money service businesses	1,271,025	7,274,152
Other	134,044	693,603
Total	2,546,633	10,543,252

The maximum exposure to credit risk is represented by the carrying amount of each financial asset on the statement of financial position. There are no commitments that could increase this exposure to more than the carrying amount.

Foreign Currency Risk

The volatility of the Company's foreign currency holdings may increase as a result of the political and financial environment of the corresponding issuing country. Several currencies have limited exchange rate exposure as they are pegged to the U.S. Dollar, the reporting currency of the Company. Management believes its exposure to foreign currency fluctuations is mitigated by the short-term nature and rapid turnover of its foreign currency inventory, as well as the use in certain instances of forward contracts to offset these fluctuations. Due to their nature, some minor and exotic foreign currencies cannot be hedged or are too cost prohibitive to hedge.

15. Risk Management (continued)

In order to mitigate the risks associated with holding these foreign currencies, the Company assigns wider bid/ask spreads and maintains specific inventory targets to minimize the impact of exchange rate fluctuations. These targets are reviewed regularly and are increased or decreased to accommodate demand within acceptable risk tolerances. The amount of unhedged inventory held in tills, vaults and in transit at April 30, 2020 was approximately $6,533,000 (October 31, 2019 - $$6,860,000). The amount of currency that is unhedged and that is not pegged to the U.S. Dollar is approximately $5,686,000 (October 31, 2019- $5,464,000). A 2% increase/reduction in the market price for the aggregate of the Company's unhedged/un-pegged foreign currencies would result in an exchange gain/loss of approximately +$114,000/-$114,000 (October 31, 2019 gain/loss of approximately +$109,000/-$109,000).

On a consolidated basis, the Company is also exposed to foreign currency fluctuations between the U.S. Dollar and the Canadian Dollar, being the functional currency of its Canadian subsidiary. The Company does not hedge its net investment in its Canadian subsidiary and the related foreign currency translation of its earnings.

Interest Rate Risk

At April 30, 2020, the Company had access to interest bearing financial instruments in cash, short term accounts payable and line of credit. A significant amount of the Company's cash is held as foreign currency bank notes in tills and vaults. These amounts are not subject to interest rate risk. Cash held in some of the Company’s accounts are interest bearing; however, since prevailing interest rates are low there is minimal interest rate risk. Borrowings bear interest at variable rates. Cash and borrowings issued at variable rates expose the Company to cash flow interest rate risk. For the interest rate profile of the Company's interest-bearing financial liabilities, refer to Note 13.

The Company manages interest rate risk in order to reduce the volatility of the financial results as a consequence of interest rate movements. For the decision whether new borrowings shall be arranged at a variable or fixed interest rate, senior management focuses on an internal long-term benchmark interest rate and considers the amount of cash currently held at a variable interest rate. Currently the interest rate exposure is un-hedged.

If interest rates had been 50 basis points higher/lower with all other variables held constant, after tax profit for the three-month period ended April 30, 2020 would have been approximately +$13,600/-$13,600 higher/lower as a result of credit lines held at variable interest rates.

Liquidity Risk

Liquidity Risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

The CFO informs the Chief Executive Officer, the Board of Directors, and the Audit Committee of capital and liquidity issues as they occur in accordance with established policies and guidelines. The Company targets to have a cash reserve or credit lines greater than 15% of the Company's prior year's revenues. Management has assessed the Company’s cash position at April 30, 2020 and determined that it is sufficient to meet its financial obligations despite the reduction in revenue related to COVID-19.

(Expressed in U.S. Dollars)

15. Risk Management (continued)

The following are non-derivative contractual financial liabilities:

At April 30, 2020				
Non-derivative financial liabilities	**Carrying amount**	**Estimated contractual amount**	**This fiscal year**	**Future fiscal years**
	$	**$**	**$**	**$**
Accounts payable	7,545,807	7,545,807	7,545,807	$Nil
Line of credit	18,945,465	18,945,465	18,945,465	$Nil
Accrued expenses	1,471,465	1,424,743	1,424,743	$Nil
SBA loan	2,397,000	2,397,000	2,397,000	$Nil
Contract liability	56,461	56,461	$Nil	56,461

At October 31, 2019				
Non-derivative financial liabilities	**Carrying amount**	**Estimated contractual amount**	**Next fiscal year**	**Future fiscal years**
	$	**$**	**$**	**$**
Accounts payable	12,583,741	12,583,741	12,583,741	$Nil
Line of credit	472,736	472,736	472,736	$Nil
Accrued expenses	2,767,711	2,437,831	2,437,831	$Nil
Contract liability	266,392	266,392	$Nil	266,392

The Company had available unused lines of credit amounting to $5,367,979 at April 30, 2020 (October 31, 2019 - $24,086,534).

Capital Management

The Company manages capital through its financial and operational forecasting processes. The Company defines working capital as total current assets less current liabilities. The Company reviews its working capital and forecasts its cash flows based on operating expenditures, and other investing and financing activities related to its daily operations.

	At April 30, 2020	**At October 31, 2019**
Current assets	86,563,987	75,333,620
Current liabilities	(32,174,066)	(16,400,679)
Working capital	54,389,921	58,932,941

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, obtaining loan financing, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the Board of Directors on an ongoing basis.

(Expressed in U.S. Dollars)

16. Foreign Currency Forward and Option Contracts

The Company enters into foreign currency forward and purchase put option contracts to mitigate the risk of fluctuations in the exchange rates of its holdings of major currencies. Changes in the fair value of the contracts and the corresponding gains or losses are recorded daily and are included in commission revenues on the consolidated statements of operations and other comprehensive income. The Company's management strategy is to reduce the risk of fluctuations associated with foreign exchange rate changes.

The foreign currency forward contracts can be closed immediately resulting in the collateral being liquidated. The foreign currency option contracts are held to maturity and are either exercised for a net gain or expire at no obligation to the Company.

The fair value of forward and option contracts, which represents the amount that would be received/(paid) by the Company if the forward contracts were terminated at April 30, 2020 was $1,999,650 (October 31, 2019 - $1,735).

At April 30, 2020 and October 31, 2019, approximately $293,957 and $644,657, respectively, were being held as collateral on these contracts and are reflected as restricted cash held in escrow in the consolidated statements of financial position. See Note 8.

17. Equity

Share Capital

The authorized share capital consists of 100,000,000 common shares. The common shares have a par value of $1.00. The options exercised during the current and prior periods are summarized as follows:

Period exercised	Number of shares	USD value	CDN$ value
Q3 2018	132,258	1,495,848	1,957,765
Q4 2018	11,981	211,740	280,767
Q1 2019	6,424	63,272	83,870
Q2 2019	-	-	-
Q3 2019	-	-	-
Q4 2019	845	61,316	84,212
Q1 2020	-	-	-
Q2 2020	-	-	-

Stock options

The Company offers an incentive stock option plan which was established April 28, 2011, and was amended most recently October 20, 2017 (the "**Plan**"). The Plan is a rolling stock option plan, under which 10% of the outstanding shares at any given time are available for issuance thereunder. The purpose of the Plan is to promote the profitability and growth of the Company by facilitating the efforts of the Company to attract and retain directors, senior officers, employees, and management. Under the terms of the Plan, vesting for management under the Plan will occur 1/3 upon the first anniversary, 1/3 upon the second anniversary and 1/3 upon the third anniversary of the grant, while vesting for directors under the plan will occur equally on a quarterly basis in the first year after the grant. All the options have a five-year term, unless otherwise specified by the Board of Directors.

(Expressed in U.S. Dollars)

17. Equity (continued)

The outstanding options at April 30, 2020 and the respective changes during the periods are summarized as follows:

	Number of options #	Weighted average price CDN$
Outstanding at October 31, 2018	424,495	27.42
Granted	354,410	17.80
Exercised	(7,269)	21.47
Cancelled through cashless exercise	(27,500)	17.19
Forfeited	(35,770)	30.08
Outstanding at October 31, 2019	708,366	22.93
Outstanding at April 30, 2020	708,366	22.93

The October 23, 2019 grant of 228,754 options was made outside of the Company's stock option plan, and in accordance with the policies of TSX was approved by the shareholders on March 25, 2020.

18. Earnings per Share

The calculation of earnings per share is presented below. Diluted earnings per share for the three-and six-month period ended April 30, 2020 include all stock option grants with the exception of the options granted October 30, 2015, March 11, 2016, October 26, 2016, June 6, 2017, October 26, 2017, August 9, 2018, October 23, 2018, January 23, 2019, March 4, 2019, and October 23, 2019 as the strike price exceeded the average stock price for the period.

	Six-months ended		Three-months ended	
	April 30, 2020	April 30, 2019	April 30, 2020	April 30, 2019
Basic				
Net income	($2,783,676)	$334,559	($2,942,948)	$507,370
Weighted average number of shares outstanding	6,414,936	6,411,057	6,414,936	6,414,091
Basic earnings per share	($0.43)	$0.05	($0.46)	$0.08
Diluted				
Net income	($2,783,676)	$334,559	($2,942,948)	$507,370
Weighted average number of shares outstanding	6,414,936	6,426,700	6,414,936	6,422,638
Diluted earnings per share	($0.43)	$0.05	($0.46)	$0.08

(Expressed in U.S. Dollars)

19. Operating Expenses

	Six-months ended		Three-months ended	
	April 30, 2020	April 30, 2019	April 30, 2020	April 30, 2019
	$	$	$	$
Salaries and benefits	9,601,119	8,901,073	4,702,598	4,332,553
Rent	759,985	1,814,417	354,492	928,768
Legal and professional	1,209,834	1,370,173	499,604	639,869
Postage and shipping	1,785,487	2,100,630	806,535	1,220,692
Stock based compensation	498,263	314,339	240,790	200,963
Travel and entertainment	304,350	332,279	109,521	149,377
Bank service charges	604,766	372,698	324,195	201,069
Software maintenance	696,780	533,787	379,793	246,795
Losses and shortages	195,692	101,373	57,671	72,567
Insurance	219,596	226,437	115,237	109,411
Bad Debt Expense	1,012,946	-	1,012,946	-
Other general and administrative	462,241	492,572	36,320	277,453
Operating expenses	17,351,059	16,559,778	8,639,700	8,379,517

The Bad Debt Expense of $1,012,946 relates to a provision recorded for a receivable from a wholesale customer that filed for bankruptcy on April 29, 2020.

Rent expense was impacted by the adoption to IFRS 16 under the modified retrospective approach on November 1, 2019, and is not directly comparable to the six-month period ended April 30, 2020 *(see note 3)*

20. Compensation of Key Management Personnel and Related Party Transactions

In accordance with IAS 24 *Related Party Disclosures*, key management personnel are those persons having authority and responsibility for planning, directing and controlling activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company. The remuneration of directors and other members of key management personnel during the three-and six-month periods ended April, 2020 and 2019 was as follows:

	Six-months ended		Three-months ended	
	April 30, 2020	April 30, 2019	April 30, 2020	April 30, 2019
	$	$	$	$
Short-term benefits	1,469,924	1,236,059	820,004	611,970
Post-employment benefits	49,425	36,472	17,120	18,728
Stock based compensation	497,155	297,586	240,242	190,690
	2,016,504	1,570,117	1,077,367	821,388

The Company incurred legal and professional fees in the aggregate of $57,078 and $102,990 for the three- and six-month period ended April 30, 2020 (2019 - $90,922 and 175,822) charged by entities controlled by directors or officers of the Company.

(Expressed in U.S. Dollars)

20. Compensation of Key Management Personnel and Related Party Transactions (continued)

The Company has clients that are considered related parties through two of its directors. The Company generated $14,715 and $52,988 in revenue from these client's activities for the three-and six-month period ended April 30, 2020 (2019 – $13,035 and $34,690). As at April 30, 2020, accounts receivable included $79,049 from related parties (2019 - $73,611).

On October 1, 2011, the Company entered into an employment agreement with the President and CEO of the Company. Such agreement contains clauses requiring additional payments of a minimum of $450,000 to be made upon the occurrence of certain events such as a change of control of the Company or termination for reasons other than cause. As the likelihood of a change of control of the Company is not determinable, the contingent payments have not been reflected in the interim consolidated financial statements.

Advances between CXI and EBC are provided under a Revolving Line of Credit, renewed May 31, 2017; loans attract interest at LIBOR + 2%, are repayable on demand, and are unsecured. At April 30, 2020, the intercompany loan balance was $3,112,000 (October 31, 2019 - $11,250,000) and was eliminated upon consolidation.

Key management personnel and directors occasionally conduct transactions with the Company as individuals. Such transactions are immaterial individually and in total, including for the three-and six-month periods ending April 30, 2020 and 2019, and are conducted pursuant to the Company's policies.

All transactions with related parties as noted above are carried out in the normal course of business and at prevailing market rates.

21. Other Current Assets

	At April 30, 2020	At October 31, 2019
	$	$
Prepaid rent	75,396	296,102
Prepaid personnel	68,780	-
Prepaid computer software	115,019	175,517
Prepaid insurance	143,906	315,992
Prepaid advertising	8,333	20,833
Other current assets	489,950	461,659
Total	901,384	1,270,103

22. Potential Transaction

On July 9, 2018 the Company announced its wholly-owned subsidiary EBC has entered into a definitive agreement to acquire the assets of a business operating 22 years primarily in the province of Quebec from the private family owners who were advised by Laurentian Bank Securities. These assets include a total of approximately 400 corporate customers that are engaged in international payments. It is expected that approximately 10 employees will be retained and employed in EBC's new Montreal Office. The transaction is subject to regulatory approval and will not close until all approvals have been obtained.

23. Subsequent events

On May 14, 2020 the Company elected to make early repayment of the entire principal amount of the SBA loan (see note 10) for $2,398,506.31, including interest, thereby extinguishing all of its obligations under the CARES Act in respect of this loan.

As of June 11, 2020, the Company has reopened 17 of its retail branch locations in regions that have permitted businesses to open following closures mandated as a result of the COVID-19 pandemic.

The Company evaluated subsequent events through June 11, 2020, the date these condensed interim consolidated financial statements were issued. There were no other material subsequent events that required recognition or additional disclosure in the financial statements