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FINANCIAL STATEMENTS

**SHARE FAMILY AND COMMUNITY
SERVICES SOCIETY**

March 31, 2024

Limited Liability Partnership _____



Tompkins Wozny
Chartered Professional Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of
SHARE Family and Community Services Society

Qualified Opinion

We have audited the financial statements of SHARE Family and Community Services Society (the "Society"), which comprise the statement of financial position as at March 31, 2024 and the statements of changes in net assets, operations, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of the report, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at March 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Society derives revenue from donations and fundraising, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Society. Therefore, we were not able to determine whether any adjustments might be necessary to donation and fundraising revenue, excess of revenues over expenses, and cash flows from operations for the years ended March 31, 2024, current assets as at March 31, 2024, and net assets as at April 1 and March 31 for both the 2024 and 2023 years. The audit opinion on the financial statements for the year ended March 31, 2023 was modified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

INDEPENDENT AUDITOR'S REPORT

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

As required by the British Columbia Societies Act, we report that the accounting principles used in these financial statements have been applied on a basis consistent with that of the preceding year.

Tompkins Wozny LLP

Vancouver, Canada
June 16, 2024

Chartered Professional Accountants

SHARE Family and Community Services Society

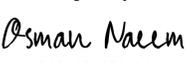
STATEMENT OF FINANCIAL POSITION

As at March 31

	2024	2023
	\$	\$
ASSETS		
Current		
Cash and term deposit <i>[note 3]</i>	6,957,864	5,210,988
Accounts receivable <i>[note 4]</i>	725,432	947,982
Prepaid expenses	247,288	272,173
	7,930,584	6,431,143
Capital assets <i>[note 5]</i>	940,078	1,097,250
	8,870,662	7,528,393
LIABILITIES		
Current		
Accounts payable and accrued liabilities <i>[note 6]</i>	1,471,862	1,500,357
Deferred revenue <i>[note 7]</i>	1,801,136	1,725,374
Deferred revenue - gaming grant <i>[note 8]</i>	105,000	209,483
	3,377,998	3,435,214
Deferred capital contributions <i>[note 9]</i>	1,670,964	261,041
	5,048,962	3,696,255
NET ASSETS	3,821,700	3,832,138
	8,870,662	7,528,393

Commitments *[note 15]*Economic dependence *[note 16]**See accompanying notes to the financial statements*

On behalf of the Board

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Director

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Director

SHARE Family and Community Services Society

STATEMENT OF CHANGES IN NET ASSETS

Year ended March 31

	Restricted				Total
	Invested in Capital Assets	Internally Restricted	Endowment Funds	Unrestricted Funds	
	\$	\$	\$	\$	\$
2024		<i>[note 10]</i>	<i>[note 10]</i>		
Balance, beginning of year	836,209	259,971	18,209	2,717,749	3,832,138
Excess of revenue (expenses) for the year	(190,162)	—	—	178,724	(11,438)
Endowment contributions	—	—	1,000	—	1,000
Purchase of capital assets (net of disposals)	123,067	—	—	(123,067)	—
Balance, end of year	769,114	259,971	19,209	2,773,406	3,821,700
2023					
Balance, beginning of year	930,079	259,971	17,209	2,235,097	3,442,356
Excess of revenue (expenses) for the year	(160,798)	—	—	549,580	388,782
Endowment contributions	—	—	1,000	—	1,000
Purchase of capital assets (net of disposals)	76,928	—	—	(76,928)	—
Grant used for purchase of capital assets	(10,000)	—	—	10,000	—
Balance, end of year	836,209	259,971	18,209	2,717,749	3,832,138

See accompanying notes to the financial statements

SHARE Family and Community Services Society

STATEMENT OF OPERATIONS

Year ended March 31

	2024	2023
	\$	\$
REVENUE		
Grants and contracts <i>[note 7]</i>	9,452,985	8,174,655
Donations and fundraising	2,505,487	2,277,791
Service operations	1,326,648	778,404
Community gaming grant <i>[note 8]</i>	459,696	330,427
Other income	248,125	475,024
Interest income	220,465	127,799
Amortization revenue <i>[note 9]</i>	90,077	111,492
Capital campaign and Pre-build <i>[note 11]</i>	—	114,329
	14,303,483	12,389,921
EXPENSES		
Salaries and benefits <i>[note 12]</i>	10,096,991	8,755,930
Program	1,432,175	741,998
Rent and other occupancy	1,003,541	958,252
Office	593,078	456,528
Purchased services	512,798	446,302
Amortization	280,239	272,290
Miscellaneous	283,972	250,553
Fundraising	112,127	119,286
	14,314,921	12,001,139
Excess of revenue (expenses) for the year	(11,438)	388,782

See accompanying notes to the financial statements

SHARE Family and Community Services Society

STATEMENT OF CASH FLOWS

Year ended March 31

	2024	2023
	\$	\$
OPERATING ACTIVITIES		
Excess of revenue (expenses) for the year	(11,438)	388,782
Items not affecting cash:		
Amortization revenue	(90,077)	(111,492)
Amortization of capital assets	280,239	272,290
	178,724	549,580
Changes in non-cash working capital items:		
Accounts receivable	222,550	(580,365)
Prepaid expenses	24,885	38,317
Accounts payable and accrued liabilities	(28,495)	347,901
Deferred revenue	(28,721)	273,934
Cash provided by operating activities	368,943	629,367
INVESTING AND FINANCING ACTIVITIES		
Acquisition of capital assets, net of disposals	(123,067)	(76,928)
Capital grant received	1,500,000	10,000
Cash contributions received for endowments	1,000	1,000
Cash provided by (used in) investing and financing activities	1,377,933	(65,928)
Increase in cash during the year	1,746,876	563,439
Cash, beginning of year	5,210,988	4,647,549
Cash, end of year	6,957,864	5,210,988

See accompanying notes to the financial statements



SHARE Family and Community Services Society

NOTES TO FINANCIAL STATEMENTS

March 31, 2024

1. INCORPORATION AND NATURE OF THE ORGANIZATION

SHARE Family and Community Services Society (the "Society") is incorporated under the Societies Act of British Columbia as a not-for-profit organization and is a registered charity, and thus is exempt from income taxes under the Income Tax Act ("the Act"). In order to maintain its status as a registered charity, the Society must meet certain requirements within the Act.

The Society exists to connect, engage, and strengthen individuals and families.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada and include the following significant accounting policies:

Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less at the date of acquisition. Cash subject to restrictions that prevent its use for general operations is included in restricted cash.

Capital assets

Capital assets are initially recorded at cost. Amortization is provided using the straight-line method over terms intended to amortize the cost of the assets over their estimated useful lives as follows:

Automotive	5 years
Computer equipment	3 years
Equipment	5 years
Office Equipment	5 years
Leasehold improvements	lease term

Revenue Recognition

The Society follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

SHARE Family and Community Services Society**NOTES TO FINANCIAL STATEMENTS**

March 31, 2024

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Revenue Recognition (Cont'd)**

Restricted investment income is initially deferred and recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Contributions of or for the purpose of acquiring capital assets are initially deferred and recognized as revenue on the same basis as the amortization of the related asset.

Revenues for service operations are recognized when the services have been provided and collection is reasonably assured.

Controlled entity

The Society has elected to not consolidate the accounts of 43 Housing Society, an entity controlled by the Society by virtue of common directors. A summary of the financial position and operations of 43 Housing Society as at March 31, 2024 and for the year then ended is included in Note 13 to these financial statements.

Employee future benefits

Certain of the Society's employees participate in a multiemployer benefit plan, the Municipal Pension Plan ("MPP"), for which there is insufficient information to apply defined benefit plan accounting because the actuary does not attribute portions of the surplus to individual employers. Accordingly, the Society is not able to identify its share of the plan assets and liabilities, and therefore, the Society uses defined contribution accounting for MPP contributions.

Measurement uncertainty

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization of capital assets and the related revenue from deferred contributions, is based on the estimated useful lives of capital assets. Accrued sick leave is estimated based on historical usage of sick time.

These estimates and assumptions are reviewed periodically and as adjustments become necessary they are reported in excess of revenues and expenses in the periods in which they become known.

SHARE Family and Community Services Society**NOTES TO FINANCIAL STATEMENTS**

March 31, 2024

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Volunteer services and contributed materials**

The Society benefits from services in the form of volunteer time and from contributed materials. Because of the difficulty in determining their fair value, volunteer services and contributed materials are not recognized in the financial statements.

Financial instruments

The Society recognizes a financial instrument when the Society becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

Financial instruments quoted in an active market and derivatives are subsequently measured at fair value, with gains and losses being recorded in the statement of operations. Financial assets quoted in an active market and derivatives are subsequently measured at fair value, with change in fair value recorded in the statement of operations. At initial recognition, the Society may irrevocably elect to subsequently measure any other financial instrument at fair value. The Society has not made such an election during the year. Other financial assets and liabilities are subsequently measured at amortized cost, with transaction costs and financing fees added to the carrying amount of the financial instruments. Such costs are expensed for instruments subsequently measured at fair value.

Financial asset impairment

The Society assesses impairment of all of its financial assets measured at cost or amortized cost annually. When there is an indication of impairment, the Society determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year. If so, the Society reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets; and the amount expected to be realized by exercising any rights to collateral held against those assets. Any impairment is included in current year excess of revenues over expenses. The Society reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal may not exceed the amount of the original impairment and is recognized in the excess of revenues over expenses in the year the reversal occurs.

SHARE Family and Community Services Society

NOTES TO FINANCIAL STATEMENTS

March 31, 2024

3. CASH AND TERM DEPOSIT

	2024	2023
	\$	\$
Cash	6,610,827	4,863,951
Term deposit - short-term	347,037	347,037
	6,957,864	5,210,988
Unrestricted	5,837,160	4,217,529
Restricted for:		
Gaming grant <i>[note 8]</i>	105,000	209,483
Ministry of Children and Family Development	655,842	510,512
Fraser Health	359,862	273,464
	6,957,864	5,210,988

Restricted cash for Ministry of Children and Family Development as well as with Fraser Health consists of surplus after delivery of the services as required in each of the respective service agreements. The amounts are not allowed to be used for any purpose without specific direction and are included under deferred revenue *[note 7]*.

The term deposit matures on June 16, 2024, and bears interest at a fixed rate of 3.00% [2023 - 1.80%] per annum.

The Society has an operating line of credit with maximum availability of \$70,000 [2023 - \$70,000]. The operating line of credit bears interest at prime plus 1% per annum and any funds advanced are due on demand. At March 31, 2024, there is no balance outstanding on the operating line of credit [2023 - \$Nil].

4. ACCOUNTS RECEIVABLE

	2024	2023
	\$	\$
Operations and other	415,771	512,391
Due from controlled entity <i>[note 13]</i>	195,818	350,831
Government - GST	54,455	49,586
Loans receivable - Rentbank program clients	74,235	43,967
Allowance for doubtful accounts	(14,847)	(8,793)
	725,432	947,982

SHARE Family and Community Services Society

NOTES TO FINANCIAL STATEMENTS

March 31, 2024

5. CAPITAL ASSETS

	Cost \$	Accumulated Amortization \$	Net Book Value \$
2024			
Automotive	474,653	444,419	30,234
Computer equipment	652,908	494,495	158,413
Equipment	178,505	140,427	38,078
Office equipment	253,515	148,115	105,400
Leasehold improvements	776,310	168,357	607,953
	2,335,891	1,395,813	940,078
2023			
Automotive	474,653	369,552	105,101
Computer equipment	539,857	397,745	142,112
Equipment	175,961	117,683	58,278
Office equipment	246,043	111,608	134,435
Leasehold improvements	776,310	118,986	657,324
	2,212,824	1,115,574	1,097,250

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2024 \$	2023 \$
Operations and other	197,627	152,838
Payroll liabilities - sick leave	416,190	313,788
- vacation	406,455	325,853
- wages	201,170	523,929
- banked overtime	106,155	66,277
Government remittances - Municipal Pension Plan	76,032	63,799
- WorkSafeBC	68,233	53,873
	1,471,862	1,500,357

SHARE Family and Community Services Society

NOTES TO FINANCIAL STATEMENTS

March 31, 2024

7. DEFERRED REVENUE

	Deferred Beginning of Year \$	Received & Receivable (Net of Repayments) \$	Revenue Earned \$	Deferred End of Year \$
FEDERAL				
Immigration, Refugees and Citizenship Canada	—	1,020,632	1,020,632	—
Employment and Social Development Canada	—	180,028	80,831	99,197
PROVINCIAL				
Ministry of Children and Family Development	510,512	4,130,192	3,984,862	655,842
Fraser Health	273,464	2,379,001	2,292,603	359,862
Ministry of Public Safety and Solicitor General	—	142,144	142,144	—
MUNICIPAL				
City of Coquitlam	25,000	74,885	66,884	33,001
OTHER				
Kinsight	—	682,150	580,078	102,072
United Way BC	98,080	543,857	548,018	93,919
Community Action Initiative	—	298,000	248,569	49,431
Law Foundation of BC	59,196	165,000	220,000	4,196
Providence Health Care	39,826	200,000	200,000	39,826
Others	9,720	74,322	68,364	15,678
	1,015,798	9,890,211	9,452,985	1,453,024
DONATIONS & FUNDRAISING	517,321	74,423	480,474	111,270
SERVICE OPERATIONS	176,534	554,004	515,742	214,796
CONTRIBUTIONS FOR PROJECTS	15,721	222,043	215,718	22,046
	1,725,374	10,740,681	10,664,919	1,801,136

8. DEFERRED REVENUE - GAMING GRANT

Deferred revenue - gaming grant represents B.C. Gaming contributions restricted for use in accordance with community gaming grant policies. Recognition of these amounts as revenue is deferred to periods when the specified expenditures are made. Changes in the deferred revenue - gaming grant balance are as follows:

	2024 \$	2023 \$
Balance, beginning of year	209,483	101,859
Amount received during the year	355,213	438,051
Less: Amount recognized as revenue during the year	(459,696)	(330,427)
Balance, end of year	105,000	209,483



SHARE Family and Community Services Society

NOTES TO FINANCIAL STATEMENTS

March 31, 2024

9. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represent contributions received for the purchase of property and equipment. These amounts are recognized as revenue on a straight line basis over the estimated life of the acquired property and equipment.

	2024	2023
	\$	\$
Balance, beginning of year	261,041	362,533
Contributions	1,500,000	10,000
Amortization revenue	(90,077)	(111,492)
	1,670,964	261,041

10. RESTRICTIONS ON NET ASSETS

Endowment funds

The net assets restricted for endowment purposes are subject to externally imposed restrictions stipulating that the resources be maintained permanently. Investment income on the endowment funds is unrestricted.

Internally restricted

The Board of Directors has restricted a portion of the Society's net assets for the following purposes:

	Balance, beginning of year	Designated in the year	Used during the year	Balance, end of year
	\$	\$	\$	\$
Foodbank / Christmas contingencies	250,000	—	—	250,000
Other	9,971	—	—	9,971
	259,971	—	—	259,971

11. CAPITAL CAMPAIGN AND PRE-BUILD

The Society on May 21, 2019, entered into a Memorandum of Understanding with another registered society and non-profit organization to conduct a fundraising Capital Campaign to raise funds for the Tri-Cities Children's Centre purchase and interior construction funds. The Campaign ended during the year ended March 31, 2023.

SHARE Family and Community Services Society

NOTES TO FINANCIAL STATEMENTS

March 31, 2024

12. DISCLOSURE OF REMUNERATION

Pursuant to the British Columbia Societies Act, the Society is required to disclose remuneration paid to employees and contractors who are paid \$75,000 or more during the fiscal year. Salaries, wages and benefits expense includes \$1,377,848 [2023 - \$1,245,422] paid to highest ten employees during the year. Contractor expense includes \$83,524 [2024 - \$Nil] to one contractor. No remuneration was paid to any members of the board.

13. CONTROLLED ENTITY

The Society controls 43 Housing Society as it currently provides all personnel, facilities and administrative services necessary to the operation of 43 Housing Society and the two Societies have a common board of directors.

43 Housing Society was established to maintain and operate, on a not-for-profit basis, affordable rental housing for low and modest income residents of the Coquitlam, Port Coquitlam, and Port Moody, British Columbia. 43 Housing Society was incorporated under the Society Act of British Columbia and is a registered charity, and thus is exempt from income taxes under the Income Tax Act.

During the year, the Society provided administrative services and staffing for 43 Housing Society for which it received a fee of \$748,753 [2023 - \$487,696] included in service operations revenues. The fees charged were for transactions conducted in the normal course of operations and measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. Included in accounts receivable [note 4] at March 31, 2024 is \$195,818 [2023 - \$350,831] due from 43 Housing Society.

A summary of the financial position, results of operations and cash flows of 43 Housing Society is as follows:

	2024	2023
	\$	\$
Total assets	35,884,632	36,088,428
Total liabilities	(34,710,183)	(36,190,743)
Net assets (deficiency)	1,174,449	(102,315)
Total revenue	6,073,338	4,784,647
Total expenses	(4,796,574)	(3,394,540)
Excess of revenue over expenses	1,276,764	1,390,107
Cash flow from operations	1,630,829	1,293,448
Cash flow from financing and investing activities	(1,335,699)	(1,586,617)
Increase (decrease) in cash	295,130	(293,169)

SHARE Family and Community Services Society

NOTES TO FINANCIAL STATEMENTS

March 31, 2024

14. EMPLOYEE PENSION BENEFITS

The Society and its employees contribute to the Municipal Pension Plan of British Columbia, a multi-employer defined benefit pension plan.

Employer contributions to the Municipal Pension Plan of \$643,586 [2023 - \$569,436] were expensed during the year. Every three years an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. The most recent actuarial valuation for the plan at December 31, 2021 indicated the plan is fully funded. The plan covers approximately 227,000 active employees, of which approximately 105 are employees of the Society.

15. COMMITMENTS

The Society has entered into commitments for lease agreements through fiscal 2042 for the rental of premises and equipment. Total minimum annual payments are as follows:

2025	\$	903,502
2026		491,820
2027		343,904
2028		304,406
2029		305,255
Thereafter		4,443,189
	\$	<u>6,792,076</u>

16. ECONOMIC DEPENDENCE

The Society's primary source of revenue is provincial government funding [note 7]. The funding can be cancelled if the Society does not comply with certain established guidelines. The Society's ability to continue viable operations is dependent upon compliance with criteria within these provincial government guidelines.

17. FINANCIAL INSTRUMENTS

The Society, as part of its operations, carries a number of financial instruments. It is management's opinion that the Society is not exposed to significant currency, or other price risks arising from these financial instruments except as otherwise disclosed. There has been no change in these risks over the prior year.

SHARE Family and Community Services Society**NOTES TO FINANCIAL STATEMENTS**

March 31, 2024

17. FINANCIAL INSTRUMENTS (CONT'D)**Interest rate risk**

Interest rate risk is the risk that the fair value of or cash flows related to a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with financial assets and liabilities with floating rates of interest and on the fair value of financial assets or liabilities with fixed rates of interest.

Liquidity risk

Liquidity risk is the risk that the Society will encounter difficulty in meeting obligations associated with financial liabilities. The Society's exposure to liquidity risk is dependent on the collection of accounts receivable, timing of accounts payable, purchasing commitments and obligations or raising funds to meet commitments and sustain operations.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Society's main credit risk relates to its accounts receivable. The Society believes that there is minimal risk associated with the collection of these amounts. The Society reviews and assesses receivables outstanding on a regular basis and provides allowances for uncollectible amounts.

18. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with current year presentation.