

**New Path Foundation**  
**Financial Statements**  
For the year ended March 31, 2022

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## Independent Auditor's Report

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### To the Board of Directors of New Path Foundation

#### Qualified Opinion

We have audited the accompanying financial statements of New Path Foundation (the "organization"), which comprise the statement of financial position as at March 31, 2022, and the statements of operations, changes in net assets 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 our report, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2022, 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 organization derives revenue from donations and fundraising activities 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 organization. Therefore, we were not able to determine whether any adjustments might be necessary to donation and fundraising revenues, excess of revenues over expenses, and cash flows from operations for the years ended March 31, 2022 and 2021, current assets as at March 31, 2022 and 2021, and net assets as at April 1 and March 31 for both the 2022 and 2021 years. Our audit opinion on the financial statements for the year ended March 31, 2021 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 organization 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 these 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 organization'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 organization or to cease operations, or has no realistic alternative but to do so.



Those charged with governance are responsible for overseeing the organization'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.
- 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 organization'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 organization'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 organization 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.

*BDO Canada LLP*

**Chartered Professional Accountants, Licensed Public Accountants**

Barrie, Ontario  
September 28, 2022

## New Path Foundation Statement of Financial Position

March 31	2022	2021
<b>Assets</b>		
<b>Current</b>		
Cash (note 2)	\$ -	\$ 236,595
Accounts receivable	183,685	82,857
Due from related party (note 7)	54,048	4,927
Prepaid expenses	19,011	18,480
Current portion of long-term receivable (note 3)	22,765	21,938
	279,509	364,797
Long-Term Receivable (note 3)	203,002	225,767
Capital Assets, at cost less accumulated amortization (note 4)	8,835,087	9,039,001
Trust Assets - Simcoe County Coalition Fund (note 5)	194,116	250,037
	\$ 9,511,714	\$ 9,879,602
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Bank indebtedness (note 2)	\$ 5,953	\$ -
Accounts payable and accrued liabilities	88,298	136,120
Government remittances payable	38,683	38,778
Loan payable to related party - current (note 7)	28,263	34,513
Deferred contributions	169,440	143,629
Current portion of long-term debt (note 6)	2,766,462	233,680
	3,097,099	586,720
Loan Payable to Related Party (note 7)	25,000	50,000
Deferred Contributions Related to Capital Assets (note 8)	1,177,870	1,226,145
Long-Term Debt (note 6)	1,796,667	4,563,109
Trust Liability - Simcoe County Coalition Fund (note 5)	194,116	250,037
<b>Commitments (note 9)</b>		
<b>Net Assets</b>		
Internally restricted reserve funds		
Richmond fund (note 10)	371,607	371,607
Thompson fund (note 10)	193,676	193,676
Unrestricted	2,655,679	2,638,308
	3,220,962	3,203,591
	\$ 9,511,714	\$ 9,879,602

On behalf of the Board:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

**New Path Foundation  
Statement of Changes in Net Assets**

<b>March 31</b>				<b>2022</b>	<b>2021</b>
	<b>Richmond Fund</b>	<b>Thompson Fund</b>	<b>Unrestricted</b>	<b>Total</b>	<b>Total</b>
	(note 10)	(note 10)			
<b>Balance, beginning of the year</b>	<b>\$ 371,607</b>	<b>\$ 193,676</b>	<b>\$ 2,638,308</b>	<b>\$ 3,203,591</b>	<b>\$ 3,188,575</b>
<b>Excess of revenues over expenses for the year</b>	<b>-</b>	<b>-</b>	<b>17,371</b>	<b>17,371</b>	<b>15,016</b>
<b>Balance, end of the year</b>	<b>\$ 371,607</b>	<b>\$ 193,676</b>	<b>\$ 2,655,679</b>	<b>\$ 3,220,962</b>	<b>\$ 3,203,591</b>

The accompanying notes are an integral part of these financial statements.

## New Path Foundation Statement of Operations

For the year ended March 31	2022	2021
<b>Revenues</b>		
Rental income and cost recoveries	\$ 1,635,986	\$ 1,560,505
Donations and fundraising	6,395	9,253
Amortization of deferred contributions related to capital assets (note 8)	87,844	84,616
Interest income	8,805	4,388
10% temporary wage subsidy (note 11)	-	6,104
	<b>1,739,030</b>	<b>1,664,866</b>
<b>Expenses</b>		
Advertising and promotion	1,030	4,737
Amortization of capital assets	271,760	267,009
Grants (note 9)	105,393	89,797
Insurance	37,490	36,820
Interest on long-term debt	180,617	190,457
Office expenses	67,752	51,981
Professional fees	37,196	75,512
Property taxes	194,018	194,937
Rental	-	2,072
Repairs and maintenance	231,630	226,510
Salaries and benefits	461,857	373,264
Sub-contracts	6,008	12,890
Travel expenses	4,630	4,546
Utilities	122,278	119,318
	<b>1,721,659</b>	<b>1,649,850</b>
<b>Excess of revenues over expenses for the year</b>	<b>\$ 17,371</b>	<b>\$ 15,016</b>

The accompanying notes are an integral part of these financial statements.

## New Path Foundation Statement of Cash Flows

For the year ended March 31	2022	2021
<b>Cash flows from operating activities</b>		
Excess of revenues over expenses for the year	\$ 17,371	\$ 15,016
Adjustment for items not involving cash		
Amortization of capital assets	271,760	267,009
Amortization of deferred contributions related to capital assets	(87,844)	(84,616)
	201,287	197,409
Net change in non-cash working capital balances related to operations		
Accounts receivable	(100,828)	29,627
Prepaid expenses	(531)	(7,694)
Accounts payable and accrued liabilities	(47,822)	(389)
Government remittances payable	(95)	230,446
Deferred contributions	25,811	31,050
	77,822	480,449
<b>Cash flows from investing activities</b>		
Acquisition of capital assets	(67,846)	(140,296)
Increase in long-term receivable	-	(34,679)
Repayment of long-term receivable	21,938	8,722
	(45,908)	(166,253)
<b>Cash flows from financing activities</b>		
Repayment of long-term debt	(233,660)	(228,898)
Net increase (decrease) in amount due to related party	(80,371)	29,222
Increase in deferred contributions related to capital assets	39,569	46,251
	(274,462)	(153,425)
<b>Net increase (decrease) in cash during the year</b>	(242,548)	160,771
Cash, beginning of the year	236,595	75,824
<b>Cash (bank indebtedness), end of the year</b>	\$ (5,953)	\$ 236,595

The accompanying notes are an integral part of these financial statements.

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# New Path Foundation Notes to Financial Statements

For the year ended March 31, 2022

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## 1. Significant Accounting Policies

<b>Nature and Purpose of Organization</b>	New Path Foundation (the "organization") is a non-profit organization incorporated without share capital under the laws of the Province of Ontario. The organization develops and manages philanthropic investment and mobilizes community support to meet the mental health needs of children, youth and families in Simcoe County, Ontario.
<b>Basis of Accounting</b>	The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.
<b>Revenue Recognition</b>	<p>The organization follows the deferral method of accounting for contributions.</p> <p>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.</p> <p>Externally restricted contributions are recognized as revenue in the year in which the related expenses are recognized.</p> <p>Contributions restricted for the purchase of capital assets are deferred and amortized into revenue on a straight-line basis at a rate corresponding with the amortization rate for the related capital asset.</p> <p>Rental income and cost recoveries are recorded in the period earned.</p>
<b>Use of Estimates</b>	The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. The principal estimates used in the preparation of these financial statements includes the estimated useful life of capital assets and the fair value of financial instruments. Actual results could differ from management's best estimates as additional information becomes available in the future.



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# New Path Foundation

## Notes to Financial Statements

For the year ended March 31, 2022

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### 1. Significant Accounting Policies (continued)

<b>Contributed Materials and Services</b>	<p>Contributions of materials and assets are recognized in the period they are donated at their fair market value when a fair value can be reasonably estimated and when the assets are used in the normal course of the organization's operations and would otherwise have been purchased.</p> <p>The organization is dependent on the voluntary services of many individuals. Contributed services are not recognized in the financial statements due to the inherent difficulty in valuing time of volunteers.</p>
<b>Income Taxes</b>	<p>The organization is not subject to federal or provincial income taxes pursuant to exemptions accorded to registered charities in the income tax legislation.</p>
<b>Financial Instruments</b>	<p>Financial Instruments are recorded at fair value at initial recognition. In subsequent periods, equities traded in an active market and derivatives are reported at fair value, with any unrealised gains and losses reported in operations. All other financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items remeasured at fair value at each statement of financial position date and charged to the financial instrument for those measured at amortized cost.</p>
<b>Impairment of Long Lived Assets</b>	<p>In the event that facts and circumstances indicate that the organization's long lived assets may be impaired, an evaluation of recoverability would be performed. Such an evaluation entails comparing the estimated future undiscounted cash flows associated with the asset to the asset's carrying amount to determine if a write down to market value or discounted cash flow is required. The organization considers that no circumstances exist that would require such an evaluation.</p>

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## New Path Foundation Notes to Financial Statements

For the year ended March 31, 2022

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### 1. Significant Accounting Policies (continued)

#### Capital Assets

Purchased capital assets are recorded at cost less accumulated amortization. Contributed capital assets are recorded at fair value at the date of contribution. Where fair value cannot be reasonably determined, contributed assets are recorded at a nominal value.

Construction in progress is not amortized until the capital asset is substantially complete and ready for use.

Amortization is provided on capital assets based on estimated useful life of the assets as follows:

Buildings	- 2.5% straight line basis
Building improvements	- 2.5% to 5% straight line basis
Computer equipment	- 25% straight line basis
Furniture and fixtures	- 10% straight line basis
Vehicle	- 20% straight line basis

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## New Path Foundation Notes to Financial Statements

For the year ended March 31, 2022

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### 2. Cash

The organization's bank account is held at a chartered bank. The chartered bank account earns interest at a variable rate dependent on the monthly minimum balance.

The organization has an operating line of credit facility available with the Royal Bank of Canada with an authorization limit of \$100,000 and interest at the bank's prime rate plus 1.25%. The balance outstanding on this credit facility as at March 31, 2022 was \$NIL (2021 - \$NIL). See note 6 for security on all of the Royal Bank of Canada credit facilities.

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### 3. Long-Term Receivable

	<u>2022</u>	<u>2021</u>
Community Connection, interest at 3.77%, repayable in monthly payments of principal and interest of \$2,562, maturity date of October 1, 2030	\$ 225,767	\$ 247,705
Less current portion due within one year	<u>(22,765)</u>	<u>(21,938)</u>
	<u>\$ 203,002</u>	<u>\$ 225,767</u>

Scheduled principal payments for the next five fiscal years and thereafter are as follows:

2023	\$ 22,765
2024	23,623
2025	24,514
2026	25,438
2027	26,397
Thereafter	<u>103,030</u>
	<u>\$ 225,767</u>

This long-term receivable relates to Community Connection's proportionate share of leasehold expenses at the Collingwood Common Roof which were paid by the organization. The agreement with Community Connection commenced September 24, 2020 when all of the leasehold expenses had been incurred.

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## New Path Foundation Notes to Financial Statements

For the year ended March 31, 2022

### 4. Capital Assets

	2022		2021	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
<b>Barrie Common Roof</b>				
Land	\$ 750,000	\$ -	\$ 750,000	\$ -
Building	1,325,009	530,003	1,325,009	496,878
Building improvements	1,114,041	755,096	1,091,831	700,504
	<b>3,189,050</b>	<b>1,285,099</b>	<b>3,166,840</b>	<b>1,197,382</b>
<b>Orillia Common Roof</b>				
Land	878,220	-	878,220	-
Building	4,420,728	1,215,700	4,420,728	1,105,182
Building improvements	791,009	149,084	791,009	129,309
	<b>6,089,957</b>	<b>1,364,784</b>	<b>6,089,957</b>	<b>1,234,491</b>
<b>Collingwood Common Roof</b>				
Land	1,275,000	-	1,275,000	-
Building	295,971	22,167	295,971	14,768
Building improvements	715,588	101,494	715,588	65,714
	<b>2,286,559</b>	<b>123,661</b>	<b>2,286,559</b>	<b>80,482</b>
Computer equipment	10,555	7,413	9,306	4,775
Furniture and fixtures	79,323	39,400	34,936	31,467
	<b>89,878</b>	<b>46,813</b>	<b>44,242</b>	<b>36,242</b>
	<b>\$11,655,444</b>	<b>\$ 2,820,357</b>	<b>\$ 11,587,598</b>	<b>\$ 2,548,597</b>
<b>Net book value</b>		<b>\$ 8,835,087</b>		<b>\$ 9,039,001</b>

During the current year the organization began the construction of an accessible washroom in the Barrie Common Roof. The cost to date of \$22,210 is included in the building improvements category in the Barrie Common Roof above, but no amortization has been recorded since the construction was not complete at year end.

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## New Path Foundation Notes to Financial Statements

For the year ended March 31, 2022

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### 5. Simcoe County Coalition Fund

Pursuant to the terms of an agreement between the organization and the Simcoe County Youth and Family Services Coalition, the organization has taken on the role of financial trustee of the Coalition and holds funds in a trust bank account for the Coalition.

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### 6. Long-Term Debt

	2022	2021
Royal Bank of Canada term loan, interest at 3.95%, repayable in monthly payments of principal and interest of \$19,273, maturity date of December 15, 2022	\$ 2,656,462	\$ 2,780,122
Royal Bank of Canada term loan, interest at 3.77%, repayable in monthly principal payments of \$9,167 plus interest, maturity date of July 31, 2024	1,906,667	2,016,667
	4,563,129	4,796,789
Less current portion due within one year	(2,766,462)	(233,680)
	\$ 1,796,667	\$ 4,563,109

Scheduled principal payments for the next three fiscal years are as follows:

2023	\$ 2,766,462
2024	110,000
2025	1,686,667
	\$ 4,563,129

The mortgages are secured by a general security agreement covering all assets of the organization, a collateral mortgage in the amount of \$2,292,500 on the Orillia property, a collateral mortgage in the amount of \$2,200,000 on the Barrie property, a collateral mortgage in the amount of \$1,610,000 on the Collingwood property, assignment of rents at the Collingwood property and certificate of insurance evidencing fire and other perils coverage on the Collingwood property showing the Bank as the first mortgage. In addition, the mortgage is guaranteed by New Path Youth & Family Counselling Services of Simcoe County, a related party, by way of a general security agreement and guarantees and postponement of claims in the amounts of \$5,213,000 (see note 7). In addition, the organization must maintain a debt service coverage ratio of not less than 1.10:1 at the end of each fiscal year.

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## New Path Foundation Notes to Financial Statements

**For the year ended March 31, 2022**

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### 7. Related Party Transactions

The organization is related to New Path Youth & Family Counselling Services of Simcoe County ("New Path Services") in that New Path Services is to receive some distributions of donations and grants by the organization.

The organization had the following transactions with New Path Services:

	2022	2021
Rental income and cost recoveries	\$ 407,529	\$ 363,130
Cost recoveries related to leasehold improvements for Collingwood Common Roof	5,680	13,762
Funds received from New Path Services	\$ 413,209	\$ 376,892
Grants and miscellaneous payments made to New Path Services	\$ 55,137	\$ 34,583

These transactions are in the normal course of operations and are measured at the exchange amount (the amount of consideration established and agreed to by the related entities).

At the end of the year, the amount due to/from related parties is as follows:

	2022	2021
Due from New Path Services	\$ 54,048	\$ 4,927
Loan payable to New Path Services - current	\$ 28,263	\$ 34,513
- long term	25,000	50,000
	\$ 53,263	\$ 84,513

This balance has arisen from the transactions set out above and as a result of a loan from New Path Services to the organization in the amount of \$250,000 that is repayable in annual installments of \$25,000. The balance is measured at the carrying amount. The loan is interest-free, except for in the event that the organization is unable to make the annual payment, interest is charged at 1%. During the year, the organization made payments on this loan of \$31,250 (2021 - \$18,750).

New Path Services has guaranteed the credit facilities of the organization (see note 6).

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## New Path Foundation Notes to Financial Statements

For the year ended March 31, 2022

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### 8. Deferred Contributions Related to Capital Assets

Deferred contributions represent the unamortized portion of restricted contributions used in the purchase of certain capital assets. The amortization of these contributions is recorded as revenue in the statement of operations.

	<u>2022</u>	<u>2021</u>
Balance, beginning of the year	\$ 1,226,145	\$ 1,264,510
Contributions received	39,569	46,251
Amounts amortized to revenue	<u>(87,844)</u>	<u>(84,616)</u>
Balance, end of the year	<u>\$ 1,177,870</u>	<u>\$ 1,226,145</u>

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### 9. Commitments

Tenants at the Barrie, Orillia and Collingwood buildings who are considered partner organizations and who have completed the minimum 10 year lease occupancy, are entitled under their lease agreement to receive an unrestricted sustainability grant (USG). This grant was originally set up to be calculated based on 60% of the rent paid by each tenant on dedicated space to be directed back to the tenant beginning in the 11th year of the agreement or when the mortgage is paid, whichever comes first. The first payments of the USG became payable in fiscal 2019 for tenants of the Barrie Common Roof. As a result, USG payments totaling \$70,594 (2021 - \$86,797) were made during the year. These payments will terminate at the end of the lease term, which currently extends to November 2026 for the partners of the Barrie Common Roof. The Orillia Common Roof USG payments will become payable in 2022 and the Collingwood Common Roof USG payments will become payable in 2031. The USG commitments are contingent on the current lease agreements with the partner organizations. Subsequent to year end, the USG payments are being renegotiated with the partner organizations.

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## New Path Foundation Notes to Financial Statements

**For the year ended March 31, 2022**

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### 10. Internally Restricted Reserve Funds

#### Richmond Fund

The Richmond Fund was established upon the amalgamation of the Robert Thompson Youth and Family Centre and the Richmond Youth and Family Centre (Orillia) in 2000. Upon amalgamation, property at 41 Frederick Street, Orillia, Ontario, investments and a Nevada Lottery Ticket License was transferred to the New Path Foundation. These funds are to be used at the discretion of the Board of Directors.

#### Thompson Fund

Thompson Fund was designed by the Board of Directors at the time when the organization changed its name from the Thompson Centre Community Foundation to New Path Foundation, following the merger of The Robert Thompson Youth and Family Centre and Richmond Youth and Family Centre. The net assets of the Thompson Centre Community Foundation were designated as the Thompson Fund of the New Path Foundation. These funds are to be used at the discretion of the Board of Directors.

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### 11. COVID-19

Due to the ongoing effects of the COVID-19 pandemic, the province of Ontario imposed closures and restrictions on many establishments during the year. As an essential business the organization continued operations and incurred additional costs to comply with government and internal policies to curb the spread of the virus. Specifically, the additional costs related to cleaning supplies and signage around the common roof buildings. Many staff also worked remotely during this time.

During the year, the organization received \$NIL (2021 - \$6,104) relating to the 10% Temporary Wage Subsidy (TWS), a Federal program designed to allow eligible employers to reduce the amount of payroll deductions required to be remitted to CRA, to combat the effects of the impact of the pandemic on the organization's operations

On March 1, 2022, the province of Ontario lifted nearly all of its COVID-19 restrictions. If the effects of COVID-19 worsen, there could be further impact on the organization, the tenants of the common roof buildings, its employees, suppliers and creditors. Management and the board of directors are actively monitoring the impacts on the organization's financial condition, liquidity, operations, suppliers and industry. At this time, the full financial impact of COVID-19 on the organization is not known.

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# New Path Foundation Notes to Financial Statements

For the year ended March 31, 2022

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## 12. Financial Instruments

### 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 organization is exposed to credit risk resulting from the possibility that a customer or counterparty to a financial instrument defaults on their financial obligations; if there is a concentration of transactions carried out with the same counterparty; or of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions. The organization is exposed to credit risk arising from its accounts receivable and its long-term receivable.

### Liquidity Risk

Liquidity risk is the risk that the organization will encounter difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the organization will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value, which is less than what they are worth; or may be unable to settle or recover a financial asset. Liquidity risk arises from accounts payable and accrued liabilities, government remittances payable, long-term debt and amounts due to related party.

### Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The organization is exposed to interest rate risk on its floating interest rate on the line of credit.

There has been no changes to the organization's financial instrument risk exposure from the prior year.

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## 13. Comparative Figures

Certain figures presented for the prior year have been restated to conform with the financial statement presentation of the current year.

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