

Chalice (Canada)
Financial Statements

June 30, 2018
(Audited)

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INDEPENDENT AUDITORS' REPORT

To The Members of the Board of Directors of
Chalice (Canada)

We have audited the accompanying financial statements of Chalice (Canada), which comprise the statement of financial position as at June 30, 2018 and the statements of changes in fund balances, operations and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Chalice (Canada) as at June 30, 2018 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.

MNP LLP

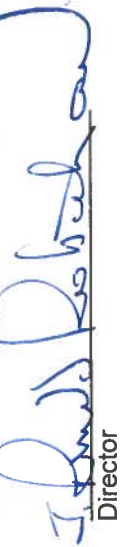
Chartered Professional Accountants,
Licensed Public Accountants

Dartmouth, Nova Scotia
October 29, 2018

CHALICE (CANADA)
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2018

	General Fund	HDP / CP Fund	Urgency Fund	Christmas Fund	Endowment Fund	2018 \$	2017 \$
ASSETS							
CURRENT ASSETS							
Cash	1,035,502	-	-	-	-	1,035,502	568,288
Short-term investments (note 3)	2,553,195	-	-	-	-	2,553,195	3,300,316
Prepaid expenses and deposits	20,512	-	-	-	-	20,512	25,640
HST receivable	121,401	-	-	-	-	121,401	53,011
Other receivables	23,812	-	-	-	-	23,812	280
Due from (to) other funds (note 4)	(1,542,095)	1,039,463	308,935	(33,441)	227,138	-	-
	2,212,327	1,039,463	308,935	(33,441)	227,138	3,754,422	3,947,535
INVESTMENTS (note 3)	5,869,864	-	-	-	-	5,869,864	6,144,929
CAPITAL ASSETS (note 5)	4,358,568	-	-	-	-	4,358,568	4,448,218
	12,440,759	1,039,463	308,935	(33,441)	227,138	13,982,854	14,540,682
LIABILITIES							
CURRENT LIABILITIES							
Accounts payable and accrued liabilities (including government remittances of \$26,358; 2017 - \$28,130)	1,168,447	-	-	-	-	1,168,447	845,287
Deferred contributions (note 6)	3,658,704	-	-	-	-	3,658,704	3,129,078
	4,827,151	-	-	-	-	4,827,151	3,974,365
DEFERRED CONTRIBUTIONS (note 6)	349,221	-	-	-	-	349,221	341,110
	5,176,372	-	-	-	-	5,176,372	4,315,475
FUND BALANCES							
Invested in capital assets	4,358,568	-	-	-	-	4,358,568	4,448,218
Restricted	-	1,039,463	308,935	(33,441)	227,138	1,542,095	2,134,327
Unrestricted general	2,905,819	-	-	-	-	2,905,819	3,642,662
	7,264,387	1,039,463	308,935	(33,441)	227,138	8,806,482	10,225,207
COMMITMENTS (note 7)	12,440,759	1,039,463	308,935	(33,441)	227,138	13,982,854	14,540,682

APPROVED ON BEHALF OF THE BOARD


 Director


 Director

CHALICE (CANADA)
STATEMENT OF CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2018

	Unrestricted Funds		Restricted Funds					2017 \$
	General Fund	Invested in Capital Assets	HDP / CP Fund	Urgency Fund	Christmas Fund	Endowment Fund	2018 \$	
Fund balances - beginning of year	3,642,662	4,448,218	1,235,126	668,447	5,821	224,933	10,225,207	8,236,621
(Deficiency) excess of revenues over expenditures	(595,416)	(219,885)	(212,650)	(359,512)	(39,262)	8,000	(1,418,725)	1,988,586
Investment in capital assets	(130,235)	130,235	-	-	-	-	-	-
Interfund transfers (note 8)	(11,192)	-	16,987	-	-	(5,795)	-	-
Fund balances - end of year	2,905,819	4,358,568	1,039,463	308,935	(33,441)	227,138	8,806,482	10,225,207

CHALICE (CANADA)
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED JUNE 30, 2018

	General Fund	HDP / CP Fund	Urgency Fund	Christmas Fund	Endowment Fund	2018 \$	2017 \$
REVENUES							
Sponsorship contributions	21,076,097	-	-	-	-	21,076,097	20,977,588
Special gift contributions	768,237	-	-	-	-	768,237	669,924
General contributions	973,945	-	-	-	-	973,945	1,231,366
Community projects fund contributions	-	956,584	-	-	-	956,584	1,083,135
Urgency fund contributions	-	-	325,217	-	-	325,217	931,538
Christmas donations	-	-	-	607,683	-	607,683	603,275
Endowment contributions	-	-	-	-	8,000	8,000	17,802
Scholarship contributions	-	-	-	-	-	-	11,300
Catalogue contributions	1,086,467	-	-	-	-	1,086,467	957,192
Investment income	207,873	-	-	-	-	207,873	197,862
Unrealized loss on investments	(95,201)	-	-	-	-	(95,201)	(171,448)
Realized gain on disposal of investments	-	-	-	-	-	-	617,374
Fundraising contributions and other revenues	1,001,386	-	-	-	-	1,001,386	1,491,475
Prayer ministry contributions	3,936	-	-	-	-	3,936	5,053
Mission trip contributions	80,322	-	-	-	-	80,322	62,517
	25,103,062	956,584	325,217	607,683	8,000	27,000,546	28,685,953
EXPENDITURES							
Program expenditures (see schedule)	22,955,802	1,169,234	684,729	646,945	-	25,456,710	24,047,232
Marketing expenditures (see schedule)	1,590,440	-	-	-	-	1,590,440	1,363,618
Administrative expenditures (see schedule)	1,152,236	-	-	-	-	1,152,236	1,051,860
Amortization	219,885	-	-	-	-	219,885	234,657
	25,918,363	1,169,234	684,729	646,945	-	28,419,271	26,697,367
Excess of (expenditures over revenue) revenues over expenditures	(815,301)	(212,650)	(359,512)	(39,262)	8,000	(1,418,725)	1,988,586

CHALICE (CANADA)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2018

	General Fund	HDP / CP Fund	Urgency Fund	Christmas Fund	Endowment Fund	2018 \$	2017 \$
CASH FLOWS (USED IN) FROM OPERATING ACTIVITIES							
Cash (used in) provided from operations							
Excess of (expenditures over revenue) revenues over expenditures	(815,301)	(212,650)	(359,512)	(39,262)	8,000	(1,418,725)	1,988,586
Items in earnings not involving cash							
Amortization	219,885	-	-	-	-	219,885	234,657
Unrealized loss on investments	95,201	-	-	-	-	95,201	171,448
Realized gain on disposal of investments	-	-	-	-	-	-	(617,374)
	(500,215)	(212,650)	(359,512)	(39,262)	8,000	(1,103,639)	1,777,317
Change in non-cash working capital balances							
Prepaid expenses and deposits	5,128	-	-	-	-	5,128	39,412
HST receivable	(68,390)	-	-	-	-	(68,390)	70,814
Other receivables	(23,532)	-	-	-	-	(23,532)	1,955
Accounts payable and accrued liabilities	323,160	-	-	-	-	323,160	143,008
Deferred contributions	537,737	-	-	-	-	537,737	216,344
	273,888	(212,650)	(359,512)	(39,262)	8,000	(329,536)	2,248,850
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES							
Advances from (to) other funds	(592,232)	195,663	359,512	39,262	(2,205)	-	-
Interfund transfers	(11,192)	16,987	-	-	(5,795)	-	-
	(603,424)	212,650	359,512	39,262	(8,000)	-	-
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES							
Proceeds on disposal of investments	3,337,901	-	-	-	-	3,337,901	7,525,461
Purchase of investments	(2,410,916)	-	-	-	-	(2,410,916)	(9,320,090)
Investment in capital assets	(130,235)	-	-	-	-	(130,235)	(52,172)
	796,750	-	-	-	-	796,750	(1,846,801)
CHANGE IN CASH DURING THE YEAR	467,214	-	-	-	-	467,214	402,049
CASH - beginning of the year	568,288	-	-	-	-	568,288	166,239
CASH - end of the year	1,035,502	-	-	-	-	1,035,502	568,288

CHALICE (CANADA)
SCHEDULE OF GENERAL FUND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2018

	Program Expenditures	Marketing Expenditures	Administrative Expenditures	2018 \$	2017 \$
Payments to overseas sites	21,263,219	-	-	21,263,219	20,182,356
Wages and salaries	1,201,473	929,362	578,284	2,709,119	2,404,408
Postage and courier	152,958	74,771	74,964	302,693	284,999
Bank charges and interest	25,123	223,350	5,219	253,692	222,626
Office	8,679	9,061	172,296	190,036	167,503
Mission trips	130,094	-	-	130,094	91,059
Printing	19,168	97,786	26,004	142,958	113,556
Travel and meetings	64,228	25,912	2,681	92,821	81,783
Printing and postage - newsletter	-	88,144	-	88,144	79,147
Professional fees	8,595	2,564	61,349	72,508	100,037
Rent and utilities	5,695	-	61,602	67,297	62,818
Property taxes	-	-	88,430	88,430	78,113
Miscellaneous	874	33,412	21,665	55,951	38,400
Other	1,616	2,771	4,854	9,241	54,343
Advertising and promotion	538	52,528	964	54,030	61,927
Walks	-	-	-	-	15,000
Prayer Ministry	71,951	-	-	71,951	31,505
Telecommunications	335	595	27,037	27,967	26,601
Missions appeals - stipends	-	24,100	-	24,100	16,757
Insurance	-	-	26,022	26,022	24,352
Conferences	1,256	8,396	865	10,517	11,583
Mission appeals - travel	-	17,688	-	17,688	13,439
	22,955,802	1,590,440	1,152,236	25,698,478	24,162,312

CHALICE (CANADA)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

1. NATURE OF OPERATIONS

The organization was incorporated on June 30, 1992 under the Canada Corporation Act. Chalice (Canada) is a charitable organization whose main purpose is to provide financial sponsorship to children and the aging in developing countries and to advance religion through the promotion of prayer by providing spiritual and educational resources nationally and internationally.

2. SIGNIFICANT ACCOUNTING POLICIES

Financial Statement Presentation

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) and include the following significant accounting policies:

Fund Accounting

Chalice (Canada) follows the restricted fund method of accounting for contributions.

The General Fund accounts for the organization's program delivery and administrative activities. The fund reports unrestricted resources and restricted resources for which there is not an appropriate restricted fund.

The Human Development Programs and Capital Projects Fund (HDP / CP Fund) reports restricted resources that are to be used to provide funding for specific community projects under the following categories: education, nutrition, water, health care, community development and emergency funding.

The Urgency Fund reports only restricted resources that are to be used to provide funding to projects when urgent circumstances arise. Within the Urgency Fund, contributions may be restricted to be used at specific locations. When there is no longer a need for those resources at the specific locations, the remaining resources, which are usually minimal, can be used at any location when urgent circumstances arise. Amounts restricted to specific locations are described in note 7.

The Christmas Fund reports the restricted resources that are to be used in providing additional resources at Christmas time.

The Endowment Fund reports resources contributed for endowment. Investment income earned on resources of the Endowment Fund is reported in the General Fund and is used for expenses which achieve the purpose of the endowment to which it relates.

Revenue Recognition

Restricted contributions related to general operations are recognized as revenue of the General Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributions for endowments are recognized as revenue in the Endowment Fund.

Unrestricted investment income earned on Endowment Fund resources is recognized as revenue of the General Fund. Other investment income is recognized as revenue of the General Fund when earned.

Rental revenue is recognized on a monthly basis as it is earned.

CHALICE (CANADA)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments

Investments include investments in guaranteed investment certificates, equities and mutual fund units.

The investments in guaranteed investment certificates are recorded at principal plus accrued interest, which approximates market value.

Equity investments and mutual fund units are recognized initially at fair value and transaction costs are taken directly to the statement of operations. They are subsequently remeasured at each year end at the fair value on the statement of financial position, with realized and unrealized gains and losses recorded in the statement of operations. Publicly traded securities are valued based on the latest bid prices and pooled funds are valued based on reported unit values. Such indicated fair values do not necessarily represent the realizable value subsequent to year end, which may be more or less than that indicated by market quotations.

Capital Assets

Capital assets are stated at cost. Amortization is provided by the diminishing balance method at the following annual rates:

Buildings	6%
Computer equipment	30%
Computer software	30%
Furniture and equipment	20%

Impairment of Long-Lived Assets

A long-lived asset is tested for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. Any impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value.

Income Taxes

Chalice (Canada) is a registered charitable organization and qualifies for tax-exempt status pursuant to paragraph 149 (1) (f) of the Income Tax Act.

Contributed Services

A number of volunteers contribute their time each year. Due to the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

Allocated Expenses

Wages and salaries for some employees have been allocated between programming, marketing and administration based on the estimated proportion of time spent by these employees. Of the total wages and salaries of \$2,709,119 (2017 - \$2,404,408), \$934,293 (2017 - \$766,366) was allocated between the three functions, and of this amount, \$359,280 (2017 - \$301,259) was allocated to program expenditures.

Use of Estimates

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, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the current period. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

CHALICE (CANADA)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments

Measurement of financial instruments

The organization initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions which are measured at the exchange amount.

The organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments and mutual fund units, which are measured at fair value. Changes in fair value are recognized in the statement of operations.

Financial assets measured at amortized cost include cash, investments not quoted in an active market and HST and other receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities. The carrying values as at June 30, 2018 approximate their fair values due to their relatively short term to maturity.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of any write-down is recognized in the statement of operations. Any previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of any reversal is recognized in the statement of operations.

Transaction costs

The organization recognizes its transaction costs in the statement of operations in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

3. INVESTMENTS

SHORT-TERM

Fixed Income - Guaranteed Investment Certificates:

	2018	2017
	\$	\$
Credit Union, redeemable guaranteed investment certificates, maturing between April 18, and June 28, 2019, with yields to maturity of 1.90% to 1.95%	2,548,100	3,300,000
Accrued interest on guaranteed investment certificates	5,095	316
	<u>2,553,195</u>	<u>3,300,316</u>

CHALICE (CANADA)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

3. INVESTMENTS (continued)

LONG-TERM

	2018	2017
	\$	\$
CIBC Investor's Edge, equity investments (cost - \$2,251,985; 2017 - \$3,551)	2,152,248	3,428
Investment in mutual funds (cost - \$163,859; 2017 - \$158,145)	221,491	209,981
Credit Union, redeemable guaranteed investment certificates, maturing between February 5 and February 14, 2020, with yields to maturity of 2.05%	3,469,700	5,900,000
Accrued interest on guaranteed investment certificates	26,425	31,520
	5,869,864	6,144,929

4. DUE FROM (TO) OTHER FUNDS

The transactions of the HDP / CP, Urgency, Christmas and Endowment Funds are administered through the main operating and investment accounts of the General Fund. As a result, at June 30, 2018, the balances of the respective funds have been set up as owing from (to) the General Fund. These loans are non-interest bearing, have no set terms of repayment and have been classified as current items on the statement of financial position.

5. CAPITAL ASSETS

	2018	2017	
	Cost	Accumulated Amortization	Net Book Value
	\$	\$	\$
Land	1,273,174	-	1,273,174
Buildings	4,085,757	1,102,893	2,982,864
Computer equipment	158,257	151,517	6,740
Computer software	323,742	279,920	43,822
Furniture and equipment	282,019	230,051	51,968
	6,122,949	1,764,381	4,358,568

Buildings include an asset with a cost of \$2,449,095 (2017 - \$2,341,607) and accumulated amortization of \$401,648 (2017 - \$274,391) of which approximately 30% of the building is currently being leased to a third party. The related rental revenue of \$124,265 (2017 - \$146,491) is included in 'Fundraising contributions and other revenues' on the Statement of Operations.

CHALICE (CANADA)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

5. CAPITAL ASSETS (continued)

Also included in buildings is an asset with a cost of \$1,636,662 (2017 - \$1,624,827) and accumulated amortization of \$701,245 (2017 - \$641,915) of which approximately 16% of the building came under lease to a third party beginning June 2018. The related rental revenue of \$2,968 (2017 - nil) is included in 'Fundraising contributions and other revenues' on the Statement of Operations.

6. DEFERRED CONTRIBUTIONS

Deferred contributions represent sponsorship and other revenue received in the current year that relates to subsequent years. Deferred contributions which relate to periods greater than one year have been presented as long-term.

The deferred contributions balance is comprised of the following externally restricted amounts for which there is not an appropriate restricted fund:

	2018	2017
	\$	\$
Deferred sponsorship contributions	3,041,537	3,036,260
Deferred scholarship contributions	47,580	47,580
Deferred catalogue contributions	918,808	386,348
	<u>4,007,925</u>	<u>3,470,188</u>
Less: long-term portion	349,221	341,110
	<u>3,658,704</u>	<u>3,129,078</u>

Changes in the deferred sponsorship contributions balance are as follows:

	2018	2017
	\$	\$
Beginning balance	3,036,260	3,068,808
Less: amount recognized as revenue during the year	(2,695,150)	(2,670,706)
Add: amount received related to subsequent years	2,700,427	2,638,158
	<u>3,041,537</u>	<u>3,036,260</u>

Changes in the deferred catalogue contributions balance are as follows:

	2018	2017
	\$	\$
Beginning balance	386,348	138,706
Less: amount recognized as revenue during the year	(1,086,466)	(957,192)
Add: amount received related to subsequent years	1,618,926	1,204,834
	<u>918,808</u>	<u>386,348</u>

CHALICE (CANADA)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

7. COMMITMENTS

The organization is leasing office equipment under a long-term lease, expiring August 2019, the annual rental of which is \$5,025.

The organization has committed funds in the amount of \$2,108,220 to various community projects in the following countries: Bolivia, Cameroon, Chili, Ghana, Haiti, India, Kenya, Paraguay and Ukraine. These funds are expected to be paid out as the community projects meet the requirements for the funding to be advanced.

The approximate payout for these community projects within the next three years is as follows:

	\$
2019	1,421,800
2020	551,420
2021	135,000

With respect to the amounts committed at June 30, 2018, there are amounts committed for which contributions have yet to be received. The HDP / CP Fund has a balance of \$1,039,463 while the commitment amount at June 30, 2018 totals \$2,108,220.

Subsequent to year-end, the organization also committed and approved additional amounts totaling \$82,515 to be paid for a community project in India of which nil has been paid to the date of the audit report. Considering both the amounts committed at year end and subsequent to year end, the remaining commitment of \$1,151,272 is underfunded but it is anticipated to be adequately funded by contributions to the HDP / CP Fund over the next three years.

At year end, the organization committed amounts to be paid for disaster relief funds or for critical need purposes to the Philippines, Haiti and East Africa totaling \$263,366. The Urgency Fund has a balance of \$308,935; therefore, adequate funds have been set aside for these commitments. The remaining resources of \$45,569 in the Urgency Fund are unrestricted disaster relief or critical need contributions which may be used at any location when urgent circumstances arise.

Subsequent to year-end, the organization committed amounts totaling \$63,610 to be paid for disaster relief funds or for critical need purposes to sites in Bolivia, Chili, India, Kenya, Paraguay, Peru and Philippines of which \$58,770 have been paid to the date of the audit report.

8. INTERFUND TRANSFERS

During the year, the organization approved interfund transfers from the General Fund to the HDP / CP Fund in the amount of \$16,987 to support funding of community projects.

During the year, an endowment contribution of \$5,795 with a ten year term matured and is no longer restricted for endowment. As a result, it has been transferred to the general fund for unrestricted use.

9. FINANCIAL INSTRUMENTS

Risks and Concentrations

The organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the organization's risk exposure and concentrations at June 30, 2018.

CHALICE (CANADA)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

9. FINANCIAL INSTRUMENTS (continued)

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The organization is exposed to interest rate risk and other price risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The organization's investments in guaranteed investment certificates are subject to cash flow risk as market interest rates fluctuate and the rates available for re-investment upon maturity may vary from time to time. The fixed-rate instruments subject the organization to a fair value risk.

Other Price Risk

Other price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The organization is exposed to other price risk through its investments in equities and mutual fund units.

10. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year's financial statements presentation.