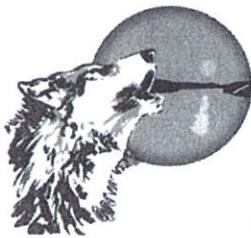


**FORT GOOD HOPE DENE
COMMUNITY COUNCIL**
Fort Good Hope, NT

**CONSOLIDATED
FINANCIAL STATEMENTS**

For the Year ended March 31, 2015



Fort Good Hope Dene Community Council

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of Fort Good Hope Dene Community Council are the responsibility of management.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the consolidated financial statements are presented fairly, in all material respects.

Fort Good Hope Dene Community Council maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable costs. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Fort Good Hope Dene Community Council's assets are appropriately accounted for and adequately safeguarded.

Fort Good Hope Dene Community Council's Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements.

The consolidated financial statements have been audited by Paul Teoh Professional Corporation in accordance with Canadian generally accepted auditing standards. Its report to the members of Fort Good Hope Dene Community Council, stating the scope of its examination and opinion on the consolidated financial statements, follows.

Chief

Fort Good Hope, NT
August 27, 2015

Finance Controller



INDEPENDENT AUDITOR'S REPORT

To the members of Fort Good Hope Dene Community Council

I have audited the accompanying consolidated financial statements of Fort Good Hope Dene Community Council, which comprise the consolidated statement of financial position as at March 31, 2015, and the consolidated statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these consolidated financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated 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 auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

Basis for Qualified Audit Opinion

The Fort Good Hope Dene Community Council derives significant amount of revenues from donations and fundraising, which are included in other revenues and recoveries. The completeness of which is not susceptible to satisfactory audit verification. Accordingly my verification of these revenues was limited to the amounts recorded in the records of the Fort Good Hope Dene Community Council and I was unable to determine if further adjustments might be necessary to other revenue and annual deficit.

On September 3, 2014, I expressed a disclaimer of opinion on the financial statements of the Fort Good Hope Dene Community Council for the year ended March 31, 2014 concerning donations and fundraising and inventory quantities and I was unable to satisfy myself by alternative means concerning the opening balances at April 1, 2014. Since opening balances enter into the determination of the financial performance and cash flows, I was unable to determine whether adjustments might have been necessary in respect of annual deficit, accumulated surplus and changes in net financial debt.

Qualified Opinion

In my opinion, except for the matters described in the Basis for Qualified Opinion paragraph, these consolidated financial statements present fairly, in all material respects, the consolidated financial position of Fort Good Hope Dene Community Council as at March 31, 2015, and the consolidated results of its operations, changes in net financial assets and cash flows of the year then ended in accordance with Canadian public sector accounting standards.

Paul Teoh

Chartered Accountant

Calgary, Alberta
August 27, 2015

FORT GOOD HOPE DENE COMMUNITY COUNCIL

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

March 31,	2015	2014
Financial Assets		
Cash	\$ 128,863	\$ 152,718
Accounts receivable (note 2)	10,576	112,502
Contributions receivable (note 3)	94,786	178,770
Receivable from related party (note 4)	17,916	7,481
Inventory	12,000	12,000
Long term Investments (note 5)	330,249	237,203
Total Financial Assets	594,390	700,674
Liabilities		
Accounts payable and accrued liabilities	156,394	179,848
Contributions payable (note 7)	137,642	11,583
Deferred contributions (note 8)	105,284	283,966
Total Liabilities	399,320	475,397
Net Financial Assets	195,070	225,277
Non-Financial Assets		
Tangible capital assets (note 9)	94,737	105,032
Prepaid expenses and deposits	10,880	23,080
Total Non-Financial Assets	105,617	128,112
Accumulated Surplus (note 10)	\$ 300,687	\$ 353,389

Contingent Liabilities (note 11)

Approved on behalf of the Council:

 _____ Councillor

 _____ Councillor

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

FORT GOOD HOPE DENE COMMUNITY COUNCIL

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

For the year ended March 31,	2015	2015	2014
Revenue	Budget	Actual	Actual
Contributions:			
- Aboriginal Affairs and Northern Development			
Canada	\$ 179,796	\$ 265,269	\$ 345,443
- Government of Canada	-	2,628	142,631
- Government of NWT	-	836,641	795,058
- Others	-	201,680	293,554
Other revenue and recoveries	-	350,535	221,879
Add opening deferred revenue	-	283,966	168,884
Less closing deferred revenue	-	(92,815)	(283,966)
	179,796	1,847,904	1,683,483
Expenditure			
Administration	-	46,330	24,931
Amortization	-	10,295	13,166
Bad debts (recovered)	-	70,820	14,329
Bank charges and interest	-	5,199	5,684
Community events	-	55,750	21,650
Contracted services	-	7,338	14,800
Contributions repaid	-	146,965	-
Donations	-	12,522	88,815
Equipment rental	-	10,510	11,557
Freight and postage	-	656	10,738
Honoraria	36,000	33,610	39,062
Loss on disposal of capital assets	-	-	52,035
Materials and supplies	-	271,788	310,084
Meeting and workshop	-	15,728	27,450
Miscellaneous	-	75,955	-
Office	-	12,830	12,932
Professional fees	-	57,868	110,276
Rent and property taxes	-	30,800	30,000
Repairs and maintenance	-	63,487	63,969
Telephone and Internet	-	55,167	39,908
Training and scholarships	-	98,769	63,651
Travel and accommodation	-	132,368	109,448
Utilities	-	49,935	48,798
Wages and benefits	143,796	635,916	672,245
	179,796	1,900,606	1,785,528
Annual Surplus (Deficit)			
Accumulated Surplus, beginning of year	-	(52,702)	(102,045)
Accumulated Surplus, end of year	\$ 353,389	\$ 353,389	\$ 455,434

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

FORT GOOD HOPE DENE COMMUNITY COUNCIL
CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

For the year ended March 31,	2015	2015	2014
	Budget	Actual	Actual
Annual Surplus (Deficit)	\$ -	\$(52,702)	\$(102,045)
Amortization of tangible capital assets	-	10,295	13,166
Loss (gains) on sale of tangible capital assets	-	-	52,035
Decrease (increase) in prepaid expenses and deposits	-	12,200	(19,580)
Increase (Decrease) in Net Financial Assets	-	(30,207)	(56,424)
Net Financial Assets, beginning of year	225,277	225,277	281,701
Net Financial Assets, end of year	\$ 225,277	\$ 195,070	\$ 225,277

FORT GOOD HOPE DENE COMMUNITY COUNCIL

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended March 31,	2015	2014
Operating Activities		
Cash receipts from contributions	\$ 1,855,132	\$ 1,829,858
<u>Cash payments to suppliers and employees</u>	(1,775,506)	(1,707,154)
	<hr/> 79,626	<hr/> 122,704
Financing Activities		
Decrease (increase) in receivable from related parties	(10,435)	6,500
	<hr/> (10,435)	<hr/> 6,500
Investing Activities		
Decrease (increase) in long term investments	(93,046)	(237,203)
	<hr/> (93,046)	<hr/> (237,203)
Net Increase (Decrease) in Cash	(23,855)	(107,999)
Cash, beginning of year	152,718	260,717
Cash, end of year	\$ 128,863	\$ 152,718

FORT GOOD HOPE DENE COMMUNITY COUNCIL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2015

The Fort Good Hope Dene Community Council (the "Council") is an Indian band which represents the K'asho Got'ine First Nation people in Fort Good Hope, Northwest Territories. It is exempt for income tax purposes under Section 149(1)(c) of the *Income Tax Act*.

1. Significant Accounting Policies

(a) Basis of Accounting

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

(b) Reporting Entity

Fort Good Hope Dene Community Council reporting entity includes the accounts of Fort Good Hope Dene Community Council and all related entities controlled by the Council.

(c) Principles of Consolidation

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of government business enterprise, which are included in the consolidated financial statements on a modified equity basis. Inter-organizational balances and transactions are eliminated upon consolidation.

Under the modified equity method of accounting, only the Fort Good Hope Dene Community Council's investment in the government business enterprise and the enterprise's net income and other changes in equity are recorded. No adjustment is made for accounting policies of the enterprise that are different from those of Fort Good Hope Dene Community Council.

Organizations consolidated in Fort Good Hope Dene Community Council's financial statements include:

- K'asho Got'ine Development Corporation - 100% interest

Organizations accounted for on a modified equity basis include:

- Sahtu Dene Inn Limited Partnership - 25% interest

(d) Inventory

Inventory comprised of office supplies, parts inventory for own use, are recorded at the lower of cost and net realizable value, with cost being determined on a first-in, first-out basis.

FORT GOOD HOPE DENE COMMUNITY COUNCIL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2015

1. Significant Accounting Policies (Continued)

(e) Revenue Recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

(f) Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset. Amortization expense is recorded over the estimated useful lives of the assets, using the following method and annual rates:

Buildings	3%	Straight Line
Vehicles	30%	Straight Line
Computer equipment	33%	Straight Line
Furniture and fixtures	10%	Straight Line
Office equipment	20%	Straight Line
Sawmill equipment	30%	Straight Line
Sound stage	10%	Straight Line
Language software	33%	Straight Line

(g) Allocation of Expenditure

Certain common expenditure have been allocated to programs based on estimate of services provided.

FORT GOOD HOPE DENE COMMUNITY COUNCIL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2015

1. Significant Accounting Policies (Continued)

(h) Financial Instruments

The Council has elected the following classifications with respect to its financial assets and financial liabilities:

- Cash is classified as assets held-for-trading and is subsequently measured at fair value with gains and losses arising from changes in the fair value recognized in net income in the period in which they arise. The estimated fair value of cash is assumed to approximate its carrying amount.
- Accounts receivable are classified as loans and receivables and are subsequently measured at amortized cost using the effective interest method. The amortized cost using the effective interest method approximates their fair values due to the short term nature.
- Accounts payable and accrued liabilities are classified as other financial liabilities and are subsequently measured at amortized cost using the effective interest method. At inception, the estimated fair values of accounts payable and accrued liabilities are assumed to approximate their carrying amounts.

Unrealized changes in fair value are recognized in the statement of remeasurement gains and losses until they are realized, when they are transferred to the statement of operations.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction cost incurred on acquisition and financing costs, which are amortized using the straight line method.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the statement of operations.

As the Council does not have any unrealized gains or losses, a statement of remeasurement gains and losses has not been prepared.

(i) Use of Estimates

The preparation of consolidated financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.

FORT GOOD HOPE DENE COMMUNITY COUNCIL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2015

2. Accounts Receivable

	2015	2014
Trades and others	\$ 9,876	\$ 73,684
GST refundable	700	38,818

	\$ 10,576	\$ 112,502
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3. Contributions Receivable

	2015	2014
Aboriginal Affairs and Northern Development Canada:		
Consultation & Policy Development - Governance	\$ 24,984	\$ -
Youth Work Experience	-	2,500
Political and Social Development	-	14,065
Others:		
Sahtu Dene Council	14,869	9,002
Government of NWT:		
GNWT - ENR	11,218	30,000
GNWT - DOT	56,063	56,063
GNWT - ITI	5,279	2,204
GNWT - ECE	8,662	13,824
GNWT - Justice	3,578	51,112
GNWT - HSS	20,623	-
Less allowances for contributions	(145,276)	178,770
	(50,490)	-
	\$ 94,786	\$ 178,770

4. Receivable from Related Party

	2015	2014
Charter Community of K'asho Got'ine - common control	\$ 17,916	\$ 7,481

Amount receivable from related party is unsecured, non-interest bearing and repayable on demand though there is no set term of repayment.

FORT GOOD HOPE DENE COMMUNITY COUNCIL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2015

5. Long Term Investments

The Council's wholly owned subsidiary, K'asho Got'ine Development Corporation, owns 24.90% of Sahtu Dene Inn Limited Partnership (the "Partnership"). The Partnership was established in accordance with the partnership agreement dated February 13, 2013 pursuant the *Partnership Act* of Northwest Territories. The Partnership is located in Deline, Northwest Territories.

The Partnership's principal activities are to own and operate the Sahtu Dene Inn (formerly Mackenzie Valley Hotel Ltd.) in Norman Wells, Northwest Territories. The partners are:

(i)	Berah Gutone Tue" Enterprises Ltd. - Limited Partner	249 units
(ii)	K'asho Got'ine Development Corporation - Limited Partner	249 units
(iii)	Techi?q Ltd. - Limited Partner	249 units
(iv)	Tulita Developments Ltd. - Limited Partner	249 units
(v)	Sahtu Dene Inn Inc. - General Partner	4 units

The following summarizes the financial position and results of operations of the Partnership as at and for the year ended March 31, 2015.

	2015	2014
Financial Position		
Current assets	\$ 936,185	\$ 793,676
<u>Non-current assets</u>	<u>2,027,545</u>	<u>1,964,844</u>
 Total assets	 2,963,730	 2,758,520
Liabilities	(1,637,428)	(1,805,897)
 <u>Total partnership's equity</u>	 <u>\$ 1,326,302</u>	 <u>\$ 952,623</u>
 <u>Total partnership's equity attributable to the Council</u>	 <u>\$ 330,249</u>	 <u>\$ 237,203</u>
 Financial Performance		
Revenue	\$ 1,399,535	\$ 1,674,356
<u>Expenses</u>	<u>(1,025,856)</u>	<u>(1,022,938)</u>
 <u>Net earnings (loss)</u>	 <u>\$ 373,679</u>	 <u>\$ 651,418</u>
 <u>Net earnings attributable to the Council</u>	 <u>\$ 93,046</u>	 <u>\$ 162,203</u>
 Investment:		
Limited Partnership units at cost	\$ 75,000	\$ 75,000
<u>Accumulated earnings</u>	<u>255,249</u>	<u>162,203</u>
 <u>Total partnership's equity attributable to the Council</u>	 <u>\$ 330,249</u>	 <u>\$ 237,203</u>

FORT GOOD HOPE DENE COMMUNITY COUNCIL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2015

6. Bank Indebtedness

The Council has a revolving line of credit up to \$100,000 with the Canadian Imperial Bank of Commerce. It bears interest at prime plus 3.0%.

7. Contributions Repayable

	2015	2014
Aboriginal Affairs and Northern Development Canada:		
Consultation & Policy Development 2014/15	\$ 21,418	\$ -
Government of NWT:		
Justice - Moving Forward Victim Services	3,085	3,085
Justice - Justice Program 2014/2015	32,954	-
Justice - Victim Services 2014/2015	39,344	-
ITI - EDO 2014/2015	3,100	-
ITI - Norman Wells Visit 2014/2015	1,154	-
ITI - Development Corporation	-	8,498
ITI - Traditional Events 2014/2015	5,083	-
HSS - Nutrition North 2014/2015	13,752	-
ECE - Prenatal Program 2014/2015	10,448	-
ECE - Skills for Success 2014/2015	7,304	-
	<hr/> \$ 137,642	<hr/> \$ 11,583

FORT GOOD HOPE DENE COMMUNITY COUNCIL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2015

8. Deferred Contributions

	2015	2014
Government of Canada:	\$ 19,860	\$ 28,027
Government of NWT:		
ECE - Outreach	-	20,129
ECE - CBQE Radio	4,890	11,645
HSS - Community Wellness	31,994	-
Justice - Victim Services Crime	-	32,726
Justice	-	23,704
ITI - Arts & Crafts	1,381	1,217
ECE - Cultural Camps	-	2,231
ECE - Mother's Traditional Sewing	-	5,048
ECE - Literacy Skills, Youth and Adults	7,293	14,547
Others:		
Akita Drilling - Wood Stoves for Elders	2,900	1,000
New Horizons - Elders	-	8,952
First Voices - Language Archiving	5,210	5,210
Yamoga - Student Counselling	-	28,653
Yamoga - Tugoke Youth Society	1,175	1,175
Grieving Fund	-	5,550
Graduation Events	3,183	3,183
Xahweguweh - Safety Training	17,868	15,713
Xahweguweh-Language & Culture	4,450	66,200
HSS-Youth Wellness	-	3,977
Cooking & Nutrition	5,079	5,079
	<hr/> \$ 105,283	<hr/> \$ 283,966

FORT GOOD HOPE DENE COMMUNITY COUNCIL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2015

9. Tangible Capital Assets

	Balance, beginning of year	Disposals	Additions	Balance, end of year
Cost				
Buildings	\$ 97,922	\$ -	\$ -	\$ 97,922
Vehicles	2,223	-	-	2,223
Computers	142,396	-	-	142,396
Furniture and fixtures	34,280	-	-	34,280
Office equipment	65,542	-	-	65,542
Sawmill equipment	1	-	-	1
Sound stage	46,406	-	-	46,406
Language software	10,000	-	-	10,000
Total	\$ 398,770	\$ -	\$ -	\$ 398,770
	Balance, beginning of year	Disposals	Current Charge	Balance, end of year
Accumulated Amortization				
Buildings	\$ 36,140	\$ -	\$ 1,854	\$ 37,994
Vehicles	2,040	-	55	2,095
Computers	137,385	-	1,654	139,039
Furniture and fixtures	25,804	-	910	26,714
Office equipment	50,466	-	2,831	53,297
Sawmill equipment	-	-	-	-
Sound stage	38,603	-	780	39,383
Language software	3,300	-	2,211	5,511
Total	\$ 293,738	\$ -	\$ 10,295	\$ 304,033
	Balance, beginning of year			Balance, end of year
Net Book Value	\$ 105,032			\$ 94,737

FORT GOOD HOPE DENE COMMUNITY COUNCIL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2015

10. Accumulated Surplus

	2015	2014
Unrestricted		
General Operating Fund	\$(124,299)	\$ 11,154
Investment Fund	330,249	237,203
Equity in Tangible Capital Assets	94,737	105,032
	<hr/>	<hr/>
	\$ 300,687	\$ 353,389

11. Contingent Liabilities

The Council has a guaranteed line of credit from the Canadian Imperial Bank of Commerce for the Charter Community of K'asho Got'ine in the amount of \$200,000. As at March 31, 2015, the amount extended was \$158,573 (2014: \$175,469).

12. Economic Dependence

The Council receives a major portion of its revenue from the Aboriginal Affairs and Northern Development Canada and the Government of NWT. The nature and extent of this revenue is of such significance that the Council is economically dependent on this source of revenue.

13. Comparative Figures

Certain figures presented for comparative purposes have been reclassified to conform with current year's presentation.

14. Capital Management

The Council's capital is composed of its working capital. The Council's objectives in managing capital are to safeguard the Council's ability to operate as a going concern and have adequate cash flows so that it can continue to provide services in accordance to contribution agreements with funding agencies. To maintain adequate working capital, the Council monitors its expenditure in accordance with contribution cash flows from funding agencies.

FORT GOOD HOPE DENE COMMUNITY COUNCIL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2015

15. Related Party Transactions

	2015	2014
The Council's transactions with related parties during the year are summarized as follows:		
Charter Community of K'asho Got'ine - common control		
- Airport maintenance expense	\$ 60,000	\$ 60,000
- GNWT Justice - Rent	6,000	6,000
- GNWT-ECE-Outreach - Rent	6,000	6,000
- Sahtu Dene Council-SSI Language - Rent	6,000	6,000
- Airstrip maintenance - Water	-	3,402
- Other revenue and expense - Water	10,862	195
- Other Revenue (Band Support Funds)		
Contribution to operating expenses	150,000	-
	\$ 238,862	\$ 81,597

The transactions are in the normal course of operations and are measured at the exchange amount, being the amount of considerations established and agreed to by both parties.

16. Financial Instruments and Risk Management

The Council's financial instruments are exposed to certain risks, which include credit risk, market risk, interest rate risk and liquidity risk.

Credit Risk - Credit risk refers to the potential that the funding agencies or counter party to a financial instrument will fail to discharge its contractual obligations. The Council is exposed mainly to credit risk from funding agencies' refusal to contribute the full funding due to the Council's non-compliance to the contribution agreements. The Council manages credit risk by ensuring that it complies with the terms and conditions of the contribution agreements.

Interest Rate Risk - Interest rate risk is the risk that the fair value of or future cash flows from a financial instrument will fluctuate because of changes to market interest rates. The Council is exposed from time to time to interest rate risk in respect of the bank indebtedness due to changes in interest rate.

Liquidity Risk - Liquidity risk is the risk that the Council will not be able to meet its financial obligations as they fall due. The Council manages liquidity risk through the management of its capital structure.

Unless otherwise noted, it is management's opinion that the Council is not exposed to other significant interest, currency or credit risks arising from these financial instruments.