



PAUL TEOH

Chartered Professional Accountants

INDEPENDENT AUDITORS' REPORT

To the members of Inuvik Native Band

Opinion

We have audited the accompanying consolidated financial statements of Inuvik Native Band, which comprise of the consolidated statement of financial position as at March 31, 2023, and the consolidated statements of operations and accumulated surplus, changes in net financial debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion, these financial statements present fairly, in all material respects, the consolidated financial position of Inuvik Native Band (the "Council") as at March 31, 2023, and the consolidated results of its operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Council in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other 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 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 public sector accounting standards, 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 Council'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 Council or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objective is 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 auditors' 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.

2.



Paul Teoh Professional Corporation • Chartered Professional Accountants

408 – 20th Avenue NE • Calgary • Alberta • T2E 1R2 • Canada

T: 1.403.520.7428 • TF: 1.87.PAUL.TEOH / 1.877.285.8364 • F: 1.403.520.7431 • www.paulteoh.ca

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 Council'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 Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Council 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Council to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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.



Paul Teoh Professional Corporation
Chartered Professional Accountants

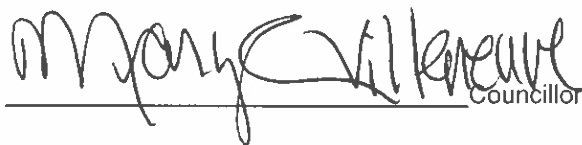
Calgary, Alberta
June 17, 2024

INUVIK NATIVE BAND

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

March 31,	2023	2022
Financial Assets		
Cash and cash equivalents (note 2)	\$ 156,143	\$ 485,373
Accounts receivable (note 3)	373,685	164,530
Contributions receivable (note 4)	252,708	226,196
Total Financial Assets	782,536	876,099
Liabilities		
Accounts payable and accrued liabilities (note 5)	276,322	197,231
Contributions repayable (note 6)	163,404	163,404
Deferred contributions (note 7)	480,280	458,436
Total Liabilities	920,006	819,071
Net Financial Assets	(137,470)	57,028
Non-Financial Assets		
Tangible capital assets (note 8)	177,025	162,142
Investment (note 9)	1	1
Prepaid expenses and deposits	4,469	3,506
Total Non-Financial Assets	181,495	165,649
Accumulated Surplus (note 10)	\$ 44,025	\$ 222,677

Approved on behalf of the Council:


Councillor


Councillor

The accompanying notes and schedules are integral parts of these consolidated financial statements. 4.

INUVIK NATIVE BAND

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

For the year ended March 31,	2023	2023	2022
	Budget	Actual	Actual
Revenue			
Contributions:			
- Indigenous Services Canada	\$ -	\$ 477,207	\$ 877,785
- Government of Canada	-	237,025	76,752
- Government of NWT	-	195,901	171,144
Land lease income	-	30,000	30,000
Rental income	-	25,100	30,053
Administration fees	-	21,200	8,030
Other income	-	212,604	56,896
Add opening deferred revenue	-	458,436	217,553
Less closing deferred revenue	-	(480,280)	(458,436)
	-	1,177,193	1,009,777
Expenditure			
Anti-poverty	-	220,853	79,633
Basic administration	-	341,509	336,456
Capacity building and community development	-	10,045	93,942
Community wellness	-	469,567	269,736
Estates management	-	4,364	2,259
Fundraising	-	52,800	-
Leadership meetings	-	-	14,249
Professional and institutional development	-	240,873	134,397
Youth programs	-	15,834	48,343
	-	1,355,845	979,015
Operating Surplus (Deficit)	-	(178,652)	30,762
Equity Earnings (Loss) from Investment	-	-	(6)
Annual Surplus (Deficit)	-	(178,652)	30,756
Accumulated Surplus, beginning of year	222,677	222,677	191,921
Accumulated Surplus, end of year	\$ 222,677	\$ 44,025	\$ 222,677

The accompanying notes and schedules are integral parts of these consolidated financial statements 5.

INUVIK NATIVE BAND

CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL DEBT

For the year ended March 31,	2023	2023	2022
	Budget	Actual	Actual
Annual Surplus (Deficit)	\$ -	\$(178,652)	\$ 30,756
Acquisition of tangible capital assets	-	(40,192)	(64,684)
Amortization of tangible capital assets	-	25,309	29,380
Loss (earnings) from investments	-	-	6
Decrease (increase) in prepaid expenses and deposits	-	(963)	(997)
Increase (Decrease) in Net Financial Assets	-	(194,498)	(5,539)
Net Financial Assets, beginning of year	57,028	57,028	62,567
Net Financial Assets, end of year	\$ 57,028	\$(137,470)	\$ 57,028

The accompanying notes and schedules are integral parts of these consolidated financial statements 6.

INUVIK NATIVE BAND

CONSOLIDATED STATEMENT OF CHANGES IN ACCUMULATED SURPLUS

For the Year ended March 31, 2023	General Operating Fund	Enterprise Fund	Tangible Capital Assets	Equity in Assets	Total
Annual Surplus (Deficit)	\$ (178,652)	\$ -	\$ -	\$ (178,652)	
Net Interfund Transfers:					
Amortization	25,309	-	(25,309)	-	-
Additions of tangible capital assets	(40,192)	-	40,192	-	-
Changes in Fund Balances	(193,535)	-	14,883	(178,652)	
Fund Balances, beginning of year	60,534	1	162,142	222,677	
Fund Balances, end of year	\$ (133,001)	\$ 1	\$ 177,025	\$ 44,025	

For the year ended March 31, 2022	General Operating Fund	Enterprise Fund	Tangible Capital Assets	Equity in Assets	Total
Annual Surplus (Deficit)	\$ 30,756	\$ -	\$ -	\$ 30,756	
Net Interfund Transfers:					
Amortization	29,380	-	(29,380)	-	-
Additions of tangible capital assets	(64,684)	-	64,684	-	-
Loss (earnings) from subsidiaries	6	(6)	-	-	-
Changes in Fund Balances	(4,542)	(6)	35,304	30,756	
Fund Balances, beginning of year	65,076	7	126,838	191,921	
Fund Balances, end of year	\$ 60,534	\$ 1	\$ 162,142	\$ 222,677	

The accompanying notes and schedules are integral parts of these consolidated financial statements.

INUVIK NATIVE BAND

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended March 31,	2023	2022
Cash Flows From Operating Activities		
Cash receipts from contributions and others	\$ 963,370	\$ 1,053,769
Cash paid to suppliers and employees	(1,252,408)	(690,339)
	(289,038)	363,430
Cash Flows From Financing Activities		
Proceeds from demand loan payable	-	(31,242)
	-	(31,242)
Capital Transactions		
Purchase of tangible capital assets	(40,192)	(64,684)
	(40,192)	(64,684)
Net Increase (Decrease) in Cash and Cash Equivalents	(329,230)	267,504
Cash and Cash Equivalents, beginning of year	485,373	217,869
Cash and Cash Equivalents, end of year	\$ 156,143	\$ 485,373

The accompanying notes and schedules are integral parts of these consolidated financial statements 8.

INUVIK NATIVE BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2023

The Inuvik Native Band (the "Council") is an aboriginal organization that represents the aboriginal people of Inuvik, Northwest Territories. The Council is registered with the Indigenous Services Canada (ISC) under the *Indian Act* and is not subject to any federal, territorial and local government taxes.

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

The consolidated financial statements includes the accounts of Inuvik Native Band and Gwich'in Investment Limited Partnership, which was accounted for using the modified equity method.

(c) Cash and Cash Equivalents

Cash includes cash and demand deposits. Cash equivalents includes highly liquid investments that can be readily converted into cash for a fixed amount and that matures less than three months from the date of acquisition.

(d) Revenue Recognition

Revenues are normally accounted for in the year in which the transactions or events occur that give rise to the revenue if the collection of the amount to be received is reasonably assured.

Government transfers are recognized as revenues in the year in which the events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

Funds from external parties restricted by agreements are accounted for as deferred contributions until used for the purpose specified.

Interest revenue is recorded as it is earned. Revenue from administration fees and other sources is recognized when the services are provided or the goods are sold.

(e) Investments

The Council's investment has been accounted for on a modified equity basis. Under the modified equity basis, the business enterprise's accounting principles are not adjusted to conform to those of the Council and inter-organizational transactions and balances are not eliminated.

INUVIK NATIVE BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2023

1. Significant Accounting Policies (Continued)

(f) Tangible Capital Assets

Purchased tangible capital assets are recorded at cost. Amortization expense is recorded over the estimated useful lives of the assets, using the following method and annual rates:

Computer equipment	30% declining balance
Office equipment	20% declining balance
Leasehold improvements	4% declining balance
Equipment	20% declining balance

(g) Use of Estimates and Judgments

The preparation of financial statements in conformity with Canadian public sector accounting requires management to make estimates and assumptions that affect the reported amounts of financial assets, financial liabilities, revenue and expenditure. Significant areas requiring the use of estimates include valuation of accounts receivable and accounts payable. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on a on going basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised.

(h) Allocation of Expenditure

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

(i) Financial Instruments

Measurement

The Corporation initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions.

The Corporation subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include cash, term deposits, accounts receivable, preferred shares of a private company and notes receivable. Financial liabilities measured at amortized cost accounts payable, amounts payable to related parties.

INUVIK NATIVE BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2023

1. Significant Accounting Policies (Continued)

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. The 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 the reversal is recognized in net income.

Transaction Costs

The entity recognizes its transaction costs in net income 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.

2. Cash and Cash Equivalents

	2023	2022
Bank current account	\$ 82,020	\$ 463,808
Bank savings account	74,123	21,365
Petty cash	-	200
	<u>\$ 156,143</u>	<u>\$ 485,373</u>

3. Accounts Receivable

	2023	2022
Trade and others	\$ 86,099	\$ 12,400
GST rebate refundable	19,034	7,280
Te Pee Housing Association	268,552	144,850
	<u>\$ 373,685</u>	<u>\$ 164,530</u>

INUVIK NATIVE BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2023

4. Contributions Receivable

	2023	2022
Indigenous Services Canada:		
Fiscal Year 2017/18:		
Consultation & Policy Development - Governance	\$ 10,700	\$ 10,700
Fiscal Year 2018/19:		
Wills & Estates - Amd#1	2,394	2,394
Wills & Estates - Additional - Amd#5	1,500	1,500
Consultation & Policy Development - Amd#9	5,350	5,350
P&ID Community Development - Amd#7	5,350	5,350
P&ID Government Capacity - Amd#2	4,500	4,500
P&ID Pilot Projects - Amd#4	6,875	6,875
P&ID Pilot Projects - Additional - Amd#8	6,875	6,875
Registration & Membership - Amd#6	12,600	12,600
Youth Employment Strategy - Amd#3	6,030	6,030
Fiscal Year 2019/20:		
Youth Employment Strategy - Amd#1	5,080	5,080
Capacity Building & Community Development - Amd#5	10,700	10,700
Capacity Building & Community Development - Pilot Supplement - Amd#7	1,000	1,000
P&ID Basic Administration - Amd#2	7,800	7,800
P&ID Pilot Projects Phase 2 - Amd #3	14,000	14,000
Fiscal Year 2020/21:		
P&ID Basic Administration - Amd#2	4,000	4,000
Capacity Building & Community Development - Amd#5	4,838	4,838
P&ID Basic Administration - Amd#3	4,649	4,649
Fiscal Year 2021/22:		
P&ID - Additional - Amd#11	10,000	10,000
Youth Employment Strategy - Amd#2	2,063	2,063
Youth Employment Strategy - Amd#4	4,820	4,820
Wills & Estates - Amd#6	9,500	9,500
Community Wellness Co-ordinator	-	85,572
Fiscal Year 2022/23:		
Basic Admin Gov. Cap - Amd#1	5,000	-
Basic Admin Gov. Cap - Amd#2	5,000	-
Summer Work Experience - Amd#3	1,900	-
Admin and Support Estates - Amd#5	7,500	-
Skills Link - Amd#6	6,037	-
PSPP Design and Delivery - Amd#7	2,108	-
Community Wellness	79,539	-
Anti-Poverty	5,000	-
	\$ 252,708	\$ 226,196

INUVIK NATIVE BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2023

5. Accounts Payable and Accrued Liabilities

	2023	2022
Trade and others	\$ 210,746	\$ 136,862
Payroll remittances payable	65,578	60,369
	<u>\$ 276,324</u>	<u>\$ 197,231</u>

6. Contributions Repayable

	2023	2022
Indigenous Services Canada:		
CIRNAC-22/23-Amd#6-Skill Link	\$ 40,633	\$ 40,633
2020/21 Amd#5-Capacity Building & Community Dev	47,300	47,300
2019/20 Amd#7-CB&CD Pilot Supplement	10,000	10,000
CIRNAC-22/23-Amd#5-Wills and Estates	2,259	2,259
CIRNAC-22/23-Amd#1&2-Government Capacity	1,215	1,215
2019/20 Amd#3-Pilot Projects Phase 2	46,272	46,272
2020/21 Amd#3-Basic Administration	15,726	15,726
	<u>\$ 163,405</u>	<u>\$ 163,405</u>

INUVIK NATIVE BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2023

7. Deferred Contributions

	2022 Opening	Additions	Utilized	2023 Closing
CIRNAC-21/22-Amd#7-COVID Health & Safety	\$ 194,917	\$ 21,079	\$ 213,583	\$ 2,413
CIRNAC-22/23 Amd#4-Jordan's Principle	-	210,057	137,411	72,646
CIRNAC-22/23-Amd#6-Skill Link	-	101,910	15,834	86,076
CIRNAC-21/22-Amd#2-FNIYES	20,625	-	-	20,625
CIRNAC-22/23-Amd#3-Summer Work	46,959	59,168	-	106,127
Amd#1-Treaty 11 Commemoration	20,000	-	-	20,000
CIRNAC-22/23-Amd#5-Wills and Estates	-	75,000	4,364	70,636
CIRNAC-22/23-Amd#8-Registration & Membership	95,000	6,757	-	101,757
Amd#3-P&ID Government Capacity	6,109	-	6,109	-
GNWT-Community Wellness Coordinator	74,326	168,766	243,092	-
CIRNAC-21/22 Amd#7-Registration & Membership	500	-	500	-
	\$ 458,436	\$ 642,737	\$ 620,893	\$ 480,280

INUVIK NATIVE BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2023

8. Tangible Capital Assets

	Balance, beginning of year	Write- downs	Disposals	Additions	Balance, end of year
Cost					
Computer equipment	\$ 45,162	\$ -	\$ -	\$ 10,007	\$ 55,169
Office equipment	45,544	-	-	3,185	48,729
Leasehold improvements	113,485	-	-	27,000	140,485
Equipment	44,251	-	-	-	44,251
Total	\$ 248,442	\$ -	\$ -	\$ 40,192	\$ 288,634

	Balance, beginning of year	Write- downs	Disposals	Current Charge	Balance, end of year
Accumulated Amortization					
Computer equipment	\$ 30,500	\$ -	\$ -	\$ 8,902	\$ 39,402
Office equipment	24,537	-	-	5,157	29,694
Leasehold improvements	15,583	-	-	5,536	21,119
Equipment	15,680	-	-	5,714	21,394
Total	\$ 86,300	\$ -	\$ -	\$ 25,309	\$ 111,609

	Balance, beginning of year	Balance, end of year
Net Book Value	\$ 162,142	\$ 177,025

INUVIK NATIVE BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2023

9. Investment

Gwich'in Investments Limited Partnership:

The Council owns 1,035 of the 4,004,150 limited partnership units in Gwich'in Investments Limited Partnership (GILP). GILP was formed on November 30, 2006 to invest 13.34% in Denendeh Investments Limited Partnership.

The following summarizes the financial position and results of operations of GILP as at and for the year ended December 31, 2022.

	2022	2021
Financial Position		
Current assets	\$ 3,294	\$ 3,354
Non-current assets	12,547	81,985
Total assets	15,841	85,339
Total liabilities	(91,970)	(86,620)
Total partners' equity	\$(76,129)	\$(1,281)
Financial Performance		
Share of revenue (loss)	\$(69,438)	\$(18,211)
Expenses	(5,410)	(5,410)
Net earnings (loss)	\$(74,848)	\$(23,621)
Net earnings (loss) attributable to the Council	\$(19)	\$(5)
Investments:		
Investment at cost	\$ 1,035	\$ 1,035
Investment impairment	(1,034)	(1,034)
Accumulated earnings	-	-
Total net investments	\$ 1	\$ 1

INUVIK NATIVE BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2023

10. Accumulated Surplus (Deficit)

	2023	2022
Unrestricted		
General Operating Fund	\$(133,001)	\$ 60,534
Investment Fund	1	1
Equity in Tangible Capital Assets	177,025	162,142
	\$ 44,025	\$ 222,677

11. Expenditure by Object

	2023	2022
Administration	\$ 12	\$ 397
Advertising and promotion	588	1,213
Amortization	25,309	29,380
Bank charges and interest	881	4,739
Community events	14,153	6,224
Contracted services	1,500	14,534
Contributions repaid (net)	-	163,404
Donations	44,735	4,929
Freight and postage	183	837
Honoraria	8,600	6,493
Insurance	14,397	3,309
Materials and supplies	417,590	251,593
Meeting and workshop	141,502	27,502
Office	77,208	30,343
Professional fees	23,000	45,033
Utilities	73,330	23,505
Repairs and maintenance	7,979	2,036
Telephone and Internet	6,819	4,687
Training and scholarships	3,271	1,200
Travel and accommodation	61,499	16,811
Wages and benefits	433,289	340,846
Total Expenditure	\$ 1,355,845	\$ 979,015

12. Credit Facilities

The Council has a demand operating credit with CIBC for an amount up to \$25,000 and corporate visa up to \$20,000 for business operation purposes. The demand operating credit bears interest at prime plus 1% per annum. They are secured by a General Security Agreement granting first security interest in all present and after acquired property. The balance of demand operating credit as at March 31, 2023 is \$nil (2022: \$nil).

INUVIK NATIVE BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2023

13. Comparative Figures

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

14. Economic Dependence

The Council receives a major portion of its revenue from the Indigenous Services Canada and the Government of the Northwest Territories. The nature and extent of this revenue is of such significance that the Council is economically dependent on these sources of revenue.

15. Budget Figures

No budget was prepared by the Council in the current year. As such, no budget amounts have been disclosed in the financial statements.

Canadian public sector accounting standards ("PSAB") require disclosure of budget information for comparison to the Council's actual revenues and expenses. While having no effect on reported revenues, expenses, and surplus (deficit), omission of this information is considered a departure from PSAB.

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 to interest rate risk due to the credit facilities which are based on bank prime interest rate. The Council manages interest rate risk through constant managing of cash flows before utilizing any demand operating credit.

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 currency risks arising from these financial instruments.