

Consolidated Financial Statements of

**GREEN ACRES  
FOUNDATION**

Year ended December 31, 2015



**KPMG LLP**  
500 Lethbridge Centre Tower  
400 - 4th Avenue South  
Lethbridge AB T1J 4E1  
Canada

Telephone (403) 380-5700  
Fax (403) 380-5760  
Internet [www.kpmg.ca](http://www.kpmg.ca)

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Green Acres Foundation

We have audited the accompanying consolidated financial statements of Green Acres Foundation, which comprise the consolidated statement of financial position as at December 31, 2015, the consolidated statements of revenue and expense, changes in net assets and cash flows for the year then ended, and notes, comprising 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 accounting standards for not-for-profit organizations, 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.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our 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, we consider 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.

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

### *Opinion*

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Green Acres Foundation as at December 31, 2015, and its consolidated results of operations, changes in net assets and its consolidated cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Chartered Professional Accountants

March 10, 2016  
Lethbridge, Canada

# GREEN ACRES FOUNDATION

## Consolidated Statement of Financial Position

December 31, 2015, with comparative information for 2014

	2015	2014
<b>Assets</b>		
Current assets:		
Cash and cash equivalents (note 2)	\$ 957,354	\$ 1,062,655
Accounts receivable (note 3)	143,912	181,740
Food and supplies inventory	178,863	154,945
Prepaid expenses and deposits	124,429	129,706
	<u>1,404,558</u>	<u>1,529,046</u>
Cash not available for current operations	15,090,884	13,693,359
Intangible asset (note 4)	4,636,793	-
Capital assets (note 5):		
Capital assets	45,602,829	56,322,185
Less accumulated amortization	20,311,219	19,962,122
	<u>25,291,610</u>	<u>36,360,063</u>
	<u>\$ 46,423,845</u>	<u>\$ 51,582,468</u>

See accompanying notes to consolidated financial statements.

2015

2014

## Liabilities and Net Assets

### Current liabilities:

Demand bank loans (notes 6 and 7)	\$ 862,056	\$ 2,858,336
Accounts payable and accrued liabilities	1,340,708	1,450,633
Deferred contributions	66,981	59,743
Current portion of long-term debt (note 7)	351,747	335,554
	<u>2,621,492</u>	<u>4,704,266</u>

Long-term debt (note 7)	6,109,254	6,461,003
Deferred capital contributions (note 11(i))	47,716	42,837
Unamortized deferred capital contributions (note 8)	5,477,769	10,131,017
	<u>11,634,739</u>	<u>16,634,857</u>

### Net assets:


Investment in capital and intangible assets (note 9)	17,113,944	16,574,153
Net assets internally restricted (note 10)	15,043,168	13,650,520
Available accumulated excess of revenue over expense	10,502	18,672
	<u>32,167,614</u>	<u>30,243,345</u>

### Commitments (note 11)

	<u>\$ 46,423,845</u>	<u>\$ 51,582,468</u>
--	----------------------	----------------------

See accompanying notes to consolidated financial statements.

DATE: March 10, 2016

CHAIR OF THE BOARD OF DIRECTORS:   
 LETHBRIDGE, ALBERTA  
 MANAGEMENT BODY: GREEN ACRES FOUNDATION

# GREEN ACRES FOUNDATION

## Consolidated Statement of Revenue and Expense

Year ended December 31, 2015, with comparative information for 2014

	2015	2014
Operating revenue:		
Resident rent	\$ 12,034,004	\$ 11,958,118
Resident services	749,835	744,252
Non-resident services	189,304	200,236
Alberta Health Services agreements (note 11(i) and (ii))	3,644,957	3,576,204
Alberta government grant funding (note 11(ii))	168,000	75,000
Charitable activities	70,478	69,330
Management and administration revenue	122,851	120,295
Investment income	383,877	457,985
Other grant revenue	26,174	5,132
Amortization of deferred capital contributions	333,686	534,594
	<u>17,723,166</u>	<u>17,741,146</u>
Expenses:		
Human resources	8,957,146	8,709,495
Utilities	1,627,270	1,632,709
Food	1,367,261	1,346,272
Maintenance	1,129,705	1,257,483
Operating	524,573	556,917
Administration	241,637	167,763
Grants in lieu of property taxes	23,904	177,669
Mortgage interest	439,219	480,056
Health services	3,190,978	3,042,705
Charitable	67,559	55,454
Amortization of capital and intangible assets	2,286,863	2,179,008
	<u>19,856,115</u>	<u>19,605,531</u>
Operating deficit before other revenue	(2,132,949)	(1,864,385)
Other revenue:		
Requisitions	1,906,031	1,815,268
Lodge Assistance Grant	2,152,022	2,233,668
	<u>4,058,053</u>	<u>4,048,936</u>
Excess of consolidated operating revenue over operating expense	<u>\$ 1,925,104</u>	<u>\$ 2,184,551</u>

See accompanying notes to consolidated financial statements.

# GREEN ACRES FOUNDATION

## Consolidated Statement of Changes in Net Assets

Year ended December 31, 2015, with comparative information for 2014

	Invested in capital and intangible assets	Net assets internally restricted	Available accumulated excess of revenue over expense	Total 2015	Total 2014
Balance, beginning of year	\$ 16,574,153	\$ 13,650,520	\$ 18,672	\$ 30,243,345	\$ 27,897,457
Combined excess of revenue over expense	-	-	1,925,104	1,925,104	2,184,551
Transfers:					
- Amortization (net)	(1,953,177)	-	1,953,177	-	-
- Other (note 10)	-	(1,848,352)	1,848,352	-	-
Transfer of deficit to Alberta Social Housing Corporation from 2014	-	-	(835)	(835)	161,337
Net change in investment in capital assets	2,492,968	-	(2,492,968)	-	-
Net assets restricted by the Board (note 10)	-	3,241,000	(3,241,000)	-	-
Balance, end of year	\$ 17,113,944	\$ 15,043,168	\$ 10,502	\$ 32,167,614	\$ 30,243,345

See accompanying notes to consolidated financial statements.

# GREEN ACRES FOUNDATION

## Consolidated Statement of Cash Flows

Year ended December 31, 2015, with comparative information for 2014

	2015	2014
Cash provided by (used in):		
Operations:		
Excess of revenue over expense	\$ 1,925,104	\$ 2,184,551
Items not involving cash:		
Amortization of capital and intangible assets	2,286,863	2,179,008
Amortization of deferred capital contributions	(333,686)	(534,594)
Changes in non-cash operating working capital:		
Accounts receivable	37,828	(2,248)
Food and supplies inventory	(23,918)	(10,688)
Prepaid expenses and deposits	5,277	(1,010)
Accounts payable and accrued liabilities	(109,924)	102,394
Deferred contributions	7,238	911
Operating grant received	-	162,172
Payable to Alberta Social Housing Corporation from 2014	(835)	(835)
	3,793,947	4,079,661
Financing:		
Repayment of demand bank loans	(1,996,280)	(362,907)
Principal payments on long-term debt	(335,554)	(2,241,398)
Deferred capital contributions received	4,879	1,489,940
	(2,326,955)	(1,114,365)
Investing:		
Increase in cash not available for current operations	(1,397,525)	(2,864,022)
Purchase of capital assets with internal funds	(174,768)	(2,777)
	(1,572,293)	(2,866,799)
Increase (decrease) in cash	(105,301)	98,497
Cash, beginning of year	1,062,655	964,158
Cash, end of year	\$ 957,354	\$ 1,062,655

See accompanying notes to consolidated financial statements.

# GREEN ACRES FOUNDATION

Notes to Consolidated Financial Statements

Year ended December 31, 2015

---

## **Nature of operations:**

Green Acres Foundation ("the Foundation") is incorporated under the Alberta Housing Act, and operates nine senior citizens lodges, one supportive housing facility and one cottage complex. There are also nine manors (apartment buildings) in Southern Alberta under an operating agreement with the provincial government. It is a public foundation and therefore is exempt from tax under the Income Tax Act. The Foundation operates two separate divisions, Green Acres Foundation - Lodges ("Lodges") and Green Acres Foundation - Manors ("Manors"). These consolidated financial statements present the assets, liabilities, revenues and expenditures of both divisions, inter-divisional revenues and expenditures are eliminated. These consolidated financial statements also include the assets, liabilities, revenues and expenditures of the Friends of Green Acres Seniors Society ("Friends"). Friends was formed to raise funds for the Foundation. Separate financial statements for Friends are prepared in addition to these consolidated financial statements.

## **1. Significant accounting policies:**

These consolidated financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Accounting - Handbook. The Foundation's significant accounting policies are as follows:

### **(a) Financial instruments:**

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Foundation has elected to carry fixed income securities, including bonds and guaranteed investment certificates and similar financial instruments at fair value.

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 transactions costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Foundation determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Foundation expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.



# GREEN ACRES FOUNDATION

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2015

---

## 1. Significant accounting policies (continued):

### (b) Food and supplies inventory:

Food and supplies inventory is valued at the lower of cost and replacement cost.

### (c) Capital assets:

Capital assets purchased are stated at cost. Capital assets are amortized on a straight line basis using the following annual rates:

---

Asset	Rate
Buildings	25 years
Furnishings and equipment	3 - 5 years

---

Capital assets are reviewed for impairment whenever events or changes in circumstances indicate that the asset no longer has any long term service potential to the Foundation. Any such impairment is measured by a comparison of the carrying amount of an asset to estimated residual value.

### (d) Intangible assets:

Intangible assets are measured initially at cost. The assets are amortized over their useful lives unless the life is determined to be indefinite.

The carrying value of an intangible asset whose life is determined to be indefinite is tested for recoverability whenever events or changes in circumstances indicate that the carrying amount may exceed its fair value. An impairment loss is recognized when the carrying amount exceeds its fair value. Impairment losses are not subsequently reversed.

The Foundation incurred construction costs for certain lodges for which they have entered into an agreement with the provincial government to provide long-term care in these facilities over a 20 year term.

Amortization is provided for on a straight-line basis over the the term of the agreement.

### (e) Net assets internally restricted:

Net assets internally restricted represents amounts set aside by the Foundation to be used for designated purposes.

# GREEN ACRES FOUNDATION

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2015

---

## 1. Significant accounting policies (continued):

### (f) Revenue recognition:

The Foundation follows the deferral method of accounting for contributions which include donations and government grants. Operating grants are recognized in the period when receivable. Operating grants received for future periods are reported as deferred contributions until that period, when they are transferred to revenue.

Assets funded by the provincial government are recorded as an asset and a corresponding credit is recorded as an unamortized deferred capital contribution. Unamortized deferred capital contributions and related interest are recognized as revenue in the periods in which the related amortization expense of the funded capital asset is recorded. The related portion of the amortization expense and the deferred capital contributions are matched to indicate that the related amortization expense has been funded. Land that is contributed is recorded as a direct increase to investment in capital assets.

Revenue from rent and other services is recognized when the payment is received or receivable, and the service has been provided.

### (g) Related party transactions:

Monetary and non-monetary related party transactions and non-monetary related party transactions that have commercial substance are measured at the exchange amount when they are in the normal course of operations, except when the transaction is an exchange of a product or property held-for-sale in the normal course of operations. Where the transaction is not in the normal course of operations, it is measured at the exchange amount when there is a substantive change in the ownership of the item transferred and there is independent evidence of the exchange amount.

All other related party transactions are measured at the carrying amount.

### (h) Contributed services:

A substantial number of volunteers contribute a significant amount of their time each year. Because of the difficulty of determining the fair value, contributed services are not recognized in the financial statements.

# GREEN ACRES FOUNDATION

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2015

## 1. Significant accounting policies (continued):

### (i) Use of estimates:

The preparation of the financial statements in conformity 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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the carrying amounts of capital and intangible assets. Actual results could differ from those estimates.

## 2. Cash and cash equivalents:

The Foundation considers deposits in banks and short-term investments as cash and cash equivalents.

	2015	2014
Fixed income securities, bonds and guaranteed investment certificates, measured at fair value	\$ 14,099,030	\$ 10,338,452
Cash	1,949,208	4,417,562
	16,048,238	14,756,014
Cash not available for current operations	(15,090,884)	(13,693,359)
	\$ 957,354	\$ 1,062,655

The fixed income securities have a fixed weighted average effective interest rate of 2.63% (2014 - 2.94%), mature between 2016 and 2024 and have a weighted average term until maturity of 4.71 years.

## 3. Accounts receivable:

	2015	2014
Goods and services tax recoverable	\$ 62,843	\$ 88,802
Accrued interest receivable	68,101	43,812
Other	12,968	49,126
	\$ 143,912	\$ 181,740

# GREEN ACRES FOUNDATION

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2015

## 4. Intangible asset:

	2015	2014
Intangible asset, at cost	\$ 5,617,096	\$ -
Less accumulated amortization	980,303	-
	<u>\$ 4,636,793</u>	<u>\$ -</u>

In previous years, the Foundation had reported building costs for Sunny South Lodge of \$10,330,203. Certain of these building costs (\$4,713,107) were funded by grants received from the provincial government of which the corresponding funding was reported as deferred capital contributions.

During 2015, the provincial government determined that the Sunny South Lodge will not be transferred to the Foundation, as intended at the time the costs were incurred. Therefore in 2015, the net book value of the building costs funded by the provincial government of \$4,319,562 and the corresponding remaining unamortized deferred capital contribution of \$4,319,562 were removed from the financial statements of the Foundation.

The Foundation's investment in the Sunny South Lodge in 2012 was \$5,617,096. In 2015, the remaining unamortized building costs of \$4,926,593 funded by the Foundation, were reclassified from building costs to intangible assets as the Foundation has an ongoing interest in the Lodge under a 20 year operating agreement with the provincial government which commenced in 2012. The costs incurred by the Foundation are being amortized over the remaining term of the agreement.

**GREEN ACRES FOUNDATION**

Notes to Financial Statements

Year ended December 31, 2015

5. Capital assets:

	Administration	Charitable Division Bus	Black Rock Terrace	Garden View Lodge	Pemission Lodge	Golden Acres Lodge	Blue Sky Lodge	Alberta Rose Lodge	Heritage Lodge	Piyami Lodge	Piyami Place	Sunny South Lodge	Golden Acres Cottages	2015 Total	2014 Total
Land funded by	\$ -	\$ -	\$ -	\$ -	2,395	6,000	6,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	14,395	14,395
City of Lethbridge	-	-	-	-	-	-	-	-	-	-	-	-	-	85,000	85,000
Chinook Regional Health Authority	44,671	-	892,944	-	-	-	-	-	-	-	85,000	-	-	937,615	937,615
Land purchase	44,671	-	892,944	-	2,395	6,000	6,000	-	-	85,000	-	-	-	1,037,010	1,037,010
Building	469,529	-	18,958,855	3,186,332	9,220,173	3,099,391	4,793,953	-	-	2,042,758	-	-	395,811	42,166,802	52,891,328
Less Accumulated Amortisation	296,479	-	5,561,342	2,412,235	5,060,134	1,533,284	2,064,857	-	-	932,860	-	-	216,452	18,077,643	17,825,488
	173,050	-	13,397,513	774,097	4,160,039	1,566,107	2,729,096	-	-	1,109,898	-	-	179,359	24,089,159	35,065,840
Furnishings and equipment	528,100	110,422	517,305	202,253	526,160	71,891	111,660	-	-	21,857	116,425	187,325	5,619	2,399,017	2,393,847
Less Accumulated Amortisation	481,967	46,009	517,305	202,253	507,476	70,888	111,660	-	-	21,857	116,425	152,117	5,619	2,233,576	2,136,634
	46,133	64,413	-	-	18,684	1,003	-	-	-	-	-	35,208	-	165,441	257,213
2015 Total	\$ 263,854	\$ 64,413	\$ 14,290,457	\$ 774,097	\$ 4,181,118	\$ 1,573,110	\$ 2,735,096	\$ -	\$ -	\$ -	\$ 1,184,898	\$ 35,208	\$ 179,359	\$ 25,291,610	\$ 36,360,063
2014 Total	\$ 303,847	\$ 86,497	\$ 15,048,813	\$ 725,169	\$ 4,564,872	\$ 1,888,318	\$ 2,907,157	\$ 370,762	\$ 42,771	\$ 13,646	\$ 1,276,608	\$ 9,144,344	\$ 187,261	\$ 36,360,063	\$ 36,360,063

These financial statements reflect only the cost of capital assets incurred by the Foundation and the original cost of the buildings owned by Alberta Social Housing Corporation are not reflected in these financial statements. (see note 4)

# GREEN ACRES FOUNDATION

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2015

## 6. Demand bank loans:

	2015	2014
RBC Financial Group ("Royal Bank"):		
3.30% term loan, payable \$9,320 monthly, including interest, matures October 1, 2016	\$ 862,056	\$ 943,933
2.69% term loan, payable \$28,251 monthly, including interest, matured and fully repaid on November 1, 2015	-	1,914,403
	\$ 862,056	\$ 2,858,336

The term loans were used to finance capital assets and are secured by real property, however these loans are classified as current because of the Royal Bank's right to demand repayment at anytime.

Principal repayments are due as follows: 2016 - \$862,056.

## 7. Long-term debt:

	2015	2014
Royal Bank:		
5.64% mortgage, payable \$58,830 monthly, including interest, matures October 1, 2028	\$ 6,461,001	\$ 6,796,557
Less current portion long-term debt	351,747	335,554
	\$ 6,109,254	\$ 6,461,003

The Royal Bank mortgage and demand bank loans (note 6) are secured by a first mortgage charge on certain properties and a general security agreement.

# GREEN ACRES FOUNDATION

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2015

## 7. Long-term debt (continued):

Principal repayments are due as follows:

2016	\$	351,747
2017		375,036
2018		396,486
2019		419,163
2020		443,138
Thereafter		4,123,684
	\$	6,109,254

## 8. Unamortized deferred capital contributions:

Unamortized deferred capital contributions represents the unamortized portion of contributions received and spent on capital projects. Changes in unamortized deferred capital contributions are as follows:

	2015	2014
Balance, beginning of year	\$ 10,131,017	\$ 9,174,611
Contributions received:		
Lodge Renewal Funding	-	1,491,000
	10,131,017	10,665,611
Less amount recognized as revenue	(333,686)	(534,594)
Less amount removed in 2015 (note 4)	(4,319,562)	-
	\$ 5,477,769	\$ 10,131,017

In 2014, \$1,491,000 of Lodge Renewal Funding was received and applied against the mortgage for Pemmican Lodge.

# GREEN ACRES FOUNDATION

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2015

## 9. Investment in capital and intangible assets:

Investment in capital and intangible assets is calculated as follows.

	2015	2014
Capital and intangible assets, net of accumulated amortization	\$ 29,928,403	\$ 36,360,063
Amounts financed by:		
Unamortized deferred capital contributions	(5,477,769)	(10,131,017)
Long-term debt	(6,461,001)	(6,796,557)
Demand bank loans	(862,056)	(2,858,336)
Payable on capital assets included in accounts payable and accrued liabilities	(13,633)	-
	\$ 17,113,944	\$ 16,574,153

## 10. Net assets internally restricted:

In 2015, the Board of Directors restricted \$3,241,000 (2014 - \$3,400,000) for projects. In the prior years, the Board of Directors has restricted funds for capital (buildings, upgrades and land acquisitions) and technology. During the year \$1,848,352 (2014 - \$534,920) was used from internally restricted amounts for approved projects. The balances of internally restricted amounts are not available for other purposes without approval by the Board of Directors.



# GREEN ACRES FOUNDATION

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2015

---

## 11. Commitments:

- i) The Foundation has a 20 year operating agreement until July, 2024 with Alberta Health Services for the operation of the 15 unit supportive living housing facility, Piyami Place.

Alberta Health Services provides annual funding for the operation of the project (2015 - \$867,636; 2014 - \$849,222) including funding for repayment of principal (2015 - \$81,917; 2014 - \$79,391). The Foundation also receives \$7,500 per year (2014 - \$7,500) of capital contributions restricted by Alberta Health Services for a capital renewal fund for Piyami Place and in 2015 \$2,622 of this fund was utilized (2014 - \$8,560). At the year end, \$47,716 is remaining (2014 - \$42,837).

- ii) The Foundation operates the Blue Sky and Piyami Lodge personal care projects under agreements with Alberta Health Services. The Foundation also operates the Sunny South Lodge Designated Supporting Living funded under an agreement with Alberta Health Services.
- iii) The Foundation has signed utility contracts for electricity and natural gas expiring December 31, 2018 and June 30, 2018, respectively.

## 12. Financial risks and concentration of risk:

- (a) Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Foundation carries certain financial instruments at fair value, therefore, there is an interest risk that the value of these financial instruments may be adversely affected by the change in the interest rates. The Foundation actively manages their portfolio of financial instruments factoring in the changes in market interest rates.

The Foundation is exposed to interest rate risk on its fixed interest rate financial instruments as a result of investment in bonds, fixed interest instruments subject the Foundation to a fair value risk, however, the risk associated is reduced to a minimum since these assets are mainly in government securities. There has been no change to the risk exposure from 2014.

# GREEN ACRES FOUNDATION

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2015

---

## 12. Financial risks and concentration of risk: (continued):

### (b) Liquidity risk:

Liquidity risk is the risk that the Foundation will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Foundation manages its liquidity risk by monitoring its operating requirements. The Foundation prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no change to the risk exposure from 2014.

### (c) Other risks:

Unless otherwise noted, it is management's opinion that the Foundation is not exposed to significant currency or credit risks.