

**COMMUNITY FUTURES WEST YELLOWHEAD**

**Financial Statements**

**Year Ended March 31, 2015**

**COMMUNITY FUTURES WEST YELLOWHEAD**  
**Index to Financial Statements**  
**Year Ended March 31, 2015**

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Community Futures West Yellowhead

We have audited the accompanying financial statements of Community Futures West Yellowhead, which comprise the statement of financial position as at March 31, 2015 and the statements of revenues and expenditures, changes in net 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 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.

### Auditor's 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 auditor's 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.

*(continues)*

Independent Auditor's Report to the Members of Community Futures West Yellowhead *(continued)*

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Community Futures West Yellowhead as at March 31, 2015 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.

*Carlson Roberts Seely LLP.*

Drayton Valley, Alberta  
June 18, 2015

CHARTERED ACCOUNTANTS

COMMUNITY FUTURES WEST YELLOWHEAD

Statement of Financial Position

March 31, 2015

	General Fund 2015	Non-repayable 2015	Repayable 2015	Disabled 2015	Total 2015	Total 2014
<b>ASSETS</b>						
<b>CURRENT</b>						
Cash (Note 2)	\$ 273,781	\$ 610,744	\$ (270,722)	\$ 274,674	\$ 888,477	\$ 904,363
Accounts receivable (Note 3)	3,432	-	-	-	3,432	1,362
Prepaid expenses	5,775	-	-	-	5,775	3,838
Accrued interest receivable (Note 4)	-	6,971	6,852	-	13,823	10,666
Current portion of investment loans receivable (Note 6)	-	370,978	289,386	-	660,364	452,348
	282,988	988,693	25,516	274,674	1,571,871	1,372,577
<b>PROPERTY, PLANT AND EQUIPMENT (Net of accumulated amortization) (Note 5)</b>	8,233	-	-	-	8,233	9,395
<b>INVESTMENT LOANS RECEIVABLE (Note 6)</b>	-	474,388	747,188	-	1,221,576	1,466,761
	\$ 291,221	\$ 1,463,081	\$ 772,704	\$ 274,674	\$ 2,801,680	\$ 2,848,733

**COMMUNITY FUTURES WEST YELLOWHEAD**

**Statement of Financial Position**

**March 31, 2015**

	General Fund 2015	Non-repayable 2015	Repayable 2015	Disabled 2015	Total 2015	Total 2014
<b>LIABILITIES AND NET ASSETS</b>						
<b>CURRENT</b>						
Accounts payable and accrued liabilities	\$ 20,543	\$ -	\$ -	\$ -	\$ 20,543	\$ 16,814
Short term debt (Note 7)	-	-	331,913	-	331,913	271,190
Deferred income (Note 8)	35,015	-	-	-	35,015	103,141
	55,558	-	331,913	-	387,471	391,145
	235,663	1,463,081	440,791	274,674	2,414,209	2,457,588
<b>NET ASSETS</b>	<b>\$ 291,221</b>	<b>\$ 1,463,081</b>	<b>\$ 772,704</b>	<b>\$ 274,674</b>	<b>\$ 2,801,680</b>	<b>\$ 2,848,733</b>

**ON BEHALF OF THE BOARD**

  
 \_\_\_\_\_ Director  
  
 \_\_\_\_\_ Director

See notes to financial statements

**COMMUNITY FUTURES WEST YELLOWHEAD**  
**Statement of General Fund Revenues and Expenses**

**Year Ended March 31, 2015**

	2015	2014
<b>REVENUE</b>		
Federal contracts	\$ 294,963	\$ 294,963
Rural Alberta Business Centre	78,191	97,012
Other contracts	44,006	1,860
Loan fees	18,418	12,219
Other	13,385	16,573
Interest Income	3,431	2,909
	<u>452,394</u>	<u>425,536</u>
<b>EXPENSES</b>		
Salaries and benefits	204,754	185,969
Rural Alberta Business Centre	62,113	97,012
Programs	37,024	3,792
Office rent	32,382	31,924
Seminars and training	28,370	3,410
Professional, accounting and audit	14,513	14,270
Advertising and promotion	13,720	5,434
Travel	12,296	9,627
Board member expenses	9,794	11,268
Telephone	8,252	7,038
Office supplies	5,984	3,827
Meetings and conventions	5,259	4,077
Insurance	4,157	4,067
Utilities and janitorial	3,935	3,982
Bank charges and loan costs	3,267	3,024
Amortization	3,135	4,741
Books and publications	2,140	1,784
Repairs and maintenance	1,039	2,009
Postage and delivery	379	467
NAYEC	-	2,850
	<u>452,513</u>	<u>400,572</u>
<b>DEFICIENCY OF EXPENSES OVER REVENUE</b>	<u>\$ (119)</u>	<u>\$ 24,964</u>

**COMMUNITY FUTURES WEST YELLOWHEAD**

**Statement of Loan Investment Fund Revenues and Expenses**

**Year Ended March 31, 2015**

	Non-repayable 2015	Repayable 2015	Disabled 2015	Total 2015	Total 2014
<b>REVENUE</b>					
Investment Interest	\$ 96,891	\$ 108,478	\$ -	\$ 205,369	\$ 176,161
Bank Interest	6,508	2,645	1,176	10,329	11,672
Write-up of marketable securities	1,565	636	283	2,484	-
	104,964	111,759	1,459	218,182	187,833
<b>EXPENSES</b>					
Provision (recovery) of investment losses	158,677	90,525	-	249,202	65,713
Interest on credit facility	4,103	5,031	-	9,134	11,912
Portfolio recovery expense	956	2,150	-	3,106	6,343
	163,736	97,706	-	261,442	83,968
<b>INCOME (LOSS) FROM OPERATIONS</b>	\$ (58,772)	\$ 14,053	\$ 1,459	\$ (43,260)	\$ 103,865



**COMMUNITY FUTURES WEST YELLOWHEAD**

**Statement of Changes in Net Assets**

**Year Ended March 31, 2015**

	General Fund 2015	Non-repayable 2015	Repayable 2015	Disabled 2015	Total 2015	Total 2014
<b>NET ASSETS - BEGINNING OF YEAR</b>						
Deficiency of revenue over expenses	\$ 229,782	\$ 1,527,853	\$ 426,738	\$ 273,215	\$ 2,457,588	\$ 2,328,760
Interest transfer	(119)	(58,772)	14,053	1,459	(43,379)	128,828
	6,000	(6,000)	-	-	-	-
<b>NET ASSETS - END OF YEAR</b>	\$ 235,663	\$ 1,463,081	\$ 440,791	\$ 274,674	\$ 2,414,209	\$ 2,457,588

**Breakdown of Net Assets**

**Year Ended March 31, 2015**

	General Fund 2015	Non-repayable 2015	Repayable 2015	Disabled 2015	Total 2015	Total 2014
Original contributions	-	\$ 1,107,119	\$ 450,000	\$ 200,000	\$ 1,757,119	\$ 1,757,119
Earned net assets	235,663	355,962	(9,209)	74,674	657,090	700,469
	\$ 235,663	\$ 1,463,081	\$ 440,791	\$ 274,674	\$ 2,414,209	\$ 2,457,588

COMMUNITY FUTURES WEST YELLOWHEAD

Statement of Cash Flows

Year Ended March 31, 2015

	General Fund 2015	Non-repayable 2015	Repayable 2015	Disabled 2015	Total 2015	Total 2014
<b>OPERATING ACTIVITIES</b>						
Excess of revenue over expenses	\$ (119)	\$ (58,772)	\$ 14,053	\$ 1,459	\$ (43,379)	\$ 128,828
Items not affecting cash:						
Amortization of equipment	3,135	-	-	-	3,135	4,741
Provision (recovery) of investment losses	-	158,677	90,525	-	249,202	50,411
	3,016	99,905	104,578	1,459	208,958	183,980
Changes in non-cash working capital:						
Accounts receivable	(2,070)	-	-	-	(2,070)	2,332
Accounts payable and accrued liabilities	3,728	-	-	-	3,728	2,258
Deferred income	(68,126)	-	-	-	(68,126)	30,003
Prepaid expenses	(1,937)	-	-	-	(1,937)	2,876
Accrued interest receivable	-	(4,016)	(5,679)	-	(9,695)	7,317
	(68,405)	(4,016)	(5,679)	-	(78,100)	44,786
Cash flow from operating activities	(65,389)	95,889	98,899	1,459	130,858	228,766
<b>INVESTING ACTIVITIES</b>						
Purchase of equipment	(1,972)	-	-	-	(1,972)	6,650
Repayment of investment loans receivable	-	324,411	348,585	-	672,996	826,089
Addition to investment loans receivable	-	(447,722)	(430,770)	-	(878,492)	(860,210)
Cash flow from (used by) investing activities	(1,972)	(123,311)	(82,185)	-	(207,468)	(27,471)
<b>FINANCING ACTIVITIES</b>						
Repayments of short term debt	-	-	(239,276)	-	(239,276)	(224,388)

(continues)

See notes to financial statements

COMMUNITY FUTURES WEST YELLOWHEAD

Statement of Cash Flows (continued)

Year Ended March 31, 2015

	General Fund 2015	Non-repayable 2015	Repayable 2015	Disabled 2015	Total 2015	Total 2014
Advances on short term debt	-	-	300,000	-	300,000	-
Interest transfer	6,000	(6,000)	-	-	-	-
Interfund transfer	-	336	(336)	-	-	-
Cash flow from (used by) financing activities	6,000	(5,664)	60,388	-	60,724	(224,388)
<b>INCREASE (DECREASE) IN CASH FLOW</b>	(61,361)	(33,086)	77,102	1,459	(15,886)	(23,093)
Cash (deficiency) - beginning of year	335,142	643,830	(347,824)	273,215	904,363	927,456
<b>CASH (DEFICIENCY) - END OF YEAR (Note 2)</b>	\$ 273,781	\$ 610,744	\$ (270,722)	\$ 274,674	\$ 888,477	\$ 904,363

# COMMUNITY FUTURES WEST YELLOWHEAD

## Notes to Financial Statements

Year Ended March 31, 2015

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Purpose of the Organization

Community Futures West Yellowhead (the "organization") is a not-for-profit organization incorporated provincially under the Corporations Act of Alberta. Management has determined that they are exempt from payment of income tax under Section 149(1) of the Income Tax Act.

With the financial support of the Government of Canada, it provides loans and financial services to small businesses otherwise unable to obtain financing, delivers government services and programs related to employment and economic development, provides training and business advisory services, and contributes leadership and expertise in economic development to local communities.

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

#### Fund accounting

Community Futures West Yellowhead follows the restricted fund method of accounting for contributions.

The General Fund accounts for the organization's operating costs, operating grants and general revenues. Project funding is reported as revenue and the related project costs are included in various categories of expense. Cash balances in excess of those required to fund loans approved are retained in the general fund for efficient investment in short term securities. Net transfers of cash appear as inter-fund transfers and the accumulated balance is reflected as inter-fund receivables and payables.

The Loan Investment Funds report restricted resources that are to be used for assistance to small businesses and entrepreneurs in the form of loans, loan guarantees or equity participation. Loans from the Loan Investment Fund for the Disabled are limited to businesses owned and operated by disabled entrepreneurs. The organization is restricted in the types of loans that can be made according to its agreement with the Government of Canada.

#### Recognition of Contributions

Federal contracts and grants are included in revenue in the year in which they are received or become receivable, with the exception that amounts received to fund specific expenditures are included in revenue in the year the funds are expended.

#### Recognition of Other Revenues

Revenue from all other sources is included in revenue in the year in which it is received or becomes receivable.

#### Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

#### Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents are investments in treasury bills and are valued at cost plus accrued interest. The carrying amounts approximate fair value because they have maturities at the date of purchase of less than ninety days.

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# COMMUNITY FUTURES WEST YELLOWHEAD

## Notes to Financial Statements

Year Ended March 31, 2015

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### Investment Loans and Accrued Interest Receivable

Investment loans receivable are classified as held to maturity financial instruments and are recorded at the lower of principal plus accrued interest and estimated realizable value.

Interest income from loans is recorded on the accrual basis for all loans not classified as impaired. Loans are classified as impaired when there is reasonable doubt as to the timely collection of some portion of principal or interest. This assessment is made by management and the Board of Directors.

When a loan is classified as impaired, recognition of interest income in accordance with the original loan agreement ceases. Any subsequent payments received on an impaired loan are applied to reduce the recorded investment in the loan.

#### Allowance for Doubtful Loans

The Allowance for Doubtful Loans is calculated by management based on specific doubtful loans plus 3% (3% - 2014) of the rest of the portfolio.

#### Property, plant and equipment

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Equipment is amortized over their estimated useful lives on a declining balance basis at the following rates.

Computer equipment	55%	declining balance method
Office equipment and furniture	20%	declining balance method
Leasehold improvements	20%	declining balance method
S.E.A. Equipment	20%	declining balance method

Amortization expense is reported in the General Fund.

#### Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

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# COMMUNITY FUTURES WEST YELLOWHEAD

## Notes to Financial Statements

Year Ended March 31, 2015

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### Financial Instruments Policy

##### Held for trading

The organization has classified the following financial assets and liabilities as held for trading: cash and short term investments. These instruments are initially recognized at their fair value. Fair value is approximated by the instrument's initial cost in a transaction between unrelated parties.

Held for trading financial instruments are subsequently measured at their fair value. Gains and losses arising from changes in fair value are recognized immediately in net income.

##### Loans and receivables

The organization has classified the following financial assets as loans and receivables: trade accounts receivable and long term loans receivable. These assets are initially recognized at their fair value. Fair value is approximated by the instrument's initial cost in a transaction between unrelated parties.

Loans and receivables are subsequently measured at their amortized cost, using the effective interest method. Under this method, estimated future cash receipts are exactly discounted over the asset's expected life, or other appropriate method, to its net carrying value. Amortized cost is the amount at which the financial asset is measured at initial recognition less principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount, and less any reduction for impairment or uncollectibility. Gains or losses arising from changes in fair value are recognized in net income from derecognition or impairment.

##### Other financial liabilities

The organization has classified the following financial liabilities as other financial liabilities: accounts payable and accruals. These liabilities are initially recognized at their fair value. Fair value is approximated by the instrument's initial cost in a transaction between unrelated parties.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Under this method, estimated future cash payments are exactly discounted over the liability's expected life, or other appropriate period, to its net carry value. Amortized cost is the amount at which the financial liability is measured at initial recognition less principal repayments, and plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount. Gains and losses arising from the changes in fair value are recognized in net income upon derecognition or impairment.

### 2. CASH

	<u>2015</u>	<u>2014</u>
Cash	\$ 275,956	\$ 343,113
Short term investments	612,521	561,250
	<u>\$ 888,477</u>	<u>\$ 904,363</u>

**COMMUNITY FUTURES WEST YELLOWHEAD**

**Notes to Financial Statements**

**Year Ended March 31, 2015**

3. ACCOUNTS RECEIVABLE

Accounts receivable is comprised of

	<u>2015</u>		<u>2014</u>	
GST receivable	\$	3,432	\$	1,362

4. ACCRUED INTEREST RECEIVABLE

**Loan Investment Funds**

	<u>Non-repayable</u>			<u>Repayable</u>			<u>Disabled</u>			<u>2015</u>		<u>2014</u>	
Interest in arrears	\$	10,387	\$	11,393	\$	-	\$	21,780	\$	12,086			
Less: provision for loan losses		(3,416)		(4,541)		-		(7,957)		(1,420)			
	\$	6,971	\$	6,852	\$	-	\$	13,823	\$	10,666			

5. PROPERTY, PLANT AND EQUIPMENT

	<u>Cost</u>		<u>Accumulated amortization</u>		<u>2015 Net book value</u>		<u>2014 Net book value</u>	
Office equipment and furniture	\$	90,421	\$	89,002	\$	1,419	\$	1,773
Computer equipment		124,924		123,817		1,107		2,460
Leasehold improvements		32,923		27,216		5,707		5,162
S.E.A. Equipment		15,437		15,437		-		-
	\$	263,705	\$	255,472	\$	8,233	\$	9,395

When taking the fixed asset inventory, the S.E.A. equipment was included in the various other categories. Original investment reflects amounts invested since inception.

6. INVESTMENT LOANS RECEIVABLE

**Loan Investment Funds**

	<u>Non-repayable</u>			<u>Repayable</u>			<u>Disabled</u>			<u>2015</u>		<u>2014</u>	
Loan Receivable	\$	1,091,278	\$	1,287,569	\$	-	\$	2,378,847	\$	2,173,351			
Less: allowance for loan impairment		(245,912)		(250,995)		-		(496,907)		(254,242)			
Less: current portion		(370,978)		(289,386)		-		(660,364)		(452,348)			
	\$	474,388	\$	747,188	\$	-	\$	1,221,576	\$	1,466,761			

ALLOWANCE FOR LOAN IMPAIRMENT:

*(continues)*

**COMMUNITY FUTURES WEST YELLOWHEAD**

**Notes to Financial Statements**

**Year Ended March 31, 2015**

6. INVESTMENT LOANS RECEIVABLE *(continued)*

	Non-repayable	Repayable	Disabled	2015	2014
Balance, beginning of year	\$ (90,094)	\$ (164,148)	\$ -	\$ (254,242)	\$ (201,312)
Provision for loan losses	(162,414)	(92,531)	-	(254,945)	(65,155)
Amounts written off to the allowance	6,596	5,684	-	12,280	12,225
Balance at end of year	<u>\$ (245,912)</u>	<u>\$ (250,995)</u>	<u>\$ -</u>	<u>\$ (496,907)</u>	<u>\$ (254,242)</u>
Total recorded investment on impaired loans	<u>\$ 219,767</u>	<u>\$ 284,794</u>	<u>\$ -</u>	<u>\$ 504,561</u>	<u>\$ 204,888</u>

In accordance with the organization's objectives, the organization has provided loans to small businesses. Outstanding loans to entrepreneurs are interest bearing at fixed rates varying from 3% to 11% per annum with monthly blended principal and interest repayments amortized for terms between 12 and 120 months. Security is taken on these loans as appropriate to the situation and includes personal guarantees, general security agreements covering business assets and mortgages on property.

7. SHORT TERM DEBT

The organization has a credit facility of \$750,000 from Community Futures Network of Alberta. As at March 31, 2015, the organization used \$331,913 (\$271,190 in 2014) from its credit facility. As a security for the repayment, the Society provided a general security agreement and a promissory note for the total amount of the loan.

8. DEFERRED REVENUE

Deferred revenues represent the amount of the restricted contributions that are related to disbursements of future periods. These funds are disbursed in accordance with the signed grant agreement.

	2015	2014
Alberta Government Training Grants	\$ 35,015	\$ -
Rural Alberta Business Centre	-	40,316
Western Economic Diversification Canada Grant	-	24,580
Alberta Government Labour Market Partnership Program Grant	-	19,695
Alberta Government Business Retention and Expansion Grant	-	18,550
	-	-
	<u>\$ 35,015</u>	<u>\$ 103,141</u>



# COMMUNITY FUTURES WEST YELLOWHEAD

## Notes to Financial Statements

Year Ended March 31, 2015

### 9. EXTERNALLY RESTRICTED NET ASSETS

Loan funds contributed by the government are classified as non-repayable, repayable and disabled according to the nature of the restrictions placed on their use and the term of the program for which they were advanced. Externally imposed restrictions on loan investment fund balances are as follows:

	2015	2014
Non-repayable	\$ 1,463,081	\$ 1,527,852
Repayable	440,791	426,738
Disabled	274,674	273,215
	<u>\$ 2,178,546</u>	<u>\$ 2,227,805</u>

Repayable and disabled funds, as of the balance sheet date, are repayable on demand under certain conditions. Under the terms and conditions of the contribution agreement with the Department of Western Economic Diversification, loan investment funds include Conditionally Repayable Loan Funds in the amount of \$1,757,119 that are repayable if any of the following conditions occur:

- a) The Conditionally Repayable Investment fund is not administered according to the terms and conditions specified in the Agreement; or
- b) Based on review and evaluations of the operations and the Conditionally Repayable Investment Fund of the organization, the Conditionally Repayable Investment Fund is not provision a satisfactory level of benefits in terms of employment creation, the development of community-owned or controlled
- c) In the opinion of the Minister, the Conditionally Repayable Investment Fund is no longer necessary or relevant to the development of the Western Canadian economy; or
- d) The Agreement is terminated as described in Section 12 of the Agreement; or
- e) An event of default occurs as described in Section 7 of the Agreement; or
- f) The Minister does not approve terms and conditions to extend the project beyond March 31, 2015.

### 10. ECONOMIC DEPENDENCE

The organization receives a significant portion of its operating revenues from the Federal and Provincial governments and is economically dependent upon them.

### 11. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of March 31, 2015.

#### Credit risk

The organization is exposed to credit risk on investment loans receivable from its applicants. In order to reduce its risk, the organization has adopted credit policies and all loans are approved by the Board of Directors. The organization also provides for doubtful accounts based on estimated realizable value of the investment loans receivable.

*(continues)*

**COMMUNITY FUTURES WEST YELLOWHEAD**

**Notes to Financial Statements**

**Year Ended March 31, 2015**

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11. FINANCIAL INSTRUMENTS *(continued)*

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, long-term debt, obligations under capital leases, contributions to the pension plan, and accounts payable.

The organization is exposed to this risk mainly in respect of its receipt of funds from its loan clients and other related sources, short-term debt and accounts payable.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the organization manages exposure through its normal operating and financing activities. The organization is exposed to interest rate risk primarily through its floating interest rate on short-term debt.

Changes in risk

There have been no changes in the organization's risk exposures from the prior year.