AKOMA HOLDINGS INCORPORATED

FINANCIAL STATEMENTS
MARCH 31, 2026

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INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF AKOMA HOLDINGS INCORPORATED:

Opinion

We have audited the financial statements of Akoma Holdings Incorporated (the "Organization"), which comprise the statement of financial position as at March 31, 2026, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2026, 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.

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 *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical 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 audit 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 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.

In preparing the financial statements, management is responsible for assessing the Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are 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 auditor's 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 judgement and maintain professional skepticism throughout the audit. 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 Organization'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 Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Organization 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.

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.

Halifax, Nova Scotia
September 21, 2026

Belliveau Veinotte Inc.
CHARTERED PROFESSIONAL ACCOUNTANTS

Belliveau Veinotte Inc.
CHARTERED PROFESSIONAL ACCOUNTANTS

AKOMA HOLDINGS INCORPORATED

STATEMENT OF FINANCIAL POSITION
MARCH 31, 2026

	2026	2025
ASSETS		
Current		
Cash	**$ 1,037,164**	$ 1,789,631
Receivables - trade	**41,771**	8,327
Receivables - grants	**12,500**	25,000
HST receivable	**123,699**	71,720
Prepaid expenses	**77,198**	70,979
	1,292,332	1,965,657
Restricted cash - Replacement Reserve Fund	**45,351**	45,351
Restricted cash - Durand Education Fund	**17,870**	20,006
Restricted investments - Durand Education Fund (note 3)	**150,900**	137,639
Investments (note 3)	**707,606**	630,009
Capital assets (note 4)	**12,516,224**	10,222,155
	$ 14,730,283	$ 13,020,817
LIABILITIES		
Current		
Payables and accruals, trade	**$ 857,842**	$ 487,534
Due to Akoma Family Centre Incorporated (note 5)	**61,462**	21,276
Deferred rental income	**10,025**	1,783
Current portion of deferred contributions related to operations (note 6)	**826,941**	1,017,167
Current portion of deferred contributions related to capital assets (note 7)	**246,453**	251,062
Current portion of long term debt	**37,857**	34,418
	2,040,580	1,813,240
Deferred contributions related to operations (note 6)	**-**	450,000
Deferred contributions related to capital assets (note 7)	**7,527,780**	5,893,923
Long term debt (note 8)	**80,048**	205,530
	9,648,408	8,362,693
Commitments (note 9)		
Contingent liabilities (note 10)		
NET ASSETS		
Investment in capital assets	**4,570,986**	3,936,723
Internally restricted net assets - Replacement Reserve Fund	**45,351**	45,351
Internally restricted net assets - Durand Education Fund	**168,770**	157,645
Unrestricted net assets	**296,768**	518,405
	5,081,875	4,658,124
	$ 14,730,283	$ 13,020,817

On Behalf of the Board of Directors

Director **Director**

AKOMA HOLDINGS INCORPORATED

STATEMENT OF OPERATIONS - GENERAL FUND
YEAR ENDED MARCH 31, 2026

	2026	2025
Revenues		
Grants (note 11)	**$ 1,466,540**	$ 1,998,964
Rental income	**431,486**	402,276
Donations	**22,407**	10,963
Garden fees	**1,135**	10,210
CMHC mortgage subsidy	**6,786**	6,786
Other	**8,107**	208
	1,936,461	2,429,407
Expenditures		
Advertising and promotion	**6,517**	6,907
Amortization	**349,319**	346,426
Consulting	**139,655**	254,542
Donations	**413**	-
Garden expense	**5,871**	1,214
Grant - Borden House	**-**	821,018
Insurance	**68,540**	74,541
Interest and bank charges	**1,890**	35,092
Interest on long term debt	**11,631**	14,703
Office	**44,661**	25,333
Professional fees	**62,353**	38,512
Program expenses	**96,577**	19,573
Property management	**36,000**	28,044
Property taxes	**102,137**	66,340
Repairs and maintenance	**165,055**	165,698
Utilities	**84,557**	87,419
Wages and benefits	**415,495**	328,278
	1,590,671	2,313,640
Excess of revenues over expenditures before other income (expense)	**345,790**	115,767
Other income (expenditure)		
Investment income	**25,887**	28,006
Investment management fees	**(9,806)**	(9,138)
Change in fair value of investments	**50,755**	20,757
Contingent recovery (loss) (note 10)	**-**	50,000
Excess of revenues over expenditures	**$ 412,626**	$ 205,392

See accompanying notes to the financial statements

AKOMA HOLDINGS INCORPORATED

STATEMENT OF OPERATIONS - REPLACEMENT RESERVE FUND
YEAR ENDED MARCH 31, 2026

	2026	2025
Revenue	**$ Nil**	$ Nil
Expenditures	**Nil**	Nil
Excess of revenue over expenditures	**$ Nil**	$ Nil

AKOMA HOLDINGS INCORPORATED

STATEMENT OF OPERATIONS - DURAND EDUCATION FUND
YEAR ENDED MARCH 31, 2026

	2026	2025
Revenue		
Investment income	**$ 5,733**	$ 5,076
Change in fair value of investments	**9,505**	6,299
	15,238	11,375
Expenditures		
Bursary	**(2,000)**	-
Investment management fees	**(2,113)**	(1,965)
	(4,113)	(1,965)
Excess of revenue over expenditures	**$ 11,125**	$ 9,410

See accompanying notes to the financial statements

AKOMA HOLDINGS INCORPORATED

STATEMENT OF CHANGES IN NET ASSETS
YEAR ENDED MARCH 31, 2026

	2026					2025
	Internally restricted					
	Durand Education Fund	Replacement Reserve Fund	Investment in Capital Assets	Unrestricted Net Assets	Total	Total
Net assets (liabilities), beginning of year	**$ 157,645**	**$ 45,351**	**$ 3,936,723**	**$ 518,405**	**$ 4,658,124**	$ 4,443,324
Excess (deficiency) of revenues over expenditures	**11,125**	**-**	**(88,712)**	**501,338**	**423,751**	214,800
Purchase of capital assets	-	**-**	**2,578,174**	**(2,578,174)**	**-**	-
Deferred contributions related to capital assets	-	**-**	**(1,889,855)**	**1,889,855**	-	-
Repayment of mortgage	-	**-**	**34,656**	**(34,656)**	-	-
Net assets, end of year	**$ 168,770**	**$ 45,351**	**$ 4,570,986**	**$ 296,768**	**$ 5,081,875**	$ 4,658,124

See accompanying notes to the financial statements

AKOMA HOLDINGS INCORPORATED

STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2026

	2026	2025
Operating activities		
Excess of revenues over expenditures	**$ 423,751**	$ 214,800
Non-cash items:		
Amortization	**349,319**	346,426
Forgiveness of loan	**(99,500)**	-
Change in fair value of investments	**(60,260)**	(27,056)
	613,310	534,170
Net change in non-cash working capital balances related to operations (note 12)	**(340,816)**	1,136,894
	272,494	1,671,064
Financing activities		
Proceeds from long term debt	**12,113**	26,953
Repayment of long term debt	**(34,656)**	(31,585)
Advances from (to) Akoma Family Centre Incorporated	**40,186**	(233,539)
	17,643	(238,171)
Investing activities		
Purchase of capital assets	**(2,578,174)**	(423,772)
Deferred contributions related to capital assets	**1,564,032**	478,521
Purchase of investments, net of proceeds on sales	**(30,598)**	(10,301)
	(1,044,740)	44,448
Increase (decrease) in cash during year	**(754,603)**	1,477,341
Cash, beginning of year	**1,854,988**	377,647
Cash, end of year	**$ 1,100,385**	$ 1,854,988
Represented by:		
Cash	**$ 1,037,164**	$ 1,789,631
Restricted cash - Replacement Reserve Fund	**45,351**	45,351
Restricted cash - Durand Education Fund	**17,870**	20,006
	$ 1,100,385	$ 1,854,988

See accompanying notes to the financial statements

AKOMA HOLDINGS INCORPORATED

NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2026

1. Purpose of the organization

Akoma Holdings Incorporated (the "Organization") is located in Dartmouth, Nova Scotia and was incorporated under the laws of Nova Scotia. The Organization is a registered charity whose purpose is to provide stewardship of its assets to create economic and social opportunities for the African Nova Scotian Community and general society. The Organization is exempt from income tax under the provision of paragraph 149(1)(f) of the Income Tax Act.

2. Significant accounting policies

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

(a) Fund accounting

The General Fund reports accounts for current operations and programs as well as the Organization's general operations. Unrestricted contributions (donations and grants) and restricted contributions to be used for operations are reported in this fund.

The Replacement Reserve Fund is required to be maintained under the conditions of the CMHC mortgage. The Fund may be used for certain renovation expenses, provided the Organization continues to contribute annually to maintain a balance of $45,350, as determined by the Board.

The Durand Education Fund is subject to internal restrictions stipulating the Fund be used to provide for education for the residents and staff of the Akoma Family Centre Incorporated.

(b) Revenue recognition

The Organization follows the deferral method of accounting for contributions. Restricted contributions related to operations are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Rental income, CMHC subsidy, investment income and garden fees are recognized as revenue as earned. Grants are recognized when the related expenditure is incurred or over the useful life of the related capital asset purchased. Donations are recognized when received.

Investment income in the Durand Education Fund includes dividend and interest income, realized investment gains and losses on sales of investments, and unrealized gains and losses on investments measured at fair value.

(c) Cash and cash equivalents

Cash and cash equivalents consists of cash on hand, balances with financial institutions, and short-term highly liquid securities which are readily convertible into known amounts of cash.

2. Significant accounting policies (continued)

(d) Investments

The Organization's investments are initially recognized, and subsequently measured at fair value without adjustments for transaction costs that would be incurred on disposals. Changes in fair value are recognized in income in the period of change. Transaction costs associated with the acquisition of these investments are recognized in net income in the period incurred.

(e) Capital assets

Capital assets are recorded at cost and amortized using either the declining balance method or the straight-line method, at rates based on the estimated useful life of the assets, as indicated in note 4. Amortization is calculated at one-half the annual rate in the year of acquisition. No amortization is recorded in the year of disposal.

(f) Financial instruments

Other than the investments noted above, the Organization initially measures its financial assets and financial liabilities at fair value, adjusted by the amount of transaction costs directly attributable to the instrument. Other than the investments previously noted, the Organization subsequently measures all of its financial assets and financial liabilities at amortized cost. Transaction costs are amortized on the straight line basis over the term of the instrument.

For financial assets measured at cost or amortized cost, the Organization determines whether there are indications of possible impairment. Where there is an indication of impairment, and the Organization determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may not be 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.

(g) Impairment of long lived assets

Capital assets are tested for impairment when the asset no longer has long-term service potential to the Organization. The impairment loss is measured as the amount by which the carrying value of the asset exceeds its residual value. Impairment losses are recognized as an expenditure in the statement of operations and are not subsequently reversed.

(h) Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(i) Contributed services

Volunteer services contributed to the Organization in carrying out its operating activities are not recognized in these financial statements due to the difficulty in determining their value.

3. Investments

	2026		2025	
	Cost	**Market Value**	Cost	Market Value
Unrestricted investments				
Fixed income	**$ 286,524**	**$ 281,901**	$ 275,252	$ 270,881
Equities	**231,887**	**425,705**	216,317	359,128
	$ 518,411	**$ 707,606**	$ 491,569	$ 630,009
Restricted investments - Durand Education Fund				
Fixed income	**$ 61,724**	**$ 60,574**	$ 59,480	$ 58,531
Equities	**57,568**	**90,326**	56,316	79,108
	$ 119,292	**$ 150,900**	$ 115,796	$ 137,639

4. Capital assets

		2026			2025
	Rate	**Cost**	**Accumulated Amortization**	**Net Book Value**	Net Book Value
Land		**$ 2,058,000**	**$ -**	**$ 2,058,000**	$ 2,058,000
Buildings:					
Kinney Place	**4%**	**3,840,487**	**623,992**	**3,216,495**	3,350,516
Fairfax Homes	**4%**	**3,641,343**	**300,045**	**3,341,298**	3,478,716
Henry G. Bauld Centre	**4%**	**1,024,474**	**366,250**	**658,224**	685,650
1 & 2 Dr. Donald Skeir Way	**4%**	**679,713**	**243,852**	**435,861**	447,925
Bauld Annex (W.A.D.E.)	**4%**	**276,273**	**276,273**	**-**	-
Greenhouse	**10 yrs**	**34,497**	**17,019**	**17,478**	20,928
Lake Loon Homes		**2,337,615**	**-**	**2,337,615**	64,911
Fairfax Homes (Phase 2)		**90,815**	**-**	**90,815**	49,870
Commercial Build		**256,786**	**-**	**256,786**	-
Paving	**8%**	**57,214**	**50,476**	**6,738**	7,323
Equipment	**20%**	**243,182**	**208,129**	**35,053**	43,817
Hydroponics garden	**20%**	**100,332**	**48,160**	**52,172**	-
Computers	**55%**	**17,032**	**14,576**	**2,456**	5,458
Furniture and fixtures	**20%**	**15,696**	**8,463**	**7,233**	9,041
		$ 14,673,459	**$ 2,157,235**	**$ 12,516,224**	$ 10,222,155

Included in buildings are buildings under development with a total cost of $2,685,216, no amortization will be recorded on these buildings until they are ready for use.

All buildings held by the Organization, with the exception of the greenhouse, are held for the purposes of rental.

5. Related party transactions

The advances from Akoma Family Centre Incorporated ("AFCI") are non-interest bearing and the balance is due on demand. The parties are affiliated by virtue of common management and board membership.

During the year, the Organization recognized rental income of $39,501 (2025 - $39,501) from AFCI and also received a transfer of the net book value of the Hydroponics garden of $65,216 and related deferred capital contributions.

All transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established by the related parties.

6. Deferred contributions related to operations

Deferred contributions related to operations represent funding received that will be recognized as revenue in the future as the funds are spent. Changes in the deferred contributions balance are as follows:

	2026	2025
Balance, beginning of year	**$ 1,467,167**	$ 358,467
Add: amounts received during the year		
Province of Nova Scotia - Youth Employment & Strategic Initiatives	**63,000**	-
Supporting Black Canadian Communities Initiative	**20,000**	-
Nova Scotia Liquor Corporation	**1,000**	-
Province of Nova Scotia - Capacity Building Growth & Development	**-**	1,200,000
Province of Nova Scotia - Fairfax Homelessness	**-**	227,904
McConnell Foundation	**-**	250,000
Association of Black Social Workers - Youth Development Initiative	**-**	50,000
Feed Nova Scotia	**-**	50,000
Less: amounts recognized as revenue during the year	**(724,226)**	(669,204)
Balance, end of year	**$ 826,941**	$ 1,467,167
Represented by:		
Deferred contributions - current	**$ 826,941**	$ 1,017,167
Deferred contributions - long term	**-**	450,000
	$ 826,941	$ 1,467,167

7. Deferred contributions related to capital assets

Deferred contributions related to capital assets represent the unamortized portion of contributions related to capital assets that will be amortized into income on the same basis as the related capital assets are amortized as an expense. Changes in the deferred contributions balance are as follows:

	2026	2025
Balance, beginning of year	**$ 6,144,985**	$ 5,666,464
Add: amounts received during the year		
Lake Loon Community Housing	**1,470,000**	-
Commercial Build	**327,286**	-
Hydroponics garden	**65,216**	-
Halifax Regional Municipality - Rapid Housing Initiative	**25,553**	615,853
Greenhouse Development	**1,800**	-
Province of Nova Scotia - Sustainable Communities Challenge Fund	**-**	75,405
CMHC - Fairfax Homes Phase 2	**-**	48,300
Less: amounts recognized as revenue during the year	**(260,607)**	(261,037)
Balance, end of year	**$ 7,774,233**	$ 6,144,985
Represented by:		
Deferred contributions - current	**$ 246,453**	$ 251,062
Deferred contributions - long term	**7,527,780**	5,893,923
	$ 7,774,233	$ 6,144,985

8. Long term debt

	2026	2025
9.5% CMHC mortgage, amortized to and maturing October 2028, repayable in equal monthly installments of principal and interest of $3,857. Secured by substantially all of the land and buildings of the Organization.	**$ 105,792**	$ 140,448
CMHC Seed loan, repayable by the earlier of March 2028 or the date the Organization receives capital financing related to the Fairfax Homes project.	**12,113**	-
Loans repaid during the year	**-**	99,500
	117,905	239,948
Principal portion repayable within one year	**(37,857)**	(34,418)
	$ 80,048	$ 205,530

8. Long term debt (continued)

Minimum principal repayments required, assuming consistency in terms and interest rates, are as follows:

2027	$ 37,858
2028	53,728
2029	26,319
Total	$ 117,905

The interest rate on the mortgage is subsidized by CMHC to reduce the effective annual rate. Net interest cost for the year, reflecting the reduced rate of interest, was $4,845 (2025 - $7,917).

9. Commitments

The Organization has entered into an agreement with a contractor to construct additional affordable housing units under Halifax Regional Municipality's Rapid Housing Initiative. As of March 31, 2026, the estimated commitment under this contract to complete the project is $4,070,000, of which $2,059,496 was incurred up to March 31, 2026.

The Organization has entered into an agreement with a contractor to construct a commercial building. As of March 31, 2026, the estimated commitment under this contract to complete the project is $5,888,000, of which $Nil was incurred up to March 31, 2026.

These projects are being funded through various sources including a project contribution agreement with the Province of Nova Scotia's Department of Growth and Development and CMHC financing which includes repayable and forgivable portions, as well as various grant agreements with other provincial departments and HRM.

10. Contingent liabilities

The Organization has been jointly named with AFCI in four unrelated litigation claims. The total amount of two of these claims has been estimated by external legal counsel to be $500,000. The remaining two claims were reported in 2025 and external legal counsel has indicated that the potential claim amounts are not known at this time.

The Organization and AHI will fund 50% each of any claim payments. The Organization has accrued $250,000 as a contingent loss less claim payments made to date of $22,100.

The Organization has a joint insurance policy with AHI that, upon approval, can reduce the per claim liability to a deductible of $50,000 when the claim is settled. During the previous year, a claim that had been estimated to be up to $150,000 was settled so that the Organization and AFCI have each reversed the related excess contingent liability of $100,000, resulting in an adjustment of $50,000 on the statement of operations.

11. Grants

	2026	2025
Province of Nova Scotia - Growth and Development	**$ 457,059**	$ -
Province of Nova Scotia - Youth Employment & Strategic Initiatives	**125,298**	-
Province of Nova Scotia - Homelessness Project	**262,967**	199,074
McConnell Foundation	**102,109**	222,048
Federal government - Canada Mortgage and Housing Corporation	**99,500**	60,350
Halifax Regional Municipality - property taxes	**78,179**	45,372
Association of Black Social Workers - Youth Development Initiative	**58,840**	19,565
Other	**21,981**	25,650
Province of Nova Scotia - Borden House	**-**	862,702
Province of Nova Scotia - Strategic Stabilizing Project	**-**	100,000
Province of Nova Scotia - Affordable Housing Study	**-**	67,453
Province of Nova Scotia - Feasibility Study	**-**	50,000
Halifax Regional Municipality - Snow Shields	**-**	25,000
Feed Nova Scotia	**-**	50,000
United Way - Healthy Food	**-**	10,713
Amortization of deferred contributions related to capital assets	**260,607**	261,037
	$ 1,466,540	$ 1,998,964

12. Net change in non-cash working capital balances related to operations

	2026	2025
Increase (decrease) in cash from changes in:		
Receivables - trade	**$ (33,444)**	$ (1,946)
Receivables - grants	**12,500**	18,791
HST receivable	**(51,979)**	22,897
Prepaid expenses	**(6,219)**	(6,909)
Payables and accruals, trade	**370,311**	4,005
Deferred rental income	**8,242**	(8,645)
Deferred contributions related to operations	**(640,227)**	1,108,701
	$ (340,816)	$ 1,136,894

13. Financial instruments

The following are the significant risks that the Organization is exposed to through its financial instruments:

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Organization's main credit risks relate to its trade receivables. In order to reduce its credit risk, the Organization has adopted credit policies which include the analysis of the financial position of its customers and the regular review of their credit limits. Management considers the risk of non-collection of amounts receivable to be low.

13. Financial instruments (continued)

(b) 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 Organization's investments in publicly traded securities expose the Organization to market risk as such investments are subject to price changes in the open market. The Organization does not use derivative financial instruments to alter the effects of this risk.

(c) Liquidity risk

Liquidity risk is the risk that the Organization will encounter difficulty in meeting its obligations associated with its financial liabilities as they become due. The Organization is exposed to liquidity risks arising primarily from payables and accruals and long term debt. The Organization's ability to meet its obligations depends on the receipt of funds whether in the form of revenue or advances.