Financial Statements of

NICKEL DISTRICT CONSERVATION AUTHORITY

And Independent Auditor's Report thereon

Year ended December 31, 2024

KPMG LLP
Times Square
1760 Regent Street, Unit 4
Sudbury, ON P3E 3Z8
Canada
Telephone 705 675 8500
Fax 705 675 7586

INDEPENDENT AUDITOR'S REPORT

To the Members of Nickel District Conservation Authority

Opinion

We have audited the accompanying financial statements of Nickel District Conservation Authority, which comprise:

- the statement of financial position as at December 31, 2024
- the statement of operations and accumulated surplus for the year then ended
- the statement of changes in net financial assets for the year then ended
- the statement of remeasurement gains for the year the ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements")

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Nickel District Conservation Authority as at December 31, 2024, and its results of operations and accumulated surplus, its changes in net financial assets, its remeasurement gains and its 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 "***Auditor's Responsibilities for the Audit of the Financial Statements"*** section of our report.

We are independent of the Authority 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 opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 Authority'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 Authority or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility 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 the 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.

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 Authority'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 Authority'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 Authority 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.
- 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.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Sudbury, Canada

May 9, 2025

NICKEL DISTRICT CONSERVATION AUTHORITY

Statement of Financial Position

December 31, 2024, with comparative information for 2023

		2024		2023
Financial Assets				
Cash	$	620,379	$	1,030,648
Investments (note 3)		1,885,324		1,246,698
Accounts receivable		715,014		975,503
Due From Nickel District Conservation Foundation		170,297		96,409
		3,391,014		3,349,258
Financial Liabilities				
Accounts payable and accrued liabilities		538,128		221,301
Deferred contributions (note 5)		47,249		36,550
		585,377		257,851
Net financial assets		2,805,637		3,091,407
Non-Financial Assets				
Prepaid expenses		14,966		25,897
Tangible capital assets (note 8)		14,776,650		13,464,935
Commitments and contingencies (note 9)				
Accumulated surplus	$	17,597,253	$	16,582,239
Accumulated surplus is comprised of:				
Accumulated operating surplus (note 7)	$	17,258,214	$	16,393,377
Accumulated remeasurement gains		339,039		188,862
	$	17,597,253	$	16,582,239

See accompanying notes to financial statements.

On behalf of the Board:

STEVE KAUFMAN
_______________________ Chair

CARL JORGENSEN
_______________________ Secretary - Treasurer

NICKEL DISTRICT CONSERVATION AUTHORITY

Statement of Operations and Accumulated Surplus

Year ended December 31, 2024, with comparative information for 2023

	2024 Budget (note 11)	2024 Actual	2023 Actual
Revenue:			
Municipal levy - operating	$ 895,178	$ 895,178	$ 815,788
Municipal levy - capital	375,000	375,000	350,000
Provincial grants	206,189	569,477	479,714
Federal grants	78,970	508,513	611,268
Corporate grants	-	5,380	-
Other grants	-	5,000	-
Property rental	120,000	219,012	193,843
User fees	293,800	295,582	269,624
Donations and other	38,060	118,471	83,621
Investment income	90,002	52,296	35,986
	2,097,199	3,043,909	2,839,844
Expenses (note 10):			
Corporate Services	469,475	485,806	484,463
Education and Engagement	289,414	272,137	273,758
Capital Asset Program	377,925	416,415	353,218
Conservation Authority Lands	215,782	251,679	210,266
Planning and Development Services	319,080	378,575	307,867
Water Risk Management	360,408	324,668	348,867
Watershed Stewardship	70,480	49,792	65,447
	2,102,564	2,179,072	2,043,886
Annual surplus (deficit)	(5,365)	864,837	795,958
Accumulated surplus, beginning of year	16,393,377	16,393,377	15,597,419
Accumulated surplus, end of year	$ 16,388,012	$ 17,258,214	$ 16,393,377

See accompanying notes to financial statements.

NICKEL DISTRICT CONSERVATION AUTHORITY

Statement of Changes in Net Financial Assets

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Annual surplus	$ 864,837	$ 795,958
Net remeasurement gains for the year	150,177	75,453
	1,015,014	871,411
Amortization of tangible capital assets	378,665	350,031
Acquisition of tangible capital assets	(1,690,380)	(701,230)
Decrease in prepaid expenses	10,931	(25,897)
Change in net financial assets	(285,770)	494,315
Net financial assets, beginning of year	3,091,407	2,597,092
Net financial assets, end of year	$ 2,805,637	$ 3,091,407

See accompanying notes to financial statements.

NICKEL DISTRICT CONSERVATION AUTHORITY

Statement of Remeasurement Gains

Year ended December 31, 2024, with comparative information for 2023

		2024		2023
Accumulated remeasurement gains, beginning of year	$	188,862	$	113,409
Unrealized gains attributable to:				
Fixed income		16,026		33,841
Equity instruments		148,803		58,148
		164,829		91,989
Realized (losses) attributable to:				
Equity instruments		(14,652)		(16,536)
		(14,652)		(16,536)
Net remeasurement gains for the year		150,177		75,453
Accumulated remeasurement gains, end of year	$	339,039	$	188,862

See accompanying notes to financial statements.

NICKEL DISTRICT CONSERVATION AUTHORITY

Statement of Cash Flows

Year ended December 31, 2024 with comparative information for 2023

	2024	2023
Cash flows from operating activities:		
Annual surplus	$ 864,837	$ 795,958
Item not involving cash:		
Amortization of tangible capital assets	378,665	350,031
	1,243,502	1,145,989
Changes in non-cash working capital:		
Decrease in accounts receivable	260,489	159,254
(Increase) decrease in prepaid expenses	10,931	(25,897)
(Decrease) increase in accounts payable and accrued liabilities	316,827	(124,415)
Increase in deferred contributions	10,699	306,552
Increase (decrease) in Nickel District Conservation Foundation	(73,888)	21,761
	1,768,560	1,483,244
Investing activities:		
Net change in investments	(488,449)	11,666
Capital activities:		
Acquisition of tangible capital assets	(1,690,380)	(701,230)
Increase (decrease) in cash	(410,269)	793,680
Cash, beginning of year	1,030,648	236,968
Cash, end of year	$ 620,379	$ 1,030,648

See accompanying notes to financial statements.

Nickel District Conservation Authority (the "Authority") is a land and water management agency established under the provisions of the Conservation Authorities Act of Ontario. The Authority is a registered charitable organization and is exempt from income taxes under the Canadian Income Tax Act.

1. Significant accounting policies:

These financial statements are prepared in accordance with Canadian public sector accounting standards. The Authority's significant accounting policies are as follows:

(a) Fund accounting:

The Authority prepares the financial statements using the principals of fund accounting as follows:

Unrestricted:

Levy stabilization:

This reserve accounts for the Authority’s program delivery and administrative activities. It consists of the difference between budgeted municipal levies and the municipalities’ share of actual net expenses. The amount is available to reduce future municipal levies by the Authority.

Restricted internally:

i) Reserve for water control preventative maintenance:

This reserve was set up to fund maintenance costs for dam and erosion control structures, and water management engineering.

ii) Reserve for Lake Laurentian development:

This reserve was set up to fund development at Lake Laurentian.

iii) Reserve for flood forecasting system:

This reserve was set up to fund the upgrade and maintenance of the flood forecasting system.

iv) Reserve for strategic implementation:

This reserve was set up to fund initiatives identified in Authority’s strategic plan.

v) Reserve for tree planting:

This reserve was set up to fund commitments for the tree planting program.

vi) Reserve for special capital infrastructure:

This reserve was set up to provide funding to perform infrastructure maintenance on existing flood and erosion control structures. The funding is mainly locally generated, but can include, from year to year, provincial funds if Water and Erosion Control Infrastructure (WECI) projects are approved.

1. Significant accounting policies (continued):

(b) Revenue recognition:

Restricted contributions related to operations are recognized as revenue of the reserve for levy stabilization in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the reserve for levy stabilization in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonable assured.

Investment income earned on restricted reserves resources that will be spent on those activities is recognized as revenue of the restricted reserves. Unrestricted investment income earned on resources is recognized as revenue of the reserve for levy stabilization. Investment income is recorded on an accrual basis and includes interest income, dividends and the realized gain (loss) on investments.

User fees from planning applications, solicitor inquiries and program fees are recognized as revenue when the services are rendered.

Gross revenue percentage rent due under the lease of the Maley Reservoir is recognized within the water control preventative maintenance reserve, Lake Laurentian development reserve, Flood forecasting system reserve, accumulated sick leave reserve and reserve for levy stabilization. All other rents received are recognized in the reserve for levy stabilization.

Donations are recognized upon receipt as revenue in the reserve for levy stabilization.

The Maley drive property rental is calculated as a percentage of sales in accordance with the terms of the agreement. All other property rental revenue is recognized as it is received at the beginning of the annual term.

When revenue from special programs is received in advance of the related expense, such revenue is deferred until the year in which the expense occurred.

(c) Deferred contributions:

Funding received under funding arrangements which relate to a subsequent fiscal year are recorded as deferred contributions and are recognized as revenue in the year to which they relate. Unexpended portions of grants received for specific purposes are reflected as deferred contributions and are recognized as revenue in the year they are expended.

(d) Government transfers:

Government transfers, which include legislative grants, are recognized in the consolidated financial statements in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amount can be made. If government transfers contain stipulations, which give rise to a liability, they are deferred and recognized in revenue when the stipulations are met.

1. Significant accounting policies (continued):

(e) Financial instruments:

Financial instruments are classified into three categories: fair value, amortized cost or cost. The following chart shows the measurement method for each type of financial instrument:

Financial instrument	Measurement method
Cash	Cost
Investments	Fair value
Accounts receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost

Amortized cost

Amounts are measured using the effective interest rate method. The effective interest method is a method of calculating the amortized cost of a financial asset or financial liability (or a group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period, based on the effective interest rate. It is applied to financial assets or financial liabilities that are not in the fair value category and is now the method that must be used to calculate amortized cost.

Cost

Amounts are measured at cost less any amount for valuation allowance. Valuation allowances are made when collection is in doubt.

Fair value

The Authority manages and reports performance for groups of financial assets on a fair-value basis. Investments traded in an active market are reflected at fair value as at the reporting date. Sales and purchases of investments are recorded on the trade date. Transaction costs related to the acquisition of investments are recorded as an expense. Unrealized gains and losses on financial assets are recognized in the Statement of Remeasurement Gains until such time that the financial asset is derecognized due to disposal or impairment.

At the time of derecognition, the related realized gains and losses are recognized in the Statement of Operations and Accumulated Surplus and related balances reversed from the Statement of Remeasurement Gains.

1. Significant accounting policies (continued):

(e) Financial instruments (continued):

Establishing fair value

The fair value of guarantees and letters of credit are based on fees currently charged for similar agreements or on the estimated cost to terminate them or otherwise settle the obligations with the counterparties at the reported borrowing date. In situations in which there is no market for these guarantees, and they were issued without explicit costs, it is not practicable to determine their fair value with sufficient reliability (if applicable).

Fair value hierarchy

The following provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which fair value is observable:

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

1. Significant accounting policies (continued):

(f) Tangible capital assets:

Tangible capital assets are comprised of property, buildings, equipment, vehicles and infrastructure and are recognized in the period they are acquired. Tangible capital assets are recorded at cost which includes all amounts directly attributable to acquisition, construction, development or betterment of the asset. Amortization is provided on a straight-line basis, over the estimated useful life for all assets except land which is not amortized.

The estimated useful lives of tangible capital assets are estimated as follows:

Asset	Useful Life
Land	Infinite
Buildings	20 years
Equipment	10 - 20 years
Computers	5 years
Leasehold improvements	5 years (initial term of the lease)
Infrastructure	10 - 75 years
Vehicles	5 years

Assets under construction are not amortized until they are put into productive use.

(g) Prepaid expenses:

Prepaid expenses represent amounts paid in advance for a good or service not yet received. The expense is recognized once the goods have been received or the services have been performed.

(h) Other revenues:

Other revenues from transactions with performance obligations, for example, fees or royalties from the sale of goods or rendering of services, are recognized as the Authority satisfies a performance obligation by providing the promised goods or services to the payor. Other revenue from transactions with no performance obligations, for example, fines and penalties, are recognized when the Authority has the authority to claim or retain an inflow of economic resources and when a past transaction or event is an asset. Amounts received prior to the end of the year that will be recognized in subsequent fiscal year are deferred and reported as a liability.

(i) Investment income:

Investment income is reported as revenue in the period earned.

1. Significant accounting policies (continued):

(m) Budget figures:

Budget figures have been provided for comparison purposes and have been derived from the budget approved by the Board of Directors.

The budget figures presented have been adjusted to reflect the same accounting policies that were used to prepare the financial statements. The budget figures are unaudited.

The Board approves its budget annually. The approved operating budget for December 31, 2024 year end is reflected on the Statement of Operations and Accumulated Surplus, the budget was approved on February 14, 2024.

(n) Use of estimates:

The preparation of the financial statements in conformity with Canadian public sector accounting standards 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 tangible capital assets and deferred contributions. Actual results could differ from those estimates.

2. Change in accounting policies:

The Authority adopted the following standards concurrently beginning January 1, 2024 retroactively: PS 3160 *Public Private Partnerships,* PS 3400 *Revenue* and adopted PSG-8 *Purchased Intangibles* prospectively.

PS 3400 *Revenue* establishes standards on how to account for and report on revenue, specifically differentiating between transactions that include performance obligations (i.e. the payor expects a good or service from the public sector entity), referred to as exchange transactions, and transactions that do not have performance obligations, referred to as non-exchange transactions. For exchange transactions, revenue is recognized when a performance obligation is satisfied. For non-exchange transactions, revenue is recognized when there is authority to retain an inflow of economic resources and a past event that gave rise to an asset has occurred.

PSG-8 *Purchased Intangibles* provides guidance on the accounting and reporting for purchased intangible assets that are acquired through arm’s length exchange transactions between knowledgeable, willing parties that are under no compulsion to act.

PS 3160 *Public Private Partnerships* (P3s) provides specific guidance on the accounting and reporting for P3s between public and private sector entities where the public sector entity procures infrastructure using a private sector partner.

3. Investments:

	2024		2023	
	Cost	Market	Cost	Market
Equities	$ 692,687	$ 979,263	$ 671,106	$ 608,452
Fixed income	952,689	906,061	459,764	638,246
	$ 1,645,376	$ 1,885,324	$ 1,130,870	$ 1,246,698

4. Related party transactions:

	2024	2023
Municipal levy from the City of Greater Sudbury	$ 1,270,178	$ 1,165,788
Permit Fees from the City of Greater Sudbury	79,124	71,704
Municipal taxes paid to the City of Greater Sudbury	64,834	61,852
Operating Expenses paid to the City of Greater Sudbury	111,088	91,632
Receivable from the City of Greater Sudbury	375,100	762,575
Expenses incurred on behalf of Foundation operations	5,745	33,914

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

5. Deferred contributions:

The deferred contributions consist of:

	Balance, beginning of year	Contributions received / transfers in	Expenses incurred / transfers out	Balance, end of year
Source Water Protection	$ 17,131	$ 154,978	$ 124,860	$ 47,249
Tree Planting	19,419	73,269	92,688	–
	$ 36,550	$ 228,247	$ 217,548	$ 47,249

6. Pension plan:

The Authority contributes to a defined contribution pension plan for certain of its full-time employees. Employer contributions made to the plan during the year amounts to $44,214 (2023 - $43,556).

7. Accumulated surplus:

(a) Restricted:

	2024	2023
Restricted externally:		
Special capital infrastructure	$ 852,597	$ 1,483,989
Restricted internally:		
Water control preventative maintenance	654,215	588,946
Lake Laurentian Development	429,015	353,720
Flood forecasting system	272,655	253,285
Strategic Implementation	80,243	77,439
Tree Planting	87,620	84,559
	1,523,748	1,357,949
	$ 2,376,345	$ 2,841,938

(a) Unrestricted:

	2024	2023
Levy stabilization	$ 105,219	$ 86,504
Tangible capital assets	14,776,650	13,464,935
	$ 14,881,869	$ 13,551,439
Total accumulated surplus	$ 17,258,214	$ 16,393,377

8. Tangible capital assets:

Cost	Balance at December 31, 2023	Additions and Transfers	Disposals and Write-offs	Balance at December 31, 2024
Land	$ 5,904,542	$ -	$ -	$ 5,904,542
Buildings	459,696	210,369	-	670,065
Infrastructure	20,524,033	1,311,965	-	21,835,998
Equipment	663,302	163,829	-	827,131
Leasehold improvements	149,044	-	-	149,044
Computers	98,344	4,217	-	102,561
Vehicles	24,999	-	-	24,999
Total	$ 27,823,960	$ 1,690,380	$ -	$ 29,514,340

Accumulated amortization	Balance at December 31, 2023	Disposals and write-offs	Amortization expense	Balance at December 31, 2024
Land	$ -	$ -	$ -	$ -
Buildings	405,440	-	12,187	417,627
Infrastructure	13,118,136	-	336,483	13,454,619
Equipment	566,397	-	28,470	594,867
Leasehold improvements	149,044	-	-	149,044
Computers	95,009	-	1,525	96,534
Vehicles	24,999	-	-	24,999
Total	$ 14,359,025	$ -	$ 378,665	$ 14,737,690

	Net book value, December 31, 2023	Net book value, December 31, 2024
Land	$ 5,904,542	$ 5,904,542
Buildings	54,256	252,438
Infrastructure	7,405,897	8,381,379
Equipment	96,905	232,264
Leasehold improvements	-	-
Computers	3,335	6,027
Vehicles	-	-
Total	$ 13,464,935	$ 14,776,650

9. Commitments and contingencies:

(a) Lines of credit:

As at December 31, 2024, the Nickel District Conservation Authority has available an operating line of credit of $200,000 (2023 - $200,000). There is no balance outstanding on the line of credit as of the year end date.

(b) Contingent liabilities:

The Authority is involved from time to time in litigation, which arises in the normal course of business. In respect of any claims, the Authority believes that insurance coverage is adequate, and that no material exposure exists on the eventual settlement of such litigation, therefore no provision has been made in the accompanying financial statements.

(c) Lease commitment:

The Authority's premises are leased by way of an agreement requiring it to make monthly rent payments which expired December 31, 2024. The monthly rental payments up to the period ended December 31, 2024 was $2,751 (including HST), which excludes operating expenses and property taxes.

10. Expenses by object:

	2024	2023
Salaries and benefits	$ 1,326,833	$ 1,206,162
Operations	357,845	347,400
Amortization of tangible capital assets	378,665	350,031
Professional Services	71,946	87,524
Utilities	22,609	25,287
Outreach and Communications	8,721	9,335
Vehicles	12,453	18,147
	$ 2,179,072	$ 2,043,886

11. Budget information:

The budget adopted by the Board on February 14, 2024, was not prepared on a basis consistent with that used to report actual results according to Public Sector Accounting Standards. As a result, the budget figures presented in the statement of operations and accumulated surplus and change in net financial assets represent the budget adopted by the Board with adjustment as follows:

Annual surplus per budget approved by the Board	$	–
Less:		
Contributions from reserves		(2,440)
Amortization		(377,925)
		(380,365)
Add:		
Contributions to reserves		–
Capital additions		375,000
Deficit per financial statements	$	(5,365)

12. Financial instruments:

Transaction in financial instruments may result in an entity assuming or transferring financial risks to or from another party. The Authority is exposed to the following risks associated with financial instruments and transactions it is a party to:

(a) Credit risk:

Credit risk is the risk that one party to a financial transaction will fail to discharge an obligation and cause the other party to incur a financial loss. The Authority is exposed to this risk relating to its cash and accounts receivable.

The Authority holds it cash accounts with large reputable financial institutions, from which management believes the risk of loss due to credit risk to be remote. Receivables consist of balances due from government agencies and the risk of loss is minimal.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

(b) Liquidity risk:

Liquidity risk is the risk that the Authority cannot repay its obligations when they become due to its creditors. The Authority is exposed to this risk relating to its accounts payable and accrued liabilities.

The Authority reduces its exposure to liquidity risk by monitoring cash activities and expected outflow through extensive budgeting and maintaining enough cash to repay trade creditors as payables become due.

There have been no significant changes from the previous year in the exposure risk or policies, procedures and methods used to measure the risk.