

Hellenic Community of Greater Montreal

**Financial Statements
June 30, 2024**

Hellenic Community of Greater Montreal

Financial Statements
June 30, 2024

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RICHTER

BUREAU FAMILIAL | D'AFFAIRES
BUSINESS | FAMILY OFFICE

Independent Auditor's Report

To the Directors of
Hellenic Community of Greater Montreal

Qualified Opinion

We have audited the financial statements of Hellenic Community of Greater Montreal (the Organization), which comprise the statement of financial position as at June 30, 2024, and the statements of operations, changes in fund balances and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at June 30, 2024, 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 Qualified Opinion

In common with many not-for-profit organizations, the Organization derives certain of its revenue from donations, membership fees, dances and activities, and fundraising campaigns (the "Revenues"), the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these Revenues was limited to the amounts recorded in the records of the Organization and we were not able to determine whether any adjustments might be necessary to these Revenues, deficiency of revenues over expenses, cash flows from operations for the year ended June 30, 2024 and current assets and fund balances as at June 30, 2024. The predecessor auditor's opinion on the financial statements for the year ended June 30, 2023 was modified because of the effects of this possible effects of this limitation in scope.

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 qualified audit opinion.

Emphasis of Matter - Material uncertainty related to going concern

We draw attention to Note 2 in the financial statements, which indicates that the Organization incurred a deficiency of revenues over expenses of \$2,394,405 during the year ended June 30, 2024 and, as of that date, the Organization's current liabilities exceeded its current assets by \$6,491,859. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Organization's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Matter

The financial statements for the year ended June 30, 2023 were audited by another auditor who expressed a qualified opinion on those financial statements on October 25, 2023 for the reasons described in the Basis for Qualified Opinion section.

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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 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 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 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.

Richter LLP¹

Montréal, Quebec
October 31, 2024

¹CPA auditor, public accountancy permit No. A118877

Hellenic Community of Greater Montreal

Statement of Financial Position As at June 30, 2024

	General fund \$	Socrates Démosthène fund \$	2024 Total \$	2023 Total \$
Assets				
Current				
Cash	-	65,823	65,823	1,654,693
Accounts receivable (note 5)	194,655	595,995	790,650	328,105
Accounts receivable - Socrates Démosthène fund (note 6)	2,978,652	-	-	-
Supplies	21,320	-	21,320	21,320
Prepaid expenses	43,792	-	43,792	57,815
	3,238,419	661,818	921,585	2,061,933
Internally restricted cash (note 7)	668,515	-	668,515	645,283
Property and equipment (note 8)	21,577,317	814,113	22,391,430	23,242,397
Deposits	750	1,100	1,850	23,450
	25,485,001	1,477,031	23,983,380	25,973,063

See accompanying notes

Approved on behalf of the board

_____, Director

_____, Director

Hellenic Community of Greater Montreal

Statement of Financial Position As at June 30, 2024

	General fund \$	Socrates Démosthène fund \$	2024 Total \$	2023 Total \$
Liabilities				
Current				
Bank indebtedness (note 9)	165,221	-	165,221	-
Accounts payable and accrued liabilities (note 10)	475,778	2,038,285	2,514,063	1,836,220
Accounts payable - General fund (note 6)	-	2,978,652	-	-
Deferred revenues	183,385	239,847	423,232	288,221
Current portion of long-term debt (note 11)	4,310,928	-	4,310,928	4,753,034
	5,135,312	5,256,784	7,413,444	6,877,475
Deferred revenue - emphyteutic lease	927,345	-	927,345	959,023
Deferred capital contributions	234,331	-	234,331	333,900
	6,296,988	5,256,784	8,575,120	8,170,398
Fund balances				
Unrestricted	19,188,013	(3,779,753)	15,408,260	17,802,665
	25,485,001	1,477,031	23,983,380	25,973,063

See accompanying notes

Hellenic Community of Greater Montreal

Statement of Changes in Fund Balances For the Year Ended June 30, 2024

	General fund \$	Socrates Démosthène fund \$	2024 Total \$	2023 Total \$
Balance - beginning of year	20,034,701	(2,232,036)	17,802,665	20,337,446
Deficiency of revenues over expenses	(1,953,956)	(440,449)	(2,394,405)	(2,534,781)
Interfund transfer of rent	1,107,268	(1,107,268)	-	-
Balance - end of year	19,188,013	(3,779,753)	15,408,260	17,802,665

See accompanying notes

Hellenic Community of Greater Montreal

Statement of Operations For the Year Ended June 30, 2024

	General fund \$	Socrates Démosthène fund \$	2024 Total \$	2023 Total \$
Revenues				
Advertising and calendar	14,335	-	14,335	29,404
Churches, including donations	1,639,050	-	1,639,050	1,584,166
Dances and activities	67,989	262,785	330,774	208,939
Donations	46,553	15,740	62,293	113,844
Festival	283,445	-	283,445	216,712
Fundraising campaigns	206,915	54,833	261,748	181,215
Membership fees	80,923	730	81,653	114,840
Rental	745,216	-	745,216	727,031
School fees	426,657	6,113,810	6,540,467	6,403,793
Athletic department	161,197	-	161,197	132,796
Grants (note 12)	354,366	5,659,565	6,013,931	5,433,762
Other	72,833	81,567	154,400	148,075
Amortization of deferred capital contributions	99,569	-	99,569	99,569
Amortization of emphyteutic lease	31,678	-	31,678	31,678
Rental income - Foyer Hellénique pour personnes âgées (FHPA)	805,955	-	805,955	759,345
	5,036,681	12,189,030	17,225,711	16,185,169

Hellenic Community of Greater Montreal

Statement of Operations For the Year Ended June 30, 2024

	General fund \$	Socrates Démosthène fund \$	2024 Total \$	2023 Total \$
Operating expenses				
Advertising, general supplies and texts	836	30,380	31,216	59,794
Churches	1,905,491	-	1,905,491	1,700,187
Operating expenses - Foyer Hellénique pour personnes âgées (FHPA)	521,380	-	521,380	595,422
Bussing	-	873,319	873,319	773,565
Computer software and maintenance	12,877	244,578	257,455	528,791
Dances and activities	223,183	278,718	501,901	535,744
Donations and other contributions	86,763	-	86,763	56,217
Athletics department	436,473	-	436,473	364,151
Electricity	139,322	219,667	358,989	354,857
Festival	198,159	-	198,159	147,340
Fundraising campaign fees	85,872	-	85,872	39,433
General and administrative	28,180	67,534	95,714	147,716
Insurance	57,433	236,262	293,695	290,578
Interest and bank charges	58,372	85,924	144,296	66,279
Interest on long-term debt	325,719	-	325,719	261,978
Janitorial and cleaning	32,277	486,051	518,328	473,375
Maintenance and repairs	71,792	200,088	271,880	261,970
Office supplies and postage	32,587	-	32,587	42,368
Pedagogical materials and texts	58,558	116,230	174,788	172,567
Professional and consulting fees	276,583	78,355	354,938	289,482
Salaries and benefits	1,547,991	9,522,601	11,070,592	10,395,344
Telephone	15,158	20,618	35,776	39,968
Travel and transportation	33,755	-	33,755	42,355
Amortization of property and equipment	682,633	169,154	851,787	896,453
Amortization of property and equipment - FHPA	159,243	-	159,243	184,016
	6,990,637	12,629,479	19,620,116	18,719,950
Deficiency of revenues over expenses	(1,953,956)	(440,449)	(2,394,405)	(2,534,781)

See accompanying notes

Hellenic Community of Greater Montreal

Statement of Cash Flows For the Year Ended June 30, 2024

	2024 \$	2023 \$
Operating activities		
Deficiency of revenues over expenses	(2,394,405)	(2,534,781)
Amortization of property and equipment	1,011,030	1,080,469
Amortization of deferred capital contributions	(99,569)	(99,569)
Amortization of emphyteutic lease	(31,678)	(31,678)
	(1,514,622)	(1,585,559)
Net change in non-cash working capital items	385,932	699,767
	(1,128,690)	(885,792)
Investing activities		
Additions of property and equipment	(160,063)	(258,161)
Increase in cash - restricted	(23,232)	(44,969)
	(183,295)	(303,130)
Financing activities		
Change in bank indebtedness	165,221	-
Repayments of long-term debt	(442,106)	(430,793)
	(276,885)	(430,793)
Decrease in cash	(1,588,870)	(1,619,715)
Cash - beginning of year	1,654,693	3,274,408
Cash - end of year	65,823	1,654,693

See accompanying notes

Hellenic Community of Greater Montreal

Notes to Financial Statements

June 30, 2024

1. Governing statutes and purposes of the Organization

The purpose of the Organization is to ensure the progress of the culture of the population of Greek origin in the Greater Montreal Area. This is accomplished by providing elementary and secondary education, maintaining Greek Orthodox churches, and offering social and recreational activities. The Organization is a legal person and not-for-profit organization duly organized and existing under Part III of the Companies Act (Québec) and is a registered charity under the Income Tax Act (Canada).

2. Material going concern uncertainty

The Organization has suffered a deficiency of revenues over expenses of \$2,394,405 during the year ended June 30, 2024, and a negative working capital balance of \$6,491,859 as at June 30, 2024, while certain covenants related to the credit facilities were not met as at June 30, 2024. The lender has not as yet waived these violations and, while the lender has not indicated an intention to demand payment of its loan, this debt has been classified as a current liability in the accompanying statement of financial position.

The Organization's ability to continue as a going concern is dependant upon its ability to significantly reduce its operating losses in the future and to generate cash flows to meet its required debt repayments and commitments. It is also dependent on the continued support of its banker and the Ministère de l'Éducation, et de l'Enseignement supérieur in order to fund its activities.

These financial statements have been prepared on the going concern basis, which presumes that the Organization will be able to realize its assets and discharge its liabilities in the normal course of operation.

3. Services Sociaux Helléniques du Québec

The General fund includes the operations of Services Sociaux Helléniques du Québec ("SSHQ"). SSHQ is operated as a separate division within the Organization. The statement of financial position and statement of operations include approximately assets of \$136,000 (2023 - \$128,000), liabilities of \$27,000 (2023 - \$20,000), revenues of \$170,000 (2023 - \$119,000) and operating expenses of \$169,000 (2023 - \$51,000).

4. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. The Organization also applies the Canadian accounting standards for private enterprises to the extent that these standards address topics not addressed in Canadian accounting standards for not-for-profit organizations.

Fund accounting

Assets, liabilities, revenues and expenses relating to administration, community centers, churches, educational activities and social activities are reported in the General fund.

Hellenic Community of Greater Montreal

Notes to Financial Statements June 30, 2024

4. Significant accounting policies (continued)

Fund accounting (continued)

Assets, liabilities, revenues and expenses relating to Socrates and Démosthène school activities are reported in the Socrates Démosthène fund.

Revenue recognition

The Organization follows the deferral method of accounting for contributions.

Restricted contributions, including government grants are recognized as revenue in the appropriate fund for the year in which the related expenses are incurred. Unrestricted contributions, including government grants are recognized as revenue in the appropriate fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

On October 2, 2002, the Organization entered into an emphyteutic lease, in which the Organization leased a piece of land it owns to a construction promoter. Ownership of property constructed on this land will be transferred to the Organization at the end of the lease, in 51 years, being October 2, 2053. The payment received in the initial year of the emphyteutic lease is being deferred and amortized on a straight-line basis over 51 years, the lease term.

Deferred capital contributions represent restricted contributions used to acquire property. These contributions are recognized in income on the same basis as the related property is being amortized.

Rental income is recorded on a straight line basis over the term of the lease.

School fees and revenue from school activities are recognized when school services are provided. Education grants related to operating programs are recorded as revenue when the related expenses are incurred. Revenues received in advance are deferred and recognized over the arrangement period on a straight line basis.

Except for government grants, donation and fundraising originate mostly from individuals.

Restricted contributions are deferred and recognized as revenue in the same period or periods as the related expenses are recognized.

Property and equipment

Property and equipment are accounted for at cost. Amortization is calculated over their respectful useful lives using the straight-line method over the following periods:

	Periods
Buildings and churches	40 years
Leasehold improvements	10 years
Furniture and equipment	5 years

Artworks, comprised of religious icons, are not amortized.

Hellenic Community of Greater Montreal

Notes to Financial Statements June 30, 2024

4. Significant accounting policies (continued)

Long-lived assets

The Organization tests long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Recoverability is assessed by comparing the carrying amount to the estimated undiscounted future net cash flows the long-lived assets are expected to generate, through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent carrying value exceeds its fair value.

Contributed services

Volunteers contribute numerous hours per year to assist the Organization in carrying out its service delivery activities. Due to the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

Use of estimates

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 amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Income taxes

The Organization is a not-for-profit organization and is exempt from income taxes.

Defined contribution pension plan

The Organization also participates in a multi-employer defined contribution plan on behalf of certain members of its clergy. Contributions paid are expensed when incurred.

Government assistance

Government assistance related to current expenses, in particular those related to salaries, are recognized as revenues whereby the subsidies are credited to the related revenues when the related expenditures are incurred, provided there is reasonable assurance that the Organization has complied and will continue to comply with all the conditions.

Hellenic Community of Greater Montreal

Notes to Financial Statements June 30, 2024

4. Significant accounting policies (continued)

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures 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.

Financial instruments

The Organization initially measures its financial assets and liabilities originated or exchanged in arm's length transactions at fair value. Financial assets and liabilities originated or exchanged in related party transactions, except for those that involve parties whose sole relationship with the Organization is in the capacity of management, are initially measured at cost.

The cost of a financial instrument in a related party transaction depends on whether the instrument has repayment terms. If it does, the cost is determined using its undiscounted cash flows, excluding interest and dividend payments, less any impairment losses previously recognized by the transferor. Otherwise, the cost is determined using the consideration transferred or received by the Organization in the transaction.

The Organization subsequently measures all its financial assets and liabilities at amortized cost.

Transaction costs related to financial instruments subsequently measured at fair value or to those originated or exchanged in a related party transaction are recognized in income in the period incurred. Transaction costs related to financial instruments originated or exchanged in an arm's length transaction that are subsequently measured at cost or amortized cost are recognized in the original cost of the instrument. When the instrument is measured at amortized cost, the transaction costs are then recognized in income over the life of the instrument using the straight-line method.

Financial assets subsequently measured at cost or amortized cost are tested for impairment when there are indicators of possible impairment. Any impairment loss is recognized in deficiency of revenues over expenses. The previously recognized impairment loss may subsequently be reversed to a maximum of the cost or amortized cost that would have been reported at the date of the reversal had the impairment not been recognized previously.

Hellenic Community of Greater Montreal

Notes to Financial Statements June 30, 2024

5. Accounts receivable

	2024 \$	2023 \$
Accounts receivable	245,501	299,677
Allowance for doubtful accounts	(41,575)	(64,919)
Government remittances	35,669	93,347
Government grant receivable	551,055	-
	790,650	328,105

Included in accounts receivable is approximately \$82,000 (2023 - \$171,000) relating to amounts due for school fees.

6. Interfund balance

Amounts owing between the General fund and the Socrate Démosthène fund are non-interest bearing and are due on demand.

7. Internally restricted cash

As at June 30, 2024, certain funds were held for the specific purpose of meeting the capital expenditures and repairs and maintenance of the individual churches as well as with respect to a rental property, social services or for fundraising activities.

8. Property and equipment

	Cost \$	Accumulated amortization \$	2024 Net book value \$	2023 Net book value \$
Land	7,772,297	-	7,772,297	7,772,297
Buildings and churches	31,465,975	17,985,359	13,480,616	14,267,266
Furniture and equipment	1,925,088	1,138,502	786,586	802,902
Leasehold improvements	2,882,330	2,660,719	221,611	280,831
Artworks	130,320	-	130,320	119,101
	44,176,010	21,784,580	22,391,430	23,242,397

Hellenic Community of Greater Montreal

Notes to Financial Statements June 30, 2024

9. Credit facility

The Organization has an available operating demand loan facility in the amount of \$2,000,000, bearing interest at the bank's prime rate plus 2% per annum and a corporate card account for the amount of \$150,000. The credit facilities are secured by a first ranking hypothec on all moveable property for an amount of \$8,500,000 plus an additional 20%, and a first ranking immovable hypothec on immovable properties. As at June 30, 2024, the amount outstanding under the operating demand loan facility is approximately \$279,000 (2023 - \$Nil).

Subsequent to year-end, the Organization amended their banking agreement, which increased maximum amount of the operating demand loan facility temporarily to \$2,600,000 for the period of September 2024 to December 2024.

10. Accounts payable and accrued liabilities

	2024 \$	2023 \$
Accounts payable and accrued liabilities	2,557,678	2,004,090
Government remittances	(43,615)	(167,870)
	2,514,063	1,836,220

Per government directives from the public sector as it relates to the Organization's collective agreement, included in accounts payable and accrued liabilities is an amount of approximately \$600,000 (2023 - \$Nil) relating to the increases in salaries for retroactive pay for the teachers. This amount has been fully paid after year end.

11. Long-term debt

	2024 \$	2023 \$
Non-revolving demand loan, bearing interest at the banks's prime rate plus 0.5% per annum, repayable in 114 monthly instalments of \$16,533 plus interest, and maturing on May 31, 2032	1,570,620	1,694,841
Non-revolving demand loan, bearing interest at the banks's prime rate plus 0.5% per annum, repayable in 84 monthly instalments of \$27,557 plus interest, and maturing on November 30, 2029	1,818,762	2,109,828
Term loan, repayable in monthly instalments of \$4,889, bearing interest at a fixed rate of 3.28% per annum, maturing on May 31, 2025	921,546	948,365
	4,310,928	4,753,034
Current portion of long-term debt	4,310,928	4,753,034
	-	-

Hellenic Community of Greater Montreal

Notes to Financial Statements June 30, 2024

11. Long-term debt (continued)

The long-term debt is secured by a first ranking hypothec on all moveable property for an amount of \$8,500,000 plus an additional 20%, and a first ranking immovable hypothec on immovable properties.

The long-term debt and credit facilities (described above and in note 9) are subject to certain financial and non-financial covenants. As at June 30, 2024, certain covenants were not met. Since the bank did not release a waiver to these violations, the outstanding long term debt is shown in full as a current liability as they are repayable on demand even though their repayment terms are currently being made over their respective long-term amortization periods.

Principal repayments, as per terms of the debt agreement, are due approximately as follows:

	\$
2025	586,000
2026	559,000
2027	560,000
2028	561,000
2029	562,000
Thereafter	1,483,000

12. Grants

The following grants were recorded in income:

	2024	2023
	\$	\$
General fund		
Federal government	97,277	103,296
Canada Mortgage and Housing Corporation ("CMHC")	28,102	25,011
Other	228,987	111,085
	354,366	239,392
Socrates Démosthène fund		
MEES	5,659,565	5,194,370
Total grants	6,013,931	5,433,762

Hellenic Community of Greater Montreal

Notes to Financial Statements June 30, 2024

13. Financial instruments

The Organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the Organization's risk exposure as at the balance sheet date.

Credit risk

Credit risk is the risk that one party to a financial asset will cause a financial loss for the Organization by failing to discharge an obligation. The Organization's credit risk is mainly related to accounts receivable.

The Organization's maximum credit risk is the carrying value of those accounts receivable. The Organization mitigates this risk by dealing only with what management believes to be financially sound counterparties and, accordingly does not anticipate significant loss for non-performance.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Organization is exposed to interest rate risk on its fixed-interest and variable-interest financial instruments. Fixed-interest instruments subject the Organization to a fair value risk while the variable-interest instruments subject it to a cash flow risk.

Liquidity risk

Liquidity risk is the risk the Organization will have difficulty in meeting obligations associated with financial liabilities. The Organization's liquidity risk is mainly related to the credit facility, as well as accounts payable and accrued liabilities. The Organization controls liquidity risk by managing working capital, cash flows and the availability of the credit facility, however the risk is elevated given the significant deficiency of revenues over operating expenses in the year ended June 30, 2024 and the fact that the bank covenants were not met as at June 30, 2024.

14. Comparative figures

Certain reclassifications of 2023 amounts have been made to facilitate comparison with the current year.