



**Grant Thornton**

Financial statements

Board of Management for the  
Swansea Town Hall Community Centre

December 31, 2023

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**Management's responsibility for the financial statements**

The financial statements of the Board of Management for the Swansea Town Hall Community Centre (the "Centre") are the responsibility of management and have been approved by the Board.

The financial statements have been prepared in compliance with the Canadian public sector accounting standards for government not-for-profit organizations, including the 4200 series of standards, established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in Note 2 to the financial statements.

The preparation of the financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Centre's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by management.

The Board of Management is responsible for ensuring that management fulfills its responsibilities for financial reporting. The Board reviews the Centre's financial statements and discusses any significant financial reporting or internal control matters prior to the approval of the financial statements.

The financial statements have been audited by Grant Thornton LLP, independent external auditors appointed by the City of Toronto's City Council, in accordance with Canadian generally accepted auditing standards. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Centre's financial statements.

  
\_\_\_\_\_  
-146A227F204244B... Chairperson

DocuSigned by:  
  
\_\_\_\_\_  
-DB0B1B5A4A13499... Treasurer

## Independent Auditor's Report

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Grant Thornton LLP  
11th Floor  
200 King Street West, Box 11  
Toronto, ON  
M5H 3T4

T +1 416 366 0100  
F +1 416 360 4949  
www.GrantThornton.ca

To the Council of the Corporation of the City of Toronto and the Board of Management for the Swansea Town Hall Community Centre

### Qualified Opinion

We have audited the financial statements of Swansea Town Hall Community Centre (the "Centre"), which comprise the statement of financial position as at December 31, 2023, and the statement 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, except for the possible effects of the matters described in the *Basis for Qualified Opinion* section of the report, the accompanying financial statements present fairly, in all material respects, the financial position of the Centre as at December 31, 2023, and its results of operations, its changes in its net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards for government not-for-profit organizations.

### Basis for Qualified Opinion

As described in Note 2 to the financial statements, the Centre's accounting policy is to expense capital assets in the year of acquisition. This constitutes a departure from Canadian public accounting standards for government not-for-profit organizations which requires that these assets are capitalized and amortized over their estimated useful lives.

The impact of this departure from Canadian public accounting standards for government not-for-profit organizations has not been determined and therefore, we were unable determine the adjustments required to assets and liabilities as at December 31, 2023, materials and supplies expenditures, purchased services expenditures, and funds provided by the City of Toronto for the year ended December 31, 2023. The predecessor auditor's opinion on the financial statements for the year ended December 31, 2022 was modified accordingly because of the possible effects of this departure from Canadian public accounting standards for government not-for-profit organizations.

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 Centre in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our 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.

#### **Other Matter**

The financial statements of the Centre for the year ended December 31, 2022, were audited by another auditor who expressed a qualified opinion on those financial statements on April 27, 2023.

#### **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 public sector accounting standards for government 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 Centre's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the Centre or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Centre'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 Centre'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 Centre'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 Centre 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.

*Grant Thornton LLP*

Toronto, Canada  
April 27, 2024

Chartered Professional Accountants  
Licensed Public Accountants

**Board of Management for the  
Swansea Town Hall Community Centre  
Statement of Financial Position**

December 31	2023	2022
<b>Assets</b>		
Current		
Cash	\$ 590,500	\$ 672,732
Government remittances receivable	2,394	-
Prepaid expenses	11,105	-
Inventory	<u>733</u>	<u>384</u>
	<u>604,732</u>	<u>673,116</u>
Due from City of Toronto (Note 4)	<u>107,685</u>	<u>107,685</u>
	<u>\$ 712,417</u>	<u>\$ 780,801</u>
<b>Liabilities</b>		
Current		
Due to City of Toronto (Note 5)	\$ 271,372	\$ 337,690
Accounts payable and accrued liabilities	138,222	163,285
Government remittances payable	-	5,380
Deferred contributions (Note 7)	<u>107,211</u>	<u>107,211</u>
	<u>516,805</u>	<u>613,566</u>
Post-employment benefits liability (Note 4)	<u>107,685</u>	<u>107,685</u>
	<u>624,490</u>	<u>721,251</u>
<b>Net assets</b>		
Internally restricted – program development reserve (Note 6)	<u>87,927</u>	<u>59,550</u>
	<u>\$ 712,417</u>	<u>\$ 780,801</u>

Approved by the Board:

Jack Slaughter Chair

 Treasurer

See accompanying notes to the financial statements.

# Board of Management for the Swansea Town Hall Community Centre Statement of Operations

Year ended December 31

	<u>Program</u>	<u>Administration</u>	<u>2023</u>	<u>2022</u>
<b>Revenue</b>				
Funds provided by City of Toronto (Note 5)	\$ -	\$ 408,930	\$ 408,930	\$ 458,619
Rental	-	291,053	291,053	234,997
Photocopier	-	597	597	377
Interest income	28,549	-	28,549	7,338
Other income	8,012	-	8,012	1,915
	<u>36,561</u>	<u>700,580</u>	<u>737,141</u>	<u>703,246</u>
<b>Expenses</b>				
Salaries and wages	-	371,733	371,733	388,253
Employee benefits	-	83,669	83,669	111,722
Materials and supplies	-	70,440	70,440	47,097
Purchased services	-	174,738	174,738	110,239
Interest	-	-	-	36,682
Other	8,184	-	8,184	1,701
	<u>8,184</u>	<u>700,580</u>	<u>708,764</u>	<u>695,694</u>
Excess of revenue over expenses	\$ 28,377	\$ -	\$ 28,377	\$ 7,552

See accompanying notes to the financial statements.



**Board of Management for the Swansea Town Hall  
Community Centre  
Statement of Change in Net Assets**

Year ended December 31

	<u>Unrestricted</u>	Internally restricted - Program Development Reserve (Note 6)	<u>Total 2023</u>	<u>Total 2022</u>
Net assets, beginning of year	\$ -	\$ 59,550	\$ 59,550	\$ 51,998
Excess of revenue over expenses	28,377	-	28,377	7,552
Interfund transfer	<u>(28,377)</u>	<u>28,377</u>	<u>-</u>	<u>-</u>
Net assets, end of year	<u>\$ -</u>	<u>\$ 87,927</u>	<u>\$ 87,927</u>	<u>\$ 59,550</u>

See accompanying notes to the financial statements.

# Board of Management for the Swansea Town Hall Community Centre Statement of Cash Flows

Year ended December 31

2023

2022

Increase (decrease) in cash

## Operating

Excess of revenue over expenses	\$	28,377	\$	7,552
Adjustments for non-cash items:				
Post-employment benefits payable		-		(7,685)
		<u>28,377</u>		<u>(133)</u>

## Change in non-cash working capital items

Prepaid expenses	(11,105)	-
Inventory	(349)	(242)
Due to City of Toronto	(66,318)	111,461
Accounts payable and accrued liabilities	(25,063)	58,628
Government remittances payable	(7,774)	2,172
Deferred contributions	-	107,211
	<u>(82,232)</u>	<u>279,097</u>

## Financing

Long-term amount due from City of Toronto	-	7,685
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(Decrease) increase in cash **(82,232)**      286,782

Cash, beginning of year 672,732      385,950

Cash, end of year \$ 590,500      \$ 672,732

See accompanying notes to the financial statements.

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# **Board of Management for the Swansea Town Hall Community Centre Notes to the Financial Statements**

December 31, 2023

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## **1. Nature of operations**

The City of Toronto Act, 1997 continued the provisions of By-law No. 1995 - 0448 dated June 26, 1995 to reflect Chapter 25, Community and Recreation Centres of the Corporation of the City of Toronto Municipal Code. Chapter 25 amended all previous by-laws and established part of the premises at 95 Lavinia Avenue, as a community recreation centre under the authority of the Municipal Act, known as Swansea Town Hall Community Centre (the "Centre"). The Centre is a not-for-profit organization and, as such, is exempt from income tax.

The Municipal Code provides for a Council appointed Board which, among other matters, shall:

- a) endeavour to manage and control the premises in a reasonable and efficient manner, in accordance with standard good business practices, and
- b) pay to the City of Toronto (the "City") any excess of administration expenditure funds provided by the City in accordance with its approved annual budget, but may retain any surplus from program activities.

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## **2. Significant accounting policies**

### **Basis of accounting**

These financial statements have been prepared in accordance with Canadian public sector accounting standards for government not-for-profit organizations ("PSAS-GNFPO"), including the 4200 series of standards, as issued by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada.

### **Revenue recognition**

The Centre follows the deferral method of accounting for contributions. Contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted contributions are deferred and recognized as revenue in the year in which the related expenses are recognized and recorded as part of deferred contributions on the statement of financial position.

Rental and other revenues are recognized as the services are provided. Amounts received in advance of services being provided are classified as deferred revenue on the statement of financial position.

### **Financial instruments**

The Centre initially measures its financial assets and financial liabilities at fair value.

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

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# **Board of Management for the Swansea Town Hall Community Centre Notes to the Financial Statements**

December 31, 2023

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## **2. Significant accounting policies (continued)**

### **Financial instruments (continued)**

Financial assets measured at amortized cost include cash, and due from City of Toronto. Financial liabilities measured at amortized cost include accounts payable and due to City of Toronto.

### **Contributed material and services**

Because of the difficulty of determining their fair value, contributed materials and services are not recognized in the financial statements. Monetary donations are recorded as received.

### **Capital assets**

Major capital expenditures are financed by the City of Toronto, which owns the facility, and are not reported in these financial statements. The Centre expenses capital assets on acquisition. During 2023, capital assets expensed totaled \$75,365 (2022 - \$45,222) of which \$67,134 (2022 - \$41,198) is included in purchased services and \$8,231 (2022 - \$4,024) is included in materials and supplies.

### **Employee related costs**

The Centre has adopted the following policies with respect to employee benefit plans:

- a) The City of Toronto offers a multi-employer defined benefit pension plan to the Centre's employees. Due to the nature of the Plan, the Centre does not have sufficient information to account for the Plan as a defined benefit plan; therefore, the multi-employer defined benefit pension plan is accounted for in the same manner as a defined contribution plan. An expense is recorded in the period in which contributions are made.
- b) The Centre also offers its employees a defined benefit sick leave plan, a post-retirement life, health and dental plan, a long-term disability plan and continuation of health, dental and life insurance benefits to disabled employees. The accrued benefit obligations are determined using an actuarial valuation based on the projected benefit method prorated on service, incorporating management's best estimate of future salary levels, inflation, sick day usage estimates, ages of employees and other actuarial factors.

Net actuarial gains and losses that arise are amortized over the expected average remaining service life of the employee group.

The Centre recognizes an accrued benefit liability on the statement of financial position, which is the net of the amount of the accrued benefit obligations and the unamortized actuarial gains/ losses.

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# **Board of Management for the Swansea Town Hall Community Centre Notes to the Financial Statements**

December 31, 2023

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## **2. Significant accounting policies (continued)**

### **Use of estimates**

The preparation of financial statements in accordance with PSAS-GNFPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Management makes accounting estimates when determining significant accrued liabilities, the post-employment benefits liabilities and the related costs charged to the statement of operations. Actual results could differ from those estimates, the impact of which would be recorded in future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

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## **3. Change in accounting policies**

Effective January 1, 2023, the Centre adopted new Public Sector Accounting Standards Sections PS3450 *Financial Instruments* and PS1201 *Financial Statement Presentation* along with related amendments. New Section PS3450 requires the fair value measurement of derivatives and portfolio investments in equities quoted in an active market. All other financial assets and liabilities are measured at cost or amortized cost (using the effective interest method), or, by policy choice, at fair value when the entity defines and implements a risk management or investment strategy to manage and evaluate the performance of a group of financial assets, liabilities, or both on a fair value basis.

The measurement requirements were applied prospectively. There were no adjustments required and there are no remeasurement gains or losses or embedded derivatives requiring the presentation of a statement of remeasurement gains or losses.

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## **4. Post-employment benefits liability and long-term account receivable**

The Centre participates in a number of defined benefit plans provided by the City including pension, other retirement and post-employment benefits to its employees. Under the sick leave plan for management staff with ten years of service as of April 1, 2003, unused sick leave accumulated until March 1, 2008 and eligible employees may be entitled to a cash payment upon leaving the Centre's employment. The liability for these accumulated days represents the extent to which they have vested and could be taken in cash by the employee upon termination, retirement or death. This sick bank plan was replaced by a Short-Term Disability Plan (STD) effective March 1, 2008, for all non-union employees of the City of Toronto. Upon the effective date, individual sick banks were locked with no further accumulation. Grandfathered management staff remains entitled to payout of frozen, banked time, as described above. Under the new STD, management employees are entitled to 130 days annual coverage with salary protection at 100 or 75 percent, depending upon years of service. Non- management employees continue to receive sick bank time as stipulated in the applicable Collective Agreement, which specifies no financial conversion of unused sick leave.

# Board of Management for the Swansea Town Hall Community Centre Notes to the Financial Statements

December 31, 2023

## 4. Post-employment benefits liability and long-term account receivable (continued)

The Centre also provides health, dental, life insurance, accidental death and long-term disability benefits to eligible employees. Depending upon the length of service and an individual's election, management retirees are covered either by the former City of Toronto retirement benefit plan or by the current retirement benefit plan.

Due to the complexities in valuing the benefit plans, actuarial valuations are conducted on a periodic basis. The most recent actuarial valuation was completed as at December 31, 2021 with projections to December 31, 2023. Assumptions used to project the accrued benefit obligation were as follows:

- long-term inflation rate - 2.0%
- assumed health care cost trends - range from 3.0% to 6.0%
- rate of compensation increase - 3.0% to 3.5%
- discount rates - post-retirement 4.7%, post-employment 4.1%, sick leave 4.2%

Information about the Centre's employment benefits, other than the multi-employer, defined benefit pension plan noted below, is as follows:

	<u>2023</u>	<u>2022</u>
Post-retirement benefits	\$ 81,283	\$ 71,782
Sick leave benefits	<u>26,563</u>	<u>33,612</u>
	107,846	105,394
Unamortized actuarial gain (loss)	<u>(161)</u>	<u>2,291</u>
Post-employment benefit liability	<u>\$ 107,685</u>	<u>\$ 107,685</u>

The continuity of the accrued benefit obligation is as follows:

	<u>2023</u>	<u>2022</u>
Balance, beginning of year	\$ 107,685	\$ 115,370
Current service cost	1,752	2,206
Interest cost	4,692	3,294
Amortization of actuarial gain	1,933	2,419
Benefits paid	<u>(8,377)</u>	<u>(15,604)</u>
Balance, end of year	<u>\$ 107,685</u>	<u>\$ 107,685</u>

A long-term receivable from the City of \$107,685 in 2023 (2022 - \$107,685) has resulted from the recording of sick leave and post-retirement benefits. Funding for these costs continues to be provided by the City as benefit costs are paid and the City continues to be responsible for the benefit liabilities of administration staff that may be incurred by the Centre.

# Board of Management for the Swansea Town Hall Community Centre Notes to the Financial Statements

December 31, 2023

## 4. Post-employment benefits liability and long-term account receivable (continued)

The Centre also makes contributions to the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer plan, on behalf of most of its employees. The OMERS plan (the "Plan") is a defined benefit plan, which specifies the amount of retirement benefit to be received by the employees based on the length of service and rates of pay. Employer contributions to this pension plan amounted to \$31,671 in 2023 (2022 - \$38,459).

The most recent actuarial valuation of the Plan as at December 31, 2023 indicates the Plan is in a deficit position and the Plan's December 31, 2023 financial statements indicate a net deficit of \$7,571 million (a deficit of \$4,202 million plus adjustment of \$3,369 million of unrecognized investment returns above or below the discount rate that is being smoothed and recognized over a five-year period). The Plan's management is monitoring the adequacy of the contributions to ensure that future contributions together with the Plan's assets and future investment earnings will be sufficient to provide for all future benefits. At this time, the Centre's contributions accounted for an insignificant portion of the Plan's total employer contributions. Additional contributions, if any, required to address the Centre's proportionate share of the deficit will be expensed during the period incurred.

## 5. Funds provided by the City of Toronto - Administration

Funding for administration expenses is provided by the City according to Council approved budgets. Surplus amounts in administration are payable to the City. Deficits, excluding those accruals for long-term employee benefits, are funded by the Centre unless Council approval has been obtained for additional funding.

	Budget 2023 (unaudited)	<u>2023</u>	<u>2022</u>
<b>Administration expenses</b>			
Salaries and wages	\$ 423,367	\$ 371,733	\$ 388,253
Employee benefits	134,760	83,669	111,722
Materials and supplies	75,881	70,440	47,097
Purchase of services	<u>62,349</u>	<u>174,738</u>	<u>110,239</u>
	696,357	\$ 700,580	\$ 657,311
Budgeted rental and sundry revenue	<u>(150,000)</u>		
Administration budget	546,357		
Section 37 funding	<u>107,211</u>		
	<u>653,568</u>		
<b>Centre's administration revenue</b>			
Administration budget		\$ 653,568	\$ 707,460
Rental and sundry revenue		<u>291,651</u>	<u>235,373</u>
		<u>945,219</u>	<u>942,833</u>

# Board of Management for the Swansea Town Hall Community Centre Notes to the Financial Statements

December 31, 2023

## 5. Funds provided by the City of Toronto -administration (continued)

<b>Centre's actual administration expense</b>		
Administration expenses	700,580	693,993
Adjustments for non-cash items:		
Post-employment benefits, not funded by the City until paid, that are included in long-term amount due from City of Toronto	-	7,685
Section 37 funding deferred to 2022	<u>107,211</u>	<u>107,211</u>
	<u>807,791</u>	<u>808,889</u>
 Administration expenses under approved budget	 <u>\$ 137,428</u>	 <u>\$ 133,944</u>

The under-expenditure of \$138,728 (2022 - \$133,944) is included in Due to City of Toronto.

The Due to City of Toronto balance is comprised of:

	<u>2023</u>	<u>2022</u>
2021 surplus	\$ -	\$ 203,746
2022 surplus	133,944	133,944
2023 surplus	<u>137,428</u>	<u>-</u>
	<u>\$ 271,372</u>	<u>\$ 337,690</u>

## 6. Internally restricted - program development reserve

The Board of Management created the Program Development Reserve in September 2010 with funds earmarked for program development. In 2023, the Board of Management approved the transfer of \$29,240 (2022 - \$7,552) from unrestricted net assets to the Program Development Reserve.

## 7. Deferred contributions

Deferred contributions consist of the following:

	<u>2023</u>	<u>2022</u>
Balance, beginning of year	\$ 107,211	\$ -
Contributions received	-	107,211
Amount recognized as revenue	<u>-</u>	<u>-</u>
Balance, end of year	<u>\$ 107,211</u>	<u>\$ 107,211</u>



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# **Board of Management for the Swansea Town Hall Community Centre Notes to the Financial Statements**

December 31, 2023

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## **8. Financial instruments**

The Centre is exposed to and manages various financial risks resulting from operations. Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The Centre's main financial risk exposures and its financial risk management policies are as follows:

### **Credit risk**

The Centre is exposed to credit risk resulting from the possibility that parties may default on their financial obligations. The Centre's maximum exposure to credit risk represents the sum of the carrying value of its cash and accounts receivable. The Centre's cash is deposited with Canadian chartered banks and as a result management believes the risk of loss on this item to be remote. Management believes that the Centre's credit risk with respect to accounts receivable is limited. The Centre manages its credit risk by reviewing accounts receivable aging and following up on outstanding amounts.

### **Liquidity risk**

Liquidity risk is the risk that the Centre cannot meet a demand for cash or fund obligations as they become due. The Centre's financial liabilities are comprised of accounts payable and accrued liabilities. The Centre manages liquidity risk by monitoring its cash flow requirements on a regular basis. The Centre believes its overall liquidity risk to be minimal as the Centre's financial assets are considered to be highly liquid.

### **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. Market risk is comprised of currency risk, interest rate risk and other price risk.

#### *Currency risk*

Currency risk refers to the risk that the fair value of instruments or future cash flows associated with the instruments will fluctuate relative to the Canadian dollar due to changes in foreign exchange rates. The Centre's financial instruments are all denominated in Canadian dollars and the Centre transacts primarily in Canadian dollars. As a result, management does not believe it is exposed to significant currency risk.

#### *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 Centre's cash earns interest at prevailing market rates. Management believes the interest rate exposure related to this financial instrument is negligible.

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**Board of Management for the  
Swansea Town Hall Community Centre  
Notes to the Financial Statements**

December 31, 2023

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**8. Financial instruments (continued)**

**Market risk (continued)**

*Other price risk*

Other price risk is the risk that the fair value of financial instruments or future cash flows associated with financial instruments will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether these changes are caused by factors specific to the individual instrument or its issuer or factors affecting all similar instruments traded in the market. Management does not believe the Centre is exposed to significant other price risk.

*Changes in risk*

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