
**Consolidated financial statements of
YMCA of Greater Saint John Inc.**
(Incorporated under the laws of New Brunswick)

December 31, 2018

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Independent Auditor's Report

To the Members of
YMCA of Greater Saint John Inc.

Opinion

We have audited the financial statements of YMCA of Greater Saint John (the "Organization"), which comprise the consolidated statement of financial position as at December 31, 2018, and the consolidated statements of changes in fund balances, operations and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2018, 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 ("Canadian GAAS"). 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 opinion.

Responsibilities of Management for the Consolidated 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.

Auditors' Responsibility for the Audit of the Consolidated 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 GAAS 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 GAAS, 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.

 DELOITTE LLP

Chartered Professional Accountants
March 29, 2019

YMCA of Greater Saint John Inc.
Consolidated statement of financial position
As at December 31, 2018

		2018			2017
	Operating fund	Capital fund	Endowment fund	Total	Total
Notes	\$	\$	\$	\$	\$
Assets					
Current assets					
Cash					
Restricted	12	1,015,670	419,069	—	1,434,739
Unrestricted		906,696	—	41,782	948,478
Accounts receivable	3	330,217	43,056	2,504	375,777
Prepaid expenses		47,920	—	—	47,920
		2,300,503	462,125	44,286	2,806,914
Investments	4	—	—	795,223	795,223
Investments held in trust	2,4	—	—	619,153	619,153
Property and equipment	5	682,737	20,363,969	—	21,046,706
		2,983,240	20,826,094	1,458,662	25,267,996
Liabilities					
Current liabilities					
Accounts payable and accrued liabilities	6	498,743	159,970	2,750	661,463
Deferred revenue	7	1,388,617	—	—	1,388,617
Demand term loan	8	—	370,000	—	370,000
Current portion of long-term debt	8	—	288,000	—	288,000
		1,887,360	817,970	2,750	2,708,080
Deferred contributions	9	14,328	17,979,959	—	17,994,287
Long-term debt	8	—	884,000	—	884,000
Inter-fund accounts payable (receivable)		190,169	(809,305)	619,136	—
		2,091,857	18,872,624	621,886	21,586,367
Commitments	10				
Fund balances					
Invested in property and equipment		—	1,334,317	—	1,334,317
Externally restricted		—	—	438,157	438,157
Internally restricted		—	—	398,619	398,619
Restricted for capital replacement	2	—	619,153	—	619,153
Unrestricted		891,383	—	—	891,383
		891,383	1,953,470	836,776	3,681,629
		2,983,240	20,826,094	1,458,662	25,267,996

The accompanying notes are an integral part of the consolidated financial statements.

Approved on behalf of the Board

 Director
 Director

YMCA of Greater Saint John Inc.

Consolidated statement of changes in fund balances

Year ended December 31, 2018

				2018	2017
	Operating fund	Capital fund	Endowment fund	Total	Total
Notes	\$	\$	\$	\$	\$
Balance, beginning of year	656,127	1,873,851	852,742	3,382,720	3,033,502
Endowment contributions (withdrawals)	-	-	5,250	5,250	(154,972)
Transfer to fund balance restricted for capital replacement 2	(200,000)	193,087	-	(6,913)	1,066
Excess (deficiency) of revenue over expenditure	435,256	(113,468)	(21,216)	300,572	503,124
Balance, end of year	891,383	1,953,470	836,776	3,681,629	3,382,720

The accompanying notes are an integral part of the consolidated financial statements.

YMCA of Greater Saint John Inc.
Consolidated statement of operations
Year ended December 31, 2018

	Notes				2018	2017
		Operating	Capital	Endowment	Total	Total
		fund	fund	fund		
		\$	\$	\$	\$	
Revenue						
Newcomer services		3,231,979	—	—	3,231,979	2,760,945
Health, fitness and aquatics		2,559,223	—	—	2,559,223	2,452,869
Childcare centres		2,461,788	—	—	2,461,788	2,313,063
Community centres and after school sites		1,927,117	—	—	1,927,117	1,977,677
Camps		482,183	—	—	482,183	522,881
Amortization of deferred contributions	9	16,149	485,602	—	501,751	486,669
Other revenue and donations		161,096	—	22,199	183,295	89,040
Investment income		16,358	—	24,091	40,449	29,338
Rental income		—	4,336	—	4,336	—
		10,855,893	489,938	46,290	11,392,121	10,632,482
Expenditure						
Salaries and benefits		7,125,393	—	—	7,125,393	6,495,495
Programs supplies and equipment		982,346	—	—	982,346	877,211
Amortization		290,292	532,495	—	822,787	806,205
Maintenance and utilities		736,082	—	—	736,082	706,414
Impairment	5	219,345	—	—	219,345	—
Bank and financial		126,987	—	—	126,987	285,299
Office and general		184,321	356	—	184,677	262,847
Rent		205,933	—	—	205,933	217,940
Professional fees		144,345	70,555	—	214,900	176,720
YMCA allocation fees	10	146,239	—	—	146,239	137,480
Staff and volunteer development		202,171	—	—	202,171	104,209
Advertising		38,898	—	—	38,898	47,813
Endowment		—	—	33,092	33,092	39,868
Fundraising		18,285	—	—	18,285	6,383
		10,420,637	603,406	33,092	11,057,135	10,163,884
Comparative figures (Note 12)						
Excess (deficiency) of revenue over expenditure before		435,256	(113,468)	13,198	334,986	468,598
Net gain on investments		—	—	(34,414)	(34,414)	34,526
Excess (deficiency) of revenue over expenditure		435,256	(113,468)	(21,216)	300,572	503,124

The accompanying notes are an integral part of the consolidated financial statements.

YMCA of Greater Saint John Inc.

Statement of cash flows

Year ended December 31, 2018

				2018	2017
	Operating fund	Capital fund	Endowment fund	Total	Total
	\$	\$	\$	\$	\$
Operating activities					
Excess (deficiency) of revenue over expenditure	435,256	(113,468)	(21,216)	300,572	503,125
Items not involving cash					
Amortization	290,292	532,495	—	822,787	806,205
Amortization of deferred contributions related to property and equipment	(16,149)	(485,602)	—	(501,751)	(486,669)
Impairment on property	150,041	—	—	150,041	—
(Gain) loss on disposal of property and equipment	—	—	—	—	(4,141)
Net gain on investments	—	—	34,414	34,414	(34,526)
	859,440	(66,575)	13,198	806,063	783,994
Changes in non-cash working capital balances					
Accounts receivable	(159,246)	6,670	380	(152,196)	28,511
Prepaid expenses	20,159	—	422	20,581	33,860
Accounts payable and accrued liabilities	50,651	159,970	—	210,621	22,679
Deferred revenue	471,012	—	—	471,012	(127,920)
	1,242,016	100,065	14,000	1,356,081	741,124
Investing activities					
Purchase of investments	—	—	(64,246)	(64,246)	(218,213)
Purchase of investments held in trust	—	—	(393,087)	(393,087)	(225,118)
Proceeds on disposal of investments	—	—	82,455	82,455	208,295
Purchase of property and equipment	(219,820)	(850,864)	—	(1,070,684)	(598,698)
Deferred contributions received	11,852	808,260	—	820,112	982,923
Proceeds on disposal of property and equipment	—	—	—	—	4,140
Transfer to capital replacement reserve	(200,000)	(200,000)	—	(400,000)	(225,000)
	(407,968)	(242,604)	(374,878)	(1,025,450)	(71,671)
Financing activities					
Repayment of demand term loan	—	(98,000)	—	(98,000)	(402,000)
Repayment of long term debt	—	(288,000)	—	(288,000)	—
Repayment of promissory note	—	—	—	—	(167,400)
Inter-fund accounts	(649,527)	649,527	(300)	(300)	—
Amount due to YMCA of Greater Saint John Inc.	—	—	393,087	393,087	226,066
Endowment withdrawals	—	—	—	—	(167,949)
Endowment contributions	—	—	5,250	5,250	12,977
Proceeds from promissory note	—	—	—	—	167,400
	(649,527)	263,527	398,037	12,037	(330,906)
Increase (decrease) in cash	184,521	120,988	37,159	342,668	338,547
Cash, beginning of year	1,737,845	298,081	4,623	2,040,549	1,702,002
Cash, end of year	1,922,366	419,069	41,782	2,383,217	2,040,549

The accompanying notes are an integral part of the consolidated financial statements.

Purpose of the organization

YMCA of Greater Saint John Inc. (the "Organization") is a membership and volunteer association committed to excellence in serving the community through the development of spirit, mind and body.

Additionally, the Organization controls the activities of YMCA of Greater Saint John Endowment Fund Inc. by virtue of its ability to approve the election or appointment of the majority of the Board of Directors. The purpose of YMCA of Greater Saint John Endowment Fund Inc. is to raise, invest and direct the management of funds and distribute investment income for the purpose of providing for the future financial stability of the Organization and to enhance the "Y" presence in the community.

The Organization is incorporated under the laws of New Brunswick and, as a registered charities under the Income Tax Act, are exempt from paying income taxes.

1. Significant accounting policies

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

Consolidated financial statements

These consolidated financial statements have been prepared on a consolidated basis and include the accounts of both the Organization and YMCA of Greater Saint John Endowment Fund Inc.

Fund accounting

The Organization follows the deferral method of accounting for contributions, uses three funds to record its transactions, the operating fund, the capital fund and the endowment fund.

Operating fund

The operating fund includes all revenue and expenditure related to program delivery and administrative activities.

Capital fund

The capital fund reports the assets, liabilities, revenue and expenditure related to the organization's land, buildings and leasehold improvements and revenue and expenditure related to the fundraising campaign to raise money for construction of the Saint John Regional Y and revitalization of Camp Glenburn.

Endowment fund

The endowment fund consists of the assets, liabilities, revenue and expenditure of YMCA of Greater Saint John Endowment Fund Inc. Certain endowment contributions and the investment income earned thereon are subject to restrictions imposed by contributors. The remaining endowment fund balance has been internally restricted and is not available for operating purposes without the approval of the board of directors of YMCA of Greater Saint John Endowment Fund Inc.

Cash and cash equivalents

The Organization's policy is to disclose bank balances under cash and cash equivalents, if applicable, including bank overdrafts with balances that fluctuate frequently from being positive to overdrawn and term deposits with a maturity period of three months or less from the date of acquisition.

1. Significant accounting policies (continued)

Property and equipment

Purchased property and equipment are recorded at acquisition cost. Contributed property and equipment are recorded at fair value at the date of contribution. Land, building and leasehold improvements are recorded in the Capital Fund and equipment is recorded in the Operating Fund. Amortization is being provided for using the straight-line method at the following annual rates:

Buildings	2.5%-5%
Equipment	10%-33%
Leasehold improvements	33%

Revenue recognition

Restricted contributions are recognized as revenue of the appropriate fund in the year in which the related expenditure is incurred. Unrestricted contributions are recognized as revenue of the appropriate fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in the fund balance in the year.

Revenue from membership sales is recognized over the term of the memberships.

Pledges receivable are not recognized as revenue until collected because the organization cannot make a reasonable estimate of the amount that will be collected and collection is not reasonably assured. Pledges collected subsequent to December 31, 2018 for the construction of the Regional Y and the revitalization of Camp Glenburn will be deferred and amortized to income over the remaining estimated useful life of the assets.

All other revenue is recorded on an accrual basis.

Financial instruments

Measurement of financial instruments

The Organization initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions.

The Organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net gain on investments, along with realized gains on disposals of investments. Interest income is recognized to revenue.

Financial assets measured at amortized cost include cash and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and demand term loan.

The Organization's financial assets measured at fair value include investments.

Impairment

In the event of a write-down, financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in excess of revenue over expenditure. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no 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 excess of revenue over expenditure.

1. Significant accounting policies (continued)

Financial instruments (continued)

Transaction costs

The Organization recognizes its transaction costs in excess of revenue over expenditure in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

Contributed services

Volunteers contribute an indeterminable number of hours per year. Due to the difficulty of determining their fair values, contributed services are not recognized in the consolidated financial statements.

Use of estimates

The preparation of these financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditure during the current period. These estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known.

2. Internal restriction for capital replacement

In November 2015, the Board of Directors established an internally restricted fund for capital replacement. The purpose of the restricted fund is to provide for major repairs to the Organization's three main assets: Regional Y, Glen Carpenter Centre and Camp Glenburn. All contributions and withdrawals from the capital replacement fund must be approved by the Board of Directors

In 2017, the Organization and the YMCA of Greater Saint John Endowment Fund Inc. entered into an agreement whereby the YMCA of Greater Saint John Endowment Fund Inc. will hold the capital replacement reserve funds in trust for the Organization. The funds are held in a segregated investment account and are invested in accordance with the YMCA of Greater Saint John Endowment Fund Inc.'s investment policy. Any investment income and related costs associated with the segregated funds are allocated to the segregated funds. No other costs are allocated.

For 2018, the Board of Directors approved a contribution of \$200,000 (2017 - \$200,000) to the internally restricted fund. The increase to the fund in 2018 was \$193,087 (2017 - \$1,066).

As at December 31, 2018, the balance in the fund is \$619,153 (2017 - \$226,066), which is offset by the amount due to the YMCA of Greater Saint John Inc.

YMCA of Greater Saint John Inc.

Notes to the consolidated financial statements

Year ended December 31, 2018

3. Accounts receivable

	Operating Fund \$	Capital Fund \$	Endowment Fund \$	2018 Total \$	2017 Total \$
Programs	144,035	—	—	144,035	87,459
Provincial Government	135,613	—	—	135,613	60,542
Federal Government	—	—	—	—	49,257
Other	37,758	—	2,504	40,262	28,320
Harmonized Sales Tax recoverable	27,809	43,056	—	70,865	469
Allowance for doubtful accounts	(14,998)	—	—	(14,998)	(13,500)
	330,217	43,056	2,504	375,777	212,547

4. Investments

	2018 \$	2017 \$
Money market funds	22,676	38,234
Government of Canada bonds, bearing coupon rates of 5% to 8%, due 2027 to 2037, face value of \$34,000 (2017 - \$34,000)	49,510	50,217
Provincial bonds, bearing coupon rates of 1.45% to 6.5%, due 2018 to 2037, face value of \$35,507 (2017 - \$45,507)	39,957	50,805
Corporate bonds, bearing coupon rates of 1.58% to 3.37%, due 2017 to 2023, face value of \$250,516 (2017 - \$238,119)	254,424	248,111
	343,891	349,133
Equities		
Canadian equities	301,846	334,335
Foreign equities	126,810	126,144
	428,656	460,479
	795,223	847,846

YMCA of Greater Saint John Inc.
Notes to the consolidated financial statements
Year ended December 31, 2018

4. Investments (continued)

Investments held in trust for YMCA of Greater Saint John Inc.

	2018	2017
	\$	\$
Money market funds	32,810	21,247
Fixed income funds, bearing interest of 1.184% to 2.98%, face value of \$258,202 (\$89,000 in 2017)	259,406	90,539
	259,406	90,539
Equities		
Canadian equities	229,462	83,387
Foreign equities	97,475	30,893
	326,937	114,280
	619,153	226,066
Total of all investments	1,414,376	1,073,912

5. Property and equipment

	Cost	Accumulated amortization	2018 Net book value	2017 Net book value
	\$	\$	\$	\$
Operating fund				
Equipment	1,962,287	1,279,550	682,737	903,250
	1,962,287	1,279,550	682,737	903,250
Capital fund				
Land	1,051,540	—	1,051,540	1,051,540
Buildings	21,261,334	1,948,905	19,312,429	18,994,060
	22,312,874	1,948,905	20,363,969	20,045,600
	24,275,161	3,228,455	21,046,706	20,948,850

In 2016, the Board approved the Organization's participation in a Federation wide information technology project for the development of a new registration system, Dynamics for Membership. The cost of the project to the Organization to December 31, 2018 has been capitalized within the operating fund.

On December 31, 2018, the Board approved the investment in a separate registration system and to discontinue participating in the Federation's Dynamics for Membership project. An impairment loss equal to the investment in the Dynamics for Membership initiative in the amount of \$219,345 has been recognized in 2018.

YMCA of Greater Saint John Inc.

Notes to the consolidated financial statements

Year ended December 31, 2018

6. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities includes HST receivable of \$28,848 (2017 - \$10,734).

7. Deferred revenue

	2018	2017
	\$	\$
Newcomer services	813,037	326,255
Child care centres	270,323	227,334
Grants and donations	153,360	200,856
Early Learning Centre	53,042	115,321
Membership fees	49,581	25,083
Overnight camp	49,273	22,756
	<u>1,388,616</u>	<u>917,605</u>

8. Credit facilities

At December 31, 2018, the Organization has drawn on their available credit facilities as follows:

	Capital Fund	2018 Total	2017 Total
	\$	\$	\$
Current			
Facility 1- RBC non-revolving, term facility, interest rate of prime +0.70%, no fixed terms of repayment. Secured by collateral mortgage in the amount of \$6,000,000.	370,000	370,000	468,000
Current portion of facility 2 and other	288,000	288,000	288,000
	<u>658,000</u>	<u>658,000</u>	<u>756,000</u>
Long-term			
Facility 2 - RBC non-revolving , term facility, fixed interest of 3.95% repayable in monthly installments of \$24,000 plus interest. Secured by collateral mortgage in the amount of \$6,000,000.	884,000	884,000	1,172,000
	<u>1,542,000</u>	<u>1,542,000</u>	<u>1,928,000</u>

Annual repayments for the next five years are as follows:

	\$
2019	288,000
2020	288,000
2021	288,000
2022	288,000
2023	<u>20,000</u>

YMCA of Greater Saint John Inc.
Notes to the consolidated financial statements
Year ended December 31, 2018

9. Deferred contributions

Deferred contributions are related to property and equipment and represent contributions to the Organization from federal, provincial and municipal government and private capital campaign contributions for the purchase of property and equipment. These contributions are amortized to revenue on the same basis as the related property and equipment are amortized to expenditure. The change in the deferred contributions balance for the year is as follows:

	2018			2017
	Operating Fund \$	Capital Fund \$	Total \$	Total \$
Balance, beginning of year	18,625	17,657,301	17,675,926	17,179,672
Contributions received during the year:				
Camp Glenburn	—	585,024	585,024	—
Regional Y	11,852	223,236	235,088	—
	11,852	808,260	820,112	982,923
Amount amortized to revenue	(16,149)	(485,602)	(501,751)	(486,669)
Balance, end of year	14,328	17,979,959	17,994,287	17,675,926

10. Commitments

The Organization has made commitments for leased equipment and service contracts. The minimum annual payments over the next five years are as follows:

	\$
2019	151,192
2020	47,929
2021	46,380
2022	25,938
2023	<u>3,635</u>

The Organization has other committed lease payments with minimum annual lease payments that are as follows:

	\$
2019	156,444
2020	157,943
2021	67,204
2022	58,272
2023	<u>43,625</u>

On an annual basis, the Organization incurs an allocation fee charged by YMCA Canada, which is based on approximately 1.5% of the organization's previous year's revenue. The allocation fee expense for 2018 was \$146,239 (2017 - \$137,480).

11. Financial instruments

Risks and concentrations

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

Liquidity risk

The Organization's objective is to have sufficient liquidity to meet its liabilities when due. The Organization monitors its cash balances and cash flows generated from operations to meet its requirements. As at December 31, 2018, the most significant financial liabilities are accounts payable and accrued liabilities, demand term loan, long-term debt, and payables to related parties.

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 accounts receivable. The Organization provides credit to its clients in the normal course of operations. Of total accounts receivable held at December 31, 2018, 56% (2017 – 41.9%) relate to amounts receivable from the Government of New Brunswick.

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 comprises three types of risk: currency risk, interest rate risk and other price risk.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Approximately 15.9% (2017 – 14.6%) of the organization's investments are in foreign currency. Consequently, some assets are exposed to foreign exchange fluctuations.

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. Approximately 43.2% (2017 – 40.9%) of the organization's investments are fixed rate investments. The Organization is exposed to interest rate risk on its fixed rate investments. Fixed-rate instruments subject the organization to a fair value risk.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Organization is exposed to other price risk through its investments in quoted shares.

YMCA of Greater Saint John Inc.
Notes to the consolidated financial statements
Year ended December 31, 2018

12. Restricted cash

These funds are reserved for a specific purpose and not available for use in operations.

	Operating Fund	Capital Fund	2018 Total	2017 Total
	\$	\$	\$	\$
Newcomer services	813,037	—	813,037	326,255
Grants and donations	153,360	419,069	572,429	498,937
Early Learning Centre	49,273	—	49,273	115,321
Balance, end of year	1,015,670	419,069	1,434,739	940,513

