Consolidated Financial Statements of

THE SASKATCHEWAN GOVERNMENT AND GENERAL EMPLOYEES' UNION

And Independent Auditor's Report thereon

Year ended December 31, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Members of The Saskatchewan Government and General Employees' Union

Opinion

We have audited the consolidated financial statements of The Saskatchewan Government and General Employees' Union (the Entity), which comprise:

- the consolidated statement of financial position as at December 31, 2024
- the consolidated statement of operations and changes in net assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated 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 consolidated financial position of the Entity as at December 31, 2024, its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Canadian accounting standards for non-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the ***"Auditor's Responsibilities for the Audit of the Financial Statements"*** section of our auditor's report.

We are independent of the Entity 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 accounting standards for non-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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

KPMG LLP

Chartered Professional Accountants

Regina, Canada

April 10, 2025

THE SASKATCHEWAN GOVERNMENT AND GENERAL EMPLOYEES' UNION

Consolidated Statement of Financial Position

December 31, 2024, with comparative information for 2023

	General	Defense	Contingency	2024	2023
Assets					
Current assets:					
Cash	$ 2,676,690	$ 260,761	$ 149,996	$ 3,087,447	$ 1,168,375
Accounts receivable (note 2)	1,513,096	622	-	1,513,718	966,001
Prepaid expenses	253,048	-	-	253,048	312,461
Due from SGEU LTD Plan (note 9)	156,856	-	-	156,856	-
Due from general fund	-	-	2,232,078	2,232,078	2,232,078
Due from defense fund	3,547,836	-	-	3,547,836	1,412,397
	8,147,526	261,383	2,382,074	10,790,983	6,091,312
Capital assets (note 3)	25,222,208	-	-	25,222,208	26,632,418
Assets held for sale (note 4)	400,000	-	-	400,000	1,384,688
Investments (note 5)	-	41,045,995	-	41,045,995	35,600,242
Accrued benefit asset (note 7)	2,996,402	-	-	2,996,402	7,314,120
	$ 36,766,136	$ 41,307,378	$ 2,382,074	$ 80,455,588	$ 77,022,780
Liabilities					
Current liabilities:					
Bank indebtedness (note 6)	$ -	$ 9,871,557	$ -	$ 9,871,557	$ 10,404,148
Accounts payable and accruals (note 8)	2,301,922	-	-	2,301,922	1,677,053
Due to SGEU LTD Plan (note 9)	-	-	-	-	1,694,570
Due to general fund	-	3,547,836	-	3,547,836	1,412,397
Due to contingency fund	2,232,078	-	-	2,232,078	2,232,078
	4,534,000	13,419,393	-	17,953,393	17,420,246
Net Assets:					
Restricted surplus	2,996,402	27,887,985	2,382,074	33,266,461	33,534,356
Unrestricted surplus	29,235,734	-	-	29,235,734	26,068,178
	32,232,136	27,887,985	2,382,074	62,502,195	59,602,534
Contingencies (note 10)					
	$ 36,766,136	$ 41,307,378	$ 2,382,074	$ 80,455,588	$ 77,022,780

See accompanying notes to financial statements.

On behalf of the Board:

[signature] President

[signature] 1st Vice President

THE SASKATCHEWAN GOVERNMENT AND GENERAL EMPLOYEES' UNION

Consolidated Statement of Operations and Changes in Net Assets

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

	General	Defense	Contingency	2024	2023
Revenue:					
Membership dues	$ 19,635,890	$ -	$ -	$ 19,635,890	$ 16,560,120
Investment income (loss)	78,006	1,540,215	5,736	1,623,957	(135,387)
Assessments	-	155,853	38,099	193,952	137,583
Rental income	145,833	-	-	145,833	174,086
Initiation fees	84,155	-	-	84,155	83,040
	19,943,884	1,696,068	43,835	21,683,787	16,819,442
Expenses:					
Amortization	1,773,672	-	-	1,773,672	1,457,924
Rental expenses	324,121	-	-	324,121	209,258
Campaign expenses	-	135,439	-	135,439	344,391
	2,097,793	135,439	-	2,233,232	2,011,573
Program expenses	6,983,217	-	-	6,983,217	6,262,650
Administration expenses	8,726,442	1,126,546	-	9,852,988	8,852,549
Total expenses	17,807,452	1,261,985	-	19,069,437	17,126,772
Excess (deficiency) of revenue over expenses before other items	2,136,432	434,083	43,835	2,614,350	(307,330)
Other items:					
Unrealized gain on investments	-	3,571,905	-	3,571,905	3,154,778
Long-term disability plan operations (note 7)	(4,317,718)	-	-	(4,317,718)	9,253,016
Gain on sale of assets held for sale	1,031,124	-	-	1,031,124	-
	(3,286,594)	3,571,905	-	285,311	12,407,794
Excess (deficiency) of revenue over expenses	(1,150,162)	4,005,988	43,835	2,899,661	12,100,464
Net assets, beginning of year	33,382,298	23,881,997	2,338,239	59,602,534	47,502,070
Net assets, end of year	$ 32,232,136	$ 27,887,985	$ 2,382,074	$ 62,502,195	$ 59,602,534

See accompanying notes to financial statements.

THE SASKATCHEWAN GOVERNMENT AND GENERAL EMPLOYEES' UNION

Consolidated Statement of Cash Flows

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

	General	Defense	Contingency	2024	2023
Cash provided by (used in):					
Operations:					
Excess (deficiency) of revenue over expenses	$ (1,150,162)	$ 4,005,988	$ 43,835	$ 2,899,661	$ 12,100,464
Items not involving cash:					
Amortization	1,773,672	-	-	1,773,672	1,457,924
Unrealized gain on investments	-	(3,571,905)	-	(3,571,905)	(3,154,778)
Long-term disability plan operations	4,317,718	-	-	4,317,718	(9,253,016)
Gain on sale of assets held for sale	(1,031,124)	-	-	(1,031,124)	-
Changes in non-cash operating working capital:					
Accounts receivable	(547,501)	(216)	-	(547,717)	(155,695)
Prepaid expenses	59,413	-	-	59,413	(144,831)
Due from SGEU LTD Plan	(156,856)	-	-	(156,856)	-
Due from general fund	-	-	-	-	(250,000)
Due from defense fund	(2,135,439)	-	-	(2,135,439)	2,205,608
Accounts payable and accruals	624,869	-	-	624,869	(561,198)
Due to SGEU LTD Plan	(1,694,570)	-	-	(1,694,570)	(586,960)
Due to general fund	-	2,135,439	-	2,135,439	(2,205,608)
Due to contingency fund	-	-	-	-	250,000
	60,020	2,569,306	43,835	2,673,161	(298,090)
Financing:					
Advances on bank indebtedness	-	(532,591)	-	(532,591)	3,411,114
Investing:					
Purchase of capital assets	(345,839)	-	-	(345,839)	(3,777,670)
Net change in investments	-	(1,873,848)	-	(1,873,848)	(106,133)
Net proceeds from sale of assets held for sale	1,998,189	-	-	1,998,189	-
	1,652,350	(1,873,848)	-	(221,498)	(3,883,803)
Decrease in cash	1,712,370	162,867	43,835	1,919,072	(770,779)
Cash, beginning of year	964,320	97,894	106,161	1,168,375	1,939,154
Cash, end of year	$ 2,676,690	$ 260,761	$ 149,996	$ 3,087,447	$ 1,168,375

See accompanying notes to financial statements.

Nature of operations:

The Saskatchewan Government and General Employees' Union (the "Union") is a democratic union, through which members strive for healthy productive work environments as they provide quality public services and presentation for all interest groups. The Union's vision is a structure that is membership driven ensuring democratic and equitable representation. The structure will accommodate the diversity of the membership and allow for accountable leadership and effective communication.

The financial records of the Union include the SGEU Long Term Disability Plan (the “Plan”), which are administered by the Supervisory committee in accordance with the Union’s Constitution.

1. Significant accounting policies:

The consolidated financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. The Union has determined that the local chapters (“Locals”) and sectors (“Sectors”) are separate entities for financial reporting purposes. These entities are not controlled and their results have not been included in these financial statements. The significant accounting policies are as follows:

(a) Fund accounting:

The accounts of the Union are maintained in accordance with the restricted fund accounting, with fund presentation, whereby the resources of the Union are classified into funds associated with specific activities or objectives. For financial reporting purposes, there are three funds presented in these financial statements:

i. The General Fund reflects the conduct of general operations and activities.
ii. The Defense Fund reflects the operations for those activities related to the defense of the union and strikes.
iii. The Contingency Fund exists to meet unforeseen or unusual financial needs of the union.

Interfund receivables and payables are non-interest bearing and have no fixed terms of repayment.

(b) Consolidation:

The consolidated financial statements include the accounts of the Union, and its wholly owned real-estate holding subsidiary (101140532 Saskatchewan Ltd). Intercompany transactions and balances have been eliminated upon consolidation.

1. Significant accounting policies (continued):

(c) Basis of presentation:

These consolidated financial statements reflect the assets, liabilities, revenue and expenses of the Union, including the Defense Fund, and the Contingency Fund.

(d) Capital assets:

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution if fair value can be reasonably determined.

Amortization is provided using the straight-line method at rates intended to amortize the cost of assets over their estimated useful lives.

Asset	Method	Rate
Buildings	Straight-line	20 years
Computer equipment	Straight-line	3 years
Furniture and fixtures	Straight-line	5 years

(e) Pension plan:

The Union contributes to a defined contribution plan which consists of a 10% (2023 - 10%) contribution made by the employee, which is matched by SGEU. During the year contributions of $941,050 (2023 - $846,580) were made to the pension plan.

(f) Revenue recognition:

Revenue from membership dues is recorded monthly and during the period in which the individual is a member of the union and is recorded when received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured. Investment income is recorded as it is earned. Assessment and Initiation revenue is recognized as it is earned. Rental revenue is recognized as earned over the period to which it relates.

(g) Income taxes:

The Union is exempt from taxes under the provision 149 (1)(k) of the *Income Tax Act*.

1. Significant accounting policies (continued):

(h) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. Changes in fair value are recognized in net income in the period incurred. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Union has elected to carry its investments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Union determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of expected cash flows, the amount that could be realized from selling the financial asset, or the amount the Union expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(i) Use of estimates:

The preparation of consolidated 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 disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and may have an impact on future periods.

Significant areas requiring the use of estimates include the determination of the useful lives and carrying values of capital assets, the accrued benefit asset (liability) for the Plan and the valuation of investments and accounts receivable.

An area of uncertainty exists with the current geopolitical environment. The potential impact of future changes in government policies including tariffs and trade restrictions could affect economic conditions, investment values and business operations. Management will continue to monitor the impact of geopolitical risk on its use of judgements, estimates and assumptions.

2. Accounts receivable:

	2024	2023
Accounts receivable	$ 1,556,908	$ 1,014,594
Allowance for doubtful accounts	(43,190)	(48,593)
	$ 1,513,718	$ 966,001

3. Capital assets:

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
Land	$ 1,653,197	$ -	$ 1,653,197	$ 1,646,166
Buildings	30,091,874	7,183,280	22,908,594	24,340,281
Computer equipment	671,518	541,071	130,447	108,718
Furniture and fixtures	1,063,830	533,860	529,970	537,253
	$ 33,480,419	$ 8,258,211	$ 25,222,208	$ 26,632,418

4. Assets held for sale:

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
Land	$ 400,000	$ -	$ 400,000	$ 599,043
Buildings	-	-	-	785,645
	$ 400,000	$ -	$ 400,000	$ 1,384,688

5. Investments:

	2024	2023
Measured at fair value (Defense Fund):		
Fixed income (interest rate of 1.726%% - 6.625%%; maturing between Feb 2026 - April 2078) (2023 - (interest rate of 1.750% - 6.625%; maturing between Jan 2025 - Mar 2044)	$ 23,638,304	$ 21,000,097
Common shares	17,391,884	14,293,357
Preferred shares	15,807	306,788
	$ 41,045,995	$ 35,600,242

6. Credit arrangements:

The Union has access to a line of credit with Royal Bank Canada with a maximum limit of $400,000, of which $nil (2023 - $nil) was drawn on as of December 31, 2024. The line of credit when advanced bears interest at prime rate and is due on demand. Secured by a general security agreement. Collateral pledged as security are the defense fund investments.

In addition, SGEU maintains a margin account with its investment manager. The margin account is capped at 25% of the investment balance to a maximum of $15,000,000, but not to exceed a debt to equity ratio on lendable assets of 1:1, and bears interest at prime rate and is due on demand, of which $9,871,557 was drawn on as of December 31, 2024 (2023 – $10,404,148). The margin account is secured by a general security agreement and the defense fund investments are pledged as collateral.

7. Accrued benefit asset:

SGEU’s long-term disability plan is intended to provide income protection for participating union members who are totally disabled, unable to work, and who are not covered by Workers’ Compensation or automobile insurance. Plan participants consist of the members of the participating bargaining units of the plan. Bargaining units of SGEU can become participants of the plan through a vote to join decided by a majority. Current service costs of this plan are charged to earnings on the basis of actuarial valuations, the most recent valuation for SGEU was December 31, 2024. Valuations will be completed on an annual basis. In 2024, the accrued benefit asset decreased by $4,317,718 (2023 – benefit asset increased by $9,253,016) to reflect the results of this valuation. The accrued benefit asset is restricted based on the terms of the Plan.

	2024	2023
Plan net assets fair value	$ 68,589,402	$ 60,098,120
Accrued benefit obligation	(65,593,000)	(52,784,000)
	$ 2,996,402	$ 7,314,120

The accrued benefit obligation is actuarially determined. The accrued benefit obligation is based on a number of assumptions about future events including: recovery and mortality rates, interest rates and expected benefits from other sources. The actual experience may vary significantly from the assumptions used. The valuation is based on the following assumptions:

Assumptions	2024	2023
Termination rate of claims	2011 Canadian Institute of Actuaries Group LTD Termination Table, adjusted for experience	2011 Canadian Institute of Actuaries Group LTD Termination Table, adjusted for experience
Expected rate of return on plan asset and discount rate	4.20%	4.25%
Inflation rate	2.0% per annum - based on consumer price index	2.5% for the first year, 2.00% for the following years - based on consumer price index
Cost of living adjustments	0.75% on Jan 1 2025; 1.00% per year thereafter	2.10% in 2024; 1.25% in 2025; 1.00% per year thereafter
Percentage of claimants expected to be accepted for extension of benefits to age 65	100%	40%
Incurred but not yet reported claims	6/12ths of the estimated current year claims cost	6/12ths of the estimated current year claims cost

7. Accrued benefit asset (continued):

The amount of benefits payable under the Long-term Disability Plan may be increased on January 1 each year. The increase in benefits is indexed. The liability for claims is based on a number of assumptions about future events including: recovery and mortality rates, interest rates and expected benefits from other sources. The actual experience may vary significantly from the assumptions used.

The actuary is appointed by SGEU's Council. The actuary is responsible for ensuring that the assumptions and methods used in management's valuation of Provision for Claims Payable are in accordance with accepted actuarial practice, applicable legislation and associated regulations or directives. The actuary is also required to provide an opinion regarding the appropriateness of the Plan's Provision for Claims Payable as at December 31, 2024. Examination of supporting data for accuracy and completeness, a review of the valuation process used and an analysis of the Plan's assets are important elements of the work required to form this opinion.

8. Accounts payable and accruals:

Included in accounts payable and accruals are payroll income taxes, Canada Pension Plan, Employment Insurance, group insurance, pensions payable, and GST payable of $170,317 (2023 - $107,628).

9. Related party transactions:

The SGEU is related to the Saskatchewan Government and General Employees' Union Long Term Disability Plan by virtue of common control. The members of the SGEU LTD Plan ("the Plan"), are also members of SGEU. At December 31, 2024, the Union has recorded an amount receivable from SGEU LTD of $156,856 (2023 – payable of $1,694,570).

9. Related party transactions (continued):

SGEU also enters into transactions with its Locals and Area Councils, which are considered to be related parties of SGEU. Related party transactions are summarized as follows:

	2024	2023
Statement of Financial Position:		
Receivable from Locals	$ 107,349	$ 145,340
Payable to Locals	166,641	61,531
Payable to Area Councils	144,249	64,422
Statement of Operations:		
Local rebates	654,824	650,925
Area Council rebates	684,211	691,784

The above 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.

10. Contingencies:

During the course of normal operations the Union has been named as a defendant in a number of legal claims brought against the Union. Provisions have been made for any claims that are likely and the amount of the potential loss can be reasonably estimated. It is the opinion of management that final determination of any other claims will not materially affect the financial position of the Union.

11. Financial risks and concentration of risk:

The Union, as part of its operations, carries a number of financial instruments. It is management's opinion that the Union is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

(a) Credit risk:

Credit risk is the risk that one party to a financial instrument will cause a financial loss or the other party by failing to discharge an obligation. The Union is exposed to credit risk resulting from the possibility that employers of Union members or another counterparty to a financial instrument defaults on their financial obligations. The Union’s financial instruments that are exposed to concentrations of credit risk relate primarily to the accounts receivable related to membership dues which are remitted by the Saskatchewan Government and agencies funded by the Government. Accounts receivable from two (2023 - two) employers represents 51% (2023 - 50%) of total accounts receivable as at December 31, 2024. The Union believes that there is minimal risk associated with the collection of these amounts due to the high credit rating of the counterparties. The balance of accounts receivable is widely distributed among the remainder of the Union's customer base. The Union performs regular credit assessments of its customers and provides allowances for potentially uncollectible accounts receivable.

(b) Interest rate risk:

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk.

The Union is exposed to interest rate cash flow risk with respect to its line of credit and its accrued benefit asset/liability which are subject to varying interest rates. The Union holds a number of bonds with fixed interest rate payments and the fair value of these investments is dependent on prevailing interest rates.

(c) Market risk:

The Union’s investment portfolios include both equity and debt instruments and mutual funds that are subject to market volatility. The markets are affected by a number of factors including changes in interest rates, availability of financing, exchange rates and general economic conditions (local, regional, national and international). The market fluctuations have the potential to create both gains and losses within the investment portfolios.

11. Financial risks and concentration on risk (continued):

(d) Foreign currency risk:

Foreign 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. The Union enters into transactions to earn a return on investment denominated in foreign currency for which the related revenues, expenses, accounts receivable and accounts payable balances are subject to exchange rate fluctuations. As at December 31, 2024, the following investments are denominated in U.S. Dollar and are converted to Canadian dollars:

	2024	2023
Investment - Common Shares	$ 11,274,638	$ 8,884,289
Investment - Preferred Shares	15,807	27,493
	$ 11,290,445	$ 8,911,782

If the Canadian dollar had strengthened or weakened by 10% in relation to the U.S. dollar exchange rate, with all other variables held constant, the net assets would have decreased or increased respectively, by approximately $1.1 million (2023: $0.9 million). In practice, the actual trading results may differ from this approximate sensitivity analysis.

(e) Liquidity risk:

Liquidity risk is the risk that the Union will encounter difficulty in meeting obligations associated with financial liabilities. The Union’s exposure to liquidity risk is dependent on the collection of accounts, purchasing commitments and obligations or raising funds to meet commitments and sustain operations.

12. Comparative information:

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year earnings.