2. **Transfers**

The objective of the John Coleman Memorial Contingency Reserve is to maintain a reserve at a level within 5% of the prior year's audited expenditures. Transfers were made from the Emergency Operating Reserve and the unrestricted net assets during 2011 to adjust this reserve, with no additional transfers made in 2012 or 2013.

3. **Investments**

Investments consist of fixed rate instruments maturing between January of 2014 and March of 2018, bearing interest at a range of rates.

4. **Financial Risks**

The Organization manages its exposure to the risks associated with financial instruments that have potential to affect its operating and financial performance. The Organization also manages its financial instruments to ensure it has adequate capital to continue to provide its services to the members. It is management's opinion that the Organization is not exposed to significant interest, currency or liquidity risks arising from these financial instruments. There has been no change to the risk exposure from December 31, 2012 and there is expected to be no substantive change in the next fiscal period. Other financial risks are as follows:

(a) Credit Risk

Credit risk is the risk of financial loss to the Organization if debtors or counterparties to investments fail to meet their respective contractual obligations. The maximum exposure to credit risk of the Organization at year-end is limited to the carrying amounts of these assets.

(b) Market Risk

Market risk is the risk of financial loss to the Organization arising from fluctuations in the market price of the Organization's investments. To manage these risks, the Organization has established a target mix of investment types designed to achieve acceptable returns within reasonable risk tolerance.

5. **Comparative Figures**

Certain comparative figures have been restated in order to conform to the financial statement presentation adopted for the current year.