



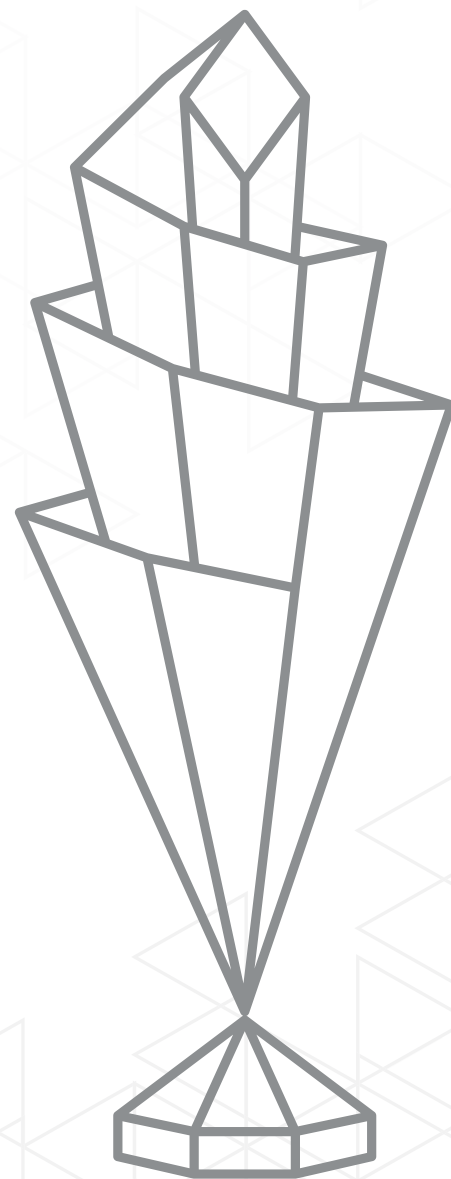
2018
Annual Report



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OUR VISION

The co-operative economy of Nova Scotia is strong, robust and growing; with co-operatives and credit unions playing a dynamic and creative role in meeting the needs and opportunities in their local communities.

Co-operatives and credit unions in Nova Scotia are part of a strong proactive provincial co-operative sector, which coordinates its efforts to ensure that co-ops and credit unions continue as a dynamic, creative presence in local communities, capable of addressing their community's needs, challenges, opportunities and development into the 21st century.

OUR MISSION

The Nova Scotia Co-operative Council exists to:

- Deliver programs, products and services that grow the economy of Nova Scotia
- Bring all types of co-operatives together to form a strong co-operative sector in Nova Scotia
- Develop, promote, and support new co-operatives across all sectors and industries in Nova Scotia
- Represent the co-operative sector's interest to all levels of government
- Encourage the development of a “co-operative identity” among the public in Nova Scotia
- Ensure innovation within the co-operative sector
- Develop alternative finance programs and instruments



WE ARE FUELED BY OUR:

Passion

Our passion is people, building communities, growing businesses, creating jobs, reducing poverty, and delivering measurable results.

Experience

- Economic analysis
- Co-operative development
- Government relations
- Public relations
- Business development
- Project management
- Business finance

Motivation

We ignite the spirit of ordinary individuals to be, to have, and to do – for themselves, their neighbors, and their community.

Teamwork

We are not in it alone. Together we are powerful.

The Nova Scotia Co-operative Council embraces partnerships with government, our co-operatives and credit unions, the private sector, and other community agencies – to build and grow our communities.

Innovation

The Nova Scotia Co-operative Council is known for its innovative thinking, actions and programs.

Results

Jobs, new businesses, finance programs, innovation, economic impacts, social impacts, and public relations.

Integrity

The Nova Scotia Co-operative Council and our member co-operatives and credit unions are trusted, credible and recognized community leaders who deliver results.

Opportunities

Are endless – to grow and prosper. We are limited only by our imagination, commitment and confidence.

Triple bottom line

People, Planet, Profit.

The future

Is our legacy.

MESSAGE FROM THE PREMIER



On behalf of the Province of Nova Scotia, I want to take this opportunity to wish the Nova Scotia Co-operative Council a happy 70th anniversary. Thank you for supporting entrepreneurs and small businesses across the province.

The Government of Nova Scotia is proud to be working with you and our credit unions on great initiatives like the Small Business Loan Guarantee Program. More than 2,500 businesses have received financing through the Small Business Loan Guarantee Program and those companies represent every sector and region of Nova Scotia.

I know you share our desire to keep going—to keep supporting entrepreneurs—for the benefit of all Nova Scotians.

Congratulations to the Nova Scotia Co-operative Council, staff and members on your 70th anniversary.

Keep up the great work.

Sincerely,

A handwritten signature in black ink that reads "Stephen McNeil". The signature is fluid and cursive.

Honourable Stephen McNeil, M.L.A.
Premier



MESSAGE FROM THE MINISTER OF BUSINESS



The Nova Scotia Co-operative Council and its member credit unions are an integral part of the business and community success across the province. Congratulations for serving Nova Scotians for 70 years. You and your members have made a difference in all of our communities through the investments you make that support small businesses grow, innovate and employ Nova Scotians.

The Department of Business continues to focus on strengthening the environment for small businesses to start and thrive. Organizations like the Nova Scotia Co-operative Council help drive this goal. In particular, the Small Business Loan Guarantee program is a partnership with you that supports small businesses that are the foundation of our growing economy.

Congratulations on your 70th anniversary and continued success and leadership, through your credit unions and contributions to the strength of our communities.

Sincerely,

Geoff MacLellan
Minister, Department of Business





REPORT FROM THE CHAIR OF THE BOARD

Dear Fellow Co-operators:

Happy 70th Anniversary!

70 years and we still growing, challenging, adapting, and delivering solid results for the economy of Nova Scotia. In fact, the Council's business interests are as vibrant as any time in our history.

On behalf of the Board of Directors of the Nova Scotia Co-operative Council, I am very pleased to present to you our governance accountability report for fiscal year 2019.

I am equally pleased to say that we have had another terrific year, filled with many successes, achievements, new activities, and delivery on results; all contributing to a more prosperous Nova Scotia.

From starting new co-operatives, launching financing programs, pushing innovation in new areas such as broadband and internet, affordable housing, transportation and healthcare, to building important relationships; it has been another great year as we continued the task of building the co-operative sector and making life a little better for ordinary Nova Scotians.

Our organization has been growing consistently, year after year, for the past two decades and this year was no different. I attribute our success to three important factors: 1. a strong and committed board, 2. a competent, energetic and passionate management team, 3. the ongoing support from you, our co-operative and credit union members.

With vision, passion and a willingness to take calculated risks, the opportunities before us seem endless. I encourage you to read ahead to our CEO report for a full review of our accomplishments and results this past year.



From the governance side of the organization, your Board held five regular board meetings during the year, had a board strategic planning session, continued to work on governance issues at each meeting, in addition to the work of the Executive, Audit, Nominating and Distinguished Co-operator Award Committees.

The Board also hosted our annual wine and cheese reception with the Premier and government of Nova Scotia, which was again, a well attended and productive event providing lots of opportunity for networking for our members.

The selection of our Distinguished Co-operator Award recipients is always a highlight for the Board. This award, presented annually, recognizes the significant contributions that individuals in both the co-operative and credit union sector have made to the co-operative movement.

I am pleased to announce that the 2018 awards will go to Clarence Landry nominated by Charles Forest Co-operative, and Bernie O'Neil nominated by Atlantic Central. Those who know Clarence and Bernie, know they are true cooperators and both have made tremendous contributions within their communities, their co-operatives and credit unions, and today we say a big thank you to each of them.

The ongoing support of our co-operative and credit union friends, and the productive relationships that we enjoy with our various government partners, continues to be paramount to our success. Thanks to all of you for your continued support and involvement.

To our Board of Directors: thank you for the enthusiasm, commitment and diligence that you bring to this organization as volunteers.

To our CEO Dianne Kelderman and her staff team, many thanks for the tireless energy, commitment and vision that you bring to our organization. The results you achieve, year after year, are indeed impressive and provide the Council with a long runway full of successful activities that foster net benefit to the sector.

Let me close with a quote from Peter Bender

“Ideas, facts and figures may inform the world.
But passion and emotion moves it”.

Respectfully Submitted,



Jeff Yuill,
Chair of the Board

REPORT FROM THE PRESIDENT & CEO

Seventy years ago, leaders, volunteers and visionaries formed what is today known as the Nova Scotia Co-operative Council. They had no idea what legacy they were leaving behind.

The values and principles of co-operatives is as important and relevant today, as it was then, if not more so.

Our reason for being – to make lives better for ordinary people, to build our communities and share in its wealth rings as strong today as it did 70 years ago.

A few decades ago, the Nova Scotia Co-operative Council was a small organization with \$900 in assets. Today it is an economic powerhouse with over \$160 million under management.

From innovative programs, launching new businesses and initiatives, building the brand, creating partnerships, delivering results, being a model that others emulate, to operating within budget year over year, the Council has much to celebrate and to be proud of.

Year after year, we imagine plausible new ways that we can make the lives of individuals better, businesses stronger and our communities more prosperous.

Please allow me to give you some of the results and achievements:

1. Our Youth in Agriculture/Career Rising initiative, in partnership with the Department of Community Services was a bold employment, education and leadership development program. It connected young people from challenging circumstances to employers in the agriculture and resource based industries. For many youth, this was their first job and the first time they had their own money in their pocket. While having an income was an important component; the opportunity to build confidence, learn new skills and having a team who supported and believed in them was equally important.



Seventy youth have completed the program to date with several having moved on to post-secondary education as a result of their experience with us. A tuition trust or education contribution component has been added that will provide support for youth to pursue post-secondary education.

2. Our Connecting People for Health Co-operative/Healthconnex (Canada's first and only online healthcare clinic) was acquired by a national company in 2018, and we are now considering new ways that we can continue to make a difference in healthcare. In partnership with our local credit union, we have supported two Physician Recruitment efforts (Amherst and Truro), and are exploring a new Pharmacare initiative that will help make prescriptions available for all our members – perhaps even all Canadians.

3. Our small business loan guarantee program, including an immigrant and social enterprise financing program, in partnership with the Province, Atlantic Central and local credit unions continues to be a flag ship, growing at 20% a year. What started as a \$3 million pilot in 2003, is today a \$147 million portfolio. We have provided financing to 2463 businesses who have created and or maintained over 16,000 jobs. By any measurement, that is a significant economic impact!

4. Our **Community Impact Fund** was launched in partnership with Atlantic Central's Corporate Social Responsibility committee. Fourteen social enterprises have been supported to date, again, in partnership with local credit unions.

5. **Government advocacy and public relations** continues to be an important priority. We presented at twenty-two public events during the year in addition to meetings with senior managers, departments and committees, meetings with the Premier and Ministers, requests for changes to the Co-operative Associations Act, and hosting our annual government reception. We ensure that our sector is front and center on government's agenda. We are pleased to have Minister of Business, Geoff MacLellan as our luncheon speaker at our 2019 annual general meeting.

6. A **Member Labour Survey** was completed during the year to determine labour shortages and opportunities within co-operatives. Like most other industries, co-operatives are experiencing difficulties finding key staff to fill vacant or newly created positions.

7. Eighteen **new co-operatives** were incorporated during the year across all industries and sectors. We are seeing continued interest in the co-operative model as society faces unprecedented challenges in meeting economic and social needs.

8. As part of our 70th anniversary celebrations, we are hosting a **Co-operative Dragons Den**. We are thrilled to have seven co-operatives (many of them new start-ups) present before a panel. One of them will walk away with \$5000.

9. 70th anniversary! I am thrilled to announce, that after eighteen months of negotiations, **President Barack Obama** has agreed to be our 70th anniversary keynote speaker. This is a very big WIN for the co-operative and credit union sector, for Nova Scotia and for Atlantic Canada.

It is his first and only visit to Atlantic Canada, and it will be one of, if not the biggest events ever held in the region. Never stop "dreaming BIG"!

The Nova Scotia Co-operative Council is ending its 70th year of operations on a very solid foundation. We are financially strong,

committed to delivering measurable results, have earned a positive and credible profile and brand, and are focused on action and accountability.

It is an exciting time to be part of the co-operative sector. In every challenge lies an opportunity. The potential of the co-operative model to be a solution is vast. Its values and principles are as relevant today, as they were in 1861 when the first co-operative was formed in Stellarton. The economic footprint of the sector is indisputable.

Thank you to our small but mighty staff team—Brittany, Chris, Cris, and Linda. You go above and beyond to ensure the Council continues to operate at the high level for which it is known.

To our Board of Directors, thank you for your continued confidence, trust and sage advice. It is a pleasure to work with each of you.

To you our members and partners, thank you for your support, contributions, and feedback.

I feel privileged to lead this great organization.

As Edgar Winter once said - "I can't imagine anything more worthwhile than doing what I most love. And they pay me for it".

Respectfully,



Dianne Kelderman, M.Sc, M.Ed
President & CEO

OUR BOARD OF DIRECTORS



Jeff Yuill
Chair



Raymond Doucette
Vice Chair



Shae Griffith
Secretary



Howard Welch
Treasurer



Kevin MacAdam
Director



Alvin Martell
Director



Mike Oulton
Director



Bill Timmons
Director



Ray Surette
Atlantic Central Representative



John Harvie
Co-operators Representative



Peter Hicklenton
Ex-Officio

OUR DEVELOPMENT TEAM



Dianne Kelderman
President & CEO



Linda Johnson
Finance Administrator



Cris Sanford
Office Manager



Brittany Findlay
Youth Program Project
Manager



Chris Tucker
IT Specialist/Small Business
Loan Guarantee Admin

2018 DISTINGUISHED CO-OPERATOR AWARD RECIPIENT

Bernie O'Neil – Nominated by Atlantic Central



WHEREAS

Bernie O'Neil has dedicated his time, talent, and energies to the Nova Scotia co-operative movement by faithfully serving many co-operatives and credit unions for over 45 years, holding various positions on many boards, during which time he was a member of several committees.

WHEREAS

Bernie O'Neil contributed to the betterment of his community by serving as Chief Executive Officer of Atlantic Central; President & CEO, Senior Vice President, Chief Financial Officer, General Manager, Manager and Coordinator of District Programming of Credit Union Central of Nova Scotia (CUCNS); President & CEO, Senior VP and CFO of League Savings and Mortgage Company (LSM); CEO Committee of Credit Union Central of Canada; Chair of the Board of CUCC Risk Management Policy Committee, Connecting People for Health Co-operative (2010 – 2013) and Northwest Ethical Investments (2012 – 2018); Director on the Board of Halifax Regional Development Association, NEI (2003 – 2012) and Affirmative Industries; Assistant Manager at Princess Credit Union in Sydney Mines; inspector with the Credit Union Inspection Department within the Nova Scotia provincial government; leader in the development and implementation of Initiatives6; leader and advocate in the credit union system on a local, regional and national level; strong promoter of director and employee education and training in the Atlantic Region; instrumental in orchestrating the combination of credit unions/Centrals in the four Atlantic Provinces; active reader in his local church for over 35 years; recipient of the Queen Elizabeth II Silver Jubilee Medal (1977); proud and dedicated family man.

THEREFORE, BE IT RESOLVED

That the Nova Scotia Co-operative Council, on behalf of all co-operatives and credit unions, express our gratitude and deep appreciation to Bernie O'Neil for his contribution to the Nova Scotia co-operative movement by awarding him the 2018 Distinguished Co-operator Hall of Fame Award.

2018 DISTINGUISHED CO-OPERATOR AWARD RECIPIENT

Clarence Landry – Nominated by Charles Forest Co-operative



WHEREAS

Clarence Landry has dedicated his time, talent, and energies to the Nova Scotia co-operative movement by faithfully serving many co-operatives and credit unions for over 18 years, holding various positions on many boards, during which time he was a member of several committees.

WHEREAS

Clarence Landry contributed to the betterment of his community by serving as Manager of St. Joseph Credit Union Ltd (1989 – 2005); Treasurer of 235 Arrow Sea Cadets (1973 – 1977); Director on the Board of League Data (1997 – 2006) and Centre La Picasse (1997); Advisor for Junior Achievement (1986 – 1988), member of Credit Union Central of Nova Scotia (CUCNS) Provincial Marketing Committee (1991 – 1995), CUMIS Advisory Committee (1981 – 1985), Charles Forest Co-op Organization Committee (1980), Industrial Adj Committee, member of Nova Scotia Co-operative Council (1997 – 2006) and Cape Breton Chapter Harley Group (1996), current member on various committees of Royal Canadian Legion Br 150 Arichat and ATV Riders Association; recipient of the Coady Award (1996 – 1997), CU Central of Canada Award for Community Economic Development (1999) and Ethical Funds Award (2005).

THEREFORE, BE IT RESOLVED

That the Nova Scotia Co-operative Council, on behalf of all co-operatives and credit unions, express our gratitude and deep appreciation to Clarence Landry for his contribution to the Nova Scotia co-operative movement by awarding him the 2018 Distinguished Co-operator Hall of Fame Award.

DISTINGUISHED CO-OPERATOR HALL OF FAME

1996
KEN CANNING

2004
**JOHN DECHMAN
BILL STOLIAR**

2012
**IRENE CASWELL
MARINUS VAN DE SANDE**

1997
ADRIAN POST

2005
**JOSEPH MOMBOURQUETTE
J. TOM WEBB
JACK Q. STUEWE***

2013
**LYLE BATES
DENIS LARADE**

1998
**FATHER J. J. MACDONALD
LLOYD COOMBS**

2006
**ALEX MOMBOURQUETTE
THOMAS MACINTYRE***

2014
**PETER HOUGH
IRVING SURETTE**

1999
**MEDRIC COMEAU
DONALD BARRY**

2007
**KEVIN BEKKERS
JEFF MOORE**

2015
**FRED PIERCE
DONALD POTTIE**

2000
**GERALD EHLE
RODERICK MACLEOD**

2008
**RAYMOND DOUCET
G. JOSEPH MACNEIL**

2016
**DONNA LEBLANC
DAVID MACLEAN***

2001
**DOUGALD MACDOUGALL
ARTHUR PORTER*
ERIC MEEK**

2009
**DONALD KENNEDY
MICHAEL WARK**

2017
**HECTOR DIPERSIO SR.*
DEBBIE RAINE**

2002
**DON NEWCOMBE*
LESLIE BROWN**

2010
**GREG MACLEOD
LAURETTE DEVEAU**

2018
**BERNIE O'NEIL
CLARENCE LANDRY**

2003
**ALAISTER MARSHALL
THOMAS SMITH**

2011
**ROBERT DOUCET
WILFRED AUCOIN**

PAST BOARD PRESIDENTS/CHAIRS



A. S. MacIntyre
1948-1963



Rod MacSween
1964-1970/1973



Doug Curtis
1971-1972



Nadine Archibald
1974-1976



Erik Meek
1986-1988



Wally Scott
1989



Ron Grant
1990



Medric Comeau
1991



Alex Mombourquette
1992-2000



Marinus Van de Sande
2001-2009



Ken MacKinnon
2010-2012



Norma Tomiczek
2013-2017



CELEBRATING SEVENTY YEARS

The Nova Scotia Co-operative Union was incorporated in 1949, and became the Nova Scotia Co-operative Council in 1986 as an association of co-operatives and credit unions to provide co-ordination, education and public relations services for their members.

The first consumer co-operative in North America dates back to 1861 and was established in Stellarton, Nova Scotia by British immigrant coal miners.

Our roots do not lie in one individual, but rather in the cause and success of many gifted and talented individuals who were our leaders, and numerous volunteers who believed that the best way to achieve economic prosperity is to work together. These pioneers inspired us to do more with what we had and do it collectively in the true spirit of co-operation.

“Co-operation will give the people a measure of economic independence but it will do something infinitely greater than this. It will condition them to the point where they are able to manipulate effectively the other forces that should operate in a democratic society” – Dr. Moses Coady

OUR MAJOR SIGNIFICANT ACCOMPLISHMENTS THROUGHOUT THE YEARS

1949 Nova Scotia Co-operative Union was formed and became the official voice of co-operatives in Nova Scotia.

1951 Nova Scotia Co-operative Union took over the audit function for all co-operatives, making it a province wide responsibility.

1951-1977 The Nova Scotia Co-operative Union played a significant role in education, taxation and legislation on behalf of provincial, regional and national organizations.

1978 Updated the Co-operative Associations Act.

1985 The Inspector of Co-operatives responsibilities were transferred from the Nova Scotia Department of Agriculture to the Department of Economic Development. Fred Pierce, Inspector of Co-operatives was given an additional role as Director of Co-operatives.



1999



Proclamation Signing and first Wine & Cheese Reception

1986 The Nova Scotia Co-operative Union becomes the Nova Scotia Co-operative Council.

1986 -1997 The Nova Scotia Co-operative Council continued to be an advocate for co-operatives to all levels of government and did so through a board of committed volunteers.

1998 The Council's first CEO, Dianne Kelderman, was hired on contract.

1999 Signed a contract agreement with CEO Dianne Kelderman to provide management, development and government relations expertise to the Council.

Signed a major partnership agreement with the Departments of Economic Development and Community Services.

In celebration of Co-op Week, held the first ever Wine and Cheese reception with the Premier and members of the Nova Scotia Legislative House of Assembly. This turned out to be a very successful annual event from that point forward.

2000 Announced a new structure for the Council's board of directors to ensure equal representation from local co-operatives and credit unions from each of the five regions in Nova Scotia. Appointed seats would also be available for Co-op Atlantic and Credit Union Central of Nova Scotia.

2001 Developed and articulated the vision and mission statement of the Council.

In November, the Nova Scotia government approved several changes to the Co-operative Associations Act which had not been amended since 1989 and had been under discussion for a number of years before they were approved.

2005



Signing of the Memorandum of Understanding with Nova Scotia Business Inc.

2006



Annual Government Reception

2007



Renewal of the Co-operative Development Agreement with the Province of Nova Scotia

CELEBRATING SEVENTY YEARS

Announced the retirement of Fred Pierce as Inspector/Director of Co-operatives after nearly 30 years. Fred was often referred to as “Mr. Co-op” to anyone who had ever met him or dealt with him.

2002

Signed a five year partnership and development agreement with the Department of Economic Development and Community Services.

The Council opened two branch offices in Sydney. A third office in Yarmouth opened in 2003.

2003

Launched the Small Business Finance Program in partnership with Nova Scotia Economic Development, Credit Union Central of Nova Scotia and local credit unions.

Signed a development agreement with Le Conseil de Coopératif Acadien de la Nouvelle-Écosse in Cheticamp to ensure operational presence in all regions in both English and French.

Launched the Nova Scotia Co-operative Innovation Council, considered the “innovation think tank” of the co-operative sector and made up of key decision makers within the sector.

2004

Reported the launch of two new generation co-operatives in the health care sector, namely North Nova Health Care Co-operative and Mud Creek Medical Care Co-operative.

Provided the leadership in the development of several successful community economic development investment funds (CEDIF's). The development of successful CEDIF's in the province would continue to be evident in future annual reports.

Signed a new partnership agreement with InNOVAcorp.

2005

Signed a memorandum of understanding with Nova Scotia Business Inc.

2007



Guest speaker Justin Trudeau at the Council's AGM & Gala

2008



Chief Correspondent of CBC News Peter Mansbridge at NSCCs Annual General Meeting & Banquet



2009



Celebrating the Council's 60th Anniversary with Special Guest Speaker Jesse Jackson

Launched a two year micro credit project with the Federal Rural Secretariat and St. Francis Xavier University.

Created a new co-operative called Equity for Nova Scotia Businesses Co-operative that would govern and manage all the Council's investment activities.

2006 The board and CEO engaged in a comprehensive governance development plan which resulted in the development of a detailed Board of Directors Governance Manual for the Council's directors.

2007 Launched Connecting People for Health Co-operative Limited, Canada's first and only online health care clinic owned by co-operatives and credit unions.

Launched our Provincial Youth Initiative with a pilot project in Cape Breton.

Signed a further five year development agreement with the Department of Economic Development and Community Services.

2008 Received the Canadian Co-operative Association's national award for "Innovations in Co-operative Governance".

The Council's by-laws were amended concerning the criteria for membership and membership fees and dues payable.

2009 The Council celebrated 60 years of its existence.

Launched Target 100 in partnership with the Department of Community Services, designed to help the co-operative sector meet its human resource needs while contributing to poverty reduction in Nova Scotia. The program recruited, trained and hired Community Services clients into co-operatives and credit unions.

Launched a partnership with the Office of Immigration that resulted in business financing available for immigrant entrepreneurs.

2009



Launch of Progress Magazine's special report on co-operatives



Target100 Launch

2010



AGM & Cocktail Reception at the Maritime Museum of the Atlantic for the presentation of the Distinguished Co-operator Awards



Boarding the Harbour Queen I for an evening of fun, friendship, food, and music

CELEBRATING SEVENTY YEARS

The province enacted amendment to the Nova Scotia Co-operatives Act to permit all associations to issue one or more classes of preference shares rather than the selected associations that were previously entitled.

2010 Formally signed a memorandum of association with the Conseil de Coopératif Acadien de la Nouvelle-Écosse of Cheticamp to strength our ties between the English and French organizations.

Launched the Best Big Idea Competition.

Developed a new brand, logo and image of the Council which was unveiled at the annual meeting in June.

2011 Assumed in-house management of Connecting People for Health Co-operative Limited and Medical Office Management Systems or MOM/BAS, a private company that Connecting People for Health acquired in April 2010.

Amended the Council's by-laws to change the title of "CEO" to "President and CEO" and to change the titles of "President and Vice President" to "Chair and Vice Chair".

2012 The Council celebrated 2012 as the International Year of Co-operatives, as designated by the United Nations, with our theme Think Big. From raising flags at the MacDonald bridge in Halifax and at the Nova Scotia/New Brunswick border, to numerous public events that were either held or supported in several fronts by the Council, it became a year to remember.

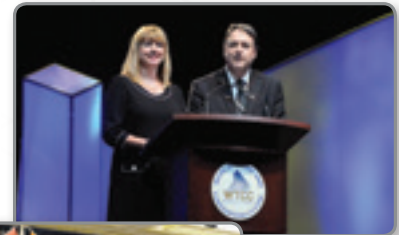
Launched Nova Scotia's first Social Enterprise Fund, a capital pool of money that affords credit unions the ability to provide financial assistance to social enterprise business related activities.

2011



Immigrant Loan Program Expansion Announcement

2012



Dianne Kelderman (NSCC) and Mike Leonard (Atlantic Central) welcomed Michael J. Fox as the special guest speaker at the Atlantic Dream Festival.

Signed a partnership agreement with the Nova Scotia Farm Loan Board to provide access to capital for agri-business.

Signed a partnership agreement with Junior Achievement resulting in the “co-operative model” being introduced to high school students across the province.

Hosted Michael J. Fox at the Atlantic Dream Festival held for the first time in Nova Scotia during Co-op week.

Amended the by-laws of the Council to provide for two directors elected each by local co-operatives and credit unions representing three specified geographical areas, plus three directors elected at large and one director appointed each by Atlantic Central, Co-op Atlantic and the Co-operators.

2013 Launched a province-wide Social Enterprise Competition intended to stimulate the creation of social enterprises to address community needs and opportunities.

Signed a memorandum of understanding with the Nova Scotia Fishery Loan Board to provide partnership/risk sharing communities with local credit unions in communities heavily involved in the fishing industry.

Won two innovations awards at the Atlantic Innovation in Practice Progress event for the Council’s Social Enterprise Program and overall economic and community development work.

Hosted a meeting of 25 leaders (municipal, government and energy experts) to explore a province-wide Community Sustainable Energy Coalition.



Reggie Love at the Council’s 63rd Annual Banquet



Celebrating the International Year of Co-operatives

CELEBRATING SEVENTY YEARS

2014 Celebrated the Council's 65 years of existence and produced a historical overview of its past and present from 1949 – 2014.

2015-2018 Increasing the co-op brand, profile and credibility has been accomplished in many ways, such as promotion and advertising, news releases and articles, a new corporate identified logo, meetings and dealings with numerous parties and partners, speaking engagements, etc.

Government relations and advocacy continues to be a key focus of our activities. The Council has been a true partner with all levels of government: meetings with the Premier, Ministers, Deputy Ministers and government agencies are just a few examples of our progressive and proactive strategy.

Small Business Loan Guarantee Program, in partnership with Atlantic Central, local credit unions and the Province of Nova Scotia has been a significant economic impact since its inception in 2003. This \$135 million program provides a commitment to local communities to help establish new businesses, growing existing businesses, and empowering entrepreneurs with the support they need to create employment for themselves and others in the form of financial support for small business, agribusiness, immigrants, forestry, and social enterprises.

Equity for Nova Scotia businesses \$2 million equity fund - Initially signed as a partnership agreement with ACOA for the purpose of launching a short term equity fund, it is considered an incremental development fund to invest in business ventures that have a social/community goal, as well as an economic and financial goal.

2013



Junior Achievement Pitch It Event



Guest speaker at the Council's Gala - Dr Patch Adams, founder of the Gesundheit Institute

Community Economic Development Investment Fund's or CEDIF's are entities that offer shares or units to investors and non-refundable provincial income tax credits on such investments and are RRSP eligible. The Council offers a turnkey CEDIF development package of simplifying the process offering and since the program first began more than \$32 million has been invested in funds that support local businesses across the province.

Connecting People for Health has been a major thrust for the Council since its inception in 2007 as Canada's first and only online health care clinic. This innovative co-operative endeavour has been widely acclaimed by many professionals in the health care field in its ability to connect patients with their primary caregivers. Our vision and goal of putting patients first and influencing how healthcare is delivered lives on through the national healthcare leader who acquired the Medical Office Management system in 2017.

Annual wine and cheese reception with the Premier and members of the Nova Scotia Legislative House of Assembly was held for the first time in 1999 in celebration of Co-op Week. This very successful meet and greet annual event brings together the Premier of the day, members of his caucus, and members of the opposition, senior government officials, the Council's board of directors, and invited co-operative and credit union members.

Annual gala and festive dinner is our yearly event meant to promote co-operatives and credit unions and bring together not only their members but also many of the rank and file public minded people who have an interest in our business. It coincides with the Council's Annual General Meeting and consists of a recognized motivational speaker, as well as the presentation of the annual Distinguished Co-operator Award.

2014



Three special guest speakers at the Council's 65th: Chris Hadfield, Laurie Skreslet & Kristen Christian

2015



AGM & Banquet - the Amazing Mister J Magic Show



CELEBRATING SEVENTY YEARS

Community Champions Magazine and twelve special videos that we created are our special and lasting legacies in celebration of Canada's 150th anniversary. This impressive publication profiled 150 hard at work small businesses, co-operatives and enterprises while the twelve videos captured the success, spirit and people behind them.

Career Rising, formerly known as Youth Leadership in Agriculture was launched in 2016 in partnership with the Department of Community Services. The program was designed to offer youth at risk with the opportunity to gain employability skills, earn income and explore career interests. This year, Career Rising doubled the number of program regions from two to four, and with support from our industry partners we are continuing to expand!

Community Impact Fund: was launched in 2018 as a way of supporting community owned enterprises through patient capital loans, equity and quasi-equity.

2019 Celebrating 70 Years with keynote speaker President Barack Obama.

2016



Jon Steinman, writer and host of "Deconstructing Dinner: Reconstructing Our Food System"

2017



CEO of Agropur, Robert Coallier at the AGM and banquet.

??????



The 44th President of the United States

Barack Obama

Live in Halifax

November 13th at the Scotiabank Centre



CREDIT UNIONS
ATLANTIC CANADA



Grand opening of the Cheticamp Co-op's \$2.5 million expansion.



NSCC Ledge Leapers: Director Kevin MacAdam, Office Manager Cris Sanford, President & CEO Dianne Kelderman and Chair Jeff Yuill rappelled the Westin building for Make A Wish foundation and helped Sadie's dream come true.



In lieu of traditional cards and gifts the Council made a donation to the Christmas Index Program & Feed Nova Scotia.



Minister Kelly Regan announcing the introduction of the Career Rising Tuition Trust. Participants from the four programs across the province attended the media event and shared their wonderful experience.



Photo credit: CNS Photo, YuillCrest Farms

IN REVIEW

Music entertainment provided by
Halifax Music Co-op.



Margaret Trudeau with Chair Jeff Yuill, CCU crew: CEO Darrell Kuhn, Sarah & Edith Doyle with her husband Barry, Andree Myette and Farida Gabbani, Executive Director of the Marigold Cultural Centre.



Guest Speaker, Margaret Trudeau sharing her inspiring story at the Council's Gala. The evening concluded with the signing of her book "Changing My Mind".



Hector Di Persio's family accepting the 2018 Distinguished Co-operator Award on his behalf.



Debbie Raine - 2018 Distinguished Co-operator Award Recipient with Ray Doucette & Jeff Yuill.



George White from Patterson Law with Director Mike Oulton and his wife Dianne.



Co-op Week & Credit Union Day Proclamation signing:
Jennifer English, Director of Government Relations
(Atlantic), Michael Leonard, President & CEO of Atlantic
Central, Premier Stephen McNeil, President & CEO
Dianne Kelderman and Jeff Yuill, Chair of the Board.



Minister of Business Geoff MacLelland
addressing the crowd at our Annual
Government Reception.



Affirmative Ventures' Chair of the Board Ken Greer and Secretary Norman Greenberg with Jeff Yuill &
Dianne Kelderman, Minister Geoff MacLelland, Chair of Atlantic Central Pat Duffield and President &
CEO Michael Leonard.



Christine Chisolm & Todd Coombs from
NSBI with Jeannie Chow, Province of NS.



Delicious lemonade courtesy of Ability Wood
Products Co-op.



IN REVIEW



Culture Link, Affirmative Ventures, Breton Forest Innovation Co-operative & Genrus United were the four businesses showcased at the Annual Government Reception.



NSCC directors Ray Doucette & Bill Timmons.



Ross Young, VP of Ability Wood Products Co-op & President Jeff Teasdale.



Two amazing people making a difference in their community: Gary & Brian from G&B Fire Logs.





MANAGEMENT'S RESPONSIBILITY FOR REPORT

Preparation of the financial statements accompanying this annual report and the presentation of all other information in the report is the responsibility of management. The financial statements have been prepared in accordance with Canadian Generally Accepted Accounting Principles and reflects management's best estimates and judgments. All other financial information in the report is consistent with that contained in the financial statements.

Dianne Kelderman,
President & CEO
May 15, 2019

The board of directors oversees management in carrying out its responsibilities for financial reporting and systems of internal control. The board of directors meets regularly with financial management personnel and annually with external auditors to satisfy itself as to the reliability and integrity of financial information and the safe-guarding of assets. The board of directors reviews and approves the annual financial statements to be issued to members. The external auditors have full and free access to the board of directors.

Howard Welch,
Treasurer & Audit Committee Chair
May 15, 2019

FINANCIAL STATEMENTS

Nova Scotia Co-operative Council Limited

March 31, 2019



Grant Thornton

Grant Thornton LLP
733 Prince Street
Truro, NS
B2N 1G7

T +1 902 893 1150
F +1 902 893 9757
www.GrantThornton.ca



Independent Auditor's Report

Grant Thornton LLP

733 Prince Street
Truro, NS
B2N 1G7

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To the Board of Directors of
Nova Scotia Co-operative Council Limited

Opinion

We have audited the financial statements of Nova Scotia Co-operative Council Limited (the "Co-operative"), which comprise the balance sheet as at March 31, 2019, and the statements of revenues, expenses and surplus and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Co-operative as at March 31, 2019, and its results of 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. 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 Co-operative 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 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 Co-operative'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 Co-operative or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Co-operative'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 Co-operative'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 Co-operative'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 Co-operative 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

Truro, Canada
May 15, 2019

Chartered Professional Accountants
Licensed Public Accountants

Nova Scotia Co-operative Council Limited

Statements of Revenues, Expenses and Surplus

Year ended March 31	2019	2018
Revenues		
Annual general meeting	\$ 17,412	\$ 4,190
Business development	290,841	105,754
CSR community impact pilot	20,000	-
Membership dues and partnership grants	43,354	57,920
Miscellaneous	27,444	25,797
Projects and management fees (Note 9)	184,296	200,909
Wine and cheese reception	7,500	7,500
	<u>590,847</u>	<u>402,070</u>
Expenses		
Administrative		
Communications	5,047	5,620
Donations	6,268	2,318
Fees, salaries and benefits	131,235	214,686
Insurance	3,346	1,769
Office and sundry	2,122	1,499
Professional fees	17,991	6,011
Rent	21,600	21,600
Repairs and maintenance	5,494	3,896
Total administrative costs	<u>193,103</u>	<u>257,399</u>
Governance costs		
Annual General Meeting	33,934	8,945
Directors	28,874	29,465
Total governance costs	<u>62,808</u>	<u>38,410</u>
Development costs		
CSR community impact pilot	20,000	-
Consulting and fees	78	14,899
Marketing and promotion	4,621	5,232
Social enterprise	194	1,408
Travel	6,961	6,255
Youth leadership agriculture	290,841	70,754
Total development costs	<u>322,695</u>	<u>98,548</u>
	<u>578,606</u>	<u>394,357</u>
Excess of revenues over expenses	<u>\$ 12,241</u>	<u>\$ 7,713</u>
Surplus, beginning of year	\$ 505,957	\$ 498,244
Excess of revenues over expenses	<u>12,241</u>	<u>7,713</u>
Surplus, end of year	\$ 518,198	\$ 505,957

Nova Scotia Co-operative Council Limited

Balance Sheet

March 31 2019 2018

Assets

Current

Cash and cash equivalents	\$ 701,939	\$ 465,647
Receivables	49,194	125,743
Prepays	<u>4,773</u>	<u>14,375</u>
	755,906	605,765

Due from related parties (Note 3)	18,934	24,869
Furniture and equipment (Note 4)	4,993	-
Investment in related party (Note 6)	5,000	5,000
Other investments	<u>3,448</u>	<u>3,843</u>
	\$ 788,281	\$ 639,477

Liabilities

Current

Payables and accruals	\$ 37,748	\$ 53,520
Unearned revenue (Note 7)	<u>222,335</u>	<u>70,000</u>
	260,083	123,520

Equity

General reserve	10,000	10,000
Surplus	<u>518,198</u>	<u>505,957</u>
	528,198	515,957
	\$ 788,281	\$ 639,477

Commitment (Note 8)

On behalf of the board



Director



Director

Nova Scotia Co-operative Council Limited

Statement of Cash Flows

Year ended March 31

2019

2018

Increase (decrease) in cash and cash equivalents

Operating

Excess of revenues over expenses	\$ 12,241	\$ 7,713
Change in non-cash working capital items		
Receivables	76,549	(112,321)
Prepays	9,602	(10,043)
Payables and accruals	(15,772)	6,139
Unearned revenue	152,335	57,762
	<u>234,955</u>	<u>(50,750)</u>

Financing

Advances from related parties, net	<u>5,935</u>	<u>276,821</u>
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Investing

Purchase of furniture and equipment	(4,993)	-
Proceeds from sale of investments	395	-
Purchase of related party shares	-	(5,000)
	<u>(4,598)</u>	<u>(5,000)</u>

Increase in cash and cash equivalents	236,292	221,071
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Cash and cash equivalents

Beginning of year	<u>465,647</u>	<u>244,576</u>
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End of year	<u>\$ 701,939</u>	<u>\$ 465,647</u>
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Nova Scotia Co-operative Council Limited

Notes to the Financial Statements

March 31, 2019

1. Nature of operations

Nova Scotia Co-operative Council Limited is incorporated and operates under the Nova Scotia Co-operative Associations Act as a not-for-profit organization. The Co-operative provides economic development expertise and services to the Nova Scotia co-operative and credit union sector.

2. Summary of significant accounting policies

Basis of presentation

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

Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenue and expenses during the year. These estimates are reviewed periodically and adjustments are made to excess of revenues over expenses as appropriate in the year they become known. Actual results could differ from those reported. Items subject to management estimate include provision for investment losses and allowance for doubtful accounts.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with credit unions.

Revenue recognition

Fees for services are recorded as revenue in the year in which the revenues are earned.

Membership dues are recorded as revenue when received, or when receivable, and collection is reasonably assured.

The Co-operative follows the deferral method of accounting for contributions. Restricted grants received from various funding agencies are matched to related expenses. Any resulting excess is recorded as unearned revenue until the related expense is incurred. Unrestricted grants from various funding agencies and other unrestricted contributions are recognized as revenues when received or receivable if the amount received can be reasonably estimated and collection is reasonably assured.

Donated services

Donated services are recognized in the period the services are performed provided fair value can be reasonably determined; otherwise such amounts are not recognized. During the year, the Co-operative received donations of rent valued at \$21,600. This amount has been recorded in miscellaneous revenue.

Nova Scotia Co-operative Council Limited

Notes to the Financial Statements

March 31, 2019

2. Summary of significant accounting policies (continued)

Long term investments

Investments in common shares of business enterprises for which the fair value of shares are not quoted in an active market and in which the Co-operative holds less than 20% interest, are recorded at cost.

The Co-operative's investment in Healthwise Holdings Co-operative Limited and investment in Connecting People for Health Co-operative Limited are recorded at cost. The Co-operative does not exercise significant influence over Healthwise Holdings Co-operative Limited and Connecting People for Health Co-operative Limited due to each shareholder having one vote per member authority regardless of the number or percentage of shares

The investments are reviewed by management for impairment and if a decline in value is considered other than temporary, the investment is written down to reflect the impairment with a charge to income.

Furniture and equipment

Significant equipment additions greater than \$2,500 and with extended useful lives are recorded at cost as capital assets and subsequently recorded at cost less accumulated amortization. Any small equipment additions under the \$2,500 threshold and with limited useful lives are expensed. Rates and bases of amortization of furniture and equipment are recorded over their estimated lives at the following rates:

Computer equipment	3 years Straight-line
Other equipment and furniture	5 years Straight-line

Financial instruments

The Co-operative considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. The Co-operative accounts for the following as financial instruments:

- cash and cash equivalents
- receivables
- due from related parties
- payables and accruals
- unearned revenue

A financial asset or liability is recognized when the Co-operative becomes party to contractual provisions of the instrument.

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

Financial assets or liabilities obtained in related party transactions are measured in accordance with the accounting policy for related party transactions except for those transactions that are with a person or entity whose sole relationship with the Co-operative is in the capacity of management in which case they are accounted for in accordance with financial instruments.

Nova Scotia Co-operative Council Limited

Notes to the Financial Statements

March 31, 2019

2. Summary of significant accounting policies (continued)

Financial instruments (continued)

The Co-operative subsequently measures all of its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are not quoted in an active market, which are measured at cost less any reduction for impairment.

The Co-operative removes financial liabilities, or a portion of, when the obligation is discharged, cancelled or expires.

Financial assets measured at cost are tested for impairment when there are indicators of impairment. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in net income.

Income tax status

Nova Scotia Co-operative Council Limited is a non-profit organization, which is exempt from income taxes under Section 149(1) of the Canadian Income Tax Act.

3. Due from related parties	2019	2018
Due from Investing in Nova Scotia Enterprises Co-operative Limited, a co-operative in which it holds a minority interest	\$ 18,934	\$ 24,869

These balances are non-interest bearing with no set terms of repayment.

4. Furniture and equipment			2019	2018
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Equipment	\$ 10,327	\$ 5,334	\$ 4,993	\$ -

5. Investment in Healthwise Holdings Co-operative Limited

Original cost	\$ 300,000	\$ 300,000
Less: accumulated provision for investment losses	(300,000)	(300,000)
	\$ -	\$ -

Nova Scotia Co-operative Council Limited

Notes to the Financial Statements

March 31, 2019

6. Investment in Connecting People for Health Co-operative Limited

	<u>2019</u>	<u>2018</u>
Original cost	\$ 1,005,000	\$ 1,000,000
Additional share purchase	-	5,000
Less: accumulated provision for investment losses	<u>(1,000,000)</u>	<u>(1,000,000)</u>
	<u>\$ 5,000</u>	<u>\$ 5,000</u>

7. Unearned revenue

	<u>2019</u>	<u>2018</u>
Department of Community Services Funds		
Beginning balance	\$ 65,000	\$ -
Funding received during the year	308,176	100,000
Less project funding recognized as revenue	<u>(290,841)</u>	<u>(35,000)</u>
	82,335	65,000
Other funds		
Annual general meeting sponsorships	-	5,000
CSR community impact pilot	<u>140,000</u>	<u>-</u>
	<u>\$ 222,335</u>	<u>\$ 70,000</u>

8. Commitment

Nova Scotia Co-operative Council Limited has entered into a lease agreement for the rental of office space until October 31, 2019. During the current fiscal year, the lessor has agreed to waive rental payments for 12 months of the year. Monthly rental payments are expected to be waived until the Council has secured additional funding. In order to properly account for this in fiscal 2019, the Council has recognized \$21,600 in miscellaneous revenues with a corresponding amount recorded as rent expense for the 12 months of rent abatement. The approximate minimum lease payments in the next fiscal year in accordance with the lease agreement is as follows:

2020	\$ 21,600
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Nova Scotia Co-operative Council Limited

Notes to the Financial Statements

March 31, 2019

9. Related party transactions

During the year, the Co-operative had the following transactions with related parties:

- (a) Investing in Nova Scotia Enterprises Co-operative Limited, a co-operative in which it holds a minority interest:

received \$64,718 (2018 - \$153,661) for reimbursements of expenses, which have been applied against the Co-operative's administrative expenses and received an amount of \$172,296 (2018 - \$172,296) which has been recorded as management fees.

received \$2,500 (2018 - \$2,500) in sponsorships for the annual general meeting and wine and cheese reception.

- (b) Connecting People for Health Co-operative Limited, a co-operative in which it holds a minority interest:

received \$12,000 (2018 - \$28,613) in management fees.

10. Financial instruments

The Co-operative is exposed to various risks through its financial instruments. The following analysis provides a measure of the Co-operative's risk exposures and concentrations at March 31, 2019.

- (a) Credit risk

Credit risk is the risk of financial loss to the Co-operative if a debtor fails to make payments when due. The Co-operative is exposed to this risk relating to its receivables and amounts due from related parties. Most of the receivables are from government funding agencies and credit risk is mitigated by ensuring that all grants are entered into by way of contract. For receivables from related parties, management closely evaluates the collectability of these amounts. There was no significant change in exposure from the prior year.

- (b) Liquidity risk

Liquidity risk is the risk that the Co-operative will encounter difficulty in meeting the obligations associated with its financial liabilities. The Co-operative is exposed to this risk mainly in respect of its payables and accruals. The Co-operative mitigates this risk by monitoring cash flow payment requirements. In the opinion of management, the liquidity risk to the Co-operative is low. There was no significant change in exposure from the prior year.

Nova Scotia Co-operative Council Limited

Notes to the Financial Statements

March 31, 2019

10. Financial instruments (continued)

(c) Market risk

Market risk is the risk that the fair value or expected 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. The Co-operative is mainly exposed to 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 Co-operative is exposed to interest rate risk on a balance held in a savings account. In the opinion of management, the interest rate risk to the Co-operative is low. There was no significant change in exposure from the prior year.



Building the Nova Scotia Economy
- One Person, One Business at a time.



PO Box 1872
Truro, NS B2N 6C7

Tel: 902-893-8966
Fax: 902-895-0109

novascotia.coop
info@novascotia.coop

