Financial Statements of

UNIVERSITY OF WINNIPEG PENSION PLAN

Year ended December 31, 2007

THE UNIVERSITY OF WINNIPEG
PENSION PLAN

FINANCIAL STATEMENTS

For the Year Ended December 31, 2007

THE UNIVERSITY OF WINNIPEG

University of Winnipeg Pension Plan

Report on Financial Statements

Report of the Vice-President Finance & Administration

The University Pension Plan reported net assets available for benefits of $135.0 million at December 31, 2007 ($139.8 million at December 31, 2006). The total net asset position consists of $116.5 million for the Defined Benefit Segment and $18.5 million for the Defined Contribution Segment.

Total contributions increased $203,000 to $4.8 million while benefits paid to retired members increased by $197,000 to $5.2 million. Refunds and transfers totaled $4.5 million ($2.8 million in 2006). The University was required by the Pension Benefits Act to withhold $1.0 million of refunds and transfers as the Pension Plan had incurred a reported funding deficiency in the valuation at December 31, 2004. In February 2008, the University was provided with an exemption from meeting the solvency funding requirements and subsequently, the University has proceeded to pay the amounts withheld along with prescribed interest.

During the final quarter of the year, investment markets were difficult, as reflected in the current period change in the fair value of investments (decline of $11.2 million). While the value of the portfolio declined in the year, the income earned by the portfolio improved by $869,000 to $8.6 million in 2007. This increase was due to increased asset values and interest rates for the first three quarters of the year.

The Plan's Actuary prepared a valuation of the Pension Plan as at December 31, 2007. The valuation reports an improvement in the going-concern deficiency declining to $2.4 million ($3.7 million - 2004). The University will continue to make the required annual going-concern deficiency payments of $386,000 until the deficiency is eliminated. The actuarial valuation reported that the solvency deficiency test resulted in a $20.7 million solvency deficiency. However, the Manitoba Government recently passed Regulation 141/2007 which permits the University to elect to be exempted from the solvency funding requirements under the Manitoba Pension Benefits Act. The University made the election and has complied with all of the requirements to be entitled to the permanent exemption.

Pursuant to an agreement with Plan Stakeholders in April 2003, the University had undertaken to establish and turn over the administration of the Plan to an independent Board of Trustees. On March 25, 2008, the University and Plan Stakeholders signed a series of agreements, including a transition plan and a Trust Agreement, to transfer the administration of the Plan from the University to an independent Board of Trustees. The newly established Board of Trustees will become fully effective on July 7, 2008, subject to approval by CRA and the Pension Commission.

On December 8, 2006, the Superintendent of Pensions of Manitoba issued an Order requiring the University to develop and implement a written governance framework, and pay a lump sum amount of $6,454,000, plus interest to date. Net interest and adjustments to December 31, 2007 are estimated to be $1,644,000, for a current total amount of $8,098,000 under the Order. The amount is to be paid into and then out of the Plan, for the benefit of defined benefit members, in relation to the undistributed portion of their proportionate share of the Plan's surplus, as determined by the Plan Actuary in 1999, which surplus later ceased to exist, as a result of the market downturn in the Fall/Winter of 2001/02.

The University appealed the Superintendent's decision to the Manitoba Pension Commission, and the Commission's decision was made on April 23, 2008. The decision upheld the Superintendent's order, and the University intends to further appeal to the Manitoba Court of Appeal. The appeal is likely to be heard during the winter of 2009, and the decision of the Court of Appeal will, in all likelihood, be final. No payment, pursuant to the Order has been made, and no provision has been made for such future payment in the financial statements of the Plan as the outcome of the appeal is undeterminable.

(Original signed by Bill Balan)

Bill Balan
Acting Vice-President (Finance & Administration)
The University of Winnipeg

June 16, 2008

THE UNIVERSITY OF WINNIPEG

THE UNIVERSITY OF WINNIPEG PENSION PLAN

RESPONSIBILITY FOR FINANCIAL REPORTING

The management of The University of Winnipeg is responsible for the preparation and presentation of the financial statements and accompanying notes. The financial statements have been prepared in accordance with the accounting principles stated in the financial statements and approved by the Pension Committee.

As management is responsible for the integrity of the financial statements, management has established systems of internal control to provide reasonable assurance that assets are properly accounted for and safeguarded from loss.

In management's opinion, the financial statements have been properly prepared within reasonable limits of materiality, incorporating management's best judgement regarding all necessary estimates and all other data available at the time of preparing the financial statements.

(Original signed by Bill Balan)	*(Original signed by B. Douglas Prophet)*
Bill Balan	B. Douglas Prophet, CA
Acting Vice-President (Finance & Administration)	Associate Vice-President Finance

June 16, 2008

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Actuary's Opinion

Eckler Ltd. has been retained by the University of Winnipeg to perform an actuarial valuation of the assets and the going-concern liabilities of the defined benefit part of the University of Winnipeg Pension Plan (the "Plan") as at December 31, 2007 and adapted that valuation for inclusion in the Plan's financial statements.

In my opinion, for the purposes of the valuation,

(a) the data used are sufficient and reliable,
(b) the assumptions used are, in aggregate, appropriate, and
(c) the methods employed are appropriate.

The valuation has been prepared and my opinion given in accordance with accepted actuarial practice.

June 11, 2008
Date

A. Douglas Poapst,
Fellow of the Institute of Actuaries
Fellow of the Canadian Institute of Actuaries

OFFICE OF THE
AUDITOR GENERAL
MANITOBA

AUDITORS' REPORT

To the Legislative Assembly of Manitoba
To the Board of Regents of the University of Winnipeg

We have audited the statement of net assets available for benefits of the University of Winnipeg Pension Plan as at December 31, 2007, and the statement of changes in net assets available for benefits for the year then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as at December 31, 2007, and the changes in its net assets available for benefits for the year then ended in accordance with Canadian generally accepted accounting principles.

Office of the Auditor General

Office of the Auditor General

Winnipeg, Manitoba
June 6, 2008

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STATEMENT I

UNIVERSITY OF WINNIPEG PENSION PLAN

Statement of Net Assets Available for Benefits

December 31, 2007, with comparative figures for 2006

	2007	2006
Assets		
Cash	$622,647	$519,575
Contributions receivable:		
Members	123,632	129,752
University	143,848	294,105
Investment income receivable	50,337	49,711
Investments (schedule A)	135,274,704	138,984,023
	$136,215,168	$139,977,166
Liabilities		
Accounts payable	$152,373	$179,862
Refunds and transfers payable (note 9)	1,018,390	0
	$1,170,763	$179,862
Net Assets Available for Benefits	$135,044,405	$139,797,304

Continuity of operations [note 2(a)(ii)]

Subsequent event (note 8)

Contingency (note 10)

See accompanying notes to financial statements.

On behalf of the Board of Regents:

(Original signed by Terry Hidichuk) Director

(Original signed by Lloyd Axworthy) President and Vice-Chancellor

UNIVERSITY OF WINNIPEG PENSION PLAN

Statement of Changes in Net Assets Available for Benefits

Year ended December 31, 2007, with comparative figures for 2006
(see schedule B)

	2007	2006
Increase in assets:		
Contributions (note 6):		
Members	$1,984,022	$1,901,842
University	2,809,690	2,688,441
Investment income	8,647,240	7,777,747
Current period change in fair value of investments	(11,202,572)	5,237,215
Net realized gain on sale of investments	3,417,618	3,541,010
	5,655,998	21,146,255
Decrease in assets:		
Benefits paid to retired members	5,200,515	5,003,423
Refunds and transfers	4,484,828	2,773,518
Administrative expenses:		
Investment managers' fees	470,922	441,174
Actuarial fees	70,295	17,089
Administrator's fees	24,287	25,149
Custodial fees	27,279	45,087
Other expenses	130,771	98,612
	723,554	627,111
	10,408,897	8,404,052
Net increase (decrease) in assets available for benefits	(4,752,899)	12,742,203
Net assets available for benefits, beginning of year	139,797,304	127,055,101
Net assets available for benefits, end of year	$135,044,405	$139,797,304

See accompanying notes to financial statements.

UNIVERSITY OF WINNIPEG PENSION PLAN

Summary of Investments

December 31, 2007, with comparative figures for 2006

	2007			2006		
	Fair value	Cost	% Fair value	Fair value	Cost	% Fair Value
Defined benefit:						
Fixed income	$55,739,410	$55,646,470	47.72	$52,189,209	$51,016,328	42.60
Canadian equities	33,528,199	23,533,031	28.70	37,151,938	24,219,756	30.32
U.S. equities	11,321,436	9,902,265	9.69	13,859,484	9,654,862	11.31
International equities	15,380,065	13,452,134	13.17	18,447,006	12,850,644	15.06
Short-term	845,854	809,832	0.72	865,926	842,859	0.71
	116,814,964	103,343,732	100.00	122,513,563	98,584,449	100.00
Defined contribution	18,459,740	16,457,703	100.00	16,470,460	13,739,413	100.00
Total investments	$135,274,704	$119,801,435	100.00	$138,984,023	$112,323,862	100.00

UNIVERSITY OF WINNIPEG PENSION PLAN

Changes in Net Assets Available for Benefits by Segment

Year ended December 31, 2007

	Defined Benefit Segment	Defined Contribution Segment	Total
Increase in assets:			
Contributions			
Members	$935,159	$1,048,863	$1,984,022
University	1,748,335	1,061,355	2,809,690
Investment income	7,635,723	1,011,517	8,647,240
Current period change in fair value of investments	(10,473,562)	(729,010)	(11,202,572)
Net realized gain on sale of investments	3,313,040	104,578	3,417,618
	3,158,695	2,497,303	5,655,998
Decrease in assets:			
Benefits paid to retired members	5,200,515	0	5,200,515
Refunds and transfers	3,998,785	486,043	4,484,828
Administrative expenses:			
Investment managers' fees	470,922	0	470,922
Actuarial fees	70,295	0	70,295
Administrator's fees	24,287	0	24,287
Custodial fees	27,279	0	27,279
Other expenses	117,965	12,806	130,771
	710,748	12,806	723,554
	9,910,048	498,849	10,408,897
Net increase (decrease) in assets available for benefits	(6,751,353)	1,998,454	(4,752,899)
Net assets available for benefits, beginning of year	123,236,154	16,561,150	139,797,304
Net assets available for benefits, end of year	$116,484,801	$18,559,604	$135,044,405

1. Description of the pension plan:

The following description of the University of Winnipeg Pension Plan (the Plan) is a summary only. For more complete information, reference should be made to the Plan Agreement.

The Plan was established as a contributory defined benefit pension plan on September 1, 1972, at which time the funds were invested with an insurance company. In 1977, the funds were transferred to a trust fund and professional investment counselors were retained. The Plan is registered under the Income Tax Act and the Manitoba Pension Benefits Act (Registration #309914). A pension committee oversees the administration of the Plan, monitors the investments with the assistance and advice of the investment committee, and makes policy recommendations to the Board of Regents of the University of Winnipeg (University).

The Plan covers all eligible employees of the University, except those who are members of the United Church of Canada Pension Plan. Permanent academic employees join the Plan on their date of employment. Permanent non-academic employees may elect to join the Plan on their date of employment and must join by the first anniversary date of their employment. Under the Plan, contributions are made by plan members and by the University (note 6). A member who receives benefits from the long-term disability plan of the University is not required to contribute to the Plan.

The annual pension payable to a defined benefit member on retirement is based on the member's final five year average earnings and years of credited service.

Plan members at December 31, 2000, were given the option to remain in the defined benefit segment of the Plan or convert their accrued benefits to the newly formed defined contribution segment of the Plan. Subsequently, all new employees hired are required to become members of the defined contribution segment of the Plan.

In 2000 and 2001, the Plan was amended to distribute surplus to Plan members and to provide a contribution holiday to the University arising from its share of the surplus. There was an initial surplus distribution and subsequently, certain amendments were made that changed the implementation of the 2000 and 2001 amendments.

2. Significant accounting policies:

(a) (i) Basis of presentation:

These financial statements are prepared on the going-concern basis and present the aggregate financial position of the Plan as a separate financial reporting entity. They are prepared to assist Plan members and others in reviewing the activities of the Plan for the fiscal period but they do not portray the funding requirements of the Plan or the security of benefits of individual Plan members.

The annual financial statements of the Plan are prepared in accordance with Canadian generally accepted accounting principles.

(ii) Continuity of operations:

The financial statements do not take into account actuarial valuations and therefore do not reflect the financial position of the Plan on an actuarial valuation basis as referred to in note 5(a). In accordance with the *Pension Benefits Act*, an actuarial valuation is required at least every three years. An actuarial valuation of the defined benefit segment of the Plan was completed as at December 31, 2007.

The actuarial valuation at December 31, 2007 reported that the defined benefit segment of the Plan had a solvency deficiency of $20,665,000 at that date.

The University would normally be required under the *Pension Benefits Act* to make additional contributions to amortize the solvency deficiency over a five year period. However, the Provincial Government has provided universities in Manitoba with an opportunity to be permanently exempted from the usual solvency funding requirements while the Plan continues on a going-concern basis. The University Pension Plans Exemption Regulation (Regulation 141/2007) was registered October 15, 2007. In February 2008, the Manitoba Pension Commission provided the University with confirmation of a permanent exemption from meeting the solvency funding requirements.

As part of the discussions with government in the period leading up to the exemption regulation, it was contemplated that the annual funding requirement for the going-concern deficiency revealed in the 2004 valuation be continued until that deficiency is eliminated. The going-concern deficiency at December 31, 2004 was $3,746,000 and the annual funding payments are $386,000. While the remaining going-concern deficiency has declined to $2,384,000 at December 31, 2007, the University will continue to make annual contributions of $386,000 until the deficiency is eliminated.

2. Significant accounting policies (continued):

The smoothed net asset values of the defined benefit segment of the Plan are as follows:

	2007	2006
	(In thousands)	
Net assets at market value	$ 116,485	$ 123,236
Smoothing adjustment	340	(9,323)
Smoothed value of net assets	$ 116,825	$ 113,913

Because of the going-concern deficiency December 31, 2007, the University is also required to make additional contributions of $304,000 in 2008, $295,000 in 2009 and $291,000 in 2010 to cover the current service shortfall.

During 2005, amendments were made to the *Pension Benefits Act* which will affect the benefits payable from the Plan. These amendments have yet to be proclaimed and the corresponding regulations have yet to be published but, based on a preliminary interpretation, the Plan's Actuary had estimated that these changes would add approximately $1,100,000 to the actuarial present value of accrued benefits at December 31, 2004 and would have increased the annual special funding payments by approximately $110,000 per year at that time. The 2005 amendments have not yet come into effect. The longer the effective date is delayed; the relative financial impact will tend to decline due to active member retirements.

The obligation for pension benefits (note 5a) compared to the smoothed value of net assets at December 31, 2007 is as follows:

	2007	2006
	(In thousands)	
Smoothed value of net assets	$ 116,825	$ 113,913
Obligation for pension benefits (note 5a)	$ 119,209	$ 113,891
Net obligation for pension benefits in comparison to the smoothed value of net assets	$ (2,384)	$ 22

(b) Investments:

Investments are stated at fair value. In determining fair values, adjustments have not been made for transaction costs as they are not considered to be significant. The change in the difference between the fair value and cost of investments at the beginning and end of each year is reflected in the statement of changes in net assets available for benefits as the current period change in fair value of investments.

Fair values of investments are determined as follows:

Bonds and equities are valued at year end quoted market prices where available. Where quoted prices are not available, estimated fair values are determined using comparable securities.

Short-term notes, treasury bills and term deposits maturing within a year are stated at cost, which together with accrued interest income approximates fair value given the short-term nature of these investments.

(c) Net realized gain (loss) on sale of investments:

The net realized gain (loss) on sale of investments is the difference between proceeds received and the average cost of investments sold.

(d) Investment income:

Investment income, which is recorded on the accrual basis, includes interest income and dividends.

(e) Foreign currency translation:

The fair values of foreign currency denominated investments included in the statement of net assets available for benefits are translated into Canadian dollars at year end rates of exchange. Gains and losses arising from translations are included in the change in fair value of investments.

Foreign currency denominated transactions, as well as cost amounts included in schedule B to the financial statements are translated into Canadian dollars at the rates of exchange in effect on the dates of the related transactions.

(f) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

3. Risk management:

Defined benefit:

Fair values of investments and therefore the Plan's net assets available for benefits are exposed in the future to interest rate, inflation, market valuation, credit and currency risks. The definition of these risks follows:

(a) Interest rate risk refers to the impact of interest rate changes on the Plan's financial position, investment income and cash flows.

(b) Inflation risk is the impact of rising prices on the Plan's assets values, changes in actuarial assumptions, and the Plan's ability to meet its CPI related changes to paid benefits.

(c) Market valuation risk is the adverse effects that may be caused by fluctuation in the market value of Plan assets resulting in a change in their value.

(d) Credit risk is the risk of loss from the failure of a counter-party to discharge their contractual obligations.

(e) Currency risk relates to the possibility that foreign currency-denominated investments will change in value due to future fluctuations in foreign exchange rates relative to the Canadian dollar value of the Plan's pension obligations.

The Board of Regents places limits on these risks by establishing, through the advice of the Pension and Investment Committees, an approved investment policy called "Statement of Investment Policies and Guidelines" that provides for risk mitigation. The investment policy is provided to the external investment managers and provides them with policy guidelines for investing the Plan assets, including asset allocation policy and benchmarks, type of investments, quality and credit ratings for securities.

4. Summary of investments:

The summary of investments (schedule A) represents the total investments of the defined benefit segment and defined contribution segment of the Plan held by the custodians. In respect to the defined benefit segment of the Plan, an external investment manager invests the Plan assets pursuant to the approved investment policy. The fixed income component is comprised of bonds and debentures ($4,254,119) with maturity dates varying from 2009 to 2105 and interest rates varying from 4.50% to 11.10% and pooled fixed income funds ($51,485,291). The members of the defined contribution plan select their own investments and have the right to allocate their pension assets to investment funds that are offered by the custodian for the defined contribution segment of the Plan.

5. Obligation for pension benefits:

(a) Defined benefit obligation:

The actuarial present value of accrued pension benefits under the defined benefit segment was determined using the projected unit credit actuarial method and using assumptions recommended by the actuary and approved by the Board of Regents of the University. An actuarial valuation of the Plan was prepared, effective December 31, 2007 by Eckler Ltd., a firm of consulting actuaries. Excluding the obligation with respect to the Order of the Superintendent of Pensions dated November 17, 2006, and the corresponding Final Decision of the Manitoba Pension Commission made April 23, 2008 (note 10), the valuation results are as follows:

	2007	2006
	(In thousands)	
Actuarial present value of accrued pension benefits, beginning of year	$ 113,891	$ 110,167
Interest accrued on benefits	6,925	6,765
Pension increase	1,075	717
Benefits accrued	2,294	2,383
Benefits paid, refunds and transfers	(9,200)	(6,930)
Actuarial loss	4,224	789
Actuarial present value of accrued pension benefits, end of year	$ 119,209	$ 113,891

The pension increase in respect of 2007 of 2.38% will be effective July 1, 2008 and is equal to the increase in the Consumer Price Index (CPI) in 2007. The Plan provides that the increase in respect of a year will be equal to the excess of the rate of return in that year, based on smoothed asset values, over 6%, subject to a maximum of the increase in the CPI in that year. For 2007, the excess of the rate of return based on smoothed asset values over 6% was 2.52% while the CPI increase was 2.38%.

The pension increase in respect of 2006 of 1.65% was effective July 1, 2007 and was equal to the increase in the Consumer Price Index in 2006, determined as provided in the Plan.

The actuarial loss for 2007 is primarily due to assumption changes ($2.7 million) and to losses on benefits transferred from the Plan ($1.5 million). The assumption changes are in the assumed net investment return used for discounting future benefits. The discount rate was reduced from 6.5% to 6.0% for the period prior to each member's retirement and from 6.0% to 5.75% for the period after each member's retirement.

The actuarial loss for 2006 is primarily due to the interest credit on member contributions for 2006 of 11.75% being higher than the 6.5% assumed.

5. Obligation for pension benefits (continued):

The value of net assets available for benefits at December 31, was

		2007		2006
		(In thousands)		
Market value of net assets	$	116,485	$	123,236

The assumptions used in determining the actuarial value of accrued benefits in the valuation at December 31, 2007 were developed by reference to expected long-term market conditions. Significant actuarial assumptions used in the valuation were:

		2007	2006
Rate of return on investments (discount rate)	- pre-retirement	6.0%	6.5%
	- post-retirement	5.75%	6.0%
Rate of salary increase	- current year	2.5%	3.0%
	- 2009	2.5%	4.0%
	- thereafter	4.0%	4.0%

(b) Defined contribution obligation:

The obligation for pension benefits under the defined contribution segment will always be equal to the net assets in each Member's account. Therefore, no surplus or deficiency arises from fluctuations in the investment market.

The following summarizes the changes in the defined contribution segment of the Plan:

		2007		2006
		(In thousands)		
Balance, beginning of year	$	16,561	$	13,681
Contributions		2,110		1,870
Refunds and transfers		(486)		(846)
Net investment return		375		1,856
Balance, end of year	$	18,560	$	16,561

6. Funding policy:

The University's regular contribution is 7.0% of pensionable salary to the defined benefit segment and 6.0% to the defined contribution segment less an adjustment, in each case, for the Canada Pension Plan. For Members receiving long-term disability benefits, the University pays the employee contributions as well as its own contributions. In addition, the University is responsible for any additional contributions required under the *Pension Benefits Act.*

7. Related party transactions:

The University charges benefit administration costs to the Plan. The charge for 2007 was $56,263 (2006 - $55,377) and has been included in other expenses. This transaction is measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Other administration services including accounting and secretarial services are provided by the University at no charge to the Plan.

8. Agreement between the University and Plan stakeholders:

In April 2003, the University and Plan Stakeholders of the Defined Benefit Segment of the Plan agreed to amend the provisions of the Plan amendment 2001/1 that was approved by the Board of Regents in December 2000. As at December 31, 2007, all of the provisions of the agreement have been implemented with the exception of the establishment of a Board of Trustees to oversee the administration of the Plan.

On March 25, 2008, the University and Stakeholders signed a series of agreements, including a Transition Agreement and a Trust Agreement, to transfer the administration of the Plan from the University to an independent Board of Trustees, which will become fully effective July 7, 2008, unless objections are raised by the Canada Revenue Agency or the Manitoba Pension Commission in the intervening period of time. Until then, the University continues as the administrator of the Plan, although the new Board of Trustees, for all intents and purposes, has assumed that responsibility.

9. Refunds and transfers payable:

Liabilities include a withheld portion of lump sum payments in the amount of $1,018,000. This amount is payable to former plan members who elected to receive a commutation of their earned pensions during the period commencing June 24, 2005 through to December 31, 2007. The University's funding ratio was 87.4% reported in the actuarial valuation dated December 31, 2004. Under the provisions of the Pension Benefits Act, the University was required to withhold 12.6% of the lump sum payments that were issued from the Plan.

In February 2008, the Manitoba Pension Commission provided the University with confirmation of a permanent exemption from meeting the solvency funding requirements and accordingly, the University has proceeded to pay the amounts withheld along with prescribed interest.

10. Contingency:

On December 8, 2006, the Superintendent of Pensions of Manitoba issued an Order requiring the University to develop and implement a written governance framework, and pay a lump sum amount of $6,454,000, plus interest to date. Net interest and adjustments to December 31, 2007 are estimated to be $1,644,000, for a current total amount of $8,098,000 under the Order. The amount is to be paid into and then out of the Plan, for the benefit of defined benefit members, in relation to the undistributed portion of their proportionate share of the Plan's surplus, as determined by the Plan Actuary in 1999, which surplus later ceased to exist, as a result of the market downturn in the Fall/Winter of 2001/02.

The University appealed the Superintendent's decision to the Manitoba Pension Commission, and the Commission's decision was made on April 23, 2008. The decision upheld the Superintendent's order, and the University intends to further appeal to the Manitoba Court of Appeal. The appeal is likely to be heard during the Winter of 2009, and the decision of the Court of Appeal will, in all likelihood, be final. No payment, pursuant to the Order has been made, and no provision has been made for such future payment in the financial statements of the Plan as the outcome of the appeal is undeterminable.

11. Fair value of other financial assets and financial liabilities:

The carrying values of all other financial assets and liabilities approximate their fair market values due to the short term nature of these amounts.