

Financial Statements of

**CANADIAN CATHOLIC ORGANIZATION
FOR DEVELOPMENT AND PEACE**

Year ended August 31, 2015



KPMG LLP
600 de Maisonneuve Blvd. West
Suite 1500
Tour KPMG
Montréal (Québec) H3A 0A3

Telephone (514) 840-2100
Fax (514) 840-2187
Internet www.kpmg.ca

INDEPENDENT AUDITORS' REPORT

To the Members of the National Council of the Canadian Catholic Organization for Development and Peace

We have audited the accompanying financial statements of the Canadian Catholic Organization for Development and Peace (the "Organization"), which comprise the statement of financial position as at August 31, 2015, the statements of revenues and expenses, changes in net assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditors' Responsibility

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the organization's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.



Page 2

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Organization derives revenue from fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Organization. Therefore, we were not able to determine whether, as at and for the years ended August 31, 2015 and August 31, 2014, any adjustments might be necessary to fundraising revenues and excess of revenues over expenses reported in the statement of revenues and expenses, excess of revenues over expenses reported in the statement of cash flows and current assets and unrestricted net assets reported in the statement of financial position. This caused us to qualify our audit opinion on the financial statements as at and for the year ended August 31, 2014.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Organization as at August 31, 2015, 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.

*KPMG LLP**

November 27, 2015

Montréal, Canada

CANADIAN CATHOLIC ORGANIZATION FOR DEVELOPMENT AND PEACE

Financial Statements

Year ended August 31, 2015

Financial Statements

Statement of Financial Position	1
Statement of Revenues and Expenses.....	2
Statement of Changes in Net Assets	3
Statement of Cash Flows	5
Notes to Financial Statements	6

Schedules

Schedule A - Revenues	18
Schedule B - Expenses - International Programs	19
Schedule C - Expenses - Programs in Canada	20
Schedule D - Expenses - Governance and General Operations	21

CANADIAN CATHOLIC ORGANIZATION FOR DEVELOPMENT AND PEACE

Statement of Financial Position

August 31, 2015, with comparative information for 2014

	2015	2014
Assets		
Current assets:		
Cash	\$ 6,584,826	\$ 12,581,918
Short-term investments (note 2)	31,895,595	32,227,564
Accounts receivable (note 4)	2,258,339	2,156,434
Prepaid expenses	72,747	101,604
	<u>40,811,507</u>	<u>47,067,520</u>
Amount receivable from an estate (note 5)	2,112,659	2,050,000
Investments (note 2)	439,322	443,201
Capital assets (note 7)	223,860	323,242
	<u>\$ 43,587,348</u>	<u>\$ 49,883,963</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities (note 8)	\$ 933,150	\$ 782,796
Deferred contributions - Development programs (note 9)	23,647,466	29,603,647
	<u>24,580,616</u>	<u>30,386,443</u>
Deferred contribution - estate (note 5)	1,770,897	1,817,946
Non-repayable loans	82,929	103,979
	<u>26,434,442</u>	<u>32,308,368</u>
Net assets:		
Invested in capital assets	223,860	323,242
Internally imposed restrictions	12,370,671	6,345,979
Restricted for endowment purposes	1,114,538	1,025,106
Unrestricted	3,443,837	9,881,268
	<u>17,152,906</u>	<u>17,575,595</u>
Commitments (note 12)		
	<u>\$ 43,587,348</u>	<u>\$ 49,883,963</u>

See accompanying notes to financial statements.

On behalf of the Board:

_____ Director

_____ Director

CANADIAN CATHOLIC ORGANIZATION FOR DEVELOPMENT AND PEACE

Statement of Revenues and Expenses

Year ended August 31, 2015, with comparative information for 2014

	2015	2014
Revenues (Schedule A)	\$ 39,614,523	\$ 35,052,786
Expenses:		
International Programs (Schedule B):		
Regular programs	9,971,362	7,721,303
Non-core elements	22,093,026	18,410,333
	<u>32,064,388</u>	<u>26,131,636</u>
Programs in Canada (Schedule C):		
Popular education program	544,931	553,424
Advocacy program	59,666	-
Social justice in Canada	246,985	349,574
Communications program	186,416	184,253
Fundraising program	412,725	558,711
Operational costs	3,189,096	2,680,485
Québec sans frontières	135,248	161,944
	<u>4,775,067</u>	<u>4,488,391</u>
Governance and general operations (Schedule D):		
Governance	478,030	380,351
Administrative services	1,541,366	1,378,318
Amortization of capital assets	140,466	144,039
Structural expenses	812,171	804,685
Orientation assembly	274,969	-
New initiatives	587,982	425,906
Other activities	3,531	10,266
	<u>3,838,515</u>	<u>3,143,565</u>
Others:		
Gain on disposal of investments	(1,552,456)	(1,180,599)
Change in unrealized gain on investments (note 3)	993,305	(1,415,412)
Others	7,825	14,043
	<u>(551,326)</u>	<u>(2,581,968)</u>
	<u>40,126,644</u>	<u>31,181,624</u>
Excess of (expenses over revenues) revenues over expenses	<u>\$ (512,121)</u>	<u>\$ 3,871,162</u>

See accompanying notes to financial statements.

CANADIAN CATHOLIC ORGANIZATION FOR DEVELOPMENT AND PEACE

Statement of Changes in Net Assets

Year ended August 31, 2015, with comparative information for 2014

	2015											
	Internally imposed restrictions											
	Invested in capital assets	Restricted for the orientation assembly	Restricted for emergency relief programs	Institutional relaunch fund	Restricted for reserve fund	Other funds - internally restricted (note 10)	Temporary special fund	Commitments - international development fund (note 12 (b))	Total internally imposed restrictions	Restricted for endowment purposes	Unrestricted	Total
Balance, beginning of year	\$ 323,242	\$ 135,466	\$ 1,008,146	\$ 178,216	\$ 2,500,000	\$ 766,538	\$ 1,757,613	\$ -	\$ 6,345,979	\$ 1,025,106	\$ 9,881,268	\$ 17,575,595
Internally imposed restrictions	-	161,248	-	-	-	168,510	-	5,610,677	5,940,435	-	(5,940,435)	-
Excess of (expenses over revenues) revenues over expenses	(140,467) ⁽ⁱ⁾	(271,714)	367,460	-	-	(53,732)	42,243	-	84,257	-	(455,911)	(512,121)
Endowment contributions	-	-	-	-	-	-	-	-	-	89,432	-	89,432
Investment in capital assets	41,085	-	-	-	-	-	-	-	-	-	(41,085)	-
Balance, end of year	\$ 223,860	\$ 25,000	\$ 1,375,606	\$ 178,216	\$ 2,500,000	\$ 881,316	\$ 1,799,856	\$ 5,610,677	\$ 12,370,671	\$ 1,114,538	\$ 3,443,837	\$ 17,152,906

(i) Represents amortization of capital assets.

See accompanying notes to financial statements.

CANADIAN CATHOLIC ORGANIZATION FOR DEVELOPMENT AND PEACE

Statement of Changes in Net Assets, Continued

Year ended August 31, 2015, with comparative information for 2014

	2014										
	Internally imposed restrictions										
	Invested in capital assets	Restricted for the orientation assembly	Restricted for emergency relief programs	Institutional relaunch fund	Restricted for reserve fund	Other funds - internally restricted	Temporary special fund	Total internally imposed restrictions	Restricted for endowment purposes	Unrestricted	Total
Balance, beginning of year	\$ 199,132	\$ 108,447	\$ 666,547	\$ 300,000	\$ 2,500,000	\$ 594,695	\$ 1,431,238	\$ 5,600,927	\$ 1,128,624	\$ 6,754,537	\$ 13,683,220
Internally imposed restrictions	-	25,000	-	-	-	171,843	-	196,843	-	(196,843)	-
Excess of (expenses over revenues) revenues over expenses	(144,039) ⁽ⁱ⁾	2,019	341,599	(121,784)	-	-	326,375	548,209	(124,731) ⁽ⁱⁱ⁾	3,591,723	3,871,162
Endowment contributions	-	-	-	-	-	-	-	-	21,213	-	21,213
Investment in capital assets	268,149	-	-	-	-	-	-	-	-	(268,149)	-
Balance, end of year	\$ 323,242	\$ 135,466	\$ 1,008,146	\$ 178,216	\$ 2,500,000	\$ 766,538	\$ 1,757,613	\$ 6,345,979	\$ 1,025,106	\$ 9,881,268	\$ 17,575,595

(i) Represents amortization of capital assets.

(ii) In accordance with the termination agreement signed on June 29, 2012 between the Organization and the Fonds Solidarité Sud, the Organization can use the accumulated funds at as November 1, 2013. The Organization therefore transferred the amount of \$124,731, being the accumulated funds related to the Fonds Solidarité Sud, to the unrestricted net assets.

See accompanying notes to financial statements.

CANADIAN CATHOLIC ORGANIZATION FOR DEVELOPMENT AND PEACE

Statement of Cash Flows

Year ended August 31, 2015, with comparative information for 2014

	2015	2014
Cash flows from (used in) operating activities:		
Excess of (expenses over revenues) revenues over expenses	\$ (512,121)	\$ 3,871,162
Adjustments for:		
Amortization of capital assets	140,467	144,039
Gain on disposal of investments	(1,552,456)	(1,180,599)
Change in unrealized gain on investments	993,305	(1,415,412)
Changes in non-cash working capital items:		
Accounts receivable	(101,905)	818,499
Prepaid expenses	28,857	39,206
Accounts payable and accrued liabilities	150,354	47,450
Deferred contributions - Development programs	(5,956,181)	8,136,179
Deferred contribution - estate	(109,708)	(232,054)
	(6,919,388)	10,228,470
Cash flows from (used in) financing activities:		
Endowment contributions	89,432	21,213
Decrease in non-repayable loans	(21,050)	(28,330)
	68,382	(7,117)
Cash flows from (used in) investing activities:		
Acquisition of capital assets	(41,085)	(268,149)
Net change in cash - Desjardins Private Wealth Management and RBC Dominion Securities	(2,002,971)	631,353
Acquisitions of investments	(21,997,417)	(22,101,590)
Proceeds from sale of investments	24,895,387	21,855,327
	853,914	116,941
Net change in cash during the year	(5,997,092)	10,338,294
Cash, beginning of year	12,581,918	2,243,624
Cash, end of year	\$ 6,584,826	\$ 12,581,918
Supplemental cash flows information:		
Non-cash transaction from operating activities:		
Account receivable from an estate presented in long-term assets	\$ 62,659	\$ 2,050,000

See accompanying notes to financial statements.

CANADIAN CATHOLIC ORGANIZATION FOR DEVELOPMENT AND PEACE

Notes to Financial Statements

Year ended August 31, 2015

The Canadian Catholic Organization for Development and Peace (the "Organization") is a registered charity, incorporated by letters of patent under Part II of the *Canada Corporations Act*, contributing through its humanitarian actions to solving social problems throughout the world. On May 26, 2014, the Organization obtained its articles of continuance under section 211 of the *Canada Not-for-Profit Corporations Act*.

In order to maintain its registered charity status, the Organization must meet certain spending requirements ("disbursement quota") according to the *Income Tax Act*. The disbursement quota is a minimum amount that the registered charity must spend on charitable programs or as gifts to qualified donees. Failure to comply with this requirement could lead to a revocation of the Organization's registered charity status. As at August 31, 2015, the Organization complies with the requirements.

1. Significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the *CPA Canada Handbook*.

(a) Description of funds:

(i) Unrestricted funds:

The unrestricted funds include the current operating activities of the Organization. The balance is composed of the excess of revenues over expenses, less the net amount invested in capital assets and received for endowment purposes.

(ii) Funds invested in capital assets:

The funds invested in capital assets comprise the amortized cost of office equipment, computer equipment, leasehold improvements, and cable equipment.

(iii) Funds restricted for endowment purposes:

The Organization has ten endowment funds. The revenues from these funds are included in the fund itself and a percentage of the profits generated is used to finance development projects, when the amounts generated are significant enough to be used.

(iv) Internally restricted funds:

Restricted for the orientation assembly

The fund aims to finance Assembly Orientation, which occurs every five years. A transfer of \$25,000 is made every year from the unrestricted fund, which will be used to finance the next meeting. Interest revenues generated from the unused amount enriched the fund over the years.

CANADIAN CATHOLIC ORGANIZATION FOR DEVELOPMENT AND PEACE

Notes to Financial Statements, Continued

Year ended August 31, 2015

1. Significant accounting policies (continued):

(a) Description of funds (continued):

(iv) Internally restricted funds (continued):

Restricted for emergency relief programs

To ensure that the Organization can provide constant work in emergency relief, this fund aims to cover the possibility that, for a given fiscal year, administrative costs generated by the campaigns for emergency relief would not be sufficient to cover the operational costs associated with managing each of those emergencies.

Institutional relaunch fund

Put in place during a National Council meeting in 2012, this fund is for the purpose of financing the relaunch of the Organization over the next three years.

Restricted for reserve fund

This fund is the unallocated reserve of the Organization and represents the amount that would be required to cover part of the operations in case of termination of its activities.

Other funds - internally restricted

These funds include amounts related with the institutional renewal fund, the institutional evaluation fund, the youth fund and other development funds.

Temporary special fund

This temporary fund includes amounts related with a major donation received by the Organization during the 2013 and 2014 fiscal years, as well as the related investment income. The cumulated amounts in this fund will mainly be used to finance projects in the Middle East and communication initiatives on the international aspect of our work.

(b) Cash and cash equivalents:

Cash and cash equivalents include cash and investments with maturities of three months or less.

CANADIAN CATHOLIC ORGANIZATION FOR DEVELOPMENT AND PEACE

Notes to Financial Statements, Continued

Year ended August 31, 2015

1. Significant accounting policies (continued):

(c) Capital assets:

Capital assets are stated at cost less accumulated amortization. Amortization is computed using the straight-line method over their estimated useful life as follows:

Asset	Period
Office equipment	5 years
Computer equipment	3 years
Leasehold improvements	Lease term
Cable equipment	2 years

(d) Revenue recognition:

The Organization follows the deferral method of accounting for contributions.

(i) Donations:

Unrestricted donations are recorded as revenue when received. Donor restricted funds are recorded as deferred contributions and, subsequently, transferred to revenue when such funds are utilized in accordance with the donor restrictions.

(ii) Canadian Government and other contributions:

The Organization enters into contracts with the Canadian Government, via the Department of Foreign Affairs, Trade and Development Canada ("DFATD") for the funding of projects in various countries. The portion of contributions with regard to development programs is recorded as revenue in the statement of revenues and expenses as related expenses are incurred. The remaining portion of contributions, related to indirect costs recovery, management fees or procurement fees, that are applicable to the Organization, is recorded as revenue in the statement of revenues and expenses in accordance with the terms in the individual contracts.

(iii) Contributions received for endowment purposes:

Contributions received for endowment purposes are recorded as an increase of the net assets restricted for endowment purposes.

(e) Expense recognition:

The Organization recognizes program expenses in the statement of revenues and expenses in accordance with the protocol conditions of each agreement and when all needed pre-approvals to disbursement are obtained.

CANADIAN CATHOLIC ORGANIZATION FOR DEVELOPMENT AND PEACE

Notes to Financial Statements, Continued

Year ended August 31, 2015

1. Significant accounting policies (continued):

(f) Pension plan expense:

Pension plan contributions are recorded in expenses in the period in which they are incurred.

(g) Foreign currency translation:

Monetary assets and liabilities are translated into Canadian dollars at the exchange rates in effect at the balance sheet date and non-monetary assets and liabilities are translated at historical rates. Revenue and expenses are translated at average rates prevailing during the year. Translation gains and losses are reflected in expenses.

(h) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Organization has not elected to carry any such financial instruments at fair value, except for its investments. The change in unrealized gains and losses are included in the statement of revenues and expenses.

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

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

(i) Use of estimates:

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

CANADIAN CATHOLIC ORGANIZATION FOR DEVELOPMENT AND PEACE

Notes to Financial Statements, Continued

Year ended August 31, 2015

2. Investments:

2015			
	Effective rate	Fair value	Cost
Short-term:			
Cash - Desjardins Private Wealth Management		\$ 6,539,738	\$ 6,539,738
Cash - RBC Dominion Securities		22	22
Bonds with a nominal value of \$11,814,000, maturing between 2016 and 2025	1.75% - 4.875%	12,533,964	12,444,021
Canadian shares		6,361,266	5,841,498
American shares		4,501,573	4,176,529
Foreign shares		1,959,032	1,521,429
Short-term total		31,895,595	30,523,237
Long-term:			
Pooled fund		439,322	233,505
Total		\$ 32,334,917	\$ 30,756,742

2014			
	Effective rate	Fair value	Cost
Short-term:			
Cash - Desjardins Private Wealth Management		\$ 4,536,789	\$ 4,536,789
Term deposits maturing in 2014-2015	0.65%	1,600,000	1,600,000
Bonds with a nominal value of \$9,804,000, maturing between 2014 and 2022	2.75% - 6.5%	10,556,953	10,513,514
Canadian shares		7,640,330	6,381,431
American shares		5,398,868	4,784,376
Foreign shares		2,494,624	2,040,881
Short-term total		32,227,564	29,856,991
Long-term:			
Pooled fund		443,201	242,294
Total		\$ 32,670,765	\$ 30,099,285

CANADIAN CATHOLIC ORGANIZATION FOR DEVELOPMENT AND PEACE

Notes to Financial Statements, Continued

Year ended August 31, 2015

2. Investments (continued):

The bonds, per their fair value, are comprised as follows:

	2015	2014
Federal government	61%	44%
Provincial governments	39%	56%

3. Change in the unrealized gain on investments:

	2015	2014	Variation
Fair value	\$ 32,334,917	\$ 32,670,765	\$ (335,848)
Cost	(30,756,742)	(30,099,285)	(657,457)
	\$ 1,578,175	\$ 2,571,480	\$ (993,305)

	2014	2013	Variation
Fair value	\$ 32,670,765	\$ 30,459,844	\$ 2,210,921
Cost	(30,099,285)	(29,303,776)	(795,509)
	\$ 2,571,480	\$ 1,156,068	\$ 1,415,412

4. Accounts receivable:

	2015	2014
Share Lent	\$ 1,772,051	\$ 1,716,288
Advances and other debtors	241,038	56,540
Sales taxes	108,075	112,839
Interest receivable	86,030	119,009
Estates	51,145	151,758
	\$ 2,258,339	\$ 2,156,434

CANADIAN CATHOLIC ORGANIZATION FOR DEVELOPMENT AND PEACE

Notes to Financial Statements, Continued

Year ended August 31, 2015

5. Amount receivable from an estate:

The Organization has been designated as the liquidator of an estate whose moveable and immoveable property were sold during fiscal year 2014 for a cash consideration of \$2,050,000. On August 31, 2015, this amount, as well as the accumulated interest income amounting to \$62,659 (2014 - nil), was held in a trust account. The Organization will collect the amount of \$2,112,659 when it receives the tax clearance from the various levels of government.

Based on the donor's wishes, proceeds resulting from the sale of moveable and immoveable property, as well as the interest income generated from this amount, net of related expenses, should be used for the sole purpose of financing construction and school development training projects for disadvantaged ethnic villages and more specifically in the Asian region. As the purpose of the donation is restricted, the amount of \$2,112,659 has been recorded as a long-term deferred contribution as at August 31, 2015, net of the expenses incurred in relation to the estate, for an amount of \$341,762 as at August 31, 2015 (2014 - \$232,054).

6. Contributions from DFATD to regular program:

To finance part of its international programs, the Organization benefits from a contribution agreement with the DFATD for a period of five years from March 15, 2012 to May 31, 2017, for a total of \$14,490,530. An amount of \$2,200,000 was collected during the year (2014 - \$2,200,000). Since the beginning of the agreement, the contribution paid by the DFATD amounted to \$9,600,000.

7. Capital assets:

	2015		
	Cost	Accumulated amortization	Net book value
Office equipment	\$ 481,223	\$ 454,147	\$ 27,076
Computer equipment	1,091,853	935,982	155,871
Leasehold improvements	263,300	222,387	40,913
Cable equipment	40,037	40,037	-
	\$ 1,876,413	\$ 1,652,553	\$ 223,860

CANADIAN CATHOLIC ORGANIZATION FOR DEVELOPMENT AND PEACE

Notes to Financial Statements, Continued

Year ended August 31, 2015

7. Capital assets (continued):

	2014		
	Cost	Accumulated amortization	Net book value
Office equipment	\$ 472,937	\$ 441,705	\$ 31,232
Computer equipment	1,059,054	824,833	234,221
Leasehold improvements	263,300	205,511	57,789
Cable equipment	40,037	40,037	-
Equipment held under capital leases	199,742	199,742	-
	\$ 2,035,070	\$ 1,711,828	\$ 323,242

8. Accounts payable and accrued liabilities:

	2015	2014
Accounts payable and accrued liabilities	\$ 242,060	\$ 205,303
Salaries, employee benefits and vacations payable ⁽ⁱ⁾	691,090	577,493
	\$ 933,150	\$ 782,796

⁽ⁱ⁾ Included in salaries, employee benefits and vacations payable are government remittances payable of \$20,689 as at August 31, 2015 (2014 - \$8,689) which include payroll-related taxes.

CANADIAN CATHOLIC ORGANIZATION FOR DEVELOPMENT AND PEACE

Notes to Financial Statements, Continued

Year ended August 31, 2015

9. Deferred contributions - Development programs:

	2014		2015	
	Total	Amounts received	Recognized revenues	Total
Regular programs	\$ 1,985,492	\$ 2,200,000	\$ (3,486,088)	\$ 699,404
Bilateral programs:				
AHI Program DFATD	3,414,804	12,350,000	(12,489,845)	3,274,959
Project - Catholic Women's League	26,750	68,874	(95,624)	-
Project Canadian Foodgrains Bank	44,759	48,901	(44,817)	48,843
Québec sans frontières Program	17,279	72,728	(75,481)	14,526
Emergency relief programs:				
Haiti program	5,068,677	21,480	(3,745,266)	1,344,891
Horn of Africa program	3,018,438	7,625	(1,176,431)	1,849,632
West Africa Sahel program	2,072,478	25,032	(1,036,582)	1,060,928
Syria program	2,244,717	309,773	(743,060)	1,811,430
Philippines program	10,570,302	104,828	(3,338,881)	7,336,249
Nepal program	-	4,548,392	(193,005)	4,355,387
Other special appeals	1,139,951	1,006,830	(295,564)	1,851,217
Total	\$ 29,603,647	\$ 20,764,463	\$(26,720,644)	\$ 23,647,466

CANADIAN CATHOLIC ORGANIZATION FOR DEVELOPMENT AND PEACE

Notes to Financial Statements, Continued

Year ended August 31, 2015

10. Other funds - internally restricted:

	2014		2015	
	Total	Variation	Total	
Institutional evaluation fund	\$ 29,066	\$ -	\$ 29,066	
Institutional renewal fund	200,000	-	200,000	
Youth fund	149,532	(53,732)	95,800	
Other activities	387,940	168,510	556,450	
	\$ 766,538	\$ 114,778	\$ 881,316	

11. Pension plan:

The pension plan (the "Plan") for employees of the Organization is a defined contribution plan covering all salaried employees of the Organization who meet eligibility requirements as specified in the Plan Agreement. The Organization is required to contribute 5% of the employees' gross earnings. The Organization contributed \$214,881 during the year (2014 - \$181,134). This contribution is recorded in the statement of revenues and expenses.

12. Commitments:

(a) Rent and office equipment:

The Organization is committed under operating leases regarding business premises for an amount of \$1,535,399 and for office equipment for an amount of \$262,383. The required payments over the next five years and thereafter are as follows:

2016	\$ 524,204
2017	607,942
2018	578,354
2019	52,646
2020	30,274
Thereafter	4,362
	\$ 1,797,782

CANADIAN CATHOLIC ORGANIZATION FOR DEVELOPMENT AND PEACE

Notes to Financial Statements, Continued

Year ended August 31, 2015

12. Commitments (continued):

(b) International program:

The Organization has also made commitments to partners for International projects through 2017. An amount of \$18,685,265 is committed under the protocol agreements as of August 31, 2015. Of this amount, the contribution of the Organization amounts to \$5,610,677. The remainder of the commitments is supported by the DFATD, donations from the public, other special appeals, as well as other donors. In the event that the Organization did not get the funding needed to carry out these projects from donors, the Organization could withdraw from these commitments.

As of August 31, 2015, the National Council approved a resolution to internally affect an amount of \$5,610,677 to international programs.

13. Financial risks:

Market risk

Market risk is the risk that the fair value of an investment will fluctuate as a result of changes in market prices. In accordance with the investment policy, management ensures that the investments are managed in relation to their risk and return on investment.

Interest rate risk

The interest rate risk refers to financial instruments bearing interest, which include term deposits and fixed income securities. The Organization's exposure is related to the fluctuation of fair value of its financial instruments resulting from a variation of the interest rate.

Credit risk

Credit risk relates to the potential that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Organization's investment policy defines permitted investments and provides guidelines and restrictions on acceptable investments which minimize credit risk. The investment policy is reviewed on a regular basis by the finances and audit committee.

The maximum credit exposure of the Organization is limited to the carrying value of financial assets as disclosed in the statement of financial position.

CANADIAN CATHOLIC ORGANIZATION FOR DEVELOPMENT AND PEACE

Notes to Financial Statements, Continued

Year ended August 31, 2015

13. Financial risks (continued):

Currency risk

Foreign currency risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Fluctuations in exchange rates can have positive or negative impacts on the fair value of investments.

The Organization is exposed to currency risk through its investments in foreign and American shares.

14. Comparative information:

Certain comparative information has been reclassified to conform to the current year's presentation.

CANADIAN CATHOLIC ORGANIZATION FOR DEVELOPMENT AND PEACE

Schedule A - Revenues

Year ended August 31, 2015, with comparative information for 2014

	2015	2014
Share Lent:		
Dioceses and parishes	\$ 4,981,888	\$ 5,187,993
Monthly donations	1,230,934	1,241,082
Regional activities and other	1,932,946	1,784,131
Previous year	472,419	515,935
	<u>8,618,187</u>	<u>8,729,141</u>
Government funding:		
DFATD	3,486,088	2,379,754
Other	-	33,000
	<u>3,486,088</u>	<u>2,412,754</u>
Fundraising activities:		
Estates	451,612	922,324
Stock donations	142,650	153,762
Annuities and insurance premiums	2,575	7,233
Direct mailing	1,655,100	1,748,305
Other donations	804,192	467,644
Major and corporate donations	219,960	427,350
	<u>3,276,089</u>	<u>3,726,618</u>
Other sources of revenues:		
Interest income - general	347,472	218,389
Cofinancing	1,050	49,703
Other	179,276	145,293
	<u>527,798</u>	<u>413,385</u>
Non-core elements:		
Emergency relief - public donations	10,528,789	8,575,735
Emergency relief - interest income	471,307	449,037
Bilateral programs - AHI DFATD	12,489,845	10,399,269
Other	216,420	346,847
	<u>23,706,361</u>	<u>19,770,888</u>
	<u>\$ 39,614,523</u>	<u>\$ 35,052,786</u>

CANADIAN CATHOLIC ORGANIZATION FOR DEVELOPMENT AND PEACE

Schedule B - Expenses - International Programs

Year ended August 31, 2015, with comparative information for 2014

	2015	2014
Regular programs:		
Regular program	\$ 8,166,534	\$ 5,735,191
Emergency relief - Share Lent	597,317	813,920
Other	112,353	123,605
	<u>8,876,204</u>	<u>6,672,716</u>
Operational costs:		
Salaries and benefits	935,951	888,200
Other operational costs	159,207	160,387
	<u>9,971,362</u>	<u>7,721,303</u>
Non-core elements:		
Emergency relief - public donations	9,199,217	7,382,339
Emergency relief - operational costs	973,830	979,483
Bilateral programs	11,919,979	9,924,317
Other	-	124,194
	<u>22,093,026</u>	<u>18,410,333</u>
	<u>\$ 32,064,388</u>	<u>\$ 26,131,636</u>

CANADIAN CATHOLIC ORGANIZATION FOR DEVELOPMENT AND PEACE

Schedule C - Expenses - Programs in Canada

Year ended August 31, 2015, with comparative information for 2014

	2015	2014
Popular education program:		
Diocesan Council grants	\$ 87,989	\$ 129,256
Share Lent materials and distribution	165,293	172,444
Fall campaign materials and distribution	154,674	89,220
Other - Education Program	136,975	162,504
	<u>544,931</u>	<u>553,424</u>
Advocacy program:		
Research and advocacy expenses	59,666	-
Social justice program in Canada:		
French education grants	37,000	31,274
English education grants	-	3,000
Kairos contribution	50,000	50,000
CCCB Social Justice Fund	159,985	265,000
NGO coalition	-	300
	<u>246,985</u>	<u>349,574</u>
Communications program:		
Communication campaigns and special projects	186,416	184,253
Fundraising programs:		
Major gifts and planned giving	23,334	78,981
Direct mailing	384,889	475,243
Other	4,502	4,487
	<u>412,725</u>	<u>558,711</u>
Operational costs:		
Salaries and benefits	2,572,960	2,304,798
Regional offices expenses	238,655	151,278
Interns - Youth Program	47,089	-
Other operational costs	330,392	224,409
	<u>3,189,096</u>	<u>2,680,485</u>
Québec sans frontières	135,248	161,944
	<u>\$ 4,775,067</u>	<u>\$ 4,488,391</u>

CANADIAN CATHOLIC ORGANIZATION FOR DEVELOPMENT AND PEACE

Schedule D - Expenses - Governance and General Operations

Year ended August 31, 2015, with comparative information for 2014

	2015	2014
Governance:		
National Council and Executive Committee meetings	\$ 90,682	\$ 94,816
National Council committees	68,394	36,700
International development committee	2,388	2,327
Regional assemblies	71,043	69,454
Membership fees	111,933	100,268
Other governance expenses	133,590	76,786
	<u>478,030</u>	<u>380,351</u>
Administrative services:		
Salaries and benefits	1,191,415	1,041,049
Operational costs	349,951	337,269
	<u>1,541,366</u>	<u>1,378,318</u>
Amortization of capital assets	140,466	144,039
Structural expenses:		
Fixed costs	812,171	804,685
Orientation assembly	274,969	-
New initiatives	587,982	425,906
Other activities	3,531	10,266
	<u>\$ 3,838,515</u>	<u>\$ 3,143,565</u>