

MESSAGE FROM THE CHAIR

This is the first year delivering on CCAF’s new strategic plan and it has been a year that has seen us complete the renewal of CCAF’s education and professional development activities, and develop new methodology, information products and discussion papers that will benefit our members immensely. Our international activities continue to make a significant contribution to the Government of Canada’s international development efforts, and are having a huge impact in the developing countries we work with. It is readily apparent that CCAF is more relevant than ever.

None of this would be possible without the tireless efforts of a number of people. The CCAF management team and staff have been at the forefront of making this organization a success. I would like to take this opportunity to express the gratitude of the Board for the hard work that **Paul Lohnes** has put in as President and Chief Executive Officer of CCAF. He joined the organization in the same year I did – 2011 - and his work in leading CCAF over the past five years have no doubt contributed to its ongoing success. On behalf of the Board, I extend our greatest thanks and appreciation and we wish him all the best in his future endeavours.

On behalf of the Board I extend our welcome to CCAF’s new CEO – **John Reed**. John has worked closely with CCAF’s community over the past four years as its Vice-President responsible for performance audit and oversight, and I am confident that he will continue to play a critical role by leading this organization in the coming years.

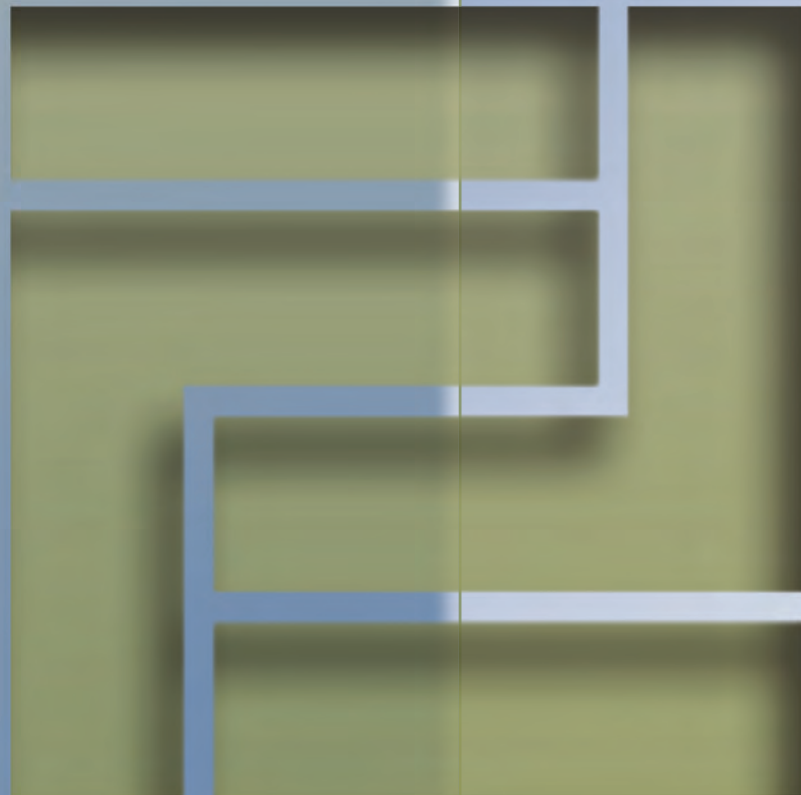
I would like to acknowledge the support of all our members, partners and stakeholders. They are the raison-d’être of this organization and prime beneficiaries of its work, but are also important contributors to our efforts in Canada and internationally. The true value of CCAF is only realized when it serves as a focal point where knowledge sharing among all of our stakeholders can take place for the benefit of all.

Finally, CCAF’s Board of Directors has been a critical success factor. Through diligence in overseeing the organization’s strategies and activities, and offering sage advice and guidance to management, this group of highly skilled individuals has served CCAF well over the past year. On behalf of the Board, I welcome three new directors who were elected at the September 2015 AGM: **Nancy Cheng**, Assistant Auditor General, Office of the Auditor General of Canada; **Ann Masson**, former Director of International Programs and currently an associate with The Institute of Public Administration of Canada; and **Terry Paddon**, Auditor General of Newfoundland & Labrador. It is a privilege to serve on the Board of this important organization – and it has been an honour to serve as Chair of the Board for the past three years. I will be stepping down as Chair of the Board this year, but will remain on the Board. I have no doubt that CCAF will continue to deliver excellent value in the year ahead.

BRIAN BOST, CPA, CA, CIA, CGAP, CRMA
Chair, Board of Directors and
Partner, Risk Consulting, KPMG, LLP



MESSAGE FROM THE SENIOR MANAGEMENT TEAM



This Annual Report identifies the significant accomplishments we have achieved as an organization over the past year – the first year of the new strategic plan. In the Report you will find highlights of these results for each of our strategic goals, target deliverables for the coming year, and our audited financial statements including management’s report on those statements.

As you read through the results we have achieved, it is important to take note that they are only possible through the support we receive from our members – both financially and in-kind. This past year we launched a recognition program to formally acknowledge individuals from our members’ offices that have provided not only their time, but also their insight and experience to help in the development of our products. From participating on project teams, advisory groups, and in countless other ways, these individuals enhance the value CCAF provides to its members.

The importance of this in-kind support is no more readily apparent than in the delivery of the International Legislative Oversight Program (ILOP). In particular, Auditors General from the CCOLA community (Canadian Council of Legislative Auditors) support our international activities in a number of ways. They support our international Fellows by hosting them in their offices during their nine month stay in Canada, participate in international missions helping us build capacity at audit offices in developing countries, and they help by providing input into product development and program design that enhances the quality of our international efforts.

This past year has seen us make great strides in offering innovative products that reflect the current environment in Canada and abroad. Under the direction of CCAF’s new Director of Oversight – **Lesley Burns** – our programming for public accounts committees (PACs) have been refreshed. Since joining the organization in June 2015, she has led the updating of a number of resources for PAC members, including our *Twelve Attributes of an Effective PAC*, our study on the legislative oversight practices of Scotland, and our PAC workshop offerings are now more comprehensive and tailored to the context of jurisdictions where they are delivered.

At the forefront of current issues that matter to Canadians, we recently launched a new *Practice Guide to Auditing Gender Equality*. This guidance will help auditors plan, carry out and report on audits that address this important issue that is fundamental to a fair and equitable public service.

In reading this report, we hope you find it a clear indication that CCAF’s efforts continue to be relevant and at the forefront of meeting the unique needs and challenges of our members, partners, and stakeholders.

JOHN REED
President and CEO
YVES GAUTHIER, FCPA, FCA, ICD.D
VP, International Programs
NICOLE WIECZOREK
VP, Operations and Stakeholder Relations &
Chief Financial Officer



Our Vision ...

*To be recognized as a
global knowledge leader
in performance auditing.*

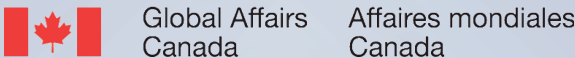
Our Mission ...

*To promote and
strengthen public sector
performance audit,
oversight and
accountability in Canada
and abroad through
research, education and
knowledge sharing.*

ACKNOWLEDGING OUR MEMBERS AND FUNDING PARTNERS (AS AT JULY 2016)



ALBERTA
OFFICE OF THE AUDITOR GENERAL



Global Affairs
Canada
Affaires mondiales
Canada



ONTARIO
OFFICE OF THE AUDITOR GENERAL



AUSTRALASIAN COUNCIL OF
AUDITORS-GENERAL



HALIFAX REGIONAL MUNICIPALITY
OFFICE OF THE AUDITOR GENERAL



CITY OF OTTAWA
OFFICE OF THE AUDITOR GENERAL



BERMUDA
OFFICE OF THE AUDITOR GENERAL



KPMG CANADA



PRINCE EDWARD ISLAND
OFFICE OF THE AUDITOR GENERAL



BRITISH COLUMBIA
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QUEBEC
VÉRIFICATEUR GÉNÉRAL DU QUÉBEC



BRITISH COLUMBIA
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GOVERNMENT (AGLG)



LEGAL AID ONTARIO



VILLE DE QUÉBEC
OFFICE OF THE AUDITOR GENERAL



CANADA
OFFICE OF THE AUDITOR GENERAL



VILLE DE LÉVIS
OFFICE OF THE AUDITOR GENERAL



VILLE DE SAGUENAY
OFFICE OF THE AUDITOR GENERAL



CANTON DE VAUD (SWITZERLAND)
COUR DES COMPTES



VILLE DE LONGUEUIL
OFFICE OF THE AUDITOR GENERAL



SASKATCHEWAN
OFFICE OF THE PROVINCIAL AUDITOR



CAYMAN ISLANDS
OFFICE OF THE AUDITOR GENERAL



MANITOBA
OFFICE OF THE AUDITOR GENERAL



VILLE DE SHERBROOKE
OFFICE OF THE AUDITOR GENERAL



CHARTERED PROFESSIONAL
ACCOUNTANTS OF CANADA



VILLE DE MONTRÉAL
OFFICE OF THE AUDITOR GENERAL



VILLE DE TERREBONNE
OFFICE OF THE AUDITOR GENERAL



EY



NEW BRUNSWICK
OFFICE OF THE AUDITOR GENERAL



CITY OF TORONTO
AUDITOR GENERAL'S OFFICE



VILLE DE GATINEAU
OFFICE OF THE AUDITOR GENERAL



NEWFOUNDLAND & LABRADOR
OFFICE OF THE AUDITOR GENERAL



VILLE DE TROIS-RIVIÈRES
OFFICE OF THE AUDITOR GENERAL



NOVA SCOTIA
OFFICE OF THE AUDITOR GENERAL

Our Vision ...

To be recognized as a global knowledge leader in performance auditing.

Our Mission ...

To promote and strengthen public sector performance audit, oversight and accountability in Canada and abroad through research, education and knowledge sharing.

Practice Guides – The Latest in Good Practices

CCAF Practice Guides provide auditors with current guidance and good practices and help them plan, carry out and report on audits. We reported last year on how our members are finding these guides to be an invaluable resource.

Our latest Practice Guide looks at the issue of gender equality.

Look out in Fall 2016 for our next series of Practice Guides on auditing revenues from natural resources.

Resources for Public Accounts Committees Are Now Online

We recently launched two updated resources for PAC members:

- The Attributes of an Effective PAC
- Sharing International Practices: A Profile of the Legislative Audit Committee in Scotland

As we have done for Practice Guides and our *Focus-On* series, the *Attributes* are now an online-based tool to facilitate better navigation and allowing users to drill down to the information they need quickly and effectively.

AUDIT NEWS

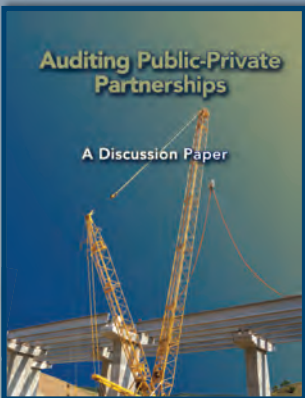
CCAF *Audit News* is the Go-to Tool for Audit Planning

Our members frequently tell us that *Audit News* is a valuable tool to use in the planning phase of an audit.

- The Database allows auditors to quickly access audit reports by topic and other search criteria within seconds.
- The quarterly Bulletin identifies trends in reports recently added to the Database.



Discussion Paper on Auditing P3s to be Followed by Webinar



CCAF is committed to generating thought provoking ideas and discussion around topics that matter to auditors. This recently published Discussion Paper provides an overview of public-private partnerships in Canada and presents the perspectives of auditors who have conducted performance audits of P3s in recent years.

The paper is meant to stimulate discussion and sharing about public-private partnerships within the legislative and public sector performance auditing community. Let us know what you think and get in on the conversation. To provide an opportunity for an organized discussion, CCAF plans to host a webinar on auditing P3s on September 28, 2016.

TARGETS 2015-16

Release 2 Practice Guides...

Release two editions of Focus-On Series...

Maintain and update *Audit News Database*...

Publish quarterly *Audit News Bulletin*...

Expand *Audit News* to cover new jurisdictions...

Assess current PAC products...

Develop web portal for PAC resources...

Publish revised *Attributes of an Effective PAC*...

Publish 2 Discussion Papers...

Consult on development of new multi-year research program...

RESULTS 2015-16

Released *Practice Guide to Auditing Gender Equality* – March 2016.

Substantial content developed for 2nd Practice Guide to be released in two parts – Fall 2016 (Mining and Oil & Gas)

Released Focus-On #3 – *Human Resource Management*.

Audit News Database content increased by approx. 17%

Released 4 *Audit News Bulletins*.

Jurisdictions increased by 59%

CCAF has consulted the AG, PAC support staff communities on most useful resources for PACs & their staff. We have also created an advisory group for the Oversight program to provide further guidance. This group includes AGs, PAC members & former members, support staff & academics.

Deferred to coincide with development of new CCAF website in 2016-17.

Released to members – October 6, 2015.

Published paper on *Auditing Public-Private Partnerships* – January 27, 2016.

Began development of new discussion paper (*Approaches to Audit Selection and Multi-Year Planning*) to be released Fall 2016.

Deferred to 2016-17.

KEY INDICATORS 2015-16

4027

Unique page views for all Practice Guides and Focus-Ons

45

Jurisdictions included in *Audit News*

4888

Documents in the database

3578

Unique pages views for *Audit News Database* and *Bulletin*

STRATEGIC GOAL #1:

Research, Methodology and Information Products

Advance knowledge, understanding and practice by undertaking research, developing methodology, and providing timely information, on practices and standards.

TARGET DELIVERABLES FOR 2016-17

1.1 Undertake research that advances knowledge and innovation in performance auditing, oversight and accountability.

- ✦ Continue consultations to identify topic areas for expanded research program.
- ✦ Release 2 Discussion Papers ("Effective AG-PAC Relationships" and "Audit Topic Selection and multi-Year Planning").
- ✦ Carry out research into municipal governance in support of municipal audit community.

1.2 Develop and maintain methodology tools and information products to support performance auditors.

- ✦ Release Practice Guide #4 and #5 (Auditing Revenues from Natural Resources – Oil & Gas, and Mining Sectors).
- ✦ Begin Practice Guide #6 (Topic TBD).
- ✦ Release *Focus On* Edition #4 Long Term Planning.
- ✦ Update *Audit News* database monthly.
- ✦ Issue *Audit News Bulletin* quarterly.
- ✦ Continue expansion of *Audit News* to additional PA communities that become CCAF members and/or other communities of interest.
- ✦ Assess the feasibility and desirability of establishing a Research Database for PA-and Oversight related research papers.

1.3 Develop and maintain methodology tools and information products to support members of oversight bodies.

- ✦ Plan and commence update / revision of Parliamentary Oversight core content.
- ✦ Redesign Oversight portion of CCAF web site to increase accessibility of oversight-related resource materials.
- ✦ Develop and implement various capacity building tools for PACs.

Performance Audit Training in Full Swing

This past year saw us deliver performance audit training across the country in over a dozen offerings. With the renewal of our *Effective Reporting Writing* course, all four CCAF PA courses have now been renewed – and they are getting excellent reviews from participants.

Learn more about our courses:

- Fundamentals of Performance Auditing
- Advanced Performance Audit Training
- Evidence Collection and Analysis Techniques
- Effective Report Writing



AuditorGeneral HFX (@HalifaxAG) tweeted on 2015-11-27, 1:22PM ...

"Thanks @CCAF_FCVI for a great 'Evidence Collection and Analysis' workshop earlier this week. We look forward to more in the future! #Halifax"

What people are saying CCAF's *Advanced Performance Audit Training* –

"Workshop is a must. (...) Everyone below the engagement leader (in some cases also the engagement leader) could certainly benefit from this workshop."

KEY INDICATORS 2015-16

4

International Fellows trained

4.25/5

Fellows overall satisfaction with the Program

205

CCAF sponsored participants trained in performance audit courses abroad.

Canada Performance audit courses

13

delivered to

268

audit professionals

95%

Overall positive course assessment

Canada Workshops

4

delivered to

53

PAC Members

4.6/5

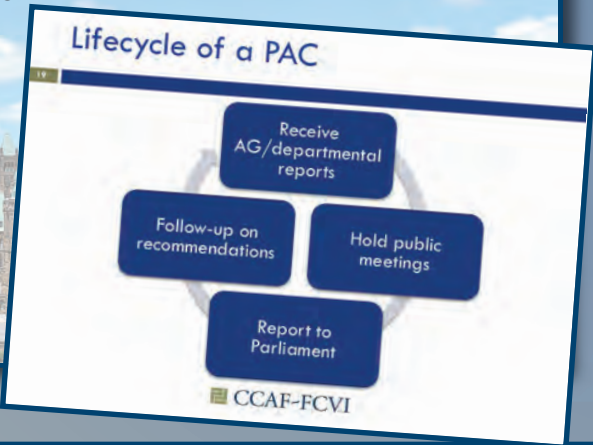
Overall positive course assessment

New Director of Oversight is Leading Revamped PAC Workshops

CCAF's new Director of Oversight, **Lesley Burns**, is now leading our efforts to building the capacity of public accounts committees (PACs) in Canada and abroad.

We recently delivered an Orientation workshop to the Canadian Federal PAC, following the Oct. 2015 election – the first workshop CCAF has delivered to that jurisdiction in over a decade.

Learn more about our work for PACs...



Another Year of Successes for the International Legislative Oversight Program (ILOP)

CCAF's international program continued its success in building performance audit capacity in the SAIs of Cameroon, Ghana, Tanzania and Vietnam, through Fellowships in Canada and training abroad:

- Four Fellowships concluded in May 2015 and another eight are underway. CCAF held advanced performance audit courses in Cameroon and Vietnam and co-facilitated a regional AFROSAI-E course in Tanzania, which included participants from Ghana and Cameroon.
- CCAF supported the Vietnam SAI as it implemented the INTOSAI PMF this year, and sponsored Ghana and Tanzania in regional training on this tool.
- Following the Tanzanian election, CCAF met with oversight committee members to discuss their needs and plan an orientation workshop for April 2016.



TARGETS 2015-16

RESULTS 2015-16

PERFORMANCE AUDIT IN CANADA

Renew Report Writing Course...	Course renewed and piloted in February 2016.	✓
Deliver 8 Performance Audit Courses...	13 courses delivered. Evaluation results excellent (see Key Indicators).	✓
Develop 1 new training module...	Deferred due to budgetary constraints.	X
Expand course offerings to new communities...	Courses tailored and delivered to municipal audit community.	–
Develop and roll-out E-learning...	Deferred due to budgetary constraints.	X

PAC / OVERSIGHT IN CANADA

Conduct needs assessment for PACs...	Ongoing discussions to determine needs.	–
Review and renew PAC workshops...	All workshops reviewed. Renewed those for which demand was immediate.	✓
Formalize PAC workshops into online and in-person curriculum...	Ongoing. Workshops revamped and being tailored. Linking to online training resources planned.	–
Deliver 4 PAC workshops...	4 workshops delivered. (Alberta [2]; PEI [1]; Federal [1])	✓

INTERNATIONAL PROGRAMS

Complete 2014-15 Fellowship for 4 auditors...	Ghana (1); Cameroon (1); Tanzania (2) – Fellowships at the OAG Canada	✓
Commence 2015-16 Fellowship for 8 auditors...	Ghana (2); Cameroon (2); Tanzania (2); Vietnam (2) – Fellowships at the OAGs of Canada, Quebec, Alberta and British Columbia	✓
Continue in-country PA training in 4 ILOP countries...	Module 2 and 3 of PA course in Tanzania (Participation from Ghana; Cameroon; Tanzania). Advanced PA courses in Cameroon and Vietnam. 3 fundamental PA courses for regional offices in Vietnam.	✓
Continue stakeholder relations and communications support to Cameroon, Ghana & Tanzania	Follow-up to 2014-15 management internships. Monitored communication strategy projects.	–
Follow up on March 2015 Vietnam National Assembly study tour...	Follow-up meeting held and workshop planned for later in September 2016.	–
Deliver and follow up on PAC workshops in Ghana and Tanzania...	Tanzania PAC assessment in January 2016. Workshop held in April 2016.	–
Support implementation of INTOSAI PMF and follow up on quality reviews...	Training provided to Fellows. Sponsored participants from Ghana and Tanzania to attend IDI training. Followed up the reports to the quality reviews.	✓

STRATEGIC GOAL #2:

Education and Professional Development

Strengthen the knowledge and skills of performance auditors and the oversight bodies they report to by providing learning and capacity building opportunities.

TARGET DELIVERABLES FOR 2016-17

2.1 Develop, maintain, and deliver courses and online-based learning linked to professional standards and competencies for performance auditors in Canada.	2.2 Develop and deliver workshops and online-based learning to support the strengthening of oversight bodies in Canada.	2.3 Develop and deliver fellowships, mentoring, courses, and workshops to supreme audit institutions (SAIs) in selected developing countries.	2.4 Develop and deliver workshops and other support to oversight bodies in selected developing countries.	2.5 Support the implementation of performance measurement, reporting and quality assurance tools and methodology in audit organizations.
<ul style="list-style-type: none"> ♦ Deliver CCAF courses, based on demand. ♦ Proactively support CCOLA TOC-PA in developing performance audit competency profile and training curriculum. ♦ Develop 1 new training module, based on demand. ♦ Deliver CCAF Webinars. ♦ Contribute to the CCOLA Audit Learning Network (ALN). 	<ul style="list-style-type: none"> ♦ Deliver capacity building workshops to PACs in Canada, tailored to their needs, based on demand from the PACs and CCOLA offices. ♦ Evaluate and revise the curricula of capacity building workshops for PACs based on updated content from new “box set”. ♦ Assess the demand for, and feasibility of, developing a program of capacity building workshops for municipal-level oversight bodies. 	<ul style="list-style-type: none"> ♦ Complete 2015-16 Fellowships (8) and commence 2016-17 Fellowships (6). ♦ Support distance education to Ghana and Tanzania. ♦ Deliver management internships on audit topic selection and multi-year audit planning to four ILOP countries. ♦ Deliver performance audit training to auditors and managers in four ILOP countries. ♦ Participate in performance measurement activities in two ILOP countries. 	<ul style="list-style-type: none"> ♦ Deliver oversight orientation workshops to parliamentarians in two ILOP countries. ♦ Provide CCAF Attributes of an Effective PAC in Vietnamese to National Assembly. 	<ul style="list-style-type: none"> ♦ Deploy the CCAF “capacity assessment model” for international PACs. ♦ Follow up on the implementation of the INTOSAI Performance Measurement Framework. ♦ Follow up on the Quality Review conducted in 2014-15 in Ghana and Tanzania. Conduct a Quality Review in Cameroon.

Sharing Knowledge in the Legislative Performance Audit Community



Every year CCAF plays an active role in the planning and delivery of the Canadian Council of Legislative Auditors' (CCOLA) Performance Audit Symposium. At the 2015 event, **John Reed** (Vice-President, Performance Audit and Oversight) led two sessions on evidence collection and collaborating to make recommendations with lasting impact. These events are a great opportunity for auditors to discuss matters of mutual interest with their peers.



Collaborating with our National and International Partners

Throughout the international program, CCAF seeks opportunities to collaborate with national partners and the regional SAI associations and other development partners, and to engage our participating SAIs in international knowledge-sharing events. In Africa, CCAF presented at the annual AFROSAI-E and CREFIAP meetings; collaborated with AFROSAI-E and the SAI of the Netherlands to deliver regional performance audit training in Tanzania; and sponsored the participation of the Ghana and Tanzania SAIs in regional training on the INTOSAI PMF. In Asia, CCAF attended the 50th ASOSAI Governing Board Meeting and sponsored the Vietnam SAI's participation at an international WGEI meeting.

- Participated in 4 regional SAI association meetings (AFROSAI-E (2), CREFIAP, ASOSAI).
- Supported 29 ILOP participants to attend regional training or other international events, as participants or co-facilitators.



Supporting the 36th CCPAC-CCOLA Annual Conference

The joint conference of the Canadian Council of Legislative Auditors (CCOLA) and the Canadian Council of Public Accounts Committees (CCPAC) is an opportunity for these groups from all Canadian provinces and territories to meet and discuss current practices, trends, and shared issues of interest.

The 2015 conference focused on effective relationships between legislative auditors and the PAC, and on improving PAC effectiveness through recommendations and follow-up. CCAF moderated and led a number of sessions this year, including two workshop-style sessions on issuing recommendations and effective questioning.



TARGETS 2015-16

Support CCOLA's Performance Audit Symposium...

Support CCPAC-CCOLA Annual Conference...

Plan and convene 2nd National Municipal Auditors Forum...

Plan initiatives to recognize CCAF's 35th anniversary...

Continue *Ronald C. Thompson Memorial Scholarship Award* initiatives...

RESULTS 2015-16

Supported planning and delivery of April 2015 event, and planning for 2016 event. Sessions delivered were positively rated (see key indicators).

Supported host jurisdiction (Manitoba) in planning event. Sessions delivered were positively rated (see Key Indicators).

Planning substantially completed however event deferred to allow for greater participation in 2016-2017 (new AG appointments).

Retrospective article released to members to coincide with new strategic plan launch.

Award issued for 2015-2016. Award recipients provided with CCAF memberships and opportunity to meet public sector leaders.

INTERNATIONAL PROGRAMS

Participate in planning meetings of regional associations of SAIs...

Collaborate with INTOSAI and regional associations to improve knowledge in strategic domains (performance measurement and quality control)...

Pursue joint initiatives with foreign SAIs (Norway; Sweden; Netherlands) on auditing extractive industries and communications...

Support partner SAIs' participation in regional and international activities...

Participated in annual planning meetings of AFROSAI-E and CREFIAP, and attended 50th ASOSAI Governing Board meeting and Capacity Development Committee meeting.

Sponsored two managers from Ghana and Tanzania to co-facilitate the IDI PMF regional workshop in South Africa.

CCAF and Canadian OAGs worked with SAIs – including joint training delivery with Netherlands in Tanzania on extractive industries. Met with Vietnam extractive industries team and supported participants to attend 2nd annual WGEI meeting.

Supported partner SAIs' attendance and participation in INTOSAI meetings and training, such as AFROSAI meeting, AFROSAI-E performance audit training, WGEI meeting and INTOSAI PMF training.

KEY INDICATORS 2015-16

3.8/5

Average rating of CCAF sessions at CCOLA events

7

of international events with participation supported by CCAF

STRATEGIC GOAL #3:

Knowledge Sharing and Networking

Foster networks and information exchange opportunities among our members, partners and stakeholders to encourage collaboration, knowledge sharing and discussion on issues of mutual interest.

TARGET DELIVERABLES FOR 2016-17

3.1 Support and foster information exchange events and networking opportunities for audit practitioners, legislators and others to share knowledge, tools and expertise on issues and practices.

- ✦ Support planning and delivery of Annual CCOLA PA Symposium.
- ✦ Support planning and delivery of CCPAC-CCOLA Annual Conference (Yellowknife).
- ✦ Seek and foster opportunities for Canadian Municipal Auditors General / Heads of Audit to network together, and with other Canadian federal and provincial legislative performance auditors.
- ✦ Continue Ron Thompson initiative.
- ✦ Continue CCAF Recognition Program.
- ✦ Plan and convene Emerging Leaders summit for PA professionals in Canada.
- ✦ Support CCOLA Collaborative Audit on Climate Change.

3.2 Strengthen collaboration, harmonization and knowledge sharing among development partners, SAIs and their regional associations.

- ✦ Continue participation in INTOSAI, and SAI regional association planning and information exchange activities.
- ✦ Coordinate with international partners in development of new international program proposal.
- ✦ Support 1 ILOP country and CCAF to attend Working Group on Extractive Industries annual meeting and share knowledge.
- ✦ Contribute to reviewing IDI performance audit international standards handbook to integrate gender equality, human rights and references to sustainable development goals.

SUSTAINABILITY AND ACCOUNTABILITY

Maintaining a sustainable, adequately resourced, and accountable organization...

[VIEW FINANCIAL RESULTS](#)

Fostering the Next Generation of Leadership

This past fall, *Ronald C. Thompson Memorial Scholarship* recipients **Brianna Paterson-Sonnenburg** and **Joel Crawford** had the opportunity to meet with **Michael Ferguson** (Auditor General of Canada) and **Julie Gelfand** (Commissioner for the Environment and Sustainable Development) in Ottawa.

[Read more about the Award...](#)



KEY INDICATORS 2015-16

23189

Visitors to CCAF's Website

106%

increase
(over 2014-15)

17

New organizational members joined CCAF

74%

increase
(over 2014-15)

26

Communications to Members

44%

increase
(over 2014-15)

TARGETS 2015-16

Implement human resource plan...

Recruit new Associates...

Secure in-kind resources from stakeholders...

Secure appropriate infrastructure (IT; premises)...

Monitor 1st year of MOU with CCOLA...

Establish member funding agreements with key stakeholders...

Partner with academic or other institutions on SSHRC research grant...

Foster collaborative research with other organizations...

Develop new program proposal for Global Affairs Canada...

Implement communications and marketing strategy...

Promote library of CCAF material...

Redesign CCAF website...

Establish performance indicators and targets...

Redesign and deliver online Annual Report...

Prepare and deliver 3 Board meetings and committee meetings as required...

Prepare and deliver AGM...

RESULTS 2015-16

Implemented HR plan to meet strategic and operational plans. New Oversight Director hired. Additional HR contracts completed or in progress.

New Associates recruited to support CCAF programming.

Increased use of CCOLA personnel in delivery of PA training. In-kind support in development of Practice Guides. Ongoing use of in-kind support from partners to deliver ILOP.

Premises lease renegotiated. IT upgrades planned for 2016-17.

Ongoing discussions to finalize and sign MOU. CCAF monitoring and reporting against draft MOU.

Discussions ongoing.
17 new audit organizations joined as members.

Deferred until new research identified.

Discussions with various organizations ongoing.

Ongoing – Proposal to be completed and submitted in 2016-17.

Ongoing – Implemented initiatives, including timely new communications to members. Brand review exercise commenced and will inform ongoing communications strategy.

Ongoing – Developed one page information sheets highlighting current products. 35 year retrospective article highlighting historic publications released.

Completed RFP process and developed draft structure. New website in development for 2016-17 launch.

Established annual performance targets and indicators and developed data collection system to support reporting requirements to members (annual report), Board and institutional funding members (MOU's), and to meet marketing needs.

Annual report redesigned and released online August 10, 2015.

3 Board meetings and 16 committee meetings held.

AGM held September 2015.



Meet the CCAF Team...

CCAF's research and educational activities, in Canada and abroad, are supported by our highly capable in-house staff and a roster of professional associates.



CCAF Staff

Back Row:
Pierre Fréchette, Barbara Dumont, Caroline Jorgensen, James Oulton

Middle Row:
Mikael Bélanger, John Reed, Enza Santalucia, Yves Gauthier, Julien Raynaud

Front Row:
Lynne Casiple, Carine Turay, Kate Gertz, Lesley Burns, Nicole Wiczorek, Jennifer Dumoulin

Meet our Associates...

CCAF works closely with a team of professional associates who have among them a wide range of professional experience, technical skill and specialized expertise. Drawing on their abilities, CCAF has access to a remarkable depth and breadth of knowledge in the areas of governance, accountability, management and audit.

Expanding our Reach

17 new organizational members have joined CCAF in the 2015-2016 fiscal year.

[See a list of our current members...](#)



STRATEGIC GOAL #4:

Sustainability and Accountability

Maintain a sustainable organization that is adequately resourced and accountable to its members, partners and stakeholders.

TARGET DELIVERABLES FOR 2016-17

4.1 Diversify sources and types of funding and in-kind support and forge collaborative partnerships in Canada and abroad.

- ♦ Continue to pursue and monitor MOUs.
- ♦ Establish membership and funding agreements with key stakeholder groups.
- ♦ Seek and foster opportunities to collaborate with other organizations for common ground research programs that align with CCAF mission and vision.
- ♦ Continue process to develop and submit new multi-year international program proposal with Global Affairs Canada.

4.2 Continuously build and strengthen human resources and organizational capacity.

- ♦ Continue monitoring and implementation of HR plan.
- ♦ Recruitment and training, as required, of new associates.
- ♦ Identify and secure in-kind resources as required, to deliver programs and activities.

4.3 Build awareness, understanding and use of CCAF products and activities.

- ♦ Continue implementing communication and branding strategy.
- ♦ Launch newly redesigned CCAF website.
- ♦ Continue promoting CCAF products in Canada and abroad during events and training activities.

4.4 Measure and report on CCAF performance.

- ♦ Continue reporting on performance to Board and members, aligned with MOU and other accountability arrangements
- ♦ Deliver annual performance report to members.
- ♦ Prepare for and deliver 3 Board meetings and, as required, Board Committee meetings.
- ♦ Prepare for and deliver AGM.

MANAGEMENT REPORT ON FINANCIAL STATEMENTS 2015-2016



CCAF-FCVI's financial statements for the year ended March 31, 2016, together with the independent auditor's report thereon, are presented in this annual report.

The purpose of this Management Report is to provide our members and stakeholders with information on how the organization has performed financially and to provide some thoughts on the future. Our report explains significant items, fluctuations or changes in the policies affecting the presentation of our financial statements.

The CCAF Audit and Finance Committee (AFC), whose six members, including the Board Chair, provide oversight for these financial statements. During the planning, field work and reporting stage of the audit process, the AFC meets with management and the independent auditor, including holding in-camera sessions, to discuss the audit, internal policies and controls, risk management, and any financial reporting issues. The AFC recommends the audited financial statements for approval by the Board, and the audited financial statements, along with the Annual Report to Members are provided to Members in advance of the Annual General Meeting (AGM) that takes place on September 20.

The independent auditor, Collins Barrow Ottawa LLP, has reported on the audit to the AFC and has provided an unqualified audit opinion on CCAF's financial statements. The financial statements in this report have been prepared by management according to Canadian Accounting Standards for Not-for-Profit Organizations (ASNPO) and audited in accordance with Canadian generally accepted auditing standards.

FUNDING GROWTH and OPPORTUNITIES

As a non-profit organization, CCAF relies primarily on membership and project funding for its domestic programming. We have been fortunate, over the past 35 years, to have had a stable and consistent funding base provided by our institutional members and partners, in particular from Canada's federal and provincial legislative audit community. Our efforts over the past year to interact and engage with a growing community of municipal Auditors General/Heads of Audit, as well as a number of international legislative audit organizations, has yielded a growth in the number of member organizations now working together and contributing to the achievement of CCAF's mission to strengthen public sector audit, oversight and accountability in Canada and abroad. Creating opportunities for CCAF member organizations from all three levels of Canada's governments, along with the international organizations CCAF works with, and other public and private sector leaders, to interact and work together will bring continued growth in value to Canadian taxpayers.

CCAF's current multi-year international program provides \$8.8 million in contributions from Global Affairs Canada (GAC – formerly Department of Foreign Affairs, Trade and Development) and focuses on four countries, Cameroon, Ghana, Tanzania, and Vietnam, and their regions. It builds on 35 years of international capacity building success, delivered in partnership with Canada's legislative audit community, who provide substantial in-kind support to help us achieve the objectives of the program. With the pending completion of the current international program contribution agreement in December 2017, CCAF's management team is seeking a renewed program contribution agreement with GAC to continue Canada's support to developing nations, helping them to improve their accountability, audit and oversight structures.

Over the past few years, CCAF has increased its programming for members thanks to additional in-kind contributions of human resources donated by the Office of the Auditor General of Canada as well as increased membership funding from new organizations who have joined CCAF over the past year. CCAF's revenues saw an overall decrease of approximately 4%, in part related to the decrease in revenues from CCAF's international program (14%) as a result of timing delivery of certain activities deferred to next year, offset by an increase over prior years in Membership fees and contributions (6%) and Professional development (64%).

Over the past year, CCAF has made significant investments in improving the content and delivery approach of its performance audit and oversight workshops in order to increase the effectiveness of these offerings. The excellent participant satisfaction results, as reported in this annual report, are a testament to the effectiveness of the improvements we continue to make. The introduction of webinars to CCAF programming in future will provide new learning opportunities for our members.

EXPENDITURES and RISK MANAGEMENT

At CCAF, managing our resources in a prudent way is very important to us. Our expenditure levels remained relatively similar to the prior year, with a 1.4% decrease, and aligns with the revenues CCAF was able to achieve during the year. The growth in expenditure in our Education and Professional development products and services (42%) reflect our increased efforts to improve content and delivery of our workshops as noted above.

Every organization needs to prepare for risks and challenges that could impact its financial position and its ability to continue to provide value to its members. Over the past year, the Board of Directors has reviewed and approved a policy with respect to its oversight of CCAF's Net Assets.

Prudent fiscal management of CCAF assets is an important part of ensuring that CCAF has adequate resources in place to protect against unanticipated fiscal challenges that may arise in the future and to take advantage of opportunities to increase value to CCAF members, such as through a new program of research or other investments towards the growth and sustainability of the organization.

CCAF's Net assets position as of March 31, 2016 is \$678,750. In the coming year, CCAF will use a small portion of these funds to renew and improve its website, providing easier and more efficient access to CCAF products and services to its members and to ensure our website supports key programming initiatives on a go forward basis.

LOOKING FORWARD

We continue to operate with prudence, and to seek opportunities to leverage our funding, by partnering and working with others, to bring value to our members. We look forward to the year ahead, working with our members and partners, as we continue to grow the programs and services envisioned in our strategic plan.


NICOLE WICZOREK

Vice-President, Operations and Stakeholder Relations & Chief Financial Officer

Our Vision ...

To be recognized as a global knowledge leader in performance auditing.

Our Mission ...

To promote and strengthen public sector performance audit, oversight and accountability in Canada and abroad through research, education and knowledge sharing.



Financial Statements

For the year ended March 31, 2016



CCAF-FCVI Inc.
Financial Statements
For the year ended March 31, 2016

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Independent Auditor's Report

To the Members of CCAF-FCVI Inc.

We have audited the accompanying financial statements of CCAF-FCVI Inc., which comprise the statement of financial position as at March 31, 2016, the statement of operations and changes in net assets, and the statement of cash flows for the year then ended, and 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.

Auditor's 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 the auditor's 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, the auditor considers internal control relevant to an entity'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 entity'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 of our audit opinion.

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Independent Auditor's Report (continued)

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of CCAF-FCVI Inc. as at March 31, 2016, and the results of its operations and its cash flows for the year then ended in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

Collins Barrow Ottawa LLP

Chartered Professional Accountants, Licensed Public Accountants
June 28, 2016
Ottawa, Ontario

CCAF-FCVI Inc.
Statement of Financial Position

March 31 **2016** **2015**

Assets

Current

Cash (Note 1)	\$ 1,219,459	\$ 912,483
Accounts receivable	49,110	36,096
Government remittances receivable	24,599	39,377
Accrued international program funds (Note 4)	-	5,497
Prepaid expenses	94,157	33,469

	1,387,325	1,026,922
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Tangible capital assets (Note 2)

	-	-
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	\$ 1,387,325	\$ 1,026,922
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Liabilities and Net Assets

Current

Accounts payable and accrued liabilities	\$ 320,331	\$ 292,907
Deferred revenue (Note 3)	2,550	-
Unexpended international program funds (Note 4)	385,694	-

	708,575	292,907
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Net assets

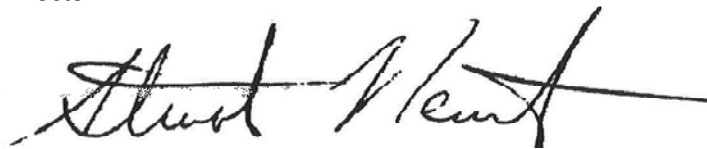
Unrestricted	678,750	734,015
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	\$ 1,387,325	\$ 1,026,922
--	--------------	--------------

On Behalf of the Board of Directors:



Director



Director

CCAF-FCVI Inc.

Statement of Operations and Changes in Net Assets

For the year ended March 31	2016	2015
Revenue		
Membership fees and contributions (Note 7)	\$ 1,300,287	\$ 1,226,297
International program funds (Note 4)	1,670,210	1,934,945
Professional development	152,662	93,038
Interest	7,872	8,554
	<hr/>	<hr/>
Total revenue	3,131,031	3,262,834
Direct program expenses (Notes 5 and 7)		
Research, methodology and information products	305,418	388,526
Education and professional development	428,666	300,928
Knowledge sharing and networking	126,939	104,220
International program	1,543,489	1,794,983
	<hr/>	<hr/>
	2,404,512	2,588,657
General expenses (Note 5)		
Sustainability and accountability	288,476	334,908
Operations and other support	493,308	296,763
Amortization of tangible capital assets	-	11,199
	<hr/>	<hr/>
	781,784	642,870
Total expenses	3,186,296	3,231,527
Excess (deficiency) of revenue over expenses for the year	(55,265)	31,307
Net assets, beginning of year	734,015	702,708
	<hr/>	<hr/>
Net assets, end of year	\$ 678,750	\$ 734,015

CCAF-FCVI Inc.
Statement of Cash Flows

For the year ended March 31	2016	2015
Cash flows from (used in) operating activities		
Excess (deficiency) of revenue over expenses for the year	\$ (55,265)	\$ 31,307
Item not affecting cash:		
Amortization of tangible capital assets	-	11,199
	(55,265)	42,506
Changes in non-cash working capital balances:		
Accounts receivable	(13,014)	19,175
Government remittances receivable	14,778	2,912
Accrued international program funds	5,497	(5,497)
Prepaid expenses	(60,688)	336
Accounts payable and accrued liabilities	27,424	(146,229)
Deferred revenue	2,550	(35,396)
Unexpended international program funds	385,694	(185,609)
Increase (decrease) in cash during the year	306,976	(307,802)
Cash, beginning of year	912,483	1,220,285
Cash, end of year	\$ 1,219,459	\$ 912,483

CCAF-FCVI Inc.

Summary of Significant Accounting Policies

March 31, 2016

**Nature and Purpose
of the Organization**

CCAF-FCVI Inc. (the "Foundation") was established in 1980 by letters patent under the provisions of Part II of the Canada Corporations Act. The Foundation continued under the Canada Not-for-profit Corporations Act (the "Act") effective September 9, 2014.

In accordance with the Foundation's Articles of Continuance under the Act, the purpose of the Foundation is to promote and strengthen public sector auditing, oversight, and accountability in Canada and abroad. The Foundation provides education, research and capacity development for public sector auditors and oversight committees, helping them to work with other public officials for accountable government. The Foundation's products and services are widely respected, referenced and applied by auditors, legislators and other public officials in Canada and abroad.

Significant portions of the Foundation's revenue, including a contribution to general expenses, are derived from Global Affairs Canada ("GAC"), formerly the Department of Foreign Affairs, Trade and Development Canada ("DFATD"), as set out in Note 4 to these financial statements. In addition, the Foundation derives approximately 50% of its membership fees and contributions from one member. The Foundation's current level of operations depends on the continuation of these revenue sources.

The Foundation was organized and is operated for the purposes outlined above and as such is not taxable under the Income Tax Act of Canada.

Basis of Presentation

These financial statements have been prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations, which are part of Canadian generally accepted accounting principles and include the following significant accounting policies.

Use of Estimates

The preparation of financial statements in accordance with Canadian Accounting Standards for Not-for-Profit Organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in the fiscal year in which they become known.

Significant estimates include assumptions used in: estimating the initial fair value of financial instruments; estimating the amounts and collectibility of accounts receivable; establishing the useful lives and related amortization of tangible capital assets; estimating provisions for

CCAF-FCVI Inc.

Summary of Significant Accounting Policies

March 31, 2016

Use of Estimates
(continued)

accrued liabilities; estimating the salaries and benefits allocated to various operational areas; estimating the amount of contributions earned, receivable, accrued and deferred under the Foundation's contribution and other funding agreements; and estimating contributions in kind recognized in the financial statements.

Financial Instruments

Financial instruments are financial assets or financial liabilities of the Foundation where, in general, the Foundation has the right to receive cash or another financial asset from another party or has the obligation to pay another party cash or other financial assets.

Measurement of financial instruments

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

The Foundation subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in operations.

Financial assets measured at amortized cost include cash, accounts receivable, government remittances receivable and accrued international program funds. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, and unexpended international program funds. The Foundation has no financial assets or financial liabilities measured at fair value.

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in operations. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in operations.

Transaction costs

The Foundation recognizes its transaction costs in operations in the period incurred. However, the financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

CCAF-FCVI Inc.

Summary of Significant Accounting Policies

March 31, 2016

Revenue Recognition

The Foundation follows the deferral method of accounting for contributions. Externally restricted funds are recognized as revenue in the year in which the related expenses are incurred. Unrestricted funds are recognized as revenue when received or receivable if the amount to be received can be reasonably assured.

Unrestricted interest revenue is recognized as revenue when it is earned with the passage of time. Externally restricted interest revenue, if any, is initially deferred and is recognized as revenue in the year in which the related expenses are incurred.

The Foundation sets its membership fees on an annual basis, which are recognized as revenue in the fiscal year to which they relate.

Professional development revenue is recognized in the year in which the goods and services are rendered or sold.

Contributions In Kind

In accordance with Canadian Accounting Standards for Not-for-Profit Organizations, an organization may choose to recognize in kind contributions of services but should do so only when the fair value can be reasonably estimated, and when the services are used in the normal course of the organization's operations and would otherwise have been purchased. Members and other contributors provide a significant amount of time and absorb costs related to certain activities of the Foundation. These services are in the normal course of the Foundation's operations but in certain instances their fair value and completeness are not reasonably determinable. Certain of these contributed services are volunteer services which would not otherwise be purchased by the Foundation so they are not recognized in the financial statements. Other in kind contributions of services would however be otherwise purchased by the Foundation if they had not been contributed, and their fair value and completeness are reasonably determinable such that they are recognized in the financial statements. The benefit of the contribution is included in revenue and there is an offsetting expense with no resulting impact on the Foundation's net results of operations.

Capital Assets

Tangible capital assets consisting of furniture, office equipment and leasehold improvements are stated at acquisition cost. Amortization of furniture and office equipment is provided on the straight-line basis over a three-year period. Amortization of leasehold improvements is provided on a straight-line basis over the expected remaining term of the lease at the time of acquisition.

When a tangible capital asset no longer has any long-term potential to the Foundation, the write-down, being the excess of its net carrying amount over any residual value, is expensed. A write-down is not reversed in subsequent years.

CCAF-FCVI Inc.

Summary of Significant Accounting Policies

March 31, 2016

Capital Assets
(continued)

Intangible assets, being computer software, are expensed in the year of acquisition.

Development Costs

The Foundation develops educational products and research publications for the purposes outlined in the Nature and Purpose of the Organization. Fees charged for the use and purchase of these items are generally set such that direct costs are recovered. Related development costs are expensed in the year incurred.

Allocation of Expenses

The Foundation's expenses are presented in the statement of operations and changes in net assets on a functional basis. Expenses attributed to a particular function are directly related to the output of that functional category and are therefore not considered indirect allocated expenses. The Foundation does not allocate its general expenses to other functional expense categories.

CCAF-FCVI Inc.
Notes to Financial Statements

March 31, 2016

1. Cash

The Foundation's cash is held in two accounts at one Canadian chartered bank, the majority of which is held in a business premium investment account that earns a variable rate of interest based on a tiered arrangement. As at March 31, 2016, the corporate investment account had a balance of \$935,345 (2015 - \$777,558) and was earning an approximate average rate of interest of 0.9% (2015 - approximate average rate of interest of 1%). The other bank account is a non-interest bearing operating account and its balance as at March 31, 2016 is \$284,114 (2015 - \$134,925).

2. Tangible Capital Assets

	2016			2015		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Furniture, office equipment and leasehold improvements	\$ 33,358	\$ 33,358	\$ -	\$ 33,358	\$ 33,358	\$ -

3. Deferred Revenue

Deferred revenue consists of membership fees and contributions related to subsequent years as summarized below.

	2016	2015
Membership fees	\$ 2,550	\$ -

CCAF-FCVI Inc.
Notes to Financial Statements

March 31, 2016

4. International Program Funds

The Foundation coordinates a program designed to build the capacity and effectiveness of performance audit in the supreme audit institutions ("SAIs") of selected developing countries. The program also contributes to enhanced leadership and capacity of parliamentary oversight committees and to strengthened coordination and knowledge-sharing among donors, SAIs and their regional associations. Partnering with a network of Canadian experts, the Foundation delivers capacity building activities including Fellowship placements with Canadian audit offices, in-country and regional workshops, and other targeted training and mentoring.

International program costs are funded by Global Affairs Canada ("GAC"), formerly the Department of Foreign Affairs, Trade and Development Canada ("DFATD"), with in kind contributions from Canadian experts at the Office of the Auditor General of Canada, participating provincial audit Offices, the Foundation, municipal audit offices, parliamentarians and individual Canadians. GAC pays direct costs associated with the program and makes a contribution to the Foundation's general expenses. The current agreement with GAC was effective August 29, 2012, and provides program funding of \$8,800,000 over the period ending on December 31, 2017. The total funding under the agreement yet to be potentially recognized as revenue as at March 31, 2016 is \$2,412,342 (2015 - \$4,082,552).

The flow of the program funds is as follows:

	<u>2016</u>	<u>2015</u>
Unexpended (accrued) program funds, beginning of year	\$ (5,497)	\$ 185,609
Advances from GAC	<u>2,061,401</u>	<u>1,743,839</u>
	2,055,904	1,929,448
Revenue recognized representing expenses for the year including contributions to general expenses	<u>1,670,210</u>	<u>1,934,945</u>
Unexpended (accrued) program funds, end of year	<u>\$ 385,694</u>	<u>\$ (5,497)</u>

CCAF-FCVI Inc.
Notes to Financial Statements

March 31, 2016

5. Salaries and Benefits

The total amount of salaries and benefits for the 2016 fiscal year is \$1,570,236 (2015 - \$1,384,394). Salaries and benefits are allocated to various operational areas based on management's estimate of resource utilization as outlined in the following table.

	2016	2015
Research, methodology and information products	\$ 169,073	\$ 195,932
Education and professional development	219,710	180,176
Knowledge sharing and networking	93,188	61,139
International program	549,176	572,352
Sustainability and accountability	215,129	248,108
Operations and other support	323,960	126,687
	\$ 1,570,236	\$ 1,384,394

For the 2016 fiscal year the Foundation revised the allocation basis used to align with its new strategic plan. Therefore, in certain instances the 2015 corresponding amounts presented have been reclassified to use the revised allocation basis.

6. Commitments

During the year the Foundation renewed the lease agreement for its office premises, which expired on February 28, 2016, for an additional 18 months. The commitments for the next two fiscal years until August 31, 2018 are as follows:

2017	\$ 73,931
2018	<u>30,804</u>
	\$ 104,735

The Foundation also has residential leases as part of its international program. Multiple leases are on a month-to-month basis. However, there are five leases expiring on May 31, 2016. The commitment for the 2017 fiscal year until May 31, 2016 is \$16,600 for these residential leases.

CCAF-FCVI Inc.
Notes to Financial Statements

March 31, 2016

7. Contributions In Kind

In kind contributions of services recognized in the financial statements total \$146,250 (2015 - \$170,466) and are included in membership fees and contributions revenue, and the various expenses as detailed below, resulting in no net impact in the Foundation's net results of operations.

	<u>2016</u>	<u>2015</u>
Research, methodology and information products	\$ 105,966	\$ 136,933
Education and professional development	35,231	28,860
Knowledge sharing and networking	5,053	4,673
	<u>\$ 146,250</u>	<u>\$ 170,466</u>

For the 2016 fiscal year the Foundation revised the allocation basis used to align with its new strategic plan. Therefore, in certain instances the 2015 corresponding amounts presented have been reclassified to use the revised allocation basis.

8. Financial Instruments Risks and Concentrations

The Foundation is exposed to various risks through its financial instruments. The following analysis provides a measure of the Foundation's risk exposures and concentrations as at March 31, 2016.

The Foundation is not involved in any hedging relationships through its operations and does not hold or use any derivative financial instruments for trading purposes.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Foundation is exposed to this risk mainly in respect of its accounts payable and accrued liabilities.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Foundation's main credit risks relate to its accounts receivable. Although not considered a significant risk, credit risk also exists in relation to the Foundation's cash balances. The cash balances are set out in Note 1 to these financial statements.

Market risk

Market risk is the risk that the fair value or 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 Foundation is mainly exposed to interest rate risk.

CCAF-FCVI Inc.
Notes to Financial Statements

March 31, 2016

8. Financial Instruments Risks and Concentrations (continued)

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Foundation's financial instruments are in Canadian currency. Consequently, the Foundation is not exposed to foreign exchange fluctuations on its financial instruments. However, the Foundation does incur expenses in foreign currencies related to its international activities, and is therefore exposed to foreign exchange fluctuations on its future expenses.

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 Foundation would be exposed to interest rate risk on fixed and variable interest rate financial instruments. The Foundation does not hold fixed-rate instruments so it is not subject to a fair value risk. The Foundation holds floating-rate financial instruments being its cash balances, as set out in Note 1 to these financial statements, which would subject the Foundation to a cash flow risk.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Foundation is not exposed to other price risk.

Changes in risks

There have been no significant changes in the Foundation's risk exposures from its 2015 fiscal year.

9. Corresponding Amounts and Disclosures

In certain instances, 2015 fiscal year corresponding amounts and disclosures presented have been reclassified to conform with the financial statement presentation and disclosures adopted for the 2016 fiscal year.
