Financial Statements

December 31, 2015



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March 17, 2016

Independent Auditors' Report

To the Board of Directors of The Sustainability Institute of Canada

We have audited the accompanying financial statements of The Sustainability Institute of Canada, which comprise the balance sheet as at December 31, 2015 and the statements of net assets, revenue and expenses and 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.

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 the auditors' 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 the 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 in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Sustainability Institute of Canada as at December 31, 2015, 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.

Chartered Accountants Licensed Public Accountants Toronto, Ontario

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Balance Sheet Page 2

	Notes	December 31			
Assets	Notes		2015		2014
Current assets Cash Accounts receivable HST recoverable Prepaid expenses and sundry assets		\$	463,189 108 11,382 5,202	\$	248,518 2,398 8,627 7,590
Long-term investment	2		479,881 20,000		267,133
		\$	499,881	\$	267,133
Liabilities					
Current liabilities Accounts payable and accrued liabilities Deferred income	3	\$	10,319 355,840 366,159	\$	5,369 129,666 135,035
Net assets					
Net assets invested in operating reserve fund Unrestricted net assets			99,498 34,224		99,498 32,600
			133,722		132,098
		\$	499,881	\$	267,133

See accompanying notes

Andrew Kett, Director

Approved on behalf of the Board of Directors of The Sustainability Institute of Canada

Kathleen	Padulo, Chair



Statement of Net Assets

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	Operating reserve fund	Uni			ear ended	Fotal I December 31 2014	
Balance, beginning of year	\$ 99,498	\$	32,600	\$	132,098	\$	120,166
Excess of revenue over expenses for the year	-		1,624		1,624		11,932
Balance, end of year	\$ 99,498	\$	34,224	\$	133,722	\$	132,098

See accompanying notes



Statement of Revenue and Expenses

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	Year ended 2015	d Dece	ember 31 2014
Revenue Grants Donations Events Sales and consulting Rental income Interest income Sundry	\$ 381,966 5,326 25,985 1,500 - 3,007 661 418,445	\$	314,625 7,966 17,208 25,475 322 2,817 6,577 374,990
Expenses Bank charges Board meetings and volunteers Computer Consulting Event costs Insurance Occupancy Office and general Printing Professional fees Salaries and benefits Travel	 1,044 46 7,925 221,462 26,638 795 17,073 8,643 866 3,546 117,117 11,666 416,821		729 864 2,768 170,322 28,060 904 17,176 7,259 2,569 3,346 109,332 19,729 363,058
Excess of revenue over expenses for the year	\$ 1,624	\$	11,932

See accompanying notes



Statement of Cash Flow Statement

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	Year ended 2015	Dece	mber 31 2014
\$	1,624	\$	11,932
	2,290 (2,755) 2,388 4,950 - 226,174	Manufactural	4,798 224 (5,522) 1,661 (2,823) 31,675 41,945
	(20,000)		
 \$	248,518		41,945 206,573 248,518
		\$ 1,624 2,290 (2,755) 2,388 4,950 	\$ 1,624 \$ 2,290 (2,755) 2,388 4,950

See accompanying notes



Notes to Financial Statements December 31, 2015

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The Sustainability Institute of Canada received its Letters Patent as a corporation without share capital under the Canada Corporations Act on September 13, 2001 and became a registered charity under the Income Tax Act effective January 1, 2002.

The organization's goal is to strengthen the capacity of the environmental community in Canada by improving organizational management, planning and fundraising skills of non-profit organizations.

1. Significant accounting policies

Basis of presentation

These financial statements have been prepared using the standards of Part III of the CPA Canada Accounting Handbook, Accounting Standards for Not-For-Profit Organizations.

Fund accounting

These financial statements are prepared on a restricted fund basis:

General fund

The general fund accounts for the organizations programming and administrative activities.

Operating reserve fund

The organization has determined that an operating reserve fund to cover six months of the salaries and administrative expenses included in the organization's budget for the following fiscal year should be established as an operating reserve fund. A transfer is made to or from this fund annually to reflect the amount required in the fund.

Measurement of financial instruments

The organization initially measures its financial assets and liabilities at fair value. The organization subsequently measures all its financial assets and financial liabilities at amortized costs. Financial assets measured at amortized cost include cash accounts receivable and HST recoverable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and government remittances payable. The entity has not designated any financial assets or financial liability to be measured at fair value.

Capital assets

Capital assets are expensed as acquired. During the year \$5,248 (2014 - \$1,562) have been expensed.

Revenue recognition

Grants, sales and consulting, rentals and events revenue are taken into income in the year to which it relates. Amounts received that relate to future fiscal periods are recorded as deferred income.

Revenue which are derived from donations are recorded on a cash basis.

Long-term investments

Investments, primarily bonds, with an original maturity of more than one year are classified as long-term investments. Long-term investments are stated at cost.



Notes to Financial Statements December 31, 2015

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1. Significant accounting policies (continued)

Use of estimates

The preparation of 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 amount of revenue and expenses during the reporting period. Significant items subject to such estimates and assumptions are allowance for doubtful accounts, accrued liabilities and the allocation to deferred income. Actual results could differ from management's best estimates as additional information becomes available in the future.

2. Long-term investment

	December 3:			1	
		2015		2014	
Centre for Social Innovation -					
Series D Bond - due May 15, 2019					
bearing interest at 4.5%	\$	20,000	\$	-	
	Endinger .		and heat programmes	C-MOTIVAL THOU SOURCE DATA HOURS AND ARREST SE	

3. Deferred income

Deferred contributions represent unspent resources for specific projects as directed by the contributors. Changes in the deferred income balances are as follow:

	Balance December 31 2014	Contributions received	Utilized during the year	Balance December 31 2015
Workshop registrations Echo Foundation Ivey Foundation Ivey - Colab Mott Foundation Suncor Energy Foundation Ontario Trillium Foundation - Good to Great Program (Phase 2) The Nature Conservancy Tides Foundation The J.W. McConnell Family Foundation Gosling Foundation	\$ - 5,000 50,000 - - 3,355 61,811 5,500 - - 4,000	\$ 1,495 10,000 50,000 85,000 192,845 - 146,300 - 500 85,000 37,000	\$ - (5,000) (41,000) (25,000) (35,000) (3,355) (155,611) (5,500) (500) (85,000) (26,000)	\$ 1,495 10,000 59,000 60,000 157,845 - 52,500 - - 15,000
-	\$ 129,666	\$ 608,140	\$(381,966)	\$ 355,840

4. Financial risks

Credit risk

The organization's exposure to credit risk is on cash and accounts receivable. The organization mitigates its exposure to credit loss by placing its cash in major Canadian chartered banks.

Liquidity risk

The organization considers that it has sufficient credit facilities to ensure that funds are available to meet its current and long-tem financial needs at a reasonable cost.

Interest rate risk

The organization is exposed to interest rate east flow risk arising from fluctuation in interest rates on its savings accounts.

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CO*

**The organization is exposed to interest rate east flow risk arising from fluctuation in interest rates on its savings accounts.