

Financial Statements of

**THE CITY OF GREATER SUDBURY
COMMUNITY DEVELOPMENT
CORPORATION**

Year ended December 31, 2015



June 15, 2016

Independent Auditor's Report

To the Board of Directors of The City of Greater Sudbury Community Development Corporation

We have audited the accompanying financial statements of The City of Greater Sudbury Community Development Corporation, which comprise the statement of financial position as at December 31, 2015 and the statements of operations and accumulated surplus and cash flows for the year then ended, and the related notes, which comprise 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 organization, 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 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 is sufficient and appropriate to provide a basis for our audit opinion.

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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of The City of Greater Sudbury Community Development Corporation as at December 31, 2015 and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licences Public Accountants

**THE CITY OF GREATER SUDBURY COMMUNITY
DEVELOPMENT CORPORATION**
Statement of Financial Position
December 31, 2015 with comparative figures for 2014

	2015	2014
Assets		
Accounts receivable (Note 3)	\$ 1,087,616	\$ 2,162,677
Advance (Note 4)	-	75,000
Loans Receivable (Note 5)	-	-
Investments (Note 6)	-	-
	\$ 1,087,616	\$ 2,237,677
Liabilities		
Accumulated surplus	\$ 1,087,616	\$ 2,237,677
	\$ 1,087,616	\$ 2,237,677

Commitments (Note 7)

The accompanying notes are an integral part of these financial statements.

On behalf of the Board:

_____ Director

_____ Director

**THE CITY OF GREATER SUDBURY COMMUNITY
DEVELOPMENT CORPORATION**

Statement of Operations and Accumulated Surplus

Year ended December 31, 2015 with comparative figures for 2014

	2015	2014
Revenues		
City of Greater Sudbury		
Economic Development Grant	\$ 960,186	\$ 960,186
Arts and Culture Operating Grant	547,624	536,886
Arts and Culture Projects Grant	89,430	32,857
	<u>1,597,240</u>	<u>1,529,929</u>
Expenditures		
Grants	\$ 2,747,301	\$ 1,155,157
Bank Charges	-	20
	<u>2,747,301</u>	<u>1,155,177</u>
Annual (deficit) surplus	<u>(1,150,061)</u>	<u>374,752</u>
Accumulated surplus, beginning of year	2,237,677	1,862,925
Accumulated surplus, end of year	<u>\$ 1,087,616</u>	<u>\$ 2,237,677</u>

The accompanying notes are an integral part of these financial statements.

**THE CITY OF GREATER SUDBURY COMMUNITY
DEVELOPMENT CORPORATION**

Statement of Cash Flows

Year ended December 31, 2015 with comparative figures for 2014

	2015	2014
Cash flows from operating activities:		
Annual (deficit) surplus	\$ (1,150,061)	\$ 374,752
Change in non-cash operating working capital:		
(Increase)/Decrease in accounts receivable	1,075,061	(300,130)
(Increase)/Decrease in advance	75,000	(75,000)
Decrease in accounts payable	-	(43)
Net change in cash	-	(421)
Cash, beginning of year	-	421
Cash, end of year	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.

THE CITY OF GREATER SUDBURY COMMUNITY DEVELOPMENT CORPORATION

Notes to the Financial Statements
Year ended December 31, 2015

1. Nature of operations

The City of Greater Sudbury Community Development Corporation (the Corporation) is principally involved in the promotion of community economic development in the City of Greater Sudbury with the participation of the community by encouraging, facilitating and supporting community strategic planning and increasing self-reliance, investment and job creation within the community. The Corporation was incorporated without share capital on January 3, 2001 under the laws of the Province of Ontario.

2. Basis of presentation

These financial statements were prepared by management in accordance with Canadian generally accepted accounting principles, Part III Not-for-profit Organizations, as established by the Canadian Institute of Chartered Accountants.

(a) Revenue Recognition

The Corporation follows the deferral method of accounting for contributions which comprise grants from the City of Greater Sudbury.

(b) Financial instruments

Financial assets and liabilities are initially recorded at fair value and their subsequent measurement is dependent on their classification. Investments in equity instruments that are quoted in an active market are recorded at fair value each reporting period. All other financial assets and liabilities are recorded at amortized cost.

3. Related party transactions

Accounts receivable of \$1,087,616 (2014 - \$ 2,162,677) is due from the City of Greater Sudbury. This amount is unsecured, non-interest bearing and has no specified terms of repayment.

4. Advance

In 2014 the Corporation provided the Art Gallery of Sudbury with a non interest-bearing advance of \$75,000 on the Art Gallery's anticipated 2015 Grant. In 2015 the Art Gallery was approved for a \$75,000 grant, therefore the 2014 advance was deducted from the payment of this Grant.

THE CITY OF GREATER SUDBURY COMMUNITY DEVELOPMENT CORPORATION

Notes to the Financial Statements
Year ended December 31, 2015

5. Loans receivable

The loans receivable are as follows:

	2015	2014
Chilly Beach II Productions Inc. (a)	\$ -	\$ -
Maple Shorts I Productions (a)	-	-
Le Salon du Livre du Grand Sudbury (b)	-	-
Librairie du Nouvel Ontario (c)	-	-
	\$ -	\$ -

(a) Pursuant to an agreement with the Northern Ontario Heritage Fund Corporation ("NOHFC"), the security on these loans has been assigned to NOHFC. These loans were written down to nil in 2008.

(b) The loan is non interest bearing and is repayable in annual payments equal to no less than twenty-five (25) percent of annual net revenue surplus of the entity. This loan was written off in 2010 to nil.

(c) The loan is non interest bearing and is repayable in annual payments equal to no less than twenty-five (25) percent of annual net revenue surplus of the entity. This loan was written off in 2011 to nil.

6. Investments

Investment consists of 879,413 Class A non-voting, non-participating, redeemable preference shares and

Pursuant to an agreement with NOHFC, the investment has been assigned to NOHFC.

7. Commitments

The Corporation has approved grants to various organizations. At year end, \$ 338,372 (2014 - \$1,519,247) of grants have been approved but were not distributed.

8. Financial instruments

The fair value of accounts receivable is not determinable as there are no specified terms of repayment.