

**The Charitable Foundation of the
Ontario Grocery Industry**
(operating as The Grocery Foundation)

Summarized Financial Statements

For the Year Ended June 30, 2015

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of The Charitable Foundation of the Ontario Grocery Industry (operating as the Grocery Foundation)

The accompanying summarized financial statements of The Charitable Foundation of the Ontario Grocery Industry (the "Foundation") which comprise the summarized balance sheet as at June 30, 2015 and the summarized statements of operations, changes in net assets and cash flows for the year then ended and the related notes, are derived from the complete audited financial statements of the Foundation for the same period. We expressed an unmodified audit opinion on those financial statements in our report dated October 21, 2015.

The summarized financial statements do not contain all the disclosures required by Canadian accounting standards for not-for-profit organizations. Reading the summarized financial statements, therefore, is not a substitute for reading the complete audited financial statements of the Foundation.

Management's Responsibility for the Summarized Financial Statements

Management is responsible for the preparation of a summary of the audited financial statements on the basis described in Note 2 to the summarized financial statements.

Auditor's Responsibility

Our responsibility is to express an opinion on these summarized financial statements based on our procedures which were conducted in accordance with Canadian Auditing Standard (CAS) 810, "Engagement to Report on Summary Financial Statements".

Opinion

In our opinion, the summarized financial statements derived from the complete audited financial statements of the Foundation for the year ended June 30, 2015 as a fair summary of those financial statements, on the basis described in Note 2 to the summarized financial statements.

Collins Barrow Toronto LLP

Chartered Professional Accountants
Licensed Public Accountants
September 6, 2016
Toronto, Ontario

The Charitable Foundation of the Ontario Grocery Industry
 (operating as The Grocery Foundation)
 Summarized Balance Sheet
 As at June 30, 2015

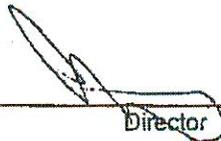
	2015	2014
Assets		
Current		
Cash	\$ 1,050,812	\$ 747,432
Investments (Note 4)	3,110,192	3,012,976
Accounts receivable	460,065	266,701
Prepaid expenses	8,017	18,411
	<u>4,629,086</u>	<u>4,045,520</u>
Website costs (Note 5)	5,201	5,024
	<u>\$ 4,634,287</u>	<u>\$ 4,050,544</u>

Liabilities and Net Assets

Current		
Accounts payable and accrued liabilities (Note 6)	\$ 338,344	\$ 436,531
Donation commitments (Note 7)	1,555,487	900,979
	<u>1,893,831</u>	<u>1,337,510</u>
Net assets	<u>2,740,456</u>	<u>2,713,034</u>
	<u>\$ 4,634,287</u>	<u>\$ 4,050,544</u>

Commitments (Notes 7 and 8)

Approved by the Board


 Director


 Director

The Charitable Foundation of the Ontario Grocery Industry
(operating as The Grocery Foundation)
Summarized Statement of Changes in Net Assets
Year Ended June 30, 2015

	2015	2014
Net assets, beginning of year	\$ 2,713,034	\$ 3,572,390
Excess (deficiency) of revenues over expenses	27,422	(859,356)
Net assets, end of year	\$ 2,740,456	\$ 2,713,034

The Charitable Foundation of the Ontario Grocery Industry
(operating as The Grocery Foundation)
Summarized Statement of Operations
Year Ended June 30, 2015

	2015	2014
Revenues		
Gala Dinner	\$ 3,423,779	\$ 3,771,024
Child Hunger		
Voucher Program	673,957	564,359
Toonies for Tummies	1,316,715	1,229,684
Investment income	124,120	217,005
Other revenue	1,360	2,926
	5,539,931	5,784,998
Program expenses		
Gala Dinner	1,640,584	1,873,373
Child Hunger		
Voucher Program	819,985	807,953
Toonies for Tummies	421,356	521,766
	2,881,925	3,203,092
Program contribution before general and administrative expenses	2,658,006	2,581,906
General and administrative expenses	163,021	248,683
Funds available for the mission	2,494,985	2,333,223
Grant donation commitments	2,467,563	3,192,579
Excess (deficiency) of revenue over expenses	\$ 27,422	\$ (859,356)

The Charitable Foundation of the Ontario Grocery Industry
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Summarized Statement of Cash Flows
Year Ended June 30, 2015

	2015	2014
Cash provided by (used in)		
Operations		
Cash received from programs and investment income	\$ 5,346,567	\$ 5,596,825
Cash paid to suppliers	(3,130,291)	(3,386,622)
Donations paid	(1,813,055)	(2,398,418)
	403,221	(188,215)
Investing		
Proceeds from disposal of investments	63,017	270,638
Acquisition of investments	(155,505)	(122,874)
Acquisition of website costs	(2,625)	(6,028)
Unrealized gain on investments	(4,728)	(113,274)
	(99,841)	28,462
Net change in cash	303,380	(159,753)
Cash, beginning of year	747,432	907,185
Cash, end of year	\$ 1,050,812	\$ 747,432

The Charitable Foundation of the Ontario Grocery Industry
(operating as The Grocery Foundation)
Notes to Summarized Financial Statements
June 30, 2015

1. DESCRIPTION OF OPERATIONS

The Charitable Foundation of the Ontario Grocery Industry (the "Foundation") was incorporated under Letters Patent under the Corporations Act (Ontario) on August 2, 1989. The Foundation was awarded registered charity status on March 18, 1990. As a registered charitable public foundation, the Foundation is tax exempt under paragraph 149.1(1)(g) of the Income Tax Act.

Since its founding, the objective of the Foundation has been to support programs primarily for the benefit of children with intellectual and developmental disabilities. Principal annual activities are the child hunger program and the Gala Dinner.

2. BASIS OF PREPARATION

These summarized financial statements are derived from the complete annual audited financial statements of the Foundation for the period from July 1, 2014 to June 30, 2015, which were prepared in accordance with Canadian accounting standards for not-for-profit organizations.

The set of criteria applied by management in preparing these financial statements is outlined in the paragraph below.

The figures presented in these summarized financial statements agree with or can be recalculated from the figures presented in the complete audited financial statements. Management believes that the summarized financial statements contain the necessary information and are at an appropriate level of aggregation so as not to be misleading to the users.

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. Outlined below are those policies considered particularly significant for the Foundation.

Revenue Recognition

Gala Dinner

Revenue from admission tickets is recognized as the tickets are sold. Corporate sponsorship revenue is recognized when the collection of the contribution is reasonably assured. Revenue from the fundraising events related to the gala is recorded on a cash basis.

Child Hunger - Voucher Program

Voucher sales are recorded when cash is received from the school.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Revenue Recognition (Cont'd)

Child Hunger - Toonies for Tummies

Donation revenue is recorded when received from donor.

Donation Commitments

The Foundation recognizes the liability for the donation commitments when there is an obligation to pay the donee and there are no conditions or a future event that the commitment is contingent upon.

Website Costs

Website costs are amortized on the straight-line method over 3 years.

Long-lived Assets

When long-lived assets, which comprise capital assets and website costs no longer contribute to the Foundation's ability to provide services, its carrying amount is written down to its residual value.

Financial Instruments

The Foundation initially measures its financial assets and liabilities at fair value. The Foundation subsequently measures its financial assets and financial liabilities at amortized cost, except for investments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the excess (deficiency) of revenue over expenses.

Financial assets measured at amortized cost include accounts receivable and bond investments. The Foundation's financial assets measured at fair value include investments (excluding bond investments). Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and donation commitments.

Transaction costs and financing fees are expensed as incurred for financial instruments measured at fair value and capitalized for financial instruments that are subsequently measured at cost or amortized cost.

Financial assets measured at cost or amortized cost are tested for impairment when there are indicators of impairment. The amount of the write-down, if any, is recognized in the excess (deficiency) of revenue over expenses. Reversals of impairment are recorded to the extent that the value has increased, up to 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 the excess (deficiency) of revenue over expenses.

The Charitable Foundation of the Ontario Grocery Industry
 (operating as The Grocery Foundation)
 Notes to Summarized Financial Statements
 June 30, 2015

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Donated Goods

The Foundation receives donated goods in respect of the Gala Dinner. Where significant, these items are recorded in the financial statements when the fair market value is reasonably determinable and when the items would have been otherwise purchased.

Management's Estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Significant estimates included in these financial statements are with respect to the allowance for doubtful accounts and voucher redemptions. Management believes that the estimates utilized in preparing its financial statements are reasonable and prudent. Actual results could differ from those estimates and the differences could be material.

4. INVESTMENTS

Investments consist of the following:

	2015	2014
Bonds, at amortized cost	\$ 1,436,399	\$ 1,439,082
Mutual funds, fair value	745,061	603,158
Guaranteed investment certificates, at fair value	54,257	53,617
Equity investments, at fair value	874,475	917,119
	\$ 3,110,192	\$ 3,012,976

5. WEBSITE COSTS

	Cost	Accumulated Amortization	2015 Net	2014 Net
Website costs	\$ 81,413	\$ 76,212	\$ 5,201	\$ 5,024

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Included in accounts payable and accrued liabilities are the amounts payable in respect to government remittances of \$Nil (2014 - \$2,485).

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Notes to Summarized Financial Statements
June 30, 2015

7. DONATION COMMITMENTS

- (a) The Foundation and Kids Help Phone ("KHP") partnered to undertake the annual Gala Dinner. As part of this arrangement KHP will receive, as a contribution from the Foundation, 50% of the net program income.
- (b) During fiscal 2013, the Foundation signed an agreement to donate \$300,000 over three years in three equal instalments of \$100,000 each. The final donation commitment of \$100,000 related to the 2013 program was paid in 2015.

8. COMMITMENTS

The Foundation has the following annual minimum premises lease commitments with respect to operating leases for the fiscal years ending:

2016	\$	15,240
2017		15,663
2018		15,875
2019		5,292
		<hr/>
		\$ 52,070

Additional charges are levied for realty tax, utilities and maintenance.

9. FINANCIAL INSTRUMENTS

Credit Risk

The Foundation is exposed to credit risk with respect to its cash. To minimize this risk, cash has been placed with major Canadian financial institutions.

The Foundation is also exposed to credit risk on the accounts receivable from its customers. Management has adopted credit policies in an effort to minimize those risks. The Foundation does not have a significant exposure to any individual customer or counter-party.

10. BANKING FACILITIES

The Foundation has the following banking facilities:

- (a) Letter of credit or letter of guarantee to a maximum of \$80,000 at an interest rate of 1%.
- (b) Credit card facility, to a maximum of \$50,000.

The Foundation has not drawn upon these facilities as of June 30, 2015.