

Financial Statements of

**CANADIAN BREAST
CANCER FOUNDATION**

Year ended March 31, 2015

CANADIAN BREAST CANCER FOUNDATION

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Year ended March 31, 2015

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INDEPENDENT AUDITORS' REPORT

To the Members of Canadian Breast Cancer Foundation

We have audited the accompanying financial statements of Canadian Breast Cancer Foundation, which comprise the balance sheet as at March 31, 2015, the statements of revenue, expenses and allocations, changes in fund balances and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the 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 qualified audit opinion.



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Basis for Qualified Opinion

In common with many not-for-profit organizations, Canadian Breast Cancer Foundation derives revenue from fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of this revenue was limited to the amounts recorded in the records of Canadian Breast Cancer Foundation. Therefore, we were not able to determine whether, as at and for the years ended March 31, 2015 and March 31, 2014, any adjustments might be necessary to donations revenue and deficiency of revenue over expenses and allocations reported in the statements of revenue, expenses and allocations, deficiency of revenue over expenses and allocations reported in the statements of cash flows and current assets and fund balances reported in the balance sheets. This caused us to qualify our audit opinion on the financial statements as at and for the year ended March 31, 2014.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Canadian Breast Cancer Foundation as at March 31, 2015, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a single horizontal line that starts under the 'K' and ends under the 'P'.

Chartered Professional Accountants, Licensed Public Accountants

June 13, 2015
Toronto, Canada

CANADIAN BREAST CANCER FOUNDATION

Balance Sheet

March 31, 2015, with comparative information for 2014

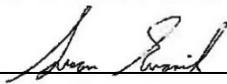
	2015	2014
Assets		
Current assets:		
Cash (note 2)	\$ 1,714,089	\$ 3,158,412
Short-term investments (note 3)	51,634,488	54,706,812
Donations and other receivables	1,280,716	1,042,728
Prepaid expenses and other assets	787,557	709,234
	<u>55,416,850</u>	<u>59,617,186</u>
Capital assets (note 4)	3,066,659	3,619,469
	<u>\$ 58,483,509</u>	<u>\$ 63,236,655</u>

Liabilities and Fund Balances

Current liabilities:		
Accounts payable and accrued liabilities	\$ 1,577,520	\$ 1,566,095
Lease inducements	550,020	406,978
Deferred revenue	375,003	782,362
Grants payable (note 5)	17,843,604	19,449,632
	<u>20,346,147</u>	<u>22,205,067</u>
Long-term grants payable (note 5)	10,274,427	11,510,668
Fund balances:		
Invested in capital assets	3,066,659	3,619,469
Externally restricted (note 6(a))	979,512	1,101,901
Board restricted (note 6(b))	13,528,988	8,040,331
Unrestricted	10,287,776	16,759,219
	<u>27,862,935</u>	<u>29,520,920</u>
Commitments (note 11)		
	<u>\$ 58,483,509</u>	<u>\$ 63,236,655</u>

See accompanying notes to financial statements.

Approved on behalf of the Board:



Director



Director

CANADIAN BREAST CANCER FOUNDATION

Statement of Revenue, Expenses and Allocations

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

	2015		2014	
	Externally restricted funds (note 6(a))	Unrestricted	Total	Total
Revenue (notes 7 and 8):				
Donations:				
Run for the Cure	\$ –	\$ 24,352,271	\$ 24,352,271	\$ 25,984,485
Individual donations	200	1,672,785	1,672,985	1,229,435
Direct response	1,360	1,556,181	1,557,541	1,708,636
Corporate	–	6,410,653	6,410,653	7,831,354
Government partnerships	–	612,434	612,434	504,669
Third-party events	51,417	3,904,998	3,956,415	4,010,751
Other special events	–	782,880	782,880	602,128
Investment income (note 3)	–	3,230,464	3,230,464	3,396,737
Other	–	335,222	335,222	323,052
	52,977	42,857,888	42,910,865	45,591,247
Expenses (note 9):				
Cost of raising funds	48,418	13,663,275	13,711,693	15,050,279
Operations	–	5,944,198	5,944,198	6,307,768
	48,418	19,607,473	19,655,891	21,358,047
Excess of revenue over expenses before allocations				
	4,559	23,250,415	23,254,974	24,233,200
Allocations:				
Program activities (note 9)	46,948	7,409,772	7,456,720	7,829,118
Grants	80,000	17,376,239	17,456,239	19,312,171
	126,948	24,786,011	24,912,959	27,141,289
Deficiency of revenue over expenses and allocations				
	\$ (122,389)	\$ (1,535,596)	\$ (1,657,985)	\$ (2,908,089)

See accompanying notes to financial statements.

CANADIAN BREAST CANCER FOUNDATION

Statement of Changes in Fund Balances

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

					2015	2014
	Invested in capital assets	Externally restricted funds (note 6(a))	Board restricted (note 6(b))	Unrestricted	Total	Total
Balance, beginning of year	\$ 3,619,469	\$ 1,101,901	\$ 8,040,331	\$ 16,759,219	\$ 29,520,920	\$ 32,429,009
Deficiency of revenue over expenses and allocations	(765,787)	(122,389)	–	(769,809)	(1,657,985)	(2,908,089)
Capital asset additions, net	212,977	–	–	(212,977)	–	–
Interfund transfers	–	–	5,488,657	(5,488,657)	–	–
Balance, end of year	\$ 3,066,659	\$ 979,512	\$ 13,528,988	\$ 10,287,776	\$ 27,862,935	\$ 29,520,920

See accompanying notes to financial statements.

CANADIAN BREAST CANCER FOUNDATION

Statement of Cash Flows

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

	2015	2014
Cash provided by (used in):		
Operating activities:		
Deficiency of revenue over expenses and allocations	\$ (1,657,985)	\$ (2,908,089)
Items not involving cash:		
Amortization of capital assets	765,787	832,871
Loss on disposal of capital assets	—	32,818
Amortization of lease inducements	(2,762)	(44,694)
Unrealized loss (gain) on short-term investments	479,825	(1,844,125)
Realized loss on short-term investments	1,913,557	611,833
	<u>1,498,422</u>	<u>(3,319,386)</u>
Change in non-cash operating working capital:		
Donations and other receivables	(237,988)	(19,815)
Prepaid expenses and other assets	(78,323)	126,345
Accounts payable and accrued liabilities	11,425	41,376
Lease inducement recovery	145,804	326,478
Deferred revenue	(407,359)	300,012
Grants payable	(2,842,269)	(2,709,031)
	<u>(1,910,288)</u>	<u>(5,254,021)</u>
Investing activities:		
Capital asset additions	(212,977)	(1,381,160)
Additions to short-term investments, net	678,942	5,249,039
	<u>465,965</u>	<u>3,867,879</u>
Decrease in cash	(1,444,323)	(1,386,142)
Cash, beginning of year	3,158,412	4,544,554
Cash, end of year	<u>\$ 1,714,089</u>	<u>\$ 3,158,412</u>

See accompanying notes to financial statements.

CANADIAN BREAST CANCER FOUNDATION

Notes to Financial Statements

Year ended March 31, 2015

As the leading national volunteer-based organization dedicated to the fight against breast cancer, the Canadian Breast Cancer Foundation (the "Foundation") works collaboratively to fund, support and advocate for relevant and innovative breast cancer research, meaningful education and awareness programs, early diagnosis and effective treatment and a positive quality of life for those living with breast cancer. The Foundation provides financial support in the form of community-based initiatives and grants to scientific and medical research, aimed at advancing the prevention and treatment of breast cancer. Funds are also allocated to a number of internal charitable program areas as established by the Board of Directors (the "Board"). These include Community Awareness and Education, the Grant Allocation Process, Volunteer Development, and Stakeholder Relations.

The Foundation was incorporated as a corporation without share capital by letters patent which were issued under the Canada Corporations Act on October 27, 1992 and continued under the Canada Not-for-Profit Corporations Act on September 26, 2014. The Foundation is a registered charitable organization and, as such, is exempt from income taxes under the Income Tax Act (Canada) and is able to issue donation tax receipts for income tax purposes.

Under the Income Tax Act (Canada), the Foundation must meet a disbursement quota in order to maintain its charitable status. The Foundation has created a disbursement excess by distributing amounts in excess of the disbursement quota.

These financial statements include the activities of the Central Office and the Atlantic, Ontario, Prairies/Northwest Territories and British Columbia/Yukon Regions.

CANADIAN BREAST CANCER FOUNDATION

Notes to Financial Statements (continued)

Year ended March 31, 2015

1. Significant accounting policies:

The financial statements of the Foundation have been prepared in accordance with Canadian accounting standards for not-for-profit organizations using the restricted fund method of recording contributions. The following summary of significant accounting policies is set forth to facilitate the understanding of these financial statements:

(a) Fund accounting:

In order to ensure observance of the limitations and restrictions placed on the use of resources available to the Foundation, the accounts of the Foundation are maintained in accordance with the principles of fund accounting. Accordingly, resources are classified for accounting and reporting purposes into funds. These funds are held in accordance with the objectives specified by the donors or in accordance with directives issued by the Board. For financial reporting purposes, the accounts have been classified into the following funds:

(i) Externally restricted:

These funds record resources that are to be used for specific purposes, as specified by the donor.

(ii) Board restricted:

These funds have been restricted by the Board to fund certain commitments entered into by the Foundation and to help ensure the financial security of the Foundation.

(iii) Invested in capital assets:

This fund records the activities associated with the Foundation's capital assets.

(iv) Unrestricted:

These funds are available for general purposes and reflect the transactions associated with the operating activities of the Foundation. Net revenue raised from operations is made available to fund breast cancer projects and program activities.

CANADIAN BREAST CANCER FOUNDATION

Notes to Financial Statements (continued)

Year ended March 31, 2015

1. Significant accounting policies (continued):

(b) Revenue recognition:

The Foundation follows the restricted fund method for recording restricted donations. Unrestricted donations are recorded as revenue in the year received or receivable. Donor restricted donations are recognized as revenue of the related restricted fund when received or receivable. Contributions are recognized in the respective fund if the amount to be received can be reasonably estimated and collection is reasonably assured.

Revenue received in advance for events to be undertaken in the next year for which no fund exists is recorded as deferred revenue until the related expenses are incurred.

Donations received by way of charitable remainder trusts vest irrevocably with the Foundation. These donations are tax-receipted by the Foundation and are recorded as revenue and contribution receivable at the estimated fair market value upon establishment of the trust. The difference between the fair market value and the capital value is amortized to revenue based on the assumptions of the original actuarial valuation.

Unrestricted investment income is recognized as revenue when earned.

(c) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Foundation has elected to carry short-term investments at fair value based on quoted bid prices.

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

CANADIAN BREAST CANCER FOUNDATION

Notes to Financial Statements (continued)

Year ended March 31, 2015

1. Significant accounting policies (continued):

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

The Foundation places its investments in interest-bearing accounts or in highly liquid investments that are readily convertible into known amounts of cash.

The Foundation does not enter into any derivative financial instrument arrangements for hedging or speculative purposes.

(d) Capital assets:

Capital assets are capitalized in the year acquired and are amortized from the month of acquisition on a straight-line basis over five years. Leasehold improvements are amortized over the length of the lease.

Work in progress represents assets not yet available for use, therefore amortization commences when the project is complete.

When a capital asset no longer contributes to the Foundation's ability to provide services, its carrying amount is written down to its residual value.

CANADIAN BREAST CANCER FOUNDATION

Notes to Financial Statements (continued)

Year ended March 31, 2015

1. Significant accounting policies (continued):

(e) Lease inducements:

The total amount of lease inducements is amortized on a straight-line basis over the life of the lease.

(f) Grants and commitments:

Grants are recorded when authorized for payment by the Board. At March 31, 2015, there were a number of grants which had been approved by the Board but not yet paid. Grants, which have been approved by the Board and are not payable until after fiscal year 2016, have been recorded as long-term grants payable.

(g) Contributed goods and services:

Volunteers contribute a substantial number of hours each year to assist the Foundation in carrying out its activities. In addition, individuals, businesses and corporations contribute in-kind gifts and/or services. Due to the difficulty in determining their fair value, contributed gifts and services are not recognized in the financial statements.

(h) Allocation of revenue and expenses:

Certain administrative expenses are allocated to cost of raising funds and program activities based on the estimate of staff time related to each area of activity (note 9).

Effective April 1, 2011, the National Board of Directors ("National Board") approved a new allocation model that allocates all Central Office revenue and expenses to the regions based on a percentage of total forecasted revenue by region (note 7).

(i) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates. Significant estimates and assumptions include carrying amounts of donations and other receivables, estimated useful lives of capital assets and accrued liabilities.

CANADIAN BREAST CANCER FOUNDATION

Notes to Financial Statements (continued)

Year ended March 31, 2015

2. Credit facilities:

The Foundation has a credit agreement with its bank for the following:

- (a) a \$75,000 standby Letter of Credit, of which nil has been committed as at March 31, 2015 (2014 - nil); and
- (b) a \$275,000 limit on credit card purchases.

3. Short-term investments:

Short-term investments consist of the following:

	2015	2014
Cash	\$ 28,481,268	\$ 21,536,192
Canadian and global equities	14,726,824	17,722,109
Fixed income pooled funds	7,575,690	13,317,904
Mutual funds	850,706	1,745,395
Bankers' acceptance notes	–	362,327
Accrued interest receivable	–	22,885
	\$ 51,634,488	\$ 54,706,812

	2015	2014
Investment income, net	\$ 3,710,289	\$ 1,552,612
Unrealized gain (loss)	(479,825)	1,844,125
	\$ 3,230,464	\$ 3,396,737

CANADIAN BREAST CANCER FOUNDATION

Notes to Financial Statements (continued)

Year ended March 31, 2015

4. Capital assets:

			2015	2014
	Cost	Accumulated amortization	Net book value	Net book value
Computer equipment and wide-area network and software	\$ 3,661,512	\$ 2,391,883	\$ 1,269,629	\$ 1,743,640
Office furniture and equipment	979,078	684,532	294,546	356,656
Leasehold improvements	1,821,461	543,549	1,277,912	1,499,173
Artwork	20,000	—	20,000	20,000
Work in progress	204,572	—	204,572	—
	\$ 6,686,623	\$ 3,619,964	\$ 3,066,659	\$ 3,619,469

5. Grants payable:

Grants payable consists of the following:

	2015	2014
Total grants payable	\$ 28,118,031	\$ 30,960,300
Less current portion	17,843,604	19,449,632
	\$ 10,274,427	\$ 11,510,668

Grants payable are expected to be paid as follows:

2016	\$ 17,843,604
2017	6,546,425
2018	2,540,550
2019	1,128,372
2020	59,080
	\$ 28,118,031

Grants payable are recorded at their carrying value as the fair value is non-determinable due to the nature and timing of grant payments and the lack of comparable benchmark.

CANADIAN BREAST CANCER FOUNDATION

Notes to Financial Statements (continued)

Year ended March 31, 2015

6. Restricted funds:

(a) Externally restricted:

Externally restricted funds were received from donors with the purpose of spending funds on research, education and fellowship. Contributions received are recognized as revenue in the externally restricted fund in the statement of revenue, expenses and allocations in the year that they are received. Expenses are recognized as the eligible expenditures are made.

(b) Board restricted:

The Board has established a reserve policy as follows:

- (i) Funds are restricted to cover administrative and program expenses for four months in the event of a shortfall in fundraising;
- (ii) Funds are restricted to meet commitments to fund the national grant program ("National Grants") as determined by the National Board; and
- (iii) Funds are restricted to meet commitments to be made under the Board granting policy ("grants pending").

The Board restricted fund balance consists of the following:

	2015	2014
Operational shortfall	\$ 4,908,600	\$ 5,437,559
Funds available for National Grants	520,388	2,602,772
Grants pending	8,100,000	-
	<u>\$ 13,528,988</u>	<u>\$ 8,040,331</u>

CANADIAN BREAST CANCER FOUNDATION

Notes to Financial Statements (continued)

Year ended March 31, 2015

7. Revenue:

Total revenue comprises revenue from the following regions:

	2015	2014
British Columbia/Yukon	\$ 7,608,554	\$ 7,834,985
Prairies/Northwest Territories	12,128,144	12,674,987
Ontario	19,684,952	19,176,697
Atlantic	4,003,233	4,069,213
Other unallocated	(514,018)	1,835,365
	<u>\$ 42,910,865</u>	<u>\$ 45,591,247</u>

8. Gaming revenue:

The following represents revenue and expenses incurred, relating to gaming activities:

2015	Ontario	Alberta	Saskatchewan	Manitoba	British Columbia	Total
Revenue	\$ 6,050	\$ 178,148	\$ 9,970	\$ 18,040	\$ 28,432	\$ 240,640
Expenses	595	31,395	1,757	3,179	50	36,976
	<u>\$ 5,455</u>	<u>\$ 146,753</u>	<u>\$ 8,213</u>	<u>\$ 14,861</u>	<u>\$ 28,382</u>	<u>\$ 203,664</u>

2014	Ontario	Alberta	Saskatchewan	Manitoba	British Columbia	Total
Revenue	\$ 2,225	\$ 73,751	\$ 15,047	\$ 16,200	\$ 59,712	\$ 166,935
Expenses	-	9,117	1,718	2,077	5,557	18,469
	<u>\$ 2,225</u>	<u>\$ 64,634</u>	<u>\$ 13,329</u>	<u>\$ 14,123</u>	<u>\$ 54,155</u>	<u>\$ 148,466</u>

CANADIAN BREAST CANCER FOUNDATION

Notes to Financial Statements (continued)

Year ended March 31, 2015

9. Allocation of expenses:

The Foundation records direct expenses of fundraising activities and events to their respective activities.

In addition, certain administrative expenses are allocated to cost of raising funds and program activities based on estimate of staff time related to each area of activity.

The administrative expenses which have been allocated are:

	2015	2014
Salaries and benefits	\$ 282,789	\$ 328,991
General and office	347,560	404,989
Occupancy	2,699,864	2,600,282
Professional and consulting	21,759	19,012
	<u>\$ 3,351,972</u>	<u>\$ 3,353,274</u>

These administrative expenses are allocated on the statement of revenue, expenses and allocations as follows:

	2015	2014
Cost of raising funds	\$ 1,669,344	\$ 1,681,664
Operations	884,638	1,005,260
Program activities	797,990	666,350
	<u>\$ 3,351,972</u>	<u>\$ 3,353,274</u>

CANADIAN BREAST CANCER FOUNDATION

Notes to Financial Statements (continued)

Year ended March 31, 2015

10. Pension agreement:

The Foundation makes contributions to a defined contribution plan. The amount contributed to the pension plan during the year was \$460,368 (2014 - \$492,715) and is included as an expense in the statement of revenue, expenses and allocations.

11. Commitments:

The Foundation has entered into various operating contracts and leases for office premises, equipment and certain services. The minimum annual payments under these arrangements are as follows:

2016	\$ 1,027,456
2017	795,485
2018	606,703
2019	603,340
2020	575,274
Thereafter	1,659,616
	<hr/>
	\$ 5,267,874

The Foundation has committed \$5,500,000 to the EI Foundation Canada (Stand Up to Cancer Canada) for joint programs in research in breast cancer. As of March 31, 2015, \$4,000,000 remains unpaid and is included in the Board restricted funds, payable as follows:

2016	\$ 1,300,000
2017	1,300,000
2018	1,400,000
	<hr/>
	\$ 4,000,000

CANADIAN BREAST CANCER FOUNDATION

Notes to Financial Statements (continued)

Year ended March 31, 2015

12. Guarantees:

In the normal course of business, the Foundation enters into agreements that meet the definition of a guarantee.

Indemnity has been provided to all directors and officers of the Foundation for various items including, but not limited to, all costs to settle suits or actions due to association with the Foundation, subject to certain restrictions. The Foundation has purchased directors' and officers' liability insurance to mitigate the cost of any potential future suits or actions. Further, in the normal course of business, the Foundation has entered into agreements that include indemnities in favour of third parties, such as purchase and sale agreements, confidentiality agreements, engagement letters with advisors and consultants, outsourcing agreements, leasing contracts, information technology agreements and service agreements. Historically, the Foundation has not incurred any costs as a result of any such suits, actions or agreements. The maximum amount of any potential future payment cannot be reasonably estimated and no amount has been recorded in the financial statements.

13. Financial instruments and risk management:

The financial instruments held by the Foundation are exposed to a variety of financial risks. The Foundation seeks to minimize the potential adverse effects of these risks by regularly monitoring the position of investments, market events and the diversifying of the investment portfolio within the constraints of the Foundation's investment policies.

There has been no change to the risk exposure from the prior year.

Significant risks that are relevant to the Foundation are as follows:

(a) Other price and interest rate risks:

The risks associated with the short-term investments are the risks associated with the securities in which the funds are invested. The value of securities will vary with developments within the specific companies or governments which issue the securities. Interest rate risk arises from the possibility that changes in interest rates will affect the value of fixed income securities held by the Foundation. The value of fixed income securities will generally rise if interest rates fall and fall if interest rates rise. The short-term interest-bearing investments held by the Foundation have a limited exposure to interest rate risk due to their short-term maturities. The Foundation has formal policies and procedures that establish target asset mix, minimum credit ratings and varying terms of the securities held.

CANADIAN BREAST CANCER FOUNDATION

Notes to Financial Statements (continued)

Year ended March 31, 2015

13. Financial instruments and risk management (continued):

(b) Credit risk:

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. As at March 31, 2015, the Foundation's investments in fixed income securities are in pooled funds. Cash is held in creditworthy financial institutions.

Other receivables are subject to credit risk. The Foundation assesses, on a continuous basis, other receivables and provides for any amounts that are not collectible in the allowance for doubtful accounts.

(c) Liquidity risk:

Liquidity risk is the risk that the Foundation will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Foundation manages its liquidity risk by maintaining short-term investments which have short-term maturities and are readily convertible to known amounts of cash. The Foundation also prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations.

The Foundation maintains four months of funds to cover operating and program costs in its restricted funds to meet short-term obligations.