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ALMONTE, ON, K0A 1A0

Independent Auditors' Report on Financial Transactions Return

To the Chief Electoral Officer, Elections Canada
GREEN PARTY OF CANADA FUND

We have audited the accompanying Registered Party Financial Transactions Return (the "Return") of the Green Party of Canada Fund for the year ending December 31, 2015. The financial information in the Return has been prepared by the Chief Agent of the Green Party of Canada Fund based on the financial reporting provisions of Section 432 of the Canada Elections Act and in the prescribed form issued by Elections Canada.

Chief Agent's Responsibility for the Return

The Chief Agent is responsible for the preparation of the Return in accordance with the financial reporting provisions of Section 432 of the Canada Elections Act and in the prescribed form issued by Elections Canada and for such internal control as the Chief Agent determines is necessary to enable the preparation of the Return that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the Return 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 plan and perform an audit to obtain reasonable assurance whether the Return is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Return. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Return, 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 Return in order to design audit procedures that are appropriate in the circumstances, but not for the purposes 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 the Chief Agent, as well as evaluating the overall presentation of the Return.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

In common with organizations of this type, the Green Party of Canada Fund derives revenue from contributions, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of revenues from contributions was limited to the amounts recorded in the records of the Green Party of Canada Fund and we were not able to determine whether any adjustments might be necessary to the amount of contributions, excess of revenue over expenditures for the year and net assets reported.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for qualified opinion paragraph, the Return of the Green Party of Canada Fund for the year ending December 31, 2015 is prepared, in all material respects, in accordance with the financial reporting provisions of Section 432 of the Canada Elections Act and in the prescribed form issued by Elections Canada.

Basis of Accounting and Restriction of Use

We draw your attention to the Note to the Return which describes the basis of accounting. The Return is prepared to assist the Chief Agent of the Green Party of Canada Fund to meet the requirements of the Canada Elections Act. As a result, the Return may not be suitable for another purpose. Our report is intended solely for the Chief Agent of the Green Party of Canada Fund and the Chief Electoral Officer, and should not be used by parties other than the Chief Agent and the Chief Electoral Officer.

Report on Other Legal and Regulatory Requirements

As required by Subsection 435(1) of the Canada Elections Act, in our opinion, the Return presents the information contained in the financial records on which it is based.

 COLBY MCGEACHY, CPA, FCGA, LPA

COLBY MCGEACHY PROFESSIONAL CORPORATION
CHARTERED PROFESSIONAL ACCOUNTANTS

Authorized to practice public accounting by the Chartered Professional Accountants of Ontario

June 22, 2016
Almonte, Ontario

GREEN PARTY OF CANADA FUND
Note to the Registered Party Financial Transactions Return
December 31, 2015

The Registered Party Financial Transactions Return has been prepared in accordance with the financial reporting provisions of Section 432 of the Canada Elections Act and in the prescribed form issued by Elections Canada.

The Return is prepared to assist the Chief Agent to meet the requirements of the Canada Elections Act. The Return is intended solely for the use of the Chief Agent and the Chief Electoral Officer. Accordingly, readers are cautioned that the Return may not be suitable for another purpose. The Canada Elections Act requires that the Return be made available for public inspection.



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Independent Auditor's Report

To the Directors of Green Party of Canada Fund

We have audited the accompanying financial statements of **GREEN PARTY OF CANADA FUND**, which comprise the statement of financial position as at December 31, 2015, and the statements of operations, changes in net assets 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.

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 organization'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 organization'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.

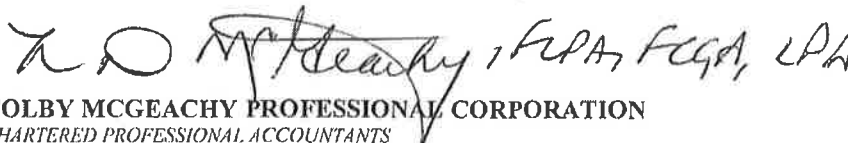
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

In common with organizations of this type, the Fund derives revenue from contributions, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of revenues from contributions is limited to the amounts recorded in the records of the Fund and we were not able to determine whether any adjustments might be necessary to the amount of contributions, excess of revenues over expenditures for the year, and net assets.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, these financial statements present fairly, in all material respects, the financial position of the organization 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.


COLBY McGEACHY PROFESSIONAL CORPORATION
CHARTERED PROFESSIONAL ACCOUNTANTS

Authorized to practice public accounting by the Chartered Professional Accountants of Ontario

Almonte, Ontario
June 20, 2016

GREEN PARTY OF CANADA FUND

FINANCIAL STATEMENTS

December 31, 2015

TABLE OF CONTENTS

	Independent Auditor's Report
Statement I	Statement of Financial Position
Statement II	Statement of Operations
Statement III	Statement of Changes in Net Assets
Statement IV	Statement of Cash Flows
	Notes to Financial Statements
Schedule 1	Schedule of Pre-election and Election Expenses

GREEN PARTY OF CANADA FUND
STATEMENT OF FINANCIAL POSITION

As at December 31, 2015

Statement I

	2015	2014
ASSETS		
Current assets		
Cash and cash equivalents	\$ 259,786	\$ 3,968,943
Accounts receivable	2,246,831	346,065
Prepaid expenses	24,865	15,292
Candidate loans	111,000	1,000
Loans receivable (Note 3)	-	23,330
	2,642,482	4,354,630
Capital assets (Note 4)	98,389	26,102
	\$ 2,740,871	\$ 4,380,732
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (Note 6)	\$ 294,413	\$ 315,535
Current portion of long-term debt (Note 7)	1,657,500	130,000
	1,951,913	445,535
Long-term debt (Note 7)	92,500	370,000
	2,044,413	815,535
NET ASSETS		
Unrestricted	598,069	3,539,095
Invested in capital assets	98,389	26,102
	696,458	3,565,197
	\$ 2,740,871	\$ 4,380,732

On behalf of the board



Director



Director

The attached notes are an integral part of these financial statements

GREEN PARTY OF CANADA FUND
STATEMENT OF OPERATIONS

Statement II

For the year ended December 31, 2015

	2015	2014
Revenues		
Contributions	\$ 4,489,790	\$ 2,946,991
Election rebate	1,954,012	-
Transfers	353,418	3,525
Other	97,512	42,412
Government allowance	73,031	364,665
Interest income	12,868	23,488
Convention fees	-	46,075
Rental income from sub-lease	-	57,466
	<u>6,980,631</u>	<u>3,484,622</u>
Expenditures		
Pre-election and election expenses (Schedule 1)	4,042,660	171,915
Transfers	2,126,130	236,402
Wages and benefits	1,482,226	851,003
Professional fees	887,960	228,699
Office and general	581,291	337,038
Travel and promotion	162,774	135,872
Occupancy costs	161,694	113,648
Fundraising activities	150,211	124,189
Interest and bank charges	113,971	93,815
Convention expenses	63,277	125,739
Interest on long-term debt	28,655	-
Amortization	26,252	60,852
Advertising	22,269	60,322
	<u>9,849,370</u>	<u>2,539,494</u>
(Deficiency) excess of revenues over expenditures	\$ (2,868,739)	\$ 945,128

The attached notes are an integral part of these financial statements

GREEN PARTY OF CANADA FUND
STATEMENT OF CHANGES IN NET ASSETS

For the year ended December 31, 2015

	Balance, beginning of year	Acquisition of capital assets	Amortization of capital assets	Transfer between funds	Disposal of capital assets	(Deficiency) excess of revenues over expenditures	2015 Balance, end of year
Unrestricted	\$ 3,539,095	\$ -	\$ -	\$ (72,287)	\$ -	\$ (2,868,739)	\$ 598,069
Invested in capital assets	26,102	112,858	(26,252)	-	(14,319)	-	98,389
	\$ 3,565,197	\$ 112,858	\$ (26,252)	\$ (72,287)	\$ (14,319)	\$ (2,868,739)	\$ 696,458

	Balance, beginning of year	Acquisition of capital assets	Amortization of capital assets	Transfer between funds	Excess of revenues over expenditures	2014 Balance, end of year
Unrestricted	\$ 2,606,541	\$ -	\$ -	\$ (12,574)	\$ 945,128	\$ 3,539,095
Invested in capital assets	13,528	71,926	(59,352)	-	-	26,102
	\$ 2,620,069	\$ 71,926	\$ (59,352)	\$ (12,574)	\$ 945,128	\$ 3,565,197

The attached notes are an integral part of these financial statements

GREEN PARTY OF CANADA FUND**STATEMENT OF CASH FLOWS**

For the year ended December 31, 2015

	2015	2014
Cash flows from operating activities		
(Deficiency) excess of revenues over expenditures	\$ (2,868,739)	\$ 945,128
Adjustment for		
Amortization	26,252	60,852
	(2,842,487)	1,005,980
Changes in non-cash working capital	(2,018,131)	50,041
	(4,860,618)	1,056,021
Cash flows from investing activities		
Purchase of capital assets	(112,858)	(71,926)
Proceeds on disposal of capital assets	14,319	-
Term deposits	-	400,000
	(98,539)	328,074
Cash flows from financing activity		
Advances (repayment) of long term debt	1,250,000	500,000
(Decrease) increase in cash and cash equivalents	(3,709,157)	1,884,095
Cash and cash equivalents, beginning of year	3,968,943	2,084,848
Cash and cash equivalents, end of year	\$ 259,786	\$ 3,968,943
Cash and cash equivalents consists of:		
Cash and cash equivalents	\$ 259,786	\$ 1,368,943
Term deposit maturing in less than three months	-	2,600,000
	\$ 259,786	\$ 3,968,943

The attached notes are an integral part of these financial statements

1. ACTIVITIES OF THE FUND

The Green Party of Canada is a Registered Political Party as defined by the Canada Elections Act. It has appointed the Green Party of Canada Fund to act as its Chief Agent in connection with the receipt of contributions and payment of expenses and all other financial transactions of the Party as required by the Canada Elections Act. The Green Party of Canada Fund is exempt from income taxes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Under the Canada Elections Act, local Electoral District Associations (EDAs) are registered separately with Elections Canada and must file separate financial statements with Elections Canada. Accordingly, these financial statements exclude the operations of EDAs.

Revenue recognition

The Green Party of Canada Fund follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the period in which the related expenses are incurred. Unrestricted contributions are recognized as revenue in the same year in which the related tax receipt is issued.

The Government allowance is calculated based on the number of votes the Party received in the most recent general election at an approved rate per valid vote. The allowance is recognized when received or receivable if the amount can be reasonably estimated and collection is reasonably assured. Commencing April 1, 2012 the per year per vote allowance is being gradually reduced by .51 increments until it is completely eliminated in 2015.

Membership revenue is recognized in the period to which it relates.

Contributions and participant fees for conventions and annual general meetings are recognized as revenue when received by the Fund.

Election rebates are recognized in the year of the election expenditure, when the amount is determinable and collection assured. The Party's claim for election rebates is based upon management's interpretation of the applicable regulations in the Canada Elections Act. These amounts are subject to review and acceptance by Elections Canada prior to collection.

All other revenue is recognized when received or receivable, if the amount can be reasonably estimated and if collection is reasonably assured.

Cash and cash equivalents

The Green Party of Canada Fund's policy is to present bank balances under cash and cash equivalents with a maturity period of three months or less from the date of acquisition. Term deposits that cannot be used for current transactions because they are restricted as reserves are also excluded from cash and cash equivalents.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. The Green Party of Canada Fund provides for amortization using the following methods at rates designed to amortize the cost of the capital assets over their estimated useful lives. The annual amortization rates and methods are as follows:

Computer equipment	3 years
Furniture and fixtures	5 years
Computer software	100%

Contributed services

The Green Party of Canada Fund would not be able to carry out its activities without the services of the many volunteers who donate a considerable number of hours. Because of the difficulty of compiling these hours, contributed services are not recognized in the financial statements.

Financial instruments

The Green Party of Canada Fund's financial instruments consist of cash, term deposits, accounts receivable, accounts payable and accrued liabilities. Unless otherwise noted it is management's opinion that the Green Party of Canada Fund is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

Intangible assets

Intangible assets are recorded at cost. Amortization is provided on a straight-line basis over a ten-year period, subject to an impairment test at the end of each year.

Loans and receivables

These financial assets are measured at amortized cost using the effective interest rate method, less any impairment.

Measurement uncertainty

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 reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

3. LOANS RECEIVABLE

Loans receivable represent amounts advanced for by-election and election campaigns, and are interest-free.

GREEN PARTY OF CANADA FUND
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

3. LOANS RECEIVABLE (Cont'd)

	2015	2014
Calgary Centre, due December 31, 2013	\$ -	\$ 17,681
Toronto-Danforth, due December 31, 2012	-	5,649
	<u>\$ -</u>	<u>\$ 23,330</u>

The Toronto-Danforth loan receivable was due at December 31, 2012 and was written off in the current year. The Calgary Centre loan receivable was due at December 31, 2013 and was paid August 27, 2015.

4. CAPITAL ASSETS

	2015			2014	
	Cost	Accumulated amortization	Net book value		
Computer equipment	\$ 131,498	\$ 67,487	\$ 64,011	\$	19,541
Furniture and fixtures	122,008	87,630	34,378		6,561
Computer software	77,405	77,405	-		-
	<u>\$ 330,911</u>	<u>\$ 232,522</u>	<u>\$ 98,389</u>	<u>\$</u>	<u>26,102</u>

5. INTANGIBLE ASSETS

	2015			2014	
	Cost	Accumulated amortization	Net book value		
Rights to G4G logo	\$ 6,000	\$ 6,000	\$ -	\$	-

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2015	2014
Accounts payable and accrued liabilities	\$ 256,776	\$ 236,791
Amount payable in respect of government remittances	5,969	6,161
Deregistered riding account funds	31,668	72,583
	<u>\$ 294,413</u>	<u>\$ 315,535</u>

GREEN PARTY OF CANADA FUND
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

7. LONG-TERM DEBT

	2015	2014
Bank loan, interest payable monthly at prime plus 1.5% per annum, secured by a general security agreement against the assets of the Fund, maturing October 19, 2016.	\$ 1,250,000	\$ -
Unsecured private loan, simple interest calculated at 5.00% per annum, secured by a general security agreement, originally maturing December 31, 2015; paid in full on January 21, 2016.	130,000	130,000
Unsecured private loan, simple interest calculated at 5% monthly, secured by a general security agreement, one-half of the balance due upon receipt of central party election expenditure reimbursement from Elections Canada, and the balance remaining to be paid in four equal instalments, maturing in April 2017	100,000	100,000
Unsecured private loan, simple interest calculated at 5% monthly, one-half of the balance due upon receipt of central party election expenditure reimbursement from Elections Canada, and the balance remaining to be paid in four equal instalments, maturing in April 2017	50,000	50,000
Unsecured private loan, simple interest calculated at 5% monthly, one-half of the balance due upon receipt of central party election expenditure reimbursement from Elections Canada, and the balance remaining to be paid in four equal instalments, maturing in April 2017	50,000	50,000
Unsecured private loan, simple interest calculated at 5% monthly, one-half of the balance due upon receipt of central party election expenditure reimbursement from Elections Canada, and the balance remaining to be paid in four equal instalments, maturing in April 2017	40,000	40,000
Unsecured private loan, simple interest calculated at 5% monthly, one-half of the balance due upon receipt of central party election expenditure reimbursement from Elections Canada, and the balance remaining to be paid in four equal instalments, maturing in April 2017	30,000	30,000
Unsecured private loan, simple interest calculated at 5% monthly, one-half of the balance due upon receipt of central party election expenditure reimbursement from Elections Canada, and the balance remaining to be paid in four equal instalments, maturing in April 2017	25,000	25,000
Carried forward	\$ 1,675,000	\$ 425,000

GREEN PARTY OF CANADA FUND
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

7. LONG-TERM DEBT (Cont'd)

	2015	2014
Carried forward	\$ 1,675,000	\$ 425,000
Unsecured private loan, simple interest calculated at 5% monthly, one-half of the balance due upon receipt of central party election expenditure reimbursement from Elections Canada, and the balance remaining to be paid in four equal instalments, maturing in April 2017	25,000	25,000
Unsecured private loan, simple interest calculated at 5% monthly, one-half of the balance due upon receipt of central party election expenditure reimbursement from Elections Canada, and the balance remaining to be paid in four equal instalments, maturing in April 2017	20,000	20,000
Unsecured private loan, simple interest calculated at 5% monthly, one-half of the balance due upon receipt of central party election expenditure reimbursement from Elections Canada, and the balance remaining to be paid in four equal instalments, maturing in April 2017	15,000	15,000
Unsecured private loan, simple interest calculated at 5% monthly, one-half of the balance due upon receipt of central party election expenditure reimbursement from Elections Canada, and the balance remaining to be paid in four equal instalments, maturing in April 2017	10,000	10,000
Unsecured private loan, simple interest calculated at 5% monthly, one-half of the balance due upon receipt of central party election expenditure reimbursement from Elections Canada, and the balance remaining to be paid in four equal instalments, maturing in April 2017	5,000	5,000
	1,750,000	500,000
Less current portion	1,657,500	130,000
Due beyond one year	\$ 92,500	\$ 370,000
Estimated principal re-payments are as follows:		
2016	\$ 1,657,500	
2017	92,500	
	\$ 1,750,000	

GREEN PARTY OF CANADA FUND
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

8. COMMITMENTS

The Green Party of Canada Fund is committed under the terms of various operating leases and other agreements with various expiration dates for the rental of premises and equipment. Subsequent to the year-end the Fund re-negotiated their tenancy agreement. The commitment obligations have been updated to reflect these new payment. Annual payments related to these commitments will be as follows:

2016	\$ 38,257
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9. COMPARATIVE FIGURES

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year earnings.

GREEN PARTY OF CANADA FUND
SCHEDULE OF PRE-ELECTION AND ELECTION EXPENSES
For the year ended December 31, 2015

	2015	2014
Advertising - radio and television	\$ 889,322	\$ -
Professional services and sub-contractors	784,039	-
Salaries and wages	732,500	-
National office expenses - By-election	592,876	45,406
Advertising - other	430,739	-
Leader's tour	211,882	-
Election surveys and research (pre-election)	156,890	126,509
Election surveys and research	144,764	-
Travel (other than leader's tour)	99,648	-
	\$ 4,042,660	\$ 171,915