WE CHARITY
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June 2016

Dear Friends,

On behalf of myself, our Canadian Board of Directors and Finance Committee, I thank you for your interest in better understanding the operational and financial structure of the organization. This letter is meant to provide additional information with respect to the Audited Financial Statement of 2015 Fiscal Year.

Transition to WE Charity

Free The Children (now WE Charity) is a proudly Canadian organization with a long history of delivering empowerment programs around the world. As we approached and passed our 20th anniversary, the board looked to the future and felt to realize a global impact it was time to evolve to the WE movement.

This evolution has been 20 years in the making. What started as a group of twelve 12-year olds coming together against child labour in 1995 has grown into a powerful movement of dedicate change makers at home and abroad. We have been able to achieve more than we ever imaged possible. In 2004, we launched Adopt A Village (now called WE Villages), a sustainable development model partnering with communities in eight countries. In 2007, we launched WE Days to celebrate the amazing achievements of the tens of thousands of students tackling important local and global issues. In 2011, we launched WE Schools, an experiential service-learning program now present in over 12,000 schools around the world.

Our evolution to WE has been years in the making. Moving forward Free The Children will be known as WE Charity.

WE Learning Centre

In 2015 we announced another very existing initiative. The WE Learning Center ('WLC'). The WLC will be an international hub for youth empowerment and the site of our new global headquarters. The WLC will help bring service learning resources to 12,000+ schools around the world, ensuring that every student experiences the empowerment and like skill development associated with service learning, while these young change-makers benefit their community and world.

The WE Learning Center was made possible thanks to the generous, targeted commitments of long time supporters of Free The Children and Founding Chairs of WE Day: Hartley Richardson, President & CEO of James Richardson and Sons, and David Aisenstat, President & CEO of the Keg Stakehouse & Bar, along with the general support of the Richardson Family Foundation.

As indicated in the Statement of Financial Position in the Audited Financials and to support the purchase and development of the WE Learning Center, we have taken out a bank loan to cover costs while we work with a small group of additional longtime supporters to secure further funding. It is important to note that as part of the approval of the WE Learning Center by our Board of Directors, a motion was passed to ensure that no restricted funds, donations from schools, youth, students, or the general public go to supporting the project.

We are excited to open the WLC in the summer of 2017.

Our Unique Model:

Free The Children/WE Charity is unique among Canadian charities in that it operates programs both domestically and internationally, in a manner that is intended to be interrelated and mutually reinforcing. Our overarching mandate is to help children and youth fulfill their potential to be agents of change. Typically, most organizations in Canada would serve primarily a domestic or international mandate. We serve both.

In fulfilling its dual mission, we receive distinct funding for both our domestic youth empowerment programming and our international development programming, and invest those funds in the respective programs as designated by our supporters.

Our Board:

Free The Children/WE Charity has a strong Board of Directors which governs and oversees the organization. The role of the Board is, in part, to provide legal and financial oversight of the organization. This role includes, but is not limited to, the approval and review of the annual budget, overseeing and approving independent audits, the ongoing review of our financial wellbeing, and providing independent review and guidance of our domestic and international projects.

The board has worked very hard this year and has been very engaged in both the evolution of the name of the charity and the development of the WE Learning Center. It works to ensure the highest caliber of governance and integrity and that all the necessary systems are in place to ensure sustainable and impactful growth.

Audited Financial Statement:

In the following document you will find the Audited Financial Statements for Free The Children/WE Charity Canada's most current fiscal year. We are posting full financial information to reflect our organization's commitment to transparency and accountability. We are proud that we again have received an unqualified audit report, which means following a comprehensive audit of our financial and accounting systems and

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operations, our auditors have given their full approval of what is represented in the Audited Financial Statements.

I am pleased to say that we maintained our global organizational administration rate under 10%. In Canada we invested over 36.5 million dollars directly into projects and programming impacting the lives of youth locally and globally.

With respect to the Statement of Financial Position, we continue to effectively balance being a lean organization with maintaining long term financial stability. Our partner organization Me to We continues to play an essential role in keeping our administration rate low. Since 2009, Me to We has donated over 10.8 million dollars to Free The Children/WE Charity through cash and in kind donations. In 2015 Me to We donated a total of $857,257 dollars in cash and over $1.5 million in-kind, with the majority targeted to administration costs for the organization.

In 2015, Free The Children/WE Charity received targeted donations a number of corporate partners to purchase goods and services at cost from Me to We. These goods and services had a total cost of $475,826 dollars and included scholarship trips for mostly young people to travel to visit WE Villages projects in Kenya, Ecuador and India.

Our Statement of Operations indicates the charity received 2.3 million dollars more in revenue than it spent as expenditures. These funds will be deployed in the next year to support youth focused programs and is in line with the approach and policies defined by our Board of Directors.

2015 was a good year for Free The Children/WE Charity with the expansion of our programming across Canada. Our Audited Financial Statements reflect the impact and support needed for the expansion of our programming across the country.

I would like to thank our Board of Directors and the Finance Committee for their continued guidance and leadership in ensuring Free The Children/WE Charity remains a trusted and accountable organization.

Sincerely

Scott Baker

Scott Baker
Executive Director
Free The Children/WE Charity

FINANCIAL STATEMENTS

FREE THE CHILDREN

FOR THE YEAR ENDED DECEMBER 31, 2015

Kestenberg • Rabinowicz • Partners LLP
Chartered Accountants

FREE THE CHILDREN

FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

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INDEPENDENT AUDITORS' REPORT

To the Members of
Free The Children
Toronto, Ontario

We have audited the statement of financial position of **Free The Children** 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 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 the ethical requirements and plan and perform the audit to obtain reasonable assurance 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.

Opinion

In our opinion, the 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.

Toronto, Canada
May 3, 2016

Kestenberg • Rabinowicz • Partners LLP

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FREE THE CHILDREN

STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2015

	2015 $	2014 $
ASSETS		
CURRENT		
Cash	2,095,489	2,344,632
Term deposit	250,000	-
Marketable securities	1,197,029	780,443
Accounts receivable (note 4)	2,333,372	3,699,566
Sales taxes recoverable	2,093,739	530,958
Prepaid expenses and other assets	598,614	236,398
	8,568,243	7,591,997
RESTRICTED CASH	-	250,000
PROPERTY AND EQUIPMENT (note 5)	9,220,580	10,076,334
PROPERTY UNDER CONSTRUCTION (WE LEARNING CENTRE) (note 6)	15,988,697	-
	33,777,520	17,918,331
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (note 14)	1,151,080	726,003
Deferred contributions (note 7)	6,194,876	4,003,967
Bank loans (note 8)	8,941,438	-
Mortgages payable - current portion (note 9)	-	337,294
	16,287,394	5,067,264
MORTGAGES PAYABLE (note 9)	2,500,000	201,314
	18,787,394	5,268,578
NET ASSETS		
Net investment in capital assets	11,469,182	10,076,334
Unrestricted	3,520,944	2,573,419
	14,990,126	12,649,753
	33,777,520	17,918,331

Lease commitments (note 11)

ON BEHALF OF THE BOARD:

Member **Member**

See accompanying notes.

FREE THE CHILDREN

STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2015

	Unrestricted $	Net investment in capital assets $ (Note 10)	2015 $	2014 $
NET ASSETS, beginning of year	2,573,419	10,076,334	12,649,753	10,965,010
Excess (deficiency) of revenue over expenditures	2,889,328	(548,955)	2,340,373	1,684,743
Investment in capital assets, net	(1,941,803)	1,941,803	-	-
NET ASSETS, end of year	3,520,944	11,469,182	14,990,126	12,649,753

See accompanying notes.

FREE THE CHILDREN

STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2015

	2015 $	2014 $
REVENUE		
Donations from the public		
- Donations	33,908,858	34,058,500
- Donated goods	2,465,352	3,794,186
Grants		
- Government	1,620,000	1,704,987
- Private	4,386,417	3,135,137
Other income	12,272	194,788
	42,392,899	42,887,598
EXPENDITURES		
Programs (note 12)		
- International projects	15,604,906	17,443,357
- Domestic projects	21,290,630	20,124,572
	36,895,536	37,567,929
Support (note 13)		
- Fundraising	833,433	700,116
- Administration	2,909,868	2,990,387
	3,743,301	3,690,503
	40,638,837	41,258,432
INVESTMENT INCOME AND EXPENSES		
Dividend and interest income	32,985	7,341
Interest on long-term debts	(86,473)	(20,696)
Foreign exchange gain	372,605	37,943
Unrealized gain on marketable securities	267,194	30,989
	586,311	55,577
EXCESS OF REVENUE OVER EXPENDITURES	2,340,373	1,684,743

See accompanying notes.

FREE THE CHILDREN

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2015

	2015 $	2014 $
CASH FLOW FROM (USED BY)		
OPERATING ACTIVITIES		
Excess of revenue over expenditures for year	2,340,373	1,684,743
Adjustments for non-cash items:		
- Unrealized gain on marketable securities	(267,194)	(30,989)
- Amortization	548,955	482,970
	2,622,134	2,136,724
Changes in non-cash working capital		
- Marketable securities	(149,392)	(110,824)
- Accounts receivable	1,366,194	(2,236,081)
- Sales taxes recoverable	(1,562,781)	(132,592)
- Prepaid expenses and other assets	(362,216)	35,410
- Accounts payable and accrued liabilities	425,077	(246,956)
- Deferred contributions	2,190,909	1,698,878
	4,529,925	1,144,559
INVESTING ACTIVITIES		
Property and equipment additions (net)	306,799	(503,820)
Property under construction (WE Learning Centre)	(15,988,697)	-
Restricted cash	250,000	-
Term deposit	(250,000)	-
	(15,681,898)	(503,820)
FINANCING ACTIVITIES		
Bank loans	8,941,438	-
Mortgage payable	1,961,392	(327,697)
	10,902,830	(327,697)
INCREASE (DECREASE) IN CASH	(249,143)	313,042
CASH, BEGINNING OF YEAR	2,344,632	2,031,590
CASH, END OF YEAR	2,095,489	2,344,632

See accompanying notes.

1/ PURPOSE OF ORGANIZATION

Free The Children is an organization which is committed to creating a network of children helping children through representation, leadership and action, and dedicated to reducing poverty and the exploitation of children around the world.

The organization is incorporated under the provision of Part II of the Canada Corporations Act as a non-profit corporation without share capital. It is a registered charity under the Income Tax Act, and as a result, the organization is exempt from income taxation under Section 149 of the Income Tax Act.

2/ BASIS OF ACCOUNTING

The financial statements are prepared in accordance with the accounting principles and standards set out in Part III of the CPA Canada Handbook - Accounting, Canadian Accounting Standards for Not-for-Profit Organizations (ASNPO).

3/ SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition

The organization follows the deferral method of accounting for contributions, which are mainly comprised of general donations, donated goods, and government and private grants. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

Program expenditures

Program expenditures are incurred on international projects, domestic projects and on leadership education and public awareness initiatives. They are recognized as expenditures when the funds are disbursed by the organization.

3/ SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributed goods and services

Contributions of goods are recognized when a fair value can be reasonably estimated and when the goods are used in the normal course of the organization’s operation and would otherwise have been purchased. While the organization also benefits from volunteer time, due to the difficulty in determining its fair value, the value of this volunteer time has not been reflected in these statements.

Marketable securities

The organization's investments in marketable securities are recorded at fair value based on the quoted price in the active market. Investment income is recorded on the accrual basis and recognized in the statement of operations of the current period. It includes interest income, dividends, net gain or loss on sale of investments and change in unrealized gains and losses on investments.

Property and equipment

Property and equipment are stated at cost less accumulated amortization and are amortized over their estimated useful lives at the following rates and methods:

Buildings	-	4% Declining balance
Computer equipment	-	50% Straight line
Furniture and fixtures	-	20% Declining balance
Leasehold improvements	-	20% Straight line
Vehicles	-	30% Declining balance

Property under construction

Property under construction are stated at cost. Cost includes carrying costs, construction costs, realty taxes and general and administrative expenses incurred in connection with the acquisition and construction of the property.

Impairment of long-lived assets

The organization reviews property and equipment for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value.

Translation of foreign currencies

Transactions denominated in foreign currencies are translated into Canadian dollars at exchange rates prevailing at the transaction date. Monetary assets and liabilities, which are denominated in foreign currencies, are translated into Canadian dollars at the year end exchange rates. Exchange gains and losses are taken into income in the current year.

3/ SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Allocation of expenses

Expenses are recorded and reported by programs and support services. Certain officers and employees perform a combination of programs, fundraising and administrative activities; as a result, salaries are allocated based on time dedicated to each activity. Other operating and general costs, such as postage, printing and copying costs have been allocated based on the actual utilization of such expenses. Allocations are reviewed annually, updated and applied on a prospective basis.

Measurement of uncertainty

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenditures during the reported year. Such estimates include the useful lives of property and equipment, allowance for bad debts, accounts payable and accrued liabilities, deferred contributions, and allocation of expenses. These estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Financial instruments

Measurement

The organization initially measures its financial assets and liabilities at fair value and subsequently measures all its financial assets and liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net results.

Financial assets measured at amortized cost include cash, term deposit and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, bank loans and mortgages payable.

The organization's financial assets measured at fair value include investments in marketable securities.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of such. The amount of write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of a recovery in value, directly or by adjusting the allowance account. The amount of the reversal is recognized in net results.

4/ ACCOUNTS RECEIVABLE

Accounts receivable are donations receivable from various major corporate donors. As all amounts are considered collectible, no allowance has been provided.

5/ PROPERTY AND EQUIPMENT

	Cost	Accumulated Amortization	Net Book Value 2015	Net Book Value 2014
	$	$	$	$
Land	3,050,000	-	3,050,000	3,250,000
Buildings	7,278,274	1,575,126	5,703,148	6,188,875
Computer equipment	432,332	267,148	165,184	244,706
Furniture and fixtures				
- Office	491,128	366,161	124,967	156,209
- Residential buildings	38,835	34,216	4,619	5,774
Leasehold improvements	272,101	116,206	155,895	206,816
Vehicles	189,178	172,411	16,767	23,954
	11,751,848	2,531,268	9,220,580	10,076,334

6/ PROPERTY UNDER CONSTRUCTION (WE LEARNING CENTRE)

The property under construction relates to a future office of the organization referred to as the "WE Learning Centre". The construction is expected to be completed in June 2017.

	2015	2014
	$	$
339-345 Queen Street East, Toronto, Ontario	15,988,697	-

7/ DEFERRED CONTRIBUTIONS

Deferred contributions are comprised of the following:

a/ Amounts restricted for the funding of expenses to be incurred in the future. The continuity is as follows:

	2015 $	2014 $
Balance - beginning of year	4,003,967	2,305,089
Restricted contributions received during the year	37,982,495	38,679,521
	41,986,462	40,984,610
Less: amount recognized as revenue during the year	38,291,586	36,980,643
	3,694,876	4,003,967

b/ Amounts restricted for purchase of property and construction of the WE Learning Centre (Note 6):

	2015 $	2014 $
Balance - beginning of year	-	-
Restricted contributions received during the year	2,500,000	-
	2,500,000	-
Total	6,194,876	4,003,967

8/ BANK LOANS

	2015 $	2014 $
Facility #2 - WE Learning Centre *	3,680,000	-
Facility #3 **	201,343	-
Facility #5 - WE Learning Centre ***	5,060,095	-
Current portion of bank loans	8,941,438	-

* Revolving demand facility with a maximum credit limit of $5,000,000 bearing interest at prime plus 0.75% per annum.

** Fixed rate term loan bears interest at 2.89% per annum and is repayable in monthly blended payments of $29,033 until maturity in July, 2016.

*** Demand loan bearing interest at 2.45% per annum, and payable in monthly blended payment of $28,364. During the year, facility #4 was cancelled and replaced by facility #5.

In addition to the facilities described above, the organization has available facility #1, a revolving demand facility with a maximum credit limit of $2,000,000 bearing interest at 0.75% per annum from the same commercial bank. As at December 31, 2015, there are total borrowings of NIL (2014 - NIL)under the facility.

The facilities described above are secured by the following:

a/ General security agreement constituting a first ranking security interest in all personal property of the organization;

b/ Collateral mortgages constituting a first fixed charge on the lands and improvements of four properties located in Toronto, Ontario, totalling $3,888,000; the carrying cost of these properties amounted to $5,829,502 as at December 31, 2015;

c/ Collateral mortgage in the amount of $9,450,000 constituting a second fixed charge on the lands and improvements located at 339 - 345 Queen Street East, Toronto, Ontario subject to a vendor's first charge in the amount of $2,500,000 (Note 9), the carrying cost of the property amounted to $15,988,697 as at December 31, 2015.

9/ MORTGAGE PAYABLE

	2015 $	2014 $
Mortgage payable*	-	538,607
Vendor take-back mortgage payable** (WE Learning Centre)	2,500,000	-
Less: Current portion	-	337,294
	2,500,000	201,313

Future principal repayment obligations are as follows:

	$
Year ending December 31, 2016	-
Year ending December 31, 2017	2,500,000
	2,500,000

* The mortgage with a major commercial bank bears interest at 2.89% per annum and is repayable in monthly blended payments of $29,033 until maturity in July, 2016. During the year the mortgage was converted to bank loan #3 (Note 8).

** Vendor take-back mortgage bears interest at 3.50% per annum with interest only monthly payments. The principal is repayable in full in the earlier of the commencement of the business operations from the building at 339-345 Queen Street East, Toronto, Ontario and September 9, 2017. It is secured by the land and building at 339-345 Queen Street East, Toronto, Ontario, which have a carrying cost of $15,988,697.

10/ NET ASSETS

The segregated balance of investment in capital assets represents the amortized cost of property and equipment, net of deferred contributions for capital assets.

11/ LEASE COMMITMENTS

The organization leases office space at several locations in Canada. Aggregate minimum rent payments per annum in the next four years are as follows:

	$
2016	145,260
2017	148,148
2018	114,504
2019	97,200
	505,112

12/ PROGRAM EXPENDITURES

	2015 $	2014 $
International projects		
Asia	1,350,237	2,077,521
Africa	6,985,018	7,240,442
Latin America	7,269,651	8,125,394
	15,604,906	17,443,357
Domestic projects		
Program direct expenditures	16,118,401	14,485,190
Office expenses	929,344	1,170,540
Payroll	3,358,122	3,307,228
Travel	884,763	1,161,614
	21,290,630	20,124,572

The international project expenditures are comprised of travel, payroll, office expenses and other expenses attributed to projects and directly related to their respective regions.

13/ SUPPORT EXPENDITURES

	2015 $	2014 $
Fundraising		
Office	11,259	13,870
Events	143,987	95,660
Wages and benefits	678,187	590,586
	833,433	700,116
Administration		
Office	1,164,208	866,768
Training	18,407	122,844
Wages and benefits	1,369,795	1,259,361
Consulting and other professional fees	287,335	191,125
Travel and transportation	28,976	67,319
Amortization	548,955	482,970
	3,417,676	2,990,387
Less: Gain on disposal of property	(507,808)	-
	2,909,868	2,990,387

14/ RELATED PARTY TRANSACTIONS

a/ The co-founders of the organization have a controlling interest in Me to We Social Enterprises Inc. and its subsidiaries ("Me to We") through a holding company. A history of transactions with the group of companies can be summarized as follows:

	December 31, 2015 $ (12 Months)	December 31, 2014 $ (12 Months)	December 31, 2013 $ (9 Months)	March 31, 2013 $ (12 Months)	April 1, 2010 to March 31, 2012 $ (24 Months)	Total $
Rental revenue	20,160	30,240	22,680	30,240	60,480	163,800
Donations received	837,097	1,239,276	535,873	673,644	608,854	3,894,744
	857,257	1,269,516	558,553	703,884	669,334	4,058,544
Purchase of promotional goods and services	475,826	1,680,908	163,738	403,633	207,258	2,931,363

b/ The purpose of the Me to We group is to help support the operation of Free the Children. The organization purchases books, educational materials, promotional clothing and travel services from Me to We. These items are charged at or below cost as agreed upon between the two parties. Annually, Me to We donates back 50% of any profits and retains 50% to provide for its own sustainability. Included in accounts payable and accrued liabilities is a $49,683 balance owing to Me to We.

15/ FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has risk management framework to monitor, evaluate, and manage those risks. The following analysis provides information about the organization's risk exposure and concentration as at December 31, 2015:

a/ Credit risk

Credit risk arises from the potential that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The organization's accounts receivable represent donations pledged by major corporate donors. These receivables bear minimal credit risk based on past experience. To manage its credit risk from cash, the organization maintains its accounts with creditworthy financial institutions.

b/ Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The organization is exposed to the currency exchange risk on cash and investments held in U.S. dollars. As at December 31, 2015, the organization had a bank balance of $488,807 and marketable securities of $571,171 in U.S. dollars. The organization does not use derivative instruments to reduce its exposure to foreign currency risk.

c/ Liquidity risk

Liquidity risk is the risk the organization may not be able to meet its obligations. The organization has a comprehensive plan in place to meet its obligations as they become due, primarily from cash flow from operations.

d/ Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the company manages exposure through its normal operating and financing activities. The organization is exposed to interest rate risk primarily through its floating interest rate bank credit facilities.

16/ ALLOCATION OF EXPENSES

During the period, total administration expenses of $1,356,374 (2014 - $1,181,172) relating to project and fundraising activities were identified and allocated as follows:

	2015 $	2014 $
Fundraising	678,187	590,586
Projects	678,187	590,586
	1,356,374	1,181,172

17/ COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year's financial statement presentation.