

Schedule of Expenditures

**COMPUTE ONTARIO / CALCUL  
ONTARIO**

MINISTRY OF RESEARCH AND INNOVATION FUNDING

For the period ending March 31, 2016



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## **INDEPENDENT AUDITORS' REPORT**

To the Management of Compute Ontario / Calcul Ontario and the Ministry of Research and Innovation

We have audited the accompanying schedule of expenditures of Ministry of Research and Innovation funding of Compute Ontario / Calcul Ontario and notes comprising significant accounting policies and other explanatory information for the period from April 1, 2015 to March 31, 2016 (the "Schedule"). This Schedule has been prepared by management based on the financial reporting provisions in Section F of the agreement dated April 1, 2015 between Compute Ontario / Calcul Ontario and The Ministry of Research and Innovation (the "Agreement").

### *Management's Responsibility for the Schedule*

Management is responsible for the preparation of the Schedule in accordance with the financial reporting provisions in the Agreement, and for such internal control as management determines is necessary to enable the preparation of the Schedule that is free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on the Schedule 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 Schedule is free from material misstatement.

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

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 information in the Schedule is prepared, in all material respects, in accordance with the financial reporting provisions in the Agreement.

*Basis of Accounting*

Without modifying our opinion, we draw attention to note 2 to the Schedule, which describes the basis of accounting. The Schedule is prepared to provide information to The Ministry of Research and Innovation. As a result, the Schedule may not be suitable for another purpose.

*Restriction on Use*

Our report is intended solely for the Management of Compute Ontario / Calcul Ontario and The Ministry of Research and Innovation and should not be used by parties other than Compute Ontario / Calcul Ontario and The Ministry of Research and Innovation.

*KPMG LLP*

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Chartered Professional Accountants, Licensed Public Accountants

July 4, 2016

London, Canada

## COMPUTE ONTARIO / CALCUL ONTARIO

### Schedule of Expenditures

For the period from April 1, 2015 to March 31, 2016

|  | Total             |
|--|-------------------|
| Expenditures:                          |                   |
| Salaries, wages and benefits           | \$ 241,155        |
| Board and corporate secretary          | 72,240            |
| Conferences, meetings and events       | 14,912            |
| Special studies                        | 58,228            |
| Professional services                  | 37,456            |
| Legal, human resources and procurement | 12,639            |
| Accounting                             | 10,000            |
| Insurance                              | 3,078             |
| Audit                                  | 4,262             |
| Information technology                 | 542               |
| Office and administration              | 1,833             |
| <b>Total expenditures</b>              | <b>\$ 456,345</b> |

See accompanying notes to schedule of expenditures.

# COMPUTE ONTARIO / CALCUL ONTARIO

Notes to Schedule of Expenditures

For the period from April 1, 2015 to March 31, 2016

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## **1. Project Description:**

Compute Ontario / Calcul Ontario signed an agreement dated April 1, 2015 with The Ministry of Research and Innovation for the operating costs of Compute Ontario (the "Project").

Under the agreement, The Ministry of Research and Innovation will provide a maximum of \$8,500,000 cash contribution to the Project for the project period, which ends on March 31, 2021. The project objective is to explore the merits of developing a high performance computing and big data strategy for the province.

This Schedule presents Compute Ontario / Calcul Ontario's portion of eligible expenditures incurred for this Project during the reporting period.

## **2. Basis of accounting:**

This Schedule is prepared in accordance with the financial reporting provisions in Section F of the Agreement dated April 1, 2015 between Compute Ontario / Calcul Ontario and The Ministry of Research and Innovation.

## **3. Significant accounting policy:**

Expenditures:

Expenditures are eligible under the Project if they were incurred in the period of the Project and are directly related to the completion of the Project.