

Management's Responsibility for the Consolidated Financial Statements

The consolidated financial statements and all other information presented in this Annual Report are the responsibility of management and have been reviewed and approved by the Board of Directors of the Corporation. These consolidated financial statements, which include amounts based on management's best estimates as determined through experience and judgment, have been properly prepared within reasonable limits of materiality and are in accordance with International Financial Reporting Standards.

Management of the Corporation maintains books of account, records, financial and management controls, and information systems, which are designed to provide reliable and accurate financial information on a timely basis. The controls provide reasonable assurance that assets are safeguarded, that resources are managed economically and efficiently in the attainment of corporate objectives, that the operations of the Corporation are carried out effectively, and that transactions are in accordance with the applicable provisions of Part X of the *Financial Administration Act* and regulations, Part III of the *Broadcasting Act* and the by-laws of the Corporation.

The Corporation's Internal Auditor has the responsibility for assessing the Corporation's systems, procedures and practices. The Auditor General of Canada conducts an independent audit of the annual consolidated financial statements and reports on his audit to the Minister of Canadian Heritage and Official Languages.

The Board of Directors' Audit Committee, which consists of five members, none of whom is an officer of the Corporation, reviews and advises the Board on the consolidated financial statements and the Auditor General's report thereto. The Audit Committee oversees the activities of Internal Audit and meets with management, the internal auditor and the Auditor General on a regular basis to discuss the financial reporting process, as well as auditing, accounting and reporting issues.



Hubert T. Lacroix,
President and Chief Executive Officer



Judith Purves,
Vice-President and Chief Financial Officer

Ottawa, Canada
June 23, 2015



INDEPENDENT AUDITOR'S REPORT

To the Minister of Canadian Heritage and Official Languages

Report on the Consolidated Financial Statements

I have audited the accompanying consolidated financial statements of the Canadian Broadcasting Corporation, which comprise the consolidated statement of financial position as at 31 March 2015, and the consolidated statement of income (loss), consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Canadian Broadcasting Corporation as at 31 March 2015, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Report on Other Legal and Regulatory Requirements

As required by the *Financial Administration Act*, I report that, in my opinion, the accounting principles in International Financial Reporting Standards have been applied on a basis consistent with that of the preceding year.

Further, in my opinion, the transactions of the Canadian Broadcasting Corporation and its wholly-owned subsidiary that have come to my notice during my audit of the consolidated financial statements have, in all significant respects, been in accordance with the applicable provisions of Part X of the *Financial Administration Act* and regulations, Part III of the *Broadcasting Act* and the by-laws of the Canadian Broadcasting Corporation and its wholly-owned subsidiary.

Maurice Laplante, CPA, CA
Assistant Auditor General
for the Auditor General of Canada

23 June 2015
Ottawa, Canada

Consolidated Statement of Financial Position

	NOTE	March 31, 2015	March 31, 2014 (Revised - NOTE 3B)	April 1, 2013 (Revised - NOTE 3B)
ASSETS				
Current				
Cash	5	214,884	61,974	51,459
Trade and other receivables	6	151,444	277,020	184,470
Programming	7	170,177	211,728	250,984
Merchandising inventory		274	257	755
Prepaid expenses		26,859	21,134	31,958
Promissory notes receivable	8	2,474	2,308	2,154
Investment in finance lease	9	2,759	2,568	2,387
Derivative financial instruments	25	269	681	629
Assets classified as held for sale	10	1,627	6,890	1,801
		570,767	584,560	526,597
Long-term				
Property and equipment	10	902,752	946,537	997,710
Intangible assets	11	25,324	23,396	17,563
Assets under finance leases	12	20,389	34,083	41,374
Pension plan	16	190,342	25,642	-
Programming	7	140,113	11,986	6,740
Promissory notes receivable	8	43,507	45,961	48,250
Investment in finance lease	9	47,379	50,138	52,706
Deferred charges		17,252	10,032	2,786
Investment in associate	13	-	1,855	3,473
		1,387,058	1,149,630	1,170,602
TOTAL ASSETS		1,957,825	1,734,190	1,697,199
LIABILITIES				
Current				
Accounts payable and accrued liabilities	14	87,534	106,297	96,213
Provisions	15	40,962	32,623	51,296
Pension plans and employee-related liabilities	16	154,876	140,525	135,593
Programming liability	7	15,151	-	-
Bonds payable	17	21,663	21,101	20,578
Obligations under finance leases	18	10,232	11,743	10,906
Notes payable	19	8,319	8,124	7,960
Deferred revenues		30,105	9,423	8,982
Option liability	13	-	1,875	1,875
		368,842	331,711	333,403
Long-term				
Deferred revenues		39,154	18,205	9,039
Pension plans and employee-related liabilities	16	247,245	224,212	343,605
Programming liability	7	33,446	-	-
Bonds payable	17	251,237	264,599	277,008
Obligations under finance leases	18	20,671	33,676	44,447
Notes payable	19	100,513	106,930	113,049
Deferred capital funding	22	520,200	518,272	525,696
		1,212,466	1,165,894	1,312,844
Equity				
Retained earnings		375,976	236,117	50,392
Total equity attributable to the Corporation		375,976	236,117	50,392
Non-controlling interests	13	541	468	560
TOTAL EQUITY		376,517	236,585	50,952
TOTAL LIABILITIES AND EQUITY		1,957,825	1,734,190	1,697,199

Contingencies (NOTE 15) and Commitments (NOTE 27)

The accompanying notes form an integral part of the consolidated financial statements.

APPROVED BY THE
BOARD OF DIRECTORS:


DIRECTOR


DIRECTOR

Consolidated Statement of Income (Loss)

	NOTE	For the year ended March 31	
		2015	2014
REVENUE			
	20		
Advertising		333,420	491,189
Subscriber fees		132,814	133,277
Other income		123,067	134,605
Financing income		10,834	8,759
		600,135	767,830
EXPENSES			
Television, radio and digital services costs		1,622,834	1,762,223
Transmission, distribution and collection		71,758	71,959
Corporate management		9,823	10,741
Payments to private stations		2,386	2,364
Finance costs	21	30,574	30,870
Share of results in associate	13	(15,083)	(4,440)
		1,722,292	1,873,717
Operating loss before Government funding and non-operating items		(1,122,157)	(1,105,887)
GOVERNMENT FUNDING			
	22		
Parliamentary appropriation for operating expenditures		929,284	975,618
Parliamentary appropriation for working capital		4,000	4,000
Amortization of deferred capital funding		102,812	111,280
		1,036,096	1,090,898
Results before non-operating items		(86,061)	(14,989)
NON-OPERATING ITEMS			
Gain on sale of shares	13	33,548	-
Dilution gain	13	-	1,040
Gain (loss) on disposal of property and equipment and intangibles	10, 11	5,122	(4,004)
		38,670	(2,964)
Net results for the year		(47,391)	(17,953)
Net results attributable to:			
The Corporation		(47,598)	(18,087)
Non-controlling interests	13	207	134
		(47,391)	(17,953)

The accompanying notes form an integral part of the consolidated financial statements.

Consolidated Statement of Comprehensive Income

	NOTE	For the year ended March 31	
		2015	2014
COMPREHENSIVE INCOME			
Net results for the year		(47,391)	(17,953)
Other comprehensive income - not subsequently reclassified to net results			
Remeasurements of defined benefit plans	16	187,457	203,812
Total comprehensive income for the year		140,066	185,859
Total comprehensive income attributable to:			
The Corporation		139,859	185,725
Non-controlling interests	13	207	134
		140,066	185,859

The accompanying notes form an integral part of the consolidated financial statements.

Consolidated Statement of Changes in Equity

	NOTE	Retained earnings and total equity attributable to the Corporation	Non-controlling interests	Total
Balance as at March 31, 2014		236,117	468	236,585
Changes in year				
Net results for the year		(47,598)	207	(47,391)
Remeasurements of defined benefit plans	16	187,457	-	187,457
Total comprehensive income for the year		139,859	207	140,066
Distributions to non-controlling interests	13	-	(175)	(175)
Acquisition of non-controlling interest	13	-	41	41
Balance as at March 31, 2015		375,976	541	376,517

		Retained earnings and total equity attributable to the Corporation	Non-controlling interests	Total
Balance as at March 31, 2013		50,392	560	50,952
Changes in year				
Net results for the year		(18,087)	134	(17,953)
Remeasurements of defined benefit plans	16	203,812	-	203,812
Total comprehensive income for the year		185,725	134	185,859
Distributions to non-controlling interests	13	-	(226)	(226)
Balance as at March 31, 2014		236,117	468	236,585

The accompanying notes form an integral part of the consolidated financial statements.

Consolidated Statement of Cash Flows

	NOTE	For the year ended March 31	
		2015	2014 (Revised - NOTE 3B)
CASH FLOWS FROM (USED IN)			
OPERATING ACTIVITIES			
Net results for the year		(47,391)	(17,953)
Adjustments for:			
(Gain) loss on disposal of property and equipment and intangibles	10, 11	(5,122)	4,004
Gain on sale of shares	13	(33,548)	-
Financing income		(10,834)	(8,759)
Finance costs	21	30,574	30,870
Change in fair value of financial instruments designated as at fair value through profit and loss	25	412	(52)
Depreciation of property and equipment	10	110,650	114,443
Amortization of intangible assets	11	6,499	8,560
Depreciation of assets under finance leases	12	8,049	8,384
Share of results in associate	13	(15,083)	(4,440)
Dilution gain	13	-	(1,040)
Change in deferred charges		(7,220)	(7,246)
Change in programming asset [long-term]	7	(126,362)	(5,246)
Change in programming liability [long-term]	7	32,485	-
Amortization of deferred capital funding	22	(102,812)	(111,280)
Change in deferred revenues [long-term]		19,391	822
Change in pension plan asset	16	(164,700)	(25,642)
Change in pension plans and employee-related liabilities [current]	16	(4,727)	2,542
Change in pension plans and employee-related liabilities [long-term]	16	210,489	84,419
Acquisition of non-controlling interests	13	41	-
Accretion of promissory notes receivable	8	(20)	(19)
Movements in working capital	24	215,690	(47,949)
		116,461	24,418
FINANCING ACTIVITIES			
Repayment of obligations under finance leases	18	(14,505)	(11,024)
Repayment of bonds	17	(12,409)	(11,525)
Repayment of notes	19	(6,209)	(5,928)
Distributions to non-controlling interests	13	(175)	(226)
Interest paid		(28,467)	(30,203)
		(61,765)	(58,906)
INVESTING ACTIVITIES			
Parliamentary appropriations for capital funding	22	104,740	103,856
Additions to property and equipment	10	(68,263)	(70,206)
Additions to intangible assets	11	(10,247)	(12,536)
Investment in subsidiary	13	(1,875)	-
Proceeds from disposal of property and equipment	10	9,642	3,439
Proceeds from disposal of shares	13	33,548	-
Collection of promissory notes receivable	8	2,280	2,126
Collection of finance leases receivable	9	2,417	2,253
Dividends received	13	16,938	7,098
Interest received		9,034	8,973
		98,214	45,003
Change in cash		152,910	10,515
Cash, beginning of the year		61,974	51,459
Cash, end of the year		214,884	61,974

The accompanying notes form an integral part of the consolidated financial statements.

Notes to the Consolidated Financial Statements for the Year Ended March 31, 2015

(In thousands of Canadian dollars, unless otherwise noted)

1. GENERAL INFORMATION

As the national public broadcaster, CBC/Radio-Canada (the Corporation) provides radio, television and digital services costs in both official languages, delivering predominantly and distinctly Canadian programming to reflect Canada and its regions to national and regional audiences.

The Corporation is a federal Crown Corporation domiciled in Canada. The address of the Corporation's registered office is 181 Queen Street, Ottawa ON K1P 1K9.

These consolidated financial statements have been authorized for issuance by the Board of Directors on June 23, 2015.

2. SIGNIFICANT ACCOUNTING POLICIES

A. Statement of Compliance

The Corporation has prepared these consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and as adopted by the Accounting Standards Board (AcSB).

B. Basis of Preparation

i. Subsidiaries and Structured Entities

The consolidated financial statements include the accounts of the Corporation, its subsidiaries, ARTV and Documentary Channel (*documentary*), and two structured entities, the Broadcast Centre Trust and the CBC Monetization Trust. These entities are deemed to be controlled by the Corporation.

Control over an entity exists when the following three elements are present: an investor has power over an investee (i.e. the right to direct the relevant activities of the investee); an investor is exposed to or has right to variable returns of the investee; and the investor has the ability to exercise its power over the investee to affect the returns of the investee.

The financial statements of subsidiaries and structured entities are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of the subsidiaries and structured entities are consistent with those of the Corporation.

Non-controlling interests in the equity of the Corporation's subsidiaries are included in Equity. Non-controlling interests in subsidiaries are identified separately from the Corporation's equity therein. The interest of non-controlling shareholders that represent current ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the present ownership interests' proportionate share in the recognized amounts of the acquiree's identifiable net assets.

All components of non-controlling interests have been measured at their acquisition-date fair values, unless another measurement basis is required by IFRS. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity less any distributions made to the non-controlling interest holders. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intra-company transactions, balances, income and expenses are eliminated in full on consolidation.

Changes in the Corporation's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Corporation's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owner of the Corporation.

ii. Associates

An associate is an entity over which the Corporation has significant influence and that is neither a subsidiary nor an interest in a joint arrangement. Significant influence is the power to participate in the financial and operating policy decisions of the investee but does not result in control or joint control over those policies.

The financial results, assets and liabilities of the Corporation's associate, Sirius XM Canada Holdings Inc. (SiriusXM), are incorporated in these consolidated financial statements using the equity method of accounting. Interests in investments accounted for using the equity method are initially recognized at cost. The carrying value of the Corporation's interest in an associate is adjusted for the Corporation's share of income, other comprehensive income and distributions of the associate. The accounting policies of the associate are consistent with those of the Corporation.

When the Corporation's share of losses exceeds its interest in an associate, the carrying amount of that interest, including any long-term investments, is reduced to nil, and the recognition of further losses is discontinued except to the extent that the Corporation has an obligation or has made payments on behalf of the associate.

When the Corporation transacts with an associate of the Corporation, profits and losses are eliminated to the extent of the Corporation's interest in the relevant associate.

Investments in associates are assessed for indicators of impairment at the end of each reporting period. Any impairment loss is recognized when the net carrying amount is not recoverable and exceeds its fair value.

C. Government Funding

The Corporation receives a substantial portion of its funding from the Government of Canada. Parliamentary appropriations for operating expenditures and Parliamentary appropriations for working capital are recognized as revenues in the Consolidated Statement of Income in the fiscal year for which the appropriations were approved.

Parliamentary appropriations for property and equipment and intangible assets that are subject to depreciation are recorded as deferred capital funding on the Consolidated Statement of Financial Position, with income being recognized in the Consolidated Statement of Income on the same basis and over the same periods as the assets acquired using the appropriations.

Parliamentary appropriations for the purchase of land are recorded in the Consolidated Statement of Income.

D. Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable arising from the rendering of services and sale of goods in the ordinary course of the Corporation's activities. Revenue is recorded net of discounts. Revenue includes advertising, subscriber fees, other income and financing income, and is recognized when the amount of revenue can be reliably measured, it is probable that the future economic benefits will flow to the Corporation, and specific criteria have been met for each of the Corporation's activities described below.

i. Advertising revenues

Revenues from the sale of advertising airtime are recognized when the advertisement has been broadcast, the Corporation has no remaining obligations and collectability is reasonably assured.

ii. Subscriber fees

Subscriber fees include revenue related to specialty television channels and other subscription-based sales of programming. Revenue is recognized when the delivery has occurred, or when services have been provided, the Corporation has no remaining obligations, and collectability is reasonably assured.

iii. Other income

Other income includes revenues from the leasing of space, facilities and services; commercial production sales; program sponsorship; retransmission rights; host broadcaster's activities; goods sales; and contributions from the Local Programming Improvement Fund (LPIF). These are recognized when the delivery has occurred or when services have been provided, the Corporation has no remaining obligations, and collectability is reasonably assured.

Rental income from the leasing of space or contracting of facilities and related services is recognized in the Consolidated Statement of Income as other income on a straight-line basis over the term of the lease.

Lease incentives granted are recognized as a part of the rental income over the term of the lease.

Revenue from the sale of other services is recognized when the service has been delivered and the receipt of the income is probable. Where the delivery is over a period of time and an indeterminate number of acts, the revenue is recognized on a straight line basis. Examples of services sold include commercial production sales, program sponsorship and other services revenues.

Retransmission rights and LPIF contributions are recognized on an accrual basis in accordance with the substance of the relevant agreements.

Revenue from the sale of goods is recognized when the risks and rewards of ownership of the goods have been passed to the customer and the Corporation has released all managerial involvement surrounding the goods.

iv. Financing Income

Financing income includes interest revenue from bank accounts, notes receivable and on the investment in finance lease. Interest revenue from notes receivable and the investment in finance lease is recognized using the effective interest method, whereas bank interest is recognized as it is earned.

E. Deferred Revenues

Deferred revenues are revenues received in advanced for facilities and production services not yet provided. Deferred revenues also relate to rent-free periods granted on leases where the Corporation is a lessee, as well as payments received for services not yet rendered. Deferred revenues are recognized in the Consolidated Statement of Income on a straight-line basis over the terms of the agreements.

F. Television, Radio and Digital Services Costs

Television, radio and digital services costs include all costs related to the production of programs, including direct out-of-pocket expenditures, departmental and administration expenses, the cost of activities related to technical labour and facilities. A portion of the expenses that are attributable to the cost of generating programming, such as services provided by Human Resources, Finance and Administration, Building Management and other shared services, as well as a portion of depreciation and amortization are also included in the related expenses. Television, radio and digital services costs also include programming-related activities, such as Marketing and Sales, Merchandising and Communications.

G. Transmission, Distribution and Collection Costs

Transmission, distribution and collection costs include all costs related to the broadcasting of the Corporation's programs, including direct out-of-pocket expenditures, departmental and administration expenses, and the cost of activities related to technical labour. A portion of the expenses that are attributable to the cost of transmission and distribution, such as services provided by Human Resources, Finance and Administration, Building Management and other Shared Services, as well as a portion of depreciation and amortization are included in the related expenses.

H. Finance costs

Finance costs comprise the interest attributable to bonds payable, obligations under finance leases, notes payable and the accretion of liabilities. Finance costs are recognized in the Consolidated Statement of Income in the period in which they are incurred using the effective interest method.

I. Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. For financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs. The Corporation's fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value.

The three levels of the fair value hierarchy are:

Level 1 – Fair value measurement derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Fair value measurements derived from inputs that are directly (i.e. as prices) or indirectly (i.e. derived from prices) observable other than Level 1 inputs.

Level 3 – Fair value measurements derived from valuation techniques that require inputs which are both based on unobservable market data and significant to the overall fair value measurement.

J. Programming

Programming consists of internally produced television programs, externally produced television programs that require the Corporation's involvement during the production, and acquired licence agreements for programming material.

Programming completed and in the process of production (excluding acquired licence agreements) is recorded at cost less accumulated amortization and accumulated write offs, on an individual basis. Costs include materials and services, labour and other direct expenses applicable to programming.

Payments made under the terms of each acquired licence agreement are recorded as either current or non-current programming. Licence agreements are recorded as current programming if the rights to broadcast start within the next twelve months and as non-current programming if the right to broadcast starts beyond twelve months. Non-current programming rights are transferred to current programming once they are expected to be broadcast within the next twelve months.

Programming costs are recognized in television, radio and digital services costs on the Consolidated Statement of Income, according to the expense recognition schedule described in this section, or when deemed unusable, or when sold.

The amortization of programming costs is subject to the following expense recognition schedule, which is based on past broadcast experiences, audience results and future telecast plans.

Costs of programs that are not considered to be recoverable are written off and recorded in the Consolidated Statement of Income as television, radio and digital services costs.

For programs with multiple telecasts, management uses the following recognition basis:

Category	Description	Expense recognition schedule by telecast
Movies	All movie genres	CBC: 50% / 30% / 20% RC: 45% / 20% / 20% / 15%
Series	Includes: Dramatic series, comedy series and animated programs (excluding strips ¹)	Dramatic series: CBC: 70% / 20% / 10% RC: 85% / 15% All other series: 70% / 30%
Factual	Factual, informal education and game shows (excluding strips ¹)	70% / 30%
Documentaries	Includes all type of documentaries	CBC: 50% / 30% / 20% RC: 100%
Arts, Music and Variety	Includes: Arts, music and variety programs and sketch comedy programs (excluding strips ¹)	70% / 30%
Youth	Youth and children drama programs Other youth programs Children - animated and pre-school programs	70% / 30% 34% / 33% / 33% Evenly over each telecast up to a maximum of 5 telecasts
Programs telecast as strips ¹	With the intent to strip from 1st run	Evenly over each telecast up to a maximum of 5 telecasts
Programs telecast as strips ¹	With the intent to strip after 2nd run	50% / 30% / 20%

¹Method of broadcasting consecutive episodes.

During the 2014-2015 fiscal year, the Corporation made a change in the expense recognition schedule for the movies and documentaries programming categories. For French Services, the recognition schedule for movies has been revised to 45% / 20% / 20% / 15% (2014 - 50% / 30% / 20%). For English Services, the recognition schedule for documentaries has been revised to 50% / 30% / 20% (2014 - 70% / 30%). This change in estimate was determined through an analysis of the categories' broadcast experience, audience results and management's intention for future telecasts. The total impact of this change resulted in an increase in current programming assets of \$3.9 million as at March 31, 2015 and a corresponding decrease in expenses recognized in the statement of income for the year ended March 31, 2015. Due to the nature of programming assets and fluctuations in the programming schedule, it is impracticable to estimate the effect of this change on future periods.

K. Property and Equipment and Assets Under Finance Lease

Property and equipment and assets under finance lease are recorded at cost less accumulated depreciation. Cost includes expenditures that are directly attributable to the acquisition of the items. The cost of assets constructed by the Corporation includes material, direct labour and related overhead. Amounts included in uncompleted capital projects are transferred to the appropriate property and equipment classification upon completion.

Depreciation of property and equipment is calculated on the straight-line method using rates based on the estimated useful life of the property and equipment, and begins when an asset becomes available for its intended use. Where major parts of an asset have useful lives different from the asset as a whole, they have been componentized and depreciated according to the major components to which they pertain. The cost of replacing a part of an item of property and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Corporation and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. Items of property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Assets under finance lease are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the related lease unless it is reasonably certain the Corporation will obtain ownership by the end of the lease term. Assets under finance lease are treated in the same manner as owned assets.

Leasehold improvements are capitalized and then depreciated over the shorter of the lease term or the asset's useful life.

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

The useful lives used in the calculation of depreciation are as follows:

Buildings	15 to 65 years
Technical equipment	
Transmitters and towers	20 years
Electrical equipment	16 years
Other	8 years
Furnishings and office equipment	10 years
Computers (hardware)	
Servers	5 years
Microcomputers	3 years
Automotive	
Specialized vehicles	20 years
Television and radio news trucks, 5-ton and 10-ton heavy trucks	12 years
Snowmobiles, all-terrain vehicles	10 years
Utility vehicles, vans	8 years
Automobiles and minivans	5 years

The Corporation derecognizes an item of property and equipment on disposal, or when no future economic benefits are expected from its use. The gain or loss arising from the disposal or retirement of an item of property and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset, and is recognized as a non-operating item in the Consolidated Statement of Income.

L. Intangible Assets

The Corporation's intangible assets comprise software acquired separately and internally developed software for internal use.

Software acquired separately is recorded at cost at the acquisition date.

Expenditures relating to internally developed computer software applications are capitalized to the extent that the project is technically feasible, the Corporation intends to and has sufficient resources to complete development and to use or sell the asset, development costs can be measured reliably, and it is probable that the asset will generate future economic benefits. The amount initially recognized for internally developed software is the total of the expenditure incurred from the date the intangible asset first meets the recognition criteria listed above. Capitalization ceases when the developed asset is ready for use.

Subsequent expenditures on an intangible asset after its purchase or completion are recognized as expenses when incurred, unless it is probable that these expenditures will enable the asset to generate future economic benefits in excess of its originally assessed standard of performance, and the expenditure can be measured and attributed to the asset reliably. Where no internally developed software can be recognized, development expenditures are recognized in the Consolidated Statement of Income in the period in which they are incurred.

Subsequent to initial recognition, software acquired separately and internally developed software are reported at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over the estimated useful lives (three to five years) and the amortization expense is allocated between the various functions on the Consolidated Statement of Income, for presentation purposes. The estimated useful life and amortization method are reviewed at the end of each fiscal year, with the effect of any changes in estimate being accounted for on a prospective basis.

The Corporation derecognizes an intangible asset on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the disposal or retirement of an intangible asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized as a non-operating item in the Consolidated Statement of Income.

M. Asset Impairment

The carrying amounts of the Corporation's property and equipment, intangible assets, assets under finance lease and programming assets are reviewed at each reporting date at the cash-generating unit ("CGU") level to determine whether there is any indication of impairment. For the purpose of impairment testing, a CGU is the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets. Assets are tested at the CGU level when they cannot be tested individually.

Assets that are not yet available for use are tested for impairment at every reporting period regardless of whether an impairment indicator exists.

Under the Corporation's business model, no assets are considered to generate cash flows that are largely independent of the cash flows of other assets and liabilities. Instead, all assets interact to create the "broadcast network production operation" which includes real estate, equipment and intangible assets. These operations are funded by overall parliamentary appropriations, national and local advertising and other commercial revenues. Overall levels of cash flow reflect public policy requirements and decisions. They reflect budgetary funding provided to the Corporation in its entirety. If there are indicators of impairment present, the asset's recoverable amount is estimated. An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount.

N. Financial Instruments

Financial assets and financial liabilities are recognized when the Corporation becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss (FVTPL) are recognized immediately in profit or loss.

i. Classification of Financial Instruments

The Corporation's financial assets and financial liabilities are classified and measured as follows:

Asset/Liability	Classification	Measurement
Cash	FVPTL	Fair value
Trade and other receivables	Loans and receivables	Amortized cost
Promissory notes receivable	Loans and receivables	Amortized cost
Accounts payable and accrued liabilities	Other liabilities	Amortized cost
Bonds payable	Other liabilities	Amortized cost
Notes payable	Other liabilities	Amortized cost
Derivatives	Held for trading	Fair value

ii. Effective Interest Method

The effective interest method is a method of calculating the amortized cost of an asset or debt instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the asset or debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income and expense is recognized on an effective interest basis only for financial instruments measured at amortized cost, except for short-term receivables when the recognition of interest would be immaterial.

iii. Financial Assets

Financial assets of the Corporation are classified into the following specified categories: financial assets at FVTPL (including held for trading) and "loans and receivables". The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial asset is either held for trading or it is designated as FVTPL.

A financial asset is classified as held for trading if:

- ▶ it has been acquired principally for the purpose of selling it in the near term; or
- ▶ initial recognition it is part of a portfolio of identified financial instruments that the Corporation manages together and has a recent actual pattern of short-term profit-taking; or
- ▶ it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- ▶ such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- ▶ the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Corporation's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- ▶ it forms part of a contract containing one or more embedded derivatives.

Financial assets at FVTPL are stated at fair value, with any changes in fair value arising on remeasurement recognized in "Other income" in the Consolidated Statement of Income. The net gain or loss recognized in profit or loss incorporates any interest earned on the financial asset.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are measured at amortized cost using the effective interest method, less any impairment.

The Corporation does not hold any investments classified as held-to-maturity or available-for-sale.

Impairment of Financial Assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial asset have been affected.

For financial assets, objective evidence of impairment could include:

- ▶ breach of contract, such as a default or delinquency in interest or principal payments;
- ▶ significant financial difficulty of the issuer or counterparty;
- ▶ it becomes probable that the counterparty will enter bankruptcy;
- ▶ there are noted recent changes in the credit rating of the counterparty;
- ▶ there are known anomalies or negative economic trends in industries in which a significant portion of outstanding debtors operate.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a group of receivables could include the Corporation's past experience of collecting payments, an increase in the number of delayed payments past the average credit terms as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortized cost, the amount of the impairment loss recognized is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

For financial assets measured at amortized cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the financial asset at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Derecognition of Financial Assets

The Corporation derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Corporation neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Corporation recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Corporation retains substantially all the risks and rewards of ownership of a transferred financial asset, the Corporation continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss.

iv. Financial Liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or "other financial liabilities".

Financial Liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognized in "Other income" or "Finance costs," respectively, in the Consolidated Statement of Income. The net gain or loss recognized in profit or loss incorporates any interest paid on the financial liability.

Other Financial Liabilities

Other financial liabilities (including borrowings) are subsequently measured at amortized cost using the effective interest method.

Derecognition of financial liabilities

The Corporation derecognizes financial liabilities when, and only when, the Corporation's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

v. Derivative Financial Instruments

The Corporation enters into foreign exchange forward contracts to manage its exposure to foreign exchange rate risks. The Corporation does not apply hedge accounting to its derivatives.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting unrealized gain or loss is recognized in Consolidated Statement of Income immediately.

The fair values of derivative financial instruments are presented in the Consolidated Statement of Financial Position; the positive fair values are reported as derivative financial assets and the negative fair values are reported as derivative financial liabilities.

vi. Embedded Derivatives

Derivatives embedded in non-derivative host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and the host contracts are not measured at FVTPL.

O. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities are recognized initially at fair value and subsequently measured at amortized cost.

P. Provisions

Provisions are recognized when the Corporation has a present obligation (legal or constructive) as a result of a past event, it is probable that the Corporation will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Corporation from a contract are lower than the unavoidable costs of meeting its obligations under the contract. The provision is measured at the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Corporation recognizes any impairment loss on the assets associated with that contract.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Q. Contingencies

Contingent liabilities are not recognized in the Consolidated Statement of Financial Position. They may arise from uncertainty as to the existence of a liability, or represent an existing liability in respect of which settlement is not probable or, in rare cases, the amount cannot be reliably measured. A liability is recognized when its existence is confirmed by a future event, settlement becomes probable or reliable measurement becomes possible.

R. Post-Employment Benefits

The Corporation provides pension and long-term service retirement benefits based on the length of service and final average earnings of its employees, and other defined benefit post-employment benefit plans to its employees such as post-employment life insurance.

The cost of the defined benefit retirement plans are determined on an actuarial basis using the projected unit credit method and management's best assumptions (such as the rate of compensation, inflation, retirement ages of employees and mortality of members), with actuarial valuations being carried out at the end of each annual reporting period.

The components of defined benefit costs are categorized as follows:

- ▶ service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- ▶ net interest expense or income;
- ▶ remeasurements.

Service cost and net interest expense or income are recognized as part of net results for the period. Past service costs, generally resulting from changes in the benefits payable for past services under an existing plan, are recognized in the Consolidated Statement of Income in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. These components, in aggregate, are allocated between the various functions on the Consolidated Statement of Income.

Remeasurements, comprising actuarial gains and losses, the effect of changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), are reflected immediately in the Consolidated Statement of Financial Position with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurements recognized in other comprehensive income are never subsequently reclassified to net results. The Corporation transfers all remeasurements directly from other comprehensive income to retained earnings as a policy choice.

The liability recognized in the Consolidated Statement of Financial Position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rate determined by reference to market yields at the end of the reporting period on high quality Canadian corporate bonds that have terms to maturity approximating the terms of the related defined benefit obligation.

When the actuarial calculation results in a benefit asset to the Corporation, the recognized asset is limited to the total of any unrecognized past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements that apply to any plan of the Corporation. An economic benefit is available if it is realizable during the life of the plan, or on settlement of the plan liabilities.

S. Employee Benefits Other than Post-Employment

i. Short-term benefits including short-term compensated absences

The Corporation recognizes the expense relating to short-term benefits as follows:

- ▶ for salaries, social security contribution, bonuses and vacations in the period the employees render the services;
- ▶ for employee health, dental and life insurance plans in the period the expenses are incurred; and
- ▶ for short-term non-accumulating compensated absences such as sick leave, parental leave, short-term disability and workers' compensation in the period the absence occurs.

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Corporation has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. The liability associated with these benefits is not discounted due to its short term nature.

ii. Other long-term employee benefits

Other long-term employee benefits liabilities are recognized as follows:

- ▶ for long-term disability and workers' compensation when the event that obligates the Corporation occurs;
- ▶ for continuation of benefit coverage for employees on long-term disability and the non-contributory long-term benefit plan, the provision is determined on an actuarial basis using discount rates and assumptions consistent with those used for post-employment benefits and the related expense is recognized over the period the employees render the services. Actuarial gains (losses) and past service costs are recognized immediately in the Consolidated Statement of Income in the period they occur.

iii. Termination benefits

The Corporation recognizes termination benefits at the earlier of the following dates: (a) when the Corporation can no longer withdraw the offer of those benefits; and (b) when the Corporation recognizes costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits.

In the case of a voluntary departure, the Corporation can no longer withdraw an offer of termination benefits when either the employee accepts the offer, or when a restriction on the Corporation's ability to withdraw the offer exists. In the case of an involuntary departure, the Corporation can no longer withdraw an offer of termination benefits when it has communicated to the affected employees a plan of termination.

T. Assets Classified as Held for Sale

An asset is classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. An asset held for sale is measured at the lower of its carrying amount and fair value less costs to sell.

U. Leasing**i. The Corporation as a lessor**

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease.

ii. The Corporation as a lessee

Leases in which the Corporation assumes substantially all the risks and rewards of ownership are classified as finance leases.

Leases in which the Corporation does not assume substantially all the risks and rewards of ownership are classified as operating leases.

An asset acquired by way of a finance lease is stated at an amount equal to the lower of its fair value and the present value of minimum lease payments at inception of the lease, less accumulated depreciation and accumulated impairment losses.

Payments made under finance leases are apportioned between financing costs and the reduction of the outstanding liability. The financing costs are allocated to each period so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Operating lease payments are recognized as an expense on a straight-line basis over the lease term. Lease incentives received are recognized as an integral part of the total lease expense over the term of the lease.

V. Deferred Charges

Deferred charges are primarily composed of services paid in advance that will be received in a period that exceeds twelve months from the date of the Consolidated Statement of Financial Position.

W. Foreign Currencies

The consolidated statements are presented in Canadian dollars (\$), which is the functional and presentation currency of the Corporation and its subsidiaries and consolidated structured entities.

Transactions in a currency other than the Corporation's functional currency are translated into the functional currency at the foreign exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are translated at the foreign exchange rate at the Consolidated Statement of Financial Position date. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated at foreign exchange rates prevailing at the date of the transaction.

X. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

i. Current tax

The tax currently payable is based on taxable net results for the year. Taxable net results differs from net results as reported in the Consolidated Statement of Income because of items of income or expense that are taxable or deductible in other years or because of items that are never taxable or deductible. The Corporation's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

ii. Deferred tax

As a federal Crown Corporation that receives a substantial portion of its funding from the Government of Canada, the Corporation operates within a specific operating structure to match cash expenses with available resources, and to break even over the long term. The Corporation uses appropriations only to the extent required to fund its operating expenses, and may not borrow to fund working capital shortfalls. Therefore, the Corporation does not expect to generate material taxable income or losses in the periods that temporary differences are scheduled to reverse. Accordingly, the expected deferred tax asset or liability is not recognized in the consolidated financial statements as long as these specified operating conditions are met at the end of the reporting period.

Y. Related Parties

The related parties of the Corporation consist mainly of government departments, agencies, Crown Corporations, subsidiaries, key management personnel of the Corporation or close family members of these individuals, private companies over which the Corporation has significant influence, and the Corporate Pension Plan. The Corporation is related in terms of common ownership to all Government of Canada created departments, agencies and Crown corporations.

The Corporation enters into transactions with these related parties in the normal course of business, on normal trade terms applicable to all individuals and enterprises and at market prices. These transactions are recorded at fair value by the Corporation.

Z. Regulatory Licences

The Corporation holds licences, granted by the Canadian Radio-television and Telecommunications Commission (CRTC), for all its conventional television, radio and specialty services. The Corporation is required to meet specific regulatory obligations in return for the privilege of holding a broadcasting licence. The Corporation has elected to record this non-monetary grant at its nominal value of nil.

3. NEW AND FUTURE CHANGES IN ACCOUNTING POLICIES

A. Adoption of New and Revised International Financial Reporting Standards

The following new pronouncements issued by the IASB or the IFRS Interpretations Committee were adopted by the Corporation effective April 1, 2014. These pronouncements had no impact on the consolidated financial statements as at and for the year ended March 31, 2015.

Amendments to IAS 36 *Impairment of Assets*

IAS 36 was amended in May 2013 to provide additional disclosure on the measurement of the recoverable amount of impaired assets, particularly if that amount is based on the fair value less costs of disposal. These amendments were effective for annual reporting periods beginning on or after January 1, 2014, on a retrospective basis.

IFRIC 21 *Levies*

IFRIC 21, effective for annual periods beginning on or after January 1, 2014, was issued in May 2013 to provide guidance on when to recognize a liability for a levy imposed by a government, both for levies that are accounted for in accordance with IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* and those where the timing and amount of the levy is certain.

B. Change in Presentation

i. Programming

Beginning July 1, 2014, the Corporation changed the presentation of programming assets in its Statement of Financial Position. This change was made to consolidate programming as one current asset and one non-current asset to further align with industry practice and to provide readers with improved transparency around programming assets at each reporting date. Following this change, no amounts related to programming or programming rights will be included as part of prepaid expenses or deferred charges. This change had the following impacts on Statement of Financial Position line items, with no impact on reported results or equity in any reporting period:

	As at March 31, 2014		
	As previously reported	Change	Revised
ASSETS			
Current			
Programming	135,389	76,339	211,728
Prepaid expenses	97,473	(76,339)	21,134
Long-term			
Programming	-	11,986	11,986
Deferred charges	22,018	(11,986)	10,032
	As at April 1, 2013		
	As previously reported	Change	Revised
ASSETS			
Current			
Programming	145,379	105,605	250,984
Prepaid expenses	137,563	(105,605)	31,958
Long-term			
Programming	-	6,740	6,740
Deferred charges	9,526	(6,740)	2,786

ii. Pension plans

At March 31, 2015, the Corporation's funded pension plan was in a significant net asset position. Therefore at year-end, the long-term net asset of the funded pension plan is presented separately from the liabilities of the unfunded plans on the Statement of Financial Position. To conform to this presentation, prior year net assets of the funded plan were reclassified from long-term liabilities to present \$25.6 million separately in long-term assets. This change had no impact on the Corporation's reported results or equity.

C. Future Accounting Changes

The Corporation has reviewed new and revised accounting pronouncements as well as the ongoing annual improvements that have been issued.

The Corporation has completed its assessment of the following amendments and annual improvements and has concluded that their adoption will not have an impact on its consolidated financial statements, although conclusions made regarding the expected impact of future changes in accounting policies could change until the standards are fully adopted:

Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in associates and joint ventures

The amendments to IFRS 10 and IAS 28 (2011) were issued in September 2014. These amendments address an inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture and are effective for annual reporting periods beginning on or after January 1, 2016, on a prospective basis.

Amendments to IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets

IAS 16 and IAS 38 were amended in May 2014 to clarify that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate and that, for intangible assets, there is a rebuttable presumption that amortization based on revenue is not appropriate. These amendments are effective for annual reporting periods beginning on or after January 1, 2016, on a prospective basis.

Amendments to IAS 19 Defined Benefit Plans: Employee Contributions

IAS 19 was amended in November 2013 to allow for employee contributions that are linked solely to the employee's service rendered in the same period in which those contributions are payable to be accounted for as a reduction in the cost of short-term employee benefits. These amendments are effective for annual reporting periods beginning on or after July 1, 2014, on a retrospective basis.

Annual Improvements to IFRSs: 2010-2012 Cycle and 2011-2013 Cycle

The *Annual Improvements to IFRSs 2010-2012 Cycle* and the *Annual Improvements to IFRSs 2011-2013 Cycle* were issued in December 2013. These improvements include a number of amendments to various IFRSs which are effective for annual reporting periods beginning on or after July 1, 2014, on a prospective and modified retrospective basis.

Amendments to IFRS 11 Joint Arrangements

IFRS 11 was amended in May 2014 to provide guidance on the accounting for acquisitions of interests in joint operations in which the activity constitutes a business. This Standard will become effective for annual periods beginning on or after January 1, 2016, on a prospective basis.

Annual Improvements to IFRSs: 2012-2014 Cycle

The *Annual Improvements to IFRSs 2012-2014 Cycle* were issued in September 2014. These improvements include a number of amendments to various IFRSs which are effective for annual reporting periods beginning on or after January 1, 2016, on a prospective basis.

The Corporation is still assessing the potential impact of the following standards on its consolidated financial statements:

IFRS 9 Financial Instruments

IFRS 9, issued in November 2009 and amended in October 2010, is part of a multi-phase project to replace current IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 has adopted an approach based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of its financial assets and liabilities. In addition to this logical model for classification and measurement, the final IFRS 9 issued in July 2014 includes a single, forward-looking 'expected loss' impairment model and a substantially-reformed approach to hedge accounting. This standard will become effective for annual periods beginning January 1, 2018 on a retrospective basis.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 was issued in May 2014 and supersedes IAS 18 Revenue and IAS 11 Construction Contracts and a number of revenue-related interpretations. The Standard establishes a comprehensive framework for determining when revenue should be recognized and how it should be measured. The core principle is that an entity should recognize revenue when it transfers goods or services to a customer based upon the amount of consideration to which the entity expects to be entitled to from the customer. The goods or services are transferred when the customer has control of them. IFRS 15 also requires extensive new qualitative and quantitative disclosures designed to help investors understand the nature, amount, timing and uncertainty of revenue. This standard will become effective for annual periods beginning on or after January 1, 2018, after the IASB voted a one-year deferral of the effective date in April 2015. When first adopting IFRS 15, the Corporation will apply the standard in full for the current period, including retrospective application to all contracts not yet complete at the beginning of that period. In respect to prior periods, the Corporation will either fully apply the standard or adopt a modified approach as permitted by the transition guidance. The Corporation is currently assessing these alternatives.

Amendments to IAS 1 Disclosure Initiative

IAS 1 was amended in December 2014 as part of the IASB's Disclosure Initiative work on the *Conceptual Framework*. These narrow-focus amendments clarify, rather than significantly change, existing IAS 1 requirements for which there has been overly prescriptive interpretations of the wording. These amendments are effective for annual periods beginning on or after January 1, 2016, with earlier application being permitted.

4. KEY SOURCES OF ESTIMATION UNCERTAINTY AND CRITICAL JUDGEMENTS

A. Key Sources of Estimation Uncertainty

The preparation of these consolidated financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of such financial statements and the reported amounts of revenues and expenses recorded during the period, as well as all related disclosures.

The critical estimates and assumptions utilized in preparing the Corporation's consolidated financial statements affect the assessment of the following areas:

- ▶ Accounting for defined benefit pension plans requires that assumptions be made to help value benefit obligations. The primary assumptions and estimates include the discount rate and mortality rates. The discount rate is used to determine the net interest that is used to calculate the net defined benefit liability or asset. The mortality assumption is used in projecting the future stream of benefit payments, which is then discounted to arrive at the net present value of liabilities. Changes to these primary assumptions and estimates would impact amounts recognized in net results and amounts recognized in Other Comprehensive Income, as applicable. A sensitivity analysis of these changes in primary assumptions is disclosed in Note 16.
- ▶ The Corporation is required to estimate the expected useful lives of property and equipment and intangible assets. In determining the expected useful lives of these assets, the Corporation takes into account past experience, industry trends and internally-specific factors, such as changing technologies and expectations for the in-service period of these assets. The appropriateness of useful lives of these assets is assessed annually. Changes to useful life estimates would affect future depreciation or amortization expenses and future carrying values of assets. Useful lives of property and equipment are included in Note 2K and intangible assets in Note 2L.
- ▶ The Corporation is required to determine an appropriate amortization rate for each type of programming. Management's intended use for each program-type, along with historical experience and audience viewership patterns are taken into consideration when determining the expense recognition schedule for programming. (See 2J). Management periodically reviews amortization rates. Changes in these assumptions could result in adjustments to amounts recognized in the statement of financial position and statement of income (loss).

- ▶ When it has been determined by management that the Corporation has a provision to be accrued, assumptions about the amount and likelihood of outflows and their timing are considered in determining a reliable estimate for the obligation. Factors affecting these assumptions include the nature of the provision, the existence of the claim amount, opinions or views of legal counsel and other advisors, experience in similar circumstances, and any decision of management as to how the Corporation intends to handle the obligation. In addition, the Corporation has provided for workforce reductions which are also complex processes and involve making and reassessing estimates. The actual amount and timing of outflows may deviate from assumptions, and the difference might materially affect future consolidated financial statements, with a potentially adverse impact on the consolidated results of operations, financial position and liquidity. The Corporation's provisions are further discussed in Note 15.
- ▶ The Corporation has estimated the value of non-monetary consideration provided to Rogers Communications Inc. for *Hockey Night in Canada* sublicensing over the next four years. Additional information and nature of this agreement is disclosed in Note 7.

In making estimates and using assumptions, management relies on external information and observable conditions where possible, supplemented by internal analysis as required. These estimates and assumptions have been applied in a manner consistent with prior periods and there are no known commitments, events or uncertainties that we believe will materially affect the methodology or assumptions utilized in making these estimates in these consolidated financial statements.

Estimates are regularly reviewed by management and changes in those estimates are recognized prospectively by including them in the Consolidated Statement of Income (Loss) in the period of the change, if the change affects that period only; or the period of the change and future periods, if the change affects both. Actual results could significantly differ from those estimates.

B. Critical Judgements

The critical judgements that the Corporation's management has made in the process of applying the Corporation's accounting policies, apart from those involving estimations, that have the most significant effect on the amounts recognized in the Corporation's consolidated financial statements are as follows:

- ▶ The Corporation consolidates the CBC Monetization Trust and the Broadcast Centre Trust, as it judges that it controls these investees, as defined in IFRS 10 Consolidated Financial Statements;
- ▶ The determination that an arrangement for satellite transponders constitutes a lease under IFRIC 4 and the determination that this lease and the ones related to a mobile production vehicle and office equipment meet the criteria of a finance lease because the Corporation has a right to use the related assets conveyed by the agreements;
- ▶ The determination that, as of the reporting date, deferred taxes should not be recognized because the Corporation does not expect to generate material taxable income or losses in the periods temporary differences are scheduled to reverse due to its specific operating structure;
- ▶ The determination that an arrangement to lease a portion of a building owned by the Corporation meets the criteria of an operating lease and that the leased portion of the building does not qualify as investment property under IAS 40 Investment Property;
- ▶ The Corporation exercised significant influence over SiriusXM at March 31, 2015, while holding less than 20% voting control (Note 13); and
- ▶ The determination of the components related to the Corporation's property and equipment.

Determinations of critical judgements are reassessed at each reporting date.

5. CASH

	March 31, 2015	March 31, 2014
Cash in hand	682	828
Bank balances	214,202	61,146
	214,884	61,974

Interest revenue generated from bank balances and included in Financing income totalled \$2.3 million for the year (2014 – \$1.7 million).

6. TRADE AND OTHER RECEIVABLES

	March 31, 2015	March 31, 2014
Trade receivables	140,999	263,554
Allowance for doubtful accounts	(2,683)	(3,719)
Other	13,128	17,185
	151,444	277,020

Credit terms average 30 days. The Corporation recognizes an allowance for doubtful accounts for receivables where there is objective evidence of impairment. Objective evidence is determined in accordance with Note 2Niii.

Before accepting new advertising customers, the Corporation reviews the credit application submitted by the customer. An external credit scoring agency may be used to assess the potential customer's credit quality and define credit limits by customer.

Limits and scoring attributed to customers are reviewed at least once a year to determine whether adjustments are required. In addition, the Corporation monitors its customers throughout the year for any indications of deterioration in credit quality.

Trade receivables disclosed above include amounts (see Note 6A) that are past due at the end of the reporting period for which the Corporation has not recognized an allowance for doubtful accounts because there has not been a significant change in credit quality and the amounts are still considered recoverable.

Consistent with others in the industry, the Corporation makes most of its conventional advertising sales through agencies. These agencies typically remit their payment over a period exceeding the Corporation's average credit term of 30 days. As such, a significant portion of the Corporation's trade receivables are past due but not impaired.

The concentration of risk from these agencies is limited because the Corporation is largely funded through parliamentary appropriations. As such, the Corporation has determined that it is not subject to the concentration of credit risk typical of broadcasters who mostly rely on commercial revenue. However, the Corporation mitigates the credit risk of advertising receivables by performing initial and ongoing credit evaluations of advertising customers.

The Corporation does not hold any collateral or other credit enhancements over these balances.

A. Age of Trade Receivables that are Past Due but not Impaired

	March 31, 2015	March 31, 2014
31 - 60 days	22,481	129,016
61 - 90 days	13,096	21,195
Over 90 days	16,724	16,858
Total	52,301	167,069

B. Movement in Allowance for Doubtful Accounts

	March 31, 2015	March 31, 2014
Opening balance	(3,719)	(3,627)
Amounts written off during the period as uncollectible	2,000	831
Impairment losses reversed	349	523
Net increase in allowance for new impairments	(1,313)	(1,446)
Balance, end of year	(2,683)	(3,719)

7. PROGRAMMING

A. Programming by Category

	March 31, 2015	March 31, 2014 (Revised)	April 1, 2013 (Revised)
Completed programs - externally produced	58,511	66,171	71,522
Completed programs - internally produced	3,407	3,978	8,493
Programs in process of production - externally produced	34,249	34,779	32,782
Programs in process of production - internally produced	5,479	7,889	6,196
Broadcast rights available for broadcast within the next twelve months	68,531	98,911	131,991
	170,177	211,728	250,984
Broadcast rights not available for broadcast within the next twelve months	140,113	11,986	6,740
	310,290	223,714	257,724

B. Movement in Programming

	March 31, 2015	March 31, 2014 (Revised)
Opening balance	223,714	257,724
Additions	1,070,776	1,102,079
Programs broadcast	(984,200)	(1,136,089)
Balance, end of year	310,290	223,714

The programming write-offs included in the Programs broadcast line in the above table for the year ended March 31, 2015, amount to \$5.0 million (2014 - \$5.6 million). Programming write-offs are mainly due to terminated projects, programs not telecasted in the past two years, programming not suitable for telecast or pilots not progressing into a series.

In the current year, the Corporation's agreement with Rogers Communications Inc. (Rogers) commenced for the continued airing of *Hockey Night in Canada* for Saturday night and playoff hockey. Under this arrangement, the Corporation has acquired the right to broadcast hockey in exchange for providing Rogers with facilities and production services, use of certain trademarks and with airtime to generate advertising revenue. The agreement is for four years with an optional one-year extension at Rogers' discretion. As no monetary amounts are to be exchanged, an estimate of the value of four year broadcast licence acquired was calculated based on the fair value of assets given-up and has been recorded as Programming in the Corporation's consolidated financial statements. The fair value of facilities, production services and trademarks to be used by Rogers was determined using market rates. The fair value of airtime provided to Rogers was determined using the Corporation's advertising rate cards for the programs displaced as a result of airing hockey. An estimate of the corresponding costs associated with the provision of facilities and production services as well as deferred revenue was recorded in the liabilities of the Corporation's consolidated financial statements. The Corporation is recognizing these items in revenue and expenses over the four-year term of this agreement as games are aired and as related services are provided.

8. PROMISSORY NOTES RECEIVABLE

Through the CBC Monetization Trust, a structured entity, the Corporation has two promissory notes receivable relating to the sale of parcels of land. These notes, which mature in May 2027, bear a fixed annual interest rate of 7.15%, with payments made in arrear in equal blended monthly instalments. The notes have a carrying value of \$45.6 million (March 31, 2014 – \$47.9 million) and are pledged as collateral for their total carrying value to the Corporation's borrowings through notes payable.

The Corporation provided an absolute and unconditional guarantee of the full payment and timely payments of receivables by the ultimate debtors until 2027.

The Corporation also holds a promissory note receivable from SiriusXM that is non-interest bearing and is expected to be repaid within the next five years. The carrying amount at March 31, 2015, is \$0.4 million (March 31, 2014 – \$0.3 million).

Future minimum payments receivable under the term of the notes are as follows:

	March 31, 2015		March 31, 2014	
	Minimum payments receivable	Present value of minimum payments receivable	Minimum payments receivable	Present value of minimum payments receivable
Less than one year	5,567	2,474	5,567	2,308
Later than one year but not later than five years	22,673	12,179	22,673	11,370
More than five years	39,900	31,328	45,467	34,591
Less: unearned financing income	(22,159)	-	(25,438)	-
Present value of minimum payments receivable	45,981	45,981	48,269	48,269

Interest income included in current year's revenues and presented as financing income is \$3.1 million (2014 – \$3.3 million).

Present value of minimum payments receivable:

	March 31, 2015	March 31, 2014
Included in the Consolidated Statement of Financial Position as promissory notes receivable:		
Current	2,474	2,308
Long-term	43,507	45,961
	45,981	48,269

9. INVESTMENT IN FINANCE LEASE

The investment in finance lease, which is held by CBC Monetization Trust, relates to the rental of two parcels of land in Toronto that bear an implicit annual interest rate of 7.15% and with terms ending in May 2027. The lease receivables are pledged as collateral for their total carrying value to the Corporation's borrowings through the notes payable.

The Corporation provided an absolute and unconditional guarantee of the full payment and timely payments of the finance lease by the ultimate debtors until 2027.

	March 31, 2015		March 31, 2014	
	Minimum payments receivable	Present value of minimum payments receivable	Minimum payments receivable	Present value of minimum payments receivable
Less than one year	6,050	2,759	6,050	2,568
Later than one year but not later than five years	24,199	12,519	24,199	11,671
More than five years	45,961	34,860	52,011	38,467
Less: unearned financing income	(26,072)	-	(29,554)	-
Present value of minimum lease payments receivable	50,138	50,138	52,706	52,706

Interest income included in current year's revenues and presented as financing income, is \$3.2 million (2014 - \$3.4 million).

Present value of minimum lease payments receivable:

	March 31, 2015	March 31, 2014
Included in the Consolidated Statement of Financial Position as investment in finance lease:		
Current	2,759	2,568
Long-term	47,379	50,138
	50,138	52,706

10. PROPERTY AND EQUIPMENT

A. Cost and Accumulated Depreciation

The property and equipment carrying amounts are as follows:

	March 31, 2015	March 31, 2014
Cost	2,092,572	2,153,623
Accumulated depreciation	(1,189,820)	(1,207,086)
	902,752	946,537

10. PROPERTY AND EQUIPMENT (CONTINUED)

	Land	Buildings	Leasehold improvements	Technical equipment	Other	Uncompleted capital projects	Total
Cost as at March 31, 2014	174,709	547,264	52,874	1,209,026	142,580	27,170	2,153,623
Additions	-	-	-	9,774	2,808	55,681	68,263
Transfers (refer to Note 11)	-	13,017	409	21,802	7,214	(40,760)	1,682
Transfers from assets under finance leases	-	-	-	7,208	2,947	-	10,155
Assets classified as held for sale	(48)	(3,190)	-	(2,453)	-	-	(5,691)
Disposals and write-offs	(109)	(3,506)	(30)	(115,800)	(15,958)	(57)	(135,460)
Cost as at March 31, 2015	174,552	553,585	53,253	1,129,557	139,591	42,034	2,092,572
Accumulated depreciation as at March 31, 2014	-	(179,369)	(25,836)	(895,476)	(106,405)	-	(1,207,086)
Accumulated depreciation on transfers from assets under finance leases	-	-	-	(3,574)	(1,054)	-	(4,628)
Depreciation for the year	-	(35,376)	(3,058)	(60,219)	(11,997)	-	(110,650)
Reclassification of depreciation on assets classified as held for sale	-	3,188	-	2,453	-	-	5,641
Reclassification of depreciation on disposals and write-offs	-	1,831	30	109,410	15,632	-	126,903
Accumulated depreciation as at March 31, 2015	-	(209,726)	(28,864)	(847,406)	(103,824)	-	(1,189,820)
Net carrying amount as at March 31, 2015	174,552	343,859	24,389	282,151	35,767	42,034	902,752
	Land	Buildings	Leasehold improvements	Technical equipment	Other	Uncompleted capital projects	Total
Cost as at March 31, 2013	179,207	542,901	52,866	1,274,106	138,738	23,479	2,211,297
Additions	-	-	-	14,472	5,130	58,055	77,657
Transfers (refer to Note 11)	-	9,141	1,147	35,102	7,111	(54,358)	(1,857)
Assets classified as held for sale	(4,480)	(2,353)	-	-	-	-	(6,833)
Disposals and write-offs	(18)	(2,425)	(1,139)	(114,654)	(8,399)	(6)	(126,641)
Cost as at March 31, 2014	174,709	547,264	52,874	1,209,026	142,580	27,170	2,153,623
Accumulated depreciation as at March 31, 2013	-	(146,971)	(23,910)	(940,444)	(102,262)	-	(1,213,587)
Depreciation for the year	-	(34,822)	(3,065)	(64,167)	(12,389)	-	(114,443)
Reclassification of depreciation on assets classified as held for sale	-	1,021	-	-	-	-	1,021
Reclassification of depreciation on disposals and write-offs	-	1,403	1,139	109,135	8,246	-	119,923
Accumulated depreciation as at March 31, 2014	-	(179,369)	(25,836)	(895,476)	(106,405)	-	(1,207,086)
Net carrying amount as at March 31, 2014	174,709	367,895	27,038	313,550	36,175	27,170	946,537

The contractual commitments for the acquisition of property and equipment are \$11.9 million as at March 31, 2015 (March 31, 2014 – \$15.3 million).

B. Impairment and Other Charges

No impairment losses were recorded during the year ended March 31, 2015 (2014 – nil).

C. Assets Classified as Held For Sale

The Corporation classifies an asset as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. An asset held for sale is measured at the lower of its carrying amount and fair value less costs to sell.

As part of the Corporation's financial plan, it has developed a strategy to reduce ownership in land and buildings. As part of this initiative, the Corporation has several properties classified as held for sale for accounting purposes at March 31, 2015. These properties are expected to be sold on a site by site basis over the next twelve months. Their carrying value, in addition to other assets held for sale, totals \$1.6 million (March 31, 2014 – \$6.9 million).

D. Disposals

During the fiscal year, the Corporation sold properties located in Halifax, Nova Scotia, Windsor, Ontario and Yellowknife, Northwest Territories that were previously held for sale. The proceeds on the sale of these properties were \$7.6 million and resulted in a gain of \$2.7 million.

The Corporation recorded an amount of \$8.7 million for insurance proceeds related to a mobile production vehicle that was damaged beyond repair in May 2014. A loss of \$2.4 million related to this mobile unit was recorded during the first quarter of this fiscal year.

The recorded gains have been partly offset by losses from the disposal or retirements of equipment as part of the Corporation's normal asset refresh cycle.

There were no individually significant disposals recorded during the year ended March 31, 2014.

11. INTANGIBLE ASSETS

The intangible assets carrying amounts are as follows:

	March 31, 2015	March 31, 2014
Cost	176,695	169,728
Accumulated amortization	(151,371)	(146,332)
	25,324	23,396

	Internally developed software	Acquired software	Uncompleted capital projects	Total
Cost as at March 31, 2014	140,893	23,887	4,948	169,728
Additions	-	97	10,150	10,247
Transfers (refer to Note 10)	1,299	2,618	(5,599)	(1,682)
Disposals and write-offs	(1,598)	-	-	(1,598)
Cost as at March 31, 2015	140,594	26,602	9,499	176,695
Accumulated amortization as at March 31, 2014	(136,720)	(9,612)	-	(146,332)
Amortization for the year	(1,830)	(4,669)	-	(6,499)
Reclassification of amortization on disposals and write-offs	1,460	-	-	1,460
Accumulated amortization as at March 31, 2015	(137,090)	(14,281)	-	(151,371)
Net carrying amount as at March 31, 2015	3,504	12,321	9,499	25,324

	Internally developed software	Acquired software	Uncompleted capital projects	Total
Cost as at March 31, 2013	139,316	14,316	2,293	155,925
Additions	-	117	12,419	12,536
Transfers (refer to Note 10)	2,167	9,454	(9,764)	1,857
Disposals and write-offs	(590)	-	-	(590)
Cost as at March 31, 2014	140,893	23,887	4,948	169,728
Accumulated amortization as at March 31, 2013	(134,328)	(4,034)	-	(138,362)
Amortization for the year	(2,982)	(5,578)	-	(8,560)
Reclassification of amortization on disposals and write-offs	590	-	-	590
Accumulated amortization as at March 31, 2014	(136,720)	(9,612)	-	(146,332)
Net carrying amount as at March 31, 2014	4,173	14,275	4,948	23,396

12. ASSETS UNDER FINANCE LEASES

As at March 31, 2014, assets under finance leases consisted of leases for mobile equipment, office equipment and satellite transponders. The original terms of these leases were between four and seventeen years.

During the current year, the Corporation settled the remaining obligations and purchased the related mobile equipment and office equipment. At year-end, these assets and the related depreciation and accumulated depreciation are included in Property and Equipment in the Consolidated Statement of Financial Position as disclosed in Note 10.

	March 31, 2015	March 31, 2014
Cost - automotive	-	619
Cost - office equipment	-	2,328
Cost - technical equipment	-	7,434
Cost - satellite transponders	119,897	119,897
Accumulated depreciation - automotive	-	(114)
Accumulated depreciation - office equipment	-	(486)
Accumulated depreciation - technical equipment	-	(3,077)
Accumulated depreciation - satellite transponders	(99,508)	(92,518)
Net carrying amount	20,389	34,083

Depreciation for the year ended March 31, 2015, was \$8.0 million (2014 - \$8.4 million). For more information on the related obligations, refer to Note 18.

13. SUBSIDIARIES, CONSOLIDATED STRUCTURED ENTITIES AND ASSOCIATE

A. Subsidiaries and Consolidated Structured Entities

i. *documentary*

Through its 82% partnership interest in *documentary*, a specialty service broadcasting documentaries, the Corporation is currently able to exercise control over the entity through both its majority interest and active participation on *documentary's* Board of Directors and Board sub-committees.

The Corporation controls the entity as it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Accordingly, *documentary's* financial results are consolidated in the Corporation's books. *documentary's* fiscal year end is August 31. Additional financial statements corresponding to the Corporation's reporting period are prepared for consolidation purposes.

ii. ARTV

ARTV is a French-language arts and entertainment specialty channel that has been broadcasting since September 2001 via cable and satellite. Since March 2015, the Corporation owns 100% of ARTV (2014 - 85 %) and, accordingly controls the entity through both its majority voting interest and active participation on ARTV's Board of Directors and Board sub-committees. The Corporation controls ARTV as it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Corporation consolidates ARTV's financial results in the Corporation's consolidated financial statements. ARTV's fiscal year end is August 31. Additional financial statements corresponding to the Corporation's reporting period are prepared for consolidation purposes.

In March 2015, the minority shareholder of ARTV exercised its option to compel the Corporation to purchase all of the minority shareholder's outstanding shares for the same consideration that was originally paid to purchase those shares, which equated to \$1.9 million (1,875,000 shares at \$1 per share). As such, the Corporation no longer recognizes a liability related to this option.

iii. The Broadcast Centre Trust

The Broadcast Centre Trust (the TBC Trust) is a charitable trust that is a lessee under a long-term lease with the Corporation for the land on which the Canadian Broadcasting Centre (the building) is located in Toronto. The rent during the term is the sum of one dollar, paid on October 1, 1988. The TBC Trust is also a lessor under a long-term sub-lease with the Corporation for the Canadian Broadcasting Centre. In order to finance the construction of the building, the TBC Trust issued \$400 million of bonds on January 30, 1997, which are guaranteed by the rent payments for the premises occupied by the Corporation. The rent payable by the Corporation to the TBC Trust covers all interest and principal on the bonds, all other payments on the bonds and all operating expenses and liabilities of the TBC Trust. The TBC Trust is a structured entity because it is designed to conduct a narrow well-defined activity of leasing on behalf of the Corporation and the entity confers on the Corporation the ultimate decision making powers over relevant activities that could expose the Corporation to variable returns. Accordingly, the financial results of the TBC Trust are consolidated in the Corporation's books. The TBC Trust's fiscal year is March 31.

iv. CBC Monetization Trust

In 2003, the Corporation sold two parcels of land to Ontrea Inc., a wholly owned subsidiary of Ontario Teachers' Pension Plan Board, for the consideration of two promissory notes receivable. The CBC Monetization Trust was created during 2009 as a charitable trust with the purpose of acquiring the Corporation's interest in the promissory notes receivable. The Corporation has determined that it bears the majority of the risk associated with the collection of the Trust's receivables through the guarantee it has provided. The CBC Monetization Trust is a structured entity because the Corporation established it for a narrow well-defined activity to monetizing long-term receivables as part of the Recovery Plan implemented to manage budgetary shortfalls in 2009-2010. Through a predefined contractual arrangement, the CBC Monetization Trust confers on the Corporation the majority of decision making powers over relevant activities that expose the Corporation to variable returns. Accordingly, the financial results of the CBC Monetization Trust are consolidated in the Corporation's books. The CBC Monetization Trust's fiscal year is December 31. Additional financial statements corresponding to the Corporation's reporting period are prepared for consolidation purposes.

The Corporation does not have interests in joint arrangements or unconsolidated structured entities.

As at March 31, 2015, the Corporation has one subsidiary with non-controlling interests (NCI): *documentary*. The NCI of the subsidiary represents the portion of ownership interest and the proportion of voting rights held. Information regarding this subsidiary is as follows:

	<i>documentary</i>		ARTV	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Principal place of business & incorporation	Canada	Canada	Canada	Canada
NCI in subsidiary	18.00%	18.00%	n/a	15.00%
NCI voting rights	18.00%	18.00%	n/a	15.00%
Net results attributable to NCI	216	137	(9)	(3)
Accumulated NCI	541	544	-	(76)

During the year, distributions totaling \$0.2 million (2014 - \$0.2 million) were paid to the other partners of *documentary*. There were no dividends or distributions paid to the NCI holders of ARTV during the year (2014 - nil).

Summarized financial information for the subsidiaries before intra-company eliminations is as follows:

	<i>documentary</i>		ARTV	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Cash and cash equivalents	-	-	3,165	3,420
Current Assets	4,379	4,179	13,589	14,585
Long-term Assets	-	-	163	252
Current Liabilities	(707)	(728)	(1,903)	(2,853)

	<i>documentary</i>		ARTV	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Revenue	6,657	6,453	14,245	16,556
Net results and total comprehensive income	1,198	766	(136)	(21)
Operating cash flows	-	-	(294)	2,629
Increase (decrease) in cash and cash equivalents	-	-	(55)	2,653

There are no significant restrictions imposed on the Corporation's ability to access or use assets and settle the liabilities of the Corporation. Specifically, there are no significant restrictions imposed on the Corporation or its subsidiaries relating to their ability to transfer funds to their investors.

Through the CBC Monetization Trust, the Corporation has two promissory notes receivable and an investment in finance lease relating to the sale and rental of parcels of land. These receivables are pledged as collateral for their total carrying value to the Corporation's borrowings through notes payable. The Corporation provided an absolute and unconditional guarantee of the full and timely payments of receivables by the ultimate debtors until 2027. See Notes 8 and 9 for further information.

The Corporation also guarantees, through its rent payments to the Broadcast Centre Trust, the bonds payable. See Note 17 for further details.

During the current year, the Corporation has not provided, and has no current intention to provide, any further financial and other support to its consolidated structured entities.

There have been no changes in ownership interests related to the Corporation's subsidiary, *documentary*, during the current or preceding year. In March 2015, the Corporation acquired the remaining 15% ownership interest in ARTV for a total consideration of \$1.9 million. The difference between the carrying amount of non-controlling interest and the fair value of the consideration paid of \$41 thousand was recognized directly in equity and attributable to the Corporation.

B. Associate

As at March 31, 2015, the Corporation held 13,056,787 Class A Subordinate Voting Shares in Sirius XM Canada Holdings Inc. (SiriusXM), which represented a 10.18% equity interest and a 9.67% voting interest. These shares were obtained following the conversion on March 21, 2014, of the Class B Voting Shares previously held by the Corporation. The Corporation's equity interest remained unchanged following this transaction.

The Corporation has a seat on the Board of Directors through its ownership of a 10.18% equity interest in SiriusXM. The Corporation therefore holds the power to participate in the financial and operating policy decisions of SiriusXM through this board representation, its voting interest and its ongoing business relationship with SiriusXM. As such, the Corporation concludes that it exerts significant influence and applies the equity method of accounting to its investment in SiriusXM.

On July 28, 2014, the Corporation sold 4,800,000 of its Class A shares in SiriusXM for net proceeds and a gain of \$33.5 million.

SiriusXM, a corporation located and domiciled in Canada, is a satellite radio communications company offering a variety of content on a subscription basis across Canada, including 6 channels carrying the Corporation's programming.

SiriusXM's fiscal year end is August 31 for financial reporting purposes, which differs from that of the Corporation. IAS 28, *Investments in Associates and Joint Ventures*, limits the difference between the end of the reporting period of an associate and that of the investor to no more than three months. As such, the Corporation has included its portion of the interim results of SiriusXM for the period up to February 28, 2015, which falls within the allowed three month window. This corresponds to the latest information available for SiriusXM that can be disclosed publicly.

The fair value of the Corporation's investment in SiriusXM at March 31, 2015, was \$71.8 million (March 31, 2014 - \$154.5 million). Given that the fair value was determined using the closing market price of SiriusXM Class A shares (TSX: XSR) at March 31, 2015, the fair value measurement is considered a Level 1 measurement in the fair value hierarchy.

SiriusXM has a policy to pay dividends on a quarterly basis, as well as to issue special dividends at their discretion. For the year ended March 31, 2015, the Corporation received quarterly and special dividends from SiriusXM totalling \$16.9 million (2014 - \$7.1 million). The following is the summarized financial information for the Corporation's investments:

	Ownership interest as at:		Carrying value as at:	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
SiriusXM - Class A shares	10%	14%	-	1,855

The summarized financial information presented below represents the amounts included in the IFRS financial statements of SiriusXM:

	March 31, 2015 ¹	March 31, 2014 ²
Current assets	41,866	63,913
Long-term assets	256,300	294,109
Current liabilities	(215,575)	(201,551)
Long-term liabilities	(211,069)	(143,184)
Net assets	(128,478)	13,287

¹These amounts reflect the SiriusXM balances as at February 28, 2015.

²These amounts reflect the SiriusXM balances as at February 28, 2014.

	March 31, 2015 ¹	March 31, 2014 ² (revised)
Revenue	307,741	303,646
Net results and total comprehensive income (loss)	(17,548)	15,870

¹Amounts for the year ended March 31, 2015, include SiriusXM results for the 12-month period ended February 28, 2015.

²Amounts for the year ended March 31, 2014, include SiriusXM results for the 12-month period ended February 28, 2014.

A reconciliation of the summarized financial information above to the carrying amounts of SiriusXM recorded on the Consolidated Statement of Financial Position is as follows:

	March 31, 2015	March 31, 2014
Opening balance	1,855	3,473
Share of results in associate ¹	-	4,440
Dividends received ¹	(1,855)	(7,098)
Dilution gain	-	1,040
Balance, end of year	-	1,855

¹Total dividends received during the year ended March 31, 2015 of \$16.9 million (\$7.1 million - March 31, 2014). In the current year, dividends received exceeded the carrying value by \$15.1 million. This excess is recognized in net results under Share of results in associate.

The Corporation has not recognized losses totalling \$2.4M in relation to its interest in SiriusXM, because the Corporation has no obligation in respect of these losses.

SiriusXM has no discontinued operations. There are no significant restrictions imposed on SiriusXM relating to their ability to transfer funds to their investors.

The Corporation has not incurred any contingent liabilities or commitments in relation to its associate.

14. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	March 31, 2015	March 31, 2014
Trade payables	31,999	38,806
Accruals	53,565	64,318
Other	1,970	3,173
	87,534	106,297

15. PROVISIONS

	Claims and legal proceedings	Environmental	Restructuring costs		Total
			Workforce reduction	Decommissioning	
Opening balance as at April 1, 2014	31,130	588	-	905	32,623
Additional provisions recognized	11,009	15	17,132	2,105	30,261
Provisions utilized	(3,407)	(226)	(3,465)	(383)	(7,481)
Reductions resulting from remeasurement or settlement without cost	(6,688)	-	(7,231)	(522)	(14,441)
Balance, end of year	32,044	377	6,436	2,105	40,962

A. Restructuring costs

During the year ended March 31, 2015, the following initiatives were carried out as part of the Corporation's new strategic plan announced in June 2014 which requires a workforce reduction of up to 1,500 employees by 2020:

- ▶ On October 30, 2014, the Corporation announced the elimination of the equivalent of approximately 400 full-time positions. Most of the employees affected by this initiative were notified before the end of November, with the remainder of notifications occurring in early 2015.
- ▶ On March 26 2015, the Corporation announced it will be further reducing its workforce by approximately 240 full-time equivalents.

Expenses related to restructuring costs in connection with these workforce reductions comprise severance, benefits continuation and outplacement services, and were recognized where demonstrably committed and reasonable. All amounts related to restructuring provisions are expected to be paid out within the next 12 months.

At March 31, 2015, the Corporation has provisions related to workforce reductions of \$6.4 million (March 31, 2014 – nil) included in current liabilities.

The Corporation's decommissioning provision includes work associated with the shutdown of both analogue television and shortwave transmission services. Work associated with the provision of \$2.1 million (March 31, 2014 – \$0.9 million) is expected to be completed within the next year.

B. Claims and legal proceedings

Various claims and legal proceedings have been asserted or instituted against the Corporation. Some of these claims demand large monetary damages or other form of relief, and could result in significant expenditures. These claims consist mainly of copyright tariffs, grievances and other legal claims.

Litigation is subject to many uncertainties and the outcome of individual matters is not always predictable. Claims that are uncertain in terms of the outcome or potential outflow or that are not measurable are considered to be a contingency and are not recorded in the Corporation's consolidated financial statements.

At March 31, 2015, the Corporation had provisions amounting to \$32.0 million (March 31, 2014 – \$31.1 million) in respect of legal claims. All matters are classified as current as, where estimable, the Corporation expects them to be resolved within 12 months.

C. Environmental liabilities

At March 31, 2015, the Corporation had a provision of \$0.4 million for one environmental matter (March 31, 2014 – \$0.6 million). Remediation work is required at the Corporation's Mont Logan property to clean-up oil contaminants found in ground samples from the site's former transmission tower and associated building. The total remaining costs associated with remediation work at this site have been estimated at \$0.4 million. A significant portion of the work was completed during the fall of 2014, although the project may require up to 6 years to complete.

D. Contingencies

Litigations are subject to many uncertainties and the outcome of individual matters is not always predictable. Contingent liabilities are potential liabilities, which may become actual liabilities when one or more future events occur or fail to occur. No amounts have been disclosed in relation to contingent liabilities.

16. PENSION PLANS AND EMPLOYEE-RELATED LIABILITIES

Employee-related assets/liabilities are as follows:

	Current		Long-term	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Net defined benefit asset	-	-	190,342	25,642
Net defined benefit liability	-	-	106,801	87,603
Employee future benefits	-	-	140,339	136,481
Vacation pay	55,315	59,282	-	-
Workforce reduction	30,809	8,125	-	-
Salary-related liabilities	68,752	73,118	105	128
	154,876	140,525	247,245	224,212

The Corporation maintains a contributory defined benefit pension plan, the CBC/Radio-Canada Pension Plan, covering substantially all employees of the Corporation. The Plan is administered by the CBC Pension Board of Trustees, including the management of the Plan's assets and the payment of benefits promised to Plan members and their survivors. The Plan is federally regulated and is governed by the provisions of the *Pension Benefits Standards Act* (the Act), and other applicable regulations.

Retirement benefits are based on the length of pensionable service and on the average of the best five consecutive years of pensionable salary in the last 10 years of employment. Employees are required to contribute a percentage of their pensionable salary to the Plan, with the Corporation providing the balance of the funding, as required, based on actuarial valuations. The amounts included in these consolidated financial statements reflect the latest funding valuation which was performed as of December 31, 2014. While this valuation has been completed, it has not yet been filed with the pension authorities. The Corporation also maintains unfunded non-contributory defined benefit pension arrangements. All plans are subject to an annual actuarial valuation.

The Corporation maintains a non-contributory long-term benefit plan for certain employees hired prior to the various plan closure dates which vary by category of employees between April 1, 2005 and October 1, 2007. Under the plan, employees retiring with more than three years of service with the Corporation can choose to receive a cash award upon retirement or improve their pension benefits. The benefits are based on the length of pensionable service and on the salary rate at March 2005, July 2005 or at retirement/death, depending on the category of employees. The Corporation also provides employee future benefits such as long-term disability and workers' compensation, continuation of benefits coverage for employees on long-term disability and post-retirement life insurance.

The last actuarial valuations for the non-contributory long-term benefit plan and the continuation of benefits coverage plan were made as at December 31, 2012. The measurement date for the pension plan assets and the defined benefit obligation is March 31, 2015.

The risks associated with the Corporation's defined benefit plan are as follows:

Funding risk: One of the primary risks that plan sponsors face is funding risk, which is the risk that the investment asset growth and contribution rates of the Corporation's pension plan will not be sufficient to cover the pension obligations, resulting in unfunded liabilities. When a funding deficit exists, regulatory authorities require that special payments be made over specified future periods. The Corporation has elected to follow federal pension regulations that allow for the deferral of these special payments under specified conditions.

The major contributors to funding risk are the declines in discount rates and investments failing to achieve expected returns. In addition, the pension obligations are affected by non-economic factors like changes in member demographics.

Funding risk is managed by monitoring and reviewing the funded ratio on an ongoing basis and ensuring that investment decisions are made in accordance with established investment policies and procedures and applicable legislation. The Statement of Investment Policies and Procedures (SIPP) is reviewed annually by the CBC Pension Board of Trustees with a view to provide the pension plans with long-term rate of return sufficient to assist the plans in meeting funding objectives and the ongoing growth of pension obligations.

Other risks: The plan assets are also subject to a variety of financial risks as a result of investment activities. These risks include credit risk, market risk (interest rate, currency risk and price risk) and liquidity risk. In addition, the defined benefit obligation and costs are subject to measurement uncertainty due to the use of actuarial assumptions (see below). The impact of these factors on the remeasurement of the pension benefit asset, and pension, other post-employment and other long-term benefit liabilities can be significant and volatile at times.

The significant actuarial assumptions used for the purposes of determining the defined benefit obligation and pension benefit costs were as follows:

Assumptions – annual rates	March 31, 2015	March 31, 2014
Assumptions for the calculation of pension benefit costs:		
Discount rate	4.25%	4.00%
Assumptions for the calculation of the benefit obligation:		
Discount rate - pension	3.50%	4.25%
Discount rate - long service gratuity	2.75%	3.50%
Discount rate - LTD benefit	2.75%	3.50%
Discount rate - life insurance	3.50%	4.00%
Mortality	CBC Pensioner mortality table based on CBC experience	CBC Pensioner mortality table based on CBC experience
Long-term rate of compensation increase, excluding merit and promotion	1.40% in 2015 & 2016 2.75% thereafter	1.50% in 2014 & 2015 2.75% thereafter
Health care cost trend rate	7.53% in 2015 declining to 4.50% over 13 years	7.77% in 2014 declining to 4.50% over 14 years
Indexation of pensions in payment	1.86%	1.65%

The sensitivity analysis of the significant actuarial assumptions would show the following changes in the present value of the defined benefit obligations:

	Pension plans		Other post-employment plans	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Discount rate sensitivity				
100 basis points higher	-13.7%	-12.6%	-8.0%	-7.9%
100 basis points lower	17.6%	16.1%	9.4%	9.3%
Expected rate of future salary increases				
100 basis points higher	3.2%	2.6%	7.5%	6.7%
100 basis points lower	-2.8%	-2.3%	-6.6%	-6.0%
Expected rate of future pension increases				
100 basis points higher	13.8%	12.7%	N/A	N/A
100 basis points lower	-11.3%	-10.5%	N/A	N/A
Mortality sensitivity				
Pensioners live an extra year	4.8%	4.8%	-1.6%	-1.7%
Pensioners die a year before	-4.9%	-4.8%	1.9%	2.0%
Health care cost trend rates sensitivity				
100 basis points higher	N/A	N/A	0.9%	0.8%
100 basis points lower	N/A	N/A	-0.8%	-0.7%

N/A = not applicable

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognized within the Consolidated Statement of Financial Position.

An asset/liability study is performed periodically to review the risk/reward associated with the existing long-term asset mix policy, analyze the risk/reward profile that would result from alternative asset mix policies, and consider the impact of various economic environments on both the assets and liabilities (pension obligations). The most recent asset/liability study was completed in 2014. Its main findings are summarized below:

- ▶ Maintain the value of the Plan's Liability Driven Investment (LDI)⁽¹⁹⁾ strategy that focuses on reducing the interest rate and inflation risk mismatch between the Plan's assets and liabilities;
- ▶ Maintain the LDI asset mix policy that includes a market sensitive implementation plan to redistribute some assets towards strategic investments;
- ▶ Maintain the amount of interest rate hedging; and
- ▶ Maintain the amount of return generating assets with higher return potential, such as equities, private investments and real estate.

The Plan is funded on the basis of actuarial valuations, which are made on an annual basis. Employees are required to contribute to the Plan a percentage of their pensionable salary. The Corporation provides the balance of the funding, as required, based on actuarial valuations.

⁽¹⁹⁾LDI is an investment strategy that manages a pension plan's assets relative to its liabilities with the intent to minimize pension surplus volatility. Under LDI, pension plan assets are grouped into matched and unmatched assets. Matched assets (fixed income) have the similar interest rate and inflation sensitivities as the pension plan's liabilities. Unmatched assets (equities and alternative investments) do not have the same interest rate and inflation sensitivities as the pension plan's liabilities.

The contribution rate for full-time employees is as follows:

	2014-2015	2013-2014
For earnings up to the maximum public pension plan earnings¹		
April 1 to June 30	6.19%	5.53%
July 1 to March 31	6.25%	6.19%
For incremental earnings in excess of the maximum public pension plan earnings¹		
April 1 to June 30	8.14%	7.27%
July 1 to March 31	8.22%	8.14%

¹ The maximum public pension earnings for 2015 is \$53,600 (2014: \$52,500, 2013: \$51,100).

Cash payments for pension, other post-employment and other long-term benefits for the Corporation were as follows:

	2015	2014
Benefits paid directly to beneficiaries	12,980	14,420
Employer regular contributions to pension benefit plans	60,062	61,305
Total cash payments for defined benefit plans	73,042	75,725

The maturity profile of the benefit plan obligation and other post-employment benefits for the Corporation is as follows:

	Pension plans		Other post-employment plans	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Average duration of the benefit obligation	15.4 years	14.2 years	8.6 years	8.3 years
Active members	22.1 years	20.7 years	8.5 years	8.3 years
Deferred members	20.5 years	17.3 years	N/A	N/A
Retired members	10.9 years	10.2 years	10.3 years	8.6 years

N/A = not applicable

The Corporation expects to make a contribution of \$56.6 million to the defined benefit pension plans during the next financial year. Over the next three years, the Corporation will be moving towards 50:50 current service cost-sharing between employees and employer for pension contributions for all members.

The amount included in the Consolidated Statement of Financial Position arising from the Corporation's obligation in respect of its defined benefit plans is as follows:

	March 31, 2015			March 31, 2014		
	Funded pension plan	Unfunded pension plans	Other post-employment plans	Funded pension plan	Unfunded pension plans	Other post-employment plans
Fair value of plan assets	6,648,816	-	-	5,587,972	-	-
Defined benefit obligation	6,458,474	106,801	140,339	5,562,330	87,603	136,481
Net asset (liability) arising from defined benefit obligation	190,342	(106,801)	(140,339)	25,642	(87,603)	(136,481)

Movements in the present value of the defined benefit obligation were as follows:

	March 31, 2015		March 31, 2014	
	Pension plans	Other post-employment plans	Pension plans	Other post-employment plans
Opening defined benefit obligation	5,649,933	136,481	5,586,813	150,126
Current service cost	98,839	5,311	109,923	5,825
Interest cost	237,284	4,874	221,228	5,289
Contributions from employees	47,359	-	47,833	-
Remeasurements:				
Actuarial losses (gains) arising from changes in demographic assumptions	-	-	215,950	(6,659)
Actuarial losses (gains) arising from changes in financial assumptions	810,039	6,653	(239,362)	(3,680)
Actuarial losses (gains) arising from experience adjustments	1,803	-	(21,093)	-
Benefits paid	(279,982)	(12,980)	(271,359)	(14,420)
Closing defined benefit obligation	6,565,275	140,339	5,649,933	136,481

Movements in the fair value of the plan assets were as follows:

	March 31, 2015		March 31, 2014	
	Pension plans	Other post-employment plans	Pension plans	Other post-employment plans
Opening fair value of plan assets	5,587,972	-	5,393,484	-
Administration fees (other than investment management fees)	(5,340)	-	(5,300)	-
Interest income on plan assets	233,795	-	212,490	-
Return on plan assets, excluding interest income	1,004,950	-	149,519	-
Contributions from employees	47,359	-	47,833	-
Contributions from the Corporation	60,062	12,980	61,305	14,420
Benefits paid	(279,982)	(12,980)	(271,359)	(14,420)
Closing fair value of plan assets	6,648,816	-	5,587,972	-

The fair value of the plan assets can be allocated to the following categories:

	March 31, 2015			March 31, 2014		
	Quoted market price in an active market (Level 1)	Not quoted market price in an active market (Level 2 & 3)	Total	Quoted market price in an active market (Level 1)	Not quoted market price in an active market (Level 2 & 3)	Total
Fixed income						
Cash and short-term investments	246,415	17,634	264,049	144,705	49,149	193,854
Canadian bonds	-	2,934,094	2,934,094	-	2,332,195	2,332,195
Equities						
Canadian	343,289	277,065	620,354	286,692	368,637	655,329
Global	1,470,164	50,763	1,520,927	1,269,610	75,067	1,344,677
Strategic						
Property	41,079	498,253	539,332	33,390	483,101	516,491
Private investments	-	536,882	536,882	-	387,153	387,153
Hedge Funds	-	155,056	155,056	-	117,459	117,459
Other						
Derivatives	(731)	34,723	33,992	(550)	14,901	14,351
Total investment assets	2,100,216	4,504,470	6,604,686	1,733,847	3,827,662	5,561,509
Non-investment assets less liabilities	-	-	44,130	-	-	26,463
Fair value of plan assets	-	-	6,648,816	-	-	5,587,972

The fair values of the above fixed income and equity instruments are determined based on quoted market prices in active markets whereas the fair values of strategic investments and derivatives are not based on quoted market prices in active markets.

The actual return on plan assets was \$1,273.1 million or 23.23% (2014 – \$384.1 million or 7.25%).

Amounts recognized in comprehensive income in respect to these defined benefit plans are indicated in the table below:

	2015	2014
Current service cost	104,150	115,748
Administration fees (other than investment management fees)	5,340	5,300
Interest cost on defined benefit obligation	242,158	226,517
Interest income on plan assets	(233,795)	(212,490)
Remeasurements recognized in net results	1,002	(551)
Expense recognized in net results	118,855	134,524
Plus:		
Remeasurements recognized in other comprehensive income	(187,457)	(203,812)
Total amounts recognized in comprehensive income	(68,602)	(69,288)

Retained earnings include \$367.4 million of cumulative actuarial gains as at March 31, 2015 (March 31, 2014 gains – \$179.9 million).

The total expense recognized in net results has been recorded in the Corporation's Consolidated Statement of Income as follows:

	2015	2014
Television, radio and digital services costs	114,100	129,143
Transmission, distribution and collection	3,566	4,036
Corporate management	1,189	1,345
Total	118,855	134,524

For the year ending March 31, 2015, the total expense related to employee benefits, which includes all salary and related costs, was \$989.8 million (2014 – \$1,037.9 million).

17. BONDS PAYABLE

The Corporation, through its relationship with the Broadcast Centre Trust, guarantees the bonds payable with its rent payments for the premises occupied by the Corporation in Toronto. The Broadcast Centre Trust issued \$400 million in secured bonds on January 30, 1997. The bonds are secured by the assets of Canadian Broadcasting Centre, which have a carrying value of \$198.1 million (March 31, 2014 - \$208.3 million).

These bonds bear a fixed interest rate of 7.53% annually and require blended semi-annual payments of \$16.5 million, which will require the following principal amounts:

	March 31, 2015		March 31, 2014	
	Minimum payments	Present value of minimum payments	Minimum payments	Present value of minimum payments
Less than one year	33,039	21,663	33,039	21,101
Later than one year but not later than five years	132,155	64,513	132,155	59,916
More than five years	247,790	186,724	280,830	204,683
Less: future finance charges	(140,084)	-	(160,324)	-
Present value of minimum payments	272,900	272,900	285,700	285,700

Interest expense related to bonds payable included in current year's expenses and presented as finance costs is \$20.2 million (2014 - \$21.2 million).

Present value of minimum payments:

	March 31, 2015	March 31, 2014
Included in the Consolidated Statement of Financial Position as bonds payable:		
Current	21,663	21,101
Long-term	251,237	264,599
	272,900	285,700

18. OBLIGATIONS UNDER FINANCE LEASES

As at March 31, 2014, obligations under finance leases include satellite transponders, mobile equipment and office equipment. In February 2015, the Corporation settled the remaining obligations and purchased the related mobile equipment and office equipment. At year-end, these assets and related depreciation and accumulated depreciation are now included in Property and Equipment in the Consolidated Statement of Financial Position as disclosed in Note 10.

	Effective Interest rate	Ending Date
Transponder lease	6.8 per cent per annum	February 2018
Mobile equipment lease	3.05 per cent per annum	February 2015
Office equipment leases	2.63 - 3.04 per cent per annum	February 2015

	March 31, 2015		March 31, 2014	
	Minimum lease payments	Present value of minimum lease payments	Minimum lease payments	Present value of minimum lease payments
Less than one year	12,030	10,232	14,311	11,743
Later than one year but not later than five years	22,055	20,671	36,926	33,676
Less: future finance charges	(3,182)	-	(5,818)	-
Present value of minimum lease payments	30,903	30,903	45,419	45,419

Interest expense related to obligations under finance leases and included in current year's expenses as part of finance costs is \$2.6 million (2014 - \$3.1 million).

19. NOTES PAYABLE

The notes payable, held by the CBC Monetization Trust, a structured entity of the Corporation, mature in May 2027 and bear interest at an annual rate of 4.688%. Blended semi-annual payments are made in May and November of each year. The notes are redeemable at the CBC Monetization Trust's option in whole or in part from time to time before maturity, on not less than 30 days and not more than 60 days prior notice. The redemption price is the greater of the outstanding principal amount of the notes to be redeemed and the net present value of all scheduled semi-annual payments on the notes from the date of redemption to the date of maturity, using the Government of Canada yield plus 0.30% on such date, together, in each case, with accrued but unpaid interest to, but excluding, the redemption date. The notes payable are secured by the promissory notes receivable and the investment in finance lease described in Notes 8 and 9.

Principal payments are scheduled as follows:

	March 31, 2015		March 31, 2014	
	Minimum payments	Present value of minimum payments	Minimum payments	Present value of minimum payments
Less than one year	11,473	8,319	11,473	8,124
Later than one year but not later than five years	45,892	28,936	45,892	27,595
More than five years	86,047	71,577	97,520	79,335
Less: future finance charges	(34,580)	-	(39,831)	-
Present value of minimum payments	108,832	108,832	115,054	115,054

Interest expense related to notes payable and included in current year's expenses as part of finance costs is \$5.3 million (2014 - \$5.5 million).

Present value of minimum payments:

	March 31, 2015	March 31, 2014
Included in the Consolidated Statement of Financial Position as notes payable:		
Current	8,319	8,124
Long-term	100,513	106,930
	108,832	115,054

20. REVENUE

The Corporation has recognized revenue from the following sources:

	2015	2014
Advertising	333,420	491,189
Subscriber fees	132,814	133,277
Building, tower, facility and service rentals	50,310	49,009
Production revenue	24,440	21,766
Digital programming	18,312	16,679
Retransmission rights	5,795	4,715
Program sponsorship	4,706	5,434
Other services	3,430	4,636
Total Rendering of services	573,227	726,705
Total Financing income	10,834	8,759
Contribution from the Local Programming Improvement Fund (LPIF)	8,891	25,705
Contra revenues other than advertising	6,731	6,136
Gain on foreign exchange rates	845	454
Net (loss) gain from fair value of financial instruments	(393)	71
Total Revenue	600,135	767,830

21. FINANCE COSTS

The Corporation's finance costs include the following:

	2015	2014
Interest on bonds payable	20,241	21,153
Interest on notes payable	5,251	5,517
Interest on obligations under finance leases	2,563	3,141
Other non-cash finance costs	2,519	1,059
	30,574	30,870

22. GOVERNMENT FUNDING

Parliamentary appropriations approved and the amounts received by the Corporation are as follows:

	2015	2014
Operating funding		
Base funding	941,687	968,438
Additional non-recurring funding for programming initiatives	-	-
Compensation adjustment allocated from Treasury Board	6	18,705
Transfer to capital funding	(12,409)	(11,525)
Operating funding received	929,284	975,618
Capital funding		
Base funding	92,331	92,331
Transfer from operating funding	12,409	11,525
Capital funding received	104,740	103,856
Working capital funding	4,000	4,000
	1,038,024	1,083,474

Total funding approved and received by the Corporation for the year is not the same as the total government funding presented in the Consolidated Statement of Income (Loss). Capital Funding received is recorded as Deferred Capital Funding in the Consolidated Statement of Financial Position, with income being recognized in the Consolidated Statement of Income (Loss) on the same basis and over the same periods as the related property, equipment and intangible assets.

	March 31, 2015	March 31, 2014
Opening balance	518,272	525,696
Government funding for capital expenditures	104,740	103,856
Amortization of deferred capital funding	(102,812)	(111,280)
Balance, end of year	520,200	518,272

23. INCOME TAXES

A. Income tax recognized in net results

The income tax expense for the year can be reconciled to the income tax expense that would be computed by applying the Corporation's federal statutory tax rate of 25.00% (2014 – 25.00%) to accounting profit as follows:

	2015	2014
Income tax provision at federal statutory rate	(11,848)	(4,566)
Permanent differences	(8,755)	1,025
Increase resulting from adjustment to reflect the expected income tax payable in future periods in respect of taxable and deductible temporary differences	20,603	3,541
Income tax expense recognized in net results	-	-

The tax rate used for the 2015 reconciliation above is the corporate tax rate payable by a corporation that is a prescribed Federal Crown Corporation under Part LXXI of the *Income Tax Regulations* and is subject to the provisions of the *Income Tax Act* (Canada). The Corporation's activities are not subject to provincial taxes. An adjustment to reflect the expected income tax payable in future periods in respect of taxable and deductible temporary differences is reflected above.

As a federal Crown Corporation that receives a substantial portion of its funding from the Government of Canada, the Corporation operates within a specific operating structure to match cash expenses with available resources, and to breakeven over the long term. The Corporation draws and uses appropriations only to the extent required to fund its operating expenses, and may not borrow to fund working capital shortfalls. Therefore, the Corporation does not expect to generate material taxable income or losses in the periods that temporary differences are scheduled to reverse. Accordingly, the expected deferred tax asset or liability is not recognized in the consolidated financial statements as long as these specified operating conditions are met at the end of the reporting period.

B. Temporary Differences

	2015	2014
The sources of the deductible (taxable) temporary differences for which no deferred tax asset or liability was recognized were as follows:		
Accrued liabilities	61,074	38,039
Pension plan	(83,541)	61,961
Employee-related liabilities	140,443	136,609
Loss carry-forward	43,480	39,509
Long-term receivables and investments	11,905	13,174
Deferred income for tax purposes related to the sale of receivables	(43,077)	(46,539)
Property and equipment	(200,946)	(202,961)
Other	(10,430)	(15,841)
Total	(81,092)	23,951

The loss carry-forwards will begin to expire in 2030.

24. MOVEMENTS IN WORKING CAPITAL

	2015	2014
Changes in Working Capital are comprised of:		
Trade and other receivables	135,411	(92,589)
Programming asset (current)	41,551	9,990
Merchandising inventory	(17)	498
Prepaid expenses	(5,725)	40,090
Accounts payable and accrued liabilities	(18,779)	10,071
Provisions	8,339	(18,840)
Pension plans and employee-related liabilities (current)	19,077	2,390
Programming liability (current)	15,151	-
Deferred revenues (current)	20,682	441
	215,690	(47,949)

25. FINANCIAL INSTRUMENTS

A. Fair Value

The fair values of cash, trade and other receivables, the current portion of the promissory notes receivable, the current portion of the investment in finance lease, accounts payable and accrued liabilities, the current portion of the bonds payable, the current portion of the obligations under finance leases, the current portion of the notes payable and the option liability approximate their carrying value due to the current nature of these instruments.

The carrying values and fair values of the Corporation's remaining financial assets and financial liabilities are listed in the following table:

	March 31, 2015		March 31, 2014		Note
	Carrying values	Fair values (Level 2)	Carrying values	Fair values (Level 2)	
Financial instruments measured at fair value on a recurring basis:					
Derivative financial asset instruments					
Forward contracts	161	161	446	446	(a)
Stock options	108	108	235	235	(b)
Financial instruments measured at amortized cost:					
Promissory notes receivable (long-term)	43,507	51,970	45,961	52,416	(c)
Investment in finance lease (long-term)	47,379	57,470	50,138	57,745	(c)
Bonds payable (long-term)	251,237	343,663	264,599	346,602	(d)
Obligations under finance leases (long-term)	20,671	21,629	33,676	35,597	(d)
Notes payable (long-term)	100,513	115,918	106,930	116,740	(d)

There have been no transfers between levels during the year ended March 31, 2015.

(a) The fair value is based on a discounted cash flow model based on observable future market prices.

(b) The estimated fair value is determined using an option pricing model whose key inputs include the closing price of the related shares, published Government bond rates and directly observable dividend yields.

(c) The fair values related to the various amounts receivable were determined using the expected future cash flows and discounted using published Government bond rates with similar terms and characteristics, adjusted by a factor that reflect the credit worthiness of the various counterparties.

(d) The fair values related to the Corporation's various financial liabilities were determined using the expected future cash flows and were discounted using published Government bond rates with similar terms and characteristics, adjusted by a factor that reflects the Corporation's credit worthiness.

B. Capital Risk Management

The Corporation defines capital that it manages as the aggregate of its equity, which is comprised of retained earnings.

The Corporation is not subject to externally imposed capital requirements. The Corporation is, however, subject to Part III of the *Broadcasting Act*, which imposes restrictions in relation to borrowings and requires authorization from Parliament and approval from the Minister of Finance.

The Corporation's objectives in managing capital are to safeguard its ability to continue as a going concern, to fund its asset base and to fulfil its mission and objectives for the Government of Canada to the benefit of Canadians.

The Corporation manages its capital by reviewing formally, on a regular basis, the actual results against set budgets, and shares this information with its Audit Committee and Board of Directors. The Corporation's overall strategy with respect to capital management includes the balancing of its operating and capital activities with its funding on an annual basis. The Corporation makes adjustments to its capital management strategy in light of general economic conditions, the risk characteristics of the underlying assets and the Corporation's working capital requirements.

The Corporation's objectives, policies and processes for managing capital are consistent with those in place as at March 31, 2014.

C. Categories of Financial Instruments

	2015	2014
Financial assets		
Fair value through profit or loss (FVTPL)		
Cash	214,884	61,974
Derivative financial instruments	269	681
Loans and receivables	197,425	325,289
Financial liabilities		
Other liabilities	469,266	507,051

D. Financial Risk Management

The Corporation's activities are exposed to a variety of financial risks: market risk, credit risk and liquidity risk. The Corporation's overall risk management program focuses on the unpredictability of financial and economic markets and seeks to minimize potential effects on the Corporation's financial performance. The risk management is carried out through financial management practices in conjunction with the overall Corporation's governance. The Board of Directors is responsible for overseeing the management of financial risk.

E. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk. The Corporation is exposed to all of these risks.

The Corporation's exposure to market risk and its objectives, policies and processes for managing market risk are consistent with those in place as at March 31, 2014.

i. Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Corporation is exposed to limited foreign exchange risk on revenues and expenses denominated in a foreign currency. The majority of these transactions are denominated in US dollars, Euros and British Pounds. The policy on currency risk requires the Corporation to minimize currency risk to protect the value of foreign cash flows, both committed and anticipated, from the negative impact of exchange rate fluctuations.

The Corporation mitigates this risk by entering into forward exchange contracts. Accordingly, the Corporation has limited sensitivity to changes in foreign exchange rates.

The Corporation's net foreign currency exposure as at March 31 (expressed in Canadian equivalent dollars) is as follows:

	March 31, 2015			March 31, 2014		
	\$US	Euros	GBP	\$US	Euros	GBP
Cash	2,357	230	128	2,579	245	178
Trade and other receivables	683	406	47	670	356	291
Accounts payable and accrued liabilities	(1,247)	(214)	(211)	(685)	(178)	(258)
Net exposure	1,793	422	(36)	2,564	423	211

Based on the net exposure as at March 31, 2015, and assuming all the other variables remain constant, a hypothetical 5% change in the Canadian dollar against the US dollar, the Euro and the GBP would not have a significant impact on the Corporation's net results.

ii. Interest Rate Risk

Interest risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Corporation's notes receivable, bonds payable and notes payable bear fixed interest rates and, as such, are subject to interest rate risk because the fair value of the financial instruments will be affected by changes in the market rates. However, a change in fair value would not impact the profit or loss of the Corporation.

For its short-term cash balances, the Corporation has a policy of maximizing interest revenues. Given that the prevailing interest rates on treasury bills and other similar investments have not been favourable, the Corporation did not have any such investments as at March 31, 2015 (March 31, 2014 – nil). The Corporation may invest in marketable securities with terms to maturity of less than one year. To be compliant with the Broadcasting Act, these securities must be fully guaranteed by the Government of Canada (e.g. Canada treasury bills). The Corporation may also place its cash in interest bearing accounts with Schedule I Canadian banks. Consequently, the interest rate risk associated with the cash balances is directly tied to the movements of the Bank of Canada's Key Overnight Lending Rate and to the banks' prime rates. To manage interest rate risk, the Corporation deals with a number of banks to obtain competitive rates and to mitigate its exposure to any one particular investment vehicle.

iii. Price Risk

Price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices caused by factors specific to an investment, its issuer or all factors affecting a market or a market segment. Maximum risk resulting from financial instruments is equivalent to their fair value.

F. Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Corporation. The Corporation has adopted a policy of only extending credit to creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Corporation's exposure and the credit ratings of its counterparties are continuously monitored. Credit exposure is controlled by counterparty limits that are reviewed and approved by senior management.

The Corporation is exposed to credit risk through its cash, trade and other receivables, forward exchange contracts, promissory notes receivable and investment in finance lease.

The maximum exposure to credit risk of the Corporation at March 31, 2015 and March 31, 2014 is the carrying value of these assets.

i. Cash

The Corporation has deposited cash with reputable financial institutions (members of the Canadian Payments Association or local Cooperative Credit Societies that are members of a Central Cooperative Credit Society having membership in the Canadian Payments Association or, subject to the approval of the Minister of Finance, any financial institutions outside Canada), from which management believes the risk of loss to be remote.

ii. Trade and other receivables

The Corporation's trade and other receivables are mainly derived from the sale of advertising airtime. Credit risk concentration with respect to trade receivables is limited and managed through a program of credit evaluation and by restricting the amount of customer credit where deemed necessary. The Corporation does not believe that it is exposed to an unusual or significant level of credit risk. See Note 6 for more information.

The Corporation establishes an allowance for doubtful accounts that reflects the estimated impairment of accounts receivable. The Corporation has a specific policy on credit and collections and guidelines that provide for how the allowance should be determined. The Corporation establishes a specific allowance for receivables where there is objective evidence that the receivable is not recoverable. This is determined by considering the Corporation's knowledge of the financial condition of its customers, the aging of accounts receivable, the current economic climate, customer and industry concentrations, and historical experience.

The Corporation's allowance for doubtful accounts amounted to \$2.7 million at March 31, 2015 (March 31, 2014 – \$3.7 million). See Note 6 for more information.

iii. Forward exchange contracts

The policy on currency risk requires that all significant forward contracts, options and other instruments used to economically hedge a foreign currency exposure will be negotiated with providers holding credit ratings equivalent to or better than that of the major Canadian banks. To this end, the Corporation has five counterparties meeting this criterion with which it places all its currency hedging business.

	March 31, 2015		March 31, 2014	
	Notional	Fair values	Notional	Fair values
Forward exchange contracts-\$US ¹	12,525	161	10,628	446

¹The forward contracts rates are between 1.25100 and 1.25357 for forward contracts in US dollars and the maturity dates are between April 2015 and January 2016.

iv. Promissory notes receivable and Investment in finance lease

The Corporation's promissory notes receivable and investment in finance lease are the result of transactions that occurred in 2003, when the Corporation agreed to sell and rent several parcels of land to a wholly-owned subsidiary of the Ontario Teachers' Pension Plan. At the time of the transaction, the Corporation ensured that the counterparty met the criteria set out by the Corporation with regards to credit worthiness and risk, especially given the long-term nature of the receivables. The Corporation monitors the collection of the promissory notes receivable and rental payments associated with the investment in finance lease, which are collected on a monthly basis through the CBC Monetization Trust.

G. Liquidity Risk

Liquidity risk is the risk that the Corporation will encounter difficulties in meeting its financial obligations associated with financial liabilities.

The Corporation's approach to managing liquidity risk is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring losses. The Corporation also manages liquidity risk by continuously monitoring actual and budgeted cash flows. Also, the Board of Directors reviews and approves the Corporation's operating and capital budgets, as well as large transactions.

The Corporation does not have the authority to obtain a line of credit or long-term debt without the prior approval of the Minister of Finance.

The following table presents a maturity analysis of the Corporation's financial liabilities based on the expected cash flows from the date of the Consolidated Statement of Financial Position to the contractual maturity date. The amounts are the contractual undiscounted cash flows.

	Carrying amount of liability at	Contractual cash flows	Within 1 Year	2 to 5 Years	Over 5 years
	March 31, 2015				
Bonds payable	272,900	412,984	33,039	132,155	247,790
Notes payable	108,832	143,412	11,473	45,892	86,047
Finance lease – Transponders	30,903	34,085	12,030	22,055	-
	March 31, 2014				
Bonds payable	285,700	446,024	33,039	132,155	280,830
Notes payable	115,054	154,885	11,473	45,892	97,520
Finance lease – Transponders	40,465	46,115	12,030	34,085	-
Finance lease – Mobile equipment	3,091	3,171	1,730	1,441	-
Finance leases – Office equipment	1,863	1,951	551	1,400	-

There are no expected future cash outflows related to the derivative financial instruments.

26. RELATED PARTIES

A. Transactions with Related Parties Excluding Government-Related Entities

	Rendering of services		Pension contributions	
	2015	2014	2015	2014
Associate	2,396	3,047	-	-
Other related entities ¹	121	129	-	-
Corporate Pension Plan	-	-	60,062	61,305
	2,517	3,176	60,062	61,305

¹ Transactions with other related entities primarily relate to administration services provided to the Corporate Pension Plan.

The following balances were outstanding at the end of the year and are included in Trade and other receivables on the Consolidated Statement of Financial Position:

	Amounts owed by related parties	
	March 31, 2015	March 31, 2014
Associate	189	379
Other related entities	-	8
	189	387

There are no amounts owing to related parties as at March 31, 2015 (March 31, 2014 - nil).

The amounts outstanding are unsecured and will be settled in cash. No expense has been recognized in the current or prior years for bad or doubtful debts in respect of the amounts owed by related parties.

B. Other Transactions with Associate

There were no significant transactions with the Corporation's associate during the current or previous fiscal year other than the dividends received, as discussed in Note 13.

C. Transactions with Government-Related Entities

CBC/Radio-Canada is a Federal Crown Corporation that operates in an economic environment dominated by entities directly or indirectly controlled by the federal government through its government authorities, agencies, affiliations and other organizations (collectively referred to as "government-related entities"). The Corporation has transactions with other government-related entities including but not limited to sales and purchases of goods and rendering and receiving of services.

These transactions are conducted in the ordinary course of the Corporation's activities on terms comparable to those with other entities that are not government-related. The Corporation has established procurement policies, pricing strategy and approval process for purchases and sales of products and services which are independent of whether the counterparties are government-related entities or not.

For the year ended March 31, 2015, the aggregate amount of the Corporation's significant transactions with other government-related entities amounted to \$1.2 million of its rendering of services (2014 - \$1.5 million) and \$1.3 million of its purchase of goods and services (2014 - \$1.2 million). There were no individually significant transactions during the year ended March 31, 2015 (2014 - none).

D. Compensation of Key Management Personnel

Key management personnel are those people that have authority and responsibility for planning, directing and controlling the activities of the Corporation. This includes the Senior Executive Team (SET) and all members of the Board of Directors.

The remuneration of the Senior Executive Team during the year was as follows:

	2015	2014
Short-term benefits ¹	4,096	4,001
Post-employment benefits ²	1,545	1,541
Other benefits ³	536	104
	6,177	5,646

¹Short-term benefits include wages, salaries, social security contributions, paid annual leave, short-term disability, incentive pay (if payable within twelve months of the end of the period) and other benefit packages (healthcare, life insurance, dental, accident insurance) for current employees.

²Post-employment benefits such as pensions and post-employment life insurance.

³Other benefits include long-term incentive pay, long-term disability, worker's compensation and termination benefits. Termination benefits are benefits that are payable as a result of the Corporation terminating employment before the normal retirement date or an employee's decision to accept an offer of voluntary departure. Termination benefits include termination payments, severance pay and long-service gratuity.

The remuneration of key management personnel is as follows:

Members of the Board of Directors, except the President and CEO, receive meeting fees for Board and Committee meetings based on a fee schedule established by Corporations' by-laws (as approved by the Minister of Canadian Heritage). The Chair of the Board also receives an annual retainer.

The total compensation paid to the members of the Board of Directors, excluding the President and CEO, during the year was \$0.2 million (2014 – \$0.3 million). Additional data on meetings attended by Board members is provided in the section Board of Directors Attendance of the Annual Report.

SET members' remuneration, excluding the President and CEO, is approved by the Board of Directors upon recommendation of the Human Resources and Governance Committee, having regard to the performance of individuals and market trends.

27. COMMITMENTS

A. Program-related and Other

This note shows amounts to which the Corporation is contractually committed, but which do not meet the criteria for inclusion in the Consolidated Statement of Financial Position.

	2015	2014
Facilities management	200,676	239,269
Programming	147,930	80,334
Transmission distribution	34,806	41,222
Maintenance & support	34,569	41,101
Property and equipment	12,332	17,798
Other	28,974	36,221
	459,287	455,945

	2015	2014
Less than one year	140,917	156,995
Later than one year but not later than five years	280,649	238,070
More than five years	37,721	60,880
	459,287	455,945

B. The Corporation as a Lessee - Operating Leases

Operating leases relate to leases of property, network distribution and equipment with remaining lease terms of between one and 28 years. Certain leases contain clauses allowing for the renewal/extension of the original term at market rates. The Corporation does not have an option to purchase any of the property, network distribution or equipment at the expiry of the lease periods.

As at March 31 the future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	2015	2014
Less than one year	20,451	22,391
Later than one year but not later than five years	68,850	73,085
More than five years	57,515	60,420
	146,816	155,896

The amounts presented above include a total of \$50.8 million (March 31, 2014 – \$58.4 million) representing operating costs and property taxes payable.

The payments recognized as an expense for minimum lease payments in 2015 amounted to \$22.3 million (2014 – \$21.5 million).

Included in the above amounts are lease payments to be made in the normal course of business in the amount of \$4.6 million (March 31, 2014 – \$4.0 million) to a related party including government-related entities.

C. The Corporation as a Lessor - Operating Leases

Operating leases relate to buildings and transmission towers owned by the Corporation with remaining lease terms of between one to 95 years. All operating lease contracts contain market review clauses in the event that the lessee exercises its option to renew. The lessee does not have an option to purchase the property at the expiry of the lease period.

As at March 31 the future aggregate minimum lease receivables under non-cancellable operating leases are as follows:

	2015	2014
Less than one year	10,209	10,848
Later than one year but not later than five years	38,855	35,062
More than five years	324,629	333,002
	373,693	378,912

In addition to the amounts presented above, the Corporation has receivables related to operating expenses and property taxes under building leases that total \$157.2 million (March 31, 2014 – \$162.8 million).

Included in the above amounts are lease payments to be received in the normal course of business in the amount of \$5.1 million (March 31, 2014 – \$6.3 million) from a related party including government-related entities.

28. SUBSEQUENT EVENTS

During the 2014-2015 fiscal year, the Board of Directors approved the sale of the Corporation's mobile production assets. On June 4, 2015, the approval of Order-in-Council for this sale was received. The sale is expected to close on June 25, 2015 for proceeds of approximately \$7.8 million.