

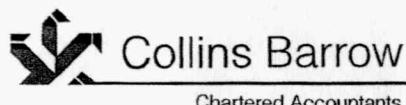
**CANADIAN FENCING FEDERATION**  
**Financial Statements**  
**Year Ended March 31, 2014**

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**CANADIAN FENCING FEDERATION**  
**Index to Financial Statements**  
**Year Ended March 31, 2014**

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	Page
<b>INDEPENDENT AUDITOR'S REPORT</b>	1 - 2
<b>FINANCIAL STATEMENTS</b>	
Statement of Financial Position	3
Statement of Changes in Net Assets	4
Statement of Operations	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 9



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#### INDEPENDENT AUDITOR'S REPORT

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To the Directors of Canadian Fencing Federation

We have audited the accompanying financial statements of Canadian Fencing Federation, which comprise the statement of financial position as at March 31, 2014, and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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Independent Auditor's Report to the Directors of Canadian Fencing Federation (continued)

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Canadian Fencing Federation as at March 31, 2014, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

*Collins Barrow WCM LLP*

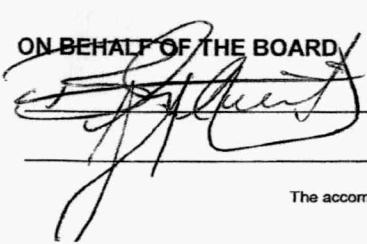
Winchester, Ontario  
June 13, 2014

Chartered Accountants, Licensed Public Accountants

**CANADIAN FENCING FEDERATION**  
**Statement of Financial Position**  
**March 31, 2014**

	<b>March 31 2014</b>	<b>March 31 2013</b>
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 54,251	\$ 123,230
Undeposited funds	38,168	38,499
Accounts receivable (Note 4)	26,227	50,432
Inventory	3,149	2,786
Harmonized sales tax recoverable	8,454	8,454
Prepaid expenses	<u>76,026</u>	72,328
	<b>206,275</b>	295,729
<b>EQUIPMENT (Note 5)</b>	<b>1,351</b>	-
	<b>\$ 207,626</b>	<b>\$ 295,729</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 88,145	\$ 175,596
Deferred revenue	12,336	-
Provincial advances	<u>-</u>	29,558
	<b>100,481</b>	205,154
<b>NET ASSETS</b>		
Unrestricted	<b>107,145</b>	90,575
	<b>\$ 207,626</b>	<b>\$ 295,729</b>

ON BEHALF OF THE BOARD

  
 Director  
 Director

The accompanying notes are an integral part of these financial statements.

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**CANADIAN FENCING FEDERATION**  
**Statement of Changes in Net Assets**  
**Year Ended March 31, 2014**

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	<b>2014</b>	<b>2013</b>
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 90,575	\$ (48,567)
<b>EXCESS OF REVENUE OVER EXPENSES</b>	<u>16,570</u>	<u>139,142</u>
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 107,145</b>	<b>\$ 90,575</b>

**CANADIAN FENCING FEDERATION**  
**Statement of Operations**  
**Year Ended March 31, 2014**

	<b>2014</b>	<b>2013</b>
<b>REVENUE</b>		
Funding, core - Sport Canada	\$ 472,500	\$ 642,615
Funding - FIE grants	4,163	6,092
Funding - other partners	6,720	6,231
CFF fees	159,928	287,393
Hosting fees	54,046	76,551
Development program fees	440	1,105
High performance program fees	146,236	104,807
Marketing, promotions, sponsorships	4,416	10,440
Other revenues	-	238
	<b>848,449</b>	<b>1,135,472</b>
<b>EXPENSES</b>		
Administration	255,016	274,959
Amortization	270	-
Developmental programs	76,314	72,697
High performance programs	416,012	510,825
Hosting	59,053	120,415
Wheelchair (disabled) program	25,214	17,434
	<b>831,879</b>	<b>996,330</b>
<b>EXCESS OF REVENUE OVER EXPENSES</b>	<b>\$ 16,570</b>	<b>\$ 139,142</b>

 Collins Barrow  
Chartered Accountants

The accompanying notes are an integral part of these financial statements.

**CANADIAN FENCING FEDERATION**  
**Statement of Cash Flows**  
**Year Ended March 31, 2014**

	<b>2014</b>	<b>2013</b>
<b>OPERATING ACTIVITIES</b>		
Excess of revenue over expenses	\$ 16,570	\$ 139,142
Item not affecting cash:		
Amortization of equipment	<u>270</u>	-
	<u>16,840</u>	<u>139,142</u>
Changes in non-cash working capital:		
Accounts receivable	24,205	21,134
Undeposited funds	331	(38,499)
Harmonized sales tax recoverable	-	1,104
Inventory	(363)	-
Prepaid expenses	(3,698)	16,539
Accounts payable and accrued liabilities	(87,451)	(1,938)
Deferred revenue	<u>12,336</u>	-
	<u>(54,640)</u>	<u>(1,660)</u>
Cash flow from (used by) operating activities	<u>(37,800)</u>	<u>137,482</u>
<b>INVESTING ACTIVITY</b>		
Purchase of property, plant and equipment	<u>(1,621)</u>	-
<b>FINANCING ACTIVITY</b>		
Repayment of provincial loans	<u>(29,558)</u>	-
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<u>(68,979)</u>	137,482
<b>CASH (DEFICIENCY) - BEGINNING OF YEAR</b>	<u>123,230</u>	<u>(14,252)</u>
<b>CASH - END OF YEAR</b>	<b>\$ 54,251</b>	<b>\$ 123,230</b>

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**CANADIAN FENCING FEDERATION**  
**Notes to Financial Statements**  
**Year Ended March 31, 2014**

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**1. NATURE OF OPERATIONS**

The mission of the Federation is to establish, develop, promote and support the sport of fencing in Canada and internationally. The Federation is incorporated under the Canada Corporations Act as a not-for-profit organization and is a Registered Canadian Amateur Athletic Association under the Income Tax Act.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations applied within the framework of the significant Canadian accounting policies summarized below:

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Inventory

Inventory is valued at the lower of cost and net realizable value with the cost being determined on a weighted average cost basis.

Equipment

Equipment is stated at cost or deemed cost less accumulated amortization. Equipment is amortized over its estimated useful lives at the following rates and methods:

Equipment	3 years	straight-line method
Computer equipment	3 years	straight-line method

The Federation regularly reviews its equipment to eliminate obsolete items. Government grants are treated as a reduction of equipment cost.

Equipment acquired during the year but not placed into use are not amortized until they are placed into use.

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**CANADIAN FENCING FEDERATION**  
**Notes to Financial Statements**  
**Year Ended March 31, 2014**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Revenue Recognition**

The organization follows the deferral method of accounting for contributions.

Contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Program fees are recognized at the time services are rendered or over the term of the membership and when collectability of proceeds is reasonably assured.

Sales revenue is recognized when title passes and collectability of proceeds is reasonably assured.

Interest income is recorded on a time proportion basis.

**Use of Estimates**

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from these estimates as additional information becomes available in the future. Management uses estimates to determine the Harmonized sales tax recoverable, useful life of capital assets and accrued liabilities at year end. For periods where the Harmonized sales tax recoverable could not be reasonably estimated, it was recorded at zero. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in the periods in which they become known.

**3. FINANCIAL INSTRUMENTS**

The significant financial risks to which the federation is exposed are credit risk and fair value risk.

**Credit Risk**

The financial instruments that potentially subject the federation to a significant concentration of credit risk consist primarily of cash and accounts receivable. The federation mitigates its exposure to credit loss by placing its cash with major financial institutions. The federation routinely assesses the financial strength of its customers and, as a consequence, believes that its accounts receivable credit risk exposure is limited.

**Fair Value**

The federation's carrying value of cash, accounts receivable, harmonized sales tax recoverable and accounts payable and accrued liabilities approximates its fair value due to the immediate or short term maturity of these instruments.

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**CANADIAN FENCING FEDERATION**  
**Notes to Financial Statements**  
**Year Ended March 31, 2014**

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**4. ACCOUNTS RECEIVABLE**

Accounts receivable is comprised of the following:

	<b>2014</b>	<b>2013</b>
Accounts Receivable	\$ 26,227	\$ 107,111
Allowance for Doubtful Accounts	- <hr/>	(56,679) <hr/>
	<b>\$ 26,227</b>	<b>\$ 50,432</b>

**5. EQUIPMENT**

	Cost	Accumulated amortization	2014 Net book value	2013 Net book value
Equipment	\$ 128,493	\$ 128,493	\$ -	\$ -
Computer equipment	23,142	21,791	1,351	-
	<b>\$ 151,635</b>	<b>\$ 150,284</b>	<b>\$ 1,351</b>	<b>\$ -</b>

**4. CFF Board of Directors**

Name	Address	Occupation
Brad Goldie	[REDACTED] [REDACTED]	[REDACTED]
Sylvie Clement	[REDACTED] [REDACTED]	[REDACTED]
Brian Gilchrist	[REDACTED] [REDACTED]	[REDACTED] [REDACTED]
Ayach Bounachada	[REDACTED] [REDACTED]	[REDACTED]
Igor Gantsevich	[REDACTED] [REDACTED]	[REDACTED] [REDACTED]
Sean Zhang	[REDACTED] [REDACTED]	[REDACTED]
Valerie Keyes	[REDACTED] [REDACTED]	[REDACTED] [REDACTED]

**Signing Authority and Officers for CFF:**

Caroline Sharp, CFF Executive Director, [REDACTED]

Tim Stang, CFF Technical Director, [REDACTED]

Brian Gilchrist, Treasurer, [REDACTED]

Brad Goldie, President, [REDACTED]

**5. Authorized to Issue Official Receipts:**

Caroline Sharp, Executive Director, CFF

Tim Stang, Technical Director, CFF

Brian Gilchrist, Board of Director and Chief Financial Officer, CFF

**6. Replacement Procedure for lost or Spoiled Receipts:**

We maintain copies so if a receipt is lost or spoiled an official copy is reproduced with the same serial number and stamped to indicate that it is a copy/replacement of the original.