

ORIENTEERING CANADA
Financial Statements
Years Ended March 31, 2013 and March 31, 2012

ORIENTEERING CANADA
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Year Ended March 31, 2013

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Denis G Fillion CMA Ltd

CERTIFIED MANAGEMENT ACCOUNTANTS/COMPTABLES EN MANAGEMENT ACCRÉDITÉS

INDEPENDENT AUDITOR'S REPORT

To the Partners of Orienteering Canada

We have audited the accompanying financial statements of Orienteering Canada, which comprise the statement of financial position as at March 31, 2013 and the statements of revenues and expenditures, 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 Partners of Orienteering Canada *(continued)*

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Orienteering Canada as at March 31, 2013 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

A handwritten signature in black ink, appearing to read "Denis G. Fillion". The signature is fluid and cursive, with a large initial "D" and "F".

St Pierre Jolys, Manitoba
June 24, 2013

Denis G Fillion CMA Ltd
CERTIFIED MANAGEMENT ACCOUNTANTS

ORIENTEERING CANADA
Statement of Financial Position
March 31, 2013, March 31, 2012 and April 1, 2011

	<i>March 31</i> 2013	<i>March 31</i> 2012	<i>April 1</i> 2011
ASSETS			
CURRENT			
Cash	\$ 110,231	\$ 107,153	\$ 103,100
Accounts receivable	1,738	9,747	3,095
Inventory	6,058	7,508	4,881
Goods and services tax recoverable	375	620	563
Prepaid expenses	16,035	1,690	1,426
	<u>\$ 134,437</u>	<u>\$ 126,718</u>	<u>\$ 113,065</u>
LIABILITIES AND NET ASSETS			
CURRENT			
Accounts payable	\$ 7,291	\$ 1,362	\$ 1,276
NET ASSETS			
General fund	111,244	109,153	91,425
Restricted fund	15,902	16,203	20,364
	<u>127,146</u>	<u>125,356</u>	<u>111,789</u>
	<u>\$ 134,437</u>	<u>\$ 126,718</u>	<u>\$ 113,065</u>

ON BEHALF OF THE BOARD


 _____ Director


 _____ Director

The attached notes are an integral part of this financial statement.

ORIENTEERING CANADA
Statement of Revenues and Expenditures
Years Ended March 31, 2013 and March 31, 2012

	2013	2012
REVENUE		
Association membership fees	\$ 29,000	\$ 20,000
Donations	8,070	4,305
Activity revenue (Note 6)	15,678	13,629
High performance athletes (Note 7)	29,198	28,237
Sales of promotional items	2,189	4,524
Miscellaneous Income	1,594	8,200
	85,729	78,895
PROGRAM AND ADMINISTRATIVE EXPENSES		
Accounting fees	1,839	1,392
Advertising and promotion	3,793	331
Business taxes, licenses and memberships	2,396	2,760
Conference	367	264
Insurance	7,850	7,850
Interest and bank charges	306	268
Internet	123	1,337
Meetings and conventions	2,828	3,749
Miscellaneous expense	645	2,071
Office	5,308	6,151
Program Expenses (Note 8)	58,847	39,535
Promotional items	800	741
Telephone	127	127
	85,229	66,576
EXCESS OF REVENUE OVER PROGRAM AND ADMINISTRATIVE EXPENSES FROM OPERATIONS	500	12,319
OTHER INCOME (EXPENSES)		
Interest income	1,290	1,248
Net surplus (deficit) from Junior Camp activities transferred to restricted funds (Note 5)	301	(1,812)
	1,591	(564)
EXCESS OF REVENUE OVER PROGRAM AND ADMINISTRATIVE EXPENSES	\$ 2,091	\$ 11,755

The attached notes are an integral part of this financial statement.

ORIENTEERING CANADA
Statement of Changes in Net Assets
Years Ended March 31, 2013 and March 31, 2012

	General Fund	Restricted Fund	2013	2012	2011
NET ASSETS - BEGINNING OF YEAR	\$ 109,153	\$ 16,203	125,356	111,789	75,367
Excess of revenues over program and administrative expenses	2,091	-	2,091	11,755	36,421
Transfer from (to) general fund	-	-	-	(5,973)	(2,488)
Net surplus from income statement (<i>Note 5</i>)	-	(301)	(301)	1,812	2,488
NET ASSETS - END OF YEAR	\$ 111,244	\$ 15,902	127,146	119,383	111,788

ORIENTEERING CANADA
Statement of Cash Flows
Years Ended March 31, 2013 and March 31, 2012

	2013	2012
OPERATING ACTIVITIES		
Excess of revenue over program and administrative expenses	\$ 2,091	\$ 11,755
Item not affecting cash:		
Net surplus from Junior Camp activities transferred to restricted funds	(301)	1,812
	1,790	13,567
Changes in non-cash working capital:		
Accounts receivable	8,009	(6,652)
Inventory	1,450	(2,627)
Accounts payable	5,929	86
Prepaid expenses	(14,345)	(264)
GST payable (receivable)	245	(57)
	1,288	(9,514)
INCREASE IN CASH FLOW	3,078	4,053
Cash - beginning of year	107,153	103,100
CASH - END OF YEAR	\$ 110,231	\$ 107,153

The attached notes are an integral part of this financial statement.

ORIENTEERING CANADA
Notes to Financial Statements
Year Ended March 31, 2013

1. DESCRIPTION OF OPERATIONS

The organization is a charity recognized by CRA and is incorporated under Canada Corporations Act as of December 1, 1967. The organization serves to promote orienteering in Canada; to encourage the formation of orienteering clubs throughout Canada and to further their interests; to render all possible services and assistance for the development and extension of orienteering.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian generally accepted accounting principles (GAAP).

Cash equivalents

Highly liquid investments with maturities of one year or less at date of purchase are classified as cash equivalents.

Revenue Recognition

The organization recognizes revenues when they are earned, specifically when all the following conditions are met:

- services are provided or products are delivered to customers
- there is clear evidence that an arrangement exists
- amounts are fixed or can be determined
- the ability to collect is reasonably assured.

Measurement uncertainty

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. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

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Notes to Financial Statements
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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Foreign currency translation

Currency translations into Canadian dollars are made as follows:

- a) monetary assets and liabilities at the rates of exchange prevailing at the balance sheet date;
 - b) non-monetary items at rates prevailing when they are acquired;
 - c) exploration costs and administration costs at average rates for the period.
-

3. FIRST TIME ADOPTION OF ACCOUNTING STANDARDS FOR NOT-FOR-PROFIT ORGANIZATIONS

During the year the organization adopted Canadian generally accepted accounting principles (GAAP). These financial statements are the first prepared in accordance with these standards. The adoption of GAAP had no impact on net assets as at April 1, 2011 or revenues and expenditures or cash flows for the year ended March 31, 2012 as previously reported in accordance with pre-changeover Canadian generally accepted accounting principles.

4. FINANCIAL INSTRUMENTS

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from customers. In order to reduce its credit risk, the organization reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The organization has a significant number of customers which minimizes concentration of credit risk.

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Year Ended March 31, 2013

4. FINANCIAL INSTRUMENTS *(continued)*

Fair value

The organization's carrying value of cash and cash equivalents, accounts receivable, and accounts payable approximates its fair value due to the immediate or short term maturity of these instruments.

The fair value of amounts due to shareholders is less than carrying value because the amounts are non-interest bearing. However, because the amounts due to shareholders have no fixed repayment terms, the fair value and the exposure to related risk cannot be determined with any degree of certainty, and the amounts are therefore reported at their carrying value.

The carrying value of the long term debt approximates the fair value as the interest rates are consistent with the current rates offered to the organization for debt with similar terms.

Currency risk

Currency risk is the risk to the company's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The organization is exposed to foreign currency exchange risk on cash, accounts receivable, and accounts payable held in U.S. dollars. The company does not use derivative instruments to reduce its exposure to foreign currency risk.

Interest rate risk

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

Commodity risk

The organization is exposed to fluctuations in commodity prices for natural gas, crude oil and natural gas liquids. Commodity prices are affected by many factors including supply, demand and the Canadian to U.S. dollar exchange rate. The organization had no financial hedges or price commodity contracts in place at year end.

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Notes to Financial Statements
Year Ended March 31, 2013

5. Junior Camp Fund

This fund is a restricted fund to be used solely for Junior Training Camps.

	2013
Junior Training Camp revenue	\$ 7,045
Junior Training Camp Expenses	(4,346)
Sass Peepre Fund Expenses	(3,000)
	\$ (301)

The deficit has been transferred to the restricted fund held for these purposes.

6. Activity Revenue

	2013	2012
Coaching/Officials Services	\$ -	\$ 925
Event Fees/Levies	8,633	7,266
Junior Training Camp revenue	7,045	5,438
	\$ 15,678	\$ 13,629

7. High Performance Athletes revenue breakdown

	2013	2012
Donations	\$ 1,617	\$ 2,411
Event Fees (Athletes)	19,250	11,824
National Team Events	-	4,935
Fund Raising Activities	8,331	9,067
	\$ 29,198	\$ 28,237

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Notes to Financial Statements
Year Ended March 31, 2013

8. Program Expenses

	2013	2012
COF Branded Techwear	\$ 780	\$ 3,801
Canada Cup	1,000	600
Coaching Program	1,495	1,069
Event Registration Fees	19,053	14,197
Fundraising Program Costs	157	3,118
HPP Training camps	5,394	2,631
Junior Training Camp Expenses	4,346	3,641
Medals	636	1,221
National Team Coach Funding	3,000	2,000
National Team Funding	3,000	-
National Team Leader	10,038	3,479
Rising Stars award	3,000	3,000
Volunteer Recognition	99	778
Miscellaneous	434	-
Officials Development	960	-
Sass Peepre Fund Expenses	3,000	-
Staffing	750	-
Strategic Plan 1 Time Projects	1,705	-
	\$ 58,847	\$ 39,535

9. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.