

## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

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To the Members  
Canadian Rope Skipping Federation

I have reviewed the accompanying financial statements of Canadian Rope Skipping Federation that comprise of the statement of financial position as at July 31, 2018, and the statements of operations and unrestricted net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting statements for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Practitioner's Responsibility*

My responsibility is to express a conclusion on the accompanying financial statements based on my review. I conducted by review in accordance with Canadian generally accepted standards for review engagements, which require me to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, I do not express an audit opinion on these financial statements.

### *Conclusion*

Based on my review, nothing has come to my attention that causes me to believe that the financial statements do not present fairly, in all material respects, the financial position of Canadian Rope Skipping Federation as at July 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.



**Erika Banwell, C.A. Professional Corporation**  
Authorized to practice public accounting by the  
Chartered Professional Accountants of Ontario.

# Canadian Rope Skipping Federation

## Statement of Financial Position

As At July 31, 2018

(Unaudited)

	<u>2018</u>	<u>2017</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash	\$ 18,418	\$ 20,104
Inventory	2,960	1,939
Prepaid expenses	1,524	1,618
	<u>\$ 22,902</u>	<u>\$ 23,661</u>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued liabilities	\$ 257	\$ 256
<b>Net Assets</b>		
Net Assets	<u>22,645</u>	<u>23,405</u>
	<u>\$ 22,902</u>	<u>\$ 23,661</u>

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

# Canadian Rope Skipping Federation

## Statement of Operations and Unrestricted Net Assets

For the Year Ended July 31, 2018

(Unaudited)

	2018	2017
<b>Revenue</b>		
Button sales	\$ 242	\$ 507
Donation	800	3,225
FISAC	19,318	-
Interest	56	48
Memberships	17,385	16,557
National capitation fees	26,565	28,795
Workshops and camps	65	132
	<u>64,431</u>	<u>49,264</u>
<b>Operating expenses</b>		
Accounting	316	311
Awards, pins, ribbons and medals	5,643	4,194
Consulting fees	-	3,500
Directors' expenses	900	1,800
Directors' retreat	4,725	-
FISAC fees	19,966	209
Honorariums	1,650	3,350
Industry Canada	20	20
Insurance	3,595	3,508
Judge's clinic	571	-
National competition	24,446	31,135
Office expenses	587	548
Research expense	168	-
Scholarship	1,000	2,000
Team Canada	1,210	-
Team Canada shirts	268	4,911
Website	126	840
	<u>65,191</u>	<u>56,326</u>
<b>Deficit of revenues over expenses</b>	<b>(760)</b>	<b>(7,062)</b>
Net assets, beginning of the year	<u>23,405</u>	<u>30,467</u>
<b>Net assets, end of the year</b>	<b>\$ 22,645</b>	<b>\$ 23,405</b>

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

# Canadian Rope Skipping Federation

## Statement of Cash Flows

For the Year Ended July 31, 2018

(Unaudited)

	<u>2018</u>	<u>2017</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Deficit of revenues over expenses	\$ (760)	\$ (7,062)
(Increase) decrease in:		
Inventory	(1,021)	996
Prepaid expenses	94	214
Increase (decrease) in:		
Accounts payable and accrued liabilities	1	2
	<u>(1,686)</u>	<u>(5,850)</u>
Cash, beginning of the period	<u>20,104</u>	<u>25,954</u>
<b>Cash, end of the period</b>	<u><u>\$ 18,418</u></u>	<u><u>\$ 20,104</u></u>

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

# Canadian Rope Skipping Federation

## Notes to the Financial Statements

For the Year Ended July 31, 2018

(Unaudited)

### 1. Organization

The federation is registered under the Canadian Amateur Athletic Association. The organization holds various fundraising activities to provide funds for its members. Specifically, it provides funds to promote skipping through instruction, workshops, camps and exhibitions of skipping skills, and to provide recreation, entertainment and leisure activities for children and teens.

### 2. Significant Accounting Policies

The federation applies the accounting standards for not-for-profit organizations. Within this framework, the following is a summary of the significant policies adopted in the preparation of these financial statements.

#### a. Inventories

Inventory is stated at the lower of cost and net realizable value. Cost is determined on a first-in, first-out basis.

#### b. Property, plant and equipment

Capital assets are expensed in the year in which they are acquired.

#### c. Income taxes

There is no provision for income taxes within these financial statements as the federation is exempt from income taxes as a non-profit organization as defined by subsection 149(1)(l) of the Income Tax Act.

#### d. Revenue recognition

The Federation follows the deferral method in accounting for contributions. Restricted contributions are recognized as revenue in the year in which they related expense is incurred. Unrestricted contributions are recognized as revenue when they are received or receivable if the amount can be estimated and its collection can be reasonably assured.

#### e. Use of estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and may have impact on future periods.

#### f. Contributions of assets, supplies and services

Contributions of assets, supplies and services that would otherwise have been purchased are recorded at the fair value at the date of contribution, provided a fair value can be reasonably determined. All other volunteer time is not recognized in these financial statements due to the difficulty in determining its fair value.