

**CANADIAN RUGBY FOUNDATION**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2013**

**UNAUDITED**



## REVIEW ENGAGEMENT REPORT

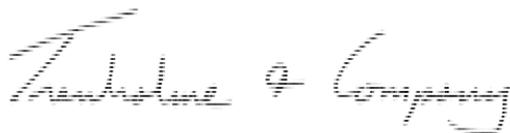
### To the Directors

We have reviewed the statement of financial position of Canadian Rugby Foundation as at December 31, 2013 and the statements of operations, change in net assets and cash flows for the period then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the company.

A review does not constitute an audit and, consequently, we do not express an audit opinion on these financial statements.

In common with many charitable organizations, the Foundation derives part of its revenue from donations and bequests, the completeness of which is not susceptible to satisfactory review procedures. Accordingly, our review of these revenues was limited to the amounts recorded in the records of the Foundation, and we were not able to determine whether any adjustments might be necessary to donation and bequest revenues, total revenue, excess of revenue over expenditures for the year, current assets or net assets.

Except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to complete our review of the donations and bequests revenue, as described in the preceding paragraph, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.



Chartered Accountants LLP

Victoria, British Columbia

May 7, 2014

**CANADIAN RUGBY FOUNDATION**  
**Statement of Financial Position**  
**December 31, 2013**

	<b>December 31, 2013</b>	<b>March 31, 2013</b>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 30,600	\$ 62,342
Accounts receivable	8,072	9,817
Inventory	283	2,264
Marketable securities (note 3)	2,232,473	2,096,971
Prepaid expenses	50,050	-
	<b>2,321,478</b>	<b>2,171,394</b>
<b>Fixed assets (note 4)</b>	<b>488</b>	<b>832</b>
	<b>\$ 2,321,966</b>	<b>\$ 2,172,226</b>

**LIABILITIES AND NET ASSETS**

<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$ 7,317	\$ 3,007
<b>Net assets</b>		
Restricted funds	2,184,976	2,073,649
Operating fund	129,673	95,570
	<b>2,314,649</b>	<b>2,169,219</b>
	<b>\$ 2,321,966</b>	<b>\$ 2,172,226</b>

Approved by the Directors

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(see accompanying notes)

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**CANADIAN RUGBY FOUNDATION**  
**Statement of Change in Net Assets**  
**Period ended December 31, 2013**

	<b>Operating fund</b>	<b>Restricted fund</b>	<b>Total December 31, 2013 (9 months)</b>	<b>Total March 31, 2013 (12 months)</b>
Net assets, beginning of period	\$ 95,570	\$ 2,073,649	\$ 2,169,219	\$ 1,954,694
Excess (deficiency) of receipts over disbursements for the period	34,103	111,327	145,430	214,525
<b>Net assets, end of period</b>	<b>\$ 129,673</b>	<b>\$ 2,184,976</b>	<b>\$ 2,314,649</b>	<b>\$ 2,169,219</b>

(see accompanying notes)

**UNAUDITED**



**CANADIAN RUGBY FOUNDATION**  
**Statement of Operations**  
**Period ended December 31, 2013**

	<b>Operating fund</b>	<b>Restricted fund</b>	<b>Total December 31, 2013 (9 months)</b>	<b>Total March 31, 2013 (12 months)</b>
<b>Receipts</b>				
Donation receipts	\$ -	\$ 112,698	\$ 112,698	\$ 269,912
Dividend revenue	40,144	-	40,144	41,732
Interest revenue	23,675	-	23,675	28,231
Gain on sales of marketable securities	-	28,379	28,379	36,569
Gain (loss) on fair value of marketable securities	-	51,225	51,225	(31,885)
	<b>63,819</b>	<b>192,302</b>	<b>256,121</b>	<b>344,559</b>
<b>Disbursements</b>				
Gifts to qualified donees	-	71,173	71,173	77,428
Fundraising activities	19,914	-	19,914	8,807
Accounting and legal	6,028	6,029	12,057	9,786
Office and sundry	2,890	2,891	5,781	7,568
Telephone and utilities	302	301	603	638
Amortization	172	172	344	316
Bank charges and interest	410	409	819	1,908
	<b>29,716</b>	<b>80,975</b>	<b>110,691</b>	<b>106,451</b>
<b>Excess of receipts over disbursements for the period before the following:</b>	<b>34,103</b>	<b>111,327</b>	<b>145,430</b>	<b>238,108</b>
Supplies writedown	-	-	-	23,583
<b>Excess of receipts over disbursements for the period</b>	<b>\$ 34,103</b>	<b>\$ 111,327</b>	<b>\$ 145,430</b>	<b>\$ 214,525</b>

(see accompanying notes)

UNAUDITED



**CANADIAN RUGBY FOUNDATION****Statement of Cash Flows****Period ended December 31, 2013**

	<b>December 31, 2013 (9 months)</b>	<b>March 31, 2013 (12 months)</b>
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Excess of revenue over expenses for the year	\$ 147,492	\$ 214,525
Adjustment for:		
(Gain) from disposition of marketable securities	(28,379)	(36,569)
(Gain) loss in fair value of marketable securities	(51,225)	31,897
Amortization	344	316
	<b>68,232</b>	<b>210,169</b>
<b>Changes in non-cash operating working capital</b>		
Change in trade accounts receivable	1,677	(6)
Change in inventory	1,981	(2,264)
Change in prepaid expenses	(50,050)	30,393
Change in accounts payable	2,315	(7,629)
	<b>(44,077)</b>	<b>20,494</b>
<b>Cash flows used in investing or financing activity</b>		
Purchase of investments, net of sales proceeds	(55,897)	(200,590)
Purchase of capital assets	-	(1,148)
	<b>(55,897)</b>	<b>(201,738)</b>
<b>(Decrease) increase in cash during the period</b>	<b>(31,742)</b>	<b>28,925</b>
<b>Cash and cash equivalents, beginning of period</b>	<b>62,342</b>	<b>33,417</b>
<b>Cash and cash equivalents, end of period</b>	<b>\$ 30,600</b>	<b>\$ 62,342</b>

(see accompanying notes)

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# CANADIAN RUGBY FOUNDATION

## Notes to the Financial Statements

December 31, 2013

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### 1. Purpose of the Organization

The Canadian Rugby Foundation was incorporated to foster, encourage and promote the game of rugby among both genders within Canada through grants, bursaries, scholarships and awards to qualified donees including the Canadian Rugby Union. The Foundation was registered as a charitable organization with the Canada Revenue Agency on December 18, 2002.

### 2. Accounting policies

A summary of significant accounting policies is presented below to assist the reader in evaluating the company's financial statements.

#### (a) Revenue recognition

The Foundation follows the restricted fund 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. Contributions in-kind are recognized at fair value at the date of contributions, if determinable. All other revenue is recognized in the period in which it is earned

#### (b) Funds

The operating fund accounts for the Foundation's operational and administrative activities. Restricted funds consist of various funds for which long term donations have been made for specific purposes. The donations made to these restricted funds are considered to be gifts of enduring property as the donations are subject to written direction that the Foundation hold these gifts for a period of at least ten years. Income earned on restricted funds is used for operational activities. The balance sheet presents the combined assets and liabilities of all funds.

#### (c) Contributed services

Volunteers and other organizations have contributed significant time and resources to assist the foundation in carrying out its programs and activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

UNAUDITED



# CANADIAN RUGBY FOUNDATION

## Notes to the Financial Statements

December 31, 2013

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### 2. Accounting policies (continued)

#### (d) Financial Instruments

Marketable securities, which consist of common and preferred shares, money market investments, and trust units, are classified as financial assets held for trading, which are measured at fair market value with gains, losses and changes in value recognized in revenue and expenses for the year.

The carrying values of accounts receivable, prepaid expenses, and accounts payable and accrued liabilities approximate their fair values due to the short-term nature of these assets and liabilities.

It is management's opinion that the Foundation is not exposed to significant interest currency or credit risks arising from these financial instruments.

#### (e) 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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the period. Actual results could differ from these estimates.

#### (f) Allocation of disbursements

The Foundation allocates disbursements that are not directly attributable to a specific fund between funds based on estimated time and use, as follows:

	<b>Operating fund</b>	<b>Restricted funds</b>
Other operating disbursements	50%	50%

#### (g) Fixed assets and amortization

Fixed assets are recorded at cost and are being amortized over their estimated useful lives using the following rates and methods:

Computer hardware	-	55% declining balance
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**CANADIAN RUGBY FOUNDATION****Notes to the Financial Statements****December 31, 2013****3. Marketable securities**

	<b>December 31, 2013</b>	<b>March, 31 2013</b>
Opening balance	\$ 2,096,971	\$ 1,891,698
Funds transferred in	40,000	131,228
Funds transferred out	(50,000)	-
Interest and dividends reinvested	65,898	69,361
Gain on disposals	28,379	36,569
Gain (loss) in fair value	51,225	(31,885)
<b>Ending balance</b>	<b>\$ 2,232,473</b>	<b>\$ 2,096,971</b>

**4. Fixed assets**

	<b>Cost</b>	<b>Accumulated Amortization</b>	<b>Net Book Value</b>	
			<b>December 31, 2013</b>	<b>March 31, 2013</b>
Computer hardware	\$ 1,148	\$ 660	\$ 488	\$ 832

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