

Climbing Escalade Canada
Financial Statements
September 30, 2017
(Unaudited)

Review Engagement Report

To the Members of Climbing Escalade Canada:

We have reviewed the statement of financial position of Climbing Escalade Canada as at September 30, 2017 and the statements of operations and changes in net assets and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of inquiry, analytical procedures and discussion related to information supplied to us by the Organization.

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

Based on our review, 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.

We draw attention to Note 2 to the financial statements which describes that Climbing Escalade Canada adopted Canadian accounting standards for not-for-profit organizations on October 1, 2016 with a transition date of October 1, 2015. These standards were applied retrospectively by management to the comparative information in these financial statements, including the statement of financial position as at September 30, 2016 and October 1, 2015, and the statements of operations and changes in net assets and cash flows for the year ended September 30, 2016 and related disclosures. We were not engaged to report on the restated comparative information, and as such, it is neither audited nor reviewed.

Edmonton, Alberta

January 23, 2018

MNP LLP

Chartered Professional Accountants

Climbing Escalade Canada Statement of Financial Position

As at September 30, 2017
(Unaudited)

	2017	2016	October 1 2015
Assets			
Current			
Cash	42,271	3,479	-
Advances to related party	-	-	47,034
	42,271	3,479	47,034
Liabilities			
Current			
Accounts payable and accruals	19,000	-	45,345
Advances from related party (Note 4)	854	5,360	-
	19,854	5,360	45,345
Net Assets (deficiency)	22,417	(1,881)	1,689
	42,271	3,479	47,034

Approved on behalf of the Board

signed "Steve Frangos"
Director

signed "Malek Taleb"
Director

Climbing Escalade Canada

Statement of Operations and Changes in Net Assets

*For the year ended September 30, 2017
(Unaudited)*

	2017	2016
Revenue		
Grants	45,000	10,000
Youth national team	40,888	-
Climber fees	32,021	11,040
Youth world competition	-	75,456
Total revenue	117,909	96,496
Expenses		
Youth national team expenses	37,362	133
IFSC memberships	24,102	23,666
Legal and professional fees	18,000	-
LTAD development	10,000	-
National competition expenses	1,081	-
Judging certification	1,000	-
Travel	932	-
Office	777	499
Bank charges	357	561
Youth world competition expenses	-	75,207
Total expenses	93,611	100,066
Excess (deficiency) of revenue over expenses	24,298	(3,570)
Net assets (deficiency), beginning of year	(1,881)	1,689
Net assets (deficiency), end of year	22,417	(1,881)

The accompanying notes are an integral part of these financial statements

Climbing Escalade Canada
Statement of Cash Flows
For the year ended September 30, 2017
(Unaudited)

	2017	2016
Cash provided by (used for) the following activities		
Operating		
Cash receipts from members, competitions and grants	117,909	96,496
Cash paid for program service expenses	(74,611)	(145,411)
	43,298	(48,915)
Financing		
Advances from related party	50	92,019
Repayment of advances from related party	(4,556)	(39,625)
	(4,506)	52,394
Increase in cash resources	38,792	3,479
Cash resources, beginning of year	3,479	-
Cash resources, end of year	42,271	3,479

The accompanying notes are an integral part of these financial statements

1. Incorporation and nature of the organization

Climbing Escalade Canada (the "Organization") has been federally incorporated as a National Sports Organization. The Organization's mandate is to regulate and promote the development of competition climbing in Canada and provide assistance to athletes, coaches, and event organizers at the national level.

The Organization is exempt from income tax due to its non-for-profit status.

2. Impact of adopting accounting standards for not-for-profit organizations

These are the Organization's first financial statements prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO). The accounting policies in Note 3 have been applied in preparing the financial statements for the year ended September 30, 2017, the comparative information for the year ended September 30, 2016, and the opening ASNPO statement of financial position as at October 1, 2015 (the Organization's date of transition to ASNPO).

In preparing these financial statements, the Organization has elected not to apply transitional provisions permitted by Section 1501 *First-time adoption by not-for-profit organizations* at the date of transition to ASNPO.

The transition to ASNPO has not affected the statement of financial position, statement of operations and changes in net assets or statement of cash flows previously reported.

3. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada and include the following significant accounting policies:

Revenue recognition

The Organization follows the deferral method of accounting for contributions. Restricted contributions, including grants, are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Revenue from events, programs and membership fees are recognized when the service is provided, once the amount can be reasonably estimated and collection is reasonably assured.

Contributed materials

Contributions of materials and services are recognized both as contributions and expenses in the statement of operations when a fair value can be reasonably estimated and when the materials and services are used in the normal course of the Organization's operations and would otherwise have been purchased.

No contributions of materials and services have been recognized in these financial statements.

Cash and cash equivalents

Cash and cash equivalents include balances with banks. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Climbing Escalade Canada

Notes to the Financial Statements

For the year ended September 30, 2017
(Unaudited)

3. Significant accounting policies *(Continued from previous page)*

Financial instruments

All financial instruments are initially recorded at their fair value, excluding certain financial assets and liabilities originated and issued in a related party transaction measured at their carrying or exchange amount in accordance with Section 3840 Related Party Transactions. At initial recognition, the Association may irrevocably elect to subsequently measure any financial instrument at fair value. The Association has not made such an election during the year.

The Organization subsequently measures investments in equity instruments quoted in an active market at fair value. All other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to financial instruments subsequently measured at fair value are immediately recognized in excess (deficiency) of revenue over expenses for the current period. Transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

The Organization assesses impairment of all of its financial assets measured at cost or amortized cost when there is an indication of impairment. Any impairment which is not considered temporary is included in current year excess (deficiency) of revenue over expenses.

Measurement uncertainty (use of estimates)

The preparation of financial statements in conformity with Canadian 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.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues and expenses in the periods in which they become known.

4. Advances from related party

Advances from related party are owing to the Alpine Club of Canada, an entity that previously managed the Organization. The advances bear no interest, are unsecured, and have no fixed terms of repayment.

5. Financial instruments

The Organization, as part of its operations, carries a number of financial instruments. It is management's opinion that the Organization is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.