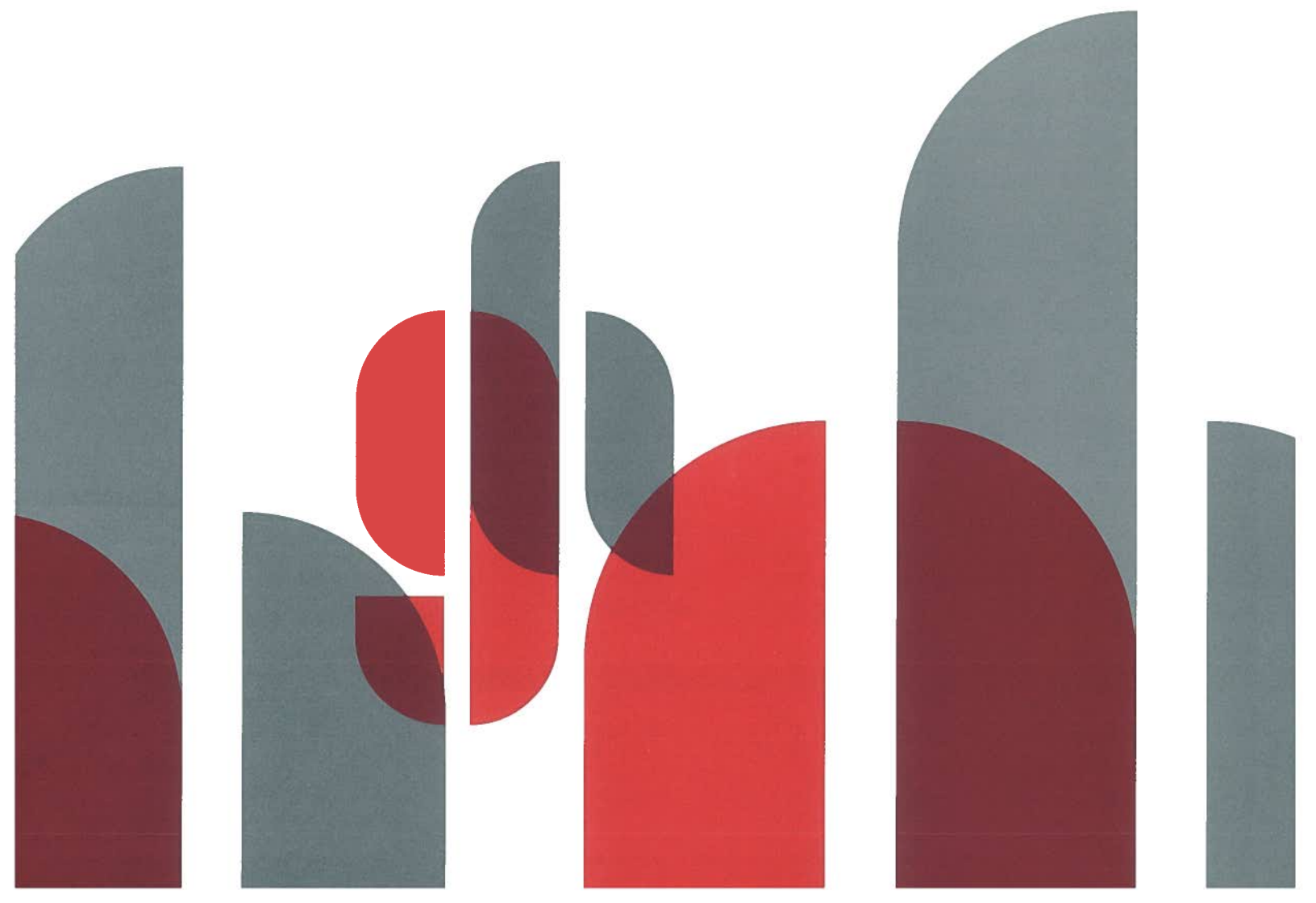




**C.D.N. SOCCER ASSOCIATION/
ASSOCIATION DE SOCCER C.D.N.**

**FINANCIAL STATEMENTS
AS AT OCTOBER 31, 2012**



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INDEPENDENT AUDITORS' REPORT

To the Shareholders of:
**C.D.N. SOCCER ASSOCIATION/
ASSOCIATION DE SOCCER C.D.N.**

We have audited the accompanying financial statements of **C.D.N. SOCCER ASSOCIATION/ ASSOCIATION DE SOCCER C.D.N.**, which comprise of the balance sheet as at October 31, 2012, and the operations statement, 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 accounting standards for not-for-profit operations, 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 of 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.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of **C.D.N. SOCCER ASSOCIATION/ASSOCIATION DE SOCCER C.D.N.** as at October 31, 2012, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting standards for not-for-profit organizations.



GOLDSMITH HERSH S.E.N.C.R.L.¹

Montreal, Quebec

April 25, 2013

¹ CPA auditor, CA permit No. 113355



**C.D.N. SOCCER ASSOCIATION/
ASSOCIATION DE SOCCER C.D.N.**

BALANCE SHEET

AS AT OCTOBER 31, 2012

ASSETS

	\$	\$
CURRENT		
Cash	3,325	
CAPITAL ASSETS (Note 3)	3,657	
		6,982

LIABILITIES

CURRENT		
Accounts payable and accrued liabilities (Note 4)	1,047	

NET ASSETS

UNRESTRICTED	5,935	
		6,982

See accompanying notes.

APPROVED ON BEHALF OF THE BOARD

Administrator

Administrator

**C.D.N. SOCCER ASSOCIATION/
ASSOCIATION DE SOCCER C.D.N.
STATEMENT OF CHANGES IN NET ASSETS
FOR THE EIGHT MONTHS ENDED OCTOBER 31, 2012**

	\$
Balance, beginning of period	-
Excess of revenues over expenditures	5,935
BALANCE, END OF PERIOD	5,935

See accompanying notes.

**C.D.N. SOCCER ASSOCIATION/
ASSOCIATION DE SOCCER C.D.N.**

STATEMENT OF OPERATIONS

FOR THE EIGHT MONTHS ENDED OCTOBER 31, 2012

	\$	\$
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INCOME		
Subsidies	20,000	
Summer registration	11,421	
Other income	5,102	
Day camp	1,620	
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		38,143
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EXPENSES		
Soccer equipment	7,997	
Referees	150	
Advertising	1,534	
Technical director	2,850	
Office salaries	5,785	
Administrative, registration and meetings	8,975	
Office	1,273	
Telephone	1,131	
Computer	896	
Amortization	1,420	
Interest and bank charges	197	
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		32,208
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EXCESS OF REVENUES OVER EXPENDITURES		5,935
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See accompanying notes.

**C.D.N. SOCCER ASSOCIATION/
ASSOCIATION DE SOCCER C.D.N.**

STATEMENT OF CASH FLOWS

FOR THE EIGHT MONTH PERIOD ENDED OCTOBER 31, 2012

	\$	\$
CASH FLOW PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Net income	5,935	
Adjustments for:		
Amortization	1,420	
		7,355
Changes in non-cash working capital:		
Accounts payable and accrued liabilities		1,047
Cash flows provided by operating activities		8,402
INVESTING ACTIVITIES		
Additions to capital assets	(5,077)	
Cash flows used in investing activities		(5,077)
INCREASE IN CASH		3,325
Cash, beginning of period		-
CASH, END OF PERIOD		3,325

See accompanying notes.

**C.D.N. SOCCER ASSOCIATION/
ASSOCIATION DE SOCCER C.D.N.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED OCTOBER 31, 2012**

1. PURPOSE OF ORGANIZATION

The organization's primary purpose is to promote soccer activities in the area and commenced operations on March 1, 2012.

The organization is registered with Revenue Canada and Revenue Quebec as a tax exempt organization.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

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 revenues and expenses. Estimates and assumptions are reviewed periodically and the effects of revisions are reflected in the financial statements in the period they are determined to be necessary. Actual results could differ from those estimates.

Amortization

Capital assets are recorded at cost and are amortized on the basis of their estimated useful lives as follows:

Description	Method	Rate
Furniture and fixtures	Declining balance	20 %
Computer hardware	Declining balance	30 %

Revenue Recognition

The organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the period 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.

Endowment contributions are recognized as direct increases in net assets.

**C.D.N. SOCCER ASSOCIATION/
ASSOCIATION DE SOCCER C.D.N.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED OCTOBER 31, 2012**

2. SIGNIFICANT ACCOUNTING POLICIES (cont.)

Contributed services

In order to carry out its activities, the organization receives volunteer services from the community. The value of contributed services is not recognized in these statements due to difficulty of determining their fair value.

Financial Instruments

Measurement of financial instruments

The organization initially measures its financial assets and financial liabilities at fair value.

The organization subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash .

Financial Liabilities measured at amortized costs include accounts payable and accrued liabilities.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in the excess of revenues over expenditures. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the excess of revenues over expenditures.

Transaction costs

The organization's transaction costs related to financial instruments that will be subsequently measured at fair value are recognized in the excess of revenues over expenditures in the period incurred. The carrying amount of the financial instruments that will not be subsequently measured at fair value is adjusted for transaction costs that are directly attributable to their origination, issuance or assumption of these instruments.

**C.D.N. SOCCER ASSOCIATION/
ASSOCIATION DE SOCCER C.D.N.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED OCTOBER 31, 2012**

3. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net
	\$	\$	\$
Furniture and fixtures	1,035	207	828
Computer hardware	4,042	1,213	2,829
	5,077	1,420	3,657

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	\$	\$
Trade accounts payable	349	
Deductions at source	698	
		1,047

5. FINANCIAL INSTRUMENTS

Risks and concentrations

The organization is exposed to various risks through its financial instruments without being exposed to concentrations of risk. The following analysis provides a measure of the organization's risk as at the balance sheet date, each of which is discussed below.

Liquidity Risk

Liquidity risk is the risk the organization will encounter difficulty on meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its accounts payable and accrued liabilities.

6. COMPARATIVE FIGURES

Comparative figures are not presented since this is the first fiscal year of the organization.