

The Nik Zoricic (NZ) Foundation
Financial Statements
For the period ended April 30, 2013

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Independent Auditor's Report

To the Members of The Nik Zoricic (NZ) Foundation

We have audited the accompanying financial statements of The Nik Zoricic (NZ) Foundation, which comprise the statement of financial position as at April 30, 2013, and the statements of operations and changes in unrestricted fund balance and cash flows for the period 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 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.

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.

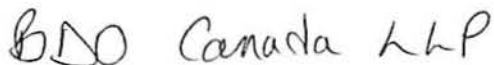
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Qualified Opinion

In common with many not-for-profit organizations, The Nik Zoricic (NZ) Foundation derives revenue from donations and fundraising, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of The Nik Zoricic (NZ) Foundation. Therefore, we were not able to determine whether any adjustments might be necessary to donation and fundraising revenues, excess of revenues over expenses, cash flows from operations, current assets and fund balances.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of The Nik Zoricic (NZ) Foundation as at April 30, 2013 and the results of its operations and its cash flows for the period then ended in accordance with Canadian accounting standards for not-for-profit organizations.



Chartered Accountants, Licensed Public Accountants

Barrie, Ontario
December 17, 2014

**The Nik Zoricic (NZ) Foundation
Statement of Financial Position**

As at April 30, 2013

Assets

Current Assets

Cash (Note 3)	\$ 114,269
Accounts receivable	69,199
Prepaid expenses	<u>785</u>
	\$ 184,253

Liabilities and Fund Balance

Current Liabilities

Accounts payable and accrued liabilities	\$ 21,548
HST payable	8,720

Fund Balance

Unrestricted	<u>153,985</u>
	\$ 184,253

On behalf of the Board:

_____ Director

_____ Director

The Nik Zoricic (NZ) Foundation
Statement of Operations and Changes in Unrestricted Fund
Balance

For the 7 month period ending April 30, 2013

Revenue	
Donations	\$ 64,640
Fundraising	117,439
Sponsorships	<u>38,490</u>
	<u>220,569</u>
Expenses	
Bank charges	173
Insurance	1,864
Professional services	3,500
Program expenses	15,000
Supplies	<u>46,047</u>
	<u>66,584</u>
Excess of revenue over expenses	153,985
Unrestricted fund balance, beginning of period	<u>-</u>
Unrestricted fund balance, end of period	<u>\$ 153,985</u>

The Nik Zoricic (NZ) Foundation
Statement of Cash Flows

For the 7 month period ending April 30, 2013

Cash flows from operating activities	
Excess of revenue over expenses	\$ 153,985
Adjustments for	
Changes in non-cash working capital balances	
Accounts receivable	(69,199)
Prepaid expenses	(785)
Accounts payable and accrued liabilities	21,548
HST payable	<u>8,720</u>
Increase in cash during the year	114,269
Cash, beginning of period	<u>-</u>
Cash, end of period	\$ 114,269

The Nik Zoricic (NZ) Foundation Notes to Financial Statements

April 30, 2013

1. Significant Accounting Policies

Nature and Purpose of Organization

The Nik Zoricic (NZ) Foundation (the "Foundation") is a not-for-profit organization incorporated under the laws of Ontario as a corporation without share capital.

The Foundation is an organization which works with Canadian athletes both provincially and nationally to support the development of ski sport in general and its safety in particular. The Foundation supports other registered charities whose missions complement its own in terms of the development of ski sport and safety initiatives.

For Canadian tax purposes the Organization qualifies as a not-for-profit organization which is exempt from income tax under the Income Tax Act.

Basis of Accounting

These financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Use of Estimates

The preparation of financial statements in accordance 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 at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. The principal estimates of the organization include the collectibility of the accounts receivable and the estimation of accounts payable and accrued liabilities. Actual results could differ from management's best estimates as additional information becomes available in the future.

Contributed Materials and Services

Contributed materials and services are not recognized in the financial statements due to the inherent difficulty in determining their fair market value.

Fund Accounting

The Foundation follows the deferral method of accounting for contributions. The Foundations contributions are comprised of donations, sponsorships and fundraising revenue.

The Nik Zoricic (NZ) Foundation Notes to Financial Statements

April 30, 2013

1. Significant Accounting Policies (continued)

Revenue Recognition

Restricted contributions 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.

Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. All financial instruments are reported subsequently at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are charged to the financial instrument for those measured at amortized cost.

2. Incorporation

The Nik Zoricic (NZ) Foundation was incorporated by Letters Patent under the Corporation Act (Ontario) without share capital on September 24, 2012.

3. Cash

The organization's bank account is held at one chartered bank. The bank accounts earn interest at a variable rate dependent on the monthly minimum balances.

The Nik Zoricic (NZ) Foundation Notes to Financial Statements

April 30, 2013

4. Financial Instrument Risk

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk typically arises due to significant concentrations of accounts receivable from particular industry, geographic region or limited number of customers. Management believes that due to the nature of their business they are not exposed to significant credit risk as they collect donations from multiple counterparties from multiple geographic regions using secured methods of payment.

The Foundation is exposed to credit risk since the Foundation's cash deposits in one financial institution is in excess of the amount insured by agencies of the federal government in the amounts of \$100,0000 as at April 30, 2013.
