

# **CANADIAN BRIDGE FEDERATION CHARITABLE FUND**

## **Financial Statements**

**Year Ended December 31, 2011**

### **Management's Responsibility for Financial Reporting**

The financial statements of Canadian Bridge Federation Charitable Fund have been prepared in accordance with Canadian generally accepted accounting principles. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of Canadian Bridge Federation Charitable Fund's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Board of Directors is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. Following its review of the financial statements and discussions with the auditors and management, the Board of Directors will approve the financial statements and consider the engagement or re-appointment of the external auditors.

The financial statements have been audited on behalf of the members by Mintz & Wallace, in accordance with Canadian generally accepted auditing standards.

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Executive Director

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President

Regina, Saskatchewan  
July 24, 2012

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## INDEPENDENT AUDITORS' REPORT

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### To the Members of Canadian Bridge Federation Charitable Fund

We have audited the accompanying financial statements of Canadian Bridge Federation Charitable Fund, which comprise the statement of financial position as at December 31, 2011, and the statements of revenues and expenses, 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 generally accepted accounting principles, 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.

### Auditors' 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 auditors' 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.

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*An asset to our clients, not an expense.*

**Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of Canadian Bridge Federation Charitable Fund as at December 31, 2011, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Regina, Saskatchewan  
July 24, 2012

  
Mintz & Wallace  
Chartered Accountants LLP

# CANADIAN BRIDGE FEDERATION CHARITABLE FUND

## Statement of Financial Position

December 31, 2011

	2011	2010
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 8,406	\$ 9,625
Term deposits (Note 3)	20,116	19,622
Accounts receivable	680	1,413
	<u>\$ 29,202</u>	<u>\$ 30,660</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable	\$ 1,524	\$ 1,432
<b>NET ASSETS</b>		
General fund	<u>27,678</u>	<u>29,228</u>
	<u>\$ 29,202</u>	<u>\$ 30,660</u>

### ON BEHALF OF THE BOARD

\_\_\_\_\_  
Chairperson

\_\_\_\_\_  
Trustee

See accompanying notes



# CANADIAN BRIDGE FEDERATION CHARITABLE FUND

## Statement of Revenues and Expenses

Year Ended December 31, 2011

	2011	2010
<b>REVENUE</b>		
Proceeds from Bridge Sessions ( <i>Note 4</i> )	\$ 19,900	\$ 28,614
Interest income	479	557
Sundry donations	392	50
	<u>20,771</u>	<u>29,221</u>
<b>EXPENSES</b>		
Audit expense	1,300	1,260
Bank charges	166	35
Chairman's expenses	25	79
Coordinator expense	2,400	2,400
Postage and delivery	45	56
Service charges paid to ACBL	214	182
Trustees expenses	171	246
Schedule of Donation Disbursements ( <i>Schedule 1</i> )	18,000	31,000
	<u>22,321</u>	<u>35,258</u>
<b>DEFICIENCY OF REVENUE OVER EXPENSES</b>	<u>\$ (1,550)</u>	<u>\$ (6,037)</u>

See accompanying notes

# CANADIAN BRIDGE FEDERATION CHARITABLE FUND

## Statement of Changes in Net Assets

Year Ended December 31, 2011

	2011	2010
NET ASSETS - BEGINNING OF YEAR	\$ 29,228	\$ 35,265
Deficiency of revenue over expenses	(1,550)	(6,037)
NET ASSETS - END OF YEAR	\$ 27,678	\$ 29,228

See accompanying notes

# CANADIAN BRIDGE FEDERATION CHARITABLE FUND

## Statement of Cash Flows Year Ended December 31, 2011

	2011	2010
<b>OPERATING ACTIVITIES</b>		
Deficiency of revenue over expenses	\$ (1,550)	\$ (6,037)
Changes in non-cash working capital:		
Accounts receivable	733	510
Accounts payable	92	(1,524)
	825	(1,014)
<b>DECREASE IN CASH FLOW</b>	(725)	(7,051)
<b>CASH - BEGINNING OF YEAR</b>	29,247	36,298
<b>CASH - END OF YEAR</b>	\$ 28,522	\$ 29,247
<b>CASH CONSISTS OF:</b>		
Cash	\$ 8,406	\$ 9,625
Term deposits	20,116	19,622
	\$ 28,522	\$ 29,247

See accompanying notes



# CANADIAN BRIDGE FEDERATION CHARITABLE FUND

## Notes to Financial Statements

Year Ended December 31, 2011

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### 1. NATURE OF ORGANIZATION

The Canadian Bridge Federation Charitable Fund (CBFCF) is committed to donating funds to charitable organizations in Canada on behalf of its affiliate, the Canadian Bridge Federation (CBF). The Fund is exempt from income taxes under Section 149 of the Income Tax Act.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Measurement uncertainty

The preparation of financial statements in accordance with Canadian generally accepted accounting principles require management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reported period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

#### Revenue recognition

The CBFCF follows the deferral method of accounting for contributions. 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

Cash and term deposits are classified as held-for-trade and are measured at fair value. Receivables are classified as loans and receivables and are measured at amortized cost. Accounts payable and accrued liabilities are classified as other financial liabilities and are measured at amortized cost.

As at December 31, 2011 and December 31, 2010 the Fund does not have any outstanding contracts of financial instruments with embedded derivatives.

### 3. TERM DEPOSITS

Term deposits consist of a one year GIC with interest at 2.35% maturing February 2013, \$20,116 (2010 - \$19,622).

# CANADIAN BRIDGE FEDERATION CHARITABLE FUND

## Notes to Financial Statements

Year Ended December 31, 2011

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### 4. RELATED PARTY

The Fund is related to the Canadian Bridge Federation (CBF) because the members of the governing board of the CBF are also the trustees of the Fund, serving under a Chairperson who is not a member of the CBF board.

The revenues of the Fund arise from games held by the Canadian clubs and from tournaments. Those responsible are obliged to send monies to the Fund coordinator throughout the year and the Chairperson and the trustees are charged with making decisions on the allocation of these revenues to registered charities across Canada.

The Fund reimburses the CBF for direct costs consumed in managing its affairs. These costs include compensation for time invested by the Coordinator plus any related office supplies.

### 5. FINANCIAL INSTRUMENTS

#### Credit Risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Fund is exposed to credit risk from its customer but this is largely the ACBL and experience has shown these amounts have always been collected. This risk is considered to be low.

#### Fair Value

The Fund's carrying value of cash, term deposits, accounts receivable, and accounts payable approximates its fair value due to the immediate or short term maturity of these instruments.

#### Currency Risk

Currency risk is the risk to the Fund's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Fund is exposed to foreign currency exchange risk on cash, accounts receivable, and accounts payable held in U.S. dollars. Proceeds from Bridge Sessions comes to the Fund from the American Contract Bridge League (ACBL) so currency fluctuation may have an impact on these revenues. The Fund monitors this risk but does not use derivative instruments to reduce its exposure to foreign currency risk.

#### Interest Rate

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Fund manages exposure through its normal operating and financing activities. The Fund is exposed to interest rate risk primarily through its term deposits but it does not rely on revenues from this source to sustain operations and thus the risk is considered to be low.



# CANADIAN BRIDGE FEDERATION CHARITABLE FUND

## Schedule of Donation Disbursements

(Schedule 1)

Year Ended December 31, 2011

	2011	2010
Active Living Coalition for Older Adults	\$ 4,000	\$ 4,000
Alzheimer Society of Nova Scotia - Duck Derby	500	500
Alzheimer Society of Saskatchewan	2,000	-
Alzheimer Society of Thunder Bay	300	-
Canadian Pensioners Concerned Ontario Inc.	400	-
Centre Pauline Charron, Ottawa	-	500
Community & Home Assistance to Senior	500	-
Concerned Friends of Ontario Citizens in Care Facilities	-	500
Creative Retirement Manitoba	800	1,000
Dauphin Multi-Purpose Senior Centre	-	600
District 69 Society of Organized Services	-	400
Fort Garry Women's Resource Centre	200	290
Foundation de Lauberiviere	500	-
Four Leaf Clover Seniors Independence Club	-	1,000
Gimli New Horizons	-	600
Good Neighbours Active Living Centre	500	500
Gordon Howard Senior Centre	-	600
Greater Vancouver Food Bank	-	800
Gwen Sector Creative Living Centre	500	1,000
Hillside Pines Nursing Home	500	-
Hospice Calgary Society	-	725
Kelowna Community Food Bank Society	-	300
Kemptville & District Home Support Inc.	500	500
La Foundation La Bell-Aide, Laval	-	1,500
Les Petits Freres des pauvres, Montreal	1,000	-
Les Petits Freres des pauvres, Quebec City	-	1,000
Lighthouse Evangelistic Association	500	-
Lighthouse Mission	-	200
Lions Gate Hospice Society	400	500
Lower Mainland Grief Recovery Society	500	-
Manitoba Chamber Orchestra - Teach/train Students	250	500
Morden Friendship Activity Centre - Snow Angels	300	300
Mustard Seed Food Bank	300	-
Mustard Seed Food Bank - Victoria	-	500
Nanaimo Community Hospice Society	400	500
North York Seniors Centre	300	1,000
Ontario Coalition of Senior Citizens' Organization	-	1,000
Ontario Gerontology Association	300	-
Osteoporosis Canada, Regina Chapter	-	300
Peel Senior Link	500	1,000
Penticton & District Hospice Society	400	500
Pilgrims Hospice Society	-	725
Prairie Oasis Senior Centre	-	700
Prairie Theatre Exchange	450	400
Ride to Conquer Cancer	-	2,500
Riverside Lions Charitable Foundation	-	310
Sackville Seniors' Advisory Council	-	500

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See accompanying notes

# CANADIAN BRIDGE FEDERATION CHARITABLE FUND

Schedule of Donation Disbursements *(continued)*

*(Schedule 1)*

Year Ended December 31, 2011

	2011	2010
Sackville Seniors' Advisory Council - D. Malloy Charity Golf Tournament	500	-
Salvation Army - Senior Programs, Charlottetown PE	-	500
Saskatoon Council on Aging Inc.	-	750
Seniors' Resource Centre - Saint John, NB	-	500
Seniors' Resource Centre - St. John's, NL	500	-
Seniors' Resource Centre of Newfoundland & Labrador	-	500
Siloam Mission	200	-
Victoria Hall	-	1,000
	<u>\$ 18,000</u>	<u>\$ 31,000</u>

See accompanying notes