

TEAM RUBICON CANADA
FINANCIAL STATEMENTS
(Unaudited)
DECEMBER 31, 2018 AND 2017



Independent Practitioner's Review Engagement Report

To the Directors of
Team Rubicon Canada

I have reviewed the accompanying financial statements of Team Rubicon Canada that comprise the statements of financial position as at December 31, 2018 and 2017, and the statements of changes in net assets, operations and cash flows for the years 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.

Practitioner's Responsibility

My responsibility is to express a conclusion on the accompanying financial statements based on my review. I conducted my review in accordance with Canadian generally accepted standards for review engagements, which require me to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, I do not express an audit opinion on these financial statements.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the financial statements do not present fairly, in all material respects, the financial position of Team Rubicon Canada as at December 31, 2018 and 2017, and the results of its operations and its cash flows for the years then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Peter K.C. Lee Professional Corporation

CHARTERED PROFESSIONAL ACCOUNTANT

Markham, Ontario
July 22, 2019

Team Rubicon Canada


Statements of Financial Position

As at December 31, 2018 and 2017

(Unaudited)

	2018	2017
Assets		
Current		
Cash	\$ 151,975	\$ 211,969
Prepaid expenses	8,989	6,349
Total current	160,964	218,318
Equipment (note 3)	5,860	-
Total assets	\$ 166,824	\$ 218,318
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 6,000	\$ 2,001
Deferred contributions (note 4)	39,140	-
Total liabilities	45,140	2,001
Net asset balances		
Balance	121,684	216,317
Total liabilities and net asset balances	\$ 166,824	\$ 218,318

Approved on behalf of the Board



(George Young)

Director

See accompanying notes

Team Rubicon Canada

Statements of Changes in Net Assets

For the years ended December 31, 2018 and 2017

(Unaudited)

	2018	2017
Balance, beginning of year	\$ 216,317	\$ -
(Deficiency) excess of revenue over expenditures	(94,633)	216,317
Balance, end of year	\$ 121,684	\$ 216,317

See accompanying notes

Team Rubicon Canada

Statements of Operations

For the years ended December 31, 2018 and 2017

(Unaudited)

	2018	2017
Revenue		
Donations and contributions	\$ 118,898	\$ 224,158
Donations in-kind	6,894	1,866
Total revenue	125,792	226,024
Expenditures		
Advertising and promotion	1,582	183
Amortization	1,034	-
Automobile	-	173
Bank charges and interest	3,522	391
Dues, memberships and licenses	1,255	-
Field operations	52,448	-
Insurance	13,765	5,196
Office and general	281	256
Professional fees	6,432	2,000
Supplies	-	84
Travel	790	1,424
Wages and benefits	139,316	-
Total expenditures	220,425	9,707
(Deficiency) excess of revenue over expenditures	\$ (94,633)	\$ 216,317

See accompanying notes

Team Rubicon Canada

Statements of Cash Flows

For the years ended December 31, 2018 and 2017

(Unaudited)

	2018	2017
Operating activities		
(Deficiency) excess of revenue over expenditures	\$ (94,633)	\$ 216,317
Adjustment for Amortization	1,034	-
	(93,599)	216,317
Change in non-cash working capital items		
Prepaid expenses	(2,640)	(6,349)
Accounts payable and accrued liabilities	3,999	2,001
Deferred contributions	39,140	-
	(53,100)	211,969
Investing activity		
Purchase of equipment	(6,894)	-
(Decrease) increase in cash	(59,994)	211,969
Cash, beginning of year	211,969	-
Cash, end of year	\$ 151,975	\$ 211,969

See accompanying notes

Team Rubicon Canada

Notes to the Financial Statements

December 31, 2018 and 2017

(Unaudited)

Nature of operations

Team Rubicon Canada (the "Organization") was incorporated in 2016 under the Canada Not-for-profit Corporations Act of Government of Canada. The Organization is an umbrella organization of Team Rubicon Global and shares the same mission and values as Team Rubicon Global. The Organization's principal business activities are disaster response and veteran support services.

The Organization is a charitable organization registered under the Income Tax Act and therefore is not subject to either federal or provincial income taxes.

1. Significant accounting policies

The Organization applies the Canadian accounting standards for not-for-profit organizations.

(a) Revenue recognition

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

(b) Equipment

Equipment are recorded at cost and are being amortized over their estimated useful lives. The annual amortization rate is as follows:

Trailers	30%
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(c) Donated material and services

Donated materials and services are recorded at their fair value at the date of contribution when the fair value can be reasonably estimated. Otherwise, donated materials and services are not recorded in the financial statements.

(d) Management 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 disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

(e) Financial instruments

Financial instruments including cash, due to Team Rubicon Global and accounts payable and accrued liabilities, are initially recorded at their fair value and are subsequently measured at amortized cost, net of any provisions for impairment.

2. Financial instruments

The Organization has a risk management framework to monitor, evaluate and manage the principal risks assumed with its financial instruments. The risks that arise from the Organization's financial instruments include liquidity risk.

Team Rubicon Canada

Notes to the Financial Statements

December 31, 2018 and 2017

(Unaudited)

2. Financial instruments, continued

(a) Liquidity risk

The Organization does have a liquidity risk in the accounts payable and accrued liabilities of \$6,000 (2017-\$2,001). Liquidity risk is the risk that the Organization cannot repay its obligations when they become due to its creditors. The Organization reduces its exposure to liquidity risk by ensuring that it documents when authorized payments become due and maintaining adequate cash reserves to repay its obligations.

3. Equipment

	2018			2017	
	Cost	Accumulated amortization	Net	Net	
Trailers	\$ 6,894	\$ 1,034	\$ 5,860	\$ -	

4. Deferred contributions

	2018		2017	
Contributions received	\$ 51,615	\$ -		
Amounts recognized as revenue	(12,475)	-		
	\$ 39,140	\$ -		