

ALLIANCE FOR THE DEFENCE OF  
CANADIAN SOVEREIGNTY

FROM THE DATE OF INCORPORATION APRIL 21, 2014 TO APRIL 30, 2015



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**ALLIANCE FOR THE DEFENCE OF CANADIAN SOVEREIGNTY  
FROM DATE OF INCORPORATION APRIL 21, 2014 TO APRIL 30, 2015**

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## INDEPENDENT AUDITORS' REPORT

To the directors of

### ALLIANCE FOR THE DEFENCE OF CANADIAN SOVEREIGNTY

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We have audited the accompanying financial statements of Alliance for the Defence of Canadian Sovereignty, which comprise the statement of financial position as at April 30, 2015 and the statements of revenue and expenses, changes in net assets and cash flow for the period then ended, and a summary of significant accounting policies and other explanatory information.

#### Board of Directors' Responsibility

The Board of Directors 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.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audits 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' judgement, 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 in our audit is sufficient and appropriate to provide a basis for our audit opinion.

#### Basis for Qualified Opinion

Alliance for the Defence of Canadian Sovereignty, in common with many other not-for-profit organizations, derives some of its revenue from contributions which, by their nature, are not susceptible to complete audit verification. Accordingly, our verification of these revenues were limited to the amounts recorded in the records of the organization and we were unable to determine whether any adjustments might be necessary to contribution revenue, excess of revenue over expenditures, and net assets.

#### Qualified Opinion

In our opinion, except for the 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 Alliance for the Defence of Canadian Sovereignty as at April 30, 2015 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.

*Stern Cohen LLP*

Chartered Professional Accountants  
Chartered Accountants  
Licensed Public Accountants  
Toronto, Canada  
November 8, 2015

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**ALLIANCE FOR THE DEFENCE OF CANADIAN SOVEREIGNTY**  
**STATEMENT OF REVENUE AND EXPENSES**

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For the period ended April 30,	2015 \$
<b>Revenue</b>	
Direct public support	185,470
In-kind contributions	13,913
	<u>199,383</u>
<b>Expenses</b>	
Advertising and promotion	13,207
Bank and paypal fees	6,570
Contract services - legal fees	173,901
Professional fees	5,000
Office and general	705
	<u>199,383</u>
<b>Excess of revenue over expenses for the period</b>	<u>-</u>

See accompanying notes.

**ALLIANCE FOR THE DEFENCE OF CANADIAN SOVEREIGNTY**  
**STATEMENT OF CHANGES IN NET ASSETS**

For the period ended April 30,	2015 \$
<b>Beginning of period</b>	-
Excess of revenue over expenses for the period	-
<b>End of period</b>	-

See accompanying notes.

**ALLIANCE FOR THE DEFENCE OF CANADIAN SOVEREIGNTY**  
**STATEMENT OF CASH FLOW**

For the period ended April 30,	2015 \$
<b>Operating activities</b>	
Excess of revenue over expenses	-
Net change in non-cash working capital balances related to operations	248,377
<b>Change in cash during the period</b>	<b>248,377</b>
<b>Cash</b>	
Beginning of period	-
End of period	248,377

See accompanying notes.

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**ALLIANCE FOR THE DEFENCE OF CANADIAN SOVEREIGNTY**

(Incorporated under the Canada Not-for-profit Corporations Act without share capital)

**STATEMENT OF FINANCIAL POSITION**

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As at April 30,	<b>2015</b>	
	<b>\$</b>	
<hr/>		
<b>ASSETS</b>		
Cash	<b>248,377</b>	
<hr/>		
<b>LIABILITIES</b>		
Accrued liabilities	<b>5,000</b>	
Deferred contributions (Note 2)	<b>243,377</b>	
	<b>248,377</b>	
<hr/>		
<b>NET ASSETS</b>	<b>-</b>	
	<b>248,377</b>	

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Other information

See accompanying notes.

Approved on behalf of the Board:

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Director

\_\_\_\_\_  
Director

**ALLIANCE FOR THE DEFENCE OF CANADIAN SOVEREIGNTY**

**NOTES TO FINANCIAL STATEMENTS**

**APRIL 30, 2015**

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**Purpose of the organization**

The organization is a corporation without share capital established to defend Canada's sovereignty and its people from the attempt of other countries to impose their legislation on Canada.

**1. Significant accounting policies**

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

*(a) Revenue recognition*

The organization follows the deferral method of accounting for contributions. Contributions are recognized as revenue in the year in which the related expenses are incurred.

In-kind contributions are recorded at fair market value when received.

*(b) 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, liabilities, revenue and expenditures during the year. Actual results could differ from these estimates.

*(c) Financial instruments*

The foundation initially measures its financial assets and financial liabilities at fair value. The foundation subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost consist of cash. Financial liabilities measured at amortized cost consist of accounts payable and deferred contributions.



ALLIANCE FOR THE DEFENCE OF CANADIAN SOVEREIGNTY

NOTES TO FINANCIAL STATEMENTS

APRIL 30, 2015

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2. Deferred contributions

	2015 \$
Balance, beginning of year	-
Contributions received during the year	442,760
Recognized as income during the year	(199,383)
	<u>243,377</u>