CURRENCY EXCHANGE INTERNATIONAL, CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE AND NINE MONTH PERIODS ENDED JULY 31, 2014 AND JUNE 30, 2013

CURRENCY EXCHANGE
INTERNATIONAL

Scope of Analysis

This Management Discussion and Analysis ("**MD&A**") covers the results of operations, and financial condition of Currency Exchange International, Corp. and its subsidiaries (the "**Company,**" "**Currency Exchange,**" or **"CXI"**) for the three and nine month periods ended July 31, 2014 and June 30, 2013, including the notes thereto. This document is intended to assist the reader in better understanding operations and key financial results as they are, in our opinion, at the date of this report.

This MD&A has been prepared by management at September 9, 2014 in accordance with International Financial Reporting Standards ("**IFRS**") issued by the International Accounting Standards Board **("IASB")** and interpretations of the International Financial Reporting Interpretations Committee **("IFRIC")** and should be read in conjunction with the condensed consolidated financial statements of the Company for the three and nine month periods ended July 31, 2014 and June 30, 2013 and the notes thereto. A detailed summary of the Company's significant accounting policies is included in Note 2 of the Company's audited consolidated financial statements for the thirteen-month period ended October 31, 2013. The functional currency of the Company and its indirect U.S. subsidiary, Currency Exchange International America Corp. **("CXIA")**, is the U.S. Dollar. The functional currency of the Company's wholly-owned Canadian subsidiary, Currency Exchange International of Canada Corp. **("CXIC")**, is the Canadian Dollar. The Company's presentation currency is the U.S. Dollar. Unless otherwise noted, all references to currency in this MD&A refer to U.S. Dollars. The consolidated financial statements and the MD&A have been reviewed by the Company's Audit Committee and approved by its Board of Directors.

In this document, "our", "Company," and "CXI" refer to Currency Exchange International, Corp. collectively with its subsidiaries, CXIC and CXIA.

Additional Information

Additional information relating to the Company, including annual financial statements, is available on the Company's SEDAR profile at www.sedar.com and on the Company's website at www.ceifx.com **("CEIFX").**

Forward Looking Statements

This MD&A contains certain “forward-looking information” as defined in applicable securities laws. These statements relate to future events or the Company’s future performance. All statements other than statements of historical fact are forward-looking information. Often, but not always, forward-looking information can be identified by the use of words such as “plans”, “expects”, “budgeted”, “scheduled”, “estimates”, “continues”, “forecasts”, “projects”, “predicts”, “intends”, “anticipates” or “believes”, or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results “may”, “could”, “would”, “should”, “might” or “will” be taken, occur or be achieved. The forward-looking information in this MD&A speaks only as of the date of this MD&A or as of the date specified in such statements. The following table outlines certain significant forward-looking information contained in this MD&A and provides the material assumptions used to develop such forward-looking information and material risk factors that could cause actual results to differ materially from the forward looking information.

Forward-looking information	Assumptions	Risk factors
Status of CXI’s application to continue its subsidiary as a Canadian Schedule I bank, and the objectives for such bank	Regulatory and governmental approval for the establishment of the bank will be received on a timely basis upon terms favorable to CXI; the bank will be able to attract and retain clients	Approvals are made at the discretion of governmental bodies and may not be granted on terms favorable to CXI or at all; the bank has no history of operations
Expectations regarding CXI’s ratio of operating expenses to total revenues	The operations of CXI in the near term, and the costs associated therewith, will be consistent with management’s current expectations; foreign exchange rates and other applicable economic conditions are favorable to CXI; CXI will be able to successfully execute its expansion plans	The possibility that operations will not be consistent with recent history and management’s expectations; increases in transactional or other costs; fluctuations in foreign exchange markets; changes in economic conditions
Sensitivity analyses relating to foreign currencies and interest rates	All factors other than the variable in question remain unchanged; CXI’s entire unhedged balance of foreign currency holdings is affected uniformly by changes in exchange rates; CXI’s interest-bearing instruments and obligations were constant during the period	Exchange rate and interest rate fluctuations

Inherent in forward-looking information are risks, uncertainties and other factors beyond the Company’s ability to predict or control. Please also make reference to those risk factors referenced in the “Risks Factors” section in the Company’s MD&A for the thirteen-month period ended October 31, 2013. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking information in this MD&A, and that the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking information contained in this MD&A.

Forward Looking Statements (continued)

Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking information. All forward-looking information herein is qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking information. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking information, whether as a result of new information or future events or otherwise, except as may be required by applicable securities laws. If the Company does update any forward-looking information, no inference should be drawn that it will make additional updates with respect to that or other forward-looking information, unless required by applicable securities laws.

Change in reporting period

Effective February 2013, Currency Exchange International, Corp. changed its fiscal year end to October 31, 2013 to conform with the same change in fiscal year end made by its wholly owned subsidiary corporation, CXIC, to comply with the reporting period for Canadian chartered banks as part of the ongoing process of CXIC applying for a bank license in Canada. As a result, the condensed interim consolidated financial statements and the MD&A are presented as the three and nine month periods ended July 31, 2014 compared to the three and nine month periods ended June 30, 2013.

Overview

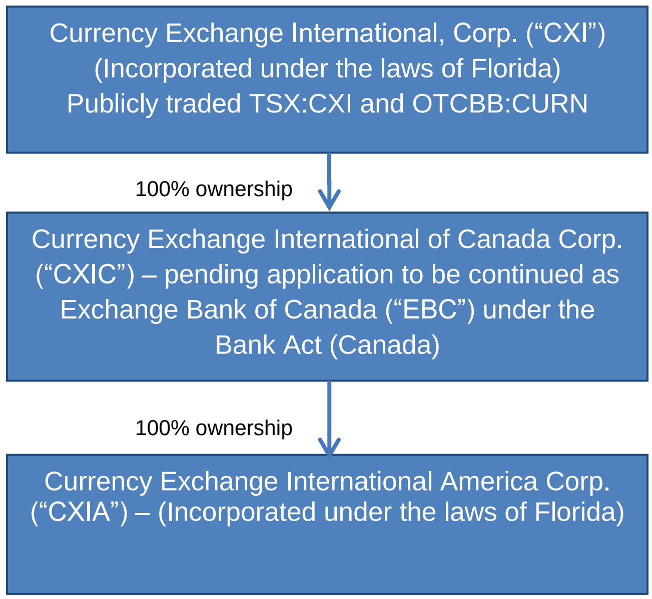
CXI is a publicly traded company (TSX:CXI;OTCBB:CURN) specializing in providing currency exchange and related products to banks, money service businesses, travel companies, and to clients through its company owned branches and inventory on consignment locations, throughout the United States and Canada, by utilizing the Company's proprietary online software system, CEIFX. The Company has developed CEIFX, its proprietary customizable web-based software, as an integral part of its business and believes that it represents an important competitive advantage. CEIFX is also an on-line compliance and risk management tool. The trade secrets associated with CEIFX are protected via copyright and secure maintenance of source code by the head office. CEIFX is updated regularly and on-going system development and enhancement is a core activity at the Company.

On November 23, 2012, CXI submitted its application to continue its wholly-owned subsidiary, CXIC, as a new Canadian Schedule I bank. Subject to review and approval of the application by the Office of the Superintendent of Financial Institutions ("OSFI" - Canada) and the Minister of Finance (Canada), the new bank will be called "Exchange Bank of Canada" in English and "Banque de Change du Canada" in French and will have its head office in Toronto.

The objective of the Exchange Bank of Canada is to expand current and future business opportunities and become a leading banker's bank for foreign exchange products and services. Obtaining a Canadian bank charter affords the Company numerous advantages including the opportunity to bank with Central Banks, thereby obtaining a source of stable, cost-effective funds, collateral reductions with corresponding banks, and enhancing existing bank relationships.

Overview (continued)

CXIC wholly owns CXIA, a Florida corporation incorporated under the *Florida Business Corporation Act*. CXIA was formed pursuant to a request from OSFI to reorganize the corporate structure so as to transfer the operations and assets of the U.S. based business to an entity wholly owned by CXIC.



On October 31, 2013 the Company restructured its operations to add additional capital into CXIC as part of its bank application process.

The Company is a reporting issuer in the provinces of British Columbia, Alberta and Ontario.

The Company has the following sources of revenues which are reported as commissions and fees:

- Commission revenue is comprised of the spread between the cost and selling price of foreign currency products, including bank notes, wire transmissions, cheque collections and draft issuances and the revaluation of foreign exchange positions to market value, combined with the net gain or loss from foreign currency forward contracts used to offset the revaluation of inventory positions and commissions paid to bank and non-bank financial institutions on the sale and purchase of currency products. The amount of this spread is based on competitive conditions and the convenience and value added services offered;

- Fee revenue is comprised of the following:

    - International exchange fees generated at the Company’s branch locations, including foreign currency (banknote) exchange, foreign traveller’s cheques, and fees collected on payroll cheque cashing; and

    - Fees collected on foreign wire transfers, foreign drafts, and check collection transactions.

Overview (continued)

The following are some of the characteristics of the Company's revenue streams:

- The Company operates 5 vaults located within the United States and Canada that serve as distribution centers for its branch network as well as order fulfillment centers for its clients including banking institutions, money service businesses, and other corporate clients. Revenues generated from vaults have greater scale as the Company maintains a sales force to increase its geographic customer base. Exchange rate margins vary from customer to customer and are dependent on criteria such as exchange volumes and customer setup. On-boarding of new clients, specifically banking clients, normally require an upfront investment, such as training, and currency signage, as well as additional shipping costs to distribute the materials. The Company also normally absorbs information technology costs to customize the CEIFX software for specific client use during the customer implementation phase. There are two common customer setups:

    - Centralized setup - For customers with a high volume of foreign currency exchange who maintain and manage their own inventory in central vault facilities, the Company offers bulk wholesale banknote trading. Trades of this nature are generally executed at lower margins as the cost per transaction is low and the average value is high. The customer implementation phase is normally shorter and the costs of on-boarding clients is low;

    - Decentralized setup - Many customers have determined that it is advantageous to avoid a currency inventory and allow their locations to buy and sell directly from CXI. Transactions in a decentralized setup typically are executed at a higher margin as the average transaction is low and the cost to fulfill each trade is higher than that of a centralized setup. Several of the Company's financial institutions outsource their currency needs in return for a commission based upon exchange volume. When a client outsources their currency needs, the Company is granted access to the entire branch network thus immediately increasing its geographic footprint and expanding its customer base. The customer implementation phase is normally longer in a decentralized setup and the cost of client on-boarding is higher as these clients normally require additional training and support;

- The Company operates 30 branch locations which are located in high tourist traffic areas, staffed by CXI employees, and located across the United States. These locations hold domestic and foreign currencies to buy and sell on demand. The currency exchange margins associated with the transactions occurring at these locations are generally higher in order to recapture costs of deployed capital in the form of domestic and foreign currencies, rent, payroll, and other general and administrative costs;

- CXI currently maintains inventory in the form of domestic and foreign bank notes in banks and other high traffic locations. These locations can be very profitable as there are no occupancy costs or payroll. Essentially, foreign exchange currency is placed in these locations on a consignment basis. At July 31, 2014, the Company had inventory on consignment in 148 locations across the United States and Canada. To encourage inventory turnover, the Company pays commissions as a percentage on volumes generated by these affiliates; and

- Company owned branch locations generally act as a net buyer of foreign currency whereas CXI's bank and non-bank clients act as a net seller. Excess currency collected via the branch network can be redeployed to banks and non-bank clients which reduce the need to source currency through wholesale sources at a greater cost, thus increasing currency margins.

(All amounts expressed in U.S. Dollars unless otherwise noted)

Overview (continued)

The Company has aggressively grown its branch network as well as the number of wholesale relationships over the years. Below is a list of the Company's 30 branch locations:

Store	City	State	Start Date (Fiscal Year)	Store	City	State	Start Date (Fiscal Year)
Apple Bank - Avenue of Americas	New York	NY	FY 2011	Mainplace at Santa Ana	Santa Ana	CA	FY 2013
Apple Bank - Grand Central Station	New York	NY	FY 2011	Mechanics Bank - Berkeley	Berkeley	CA	FY 2007
Apple Bank - Penn Station	New York	NY	FY 2013	Mechanics Bank - San Francisco	San Francisco	CA	FY 2008
Arundel Mills Mall	Hanover	MD	FY 2012	Montgomery at Bethesda	Bethesda	MD	FY 2013
Aventura Mall Booth #1	Aventura	FL	FY 2008	Ontario Mills Mall	Ontario	CA	FY 2007
Aventura Mall Booth #2	Aventura	FL	FY 2012	Potomac Mills Mall	Woodbridge	VA	FY 2007
Century City Mall	Los Angeles	CA	FY 2009	San Francisco City Center	San Francisco	CA	FY 2011
Cherry Creek	Denver	CO	FY 2014	San Jose Great Mall	San Jose	CA	FY 2011
Citadel Outlets	Los Angeles	CA	FY 2014	Santa Monica Place	Santa Monica	CA	FY 2012
Copley Place Mall	Boston	MA	FY 2009	Sawgrass Mills Mall Booth #1	Sunrise	FL	FY 2007
Dadeland Mall	Miami	FL	FY 2009	Sawgrass Mills Mall Booth #2	Sunrise	FL	FY 2010
Dolphin Mall	Miami	FL	FY 2009	Shops at Northbridge	Chicago	IL	FY 2013
Florida Mall Booth #1	Orlando	FL	FY 2007	SouthCenter	Tukwila	WA	FY 2012
Florida Mall Booth #2	Orlando	FL	FY 2014	The Galleria at Fort Lauderdale	Ft. Lauderdale	FL	FY 2013
MacArthur Mall	Norfolk	VA	FY 2009	Tyson's Corner Center	Tyson's Corner	VA	FY 2014

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Company owned branch locations	9	14	15	18	23	26	30
Wholesale company relationships	26	61	70	123	245	364	457
Number of transacting locations	88	190	267	1,983	2,455	5,741	8,040

The Company's largest asset is cash. The cash position consists of local currency notes, both in U.S. and Canadian Dollars, held in inventory at its branch and consignment locations to facilitate the buying and selling of foreign currency, as well as foreign currency held at the Company's' vaults, branch locations, consignment locations, or cash inventory in transit between the Company and its locations. The Company also has traditional bank deposits which act as reserves to maintain operations and as settlement accounts to facilitate currency transactions at various financial institutions.

Accounts receivable consist primarily of bulk wholesale transactions where the Company is awaiting payment. Receivables are highly liquid and typically have a settlement time of two business days with most buyers being banks and other financial institutions.

Accounts payable consist mainly of foreign currency transactions and commissions payable at period end where the Company receives currency from a customer and then remits payment at a later date.

Overview (continued)

Initial Public Offering

On March 9, 2012, the Company completed its initial public offering ("**IPO,**" or "**Offering**") on the Toronto Stock Exchange ("**TSX**") by issuing 1,380,000 units at a price of Cdn$6.65 per unit for aggregate proceeds of Cdn$9,177,000. Each Unit was comprised of one common share in the capital stock of the Company ("**Common Share**") and one Common Share Purchase Warrant ("**Warrant**") which was able to be exercised at a price of Cdn$7.50 per share until an expiration of September 8, 2013. In addition, the Company issued 82,800 broker compensation units which were comprised of one Common Share and one Warrant which were able to be exercised at $7.50 per share. During the thirteen-month period ended October 31, 2013, 82,680 broker units were exercised for proceeds of Cdn$549,822 ($548,264) and 1,435,725 warrants were exercised for proceeds of Cdn$10,767,938 ($10,384,109). Funds received were used to finance foreign currency inventories at vault locations, increase its branch and inventory on consignment network, and enhance its proprietary software, CEIFX, as well as for debt reduction.

Purchase of assets from U.S. Exchange House, Inc.

On March 28, 2014 the Company purchased certain assets of U.S. Exchange House, Inc. ("**USEH**"), pertaining to its banknote operations located in the United States and Canada. The Company acquired USEH's customer trading relationships, certain prepaid and fixed assets and the USEH trading software used to operate the banknote business. CXI paid $2,350,000 in cash on closing and will have two additional contingent payments of up to a maximum of $1,325,000 each on the first and second anniversary after closing. The additional payments will be based on the amount of revenue generated from the customer trading relationships acquired. The Company recorded expenses of $138,013 in legal and other professional fees to complete the transaction.

(All amounts expressed in U.S. Dollars unless otherwise noted)

SELECTED FINANANCIAL DATA

The below chart summarizes the performance of the Company over the last eight fiscal quarters. Operating income for prior periods has been adjusted to exclude the effects of depreciation and amortization.

Period	Date	Revenue	Operating income*	Net income	Total assets	Total equity	Earnings per share (diluted)
(unaudited)		$	$	$	$	$	$
Three-months ending	31-Jul-14	6,839,330	2,830,097	1,456,004	42,044,018	32,185,439	0.26
Three-months ending	30-Apr-14	4,487,432	1,109,212	466,774	37,244,354	30,586,996	0.09
Three-months ending	31-Jan-14	4,127,007	970,779	451,156	32,844,973	29,835,415	0.08
Four-months ending	31-Oct-13	6,463,406	2,341,712	1,669,609	33,681,819	29,763,976	0.39
Three-months ending	30-Jun-13	3,799,683	1,168,754	1,466,835	19,997,719	17,607,201	0.38
Three-months ending	31-Mar-13	2,919,292	505,207	(575,087)	18,709,964	16,255,314	(0.15)
Three-months ending	31-Dec-12	2,808,053	376,843	80,338	19,929,308	16,734,553	0.02
Three-months ending	30-Sep-12	3,369,548	1,503,907	1,475,426	18,225,628	16,226,974	0.38

Seasonality is reflected in the timing of when foreign currencies are in greater or lower demand. In a normal operating year there is seasonality to the Company's operations with higher revenues generally from March until September and lower revenues from October to February. This coincides with peak tourism seasons in North America when there are generally more travelers entering and leaving the United States and Canada.

Selected Financial Results for the three and nine month periods ended July 31, 2014 and June 30, 2013

	Nine months ended July 31, 2014 (Unaudited) $	Nine months ended June 30, 2013 (Unaudited) $	Three months ended July 31, 2014 (Unaudited) $	Three months ended June 30, 2013 (Unaudited) $
Revenue	15,453,769	9,527,028	6,839,330	3,799,683
Operating expenses*	10,543,682	7,476,225	4,009,233	2,630,929
Net operating income	4,910,087	2,050,803	2,830,097	1,168,754
Total other income (expense), net	(159,375)	(32,783)	(6,345)	790,663
EBITDA**	4,750,712	2,018,020	2,823,752	1,959,417
Net income	2,373,933	972,085	1,456,004	1,466,835
Basic earnings per share	0.44	0.25	0.27	0.38
Diluted earnings per share	0.43	0.25	0.26	0.38

* Excludes depreciation and amortization expense
** Earnings before interest, taxes, depreciation and amortization

	July 31, 2014 (unaudited) $	October 31, 2013 (audited) $
Total assets	42,044,018	33,681,819
Total long term financial liabilities	585,144	-
Total equity	32,185,439	29,763,976

(All amounts expressed in U.S. Dollars unless otherwise noted)

Results of operations – nine month period ended July 31, 2014

A breakdown of revenues by geographic location is presented below:

	Total revenues	
	Nine months ended July 31, 2014 $	Nine months ended June 30, 2013 $
United States	8,359,077	8,541,073
Canada	7,094,692	985,955
Total	15,453,769	9,527,028

During the nine month period ended July 31, 2014 revenues increased by 62% to $15,453,769 compared to $9,527,028 for the nine month period ended June 30, 2013. Revenue growth resulted from establishing six new Company-owned branch locations as well as 124 new wholesale relationships, of which 61 were added as a result of the acquisition of customer trading relationships from USEH, making up approximately 3,200 locations since June 30, 2013.

Additionally, there was a continuation of higher trading volumes of exotic currencies, such as the Iraqi Dinar and the Vietnamese Dong which are primarily speculative in nature. Due to their speculative nature, the Company charges a premium when buying and selling these currencies.

On October 31, 2013, the Company restructured its operations to add additional capital into CXIC as part of its bank application process. As a result, the cash and capital in the Canadian subsidiary increased substantially. Additionally for the Nine month period ended July 31, 2014, the Company realized revenues of $5,154,576 in its Canadian subsidiary that would have previously been recognized in the United States operating company.

If the aforementioned revenues of $5,154,576 were to be subtracted from Canada and added back to the United States for the nine month period ended July 31, 2014, commission revenue would increase 58% to $13,513,653 from $8,541,073 compared to the nine month period ended June 30, 2013 and relate primarily to new revenue generated from the Company's branches from adding new locations and instituting an increased pricing strategy during peak periods on the weekends, establishing new relationships, adding bank and non-bank locations, and increases in volumes of exotic currencies. Since June 30, 2013, the Company has added six Company-owned branch locations and also added 80 new wholesale relationships representing nearly 3,000 locations in the United States.

(All amounts expressed in U.S. Dollars unless otherwise noted)

Results of operations – nine month period ended July 31, 2014 (continued)

After adjusting revenues downward by $5,154,576, revenues increased 97% in Canada to $1,940,116 during the nine month period ended July 31, 2014 from $985,955 for the nine month period ended June 30, 2013; and are related to the growth of the Canadian wholesale operation. CXIC has added 44 new wholesale relationships with approximately 200 locations since June 30, 2013.

During the nine month period ended July 31, 2014, operating expenses increased 41% to $10,543,682 compared to $7,476,225 for the nine month period ended June 30, 2013, the major components of which are presented below:

	Nine months ended July 31, 2014 $	Nine months ended June 30, 2013 $	Change $	Change %
Salaries and benefits	5,232,819	3,665,701	1,567,118	43%
Rent	1,433,089	1,120,963	312,126	28%
Legal, professional and director's fees	660,689	642,496	18,193	3%
Postage and shipping	1,169,016	757,363	411,653	54%
Stock based compensation	441,941	195,108	246,833	127%
Other general and administrative	1,606,128	1,094,594	511,534	47%
Total operating expenses	10,543,682	7,476,225	3,067,457	41%

- Salaries and benefits increased 43% to $5,232,819 from $3,665,701 which is attributed to increases in the Company’s employment base for the period. As of July 31, 2014, the Company employs 192 full and part-time employees in the United States and Canada compared to 139 full and part-time employees at June 30, 2013. The increase in staffing is a result of adding six company owned branch locations and opening a new Los Angeles vault as well as the addition of employees engaged in the areas of compliance, information technology, operations, sales, vaults, management, and other administrative positions. The Company also had increases in remuneration to key employees as part of its short-term incentive plan;

- Rent increased 28% to $1,433,089 from $1,120,963 due to the opening of new branch outlets and the addition of one new vault location in Los Angeles. The Company has opened six outlets since June 30, 2013 and has relocated and enlarged its vault facilities in Toronto and Miami and also moved and enlarged its corporate headquarters in Orlando, Florida;

- Legal, professional and directors fees increased 3% to $660,689 from $642,496;

- Postage and shipping increased to $1,169,016 from $757,363 and are due to an increase in the frequency of inbound and outbound shipments. The Company incurs shipping fees from couriers and armored carriers to transport currency between the Company’s stores and customers. During the nine months period ended July 31, 2014, the Company added several new transacting locations which have increased transactional activity thus increasing shipping costs. Shipping charges charged by the Company are netted against shipping charges charged to the Company;

- Stock based compensation increased to $441,941 from $195,108 for the vested portion of stock options granted pursuant to the Company's stock option plan. The options have an expiry date of five years from the date of the grant, unless otherwise stated by the Board of Directors, and have a weighted average exercise price of Cdn$8.86. There were 379,822 options outstanding at July 31, 2014 compared to 228,000 options outstanding at June 30, 2013; and

(All amounts expressed in U.S. Dollars unless otherwise noted)

Results of operations – nine month period ended July 31, 2014 (continued)

- Other general and administrative increased 47% to $1,606,128 from $1,094,594. Other expenses are comprised of insurance, travel and lodging, software maintenance, utilities, bank service charges, foreign exchange gains and losses through profit and loss, and other general and administrative expenses. The increase is a result of foreign exchange losses on the revaluation of foreign financial assets and liability balances, non-capitalized costs for opening new offices in Toronto, Canada, Orlando, Florida, and Miami, Florida as well as expenditures to support the expansion of the Company's branch network.

The ratio of operating expenses to total revenue for the nine month period ended July 31, 2014 was 68% compared to 78% for the nine month period ended June 30, 2013. The ratio traditionally is higher during the winter months and decreases as the fiscal year progresses. This is due to the cyclical nature of the business as the Company has more exchange volumes from March to September and the Company is able to redeploy the currency it purchases in the summer months from its branch locations and resell it to other bank and non-bank customers, thus bypassing currency wholesalers and widening its gross margins. The Company expects this ratio to remain steady in the short term as the Company continues to incur costs while building infrastructure to expand its branch network and vault operations. In time, the Company can increase its operating efficiency by the addition of new bank and non-bank financial institutions in Canada and the United States to redeploy excess currency purchased by its branches, affiliate partners, and other clientele.

Other income and expenses are comprised of the following:

	Nine months ended July 31, 2014 $	**Nine months ended June 30, 2013 $**
Other income (expense)	85,349	8,236
Fair value change in warrant liability	-	179,953
Interest and accretion expense	(44,997)	(14,999)
Expenses related to Exchange Bank of Canada	(106,711)	(220,972)
Expenses related to USEH asset acquisition	(138,013)	-
Depreciation and amortization	(588,419)	(212,757)
Income tax expense	(1,743,363)	(818,179)
Total other income/(expense)	(2,536,154)	(1,078,718)

- Other income increased to $85,349 from $8,236 and relates primarily to interest income for surplus cash deposits held at various financial institutions in Canada and the United States;

- Fair value change in warrant liability is $Nil during the nine month period ended July 31, 2014 from a gain of $179,953 for the nine month period ended June 30, 2013 and relates to a marked to market adjustment of the Company's issued and outstanding warrants, of which 1,462,680 were outstanding on June 30, 2013. On September 8, 2013 warrants that had not been exercised expired, and the fair value adjusted liability was extinguished at that time;

- Interest and accretion expense increased to $44,997 from $14,499 and relate primarily to interest payments on credit lines;

- Expenses related to Exchange Bank of Canada decreased to $106,711 from $220,972 and relate to legal and administrative expenses to file and process the bank license application;

(All amounts expressed in U.S. Dollars unless otherwise noted)

Results of operations – nine month period ended July 31, 2014 (continued)

- Expenses related to asset acquisition increased to $138,013 from $Nil for legal and other professional fees incurred to complete the acquisition of the assets of the banknote business of USEH;

- Depreciation and amortization increased to $588,419 from $212,757 and relates to amortization of the Company's intangible assets as well as fixed assets being depreciated over their estimated economic life. Approximately $300,000 of the increase was attributable to amortization of the assets acquired from USEH; and

- Income tax expense increased to $1,743,363 from $818,179 and is a total of federal income tax as well as various state and provincial taxes for the jurisdictions in which the Company operates.

Results of operations – three month period ended July 31, 2014

A breakdown of revenues by geographic location is presented below:

	Total revenues	
	Three months ended July 31, 2014 $	**Three months ended June 30, 2013 $**
United States	3,687,994	3,402,950
Canada	3,151,336	396,733
Total	6,839,330	3,799,683

During the three month period ended July 31, 2014 revenues increased 80% to $6,839,330 compared to $3,799,683 for the three month period ended June 30, 2013. Revenue growth resulted from establishing six new Company owned branch locations as well as establishing new wholesale relationships with 124 companies representing approximately 3,200 locations since June 30, 2013.

Additionally, there was a continuation of higher trading volumes of exotic currencies, such as the Iraqi Dinar and the Vietnamese Dong which are primarily speculative in nature. Due to their speculative nature, the Company charges a premium when buying and selling these currencies.

On October 31, 2013 the Company restructured its operations to add additional capital into CXIC as part of its bank application process. As a result, the cash and capital in the Canadian subsidiary increased substantially. Additionally for the three month period ended July 31, 2014, the Company realized revenues of $2,200,611 in its Canadian subsidiary that would have previously been classified as being recognized in the United States operating company.

(All amounts expressed in U.S. Dollars unless otherwise noted)

Results of operations – three month period ended July 31, 2014 (continued)

If the aforementioned revenues of $2,200,611 were to be subtracted from Canada and added back to the United States, commission revenue would increase 75% to $5,948,605 from $3,402,950 for the three month period ended June 30, 2013 and relate primarily to new revenue generated from the Company's branches from adding new locations and instituting an increased pricing strategy during peak periods on the weekends, establishing new relationships and adding bank and non-bank locations, and increases in volumes of exotic currencies. Since June 30, 2013, the Company has added six Company-owned branch locations and also added 80 new wholesale relationships representing nearly 3,000 locations in the United States.

After adjusting revenues downward by $2,200,611, revenues increased 140% in Canada to $950,725 during the three month period ended July 31, 2014 from $396,733 for the three month period ended June 30, 2013 and are related to the growth of the Canadian wholesale operation. Since June 30, 2013, the Company has added 44 new customers representing approximately 200 locations in Canada.

During the three month period ended July 31, 2014, operating expenses increased 52% to $4,009,233 compared to $2,630,929 for the three month period ended June 30, 2013, the major components of which are presented below:

	Three months ended July 31, 2014 $	Three months ended June 30, 2013 $	Change $	Change %
Salaries and benefits	2,039,931	1,306,662	733,269	56%
Rent	512,215	368,552	143,663	39%
Legal, professional and director's fees	205,399	224,848	(19,449)	-9%
Postage and shipping	583,615	279,665	303,950	109%
Stock based compensation	111,447	67,426	44,021	65%
Other general and administrative	556,626	383,776	172,850	45%
Total operating expenses	4,009,233	2,630,929	1,378,304	52%

- Salaries and benefits increased 56% to $2,039,931 from $1,306,662 which is attributed to increases in the Company’s employment base for the period. As of July 31, 2014, the Company employs 192 full and part-time employees in the United States and Canada compared to 139 full and part-time employees at June 30, 2013. The increase in staffing is a result of adding six company owned branch locations and opening a new Los Angeles vault as well as the addition of employees engaged in the areas of compliance, information technology, operations, sales, vaults, management, and other administrative positions. The Company also had increases in remuneration to key employees as part of its short-term incentive plan;

- Rent increased to $512,215 from $368,552 due to the opening of new branch outlets and the addition of one new vault location in Los Angeles, California. The Company has opened six outlets since June 30, 2013 and has relocated and enlarged its vault facilities in Toronto and Miami, and also moved its corporate headquarters in Orlando;

(All amounts expressed in U.S. Dollars unless otherwise noted)

Results of operations –three month period ended July 31, 2014 (continued)

- Legal, professional and directors fees decreased 9% to $205,399 from $224,848;

- Postage and shipping increased to $583,615 from $279,665 and are due to an increase in the frequency of inbound and outbound shipments. The Company incurs shipping fees from couriers and armored carriers to transport currency between the Company's stores and customers. During the three months period ended July 31, 2014, the Company added several new transacting locations which have increased transactional activity thus increasing shipping costs. Shipping charges charged by the Company are netted against shipping charges charged to the Company;

- Stock based compensation increased to $111,417 from $67,426 for the vested portion of stock options granted pursuant to the Company's stock option plan. The options have an expiry date of five years from the date of the grant, unless otherwise stated by the Board of Directors, and have a weighted average exercise price of Cdn$8.84. There were 378,060 options outstanding at July 31, 2014 compared to 228,000 options outstanding at June 30, 2013; and

- Other general and administrative increased to $556,626 from $383,776. Other expenses are comprised of insurance, travel and lodging, software maintenance, utilities, bank service charges, foreign exchange gains and losses through profit and loss, and other general and administrative expenses. The increase is a result of foreign exchange losses on the revaluation of foreign financial assets and liability balances, non-capitalized costs for opening new offices in Toronto, Canada, Orlando, Florida, and Miami, Florida, as well as expenditures to support the expansion of the Company's branch network.

The ratio of operating expenses to total revenue for the three month period ended July 31, 2014 was 59% compared to 69% for the three month period ended June 30, 2013. The ratio traditionally is higher during the winter months and decreases as the fiscal year progresses. This is due to the cyclical nature of the business as the Company has more exchange volumes from March to September and the Company is able to redeploy the currency it purchases in the summer months from its branch locations and resell it to other bank and non-bank customers, thus bypassing currency wholesalers and widening its gross margins. The Company expects this ratio to remain steady in the short term as the Company continues to incur costs while building infrastructure to expand its branch network and vault operations. In time, the Company can increase its operating efficiency by the addition of new bank and non-bank financial institutions in Canada and the United States to redeploy excess currency purchased by its branches, affiliate partners, and other clientele.

Other income and expenses are comprised of the following:

	Three months ended July 31, 2014 $	**Three months ended June 30, 2013 $**
Other income (expense)	51,525	1,823
Fair value change in warrant liability	-	816,274
Interest and accretion expense	(26,524)	(2,768)
Expenses related to Exchange Bank of Canada	(57,870)	(27,434)
Depreciation and amortization	(331,022)	(74,298)
Income tax expense	(1,010,202)	(415,516)
Total other income/(expense)	(1,374,093)	298,081

- Other income increased to $51,525 from $1,823 and relates primarily to interest income for surplus cash deposits held at various financial institutions in Canada and the United States;

Results of operations – three month period ended July 31, 2014 (continued)

- Fair value change in warrant liability is $Nil during the three month period ended July 31, 2014 from a gain of $816,274 for the three month period ended June 30, 2013 and relate to a marked to market adjustment of the Company's issued and outstanding warrants, of which 1,462,680 were outstanding at June 30, 2013. On September 8, 2013 warrants that had not been exercised expired, and the liability was extinguished at that time;

- Interest and accretion expense increased to $26,524 from $2,768 and relate primarily to interest payments on credit lines;

- Expenses related to Exchange Bank of Canada increased to $57,870 from $27,434 and relate to legal and administrative expenses to file and process the bank license application;

- Depreciation and amortization increased to $331,022 from $74,298 and relates to amortization of the Company's intangible assets as well as fixed assets being depreciated over their economic life. Approximately $225,000 of the increase was attributable to amortization of assets acquired from USEH; and

- Income tax expense increased to $1,010,202 from $415,516 and is a total of federal income tax as well as various state and provincial taxes for the jurisdictions in which the Company operates.

Cash flows

Cash flows from operating activities during the nine month period ended July 31, 2014 resulted in an inflow of $3,193,212 compared to an outflow of $774,302 during the nine month period ended June 30, 2013. The reason for the increase in operating cash was due primarily to increases in accounts payable. The actual amount of accounts receivable and accounts payable fluctuate widely from period to period due to the volume of activity and timing differences. In most instances accounts receivable and accounts payable have a settlement cycle of 24-48 hours. Operating cash flow is generated by commission and fee income, and is offset by operating expenses.

Cash used in investing activities during the nine month period ended July 31, 2014 resulted in an outflow of $2,802,332 compared to an outflow of $359,203 during the nine month period ended June 30, 2013. During the nine month period ended July 31, 2014, the Company paid $2,350,000 to acquire USEH's customer trading relationships, prepaid and fixed assets, and computer software.

Cash provided by financing activities during the nine month period ended July 31, 2014 was $917,679 compared to $553,096 generated during the nine month period ended June 30, 2013. The Company increased its net borrowings by $917,679 from its line of credit. During the nine months ended June 30, 2013, Cdn$549,822 ($548,264) was generated from the exercise of 82,680 broker options at a price of Cdn$6.65 per option, and the company had withdrawals on its credit line in the amount of $4,832.

(All amounts expressed in U.S. Dollars unless otherwise noted)

Liquidity and capital resources

At July 31, 2014, the Company had working capital of $28,037,803 (October 31, 2013 - $28,935,018). The main reason for the decline in working capital was due to the acquisition of assets from USEH.

The Company maintains a Cdn$2,000,000 credit line with a shareholder and a revolving line of credit with BMO Harris Bank, N.A. for up to $6,000,000 to assist with its short-term cash flow needs. The company had available unused lines of credit of $7,089,566 at July 31, 2014.

Selected annual and quarterly information

The following tables set out selected consolidated financial information of the Company for the periods indicated. Each investor should read the following information in conjunction with those financial statements and notes thereto. The operating results for any past period are not necessarily indicative of results for any future period. The selected financial information set out below has been derived from the consolidated financial statements of the Company.

	Thirteen months ended October 31, 2013 (1) Audited $	**Twelve months ended September 30, 2012 Audited** $	**Twelve months ended September 30, 2011 Audited** $	**Nine months ended September 30, 2010 (2) Audited** $
Revenues	15,990,434	12,314,473	8,683,705	3,407,289
Net operating income (3)	4,392,515	3,822,328	2,949,260	367,649
Net income	2,641,694	2,717,652	1,489,686	129,098
Basic and diluted earnings per share (4)	0.64	0.83	0.66	0.07
Total assets	33,681,819	18,225,628	9,914,292	5,007,511
Total liabilities	3,917,843	1,998,654	3,754,954	1,664,119
Total non-current financial liabilities	-	-	110,924	721,284
Working capital	28,935,018	15,651,326	5,861,804	3,777,905

Notes:

1. The Company changed its year-end to October 31, and reported on the thirteen month period ended October 31, 2013.
2. The Company changed its year-end to September 30, and reported on the nine month period ended September 30, 2010 as a transition year.
3. Operating income for prior periods has been adjusted to exclude depreciation and amortization expense.
4. Adjusted for a 2:1 share split effective June 28, 2011.

The following is a summary of unaudited financial data for the most recently completed eight quarters. The Company has restated operating expenses and operating income to exclude the effects of depreciation and amortization.

Three months ended	**Total revenues** $	**Operating expenses*** $	**Operating income** $	**Total assets** $
July 31, 2014	6,839,330	4,009,233	2,830,097	42,044,018
April 30, 2014	4,487,432	3,378,220	1,109,212	37,244,354
January 31, 2014	4,127,007	3,156,228	970,779	32,844,973
October 31, 2013 (1)	6,463,406	4,121,694	2,341,712	33,681,819
June 30, 2013	3,799,683	2,630,929	1,168,754	19,997,719
March 31, 2013	2,919,292	2,414,085	505,207	18,709,964
December 31, 2012	2,808,053	2,431,210	376,843	19,929,308
September 30, 2012	3,369,548	1,865,641	1,503,907	18,225,628

*Excludes depreciation and amortization expense

1. 4 month period ended October 31, 2013.

(All amounts expressed in U.S. Dollars unless otherwise noted)

Commitments and contingencies

The Company has entered in to non-cancellable operating leases with terms in excess of one year for the use of certain facilities. The minimum rental payments associated with these leases are $4,258,731 and are payable as follows:

Year ended	Remaining minimum payments required
October 31, 2014	$460,467
October 31, 2015	$1,363,232
October 31, 2016	$933,700
October 31, 2017	$815,463
October 31, 2018	$518,435
October 31, 2019 and thereafter	$167,434
Total	**$4,258,731**

On March 28, 2014 the Company purchased certain assets of USEH. The Company paid $2,350,000 in cash on closing and will have two additional contingent payments of up to a maximum of $1,325,000 each and payable on the first and second anniversary after closing. The additional payments will be based on the amount of revenue generated from the customer trading relationships acquired.

The Company has estimated the likelihood of future revenues to determine the estimated contingent consideration. Management has estimated these payments for the first and second anniversary at $892,723 and $585,144, respectively, for total contingent consideration of $1,477,867.

Off-Balance Sheet Arrangements

There are currently no off-balance sheet arrangements which could have an effect on current or future results or operations, or on the financial condition of the Company.

Hedging Activity

Other than as noted below, the Company does not engage in any form of hedged, derivative or leveraged trading. The Company does not extend margin or leverage to any of its customers.

The Company enters into non-deliverable foreign currency forward contracts on a daily basis to mitigate the risk of fluctuations in the exchange rates of its holdings of major currencies. Changes in the fair value of the contracts and the corresponding gains or losses are recorded daily and are included in commissions on the consolidated statements of income and comprehensive income. The Company's management strategy is to reduce the risk of fluctuations associated with foreign exchange rate changes. The foreign currency forward contracts can be closed immediately resulting in the collateral being liquidated.

At July 31, 2014 and October 31, 2013 approximately $471,060 and $200,707, respectively, were being held as collateral on these contracts and are reflected as restricted cash held in escrow in the consolidated statements of financial position.

(All amounts expressed in U.S. Dollars unless otherwise noted)

Transactions with Related Parties

The remuneration of directors and key management personnel during the three and nine month periods ended July 31, 2014 and the three and nine month periods ended June 30, 2013 were as follows:

	Nine months ended		Three months ended	
	July 31, 2014	June 30, 2013	July 31, 2014	June 30, 2013
	$	$	$	$
Short-term benefits	666,458	426,128	208,134	169,357
Post-employment benefits	8,473	10,450	2,855	2,530
Stock based compensation	422,578	174,483	106,851	46,801
	1,097,509	611,061	317,840	218,688

The Company incurred legal and professional fees in the aggregate of $9,155 and $131,351 for the three and nine month periods ended July 31, 2014 (three and nine month periods ended June 30, 2013 $18,634 and $43,435, respectively) charged by entities controlled by directors or officers of the Company.

Option Grants

The Company adopted an incentive stock option plan dated April 28, 2011 (the "Plan"). The Plan is a rolling stock option plan, under which 10% of the outstanding shares at any given time are available for issuance thereunder. The purpose of the Plan is to promote the profitability and growth of the Company by facilitating the efforts of the Company to attract and retain directors, senior officers, employees and management. Vesting terms under the Plan will occur 1/3 upon the first anniversary, 1/3 upon the second anniversary and 1/3 upon the third anniversary of the grant unless otherwise specified by the Board of Directors. Options issued to the Company’s directors on October 29, 2013 vest over a one year period.

Below is information related to each option grant:

Date of Grant	4-May-12	17-Dec-12	3-May-13	29-Oct-13	29-Oct-13	9-Jul-14
Expiry Date	4-May-17	18-Dec-17	3-May-18	29-Oct-18	29-Oct-18	9-Jul-19
Vesting Schedule	1/3 annually	1/3 annually	1/3 annually	1 year	1/3 annually	.3 years
Amount granted	90000	116000	22000	35640	114420	1762
Exercise Price	Cdn$7.50	Cdn$7.50	Cdn$7.65	Cdn$10.86	Cdn$10.86	Cdn$13.24
Risk-free interest rate	0.78%	0.74%	0.73%	1.29%	1.29%	1.70%
Expected volatility	45.00%	49.00%	38.00%	35.00%	35.00%	29.00%
Expected dividend yield	Nil	Nil	Nil	Nil	Nil	Nil
Expected life (years)	5	5	5	5	5	5
Fair value of share at grant date	Cdn$7.30	Cdn$6.75	Cdn$7.35	Cdn$10.86	Cdn$10.86	Cdn$13.24
Fair value of option at grant date	$2.84	$2.66	$2.42	$3.44	$3.44	$3.58
Total amount vested at October 31, 2013	$183,067	$155,366	$12,335	$1,343	$1,317	$1,206
Amount vested for the nine month period ended July 31, 2014	$51,651	$89,843	$27,838	$91,630	$179,773	$1,206
Total amount vested at July 31, 2014	$234,718	$245,209	$40,173	$92,973	$181,090	$1,206

(All amounts expressed in U.S. Dollars unless otherwise noted)

Option Grants (continued)

The outstanding options at July 31, 2014 and October 31, 2013 and the respective changes during the periods are summarized as follows:

	Nine months period ended July 31, 2014			**Thirteen months period ended October 31, 2013**		
	Number of options	Weighted average exercise price	Vesting attributable to period	Number of options	Weighted average exercise price	Vesting attributable to period
	#	Cdn$	$	#	Cdn$	$
Outstanding, beginning of period	378,060	8.84	440,735	90,000	7.50	64,409
Granted	1,762	13.24	1206	288,060	9.26	289,019
Exercised	-	-	-	-	-	-
Expired	-	-	-	-	-	-
Outstanding, end of period	379,822	8.86	441,941	378,060	8.84	353,428

The following options are outstanding and exercisable at July 31, 2014:

Options Outstanding and Exercisable

Grant Date	**Exercise price**	**Number outstanding**	**Average remaining contractual life**	**Number exercisable**
	Cdn$	**#**	**(years)**	**#**
May 4, 2012	$7.50	90,000	2.76	60,000
December 17, 2012	$7.50	116,000	3.38	38,666
May 3, 2013	$7.65	22,000	3.76	7,333
October 29, 2013	$10.86	35,640	4.25	-
October 29, 2013	$10.86	114,420	4.25	-
July 9, 2014	$13.24	1,762	4.94	-
Total		379,822		105,999

Subsequent events

The Company evaluated subsequent events through September 9, 2014, the date these financial statements and MD&A were issued. There were no material subsequent events that required recognition or additional disclosure in the financial statements.

Accounting standards and policies

The Company's accounting policies are described in Note 2 to the Company's audited consolidated financial statements for the thirteen-month period ended October 31, 2013. The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions which affect the amounts reported in the financial statements and accompanying notes.

(All amounts expressed in U.S. Dollars unless otherwise noted)

Risk factors

Major risk factors identified by management are outlined in the MD&A section of the Company's 2013 Annual Report, along with the following major risk factors:

Credit Risk
Foreign Currency Risk
Interest Rate Risk
Liquidity Risk

Credit Risk

Credit risk is the risk of financial loss associated with counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash in bank accounts and accounts receivable.

All domestic and international banking relationships are selected by senior management. The Company maintains accounts in high quality financial institutions. At various times, the Company's bank balances may exceed the federally or provincially insured limits.

The credit risk associated with accounts receivable is limited, as the Company's receivables consist primarily of bulk currency trades with a settlement cycle of 24 to 48 hours. There is minimal counterparty risk as the majority of the Company's receivables reside with banks and other financial institutions. The Company has long-standing relationships with most of its money service business customers and has a strong repayment history. For the purpose of risk control, the customers are grouped as follows: domestic and international banks, money service businesses and other customers. Credit limits are established for each customer, whereby the credit limit represents the maximum open amount without requiring payments in advance. A breakdown of accounts receivable by category is below:

	At July 31, 2014	At October 31, 2013
Customer type	**$**	**$**
Domestic and international banks	1,021,242	443,739
Money service businesses	3,209,739	584,109
Other	42,381	5,511
Total	**4,273,362**	**1,033,359**

These limits are reviewed regularly by senior management.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset on the statement of financial position. There are no commitments that could increase this exposure to more than the carrying amount.

Foreign Currency Risk

The volatility of the Company's foreign currency holdings may increase as a result of the political and financial environment of the corresponding issuing country. Several currencies have limited exchange rate exposure as they are pegged to the U.S. Dollar, the reporting currency of the Company. Management believes its exposure to foreign currency fluctuations is mitigated by the short-term nature and rapid turnover of its foreign currency inventory, as well as the use of forward contracts to offset these fluctuations. Due to their nature, some minor and exotic foreign currencies cannot be hedged or are too cost prohibitive to hedge. In order to mitigate the risks associated with holding these foreign currencies, the Company assigns wider bid/ask spreads and maintains specific inventory targets to minimize the impact of exchange rate fluctuations. These targets are reviewed regularly and are increased or decreased to accommodate demand. The amount of unhedged inventory held in vaults, tills and in transit at July 31, 2014 was approximately $5,545,000 (October 31, 2013 - $3,040,000). The amount of currency that is unhedged and that is not pegged to the U.S. Dollar is approximately $3,040,000 (October 31, 2013 - $1,550,000). A 2% increase/reduction in the market price for the aggregate of the Company's unhedged/un-pegged foreign currencies would result in an exchange gain/loss of approximately +$70,000/-$70,000 (October 31, 2013 gain/loss of approximately +$30,000/-$30,000).

On a consolidated basis, the Company is also exposed to foreign currency fluctuations between the U.S. Dollar and the functional currency of its subsidiary, CXIC.

The Company does not hedge its net investment in its Canadian subsidiary and the related foreign currency translation of local earnings.

Interest Rate Risk

At July 31, 2014, the Company had access to interest bearing financial instruments in cash and short term accounts payables. A significant amount of the Company's cash is held as foreign currency banknotes in tills and vaults. These amounts are not subject to interest rate risk. Cash held in some of the Company's accounts are interest bearing; however, since prevailing interest rates are low there is minimal interest rate risk. Borrowings bear interest at fixed and variable rates. Cash and borrowings issued at variable rates expose the Company to cash flow interest rate risk. For the interest rate profile of the Company's interest bearing financial liabilities, refer to Note 11 of the consolidated financial statements for the nine-month period ended July 31, 2014.

The Company manages interest rate risk in order to reduce the volatility of the financial results as a consequence of interest rate movements. For the decision whether new borrowings shall be arranged at a variable or fixed interest rate, senior management focuses on an internal long-term benchmark interest rate and considers the amount of cash currently held at a variable interest rate. Currently the interest rate exposure is un-hedged.

If interest rates had been 50 basis points higher/lower with all other variables held constant, after tax profit for the nine month period ended July 31, 2014 would have been approximately +$4,500/-$4,500 higher/lower as a result of credit lines held at variable interest rates.

(All amounts expressed in U.S. Dollars unless otherwise noted)

Liquidity Risk

Liquidity Risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The CFO informs the CEO, the Board of Directors, and the Audit Committee of capital and liquidity issues as they occur in accordance with established policies and guidelines. The Company targets to have a cash reserve or credit lines greater than 15% of the Company's prior year's revenues.

The following are non-derivative contractual financial liabilities:

At July 31, 2014

Non-derivative financial liabilities	Carrying amount	Estimated contractual amount	This fiscal year	Future fiscal years
	$	$	$	$
Accounts payable	5,179,657	5,179,657	5,179,657	$Nil
Accrued expenses	1,162,171	1,036,673	1,036,673	$Nil
Contingent consideration	1,477,867	1,477,867	-	1,477,867
Line of credit	910,434	917,095	917,095	$Nil

At October 31, 2013

Non-derivative financial liabilities	Carrying amount	Contractual amount	Next fiscal year	Future fiscal years
	$	$	$	$
Accounts payable	2,918,054	2,918,054	2,918,054	$Nil
Accrued expenses	801,166	757,237	757,237	$Nil

The Company had available unused lines of credit amounting to $7,089,566 at July 31, 2014 (October 31, 2013 - $4,000,000).

The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its cash flows based on operating expenditures, and other investing and financing activities related to its daily operations.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, obtaining loan financing, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the Board of Directors on an ongoing basis.