CURRENCY EXCHANGE INTERNATIONAL, CORP.

Condensed Interim Consolidated Financial Statements
For the three and nine months ended June 30, 2013
(Expressed in U.S. Dollars)
(Unaudited)

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Management's Responsibility for Condensed Interim Consolidated Financial Statements

The accompanying unaudited condensed interim consolidated financial statements of Currency Exchange International, Corp. (the "Company") are the responsibility of management and the Board of Directors.

The unaudited condensed interim consolidated financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited condensed interim consolidated financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the unaudited condensed interim consolidated financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34 - Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established processes, which are in place to provide it with sufficient knowledge to support management's representations that it has exercised reasonable diligence that (i) the unaudited condensed interim consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of, and for the periods presented by, the unaudited condensed interim consolidated financial statements and (ii) the unaudited condensed interim consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of, and for the periods presented by, the unaudited condensed interim consolidated financial statements.

The Board of Directors is responsible for reviewing and approving the unaudited condensed interim consolidated financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited condensed interim consolidated financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited condensed interim consolidated financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

(signed) *"Randolph Pinna"*
Randolph Pinna
President and Chief Executive Officer

(signed) *"Peter Scherer"*
Peter Scherer
Chief Financial Officer

Orlando, Florida
August 2, 2013

CURRENCY EXCHANGE INTERNATIONAL, CORP.
Condensed Interim Consolidated Statements of Financial Position
As at June 30, 2013 and September 30, 2012
(Expressed in U.S. Dollars)
(Unaudited)

ASSETS

	June 30, 2013	September 30, 2012
Current assets	$	$
Cash (Note 4)	15,688,228	16,564,453
Accounts receivable	2,669,992	603,602
Restricted cash held in escrow (Note 5)	280,176	132,340
Other current assets (Note 20)	583,546	312,975
Total current assets	19,221,942	17,613,370
Property and equipment (Note 7)	411,439	391,125
Intangible assets (Note 8)	318,441	185,929
Other assets	45,897	35,204
Total assets	19,997,719	18,225,628
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable	1,385,119	682,572
Accrued expenses	443,177	714,207
Income taxes payable	219,227	146,438
Warrant liability (Note 13)	278,288	418,827
Line of credit	4,832	-
Total current liabilities	2,330,643	1,962,044
Total long term liabilities		
Deferred tax liability	59,875	36,610
Total liabilities	2,390,518	1,998,654
Equity		
Share capital (Note 15)	3,954,748	3,872,068
Equity reserves (Note 15)	8,179,587	7,623,905
Accumulated other comprehensive income/(loss)	(295,816)	-
Stock options (Note 15)	259,517	64,409
Broker options (Note 15)	-	129,512
Retained earnings	5,509,165	4,537,080
Total equity	17,607,201	16,226,974
Total liabilities and equity	19,997,719	18,225,628

Commitments and contingencies (Note 19)
Subsequent events (Note 21)

Approved on behalf of Board of Directors:

(signed) "Randolph Pinna", Director

(signed) "Chirag Bhavsar", Director

Refer to accompanying notes to the unaudited condensed interim consolidated financial statements .

CURRENCY EXCHANGE INTERNATIONAL, CORP.
Condensed Interim Consolidated Statements of Income and Comprehensive Income
Three and nine months ended June 30, 2013
(Expressed in U.S. Dollars)
(Unaudited)

	Nine months ended		Three months ended	
	30-Jun-13	**30-Jun-12**	**30-Jun-13**	**30-Jun-12**
Revenues	$	$	$	$
Commissions from trading (Note 3)	8,703,493	8,097,035	3,488,947	2,841,834
Fee income (Note 3)	823,535	847,890	310,736	310,412
Total revenues	9,527,028	8,944,925	3,799,683	3,152,246
Operating expenses (Note 17)	7,688,982	6,794,387	2,705,227	2,475,331
Net operating income	1,838,046	2,150,538	1,094,456	676,915
Other income (expense)				
Other income	8,236	962	1,823	880
Gain on forward contract (Note 12)	-	92,343	-	-
Fair value change in warrant liability (Note 13)	179,953	93,571	816,274	(182,670)
Interest and accretion (Note 10)	(14,999)	(124,448)	(2,768)	-
Expenses related to Exchange Bank of Canada (Note 18)	(220,972)	-	(27,434)	-
Warrant issue costs	-	(124,171)	-	-
Total other income (expense)	(47,782)	(61,743)	787,895	(181,790)
Income before income taxes	1,790,264	2,088,795	1,882,351	495,125
Income tax expense	(818,179)	(846,570)	(415,516)	(286,583)
Net income	972,085	1,242,225	1,466,835	208,542
Earnings per share (Note 16)				
- **basic**	$0.25	$0.41	$0.38	$0.05
- **diluted**	$0.25	$0.40	$0.38	$0.05
Weighted average number of common shares outstanding (Note 16)				
- **basic**	3,910,110	3,066,229	3,874,888	3,872,068
- **diluted**	3,913,242	3,068,937	3,878,020	3,878,491
Comprehensive Income				
Net Income	972,085	1,242,225	1,466,835	208,542
Translation differences	(295,816)	-	(182,194)	-
Total comprehensive income	676,269	1,242,225	1,284,641	208,542

Refer to accompanying notes to the unaudited condensed interim consolidated financial statements.

CURRENCY EXCHANGE INTERNATIONAL, CORP.
Condensed Interim Consolidated Statements of Changes in Equity
Nine months ended June 30, 2013
(Expressed in U.S Dollars)
(Unaudited)

	Common Stock				Broker Options		Stock Options			
	Shares	**Amount**	**Equity Reserves**	**Accumulated Other Comprehensive Income**	**Broker Options**	**Amount**	**Stock Options**	**Amount**	**Retained Earnings**	**Total**
	#	$	$	$	#	$	#	$	$	$
Balance at September 30, 2011	2,492,068	2,492,068	1,847,842	-	-	-	-	-	1,819,428	6,159,338
Net comprehensive income	-	-	-	-	-	-	-	-	536,269	536,269
Balance, October 1, 2011	2,492,068	2,492,068	1,847,842	-	-	-	-	-	2,355,697	6,695,607
Issuance of shares (Note 15)	1,380,000	1,380,000	6,479,701	-	-	-	-	-	-	7,859,701
Issuance of broker options (Note 15)	-	-	-	-	82,800	129,512	-	-	-	129,512
Issuance of stock options (Note 15)	-	-	-	-	-	-	90,000	64,409	-	64,409
Share issue costs (Note 15)	-	-	(703,638)	-	-	-	-	-	-	(703,638)
Net income	-	-	-	-	-	-	-	-	2,181,383	2,181,383
Balance, September 30, 2012	3,872,068	3,872,068	7,623,905	-	82,800	129,512	90,000	64,409	4,537,080	16,226,974
Issuance of shares (Note 15)	82,680	82,680	465,584	-	-	-	-	-	-	548,264
Exercise of broker options (Note 15)	-	-	89,910	-	(82,680)	(129,324)	-	-	-	(39,414)
Expiry of broker options (Note 15)	-	-	188	-	(120)	(188)	-	-	-	-
Issuance of stock options (Note 15)	-	-	-	-	-	-	138,000	195,108	-	195,108
Loss on foreign currency translation	-	-	-	(295,816)	-	-	-	-	-	(295,816)
Net income	-	-	-	-	-	-	-	-	972,085	972,085
Balance, June 30, 2013	3,954,748	3,954,748	8,179,587	(295,816)	-	-	228,000	259,517	5,509,165	17,607,201

Refer to accompanying notes to the unaudited condensed interim consolidated financial statements.

CURRENCY EXCHANGE INTERNATIONAL, CORP.
Condensed Interim Consolidated Statements of Cash Flows
Nine months ended June 30, 2013 and June 30, 2012
(Expressed in U.S. Dollars)
(Unaudited)

	Nine months ending	
	June 30, 2013	**June 30, 2012**
Cash flows from operating activities	**$**	**$**
Net income	972,085	1,242,225
Adjustments to reconcile net income to net cash flows from operating activities		
Amortization	212,757	178,592
Stock based compensation	195,108	23,922
Non cash warrant issue cost	-	124,171
Gain on disposal of assets	(6,380)	-
Deferred taxes	23,265	-
Foreign exchange loss on short term note payable	-	108,347
Foreign exchange gain on forward contract	-	(92,343)
Accretion expense	-	42,873
Fair value change in warrant liability	(179,953)	(93,571)
(Decrease) increase in cash due to change in:		
Accounts receivable	(2,066,390)	(290,210)
Other assets	(281,265)	(78,083)
Restricted cash held in escrow	(147,836)	(164,537)
Accounts payable and accrued expenses	504,307	(36,787)
Change in foreign exchange translation	(295,816)	-
Net cash flows from operating activities	(1,070,118)	964,599
Cash flows from investing activities		
Purchase of property and equipment	(198,741)	(185,570)
Purchase of intangible assets	(178,770)	(37,858)
Proceeds from sale of equipment	18,308	-
Net cash flows from investing activities	(359,203)	(223,428)
Cash flows from financing activities		
Proceeds from issue of common shares and warrants	-	9,240,936
Proceeds from exercise of broker options	548,264	-
Share Issue costs	-	(698,297)
Repayment of long-term debt	-	(222,141)
Borrowings (repayment) on lines of credit and notes payable	4,832	(2,099,904)
Repayment of shareholder loan payable	-	(167,010)
Net cash flows from financing activities	553,096	6,053,584
Net change in cash	(876,225)	6,794,755
Cash, beginning of period	16,564,453	8,588,662
Cash, end of period	15,688,228	15,383,417
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the period for income taxes	706,905	1,150,292
Cash paid during the period for interest	7,077	81,575
SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES		
Warrants issued on conversion of broker options	39,414	-
Broker options issued for services	-	129,512

Refer to accompanying notes to the unaudited condensed interim consolidated financial statements.

1. Nature of Operations and Basis of Presentation

Nature of operations

Currency Exchange International, Corp. (the "Company") was originally incorporated under the name Currency Exchange International, Inc. under the Florida Corporations Act on April 7, 1998. The Company changed its name to Currency Exchange International, Corp. on October 19, 2007 and commenced its current business operations at that time. The Company is a public corporation whose shares are listed and posted for trading on the Toronto Stock Exchange (TSX) under the symbol "CXI" and the over the counter market (OTC) under the symbol CURN. The Company operates as a money service business and provides currency exchange, wire transfer, and cheque cashing services at its locations in the United States and Canada. The Company currently maintains a head office and four vaults as well as 24 branch locations. The Company's registered head office is located at 4901 Vineland Road, Suite 580, Orlando, Florida, 32811, United States of America. The majority of the Company's operations are currently in the United States.

Basis of presentation

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) applicable to the preparation of Interim financial statements, including International Accounting Standards 34 (IAS 34), Interim Financial Reporting. The accounting policies in these condensed consolidated interim financial statements are consistent with those disclosed in the Company's annual consolidated financial statements for the year ended September 30, 2012. The condensed consolidated interim financial statements should be read in conjunction with the Company's annual consolidated financial statements for the year ended September 30, 2012, which have been prepared in accordance with IFRS as issued by the IASB.

Comparative figures

Comparative figures have been reclassified to conform to the current period's presentation.

2. New Accounting Polices and Future Accounting Pronouncements

New accounting policies and future accounting pronouncements

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed and disclosed in the preparation of the most recent annual consolidated financial statements for the year ended September 30, 2012.

Three and nine months ended June 30, 2013 (Expressed in U.S. Dollars)

3. Operating Segments

The Company operates in the United States and Canada. The Company's revenue from external customer and information about its assets by geographical location are detailed below:

	Commissions from trading	Fee income	Total revenues
Nine months ended June 30, 2013	$	$	$
United States	7,718,324	822,749	8,541,073
Canada	985,169	786	985,955
Total	8,703,493	823,535	9,527,028
Nine months ended June 30, 2012			
United States	7,696,093	826,042	8,522,135
Canada	400,942	21,848	422,790
Total	**8,097,035**	**847,890**	**8,944,925**
Three months ended June 30, 2013			
United States	3,092,214	310,736	3,402,950
Canada	396,733	-	396,733
Total	3,488,947	310,736	3,799,683
Three months ended June 30, 2012			
United States	2,560,280	293,910	2,854,190
Canada	281,554	16,502	298,056
Total	**2,841,834**	**310,412**	**3,152,246**

	June 30, 2013			September 30, 2012		
	United States	Canada	Total	United States	Canada	Total
	$	$	$	$	$	$
Cash	11,348,107	4,340,121	15,688,228	10,018,626	6,545,827	16,564,453
Accounts receivable	737,459	1,932,533	2,669,992	389,754	213,848	603,602
Restricted cash held in escrow	280,176	-	280,176	132,340	-	132,340
Other current assets	574,554	8,992	583,546	304,019	8,956	312,975
Property and equipment	342,463	68,976	411,439	301,405	89,720	391,125
Intangible assets	318,441	-	318,441	185,929	-	185,929
Other assets	39,924	5,973	45,897	28,819	6,385	35,204
Total assets	13,641,124	6,356,595	19,997,719	11,360,892	6,864,736	18,225,628

Three and nine months ended June 30, 2013 (Expressed in U.S. Dollars)

4. Cash

Included within cash of $15,688,228 at June 30, 2013 (September 30, 2012 - $16,564,453) are the following balances:

	June 30, 2013	September 30, 2012
	$	$
Cash held in transit, vaults, tills and consignment locations	13,045,804	15,026,294
Cash deposited in bank accounts in jurisdictions in which it operates	2,642,424	1,538,159
Total	15,688,228	16,564,453

5. Restricted Cash Held in Escrow

Certain of the Company's secured transactions and derivative contracts require the Company to post cash collateral or maintain minimum cash balances in escrow. The foreign currency forward contracts can be closed immediately resulting in the collateral being liquidated. The Company had cash collateral amounts of $280,176 at June 30, 2013 (September 30, 2012 - $132,340)

6. Operating Leases

The Company has entered into non-cancellable operating lease and license agreements with terms in excess of one year for the use of certain facilities. The rent expense associated with these leases for the three and nine months ending June 30, 2013 were $303,886 and $945,347, respectively (three and nine months ended June 30, 2012 $284,261 and $812,527, respectively). The licensing fees associated with these agreements for the three nine months ended June 30, 2013 were $64,666 and 175,616, respectively (three and nine months ending June 30, 2012 - $49,637 and $154,269, respectively).

Three and nine months ended June 30, 2013 (Expressed in U.S. Dollars)

7. Property and Equipment

Property and equipment consisted of the following as of June 30, 2013 and September 30, 2012:

Cost	Vehicles $	Computer equipment $	Furniture and equipment $	Leasehold improvements $	Total $
Balance, September 30, 2011	51,567	88,062	100,927	462,135	702,691
Additions	14,806	44,183	70,899	127,352	257,240
Disposals	-	(7,761)	-	-	(7,761)
Balance, September 30, 2012	66,373	124,484	171,826	589,487	952,170
Additions	31,683	14,431	22,975	129,652	198,741
Disposals	(49,853)	(25,812)	(6,861)	(16,312)	(98,838)
Balance, June 30, 2013	48,203	113,103	187,940	702,827	1,052,073

Amortization	Vehicles $	Computer equipment $	Furniture and equipment $	Leasehold improvements $	Total $
Balance, September 30, 2011	30,146	64,623	66,753	185,057	346,579
Amortization	12,100	25,501	29,995	150,350	217,946
Disposals	-	-	-	-	-
Balance, September 30, 2012	42,246	86,644	96,748	335,407	561,045
Amortization	8,875	19,590	29,459	108,575	166,499
Disposals	(37,926)	(25,811)	(6,861)	(16,312)	(86,910)
Balance, June 30, 2013	13,195	80,423	119,346	427,670	640,634

Carrying amounts	Vehicles $	Computer equipment $	Furniture and equipment $	Leasehold improvements $	Total $
Balance, September 30, 2012	24,127	37,840	75,078	254,080	391,125
Balance, June 30, 2013	35,008	32,680	68,594	275,157	411,439

8. Intangible Assets

Intangible assets are comprised of the Company's internally developed software and its related modules. Amortization is computed on an individual product basis over the estimated economic life of the product using the straight-line method. The balance of intangible assets as of June 30, 2013 and September 30, 2012 consisted of:

	Cost $	Amortization $	Net Book Value $
Balance, September 30, 2011	149,201	14,900	134,301
Additions	82,389	30,761	51,628
Balance, September 30, 2012	231,590	45,661	185,929
Additions	178,770	46,258	132,512
Balance, June 30, 2013	410,360	91,919	318,441

9. Seasonality of Operations

Seasonality is reflected in the timing of when foreign currencies are in greater or lower demand. In a normal operating year there is some seasonality to the Company's operations with higher commissions generally from March until September and fewer commissions 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.

10. Line of Credit and Short-Term Note Payable

On January 4, 2011, the Company entered into a Master Purchasing Agreement to borrow up to Cdn$5,000,000 with a shareholder of the Company. On December 14, 2011, the Company amended the terms of the Master Purchasing Agreement to reduce the available credit from Cdn$5,000,000 to Cdn$2,000,000 upon completion of the offering described in Note 15. The Master Purchasing Agreement is subordinate to the credit line held with Branch Banking and Trust Company described below and is not securitized. Specific repayment terms and interest rates are negotiated when drawings are made. On December 19, 2012 the Company entered into an arrangement to receive a net value of $993,400 in an exchange for a promise to repay $1,000,000 on January 17, 2013. During the nine months ending June 30, 2013, the Company recognized interest and accretion expense of $6,600 (nine months ending June 30, 2012 - interest and accretion of $105,775).

In May of 2012, the Company entered into a line of credit agreement with Branch Banking and Trust Company for a principal amount of up to $1,000,000. The line of credit bears interest at the bank's prime rate (as at June 30, 2013 3.25%) and is secured against the Company's cash and non-cash assets. Any and all future debt is subordinate to the credit line. In May of 2013, the Company amended the note to increase the principal to an amount of up to $2,000,000. As at June 30 2013, the balance on the line of credit was $4,832 (September 30, 2012 - $Nil). During the nine months ended June 30, 2013, the Company recognized interest of $515 on borrowings on the line of credit (nine months ending June 30, 2012 - $722).

11. Risk Management

The Company's activities expose it to a variety of financial risk: credit risk, foreign currency risk, interest rate risk, and liquidity risk. The Company's risk management policies focus to minimize the potential adverse effects on the Company's financial performance.

Financial risk management is carried out by the CFO under policies approved by senior management and the Board of Directors. Policies are in place to evaluate and monitor risk and in some cases, prescribe that the Company hedge its financial risks.

The analysis below presents information about the Company's exposure to each of the risks arising from financial instruments and the Company's objectives, policies and processes for measuring and managing these risks.

Three and nine months ended June 30, 2013 (Expressed in U.S. Dollars)

11. Risk Management (continued)

Credit Risk

Credit risk is the risk of financial loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash 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 (Note 2 in the Company's annual consolidated financial statements) 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. For the purpose of risk control, the customers are grouped as follows: domestic and international financial institutions, 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 AR by category is below:

	June 30, 2013	**September 30, 2012**
Customer type	**$**	**$**
Domestic and international banks	648,034	215,114
Money service businesses	1,997,678	377,839
Other	24,280	10,649
Total	**2,669,992**	**603,602**

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 be increased as a result of the political and financial environment of the corresponding issuing country. 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. The amount of unhedged inventory at June 30, 2013 was approximately $2,415,000. A 2% increase/reduction in the market price for the aggregate of the company's un-hedged foreign currencies would result in an exchange gain/loss of approximately +$50,000/-$50,000.

11. Risk Management (continued)

Foreign Currency Risk (continued)

On a consolidated basis, the Company is also exposed to foreign currency fluctuations between the US dollar and the functional currencies of its subsidiaries. The major foreign currency giving rise to currency risk is the Canadian dollar.

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

Interest Rate Risk

As at June 30, 2013, the Company had access to interest bearing financial instruments in cash and short term note 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. Generally, most cash held on deposit is non-interest bearing.

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 10.

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.

As at June 30, 2013, if interest rates had been 50 basis points higher/lower with all other variables held constant, after tax profit for the nine months ended would have been approximately $445 higher/lower as a result of credit lines held at variable interest rates.

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.

Three and nine months ended June 30, 2013 (Expressed in U.S. Dollars)

11. Risk Management (continued)

The following are non-derivative contractual financial liabilities:

As at June 30, 2013

Non-derivative financial liabilities	Carrying amount	Contractual amount	Within current fiscal year	Between 1 and 2 fiscal years
	$	$	$	$
Accounts payable	1,385,119	1,385,119	1,385,119	
Accrued expenses	443,177	408,014	443,177	

As at September 30, 2012

Non-derivative financial liabilities	Carrying amount	Contractual amount	Within current fiscal year	Between 1 and 2 fiscal years
	$	$	$	$
Accounts payable	682,572	682,572	-	682,572
Accrued expenses	714,207	690,212	-	690,212

The Company had unused lines of credit amounting to $3,995,168 at June 30, 2013 (September 30, 2012 - $3,000,000).

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.

12. Foreign Currency Forward Contracts

The Company enters into foreign currency forward contracts on a daily basis to mitigate the risk of fluctuations in the exchange rates of its holdings of major currencies. The forward contracts are recognized at fair value and the gain or loss is recorded daily and is 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. For the nine months ended June 30, 2013, the change in foreign currency value was a gain of $80,104 (nine months ended June 30, 2012 - loss of $182,247), the net change from foreign currency forward contracts related to foreign currency inventory holdings was a loss of $17,412 (nine months ended June 30, 2012 - gain - $139,350). For the three months ended June 30, 2013, the change in foreign currency value was a gain of $32,451 (three months ended June 30, 2012 - loss of $198,943), the net change from foreign currency forward contracts related to foreign currency inventory holdings was a loss of $56,884 (three months ended June 30, 2012 - gain of $174,853).

12. Foreign Currency Forward Contracts (continued)

As at June 30, 2013 and September 30, 2012 approximately $280,176 and $132,340, 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. See Note 5.

As at June 30, 2013 and September 30, 2012, management has assessed that the fair value of the above foreign currency forward contracts was a nominal amount, given their short-term nature.

In December of 2011, the Company entered in to a forward contract to purchase Cdn$2,000,000 to mitigate the foreign currency exchange risk relating to a short term Cdn$2,000,000 loan entered in to under the Master Purchasing Agreement described in Note 10. The forward contract expired on the date of the Company's public offering. During the nine months ending June 30, 2013, the company realized an exchange gain on the forward contract of $Nil (nine months ending June 30, 2012 - gain of $92,343).

13. Warrant Liability

On March 9, 2012, the Company completed a public offering by issuing 1,380,000 units for gross proceeds of Cdn$9,177,000 (Note 15). Each unit was comprised of one common share and one common share purchase warrant. The grant date fair value of $1,381,235 was allocated to the warrants based on the Black-Scholes option pricing model using the following inputs:

	March 9, 2012
Risk-free interest rate	0.20%
Expected volatility	59%
Expected dividend yield	Nil
Expected life (years)	1.5
Fair value of common share at grant date	Cdn$5.66

Warrants issued by the Company to purchase common shares, for a fixed price stated in Canadian dollars, a currency other than the Company's functional currency of US dollars, and not offered pro rata to all existing shareholders of the same class at the time of issuance, are considered derivative financial liabilities under IFRS. Such warrants are required to be measured and recognized at fair value as a liability with changes subsequent to initial recognition included in the consolidated statement of income and comprehensive income. Subsequently, the warrants became publically traded and the fair value of the warrants is based on the quoted market price of the warrants at each reporting date. The warrant liability is classified as Level 1 within the fair value hierarchy.

On December 24, 2012, 59,634 broker compensation options described in Note 15 were exercised enabling each option holder one common share and one common share purchase warrant.

In February 2013, 40 broker compensation options described in Note 15 were exercised enabling each option holder one common share and one common share purchase warrant.

In March of 2013, 23,006 broker compensation options described in Note 15 were exercised enabling each option holder one common share and one common share purchase warrant.

Three and nine months ended June 30, 2013 (Expressed in U.S. Dollars)

13. Warrant Liability (continued)

As at June 30, 2013, the Company adjusted the fair value of the warrant liability to $278,288 based on the quoted market price of the warrants of Cdn$.20 on June 30, 2013. As a result, the Company realized a non-cash gain of $816,274 during the nine months ended June 30, 2013 (nine months ended June 30, 2012 - loss - $182,670). During the three months ended June 30, 2013 the Company realized a non-cash gain of $179,953 (three months ended June 30, 2012 - gain - $93,571).

	Warrants	Remaining Expected Life	Weighted average exercise price	Value per warrant	Value
	#	(years)	Cdn$	Cdn$	$
Balance, September 30, 2012	1,380,000	0.19	7.50	0.30	418,827
Issued December 24, 2012	59,634	0.19	7.50	0.30	18,137
Issued February 2013	40	0.19	7.50	1.15	45
Issued March 2013	23,006	0.19	7.50	0.95	21,232
Change in fair value (liability) and foreign exchange gain	-	-	-	-	(179,953)
Balance, June 30, 2013	1,462,680	0.19	7.50	0.20	278,288

14. Retirement Plan

The Company has a defined contribution 401(k) retirement plan which covers substantially all employees in the United States who are twenty-one years of age and have achieved 1,000 hours of service with the Company in a period of twelve consecutive months. Participating employees may elect to defer a portion of their compensation on a before or after tax basis in accordance with Section 401(k) of the Internal Revenue Code. The Company makes matching dollar for dollar contributions of up to 4% of each plan participant's gross wages. For the three and nine months ending June 30, 2013 the Company's matching contribution expense was $20,323 and $62,828, respectively (2012 - $14,674 and $40,717).

15. Shareholders' Equity

Share Capital
The authorized share capital consists of 100,000,000 common shares. The common shares have a par value of $1.00.

In June 2011, the Company obtained approval to split its shares on a 2:1 basis. All references to common shares and per share amounts for all years presented have been retroactively restated to reflect the share split, with the exception of the dollar amounts of share capital and equity reserves. An adjustment to the share capital and equity reserve balances was made during the year ended September 30, 2011 to reflect the adjusted par value of the Company's common shares after the stock split.

On March 9, 2012, the Company completed a public offering by issuing 1,380,000 units at a price of Cdn$6.65 per unit for gross proceeds of Cdn$9,177,000 ($9,240,936). Each unit was comprised of one common share and one common share purchase warrant. Each warrant entitles its holder to purchase one additional share at a price of Cdn$7.50 until September 8, 2013. An amount of $1,381,235 was allocated as a warrant liability on the date of issue as described in Note 13. In connection with the offering, officers and directors combined to purchase 8,100 common shares.

Three and nine months ended June 30, 2013 (Expressed in U.S. Dollars)

15. Shareholders' Equity (continued)

The Company issued broker compensation options entitling the agents to acquire a maximum of 82,800 units at Cdn$6.65 per unit until March 11, 2013. Each unit consists of one common share and one common share purchase warrant exercisable at a price of Cdn$7.50 until September 8, 2013. The grant date fair value of the broker options of $129,512 was determined based on the Black-Scholes option pricing model using the assumptions as presented below:

Risk-free interest rate	0.18%
Expected volatility	59%
Expected dividend yield	Nil
Expected life (years)	1
Fair value of unit at grant date	Cdn$6.65
Fair value of option at grant date	$1.56

During the nine months ending June 30, 2013, 82,680 broker compensation units were exercised at a price of Cdn$6.65 per unit, for proceeds of Cdn$549,822 ($548,264).

	Broker Options #	Remaining Expected Life (years)	Weighted Average Exercise Price Cdn$	Value $
Balance, September 30, 2011	-	-	-	-
Issued, March 9, 2012	82,800	1	6.65	129,512
Balance, September 30, 2012	82,800	0.44	6.65	129,512
Exercised, December 24, 2012	(59,634)	0.21	6.65	(93,277)
Exercised, February 2013	(40)	0.05	6.65	(63)
Exercised, March 2013	(23,006)	-	6.65	(35,985)
Expired, March 2013	(120)	-	6.65	(187)
Balance, June 30, 2013	-	-	-	-

In connection with the offering, the Company also paid cash commission to the agents in the amount of $555,135, and incurred other professional fees and expenses of $272,674 for a total cost of $827,809 of which $703,638 was allocated to common shares and $124,171 related to warrants was expensed.

Stock options

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, management and consultants. 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.

Three and nine months ended June 30, 2013 (Expressed in U.S. Dollars)

15. Shareholders' Equity (continued)

On May 4, 2012, the Company granted 90,000 stock options to select employees and directors with an exercise price of Cdn$7.50 and an expiry date of May 4, 2017. During the three and nine months ending June 30, 2013, the Company realized stock based compensation in the amount of $19,636 and $94,487, respectively (three and nine months ending June 30, 2012 - $23,922) which was determined based on the vested portion of the Black-Scholes option pricing model using the assumptions presented below:

Risk-free interest rate	0.78%
Expected volatility	45%
Expected dividend yield	Nil
Expected life (years)	5
Fair value of share at grant date	Cdn$7.30
Fair value of option at grant date	$2.84

On December 17, 2012, the company granted 116,000 stock options to select employees and directors with an exercise price of Cdn$7.50 and an expiry date of December 18, 2017. During the three and nine months ending June 30, 2013, the Company realized stock based compensation in the amount of $42,870 and $95,700, respectively (three and nine months ending June 30, 2012 - $Nil and $Nil, respectively) which was determined based on the vested portion of the Black-Scholes option pricing model using the assumptions presented below:

Risk-free interest rate	0.74%
Expected volatility	49%
Expected dividend yield	Nil
Expected life (years)	5
Fair value of share at grant date	Cdn$6.75
Fair value of option at grant date	$2.66

On May 3, 2013, the Company granted 22,000 stock options to a select employee with an exercise price of Cdn$7.65 and an expiry date of May 3, 2018. During the three and nine months ending June 30, 2013, the Company realized stock based compensation in the amount of $4,921 (three and six months ending June 30, 2012 - $Nil and $Nil, respectively) which was determined based on the vested portion of the Black-Scholes option pricing model using the assumptions presented below:

Risk-free interest rate	0.73%
Expected volatility	38%
Expected dividend yield	Nil
Expected life (years)	5
Fair value of share at grant date	Cdn$7.35
Fair value of option at grant date	$2.42

Three and nine months ended June 30, 2013 (Expressed in U.S. Dollars)

15. Shareholders' Equity (continued)

The outstanding options as at June 30, 2013 and September 30, 2012 and the respective changes during the periods are summarized as follows:

	Nine months ending 30-Jun-13			**Year ending 30-Sep-12**		
	Number of options #	Weighted average exercise price Cdn$	Vested amount during the period Cdn$	Number of options #	Weighted average exercise price Cdn$	Vested amount during the period Cdn$
Outstanding, beginning of period	90,000	7.50	94,487	-	-	-
Granted	138,000	7.52	100,621	90,000	7.50	64,409
Exercised	-	-	-	-	-	-
Expired	-	-	-	-	-	-
Outstanding, end of period	228,000	7.51	195,108	90,000	7.50	64,409

The following options are outstanding and exercisable at June 30, 2013:

Options Outstanding and Exercisable

Exercise price	**Number outstanding**	**Average remaining contractual life**	**Number exercisable**
Cdn$	**#**	**(years)**	**#**
7.50	90,000	3.84	30,000
7.50	116,000	4.47	-
7.65	22,000	4.84	-

Three and nine months ended June 30, 2013 (Expressed in U.S. Dollars)

16. Earnings Per Common Share

The calculation of earnings per share is presented below. Diluted earnings per share for the three and nine month months ending June 30, 2013 did not include the 1,380,000 warrants issued on March 9, 2012, 90,000 stock options granted on May 4, 2012, and 22,000 stock options granted on May 3, 2013 as they were anti-dilutive. During the three and nine months ending June 30, 2012, diluted earnings per share did not include the effect of 1,380,000 warrants and 90,000 stock options as they were anti-dilutive.

	Nine months ended		Three months ended	
	30-Jun-13	30-Jun-12	30-Jun-13	30-Jun-12
Basic				
Net income	$972,085	$1,242,225	$1,466,835	$208,542
Weighted average number of shares outstanding	3,910,110	3,066,229	3,874,888	3,872,068
Basic earnings per share	$0.25	$0.41	$0.38	$0.05
Diluted				
Net income	$972,085	$1,242,225	$1,466,835	$208,542
Weighted average number of shares outstanding	3,913,242	3,068,937	3,878,020	3,878,491
Diluted earnings per share	$0.25	$0.40	$0.38	$0.05

17. Operating Expenses

	Nine months ended		Three months ended	
	30-Jun-13	30-Jun-12	30-Jun-13	30-Jun-12
	$	$	$	$
Salaries and benefits	3,665,701	2,910,653	1,306,662	1,030,544
Rent	945,347	812,527	303,886	284,261
Legal and professional	642,496	706,770	224,848	226,475
Postage and shipping	757,363	677,710	279,665	316,562
Stock based compensation	195,108	23,922	67,426	23,922
Amortization	212,757	178,592	74,298	61,262
Other general and administrative	1,270,210	1,484,213	448,442	532,305
Operating expenses	7,688,982	6,794,387	2,705,227	2,475,331

Three and nine months ended June 30, 2013 (Expressed in U.S. Dollars)

18. Exchange Bank of Canada

On November 23, 2012, the Company submitted its application to continue its wholly-owned subsidiary, Currency Exchange International of Canada Corp., as a new Canadian Schedule I bank. Subject to review and approval of the application by the Office of the Superintendent of Financial Institutions (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. During the three and nine months ending June 30, 2013, the Company recognized legal and administrative expenses of $27,434 and $220,972, respectively, in relation to the application process (three and nine months ending June 30, 2012 - $Nil).

19. Compensation of Key Management Personnel and Related Party Transactions

In accordance with IAS 24 *Related Party Disclosures*, key management personnel are those persons having authority and responsibility for planning, directing and controlling activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company. The remuneration of directors and other members of key management personnel during nine months ended June 30, 2013 and nine months ended June 30, 2012 was as follows:

	Nine months ended	
	June 30, 2013	**June 30, 2012**
	$	$
Short-term benefits	426,128	302,185
Post-employment benefits	10,450	4,799
Stock based compensation	174,483	23,922

On October 1, 2011, the Company entered into an employment agreement with the President and CEO of the Company. Pursuant to this agreement, the Company is committed to pay an annual base salary of $160,500 per annum indefinitely until such time as the agreement is terminated. On September 25, 2012, the Compensation Committee of the Board of Directors agreed to increase the base salary to $200,000 per annum with a maximum cash bonus of up to 62.5% of the annual base salary as part of the Company's short term incentive plan ("STIP"). This contract contains clauses requiring additional payments of a minimum of $321,000 to be made upon the occurrence of certain events such as a change of control or termination for reasons other than cause.

On September 25, 2012, the Compensation Committee of the Board of Directors created STIP for key officers and executives of the Company. The maximum amount of STIP payable for key officers and executives for the fiscal year effective October 1, 2012 will be $368,813 and will be paid upon the achievement of performance objectives.

On May 1, 2013, the Company entered in an employment agreement with the Senior Vice President and CFO. Pursuant to this agreement, the Company is committed to pay an annual base salary of Cdn$190,000 on a prorated basis for the first year and will be increased to Cdn$195,000 for the following year. This contract has a maximum STIP amount of Cdn$71,250 for the period ending October 31, 2013 and is based upon performance objectives.

Three and nine months ended June 30, 2013 (Expressed in U.S. Dollars)

19. Compensation of Key Management Personnel and Related Party Transactions (continued)

The Company incurred legal and professional fees in the aggregate of $18,634 and $43,435 for the three and nine months ending June 30, 2013, respectively (three and nine months ending June 30, 2012 - $19,863 and $68,807, respectively) charged by entities controlled by directors or officers of the Company. During the three and nine months ended June 30, 2013, the Company incurred an expense $58,188 and $174,483, respectively, from stock options to officers and directors (three and nine months ended June 30, 2012 - $23,922).

On March 9, 2012 the Company completed its public offering described in Note 15. Officers and directors who participated in the offering combined to purchase a total of 8,100 units.

20. Other Current Assets

	June 30, 2013	September 30, 2012
	$	$
Prepaid rent	111,004	107,752
Prepaid insurance	142,425	57,879
Forward escrow deposits	4,810	5,083
Due on debit and credit cards	199,530	89,111
Other assets	125,777	53,150
Total	583,546	312,975

21. Subsequent Events

In July of 2013, the Company commenced operations at two new branches located in the states of Illinois and California. The leases expire in June 2014 and June 2018, respectively and have total minimum rent payments of $260,964

In July of 2013, the Company entered into lease extensions to retain retail space in South Florida and Massachusetts. The leases expire in December of 2017 and have total minimum rent payments of $725,529.