

CALGARY SPORT COUNCIL SOCIETY

FINANCIAL STATEMENTS (Audited)

December 31, 2025

Member of the



CALGARY SPORT COUNCIL SOCIETY

December 31, 2025

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MICHAEL IHEKUNA CPA

Chartered Professional Accountant

Independent Auditor's Report

To the Members of:
Calgary Sport Council Society

Report on the Audit of the Financial Statements

Opinion

I have audited the Financial Statement of the Calgary Sport Council Society which comprise the Statement of Financial Position as at December 31, 2025 and the Statements of Operations, Changes in Net Assets, and Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Calgary Sport Council Society as at December 31, 2025 and the results of its operations and cash flows for the year ended December 31, 2025 in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

I am independent of the Calgary Sport Council Society in accordance with the ethical requirements that are relevant to my audit and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Calgary Sport Council Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusion is based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Calgary Sport Council Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that I identify during my audit.

Other Matter

The financial statements of the Calgary Sport Council Society for the year ended December 31, 2024 were audited by another auditor who expressed an unqualified opinion on April 1, 2025.

Calgary, Alberta
April 1, 2026



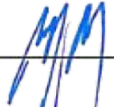
Michael Ihekuna, CPA
Chartered Professional Accountant

CALGARY SPORT COUNCIL SOCIETY
STATEMENT OF FINANCIAL POSITION
(Audited)

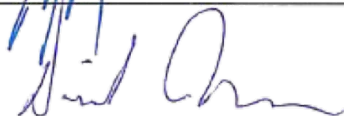
As at December 31, 2025

| | 2025 | 2024 |
|---|-------------------|---------------------|
| ASSETS | | |
| CURRENT | | |
| Cash and cash equivalents, unrestricted (Note 3) | \$ 432,847 | \$ 510,361 |
| Held in trust (Note 9) | 4,440 | 88,358 |
| Cash and cash equivalent, externally restricted (Note 4) | 259,497 | 540,906 |
| Cash and cash equivalents, internally restricted (Note 5) | 174,000 | 174,000 |
| Accounts receivable | 2,625 | 4,425 |
| GST receivable | 4,376 | 1,224 |
| Inventory (Note 7) | 47,608 | 12,827 |
| Prepaid expense and deposit | 22,593 | 4,612 |
| | 947,986 | 1,336,713 |
| PROPERTY AND EQUIPMENT (Note 6) | 9,171 | 4,593 |
| | \$ 957,157 | \$ 1,341,306 |
| LIABILITIES AND NET ASSETS | | |
| CURRENT LIABILITIES | | |
| Accounts payable and accrued liabilities | 65,211 | 74,927 |
| Deferred revenue | - | 57,295 |
| Deferred cash contributions (Note 4) | 259,497 | 540,906 |
| Held in trust (Note 9) | 4,440 | 88,358 |
| | 329,148 | 761,486 |
| | \$ 329,148 | \$ 761,486 |
| NET ASSETS | | |
| Unrestricted | 444,838 | 401,227 |
| Internally restricted (Note 5) | 174,000 | 174,000 |
| Invested in property and equipment | 9,171 | 4,593 |
| | 628,009 | 579,820 |
| | \$ 957,157 | \$ 1,341,306 |

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS



Director



Director

See Notes to the Financial Statement

CALGARY SPORT COUNCIL SOCIETY
STATEMENT OF CHANGES IN NET ASSETS
(Audited)

For the Year Ended December 31, 2025

| | Unrestricted | Internally restricted (Note 5) | Invested in property and equipment | 2025 Totals | 2024 Totals |
|--|---------------------|---|---|------------------------|------------------------|
| Net assets, beginning of the year | \$ 401,227 | 174,000 | 4,593 | 579,820 | 581,616 |
| Excess / (deficiency) of revenues over expenses | 43,611 | - | 4,578 | 48,189 | (1,796) |
| Net assets, end of the year | <u>\$ 444,838</u> | <u>174,000</u> | <u>9,171</u> | <u>628,009</u> | <u>579,820</u> |

See Notes to Financial Statements

CALGARY SPORT COUNCIL SOCIETY
STATEMENT OF OPERATIONS
(Audited)

For the Year Ended December 31, 2025

| | 2025 | 2024 |
|--|---------------------|-------------------|
| REVENUE | | |
| Grants (Note 4) | \$ 1,248,569 | \$ 891,213 |
| Events and programs | 80,919 | 66,078 |
| Interest | 25,256 | 33,589 |
| Sponsorships | 20,000 | - |
| Miscellaneous revenue | 3,533 | 18 |
| Donations | 1,239 | - |
| Project management fees (Note 9) | - | 18,577 |
| | 1,379,516 | 1,009,475 |
| EXPENSES | | |
| Wages and benefits | 671,979 | 532,060 |
| Administration (Schedule 1) | 222,315 | 205,148 |
| Other events and programs | 222,094 | 103,585 |
| All Sport Event Series | 154,699 | 127,743 |
| Contracts and agreements | 33,745 | 29,100 |
| Community engagement | 13,502 | 6,031 |
| Amortization | 3,902 | 3,563 |
| Sports Conference | 3,797 | 30 |
| Insurance | 3,188 | 2,778 |
| Affiliation, memberships, special events | 2,106 | 1,233 |
| | \$ 1,331,327 | 1,011,271 |
| EXCESS / (DEFICIENCY) OF REVENUES OVER EXPENSES | \$ 48,189 | \$ (1,796) |

See Notes to Financial Statements

CALGARY SPORT COUNCIL SOCIETY
STATEMENT OF CASH FLOWS
(Audited)

For the Year Ended December 31, 2025

| | 2025 | 2024 |
|--|-------------------|---------------------|
| Cash generated from (used in): | | |
| Operating Activities | | |
| Excess / (deficiency) of revenues over expenses | \$ 48,189 | \$ (1,796) |
| Changes not affecting cash: | | |
| Amortization | 3,902 | 3,563 |
| Changes in non-cash operating working capital: | | |
| Accounts receivable | 1,800 | (4,425) |
| GST | (3,152) | 860 |
| Prepaid expenses | (17,982) | (1,678) |
| Accounts payable | (9,715) | 56,436 |
| Held in trust (Note 9) | (83,918) | 55,046 |
| Inventory | (34,781) | 24,040 |
| Deferred revenue | (57,295) | 57,295 |
| | (152,952) | 189,341 |
| INVESTING ACTIVITIES | | |
| Computer equipment | (1,730) | (2,003) |
| Website development | (6,750) | - |
| | (8,480) | (2,003) |
| FINANCING ACTIVITIES | | |
| Deferred cash contributions | (281,409) | 29,677 |
| | (281,409) | 29,677 |
| Increase in cash and cash equivalents | (442,841) | 217,015 |
| Cash and cash equivalents, beginning of the year | 1,313,625 | 1,096,610 |
| Cash and cash equivalents, end of the year | \$ 870,784 | \$ 1,313,625 |
| Consisting of: | | |
| Unrestricted cash and cash equivalents | \$ 432,847 | \$ 510,361 |
| Externally restricted cash and cash equivalents (Note 4) | 259,497 | 540,906 |
| Internally restricted cash and cash equivalents (Note 5) | 174,000 | 174,000 |
| Held in trust (Note 9) | 4,440 | 88,358 |
| | \$ 870,784 | \$ 1,313,625 |

See Notes to Financial Statements

CALGARY SPORT COUNCIL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

(Audited)

December 31, 2025

1. THE ASSOCIATION

The Calgary Sport Council Society ("the Society") was registered with the Province of Alberta on February 28, 2001 as a not for profit association and as such is exempt from income tax under section 149 of the Canadian Income Tax Act.

The Society's objects are to:

- Develop a vision and strategies to deal with growth of sport in Calgary.
- Act as a resource for sport organizations in Calgary.
- Provide a unified voice for amateur sport in Calgary.
- Increase the profile of sport in Calgary.
- Provide educational opportunities and events to experience sport and/or learn about sport and all its facets.

2. SIGNIFICANT ACCOUNTING POLICIES

The Society follows the deferral method of accounting for contributions. Externally restricted contributions related to general operations are recognized as revenue in the year in which the related expenses are incurred. Gaming revenues are restricted to certain categories of expenditure. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related capital assets.

Unrestricted contributions including donations, fundraising, operating grants, and other revenues are recognized as revenue when received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

Operating revenue and expenses are recorded on the accrual basis.

Property and Equipment:

The original assets of a capital nature had been set up as start-up expenses in the grant budget, no property & equipment have been set up for them. From 2007 forward, assets of a capital nature over \$1,500 are set up at cost and amortized over their estimated life on a straight line basis.

The amortization rate is:

| | |
|------------------------|----------|
| Electronic Equipment | 3 years |
| Furniture and Fixtures | 10 years |

Basis of Accounting:

Management has concluded that the going concern basis of accounting is appropriate for the Society.

Inventory:

Inventories are valued at the lower of cost and net realisable value. Cost is determined using the first in, first out (FIFO) method.

CALGARY SPORT COUNCIL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

(Audited)

December 31, 2025

Cash and Cash Equivalents:

Cash and cash equivalents include cash on hand, balances with banks and short term deposits with original maturities of three months or less.

Financial Instruments:

Measurement of financial instruments

The Society initially measures its financial assets and financial liabilities at fair value. The Society subsequently measures all its financial assets and financial liabilities at cost or amortized cost. Changes in fair value of these financial instruments are recognized in net income.

Financial instruments measured at amortized cost include cash, accounts receivable and accounts payable.

Financial Risk

It is management's opinion that the Society is not exposed to significant interest, currency, price, market or credit risks arising from these financial instruments.

Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the statement of financial position date and the reported amounts of revenues and expenses for the periods covered.

The main estimates relate to the collectability of receivables, the useful life of property and equipment and the amounts recorded as accrued liabilities.

3. CASH AND CASH EQUIVALENTS, UNRESTRICTED

| | <u>2025</u> | <u>2024</u> |
|---|-------------------|-------------------|
| Chequing accounts, general | \$ 57,563 | \$ 230,767 |
| Savings account | 813,221 | 1,082,858 |
| | <u>870,784</u> | 1,313,625 |
| Less: Cash held in trust | (4,440) | (88,358) |
| Less: Restricted grant funds (Note 4) | (259,497) | (540,906) |
| Less: Internally restricted cash (Note 5) | (174,000) | (174,000) |
| | <u>\$ 432,847</u> | <u>\$ 510,361</u> |

CALGARY SPORT COUNCIL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

(Audited)

December 31, 2025

4. GRANT CONTRIBUTIONS

Externally restricted assets include cash received from government grants. Unspent grant funding is restricted to approved objectives of the grant provider. During the fiscal year, the Society received or entitle to receive the following grants:

| | 2025 | 2024 |
|---|-----------------------|---------------------|
| The City of Calgary - Operating Grant | | |
| Received during this year | \$ 526,978 | \$ 508,176 |
| Return of grant funds | - | - |
| Released | (526,978) | (508,176) |
| Deferred to next year | <u>\$ -</u> | <u>\$ -</u> |
| The City of Calgary - One-Time Funding | | |
| Opening balance | \$ 540,906 | \$ 511,229 |
| Received during this year | 375,000 | 375,000 |
| Released | (656,409) | (345,323) |
| Deferred to next year | <u>\$ 259,497</u> | <u>\$ 540,906</u> |
| The City of Calgary - Sport Festival Funding | | |
| Received during this year | \$ 28,324 | \$ - |
| Released | (28,324) | - |
| Deferred to next year | <u>\$ -</u> | <u>\$ -</u> |
| Government of Canada - Summer Job Grant | | |
| Receivable at year end | \$ 18,858 | \$ - |
| Released | (18,858) | - |
| Deferred to next year | <u>\$ -</u> | <u>\$ -</u> |
| The Balance Foundation | | |
| Received during this year | \$ 18,000 | \$ 6,000 |
| Released | (18,000) | (6,000) |
| Deferred to next year | <u>\$ -</u> | <u>\$ -</u> |
| Rogers Grant | | |
| Received during the year | \$ - | \$ 10,000 |
| Released | - | (10,000) |
| Deferred to next year | <u>\$ -</u> | <u>\$ -</u> |
| Makadiff Grant | | |
| Received during the year | \$ - | \$ 20,000 |
| Released | - | (20,000) |
| Deferred to next year | <u>\$ -</u> | <u>\$ -</u> |
| Fast and Female Grant | | |
| Received during the year | \$ - | \$ 1,714 |
| Released | - | (1,714) |
| Deferred to next year | <u>\$ -</u> | <u>\$ -</u> |
| Total grants released | <u>\$ (1,248,569)</u> | <u>\$ (891,213)</u> |
| Externally restricted cash - deferred to next year | <u>\$ 259,497</u> | <u>\$ 540,906</u> |

CALGARY SPORT COUNCIL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

(Audited)

December 31, 2025

5. INTERNALLY RESTRICTED CASH

As per the September 2009 board meeting, the Board passed the motion to set up an operating reserve. This was increased during the 2023 fiscal year to \$174,000, remained unchanged in 2024, and has not changed during 2025.

6. PROPERTY AND EQUIPMENT

| | Cost | Accumulated Amortization | Net 2025 | Net 2024 |
|----------------------|---------------|-----------------------------|--------------|--------------|
| Computer Equipment | 36,743 | 34,322 | 2,421 | 4,593 |
| Furniture & Fixtures | 2,375 | 2,375 | - | - |
| Website Development | 6,750 | - | 6,750 | - |
| \$ | 45,868 | 36,697 | 9,171 | 4,593 |

7. INVENTORY

Inventory consist of promotional items held for use. At year end inventory balance was \$47,608 (2024 : \$12,827).

8. CONTRIBUTED GOODS AND SERVICES

Contributed goods are recorded at fair value, if fair value can be reasonably estimated and when the donated goods are used in the normal course of the Society's operations and would otherwise have been purchased.

A substantial number of volunteers have made significant contributions of their time to develop the Society's programs. The value of this contributed time is not reflected in these financial statements.

CALGARY SPORT COUNCIL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
(Audited)

December 31, 2025

9. HELD IN TRUST

The Calgary Adaptive Hub powered by Jumpstart brings together a consortium of municipal recreation, sport programming and academic stakeholders, collectively supported by Canadian Tire Jumpstart Charities, to collaborate on designing and offering better adapted programs throughout the City of Calgary. The partners include: The University of Calgary, Mount Royal University, City of Calgary Recreation, Calgary Sport Council Society, Vivo for Healthier Generations, Repsol Sport Centre and WinSport.

In the prior year, the Calgary Sport Council Society provided financial administration of the financial resources allocated to the Calgary Adapted Hub project for a fee of \$5,880. During that year, a dedicated salaried employee was hired to administer the Calgary Adaptive Hub, and the individual was paid \$12,697. In the current fiscal year, no administrative fees were charged and no wages were allocated to the project.

The Calgary Sport Council Society received 2025 sport relief funds of \$187,000 (2024: \$187,500) from Canadian Tire - Jumpstart Charities after the year end. As of December 31, 2025, the balance of cash held in trust was \$ Nil (2024: \$78,868). The Calgary Adapted Hub is now an independent nonprofit organization and manages its own finances. Accordingly, all remaining funds previous held by Calgary Sport Council Society on its behalf were transferred to the Calgary Adapted Hub during the year.

During the year, the Calgary Sport Council Society received \$4,000 (2024: \$18,478) from Sport for Life and at year end, held cash in trust of \$4,440 (2024: \$9,490).

| | <u>2025</u> | <u>2024</u> |
|-----------------------------------|--------------|---------------|
| Sport for life | \$ 4,440 | \$ 9,490 |
| Canada Tire - Jumpstart Charities | - | 78,868 |
| Total | <u>4,440</u> | <u>88,358</u> |

CALGARY SPORT COUNCIL SOCIETY
SCHEDULE 1 - ADMINISTRATION EXPENSES

For the Year Ended December 31, 2025

| | <u>2025</u> | <u>2024</u> |
|--|-------------------|-------------------|
| Bookkeeping fees | \$ 44,563 | \$ 11,535 |
| Office rent | 39,185 | 39,184 |
| Advertising and promotions | 26,235 | 52,857 |
| Office supplies & repair and maintenance | 24,178 | 17,882 |
| Employee benefits - insurance | 23,108 | 19,120 |
| Employee training, recruitment, workshops, conferences | 13,188 | 21,177 |
| IT Support | 11,282 | 11,707 |
| Audit fees | 8,322 | 8,184 |
| Printing | 8,021 | 6,546 |
| AGM & Communications | 5,540 | 754 |
| GST Unclaimable | 5,501 | 4,327 |
| Telephone | 5,486 | 4,588 |
| Bank charges | 2,564 | 1,124 |
| Website | 1,857 | 2,312 |
| Board expenses | 1,643 | 1,684 |
| Meetings | 1,374 | 2,014 |
| Courier and postage | 268 | 153 |
| | <u>\$ 222,315</u> | <u>\$ 205,148</u> |