

**FOOTBALL ONTARIO**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

**FOOTBALL ONTARIO**  
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**YEAR ENDED DECEMBER 31, 2025**

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of: Football Ontario

### Qualified Opinion

We have audited the accompanying financial statements of Football Ontario, which comprise the statement of financial position as at December 31, 2025 and the statements of changes in net assets, revenues and expenditures - general fund and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, these financial statements present fairly, in all material respects, the financial position of Football Ontario as at December 31, 2025 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### Basis for Qualified Opinion

In common with many not-for-profit organizations, the organization derives some of the revenues from cash contributions, by way of Team Ontario membership fees revenues for selection camps and national tournaments, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to revenues, excess of revenues over expenditures and cash flows from operations for the years ended December 31, 2025 and 2024, current assets as at December 31, 2025 and 2024, and net assets as at January 1 and December 31 for both the 2025 and 2024 years. Our audit opinion on the financial statements for the year ended December 31, 2024 was modified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of Football Ontario in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

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

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

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

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our 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 our 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, we exercise professional judgement and maintain professional skepticism throughout the audit. We 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 our 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 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 organization'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 organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Guelph, Ontario

Chartered Professional Accountants  
Licensed Public Accountants

**FOOTBALL ONTARIO**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2025**

	<b>2025</b>	<b>2024</b>
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 387,733	\$ 225,146
Restricted fund cash 50/50 draw	15,913	15,913
Accounts receivable	252,081	156,092
Government grant receivable	12,825	30,430
Inventory	44,673	102,233
Prepaid expenses	<u>22,657</u>	<u>13,594</u>
	735,882	543,408
<b>TANGIBLE CAPITAL ASSETS</b> (note 4)	<u>29,695</u>	<u>2,993</u>
	<u>\$ 765,577</u>	<u>\$ 546,401</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 304,898	\$ 123,471
Deferred membership fees	<u>114,902</u>	<u>103,608</u>
	<u>419,800</u>	<u>227,079</u>
<b>NET ASSETS</b>		
Externally restricted fund	15,913	15,913
General fund	<u>329,864</u>	<u>303,409</u>
	<u>345,777</u>	<u>319,322</u>
	<u>\$ 765,577</u>	<u>\$ 546,401</u>

**FOOTBALL ONTARIO  
STATEMENT OF CHANGES IN NET ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2025**

	<b>EXTERNALLY RESTRICTED FUND</b>	<b>GENERAL FUND (UNRESTRICTED)</b>	<b>2025 TOTAL</b>	<b>2024 TOTAL</b>
<b>NET ASSETS, beginning of year</b>	\$ 15,913	\$ 303,409	\$ 319,322	\$ 301,621
<b>SURPLUS OF REVENUE OVER EXPENDITURES for the year</b>	<u>0</u>	<u>26,455</u>	<u>26,455</u>	<u>17,701</u>
<b>NET ASSETS, end of year</b>	<u>\$ 15,913</u>	<u>\$ 329,864</u>	<u>\$ 345,777</u>	<u>\$ 319,322</u>

**FOOTBALL ONTARIO**  
**STATEMENT OF REVENUES AND EXPENDITURES - GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

	<b>2025</b>	<b>2024</b>
<b>REVENUES</b>		
Team Ontario	\$ 650,043	\$ 638,051
Membership	505,449	472,646
Sponsorships	431,865	413,112
Government grant	231,775	280,300
Events	227,940	145,153
Merchandise	74,170	52,736
Coaching and training	42,221	41,622
Other	4,612	4,057
Fees/cash back revenue	1,500	637
	<u>2,169,575</u>	<u>2,048,314</u>
<b>EXPENDITURES</b>		
Team Ontario	854,392	859,790
Salaries	403,033	338,919
Events	392,988	432,919
Insurance	186,423	171,839
Professional fees	70,833	66,267
Office	70,798	60,858
Bad debts	41,043	0
Sponsorships	39,050	42,367
Provincial club membership contributions	25,000	0
Coaching and training	20,577	19,565
Advertising	18,890	22,733
Interest and bank charges	9,021	10,612
Amortization	6,136	686
Rent	4,936	4,058
	<u>2,143,120</u>	<u>2,030,613</u>
<b>SURPLUS OF REVENUES OVER EXPENDITURES for the year</b>	<u>\$ 26,455</u>	<u>\$ 17,701</u>



**FOOTBALL ONTARIO**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

	<b>2025</b>	<b>2024</b>
<b>CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>		
Surplus of revenues over expenditures - general fund, for the year	\$ 26,455	\$ 17,701
Items not requiring an outlay of cash		
Amortization	<u>6,136</u>	<u>686</u>
	32,591	18,387
Changes in non-cash working capital		
Accounts receivable	(95,989)	(16,843)
Inventory	57,560	(43,396)
Prepaid expenses	(9,063)	(13,347)
Government grant receivable	17,605	66,036
Accounts payable and accrued liabilities	181,427	(131,008)
Deferred membership fees	<u>11,294</u>	<u>40,733</u>
	<u>195,425</u>	<u>(79,438)</u>
<b>CASH USED IN INVESTING ACTIVITIES</b>		
Additions to tangible capital assets	<u>(32,838)</u>	<u>(2,882)</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	162,587	(82,320)
<b>CASH, BEGINNING OF YEAR</b>	<u>225,146</u>	<u>307,466</u>
<b>CASH, END OF YEAR</b>	<u>\$ 387,733</u>	<u>\$ 225,146</u>

**FOOTBALL ONTARIO  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2025**

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**1. NATURE OF OPERATIONS**

The organization is a not-for-profit organization incorporated without share capital. Letters patent were issued May 23, 2006, and supplementary letters patent were issued May 11, 2021 to change the name of the organization from Ontario Football Alliance to Football Ontario. The organization's goal is to develop football in Ontario by providing programs to improve the game through participation and mandates developed by its membership.

The organization is exempt from income tax under the Income Tax Act.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

**(a) BASIS OF ACCOUNTING**

The organization follows the restricted fund method of accounting for contributions.

General fund

The general fund reports resources available for the organization's general operating activities.

Externally restricted fund

The externally restricted fund reports resources that are externally restricted and are to be expended in accordance with the external restrictions placed on them. Eligible expenditures comprise charges that will benefit the team overall as opposed to any one individual team member.

**(b) TANGIBLE CAPITAL ASSETS**

Amortization is taken on assets at the following rates:

Equipment	- 20 % declining balance basis
Computer hardware	- 50 % declining balance basis
Game apparel	- 33 % declining balance basis

Amortization is recorded at 50% of the above rates in the year of addition.

**(c) IMPAIRMENT OF LONG LIVED ASSETS**

Long lived assets are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when the carrying value exceeds the total undiscounted cash flows expected from their use and eventual disposition. The amount of the impairment loss is determined as the excess of the carrying value of the asset over its fair value.

**FOOTBALL ONTARIO**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

(d) REVENUE RECOGNITION

Revenue is recognized when earned, as the services or goods are provided or the event occurs, and in the period it relates to if the amount can be reasonably estimated and collection is reasonably assured. Membership fees paid in advance are deferred in the general fund and recognized in the period they relate to.

Government grant and other contributions are recognized in the period the related expenditures occur and in the period to which they relate.

(e) INVENTORY

Inventory, comprised of game jerseys, apparel, and backpacks, is recorded at the lower of cost and net realizable value.

(f) USE OF ESTIMATES

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Significant areas requiring management's estimates include accrued liabilities and useful lives of tangible capital assets. Actual results could differ from those estimates.

(g) FINANCIAL INSTRUMENTS

Measurement of financial instruments

The organization initially measures its financial assets and liabilities at fair value.

The organization subsequently measures all its financial assets and financial liabilities at amortized cost.

Impairment

At the end of each reporting period, the organization assesses whether there are any indications that a financial asset measured at cost or amortized cost may be impaired. If there are indicators of impairment, and the organization determines there has been a significant adverse change in the expected amount or timing of future cash flows, an impairment is recognized. If circumstances change, a previously recognized impairment may be reversed.

Transaction costs

Transaction costs attributable to financial instruments subsequently measured at fair value are recognized in income in the period incurred. Transaction costs related to financial instruments originated or exchanged in an arm's length transaction that are subsequently measured at cost or amortized cost are recognized in the original cost of the instrument. When the instrument is measured at amortized cost, transaction costs are recognized in income over the life of the instrument using the straight-line method.

**FOOTBALL ONTARIO**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

(h) **CONTRIBUTED MATERIALS AND SERVICES**

During the year, a number of volunteers may contribute a significant amount of their time and the organization may receive donated materials and supplies. Because of the difficulty in determining the fair value, contributed materials and services are not recorded in the financial statements unless tied to readily available fair value information.

**3. FINANCIAL INSTRUMENTS**

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant interest, credit, currency, liquidity, or other price risks arising from the financial instruments.

The extent of the organization's exposure to these risks did not change in 2025 compared to the previous period.

**4. TANGIBLE CAPITAL ASSETS**

	<b>Cost</b>	<b>Accumulated Amortization</b>	<b>Net 2025</b>	<b>Net 2024</b>
Equipment	\$ 2,882	\$ 807	\$ 2,075	\$ 2,594
Computer hardware	12,286	12,086	200	399
Game apparel	<u>32,838</u>	<u>5,418</u>	<u>27,420</u>	<u>0</u>
	<u>\$ 48,006</u>	<u>\$ 18,311</u>	<u>\$ 29,695</u>	<u>\$ 2,993</u>