

SASKATOON ADULT SOCCER INC.
FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Saskatoon Adult Soccer Inc. have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of Saskatoon Adult Soccer Inc.'s reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Board of Directors is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Finance Committee. The Finance Committee is appointed by the Board and meets periodically with management and the directors' auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Audit Committee reports to the Board of Directors prior to its approval of the financial statements. The Committee also considers, for review by the Board and approval by the directors, the engagement or re-appointment of the external auditors.

The financial statements have been audited on behalf of the directors by Virtus Group Chartered Professional Accountants & Business Advisors LLP, in accordance with Canadian generally accepted auditing standards.



Danielle Bryk, Executive Director

Saskatoon, SK



INDEPENDENT AUDITOR'S REPORT

To the Members of Saskatoon Adult Soccer Inc.

Opinion

We have audited the financial statements of Saskatoon Adult Soccer Inc. (the Organization), which comprise the statement of financial position as at September 30, 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 and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at September 30, 2025, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations..

Basis for Opinion

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 the Organization in accordance with 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 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 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 judgment and maintain professional skepticism throughout the audit. We also:

(continues)

Independent Auditor's Report to the Members of Saskatoon Adult Soccer Inc. *(continued)*

- 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 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 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.


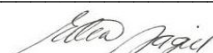
November 25, 2025
Saskatoon, Saskatchewan

Virtus Group LLP
Chartered Professional Accountants

SASKATOON ADULT SOCCER INC.
STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2025

| | 2025 | 2024 |
|--|---------------------|---------------------|
| ASSETS | | |
| Current | | |
| Cash | \$ 780,308 | \$ 574,189 |
| Guaranteed investment certificates (Note 3) | 825,570 | 794,789 |
| Accounts receivable (Note 4) | 19,449 | 63,090 |
| Goods and services tax recoverable | - | 3,504 |
| Prepaid expenses | 4,000 | - |
| | 1,629,327 | 1,435,572 |
| Long-term investments (Note 5) | 99,660 | 87,512 |
| Tangible capital assets (Note 6) | 22,095 | 36,046 |
| | <u>\$ 1,751,082</u> | <u>\$ 1,559,130</u> |
| LIABILITIES | | |
| Current | | |
| Accounts payable and accrued liabilities | \$ 38,606 | \$ 12,255 |
| Deferred income | 424,000 | 401,724 |
| Goods and services tax payable | 2,210 | - |
| | 464,816 | 413,979 |
| Deferred capital contributions (Note 7) | 9,929 | 13,000 |
| | <u>474,745</u> | <u>426,979</u> |
| NET ASSETS | | |
| Net assets invested in tangible capital assets | 12,166 | 23,046 |
| Internally restricted net assets (Note 8) | 758,542 | 739,939 |
| Unrestricted net assets | 505,629 | 369,166 |
| | <u>1,276,337</u> | <u>1,132,151</u> |
| | <u>\$ 1,751,082</u> | <u>\$ 1,559,130</u> |

ON BEHALF OF THE BOARD


 _____ Director

 _____ Director

See accompanying notes to the financial statements

SASKATOON ADULT SOCCER INC.
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

| | Invested in tangible capital assets | Internally Restricted | Unrestricted | 2025 | 2024 |
|---|---|--------------------------|-------------------|---------------------|---------------------|
| Net assets - beginning of year | \$ 23,046 | \$ 739,939 | \$ 369,166 | \$ 1,132,151 | \$ 991,440 |
| Excess (deficiency) of revenue over expenses for the year | (12,076) | - | 156,262 | 144,186 | 140,711 |
| Purchase of tangible capital assets | 1,196 | - | (1,196) | - | - |
| Transfer to internally restricted net assets | - | 18,603 | (18,603) | - | - |
| Net assets - end of year | \$ 12,166 | \$ 758,542 | \$ 505,629 | \$ 1,276,337 | \$ 1,132,151 |

See accompanying notes to the financial statements

SASKATOON ADULT SOCCER INC.
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

| | 2025 | 2024 |
|--|-------------------|-------------------|
| Revenue | | |
| Affiliation | \$ 888,019 | \$ 829,278 |
| Referees | 182,876 | 165,635 |
| Registration | 180,767 | 166,885 |
| Hosting | 46,645 | 58,317 |
| On-line fees | 16,158 | 15,382 |
| Miscellaneous | 11,262 | 11,551 |
| Fines and penalties | 8,726 | 2,515 |
| ID cards | 895 | 1,072 |
| | <u>1,335,348</u> | <u>1,250,635</u> |
| Expenses | | |
| Indoor | 411,629 | 403,598 |
| Salaries and benefits | 227,848 | 209,270 |
| Registration | 189,214 | 177,148 |
| Referees fees | 160,513 | 143,064 |
| Outdoor | 87,588 | 81,572 |
| Hosting | 64,178 | 55,172 |
| Administration (<i>Schedule 1</i>) | 53,003 | 56,315 |
| Transaction fees | 31,329 | 35,267 |
| Awards | 21,031 | 20,161 |
| Consulting fees | 13,033 | 3,306 |
| Miscellaneous | 446 | 613 |
| Membership fees | 75 | 75 |
| Grants | - | 3,000 |
| | <u>1,259,887</u> | <u>1,188,561</u> |
| Excess of revenue over expenses for the year before capital and other items | <u>75,461</u> | <u>62,074</u> |
| Other revenue and expenses | | |
| Investment income | 30,781 | 28,394 |
| Membership Assistance Program (MAP) Grants | 19,269 | 23,232 |
| Capital improvement levy | 18,603 | 23,336 |
| Unrealized gain on investments | 12,148 | 15,480 |
| Amortization of deferred capital contributions (<i>Note 7</i>) | 3,071 | 3,071 |
| Depreciation | (15,147) | (14,876) |
| | <u>68,725</u> | <u>78,637</u> |
| Excess of revenue over expenses for the year | <u>\$ 144,186</u> | <u>\$ 140,711</u> |

See accompanying notes to the financial statements

SASKATOON ADULT SOCCER INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

| | 2025 | 2024 |
|--|-------------------|-------------------|
| Operating activities | | |
| Excess of revenue over expenses | \$ 144,186 | \$ 140,711 |
| Items not affecting cash: | | |
| Depreciation | 15,147 | 14,876 |
| Unrealized gain on investments | (12,148) | (15,480) |
| Amortization of deferred capital contributions | (3,071) | (3,071) |
| | <u>144,114</u> | <u>137,036</u> |
| Changes in non-cash working capital: | | |
| Accounts receivable | 43,641 | (24,599) |
| Prepaid expenses | (4,000) | 3,646 |
| Accounts payable and accrued liabilities | 26,351 | (6,120) |
| Goods and services tax payable | 5,714 | (349) |
| Deferred income | 22,276 | 1,089 |
| | <u>93,982</u> | <u>(26,333)</u> |
| Cash flow from operating activities | <u>238,096</u> | <u>110,703</u> |
| Financing activity | | |
| Repayment of long-term debt | <u>-</u> | <u>(40,000)</u> |
| Investing activities | | |
| Purchase of tangible capital assets | (1,196) | (2,108) |
| Investment in guaranteed investment certificates | (30,781) | (278,394) |
| Cash flow used by investing activities | <u>(31,977)</u> | <u>(280,502)</u> |
| Increase (decrease) in cash | <u>206,119</u> | <u>(209,799)</u> |
| Cash - beginning of year | <u>574,189</u> | <u>783,988</u> |
| Cash - end of year | <u>\$ 780,308</u> | <u>\$ 574,189</u> |

See accompanying notes to the financial statements

SASKATOON ADULT SOCCER INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2025

1. The Organization

Saskatoon Adult Soccer Inc. (the "Organization") is incorporated under the Non-Profit Corporations Act of Saskatchewan. Its objectives are to promote, foster, develop, and govern the game of soccer for adult players in Saskatoon. The Organization administers outdoor and indoor programming for teams registered in men's, women's, co-ed, masters, over 50, and legends leagues. As a non-profit corporation, Saskatoon Adult Soccer Inc. is not subject to income taxes.

2. Significant accounting policies

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO) and, in management's opinion, with consideration of materiality and within the framework of the following accounting policies:

(a) Financial instruments

The Organization initially measures its financial assets and liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The Organization subsequently measures all its financial assets and financial liabilities at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value of these financial instruments are recognized in excess (deficiency) of revenue over expenses for the year. Fair value is the amount at which a financial instrument could be exchanged at arm's length between willing, unrelated parties in an open market.

Financial assets measured at amortized cost include cash, guaranteed investment certificates, and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

The Organization's financial assets measured at fair value include long-term investments.

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of any write-down is recognized in excess (deficiency) of revenue over expenses for the year. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting an allowance account, provided it is no greater than the amount that would have been reported at the date of reversal had the impairment not been recognized previously. The amount of the reversal is recognized in excess (deficiency) of revenue over expenses for the year.

The Organization recognizes its transaction costs in excess (deficiency) of revenue over expenses in the year incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance, or assumption.

(b) Long-term investments

Long-term investments are valued at fair market value as it is considered to be the most relevant measure for financial instruments. Fair value is determined by published price quotations in an active market.

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SASKATOON ADULT SOCCER INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2025

2. Significant accounting policies (continued)

(c) Tangible capital assets and depreciation

Tangible capital assets are recorded at cost and amortized over their estimated useful lives. This requires estimation of the useful life of the asset and its salvage and residual value. When management considers that a tangible capital asset no longer contributes to the Organization's ability to provide services, its carrying amount is written down to its residual value. As is true of all accounting estimates, it is possible that changes in future conditions could require changes in the recognized amounts for accounting estimates. Should an adjustment become necessary, it would be reported in excess (deficiency) of revenue over expenses in the year in which it became known. Depreciation of tangible capital assets is calculated using the straight-line method at the following rates:

| | |
|-------------------------|-----|
| Furniture and equipment | 10% |
| Computer equipment | 20% |
| Tents | 20% |

Depreciation on assets acquired during the year is recorded at one-half the normal annual rate. There is no depreciation recorded in the year of disposal.

(d) Revenue recognition

The Organization follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Affiliation fees, registration fees, ID cards, and related revenue are recognized when the amount earned and the amount to be received can be reasonably estimated and collection is reasonably assured.

(e) Donated materials and services

The Organization benefits from the donation of materials and services from its members. These financial statements do not reflect the value of donations in kind received during the year since a fair market value cannot be reasonably estimated.

(f) Use of estimates

The preparation of the 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 at the date of the financial statements and the reported amounts of revenues and expenditures during the year. Significant items subject to estimate and assumption include the valuation of accounts receivable and the estimated useful lives of tangible capital assets. Actual results could differ from estimates.

3. Guaranteed investment certificates

Guaranteed investment certificate held with TCU Financial Group bears interest at 2.80%. The investment matures September 20, 2026.

Guaranteed investment certificate held with TCU Financial Group bears interest at 3.20%. The investment matures February 9, 2026.

SASKATOON ADULT SOCCER INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2025

4. Accounts receivable

| | 2025 | 2024 |
|-------------------|------------------|------------------|
| Trade receivables | \$ 19,449 | \$ 57,302 |
| Grants receivable | - | 5,788 |
| | <u>\$ 19,449</u> | <u>\$ 63,090</u> |

5. Long-term investments

| | 2025 | 2024 |
|---|------------------|------------------|
| Signature Global Income & Growth Fund (DSC) | \$ 38,103 | \$ 34,510 |
| FID Global Asset Allocation Fund (ISC) | 30,988 | 27,488 |
| AGF World Balanced Fund (DSC) | 30,569 | 25,514 |
| | <u>\$ 99,660</u> | <u>\$ 87,512</u> |

6. Tangible capital assets

| | Cost | Accumulated amortization | 2025 Net book value | 2024 Net book value |
|-------------------------|-------------------|-----------------------------|---------------------------|---------------------------|
| Furniture and equipment | \$ 147,854 | \$ 127,236 | \$ 20,618 | \$ 34,148 |
| Computer equipment | 50,206 | 48,729 | 1,477 | 1,898 |
| Tents | 11,954 | 11,954 | - | - |
| | <u>\$ 210,014</u> | <u>\$ 187,919</u> | <u>\$ 22,095</u> | <u>\$ 36,046</u> |

7. Deferred capital contributions

| | 2025 | 2024 |
|--|-----------------|------------------|
| Balance - beginning of year | \$ 13,000 | \$ 16,071 |
| Amortization of deferred capital contributions | (3,071) | (3,071) |
| Balance - end of year | <u>\$ 9,929</u> | <u>\$ 13,000</u> |

SASKATOON ADULT SOCCER INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2025

8. Internally restricted net assets

| | 2025 | 2024 |
|------------------------------------|------------|------------|
| Balance - beginning of year | \$ 739,939 | \$ 716,603 |
| Capital projects player assessment | 18,603 | 23,336 |
| Balance - end of year | \$ 758,542 | \$ 739,939 |

Internally restricted net assets relate to amounts that have been set aside by the Board of Directors for use in future capital projects as approved by the Board. Individual player registrations include an assessment of \$3.50 per player as a contribution to the capital fund project.

9. Financial risk

The Organization has a comprehensive risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. The significant financial risks to which the Organization is exposed are:

Credit risk

Credit risk is the risk that financial instrument future cash flows will fluctuate due to changes in the financial position of entities that possess credit with the Organization. The Organization is subject to credit risk on its accounts receivable. Accounts receivable are non-interest bearing and teams can be disqualified if their fees are not paid, thus exposure to this risk is limited. There has been no change in risk exposure from the prior year.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, long-term debt and accounts payable.

Market and interest rate risk

The Organization is subject to market risk and interest rate risk on its investments. Management has attempted to minimize this risk by selecting a diverse portfolio of investments and by choosing investments with a variety of rates of return and maturity dates. There has been no change in risk exposure from the prior year.

10. Comparative figures

Certain of the prior year comparative figures have been reclassified to conform with the current year's presentation.

SASKATOON ADULT SOCCER INC.
SCHEDULE OF ADMINISTRATION EXPENSES **(Schedule 1)**
FOR THE YEAR ENDED SEPTEMBER 30, 2025

| | 2025 | 2024 |
|---------------------------------|------------------|------------------|
| Professional fees | \$ 14,575 | \$ 14,045 |
| Office rental | 12,240 | 12,630 |
| Advertising and promotion | 10,633 | 18,023 |
| Computer repair and maintenance | 5,646 | 832 |
| Board and staff expenses | 3,273 | 3,670 |
| Supplies | 2,470 | 2,486 |
| Telephone | 2,230 | 2,372 |
| Insurance | 1,572 | 1,530 |
| Office supplies | 364 | 727 |
| | <u>\$ 53,003</u> | <u>\$ 56,315</u> |