

FINANCIAL STATEMENTS
For
OTTAWA CARLETON ULTIMATE ASSOCIATION
For year ended
OCTOBER 31, 2025

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the directors of

OTTAWA CARLETON ULTIMATE ASSOCIATION

We have reviewed the accompanying financial statements of Ottawa Carleton Ultimate Association (the "Association") that comprise the statement of financial position as at October 31, 2025, and the statements of operations and changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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 is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Basis for Qualified Conclusion

In common with many not-for-profit organizations, the Association derives revenue from registration fees, the completeness of which is not susceptible to us obtaining evidence we considered necessary for the purpose of the review. Accordingly, the evidence obtained of these revenues was limited to the amounts recorded in the records of the Association. Therefore, we were not able to determine whether any adjustments might be necessary to registration fees revenue, deficiency of revenues over expenses, and cash flows from operations for the year ended October 31, 2025 and 2024, and current assets as at October 31, 2025 and 2024, and net assets as at November 1 and October 31 for both the 2024 and 2025 years. Our review conclusion on the financial statements for the year ended October 31, 2024 was modified accordingly because of the possible affects of this limitation on the scope.

Qualified Conclusion

Based on our review, except for the possible effects of the matter described in the *Basis for Qualified Conclusion* paragraph, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of the Association as at October 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.

Welch LLP

Chartered Professional Accountants
Licensed Public Accountants

Ottawa, Ontario
May 26, 2026.

OTTAWA CARLETON ULTIMATE ASSOCIATION

STATEMENT OF FINANCIAL POSITION

OCTOBER 31, 2025

	<u>2025</u>	<u>2024</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash	\$ 580,758	\$ 514,225
Accounts receivable	29,186	70,972
Prepaid expenses	<u>8,245</u>	<u>57,568</u>
	618,189	642,765
TANGIBLE CAPITAL ASSETS (note 4)	<u>532,892</u>	<u>536,050</u>
	<u>\$ 1,151,081</u>	<u>\$ 1,178,815</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Deferred revenue	\$ 390,878	\$ 452,990
Current portion of loan payable (note 5)	156,236	11,373
Accounts payable and accrued liabilities	51,962	23,400
Government remittances payable	<u>28,760</u>	<u>30,377</u>
	627,836	518,140
LOAN PAYABLE (note 5)	<u>-</u>	<u>156,179</u>
	627,836	674,319
NET ASSETS - UNRESTRICTED	<u>523,245</u>	<u>504,496</u>
	<u>\$ 1,151,081</u>	<u>\$ 1,178,815</u>

Approved by the Board:

Geoff Solomon

..... Director

Roger Yen

..... Director

(See accompanying notes)

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OTTAWA CARLETON ULTIMATE ASSOCIATION
STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
YEAR ENDED OCTOBER 31, 2025

	<u>2025</u>	<u>2024</u>
Revenue		
Registration fees	\$ 949,880	\$ 1,038,108
Field subrentals	28,749	59,336
Other (note 6)	<u>98,196</u>	<u>177,979</u>
	<u>1,076,825</u>	<u>1,275,423</u>
Expenses		
Field rental	461,886	428,322
Salaries and employee benefits	213,552	174,011
Land maintenance	153,737	147,722
Event supplies	57,895	122,097
Administrative	57,381	49,325
League supplies	38,901	78,336
Professional fees	20,272	23,218
Insurance	14,705	14,778
Interest on loan payable	12,376	12,291
Membership dues	11,403	11,846
Advertising and promotion	10,237	1,149
Amortization	<u>5,731</u>	<u>5,862</u>
	<u>1,058,076</u>	<u>1,068,957</u>
Excess of revenue over expenses	18,749	206,466
Net assets, beginning of year	<u>504,496</u>	<u>298,030</u>
Net assets, end of year	<u>\$ 523,245</u>	<u>\$ 504,496</u>

(See accompanying notes)

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OTTAWA CARLETON ULTIMATE ASSOCIATION

STATEMENT OF CASH FLOWS

YEAR ENDED OCTOBER 31, 2025

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM (USED IN):		
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 18,749	\$ 206,466
Adjustment for amortization of tangible capital assets	5,731	5,862
Change in non-cash working capital items:		
Accounts receivable	41,786	(61,719)
Accounts payable and accrued liabilities	28,562	2,224
Prepaid expenses	49,323	(28,233)
Government remittances receivable	(1,617)	11,198
Deferred revenue	<u>(62,112)</u>	<u>163,013</u>
	<u>80,422</u>	<u>298,811</u>
INVESTING ACTIVITIES		
Disposal of short term investments - net	-	18,480
Acquisition of tangible capital assets	<u>(2,573)</u>	<u>-</u>
	<u>(2,573)</u>	<u>18,480</u>
FINANCING ACTIVITIES		
Repayment of Canada Emergency Business Account loan	-	(40,000)
Repayment of loan payable	<u>(11,316)</u>	<u>(11,075)</u>
	<u>(11,316)</u>	<u>(51,075)</u>
INCREASE IN CASH	66,533	266,216
CASH AT BEGINNING OF YEAR	<u>514,225</u>	<u>248,009</u>
CASH AT END OF YEAR	\$ <u>580,758</u>	\$ <u>514,225</u>

(See accompanying notes)

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OTTAWA CARLETON ULTIMATE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED OCTOBER 31, 2025

1. NATURE OF OPERATIONS

The Association was incorporated without share capital under Section 211 of the Canada Not-for-profit Corporations Act for the purpose of promoting the sport of Ultimate Frisbee. It is a not-for-profit organization under the Income Tax Act, and as such is not subject to income tax.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

These financial statements are presented in accordance with Canadian accounting standards for not-for-profit organizations.

Revenue recognition

The Association uses the deferral method of accounting for revenue recognition. Upon receipt, the registration fees are deferred and recognized, over registration terms, on a straight-line basis. Field subrental income is recognized as revenue as at the date the fields are used. Grant revenue is recognized once the requirements of the grant have been met. Other revenue is recognized when persuasive evidence of an arrangement exists, the amount is fixed, or determinable, and collection is reasonably assured.

Financial instruments

The Association initially measures its financial instruments at fair market value.

The Association subsequently reports cash and short term investments at fair market value at the date of the statement of financial position.

All other financial instruments are subsequently reported at cost or amortized cost at the date of the statement of financial position.

Tangible capital assets

Tangible capital assets are stated at acquisition cost. Amortization is provided at the following methods and annual rates:

Computer equipment	30 - 55% declining balance
Furniture and fixtures and deep well	10 - 30% declining balance
Irrigation system	4% declining balance
Fence	4% declining balance
Field equipment	20% declining balance

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Management makes estimates regarding the collectibility of its accounts receivable, the useful life of its tangible capital assets and in determining certain accrued liabilities. Actual results could differ materially from these estimates.

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OTTAWA CARLETON ULTIMATE ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED OCTOBER 31, 2025

3. FINANCIAL INSTRUMENTS

The Association is exposed to various risks through its financial instruments. The following analysis provides a measure of the Association's risk exposures and concentrations at October 31, 2025.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Association is exposed to credit risk on its cash and accounts receivable.

The Association's cash is on deposit with a Canadian chartered bank and as a result, management believes the risk of loss on this item to be remote.

Management believes that the Association's credit risk with respect to accounts receivable to be limited. The Association manages its credit risk by reviewing accounts receivable aging monthly and diligently following up on collection of outstanding amounts. As such, there were no bad debts nor amounts allowed for doubtful accounts for the current or prior year.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Association is exposed to this risk mainly in respect of its current liabilities and manages this risk through its budgeting process.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk, interest rate risk, and other price risk.

i) *Currency risk*

Currency risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate relative to the Canadian dollar due to changes in foreign exchange rates.

The Association is not exposed to significant currency risk.

ii) *Interest rate risk*

Interest rate risk refers to the risk that the fair value of future cash flows of a financial instruments or future cash flows will fluctuate due to changes in market interest rates.

The Association's loans bear interest at fixed rates. Consequently, the Association's exposure to interest rate risk is minimal.

iii) *Other price risk*

Other price risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all similar instruments traded in the market. As the Association does not have financial instruments that are quoted in an active market, management does not believe the Association is exposed to significant other price risk.

Changes in risk

With the exception of decreased credit risk due to the reduction of accounts receivable in the year, there were no significant changes to the Association's risk exposure from the prior year.

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OTTAWA CARLETON ULTIMATE ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED OCTOBER 31, 2025

4. TANGIBLE CAPITAL ASSETS

Tangible capital assets consist of the following:

	<u>2025</u>		<u>2024</u>	
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Cost</u>	<u>Accumulated amortization</u>
Land	\$ 424,083	\$ -	\$ 424,083	\$ -
Computer equipment	18,642	18,626	18,642	18,606
Furniture and fixtures	12,399	9,417	9,826	8,689
Irrigation system	245,235	147,628	245,235	143,561
Fence	9,175	4,032	9,175	3,818
Field equipment	14,593	11,983	14,593	11,331
Deep well	850	399	850	349
	<u>724,977</u>	<u>\$ 192,085</u>	<u>722,404</u>	<u>\$ 186,354</u>
Accumulated amortization	<u>192,085</u>		<u>186,354</u>	
	<u>\$ 532,892</u>		<u>\$ 536,050</u>	

5. LOAN PAYABLE

Loan payable consists of the following:

	<u>2025</u>	<u>2024</u>
Loan, secured by land in the amount of \$210,544, bearing interest at the rate of 7.57%, payable in monthly payments of \$1,972, maturing August 2026	\$ 156,236	\$ 167,552
Less current portion	<u>156,236</u>	<u>11,373</u>
	<u>\$ -</u>	<u>\$ 156,179</u>

6. OTHER REVENUE

Other revenue consists of the following:

	<u>2025</u>	<u>2024</u>
Comp Alliance Membership Fees	\$ 58,557	\$ 60,667
Food and beverage	10,475	19,555
Grants	10,320	55,000
Sponsorship	5,798	10,000
Investment income	4,701	2,186
Merchandise	2,888	15,782
Other miscellaneous	<u>5,457</u>	<u>14,789</u>
	<u>\$ 98,196</u>	<u>\$ 177,979</u>

7. COMMITMENTS

The Association has entered into a lease agreement which calls for the following payments for maintenance services:

2026	\$ 97,125
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8. COMPARATIVE FIGURES

Comparative figures have been reclassified where necessary to conform to the presentation adopted in the current year.

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