ONTARIO RINGETTE ASSOCIATION

Financial Statements

Year Ended June 30, 2026

MACNEILL EDMUNDSON
PROFESSIONAL CORPORATION

ONTARIO RINGETTE ASSOCIATION
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Year Ended June 30, 2026

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MACNEILL EDMUNDSON
PROFESSIONAL CORPORATION
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Ontario Ringette Association

Opinion

We have audited the financial statements of Ontario Ringette Association (the Association), which comprise the statement of financial position as at June 30, 2026, and the statements of changes in net assets, revenues and expenditures and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at June 30, 2026, 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 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 Association 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 those 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 Association's ability to continue as a going concern, disclosing, as applicable, matters relating 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.

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INDEPENDENT AUDITOR'S REPORT *(continued)*

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:

- 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 Association'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 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 Association 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.

MacNeill Edmundson

London, Ontario
October 16, 2026

PROFESSIONAL CORPORATION
CHARTERED PROFESSIONAL ACCOUNTANTS
Authorized to practise public accounting by
the Chartered Professional Accountants of Ontario

ONTARIO RINGETTE ASSOCIATION
Statement of Financial Position
June 30, 2026

	2026	2025
ASSETS		
CURRENT		
Cash	**$ 304,810**	$ 345,600
Accounts receivable	**73,370**	48,980
Inventory	**1,482**	1,453
	379,662	396,033
CAPITAL ASSETS *(Note 2)*	**4,806**	3,497
	$ 384,468	$ 399,530
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	**$ 39,773**	$ 41,209
Government Remittances payable	**10,006**	9,450
Deferred income *(Note 3)*	**7,542**	67
	57,321	50,726
NET ASSETS		
Unrestricted members' fund	**(26,593)**	5,064
Restricted funds *(Note 6)*	**353,740**	343,740
	327,147	348,804
	$ 384,468	$ 399,530

ON BEHALF OF THE BOARD

Director

Director

ONTARIO RINGETTE ASSOCIATION
Statement of Changes in Net Assets
Year Ended June 30, 2026

	Unrestricted Members' Fund	Restricted Funds (Note 6)	**2026**	2025
NET ASSETS - BEGINNING OF YEAR	$ 5,064	$ 343,740	**$ 348,804**	$ 273,237
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(21,657)	-	**(21,657)**	75,567
INTERNALLY RESTRICTED TRANSFERS	(10,000)	10,000	**-**	-
NET ASSETS - END OF YEAR	$ (26,593)	$ 353,740	**$ 327,147**	$ 348,804

ONTARIO RINGETTE ASSOCIATION
Statement of Revenues and Expenditures
Year Ended June 30, 2026

	2026	2025
REVENUE		
Member registration fees and dues	**$ 1,165,046**	$ 1,037,641
Event fees	**638,304**	470,255
Government grants *(Note 4)*	**263,745**	241,222
Sponsorship income	**89,737**	32,050
Net marketing and resource sales revenue	**14,064**	11,432
Interest and other revenue	**7,441**	16,312
	2,178,337	1,808,912
EXPENSES		
Competitive events	**799,851**	468,763
Ringette Canada fees	**480,090**	468,560
Salaries and wages	**480,049**	395,283
Training and development	**130,631**	90,997
Professional fees	**112,876**	117,149
Office	**73,058**	67,496
Member insurance	**60,960**	60,488
Grant distribution	**19,377**	36,054
Marketing and website	**18,449**	7,914
Travel, accomodations and meetings	**7,413**	5,104
Annual conference	**4,474**	3,362
Telephone	**3,720**	2,875
Interest and bank charges	**3,694**	4,280
Amortization	**2,911**	2,788
Printing and postage	**2,188**	2,232
Donations	**253**	-
	2,199,994	1,733,345
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	**$ (21,657)**	$ 75,567

ONTARIO RINGETTE ASSOCIATION
Statement of Cash Flows
Year Ended June 30, 2026

	2026	2025
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses	**$ (21,657)**	$ 75,567
Item not affecting cash:		
Amortization of capital assets	**2,911**	2,788
	(18,746)	78,355
Changes in non-cash working capital:		
Accounts receivable	**(24,390)**	(23,836)
Inventory	**(29)**	44
Accounts payable and accrued liabilities	**(1,436)**	15,422
Deferred income	**7,475**	(4,030)
Prepaid expenses	**-**	72
Government Remittances payable	**556**	(421)
	(17,824)	(12,749)
Cash flow from (used by) operating activities	**(36,570)**	65,606
INVESTING ACTIVITY		
Purchase of capital assets	**(4,220)**	(1,898)
INCREASE (DECREASE) IN CASH FLOW	**(40,790)**	63,708
Cash - beginning of year	**345,600**	281,892
CASH - END OF YEAR	**$ 304,810**	$ 345,600

PURPOSE OF THE ASSOCIATION

Ontario Ringette Association ("the association") was incorporated, without share capital, under the laws of the Province of Ontario on May 20, 1980. Under letters patent filed on the same date, the association was established as a not-for-profit organization with the authority to govern and promote the sport of Ringette in the province of Ontario. As a not-for-profit organization, the association is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

Revenue recognition

Event fees for clinics, camps and other programs are recognized in the period during which the event or programs are undertaken. Where championship events for the season ending in the fiscal year straddle the year end, the full cost of the event is recorded in the fiscal year of the competitive season.

Other association revenues are recognized when receivable.

Inventory

Inventories of resources, supplies and marketing items are valued at the lower of cost and net realizable value with the cost being determined using the average cost method.

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization. Capital assets are amortized over their estimated useful lives on a straight-line basis at the following rates and methods:

Computer equipment	33 1/3%	straight-line method
Furniture and fixtures	20%	straight-line method

One half of the normal annual amortization is charged in the year of acquisition.

Fund accounting

The net assets of the association are segregated into unrestricted members' fund and restricted funds which have been set aside for specified purpose or activities.

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

Contributed services

Volunteers contribute a considerable number of hours per year to assist the association in carrying out its service delivery activities. Because of the difficulty of determining their fair value, contributed services are not recognized in these financial statements.

Cash and cash equivalents

The association's policy is to present bank balances and petty cash under cash and cash equivalents. Guaranteed investment certificates are not included in cash and cash equivalents.

Financial instruments measurement

The association initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and liabilities at amortized cost.

The financial assets subsequently measured at amortized cost include cash and accounts receivable. The financial liabilities measured at amortized cost include accounts payable, accrued liabilities and government remittances payable.

Team Ontario revenues and expenses

Revenues and expenses related to the participation of Team Ontario at events such as the Canada Winter Games are reflected in the financial statements of the association only to the extent that they have been received by or payable by the association and as such do not include independent fund raising by the team, nor expenses paid directly by the team.

Measurement uncertainty

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

2. CAPITAL ASSETS

	Cost	Accumulated amortization	**2026 Net book value**	2025 Net book value
Computer equipment	$ 13,534	$ 8,728	**$ 4,806**	$ 3,497

3. DEFERRED REVENUE

The association received $7,542 (2025 - $67) of annual membership fees and registrations fees for the 2027 fiscal year. The balance will be recognized as revenue in the subsequent year.

4. GOVERNMENT GRANTS

	2026	2025
Ontario Amateur Sport Fund Grant	**$ 160,000**	$ 160,000
Ontario Quest for Gold	**52,245**	52,245
City of Mississauga	**30,000**	-
Coaches Association of Ontario	**6,500**	6,500
Sport Development Grant from Ringette Canada	**5,000**	-
Tourism Kingston	**5,000**	-
Explore Waterloo Region	**5,000**	-
City of Sault Ste. Marie Grant	**-**	20,000
OWG Grant	**-**	2,477
	$ 263,745	$ 241,222

5. FINANCIAL INSTRUMENTS

The association is exposed to various risks through its financial instruments and has a comprehensive risk management framework in place to monitor, evaluate and manage these risks. The following analysis provides information about the association's risk exposure and concentration. There have been no significant change to the nature or concentration of these risks from the prior year, unless otherwise noted.

Credit risk

The association is exposed to credit risk in that it provides credit to member associations and regions in the normal course of its operations. The credit risk is mitigated by the fact that the majority of its accounts receivable are due from members of the association. The association regularly monitors accounts receivable, has the ability to suspend members for non payments and virtually never has had any bad debts.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting cash requirements or fund obligations as they become due. The association manages its liquidity risk by regularly monitoring forecasted and actual cash flows, by holding assets that can readily be converted to cash and by maintaining the operating stabilization fund.

6. RESTRICTED FUNDS

	2026	2025
Operating Stabilization Fund		
Net assets, beginning of year	**$ 281,240**	$ 281,240
Transfer from (to) members' (operating) fund	**-**	-
Net assets, end of year	**$ 281,240**	$ 281,240

The operating stabilization fund is an internally restricted fund established under a reserve funding strategy approved in November, 2010. The purpose of the fund is to provide cash resources to maintain and to carry out the operations of the association in the event of decreases in revenues or reductions in government funding. The fund may be drawn by the Executive Director to meet the financial responsibilities of the approved operating budget in advance of the receipt of membership dues or if membership revenues are lower than expected.

	2026	2025
Canada Winter Games Fund		
Net assets, beginning of year	**$ 62,500**	$ 52,500
Transfer from (to) members' (operating) fund	**10,000**	10,000
Net assets, end of year	**$ 72,500**	$ 62,500

The Canada Winter Games fund is internally restricted fund established in 2008. The fund balance is to be maintained separated from operating funds and accumulated to make a pool of funds available for Canada Winter Games travel costs with are incurred every four years. Effective November 2010, a reserve funding policy is in place which requires a transfer of $10,000 per year from current operations be made to the Canada Winter Games Fund in non Canada Winter Games years.

7. LEGAL PROCEEDING

A lawsuit has been filed against the association and other parties totalling $50,000. The breakdown of the liability is unknown and the legal proceedings are in their early stages. The outcome of this matter is not determinable, and as such no liability has been recognized in the financial statements.

8. FINANCIAL FRAUD

In 2024, the organization identified instances of financial fraud that impacted its financial statements. The nature of the fraud involved hacking of the organization's email system in which perpetrators misrepresented themselves as if the organization was sending emails and intercepted e-transfers.

Upon discovery, the organization undertook a thorough internal investigation and engaged law enforcement to assess the extent of the fraud and its impact on the financial statements.

The organization has since started password-protecting all the e-transfers as a corrective measure to mitigate the risk of future fraud. As a result of these measures, management believes that the risk of future fraud has been significantly reduced. However, the organization remains vigilant in its monitoring efforts to ensure internal controls compliance.