THE COMMONWEALTH GAMES ASSOCIATION OF CANADA INC.
L'ASSOCIATION CANADIENNE DES JEUX DU COMMONWEALTH INC.

FINANCIAL STATEMENTS

MARCH 31, 2025

INDEPENDENT AUDITOR'S REPORT

To the Members,
The Commonwealth Games Association of Canada Inc.:

Opinion

We have audited the financial statements of The Commonwealth Games Association of Canada Inc. ("the Entity"), which comprise the statement of financial position as at March 31, 2025, and the statements of operations 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 Entity as at March 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 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 Entity 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 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 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 Entity'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 Entity, or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity'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:

- 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 Entity’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 Entity’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 Entity 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.

OUSELEY HANVEY CLIPSHAM DEEP LLP
Licensed Public Accountants
Ottawa, Ontario
TBD

THE COMMONWEALTH GAMES ASSOCIATION OF CANADA INC.
L'ASSOCIATION CANADIENNE DES JEUX DU COMMONWEALTH INC.

STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2025

	2025	2024
CURRENT ASSETS		
Cash	$ 301,413	$ 416,375
Short-term investments (note 4)	1,289,818	1,065,309
Accounts receivable	14,182	19,327
Prepaid expenses	7,778	8,058
	1,613,191	1,509,069
INVESTMENTS (NOTE 4)	296,113	514,045
DUE FROM RELATED PARTY (NOTE 5)	57,266	49,751
	$ 1,966,570	$ 2,072,865
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	$ 47,032	$ 40,198
Deferred revenue (note 6)	46,468	-
	93,500	40,198
UNRESTRICTED NET ASSETS		
Balance - beginning of year	2,032,667	1,953,167
Net revenue (expense) for the year	(159,597)	79,500
Balance - end of year	1,873,070	2,032,667
	$ 1,966,570	$ 2,072,865

Approved on behalf of the Board:

Director____________________________ Director ____________________________

The accompanying notes are an integral part of these financial statements

THE COMMONWEALTH GAMES ASSOCIATION OF CANADA INC.
L'ASSOCIATION CANADIENNE DES JEUX DU COMMONWEALTH INC.

STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2025

	2025	2024
REVENUE		
Sport Canada contributions	$ 385,295	$ 399,800
CSC Programs	175,049	175,510
Non-Government Organizations	1,586	7,946
National Sport Organizations	-	79,236
Interest	79,482	66,356
Other	9,419	49,120
	650,831	777,968
EXPENSE		
Sport excellence	197,510	42,434
Sport for development	2,437	45,330
Branding and communications	42,463	32,099
Marketing	-	4,656
National and international relations and hosting	2,959	27,389
Organizational effectiveness	540,059	546,560
Loss due to fraudulent cyber activity (note 7)	25,000	-
	810,428	698,468
NET REVENUE (EXPENSE) FOR THE YEAR	$ (159,597)	$ 79,500

The accompanying notes are an integral part of these financial statements

THE COMMONWEALTH GAMES ASSOCIATION OF CANADA INC.
L'ASSOCIATION CANADIENNE DES JEUX DU COMMONWEALTH INC.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2025

	2025	2024
OPERATING ACTIVITIES		
Net revenue (expense) for the year	$ (159,597)	$ 79,500
Net change in non-cash working capital:		
Accounts receivable	5,145	3,051
Prepaid expenses	280	(556)
Due from related party	(7,515)	(887)
Accounts payable and accrued liabilities	6,834	(145,373)
Deferred revenue	46,468	-
	(108,385)	(64,265)
FINANCING ACTIVITY		
Advance to AB2030	-	269,757
INVESTING ACTIVITY		
Change in investments	(6,577)	(1,034,394)
CHANGE IN CASH FOR THE YEAR	(114,962)	(828,902)
Cash - beginning of year	416,375	1,245,277
CASH - END OF YEAR	$ 301,413	$ 416,375

The accompanying notes are an integral part of these financial statements

THE COMMONWEALTH GAMES ASSOCIATION OF CANADA INC.
L'ASSOCIATION CANADIENNE DES JEUX DU COMMONWEALTH INC.

NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2025

1. PURPOSE OF THE ORGANIZATION

The Commonwealth Games Association of Canada Inc. (the "Association") strengthens sport within Canada and throughout the Commonwealth by participation in the Commonwealth Games and by using sport as a development tool.

The Association is incorporated without share capital under the laws of Canada. The Association is designated as a Registered Canadian Amateur Athletic Association under the Income Tax Act, and as such, is exempt from income taxes.

2. SIGNIFICANT ACCOUNTING POLICIES

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

a) Use of estimates
The preparation of these 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 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 those estimates. These estimates are reviewed annually and as adjustments become necessary, they are recorded in the financial statements in the period in which they become known.

b) Financial instruments
Investments quoted in an active market are initially recognized at fair value and are subsequently measured at the year-end fair value. Other financial instruments are initially recognized at fair value and are subsequently measured at amortized cost or cost less appropriate allowances for impairment.

Financial assets measured at fair value include investments. Financial assets measured at amortized cost include cash, accounts receivable and due from related party. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

c) Capital assets
Capital assets are recorded at cost less accumulated amortization. Amortization is provided on the furniture and equipment on the straight-line basis over 3 years.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Revenue recognition
The Association follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expense is incurred. Unrestricted contributions are recognized as revenue when they are received or can be reasonable estimated and collection is reasonably assured. CSC Programs, interest and other revenue is recorded in the period in which is related.

The Association records the value of donated materials and services when a fair value can be reasonably estimated and when the materials and services would normally be purchased by the Association.

e) Contributions
The contributions received from funders are subject to specific terms and conditions regarding the expenditure of the funds. The Association's accounting records are subject to audit by the funders to identify instances, if any, in which amounts charged against the contributions have not complied with the agreed terms and conditions and which, therefore, would be refundable to the funders. In the event that adjustments are requested, they would be recorded in the year in which the funders request the adjustments.

3. FINANCIAL INSTRUMENTS

Financial instruments of the Association consist of cash, investments, accounts receivable, due from related party and accounts payable and accrued liabilities.

Unless otherwise noted, it is management's opinion that the Association is not exposed to significant interest rate, currency, credit, liquidity or market risks arising from its financial instruments and the carrying amount of the financial instruments approximate their fair value. There have been no material changes in the financial instrument risk exposures from the previous year.

4. INVESTMENTS

	2025	2024
Current		
Investment savings and GICs earning interest rate at 3.35% to 5.55% annually, maturing in September to November 2025	$ 1,289,818	$ 1,065,309
Long-term		
Investment savings and GICs earning interest rate at 3.30% to 3.71% annually, maturing in November 2026	296,113	514,045
	$ 1,585,931	$ 1,579,354

5. RELATED PARTY TRANSACTIONS

The Commonwealth Games Foundation of Canada Inc. (the "Foundation"), a related not-for-profit organization, raises funds to support the Association's activities.

The Association has an agreement with the Foundation under which the Association provides management and administrative services to the Foundation. During the year the Association incurred expenses of the Foundation's of $7,515 (2024 - $887) for services provided and expense incurred under this agreement. Amounts due from the Foundation have no fixed terms of payment.

These transactions have been recorded at the exchange amount, which is the amount established and agreed to by the related parties.

6. DEFERRED REVENUE

Deferred revenue consists of unspent funding for team preparation for the Glasgow 2026 Commonwealth Games. These amounts will be recognized when the related activities take place and expenses have been incurred.

	2025	2024
Balance, beginning of year	$ -	$ -
Less: amount recognized as revenue in the year	-	-
Plus: amount received related to a following year	46,468	-
Balance, end of year	$ 46,468	$ -

7. LOSS DUE TO FRAUDULENT CYBER ACTIVITY

During the fiscal year, the Association identified that a payment intended for an athlete was misdirected to an unauthorized third party as a result of a fraudulent electronic communication scheme. The third party had impersonated the intended recipient, leading to the misappropriation of funds.

Despite efforts to recover the funds, it has been determined that the amount will not be recoverable. As a result, the loss of $25,000 has been recognized as an expense in the current year’s financial statements.