
**THE PROVINCIAL SPORT
ORGANIZATIONS COUNCIL
(O/A ONTARIO SPORT NETWORK)
FINANCIAL STATEMENTS
DECEMBER 31, 2025**

INDEX

Page	1-2.	Independent Auditor's Report
	3.	Statement of Financial Position
	4.	Statement of Operations and Changes in Net Assets
	5.	Statement of Cash Flows
	6-8.	Notes to Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the Directors

The Provincial Sport Organizations Council (o/a Ontario Sport Network)

Opinion

We have audited the accompanying financial statements of The Provincial Sport Organizations Council operating as Ontario Sport Network which comprise the statement of financial position as at December 31, 2025, and the statement of operations and changes in net assets and statement of 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 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 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 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.

- 1 -

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.



NORTON McMULLEN LLP

Chartered Professional Accountants, Licensed Public Accountants

MARKHAM, Canada

May 8, 2026

**THE PROVINCIAL SPORT ORGANIZATIONS COUNCIL
(O/A ONTARIO SPORT NETWORK)**

STATEMENT OF FINANCIAL POSITION

As at December 31,

2025

2024

ASSETS

Current

Cash	\$ 73,255	\$ 122,969
Accounts receivable	880	790
Prepaid expenses	<u>1,200</u>	<u>-</u>
	<u>\$ 75,335</u>	<u>\$ 123,759</u>

LIABILITIES

Current

Accounts payable and accrued liabilities	\$ 5,588	\$ 6,497
Government remittances payable	10,586	-
Deferred revenue (Note 2)	<u>4,375</u>	<u>-</u>
	<u>\$ 20,549</u>	<u>\$ 6,497</u>

NET ASSETS

	<u>54,786</u>	<u>117,262</u>
	<u>\$ 75,335</u>	<u>\$ 123,759</u>

Approved by the Board:

_____ Director

_____ Director

**THE PROVINCIAL SPORT ORGANIZATIONS COUNCIL
(O/A ONTARIO SPORT NETWORK)**

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

For the year ended December 31,	2025	2024
REVENUES		
Membership	\$ 7,117	\$ 6,170
Investment and other income	155	962
	<u>\$ 7,273</u>	<u>\$ 7,132</u>
EXPENSES		
Administration and office expenses	\$ 58,143	\$ 50,982
Professional fees	4,852	5,066
Bank charges and fees	4,131	140
Insurance	1,325	1,325
Programs	1,206	2,534
Partnerships	92	253
Facilities, rent and renovation	-	1,468
Communication	-	1,200
	<u>\$ 69,749</u>	<u>\$ 62,968</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ (62,476)	\$ (55,836)
NET ASSETS - Beginning	<u>117,262</u>	<u>173,098</u>
NET ASSETS - Ending	<u>\$ 54,786</u>	<u>\$ 117,262</u>

See accompanying notes

- 4 -

**THE PROVINCIAL SPORT ORGANIZATIONS COUNCIL
(O/A ONTARIO SPORT NETWORK)**

STATEMENT OF CASH FLOWS

For the year ended December 31,

2025

2024

CASH WAS PROVIDED BY (USED IN):

OPERATING ACTIVITIES

Excess of revenues over expenses	\$ (62,476)	\$ (55,836)
Net change in non-cash working capital balances:		
Accounts receivable	(90)	(30)
Prepaid expenses	(1,200)	-
Accounts payable and accrued liabilities	(909)	826
Government remittances payable	10,586	-
Deferred revenue	<u>4,375</u>	<u>(2,790)</u>

INCREASE IN CASH

\$ (49,714) \$ (57,830)

CASH - Beginning

122,969 180,799

CASH - Ending

\$ 73,255 \$ 122,969

THE PROVINCIAL SPORT ORGANIZATIONS COUNCIL (O/A ONTARIO SPORT NETWORK)

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2025

PURPOSE OF ORGANIZATION

The Provincial Sport Organizations Council operating as Ontario Sport Network (the "Organization") is incorporated as a not-for-profit organization under the Province of Ontario Corporations Act. The Organization rebranded as Ontario Sport Network from Sport4Ontario on October 13, 2021. The purpose of the Organization is to coordinate activities common to and in the interests of provincial sport organizations and multi-sport organizations in the Province of Ontario.

1. 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 financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions based on currently available information. Such estimates and assumptions affect the reported amounts of assets and liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from the estimates used.

b) **Cash and Cash Equivalents**

Cash and cash equivalents consist of cash held in the bank.

c) **Revenue Recognition**

The Organization follows the deferral method of accounting for grants. Restricted grants are recognized as revenue in the year in which the related expenses are incurred. Unrestricted grants are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured. Investment and other income is recognized as earned.

Membership fees are recognized as revenue in the period covered by membership and when collection is reasonably assured.

d) **Contributed Services**

Volunteers contribute significant hours per year to assist the Organization in carrying out its activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

THE PROVINCIAL SPORT ORGANIZATIONS COUNCIL (O/A ONTARIO SPORT NETWORK)

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES - Continued

e) Financial Instruments

Measurement of Financial Instruments

The Organization initially measures its financial assets and financial liabilities originated or exchanged in arm's length transactions at fair value. The Organization subsequently measures all its financial assets and liabilities at amortized cost.

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

The Organization has no financial assets measured at fair value and has not elected to carry any financial asset or liability at fair value.

Impairment

Financial assets measured at amortized cost are tested for impairment when events or circumstances indicate possible impairment. Write-downs, if any, are recognized in the excess or deficiency of revenues over expenses and may be subsequently reversed to the extent that the net effect after the reversal is the same as if there had been no write-down. There are no impairment indicators in the current year.

2. DEFERRED REVENUE

Deferred revenue consists of membership dues for the upcoming fiscal year.

	2025	2024
Balance - Opening	\$ -	\$ 2,790
Membership dues	4,375	-
Revenue recognized	<u>-</u>	<u>(2,790)</u>
Balance - Ending	<u>\$ 4,375</u>	<u>\$ -</u>

**THE PROVINCIAL SPORT ORGANIZATIONS COUNCIL
(O/A ONTARIO SPORT NETWORK)**

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2025

3. FINANCIAL INSTRUMENTS

Risks and Concentrations

The Organization is exposed to various risks through its financial instruments. The following analysis provides a summary of the Organization's exposure to and concentrations of risk at December 31, 2025:

a) **Credit Risk**

Credit risk is the risk that one party to a financial instrument will cause financial loss for the other party by failing to discharge an obligation. The Organization's main credit risks relate to its accounts receivable. There are no concentrations of credit risk and the Organization is not exposed to significant credit risk.

b) **Liquidity Risk**

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly with respect to its accounts payable and accrued liabilities. The Organization manages this risk by managing its working capital and by generating sufficient cash flow from operations. As the balance of accounts payable has increased significantly in the current year, the assessment of liquidity risk is greater than that of the prior year.

c) **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 comprises three types of risk: currency risk, interest rate risk, and price risk. The Organization is not exposed to significant market risk. There has been no change in the assessment of market risk from the prior year.