

**JUDO CANADA**  
**FINANCIAL STATEMENTS**  
**(Audited)**  
**AS AT MARCH 31, 2024**

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## INDEPENDANT AUDITOR'S REPORT

To the member of Judo Canada

### ***Opinion***

We have audited the financial statements of Judo Canada (the "Entity"), which comprise:

- the statement of financial position as at March 31, 2024
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2024, and its results of 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 auditor's 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.

### ***Other Matter - Comparative Information***

The financial statements for the year ended March 31, 2023, were audited by another auditor, who expressed an unmodified opinion on these statements on August 29, 2023.



## ***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 private enterprises, 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 the 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.



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- 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.
- 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.

*KPMG A.R.L. / S.E.N.C.R.L.\**

Saint-Eustache, Canada

August 23, 2024

**JUDO CANADA**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2024**  
(Audited)

	2024	2023
	\$	\$
<b>ASSETS</b>		
<b>SHORT-TERM ASSETS</b>		
Cash	1 844 348	1 549 188
Investments at fair market value (note 3)	990 149	882 408
Accounts receivable (note 4)	486 956	172 127
Prepaid expenses	1 472	31 472
	<b>3 322 925</b>	2 635 195
<b>FIXED ASSETS (note 5)</b>	<b>124 736</b>	123 754
	<b>3 447 661</b>	2 758 949
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable (note 7)	353 058	87 152
Deferred incomes (note 9)	263 694	262 465
	<b>616 752</b>	349 617
<b>SHAREHOLDERS' EQUITY</b>		
Internally restricted reserve fund (note 11)	400 000	400 000
Unrestricted	2 430 909	2 009 332
	<b>2 830 909</b>	2 409 332
	<b>3 447 661</b>	2 758 949

**FOR THE BOARD OF ADMINISTRATION**

\_\_\_\_\_  
Administrator

\_\_\_\_\_  
Administrator

**JUDO CANADA**  
**STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED MARCH 31, 2024**  
**(Audited)**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>REVENUES</b>		
Sport Canada	2 133 007	1 998 352
Other grants	988 240	197 970
Other revenues	748 471	207 843
National team	681 402	493 611
Membership fees	616 306	474 590
Canadian Olympic committee	452 500	314 213
Sponsorship revenues	355 475	271 785
National competitions	331 621	158 953
Interest income	101 249	29 629
	<b>6 408 271</b>	<b>4 146 946</b>
<b>EXPENSES</b>		
Administration	531 591	706 377
Participation and development of athletes	3 080 498	1 267 934
Performance of athletes	2 374 605	2 127 773
	<b>5 986 694</b>	<b>4 102 084</b>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>421 577</b>	<b>44 862</b>

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**JUDO CANADA**  
STATEMENT OF CHANGES IN NET ASSETS  
FOR THE YEAR ENDED MARCH 31, 2024  
(Audited)

	2024	2023
	\$	\$
<b>BALANCE AT BEGINNING</b>	<b>2 409 332</b>	2 364 470
EXCESS OF REVENUES OVER EXPENSES	421 577	44 862
<b>BALANCE AT THE END</b>	<b>2 830 909</b>	2 409 332

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**JUDO CANADA**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED MARCH 31, 2024**  
(Audited)

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenses	421 577	44 862
<b>Non-cash items :</b>		
Amortization - fixed assets	3 629	3 535
Losses on disposals - fixed assets	-	21 005
	<b>425 206</b>	<b>69 402</b>
<b>Net change in non-cash working capital items (note 13)</b>	<b>(17 694)</b>	<b>(20 264)</b>
<b>Net cash inflows related to operating activities</b>	<b>407 512</b>	<b>49 138</b>
<b>INVESTING ACTIVITIES</b>		
Sale of investments	-	288 638
Net change in investments	<b>(107 741)</b>	-
Purchase investments	-	(519 357)
Acquisition - fixed assets	<b>(4 611)</b>	-
<b>Net cash inflows (outflows) related to investing activities</b>	<b>(112 352)</b>	<b>(230 719)</b>
<b>NET CHANGE IN CASH</b>	<b>295 160</b>	<b>(181 581)</b>
<b>CASH BEGINNING OF YEAR</b>	<b>1 549 188</b>	<b>1 730 769</b>
<b>CASH END OF YEAR</b>	<b>1 844 348</b>	<b>1 549 188</b>

Cash consist of cash.

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**JUDO CANADA****NOTES TO FINANCIAL STATEMENTS**

AS AT MARCH 31, 2024

(Audited)

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**1. STATUTES OF INCORPORATION AND NATURE OF ACTIVITIES**

The purpose of the organization is to promote and develop the sport of judo by increasing the athlete base, improving international results, upgrading officiating and coaches' National Coaching Certification Program levels throughout Canada. The organization is incorporated under the Canada Not-for-profit Corporations Act and is a Registered Canadian Amateur Athletic Association under the Income Tax Act and as such is exempt from income tax.

**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 :

**Estimates and assumptions**

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 amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. These estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known.

**Revenue recognition**

The organization follows the deferral method of accounting for contributions. Restricted contributions are recognized in the year in which the related expenses are incurred. Unrestricted contributions are recognized when they are received or become receivable. Membership fees are recognized as revenue over the period to which they relate. Other revenue is recognized in the year in which the event is held or the revenue is earned.

**Contributed supplies and services**

The organization recognizes contributed supplies and services when the fair value of these contributions can be reasonably estimated and if it would have had to otherwise acquire these supplies and services for its normal operations.

**Sport Canada and other contributions**

Contributions received are subject to specific terms and conditions regarding the expenditure of the funds. The organization's records are subject to audit by contributors to identify instances, if any, in which amounts charged against contributions have not complied with the agreed terms and conditions and which, therefore, would be refundable to the contributor. Adjustments to prior years' contributions are recorded in the year in which the contributor requests the adjustment.

**JUDO CANADA**

## NOTES TO FINANCIAL STATEMENTS

AS AT MARCH 31, 2024

(Audited)

**2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)****Fixed assets**

Fixed assets are accounted at cost, less accumulated amortization. Depreciation is based on their estimated useful life using the following method and duration :

	Method	Duration
Office condominium	Linéaire	40 ans

**Income taxes**

Judo Canada is a not-profit organization which is exempt of income taxes.

**Financial instruments**

Financial instruments are recognized at fair value at the time of initial recognition. All financial instruments are subsequently measured at cost or amortized cost, unless management has chosen to measure the instruments at fair value.

Transaction costs incurred in the acquisition of financial instruments valued at fair value are charged to earnings as they are incurred. All other financial instruments are adjusted based on the transaction costs incurred at the time of acquisition and financing charges.

Financial assets are tested for impairment annually at the end of the year if there are indications of impairment. If there is an indication of impairment, the entity determines whether there has been a significant adverse change in the timing or amount of expected future cash flows from the financial asset. If there has been a significant adverse change in expected cash flows, the entity reduces the carrying amount of the financial asset to the highest of the following amounts: the present value of expected cash flows, the price it could get from selling the financial asset, or the realization value the entity expects to obtain from any property pledged as collateral for the repayment of the financial asset. If facts and circumstances reverse in a subsequent period, a loss must be reversed to the extent of the improvement, the carrying amount should not exceed the initial carrying amount.

**3. INVESTMENTS AT FAIR MARKET VALUE**

	2024	2023
	\$	\$
Fixed income	335 361	336 929
Equities	654 788	545 479
	990 149	882 408

**JUDO CANADA****NOTES TO FINANCIAL STATEMENTS**

AS AT MARCH 31, 2024

(Audited)

**4. ACCOUNTS RECEIVABLE**

	2024	2023
	\$	\$
Accounts receivable	539 956	225 127
Allowance for impairment	(53 000)	(53 000)
	<b>486 956</b>	172 127

**5. FIXED ASSETS**

	2024		2023	
	\$		\$	
	Cost	Cumulated amortization	Net value	Net value
Office condominium	146 040	21 304	124 736	123 754

**6. LINE OF CREDIT**

The organization has an authorized line of credit of \$100,000, bearing interest at prime rate of 6.7 % plus 0.2 %, secured by a general security agreement and renewable annually. The line of credit was undrawn at March 31, 2024.

**7. ACCOUNTS PAYABLE**

	2024	2023
	\$	\$
Accounts payable - others	328 782	87 152
Wages and vacation	24 276	-
	<b>353 058</b>	87 152

**8. ECONOMIC DEPENDANCE AND CONTINUANCE**

The organization is economically dependent on Sport Canada as during the year 48% (2022 - 61%) of revenue was received from this single source.

The assumption underlying the preparation of these financial statements is that the organization will be able to realize assets and discharge liabilities in the normal course of operations for the foreseeable future. Continued financial support of the contributors will be required for the organization to maintain operations. If continuing funding is not attained, amounts realized for the assets may be materially less than the amounts recorded in the financial statements.

**JUDO CANADA**

## NOTES TO FINANCIAL STATEMENTS

AS AT MARCH 31, 2024

(Audited)

**9. DEFERRED INCOMES**

	2024	2023
	\$	\$
Balance - beginning of year	262 465	206 307
Less - amount recognized as revenue in the year	(262 465)	(206 307)
Membership fees	263 694	254 465
Events and other	-	8 000
Balance, end of year	263 694	262 465

Deferred contributions represent unused resources which are intended to cover the operating expenses for the coming year.

**10. PAYROLL EXPENSES***Expenses :*

Corporate and operations	590 343	638 728
High performance and athlete development	538 783	562 535
	1 129 126	1 201 263

**11. INTERNALLY RESTRICTED RESERVE FUND**

The internally restricted reserve fund comes from amounts internally earmarked by resolution of the board of directors. The organization cannot use amounts earmarked for internal allocation for other purposes without the prior consent of the board of directors.

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**JUDO CANADA**

## NOTES TO FINANCIAL STATEMENTS

AS AT MARCH 31, 2024

(Audited)

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**12. FINANCIAL INSTRUMENTS**

The organization, through its financial instruments is exposed to various risks. The following analysis shows the exposure of the material risks to the balance sheets as at March 2024. During the fiscal year, there has been no significant change in the organization risk exposure compared to the previous fiscal year

**Credit risk**

Credit risk is the risk that a counterparty can not respect its obligations resulting in the receiving party suffering a financial loss. The organization is exposed to credit risk on accounts receivable, sales tax and investments.

The organization recorded pledges in its accounts receivable, as well as GST and QST. Reimbursements these were received shortly after the end of its fiscal year.

**Market risk**

Market risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The organization is primarily exposed to interest rate risk. Investments expose the organization to this risk.

**Interest rate risk**

Interest rate risk is the risk that fair value or future cash flow of a financial instrument will fluctuate due to changes in market interest rates. The organization is exposed to interest rate risk in respect of its financial instruments fixed interest rates. The fixed rate instruments involve a fair value risk.

**Liquidity risk**

Liquidity risk is the risk that the company is not able to meet its financial obligations as they fall due. The company is exposed to this risk in regards to its liabilities. The company has sufficient liquidity to meet its obligations.

**JUDO CANADA**

## NOTES TO FINANCIAL STATEMENTS

AS AT MARCH 31, 2024

(Audited)

**13. NET CHANGE IN NON-CASH WORKING CAPITAL ITEMS**

	2024	2023
	\$	\$
Accounts receivable	<b>(314 829)</b>	(25 353)
Prepaid expenses	<b>30 000</b>	(16 495)
Accounts payable	<b>265 906</b>	(34 574)
Deferred incomes	<b>1 229</b>	56 158
	<b>(17 694)</b>	(20 264)