

JUDO CANADA
FINANCIAL STATEMENTS
AS AT MARCH 31, 2025

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Judo Canada

Opinion

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

- the statement of financial position as at March 31, 2025
- the statement of operations for the year then ended
- the statement of changes 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 Organization as at March 31, 2025, and 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 Organization 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 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 Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization'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 Organization'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 Organization'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 Organization 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 LLP**

Boisbriand, Canada

August 28, 2025

JUDO CANADA
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2025

	2025	2024
	\$	\$
ASSETS		
SHORT-TERM ASSETS		
Cash	3 079 978	1 844 348
Investments (Note 3)	1 120 252	990 149
Accounts receivable (Note 4)	372 341	486 956
Prepaid expenses	3 000	1 472
	4 575 571	3 322 925
Fixed assets (Note 5)	121 085	124 736
	4 696 656	3 447 661
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable (Note 7)	521 539	353 058
Deferred income (Note 9)	697 326	263 694
	1 218 865	616 752
NET ASSETS		
Internally restricted reserve fund (note 11)	400 000	400 000
Unrestricted fund	3 077 791	2 430 909
	3 477 791	2 830 909
	4 696 656	3 447 661

FOR THE BOARD OF ADMINISTRATION

Administrator

Administrator

JUDO CANADA
 STATEMENT OF OPERATIONS
 FOR THE YEAR ENDED MARCH 31, 2025

	2025	2024
	\$	\$
REVENUES		
Sport Canada	1 902 500	2 133 007
National team	698 306	638 111
Operating revenues	438 117	1 019 450
Membership fees	644 951	616 306
Canadian Olympic Committee	410 738	452 500
National competitions	399 044	331 622
Other grants	191 240	988 240
Sponsorship revenues	91 809	84 496
Investment income	187 965	101 249
	4 964 670	6 364 981
EXPENSES		
Administrative fees	1 059 556	954 749
Participation and development	1 356 977	2 692 262
High performance / National team	2 018 755	2 296 393
	4 435 288	5 943 404
Other income	117 500	-
EXCESS OF REVENUES OVER EXPENSES	646 882	421 577

JUDO CANADA
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2025

	Internally restricted reserve fund (Note 11) \$	Unrestricted fund \$	2025 \$	2024 \$
BALANCE AT BEGINNING OF THE YEAR	400 000	2 430 909	2 830 909	2 409 332
EXCESS OF REVENUES OVER EXPENSES	-	646 882	646 882	421 577
BALANCE AT THE END OF THE YEAR	400 000	3 077 791	3 477 791	2 830 909

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

	2025	2024
	\$	\$
OPERATING ACTIVITIES		
Excess of revenues over expenses	646 882	421 577
Non-cash items:		
Amortization - fixed assets	3 651	3 629
Change in fair value of investments	(125 475)	(136 416)
	525 058	288 790
Net change in non-cash working capital items		
Accounts receivable	114 615	(314 829)
Prepaid expenses	(1 528)	30 000
Accounts payable	168 481	265 906
Deferred income	433 632	1 229
	715 200	(17 694)
Net cash inflows related to operating activities	1 240 258	271 096
INVESTING ACTIVITIES		
Net change in investments	(4 628)	28 675
Acquisition - fixed assets	-	(4 611)
Net cash (outflows) inflows related to investing activities	(4 628)	24 064
NET CHANGE IN CASH	1 235 630	295 160
CASH BEGINNING OF YEAR	1 844 348	1 549 188
CASH END OF YEAR	3 079 978	1 844 348

JUDO CANADA

NOTES TO FINANCIAL STATEMENTS

AS AT MARCH 31, 2025

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 as set out in Part III of the *CPA Canada Handbook*, and take into account 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.

Sport Canada grants, Canadian Olympic Committee grants, and other grants are recognized as revenue when the related expenses are incurred, provided the organization is reasonably certain that the grant will materialize and that it complies with the agreed-upon terms and conditions.

Membership fees are recognized as revenue in the period to which they relate.

National team revenues, operating revenues, national competition revenues, sponsorship revenues, interest revenues, and other revenues are recognized when the event takes place or during which the revenues are earned, the price is determined or determinable, and collection is reasonably assured.

Unallocated investment income is recognized when earned.

JUDO CANADA
NOTES TO FINANCIAL STATEMENTS
AS AT MARCH 31, 2025

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)
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.

Contributions received in the form of supplies

The organization recognizes contributions received in the form of supplies and services when the value of these contributions can be reasonably estimated and the organization could have otherwise obtained these supplies and services for its regular operations.

Fixed assets

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

	Method	Duration
Office condominium	Straight-line	40 years

Long-term asset depreciation

Long-term assets are tested for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. The recoverability of an asset held and used is measured by comparing its carrying amount with estimates of the undiscounted future cash flows expected to arise from that asset. If the carrying amount of the asset exceeds the estimated future cash flows that are likely to arise from it, an impairment loss is recognized in an amount equal to the excess of the carrying amount of the asset over its fair value.

JUDO CANADA**NOTES TO FINANCIAL STATEMENTS
AS AT MARCH 31, 2025****2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)****Financial instruments**

Financial assets and financial liabilities are initially recognized at fair value when the organization becomes a party to the contractual provisions of the financial instrument. Subsequently, all financial instruments are measured at amortized cost, unless management has elected to recognize the instruments at fair value. The organization has elected to recognize its investments at fair value. Changes in fair value relating to investments in listed equities and fixed income investments are recognized in the statement of operations.

Transaction costs for financial instruments measured at amortized cost are recognized as an increase in the carrying amount of the asset or a decrease in the carrying amount of the liability and are then recognized over the expected life of the instrument using the straight-line method.

In the case of financial assets measured at cost or amortized cost, the organization recognizes an impairment loss in net income, if any, when there are indications of impairment and when it observes a significant adverse change in the timing or amount of expected future cash flows. When the extent of impairment of a previously impaired asset decreases and this decrease can be linked to an event subsequent to the recognition of the impairment loss, the impairment loss already recognized is reversed in net income for the period in which the reversal occurs.

3. INVESTMENTS, AT FAIR MARKET VALUE

	2025	2024
	\$	\$
Fixed income	348 022	335 361
Equities	772 230	654 788
	1 120 252	990 149

The cost of investments as at March 31, 2025 totals \$773,770 (March 31, 2024 - \$769,142).

4. ACCOUNTS RECEIVABLE

	2025	2024
	\$	\$
Accounts receivable	354 958	344 580
Allowance for impairment	(53 000)	(53 000)
Amount receivable from the government	70 383	195 376
	372 341	486 956

JUDO CANADA**NOTES TO FINANCIAL STATEMENTS****AS AT MARCH 31, 2025****5. FIXED ASSETS**

		2025		2024
		\$		\$
	Cost	Accumulated amortization	Net value	Net value
Office condominium	146 040	24 955	121 085	124 736

6. LINE OF CREDIT

The organization has an authorized line of credit of \$100,000 bearing interest at the prime rate plus 0.2%, or 5.15% as of March 31, 2025 (March 31, 2024 - 7.40%). The bank loan is secured by a general security agreement and is renewable annually. The line of credit was unused as of March 31, 2025, and March 31, 2024.

7. ACCOUNTS PAYABLE

	2025	2024
	\$	\$
Accounts payable	488 428	328 782
Wages and vacation	28 597	20 061
Amount payable to the government	4 514	4 215
	521 539	353 058

JUDO CANADA
NOTES TO FINANCIAL STATEMENTS
AS AT MARCH 31, 2025

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.

9. DEFERRED INCOME

	2025	2024
	\$	\$
Balance, beginning of year	263 694	262 465
Less: amount recognized as revenue in the year	(263 694)	(262 465)
Membership fees	272 326	263 694
Events and other	425 000	-
Balance, end of year	697 326	263 694

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

10. PAYROLL EXPENSES

Administration and participation and development salaries	649 521	590 343
High performance/National team salaries	560 958	538 783
	1 210 479	1 129 126

11. INTERNALLY RESTRICTED RESERVE FUND

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

JUDO CANADA**NOTES TO FINANCIAL STATEMENTS****AS AT MARCH 31, 2025**

12. FINANCIAL RISKS

The organization, through its financial instruments, is exposed to various risks. The following analysis shows the organization's exposure to material risks as at March 31, 2025. During the fiscal year, there has been no significant change in the organization's risk exposure from the previous fiscal year

Credit risk

Credit risk refers to the risk that a party to a financial asset will fail to meet one of its obligations, thereby causing the organization to suffer a financial loss. The organization's credit risk is mainly related to its cash, investments, and accounts receivable.

The organization extends credit to its members and donors in the normal course of its activities. In addition, the organization entrusts its cash and investments to large financial institutions, which reduces this credit risk thanks to their extensive network of clients and their diversification across different market sectors and geographic areas.

Market risk

Market risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Certain financial instruments held by the organization expose it to this risk, which consists of foreign exchange risk, interest rate risk, and other price risk. The organization is primarily exposed to interest rate risk in relation to its investments.

Interest rate risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in interest rates. The organization is exposed to interest rate risk with respect to its fixed-rate and variable-rate financial instruments. Fixed-rate instruments expose the organization to fair value risk, and variable-rate instruments expose the organization to cash flow risk. Fixed-income investments therefore expose the organization to fair value risk.

Liquidity risk

Liquidity risk refers to the risk that the organization will be unable to meet its obligations in a timely manner or at a reasonable cost. The organization manages its liquidity risk by monitoring its cash balance and cash flows from operations to ensure that it can meet its commitments. As of March 31, 2025, the organization's main financial liability consists of its accounts payable.

Other price risks

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from currency risk or interest rate risk. As at March 31, 2025, investments in publicly traded equities represented \$772,230 or 68.9% (2024 - \$654,788 or 66.1%) of total investments.

13. COMPARATIVE INFORMATION

Certain comparative information has been reclassified to conform to the presentation of financial statements adopted for the current year.