Special Olympics Canada
Financial Statements
For the year ended June 30, 2026

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Independent Auditor's Report

To the Board of Directors of Special Olympics Canada

Opinion

We have audited the financial statements of Special Olympics Canada (the "Organization"), which comprise the statement of financial position as at June 30, 2026, the statement of operations and changes in net assets, and the 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 Organization as at June 30, 2026, 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 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 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 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.

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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 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.

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.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants
Oakville, Ontario
October 2, 2026

Special Olympics Canada
Statement of Financial Position

June 30	2026	2025
Assets		
Current		
Cash	**$ 6,998,370**	$ 6,168,653
Accounts receivable (Notes 3 and 4)	**2,575,199**	2,369,269
Prepaid expenses	**158,120**	163,865
	9,731,689	8,701,787
Capital assets (Note 5)	**136,180**	103,910
	$ 9,867,869	$ 8,805,697
Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities (Note 4)	**$ 2,651,901**	$ 2,407,065
Deferred contributions (Note 6)	**1,957,207**	877,801
	4,609,108	3,284,866
Net assets		
Unrestricted	**5,258,761**	5,520,831
	$ 9,867,869	$ 8,805,697

On behalf of the Board:

Director

Director

The accompanying notes are an integral part of these financial statements.

Special Olympics Canada
Statement of Operations and Changes in Net Assets

For the year ended June 30	2026	2025
Revenue		
Fundraising events	**$ 8,212,183**	$ 6,936,193
Grants (Note 7)	**6,366,707**	6,389,471
In-kind donations (Note 9)	**2,515,532**	1,708,023
Foundations (Note 3)	**1,479,190**	1,733,202
Sponsorships	**633,173**	458,758
Other (Note 3)	**234,984**	214,838
	19,441,769	17,440,485
Expenses (Schedule)		
Program and chapter support	**11,343,368**	10,764,212
Public education	**3,887,927**	2,813,886
Fundraising	**3,148,180**	2,616,773
Administration	**1,324,364**	1,322,607
	19,703,839	17,517,478
Deficiency of revenue over expenses	**(262,070)**	(76,993)
Net assets, beginning of year	**5,520,831**	5,597,824
Net assets, end of year	**$ 5,258,761**	$ 5,520,831

The accompanying notes are an integral part of these financial statements.

Special Olympics Canada
Statement of Cash Flows

For the year ended June 30	2026	2025
Cash provided by (used in)		
Operating activities		
Deficiency of revenue over expenses for the year	**$ (262,070)**	$ (76,993)
Adjustments required to reconcile deficiency of revenue over expenses with net cash provided by operating activities		
Amortization of capital assets	**49,953**	36,316
Changes in non-cash working capital balances		
Accounts receivable	**(205,930)**	1,430,366
Prepaid expenses	**5,745**	(23,360)
Accounts payable and accrued liabilities	**244,836**	(152,372)
Deferred contributions	**1,079,406**	339,250
	911,940	1,553,207
Investing activity		
Purchase of capital assets	**(82,223)**	(22,284)
Increase in cash during the year	**829,717**	1,530,923
Cash, beginning of year	**6,168,653**	4,637,730
Cash, end of year	**$ 6,998,370**	$ 6,168,653

The accompanying notes are an integral part of these financial statements.

1. Nature of Operations

Special Olympics Canada (the "Organization" or "SOC") is a national organization dedicated to enriching the lives of Canadians with an intellectual disability through active participation in sports. The Organization is incorporated under the Corporations Act (Ontario) as a not-for-profit organization and is a registered charity under the Income Tax Act (Canada) and, accordingly, is exempt from income taxes, provided certain requirements of the Income Tax Act (Canada) are met.

2. Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the Chartered Professional Accountants of Canada Handbook. The most significant accounting policies are as follows:

(a) Revenue recognition:

The Organization follows the deferral method of accounting for fundraising, contributions, sponsorships, and grant revenue. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

All other revenue is recognized when delivery has occurred or services have been rendered and measurement and collection are reasonably assured.

(b) Capital assets:

Purchased capital assets are recorded at cost. Contributed capital assets are recorded only if the fair value can be reasonably estimated on the date of contribution. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated useful life of an asset are capitalized. When a capital asset no longer contributes to the Organization's ability to provide services, its carrying amount is written down to its residual value. The Organization amortizes the cost of the capital assets on a straight-line basis over the estimated useful lives as follows:

Furniture and equipment	5 years
Computer equipment	3 years
Software	3 years
Leasehold improvements	over the lease term

(c) Financial instruments:

Arm's length financial instruments are recorded at fair value at initial recognition. Related party financial instruments are recorded at cost at initial recognition. In subsequent periods, financial instruments are reported at cost or amortized cost less impairment. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items measured at fair value and charged to the financial instrument for those measured at amortized cost.

2. Significant Accounting Policies (Continued)

(c) Financial instruments (continued)

Financial assets are tested for impairment when indicators of impairment exist. When a significant change in the expected timing or amount of the future cash flows of the financial asset is identified, the carrying amount of the financial asset is reduced and the amount of the write-down is recognized in the statement of operations and net assets. A previously recognized impairment loss may be reversed to the extent of the improvement, provided it is not greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously, and the amount of the reversal is recognized in the statement of operations and net assets.

(d) Allocation and attribution of expenses:

Salaries and benefits are allocated between program and chapter support, public education, fundraising, and administration. The allocation is based on a percentage-of-effort analysis performed by management to estimate the amount of time spent on each activity. Additionally, shared expenses, including expenses relating to contributed materials and services, are allocated to the same categories based on reasonable estimates of usage for each area of activity. Shared costs include rent, phones, internet and office expenses.

(e) Contributed materials and services:

Contributed materials and services are recorded only if the fair value can be reasonably estimated at the date of contribution and when the materials and services are used in the normal course of the Organization's operations and would otherwise have been purchased. Contributed materials and services in the amount of $2,515,532 (2025 - $1,708,023) have been recorded as revenue and expenses.

(f) Use of estimates:

The preparation of financial statements 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 revenue and expenses during the year. Actual results could differ from those estimates.

3. Special Olympics Canada Foundation

The Special Olympics Canada Foundation (the "Foundation") was founded in 1997 and was created to financially support the strategic objectives of the Organization. The Organization has an economic interest in the Foundation.

At year end, the amount receivable from the Foundation is $26,632 (2025 - $4,445). The amount receivable from the Foundation is non-interest bearing, is unsecured and has no fixed terms of repayment. Included in Foundations revenue is $409,190 (2025 - $451,292) received from the Foundation during the year. Included in other revenue, the Organization charged the Foundation $18,000 (2025 - $18,000) for office and rent expenses. These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to between the Organization and the Foundation.

4. Transactions with Other Special Olympics Organizations

(a) Special Olympics Inc. ("SOI")

SOI accredits the Organization to ensure the worldwide quality, and ultimately the growth, of the Organization's movement. Accreditation is a method of assuring the Organization meets the essential core requirements of the Special Olympics mission and also certain minimum management and financial requirements. Upon compliance with the Accreditation Standards, SOI signs an Accreditation License with the Organization, which grants the Organization the legal right to use the Special Olympics name, logo and other trademarks, to conduct the Special Olympics sports and related activities, and to raise funds under the Special Olympics name. The Organization is then eligible to (i) receive sports, technical and program development training and support from SOI, in the form of grants from SOI, (ii) participate in World and Regional Games, and (iii) participate in and benefit from other Special Olympics movement activities (such as Healthy Athletes®, Project UNIFY®, United Sports® and global public awareness events). The Organization rolls forward an annual accreditation fee based on total adjusted gross revenue from the Organization and all 12 provincial/territorial chapters.

The annual accreditation fee remitted by the Organization to SOI includes amounts collected and remitted on behalf of provincial and territorial chapters. In 2026, $194,288 (2025 - $370,039) was paid to SOI for the Organization and all provincial/territorial chapters. Additionally, SOI and the Organization enter into funding agreements from time to time to fund program activities by one or the other organization.

During the year, the Organization provided $450,000 (2025 - $450,000) of funding to SOI for youth programming and refunded $Nil (2025 - $27,524) of miscellaneous grants to SOI. During the year, the Organization made transfer payments to provincial/territorial chapters on behalf of SOI of $346,867 (2025 - $340,839). These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to between the Organization and SOI.

4. Transactions with Other Special Olympics Organizations (Continued)

(b) Due from provincial/territorial chapters:

The Organization provides annual accreditation to 12 provincial/territorial Special Olympics Chapters (the "Chapters") to ensure the national quality, and, ultimately, the growth of Special Olympics in Canada. Accreditation is a method of assuring the Chapters meet the essential core requirements of the Organization's mission, as well as certain minimum management and financial requirements. Subject to compliance with the terms of the accreditation and upon payment of annual accreditation fees, the Organization grants the Chapters the legal right to use the Special Olympics name, logo and other trademarks, to conduct Special Olympics sports and related activities, and to raise funds under the Special Olympics name. The Chapters are then eligible to (i) receive sports, technical and program development training and support from the Organization, including in the form of grants from the Organization, (ii) participate in National Games, and (iii) participate in and benefit from other Special Olympics movement activities (such as Healthy Athletes®, and national public awareness events).

At year end, the amount receivable from provincial/territorial chapters is $267,667 (2025 - $233,539) and the amount payable to the Chapters was $2,270,511 (2025 - $1,884,973). Amounts due from provincial/territorial chapters are non-interest bearing, are unsecured and have no fixed terms of repayment. The statement of operations and changes in net assets includes $6,832,164 (2025 - $5,750,829) recognized as Chapter support expense. These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to between the Organization and the Chapters.

5. Capital Assets

	2026		2025	
	Cost	**Accumulated Amortization**	Cost	Accumulated Amortization
Furniture and equipment	**$ 230,485**	**$ 194,240**	$ 203,339	$ 184,946
Computer equipment	**163,686**	**161,480**	163,686	159,576
Software	**-**	**-**	353,388	349,646
Leasehold improvements	**464,608**	**366,879**	409,530	331,865
	$ 858,779	**$ 722,599**	$ 1,129,943	$ 1,026,033
Net book value		**$ 136,180**		$ 103,910

6. Deferred Contributions

Deferred contributions relate to expenses of future years and represent unspent externally restricted grants and donations for specific programs. Changes in the deferred contributions balance during the year are as follows:

	2026	2025
Balance, beginning of year	**$ 877,801**	$ 538,551
Amounts received	**7,695,685**	9,035,760
Amounts recognized as revenue	**(6,616,279)**	(8,696,510)
Balance, end of year	**$ 1,957,207**	$ 877,801

7. Grants

(a) Minister of Sport ("Sport Canada"):

In fiscal 2026, the following signed contribution agreement between the Organization and Sport Canada was in effect:

(i) MSO 2025-29 SOC Reference Level Program for the period April 1, 2025 to March 31, 2029 in the amount of $6,485,000 for 2025-2026 and then $6,365,000 per annum.

As at June 30, 2026, included in accounts receivable is $Nil (2025 - $9,000 from Sport Canada GE EDI Program - Indigenous Engagement Strategy).

During the fiscal year, the Organization recognized $6,363,707 as revenue relating to the MSO 2025-29 SOC Reference Level Program (2025 - $6,386,471 as revenue comprised of MSO 24-25 SOC Above-Reference Program $2,755,313; MSO 24-25 SOC Reference Level Program $2,577,931; GE EDI Program - Indigenous Engagement Strategy 23-25 $180,000; and MSO Reference Level 25-29 SOC Reference Level Program $873,227).

(b) Other:

The remaining grants of $3,000 (2025 - $3,000) were for other projects and received from other sources.

8. Allocated Expenses

Salaries and benefits for the year totalled $3,908,974 (2025 - $3,841,779) and have been allocated as follows:

	2026	2025
Program and chapter support	$ **1,582,227**	$ 1,602,930
Public education	**886,840**	850,969
Fundraising	**767,215**	697,000
Administration	**672,692**	690,880
	$ **3,908,974**	$ 3,841,779

Shared expenses for the year totalled $889,267 (2025 - $877,410) and have been allocated as follows:

	2026	2025
Program and chapter support	$ **125,979**	$ 124,440
Public education	**90,630**	90,963
Fundraising	**98,587**	107,924
Administration	**574,071**	554,083
	$ **889,267**	$ 877,410

9. In-kind Donations

During the year, the Organization received in-kind donations from various entities for funding core program activities, promoting events, and the operation of the Organization. The full amount of the donation has been recognized in in-kind donations revenue and the following expense categories:

	2026	2025
Program and chapter support	$ **543,129**	$ 492,941
Public education	**1,633,233**	925,308
Fundraising	**178,550**	134,654
Administration	**160,620**	155,120
	$ **2,515,532**	$ 1,708,023

10. Financial Instrument Risks

Credit Risk

Credit risk refers to the risk that the counterparty may default on its contractual obligations, resulting in a financial loss. The Organization is exposed to credit risk with respect to cash and accounts receivable. Cash consists of deposits with a major Canadian chartered bank.

The Organization assesses, on a continuous basis, the accounts receivable and provides for any amount that is not collectible in the allowance for doubtful accounts. This risk has not changed since the prior year.

Liquidity Risk

Liquidity risk is the risk that the Organization will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Organization is exposed to liquidity risk with respect to accounts payable and accrued liabilities, and commitments. The Organization manages its liquidity risk by monitoring its operating requirements. This risk has not changed since the prior year.

11. Commitments

The Organization is committed under operating leases for rental of equipment and office premises, which estimates the proportionate share of property taxes and operating expenses. The minimum annual payments are as follows:

2027	$ 340,774
2028	340,324
2029	283,529
	$ 964,627

12. Comparative Figures

Certain comparative figures presented in the financial statements have been reclassified to conform to the current year's method of presentation.

Special Olympics Canada
Schedule of Expenses

For the year ended June 30

	Program and chapter support	Public education	Fundraising	Administration	2026 Total	2025 Total
Chapter support (Note 4)	$ 6,772,092	$ 498,031	$ -	$ -	$ 7,270,123	$ 5,824,821
Salaries and benefits	1,582,227	886,840	767,215	672,692	3,908,974	3,841,779
Fundraising	-	742,921	1,970,839	-	2,713,760	2,101,917
Marketing campaign	713,988	1,429,029	178,550	-	2,321,567	1,512,460
Program support	1,432,203	-	-	-	1,432,203	2,773,053
National games	605,672	-	-	-	605,672	84,732
Rent	114,762	88,848	92,550	72,183	368,343	364,246
Office	10,992	1,782	6,038	282,781	301,593	355,429
Sponsorship	-	132,988	132,988	-	265,976	210,462
Professional fees	-	-	-	169,154	169,154	121,419
Meetings and training	81,128	-	-	29,029	110,157	117,636
Television broadcast	-	107,488	-	-	107,488	103,921
Amortization	-	-	-	49,953	49,953	36,316
Accreditation fees	-	-	-	48,572	48,572	37,506
Official language	30,079	-	-	-	30,079	31,781
Travel and accommodation	225	-	-	-	225	-
	$ 11,343,368	$ 3,887,927	$ 3,148,180	$ 1,324,364	$ 19,703,839	$ 17,517,478