

FINANCIAL STATEMENTS

For

FIRST ASSIST

For year ended

MARCH 31, 2026

INDEPENDENT AUDITOR'S REPORT

To the directors of

FIRST ASSIST*Qualified Opinion*

We have audited the financial statements of First Assist (the Organization), which comprise the statement of financial position as at March 31, 2026, the statements of operations and changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2026 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 Qualified Opinion

In common with many not-for-profit organizations, the Organization derives revenue from fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Organization. Therefore, we were not able to determine whether any adjustments might be necessary to donation revenue, net revenue, and cash flows from operations for the periods ended March 31, 2026 and 2025, current assets as at March 31, 2026 and 2025 and net assets as at April 1 and March 31, 2026 and 2025. Our audit opinion for the period ended March 31, 2025 was modified accordingly because of the possible effects of this limitation in scope.

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 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 qualified audit 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 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.

Welch LLP

Chartered Professional Accountants
Licensed Public Accountants

Ottawa, Ontario
May 20, 2026.

FIRST ASSIST
STATEMENT OF FINANCIAL POSITION
MARCH 31, 2026

	<u>2026</u>	<u>2025</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash	\$ 49,824	\$ 52,330
Short-term investments	-	9,158
Accounts receivable	67,847	36,396
Prepaid expenses	7,905	17,901
Hockey equipment inventory	<u>8,304</u>	<u>10,000</u>
	<u>\$ 133,880</u>	<u>\$ 125,785</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	<u>\$ 26,554</u>	<u>\$ 32,366</u>
NET ASSETS		
Unrestricted	<u>107,326</u>	<u>93,419</u>
	<u>\$ 133,880</u>	<u>\$ 125,785</u>

Approved by the Board:

..... Director

..... Director

(See accompanying notes)

FIRST ASSIST
STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
YEAR ENDED MARCH 31, 2026

(With comparative figures for the three month period ended March 31, 2025)

	<u>2026</u>	<u>2025</u>
Revenue		
Programming	\$ 273,852	\$ 39,597
Future Generation Foundation programming (note 4)	187,500	58,634
Corporate donations	125,109	-
Individual donations	15,240	1,482
Other grants	11,355	-
Interest income	1,324	271
In-kind donations	-	10,000
	<u>614,380</u>	<u>109,984</u>
Expenses		
Programming		
Contract staff	122,750	20,947
Travel	111,879	29,221
Salary staff	16,569	14,719
Future Generation Foundation programming (note 4)	236,884	64,489
Professional fees	33,123	9,591
Salaries and benefits	32,089	8,020
Office and other	23,517	10,006
Administrative travel	17,541	2,425
Hockey equipment expenses	3,476	2,787
Supplies	2,346	-
Marketing	299	-
	<u>600,473</u>	<u>162,205</u>
Net revenue (expense)	13,907	(52,221)
Net assets, beginning of period	<u>93,419</u>	<u>145,640</u>
Net assets, end of period	<u>\$ 107,326</u>	<u>\$ 93,419</u>

(See accompanying notes)

FIRST ASSIST
STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2026

(With comparative figures for the three month period ended March 31, 2025)

	<u>2026</u>	<u>2025</u>
CASH FLOWS FROM (USED IN)		
OPERATING ACTIVITIES		
Net revenue (expense)	\$ 13,907	\$ (52,221)
Adjustments for:		
Accrued interest	562	(213)
In-kind donations	<u>-</u>	<u>(10,000)</u>
	14,469	(62,434)
Changes in non-cash working capital components:		
Accounts receivable	(31,451)	(16,054)
Prepaid expenses	9,996	(4,993)
Accounts payable and accrued liabilities	(5,812)	12,675
Deferred contributions	-	(43,434)
Hockey equipment inventory	<u>1,696</u>	<u>-</u>
	(11,102)	(114,240)
INVESTING ACTIVITIES		
Proceeds from sale of investments	<u>8,596</u>	<u>-</u>
DECREASE IN CASH	(2,506)	(114,240)
CASH AT BEGINNING OF YEAR	<u>52,330</u>	<u>166,570</u>
CASH AT END OF YEAR	<u>\$ 49,824</u>	<u>\$ 52,330</u>

(See accompanying notes)

FIRST ASSIST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2026

1. NATURE OF OPERATIONS

First Assist (the "Organization") is a not-for-profit organization incorporated on April 9, 2013 under the Canada Not-for-profit Corporations Act. The Organization's mandate is to further education in indigenous communities through the use of sport.

The Organization became a registered charity effective January 1, 2021 and is exempt from income taxes under section 149(1)(l) of the Income Tax Act.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The accounting policies of the Organization are in accordance with Canadian accounting standards for not-for-profit organizations.

Revenue recognition

The Organization follows the deferral method of accounting for contributions for not-for-profit organizations. Restricted contributions and grants are recognized as revenue when the underlying expenses have been incurred. Unrestricted contributions and grants are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Programming revenue is recognized in the period in which the activity occurs. Receipts of these revenues which relate to the subsequent fiscal year are recorded as deferred revenue.

Grants and contributions

The Organization received significant portion of its funding through a contribution agreement. This contribution can be subject to meeting certain specific requirements outlines within the agreement and subject to separate audit undertaken by the funder directly. Adjustments, if any, arising from such circumstances are recorded in the year they are made by the funder.

Donated goods and services

Certain donated goods and services are recognized in these financial statements as both an in-kind revenue and expense when:

- their fair value can be reasonably estimated;
- they would be used in the normal course of the Organization's operations; and
- when the item contributed would otherwise have been purchased.

Use of estimates

The preparation of 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 these estimates.

Management makes accounting estimates when determining significant accrued liabilities and when determining the collectibility of accounts receivable. Actual results could differ from these estimates.

FIRST ASSIST
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2026

2. SIGNIFICANT ACCOUNTING POLICIES - Cont'd.

Financial instruments

The Organization initially measures its financial assets and liabilities at fair value at the date of the statement of financial position.

The Organization subsequently measures cash at fair value and all other financial assets and financial liabilities at amortized cost at the date of the statement of financial position.

Inventory

Inventory consists of various sports equipment and is valued at the lower of cost and net realizable value.

3. FINANCIAL INSTRUMENTS

The Organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the Organization's risk exposure and concentrations at March 31, 2026.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Organization is exposed to credit risk on its cash and accounts receivable. The Organization's cash is deposited with a Canadian chartered bank and as a result the risk of loss on this instrument is remote. The Organization assesses, on a continuous basis, the accounts receivable and as at March 31, 2026, no allowance for doubtful accounts is required (March 31, 2025 - \$nil).

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly in respect of its accounts payable and accrued liabilities and manages this risk through its budgeting process and by adjusting its programming based on level of funding.

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 is comprised of currency risk, interest rate risk, and other price risk.

i) *Currency risk*

Currency risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate relative to the Canadian dollar due to changes in foreign exchange rates.

The Organization is not exposed to significant currency risk.

FIRST ASSIST
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2026

3. FINANCIAL INSTRUMENTS - Cont'd.

Market risk - Cont'd.

ii) *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

As a result of the short-term investments maturing in the year, the Organization is no longer exposed to significant interest rate risk.

iii) *Other price risk*

Other price risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Organization is not significantly exposed to other price risk.

Changes in risk

With the exception of interest rate risk noted above, there have been no significant changes in the Organization's risk exposures from the prior year.

4. FUTURE GENERATION FOUNDATION PROGRAMMING

In 2024, the Organization entered into a grant agreement with the Future Generation Foundation to be spent on programming from April 2024 to March 2026. Contributions were recognized as follows:

	<u>2026</u>	<u>2025</u>
Opening deferred contributions	\$ -	\$ 43,434
Grants received or receivable in the year	187,500	15,200
Eligible programming costs incurred in the year	<u>(187,500)</u>	<u>(58,634)</u>
Ending deferred contributions	\$ -	\$ -

In addition to the \$187,500 of eligible programming costs paid for by the Future Generation Foundation funding noted above, the Organization spent \$49,384 of their own funds to related programming.