

**Canadian Rugby Union - Fédération canadienne de Rugby**  
Non-Consolidated Financial Statements  
For the year ended December 31, 2024

---

**Contents**

<b>Independent Auditor's Report</b>	2 - 3
<b>Non-Consolidated Financial Statements</b>	
Non-Consolidated Statement of Financial Position	4
Non-Consolidated Statement of Changes in Net Assets	5
Non-Consolidated Statement of Operations	6
Non-Consolidated Statement of Cash Flows	7
Notes to Non-Consolidated Financial Statements	8 - 20

---

## Independent Auditor's Report

---

### To the directors of Canadian Rugby Union - Fédération canadienne de Rugby

#### Opinion

We have audited the non-consolidated financial statements of Canadian Rugby Union - Fédération canadienne de Rugby (the Union), which comprise the non-consolidated statement of financial position as at December 31, 2024, and the non-consolidated statements of changes in net assets, of operations, and of cash flows for the year then ended, and notes to the non-consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying non-consolidated financial statements present fairly, in all material respects, the financial position of Canadian Rugby Union - Fédération canadienne de Rugby as at December 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 Non-Consolidated Financial Statements* section of our report. We are independent of the Union in accordance with the ethical requirements that are relevant to our audit of the non-consolidated 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 Non-Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these non-consolidated 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 the non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements, management is responsible for assessing the Union'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 Union or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Union's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Non-Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the non-consolidated 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 non-consolidated 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 non-consolidated 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 Union'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 Union'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 non-consolidated 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 Union to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the non-consolidated financial statements, including the disclosures, and whether the non-consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Union to express an opinion on the non-consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

Ottawa, Ontario  
April 10, 2025

**Canadian Rugby Union - Fédération canadienne de Rugby**  
**Non-Consolidated Statement of Financial Position**

December 31	2024	2023
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 2,727,914	\$ 2,690,535
Accounts receivable (Note 2)	1,040,606	588,888
Grants receivable	289,106	60,000
Inventories (Note 3)	707,046	585,317
Prepaid expenses	434,285	250,158
	5,198,957	4,174,898
Investments in controlled organizations (Note 10)	297,304	39,584
Tangible capital assets and leased tangible capital assets (Note 4)	6,943,875	7,188,696
	\$ 12,440,136	\$ 11,403,178
<b>Liabilities and Net Assets</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 1,978,359	\$ 785,272
Players Legacy Fund payable	50,000	50,000
Deferred fees (Note 7)	1,410,163	1,114,168
Deferred contributions (Note 7)	1,021,729	1,095,514
Current portion of note payable to the City of Langford (Note 6)	157,894	120,657
Current portion of obligations under capital lease (Note 6)	32,459	30,818
Due to controlled organizations (Note 10)	12,778	12,225
	4,663,382	3,208,654
Players Legacy Fund payable	500,513	517,546
Note payable to the City of Langford (Note 6)	1,518,511	1,708,535
Obligations under capital lease (Note 6)	1,289,732	1,322,191
Deferred contributions related to leased tangible capital assets (Note 8)	3,098,818	3,192,721
Deferred lease inducement	-	13,831
	11,070,956	9,963,478
Contingencies (Note 9)		
<b>Net Assets</b>		
Contribution of land	290,206	290,206
Internally restricted (Note 12)	48,721	48,721
Unrestricted	1,030,253	1,100,773
	1,369,180	1,439,700
	\$ 12,440,136	\$ 11,403,178

On behalf of the board:

  
 box SIGN 42V2KOZX-4PXP8833 Director

  
 box SIGN 1XXPVZ28-4PXP8833 Director

**Canadian Rugby Union - Fédération canadienne de Rugby**  
**Non-Consolidated Statement of Changes in Net Assets**

For the year ended December 31

	Unrestricted	Contribution of Land	Internally Restricted	2024	2023
Balance, beginning of the year	\$ 1,100,773	\$ 290,206	\$ 48,721	\$ 1,439,700	\$ 994,191
(Deficiency) excess of revenues over expenses	(70,520)	-	-	(70,520)	445,509
<b>Balance, end of the year</b>	<b>\$ 1,030,253</b>	<b>\$ 290,206</b>	<b>\$ 48,721</b>	<b>\$ 1,369,180</b>	<b>\$ 1,439,700</b>

## Canadian Rugby Union - Fédération canadienne de Rugby Non-Consolidated Statement of Operations

For the year ended December 31	2024	2023
<b>Revenues</b>		
<b>External Funding</b>		
World Rugby Limited	\$ 7,612,857	\$ 3,989,247
Sport Canada, Canadian Olympic Committee and Canadian Olympic Foundation	2,984,400	3,352,665
Other grants	900,694	692,816
	11,497,951	8,034,728
<b>Membership</b>		
Dues and insurance from players	3,274,163	2,889,604
<b>Rugby Canada</b>		
Amortization of contributions related to leased tangible capital assets (Note 8)	93,903	93,903
Domestic competitions	1,226,868	598,237
Donations and fundraising	580,951	909,059
National teams	515,005	672,030
Other income	337,051	257,651
Sales of merchandise	656,153	521,239
Sponsorships and advertising revenue	1,704,748	1,736,339
	5,114,679	4,788,458
<b>Other</b>		
Revenue (loss) from controlled organizations (Note 10)	257,720	(145,323)
	20,144,513	15,567,467
<b>Expenses</b>		
Accounting, legal and professional fees	146,954	154,764
Amortization of tangible capital assets and leased tangible capital assets	277,342	289,655
Domestic competitions	343,703	88,441
Exchange (gain) loss	(25,593)	25,270
National insurance	684,485	665,972
National office and general administration	1,117,968	904,257
National teams	8,366,061	7,627,418
Marketing	1,161,053	791,488
Program development	716,544	343,093
Cost of sales	519,712	464,353
Interest on long-term debt and bank charges	91,846	94,056
Staff salaries, benefits and commissions	1,912,364	1,608,025
Team costs	1,049,029	595,236
Travel	3,853,565	1,469,930
	20,215,033	15,121,958
<b>(Deficiency) excess of revenues over expenses</b>	<b>\$ (70,520)</b>	<b>\$ 445,509</b>

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

## Canadian Rugby Union - Fédération canadienne de Rugby Non-Consolidated Statement of Cash Flows

For the year ended December 31	2024	2023
<b>Cash flows from operating activities</b>		
(Deficiency) excess of revenues over expenses	\$ (70,520)	\$ 445,509
Items not affecting cash:		
Amortization of tangible capital assets and leased tangible capital assets	277,342	289,655
Amortization of deferred capital contributions related to leased tangible capital assets	(93,903)	(93,903)
Unrealized foreign exchange loss (gain)	(26,324)	44,540
Amortization of deferred lease inducement	(13,831)	(13,830)
Revenue (loss) from controlled organizations	(257,720)	145,323
	<u>(184,956)</u>	<u>817,294</u>
Changes in non-cash working capital:		
Accounts receivable	(314,988)	(296,061)
Grants receivable	(229,106)	221,497
Inventories	(121,729)	(40,778)
Prepaid expenses	(184,127)	54,061
Accounts payable and accrued liabilities	1,171,330	(231,280)
Deferred fees	295,995	83,946
Deferred contributions	(73,785)	182,633
Decrease in Players Legacy Fund	(17,033)	(6,741)
	<u>341,601</u>	<u>784,571</u>
<b>Cash flows from investing activities</b>		
Acquisition of tangible capital assets	(32,521)	(51,424)
<b>Cash flows from financing activities</b>		
Repayment of the note payable to the City of Langford	(152,787)	-
Increase in the note payable to the City of Langford	-	70,354
Repayment of obligations under capital lease	(30,818)	(29,260)
Advances from controlled organizations	553	-
Repayments to controlled organizations	-	(18,734)
	<u>(183,052)</u>	<u>22,360</u>
<b>Other activity</b>		
Foreign exchange (loss) gain on cash held in foreign currency	(88,649)	4,311
<b>Net increase in cash</b>	<b>37,379</b>	<b>759,818</b>
<b>Cash, beginning of the year</b>	<b>2,690,535</b>	<b>1,930,717</b>
<b>Cash, end of year</b>	<b>\$ 2,727,914</b>	<b>\$ 2,690,535</b>

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

---

# Canadian Rugby Union - Fédération canadienne de Rugby

## Notes to Non-Consolidated Financial Statements

December 31, 2024

---

### 1. Accounting Policies

<b>Status and Purpose of Organization</b>	Canadian Rugby Union - Fédération canadienne de Rugby (the Union) is a not-for-profit organization incorporated without share capital under the Canada Not-for-profit Corporations Act. The Union's purpose is the development and promotion of the sport of rugby. The Union is a Registered Canadian Amateur Athletic Association under the Income Tax Act and, as such, is exempt from income taxes and may issue income tax receipts to donors.
<b>Basis of Accounting</b>	These non-consolidated financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.
<b>Presentation of Controlled Organizations</b>	Canada International Sevens GP Ltd. and Canada Men's International Sevens Limited Partnership are for-profit entities controlled and wholly owned by the Union. The Union has chosen to account for its interest in the controlled organizations using the equity method. The investment is initially recorded at cost and is adjusted thereafter to include the Union's share of income and losses of the controlled organizations computed by the consolidation method. Information regarding these controlled organizations is presented in note 10.
<b>Use of Estimates</b>	The preparation of non-consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses for the year covered. The main estimates relate to the valuation of accounts receivable, valuation of inventories, the estimated useful lives of tangible capital assets and leased tangible capital assets, insurance claims payable included in accounts payable and accrued liabilities, and the investments of controlled organizations.



---

# Canadian Rugby Union - Fédération canadienne de Rugby

## Notes to Non-Consolidated Financial Statements

December 31, 2024

---

### 1. Accounting Policies (continued)

**Revenue Recognition** The Union follows the deferral method of accounting for contributions. Restricted contributions, which include grants, donations and fundraising, are recognized as revenue in the year in which the related expenses are incurred.

Unrestricted contributions are recognized as revenue when they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributions related to tangible capital assets are deferred and amortized on the same basis as the related tangible capital assets.

Dues and insurance from players are recognized as revenue proportionately over the year to which they relate.

Domestic competitions, and sponsorships and advertising revenue are recognized when the event occurs.

Revenue from sales of merchandise is recognized when the goods have been transferred and collection is reasonably assured.

National teams revenue is comprised of external funding, national registration and insurance, sponsorships, other income and donations. These amounts are recognized in accordance with the respective policies as noted above.

**Inventories** Inventories are measured at the lower of cost and net realizable value. Cost is determined using the first-in, first-out basis.

---

# Canadian Rugby Union - Fédération canadienne de Rugby

## Notes to Non-Consolidated Financial Statements

December 31, 2024

---

### 1. Accounting Policies (continued)

**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 charged to the financial instrument for those measured at amortized cost.

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 net income. 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 net income.

**Tangible Capital Assets**

Purchased tangible capital assets are stated at cost less accumulated amortization. Contributed tangible capital assets are recorded at fair value at the date of contribution, unless fair value is not determinable in which case contributed tangible capital assets are recorded at nominal value at the date of contribution. Contributed tangible capital assets are subsequently amortized.

Building	40 years straight-line
Computers	30% diminishing balance basis
Donated rugby equipment	20% diminishing balance basis
Leased equipment	20% diminishing balance basis
Office equipment	20% diminishing balance basis
Office furniture	20% diminishing balance basis
Software	30% diminishing balance basis
Leasehold improvements	straight-line basis over the term of the lease

---

## Canadian Rugby Union - Fédération canadienne de Rugby Notes to Non-Consolidated Financial Statements

December 31, 2024

---

### 1. Accounting Policies (continued)

<b>Contributed Materials and Services</b>	Contributed materials and services that are used in the normal course of the Union's operations and would otherwise have been purchased are recorded at their fair value at the date of contribution. A corresponding amount of revenue is recorded on the same basis as the expense is recognized.
<b>Translation of Foreign Currency Transactions and Balances</b>	Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate in effect at the balance sheet date. Other assets, other liabilities, revenues and expenses are translated at the rate of exchange prevailing on the transaction date. Exchange gains and losses are included in the non-consolidated statement of operations.
<b>Leases</b>	Leases are classified as capital or operating leases. A lease that transfers substantially all of the benefits and risks incidental to the ownership of property is classified as a capital lease. At the inception of a capital lease, an asset and an obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments including any bargain purchase option and the property's fair value at the beginning of the lease. Amortization relating to capital leases is recorded in accordance with the policy stated above. All other leases are accounted for as operating leases wherein lease payments are expensed over the term of the lease.

---

---

**Canadian Rugby Union - Fédération canadienne de Rugby**  
**Notes to Non-Consolidated Financial Statements**

**December 31, 2024**

---

**2. Accounts Receivable**

	<u>2024</u>	<u>2023</u>
Trade receivable	\$ 949,139	\$ 460,097
Trade receivable - controlled organization	-	130,000
HST Receivable	169,500	29,216
Allowance for doubtful accounts	<u>(78,033)</u>	<u>(30,425)</u>
	<u>\$ 1,040,606</u>	<u>\$ 588,888</u>

---

**3. Inventories**

	<u>2024</u>	<u>2023</u>
Retail merchandise and rugby equipment	\$ 403,118	\$ 345,054
Value in-kind kit	<u>303,928</u>	<u>240,263</u>
	<u>\$ 707,046</u>	<u>\$ 585,317</u>

The amount of inventories recognized as an expense during the year is \$1,054,152 (2023 - \$892,078). This expense has been recorded as cost of sales, national teams and team costs in the non-consolidated statement of operations.

---

**Canadian Rugby Union - Fédération canadienne de Rugby**  
**Notes to Non-Consolidated Financial Statements**

**December 31, 2024**

**4. Tangible Capital Assets and Leased Tangible Capital Assets**

	2024		2023	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
<b>Operating</b>				
Computers	\$ 177,883	\$ 92,790	\$ 153,279	\$ 61,588
Donated rugby equipment	145,460	99,022	145,460	87,413
Leased equipment	617,559	488,819	617,559	456,634
Office equipment	74,006	41,175	67,627	33,765
Office furniture	48,040	33,687	48,040	30,099
Software	27,550	18,101	27,550	14,051
Leasehold improvements	240,882	240,882	240,882	240,882
<b>National Training Centre</b>				
Land	496,000	-	496,000	-
Building	7,431,391	1,300,420	7,431,391	1,114,660
	<b>\$ 9,258,771</b>	<b>\$ 2,314,896</b>	<b>\$ 9,227,788</b>	<b>\$ 2,039,092</b>
Net carrying amount		<b>\$ 6,943,875</b>		<b>\$ 7,188,696</b>

**5. Line of Credit**

The Union has an operating line of credit with a maximum authorized amount of \$240,000 that is due on demand and bears interest at the bank's prime rate plus 2.75% per annum, calculated and payable monthly. This is secured by a general security agreement covering all properties of the borrower. At December 31, 2024, the Union had undrawn credit capacity of \$240,000 (2023 - \$240,000).

---

**Canadian Rugby Union - Fédération canadienne de Rugby**  
**Notes to Non-Consolidated Financial Statements**

**December 31, 2024**

---

**6. Obligations Under Capital Lease**

	2024	2023
City of Langford, 5.20% per annum, due December 2033, payable by monthly instalments of \$8,333 principal and interest, and a purchase option of \$1,000,000 at the end of the lease term.	\$ 1,322,191	\$ 1,353,009
Less: principal portion due within one year	32,459	30,818
	\$ 1,289,732	\$ 1,322,191

Minimum lease payments required under the capital lease are as follows:

2025	\$	100,000
2026		100,000
2027		100,000
2028		100,000
2029		100,000
Thereafter		1,300,000
		1,800,000
Less: interest included in payments		477,809
		\$ 1,322,191

Interest on obligations under capital lease for the year is \$69,182 (2023 - \$70,740) and has been included in the national teams expenses in the non-consolidated statement of operations.

In 2017, the Union entered into an agreement (the Agreement) with the City of Langford (the City) for the construction and lease of the National Training Centre.

In November 2023, the Union refinanced its obligations under the original Agreement. Under the revised terms, the note payable to the City, amounting to \$1,676,405, has an extended maturity date of June 1, 2033. Interest accrues on any outstanding principal at a rate of 4% compounded annually. The scheduled principal payments for the next five years amount to: 2025, \$157,894; 2026, \$160,990; 2027, \$167,429; 2028, \$174,126; and 2029, \$181,091.

---

---

**Canadian Rugby Union - Fédération canadienne de Rugby**  
**Notes to Non-Consolidated Financial Statements**

**December 31, 2024**

---

**7. Deferred Fees and Contributions**

Deferred fees and contributions represent funds received to cover operating expenses in the subsequent year. The balance is comprised of the following:

	2024	2023	
<b>Deferred fees</b>			
Dues and insurance from players	\$1,410,163	\$ 1,114,168	
	<b>Balance, beginning of the year</b>	<b>Received in the year</b>	<b>Recognized as revenue</b>
	<b>2024</b>		
<b>Deferred contributions</b>			
Sport Canada	\$ 474,000	\$2,440,900	\$(2,473,775)
Macron S.p.A	240,263	419,046	(365,363)
World Rugby Limited	257,225	7,506,390	(7,612,857)
Other contributions	124,026	1,403,193	(1,391,319)
	<b>\$1,095,514</b>	<b>\$11,769,529</b>	<b>\$(11,843,314)</b>
			<b>\$1,021,729</b>

---

**8. Deferred Contributions Related to Leased Tangible Capital Assets**

Deferred contributions related to leased tangible capital assets represent contributions received for leased tangible capital assets and restricted donations relating to the acquisition of the National Training Centre. The balance is comprised of the following:

	2024	2023
Balance, beginning of the year	\$ 3,192,721	\$ 3,286,624
Less: amount amortized to operations	(93,903)	(93,903)
Balance, end of the year	<b>\$ 3,098,818</b>	<b>\$ 3,192,721</b>

---

---

## Canadian Rugby Union - Fédération canadienne de Rugby Notes to Non-Consolidated Financial Statements

December 31, 2024

---

### 9. Contingencies

The Union is party to legal claims relating to accidents that occurred to participants during scheduled rugby games. The claims have been made against the Union's insurance policy and each incident is for an amount less than the single occurrence coverage available under the policy. Management cannot estimate the likelihood of the obligation under each claim but estimates that any resulting settlement will be covered under the terms of the insurance coverage in place for the Union. The Union's deductible related to these insurance claims is \$50,000 per claim up to a maximum of \$200,000 per year. Once this amount is reached, the deductible decreases to \$25,000 per claim. The estimated insurance deductible payable at December 31, 2024 of \$37,896 (2023 - \$37,896) has been recorded in accounts payable and accrued liabilities. Any difference between the actual settlement or claim payment and the amount recorded is not expected to be material and will be recorded as a gain or loss in the period it becomes known.



## Canadian Rugby Union - Fédération canadienne de Rugby Notes to Non-Consolidated Financial Statements

December 31, 2024

### 10. Investments in Controlled Organizations and Due to Controlled Organizations

Canada International Sevens GP Ltd. (CISGP), which is the general partner of the Canada Men's and the Canada Women's was incorporated under the laws of the Province of Alberta on February 20, 2015.

CISGP is controlled by the Union since the Union owns 100% of the Class "A" common shares, management of the Union is closely involved in developing the policies of CISGP and can influence their content.

Canada Men's International Sevens Limited Partnership (Canada Men's) and Canada Women's International Limited Partnership (Canada Women's) were created to manage the activities of the World Rugby Sevens Series and were incorporated under the laws of the Province of Alberta on February 26, 2015.

Canada Men's and Canada Women's are controlled by the Union since the Union owns 100% of the Limited Units and owns 100% of the General Units through CISGP.

Starting in 2023, the International Women's and Men's Sevens tournaments have been merged into a single event. Consequently, on December 31, 2023, the Union filed for the dissolution of the Canada Women's.

	2024	2023
<b>Investments in Controlled Organizations</b>		
Canada International Sevens GP Ltd.	\$ 4	\$ 3
Canada Men's	297,300	(122,070)
Canada Women's	-	161,651
	<b>\$ 297,304</b>	<b>\$ 39,584</b>
 <b>Due to Controlled Organizations</b>		
Canada Men's	<b>\$ 12,778</b>	<b>\$ 12,225</b>

The amount due to the controlled organizations is unsecured, interest free with no specified terms of repayment. As such, the amount has been classified as a current liability in the non-consolidated statement of financial position.

**Canadian Rugby Union - Fédération canadienne de Rugby**  
**Notes to Non-Consolidated Financial Statements**

**December 31, 2024**

**10. Investments in Controlled Organizations and Due to Controlled Organizations (continued)**

Summarized financial information relating to controlled organizations is as follows:

	<u>CISGP</u>	<u>Canada Men's</u>	
<b>June 30, 2024</b>			
Total assets	\$ 4	\$ 359,569	
Total liabilities	-	223,917	
Partners'/shareholder's equity	<u>\$ 4</u>	<u>\$ 135,652</u>	
	<u>CISGP</u>	<u>Canada Men's</u>	<u>Canada Women's</u>
<b>June 30, 2023</b>			
Total assets	\$ 3	\$ 595,730	\$ 161,648
Total liabilities	-	717,794	-
Partners'/shareholder's equity	<u>\$ 3</u>	<u>\$ (122,064)</u>	<u>\$ 161,648</u>

The results of operations are as follows:

	<u>CISGP</u>	<u>Canada Men's</u>	
<b>For the year ended June 30, 2024</b>			
Total revenue	\$ 1	\$ 4,910,689	
Total expenses	-	4,652,970	
Net income	<u>\$ 1</u>	<u>\$ 257,719</u>	
	<u>CISGP</u>	<u>Canada Men's</u>	<u>Canada Women's</u>
<b>For the year ended June 30, 2023</b>			
Total revenue	\$ 1	\$ 5,597,602	\$ 1,012
Total expenses	-	5,689,584	54,352
Net income (loss)	<u>\$ 1</u>	<u>\$ (91,982)</u>	<u>\$ (53,340)</u>

---

## Canadian Rugby Union - Fédération canadienne de Rugby Notes to Non-Consolidated Financial Statements

December 31, 2024

---

### 10. Investments in Controlled Organizations and Due to Controlled Organizations (continued)

The Union's investment in CISGP and Canada Men's are reflected in these non-consolidated financial statements using financial information prepared as of June 30, 2024, covering the year from July 1, 2024 to June 30, 2024.

As the fiscal years of the Union and CISGP and Canada Men's are not coterminous, significant financial transactions that occurred during the intervening period would be disclosed. However, the results for the period from July 1 to December 31 2024 are not recorded in these non-consolidated financial statements as they are not significant to the Union's operations due to the timing of the events in February.

During the year, the Union incurred total costs of \$780,000 (2023 - \$780,000) for salaries and benefits on behalf of the Canada Men's, which were subsequently reimbursed.

During the year, the Canada Men's paid \$181,777 (2023 - \$388,466) to TTG Strategic Marketing & Communications Canada Corporation (TTG), a company related by virtue of common management, for the purchase of services and expense reimbursements.

These transactions are within normal course of business and measured at the exchanged amount, which is the amount of consideration paid or received.

---

---

## Canadian Rugby Union - Fédération canadienne de Rugby Notes to Non-Consolidated Financial Statements

December 31, 2024

---

### 11. Financial Instruments

#### Credit risk

The Union is exposed to credit risk for its accounts and grants receivable. The majority of the Union's receivables are from government sources and provincial Unions. The Union works to ensure it continues to meet all eligibility criteria in order to qualify to receive the corresponding funding. The Union provides credit to its members and sponsors in the normal course of its operations.

The Union is also exposed to credit risk arising from all of its bank accounts being held at one financial institution. There has been no changes in the credit risk comparing to prior year.

#### Currency risk

Approximately 38% of the Union's revenues are in foreign currency. Consequently, some assets are exposed to foreign exchange fluctuations. As at December 31, 2024, accounts receivable of \$300,036 (2023 - \$579) is denominated in Great Britain Pounds and converted into Canadian dollars and cash of \$161,431 (2023 - \$3,975) is denominated in US dollars and converted into Canadian dollars. These amounts are presented in Canadian dollars in the non-consolidated statement of financial position. There has been no changes in the currency risk comparing to prior year.

#### Interest rate risk

The Union is exposed to interest rate risk on its note payable to the City of Langford since it is subject to a fixed interest rate. Fixed-interest instruments subject the Union to a fair value risk. There has been no changes in the interest rate risk comparing to prior year.

---

### 12. Internally Restricted Net Assets

The Board of Directors of the Union and provincial Unions have established the internally restricted net assets to keep monies in reserve for potential insurance claims in excess of the insurance policy coverage which may arise in the future. The internally restricted net assets have been established based on half the surplus from the insurance program with the provincial Unions unless otherwise resolved by the provincial Unions at the Annual General Meeting. As at December 31, 2024 cash of \$58,014 has been restricted in a separate bank account.