

FINANCIAL STATEMENTS
For
TORONTO PAN AM SPORTS CENTRE INC.
For year ended
DECEMBER 31, 2025

Management's Responsibility for the Financial Statements

The financial statements of the Toronto Pan Am Sports Centre Inc. (the "Centre") are the responsibility of management and have been approved by the Board.

The financial statements have been prepared in compliance with the Canadian public sector accounting standards, established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in Note 22 to the financial statements.

The preparation of the financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

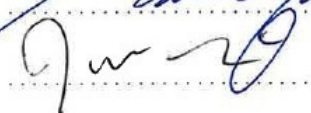
The Centre's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by management.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting. The Board reviews the Centre's financial statements and discusses any significant financial reporting or internal control matters prior to the approval of the financial statements.

The financial statements have been audited by Welch LLP, independent external auditors appointed by the Board of Directors, in accordance with Canadian generally accepted auditing standards. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Centre's financial statements.



..... Chairperson



..... Treasurer

INDEPENDENT AUDITOR'S REPORT

To the shareholders of

TORONTO PAN AM SPORTS CENTRE INC.

Opinion

We have audited the financial statements of Toronto Pan Am Sports Centre Inc. (the Centre), which comprise the statement of financial position as at December 31, 2025, and the statement of operations, changes in net financial 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, the accompanying financial statements present fairly, in all material respects, the financial position of the Centre as at December 31, 2025 and the results of its operations, changes in its net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

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 Centre 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 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 public sector accounting standards, 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 Centre'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 Centre or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Centre'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 Centre'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 Centre'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 Centre 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

Toronto, Ontario
March 26, 2026.

Welch LLP[®]

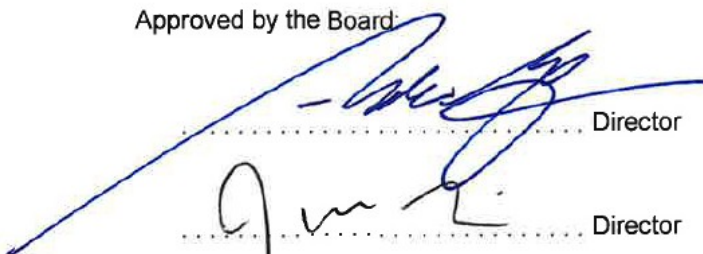
TORONTO PAN AM SPORTS CENTRE INC.

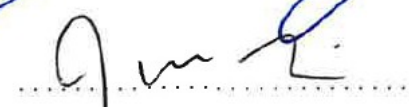
STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2025

	<u>2025</u>	<u>2024</u>
FINANCIAL ASSETS		
Undesignated cash	\$ 6,422,183	\$ 6,018,422
Restricted cash (note 3)	2,639,672	1,975,306
Restricted investments (note 3)	23,357,945	22,742,310
Accounts receivable (note 7(c))	<u>655,242</u>	<u>561,885</u>
	<u>33,075,042</u>	<u>31,297,923</u>
LIABILITIES		
Accounts payable and accrued liabilities (note 7(a))	2,378,326	2,625,101
Government remittances payable	123,448	230,505
Deferred revenue	<u>590,013</u>	<u>593,187</u>
	<u>3,091,787</u>	<u>3,448,793</u>
NET FINANCIAL ASSETS	<u>29,983,255</u>	<u>27,849,130</u>
NON-FINANCIAL ASSETS		
Prepaid expenses	327,576	334,624
Inventory	66,828	59,737
Tangible capital assets (note 4)	<u>3,528,296</u>	<u>3,226,645</u>
	<u>3,922,700</u>	<u>3,621,006</u>
ACCUMULATED SURPLUS (note 6)	<u>\$ 33,905,955</u>	<u>\$ 31,470,136</u>

Approved by the Board:

 Director

 Director

(See accompanying notes)

Welch LLP[®]

An Independent Member of BKR International

TORONTO PAN AM SPORTS CENTRE INC.

STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 2025

	Budget <u>2025</u> (note 9)	Actual <u>2025</u>	<u>2024</u>
Revenue			
Field of play recoveries (note 7(b))	\$ 7,768,614	\$ 7,261,158	\$ 7,216,624
Space cost recoveries (note 7(b))	983,986	981,485	1,064,985
Rental income	2,085,302	2,126,114	2,004,574
Fitness centre income	1,961,457	2,094,417	2,022,103
Food and beverage	2,025,359	2,336,204	2,202,525
Ancillary and other revenue	1,454,870	1,339,432	1,373,630
Government assistance (note 2)	-	41,552	155,748
	<u>16,279,588</u>	<u>16,180,362</u>	<u>16,040,189</u>
Expenses (Schedule A)			
Aquatics	1,789,188	1,936,753	1,785,961
License fees (notes 7(a) and 8)	750,000	750,000	750,000
Field house	1,138,706	1,189,026	1,045,951
Central administration	2,957,845	3,053,572	3,033,298
Building operations	7,135,653	7,132,928	6,639,953
Fitness centre	1,538,665	1,670,431	1,543,183
Food and beverage	<u>2,077,259</u>	<u>2,228,568</u>	<u>2,105,426</u>
	<u>17,387,316</u>	<u>17,961,278</u>	<u>16,903,772</u>
Operating deficit	<u>\$ (1,107,728)</u>	<u>(1,780,916)</u>	<u>(863,583)</u>
Restricted assets deficit			
Investment income	600,000	753,570	560,920
Management fees	(65,000)	(63,207)	(60,954)
Major repairs and replacements	<u>(2,440,932)</u>	<u>(1,225,186)</u>	<u>(2,403,698)</u>
	<u>(1,905,932)</u>	<u>(534,823)</u>	<u>(1,903,732)</u>
Accumulated surplus, beginning of year	<u>31,470,136</u>	<u>31,470,136</u>	<u>29,624,287</u>
	28,456,476	29,154,397	26,856,972
Capital stock issued (note 6)	<u>4,659,292</u>	<u>4,751,558</u>	<u>4,613,164</u>
Accumulated surplus, end of year	<u>\$ 33,115,768</u>	<u>\$ 33,905,955</u>	<u>\$ 31,470,136</u>

(See accompanying notes)

TORONTO PAN AM SPORTS CENTRE INC.
STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
YEAR ENDED DECEMBER 31, 2025

	Budget <u>2025</u> (note 9)	<u>Actual</u> <u>2025</u>	<u>2024</u>
Operating deficit	\$ (1,107,728)	\$ (1,780,916)	\$ (863,583)
Restricted assets deficit	(1,905,932)	(534,823)	(1,903,732)
Acquisition of tangible capital assets	(2,195,541)	(1,073,454)	(1,575,279)
Amortization of tangible capital assets	750,000	771,803	644,598
Proceeds on sale of tangible capital assets	-	-	200
Utilization (acquisition) of prepaid expenses	-	7,048	(87,180)
Utilization (acquisition) of inventory	-	(7,091)	(4,856)
Capital stock issued	<u>4,659,292</u>	<u>4,751,558</u>	<u>4,613,164</u>
Change in net financial assets	<u>\$ 200,091</u>	2,134,125	823,332
Net financial assets, beginning of period		<u>27,849,130</u>	<u>27,025,798</u>
Net financial assets, end of period		<u>\$ 29,983,255</u>	<u>\$ 27,849,130</u>

(See accompanying notes)

TORONTO PAN AM SPORTS CENTRE INC.

STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2025

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM (USED IN)		
OPERATING ACTIVITIES		
Operating deficit	\$ (1,780,916)	\$ (863,583)
Restricted assets deficit	(534,823)	(1,903,732)
Items not involving cash:		
Amortization of tangible capital assets	771,803	644,598
Investment proceeds reinvested	<u>(733,660)</u>	<u>(596,890)</u>
	(2,277,596)	(2,719,607)
Changes in:		
Accounts receivable	(93,357)	1,269,483
Government remittances receivable/payable	(107,057)	229,329
Accounts payable and accrued liabilities	(246,775)	(122,022)
Deferred revenue	(3,174)	5,967
Inventory	(7,091)	(4,856)
Prepaid expense	<u>7,048</u>	<u>(87,180)</u>
	<u>(2,728,002)</u>	<u>(1,428,886)</u>
CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	(1,073,454)	(1,575,279)
Proceeds on sale of tangible capital assets	<u>-</u>	<u>200</u>
	<u>(1,073,454)</u>	<u>(1,575,079)</u>
INVESTING ACTIVITIES		
Purchase of investments	(4,561,796)	(5,153,058)
Proceeds from sale of investments	<u>4,679,821</u>	<u>5,294,237</u>
	<u>118,025</u>	<u>141,179</u>
FINANCING ACTIVITIES		
Issuance of capital stock	<u>4,751,558</u>	<u>4,613,164</u>
INCREASE IN CASH	1,068,127	1,750,378
CASH, BEGINNING OF YEAR	<u>7,993,728</u>	<u>6,243,350</u>
CASH, END OF YEAR	<u>\$ 9,061,855</u>	<u>\$ 7,993,728</u>
Cash is comprised of:		
Restricted cash (note 3)	\$ 2,639,672	\$ 1,975,306
Undesignated cash	<u>6,422,183</u>	<u>6,018,422</u>
	<u>\$ 9,061,855</u>	<u>\$ 7,993,728</u>

(See accompanying notes)

TORONTO PAN AM SPORTS CENTRE INC.
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025

1. NATURE OF OPERATIONS

The Toronto Pan Am Sports Centre Inc. (hereafter referred to as the "Centre") is incorporated under the Business Corporations Act of the Province of Ontario. The Centre is owned in equal share by the City of Toronto (the "City") and the University of Toronto (the "University"). The Centre's principal business activity is the management of the Toronto Pan Am Sports Centre. The Centre maintains its head office in Scarborough, Ontario.

The land and building where the Centre operates is not property of the Centre. The land and building are owned jointly by the City of Toronto and the University of Toronto.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

These financial statements are prepared in accordance with Canadian public sector accounting standards as issued by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada.

Revenue recognition

The Centre recognizes revenue when it is realized or realizable and earned. The Centre considers revenue realized or realizable and earned when it has persuasive evidence of an arrangement, the product has been delivered or the service has been provided to the customer, the sales price is fixed or determinable and collectability is reasonably assured.

Space cost recoveries and field of play recoveries are recognized as revenues in accordance with individual user agreements and when performance is provided.

Rental income and similar revenues are recognized on the date of the performance, and amounts paid in advance are recorded as deferred revenue.

Fitness centre income is recognized on a monthly basis or when service has been provided, and amounts paid in advance are recorded as deferred revenue.

Food and beverage revenues are recognized as earned, upon performance of the service. Revenues related to catering events are recognized on the date of the event.

Investment income comprises interest earned on cash and fixed income securities. Interest on fixed income securities is recognized over the term of those investments using the effective interest method.

Financial instruments

The Centre initially measures its financial assets and financial liabilities at fair value.

The Centre subsequently measures all its financial assets and financial liabilities at amortized cost, unless the financial instruments meet the requirements to be measured at fair value in accordance with public sector accounting standards.

Portfolio investments in equity instruments that are quoted in an active market and derivative instruments are required to be measured at their fair value each reporting period. Financial assets measured at amortized cost include cash, accounts receivable, and fixed income investments.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

TORONTO PAN AM SPORTS CENTRE INC.
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED DECEMBER 31, 2025

2. SIGNIFICANT ACCOUNTING POLICIES - Cont'd.

Inventory

Inventories comprise of mainly food court inventory. Inventories are valued at the lower of cost and net realizable value.

Tangible capital assets

Tangible capital assets are stated at acquisition cost and amortized as follows:

Computer hardware and software	- 4 years straight line
Furniture and equipment	- 10 years straight line
Food court capital improvements	- 10 years straight line

Impairment of financial assets

Financial assets, other than those classified at fair value, are assessed for indicators of impairment at the end of the reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Income taxes

The Centre uses the future income taxes method of accounting for taxes. Under this method, current income taxes are recognized for the estimated income taxes payable or receivable for the current year. Future income tax assets and liabilities are recognized for temporary differences between tax and accounting basis of assets and liabilities.

Government assistance

The Government of Canada introduced the following temporary government assistance in response to fuel charge years 2019-2024, inclusively:

The Canada Carbon Rebate for Small Businesses is a refundable tax credit to return a portion of federal fuel charge proceeds directly to eligible Canadian-controlled private corporations (CCPCs). The rebate is calculated based on the number of employees employed in the designated provinces between 2019 and 2024, multiplied by a payment rate for each of those provinces and years.

The rebate has been recorded in the period to which it relates to as long as the amount could be reasonably estimated at that point in time. The amount of the assistance received is reported as government assistance in the applicable period.

Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards 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. Management makes accounting estimates when determining the useful life of its tangible capital assets, and significant accrued liabilities. Actual results could differ from those estimates, the impact of which would be recorded in future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

TORONTO PAN AM SPORTS CENTRE INC.
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED DECEMBER 31, 2025

3. RESTRICTED CASH AND INVESTMENTS

The Centre has designated funds to be used for the sole purpose of funding major maintenance and capital requirements. There is an annual amount of \$1,500,000 committed for this purpose from the Legacy funding, in accordance with the funding agreement dated December 18, 2014, and the balance is to be funded by amounts received from the Shareholders and/or operating surplus.

Restricted investments consist of the following:

	<u>Cost</u>		<u>Fair market values</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Short-term investments	\$ 450,000	\$ 750,000	\$ 450,000	\$ 750,000
Fixed income securities	22,725,111	21,819,882	22,567,969	21,527,078
Accrued interest	<u>182,834</u>	<u>172,428</u>	<u>-</u>	<u>-</u>
	<u>\$ 23,357,945</u>	<u>\$ 22,742,310</u>	<u>\$ 23,017,969</u>	<u>\$ 22,277,078</u>

Fixed income securities consist of government and commercial bonds and guaranteed investment certificates ("GICs"). The fixed income securities have effective interest rates ranging from 1.25% to 6.034% with maturity dates ranging from July 2026 to December 2051.

	<u>2025</u>	<u>2024</u>
Restricted assets balance, beginning of year	\$ 24,717,616	\$ 23,873,425
Restricted assets deficit	(534,823)	(1,903,732)
Deposits made during the year	<u>1,814,824</u>	<u>2,747,923</u>
Restricted assets balance, end of year	<u>\$ 25,997,617</u>	<u>\$ 24,717,616</u>
Restricted assets is comprised of:		
Cash	\$ 2,639,672	\$ 1,975,306
Portfolio investments	<u>23,357,945</u>	<u>22,742,310</u>
	<u>\$ 25,997,617</u>	<u>\$ 24,717,616</u>

4. TANGIBLE CAPITAL ASSETS

Tangible capital assets consist of the following:

	<u>2025</u>		<u>2024</u>	
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Cost</u>	<u>Accumulated amortization</u>
Computer hardware and software	\$ 2,328,678	\$ 1,853,716	\$ 2,102,158	\$ 1,533,566
Furniture and equipment	4,624,177	1,728,840	3,804,527	1,307,272
Food court capital improvements	<u>360,638</u>	<u>202,641</u>	<u>333,354</u>	<u>172,556</u>
	<u>7,313,493</u>	<u>\$ 3,785,197</u>	<u>6,240,039</u>	<u>\$ 3,013,394</u>
Less: accumulated amortization	<u>(3,785,197)</u>		<u>(3,013,394)</u>	
	<u>\$ 3,528,296</u>		<u>\$ 3,226,645</u>	

TORONTO PAN AM SPORTS CENTRE INC.
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED DECEMBER 31, 2025

5. INCOME TAXES

The Centre has unused non-capital losses of approximately \$19,674,631 which may be carried forward and applied to reduce taxable income of future years. The losses are available for a limited time only and will expire beginning 2034. The Centre has not recognized the future tax benefit of these losses.

6. ACCUMULATED SURPLUS

The accumulated surplus is made up as follows:

	<u>2025</u>	<u>2024</u>
Accumulated operating deficit	\$ (10,788,284)	\$ (9,007,368)
Accumulated capital reserve deficit	(7,395,295)	(6,860,472)
Common shares - 125,094 (2024 - 113,710) shares	<u>52,089,534</u>	<u>47,337,976</u>
Accumulated surplus, end of year	<u>\$ 33,905,955</u>	<u>\$ 31,470,136</u>

The Centre is authorized to issue an unlimited number of voting common shares. In 2025, 11,384 (2024 - 10,720) common shares were issued for proceeds of \$4,751,558 (2024 - \$4,613,164).

7. RELATED PARTY TRANSACTIONS

The Centre is owned equally by the City of Toronto and the University of Toronto (the "Shareholders").

The following related party transactions occurred in the normal course of business and have been recorded at their exchange amount which is the amount agreed upon by the related parties. The balances due to and from related parties are non-interest bearing and have no specified terms of repayments.

- (a) Included in the accounts payable balance are license fees of \$750,000 (2024 - \$750,000) payable to the Shareholders.
- (b) The Centre earned \$4,560,606 (2024 - 4,440,756) from the City of Toronto and \$2,330,898 (2024 - \$2,284,339) from the University of Toronto for space cost and field of play recoveries.
- (c) Included in the accounts receivable balance at year end is \$1,365 (2024 - \$1,365) from the City of Toronto and \$54,370 (2024 - \$60,326) due from the University of Toronto.

8. COMMITMENTS

The Centre has an operating agreement with the City of Toronto and the Governing Council of the University of Toronto effective July 15, 2014. This agreement requires the Centre to pay an annual license fee of \$750,000 to access, occupy and use the Toronto Pan Am Sports Centre facility.

9. BUDGETED FIGURES

The budgeted figures presented for comparison purposes are unaudited, and are based on the operating budget approved by the Board of Directors.

TORONTO PAN AM SPORTS CENTRE INC.
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED DECEMBER 31, 2025

10. FINANCIAL INSTRUMENTS

The Centre's financial instruments are subject to the following risks:

Credit risk

The Centre is exposed to credit risk resulting from the possibility that parties may default on their financial obligations. The Centre's maximum exposure to credit risk represents the sum of the carrying value of its cash, portfolio investments and accounts receivable. The Centre's cash is deposited with a Canadian chartered bank and the portfolio investments are held in high credit rated Canadian government bonds, commercial bonds and GICs. As a result management believes the risk of loss on these items to be remote. The Centre provides credit to its customers in the normal course of operations. It carries out, on a continuing basis, credit checks on its clients, a review of outstanding amounts and maintains provisions for estimated uncollectible accounts. Consequently, the Centre believes that its exposure to credit risk on these items is remote.

Liquidity risk

Liquidity risk refers to the adverse consequence that the Centre will encounter difficulty in meeting obligations associated with its financial liabilities. The Centre manages liquidity risk through its budget process and by monitoring its cash flow requirements on a regular basis. The Centre believes its overall liquidity risk to be minimal.

Market risk

Market risk is the risk that the fair value of 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 is the risk that the fair value of instruments or future cash flows associated with instruments will fluctuate relative to the Canadian dollar due to changes in foreign exchange rates. The Centre's financial instruments are all denominated in Canadian dollars and it transacts primarily in Canadian dollars. As a result management does not believe it is exposed to significant currency risk.

ii) *Interest rate risk*

Interest rate risk refers to the risk that the fair value of financial instruments will fluctuate due to changes in market interest rates. The Centre's exposure to interest rate risk arises from its portfolio investments. The Centre manages this risk by having prudent investment policies and by ensuring bonds and GICs mature on a staggered basis over the next nine years.

iii) *Other price risk*

Other price risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual instruments or its issuer or factors affecting all similar instruments traded in the market. The Centre's exposure to other price risk arises from its portfolio investments. The Centre manages this risk by having prudent investment policies.

There have been no significant changes to the Centre's risk exposure from the prior year.

TORONTO PAN AM SPORTS CENTRE INC.

STATEMENT OF EXPENSES

YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	
	<u>2025</u>	<u>2025</u>	<u>2024</u>
	(note 9)		
Expenses			
Salaries, wages and benefits	\$ 10,081,782	\$ 9,968,243	\$ 9,603,213
Contracted services	1,674,839	1,759,983	1,662,938
Utilities	1,471,275	1,476,553	1,416,396
Direct food and beverage	912,912	1,033,990	929,414
Licenses fees	754,659	762,389	759,022
Amortization (note 4)	750,000	771,803	644,598
Other operating	454,018	608,719	534,696
Insurance	388,977	378,282	346,198
Supplies	334,988	355,652	344,212
Repairs and maintenance	177,265	173,479	211,061
Services	119,536	127,756	119,206
Consulting fees	52,817	315,638	106,175
Professional fees	67,940	90,507	86,874
Telecommunications	94,531	83,116	83,793
Office	<u>51,777</u>	<u>55,168</u>	<u>55,976</u>
	<u>\$ 17,387,316</u>	<u>\$ 17,961,278</u>	<u>\$ 16,903,772</u>