The Royal Astronomical Society of Canada, Toronto Centre

Financial Statements

(Prepared Without Audit)

September 30, 2026

Clarkson Rouble LLP
Chartered Professional Accountants

Independent Practitioner's Review Engagement Report

To the Members of

The Royal Astronomical Society of Canada, Toronto Centre

We have reviewed the accompanying financial statements of **The Royal Astronomical Society of Canada, Toronto Centre**, that comprise the statement of financial position as at **September 30, 2026** and the statements of operations and changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial statements of **The Royal Astronomical Society of Canada, Toronto Centre** as at **September 30, 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.

Clarkson Rouble LLP

Mississauga, Ontario
November 16, 2026

Clarkson Rouble LLP
Chartered Professional Accountants
Licensed Public Accountants

2576 Matheson Blvd. E., Suite 102, Mississauga, Ontario L4W 5H1 Tel: 905.629.4047 Fax: 905.629.3070
e-mail: office@crllp.ca www.crllp.ca

The Royal Astronomical Society of Canada, Toronto Centre

Statement of Financial Position
As at September 30 **(Prepared Without Audit)**

	2026	2025
Assets		
Current		
Cash and short term deposits	$ 131,724	$ 134,709
Term deposits	40,738	-
Accounts receivable	10,046	7,127
Sales tax receivable	1,989	10,891
Prepaid expenses	2,819	2,041
	187,316	154,768
Capital assets (Note 2)	316,607	299,245
	$ 503,923	**$ 454,013**
Liabilities		
Current		
Accounts payable	$ 11,757	$ 5,546
Deferred membership fees (Note 3)	6,757	8,689
Deferred contributions (Note 8)	50,737	-
	69,251	14,235
Deferred capital contributions (Note 4)	11,600	12,472
	80,851	26,707
Net Assets		
Unrestricted	423,072	427,306
Internally restricted - capital reserve (Note 5)	-	-
	423,072	427,306
	$ 503,923	**$ 454,013**

See accompanying notes to the financial statements

On behalf of the Board:

Director **Director**

The Royal Astronomical Society of Canada, Toronto Centre

Statement of Operations and Changes in Net Assets

Year Ended September 30 **(Prepared Without Audit)**

	2026	2025
Revenue		
Events and access fees	$ 43,650	$ 45,749
Membership fees (Note 3)	12,296	15,742
Donations	8,531	16,136
Amortization of deferred capital contributions (Note 4)	2,372	1,923
Rental fees	3,625	4,990
Legal settlement funds (Note 6)	-	83,266
Other income	9,981	6,530
	80,455	174,336
Expenses		
Professional	8,357	17,294
Office and facilities	32,003	38,638
Committees	25,769	30,014
Depreciation	18,560	12,550
	84,689	98,496
(Deficiency) excess of revenue over expenses for the year	**(4,234)**	**75,840**
Net assets, beginning of year	427,306	351,466
Net assets, end of year	**$ 423,072**	**$ 427,306**

See accompanying notes to the financial statements

The Royal Astronomical Society of Canada, Toronto Centre

Statement of Cash Flows
Year Ended September 30

(Prepared Without Audit)

	2026	2025
Operating activities		
Cash received from events and access fees	$ 32,528	$ 35,652
Cash received from donations	59,268	16,136
Cash received from membership fees	12,244	14,234
Cash received from rental fees	3,625	2,770
Cash received from other	9,981	89,796
Cash paid for operating expenses	(66,130)	(85,946)
Net cash from operating activities	51,516	72,642
Financing and investing activities		
Cash paid for purchase of capital assets	(14,501)	(31,065)
Purchase of term deposits	(40,000)	-
Decrease from financing and investing activities	(54,501)	(31,065)
(Decrease) increase in cash for the year	**(2,985)**	**41,577**
Cash, beginning of year	134,709	93,132
Cash, end of year	**$ 131,724**	**$ 134,709**

See accompanying notes to the financial statements

The Royal Astronomical Society of Canada, Toronto Centre ("the Society") is a registered charity under the Income Tax Act (Canada) and is incorporated by letters patent in the Province of Ontario as a non-profit organization without share capital. The Society is incorporated for the purpose of promoting interest in astronomy.

The Society is exempt from income taxes provided certain criteria are met.

1. Summary of accounting policies

These financial statements have been prepared in accordance with the Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook and include the following significant accounting policies:

a) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances with financial institutions.

b) Revenue recognition

The Society follows the deferral method of accounting for contributions, which include donations.

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.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Designated donations received and restricted for the purchase of capital assets are deferred and amortized into income at the same rate as the associated capital asset is amortized.

Membership fees are valid for one year beginning from the date of the payment and can be renewed annually. Membership fees received in advance are deferred and recognized in income as the year progresses.

Observatory events revenue is recognized on completion of the event to which they relate.

Observatory rental fees revenue is recognized as earned over the rental period.

1. Summary of accounting policies (continued)

c) Contributed goods and services

The value of contributed goods and services is recorded as revenue and an expense in the financial statements when the fair value can be reasonably estimated and when the goods and services would otherwise be purchased if not donated.

Volunteers provide invaluable donated services to the Society. Since volunteer time and services are not purchased and due to the difficulty in estimating their fair market value, these contributed services are not recognized in these financial statements.

d) Capital assets

The Society records capital assets at cost. The cost of a capital asset comprises its purchase price and any directly attributable cost of preparing the asset for its intended use. When conditions indicate a capital asset no longer contributes to Society's ability to provide services or that the value of future economic benefits or service potential associated with the capital asset is less than its net carrying amount, its net carrying amount is written down to its fair value or replacement cost. As at September 30, 2026, no such impairment exists.

Capital assets are depreciated over their estimated useful lives using the following rates and methods:

Building	25 years straight line
Telescopes	10 years straight line
Other equipment	5 - 10 years straight line
Computer equipment	30% declining balance
Furniture and fixtures	5 years straight line

e) Measurement uncertainty

The preparation of the Society's financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates included in the financial statements relate to certain accrued liabilities and the estimated useful lives of capital assets. Actual results could differ from those estimates.

All estimates are reviewed periodically and adjustments are made to the statement of operations as appropriate in the year they become known.

1. Summary of accounting policies (continued)

f) Financial instruments

Financial instruments

The Society initially measures its financial assets and liabilities at fair value. The Society subsequently measures all its financial assets and liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include cash and accounts receivable.

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

The Society does not have any financial assets measured at fair value and has not elected to carry any financial asset or liability at fair value.

Transaction costs

The Society recognizes its transaction costs in net income in the period incurred except for financial instruments that will not be subsequently measured at fair value. The carrying amounts of these instruments are adjusted by the transaction costs that are directly attributable to their issuance.

Impairment

At the end of each reporting period, the Society assesses whether there are any indications that a financial asset measured at amortized cost may be impaired. Objective evidence of impairment includes observable data that comes to the attention of the Society. When there is an indication of impairment, the Society determines whether an adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset. There are no indications of impairment of financial assets as at September 30, 2026.

2. Capital assets

Capital assets consist of the following:

	2026			2025
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	$ 243,000	$ -	$ 243,000	$ 243,000
Building	242,560	234,267	8,293	11,154
Telescopes	110,620	83,033	27,587	21,236
Other equipment	36,374	7,335	29,039	18,978
Computer equipment	19,362	10,674	8,688	4,877
Furniture and fixtures	21,404	21,404	-	-
	$ 673,320	**$ 356,713**	**$ 316,607**	**$ 299,245**

3. Deferred membership fees

	2026				2025
	Membership fees	Access fees	Rental fees	Total fees	Total fees
Deferred, opening	$ 6,174	$ 2,515	$ -	$ 8,689	$ 12,827
Received in fiscal year	12,244	5,590	3,625	21,459	25,759
Recognized in revenue	(12,296)	(7,470)	(3,625)	(23,391)	(29,897)
Deferred revenue	**$ 6,122**	**$ 635**	**$ -**	**$ 6,757**	**$ 8,689**

4. Deferred capital contributions

Deferred capital contributions represent the unamortized amount of donations and grants received for the purchase of capital assets.

	2026	2025
Balance, beginning of year	$ 12,472	$ 14,395
Additional contributions received	1,500	-
Amounts recognized in revenue	(2,372)	(1,923)
Balance, end of year	**$ 11,600**	**$ 12,472**

5. Internally restricted net assets

In prior years, the Council had internally restricted $20,000 to fund certain expenditures for the repair and maintenance of facilities related to the David Dunlap Observatory.

In the prior year, the Board approved the removal of this restriction as the Society is no longer responsible for these expenditures. The amount is now available for the general purposes of the Society in Unrestricted Net Assets.

6. Legal Settlement Funds

In 2025, the Society settled an outstanding legal proceeding with the National Society. As part of this settlement, the Society received a refund of all legal fees paid as part of the proceedings as well as a retroactive contribution to operations at the David Dunlap Observatory. This is not expected to be repeated in future years.

7. Commitments

a) Credit facility

The Society has available a demand operating credit facility of $100,000 CAD with interest charged at prime plus 1.00%. This credit facility is secured by a charge on the Collingwood property. As at September 30, 2026, the Society has not utilized this line of credit facility.

b) Land and buildings

The Society was the recipient of a donation of land and building. Pursuant to the agreement of December 10, 1997, the Society agreed that the property will be used as an astronomical observatory site and related purposes until at least 2037, unless written consent is obtained from the donor.

In the event that the Society no longer uses the property in accordance with the terms of the agreement, the donor shall have the right to direct the Society to transfer the lands and premises and all improvements to any alternate charitable organization.

8. Deferred contributions

In April 2026, the Society received a charitable donation of $50,737 from the Estate of Richard Armstrong. Upon further review, the Society has determined that it may not be able to carry out the terms of the bequest due to limitations placed on its intended use and purpose. As a result, this donation may be returned or donated to an alternate donee based upon consultations with the affected stakeholders and legal experts.

9. Financial instruments risk exposure

The Society is exposed to various risks through its financial instruments. The following analysis provides a measure of the organization's risk exposure and concentrations at the statement of financial position date.

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 Society's main credit risks relate to accounts receivable, however the risk is limited due to the nature of its accounts receivable. Contributions are not recorded in receivables unless collection is reasonably assured. The Society has not had issues with these collections over the past several years. The allowance for doubtful accounts is $Nil (2025 - $Nil).

Liquidity risk

Liquidity risk is the risk that the organization will encounter difficulty in meeting obligations associated with financial liabilities. The Society is exposed to risk mainly in respect of its accounts payable. The Society expects to meet these obligations as they come due through sufficient cash flow from operations. The Society has not had issues with meeting obligations in the past several years.