

Manitoba Wheelchair Sport Association Inc.
Financial Statements
March 31, 2021

Contents

| | <u>Page</u> |
|------------------------------------|--------------------|
| Independent Auditors' Report | 1 - 2 |
| Statement of Financial Activities | 3 |
| Statement of Changes in Net Assets | 4 |
| Statement of Financial Position | 5 |
| Statement of Cash Flows | 6 |
| Notes to the Financial Statements | 7 - 9 |

Independent Auditors' Report

To the Directors of
Manitoba Wheelchair Sport Association Inc.

Opinion

We have audited the financial statements of Manitoba Wheelchair Sport Association Inc. (the "Organization"), which comprise the statement of financial position as at March 31, 2021, and the statements of financial activities, 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, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2021, 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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of 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.

Auditors' 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 auditors' 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.

Independent Auditors' Report - continued

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 auditors' 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 auditors' 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.



Winnipeg, Canada
September 27, 2021

Chartered Professional Accountants

Manitoba Wheelchair Sport Association Inc.
Statement of Financial Activities

Year ended March 31

| | 2021 | 2020 |
|--|-------------------------|-----------------|
| Revenues | | |
| Grants (Note 4) | \$ 96,830 | \$ 61,760 |
| Bingo | 14,700 | 15,300 |
| Fundraising and donations (Note 2(d)) | 3,661 | 34,209 |
| Membership | 315 | 595 |
| School presentations | - | 5,559 |
| Mini-paralympian camp | - | 20 |
| | <u>115,506</u> | <u>117,443</u> |
| Operating expenses | | |
| Administration | 9,985 | 15,066 |
| Bad debts | 240 | 800 |
| Coaches, officials and clinic fees | 2,000 | 6,937 |
| Competitions and travel | 10 | 5,217 |
| Developing physical literacy (Note 2(d)) | 59,365 | 49,339 |
| Facilities and training | - | 950 |
| Interest and bank charges | 518 | 1,338 |
| Printing, postage and stationery | 782 | 698 |
| Salaries, wages and benefits (Note 2(g)) | 8,958 | 21,035 |
| Telecommunications | 3,857 | 3,128 |
| Van transportation and maintenance | 2,774 | 3,893 |
| | <u>88,489</u> | <u>108,401</u> |
| Excess of revenues over expenses | <u>\$ 27,017</u> | <u>\$ 9,042</u> |

See accompanying notes to the financial statements.

Manitoba Wheelchair Sport Association Inc.
Statement of Changes in Net AssetsYear ended March 31, 2021

| | Unrestricted | Internally restricted | Total 2021 | Total 2020 |
|----------------------------------|-------------------------|--------------------------|--------------------------|-------------------------|
| Balance, beginning of year | \$ 64,703 | \$ 25,000 | \$ 89,703 | \$ 80,661 |
| Excess of revenues over expenses | <u>27,017</u> | <u>-</u> | <u>27,017</u> | <u>9,042</u> |
| Balance, end of year | <u>\$ 91,720</u> | <u>\$ 25,000</u> | <u>\$ 116,720</u> | <u>\$ 89,703</u> |

See accompanying notes to the financial statements.

Manitoba Wheelchair Sport Association Inc.
Statement of Financial Position

March 31

2021

2020

Assets

Current

Cash

\$ **135,334** \$ 98,897

Receivables (Note 3)

10,280 18,168

\$ **145,614** \$ 117,065

Liabilities

Current

Payables and accruals

\$ **15,413** \$ 18,368

Deferred contributions (Note 5)

13,481 8,994

28,894 27,362

Net Assets

Unrestricted

91,720 64,703

Internally restricted

25,000 25,000

116,720 89,703

\$ **145,614** \$ 117,065

Approved by the Board



Director



Director

See accompanying notes to the financial statements.

Manitoba Wheelchair Sport Association Inc.
Statement of Cash Flows

Year ended March 31

2021

2020

Cash derived from (applied to):

Operating

| | | | | |
|---|----|----------------|----|---------|
| Excess of revenues over expenses | \$ | 27,017 | \$ | 9,042 |
| Change in non-cash operating assets and liabilities | | | | |
| Receivables | | 7,888 | | (3,394) |
| Prepays | | - | | 1,918 |
| Payables and accruals | | (2,955) | | 5,132 |
| Deferred contributions | | 4,487 | | 3,957 |

Net increase in cash

36,437

16,655

Cash

| | | | | |
|-------------------|----|----------------|----|--------|
| Beginning of year | | 98,897 | | 82,242 |
| End of year | \$ | 135,334 | \$ | 98,897 |

See accompanying notes to the financial statements.

Manitoba Wheelchair Sport Association Inc.
Notes to the Financial Statements
March 31, 2021

1. Purpose of Organization

Manitoba Wheelchair Sport Association Inc. (the "Organization") is a provincial organization operating programs aimed at providing leisure and sport opportunities for physically disabled wheelchair participants in Manitoba. The Organization is incorporated under the Corporations Act of Manitoba as a not-for-profit entity and is a registered charity under the Income Tax Act.

2. Summary of significant accounting policies

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are detailed as follows:

(a) Revenue recognition

The Organization follows the deferral method of accounting for contributions.

Unrestricted contributions, including grants, 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.

Fundraising, donations, bingo, school presentations and mini-paralympian camp revenue are recognized as revenue when the donation is received or the event is held.

(b) Internally restricted net assets

Internally restricted net assets represent an operating reserve fund for the Organization. This operating reserve is to be used to provide a temporary source of financing for cash flow purposes when necessary.

These internally restricted amounts are not available for other purposes without prior approval of the Board of Directors.

(c) Capital assets

The Organization expenses capital assets in the year of acquisition in accordance with Section 4433 of the CPA Canada Handbook. During the year, the Organization expensed \$49,092 (2020 - \$30,022) of equipment in the statement of financial activities.

(d) Contributed property and services

In the normal course of business, the Organization receives volunteer assistance in carrying out its service delivery activities. Neither the value nor the cost of these contributed services is recognized in these financial statements.

During the year, the Organization received reduced rent from Sport Manitoba through a space allocation grant. The fair value of this grant for the year ended March 31, 2021 is \$6,750 (2020 - \$6,750) and has not been recognized in the statement of financial activities.

Manitoba Wheelchair Sport Association Inc.
Notes to the Financial Statements
March 31, 2021

2. Summary of significant accounting policies - continued

(e) **Accounting estimates**

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reported period. These estimates are reviewed periodically and are reported in earnings in the period in which they become known.

(f) **Financial instruments**

The Organization recognizes its financial instruments when the Organization becomes party to the contractual provisions of the financial instrument. Financial instruments are initially recorded at fair value with subsequent reporting at amortized cost.

It is management's opinion that the Organization is not exposed to significant credit, currency, interest rate, liquidity, price or market risks arising from its financial instruments.

(g) **Government assistance**

Government assistance, by way of the Canada Emergency Wage Subsidy ("CEWS"), is recorded as an expense recovery when received or receivable if the amount to be received can be reasonably measured and collection is reasonably assured. During the year, the Organization received CEWS payments totaling \$11,071 (2020 - Nil).

3. Receivables

| | <u>2021</u> | <u>2020</u> |
|---------------------|------------------|------------------|
| Accounts receivable | \$ 5,454 | \$ 13,606 |
| GST rebate | <u>4,826</u> | <u>4,562</u> |
| | <u>\$ 10,280</u> | <u>\$ 18,168</u> |

4. Grants revenue

Grants revenue includes \$37,713 (2020 - \$45,900) of funding from Sport Manitoba, \$10,000 (2020 - \$Nil) of Federal Sport Emergency Funding, and \$15,000 (2020 - \$Nil) of the Manitoba Bridge Grant.

Manitoba Wheelchair Sport Association Inc.
Notes to the Financial Statements
March 31, 2021

5. Deferred contributions

Deferred contributions represent restricted funding and unspent resources externally restricted which relate to the subsequent year.

| | <u>2021</u> | <u>2020</u> |
|---------------------------------------|------------------|-----------------|
| Balance, beginning of year | \$ 8,994 | \$ 5,037 |
| Add: amounts received during the year | <u>4,487</u> | <u>3,957</u> |
| Balance, end of year | <u>\$ 13,481</u> | <u>\$ 8,994</u> |

6. Economic dependence

The volume of financial activity undertaken by the Organization with its main funding bodies is of sufficient magnitude that the discontinuance of their funding would endanger the ability of the Organization to continue as a going concern.

7. COVID-19

On March 11, 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak which has continued to spread, and the related adverse impact it has had on public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn.

Due to the uncertainty as to the outcome of the pandemic, and in particular, the effect on the Organization's future operations, an estimate of impairment of financial assets and credit losses cannot be determined, and consequently, no provision for loss has been provided for in these financial statements. It is management's assessment that the going concern assumption continues to be appropriate for the foreseeable future of the Organization.
