

MANITOBA WATER POLO ASSOCIATION INC.

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024
AND
INDEPENDENT AUDITORS' REPORT TO THE
DIRECTORS**



CHOCHINOV CURRY
Chartered Professional Accountants LLP

MANITOBA WATER POLO ASSOCIATION INC.
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MARCH 31, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Directors of Manitoba Water Polo Association Inc.:

Qualified Opinion

We have audited the financial statements of Manitoba Water Polo Association Inc. (the organization), which comprise the statement of financial position as at March 31, 2024, and the statements of changes in net assets, operations 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, 2024, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO)

Basis for Qualified Opinion

Manitoba Water Polo Association Inc. derives a significant portion of its revenue from program revenue, the completeness of which is not susceptible to audit verification. Consequently, we were unable to obtain sufficient appropriate audit evidence to support the completeness of these sources, and we were unable to determine whether any adjustments were necessary. Our audit opinion on the financial statements for the year ended March 31, 2024, was modified because of the effects of this departure from Canadian accounting standards for not-for-profit organizations.

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 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 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 ASNPO, 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.



Chartered Professional Accountants LLP

July 3, 2024

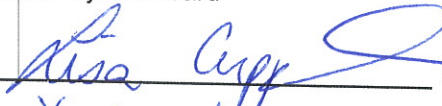
Winnipeg, Canada



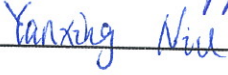
MANITOBA WATER POLO ASSOCIATION INC.
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2024
(See Accompanying Notes)

	2024	2023
ASSETS		
CURRENT:		
Cash	\$ 58,031	\$ 72,567
Accounts receivable	10,000	7,268
Goods and services tax recoverable	1,065	1,275
	<u>\$ 69,096</u>	<u>\$ 81,110</u>
LIABILITIES		
CURRENT:		
Accounts payable and accrued liabilities	\$ 2,459	\$ 3,745
Deferred revenue	3,874	1,000
	<u>6,333</u>	<u>4,745</u>
NET ASSETS		
NET ASSETS:		
Unrestricted	<u>62,763</u>	<u>76,365</u>
	<u>\$ 69,096</u>	<u>\$ 81,110</u>

Approved by the Board



Director



Director

MANITOBA WATER POLO ASSOCIATION INC.
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2024
(See Accompanying Notes)

	2024	2023
Balance at beginning of the year	\$ 76,365	\$ 77,763
Deficiency of revenue over expenses	<u>(13,602)</u>	<u>(1,398)</u>
Balance at end of the year	<u>\$ 62,763</u>	<u>\$ 76,365</u>



MANITOBA WATER POLO ASSOCIATION INC.
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2024
(See Accompanying Notes)

	2024	2023
REVENUE:		
Interest income	\$ 26	\$ 12
Program revenue	34,654	30,610
Sport Manitoba Inc. grants	30,000	44,400
Sport Manitoba/Sport Manitoba Program Funding	14,644	14,500
Canada Emergency Rent Subsidy		7
Hardest-Hit Business Recovery Program		284
	<u>79,324</u>	<u>89,813</u>
EXPENSES:		
Administrative - Page 10	30,550	28,552
Coaches and officiating	14,405	12,839
Program expenditures	47,971	49,820
	<u>92,926</u>	<u>91,211</u>
DEFICIENCY OF REVENUE OVER EXPENSES	<u>\$ (13,602)</u>	<u>\$ (1,398)</u>



MANITOBA WATER POLO ASSOCIATION INC.
STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2024
(See Accompanying Notes)

	2024	2023
OPERATING ACTIVITIES:		
Deficiency of revenue over expenses	<u>\$ (13,602)</u>	<u>\$ (1,398)</u>
Changes in non-cash working capital:		
Accounts receivable	(2,732)	187
Goods and services tax payable	210	(16)
Accounts payable and accrued liabilities	(1,286)	(3,325)
Deferred revenue	2,874	
	<u>(934)</u>	<u>(3,154)</u>
DECREASE IN CASH POSITION	(14,536)	(4,552)
CASH POSITION AT BEGINNING OF THE YEAR	<u>72,567</u>	<u>77,119</u>
CASH POSITION AT END OF THE YEAR	<u>\$ 58,031</u>	<u>\$ 72,567</u>



MANITOBA WATER POLO ASSOCIATION INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2024

1. Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) on a going-concern basis which assumes that the organization will be able to realize its assets and discharge its liabilities in the normal course of business.

2. Purpose of the organization

Manitoba Water Polo Association Inc. is a not-for-profit governing body for the sport of water polo within the Province of Manitoba.

The association was incorporated with the goals of increasing membership and promoting interest in the sport of water polo throughout the Province of Manitoba.

3. Incorporation

Manitoba Water Polo Association Inc. was incorporated without share capital under the provisions of the Manitoba Corporations Act. The organization is to be carried on without pecuniary gain to its members. Any profits or other accretions are to be used in promoting its objectives.

4. Summary of significant accounting policies

The financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Use of 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 amounts of assets and liabilities and disclosure of contingencies at the date of the financial statements and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from these estimates.

Capital Assets:

It is the organization's policy to expense capital asset expenditures in the year of acquisition. During the current year, the organization purchased equipment in the amount of \$187 (2023 - \$593).

Contributed services:

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

Revenue recognition:

Manitoba Water Polo Association Inc. follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. 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. Grants and contributions received in advance of the year to which they pertain are recorded as deferred revenue.

5. Financial instruments

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of March 31, 2024.



MANITOBA WATER POLO ASSOCIATION INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2024

5. Financial instruments (continued)

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The company is exposed to credit risk from customers. In order to reduce its credit risk, the company reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information.

6. Income Taxes

The organization is designated as a non-profit organization and is exempt from income tax under paragraph 149(1)(l) of the Income Tax Act.

7. Economic dependence

The organization is economically dependent upon the Province of Manitoba which provides funding through Sport Manitoba Inc.



**MANITOBA WATER POLO ASSOCIATION INC.
SCHEDULE OF ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED MARCH 31, 2024**

	2024	2023
Bad debts		
Bank charges and interest	\$ 1,418	\$
Insurance	1,059	976
Office	216	237
Professional fees	2,111	1,458
Storage	5,343	5,832
Telephone	656	573
Wages and benefits	460	457
	<u>19,287</u>	<u>19,019</u>
	<u>\$ 30,550</u>	<u>\$ 28,552</u>

