

MANITOBA TRACK AND FIELD ASSOCIATION INC.

FINANCIAL STATEMENTS

MARCH 31, 2026



CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Manitoba Track and Field Association Inc.:

Opinion

We have audited the financial statements of Manitoba Track and Field Association Inc. (the Organization), which comprise the statement of financial position as at March 31, 2026, and the statements of operations, 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, 2026, and its financial performance 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 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.

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.

Scarrow & Donald LLP

Chartered Professional Accountants
June 25, 2026
Winnipeg, Canada

STATEMENT OF FINANCIAL POSITION

APPROVED BY THE BOARD:

K. Kelly Director

M. L. Director

MANITOBA TRACK AND FIELD ASSOCIATION INC.

STATEMENT OF OPERATIONS

	Year ended March 31	
	2026	2025
Revenues:		
Amortization of deferred contributions - capital assets	\$ 19,242	\$ 16,042
Amortization of deferred contributions - equipment levy	22,422	5,502
Athletics Canada grant	43,500	64,140
Clinics	1,720	18,140
Exclusive use	29,712	30,976
Exclusive use - external	9,198	7,307
Insurance proceeds on disposal of capital assets	12,183	-
Interest	3,889	6,202
Memberships	86,695	70,190
Other grants	-	4,200
Provincial grants	21,114	5,000
Provincial team fees	61,804	61,570
Sport Manitoba grants	264,472	246,985
Sport Manitoba/Sport Program Funding	46,500	46,500
Summer student grants	41,013	27,989
Ticket sales, fundraising and other	17,802	13,319
Track and field fees and sanctions	92,853	94,594
Winnipeg Foundation (Note 9)	11,500	900
	<u>785,619</u>	<u>719,556</u>
Expenses:		
Amortization	23,692	19,756
Athlete assistance	35,928	32,450
Awards	11,994	10,505
Bad debts	52	-
Bingo	23,925	23,925
Competition expenses	75,564	74,536
Equipment and supplies	39,204	11,013
Exclusive use rental	39,564	35,882
Facility rental	22,819	21,915
Honorarium	5,272	9,108
Insurance	16,943	16,543
Memberships	10,153	9,315
Office	10,879	10,490
Office rent	1,968	1,994
Professional fees	9,213	15,069
Salaries and wages	253,359	270,179
Summer staff	46,990	50,543
Travel	139,776	109,051
Uniforms and clothing	18,734	38,801
	<u>786,029</u>	<u>761,075</u>
Difference between revenues and expenses	<u>\$ (410)</u>	<u>\$ (41,519)</u>

MANITOBA TRACK AND FIELD ASSOCIATION INC.

STATEMENT OF CHANGES IN NET ASSETS

	Year ended March 31	
	<u>2026</u>	<u>2025</u>
Net assets, beginning of year	\$ 135,102	\$ 176,621
Difference between revenues and expenses	<u>(410)</u>	<u>(41,519)</u>
Net assets, end of year	<u>\$ 134,692</u>	<u>\$ 135,102</u>

MANITOBA TRACK AND FIELD ASSOCIATION INC.

STATEMENT OF CASH FLOWS

	Year ended March 31	
	2026	2025
Cash flow from operating activities:		
Difference between revenues and expenses	\$ (410)	\$ (41,519)
Items not affecting cash:		
Gain on disposal of assets	(12,183)	-
Amortization of deferred contributions - capital assets	(19,242)	(16,042)
Amortization of deferred contributions - equipment levy	(22,422)	(5,502)
Amortization of capital assets	23,692	19,756
	(30,565)	(43,307)
Changes in non-cash working capital:		
Accounts receivable	21,712	79,946
Goods and services tax recoverable/payable	4,147	(3,012)
Prepaid expenses	7,587	(13,451)
Accounts payable	13,198	23,851
Deferred contributions	(74,307)	(26,372)
	(27,663)	60,962
Cash flow from operating activities	(58,228)	17,655
Cash flow from investing activities:		
Purchase of capital assets	(51,692)	(11,904)
Insurance proceeds on disposal of capital assets	12,183	-
Sale (purchase) of short term investments	26,799	(5,546)
	(12,710)	(17,450)
Cash flow from financing activities:		
Receipt of deferred contributions - equipment levy	16,701	17,765
Receipt of deferred contributions - capital assets	18,999	-
	35,700	17,765
Change in cash	(35,238)	17,970
Cash, beginning of year	62,095	44,125
Cash, end of year	\$ 26,857	\$ 62,095

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

1. Purpose of the Organization:

Manitoba Track and Field Association Inc. (the "Organization"), operating under the name Athletics Manitoba, is a provincial not-for-profit organization operating programs which promote sport for life, performance excellence, and long-term development of Athletics in Manitoba. The Organization is exempt from tax under Section 149(1)(l) of the Income Tax Act (Canada).

2. Significant accounting policies:

The financial statements have been compiled in accordance with Canadian accounting standards for not-for-profit organizations. An assumption underlying the preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations is that the Organization will continue for the foreseeable future and will be able to realize its assets and discharge liabilities in the normal course of operations.

The financial statements include the following significant accounting policies:

a) Accounting estimates-

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and judgments that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period.

Accounting estimates are included in financial statements to approximate the effect of past transactions or events, or to approximate the present status of an asset or liability. It is possible that changes in future economic conditions could require changes in the recognized amounts for accounting estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in the period in which they became known. Significant areas of estimation by management include the impairment of non-financial assets, the useful lives of capital assets and the fair value of financial instruments. Management bases their judgments, estimates and assumptions on factors they believe to be reasonable in the circumstances, but which may be inherently uncertain and unpredictable

b) Revenue recognition and deferred revenues-

The Organization 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.

The Organization provides a variety of services such as track and field and cross country meets and access to training facilities. Revenue is recognized when the services have been provided and collectability is reasonably assured. Sale of merchandise and fundraising income is recognized when the goods are transferred and collectability is reasonably assured. Memberships are recognized in the year they are paid. Interest income is recognized on a time proportion basis.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

2. Significant accounting policies (continued):

c) Financial instruments-

Except for certain related party transactions financial instruments are measured at fair value on initial recognition adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption. Transactions costs related to financial instruments that will be measured subsequently at fair value are recognized in net income for the period incurred.

In subsequent periods investments in equity instruments that are quoted in an active market and certain derivative contracts are measured at fair value without any adjustment for transaction costs that may incur on sale or other disposal. The Organization may elect to measure any financial instrument at fair value when the asset or liability is first recognized or for equity instruments previously measured at fair value when the equity instrument ceases to be quoted in an active market. Other investments in equity instruments are measured at cost less any reduction for impairments. All other financial instruments are measured at amortized cost. Amortized cost is the amount at which the financial instrument is measured at initial recognition less principal repayments, plus or minus the cumulative effect of any difference between that initial amount and the maturity amount, and minus any reduction for impairment.

The Organization measures its financial instruments at amortized cost.

The Organization assesses impairment of all its financial assets, except those measured at fair value. Management considers whether there has been a breach in contract, such as a default or delinquency in interest or principal payments in determining whether objective evidence of impairment exists. Impairment is included in current earnings.

d) Capital assets-

Capital assets are recorded at cost and amortized over their estimated useful lives, except for contributed assets which are recorded at fair market value at the time of the contribution plus all costs directly attributable to the acquisition. This requires estimation of the useful life of the asset and its salvage and residual value. When a capital asset is impaired, the excess of its net carrying amount over the asset's fair value or replacement cost is recognized as an expense. As is true for all accounting estimates, it is possible that changes in future conditions could require changes in the recognized amount for accounting estimates.

Equipment	5% - 20%	Declining balance method
Computer equipment	20%	Declining balance method
Computer software	33%	Declining balance method

e) Contributed services

Volunteers contribute a significant amount of their time assisting the Organization in carrying out its activities each year. Due to the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

3. Short term investments:

Short term investments consist of GIC's held with a credit union. The GIC's bear interest of 3.40% (2025 4.90%) and mature May and June 2026 (2025 - May and June 2025).

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

4. Capital assets:

	March 31			
	2026		2025	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Equipment	\$ 479,103	\$ 279,954	\$ 427,411	\$ 257,632
Computer equipment	85,863	80,544	85,863	79,214
Computer software	8,705	8,624	8,705	8,584
	<u>573,671</u>	<u>369,122</u>	<u>521,979</u>	<u>345,430</u>
Net book value	\$ <u>204,549</u>		\$ <u>176,549</u>	

5. Deferred contributions:

The following are amounts included in deferred contributions:

	Balance March 31, 2024	Contributions received	Contributions recognized	Balance March 31, 2025
Athletics Canada	\$ 31,000	\$ -	\$ (31,000)	\$ -
Bob Walker Fund	1,862	782	(500)	2,144
Canada Games funding	30,000	30,000	(17,750)	42,250
Canada Women & Sport	-	3,000	-	3,000
Dave Lyon Legacy Fund	19,385	3,470	-	22,855
Diana Stevens Fund	12,310	1,552	(400)	13,462
Government of Manitoba	16,114	-	-	16,114
Manitoba Summer games funding	10,000	-	(10,000)	-
Officials funding	8,684	-	(6,276)	2,408
Post collegiate award	2,500	7,000	(2,500)	7,000
Strategic planning fund	3,750	-	(3,750)	-
	<u>\$ 135,605</u>	<u>\$ 45,804</u>	<u>\$ (72,176)</u>	<u>\$ 109,233</u>

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

5. Deferred contributions (continued):

	Balance March 31, 2025		Contributions received		Contributions recognized		Balance March 31, 2026
Bob Walker Fund	\$ 2,144	\$	776	\$	-	\$	2,920
Canada Games funding	42,250		-		(42,250)		-
Canada Women & Sport	3,000		-		(3,000)		-
Dave Lyon Legacy Fund	22,855		3,445		(11,500)		14,800
Diana Stevens Fund	13,462		1,540		-		15,002
Government of Manitoba	16,114		-		(16,114)		-
Kirk Cadman award	-		1,000		-		1,000
Officials funding	2,408		-		(1,204)		1,204
Post collegiate award	7,000		-		(7,000)		-
	<u>\$ 109,233</u>	\$	<u>6,761</u>	\$	<u>(81,068)</u>	\$	<u>34,926</u>

6. Deferred contributions - capital assets:

Deferred contributions related to capital assets related to amounts restricted externally for the purchase of capital assets.

	March 31, 2026		March 31, 2025
Beginning of year	\$ 143,919	\$	148,057
Grants received in the year	18,999		-
Contributions allocated from equipment levy	20,511		11,904
Amounts recognized as revenue	<u>(19,242)</u>		<u>(16,042)</u>
End of year	<u>\$ 164,187</u>	\$	<u>143,919</u>

7. Deferred contributions - equipment levy:

Deferred contributions related to the equipment levy are restricted for the purpose of purchasing future capital assets and equipment for the Organization.

	March 31, 2026		March 31, 2025
Beginning of year	\$ 26,232	\$	25,873
Contributions received	16,701		17,765
Amounts allocated to deferred contributions - capital assets	(20,511)		(11,904)
Amounts recognized as revenue	<u>(22,422)</u>		<u>(5,502)</u>
End of year	<u>\$ -</u>	\$	<u>26,232</u>

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

8. Risk management and fair values:

Management's risk management policies are typically performed as a part of the overall management of the Organization's operations. Management is aware of risks related to these objectives through direct personal involvement with employees and outside parties. In the normal course of its operations, the Organization is exposed to a number of risks that can affect its operating performance. Management's close involvement in operations helps identify risks and variations from expectations. As a part of the overall operation of the Organization, management considers the avoidance of undue concentrations of risk. These risks and the actions taken to manage them include the following:

Liquidity risk-

Liquidity risk is the risk that the Organization cannot meet its financial obligations associated with financial liabilities in full. The Organization's main sources of liquidity are its operations. The funds are primarily used to finance working capital and capital expenditure requirements and are adequate to meet the Organization's financial obligations associated with financial liabilities.

Credit risk-

Credit risk arises from the possibility that debtors may be unable to fulfill their commitments. For a financial asset, this is typically the gross carrying amount, net of any amounts offset and any impairment losses. The Organization has credit policies to address credit risk on accounts receivable, which may include the analysis of the financial position of the debtor and review of credit limits. The Organization also may review credit history before establishing credit and review credit performance. An allowance for doubtful accounts or other impairment provisions are established based upon factors surrounding credit risk, historical trends and other information. An allowance for doubtful accounts of \$nil (2025 - \$nil) has been recorded for accounts receivable.

Interest rate price risk-

The Organization is exposed to interest rate price risk from its short term investments held at fixed rates. Changes in market interest rates would affect the value of these investments. The Organization addresses this risk by entering into short term investment contracts.

9. Winnipeg Foundation:

The Organization has entered into an agreement with The Winnipeg Foundation for establishment of The Athletics Manitoba Fund - In Memory of Bob Walker, The Athletics Manitoba Fund - In Memory of Dave Lyon and Athletics Manitoba Fund - In Memory of Diana Stevens. The Winnipeg Foundation will preserve the capital in its Consolidated Trust Fund and will distribute all income generated thereon to the Organization in perpetuity. The fair value of these funds as at March 31, 2026 is \$17,998, \$79,864 and \$35,710 (2025 - \$16,680, \$74,016 and \$33,095) respectively.