

WHEELCHAIR BASKETBALL CANADA

FINANCIAL STATEMENTS

MARCH 31, 2024

INDEPENDENT AUDITOR'S REPORT

To the Members,
Wheelchair Basketball Canada:

Qualified opinion

We have audited the financial statements of Wheelchair Basketball Canada ("the Entity"), 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 Entity as at March 31, 2024, 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.

Basis for qualified opinion

In common with many not-for-profit organizations, the Entity derives revenue from donations and fundraising, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Entity. Therefore, we were not able to determine whether any adjustments might be necessary to donation and fundraising revenues, net revenue for the year, and cash flows from operations for the years ended March 31, 2024 and 2023, current assets as at March 31, 2024 and 2023, and net assets as at April 1, 2023 and 2022 and as at March 31, 2024 and 2023. Our audit opinion on the financial statements for the year ended March 31, 2023 was modified accordingly because of the possible effects of this limitation in scope.

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 Entity 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 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 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.

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity, or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity'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 Entity'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 Entity'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 Entity 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.

OHCD LLP

OUSELEY HANVEY CLIPSHAM DEEP LLP
Licensed Public Accountants

Ottawa, Ontario
September 16, 2024

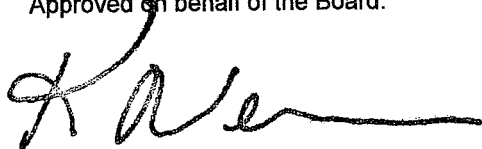


WHEELCHAIR BASKETBALL CANADA

STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
CURRENT ASSETS		
Cash	\$ 741,270	\$ 561,327
Investments (note 4)	1,967,511	1,838,272
Accounts receivable	315,221	39,351
Prepaid expenses	<u>109,648</u>	<u>72,643</u>
	<u>\$ 3,133,650</u>	<u>\$ 2,511,593</u>
 CURRENT LIABILITIES		
Accounts payable	\$ <u>481,940</u>	\$ <u>61,966</u>
 NET ASSETS		
Internally restricted for reserve purposes	500,000	500,000
Internally restricted for programs and services purposes	500,000	500,000
Internally restricted for international hosting purposes	135,725	135,725
Unrestricted	<u>1,515,985</u>	<u>1,313,902</u>
	<u>2,651,710</u>	<u>2,449,627</u>
	<u>\$ 3,133,650</u>	<u>\$ 2,511,593</u>

Approved on behalf of the Board:



Director



Director

WHEELCHAIR BASKETBALL CANADA

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
INTERNALLY RESTRICTED FOR RESERVE PURPOSES		
Balance - beginning and end of year	\$ <u>500,000</u>	\$ <u>500,000</u>
INTERNALLY RESTRICTED FOR PROGRAMS AND SERVICES PURPOSES		
Balance - beginning and end of year	<u>500,000</u>	<u>500,000</u>
INTERNALLY RESTRICTED FOR INTERNATIONAL HOSTING PURPOSES		
Balance - beginning and end of year	<u>135,725</u>	<u>135,725</u>
UNRESTRICTED		
Balance - beginning of year	1,313,902	1,236,326
Net revenue for the year	<u>202,083</u>	<u>77,576</u>
Balance - end of year	<u>1,515,985</u>	<u>1,313,902</u>
TOTAL	\$ <u>2,651,710</u>	\$ <u>2,449,627</u>

WHEELCHAIR BASKETBALL CANADA

STATEMENT OF OPERATIONS FOR THE YEAR ENDED MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
REVENUE		
Contributions		
Sport Canada	\$ 2,680,747	\$ 2,619,963
Other partners	142,341	121,500
Coaching Association of Canada	9,516	7,919
Donations and grants	233,658	1,563
Investment income (loss)	150,642	(61,913)
Membership, fees and miscellaneous	70,954	70,710
Event registrations and fees	76,769	29,713
Sponsorships	91,000	32,000
Fundraising	89,871	66,321
	<u>3,545,498</u>	<u>2,887,776</u>
EXPENSES		
Domestic and technical	916,122	198,201
Finance and administration	352,112	363,646
High performance	1,808,270	1,969,604
Marketing, communication and fundraising	266,911	278,749
	<u>3,343,415</u>	<u>2,810,200</u>
NET REVENUE FOR THE YEAR	<u>\$ 202,083</u>	<u>\$ 77,576</u>

WHEELCHAIR BASKETBALL CANADA

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
OPERATING ACTIVITIES		
Net revenue for the year	\$ 202,083	\$ 77,576
Item not affecting cash		
Realized and unrealized (gain) loss on investments	(95,757)	114,271
Net change in non-cash working capital items		
Accounts receivable	(275,870)	145,755
Prepaid expenses	(37,005)	327,819
Accounts payable	419,974	(32,863)
Deferred revenue	-	(486,813)
	<u>213,425</u>	<u>145,745</u>
INVESTING ACTIVITIES		
Sale of investments	436,631	299,291
Purchase of investments	(470,113)	(146,768)
	<u>(33,482)</u>	<u>152,523</u>
INCREASE IN CASH FOR THE YEAR	179,943	298,268
Cash - beginning of year	<u>561,327</u>	<u>263,059</u>
CASH - END OF YEAR	<u>\$ 741,270</u>	<u>\$ 561,327</u>

WHEELCHAIR BASKETBALL CANADA

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2024

1. PURPOSE OF THE ORGANIZATION

The mission of the organization is the advancement of wheelchair basketball both within Canada and internationally.

The organization is incorporated under the Canada Not-for-profit Corporations Act and is a Registered Canadian Amateur Athletic Association under the Income tax Act and as such is entitled to issue tax deductible receipts for donations.

2. SIGNIFICANT ACCOUNTING POLICIES

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

a) Estimates and assumptions

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The estimates and assumptions are reviewed annually and, as adjustments become necessary, they are recorded in the financial statements in the period in which they become known.

b) Internally restricted reserve

This reserve was created by transfers from unrestricted net assets, to provide financial stability for the organization and is not available for other purposes without approval of the Board of Directors.

c) Internally restricted for programs and services

This fund accumulates transfers from unrestricted net assets. It is intended that its principal will not be used, however, interest on the fund's investments will be available for programs and services.

d) Internally restricted for international hosting purposes

This fund accumulates transfers from unrestricted net assets as directed by the Board of Directors. It is intended to be available for hosting international events that are approved by the Board.

e) Financial instruments

Investments quoted in an active market are initially recognized at fair value and are subsequently measured at the year-end fair value. Other financial instruments are initially recognized at fair value and are subsequently measured at cost, amortized cost or cost less appropriate allowances for impairment.

f) Revenue recognition

The organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenditure is incurred. Unrestricted contributions are recognized as revenue when they are received or become receivable. Other revenues are recognized in the year in which the event is held or the revenue earned.

g) Contributed goods

The organization records the value of donated materials and services when a fair value can be reasonably estimated and when the materials and services would normally be purchased by the organization. Contributed goods are recorded at their fair value of \$nil (2023 - \$nil).

WHEELCHAIR BASKETBALL CANADA

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2024

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

h) Sport Canada and other contributions

Contributions received are subject to specific terms and conditions regarding the expenditure of the funds. The organization's records are subject to audit by contributors to identify instances, if any, in which amounts charged against contributions have not complied with the agreed terms and conditions and which, therefore, would be refundable to the contributor. In the event that adjustments to prior years' contributions are requested, they would be recorded in the year in which the contributor requests the adjustments.

3. FINANCIAL INSTRUMENTS

Financial instruments of the organization consist of cash, investments, accounts receivable and accounts payable.

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant interest rate, currency, credit, liquidity or market risks arising from its financial instruments and the risks have not changed from last year.

4. INVESTMENTS

	2024	2023
Cash	\$ 4,640	\$ 827
Fixed income	1,034,037	974,560
Equity	928,834	862,885
	<u>\$ 1,967,511</u>	<u>\$ 1,838,272</u>

Market risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The organization is exposed to currency risk, interest rate risk and other price risk.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The organization is exposed to currency risk through its equity investments.

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The organization is exposed to interest rate risk on its fixed income investments.

Other price risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from currency risk or interest rate risks, whether these changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The organization is exposed to other price risk through its fixed income and equity investments.

WHEELCHAIR BASKETBALL CANADA

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2024

5. ECONOMIC DEPENDENCE

The organization is economically dependent on Sport Canada as during the year 76% (2023 - 91%) of its revenue was received from this single source.

The assumption underlying the preparation of these financial statements is that the organization will be able to realize assets and discharge liabilities in the normal course of operations for the foreseeable future. Continued financial support of the contributors will be required for the organization to maintain operations. If continuing funding is not attained, amounts realized for the assets may be materially less than the amounts recorded in the financial statements.