

GOLF MANITOBA INC.
Financial Statements
Year Ended March 31, 2026

GOLF MANITOBA INC.
Index to Financial Statements
Year Ended March 31, 2026

	Page
MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING	1
INDEPENDENT AUDITORS' REPORT	2 - 3
FINANCIAL STATEMENTS	
Statement of Financial Position	4
Statement of Operations	5
Statement of Changes in Net Assets	6
Statement of Cash Flow	7
Notes to Financial Statements	8 - 12
Administrative Expenses (<i>Schedule 1</i>)	13
Program Management Expenses (<i>Schedule 2</i>)	13
Tournament Expenses (<i>Schedule 3</i>)	13

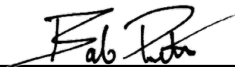
MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Golf Manitoba Inc. have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of Golf Manitoba's Inc.'s reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Board of Directors is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Finance Committee. The Finance Committee is appointed by the Board and meets periodically with management and the auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Finance Committee reports to the Board of Directors prior to its approval of the financial statements. The Committee also considers, for review and approval by the Board, the engagement or re-appointment of the external auditors.

The financial statements have been audited on behalf of the members by Exchange Chartered Professional Accountants Inc., in accordance with Canadian generally accepted auditing standards.



President

Treasurer

Winnipeg, MB

INDEPENDENT AUDITORS' REPORT

To the Members of Golf Manitoba Inc.

Opinion

We have audited the financial statements of Golf Manitoba 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 flow 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 the results of its operations and cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

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 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 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.

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.

(continues)

Independent Auditors' Report to the Members of Golf Manitoba Inc. *(continued)*

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 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.

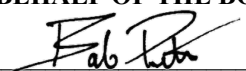
Exchange

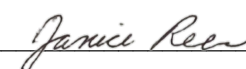
Chartered Professional Accountants Inc.
Winnipeg, Manitoba
June 24, 2026

GOLF MANITOBA INC.
Statement of Financial Position
March 31, 2026

	2026	2025
ASSETS		
CURRENT		
Cash	\$ 250,456	\$ 400,221
Investments (Notes 2, 4)	92,092	61,909
Accounts receivable	30,745	9,753
GST receivable	1,509	1,047
Inventory (Note 2)	35,761	12,140
Prepaid expenses	10,925	7,430
	421,488	492,500
INVESTMENTS (Notes 2, 4)	395,917	261,457
CAPITAL ASSETS (Notes 2, 5)	21,640	40,031
	\$ 839,045	\$ 793,988
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 30,271	\$ 35,571
Deferred revenue (Note 7)	159,651	113,548
	189,922	149,119
DEFERRED CAPITAL CONTRIBUTIONS (Notes 2, 8)	6,563	15,938
	196,485	165,057
NET ASSETS		
Unrestricted	527,483	504,838
Internally restricted (Note 9)	100,000	100,000
Invested in capital assets	15,077	24,093
	642,560	628,931
	\$ 839,045	\$ 793,988

ON BEHALF OF THE BOARD

 Director

 Director

See notes to financial statements

GOLF MANITOBA INC.
Statement of Operations
Year Ended March 31, 2026

	2026	2025
REVENUE		
Sport Manitoba Inc. Grants:		
Base and Sport development (<i>Note 8</i>)	\$ 155,875	\$ 142,225
Sport Programming Funding	52,300	52,300
Coaching	10,000	10,000
Membership dues	299,166	263,333
Sponsorship (<i>Notes 12, 14</i>)	279,072	203,688
Tournament entrance fees	154,115	127,650
Camp and clinic fees	20,260	32,866
Interest	17,788	21,392
Golf Canada development grants	16,703	15,294
Other	15,730	8,116
Officials Grants	3,851	1,000
	<u>1,024,860</u>	<u>877,864</u>
EXPENSES		
Administrative (<i>Schedule 1</i>)	414,887	312,485
Program Management (<i>Schedule 2</i>)	176,566	171,169
Tournament (<i>Schedule 3</i>)	390,036	287,024
Amortization	29,742	28,062
	<u>1,011,231</u>	<u>798,740</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 13,629</u>	<u>\$ 79,124</u>

GOLF MANITOBA INC.
Statement of Changes in Net Assets
Year Ended March 31, 2026

	Unrestricted	Internally Restricted	Invested in Capital Assets	2026	2025
NET ASSETS - BEGINNING OF YEAR	\$ 504,838	\$ 100,000	\$ 24,093	\$ 628,931	\$ 549,807
Excess of revenue over expenses	43,371	-	(29,742)	13,629	79,124
Capital asset additions	(11,351)	-	11,351	-	-
Net deferred capital contributions	(9,375)	-	9,375	-	-
NET ASSETS - END OF YEAR	\$ 527,483	\$ 100,000	\$ 15,077	\$ 642,560	\$ 628,931

See notes to financial statements

GOLF MANITOBA INC.
Statement of Cash Flow
Year Ended March 31, 2026

	2026	2025
OPERATING ACTIVITIES		
Cash receipts from funders, members and users	\$ 1,040,132	\$ 902,941
Cash paid to suppliers and employees	<u>(1,013,902)</u>	<u>(768,112)</u>
Cash flow from operating activities	<u>26,230</u>	<u>134,829</u>
INVESTING ACTIVITIES		
Purchase of capital assets	(11,351)	-
Net change in investments	<u>(164,644)</u>	<u>(14,066)</u>
Cash flow used by investing activities	<u>(175,995)</u>	<u>(14,066)</u>
INCREASE (DECREASE) IN CASH	(149,765)	120,763
CASH - BEGINNING OF YEAR	<u>400,221</u>	<u>279,458</u>
CASH - END OF YEAR	<u>\$ 250,456</u>	<u>\$ 400,221</u>

See notes to financial statements

GOLF MANITOBA INC.
Notes to Financial Statements
Year Ended March 31, 2026

1. DESCRIPTION OF ORGANIZATION

Golf Manitoba Inc. (the “organization”) is a non-profit organization established to develop, promote, govern and service the game of golf in Manitoba and North West Ontario for the benefit of all participants.

The organization is exempt from taxation as a non-profit entity under Section 149(1) of the Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements for a period necessarily involves the use of estimates which have been made using careful judgement. The financial statements have, in management's opinion, been properly prepared within the reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Investments

Investments, which consist of guaranteed investment certificates with original maturities at date of purchase beyond three months, are carried at cost plus accrued interest.

Inventory

Inventory is recorded at cost and consists of rule books, pins and clothing.

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization. Capital assets are amortized over their estimated useful lives on a straight-line basis at the following rates:

Computer software	4 years
Golf Studio	4 years
Computer equipment	3 to 5 years
Office furniture	2 to 4 years
Tournament equipment	3 to 5 years

The organization regularly reviews its capital assets to eliminate obsolete items.

Deferred capital contributions

Deferred capital contributions represent contributions received which are restricted for the purchase of capital assets. The deferred amounts are recognized into revenue at the same rate of amortization as the related acquired capital assets.

(continues)

GOLF MANITOBA INC.
Notes to Financial Statements
Year Ended March 31, 2026

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Revenue recognition

The organization follows the deferral method of accounting for grants from funders. Externally restricted grants are recognized as revenue in the year in which the related expenses are recognized. Unrestricted grants, membership dues, camp and clinic fees are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Donated services

A large number of volunteers donate significant amounts of their time to program events and fundraising activities. No amount has been reflected in the financial statements for donated services since an objective basis is not available to measure the value of such services.

Allocation of salaries and wages and office expenses

The organization allocates salary and wage, and office expenses to three functional areas: administration, program management and tournament. The percentages are based upon estimates of staff time and resources spent for each area. These percentages are reviewed every year to determine whether there has been any significant shift which might warrant a change to the allocations.

Salaries and wages have been allocated as follows:

	<u>2026</u>	<u>2025</u>
To administrative expenses	56%	56%
To program management expenses	18%	18%
To tournament expenses	26%	26%

Office expenses have been allocated as follows:

To administrative expenses	56%	56%
To program management expenses	18%	18%
To tournament expenses	26%	26%

3. 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.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from funders, members and users. Due to the nature of the organization and its history with contributors, management assesses the credit risk as low.

4. INVESTMENTS

Investments consist of guaranteed investment certificates held at RBC Dominion Securities Inc. Interest rates on the GIC's range from 2.45% to 5.39% and maturity dates range from May 4, 2026 to December 2, 2030.

GOLF MANITOBA INC.
Notes to Financial Statements
Year Ended March 31, 2026

5. CAPITAL ASSETS

	2026		2025	
	Cost	Accumulated amortization	Cost	Accumulated amortization
Computer software	\$ 12,702	\$ 4,188	\$ 1,350	\$ 1,350
Golf Studio	93,421	80,790	93,421	57,434
Computer equipment	36,991	36,991	36,991	35,176
Office furniture	39,807	39,312	39,807	38,817
Tournament equipment	18,544	18,544	18,544	17,305
	\$ 201,465	\$ 179,825	\$ 190,113	\$ 150,082
Net book value	\$ 21,640		\$ 40,031	

6. LINE OF CREDIT

The organization has a \$10,000 line of credit with the Assiniboine Credit Union bearing interest at prime plus 1.00% and is secured by a general security agreement providing a fixed charge over all assets. The organization has not utilized the line of credit as at March 31, 2026.

7. DEFERRED REVENUE

	2026	2025
Sponsorship	\$ 65,987	\$ 46,400
Membership dues	68,297	16,449
Camp and clinic fees	13,259	11,500
Grants	10,000	39,000
Other	2,108	199
	\$ 159,651	\$ 113,548

8. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represent grants received from Sport Manitoba that have been deferred for the purchase of capital assets. The deferred capital contributions will be recognized into revenue over the life of the capital assets, once these capital assets are in use.

	2026	2025
Opening balance	\$ 15,938	\$ 25,313
Amortization (included in Base and Sport development revenue)	(9,375)	(9,375)
Ending balance	\$ 6,563	\$ 15,938

GOLF MANITOBA INC.
Notes to Financial Statements
Year Ended March 31, 2026

9. INTERNALLY RESTRICTED

Net assets in the amount of \$100,000 had been internally restricted by the Board of Directors for future capital acquisitions.

The \$100,000 for future capital acquisitions remains in the fund at March 31, 2026.

Future appropriations will be made, of funds considered surplus to ongoing operations, on an annual basis upon approval by the Board of Directors.

Assets have not been specifically designated and set aside for the purposes of funding this internal restriction of net assets.

10. NON-CONSOLIDATION OF CONTROLLED ENTITY

At November 30, 2025, the organization is the sole member of the Golf Manitoba Scholarship Fund Inc. (the "Fund"). The purpose of the Fund is to provide financial assistance to young golfers for the purpose of enabling them to further their education at a Canadian post-secondary educational institution. The Fund is incorporated under the Corporations Act of Manitoba and is a registered charity under the Income Tax Act. The Fund has not been consolidated in the organization's financial statements. The financial summary of the Fund for the year then ended is as follows:

	November 30, 2025	November 30, 2024
Financial position:		
Total assets	\$ 46,057	\$ 36,770
Total liabilities	<u>2,315</u>	<u>600</u>
Total net assets	<u>\$ 43,742</u>	<u>\$ 36,170</u>
Results of operations:		
Total revenues	\$ 28,316	\$ 37,213
Expenses	(1,219)	(980)
Contributions to Winnipeg Foundation	(525)	(575)
Scholarships	<u>(19,000)</u>	<u>(17,500)</u>
Excess of revenue over expenses	<u>\$ 7,572</u>	<u>\$ 18,158</u>
Cash flows:		
Cash flows from operations	<u>\$ 7,572</u>	<u>\$ 18,158</u>

During the year ended November 30, 2025, the Golf Manitoba Scholarship Fund Inc. made a \$525 (2024 - \$575) contribution to the Winnipeg Foundation Endowment Fund. At March 31, 2026, the market value of the contributions made to the Winnipeg Foundation was \$461,016 (2025 - \$424,367). Any future income earned from this endowment fund will be recorded as revenue by the Golf Manitoba Scholarship Fund Inc. in the year that it occurs.

GOLF MANITOBA INC.
Notes to Financial Statements
Year Ended March 31, 2026

11. SIGNIFICANT INFLUENCE

The organization exercises significant influence over the Manitoba Golf Hall of Fame and Museum Inc. (the "Hall of Fame") by virtue of its ability to appoint 4 of the 13 Hall of Fame's Board of Directors. The Hall of Fame was established to raise funds to acknowledge the contributions and accomplishments of Manitobans to the game of golf. The Hall of Fame is incorporated as a corporation without share capital under the laws of Manitoba and is a registered charity under the Income Tax Act. Net assets (deficit) of the Hall of Fame amount to (\$5,799) at November 30, 2025 (2024 - \$4,980).

12. THE ALEX AND PEGGY COLONELLO FOUNDATION

Beginning in the 2020 fiscal year, Golf Manitoba received new sponsorship from the Alex and Peggy Colonello Foundation. The Alex and Peggy Colonello Foundation has pledged funding to Golf Manitoba in support of developing new generations of golfers through grassroots golf initiatives and high-performance programming.

This sponsorship has also led to increases in Golf Manitoba's teams, marketing and promotion, golf community sponsorships and overall tournament expenses as the funding from the Alex and Peggy Colonello Foundation has been used to fund golf programs throughout the province and assist junior teams with their expenses.

Golf Manitoba expects to continue their relationship with the Alex and Peggy Colonello Foundation for the foreseeable future.

13. RELATED PARTY TRANSACTIONS

Included in the organization's program management expenses are operating grants of \$1,000 to the Manitoba Golf Hall of Fame and Museum Inc. and \$250 to the Golf Manitoba Scholarship Fund Inc. which are related parties as described in Notes 9 and 10.

14. NON-MONETARY TRANSACTIONS

The organization has an agreement with Nott Autocorp which allows them to use a vehicle for 5 months from Nott Autocorp. The financial statements include the full market cost for the use of the vehicle and the difference is recorded as sponsorship revenue.

The organization has a sponsorship agreement with Cobra Puma Golf Inc. which provided the organization with golf apparel. The financial statements include the fair market value of the products received and the fair market value of the cost for products given out to players.

For the year ended March 31, 2026 in-kind contributions recorded in sponsorship revenue totaled \$26,558 (2025 - \$20,105).

15. PENSION PLAN

The organization maintains a defined contribution pension plan for most of its employees. All contributions are fully funded on a monthly basis and are included in wages and benefits expense. During the year \$13,489 (2024 - \$10,531) was recorded as an expense in relation to this pension plan.

16. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

GOLF MANITOBA INC.
Administrative Expenses
Year Ended March 31, 2026

(Schedule 1)

	2026	2025
AGM and Awards Evening	\$ 16,002	\$ 13,702
Computer support	22,150	18,061
Course rating	19,759	7,148
Insurance	8,036	8,369
Marketing and promotion (Note 12)	58,133	26,032
Meetings and conferences	19,424	12,244
Membership	2,377	1,857
Miscellaneous	8,366	5,885
Office (Note 2)	22,143	19,293
Professional development	5,155	4,110
Professional fees	9,937	9,088
Wages and benefits (Note 2, 15)	223,405	186,696
	\$ 414,887	\$ 312,485

Program Management Expenses
Year Ended March 31, 2026

(Schedule 2)

	2026	2025
Clinics and camps	\$ 78,640	\$ 82,839
Golf Community Sponsorships (Note 12)	17,750	20,900
Manitoba Golf Hall of Fame and Museum Inc. (Note 13)	1,000	1,000
Golf Manitoba Scholarship Fund Inc. (Note 13)	250	250
Office (Note 2)	7,117	6,171
Wages and benefits (Note 2, 15)	71,809	60,009
	\$ 176,566	\$ 171,169

Tournament Expenses
Year Ended March 31, 2026

(Schedule 3)

	2026	2025
Direct expenses	\$ 209,165	\$ 150,795
Office (Note 2)	10,281	8,914
Professional development	12,504	2,644
Teams (Note 12)	54,362	37,991
Wages and benefits (Note 2, 15)	103,724	86,680
	\$ 390,036	\$ 287,024