

Financial Statements of

SPORT MANITOBA INC.

Year ended March 31, 2018



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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Sport Manitoba Inc.

We have audited the accompanying financial statements of Sport Manitoba Inc., which comprise the statement of financial position as at March 31, 2018, the statements of operations, changes in net assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information, including the Schedules.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Sport Manitoba Inc. as at March 31, 2018, and its results of operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

KPMG LLP

Chartered Professional Accountants

June 27, 2018

Winnipeg, Canada

SPORT MANITOBA INC.

Statement of Financial Position

March 31, 2018, with comparative information for 2017

	2018	2017
Assets		
Current assets:		
Cash	\$ —	\$ 3,017,006
Accounts receivable	497,222	475,606
Inventories	29,323	31,442
Prepaid expenses and deposits	177,171	60,023
	<u>703,716</u>	<u>3,584,077</u>
Marketable securities (note 2[g])	100,000	100,564
Long-term accounts receivable	71,276	71,276
Capital assets (note 3)	41,518,758	39,616,738
	<u>\$ 42,393,750</u>	<u>\$ 43,372,655</u>

	2018	2017
Liabilities, Deferred Contributions and Net Assets		
Current liabilities:		
Bank indebtedness (note 5)	\$ 529,325	\$ —
Accounts payable and accrued liabilities	1,372,724	2,953,471
Current portion of loans payable (note 6)	605,483	569,375
	<u>2,507,532</u>	<u>3,522,846</u>
Loans payable (note 6)	23,178,456	23,710,782
Deferred contributions relating to (note 7):		
Expenses of future periods	677,089	569,488
Capital assets	14,871,182	14,002,679
	<u>15,548,271</u>	<u>14,572,167</u>
Net assets:		
Unrestricted	(1,894,214)	(1,056,455)
Internally restricted (note 2[f]):		
Initiatives program	87,107	87,107
Coaching	26,875	26,875
Future major repairs and upgrades	525,000	450,000
Phase 2 building expenditures	300,000	700,000
Princess Royal Pan Am Scholarship endowment (note 2[g])	100,000	100,564
Invested in capital assets (note 10)	2,014,723	1,258,769
	<u>1,159,491</u>	<u>1,566,860</u>
KidSport Canada trust assets (note 4)		
	<u>\$ 42,393,750</u>	<u>\$ 43,372,655</u>

See accompanying notes to financial statements.

On behalf of the Board:

 Director

 Director

SPORT MANITOBA INC.

Statement of Operations

Year ended March 31, 2018, with comparative information for 2017

	Operating Fund	Qualico Training Centre	Restricted Funds	Capital Asset Fund	2018 Total	2017 Total
Revenue:						
Province of Manitoba:						
Program support	\$ 10,794,959	\$ -	\$ -	\$ -	\$ 10,794,959	\$ 11,105,927
Bingo allocation	2,201,389	-	-	-	2,201,389	250,400
Other grants	5,560	-	-	-	5,560	255,560
Sport Medicine Centre	623,187	-	-	-	623,187	545,103
Amortization of deferred contributions	-	-	-	284,163	284,163	-
Manitoba Games	354,000	-	-	-	354,000	366,385
Other income	514,987	787,982	-	-	1,302,969	758,563
Bilateral funding:						
Province of Manitoba	312,273	-	-	-	312,273	312,273
Federal Government	312,273	-	-	-	312,273	312,273
	15,118,628	787,982	-	284,163	16,190,773	13,906,484
Expenses:						
Grants						
Sport groups for sport development	9,038,373	-	564	-	9,038,937	7,447,809
Bilateral sport development programs	377,254	-	-	-	377,254	375,063
Sport Medicine Centre	695,458	-	-	-	695,458	666,962
Administration and services provided:						
Occupancy	1,513,149	522,275	-	-	2,035,424	1,467,817
Operating Program	218,991	328,688	-	-	547,679	376,637
Administration	861,229	146,572	-	-	1,007,801	975,576
Member services	1,062,164	35,919	-	-	1,098,083	1,122,654
Cost recovered from sport groups	1,645,363	-	-	-	1,645,363	1,720,142
Amortization	(986,479)	-	-	-	(986,479)	(1,010,082)
	14,425,502	1,033,454	564	1,138,622	16,598,142	13,673,292
Excess (deficiency) of revenue over expenses	\$ 693,126	\$ (245,472)	\$ (564)	\$ (854,459)	\$ (407,369)	\$ 233,192

See accompanying notes to financial statements.

SPORT MANITOBA INC.

Statement of Changes in Net Assets

Year ended March 31, 2018, with comparative information for 2017

	Unrestricted	Internally restricted initiatives program	Internally restricted coaching fund	Internally restricted phase 2 building expenditures	Internally restricted future major repairs and upgrades	Princess Royal Pan Am Scholarship endowment	Invested in capital assets	2018 Total	2017 Total
Net assets, beginning of year	\$ (1,056,455)	\$ 87,107	\$ 26,875	\$ 700,000	\$ 450,000	\$ 100,564	\$ 1,258,769	\$ 1,566,860	\$ 1,333,668
Excess (deficiency) of revenue over expenses	447,654	-	-	-	-	(564)	(854,459)	(407,369)	233,192
Capital assets acquired	(641,038)	-	-	(400,000)	-	-	1,041,038	-	-
Principal payments on loan payable	(569,375)	-	-	-	-	-	569,375	-	-
Internally imposed restriction (note 2[f])	(75,000)	-	-	-	75,000	-	-	-	-
Net assets, end of year	\$ (1,894,214)	\$ 87,107	\$ 26,875	\$ 300,000	\$ 525,000	\$ 100,000	\$ 2,014,723	\$ 1,159,491	\$ 1,566,860

See accompanying notes to financial statements.

SPORT MANITOBA INC.

Statement of Cash Flows

Year ended March 31, 2018, with comparative information for 2017

	2018	2017
Cash provided by (used in):		
Operating activities:		
Excess (deficiency) of revenue over expenses	\$ (407,369)	\$ 233,192
Items not involving cash:		
Amortization of capital assets	1,138,622	472,321
Amortization of deferred contributions	(284,163)	–
Amortization of deferred financing fee	73,157	68,528
Change in non-cash operating working capital	(1,609,227)	1,008,895
	(1,088,980)	1,782,936
Capital activities:		
Additions to capital assets	(3,040,642)	(18,474,948)
Increase in deferred contributions related to capital assets	1,152,666	5,787,374
	(1,887,976)	(12,687,574)
Financing activities:		
Proceeds of loan payable	–	10,300,000
Principal repayments of loan payable	(569,375)	(372,271)
Bank indebtedness	529,325	(1,003,082)
	(40,050)	8,924,647
Decrease in cash	(3,017,006)	(1,979,991)
Cash, beginning of year	3,017,006	4,996,997
Cash, end of year	\$ –	\$ 3,017,006

See accompanying notes to financial statements.

SPORT MANITOBA INC.

Notes to Financial Statements

Year ended March 31, 2018

1. General:

Sport Manitoba Inc. (the organization) is a not-for-profit organization which has been empowered by the Province of Manitoba to play the lead role in the implementation of the Province's sport policy. The organization's purpose is to lead and support participation and achievement in sport by all Manitobans. The organization is exempt from income taxes and is funded through an agreement with the Province of Manitoba which expires on March 31, 2020.

2. Significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards including the 4200 standards for government not-for-profit organizations.

(a) Revenue recognition:

The organization follows the deferral method of accounting for contributions, which include government grants.

Unrestricted contributions and operating grants are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated.

Externally restricted contributions and grants are recognized as revenue in the year in which the related expenses are recognized.

Contributions restricted for the purchase of capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related capital assets.

Endowment contributions are recognized as an increase in net assets when received.

Revenue from the Sport Medicine Centre and other income are recognized as revenue when earned.

SPORT MANITOBA INC.

Notes to Financial Statements (continued)

Year ended March 31, 2018

2. Significant accounting policies (continued):

(b) Inventories:

Inventories are valued at the lower of cost and estimated realizable value with cost being determined on the first-in, first-out basis.

(c) Capital assets:

Capital assets are stated at cost. Amortization is recorded on a straight-line basis using the following terms:

Asset	Term
Building	40 years
Computers	3 years
Furniture and equipment	2 - 20 years
Print shop equipment	3 - 30 years

Construction in progress is transferred to the appropriate capital asset category and amortization begins when the capital project is complete and the asset is placed in service.

Leasehold improvements are recorded at cost and are amortized on a straight-line basis over the remaining term of the lease.

Interest is capitalized on payments for major capital asset additions made prior to them being ready for use and is included in the cost of the asset.

Any gain or loss on disposal of these assets is charged to operations in the year of disposal.

(d) Operating fund - Unrestricted:

The purpose of the Operating Fund is to record the operations of the organization, which includes operations of The Sport for Life Sport Medicine Centre and excludes operations of the Qualico Training Centre.

The Sport for Life Sport Medicine Centre is a multidisciplinary clinic that offers patient care for sport medicine and orthopedic injuries including sport medicine, physiotherapy, athletic therapy, massage, chiropractic and nutrition.

SPORT MANITOBA INC.

Notes to Financial Statements (continued)

Year ended March 31, 2018

2. Significant accounting policies (continued):

(e) Qualico Training Centre fund - Unrestricted:

Phase 2 of the new Sport for Life Centre was completed in June of 2017 and was named the Qualico Training Centre. The revenue and expenses relating to the operation of the Qualico Training Centre, which includes an activity space, is included in this fund in the statement of operations with any deficit or surplus being recorded in unrestricted net assets.

(f) Internally restricted funds:

The initiatives program represents net assets restricted by the Board of Directors. These net assets are to be used to meet exceptional or one time initiatives and to support Sport Manitoba's pro-active participation in collaborative projects with partners in sport. All expenditures must be approved by the Board.

The Board of Directors has also internally restricted certain net assets to be used for coaching initiatives.

During the year, the Board of Directors internally restricted resources amounting to \$75,000 (2017 - \$75,000) to be used to fund future major repairs and upgrades required for 145 Pacific Avenue. The amount was transferred from the unrestricted net assets. These internally restricted amounts are not available for other purposes without prior approval of the Board of Directors

(g) Princess Royal Pan Am Scholarship endowment:

The organization received \$100,000 to establish the Princess Royal Pan Am Scholarship endowment. The principal cannot be used to fund programs. The investment income earned is used to provide annual scholarships to one male and one female athlete, up to \$3,000 each, who are competing in sport at a national or international level and who are enrolled in a post-secondary education program at a Manitoba post-secondary institution. The endowment is recorded at fair value.

(h) Capital fund:

The purpose of the Capital Fund is to record capital assets, related debt, and the net investment of the organization in such assets.

SPORT MANITOBA INC.

Notes to Financial Statements (continued)

Year ended March 31, 2018

2. Significant accounting policies (continued):

(i) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions 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 year. Actual results could differ from those estimates.

(j) Financial instruments:

Derivative instruments and equity instruments that are quoted in an active market are reported at fair value. All other financial instruments are subsequently recorded at cost or amortized cost unless management has elected to carry the instruments at fair value. Management has elected to record all investments at fair value as they are managed and evaluated on a fair value basis.

Transaction costs incurred on acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the effective interest method.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the statement of operations and any unrealized gain is adjusted through the statement of re-measurement gains and losses.

When the asset is sold, the unrealized gains and losses previously recognized in the statement of re-measurement gains and losses are reversed and recognized in the statement of operations.

The organization did not incur any re-measurement gains and losses during the year ended March 31, 2018 or during the year ended March 31, 2017 and therefore a statement of re-measurement gains and losses is not required to be included in these financial statements.

SPORT MANITOBA INC.

Notes to Financial Statements (continued)

Year ended March 31, 2018

2. Significant accounting policies (continued):

The standards require an organization to classify fair value measurements using a fair value hierarchy, which includes three levels of information that may be used to measure fair value:

- Level 1 - Unadjusted quoted market prices in active markets for identical assets or liabilities;
- Level 2 - Observable or corroborated inputs, other than level 1, such as quoted prices for similar assets or liabilities in inactive markets or market data for substantially the full term of the assets or liabilities; and
- Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities.

(k) Allocation of general administration expenses:

The organization classifies expenses on the statement of operations by function. The organization allocates certain costs by identifying the appropriate basis of allocation and applying that basis consistently each year. Allocated expenses consist of salaries and benefits which are allocated 65 percent to member services expenses and 35 percent to administration expenses on the basis of the average of individual job positions responsibilities.

(l) Accounting policy changes:

On April 1, 2017, the organization adopted Canadian public sector accounting standards PS 2200 Related party disclosures, PS 3420 Inter-entity transactions, PS 3210 Assets, PS 3320 Contingent assets, and PS 3380 Contractual rights. The adoption of these standards did not result in an accounting policy change for the organization and did not result in any adjustments to the financial statements as at April 1, 2017.

SPORT MANITOBA INC.

Notes to Financial Statements (continued)

Year ended March 31, 2018

3. Capital assets:

			2018	2017
	Cost	Accumulated amortization	Net book value	Net book value
Land	\$ 1,200,000	\$ -	\$ 1,200,000	\$ 1,200,000
Building	43,324,613	3,609,207	39,715,406	12,538,595
Computers	397,849	357,115	40,734	60,813
Furniture and equipment	1,416,755	856,230	560,525	111,559
Print shop equipment	248,807	246,714	2,093	2,306
Leasehold improvements	40,576	40,576	-	-
Construction in progress	-	-	-	25,703,465
	\$ 46,628,600	\$ 5,109,842	\$ 41,518,758	\$ 39,616,738

4. KidSport Canada trust assets:

In accordance with a Delegation of Authority agreement with KidSport Canada signed March 19, 2008, the organization is holding \$1,181,384 of assets in trust for KidSport Canada as at March 31, 2018 (2017 - \$1,288,282). The agreement delegates authority to the organization to issue tax receipts for qualifying donations on behalf of KidSport Canada. These trust assets together with the related obligation, donation income and grant expenses have not been recorded in these financial statements for financial reporting purposes.

5. Bank indebtedness:

The organization has an operating line of credit to a maximum of \$2,650,000. The operating line of credit is due on demand and bears interest at prime plus 0.5 percent. The organization had utilized the operating line of credit at March 31, 2018 in the amount of \$529,325 (2017 - nil).

SPORT MANITOBA INC.

Notes to Financial Statements (continued)

Year ended March 31, 2018

6. Loans payable:

	2018	2017
Loan payable to Province of Manitoba bearing interest at 3.25%, unsecured, repayable in monthly installments of \$78,337 including interest, maturing March 31, 2045	\$ 16,882,795	\$ 17,267,347
Loan payable to Province of Manitoba bearing interest at 3.375%, unsecured, repayable in monthly installments of \$45,536 including interest, maturing April 30, 2047	10,115,177	10,300,000
Deferred financing fee	(3,214,033)	(3,287,190)
	23,783,939	24,280,157
Current portion of loans payable	605,483	569,375
	\$ 23,178,456	\$ 23,710,782

Principal repayments over the next five years are as follows:

2019	\$ 605,483
2020	625,725
2021	646,644
2022	668,263
2023	690,605

7. Deferred contributions:

Deferred contributions related to expenses of future periods represent restricted funding received for future expenses.

	2018	2017
Balance, beginning of year	\$ 569,488	\$ 254,961
Contributions in the current year	318,309	589,346
Amounts amortized to revenue	(210,708)	(274,819)
Balance, end of year	\$ 677,089	\$ 569,488

SPORT MANITOBA INC.

Notes to Financial Statements (continued)

Year ended March 31, 2018

7. Deferred contributions (continued):

Deferred contributions for expenses of future periods are comprised of the following:

	2018	2017
Future bids and funding, MB Games sponsorship, coaching and programming and storage of equipment	\$ 677,089	\$ 569,488

Deferred contributions related to capital assets represent the unamortized amount of externally restricted contributions that have been received for the construction of the Sport for Life Centre.

	2018	2017
Balance, beginning of year	\$ 14,002,679	\$ 8,215,305
Contributions in the current year	1,152,666	5,787,374
Amounts amortized to revenue	(284,163)	-
Balance, end of year	\$ 14,871,182	\$ 14,002,679

Deferred contributions related to capital assets are comprised of the following:

	2018	2017
Sport for Life Centre Phase 1	\$ 9,050	\$ 9,050
Sport for Life Centre Phase 2	14,862,132	13,993,629
	\$ 14,871,182	\$ 14,002,679

As at March 31, 2018, the organization has received pledges of approximately \$2,400,000 for the Sports for Life Centre Phase 2 that are to be collected during fiscal 2019 to 2024, with approximately \$824,000 to be collected in fiscal 2019. These pledges will be recorded as deferred contributions related to capital assets when received and will then be amortized to revenue over the useful life of the Sport for Life Centre Phase 2 building.

The organization signed a promissory note dated March 31, 2016 for a total capital contribution of \$6,000,000 for the Sport for Life Centre Phase 2. The promissory note is payable to the Department of Finance of the Province of Manitoba and the payment of this liability is guaranteed and funded by Department of Tourism, Culture, Heritage, Sport and Consumer Protection of the Province of Manitoba. No revenue or expense is recorded in accordance with their extinguishment, except for the amortization of the deferred contributions. At March 31, 2018, the balance of the promissory note is \$5,791,531 (2017 - \$5,912,159). The promissory note bears interest at 3.38 percent, maturing on June 30, 2046, and is repayable in monthly installments of \$26,536, which includes principal and interest.

SPORT MANITOBA INC.

Notes to Financial Statements (continued)

Year ended March 31, 2018

8. Manitoba Sports Hall of Fame and Museum Incorporated:

The organization is the sole voting member of the Manitoba Sports Hall of Fame and Museum Incorporated (Hall of Fame), which is a registered charity organized to honour Manitoba athletes and builders. The financial statements of the Hall of Fame have not been consolidated with those of the organization.

On April 1, 2008, the Hall of Fame entered into an occupancy and support agreement with the organization whereby certain services are provided by the organization to the Hall of Fame for a fee equal to the cost of providing such services, minus the sum of \$65,000.

The accounts receivable from the Hall of Fame in the amount of \$ 71,276 (2017 - \$71,276), is non-interest bearing, and has no fixed terms of repayment.

The following represents the financial position and the results of operations of the Hall of Fame as at March 31:

	2018	2017
Assets	\$ 647,381	\$ 687,915
Liabilities and deferred contributions	\$ 435,628	\$ 514,809
Net assets	211,753	173,106
	\$ 647,381	\$ 687,915
Revenues	\$ 399,899	\$ 360,176
Expenses	361,252	296,841
Excess of revenues over expenses	\$ 38,647	\$ 63,335

SPORT MANITOBA INC.

Notes to Financial Statements (continued)

Year ended March 31, 2018

9. Manitoba Foundation for Sports Inc.:

The organization is the sole voting member of the Manitoba Foundation for Sports Inc. (Foundation), which is a registered charity organized for the purpose of furthering the development of amateur athletics in the Province of Manitoba. The financial statements of the Foundation have not been consolidated with those of the organization.

The following represents the financial position and results of operations of the Foundation as at March 31:

	2018	2017
Assets	\$ 557,118	\$ 566,665
Deferred contributions	\$ 401,015	\$ 404,813
Unrestricted net assets	155,348	161,097
Restricted Bud Tinsley fund	755	755
	\$ 557,118	\$ 566,665

	2018	2017
Revenue	\$ 24,279	\$ 20,191
Expenses	30,028	526,389
Deficiency of revenue over expenses	\$ (5,749)	\$ (506,198)

During the year, the Foundation provided \$13,998 (2017 - \$11,500) of scholarship grants to Manitoba athletes.

SPORT MANITOBA INC.

Notes to Financial Statements (continued)

Year ended March 31, 2018

10. Invested in capital assets:

Invested in capital assets is calculated as follows:

	2018	2017
Capital assets	\$ 41,518,758	\$ 39,616,738
Amounts financed by:		
Loans payable	(23,783,939)	(24,280,157)
Deferred contributions	(14,871,182)	(14,002,679)
Working capital	(319,589)	(75,133)
Bank indebtedness	(529,325)	—
	\$ 2,014,723	\$ 1,258,769

11. Pension plan:

The organization has a defined contribution pension plan. Pension expense for the year ended March 31, 2018 was \$141,011 (2017 - \$127,530).

12. Financial risks:

The organization has exposure to the following risks associated with its financial instruments:

(a) Credit risk:

Credit risk refers to the risk that a counterpart may default on its contractual obligations resulting in a financial loss. The organization is exposed to credit risk with respect to the accounts receivable, cash and marketable securities.

The organization assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts. The maximum exposure to credit risk of the organization at March 31, 2018 is the carrying value of these assets.

At March 31, 2018, an allowance for bad debt exists in the amount of \$25,025 (2017 - \$25,025). All other accounts receivable for March 31, 2018 are current.

The maximum exposure to investment credit risk is the fair value of the marketable securities at March 31, 2018.

There have been no significant changes to the credit risk exposure from 2017.

SPORT MANITOBA INC.

Notes to Financial Statements (continued)

Year ended March 31, 2018

12. Financial risks (continued):

(b) Liquidity risk:

Liquidity risk is the risk that the organization will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The organization manages liquidity risk by monitoring its operating requirements. The organization prepares budgets and cash forecasts to ensure it has sufficient funds to fulfill its obligations.

All accounts payable and accrued liabilities are due within fiscal 2019.

There have been no significant changes to the liquidity risk exposure from 2017.

(c) Interest rate risk:

Interest rate risk is the risk that the fair value of future cash flows or a financial instrument will fluctuate because of changes in the market interest rates.

Financial assets and financial liabilities with variable interest rates expose the organization to cash flow interest risk. The organization is not exposed to this risk as its loans payable have fixed interest rates.

There has been no change to the risk exposures from 2017.

13. Comparative information:

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted in the current period.

SPORT MANITOBA INC.

Schedule A - Administration and Services Provided to Sports Groups

Year ended March 31, 2018, with comparative information for 2017

	2018	2017
Occupancy expenses:		
Interest on loan payable	\$ 555,831	\$ 567,603
Member services	181,633	180,836
Utilities	228,362	180,227
Security and janitorial services	125,952	176,679
Salaries	91,810	87,546
Property repairs and maintenance	46,832	49,640
Insurance and taxes	282,729	223,780
Sport for Life Centre	—	1,506
	\$ 1,513,149	\$ 1,467,817
Operating expenses:		
Courier	\$ 15,089	\$ 9,973
Aboriginal Sport	—	5,096
Postage	40,668	42,355
Repairs and maintenance	109,897	117,124
Service bureau fees	1,630	1,539
Stationery	25,536	29,966
Telephone	26,171	35,089
	\$ 218,991	\$ 241,142
Programs expenses:		
Community & Regional Development	139,290	158,191
Communications	18,850	32,217
Coaching Development	74,356	84,719
Fit Kids Healthy Kids	226,840	260,284
Special Projects - Sport Management	7,140	6,370
Kidsport	23,925	33,098
Interprovincial Games	133,024	138,067
Marketing Image & Public Relations	144,940	114,711
Partner Services	8,319	7,274
Respect in Sport	84,545	89,617
Long Term Athlete Development	—	3,376
	\$ 861,229	\$ 927,924

SPORT MANITOBA INC.

Schedule A - Administration and Services Provided to Sport Groups (continued)

Year ended March 31, 2018, with comparative information for 2017

	2018	2017
Administration expenses:		
Advertising, marketing and media programs	\$ 41,424	\$ 56,107
Delivery and freight	820	557
Insurance	12,443	13,017
Meetings	13,346	12,550
Membership dues and subscriptions	3,513	2,720
Office supplies and stationery	362	10,280
Photocopying	4,936	4,735
Postage	10,121	4,974
Printing	5,203	3,937
Professional development	1,160	3,179
Professional fees	33,281	26,786
Salaries and benefits	885,965	926,230
Service bureau fees	5,774	4,896
Telephone	26,909	23,162
Travel	4,769	4,951
Volunteer and staff recognition	12,138	4,874
	<hr/>	<hr/>
	\$ 1,062,164	\$ 1,102,955
Member services expenses:		
Salaries and benefits	\$ 1,645,363	\$ 1,720,142
	<hr/>	<hr/>
Amortization:		
Amortization of other capital assets	\$ 1,065,465	\$ 462,186
Amortization of deferred financing fee	73,157	68,528
	<hr/>	<hr/>
	\$ 1,138,622	\$ 530,714

SPORT MANITOBA INC.

Schedule B - Administration and Services Provided to Qualico Training Centre

Year ended March 31, 2018, with comparative information for 2017

	2018	2017
Occupancy expenses:		
Interest on loan payable	\$ 276,300	\$ -
Member services	6,342	-
Utilities	40,321	-
Security and janitorial services	133,875	-
Property repairs and maintenance	25,737	-
Insurance and taxes	39,700	-
	<hr/>	<hr/>
	\$ 522,275	\$ -
Operating expenses:		
Salaries and benefits	\$ 310,950	\$ 117,800
POS Online Software	17,738	17,697
	<hr/>	<hr/>
	\$ 328,688	\$ 135,497
Program expenses:		
Specialty programs/Trainers and Coaches	\$ 120,746	\$ 47,651
Membership - Trainers	25,826	-
	<hr/>	<hr/>
	\$ 146,572	\$ 47,651
Administration expenses:		
Delivery and freight	\$ 155	\$ 192
Meetings	454	1,721
Office supplies and stationery	9,642	2,520
Photocopying	389	788
Printing	2,176	1,135
Professional development	13,601	10,096
Telephone	2,987	1,582
Travel	6,515	1,662
	<hr/>	<hr/>
	\$ 35,919	\$ 19,696