



VORTEX WATER POLO INC.

Financial Statements

Year Ended August 31, 2024

VORTEX WATER POLO INC.
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Year Ended August 31, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Members of Vortex Water Polo Inc.

Opinion

We have audited the financial statements of Vortex Water Polo Inc. (the "organization"), which comprise the statement of financial position as at August 31, 2024, and the statements of revenues and expenditures, 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 August 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 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 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.

Other Matter

The financial statements for the year ended August 31, 2023 are unaudited.

Emphasis of Matter - Comparative Information

We draw attention to Note 1 to the financial statements which describes that Vortex Water Polo Inc. adopted ASNPO on September 1, 2023 with a transition date of September 1, 2022. These standards were applied retrospectively by management to the comparative information in these financial statements, including the statements of financial position as at August 31, 2023 and September 1, 2022, and the statements of revenues and expenditures, changes in net assets and cash flows for the year ended August 31, 2023 and related disclosures. Our opinion is not modified in respect of this matter.

We were not engaged to report on the comparative information, and as such, it is unaudited.

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.

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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.

A handwritten signature in black ink that reads "Lazer Grant LLP". The signature is written in a cursive, flowing style.

Winnipeg, MB
May 26, 2025

CHARTERED PROFESSIONAL ACCOUNTANTS

VORTEX WATER POLO INC.
Statement of Financial Position
August 31, 2024

	<i>August 31</i> 2024	<i>August 31</i> 2023 (Unaudited)	<i>September 1</i> 2022 (Unaudited)
ASSETS			
CURRENT			
Cash	\$ 152,677	\$ 72,100	\$ 105,600
Accounts receivable	17,892	17,742	1,453
	170,569	89,842	107,053
CAPITAL ASSETS (Note 4)	1,786	2,610	3,434
	\$ 172,355	\$ 92,452	\$ 110,487
LIABILITIES AND NET ASSETS			
CURRENT			
Accounts payable and accrued liabilities	\$ 97,131	\$ 20,270	\$ 30,986
NET ASSETS			
Unrestricted	73,438	69,572	-
Invested in capital assets	1,786	2,610	-
	75,224	72,182	79,501
	\$ 172,355	\$ 92,452	\$ 110,487

ON BEHALF OF THE BOARD*Hartley Human*

Director

Kevin Friedman

Director

VORTEX WATER POLO INC.
Statement of Revenues and Expenditures
Year Ended August 31, 2024

	2024	2023 <i>(Unaudited)</i>
REVENUES		
Registration fees	\$ 234,234	\$ 179,529
Tournament and travel fees	129,400	72,566
Merchandise sales	7,010	8,128
Grants and fundraising	3,546	7,271
	374,190	267,494
EXPENSES <i>(Schedule 1)</i>	371,484	292,019
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FROM OPERATIONS	2,706	(24,525)
OTHER INCOME	336	282
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ 3,042	\$ (24,243)

VORTEX WATER POLO INC.
Statement of Changes in Net Assets
Year Ended August 31, 2024

	Unrestricted	Invested in capital assets	2024	2023 <i>(Unaudited)</i>
NET ASSETS - BEGINNING OF YEAR	\$ 69,572	\$ 2,610	\$ 72,182	\$ 96,425
Excess (deficiency) of revenues over expenses	3,042	-	3,042	(24,243)
Amortization of capital assets	824	(824)	-	-
NET ASSETS - END OF YEAR	\$ 73,438	\$ 1,786	\$ 75,224	\$ 72,182

VORTEX WATER POLO INC.**Statement of Cash Flows****Year Ended August 31, 2024**

	2024	2023 <i>(Unaudited)</i>
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	\$ 3,042	\$ (24,243)
Item not affecting cash:		
Amortization	824	824
	3,866	(23,419)
Changes in non-cash working capital:		
Accounts receivable	(150)	(16,289)
Accounts payable and accrued liabilities	76,861	(10,716)
	76,711	(27,005)
Cash from (used by) operating activities	80,577	(50,424)
INVESTING ACTIVITY		
Proceeds from club merger	-	16,924
INCREASE (DECREASE) IN CASH	80,577	(33,500)
Cash - beginning of year	72,100	105,600
CASH - END OF YEAR	\$ 152,677	\$ 72,100

1. FIRST TIME ADOPTION OF ACCOUNTING STANDARDS FOR NOT-FOR-PROFIT ORGANIZATIONS

During the year the organization adopted Canadian accounting standards for not-for-profit organizations (ASNPO). These financial statements are the first prepared in accordance with these standards. The adoption of ASNPO had no impact on net assets as at September 1, 2022 or revenues and expenditures or cash flows for the year ended August 31, 2023 as previously reported in accordance with pre-changeover Canadian generally accepted accounting principles.

2. DESCRIPTION OF THE BUSINESS

Vortex Water Polo Inc. is an organization that provides fun and competitive water polo programs ranging from 8U to adults in Winnipeg, Manitoba. Vortex Water Polo Inc. is incorporated under the Manitoba Corporations Act as a non-profit organization.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

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.

Capital assets

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

Equipment	5 years
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The organization regularly reviews its capital assets to eliminate obsolete items.

One-half the normal rate of amortization is recorded in the year of acquisition.

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VORTEX WATER POLO INC.
Notes to Financial Statements
Year Ended August 31, 2024

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

Revenue recognition

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

Restricted contributions, including government grants and capital contributions related to expenses of future periods, are deferred and recognized as revenue in the period in which the related expenses are incurred.

Unrestricted contributions, including Registration fees, Travel fees, Merchandise sales, grants, and fundraising are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

- a) Registration fees are recognized as revenue on a straight-line basis over the term of the program. Programs range from one month to a year.
- b) Travel fees are recognized as revenue at the time of the service.
- c) Merchandise sales revenue is recognized when the title passes to the customer, which generally coincides with the delivery and acceptance of goods.

4. CAPITAL ASSETS

	2024		2023	
	Cost	Accumulated amortization	Cost	Accumulated amortization
Equipment	\$ 4,121	\$ 2,335	\$ 4,121	\$ 1,511
Net book value	\$ 1,786		\$ 2,610	

VORTEX WATER POLO INC.**Expenses (Schedule 1)****Year Ended August 31, 2024**

	2024	2023 <i>(Unaudited)</i>
Advertising and promotion	\$ 698	\$ 909
Amortization	824	824
Bad debts	7,815	-
Consulting and coaching fees	89,292	83,173
Interest and bank charges	8,095	5,070
Meals and entertainment	3,282	3,509
Memberships	4,827	1,060
Office	1,211	7,539
Grants and fundraising to athletes	5,345	1,590
Professional fees	7,000	-
Pool rental fees	105,028	95,310
Supplies	6,564	19,320
Training	55	2,749
Travel	131,448	70,966
	\$ 371,484	\$ 292,019