



Financial Statements of

TRUE NORTH YOUTH FOUNDATION INC.

Year ended June 30, 2024



To the Directors of True North Youth Foundation Inc.:

Opinion

We have audited the financial statements of True North Youth Foundation Inc. (the "Foundation"), which comprise the statement of financial position as at June 30, 2024, and the statements of operations, changes in net assets, cash flows and related schedules 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 Foundation as at June 30, 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 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 Foundation 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.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. We obtained the Annual Report prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Foundation'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 Foundation or to cease operations, or has no realistic alternative but to do so.

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

Winnipeg, Manitoba
September 23, 2024


Chartered Professional Accountants

TRUE NORTH YOUTH FOUNDATION INC.

Statement of Financial Position

(in thousands of dollars)

As at June 30	2024	2023
---------------	------	------

Assets

Cash	\$ 3,278	\$ 4,866
Restricted cash (note 2(d))	2,000	—
Accounts receivable	428	590
Prepaid expenses	223	75
Investments (note 3)	9,255	8,153
Capital assets (note 4)	11,098	11,003
	<u>\$ 26,282</u>	<u>\$ 24,687</u>

Liabilities, Deferred Contributions and Net Assets

Accounts payable and accrued liabilities	\$ 761	\$ 770
Deferred contributions for expenses of future years	884	657
Deferred capital asset contributions (note 5)	8,868	9,039
	<u>10,513</u>	<u>10,466</u>
Net assets:		
Unrestricted	5,539	6,257
Invested in capital assets	2,230	1,964
Restricted	8,000	6,000
	<u>15,769</u>	<u>14,221</u>
Commitments (note 6)		
	<u>\$ 26,282</u>	<u>\$ 24,687</u>

See accompanying notes to financial statements.

On behalf of the Board:



Director



Director



TRUE NORTH YOUTH FOUNDATION INC.

Statement of Operations

(in thousands of dollars)

Years ended June 30	2024	2023
Revenue:		
Event proceeds net of expenses (Schedule A)	\$ 867	\$ 945
50/50 raffle revenue net of expenses (Schedule B)	2,741	2,274
Camp Manitou (Schedule C)	1,533	1,118
Winnipeg Jets Hockey Academy (Schedule D)	184	119
Project 11 (Schedule E)	424	454
Donations	422	254
Investment and other income	1,228	543
	7,399	5,707
Expenses:		
Camp Manitou (Schedule C)	2,120	1,803
Winnipeg Jets Hockey Academy (Schedule D)	1,566	1,555
Project 11 (Schedule E)	776	847
General and administration expenses	552	536
Grants and disbursements (Schedule F)	664	344
	5,678	5,085
Excess of revenue over expenses before the undernoted	1,721	622
Amortization of capital assets	(690)	(710)
Amortization of deferred contributions, capital assets (note 5)	517	408
Excess of revenue over expenses	\$ 1,548	\$ 320

Statement of Changes in Net Assets

	Unrestricted	Invested in capital assets	Restricted	Total
Balance, June 30, 2022	\$ 5,811	\$ 2,090	\$ 6,000	\$ 13,901
Excess (deficiency) of revenue over expenses	622	(302)	—	320
Transfer for capital asset additions net of contributions received	(176)	176	—	—
Balance, June 30, 2023	6,257	1,964	6,000	14,221
Excess (deficiency) of revenue over expenses	1,721	(173)	—	1,548
Transfer for capital asset additions net of contributions received	(439)	439	—	—
Transfer to restricted net assets	(2,000)	—	2,000	—
Balance, June 30, 2024	\$ 5,539	\$ 2,230	\$ 8,000	\$ 15,769

See accompanying notes to financial statements.

TRUE NORTH YOUTH FOUNDATION INC.

Statement of Cash Flows

(in thousands of dollars)

Years ended June 30	2024	2023
Cash provided by (used in):		
Operating activities:		
Excess of revenue over expenses	\$ 1,548	\$ 320
Items not involving cash:		
Amortization of capital assets	690	710
Amortization of deferred contributions, capital assets	(517)	(408)
Unrealized (gains) losses on investments	(777)	24
	944	646
Change in non-cash operating working capital:		
Accounts receivable	162	(188)
Prepaid expenses	(148)	94
Accounts payable and accrued liabilities	(9)	(24)
Deferred contributions for expenses of future years	227	134
	1,176	662
Investing activities:		
Additions to capital assets	(785)	(910)
Change in investments, net	(325)	(468)
Change in restricted cash	(2,000)	—
	(3,110)	(1,378)
Financing activities:		
Deferred capital asset contributions	346	854
Increase in cash	412	138
Cash, beginning of year	4,866	4,728
Cash, end of year	\$ 3,278	\$ 4,866

See accompanying notes to financial statements.

TRUE NORTH YOUTH FOUNDATION INC.

Notes to Financial Statements
(in thousands of dollars)

Year ended June 30, 2024

1. Organization:

True North Youth Foundation Inc. (the Foundation) was incorporated in October of 1996 as the Manitoba Moose Yearling Foundation Inc. Effective September 22, 2011, with the acquisition of an NHL franchise in Winnipeg, the Foundation was renamed Winnipeg Jets True North Foundation Inc. Effective October 27, 2016, the Foundation was renamed True North Youth Foundation Inc.

The Foundation's main purpose is to provide self-programming in the form of three programs with the motto of Empowering Potential. The first is a partnership with various school divisions that provides at-risk youth an opportunity to play the game of hockey, feel connected to their school and community while motivating them to stay in school. The program is called the Winnipeg Jets Hockey Academy. The second is Project 11, a positive mental health coping skills curricular resource program for grades K-8 that is offered across the province of Manitoba. The third is Camp Manitou, an all-season children's camp designed to deliver camp and outdoor programming to the children and youth across the province of Manitoba. The addition of a youth leadership program was approved in June of the current year and launched subsequent to year end in July.

An independent Board of Directors appointed by the Executive Committee of the Foundation is responsible to monitor administration of activities of the Foundation.

The Foundation is a registered charity under the Income Tax Act (Canada) and is therefore exempted from income taxes.

2. Significant accounting policies:

The Foundation's financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies.

(a) Investments:

Investments are stated at fair value. Fair value of investments is determined based on period end quoted market prices.

(b) Capital assets:

Capital assets are stated at cost less accumulated amortization. Amortization is being provided using the straight-line method, using the following amortization periods:

Asset	Years
Office and 50/50 equipment	3-5
Vehicles	5
Camp Manitou equipment	5-10

Leasehold improvements are amortized on a straight-line basis over the lease term.

Property under development includes direct costs and is stated at the lower of cost and net recoverable amount. Costs associated with the development of the property are capitalized until the property reaches its accounting completion date. The accounting completion date is defined as the date upon which operations of the property commence.

(c) Deferred capital asset contributions:

Deferred capital asset contributions include the unamortized portion of the restricted contributions relating to the purchase of capital assets. The deferred contributions will be recognized as revenue on the same basis the capital assets are being amortized.

(d) Restricted net assets:

Restricted net assets include internally restricted funds and externally restricted donations where the principal is required to be maintained intact unless advance permission from the donors is received. The investment income generated from the externally restricted investments of \$6,000 is to be used to support general programs of the Foundation. During the year, the Board approved \$2,000 of net assets to be internally restricted for the purposes of funding a youth leadership program, which was launched subsequent to year end in July.

(e) Revenue recognition:

The Foundation follows the deferral method of accounting for contributions. Deferred contributions for expenses of future years are externally restricted contributions that have been received and relate to expenses to be incurred in subsequent years. The recognition of deferred contributions for expenses of future years is recorded as revenue in the statement of operations. Endowment contributions are recognized as direct increases in endowment net assets. 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.

Investment income from the restricted net assets is unrestricted in accordance with the Fund agreement. Unrestricted investment income, including interest and dividend income, realized gains (losses) on investments and change in unrealized gains (losses) on investments, is included in revenue in the statement of operations except as noted below. Realized and unrealized losses on investments are recognized as direct decreases to restricted net assets to the extent they reduce the investments below initial contributed amount. Unrealized gains on investments are then recognized as increases in restricted net assets up to the initial capital contribution.

(f) Grants:

Grants are charged to the statement of operations in the year in which the funds are granted and requirements of the grant are met.

(g) Contributions of materials and services:

Contributions of materials and services are recognized both as revenues and expenses in the statement of operations when a fair value can be reasonably estimated and when the materials and services are used in the normal course of the Foundation's operations. The Foundation received donated tickets throughout the year recorded at estimated fair value at the contribution date. The donated tickets are included in donations revenue with offsetting expenses to grant and disbursement expenses at \$209 (2023 - nil), with the remaining amounts received and included in the revenues and expenses to the various programs including \$75 (2023 - \$134) in Project 11 and \$38 (2023 - \$58) in Winnipeg Jets Hockey Academy.

(h) Government assistance:

Claims for assistance under various government assistance programs are recorded as a reduction to expenses in the period in which eligible claims apply.

(i) Financial instruments:

The Foundation recognizes its financial instruments when it becomes party to the contractual provisions of the financial instrument. Financial instruments acquired or assumed in an arm's length transaction are recorded at fair value on initial recognition. The financial instruments are subsequently measured at cost or amortized cost unless the Foundation elects to subsequently measure any arm's length financial instruments at fair value. The Foundation has elected to carry all investments at fair value.

Transaction costs incurred on the 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. These costs are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year. Management considers whether the issuer is having significant financial difficulty, whether there has been a breach in contract, such as a default or delinquency in payments, etc. in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Foundation determines whether it has resulted in a significant adverse change in the expected amount or timing of future cash flows.

If there is a significant adverse change in the expected cash flows, the carrying value of the financial assets are reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Foundation expects to realize by exercising its right to any collateral. Any impairment, which is not considered temporary, is included in current year net earnings. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial impairment charge.

(j) 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. Significant items subject to such estimates and assumptions include the carrying amount of capital assets. Actual results could differ from those estimates.

3. Investments:

	2024	2023
Canadian equities	\$ 4,099	\$ 4,057
Corporate bonds and fixed income	2,024	1,934
United States and Foreign equities	2,566	2,106
Cash and other assets	566	56
	\$ 9,255	\$ 8,153

The corporate bonds yield interest between 2.49 percent and 5.20 percent (2023 – 2.49 percent and 5.20 percent) and have maturities ranging from September 2024 to September 2042.

As at June 30, 2024 and 2023, \$6,000 of the investments relate to the contribution to the restricted net assets.

4. Capital assets:

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
Leasehold improvement	\$ 12,588	\$ 2,628	\$ 9,960	\$ 9,702
Property under development	217	–	217	160
Office and 50/50 equipment	492	458	34	8
Vehicles	114	79	35	46
Camp Manitou equipment	2,121	1,269	852	1,087
	\$ 15,532	\$ 4,434	\$ 11,098	\$ 11,003

5. Deferred capital asset contributions:

The changes in deferred capital asset contributions for the period are as follows:

	2024	2023
Beginning balance	\$ 9,039	\$ 8,593
Contributions received from Travis Price Classic	263	555
Other contributions received	83	299
Amounts amortized to revenue during the year	(517)	(408)
	\$ 8,868	\$ 9,039

6. Commitments:

The Directors of the Foundation have approved the following commitments for grants in future fiscal years:

	Years of commitment	Years remaining	Annual commitment
Royal Canadian Air Force Association	2022 - 2026	2	\$ 50
Pan Am Foundation	2022 - 2026	2	25
The Children's Hospital Foundation of Manitoba	2022 - 2025	1	25
Toba Centre for Children and Youth	2022 - 2025	1	25

On September 11, 2019, the Foundation entered a 99 year operating lease for the camp facilities located at Camp Manitou . There is a review of the terms and conditions of the agreement every 10 years, and nominal annual rent. The Foundation is responsible for all costs and expenses relating to operating the property during the term of the lease.

7. Financial risks:

The Foundation believes that it is not exposed to significant liquidity, credit or cash flow risk arising from its financial instruments except as disclosed below.

Investments that trade in foreign markets are exposed to currency risk as the price in local terms on the foreign stock exchange is converted to Canadian dollars to determine fair value. The Foundation's currency position is monitored on a daily basis by the portfolio manager.

Other price risk is the potential for price changes resulting from volatility in equity markets. The Foundation's investments in equity securities and corporate bonds exposes the Foundation to other price risk as these investments are subject to price changes in an open market due to a variety of reasons including changes in market rates of interest, general economic indicators and restrictions on credit markets.

TRUE NORTH YOUTH FOUNDATION INC.

Supporting Schedules
(in thousands of dollars)

Fundraising Event Revenue and Event Expenses

Schedule A

Years ended June 30	2024	2023
Event revenue:		
Gala Dinner	\$ 609	\$ 587
License plates	226	307
Beer Festival	212	217
Mike Keane event	242	245
Golf tournaments	222	195
Other	202	311
	1,713	1,862
Event expenses:		
Gala Dinner	319	329
Beer Festival	89	105
Mike Keane event	202	223
Golf tournaments	38	45
Other	198	215
	846	917
Event proceeds net of expenses	\$ 867	\$ 945

50/50 raffle Revenue and Expenses

Schedule B

Years ended June 30	2024	2023
50/50 raffle revenue:		
50/50	\$ 7,875	\$ 6,223
Chase the Ace	93	80
	7,968	6,303
50/50 raffle expenses:		
50/50	5,165	3,970
Chase the Ace	62	59
	5,227	4,029
50/50 raffle revenue net of expenses	\$ 2,741	\$ 2,274



Camp Manitou**Schedule C**

Years ended June 30	2024	2023
Revenue:		
Camp registrations	\$ 565	\$ 399
School camp rentals	356	278
Other camp revenues	258	152
Other camp rentals	125	20
Donations	142	42
Grants	87	227
	1,533	1,118
Expenses:		
Permanent salaries and benefits	498	377
Program salaries and benefits	752	574
Food and beverage	260	238
Insurance	126	103
Utilities	125	115
Repairs and maintenance	80	106
Other	279	290
	2,120	1,803
Excess (deficiency) of revenues over expenses	\$ (587)	\$ (685)

Winnipeg Jets Hockey Academy**Schedule D**

Years ended June 30	2024	2023
Revenue:		
Grants	\$ 102	\$ 48
Donations	82	71
	184	119
Expenses:		
Permanent salaries and benefits	570	571
Program salaries and benefits	134	133
Minor hockey	182	177
High school program	171	148
After school	102	92
Hockey equipment	100	100
Ice rental	56	42
Other	251	292
	1,566	1,555
Excess (deficiency) of revenues over expenses	\$ (1,382)	\$ (1,436)

Project 11**Schedule E**

Years ended June 30	2024	2023
Revenue:		
Grants	\$ 214	\$ 224
Donations	188	230
Training fees	22	–
	424	454
Expenses:		
Permanent salaries and benefits	388	353
Program salaries and benefits	121	41
Other	267	453
	776	847
Excess (deficiency) of revenues over expenses	\$ (352)	\$ (393)

Grants and Disbursements**Schedule F**

Years ended June 30	2024	2023
CancerCare Manitoba	\$ 77	\$ 93
Movement Disorder Clinic	60	–
U-Turn Parkinsons	60	–
The Children's Hospital Foundation of Manitoba	50	50
Royal Canadian Air Force Association	47	13
Winnipeg Boys and Girls Club	37	–
Pan Am Foundation	25	25
Toba Centre for Children and Youth	25	25
Continuity Care	17	35
Air Force Heritage Fund	13	14
Soldier On Fund	13	14
Support Our Troops	–	27
Others less than \$20	240	48
Grants and disbursements	\$ 664	\$ 344





**TRUE NORTH
YOUTH FOUNDATION**
Empowering Potential

**SUPPORTING YOUTH
IN MANITOBA**



SUPPORT THE TRUE NORTH YOUTH FOUNDATION TODAY!



- \$1,800 provides one season of hockey academy to a student athlete
- \$1,300 provides one complete set of goalie gear for a hockey academy student athlete
- \$600 provides Project 11 to one classroom
- \$350 provides one week of summer camp for a child
- \$150 provides a pair of skates for a hockey academy student athlete
- \$50 provides lunch for a camper for a week at summer camp

truenorthyouthfoundation.com

True North Youth Foundation | 600-223 Carlton St., Winnipeg, Manitoba | 204-987-7825 | tnyf@tnse.com
Charitable Tax Number: 888769478 RR0001