

THE MANITOBA LIBERAL PARTY
Financial Statements
Year Ended December 31, 2023

THE MANITOBA LIBERAL PARTY
Index to Financial Statements
Year Ended December 31, 2023

	Page
INDEPENDENT AUDITOR'S REPORT	1 - 2
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Revenues and Expenses	4
Statement of Changes in Net Debt	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 8

INDEPENDENT AUDITOR'S REPORT

To the Members of The Manitoba Liberal Party

Opinion

We have audited the financial statements of The Manitoba Liberal Party (the organization), which comprise the statement of financial position as at December 31, 2023, and the statements of revenues and expenses, changes in net debt 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 December 31, 2023, 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.

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.

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.

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Independent Auditor's Report to the Members of The Manitoba Liberal Party (*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 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.

Winnipeg, MB
April 15, 2024



CHARTERED PROFESSIONAL ACCOUNTANTS

THE MANITOBA LIBERAL PARTY
Statement of Financial Position
December 31, 2023

	2023	2022
ASSETS		
CURRENT		
Cash	\$ 41,503	\$ 90,780
Accounts receivable	4,142	300
Prepaid expenses	1,357	1,928
	\$ 47,002	\$ 93,008
 LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 66,677	\$ 10,791
Due to provincial constituencies	20,061	12,478
	86,738	23,269
AMOUNTS HELD IN TRUST <i>(Note 3)</i>	6,854	15,130
	93,592	38,399
NET ASSETS	(46,590)	54,609
	\$ 47,002	\$ 93,008

ON BEHALF OF THE BOARD

_____ *Director*

_____ *Director*

See notes to financial statements

THE MANITOBA LIBERAL PARTY
Statement of Revenues and Expenses
Year Ended December 31, 2023

	2023	2022
REVENUES		
Annual general meeting	\$ 11,752	\$ 15,817
Campaign donations - By election	-	10,770
Contributions - Central Party	155,216	108,074
Contributions - Constituency/candidates	75,417	71,455
Election rebates/allowances	9,966	8,813
Fundraising events	37,497	37,174
Memberships	20,716	18,239
Nomination deposits	14,150	560
	<u>324,714</u>	<u>270,902</u>
EXPENSES		
Annual general meeting	8,260	12,664
Data base license	26,226	24,668
Election expense	144,886	86,068
Fundraising events	11,897	12,406
Insurance	4,560	4,379
Interest and bank charges	11,705	9,556
Leaders direct expense	448	2,634
Meals and entertainment	177	87
Office administration	744	5,550
Printing	-	270
Professional fees - other	6,250	7,408
Rental	31,200	31,200
Returned contribution	1,100	-
Salaries and wages	80,856	99,667
Scholarship	1,500	2,000
Telephone and utilities	4,797	6,175
Travel and meetings	352	776
Web site	2,303	1,924
	<u>337,261</u>	<u>307,432</u>
DEFICIENCY OF REVENUES OVER EXPENSES FROM OPERATIONS	<u>(12,547)</u>	<u>(36,530)</u>
OTHER INCOME		
Transfer from(to) candidates	(77,548)	(8,660)
Transfer (to) Constituencies - net	(11,208)	(48,810)
	<u>(88,756)</u>	<u>(57,470)</u>
DEFICIENCY OF REVENUES OVER EXPENSES	<u>\$ (101,303)</u>	<u>\$ (94,000)</u>

See notes to financial statements

THE MANITOBA LIBERAL PARTY
Statement of Changes in Net Debt
Year Ended December 31, 2023

	2023	2022
NET ASSETS - BEGINNING OF YEAR	\$ 54,609	\$ 147,988
Prior period adjustments <i>(Note 4)</i>	104	(1,879)
DEFICIENCY OF REVENUES OVER EXPENSES	(101,303)	(94,000)
Add back Transfer to Candidate out of trust funds	-	2,500
NET ASSETS (DEBT) - END OF YEAR	\$ (46,590)	\$ 54,609

THE MANITOBA LIBERAL PARTY
Statement of Cash Flows
Year Ended December 31, 2023

	2023	2022
OPERATING ACTIVITIES		
Deficiency of revenues over expenses	\$ (101,303)	\$ (94,000)
Items not affecting cash:		
Prior period adjustments	104	(1,879)
Transfer to Candidate out of Womens' Fund	-	2,500
	<u>(101,199)</u>	<u>(93,379)</u>
Changes in non-cash working capital:		
Accounts receivable	(3,842)	1,180
Inventory	-	232
Accounts payable	55,886	1,186
Prepaid expenses	571	(618)
Due to provincial constituencies	7,583	(8,937)
Amounts Held In Trust	(8,276)	10,813
	<u>51,922</u>	<u>3,856</u>
DECREASE IN CASH FLOW	(49,277)	(89,523)
Cash - beginning of year	<u>90,780</u>	<u>180,303</u>
CASH - END OF YEAR	\$ 41,503	\$ 90,780

See notes to financial statements

THE MANITOBA LIBERAL PARTY
Notes to Financial Statements
Year Ended December 31, 2023

1. PURPOSE OF THE ORGANIZATION

The Party is an association of provincial Liberals who advocate the application of the Liberal philosophies, principles and policies to public issues and governance in the Province of Manitoba. The purpose of the Party is to promote the election of Liberal candidates to the Manitoba Legislature. The Party is a registered political party under the Act. The Party is exempt from corporate income taxes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

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

As a result of changes to the Elections Finances Act (the "Act"), The Liberal Party in Manitoba was required to restructure its operations. Previously, The Liberal Party in Manitoba maintained responsibility and carried out both Federal and Provincial activities. Effective January 1, 2001, the Act requires a separation of these activities. As a result officials of The Liberal Party in Manitoba created a Steering Committee of Division and on September 8, 2001 agreed to establish The Liberal Party of Canada (Manitoba) to assume Federal representation and activities effective January 1, 2001. Provincial responsibilities and activities remained with The Liberal Party in Manitoba. The name of The Liberal Party in Manitoba was amended to The Manitoba Liberal Party (the "Party") on December 2, 2001.

These financial statements reflect only the assets, liabilities, revenues and expenses of the Party. They do not reflect account balances and transactions related to The Liberal Party of Canada (Manitba).

In addition these financial statements do nto reflect account balances and transactions related to various provincial constituencies.

Revenue recognition

The Manitoba Liberal Party follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. 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. Endowment contributions are recognized as direct increases in net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

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THE MANITOBA LIBERAL PARTY
Notes to Financial Statements
Year Ended December 31, 2023

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

Financial instruments policy

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.

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.

Economic Dependence

The Party derives a substantial portion of its revenues from donations. Should these revenues significantly decrease, management is of the opinion that the Party's continued operations would be doubtful.

3. AMOUNTS HELD IN TRUST

Amounts held in Trust relate to the following:

	2023	2022
Manitoba Womens Liberal Association	\$ 976	\$ 5,297
Edith Rogers Fund	5,878	9,833
	\$ 6,854	\$ 15,130

4. PRIOR PERIOD ADJUSTMENTS

	2023	2022
2021 Sharon Carstairs fundraising event to be held in trust funds	\$ -	\$ (3,481)
2021 Edith Rogers fundraising event to be held in trust funds	-	(9,833)
2018 Due to Provincial Constituencies (LAMP) adjustment	-	9,024
2019 Due to Provincial Constituencies (LAMP) adjustment	-	2,411
Reversal of outstanding cheques	104	-
	\$ 104	\$ (1,879)