



Canada Revenue  
Agency

Agence du revenu  
du Canada

CH192201353329

Protected B when completed

## Registered Canadian Amateur Athletic Association Information Return

### Identification

Name of association <b>SWIMMING/NATATION CANADA</b>	
Address <b>307 GILMOUR STREET</b>	
City <b>OTTAWA</b>	
Province or territory <b>Ontario</b>	Postal code <b>K2P0P7</b>

Return for fiscal period ending									
2	0	1	9	0	3	3	1		
Year				Month		Day			
Is this the first return filed by this association?									
Yes <input type="checkbox"/>					No <input checked="" type="checkbox"/>				
If "no," has the fiscal period changed from the last return filed?									
Yes <input type="checkbox"/>					No <input checked="" type="checkbox"/>				
Is this the final return to be filed by this association?									
Yes <input checked="" type="checkbox"/>					No <input checked="" type="checkbox"/>				
If "yes," please attach an explanation.									
File number <b>495234</b>									
BN/Registration number <b>119350825</b> <b>R R</b> <b>0001</b>									

Is the address above the same mailing address as last year?

Yes ☒ No ☐

If no, is the address above the new mailing address?

Yes ☐ No ☐

### Instructions

Complete the Identification area.

Use the boxes (above right) to indicate the end of the association's fiscal period.

FINANCIAL STATEMENTS for the fiscal period covered by this return. These should include a statement of income and expenditures for the fiscal period and a statement of assets and liabilities as of the end of the fiscal period. Statements should indicate the different sources of revenue in sufficient detail to show how funds were spent or received.

List of the names, addresses, and occupations or lines of business of the association's current directors.

List of the names and the official positions of the people who are authorized to issue official receipts for the association.

note that fully explains what replacement procedure is followed in the event of lost or spoiled receipts.

ix months from the end of the fiscal period of the association, mail or deliver a completed return and all required documents to:

Charities Directorate  
Canada Revenue Agency  
Ottawa ON K1A 0L5

by the Minister of National Revenue.



6000003860606

**NCR MAILROOM**

**# 112**

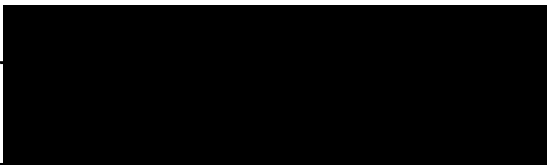

**SALLE DU COURRIER  
RCN**

**Information required**

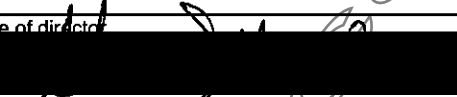


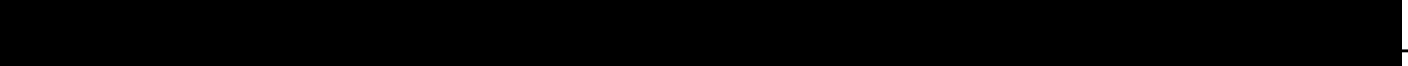
1. Have any changes not previously reported been made to the association's governing documents? If **yes**, please attach a certified copy of the changes. Yes ☐ No ☒
2. Have complete books and records been kept (including duplicate copies of receipts) which fully substantiate all financial transactions during the fiscal period? If **no**, please attach an explanation. Yes ☒ No ☐
3. Please indicate the total amount for which the association issued official donation receipts in this fiscal period. \$ 413.34
4. Are the receipt forms used to acknowledge payments that are NOT gifts clearly distinguishable from official donation receipts which bear the BN/registration number? If **no**, please attach an explanation. Yes ☒ No ☐
5. Did the association issue official donation receipts showing a date in the previous calendar year for donations that were mailed or otherwise submitted after the end of the calendar year? If **yes**, please attach an explanation. Yes ☐ No ☒
6. Have official donation receipts been issued to acknowledge donations in a form other than cash or cheque – e.g., goods, services rendered, etc.? If **yes**, please attach a list of these gifts and their value as shown on the official donation receipt. Yes ☐ No ☒
7. Has any amount donated to the association been returned to the donor during the year? If **yes**, please attach an explanation. Yes ☐ No ☒
- 8 a. During the fiscal period, did the association accept any gifts with the express or implied condition that such gifts were to be used for the benefit of another person, club, society or association? If **yes**, please attach an explanation. Yes ☐ No ☒
- b. Did the association issue an official donation receipt to acknowledge such a gift? Yes ☐ No ☒

**Certification**

To be signed by two directors of the association.

1. I, AHMED EL-AWADI of   
Name of director whose signature appears below.
2. I, LARRY CLOUGH of   
Name of director whose signature appears below. Address

HEREBY CERTIFY that the information given in this return and in all attachments is, to the best of my knowledge, correct, complete and current. (Note: It is a serious offense under the *Income Tax Act* to provide false or deceptive information.)

1. Signature of director 		Position with the association <b>CHIEF EXECUTIVE OFFICER</b>	
Home telephone number	Business telephone number	Date	
			
2. Signature of director 		Position with the association <b>CHIEF FINANCIAL OFFICER</b>	
Home telephone number	Business telephone number	Date	
			

**SWIMMING/NATATION CANADA  
AUTHORIZED SIGNING AUTHORITIES  
AS AT MARCH 31, 2019**

**NAME**

**POSITION**

Ahmed El-Awadi

Chief Executive Officer  
SWIMMING/NATATION CANADA

Larry Clough

Chief Financial Officer  
SWIMMING/NATATION CANADA

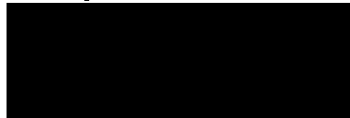
COPY 1 COPY

**SWIMMING/NATATION CANADA  
DIRECTING OFFICERS  
AS AT MARCH 31, 2019**

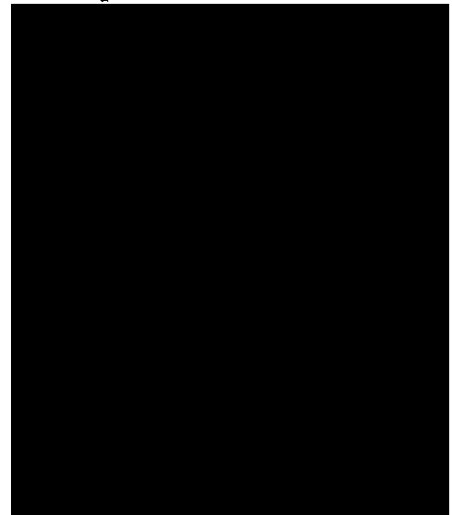
**DIRECTING OFFICERS**

President

Cheryl Gibson

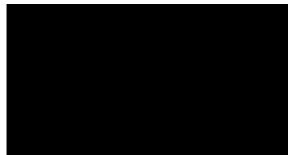


Occupation:



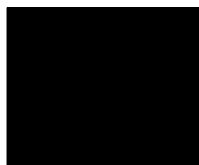
Chief Executive Officer

Ahmed El-Awadi



Chief Financial Officer

Larry Clough



COPY

**SWIMMING/NATATION CANADA  
BOARD OF DIRECTORS  
AS AT MARCH 31, 2019**

President

Cheryl Gibson

Occupation:

Vice-President

Dean Crawford

Secretary

Yves Lorange

Board Member

Doug Bird

Board Member

Elizabeth Burke-Gaffney

Board Member

Daniele Sauvageau

Board Member:

Peter Szmidt

Board Member

Mary C. Lyne

Board Member:

Michael Edgson

**PROCEDURE**  
**LOST OR SPOILED RECEIPTS**

The replacement receipt contains all the required information shown on the original receipt plus a notation to the effect that "this cancels and replaces receipt #" (serial number of lost receipt). The copy of lost receipt is retained and marked cancelled. In the case of spoiled receipt, all copies are retained and marked void.

COPY - COPY

Financial Statements of

**SWIMMING/NATATION  
CANADA**

Year ended March 31, 2019

COPY



## INDEPENDENT AUDITORS' REPORT

To the Members of Swimming/Natation Canada

### **Opinion**

We have audited the financial statements of Swimming/Natation Canada (the "Association"), which comprise:

- the statement of financial position as at March 31, 2019
- the statement of operations for the year then ended
- the statement of changes in net assets and trust funds for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Association as at March 31, 2019, and its results of 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 "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' report.

We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other 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***

We draw attention to the fact that the supplementary information included in Schedule A does not form part of the financial statements. We have not audited or reviewed this supplementary information and, accordingly, we do not express an opinion or any assurance on this supplementary information.

### ***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 Association'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 Association or to cease operations, or has no realistic alternative but to do so.

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

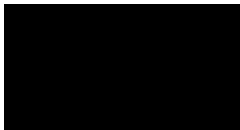
Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

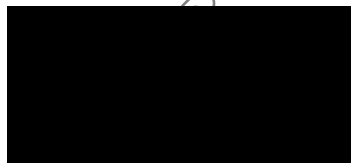
We also:

- 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 Association'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 Association'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 Association 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.
- 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.



Chartered Professional Accountants, Licensed Public Accountants

Ottawa, Canada



# SWIMMING/NATATION CANADA

## Statement of Financial Position

March 31, 2019, with comparative information for 2018

	2019	2018
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 1,375,798	\$ 1,061,662
Amounts receivable (note 3)	1,509,073	1,604,591
Prepaid expenses and travel advances	198,793	364,215
Inventories	65,173	83,049
	<u>3,148,837</u>	<u>3,113,517</u>
Trust fund assets:		
██████████ Memorial Fund (note 5(a))	12,149	15,149
Swimmer Reserve Fund (note 5(b))	727	8,260
██████████ Memorial Fund (note 5(c))	86,152	98,163
	<u>99,028</u>	<u>121,572</u>
Investments (note 4)	243,975	243,975
Tangible capital assets (note 6)	2,194,634	2,201,855
	<u>\$ 5,686,474</u>	<u>\$ 5,680,919</u>
<b>Liabilities and Net Assets</b>		
Current liabilities:		
Accounts payable and accrued liabilities (note 7)	\$ 395,083	\$ 445,304
Deferred revenue (note 8)	718,768	898,631
Current portion of mortgage payable (note 9)	27,808	26,046
	<u>1,141,659</u>	<u>1,369,981</u>
Mortgage payable (note 9)	596,530	625,043
Net assets and trust funds (note 10):		
██████████ Memorial Fund (note 5(a))	12,149	15,149
Swimmer Reserve Fund (note 5(b))	727	8,260
██████████ Memorial Fund (note 5(c))	86,152	98,163
Internally restricted (note 10(a))	895,000	295,000
Invested in tangible capital assets	1,570,296	1,550,766
Unrestricted	1,383,961	1,718,557
	<u>3,948,285</u>	<u>3,685,895</u>
Contingencies (note 12)		
	<u>\$ 5,686,474</u>	<u>\$ 5,680,919</u>

See accompanying notes to financial statements.

On behalf of the Board:

██████████

Director

██████████

Director

# SWIMMING/NATATION CANADA

## Statement of Operations

Year ended March 31, 2019, with comparative information for 2018

	2019	2018
<b>Revenue:</b>		
Sport Canada	\$ 7,001,364	\$ 7,064,000
Membership fees (note 11)	2,291,994	2,233,286
Canadian Olympic Committee	632,750	400,000
Sponsorships	569,431	523,992
Events	456,415	414,464
National Sports Centres	173,740	146,698
Interest and other	154,203	111,549
Swimmer fees - NextGen	86,000	51,800
Sale of products	63,379	19,848
Canadian Paralympic Committee	61,250	37,500
Club development fees	40,950	39,750
Coaching Association	13,655	13,611
Canadian Swim Coaches and Teachers Association	10,000	32,500
	<b>11,555,131</b>	<b>11,088,998</b>
<b>Expenses:</b>		
Technical:		
Tours and competitions	3,455,412	3,550,229
High performance centres	1,805,292	1,532,577
Program management	1,194,252	1,144,537
Competition support	639,339	495,231
Grants	484,140	473,377
Coaching support services	115,794	185,683
Administration:		
Payroll and benefits	721,177	675,369
Promotion and communications	634,516	586,301
National office	448,282	439,571
Planning and management	147,241	124,631
Association	128,464	178,215
Legal and professional fees	97,005	103,296
Education	697,050	562,373
Events	503,643	384,763
Marketing	130,355	137,183
Cost of products sold	43,079	11,485
Amortization	25,156	50,311
	<b>11,270,197</b>	<b>10,635,132</b>
<b>Excess of revenue over expenses</b>	<b>\$ 284,934</b>	<b>\$ 453,866</b>

See accompanying notes to financial statements.

# SWIMMING/NATATION CANADA

## Statement of Changes in Net Assets and Trust Funds

Year ended March 31, 2019, with comparative information for 2018

	Memorial Fund (note 5(a))	Swimmer Reserve Fund (note 5(b))	Memorial Fund (note 5(c))	Internally restricted (note 10(a))	Invested in tangible capital assets	Unrestricted	Total 2019	Total 2018
Net assets and trust fund balances, beginning of year	\$ 15,149	\$ 8,260	\$ 98,163	\$ 295,000	\$ 1,550,766	\$ 1,718,557	\$ 3,685,895	\$ 3,247,991
Excess of revenue over expenses	-	-	-	-	-	284,934	284,934	453,866
Acquisition of tangible capital and intangible assets	-	-	-	-	17,935	(17,935)	-	-
Amortization of tangible capital and intangible assets	-	-	-	-	(25,156)	25,156	-	-
Repayment of mortgage payable	-	-	-	-	26,751	(26,751)	-	-
Net change in fund balances:								
External contributions	-	-	313	600,000	-	(600,000)	313	100
Income on investments	-	-	589	-	-	-	589	564
Disbursements on behalf of swimmers	(3,000)	(7,533)	(12,913)	-	-	-	(23,446)	(16,626)
	(3,000)	(7,533)	(12,011)	600,000	-	(600,000)	(22,544)	(15,962)
Net assets and trust fund balances, end of year	\$ 12,149	\$ 727	\$ 86,152	\$ 895,000	\$ 1,570,296	\$ 1,383,961	\$ 3,948,285	\$ 3,685,895

See accompanying notes to financial statements.

# SWIMMING/NATATION CANADA

## Statement of Cash Flows

Year ended March 31, 2019, with comparative information for 2018

	2019	2018
Cash provided by (used in):		
Operations:		
Excess of revenue over expenses	\$ 284,934	\$ 453,866
Amortization of tangible capital assets	25,156	50,311
Change in non-cash operating working capital:		
Decrease (increase) in amounts receivable	95,518	(69,611)
Decrease (increase) in prepaid expenses and travel advances	165,422	(184,538)
Decrease (increase) in inventories	17,876	(67,217)
Decrease in trust fund assets	22,544	15,962
Decrease in accounts payable and accrued liabilities	(50,221)	(114,872)
Increase (decrease) in deferred revenue	(179,863)	77,877
	381,366	161,778
Investing activities:		
Acquisition of tangible capital assets	(17,935)	-
Increase in investments	-	(8,975)
	(17,935)	(8,975)
Financing activities:		
Decrease in mortgage payable	(26,751)	(25,885)
Decrease in trust funds	(22,544)	(15,962)
	(49,295)	(41,847)
Increase in cash and cash equivalents	314,136	110,956
Cash and cash equivalents, beginning of year	1,061,662	950,706
Cash and cash equivalents, end of year	\$ 1,375,798	\$ 1,061,662

See accompanying notes to financial statements.

# SWIMMING/NATATION CANADA

## Notes to Financial Statements

Year ended March 31, 2019

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Swimming/Natation Canada (the "Association") was incorporated without share capital in 1970 under Part II of the Canada Corporations Act. Effective July 2, 2013, the Association transitioned its articles of incorporation from the Canada Corporations Act to the Canada Not-for-profit Corporations Act. The Association is a Registered Canadian Amateur Athletic Association and, as such, is exempt from income tax.

The Association provides opportunities for every individual in the sport of swimming to reach his or her maximum potential in fitness and excellence.

### 1. Significant accounting policies:

These financial statements are prepared by management in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook – Accounting and include the following significant accounting policies:

#### (a) Revenue recognition:

The Association follows the deferral method of accounting for contributions for not-for-profit organizations and uses fund accounting.

Unrestricted contributions, including events, swimmer fees - NextGen, National Sport Centres, club development fees, Canadian Swim Coaches and Teachers Association, and Coaching Association are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributions externally restricted for specific purposes, including Sport Canada, Canadian Olympic Committee, and Canadian Paralympic Committee are deferred and recognized as revenue in the period in which the related expenses are incurred.

Membership fees and sponsorships are recognized in the year to which the membership or sponsorship relates. Accounts receivable includes the portion of annual membership fees that have not yet been remitted to the Association. Note 11 provides further details between membership and fiscal year recognition.

Interest revenue is recognized as revenue when earned.

Product sales are recognized as revenue when earned, at the time of the sale.

# SWIMMING/NATATION CANADA

Notes to Financial Statements (continued)

Year ended March 31, 2019

## 1. Significant accounting policies (continued):

### (b) Trust funds:

Trust fund activity is recorded as a direct increase or decrease in the trust fund asset balance and the related liability balance. No amounts are recorded in the statement of operations.

Trust fund investments are recorded at fair value. Income earned on trust fund investments is recorded as a direct increase to the trust fund balance.

### (c) Tangible capital assets:

Purchased tangible capital assets are recorded at cost. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated life of an asset are capitalized. When a tangible capital asset no longer contributes to the Association's ability to provide services, its carrying amount is written down to its residual value.

Tangible capital assets are amortized on a straight-line basis using the following annual rates:

Asset	Rate
Office building	4%

### (d) Expenses:

In the statement of operations, the Association presents its expenses by function. Expenses are recognized in the year incurred and are recorded to the function to which they are directly related.

The Association does not allocate expenses between functions after initial recognition.

### (e) Cash and cash equivalents:

Cash and cash equivalents include deposits with financial institutions that can be withdrawn without prior notice or penalty and short-term deposits with an original maturity of 90 days or less.

### (f) Inventories:

Inventories consist of various publications and products held for resale. Inventories are valued at the lower of cost and net realizable value.



# SWIMMING/NATATION CANADA

Notes to Financial Statements (continued)

Year ended March 31, 2019

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## 1. Significant accounting policies (continued):

### (g) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured 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. The Association has elected to carry 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, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Association determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is 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 Association expects to realize by exercising its right to any collateral. 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 carrying value.

### (h) Donated supplies and services:

Companies and individuals donate supplies and services throughout the year to assist the Association in carrying out its activities. The value of these supplies and services is not readily determinable, therefore, no amount has been reflected in these financial statements.

### (i) Use of estimates:

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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from these estimates. These estimates are reviewed annually and as adjustments become necessary, they are recorded in the financial statements in the period in which they become known.

# SWIMMING/NATATION CANADA

Notes to Financial Statements (continued)

Year ended March 31, 2019

## 2. Line of credit:

The Association has an operating line of credit of \$700,000 (2018 - \$700,000) with the [REDACTED]. The operating line of credit is due on demand and bears interest at bank prime plus 0.85%. No amounts were drawn on this operating line as at year end (2018 - \$Nil).

## 3. Amounts receivable:

Amounts receivable consist of the following:

	2019	2018
Membership fees receivable	\$ 1,303,621	\$ 1,275,005
Other receivables	205,452	329,586
	<u>\$ 1,509,073</u>	<u>\$ 1,604,591</u>

## 4. Investments:

Investments comprise guaranteed investment certificates of \$243,975 (2018 - \$243,975) with the [REDACTED] which is pledged as security by [REDACTED] against the Association's [REDACTED] corporate credit card.

# SWIMMING/NATATION CANADA

Notes to Financial Statements (continued)

Year ended March 31, 2019

## 5. Trust funds:

### (a) [REDACTED] Memorial Fund:

The [REDACTED] Memorial Fund was established in 2007 in memory of [REDACTED] to encourage coaches and swimmers to work closely together towards excellence. Awards are granted to high performance Canadian coach-swimmer tandems. [REDACTED] Memorial Fund consists of cash.

### (b) Swimmer Reserve Fund:

The Swimmer Reserve Fund represents promotional fees received on behalf of individual swimmers which are designated for the reimbursement of training and competition expenses of the swimmers. The Association holds the funds on the swimmers' behalf in accordance with the guidelines of the Canada Revenue Agency.

As at the 2018 year-end, no more donations were accepted toward the Fund and any remaining funds will be disbursed.

The Swimmer Reserve Fund consists of cash.

### (c) [REDACTED] Memorial Fund:

The [REDACTED] Memorial Fund was established in 1989 in memory of [REDACTED] to encourage young Canadians towards excellence. Members of the [REDACTED] Memorial Fund directorate serve as the awards committee, which grants bursaries to young swimmers.

The Fund balance comprises the following amounts:

		2019 Market		2018 Market
Cash	\$	808	\$	13,360
Guaranteed investment certificates		85,344		84,803
	\$	86,152	\$	98,163

The Association's guaranteed investment certificates have maturities from May 2019 to October 2019 and interest rates approximate 0.9%.

# SWIMMING/NATATION CANADA

Notes to Financial Statements (continued)

Year ended March 31, 2019

## 6. Tangible capital assets:

			2019	2018
	Cost	Accumulated amortization	Net book value	Net book value
Land	\$ 1,656,935	\$ -	\$ 1,656,935	\$ 1,639,000
Office building	628,888	91,189	537,699	562,855
	\$ 2,285,823	\$ 91,189	\$ 2,194,634	\$ 2,201,855

Cost and accumulated amortization of tangible capital assets at March 31, 2018 amounted to \$2,267,888 and \$66,033, respectively.

## 7. Accounts payable and accrued liabilities:

There are no amounts payable for government remittances related to harmonized sales and payroll-related taxes as at years ended 2019 or 2018.

## 8. Deferred revenue:

	2019	2018
Swim-A-Thon donations	\$ 475,876	\$ 418,030
Other	242,892	480,601
	\$ 718,768	\$ 898,631

# SWIMMING/NATATION CANADA

Notes to Financial Statements (continued)

Year ended March 31, 2019

## 9. Mortgage payable:

	2019	2018
██████████ mortgage due in blended monthly instalments of \$3,987, interest at 3.3%, due May 1, 2041	\$ 624,338	\$ 651,089
Less: current portion of mortgage payable	27,808	26,046
	\$ 596,530	\$ 625,043

Principal payments due within each of the next five years are as follows:

2020	\$ 27,808
2021	28,733
2022	29,689
2023	30,677
2024	31,698
	\$ 148,605

# SWIMMING/NATATION CANADA

Notes to Financial Statements (continued)

Year ended March 31, 2019

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## 10. Net assets:

The Association's overall objective with its net assets is to fund future projects and ongoing operations.

The Association is not subject to externally imposed net assets requirements and its overall strategy with respect to net assets remains unchanged from the year ended March 31, 2018.

### (a) Internally restricted net assets:

#### i) Contingency Reserve Fund

The Association has a contingency reserve of \$295,000 to have funds available to address significant, unexpected contingencies with respect to its building and general operations. Disbursements from this fund are approved by the Board of Directors when these events occur or purposes are identified.

#### ii) Pan Pacific Swimming Championships

In the year, the Board established a reserve fund of \$600,000 to help finance the costs of hosting the 2022 Pan Pacific Championships in Canada.

# SWIMMING/NATATION CANADA

Notes to Financial Statements (continued)

Year ended March 31, 2019

## 11. Membership fees:

Membership fees are collected from members by the Provincial swimming associations on behalf of the Association and are remitted to the Association in the winter following the swimming year. Because the swimming year runs from September 1 to August 31, there is a timing difference between when cash is received by the Association and when the revenue has been earned. Below is a reconciliation between the cash receipts and revenue recognized in the fiscal year.

Reconciliation of 2019 membership cash receipts to revenue	2019
Total cash collected in fiscal 2019 for the 2018 swimming year	\$ 2,263,378
Less: Membership fee receivable recorded at March 31, 2018 related to 2018 swimming year	(1,275,005)
Membership fee revenue received in fiscal 2019	988,373
Add: Membership fee receivable recorded, related to 2019 swimming year	1,303,621
Total membership fee revenue recognized in fiscal 2019	\$ 2,291,994
Reconciliation of 2018 membership cash receipts to revenue	2018
Total cash collected in fiscal 2018 for the 2017 swimming year	\$ 2,198,156
Less: Membership fee receivable recorded at March 31, 2017 related to 2017 swimming year	(1,239,875)
Membership fee revenue received in fiscal 2018	958,281
Add: Membership fee receivable recorded, related to 2018 swimming year	1,275,005
Total membership revenue recognized in fiscal 2018	\$ 2,233,286

# SWIMMING/NATATION CANADA

Notes to Financial Statements (continued)

Year ended March 31, 2019

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## 12. Contingencies:

Government contributions are subject to conditions regarding the expenditure of the funds. The Association's accounting records are subject to audit by the funding agencies to identify instances, if any, in which the amounts charged to projects have not complied with the agreed terms and conditions, and which, therefore, would be refundable to the funding agency. Adjustments to the financial statements as a result of these audits will be recorded in the period in which they become known.

In the normal course of its operations, the Association is party to claims and legal proceedings. The Association makes provisions when it deems appropriate. In the opinion of management, the total amount of potential liability, net of amount accrued, if any, will not have any significant unfavourable impact on the Association's financial position.

## 13. Financial risk management:

### (a) Credit risk:

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Association is exposed to credit risk on its amounts receivable. The Association assesses, on a continuous basis, amounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts. At year end, there were no amounts allowed for in amounts receivable.

### (b) Liquidity risk:

Liquidity risk is the risk that the Association will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Association does not believe it is exposed to significant liquidity risk.

### (c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

#### (i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Association is exposed to interest rate risk on its cash equivalents and trust fund assets



# SWIMMING/NATATION CANADA

Notes to Financial Statements (continued)

Year ended March 31, 2019

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## 13. Financial risk management (continued):

### (ii) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Association is exposed to foreign currency risk on its U.S. cash deposits of \$40,736 (2018 - \$36,510).

### (iii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Association does not believe it is exposed to significant other price risk.

## 14. Comparative information:

Certain 2018 comparative information has been reclassified to conform with the financial statement presentation adopted for 2019.

# SWIMMING/NATATION CANADA

Schedule A - Revenue and Expenses - Sport Canada Contribution  
(Unaudited)

Year ended March 31, 2019

	Sports Development	Enhanced Excellence	Total
<b>Mainstream Core Revenue:</b>			
General Administration	\$ 350,000	\$ 147,000	\$ 497,000
Salaries, Fees and Benefits	240,000	373,295	613,295
Coaching Salaries and Professional Development	257,000	1,050,380	1,307,380
National Team Program	337,000	1,481,539	1,818,539
Official Languages	13,000	-	13,000
Operations and Programming	228,000	416,650	644,650
NextGen Initiative	128,750	160,000	288,750
	\$ 1,553,750	\$ 3,628,864	\$ 5,182,614
<b>Mainstream Core Expenses:</b>			
General Administration	\$ 891,034	\$ 147,000	\$ 1,038,034
Salaries, Fees and Benefits	1,273,485	373,295	1,646,780
Coaching Salaries and Professional Development	933,481	1,050,380	1,983,861
National Team Program	1,523,706	1,481,539	3,005,245
Official Languages	60,000	-	60,000
Operations and Programming	146,875	416,650	563,525
NextGen Initiative	128,750	160,000	288,750
	\$ 4,957,331	\$ 3,628,864	\$ 8,586,195
<b>Mainstream Above Core Revenue:</b>			
International Sport Initiatives	\$ -	\$ -	\$ -
<b>Mainstream Above Core Expenses:</b>			
Long-term Athlete Development	\$ -	\$ -	\$ -
<b>Athletes with a Disability Core Revenue:</b>			
General Administration	\$ 183,000	\$ -	\$ 183,000
Salaries, Fees and Benefits	17,000	20,000	37,000
Coaching Salaries and Professional Development	202,000	277,500	479,500
National Team Program	215,000	659,000	874,000
Official Languages	4,000	-	4,000
Operations and Programming	21,000	99,000	120,000
NextGen Initiative	41,250	80,000	121,250
	\$ 683,250	\$ 1,135,500	\$ 1,818,750
<b>Athletes with a Disability Core Expenses:</b>			
General Administration	\$ 183,000	\$ -	\$ 183,000
Salaries, Fees and Benefits	54,750	20,000	74,750
Coaching Salaries and Professional Development	254,355	277,500	531,855
National Team Program	320,633	659,000	979,633
Official Languages	4,000	-	4,000
Operations and Programming	8,492	99,000	107,492
NextGen Initiative	41,250	80,000	121,250
	\$ 866,480	\$ 1,135,500	\$ 2,001,980

# SWIMMING/NATATION CANADA

Schedule A - Revenue and Expenses - Sport Canada Contribution (continued)  
(Unaudited)

Year ended March 31, 2018

	Sports Development	Enhanced Excellence	Total
<b>Mainstream Core Revenue:</b>			
General Administration	\$ 350,000	\$ -	\$ 350,000
Long-term athlete development	370,000	339,000	709,000
Coaching Salaries and Professional Development	215,000	1,048,000	1,263,000
National Team Program	335,000	2,408,000	2,743,000
Official Languages	13,000	-	13,000
Operations and Programming	142,000	-	142,000
	\$ 1,425,000	\$ 3,795,000	\$ 5,220,000
<b>Mainstream Core Expenses:</b>			
General Administration	\$ 902,435	\$ -	\$ 902,435
Salaries, Fees and Benefits	1,085,316	339,000	1,424,316
Coaching Salaries and Professional Development	888,191	1,048,000	1,936,191
National Team Program	666,713	2,408,000	3,074,713
Official Languages	50,000	-	50,000
Operations and Programming	699,556	-	699,556
	\$ 4,292,211	\$ 3,795,000	\$ 8,087,211
<b>Mainstream Above Core Revenue:</b>			
Long-term athlete development	\$ 8,500	\$ -	\$ 8,500
<b>Mainstream Above Core Expenses:</b>			
Long-term athlete development	\$ 19,810	\$ -	\$ 19,810
<b>Athletes with a Disability Core Revenue:</b>			
General Administration	\$ 180,000	\$ -	\$ 180,000
Salaries, Fees and Benefits	39,500	72,000	111,500
Coaching Salaries and Professional Development	200,000	225,000	425,000
National Team Program	168,500	896,500	1,065,000
Official Languages	4,000	-	4,000
Operations and Programming	50,000	-	50,000
	\$ 642,000	\$ 1,193,500	\$ 1,835,500
<b>Athletes with a Disability Core Expenses:</b>			
General Administration	\$ 180,000	\$ -	\$ 180,000
Salaries, Fees and Benefits	96,432	72,000	168,432
Coaching Salaries and Professional Development	262,006	225,000	487,006
National Team Program	292,429	896,500	1,188,929
Official Languages	4,000	-	4,000
Operations and Programming	114,981	-	114,981
	\$ 949,848	\$ 1,193,500	\$ 2,143,348