

# Registered Canadian Amateur Athletic Association Information Return

## Identification

Name of association Swimming/Natation Canada	
Address 307 Gilmour Street	
City Ottawa	
Province or territory Ontario	Postal code K2P0P7

Return for fiscal period ending

2	0	2	2	0	3	3	1
Year	Month	Day					

Is this the first return filed by this association?

Yes  No 

If "no," has the fiscal period changed from the last return filed?

Yes  No 

Is this the final return to be filed by this association?

Yes  No 

If "yes," please attach an explanation.

File number

495234

BN/Registration number

119350825 R R 0001

s above the same mailing address as last year?

Yes  No 

ddress above the new mailing address?

Yes  No 

RECEIVED/REÇU

ctions

complete the Identification area.

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

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

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

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

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

7. Within six 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

Sept 23, 2022

Form authorized by the Minister of National Revenue.

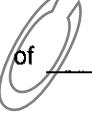


**Information required**

- 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
- 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
- Please indicate the total amount for which the association issued official donation receipts in this fiscal period. \$ **2,055**
- 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
- 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
- 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
- Has any amount donated to the association been returned to the donor during the year? If **yes**, please attach an explanation (confidential). Yes  No
- 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 (confidential). Yes  No
- b. Did the association issue an official donation receipt to acknowledge such a gift? Yes  No

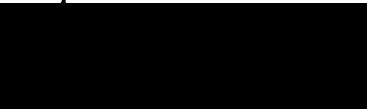
**Certification**

To be signed by two directors of the association.

1. I, Ahmed El-Awadi of 201 Beaurepaire Dr. Beaconsfield QC H9W 3B9  
 Name of director whose signature appears below.  Address (confidential)

2. I, Larry Clough of 1025 Grenon Ave Ottawa On K2B 8S5  
 Name of director whose signature appears below.  Address (confidential)

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 (confidential)	Business telephone number	Date
<b>514-974-9902</b>	<b>613-260-1348</b>	<b>2022-09-23</b>
2. Signature of director (confidential)		Position with the association <b>Chief Financial Officer</b>
Home telephone number (confidential)	Business telephone number	Date
<b>613-295-2201</b>	<b>613-260-1348</b>	<b>2022-09-23</b>

**RCAA:**

Personal information is collected under the authority of the Income Tax Act and is used to establish and validate the identity and contact information of directors, trustees, officers and/or like officials and authorized representatives of the organization. This information will also be used as a basis for the indirect collection of additional personal information from other internal and external sources, which includes social insurance number (SIN), personal tax information, and relevant financial and biographical information, which may be used to assess the overall risk of registration with respect to the obligations of registration as outlined in the Act and the common law. The SIN is collected pursuant to subsection 237 of the Act and is used for identification purposes.

The Canada Revenue Agency (CRA) will make this form and all attachments available to the public upon request and/or on the Charities Directorate website, except for information or data identified as confidential. Personal information may also be disclosed to the organization in question and/or its authorized representatives and other third parties pursuant to the disclosure provisions under Section 241 of the Act. Personal information may also be shared with other government departments and agencies under information-sharing agreements in accordance with the disclosure provisions under Section 241 of the Act. Incomplete or inaccurate information may result in a range of actions including suspension of tax-receiving privileges, up to and including revocation of registered status.

Information is described in Charities Program CRA PPU 200 and is protected under the **Privacy Act**. Individuals have a right of protection, access to and correction or notation of their personal information. Please be advised that you are entitled to complain to the Privacy Commissioner of Canada regarding our handling of your information.

**Notification to directors and like officials:** The CRA strongly encourages the association to voluntarily inform directors and like officials that their personal information has been collected and disclosed to the CRA for the submission of its annual information return.

I confirm that I have read the Privacy statement above.

**SWIMMING/NATATION CANADA**  
**AUTHORIZED SIGNING AUTHORITIES**  
**AS AT MARCH 31, 2022**

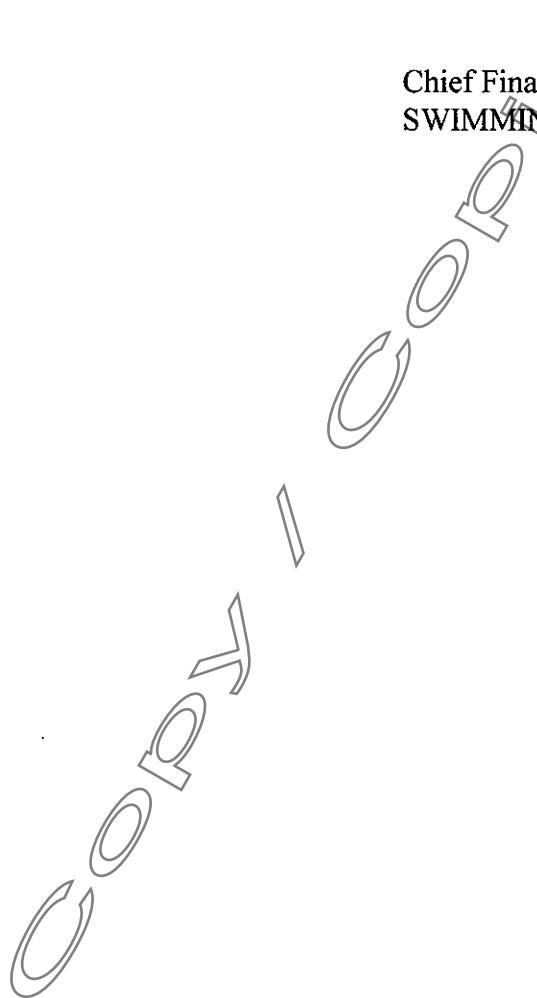
**NAME**

**POSITION**

Larry Clough

Chief Executive Officer  
SWIMMING/NATATION CANADA

Chief Financial Officer  
SWIMMING/NATATION CANADA



Handwritten signatures of Larry Clough and another individual, likely the CFO, written in cursive and overlapping. The signatures are in black ink and are positioned vertically along the right side of the page.

**SWIMMING/NATATION CANADA**  
**DIRECTING OFFICERS**  
**AS AT MARCH 31, 2022**

**DIRECTING OFFICERS**

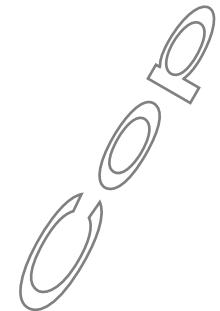
President

Mary C. Lyne

Occupation:

Chief Executive Officer

Chief Financial Officer



**SWIMMING/NATATION CANADA  
BOARD OF DIRECTORS  
AS AT MARCH 31, 2022**

President Mary C. Lyne

Mary C. Lyne

Vice-President Mike Dungate

**Mike Dungate**

Secretary: Peter Szmidt

Peter Szmidth

Board Member Mike Brown

Mike Brown

Elizabeth Burke-Gaffney

Board Member: Michael Edgson

Michael Edgson

Board Member **Daniele Sauvageau**

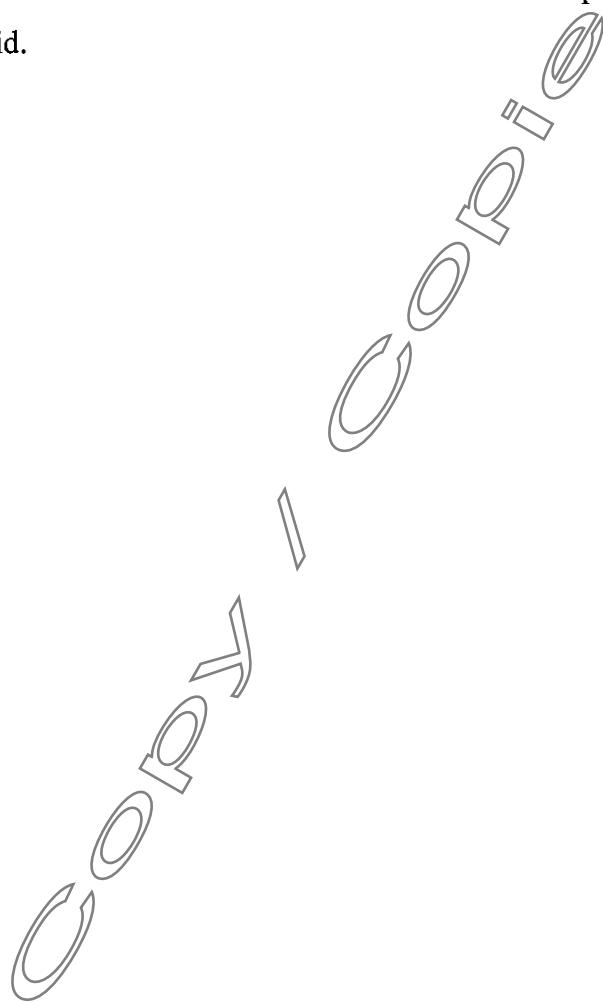
Daniele Sauvageau

Board Member:  Peter Szmidt

Peter Szmidt

## 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.



# **Swimming/Natation Canada**

Financial Statements  
**March 31, 2022**

Copy  
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# Independent auditor's report

To the Members of Swimming/Natation Canada

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## Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Swimming/Natation Canada (the Association) as at March 31, 2022 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 (ASNPO).

### What we have audited

The Association's financial statements comprise:

- the statement of financial position as at March 31, 2022;
- the statement of operations for the year then ended;
- the statement of changes in net assets and trust fund balances for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

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

### Independence

We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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## **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 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.

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## **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 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 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 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.

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.

Chartered Professional Accountants, Licensed Public Accountants

Ottawa, Ontario

# Swimming/Natation Canada

## Statement of Financial Position

As at March 31, 2022

	2022 \$	2021 \$
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	4,763,946	5,174,624
Accounts receivable (note 4)	1,435,950	1,043,800
Prepaid expenses and travel advances	307,553	166,905
Inventories	92,425	114,424
	<hr/> 6,599,874	<hr/> 6,499,753
<b>Trust fund assets</b>		
Jeno Tihanyi Memorial Fund (note 6)	6,149	6,149
Victor Davis Memorial Fund (note 6)	74,220	74,817
	<hr/> 80,369	<hr/> 80,966
<b>Investments (note 5)</b>	235,000	235,000
<b>Tangible capital assets (note 7)</b>	<hr/> 2,195,068	<hr/> 2,172,541
	<hr/> 9,110,311	<hr/> 8,988,260
<b>Liabilities and Net Assets</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities (note 8)	525,183	350,937
Deferred revenue (note 9)	1,185,060	2,216,486
Current portion of mortgage payable (note 10)	-	28,733
	<hr/> 1,710,243	<hr/> 2,596,156
<b>Mortgage payable (note 10)</b>	-	539,440
<b>Net assets and trust funds</b>		
Jeno Tihanyi Memorial Fund (note 6)	6,149	6,149
Victor Davis Memorial Fund (note 6)	74,220	74,817
Internally restricted (note 11)	1,495,000	1,295,000
Invested in tangible capital assets	2,195,068	1,604,368
Unrestricted	<hr/> 3,629,631	<hr/> 2,872,330
	<hr/> 7,400,068	<hr/> 5,852,664
	<hr/> 9,110,311	<hr/> 8,988,260

## Contingencies (note 13)

## Approved by the Board of Directors

Director

Director

The accompanying notes are an integral part of these financial statements.

# Swimming/Natation Canada

## Statement of Operations For the year ended March 31, 2022

	2022 \$	2021 \$
<b>Revenue</b>		
Sport Canada	8,516,620	5,234,554
Membership fees (note 12)	1,972,252	1,879,292
Canadian Olympic Committee	650,000	657,500
Sponsorships	302,982	219,820
Events	342,406	204,597
National Sports Centres	50,000	50,000
Interest and other	141,967	72,162
Government assistance (note 15)	-	996,164
Sale of products	29,658	24,720
Canadian Paralympic Committee	70,000	75,000
Club development fees	43,205	33,115
Coaching Association	12,155	19,655
	<hr/> 12,131,245	<hr/> 9,466,579
<b>Expenses</b>		
Technical		
Tours and competitions	3,335,647	1,591,674
High performance centres	1,534,711	1,204,089
Program management	1,194,421	1,085,938
Competition support	422,840	566,012
Grants	497,728	480,599
Coaching support services	59,208	31,120
Administration		
Payroll and benefits	722,996	790,371
Promotion and communications	744,990	677,370
National office	415,062	381,557
Planning and management	27,480	37,968
Association	82,862	43,130
Legal and professional fees	176,695	75,913
Sport development	871,099	756,290
Events	343,513	169,694
Marketing	96,529	59,335
Cost of products sold	29,065	18,207
Amortization	28,398	26,361
	<hr/> 10,583,244	<hr/> 7,995,628
Excess of revenue over expenses for the year	<hr/> 1,548,001	<hr/> 1,470,951

The accompanying notes are an integral part of these financial statements.

# Swimming/Natation Canada

## Statement of Changes in Net Assets and Trust Fund Balances For the year ended March 31, 2022

					2022	2021
	Jeno Tihanyi Memorial Fund \$ (note 6)	Victor Davis Memorial Fund \$ (note 6)	Internally restricted \$ (note 11)	Invested in tangible capital assets \$	Unrestricted \$	Total \$
<b>Net assets and trust fund balances – Beginning of year</b>	6,149	74,817	1,295,000	1,604,368	2,872,330	5,852,664
Excess of revenue over expenses for the year	-	-	-	-	1,548,001	1,548,001
Acquisition of tangible capital assets	-	-	-	50,925	(50,925)	-
Amortization of tangible capital assets	-	-	-	(28,398)	28,398	-
Repayment of mortgage payable	-	-	-	568,173	(568,173)	-
	6,149	74,817	1,295,000	2,195,068	3,829,631	7,400,665
Changes in fund balances						
External contributions	-	6,771	-	-	-	6,771
Internal transfers	-	-	200,000	-	(200,000)	-
Income on investments	-	195	-	-	-	195
Disbursements on behalf of swimmers	-	(7,563)	-	-	-	(7,563)
	-	(597)	200,000	-	(200,000)	(597)
<b>Net assets and trust fund balances – End of year</b>	6,149	74,220	1,495,000	2,195,068	3,629,631	7,400,068
						5,852,664

The accompanying notes are an integral part of these financial statements.

# Swimming/Natation Canada

## Statement of Cash Flows

For the year ended March 31, 2022

	2022 \$	2021 \$
<b>Cash provided by (used in)</b>		
<b>Operations</b>		
Excess of revenue over expenses	1,548,001	1,470,951
Amortization of tangible capital assets	28,398	26,361
Changes in non-cash operating working capital		
Accounts receivable	(392,150)	633,062
Prepaid expenses and travel advances	(140,648)	175,559
Inventories	21,999	13,786
Trust fund assets	597	6,028
Accounts payable and accrued liabilities	174,246	93,816
Deferred revenue	<u>(1,031,426)</u>	<u>1,713,325</u>
	<u>209,017</u>	<u>4,132,888</u>
<b>Investing activities</b>		
Acquisition of tangible capital assets	(50,925)	(12,161)
Purchase of investments	(235,000)	(235,000)
Disposals of investments	<u>235,000</u>	<u>250,320</u>
	<u>(50,925)</u>	<u>3,159</u>
<b>Financing activities</b>		
Decrease in mortgage payable	(568,173)	(28,626)
Decrease in trust fund assets	<u>(597)</u>	<u>(6,028)</u>
	<u>(568,770)</u>	<u>(34,654)</u>
<b>Change in cash and cash equivalents during the year</b>	<u>(410,678)</u>	<u>4,101,393</u>
<b>Cash and cash equivalents – Beginning of year</b>	<u>5,174,624</u>	<u>1,073,231</u>
<b>Cash and cash equivalents – End of year</b>	<u>4,763,946</u>	<u>5,174,624</u>

The accompanying notes are an integral part of these financial statements.

# Swimming/Natation Canada

## Notes to Financial Statements

March 31, 2022

### 1 Basis for presentation

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.

### 2 Significant accounting policies

These financial statements are prepared by management in accordance with Canadian Accounting Standards for Not-for-Profit Organizations (ASNPO) in Part III of the CPA Canada Handbook – Accounting and include the following significant accounting policies.

#### Revenue recognition

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

Unrestricted contributions, including from 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 from 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 include the portion of annual membership fees that have not yet been remitted to the Association. Note 12 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

March 31, 2022

### 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.

### Tangible capital assets

Purchased tangible capital assets are initially recorded at cost. Repairs and maintenance costs are charged to expenses. Betterments that 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 rate:

Office building	4%
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### 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.

### Cash and cash equivalents

Cash and cash equivalents comprise 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.

### Inventories

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

### 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.

# Swimming/Natation Canada

## Notes to Financial Statements

March 31, 2022

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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.

### **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.

### **Use of estimates**

The preparation of financial statements in conformity with ASNPO 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.

### **3 Line of credit**

The Association has an operating line of credit of \$1,000,000 (2021 – \$1,000,000) with the [REDACTED]. The operating line of credit is due on demand and bears interest at bank prime plus 0.75%. No amounts were drawn on this operating line as at year-end (2021 – nil).

# Swimming/Natation Canada

## Notes to Financial Statements

March 31, 2022

### 4 Accounts receivable

Accounts receivable consist of the following:

	2022 \$	2021 \$
Membership fees receivable	1,302,039	844,493
Other receivables	133,911	199,307
	<hr/> 1,435,950	<hr/> 1,043,800

### 5 Investments

Investments comprise guaranteed investment certificates of \$235,000 (2021 – \$235,000) with the [REDACTED] which are pledged as security by [REDACTED] corporate credit card.

### 6 Trust funds

#### Jeno Tihanyi Memorial Fund

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

#### Victor Davis Memorial Fund

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

The Victor Davis Memorial Fund balance comprises the following amounts:

	2022 \$	2021 \$
Cash	74,220	12,362
Guaranteed investment certificates	<hr/> -	<hr/> 62,455
	<hr/> 74,220	<hr/> 74,817

# Swimming/Natation Canada

## Notes to Financial Statements

March 31, 2022

The Association's guaranteed investment certificates matured in November 2021, with interest at 0.20% per annum.

### 7 Tangible capital assets

			2022	2021
	Cost \$	Accumulated amortization \$	Net book value \$	Net book value \$
Land Office building	1,656,935 709,956	- 171,823	1,656,935 538,133	1,656,935 515,606
	2,366,891	171,823	2,195,068	2,172,541

Cost and accumulated amortization of tangible capital assets as at March 31, 2021 amounted to \$2,315,966 and \$143,425, respectively.

### 8 Accounts payable and accrued liabilities

Government remittances of \$20,124 (2021 – nil) are included in accounts payable and accrued liabilities.

### 9 Deferred revenue

	2022 \$	2021 \$
Swim-A-Thon donations	197,451	139,345
Sport Canada contributions	714,704	1,933,928
Other	272,905	143,213
	1,185,060	2,216,486

## **Swimming/Natation Canada**

## Notes to Financial Statements

**March 31, 2022**

## 10 Mortgage payable

The [REDACTED] mortgage was repaid in full in April 2021.

## 11 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 asset requirements.

### **Internally restricted net assets**

### 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.

## Pan Pacific Swimming Championships

The Board of Directors established a reserve fund to help finance the costs of hosting the 2026 Pan Pacific Championships in Canada. This reserve totalled \$1,200,000 as at March 31, 2022 (2021 – \$1,000,000).

# Swimming/Natation Canada

## Notes to Financial Statements

March 31, 2022

### 12 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 2022 membership cash receipts to revenue:

	2022 \$
Total cash collected in fiscal 2022 for the 2021 swimming year	1,514,706
Less: Membership fee receivable recorded as at March 31, 2021 related to 2021 swimming year	<u>(844,493)</u>
Membership fee revenue received in fiscal 2022	670,213
Add: Membership fee receivable recorded, related to 2022 swimming year	<u>1,302,039</u>
Total membership fee revenue recognized in fiscal 2022	<u>1,972,252</u>

#### Reconciliation of 2021 membership cash receipts to revenue:

	2021 \$
Total cash collected in fiscal 2021 for the 2020 swimming year	2,471,764
Less: Membership fee receivable recorded as at March 31, 2020 related to 2020 swimming year	<u>(1,436,965)</u>
Membership fee revenue received in fiscal 2021	1,034,799
Add: Membership fee receivable recorded, related to 2021 swimming year	<u>844,493</u>
Total membership fee revenue recognized in fiscal 2021	<u>1,879,292</u>

# Swimming/Natation Canada

## Notes to Financial Statements

March 31, 2022

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### 13 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.

### 14 Financial risk management

#### Credit risk

Credit risk is the risk 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 accounts receivable. The Association assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts. As at year-end, there were no accounts allowed for in amounts receivable.

#### 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.

#### 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: interest rate risk, currency risk and other price risk.

##### Interest rate risk

Interest rate risk is the risk 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 and cash equivalents and trust fund assets.

# Swimming/Natation Canada

## Notes to Financial Statements

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### Currency risk

Currency risk is the risk 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 US cash deposits of \$133,128 (2021 – \$100,644).

### Other price risk

Other price risk is the risk 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.

## 15 Implication of COVID-19 pandemic

On March 11, 2020, the World Health Organization declared the coronavirus (COVID-19) outbreak a pandemic. Governments and local public health authorities have implemented shutdowns and emergency measures to combat the global pandemic.

The long-term impact of the outbreak on the Association remains uncertain. Management is closely monitoring the economic situation and any potential impacts there may be on the Association's operations. The ultimate duration and magnitude of COVID-19's impact on the Association's operations and financial position are not known at this time. These impacts could include a decline in future cash flows, changes to the value of assets and liabilities and increased borrowings to sustain the operations. However, management believes the impact of COVID-19 will be temporary, and therefore, while it could have a negative impact on the Association during the pandemic, the long-term prospects for the Association have not changed.

### Government assistance

During the year ended March 31, 2021, management applied for assistance under the Canada Emergency Wage Subsidy (CEWS) set up by the Government of Canada to assist businesses during the COVID-19 pandemic. Contributions recognized under CEWS amount to \$996,164 in 2021, of which \$67,890 remained outstanding as at March 31, 2021.

**Swimming/Natation Canada**  
 Schedule A – Sport Canada Contribution  
 (Unaudited)

	<b>For the year ended March 31, 2022</b>		
	<b>Sports Development \$</b>	<b>Enhanced Excellence \$</b>	<b>Total \$</b>
<b>Mainstream core revenue</b>			
General administration	350,000	235,000	585,000
Salaries, fees and benefits	430,000	403,000	833,000
Coaching salaries and professional development	453,000	1,243,000	1,696,000
National team program	110,000	1,080,000	1,190,000
Official languages	13,000	-	13,000
Operations and programming	69,000	580,000	649,000
NextGen initiative	150,000	-	150,000
	<b>1,575,000</b>	<b>3,541,000</b>	<b>5,116,000</b>
<b>Mainstream core expenses</b>			
General administration	350,000	235,000	585,000
Salaries, fees and benefits	430,000	403,000	833,000
Coaching salaries and professional development	453,000	1,281,000	1,734,000
National team program	110,000	1,195,000	1,305,000
Official languages	13,000	-	13,000
Operations and programming	69,000	581,000	650,000
NextGen initiative	150,000	-	150,000
	<b>1,575,000</b>	<b>3,695,000</b>	<b>5,270,000</b>
<b>Mainstream above core revenue</b>			
SafeSport initiatives	<b>143,000</b>	-	<b>143,000</b>
<b>Athletes with a disability core revenue</b>			
General administration	185,000	109,000	294,000
Salaries, fees and benefits	73,000	105,000	178,000
Coaching salaries and professional development	120,000	368,000	488,000
National team program	250,000	253,000	503,000
Official languages	4,000	-	4,000
Operations and programming	10,000	244,000	254,000
NextGen initiative	70,000	-	70,000
	<b>712,000</b>	<b>1,079,000</b>	<b>1,791,000</b>
<b>Athletes with a disability core expenses</b>			
General administration	185,000	109,000	294,000
Salaries, fees and benefits	73,000	105,000	178,000
Coaching salaries and professional development	120,000	365,000	485,000
National team program	250,000	429,000	679,000
Official languages	4,000	-	4,000
Operations and programming	10,000	244,000	254,000
NextGen initiative	70,000	-	70,000
	<b>712,000</b>	<b>1,252,000</b>	<b>1,964,000</b>

# Swimming/Natation Canada

## Schedule A – Sport Canada Contribution... *continued* (Unaudited)

	<b>For the year ended March 31, 2021</b>		
	<b>Sports Development \$</b>	<b>Enhanced Excellence \$</b>	<b>Total \$</b>
<b>Mainstream core revenue</b>			
General administration	350,000	137,000	487,000
Salaries, fees and benefits	380,000	419,417	799,417
Coaching salaries and professional development	383,000	770,507	1,153,507
National team program	145,000	1,804,816	1,949,816
Official languages	13,000	-	13,000
Operations and programming	154,000	486,767	640,767
NextGen initiative		150,000	150,000
	<b>1,425,000</b>	<b>3,768,507</b>	<b>5,193,507</b>
<b>Mainstream core expenses</b>			
General administration	350,000	137,000	487,000
Salaries, fees and benefits	380,000	419,417	799,417
Coaching salaries and professional development	383,000	770,507	1,153,507
National team program	20,000	778,295	798,295
Official languages	13,000	-	13,000
Operations and programming	154,000	486,767	640,767
NextGen initiative		150,000	150,000
	<b>1,300,000</b>	<b>2,741,986</b>	<b>4,041,986</b>
<b>Mainstream above core revenue</b>			
SafeSport initiatives		143,000	143,000
<b>Athletes with a disability core revenue</b>			
General administration	185,000	-	185,000
Salaries, fees and benefits	80,000	59,862	139,862
Coaching salaries and professional development	145,000	305,000	450,000
National team program	183,000	684,863	867,863
Official languages	4,000	-	4,000
Operations and programming	45,000	65,250	110,250
NextGen initiative		75,000	75,000
	<b>642,000</b>	<b>1,189,975</b>	<b>1,831,975</b>
<b>Athletes with a disability core expenses</b>			
General administration	167,081	104,500	271,581
Salaries, fees and benefits	209,500	59,862	269,362
Coaching salaries and professional development	174,552	200,000	374,552
National team program		207,491	207,491
Official languages	4,000	-	4,000
Operations and programming		25,582	25,582
NextGen initiative		40,000	40,000
	<b>555,133</b>	<b>637,435</b>	<b>1,192,568</b>