



Financial Statements

(Unaudited)

Masters Swimming Canada/Maitres Nageurs Du
Canada

June 30, 2016

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Review Engagement Report

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To the Members of
Masters Swimming Canada/Maitres Nageurs Du Canada

We have reviewed the statement of financial position of Masters Swimming Canada/Maitres Nageurs Du Canada as at June 30, 2016 and the statements of operations and changes in net assets and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of inquiry, analytical procedures and discussion related to information supplied to us by the organization.

A review does not constitute an audit and, consequently, we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

Fredericton, Canada
November 11, 2016



Chartered Professional Accountants

Masters Swimming Canada/Maitres Nageurs Du Canada

Statements of Operations and Changes in Net Assets

(Unaudited)

Year ended June 30

	2016	2015
Revenues		
Membership fees	\$ 206,743	\$ 198,226
National championship fees	75,460	77,530
Other income	639	1,248
Interest income	<u>761</u>	<u>991</u>
	<u>283,603</u>	<u>277,995</u>
Program expenditures (Schedule 1)	104,548	97,283
Administrative expenditures (Schedule 1)	<u>161,045</u>	<u>159,733</u>
	<u>265,593</u>	<u>257,016</u>
Excess of revenues over expenditures	<u>\$ 18,010</u>	<u>\$ 20,979</u>
Net assets, beginning of year	\$ 182,324	\$ 161,345
Excess of revenues over expenditures	<u>18,010</u>	<u>20,979</u>
Net assets, end of year	<u>\$ 200,334</u>	<u>\$ 182,324</u>

Masters Swimming Canada/Maitres Nageurs Du Canada

Statement of Financial Position

(Unaudited)
June 30

2016

2015

Assets

Current

Cash	\$ 144,195	\$ 207,325
Short term investment	100,393	30,000
Accrued interest receivable	-	1,636
Receivables	54,186	41,204
Prepays	<u>782</u>	<u>790</u>
	<u>\$ 299,556</u>	<u>\$ 280,955</u>

Liabilities

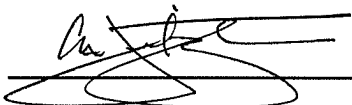
Current

Payables and accruals	\$ 65,583	\$ 67,541
Deferred revenue	<u>33,639</u>	<u>31,090</u>
	99,222	98,631

Net assets

	<u>200,334</u>	<u>182,324</u>
	<u>\$ 299,556</u>	<u>\$ 280,955</u>

On behalf of the board


Member


Member

Masters Swimming Canada/Maitres Nageurs Du Canada

Statement of Cash Flows

(Unaudited)

Year ended June 30

2016

2015

Increase (decrease) in cash and cash equivalents

Operating

Excess of revenues over expenditures	\$ 18,010	\$ 20,979
Change in non-cash working capital items		
Accrued interest receivable	1,636	(990)
Receivables	(12,982)	11,208
Inventory	-	6,884
Prepays	8	(38)
Payables and accruals	(1,958)	50,085
Deferred revenue	2,549	(5,062)
	7,263	83,066

Investing

Net increase in short term investment	(70,393)	-
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(Decrease) increase in cash	(63,130)	83,066
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Cash

Beginning of year	207,325	124,259
End of year	\$ 144,195	\$ 207,325

Masters Swimming Canada/Maitres Nageurs Du Canada

Notes to the Financial Statements

(Unaudited)
June 30, 2016

1. Nature of operations

Masters Swimming Canada/Maitres Nageurs Du Canada was incorporated under the Canada Corporations Act, Part II, on October 26, 1993 for the purpose of fostering masters swimming in Canada. The organization is exempt from tax under the Income Tax Act.

2. Summary of significant accounting policies

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant policies are detailed as follows:

Revenue recognition

Membership fees are deferred when membership information is received from the provincial organizations and collectability is reasonably assured. They are then recognized as income as services are rendered over the membership year which ends on August 31st.

All other revenue is recognized when persuasive evidence of an arrangement exists, the services have been rendered and there are no significant obligations remaining, the price is fixed or determinable and collectability is reasonably assured.

Cash and cash equivalents

Cash and cash equivalents consist of balances with bank.

Short term investment

Short term investment consists of balances held in a money market fund.

Financial instruments

The Organization considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. The Organization accounts for the following as financial instruments:

- Cash
- Short term investment
- Receivables
- Payables and accruals

A financial asset or liability is recognized when the Organization becomes party to contractual provisions of the instrument.

Financial assets or liabilities obtained in arm's length transactions are initially measured at their fair value. In the case of a financial asset or liability not being subsequently measured at fair value, the initial fair value will be adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption.

Masters Swimming Canada/Maitres Nageurs Du Canada

Notes to the Financial Statements

(Unaudited)
June 30, 2016

2. Summary of significant accounting policies (continued)

Use of estimates

Management reviews the carrying amounts of items in the financial statements at each balance sheet date to assess the need for revision or any possibility of impairment. Many items in the preparation of these financial statements require management's best estimate. Management determines these estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action.

These estimates are reviewed periodically and adjustments are made to net income as appropriate in the year they become known.

Items subject to significant management estimates include allowance for doubtful accounts and deferred revenue.

Deferred revenue

Deferred revenue represents the portion of membership fees received at the fiscal year end which apply to the remainder of the membership year ending August 31, 2016. These amounts will be recorded as income in the following fiscal year.

Contributed services

The Organization is dependent on the work of many volunteers to fulfil its mission. Due to the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

3. Membership fees

Revenues of \$9,039 (from Ontario) and \$2,668 (from Newfoundland) received in this fiscal year pertain to 2014-15 fees. These were not accrued due to unknown membership numbers at the time of the 2014-15 year-end.

4. Financial instruments

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

(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 Organization's main credit risks relate to its accounts receivable. The entity provides credit to its clients in the normal course of its operations. There was no significant change in exposure from the prior year.

Masters Swimming Canada/Maitres Nageurs Du Canada

Notes to the Financial Statements

(Unaudited)
June 30, 2016

4. Financial instruments (continued)

(b) Liquidity risk

Liquidity risk is the risk that the Organization will encounter difficulty in meeting the obligations associated with its financial liabilities. The Organization is exposed to this risk mainly in respect of its accounts payable and accrued liabilities. There was no significant change in exposure from the prior year.

(c) Market risk

Market risk is the risk that the fair value or expected 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. The Organization is mainly exposed to other price risk.

(i) 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 of securities held. The Organization is exposed to this risk mainly in respect of its short term investment. There was no significant change in exposure from the prior year.

Masters Swimming Canada/Maitres Nageurs Du Canada Schedule of Expenditures

(Unaudited)

Year ended June 30

	2016	2015
Program expenditures		
Awards	\$ 1,955	\$ 3,044
Event services	68,209	72,181
Memberships	34,384	12,740
Organizational Fees	-	170
Sponsorship & Alliances	-	5,650
Strategic Plan	-	3,498
	<u>\$ 104,548</u>	<u>\$ 97,283</u>
Administrative expenditures		
Directors' insurance	\$ 861	\$ 815
Equipment maintenance	3,952	1,489
Interest and bank charges	2,565	3,019
Meetings	22,739	28,515
Miscellaneous expense	389	-
National Office	116,869	108,264
Professional fees	3,995	9,863
Supplies and postage	7,076	5,477
Telephone	2,599	2,291
	<u>\$ 161,045</u>	<u>\$ 159,733</u>