



MASTERS SWIMMING ONTARIO

FINANCIAL STATEMENTS

AUGUST 31, 2017

(UNAUDITED)



MASTERS SWIMMING ONTARIO

FINANCIAL STATEMENTS

AUGUST 31, 2017

(Unaudited)

TABLE OF CONTENTS

Review Engagement Report	1
Statement of Financial Position	2
Statement of Operations and Changes in Net Assets	3
Statement of Cash Flows	4
Notes to Financial Statements	5 - 7

Schwartz Levitsky Feldman llp

CHARTERED ACCOUNTANTS
LICENSED PUBLIC ACCOUNTANTS
TORONTO • MONTREAL



REVIEW ENGAGEMENT REPORT

To the Members of
Masters Swimming Ontario

We have reviewed the statement of financial position of Masters Swimming Ontario as at August 31, 2017 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 management.

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.

A handwritten signature in cursive script that reads "Schwartz Levitsky Feldman llp".

Toronto, Ontario
March 2, 2018

Chartered Accountants
Licensed Public Accountants

MASTERS SWIMMING ONTARIO

Statement of Financial Position


As at August 31, 2017

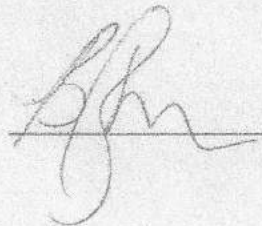
(Unaudited)



	2017	2016
ASSETS		
CURRENT		
Cash	\$ 116,749	\$ 98,696
Fees and other receivable	6,342	8,843
Inventory (note 2)	-	392
	123,091	107,931
OTHER ASSETS		
Capital assets (note 3)	-	663
	\$ 123,091	\$ 108,594
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 30,095	\$ 15,489
NET ASSETS		
NET ASSETS - Unrestricted	92,996	93,105
	\$ 123,091	\$ 108,594

On behalf of the board


Director


Director

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

MASTERS SWIMMING ONTARIO
Statement of Operations and Changes in Net Assets
For the year ended August 31, 2017
(Unaudited)



	2017	2016
REVENUE		
Swimmers' fees	\$ 122,895	\$ 113,480
Club registration fees	3,780	4,050
Interest and other income	538	281
Sale of medals and ribbons	-	8,842
	<u>127,213</u>	<u>126,653</u>
EXPENSES		
Affiliation fees	80,618	78,038
Insurance	15,371	15,022
Professional fees	10,486	16,025
Administration	9,575	8,850
Communications	4,848	12,971
Awards and competition expenses	2,500	8,344
Travel expenses	1,564	4,283
Bank charges	1,526	1,057
Medals and ribbons	392	8,236
Amortization	442	442
	<u>127,322</u>	<u>153,268</u>
EXCESS OF EXPENSES OVER REVENUE	(109)	(26,615)
NET ASSETS , BEGINNING OF YEAR	93,105	119,720
NET ASSETS , END OF YEAR	<u>\$ 92,996</u>	<u>\$ 93,105</u>

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

MASTERS SWIMMING ONTARIO

Statement of Cash Flows

For the year ended August 31, 2017

(Unaudited)

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess of expenses over revenue	\$ (109)	\$ (26,615)
Adjustment for non-cash items::		
Amortization	442	442
Loss on disposal of capital asset	222	-
	555	(26,173)
Changes in non-cash working capital items		
Decrease in fees and other receivable	2,501	2,471
Decrease in inventory	392	3,185
Decrease in prepaid expenses	-	3,000
Increase (decrease) in accounts payable and accrued liabilities	14,605	(16,617)
NET INCREASE (DECREASE) IN CASH, DURING THE YEAR	18,053	(34,134)
CASH, BEGINNING OF YEAR	98,696	132,830
CASH, END OF YEAR	\$ 116,749	\$ 98,696



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

MASTERS SWIMMING ONTARIO

Notes to Financial Statements

August 31, 2017

(Unaudited)



NATURE OF BUSINESS

Masters Swimming Ontario, (the "Organization") was incorporated as a not-for-profit corporation under the Ontario Corporation Act on January 11, 1989. The Organization is a member of Masters Swimming Canada. Also see Note 5. The mission of the Organization is to promote life-long fitness through the sport of swimming.

The Organization qualifies as a tax-exempt non-profit organization.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Organization's financial statements are prepared in accordance with Canadian Accounting Standards for Not-For-Profit Organizations ("ASNPO") and include the following significant accounting policies:

(a) Revenue Recognition

The Organization follows the deferral method of accounting for contributions. Under this method, unrestricted contributions from registration fees and ancillary sales are recognized as revenue in the period the related activities and events are held. The Organization did not receive any restricted contributions in the year.

(b) Contributed Services

Directors, committee members and others volunteer their time to assist in the Organization's activities. Since these services are not normally purchased by the Organization and due to the difficulty of determining the fair value of such services, they are not recognized in these financial statements.

(c) Inventory

Inventory comprising medals and ribbons, are valued at the lower of cost and net realizable value. Cost is determined using substantially the weighted average cost method. Net realizable value is the estimated selling price to clubs less any related selling costs.

(d) Use of Estimates

The preparation of financial statements in accordance with ASNPO requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Estimates are reviewed periodically and as adjustments become necessary, they are reported in operations in the period in which they become known.

MASTERS SWIMMING ONTARIO

Notes to Financial Statements

August 31, 2017

(Unaudited)



1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(e) Capital Assets

Capital assets are recorded at cost or fair value if received as a donation which becomes its cost, less accumulated amortization. Amortization is provided on the greater of cost less salvage value over the life of the asset and cost less residual value over the useful life of the asset, using the following rate and method:

Computer Equipment 3 years straight line

The Organization did not receive any contributed equipment during the year.

(f) Measurement of Financial Instruments

The Organization initially measures its financial assets and liabilities at fair value. The Organization subsequently measures all its financial assets and financial liabilities at amortized cost. Financial assets measured at amortized cost include cash and receivables. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

2. INVENTORY

Inventory consists of medals and ribbons held for the purpose of selling to clubs hosting provincial championships.

3. CAPITAL ASSETS

	2017		2016	
	Cost	Accumulated amortization	Cost	Accumulated amortization
Computer equipment	\$ -	\$ -	\$ 1,327	\$ 664
Net book value	\$ -		\$ 663	

In 2017, the Organization donated its computer equipment to the retiring registrar, in recognition of his long term of service. The loss on disposal of \$222 is included in administration expenses in the statement of operations and changes in net assets.

MASTERS SWIMMING ONTARIO

Notes to Financial Statements

August 31, 2017

(Unaudited)



4. FINANCIAL INSTRUMENTS

Risks and Concentrations

The Organization does not have any significant exposure to risks and concentrations affecting its financial instruments held at the year-end.

5. SUBSEQUENT EVENTS

Effective September 1, 2017, Swim Canada, with the full support of Masters Swimming Canada, mandated that Swim Ontario will directly control the masters swimming competitions in Ontario. As a result, the Organization no longer has an affiliation with Masters Swimming Canada. The Organization decided to continue its own swimming programs for its members in accordance with the Organization's motto of "Swimming for fun, fitness, and friendship" and membership fees for swimmers for fiscal 2018 were reduced by the amount of the affiliation fees previously paid to Masters Swimming Canada and Swim Ontario.

On January 18, 2018, the Organization received a threat of legal action from Masters Swimming Canada claiming that certain programs of the Organization that were started after year-end are being designed and marketed with a view towards harming Master Swimming Canada's goodwill. Management believes that the claim has no merit, the outcome of this claim is uncertain and the monetary impact cannot be reasonably determined at this time.