

**MASTERS SWIMMING ONTARIO**

**FINANCIAL STATEMENTS**

**AUGUST 31, 2018**

**(Unaudited)**

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**(Unaudited)**

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## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of  
Masters Swimming Ontario

We have reviewed the accompanying financial statements of Masters Swimming Ontario that comprise the statement of financial position as at August 31, 2018, and the statements of operations and changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these 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.

### **Practitioner's Responsibility**

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

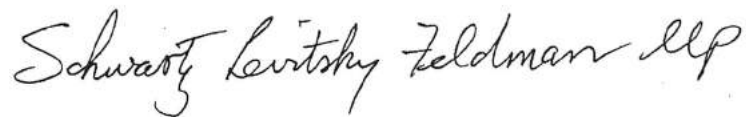
A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT (cont'd)

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Masters Swimming Ontario as at August 31, 2018, 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.



Toronto, Ontario  
January 11, 2019

Chartered Accountants  
Licensed Public Accountants

# MASTERS SWIMMING ONTARIO

## Statement of Financial Position


As at August 31, 2018

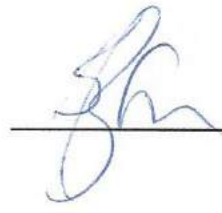
(Unaudited)



	2018	2017
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 101,389	\$ 116,749
Other receivable	1,710	6,342
	<u>\$ 103,099</u>	<u>\$ 123,091</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 14,975	\$ 30,095
<b>NET ASSETS</b>		
Unrestricted	88,124	92,996
	<u>\$ 103,099</u>	<u>\$ 123,091</u>

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, 2018**  
*(Unaudited)*



	2018	2017
<b>REVENUE</b>		
Swimmers' fees	\$ 28,330	\$ 122,895
Club registration fees	2,835	3,780
Interest and other income	1,510	538
	<u>32,675</u>	<u>127,213</u>
<b>EXPENSES</b>		
Professional fees	14,993	10,486
Insurance	8,790	15,371
Communications	7,115	4,848
Administration	3,120	9,575
Awards and program expenses	1,741	2,892
Travel	980	1,564
Bank charges	808	1,526
Affiliation fees	-	80,618
Amortization	-	442
	<u>37,547</u>	<u>127,322</u>
<b>DEFICIENCY OF REVENUE OVER EXPENSES</b>	(4,872)	(109)
<b>NET ASSETS, BEGINNING OF YEAR</b>	92,996	93,105
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 88,124</u>	<u>\$ 92,996</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, 2018

(Unaudited)

	2018	2017
<b>OPERATING ACTIVITIES</b>		
Deficiency of revenue over expenses	\$ (4,872)	\$ (109)
Adjustments for non-cash items:		
Amortization	-	442
Loss on disposal of capital asset	-	222
	(4,872)	555
Change in non-cash working capital items:		
Decrease in other receivable	4,632	2,501
Decrease in inventory	-	392
Increase (decrease) in accounts payable and accrued liabilities	(15,120)	14,605
<b>NET INCREASE (DECREASE) IN CASH, DURING THE YEAR</b>	<b>(15,360)</b>	<b>18,053</b>
<b>CASH, BEGINNING OF YEAR</b>	<b>116,749</b>	<b>98,696</b>
<b>CASH, END OF YEAR</b>	<b>\$ 101,389</b>	<b>\$ 116,749</b>

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



# MASTERS SWIMMING ONTARIO

## Notes to Financial Statements

August 31, 2018

(Unaudited)

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### 1. STATUS AND PURPOSE OF THE ORGANIZATION

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

The Organization is a not-for-profit organization as defined by the Federal and Ontario Income Tax Acts and, as such, is not subject to federal and provincial income taxes.

### 2. 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 club registration fees, swimmers' 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.

Interest is recognized in the period in which it is earned.

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



# MASTERS SWIMMING ONTARIO

## Notes to Financial Statements

August 31, 2018

(Unaudited)

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

#### (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 year. Significant items requiring estimates and assumptions include the recording of accrued liabilities. These estimates are reviewed periodically and adjustments made to income in the period such adjustments occur.

#### (e) 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.

### 3. FINANCIAL INSTRUMENTS

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

### 4. CONTINGENT LIABILITY

On January 18, 2018, the Organization received a legal notice from Masters Swimming Canada claiming that certain programs of the Organization 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.