

SWIM B.C.

Financial Statements

For the Year Ended March 31, 2022



Baker Tilly Victoria Ltd
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INDEPENDENT AUDITORS' REPORT

To the Members of Swim B.C.

Opinion

We have audited the financial statements of Swim B.C. that comprise the statement of financial position as at March 31, 2022 and the statements of operations, changes in net assets, and cash flows for the period then ended, and a summary of significant accounting policies and other explanatory information and schedules 1 to 5.

In our opinion, the accompanying financial statements present fairly in all material respects, the financial position of the Society as at March 31, 2022, and results of its operations and its cash flows for the period 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 report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical 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.

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.



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INDEPENDENT AUDITORS' REPORT (continued)

In preparing the financial statements, management is responsible for assessing the Society'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 Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statement

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 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.

INDEPENDENT AUDITORS' REPORT (continued)

- 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 Society'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 Society'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 auditors' report. However, future events or conditions may cause the Society 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.



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INDEPENDENT AUDITORS' REPORT (continued)

Report on Other Legal and Regulatory Requirements

As required by the British Columbia Societies Act, we report that, in our opinion, the accounting standards for not-for-profit organizations have been applied on a consistent basis.

Baker Tilly Victoria Ltd.

CHARTERED PROFESSIONAL ACCOUNTANTS

Victoria, B.C.

August 25, 2022

Swim B.C.

Statement of Financial Position

As at March 31, 2022

	2022	2021
	\$	\$
Assets		
Current Assets -		
Cash	1,005,890	703,015
Accounts receivable	12,993	6,133
Investment (note 3)	97,922	97,674
Prepaid expenses	51,218	25,966
	1,168,023	832,788
Deposit	8,000	8,000
Intangible Assets (note 4)	14,248	-
	1,190,271	840,788

Liabilities

Current Liabilities -

Accounts payable and accrued liabilities	513,799	318,397
Deferred contributions	258,567	285,703
	772,366	604,100

Net Assets

Internally Restricted Net Assets	-	79,250
Unrestricted Net Assets	417,905	157,438
	417,905	236,688
	1,190,271	840,788

Commitments (note 6)

SIGNED ON BEHALF OF THE BOARD:



Director

Swim B.C.

Statement of Operations

For the Year Ended March 31, 2022

(With Comparative Figures for Eight Months Ending March 31, 2021)

	2022	2021
	\$	\$
Revenue		
Self Generated Revenue (Schedule 1)	591,551	292,739
Grants (Schedule 2)	451,187	192,779
	1,042,738	485,518
Expenses		
Administration Expenses (Schedule 3)	142,324	76,771
Member Services (Schedule 4)	628,336	359,382
Technical Programs (Schedule 5)	144,537	128,650
	915,197	564,803
Operating Income (Loss)	127,541	(79,285)
Other Income -		
COVID-Related Wage Subsidies	46,212	70,845
COVID-Related Rent Subsidies	7,464	6,311
viaSport Heritage Canada Grant	-	79,250
	53,676	156,406
Surplus	181,217	77,121

Swim B.C.

Statement of Changes in Net Assets

For the Year Ended March 31, 2022

(With Comparative Figures for Eight Months Ending March 31, 2021)

	2022	2021
	\$	\$
Net Assets - Beginning of Year	236,688	159,567
Surplus	181,217	77,121
Net Assets - End of Year	417,905	236,688

Swim B.C.

Combined Statement of Cash Flows

For the Year Ended March 31, 2022

(With Comparative Figures for Eight Months Ending March 31, 2021)

	2022	2021
	\$	\$
Cash Provided from (Used for):		
Operating Activities		
Surplus	181,217	77,121
Amortization	3,562	-
	184,779	77,121
Changes in non-cash working capital:		
Investment	(248)	(173)
Accounts receivable	(6,860)	41,574
Prepaid expenses	(25,252)	(11,729)
Accounts payable and accrued liabilities	195,402	(75,474)
Deferred contributions	(27,136)	237,058
	320,685	268,377
Investing Activities		
Purchase of intangible assets	(17,810)	-
	302,875	268,377
Net Increase in Cash	302,875	268,377
Cash - Beginning of Year	703,015	434,638
Cash - End of Year	1,005,890	703,015

Swim B.C.

Notes to Non-Consolidated Financial Statements

For the Year Ended March 31, 2022

(With Comparative Figures for Eight Months Ending March 31, 2021)

1 Statement of Purpose

Swim B.C. (the "Society") is incorporated under the Societies Act of British Columbia. The primary objective of the Society is to promote, foster, teach and develop the art and science of swimming. The Society governs the sport of swimming in British Columbia and represents and conducts the affairs of the national governing body in the province. The Society is exempt from income taxation under Section 149 of the Income Tax Act.

2 Significant Accounting Policies

Statement of Compliance

These financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook and include the following accounting policies:

Revenue Recognition

The Society follows the deferral method of accounting for contributions received, whereby revenues are matched with expenses. Externally restricted contributions, if any, are recognized as revenue in the period in which the related expenses are incurred. Unrestricted contributions are recognized revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Fee revenue is recognized once registrations from swim clubs are received from Swimming Canada's Registration Tracking and Results ("RTR") system. Registration on the system provides persuasive evidence that an arrangement exists between Swim B.C. and its members. Registration fees are fixed on an annual basis and therefore determinable at the time of registration. Registrations received mid-season are subject to prorated fees based on the annual registration period. Revenue from the sale of goods is recognized at the time of sale. Revenue from clinics and workshops is recognized once the clinic or workshop is completed. Investment income is recognized as revenue is earned.

Contributed Services

The Society and its members benefit greatly from contributed services in the form of volunteer time for various committees. Due to the difficulty in determining their fair value, contributed services are not recognized in these financial statements.

Swim B.C.

Notes to Non-Consolidated Financial Statements

For the Year Ended March 31, 2022

(With Comparative Figures for Eight Months Ending March 31, 2021)

2 Significant Accounting Policies (continued)

Financial instruments

Measurement of financial instruments

The Society initially recognizes its financial assets and liabilities at fair value. Investments, which consist of high interest savings account, are subsequently measured at fair value. All other financial instruments, which include cash, accounts receivable, accounts payable, and deferred contributions are subsequently measured at amortized cost.

Transaction costs related to the acquisition of financial instruments subsequently measured at fair value are recognized in the statement of operations when incurred. The carrying amounts of financial instruments not subsequently measured at fair value are adjusted by the amount of the transaction costs directly attributable to the acquisition of the instrument.

Impairment

Financial assets measured at amortized cost are assessed for indicators of impairment at the end of each reporting period. If impairment is identified, the amount of the write-down is recognized as an impairment loss in the statement of operations. Previously recognized impairment losses are reversed when the extent of the impairment decreases, provided that the adjusted carrying amount is no greater than the amount that would have been reported at the date of the reversal had the impairment not been previously recognized. The amount of the reversal is recognized in surplus.

Significant estimates and assumptions

The preparation of the financial statements in accordance 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 at the date of the financial statements and the reported amounts of revenues and expenses during the period. Significant areas requiring the use of management estimates related to the determination of the useful life of intangible assets and the valuation of the club grants payable. Actual results could differ from those estimates.

Swim B.C.

Notes to Non-Consolidated Financial Statements

For the Year Ended March 31, 2022

(With Comparative Figures for Eight Months Ending March 31, 2021)

2 Significant Accounting Policies (continued)

Intangible assets

Intangible assets consist of website enhancements that are carried at cost less accumulated amortization. Amortization is charged against income using the straight-line method over their estimated useful life of 5 years.

3 Investment

The investment is in a high interest savings account and is recorded at fair value, which is equal to book value. During the period ended March 31, 2022, the Company earned \$2,584 (2021 - \$1,152) in interest income (Schedule 1).

4 Intangible Assets

	Cost	Accumulated amortization	2022 Net	2021 Net
	\$	\$	\$	\$
Website	17,810	3,562	14,248	-

5 Swimming Canada Fees

The Society collects Swimming Canada fees from their members on behalf of Swimming Canada and remits them bi-annually. During the fiscal year fees of \$434,013 (2021 - \$158,522) were collected. As at March 31, 2022 the outstanding balance due to Swimming Canada was \$398,919 (2021 - \$218,849).

Swim B.C.

Notes to Non-Consolidated Financial Statements

For the Year Ended March 31, 2022

(With Comparative Figures for Eight Months Ending March 31, 2021)

6 Commitments

The Society has entered into an operating lease for its premises. Future minimum lease payments are as follows:

	\$
Year ending March 31, 2023	41,994
2024	37,704
2025	37,704
2026	38,620
2027	39,275
Thereafter	16,365

7 Employee Remuneration

On November 28, 2016 the new British Columbia Societies Act came into force. Included in the Act is a requirement to disclose the remuneration paid to all directors, the ten highest paid employees and all contractors who are paid at least \$75,000 annually. During the applicable period two employees remuneration was at least \$75,000.

8 Financial Instruments

The Society is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Society's risk exposure and concentration.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Society's main credit risks relate to its accounts receivable. The Society routinely assesses the collectability of its receivables and, as a consequence, believes that its accounts receivable credit risk exposure is limited.

Swim B.C.

Notes to Non-Consolidated Financial Statements

For the Year Ended March 31, 2022

(With Comparative Figures for Eight Months Ending March 31, 2021)

8 Financial Instruments (continued)

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flow of a financial instrument will fluctuate because of changes in market interest rates. The Society's exposure to interest rate risk relates to interest earned on its investment. It is management's opinion that, under normal circumstances, the Society is not exposed to significant interest rate risk.

Liquidity risk

Liquidity risk is the risk that the Society will not be able to meet its financial obligations as they fall due. The Society has a planning and budgeting process in place to help determine the funds required to support the Society's normal operating requirements on an ongoing basis. The Society attempts to ensure there is sufficient access to funds to meet on-going operations' requirements, taking into account its current cash position and potential funding sources.

Swim B.C.

Schedule 1 - Self Generated Revenue

For the Year Ended March 31, 2022

(With Comparative Figures for Eight Months Ending March 31, 2021)

	2022	2021
	\$	\$
Swim-a-thon	5,099	-
National Coaching Certification Program	52,125	25,900
Sale of technical supplies/awards	1,750	25
Investment income	2,584	1,152
Registration fees - coaches	21,278	11,673
Registration fees - swimming	423,506	237,489
Registration fees - clubs	21,685	15,400
Sanctions and time trials	6,560	1,100
Competition Surcharge	54,464	-
Program fees	2,500	-
	591,551	292,739

Swim B.C.

Schedule 2 - Grants

For the Year Ended March 31, 2022

(With Comparative Figures for Eight Months Ending March 31, 2021)

	2022	2021
	\$	\$
Province of British Columbia - Grant (viasport)	289,168	192,779
Community Gaming Grant	100,576	-
Swimming Canada Grant	57,000	-
Miscellaneous Grants	4,443	-
	451,187	192,779

Swim B.C.

Schedule 3 - Administration Expenses

For the Year Ended March 31, 2022

(With Comparative Figures for Eight Months Ending March 31, 2021)

	2022	2021
	\$	\$
Amortization	3,562	-
Postage / Courier / Printing	1,119	940
Office Rent & Utilities	48,000	37,780
Office Supplies	1,530	2,137
Telecom (Phone/Internet/Cell)	9,102	6,152
Audit & Legal	27,001	17,719
Bank Charges	2,585	793
Office Information Technology	2,981	7,819
Organization Expenses	45,359	1,950
Repairs & Maintenance	-	235
Payment Processing Fees	1,085	1,246
	142,324	76,771

Swim B.C.

Schedule 4 - Member Services

For the Year Ended March 31, 2022

(With Comparative Figures for Eight Months Ending March 31, 2021)

	2022	2021
	\$	\$
Board Expenses	3,126	937
BC Swimming Congress	20,699	-
Officials Development	11,362	-
Coaching Development - NCCP	22,279	7,632
Coaching Development - BCSCA Fees	-	15,400
Coaching Development - Mentor & WIC	7,335	-
Provincial championships	59,453	-
Technical Supplies	-	1,930
Master Swimming Association BC Fees	-	14,658
Insurance	26,090	15,856
Salaries and wages	464,865	297,487
Staff expenses	12,934	3,457
Professional development (Staff)	193	2,025
	628,336	359,382

Swim B.C.

Schedule 5 - Technical Programs

For the Year Ended March 31, 2022

(With Comparative Figures for Eight Months Ending March 31, 2021)

	2022	2021
	\$	\$
B.C. Games	13,163	-
Club grant	55,399	105,000
Provincial ID Team Programs	22,904	7,900
Provincial Development Programs	53,071	15,750
	144,537	128,650