

British Columbia Artistic Swimming Association
Financial Statements
For the year ended June 30, 2025

British Columbia Artistic Swimming Association
Contents

For the year ended June 30, 2025
(Unaudited)

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To the Members of British Columbia Artistic Swimming Association:

Report on the Financial Statements

We have reviewed the accompanying financial statements of British Columbia Artistic Swimming Association (the "Association") which comprise the statement of financial position as at June 30, 2025, and the statements of operations, 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 Association, 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.

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 British Columbia Artistic Swimming Association as at June 30, 2025, 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.

Other Matter

The financial statements of British Columbia Artistic Swimming Association for the year ended June 30, 2024 were audited by MNP LLP who expressed an unmodified opinion on those statements on November 12, 2024.

Report on Other Legal and Regulatory Requirements

As required by the Societies Act (British Columbia), we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

Surrey, British Columbia

December 8, 2025

MNP LLP

Chartered Professional Accountants

British Columbia Artistic Swimming Association

Statement of Financial Position

*As at June 30, 2025
(Unaudited)*

| | 2025 | 2024 |
|-------------------------------------|---------|---------|
| Assets | | |
| Current | | |
| Cash | 112,550 | 212,192 |
| Accounts receivable | 10,279 | 185 |
| Government receivable | 13,754 | 29,396 |
| Prepaid expenses | 16,507 | 28,796 |
| Term deposit (Note 3) | 13,000 | - |
| Inventory | 9,377 | 8,397 |
| | 175,467 | 278,966 |
| Capital assets (Note 4) | 14,683 | 24,786 |
| | 190,150 | 303,752 |
| Liabilities | | |
| Current | | |
| Accounts payable and accruals | 38,305 | 30,229 |
| Deferred contributions (Note 5) | 57,500 | 156,356 |
| | 95,805 | 186,585 |
| Net Assets | | |
| Invested in Capital Assets | 14,683 | 24,786 |
| Internally Restricted Fund (Note 6) | 65,690 | 66,290 |
| Unrestricted Fund | 13,972 | 26,091 |
| | 94,345 | 117,167 |
| | 190,150 | 303,752 |

Approved on behalf of the Board

e-Signed by Ann Stirrat

2025-12-08 12:33:12:12 PST

Director of Finance

British Columbia Artistic Swimming Association

Statement of Operations

For the year ended June 30, 2025
(Unaudited)

| | 2025 | 2024 |
|--|-----------------|-----------------|
| Revenue | | |
| Government funding | 340,346 | 348,954 |
| Athlete development | 71,235 | 48,118 |
| Competition operations | 52,840 | 50,505 |
| Affiliation fees (provincial and national) | 36,969 | 57,623 |
| Coaching development | 6,375 | 15,980 |
| Supplies | 2,613 | 782 |
| | 510,378 | 521,962 |
| Expenses | | |
| Association operations (Note 7) | 143,778 | 144,206 |
| Human resources (Note 8) | 191,217 | 183,216 |
| Athlete development | 111,048 | 118,879 |
| Coach development | 7,450 | 3,650 |
| Competition operations | 75,627 | 44,724 |
| Sports development | 3,480 | 49,340 |
| | 532,600 | 544,015 |
| Total expenses | 532,600 | 544,015 |
| Deficiency of revenue over expenses | (22,222) | (22,053) |

The accompanying notes are an integral part of these financial statements

British Columbia Artistic Swimming Association Statement of Changes in Net Assets

*For the year ended June 30, 2025
(Unaudited)*

| | <i>Invested in Capital Assets</i> | <i>Internally Restricted Fund</i> | <i>Unrestricted Fund</i> | 2025 | 2024 |
|---|---|---|------------------------------|----------------|----------------|
| Balance, beginning of year, current year | 24,786 | 66,290 | 26,091 | 117,167 | 142,470 |
| Deficiency of revenue over expenses | (9,788) | - | (12,434) | (22,222) | (22,053) |
| Disposal of capital asset | (315) | - | 315 | - | - |
| Disbursement of bursaries <i>(Note 6)</i> | - | (600) | - | (600) | (3,250) |
| Net assets, end of year | 14,683 | 65,690 | 13,972 | 94,345 | 117,167 |

The accompanying notes are an integral part of these financial statements

British Columbia Artistic Swimming Association

Statement of Cash Flows

For the year ended June 30, 2025

(Unaudited)

| | 2025 | 2024 |
|---|-----------------|-----------------|
| Cash provided by (used for) the following activities | | |
| Operating | | |
| Deficiency of revenue over expenses | (22,222) | (22,053) |
| Amortization | 9,788 | 6,941 |
| | (12,434) | (15,112) |
| Changes in working capital accounts | | |
| Accounts receivable | (10,095) | 1,970 |
| Government receivable | 15,642 | (5,308) |
| Prepaid expenses | 12,289 | 8,635 |
| Inventory | (980) | 6,915 |
| Accounts payable and accruals | 8,077 | (1,639) |
| Deferred contributions | (98,856) | (7,664) |
| | (86,357) | (12,203) |
| Investing | | |
| Proceeds on disposal of capital assets | 315 | - |
| Purchase of term deposits | (13,000) | - |
| Purchase of capital assets | - | (28,749) |
| Disbursement of bursaries | (600) | (3,250) |
| | (13,285) | (31,999) |
| Decrease in cash resources | (99,642) | (44,202) |
| Cash resources, beginning of year | 212,192 | 256,394 |
| Cash resources, end of year | 112,550 | 212,192 |

The accompanying notes are an integral part of these financial statements

British Columbia Artistic Swimming Association

Notes to the Financial Statements

For the year ended June 30, 2025
(Unaudited)

1. Incorporation and nature of the association

British Columbia Artistic Swimming Association (the "Association") changed its name from British Columbia Synchronized Swimming Association on November 25, 2019. The former was incorporated under the Society Act of British Columbia as a registered not-for-profit organization and thus is exempt from income taxes under the Income Tax Act ("the Act").

The Association's primary scope of operations involves the promotion, improvement and development of artistic swimming, the regulation of amateur artistic swimming and the establishment and maintenance of standards of certification of coaches and officials in British Columbia.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada, which are part of Canadian generally accepted accounting principles, and include the following significant accounting policies:

Inventory

Inventories held for distribution at no charge or for a nominal charge, or for consumption in the production process of goods to be distributed at no charge or for a nominal charge are recognized at the lower of cost and current replacement cost. Cost is determined by the first in, first out method.

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution plus all costs directly attributable to the acquisition.

Amortization is provided using the declining balance method at rates intended to amortize the cost of assets over their estimated useful lives.

| | Rate |
|------------------------|-------------|
| Computer equipment | 40 % |
| Furniture and fixtures | 40 % |

Revenue recognition

The Association follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

The Association recognizes revenue from affiliation fees, swim meet entry fees, course fees, and conference admission fees when the services are provided, if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributed materials and services

Contributions of materials and services are recognized both as contributions and expenses in the statement of operations when a fair value can be reasonably estimated and when the materials or services are used in the normal course of the Association's operations and would otherwise have been purchased. If the fair value of contributed materials or services are not determinable, the contributions are not reflected in the financial statements.

British Columbia Artistic Swimming Association

Notes to the Financial Statements

For the year ended June 30, 2025
(Unaudited)

2. Significant accounting policies (Continued from previous page)

Measurement uncertainty (use of estimates)

The preparation of financial statements in conformity 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 and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts and government receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Provisions are made for slow moving and obsolete inventory as well as warranty and after sales service costs. Amortization is based on the estimated useful lives of capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues and expenses in the periods in which they become known.

Financial instruments

The Association recognizes financial instruments when the Association becomes party to the contractual provisions of the financial instrument.

Arm's length financial instruments

Financial instruments originated/acquired or issued/assumed in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value.

At initial recognition, the Association may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Association has made such an election during the year.

The Association subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those designated in a qualifying hedging relationship or that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost less impairment. With the exception of financial liabilities indexed to a measure of the Association's performance or value of its equity and those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in excess (deficiency) of revenues over expenses. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

Financial asset impairment

The Association assesses impairment of all its financial assets measured at cost or amortized cost. The Association groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group. When there is an indication of impairment, the Association determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

The Association reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

Any impairment, which is not considered temporary, is included in current year excess (deficiency) of revenues over expenses.

The Association reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in excess (deficiency) of revenues over expenses in the year the reversal occurs.

British Columbia Artistic Swimming Association

Notes to the Financial Statements

For the year ended June 30, 2025
(Unaudited)

3. Term deposit

The term deposit is a guaranteed investment certificate bearing interest at 3.00% and maturing in January 2026.

4. Capital assets

| | Cost | Accumulated amortization | 2025 Net book value | 2024 Net book value |
|------------------------|---------------|-------------------------------------|------------------------------------|------------------------------------|
| Computer equipment | 30,077 | 18,602 | 11,475 | 15,188 |
| Furniture and fixtures | 58,592 | 55,384 | 3,208 | 9,598 |
| | 88,669 | 73,986 | 14,683 | 24,786 |

Amortization of \$9,788 (2024 - \$6,941) related to capital assets is included in the excess (deficiency) of revenues over expenditures.

5. Deferred contributions

Deferred contributions consist of unspent contributions externally restricted for specific purposes to be carried out by the Association. Recognition of these amounts as revenue is deferred to periods when the specified expenditures are made. Changes in the deferred contribution balance are as follows:

| | 2025 | 2024 |
|--|------------------|------------------|
| Balance, beginning of year | 156,356 | 164,020 |
| Add: Provincial Government Core Grant (viaSport B.C.) | 29,179 | 137,807 |
| Add: Provincial Government Enhanced Excellence Grant (viaSport B.C.) | 12,500 | - |
| Add: Canada Summer Games Training Program Fees | 15,790 | - |
| Add: Ignite Summer Camp Fees | - | 2,794 |
| Add: Caprice Artistic Swimming Registration Fees | - | 625 |
| Add: BC Summer Games Athlete Fees | - | 9,225 |
| Add: PCPQ and Pacific Peaks Hosting Grants | - | 6,500 |
| Less: Amount recognized as revenue during the year | (156,325) | (164,615) |
| Balance, end of year | 57,500 | 156,356 |

6. Internally restricted net assets

Internally restricted net assets are comprised of bursaries not yet distributed by the Association and a reserve fund. During the year, the Association's Board of Directors approved \$600 (2024 - \$3,250) of internally restricted bursaries to be disbursed. These internally restricted amounts are not available for other purposes without the approval of the Board of Directors.

| | 2025 | 2024 |
|--|---------------|---------------|
| Athlete Hardship Bursary Award | 1,747 | 1,747 |
| Charlotte Tutte Memorial Bursary Award | 3,000 | 3,000 |
| Coaching Bursary Award | 2,000 | 2,000 |
| Donalda Smith Bursary Award | 4,443 | 5,043 |
| Officials Bursary Award | 4,500 | 4,500 |
| Reserve fund | 50,000 | 50,000 |
| | 65,690 | 66,290 |

British Columbia Artistic Swimming Association

Notes to the Financial Statements

For the year ended June 30, 2025
(Unaudited)

7. Association operations

| | 2025 | 2024 |
|--|---------|---------|
| Accounting, audit and legal fees | 52,756 | 60,918 |
| Annual summit | 963 | 5,115 |
| Bank fees | 1,216 | 173 |
| Information technology | 6,550 | 4,588 |
| Depreciation | 9,788 | 6,941 |
| Insurance | 19,646 | 19,741 |
| Marketing | 12,419 | 2,406 |
| Meetings and awards ceremonies | 2,984 | 1,924 |
| Membership fees (SOCAN & Canada Artistic Swimming) | 1,374 | 22,628 |
| Office | 29,015 | 10,935 |
| Organizational development | 1,000 | 618 |
| Rent | 6,067 | 8,219 |
| | 143,778 | 144,206 |

8. Salaries and benefits

No directors received remuneration for their contribution to the governance or operations of the Association. During the year, the Association did not pay any employee (2024 - one employee) above the threshold of \$75,000 (2024 – \$93,969).

9. Government funding and economic dependence

The Association's primary source of revenue is funding of the Provincial Government Core Grant and the Direct Access Program Grant. The funding can be withheld or cancelled if the Association does not observe certain established guidelines. The Association's ability to continue viable operations is dependent upon operating within the agreement guidelines. As at June 30, 2025, the Association believes that it's in compliance with the guidelines.

10. Financial instruments

The Association, as part of its operations, carries a number of financial instruments. It is management's opinion that the Association is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

Liquidity risk

Liquidity risk is the risk that the Association will encounter difficulty in meeting obligations associated with financial liabilities. The Association enters into transactions to purchase goods and services for which repayment is required at various maturity dates.

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 Association's main credit risk relates to its accounts and government receivables. Accounts and government receivables are continuously monitored, and an allowance is provided for potentially uncollectible accounts receivable.