

BARRIE TROJAN SWIM CLUB INC.

Financial Statements

Year Ended July 31, 2023

(Unaudited)

Draft for discussion purposes only

BARRIE TROJAN SWIM CLUB INC.
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Year Ended July 31, 2023
(Unaudited)

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Directors of Barrie Trojan Swim Club Inc.

We have reviewed the accompanying financial statements of Barrie Trojan Swim Club Inc. (the club) that comprise the statement of financial position as at July 31, 2023, and the statements of revenues and expenditures, 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.

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 Barrie Trojan Swim Club Inc. as at July 31, 2023, 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.

Barrie, Ontario

RUMLEY HOLMES LLP
Chartered Professional Accountants
Licensed Public Accountants

BARRIE TROJAN SWIM CLUB INC.
Statement of Financial Position
July 31, 2023
(Unaudited)

	2023	2022
ASSETS		
CURRENT		
Cash	\$ 117,405	\$ 254,526
Short term investments <i>(Note 3)</i>	39,564	38,631
Accounts receivable	16,946	53,643
	173,915	346,800
EQUIPMENT <i>(Note 4)</i>	35,327	23,911
	\$ 209,242	\$ 370,711
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 35,423	\$ 21,359
Government remittances payable	13,933	9,353
Deferred income	2,913	7,856
Current portion of Canada Emergency Business Account <i>(Note 5)</i>	40,000	-
	92,269	38,568
CANADA EMERGENCY BUSINESS ACCOUNT <i>(Note 5)</i>	-	40,000
	92,269	78,568
NET ASSETS		
General fund	116,973	292,143
	\$ 209,242	\$ 370,711

ON BEHALF OF THE BOARD

Director

Director

BARRIE TROJAN SWIM CLUB INC.
Statement of Revenues and Expenditures
Year Ended July 31, 2023
(Unaudited)

	2023	2022
REVENUES		
Registration fees	\$ 588,993	\$ 493,757
Swim meet	125,435	78,625
Fundraising	19,196	11,006
Interest	4,175	1,525
	737,799	584,913
EXPENSES		
Advertising and promotion	9,424	10,557
Amortization	6,582	5,742
Donations	1,078	69
Dues, fees and memberships	50,193	38,666
Interest and bank charges	27,930	317
Meals and entertainment	-	325
Office and general	2,945	1,947
Pool rental costs	205,894	172,358
Professional fees	13,695	13,756
Repairs and maintenance	1,853	-
Team events and swim meet	134,699	52,573
Telephone and communications	3,138	2,034
Wages and benefits	468,773	395,076
	926,204	693,420
DEFICIENCY OF REVENUES OVER EXPENSES FROM OPERATIONS	(188,405)	(108,507)
OTHER INCOME		
Ontario Trillium Foundation grant	10,000	90,000
Swim Ontario grant	3,235	10,604
Canada Emergency Wage Subsidy	-	3,385
	13,235	103,989
DEFICIENCY OF REVENUES OVER EXPENSES	\$ (175,170)	\$ (4,518)

BARRIE TROJAN SWIM CLUB INC.
Statement of Changes in Net Assets
Year Ended July 31, 2023
(Unaudited)

	2023	2022
NET ASSETS - BEGINNING OF YEAR	\$ 292,143	\$ 296,661
DEFICIENCY OF REVENUES OVER EXPENSES	(175,170)	(4,518)
NET ASSETS - END OF YEAR	\$ 116,973	\$ 292,143

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BARRIE TROJAN SWIM CLUB INC.**Statement of Cash Flows****Year Ended July 31, 2023***(Unaudited)*

	2023	2022
OPERATING ACTIVITIES		
Deficiency of revenues over expenses	\$ (175,170)	\$ (4,518)
Item not affecting cash:		
Amortization	6,582	5,742
	(168,588)	1,224
Changes in non-cash working capital:		
Accounts receivable	36,697	(53,220)
Accounts payable and accrued liabilities	14,064	173
Deferred income	(4,943)	(6,249)
Government remittances payable	4,580	7,714
	50,398	(51,582)
Cash flow used by operating activities	(118,190)	(50,358)
INVESTING ACTIVITY		
Purchase of equipment	(17,998)	(1,884)
DECREASE IN CASH	(136,188)	(52,242)
CASH - BEGINNING OF YEAR	293,157	345,399
CASH - END OF YEAR	\$ 156,969	\$ 293,157
CASH CONSISTS OF:		
Cash	\$ 117,405	\$ 254,526
Short term investments	39,564	38,631
	\$ 156,969	\$ 293,157

BARRIE TROJAN SWIM CLUB INC.
NOTES TO FINANCIAL STATEMENTS
Year Ended July 31, 2023
(Unaudited)

1. PURPOSE OF THE CLUB

Barrie Trojan Swim Club Inc. (the "club") has been providing a competitive swim opportunity to the community since 1984. The club was incorporated as a not-for-profit on January 7, 1987 under the laws of the Province of Ontario.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Fund accounting

Barrie Trojan Swim Club Inc. follows the deferral method of accounting for contributions.

Revenues and expenses related to program delivery and administrative activities are reported in the General Fund.

Income taxes

The Barrie Trojan Swim Club is a registered not-for-profit organization and as such is exempt from tax under the Canadian Income Tax Act.

Equipment

Equipment is stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life at the following rates and methods:

Computer equipment	20% declining balance method
Club equipment	20% declining balance method

In the year of acquisition, amortization is recorded at one-half the normal rate.

Impairment of Long Lived Assets

The club tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value.

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BARRIE TROJAN SWIM CLUB INC.
NOTES TO FINANCIAL STATEMENTS
Year Ended July 31, 2023
(Unaudited)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Contributed services

The operations of the club depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

Revenue recognition

Barrie Trojan Swim Club Inc. follows the deferral method of accounting for contributions.

Registration fees and swim meet revenue is recognized when the services or event are performed. Any amounts collected prior to services being performed are moved to deferred income.

Interest income is recorded as it is earned.

Government assistance

Government assistance for acquiring fixed assets and related to expenses is recorded as deferred government assistance and is amortized on the same basis and according to the same rates as the related fixed assets or to income as eligible expenditures are incurred. Government assistance for current expenses is recorded as a reduction of the related expenditures. Government assistance for acquiring fixed assets is recorded as a reduction of the cost of related assets.

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates. Significant accounting estimates in these financial statements relate to the determination of the useful lives of equipment and certain accrued liabilities.

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BARRIE TROJAN SWIM CLUB INC.
NOTES TO FINANCIAL STATEMENTS
Year Ended July 31, 2023
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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments

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

- cash
- short term investments
- accounts receivable
- accounts payable and accrued liabilities
- government remittances payable
- Canada Emergency Business Account

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

The club initially measures its financial assets and financial liabilities at fair value.

The club subsequently measures its financial assets and financial liabilities at amortized cost.

Additionally, the club removes financial liabilities, or a portion of, when the obligation is discharged, cancelled, or expires.

Financial assets measured at cost are tested for impairment when there are indicators of impairment. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in net income.

3. SHORT TERM INVESTMENTS

GIC bearing interest at 1.20%, due December 2023.

4. EQUIPMENT

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value
Computer equipment	\$ 6,108	\$ 2,915	\$ 3,193	\$ 3,991
Club equipment	83,560	51,426	32,134	19,920
	\$ 89,668	\$ 54,341	\$ 35,327	\$ 23,911

BARRIE TROJAN SWIM CLUB INC.
NOTES TO FINANCIAL STATEMENTS
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5. CANADA EMERGENCY BUSINESS ACCOUNT

In prior years, the club received \$60,000 under the Canadian Emergency Business Account. The loan is interest free until January 18, 2024. Under the terms of the loan, \$20,000 is forgivable if repaid by January 18, 2024. Management intends to pay off the balance within this time frame, so the \$20,000 forgivable portion was recognized as income in the year of receipt as outlined by the CRA.

6. FINANCIAL INSTRUMENTS

The club is exposed to various risks through its financial instruments, without being exposed to concentrations of risk. Unless otherwise noted, it is management's opinion that the club is not exposed to significant credit, market, currency or interest rate risks arising from these 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 club's main credit risks relate to its accounts receivable. The club provides credit to its clients in the normal course of its operations.

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The club's exposure to liquidity risk is dependent on the collections of accounts and raising of funds to meet commitments and sustain operations. The club controls liquidity risk by management of working capital and cash flow.

Unless otherwise noted, it is management's opinion that the club is not exposed to significant other price risks arising from these financial instruments.
