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**CHEEMA AQUATIC CLUB**

FINANCIAL INFORMATION  
SEPTEMBER 30, 2022

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## INDEX

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	<u>Page</u>
Compilation Engagement Report	1
Statement of Financial Position	2
Statement of Operations	3
Statement of Changes in Members' Net Assets	4
Notes to Financial Information	5

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**COMPILATION ENGAGEMENT REPORT**

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**TO THE MEMBERS OF CHEEMA AQUATIC CLUB:**

On the basis of information provided by management, we have compiled the statement of financial position of **Cheema Aquatic Club** as at September 30, 2022, the statements of operations and changes in members' net assets for the year then ended, Note 1, which describes the basis of accounting applied in the preparation of the compiled financial information, and other explanatory information (the "financial information").

Management is responsible for the accompanying financial information, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

We performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, *Compilation Engagements*, which requires us to comply with relevant ethical requirements. Our responsibility is to assist management in the preparation of the financial information.

We have not performed an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial information.

Readers are cautioned that the financial information may not be appropriate for their purposes.

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## CHEEMA AQUATIC CLUB

### STATEMENT OF FINANCIAL POSITION SEPTEMBER 30, 2022

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	<b>ASSETS</b>	<u>2022</u>	<u>2021</u>
<b>Current</b>			
Cash		\$ 78,790	\$ 133,157
Receivables - members		63,879	71,546
- funding		16,103	-
Public Service Bodies' HST rebate receivable		162,507	
Inventory		4,030	5,439
Prepaid expenses		-	328
Deposit		-	651
		<u>325,309</u>	211,121
<b>Capital assets (note 2)</b>		1,427,793	532,101
<b>Restricted cash - capital purchases</b>		<u>-</u>	<u>183,000</u>
		<u>\$ 1,753,102</u>	<u>\$ 926,222</u>

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	<b>LIABILITIES</b>	
<b>Current</b>		
Payables and accruals, trade		\$ 68,192
Deferred revenue		\$ 51,894
Current portion of loans payable		140,080
		<u>297,137</u>
		9,446
		505,691
		201,420
<b>Loans payable (note 3)</b>		<u>640,530</u>
		<u>8,950</u>
		<u>1,146,221</u>
		210,370

	<b>MEMBERS' NET ASSETS</b>	
<b>Investment in capital assets</b>		490,126
<b>Internally restricted - capital purchases</b>		513,705
<b>Unrestricted net assets</b>		-
		183,000
		<u>116,755</u>
		19,147
		<u>606,881</u>
		715,852
		<u>\$ 1,753,102</u>
		<u>\$ 926,222</u>

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On Behalf of the Board

\_\_\_\_\_  
Director

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Director

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## CHEEMA AQUATIC CLUB

### STATEMENT OF OPERATIONS YEAR ENDED SEPTEMBER 30, 2022

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	<u>2022</u>	<u>2021</u>
<b>Revenues</b>		
Memberships	\$ 518,416	\$ 477,175
After school program	135,208	113,260
Government grants	9,172	69,071
COVID-19 subsidies and grants	7,500	52,673
Special projects	14,870	9,275
Fundraising and special events, net	12,013	21,815
Donations and sponsorships	3,098	3,773
Other	4,583	620
Vehicle rental and boat storage	<u>600</u>	<u>2,063</u>
	<u>705,460</u>	<u>749,725</u>
<b>Expenditures</b>		
After school program supplies	9,787	7,334
Amortization	74,581	50,379
Clothing, net	404	946
Insurance	23,702	23,843
Interest and bank charges	14,491	13,734
Interest on loans payable	14,439	814
Office and administration	25,745	15,754
Paddling -CKC dues	23,466	22,255
-supplies and small equipment	14,988	3,442
-rentals and miscellaneous	7,349	11,695
Professional fees	2,499	3,633
Repairs and maintenance	48,101	44,723
Salaries and benefits	497,897	382,766
Swim	8,361	966
Telephone	1,204	1,025
Training and travel	23,782	10,861
Utilities	12,323	9,732
Vehicle	<u>11,312</u>	<u>5,108</u>
	<u>814,431</u>	<u>609,010</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>\$ (108,971)</u>	<u>\$ 140,715</u>

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**CHEEMA AQUATIC CLUB**

STATEMENT OF CHANGES IN MEMBERS' NET ASSETS  
YEAR ENDED SEPTEMBER 30, 2022

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	<u>Internally restricted</u>			<u>Total</u>	<u>Total</u>
	<u>Invested in</u>	<u>Capital</u>	<u>Unrestricted</u>	<u>2022</u>	<u>2021</u>
	<u>Capital Assets</u>	<u>Purchases</u>			
<b>Members' net assets, beginning of year</b>	\$ 513,705	\$ 183,000	\$ 19,147	\$ <b>715,852</b>	\$ 575,136
Excess (deficiency) of revenues over expenditures	(74,581)	-	(34,390)	<b>(108,971)</b>	140,715
Proceeds from loans payable	(943,003)	-	943,003	-	-
Purchase of capital assets	970,272	(970,272)	-	-	-
Transfers related to capital purchases	-	787,272	(787,272)	-	-
Repayment of loans payable	<u>23,733</u>	<u>-</u>	<u>(23,733)</u>	<u>-</u>	<u>-</u>
<b>Members' net assets, end of year</b>	<u>\$ 490,126</u>	<u>\$ -</u>	<u>\$ 116,755</u>	<u>\$ <b>606,881</b></u>	<u>\$ 715,851</u>

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## CHEEMA AQUATIC CLUB

### NOTES TO FINANCIAL INFORMATION SEPTEMBER 30, 2022

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#### 1. Basis of accounting

The basis of accounting applied in the preparation of the financial information reflects cash transactions with the addition of:

- amounts receivable
  - capital assets recorded at historical cost, net of specific grants and donations, and amortized over their estimated useful life
  - payables and accruals
  - deferred revenue
  - loans payable
- 

#### 2. Capital assets

	<u>2022</u>			<u>2021</u>	
	<u>Amortization Rate</u>	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Leasehold improvements	4%	\$ 1,010,220	\$ 22,276	\$ 987,944	\$ 103,569
Boathouse	4%	367,677	119,159	248,518	258,873
Building	4%	117,828	117,828	-	-
Program equipment	20%	581,558	407,879	173,679	145,524
Site improvement and docks	20%	35,772	29,712	6,060	7,576
Vehicle	30%	<u>56,797</u>	<u>45,205</u>	<u>11,592</u>	<u>16,559</u>
		<u>\$ 2,169,852</u>	<u>\$ 742,059</u>	<u>\$ 1,427,793</u>	<u>\$ 532,101</u>

To assist in relieving the financial burden of the recent boathouse expansion, known as “Phase II”, the Club has arranged a Phase II fundraising campaign utilizing the Nova Scotia Sport Trust Fund (NSSTF), which provides donors charitable donation receipts for contributions. In addition, other grants, sponsorships and donations have been received directly by Cheema.

As of September 30, 2022, the Club has received \$1,232,431 which directly offsets the costs of construction. The Club has also secured future commitments from donors of \$131,100 which will be available, via the NSSTF, between 2023 and 2027. These contributions will be reported in the financial statements when received.

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**CHEEMA AQUATIC CLUB**

NOTES TO FINANCIAL INFORMATION  
SEPTEMBER 30, 2022

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**3. Loans payable**

	<u>2022</u>	<u>2021</u>
3.49% vehicle loan, amortized to and maturing in 2023, repayable in equal monthly installments of principal and interest of \$828. Secured by a vehicle having a net book value of \$11,592.	\$ 8,949	\$ 18,396
Prime + 2% demand loan, amortized to and maturing in 2035, repayable in equal monthly installments of principal and interest of \$5,676. Secured by a building having a net book value of \$987,944.	658,717	-
Prime + 2% demand loan, interest only payments for a term of twelve months, principal repayable from HST rebate.	<u>270,000</u>	<u>-</u>
	937,666	18,396
Principal portion repayable within one year	<u>297,137</u>	<u>9,446</u>
	<u>\$ 640,529</u>	<u>\$ 8,950</u>

Minimum principal repayments required, assuming consistency in terms and interest rates, are as follows:

2023	\$ 297,137
2024	19,634
2025	21,195
2026	22,880
2027	24,699
Thereafter	<u>822,121</u>
	<u>\$ 1,207,666</u>