

EDMONTON KEYANO SWIM CLUB
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025

INDEPENDENT AUDITORS' REPORT

To the Board of the Edmonton Keyano Swim Club

Opinion

We have audited the financial statements of Edmonton Keyano Swim Club (the "Club"), which comprise the statement of financial position as at August 31, 2025, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Club as at August 31, 2025, and the results of its operations and the changes in its net assets and cash flows for the year 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 Club in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe 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.

In preparing the financial statements, management is responsible for assessing the Club's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Club or to cease operations, or has no realistic alternative but to do so.

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

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Independent Auditors' Report to the Board of the Edmonton Keyano Swim Club (*continued*)

Auditor's Responsibility for the Audit of the Financial Statements

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 it 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.
- 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 Club's internal control.
- Evaluate the appropriateness of accounting policies 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 Club's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 Club 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.

METRIX GROUP LLP

Chartered Professional Accountants

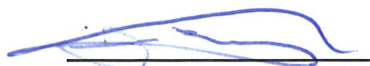
Edmonton, Alberta
June 9, 2026

EDMONTON KEYANO SWIM CLUB
STATEMENT OF FINANCIAL POSITION
AS AT AUGUST 31, 2025

	<u>2025</u>	<u>2024</u>
<u>ASSETS</u>		
Current Assets		
Cash	\$ 884,353	\$ 688,964
Term deposits (Note 2)	103,938	100,000
Accounts receivable	152,065	76,730
Prepaid expenses	<u>68,543</u>	<u>23,027</u>
	1,208,899	888,721
Tangible Capital Assets (Note 3)	2,003	2,504
Intangible Assets (net of accumulated amortization)	<u>383</u>	<u>480</u>
	<u>\$ 1,211,285</u>	<u>\$ 891,705</u>
<u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 9,075	\$ 10,064
Deferred revenue (Note 4)	252,904	249,098
Deferred contributions (Note 5)	<u>353,650</u>	<u>138,601</u>
	<u>615,629</u>	<u>397,763</u>
Net Assets		
Unrestricted	593,653	491,438
Invested in tangible capital assets	<u>2,003</u>	<u>2,504</u>
	<u>595,656</u>	<u>493,942</u>
	<u>\$ 1,211,285</u>	<u>\$ 891,705</u>

APPROVED ON BEHALF OF THE BOARD:

 _____ Director

 _____ Director

EDMONTON KEYANO SWIM CLUB
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED AUGUST 31, 2025

	<u>2025</u>	<u>2024</u>
Revenue		
Member fees: training	\$ 1,070,758	\$ 926,875
Member fees: swim meets, travel and other	529,643	561,807
Member fees: annual registration	<u>109,534</u>	<u>91,794</u>
	1,709,935	1,580,476
 AGLC gaming proceeds	 417,390	 418,777
University of Alberta	94,003	82,123
Grants	85,775	42,110
YMCA	67,503	63,727
Sponsorship and donations	<u>12,330</u>	<u>21,440</u>
	<u>2,386,936</u>	<u>2,208,653</u>
 Expenses		
Salaries and benefits	986,400	1,034,296
Pool rental	565,759	547,531
Swim meets, travel and other	481,750	396,437
Registration fees	149,285	141,341
Payment administration fees	49,905	48,522
Office supplies	26,808	27,819
Advertising and promotion	16,149	8,537
Coaching	14,234	7,772
Professional fees	9,975	11,998
Office rent	8,012	9,148
Insurance	2,335	3,251
Bank charges	2,257	207
Amortization of tangible capital assets	501	632
Amortization of intangible assets	<u>97</u>	<u>97</u>
	<u>2,313,467</u>	<u>2,237,588</u>
 Annual Surplus (Deficit) Before Other Income	 73,469	 (28,935)
 Other Income		
Interest income	<u>28,245</u>	<u>40,491</u>
 Annual Surplus	 <u>\$ 101,714</u>	 <u>\$ 11,556</u>

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

EDMONTON KEYANO SWIM CLUB
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED AUGUST 31, 2025

	Unrestricted	Invested in Tangible Capital Assets	<u>2025</u> Total	<u>2024</u> Total
Balance, Beginning of Year	\$ 491,438	\$ 2,504	\$ 493,942	\$ 482,386
Annual surplus	<u>102,215</u>	<u>(501)</u>	<u>101,714</u>	<u>11,556</u>
Balance, End of Year	<u>\$ 593,653</u>	<u>\$ 2,003</u>	<u>\$ 595,656</u>	<u>\$ 493,942</u>

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

EDMONTON KEYANO SWIM CLUB
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31, 2025

	<u>2025</u>	<u>2024</u>
Operating Activities		
Cash from operations		
Annual surplus	\$ 101,714	\$ 11,556
Items not affecting cash:		
Amortization of tangible capital assets	501	632
Amortization of intangible assets	<u>97</u>	<u>97</u>
	102,312	12,285
Change in non-cash working capital:		
Accounts receivable	(75,335)	60,214
Prepaid expenses	(45,516)	15,901
Accounts payable and accrued liabilities	(989)	(20,162)
Deferred revenue	3,806	27,940
Deferred contributions	<u>215,049</u>	<u>(802)</u>
	<u>199,327</u>	<u>95,376</u>
Investing Activities		
Purchase of term deposits	(103,938)	(100,000)
Proceeds on disposal of term deposits	<u>100,000</u>	<u>-</u>
Change in Cash During the Year	195,389	(4,624)
Cash, Beginning of Year	<u>688,964</u>	<u>693,588</u>
Cash, End of Year	<u>\$ 884,353</u>	<u>\$ 688,964</u>

EDMONTON KEYANO SWIM CLUB
NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2025

Edmonton Keyano Swim Club (the "Club") is a not-for-profit organization incorporated under the Societies Act of Alberta. The Club is exempt from income taxes under Section 149(1) of the Income Tax Act. The Club's purpose is to support the development of it's members as a competitive swim club.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

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

Tangible Capital Assets

Tangible capital assets are recorded at cost less accumulated amortization. When a tangible capital asset no longer contributes to the Club's ability to provide services or the value of future economic benefits associated with the tangible capital asset is less than its net book value, the carrying value of the tangible capital asset is reduced to reflect the decline in the asset's value. Any net write-downs are accounted for as expenses in the statement of operations.

Tangible capital assets are amortized over their estimated useful lives at the following rates and methods:

Computer equipment	20%	Declining balance method
Equipment	20%	Declining balance method
Furniture and fixtures	20%	Declining balance method
Leasehold improvements	5 years	Straight-line method

Intangible Assets

Intangible assets, comprised of a trademark, are being amortized on a straight-line basis over its license term of fifteen years.

Revenue Recognition

The Club follows the deferral method of accounting for contributions which includes donations and grants. Restricted contributions are recognized as revenue in the year the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured. Contributed materials and services are recognized in the financial statements when their fair value is reasonably estimable.

Annual registration fee revenues are recognized on a straight-line basis over the term of the membership.

Member fee revenues are recognized when the event occurs or services are delivered.

Contributed Services and Materials

Due to the difficulty of determining the fair value, contributed services and materials are not recognized in the financial statements.

Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the recorded amounts of assets and liabilities, the 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. Actual results could differ from those estimates.

EDMONTON KEYANO SWIM CLUB
NOTES TO FINANCIAL STATEMENTS (CONT'D)
AUGUST 31, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Instruments

Measurement of financial instruments

The Club initially measures its financial assets and financial liabilities at fair value and subsequently measures all financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash, term deposits and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in the statement of operations. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of operations.

2. TERM DEPOSITS

The term deposits bear interest at a rate of 2.45% and mature in December 2025.

3. TANGIBLE CAPITAL ASSETS

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	
			<u>2025</u>	<u>2024</u>
Computer equipment	\$ 6,793	\$ 4,790	\$ 2,003	\$ 2,504
Equipment	395	395	-	-
Furniture and fixtures	478	478	-	-
Leasehold improvements	<u>4,062</u>	<u>4,062</u>	<u>-</u>	<u>-</u>
	<u>\$ 11,728</u>	<u>\$ 9,725</u>	<u>\$ 2,003</u>	<u>\$ 2,504</u>

EDMONTON KEYANO SWIM CLUB

NOTES TO FINANCIAL STATEMENTS (CONT'D)

AUGUST 31, 2025

4. DEFERRED REVENUE

	<u>2025</u>	<u>2024</u>
Membership deposits	\$ 157,049	\$ 153,318
Annual registration fees	<u>95,855</u>	<u>95,780</u>
	<u>\$ 252,904</u>	<u>\$ 249,098</u>

5. DEFERRED CONTRIBUTIONS

Deferred contributions represent restricted operating funding received or receivable in the current year for which the corresponding expenses have not yet been incurred. Changes in the deferred contributions balance are as follows:

	<u>2024</u>	Contributions received and <u>receivable</u>	Amounts recognized as <u>revenue</u>	<u>2025</u>
AGLC gaming proceeds	\$ 121,185	\$ 649,855	\$ (417,390)	\$ 353,650
University of Alberta	11,416	-	(11,416)	-
Swim Alberta Association	<u>6,000</u>	<u>-</u>	<u>(6,000)</u>	<u>-</u>
	<u>\$ 138,601</u>	<u>\$ 649,855</u>	<u>\$ (434,806)</u>	<u>\$ 353,650</u>

6. RELATED PARTY TRANSACTIONS

The Club received \$27,816 (2024 - \$52,218) from members of the Board of Directors for member fees and annual registration fees. The amounts were charged under the same rates and terms available to the Club's members.

7. LEASE COMMITMENTS

The Club has a long term office lease that expires on August 31, 2026, with annual lease payments of \$8,012.

8. FINANCIAL INSTRUMENTS

It is management's opinion that the Club is not exposed to significant credit, liquidity, market, currency, interest rate or other price risk through its financial instruments which include cash, term deposits, accounts receivable and accounts payable and accrued liabilities.