
Financial statements of
Saint John Aquatic Center
Commission

December 31, 2025

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Independent Auditor's Report

To the Commissioners of
Saint John Aquatic Center

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Saint John Aquatic Center Commission (the "Commission"), which comprise the statement of financial position as at December 31, 2025, and the statements of operations and annual deficit, change in net debt and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization 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 PSAS, 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 Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities 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 auditor's report that

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Auditor's Responsibilities 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 auditor's 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 GAAS 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 GAAS, 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 Organization'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 Organization'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 auditor's report. However, future events or conditions may cause the Organization 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.

Deloitte LLP

Chartered Professional Accountants
March 25, 2026
Saint John, New Brunswick

Saint John Aquatic Center Commission
Statement of financial position
As at December 31, 2025

	Notes	2025 \$	2024 \$
Financial assets			
Cash		32,235	279,539
Accounts receivable		78,378	114,442
Due from the Fundy Regional Service Commission	5	238,803	22,577
		<u>349,416</u>	<u>416,558</u>
Liabilities			
Accounts payable	4	205,236	213,454
Deferred revenue		187,171	245,329
		<u>392,407</u>	<u>458,783</u>
Net debt		<u>(42,991)</u>	<u>(42,225)</u>
Non-financial assets			
Inventories	3	21,560	17,183
Prepaid expenses		18,234	18,648
Capital assets	8	3,197	6,394
		<u>42,991</u>	<u>42,225</u>
Accumulated deficit		<u>-</u>	<u>-</u>

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

On behalf of the Board

Loryn Losier Fowler, Commissioner

Alhambro, Commissioner

Saint John Aquatic Center Commission
Statement of operations and annual deficit
Year ended December 31, 2025

	Notes and Schedules	2025 Budget	2025 \$	2024 \$
Revenue				
Program activities	6 and Sch 1	2,210,885	2,051,851	2,139,840
Expenses				
Programs	6 and Sch 1	1,629,483	1,641,524	1,508,509
Maintenance		817,605	916,273	880,069
Administration		540,906	479,021	535,990
		2,987,994	3,036,818	2,924,568
Net expenditures before undernoted items		(777,109)	(984,967)	(784,728)
Contributions from the Fundy Regional Service Commission				
Approved annual contribution		777,108	777,108	753,786
Operating (deficit) surplus		(1)	(207,859)	(30,942)
Fundy Regional Service Commission deficit (surplus) funding	5	1	207,859	30,942
Annual deficit		—	—	—

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

Saint John Aquatic Center Commission
Statement of changes in net debt
Year ended December 31, 2025

	2025	2024
	\$	\$
Annual deficit	<u>—</u>	<u>—</u>
Decrease (increase) in inventories	(4,377)	3,087
Decrease (increase) in prepaid expenses	414	<u>2,009</u>
Decrease (increase) in net debt	(3,963)	5,096
Decrease in capital assets	3,197	1,420
Net debt, beginning of year	(42,225)	<u>(48,741)</u>
Net debt, end of year	(42,991)	<u>(42,225)</u>

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

Saint John Aquatic Center Commission**Statement of cash flows**

Year ended December 31, 2025

	2025	2024
	\$	\$
Operating transactions		
Annual deficit	—	—
Items not affecting cash		
Amortization	3,197	1,420
	3,197	1,420
Change in non-cash operating working capital		
Accounts receivable	36,064	(46,039)
Due from the Fundy Regional Service Commission	(216,226)	(22,577)
Due to the Fundy Regional Service Commission	—	(30,980)
Inventories	(4,377)	3,087
Prepaid expenses	414	2,009
Accounts payable	(8,218)	25,264
Deferred revenue	(58,158)	56,121
	(247,304)	(11,695)
Decrease in cash	(247,304)	(11,695)
Cash, beginning of year	279,539	291,234
Cash, end of year	32,235	279,539

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

1. Nature of operations

The Commission is a not-for-profit organization incorporated in the jurisdiction of the Province of New Brunswick to promote physical fitness for the residents of the Fundy Region. The Commission qualifies as a Municipal Commission and therefore is exempt from income taxes under the Income Tax Act.

2 Summary of significant accounting policies

Basis of accounting

The Financial statements have been prepared by management in accordance with the Canadian generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada.

Cash

Cash and cash equivalents consist of cash on hand, and bank balances.

Inventories

Inventory for resale is valued at the lower of cost and net replacement cost with cost being determined on the first in, first out basis. Chemicals and cleaning supplies are recorded at cost.

Capital assets

Capital assets are recorded at cost. Amortization is provided annually over a 10-year period using the straight-line method to write-off the assets over their estimated useful life.

Revenue recognition

Revenue is recognized when services have been provided and ultimately collection is reasonably assured at the time of performance. Membership and program revenues are recognized in the period to which the membership and programs apply.

Approved contributions from the Fundy Regional Service Commission ("FRSC") are recognized in the period to which they relate. Deficit funding from the FRSC is recognized in the period a deficit is incurred.

Measurement uncertainty

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the period. Deferred revenue represents funds received in the current period that are designated for a subsequent period. Key components of the financial statements requiring management to make estimates includes provision for doubtful accounts in respect of receivables, the cost and net realizable value of inventories, accrued liabilities and the useful life and impairment of capital asset. Actual results may differ from those estimates.

Saint John Aquatic Center Commission
Notes to the financial statements
December 31, 2025

3. Inventories

	2025	2024
	<u>\$</u>	<u>\$</u>
Chemicals and cleaning supplies	14,822	11,816
Resale	6,740	5,367
	<u>21,562</u>	<u>17,183</u>

4. Accounts payable

	2025	2024
	<u>\$</u>	<u>\$</u>
Accounts payable - trade	100,714	76,627
Accrued sick leave	62,252	66,967
Wages payable	23,754	27,137
Payroll remittances payable	5,027	32,530
Vacation payable	13,490	10,193
	<u>205,236</u>	<u>213,454</u>

5. Greater Saint John Regional Facilities Commission and the Fundy Regional Services Commission

The Greater Saint John Regional Facilities Commission ("GSJRFC") was formed in 1998 by provincial legislation and consists of representatives from the City of Saint John and the towns of Rothesay, Quispamsis and Grand Bay-Westfield. Effective January 1, 2023, the Greater Saint John Regional Facilities Commission is abolished and the Fundy Regional Service Commission ("FRSC") is entitled to all of its records, property and assets, not including real property, used in operations. The FRSC has the obligation to finance all the net operating expenditures of the Saint John Aquatic Center Commission. Net operating deficits or surpluses are recorded as due from or to the FRSC, to be received or paid within the second year after the deficit or surplus was incurred.

Amounts due from the FRSC to fund accrued annual operating deficit or surplus consist of:

	2025	2024
	<u>\$</u>	<u>\$</u>
2025 deficit	(207,859)	—
2024 deficit	(30,942)	(30,942)
2023 surplus	—	8,365
Due from FRSC, end of year	<u>(238,801)</u>	<u>(22,577)</u>

Saint John Aquatic Center Commission
Notes to the financial statements
December 31, 2025

6. Related party transactions

The Commission enters into transactions with the City of Saint John and adjacent communities during the year. All transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

	2025	2024
	\$	\$
During the year, the following amounts were received from or paid to the City of Saint John		
Included in revenue		
Beach grant	203,398	199,410
Parking revenue	26,833	27,000
Contract revenue - Pedway maintenance	12,000	12,000
Included in expenses		
Water and sewer	29,812	34,182
Insurance	48,045	48,112
During the year, the following amounts were received from the Town of Quispamsis		
Lifeguard and Swimming Instruction Services	174,787	171,360
Beach grant	72,307	70,890

The balance accrued at year end relates to revenues and the purchase and reimbursement of capital items, is non-interest bearing and is anticipated to be received in the current period.

7. Physical premises

The facility in which the Commission operates is owned by the City of Saint John. The Commission does not pay rent, however, it is responsible for the operating costs of the facility.

8. Capital assets

	Cost	Accumulated amortization	2025 Net book value	2024 Net book value
	\$	\$	\$	\$
Equipment	189,965	186,768	3,197	6,394

9. Comparative figures

Certain figures for 2025 have been reclassified to conform to the presentation adopted in 2024.

Saint John Aquatic Center Commission
Schedule of operating revenue and expenses
Year ended December 31, 2025

	2025	2025	2024
	Budget	Actual	Actual
	\$	\$	\$
Revenue			
Facility rental	515,133	487,725	505,515
Beach contracts	450,492	450,492	441,660
Membership	506,010	499,192	512,749
Instructional programs	389,050	267,139	289,482
Service rentals	185,200	156,075	164,062
Government assistance and grants	65,000	90,017	128,423
Massage therapy	60,000	77,575	66,554
Product sales	40,000	23,636	31,395
	2,210,885	2,051,851	2,139,840
Programs			
Wages	1,514,445	1,508,774	1,392,105
Supplies	88,617	115,557	96,427
Marketing	25,000	13,996	18,557
Amortization	1,421	3,197	1,420
	1,629,483	1,641,524	1,508,509
Maintenance			
Utilities	316,000	371,458	343,658
Wages	354,705	360,430	323,391
Maintenance	61,000	100,813	124,393
Supplies	62,900	54,421	63,752
Sub-contract	23,000	29,151	24,875
	817,605	916,273	880,069
Administration			
Wages	355,644	326,357	361,940
Office	52,262	44,583	54,708
Insurance	47,000	48,045	48,112
Credit card and processing charges	25,000	20,626	21,795
Telephone	17,000	13,895	15,722
Property taxes	9,500	9,579	9,329
Professional fees	30,000	11,515	12,190
Bad debts	4,500	4,421	4,051
Equipment	—	—	8,144
	540,906	479,021	535,991