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# Financial statements of Saint John Aquatic Center Commission

December 31, 2024

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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, 2024, 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").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2024, and the results of its operations, its remeasurement gains and losses, changes in its net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards ("PSAS").

#### 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 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  
Saint John, New Brunswick  
March 18, 2025

**Saint John Aquatic Center Commission**



**Statement of financial position**

As at December 31, 2024

	Notes	2024 \$	2023 \$
<b>Financial assets</b>			
Cash		279,539	291,234
Accounts receivable		114,442	68,403
Due from the Fundy Regional Service Commission	5	22,577	—
		<b>416,558</b>	<b>359,637</b>
<b>Liabilities</b>			
Due to the Fundy Regional Service Commission	5	—	30,980
Accounts payable	4	213,454	188,190
Deferred revenue		245,329	189,208
		<b>458,783</b>	<b>408,378</b>
<b>Net debt</b>		<b>(42,225)</b>	<b>(48,741)</b>
<b>Non-financial assets</b>			
Inventories	3	17,183	20,270
Prepaid expenses		18,648	20,657
Capital assets	8	6,394	7,814
		<b>42,225</b>	<b>48,741</b>
<b>Accumulated deficit</b>		<b>—</b>	<b>—</b>

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

On behalf of the Board

 \_\_\_\_\_, Commissioner  
 \_\_\_\_\_, Commissioner

**Saint John Aquatic Center Commission**  
**Statement of operations and annual deficit**  
Year ended December 31, 2024

	Notes and Schedules	<b>2024</b>	2023
		<b>\$</b>	<b>\$</b>
<b>Revenue</b>			
Program activities	6 and Sch 1	<b>2,139,840</b>	2,102,022
<b>Expenses</b>			
Programs	6 and Sch 1	<b>1,508,509</b>	1,526,457
Maintenance		<b>880,069</b>	843,096
Administration		<b>535,990</b>	518,384
		<b>2,924,569</b>	2,887,937
Net expenditures before undernoted items		<b>(784,729)</b>	(785,915)
Contributions from the Fundy Regional Service Commission			
Approved annual contribution		<b>753,786</b>	794,280
Operating (deficit) surplus		<b>(30,943)</b>	8,365
Fundy Regional Service Commission			
deficit (surplus) funding	5	<b>30,943</b>	(8,365)
<b>Annual deficit</b>		<b>—</b>	<b>—</b>

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, 2024

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	<b>2024</b>	2023
	\$	\$
<b>Annual deficit</b>	—	—
Decrease (increase) in inventories	<b>3,087</b>	(6,354)
Decrease (increase) in prepaid expenses	<b>2,009</b>	(1,559)
Decrease (increase) in net debt	<b>5,096</b>	(7,913)
Decrease in capital assets	<b>1,420</b>	1,421
Net debt, beginning of year	<b>(48,741)</b>	(42,249)
<b>Net debt, end of year</b>	<b>(42,225)</b>	(48,741)

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

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

Year ended December 31, 2024

	2024	2023
	\$	\$
<b>Operating transactions</b>		
Annual deficit	—	—
Items not affecting cash		
Amortization	<b>1,420</b>	1,421
	<b>1,420</b>	1,421
Change in non-cash operating working capital		
Accounts receivable	<b>(46,039)</b>	51,566
Due from the Fundy Regional Service Commission	<b>(22,577)</b>	191,533
Due to the Fundy Regional Service Commission	<b>(30,980)</b>	30,980
Inventories	<b>3,087</b>	(6,354)
Prepaid expenses	<b>2,009</b>	(1,096)
Accounts payable	<b>25,264</b>	(20,639)
Deferred revenue	<b>56,121</b>	32,022
	<b>(11,695)</b>	279,432
(Decrease) increase in cash	<b>(11,695)</b>	279,432
Cash, beginning of year	<b>291,234</b>	11,802
<b>Cash, end of year</b>	<b>279,539</b>	291,234

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

## **Saint John Aquatic Center Commission**

### **Notes to the financial statements**

December 31, 2024

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#### **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 accountant 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, 2024

#### 3. Inventories

	2024	2023
	\$	\$
Chemicals and cleaning supplies	11,816	15,757
Resale	5,367	4,513
	<b>17,183</b>	<b>20,270</b>

#### 4. Accounts payable

	2024	2023
	\$	\$
Accounts payable - trade	76,627	98,190
Accrued sick leave	66,967	57,917
Wages payable	27,137	5,380
Payroll remittances payable	32,530	14,394
Vacation payable	10,193	12,309
	<b>213,454</b>	<b>188,190</b>

#### 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:

	\$	\$
2024 deficit	(30,942)	—
2023 surplus	8,365	8,365
2022 surplus	—	22,615
Due from FRSC, end of year	<b>(22,577)</b>	<b>30,980</b>

## Saint John Aquatic Center Commission

### Notes to the financial statements

December 31, 2024

#### 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.

	2024 \$	2023 \$
During the year, the following amounts were received from or paid to the City of Saint John		
Included in revenue		
Beach grant	199,410	195,500
Parking revenue	27,000	20,000
Contract revenue - Pedway maintenance	12,000	12,000
Included in expenses		
Water & sewer	34,182	35,497
Insurance	48,112	44,310
During the year, the following amounts were received from the Town of Quispamsis		
Lifeguard & Swimming Instruction Services	171,360	168,000
Beach grant	70,890	69,500
Splash pad	—	17,400

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 \$	2024 Net book value \$	2023 Net book value \$
Equipment	189,965	183,571	6,394	7,814

#### 9. Comparative figures

Certain figures for 2024 have been reclassified to conform to the presentation adopted in 2023.

**Saint John Aquatic Center Commission**  
**Schedule of operating revenue and expenses**  
Year ended December 31, 2024

	<b>2024</b>	2023
	<b>Actual</b>	Actual
	\$	\$
<b>Revenue</b>		
Facility rental	<b>505,515</b>	483,693
Beach contracts	<b>441,660</b>	450,400
Membership	<b>512,749</b>	447,898
Instructional programs	<b>289,482</b>	348,697
Service rentals	<b>164,062</b>	151,989
Government assistance and grants	<b>128,423</b>	144,158
Massage therapy	<b>66,554</b>	39,613
Product sales	<b>31,395</b>	31,199
Aquatic camps	—	3,705
Donations	—	670
	<b>2,139,840</b>	2,102,022
<b>Programs</b>		
Wages	<b>1,392,105</b>	1,357,193
Supplies	<b>96,427</b>	102,933
Marketing	<b>18,557</b>	64,910
Amortization	<b>1,420</b>	1,421
	<b>1,508,509</b>	1,526,457
<b>Maintenance</b>		
Utilities	<b>343,658</b>	348,099
Wages	<b>323,391</b>	308,987
Maintenance	<b>124,393</b>	99,850
Supplies	<b>63,752</b>	64,698
Sub-Contract	<b>24,875</b>	21,462
	<b>880,069</b>	843,096
<b>Administration</b>		
Wages	<b>361,940</b>	365,980
Office	<b>54,708</b>	49,400
Insurance	<b>48,112</b>	44,310
Credit card and processing charges	<b>21,795</b>	19,905
Telephone	<b>15,722</b>	16,677
Property taxes	<b>9,329</b>	9,104
Professional fees	<b>12,190</b>	5,032
Bad debts	<b>4,051</b>	4,868
Equipment	<b>8,144</b>	3,023
Board Governance	—	85
	<b>535,991</b>	518,384