



DIVING PLONGEON CANADA

Financial Statements For the year ended August 31, 2025

Diving Plongeon Canada
Financial Statements
For the year ended August 31, 2025

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Independent Auditor's Report

**To the Members of
Diving Plongeon Canada**

Opinion

We have audited the financial statements of Diving Plongeon Canada (the "association") which comprise the statement of financial position as at August 31, 2025, and the statements of changes in net assets, operations 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 association as at August 31, 2025, 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.

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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the association 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 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 association'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 association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the association'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 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 association'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 association'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 association 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.

Baker Tilly Ottawa LLP

Chartered Professional Accountants, Licensed Public Accountants
December 2, 2025
Ottawa, Ontario

Diving Plongeon Canada Statement of Financial Position

August 31

2025

2024

Assets

Current

Cash (Note 2)	\$ 1,141,849	\$ 1,897,480
Accounts receivable (Notes 4 and 8)	979,392	1,350,948
Government remittances recoverable	118,064	108,542
Prepaid expenses	41,242	98,265

	2,280,547	3,455,235
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Tangible capital assets (Note 3)

	34,701	57,521
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	\$ 2,315,248	\$ 3,512,756
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Liabilities and Net Assets

Current

Accounts payable and accrued liabilities (Note 2)	\$ 236,850	\$ 346,823
Deferred revenue	33,071	24,893
Deferred contributions (Note 4)	18,000	799,493

	287,921	1,171,209
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Net assets - unrestricted

	2,027,327	2,341,547
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	\$ 2,315,248	\$ 3,512,756
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Approved on behalf of the board:

_____ Director

_____ Director

Diving Plongeon Canada Statement of Changes in Net Assets

For the year ended August 31	2025	2024
Balance, beginning of year	\$ 2,341,547	\$ 2,256,157
Excess (deficiency) of revenue over expenditures for the year	<u>(314,220)</u>	<u>85,390</u>
Balance, end of year	<u>\$ 2,027,327</u>	<u>\$ 2,341,547</u>

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

Diving Plongeon Canada Statement of Operations

For the year ended August 31

2025

2024

Revenue

Sport Canada - core and enhanced excellence (Note 4)	\$ 3,189,638	\$ 3,404,076
Sport Canada - project funding (Note 4)	1,500	274,000
Canadian Olympic Committee (Note 4)	502,950	474,958
World Cup (Note 4)	1,132,697	1,198,058
Canada Cup (Note 4)	689,398	457,704
Clinic fees	17,450	5,895
Coaching Association of Canada	3,000	3,000
Coach lease income	175,765	162,648
Donations	7,080	130
Events (Note 4)	264,501	289,588
World Aquatics prize money and travel assistance	119,961	143,941
International team fees	92,695	45,600
Miscellaneous	41,136	127,822
Red Bull Montreal High Diving	30,784	435,050
Registration fees	108,645	115,847
Safe Sport fees	7,088	-
Sponsorships (Note 5)	87,495	91,724
Training camp management	431,516	471,026
Toronto Diving Academy (Note 4)	293,459	178,295
Winter Festival	59,197	-

	7,255,955	7,879,362
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Expenditures

Amortization of tangible capital assets	29,108	32,369
Athletes (Schedule 1) (Notes 5 and 7)	1,693,597	1,709,199
Clubs/sections (Schedule 2) (Note 7)	700,515	1,143,070
Coaches (Schedule 3) (Note 7)	1,076,343	1,084,657
Events/competitions (Schedule 4)	2,180,598	2,181,739
Officials (Schedule 5)	283,055	180,526
Planning and management (Schedule 6) (Note 7)	1,298,520	1,327,615
Toronto Diving Academy (Note 7)	291,692	231,648

	7,553,428	7,890,823
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**Excess (deficiency) of revenues over expenditures before
undernoted items**

	(297,473)	(11,461)
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Other income (expense)

Insurance proceeds	-	145,334
Loss on foreign exchange	(16,747)	(48,483)

	(16,747)	96,851
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Excess (deficiency) of revenue over expenditures for the year	\$ (314,220)	\$ 85,390
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Diving Plongeon Canada Statement of Cash Flows

For the year ended August 31

2025

2024

Cash flows from (used in) operating activities

Excess (deficiency) of revenue over expenditures for the year	\$ (314,220)	\$ 85,390
Adjustment for non-cash item		
Amortization of tangible capital assets	<u>29,108</u>	<u>32,369</u>
	(285,112)	117,759
Change in non-cash working capital items		
Accounts receivable	371,556	(68,748)
Government remittances recoverable	(9,522)	(18,530)
Prepaid expenses	57,023	50,009
Accounts payable and accrued liabilities	(109,973)	(284,851)
Deferred revenue	8,178	13,552
Deferred contributions	<u>(781,493)</u>	<u>734,493</u>
	<u>(749,343)</u>	<u>543,684</u>

Cash flows from (used in) investing activity

Purchase of tangible capital assets	<u>(6,288)</u>	<u>(10,408)</u>
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Cash flows from (used in) financing activity

Repayment of long-term debt	<u>-</u>	<u>(30,000)</u>
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Increase (decrease) in cash during the year

(755,631) 503,276

Cash, beginning of year

1,897,480 1,394,204

Cash, end of year

\$ 1,141,849 \$ 1,897,480

Diving Plongeon Canada

Notes to the Financial Statements

August 31, 2025

1. Significant Accounting Policies

Nature of Business

The association was incorporated as a not-for-profit organization under Part II of the Canada Corporations Act with federal letters patent dated November 25, 1968, and was continued under the Canada Not-for-profit Corporations Act on June 26, 2014.

The association is a registered Canadian Amateur Athletics Association. Under the Income Tax Act, the association is a registered charity and is exempt from income taxes.

Basis of Presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations which are part of Canadian generally accepted accounting principles and include the following significant accounting policies.

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 reported amounts of 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 management's best estimates as additional information becomes available in the future.

Significant estimates include assumptions used in estimating the collectability of accounts receivable, useful lives and amortization rates of tangible capital assets, provisions for certain accrued liabilities, and the allocation of personnel costs to programs and events.

Financial Instruments

Financial instruments are financial assets or liabilities of the association where, in general, the association has the right to receive cash or another financial asset from another party or the association has the obligation to pay another party cash or other financial assets.

Measurement of arm's length financial instruments

The association initially measures its arm's length financial assets and liabilities at fair value. The association subsequently measures arm's length financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in operations.

Diving Plongeon Canada Notes to the Financial Statements

August 31, 2025

1. Significant Accounting Policies (continued)

Financial Instruments (continued)

Measurement of arm's length financial instruments (continued)

Arm's length financial assets and financial liabilities measured at amortized cost include cash, accounts receivable, and accounts payable and accrued liabilities. There are no arm's length financial instruments measured at fair value.

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 excess of revenue over expenses. 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 excess of revenue over expenses.

Transaction costs

The association recognizes its transaction costs in excess of revenue over expenses in the period incurred. However, the arm's length financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

Revenue Recognition

The association follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

The association receives contributions from Sport Canada and the Canadian Olympic Committee for the purpose of sponsoring specific activities during the year. Expenses are applied against contributions on the accrual basis. Unexpended portions of the contributions as at August 31 are deferred to the next fiscal year and are recorded as current liabilities. Funds which have been granted for projects but not received as at August 31 are recorded as accounts receivable, to the extent that grantable expenses have been incurred and collection is reasonably assured.

Diving Plongeon Canada Notes to the Financial Statements

August 31, 2025

1. Significant Accounting Policies (continued)

**Revenue Recognition
(continued)**

Revenue from World Cup, Canada Cup, events, World Aquatics prize money and travel assistance, Red Bull Montreal High Diving, Training camp management, Toronto Diving Academy, and Winter Festival is recognized in the period in which the event, camp, or competition occurs.

Revenue from coach lease income and registration fees is recognized in the period to which it pertains.

Miscellaneous revenues are recognized as revenue when received or receivable if the amounts can be reasonably estimated and collection is reasonably assured.

Tangible Capital Assets

Tangible capital assets are recorded at cost. Assets with a cost less than \$2,000 are expensed in the year of acquisition. Amortization is based on the estimated useful life of the asset and is provided as follows:

Vehicle	Straight-line	6 years
Furniture and equipment	Straight-line	5 years
Computer equipment	Straight-line	3 years

Foreign Currency

Transactions during the year in foreign currencies have been translated in the accounts to Canadian dollars at the exchange rate effective on the transaction date. All monetary assets in foreign currencies have been translated to Canadian dollars at the exchange rates in effect at the year end date. Gains or losses resulting therefrom are included in the determination of excess of revenue over expenses for the year except for the foreign currency gains and losses on long-term monetary items which are deferred and amortized over the remaining terms of the related items.

**Contributed Materials
and Services**

Contributed materials and services which are used in the normal course of the association's operations and would otherwise have been purchased are recorded at their fair value at the date of contribution if fair value can be reasonably estimated.

Allocation of Costs

The association engages in programs and events covered under certain funding agreements. The costs of these programs and events include the costs of personnel that are directly attributable to the program or event. These expenses are tracked and allocated to each program or event on the basis of time spent in the respective area.

Diving Plongeon Canada Notes to the Financial Statements

August 31, 2025

1. Significant Accounting Policies (continued)

**Sport Canada and
Canadian Olympic
Committee Contributions**

Contributions received from Sport Canada and the Canadian Olympic Committee are subject to specific terms and conditions regarding the expenditure of the funds. The association's records are subject to audit by the funder to identify instances, if any, in which amounts charged against contributions have not complied with the agreed terms and conditions and which therefore would be refundable to the funder. Adjustments to prior years' contributions are recorded in the year in which the funder requests the adjustment.

2. Cash

The association's bank accounts are held at one chartered bank. Bank balances include \$270,436 (2024 - \$128,985) denominated in U.S. dollars.

The association has available to it an overdraft facility with a limit of \$500,000 with a chartered bank. The facility is secured by a general security agreement constituting a first rank security interest in all property of the association and bears interest at bank prime plus 2.00%. Any amounts drawn on this facility are due on demand. As at year-end, \$nil (2024 - \$nil) was outstanding.

The association also has available to it a line of credit with a limit of \$40,000 with a chartered bank. The line is secured by a general security agreement constituting a first rank security interest in all property of the association and bears interest at bank prime plus 3.50%. Any amounts drawn on this line are due on demand. As at year-end, \$nil (2024 - \$nil) was outstanding.

The association also has available to it a credit card with Scotiabank which has a limit of \$50,000, none of which was utilized at year end, as well as credit cards with BMO which have an aggregate credit limit of \$317,667, of which \$31,809 (2024 - \$14,382) was utilized at year end and is included in accounts payable and accrued liabilities.

Diving Plongeon Canada Notes to the Financial Statements

August 31, 2025

3. Tangible Capital Assets

	2025		
	Cost	Accumulated Amortization	Net Book Value
Vehicle	\$ 46,724	\$ 19,684	\$ 27,040
Furniture and equipment	98,894	98,894	-
Computer equipment	74,316	66,655	7,661
	\$ 219,934	\$ 185,233	\$ 34,701
	2024		
	Cost	Accumulated Amortization	Net Book Value
Vehicle	\$ 46,724	\$ 14,276	\$ 32,448
Furniture and equipment	98,894	81,521	17,373
Computer equipment	68,028	60,328	7,700
	\$ 213,646	\$ 156,125	\$ 57,521

4. Deferred Contributions

Deferred contributions represent restricted funds received in the current year that relate to operations of the subsequent fiscal year. Contributions recognized in revenue in the current year have been included in Sport Canada - core and enhanced excellence, Sport Canada - project funding, Canadian Olympic Committee, World Cup, Canada Cup, events, and Toronto Diving Academy revenues to the extent the funding was restricted for that purpose.

The changes in the deferred contributions balance for the year ended August 31, 2025 were as follows:

Diving Plongeon Canada Notes to the Financial Statements

August 31, 2025

4. Deferred Contributions (continued)

	Balance, beginning of year	Received during the year	Revenue recognized	Receivable at year-end	Balance, end of year
Sport Canada	\$ 754,218	\$ 2,626,920	\$ (3,391,138)	\$ 10,000	\$ -
Canadian Olympic Committee	45,275	457,675	(502,950)	-	-
Other government funding	-	430,900	(527,800)	96,900	-
Other funding	-	218,980	(249,980)	49,000	18,000
	\$ 799,493	\$ 3,734,475	\$ (4,671,868)	\$ 155,900	\$ 18,000

In addition to the government receivables above totaling \$106,900 (2024 - \$380,775), there is \$56,250 (2024 - \$326,250) included in accounts receivable which relates to government receivables from prior years.

5. Contributed Clothing

Contributions recognized in the year ended August 31, 2025 include contributed clothing having a fair value of \$40,000 (2024 - \$30,500). This amount has been recorded in Sponsorship revenue and Athletes expenses - Administration in these financial statements.

6. Commitments

As part of its normal operations, the association has various commitments with various expiry dates related to the rental of equipment and premises for its 2025 fiscal year and thereafter.

The most significant agreement is for the lease of office space under agreement expiring August 31, 2030. The annual rent includes additional rent representing base rent, operating costs, and applicable taxes. Total operating costs in 2025 were \$45,693 (2024 - \$40,353). The estimated total payment of base rent for the next five fiscal years are as follows:

2026	\$ 23,625
2027	24,938
2028	26,250
2029	27,563
2030	<u>28,875</u>
	\$ 131,251

Diving Plongeon Canada

Notes to the Financial Statements

August 31, 2025

7. Cost Allocation

As outlined in the Summary of Significant Accounting Policies, the association allocates personnel costs to its programs and events. During the year, personnel costs were allocated as follows:

	2025	2024
Athletes	\$ 34,825	\$ 54,569
Clubs/sections	221,733	272,220
Coaches	878,095	902,351
Events/competitions	64,950	-
Planning and management	1,057,292	1,081,134
Toronto Diving Academy	69,223	133,196
	<u>\$ 2,326,118</u>	<u>\$ 2,443,470</u>

8. Financial Instruments Risks and Concentrations

The association is exposed to various risks through its financial instruments. The following analysis provides a measure of the association's risk exposure and concentrations as at August 31, 2025.

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 association is exposed to this credit risk mainly in respect of its accounts receivable.

Liquidity risk

Liquidity risk is the risk that the association will encounter difficulty in meeting obligations associated with financial liabilities. The association is exposed to this risk mainly in respect of its accounts payable and accrued liabilities.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The association is exposed to this risk mainly in respect of cash held in U.S. dollars as disclosed in Note 1 and its accounts receivable and accounts payable and accrued liabilities balances held in U.S. dollars. The accounts receivable balance includes \$192,204 (2024 - \$83,870) denominated in U.S. dollars, and the accounts payable and accrued liabilities balance includes \$10,150 (2024 - \$nil) denominated in U.S. dollars at year-end.

Diving Plongeon Canada Notes to the Financial Statements

August 31, 2025

8. Financial Instruments Risks and Concentrations (continued)

Changes in risk

There have been no significant changes in the association's risk exposures from the previous fiscal year.

9. Comparative Figures

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year.

Diving Plongeon Canada Schedule 1 - Athletes Expenses

For the year ended August 31	2025	2024
Senior National Team	\$ 895,295	\$ 948,351
Junior High Performance	478,957	409,379
Performance Monitoring and Enhancements	151,559	164,301
Administration (Note 5)	53,848	40,500
Integrated Support Team	70,341	100,990
High Diving Program Management	43,597	45,678
	\$ 1,693,597	\$ 1,709,199

Diving Plongeon Canada Schedule 2 - Clubs/Sections Expenses

For the year ended August 31	2025	2024
Club Funding Assistance	\$ 6,602	\$ -
Club Performance Incentives	-	40,000
World Class Program Support	197,865	540,940
Other Clubs/Provinces	112,672	100,040
Safe Sport/Equity	56,880	57,196
Training Centres	326,496	404,894
	\$ 700,515	\$ 1,143,070

Diving Plongeon Canada Schedule 3 - Coaches Expenses

For the year ended August 31	2025	2024
Senior Performance Incentives	\$ 951,224	\$ 985,788
Meetings	19,330	36,710
Development and Succession	48,495	15,757
National Coaching Certification Program	57,294	46,402
	\$ 1,076,343	\$ 1,084,657

Diving Plongeon Canada
Schedule 4 - Events/Competitions Expenses

For the year ended August 31	2025	2024
Promotion	\$ 117,067	\$ 108,252
National Competitions	260,981	316,283
Canada Cup	642,536	440,476
Marketing	59,433	44,347
Diving World Cup	1,044,611	1,140,421
Red Bull Montreal High Diving	-	131,960
Winter Festival	55,970	-
	\$ 2,180,598	\$ 2,181,739

Diving Plongeon Canada
Schedule 5 - Officials Expenses

For the year ended August 31	2025	2024
Domestic	\$ 136,289	\$ 109,060
International Circuits	21,808	30,771
Major Competitions	1,712	4,970
Junior International	18,224	6,879
Development	105,022	28,846
	\$ 283,055	\$ 180,526

Diving Plongeon Canada
Schedule 6 - Planning and Management

For the year ended August 31	2025	2024
Human Resources	\$ 955,843	\$ 927,769
Travel	58,705	78,641
Administration	219,961	255,872
Governance	64,011	65,333
	\$ 1,298,520	\$ 1,327,615
