



**Management Discussion and Analysis
– Fiscal Year 2022/23**

2023 Annual Meeting
September 16, 2023

Together we are Artistic Swimming in Canada

Sport in Canada continues to evolve as national sport organizations build back sport participation and memberships while retuning to hosting live events after the impact of the pandemic. Canada Artistic Swimming has remained focused on creating safe, inclusive and positive sport environments at all levels in our sport. CAS maintains its great reputation as a leading national sport organization within the international artistic swimming community and consistently garners high recognition for governance and processes in Canadian sport.

World Aquatics

The world of Artistic Swimming is undergoing a thrilling transformation. With the rebranding of FINA to World Aquatics, we find ourselves at the forefront of change. Canada's role in developing and rolling out the new competition scoring system underscores a commitment to innovation. A special nod to Lisa Schott, TAS Committee Chair, for her leadership at the World Aquatics Technical Committee level and champion of the new scoring system.

This groundbreaking scoring system introduces a new level of objectivity by quantifying difficulty through precise mathematical values. By doing so, we're reducing the subjectivity often associated with judging. Canada is proudly leading the way in understanding and implementing this system across international, national, provincial, and club levels.

Safe Sport

As one of the leading signatories of Abuse-Free Sport program from the Office of Sport Integrity Commission (OSIC), CAS developed a comprehensive suite of safe and welcoming sport policies and updated other athlete environment related policies. The implementation of comprehensive safe sport policies and our embrace of the Universal Code of Conduct for the Prevention of Maltreatment in Sport (UCCMS) demonstrate our dedication to fostering a secure and welcoming environment.

Under the 'Rise Up' initiative, we're championing inclusivity and diversity through an e-learning module tailored for coaches and officials. This platform features athletes' stories and experiences, enriching our collective understanding and strengthening our sport's fabric.

Event Hosting

At CAS, we have a proven track record of hosting world-class events. The FINA World Junior Championships held at Université Laval's PEPS pool was a testament to our capabilities. This event brought together participants from 27 federations, showcasing solos, duets, mixed duets, and even introducing a groundbreaking men's solo event.

In March 2023, we raised the bar again by hosting the inaugural World Aquatics World Cup at the Markham Pan Am Centre. This event marked the debut of the new scoring system on the global stage. We were privileged to host elite athletes/teams from 23 nations, along with officials, coaches, team managers, and dedicated volunteers. Canada claimed two bronze medals in the Women's solo events and one silver medal in mixed duet.



Artistic Swimming Community Research

As part of the strategic planning process, CAS launched a large and comprehensive research project with the Canadian artistic swimming community. The main topics to be explored were inclusion/belonging, culture and strategic priorities. CAS incorporated assessment tools from INclusion Index, which measures the levels of inclusion, access and belonging that individuals perceive to be associated with the sport. The survey also used questions from the Culture Assessment and Audit Tool (CAAT) piloted by CAS the previous year. Results of this research from over 750 members of the artistic swimming community provides a basis of understanding of belonging and culture while also prioritizes strategic objectives as stated by the community.

As we look ahead to the 2023-2024 season, the world of sport in Canada will continue to change to reflect the priorities of Canadians from coast to coast. CAS continues to demonstrate that it has the resilience to face challenges, to learn and grow and to keep moving forward together. 2024 will mark a century of artistic swimming in Canada. We look forward to celebrating this milestone with continued growth of the sport and a new 2024-2028 strategic plan.

The Financial Year in Review

In 2022-2023, Canada Artistic Swimming maintained strong financial performance, enhancing its fiscal and operational stability. As a National Sport Organization, success goes beyond medals and financial outcomes; it's also about the value we deliver to our Members and registrants. The following information aims to illustrate our financial strength, challenges, and capacity, always within the broader context of our performance in athlete achievement, registration expansion, public perception, and governance effectiveness.

Balance Sheet

CANADA ARTISTIC SWIMMING

Statement of Financial Position

March 31, 2023, with comparative information for 2022

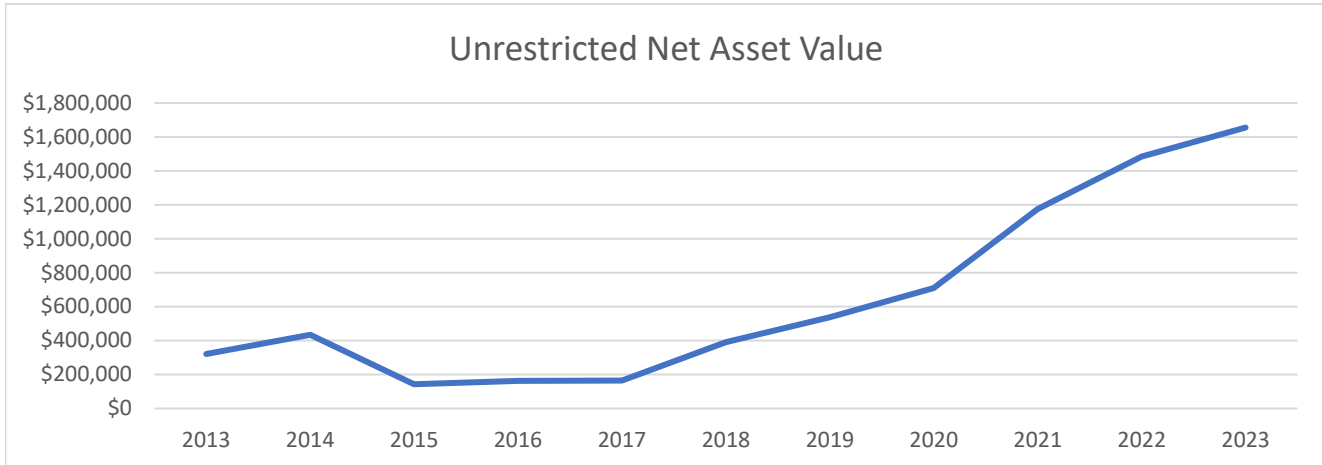
	2023	2022
Assets		
Current assets:		
Cash	\$ 1,242,844	\$ 1,211,506
Amounts receivable	484,259	154,941
Investments (note 2)	508,826	507,026
Inventories	23,820	15,054
Prepaid expenses	14,828	195,716
	2,274,577	2,084,243
Endowment assets	10,424	10,320
Tangible capital and intangible assets (note 3)	9,186	16,136
	\$ 2,294,187	\$ 2,110,699
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities (note 5)	\$ 491,417	\$ 453,471
Deferred revenue (note 6)	127,748	203,043
	619,165	656,514
Net assets:		
Unrestricted (note 7)	1,655,412	1,427,729
Invested in tangible capital and intangible assets	9,186	16,136
Endowment	10,424	10,320
	1,675,022	1,454,185
Contingencies and commitments (note 8)		
	\$ 2,294,187	\$ 2,110,699

Note: Positive year end cash position emerging out of pandemic challenges

Net Assets Growth = increase of \$228k



Comparison of Net Assets (unrestricted)



CAS net assets continued to expand in the fiscal, playing a pivotal role in our ability to navigate and thrive during periods of change, much like the current challenges we are encountering. It's worth noting that Canada Artistic Swimming (CAS) has successfully reached the target of attaining six months' worth of operating reserves, as outlined in the 2016-2024 strategic plan. This achievement underscores our financial preparedness and resilience.

Income Statement

CANADA ARTISTIC SWIMMING

Statement of Operations

Year ended March 31, 2023, with comparative information for 2022

	2023	2022
Revenue:		
Registration, affiliation and entry fees	\$ 2,579,594	\$ 1,477,964
Sport Canada contributions	1,271,893	664,721
Sport Canada - OTP contributions to INS	174,880	74,000
Canadian Olympic Committee	118,998	73,000
Rebates, interest and other revenue	84,656	124,953
Competition revenue (prize money)	84,225	89,542
Sale of products	10,885	9,475
Sponsorship and fundraising	5,355	1,139
Coaching Association	3,000	3,000
COVID-19 government grants and subsidies	-	142,634
	4,333,486	2,660,428
Expenses:		
High performance	1,324,892	1,016,013
Sport development	1,801,409	217,143
Cost of products sold	5,472	6,316
Administration:		
Payroll and benefits	606,431	588,335
Association	217,885	435,516
National office	81,258	79,328
Promotions and communication	39,487	17,140
Planning and management	35,815	21,290
	4,112,649	2,381,081
Excess of revenue over expenses	\$ 220,837	\$ 279,347

Revenue & Expense Highlights/Variations 2023 vs 2022

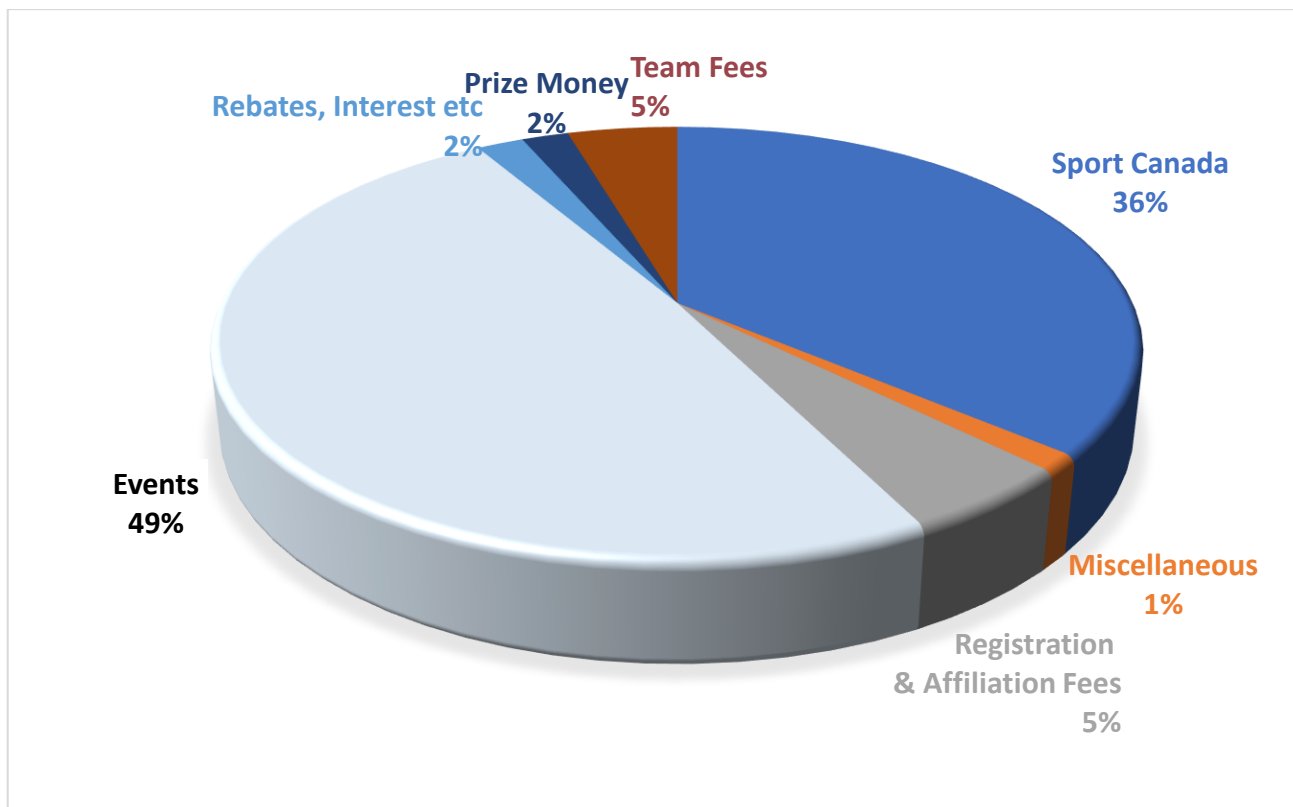
Highlights

- Revenue and expenses increased over \$4 million due to hosting two major World Aquatics/FINA competitions (World Juniors in Quebec City and World Cup Markham)
- COVID relief funding reduced in the fiscal
- Surplus generated based on successful competition event hosting

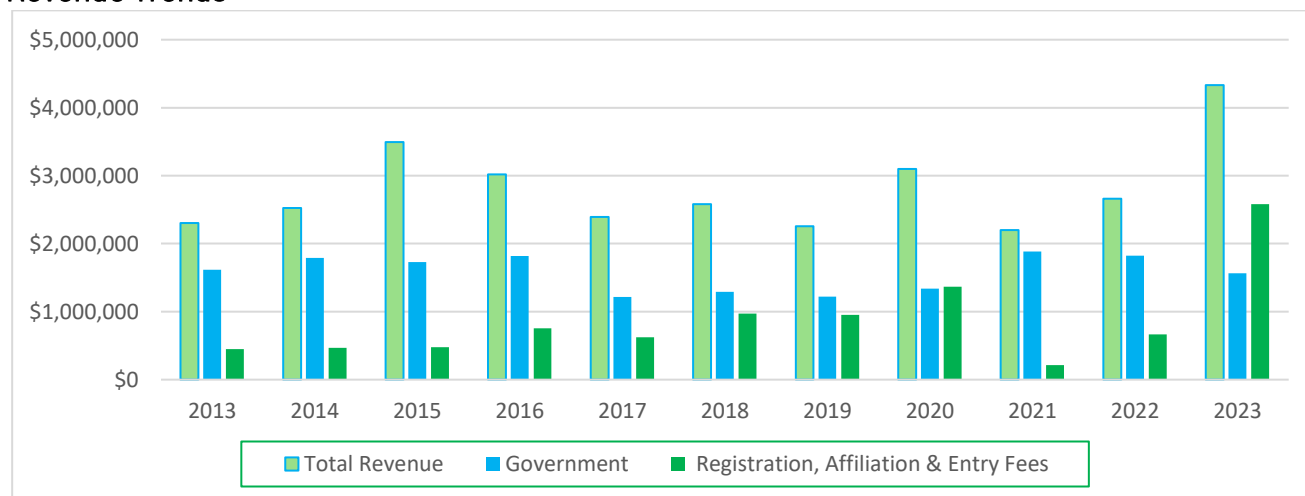


Revenue Summary 2022-2023

Sources of Revenue



Revenue Trends



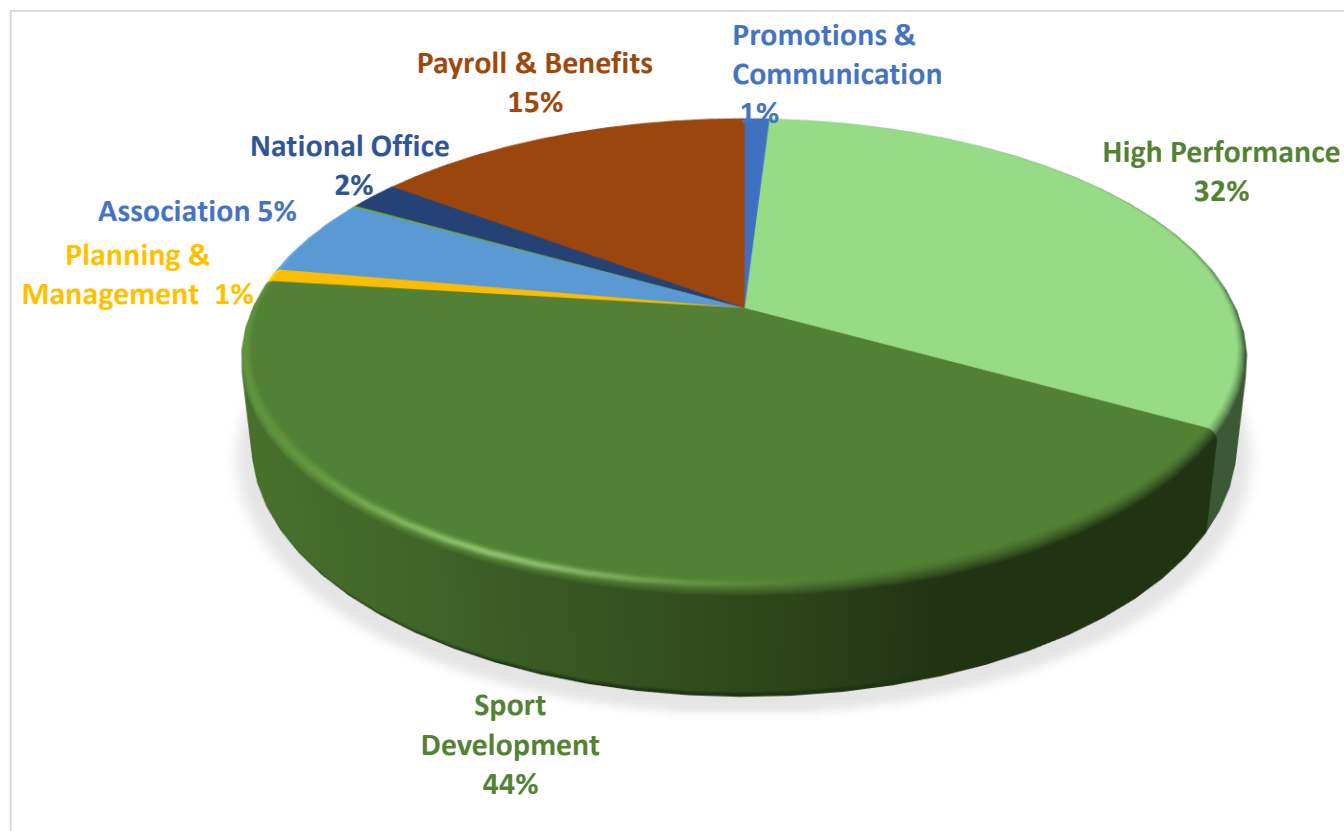
The notable highlights from the fiscal year's review are as follows:

- In 2022/2023, Canada Artistic Swimming achieved a remarkable milestone, surpassing \$4.3 million in revenue.
- Hosting prestigious events such as the FINA World Juniors and World Aquatics World Cup proved highly lucrative, generating revenue exceeding \$2.5 million.
- Notably, our reliance on government funding decreased as event-generated revenue saw a substantial increase, while COVID-related grants declined.



Expense Summary 2022-2023

Breakdown of Expenses



Expenditure Highlights – High Performance

	2023	2022	Notes
Sr. National Team Competitions	\$550,000	\$385,078	Attended World Championships Hungary July 2022 and World Series events
Jr. Team Competitions	\$88,679	\$22,522	
Coaching & Other Support	\$477,758	\$472,400	
INS expenses	\$122,000	\$120,000	
Total	\$1.2 million	\$1 million	

Expenditure Highlights – Sport Development

	2023	2022	Notes
Events and Hosting	\$1.8 million	\$185,444	Hosted: Canadian Championships May 2022, World Juniors August 2022 Qualifiers March 2023 World Cup March 2023
Coach & Officials dev't	\$18,675	\$31,699	
Total	\$1.8 million	\$217,143	



Financial Risks and Opportunities – Looking Forward

It is evident that the sports landscape remains a formidable challenge for National Sport Organizations. Emerging from the post-pandemic era, competition calendars are very active with regional, national, and international events. However, it's crucial to note that the associated expenses, including airfare, accommodation, transportation, and meals, have surged by 30% or more. Meanwhile, our core sport funding has remained static for decades, compounded by a significant reduction in COVID-related grants.

Additionally, it's worth noting that government funders have introduced requirements for compliance with the Office of the Sport Integrity Commission and the Canadian Sport Governance code, which may bring about some uncertainties in terms of future safe sport and legal costs. Furthermore, surveys conducted among CAS members have revealed that approximately one-third of respondents expressed concerns about the affordability of membership fees and event expenses. As CAS continues its efforts to grow the sport, we remain mindful of the increasing costs associated with sports participation in Canada.

Embracing New Opportunities!

While membership registrations remain relatively stable, our AquaGO! programming shows promise in increasing exposure and engagement within the sport. There is also noticeable interest and growth among World Aquatics and domestic events, particularly in male and mixed competition categories.

Over the past few years, CAS has demonstrated success in accumulating net assets and cash reserves that could be deployed to support increasing competition events. Canada has also gained a strong reputation for hosting successful international events, not only bolstering interest in artistic swimming within Canada but also potentially providing surplus funding for national team expenses.

Looking to the Future

Canada Artistic Swimming is diligently working towards Olympic qualification and will chart a new strategic course in 2024. Collaborative efforts at all levels, aimed at building and streamlining inclusive programming, aligning administrative practices and processes, and sharing resources where feasible, will empower the organization to make more agile and informed decisions, enabling us to stay ahead of the curve.



S. Wallace, CEO
September 2023

