

MASTERS SWIMMING CANADA/MAÎTRES NAGEURS DU CANADA

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2007

(unaudited)

REVIEW ENGAGEMENT REPORT

To the Directors of Masters Swimming Canada/Maîtres Nageurs du Canada

We have reviewed the statement of financial position of Masters Swimming Canada/Maîtres Nageurs du Canada as at December 31, 2007 and the statement of operations and net assets for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the organization.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles.

Fredericton, NB
March 10, 2008

CHARTERED ACCOUNTANTS

MASTERS SWIMMING CANADA/MAÎTRES NAGEURS DU CANADA

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2007

(Unaudited)

| | 2007 | 2006 |
|---------------------------------|------------------|------------------|
| ASSETS | | |
| Current Assets | | |
| Cash and short-term investments | \$ 48,190 | \$ 44,921 |
| Accounts receivable | 530 | - |
| Prepaid expenses | 630 | 630 |
| | \$ 49,350 | \$ 45,551 |
| LIABILITIES | | |
| Current Liabilities | | |
| Accounts payable | \$ 1,567 | \$ 5,600 |
| NET ASSETS | | |
| Unrestricted Net Assets | 47,783 | 39,951 |
| | \$ 49,350 | \$ 45,551 |

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

Approved by the Board

Director

MASTERS SWIMMING CANADA/MAÎTRES NAGEURS DU CANADA

STATEMENT OF OPERATIONS AND NET ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2007

(Unaudited)

| | 2007 | 2006 |
|--|------------------------|------------------------|
| Revenue | | |
| Membership fees | \$ 91,383 | \$ 98,549 |
| Other income | 3,261 | 3,355 |
| | <hr/> 94,644 | <hr/> 101,904 |
| Expenditures | | |
| Meeting costs | 16,244 | 25,159 |
| National office and executive | 14,949 | 24,869 |
| Council of Provinces | 1,522 | 8,389 |
| Communications | 15,258 | 22,546 |
| Committee costs | 14,209 | 12,562 |
| SNC fees | 19,190 | 18,750 |
| Legal and audit | 1,812 | 2,454 |
| Insurance | 1,512 | 1,512 |
| Other expenses | 2,116 | 471 |
| FINA officials support | - | 1,100 |
| | <hr/> 86,812 | <hr/> 117,812 |
| Excess (Deficiency) Of Revenue Over Expenditures For The Year | 7,832 | (15,908) |
| Net Assets, beginning of year | 39,951 | 55,859 |
| Net Assets, end of year | <hr/> \$ 47,783 | <hr/> \$ 39,951 |

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

MASTERS SWIMMING CANADA/MAÎTRES NAGEURS DU CANADA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2007

(Unaudited)

1. Organization

Masters Swimming Canada/Maîtres Nageurs Du Canada was incorporated under the Canada Corporations Act, Part II, on October 26, 1993 for the purpose of fostering masters swimming in Canada. The organization is exempt from tax under the Income Tax Act.

2. Summary Of Significant Accounting Policies

Presentation and basis of accounting

The organization's financial statements are prepared in accordance with Canadian generally accepted accounting principles. The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities at the date of the financial statements and the reported amounts of certain revenues and expenses during the year. Actual results could differ from those estimates.

Equipment

Equipment is expensed as purchased. The principal equipment acquired by the organization is office equipment and computer software. During the year ended December 31, 2007, nothing was expensed under this policy (2006- \$358).