

**TransAlta Tri Leisure
Centre Incorporated
as Tri Municipal Leisure
Facility Corporation
Financial Statements**

December 31, 2021

Management's Responsibility

To the Board of Directors of the TransAlta TriLeisure Centre:

The accompanying financial statements of the TransAlta TriLeisure Centre (the "Centre") are the responsibility of management and have been approved by the Board.

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors is composed entirely of individuals who are neither management nor employees of the Centre. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial statements. The Board fulfills these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Board is also responsible for the appointment of the Centre's external auditors.

MNP LLP is appointed by the Board to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

March 10, 2022



General Manager



Finance Supervisor



To the Board of Directors of TransAlta Tri Leisure Centre:

Opinion

We have audited the financial statements of TransAlta Tri Leisure Centre (the "Centre"), which comprise the statement of financial position as at December 31, 2021, and the statements of operations, change in net financial assets, cash flows and the related schedules I through IV 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 Centre as at December 31, 2021, and the results of its operations, change in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

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 Centre 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 public sector accounting standards, 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 Centre'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 Centre or to cease operations, or has no realistic alternative but to do so.

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

Leduc, Alberta

March 10, 2022

MNP LLP

Chartered Professional Accountants

**TransAlta TriLeisure Centre
Statement of Financial Position**

As at December 31, 2021

	2021	2020
Financial assets		
Cash (Note 3)	1,184,738	1,685,687
Accounts receivable (Note 4)	221,376	139,705
	1,406,114	1,825,392
Liabilities		
Accounts payable and accrued liabilities (Note 6)	359,368	223,684
Lease deposits	10,824	10,824
Deferred revenue (Note 7)	483,174	722,687
	853,366	957,195
Net financial assets	552,748	868,197
Non-financial assets		
Tangible capital assets (Schedule II)	1,799,605	2,077,029
Inventory for consumption	64,657	67,313
Prepaid expenses and deposits	81,896	70,603
	1,946,158	2,214,945
Accumulated surplus (Schedule I)	2,498,906	3,083,142

Contingencies (Note 14)

Approved on behalf of the Board:

 <hr style="width: 100%;"/>	Director
 <hr style="width: 100%;"/>	Director

The accompanying notes are an integral part of these financial statements

TransAlta TriLeisure Centre
Statement of Operations
For the year ended December 31, 2021

	2021 Budget (Note 13)	2021	2020
Revenue			
Partnership contributions - operating (Note 8)	1,913,636	2,322,436	2,214,617
Pass fees	2,533,000	1,046,828	1,256,388
Rental	1,069,300	759,564	627,213
Program fees	1,020,515	618,963	504,104
Corporate sponsors and donations	326,400	277,102	285,437
Lease	247,988	226,852	111,061
Miscellaneous	102,500	185,038	161,986
Management services	125,000	39,426	7,129
Advertising	26,000	11,523	22,909
Interest	55,000	6,187	35,242
Commissions	19,700	5,367	6,989
	7,439,039	5,499,286	5,233,075
Expenses			
Maintenance	2,407,480	2,080,014	2,181,552
Administration	2,155,124	1,681,114	1,731,617
Aquatics	1,400,213	1,044,540	1,046,533
Fields, arena and events	488,046	715,851	570,693
Wellness	529,888	370,971	488,638
Children's programs	326,221	247,956	195,515
Stony Plain pool	257,067	186,121	8,624
	7,564,039	6,326,567	6,223,172
Deficiency of revenue before other revenue	(125,000)	(827,281)	(990,097)
Other revenue			
Government transfers - capital	-	166,651	-
Partnership contributions - capital (Note 8)	227,652	59,506	142,665
Government assistance (Note 9)	-	16,888	90,039
	227,652	243,045	232,704
Excess (deficiency) of revenue over expenses	102,652	(584,236)	(757,393)
Accumulated surplus, beginning of year	3,083,142	3,083,142	3,840,535
Accumulated surplus, end of year	3,185,794	2,498,906	3,083,142

The accompanying notes are an integral part of these financial statements

TransAlta TriLeisure Centre
Statement of Change in Net Financial Assets

For the year ended December 31, 2021

	2021 Budget (Note 13)	2021	2020
Excess (deficiency) of revenue over expenses	102,652	(584,236)	(757,393)
Acquisition of tangible capital assets	(227,652)	(59,506)	(142,665)
Amortization of tangible capital assets	-	336,930	397,023
Use of (acquisition) of prepaid assets	-	(11,293)	8,611
Use of (acquisition) of inventory for consumption	-	2,656	(34,246)
Change in net financial assets	(125,000)	(315,449)	(528,670)
Net financial assets, beginning of year	868,197	868,197	1,396,867
Net financial assets, end of year	743,197	552,748	868,197

The accompanying notes are an integral part of these financial statements

TransAlta TriLeisure Centre
Statement of Cash Flows
For the year ended December 31, 2021

	2021	2020
Cash provided by (used for) the following activities:		
Operating		
Deficiency of revenue over expenses	(584,236)	(757,393)
Non-cash items:		
Amortization of tangible capital assets	336,930	397,023
Net change in non-cash operating working capital balances:		
Accounts receivable	(81,671)	155,256
Inventory for consumption	2,656	(34,246)
Prepaid expenses and deposits	(11,293)	8,611
Accounts payable and accrued liabilities	135,684	(207,020)
Deferred revenue	(239,513)	(234,173)
	(441,443)	(671,942)
Capital		
Acquisition of tangible capital assets <i>(Schedule II)</i>	(59,506)	(142,665)
Investing		
Purchase of investments	-	(8,300,000)
Maturity of investments	-	10,600,000
	-	2,300,000
Increase (decrease) in cash and equivalents	(500,949)	1,485,393
Cash and equivalents, beginning of year	1,685,687	200,294
Cash and equivalents, end of year	1,184,738	1,685,687

The accompanying notes are an integral part of these financial statements

TransAlta TriLeisure Centre
Schedule I - Schedule of Changes in Accumulated Surplus

For the year ended December 31, 2021

	<i>Unrestricted Surplus</i>	<i>Restricted Surplus</i>	<i>Equity in Tangible Capital Assets</i>	<i>2021</i>	<i>2020</i>
Balance, beginning of year	98,471	907,642	2,077,029	3,083,142	3,840,535
Deficiency of revenue over expenses	(584,236)	-	-	(584,236)	(757,393)
Transfers between funds	208,341	(208,341)	-	-	-
Purchases of tangible capital assets	(59,506)	-	59,506	-	-
Amortization	336,930	-	(336,930)	-	-
Change in accumulated surplus	(98,471)	(208,341)	(277,424)	(584,236)	(757,393)
Balance, end of year	-	699,301	1,799,605	2,498,906	3,083,142

Included in the Restricted Surplus is \$364,875 that has been earmarked for Infrastructure projects slated to be started in 2022, which comprises fifty percent of the approved Infrastructure budget for the year ended December 31, 2022.

TransAlta Tri Leisure Centre
Schedule II - Schedule of Tangible Capital Assets
For the year ended December 31, 2021

	<i>Construction in Progress</i>	<i>Land Improvements</i>	<i>Engineered Structures</i>	<i>Machinery & Equipment</i>	<i>2021</i>	<i>2020</i>
Cost:						
Balance, beginning of year	-	435,799	1,768,193	3,036,989	5,240,981	5,098,316
Acquisition of tangible capital assets	-	-	-	59,506	59,506	142,665
Disposals of tangible capital assets	-	-	-	(551,617)	(551,617)	-
Balance, end of year	-	435,799	1,768,193	2,544,878	4,748,870	5,240,981
Accumulated amortization:						
Balance, beginning of year	-	153,826	638,783	2,371,343	3,163,952	2,766,929
Annual amortization	-	17,623	90,835	228,472	336,930	397,023
Accumulated amortization on disposals	-	-	-	(551,617)	(551,617)	-
Balance, end of year	-	171,449	729,618	2,048,198	2,949,265	3,163,952
Net book value	-	264,350	1,038,575	496,680	1,799,605	2,077,029

The accompanying notes are an integral part of these financial statements

TransAlta TriLeisure Centre
Schedule III - Schedule of Expenses by Object

For the year ended December 31, 2021

	2021 Budget (Note 13)	2021	2020
Expenses by object			
Salaries, wages and benefits	4,064,074	3,076,828	3,163,361
Utilities	962,000	851,982	779,955
Contracted services	998,200	767,130	687,164
Repairs and maintenance	531,740	837,827	683,385
Amortization of tangible capital assets	-	336,930	397,023
Administrative services	398,250	221,454	244,917
Materials, goods and services	404,135	153,126	144,932
Marketing and publications	106,200	50,561	65,398
Other	99,440	30,729	57,037
	7,564,039	6,326,567	6,223,172

The accompanying notes are an integral part of these financial statements

TransAlta TriLeisure Centre
Schedule IV - Schedule of Segmented Disclosure
For the year ended December 31, 2021

	<i>Administration</i>	<i>Maintenance</i>	<i>Aquatics</i>	<i>Fields, Arena, and Events</i>	<i>Wellness</i>	<i>Children's Programs</i>	<i>Stony Plain Pool</i>	<i>Unallocated</i>	<i>2021 Total</i>
Revenue									
Partnership contributions	-	-	-	-	-	-	-	2,381,942	2,381,942
Pass fees	-	-	-	-	-	-	33,494	1,013,334	1,046,828
Rental	-	-	-	723,942	-	-	35,622	-	759,564
Program fees	-	-	320,626	-	49,562	171,196	77,579	-	618,963
Other	208,115	-	-	-	-	-	-	183,539	391,654
Corporate sponsors and donations	277,102	-	-	-	-	-	-	-	277,102
Lease	226,852	-	-	-	-	-	-	-	226,852
Management services	-	-	-	-	-	-	39,426	-	39,426
	712,069	-	320,626	723,942	49,562	171,196	186,121	3,578,815	5,742,331
Expenses									
Salaries, wages, and benefits	982,725	300,685	914,614	205,438	265,260	238,766	169,340	-	3,076,828
Utilities	-	851,982	-	-	-	-	-	-	851,982
Repairs and maintenance	-	449,690	67,989	317,927	2,221	-	-	-	837,827
Contracted services	306,278	420,523	-	16,653	17,217	6,459	-	-	767,130
Amortization of tangible capital assets	31,958	22,207	24,521	174,622	83,622	-	-	-	336,930
Administrative services	221,408	-	-	-	-	-	46	-	221,454
Materials, goods and services	66,689	34,605	29,154	1,188	2,325	2,430	16,735	-	153,126
Marketing and publications	50,561	-	-	-	-	-	-	-	50,561
Other	21,495	322	8,262	23	326	301	-	-	30,729
	1,681,114	2,080,014	1,044,540	715,851	370,971	247,956	186,121	-	6,326,567
Excess (deficiency) of revenue over expenses	(969,045)	(2,080,014)	(723,914)	8,091	(321,409)	(76,760)	-	3,578,815	(584,236)

The accompanying notes are an integral part of these financial statements

TransAlta TriLeisure Centre
Schedule IV - Schedule of Segmented Disclosure
For the year ended December 31, 2021

	<i>Administration</i>	<i>Maintenance</i>	<i>Aquatics</i>	<i>Fields, Arena, and Events</i>	<i>Wellness</i>	<i>Children's Programs</i>	<i>Stony Plain Pool</i>	<i>Unallocated</i>	<i>2020 Total</i>
Revenue									
Partnership contributions	-	-	-	-	-	-	-	2,357,282	2,357,282
Pass fees	-	-	-	-	-	-	-	1,256,388	1,256,388
Rental	-	-	-	627,098	-	-	115	-	627,213
Program fees	-	-	292,875	-	53,199	158,030	-	-	504,104
Other	226,694	-	-	-	-	-	432	90,039	317,165
Corporate sponsors and donations	285,437	-	-	-	-	-	-	-	285,437
Lease	111,061	-	-	-	-	-	-	-	111,061
Management services	-	-	-	-	-	-	7,129	-	7,129
	623,192	-	292,875	627,098	53,199	158,030	7,676	3,703,709	5,465,779
Expenses									
Salaries, wages, and benefits	1,075,848	374,305	935,801	220,349	371,182	177,878	7,998	-	3,163,361
Utilities	-	779,955	-	-	-	-	-	-	779,955
Contracted services	204,845	446,142	-	8,291	14,836	13,050	-	-	687,164
Repairs and maintenance	-	496,039	55,774	122,858	8,714	-	-	-	683,385
Amortization of tangible capital assets	46,153	22,207	27,828	214,498	86,337	-	-	-	397,023
Administrative services	244,291	-	-	-	-	-	626	-	244,917
Materials, goods and services	56,643	58,710	15,404	4,506	5,780	3,889	-	-	144,932
Marketing and publications	65,398	-	-	-	-	-	-	-	65,398
Other	38,439	4,194	11,726	191	1,789	698	-	-	57,037
	1,731,617	2,181,552	1,046,533	570,693	488,638	195,515	8,624	-	6,223,172
Excess (deficiency) of revenue over expenses	(1,108,425)	(2,181,552)	(753,658)	56,405	(435,439)	(37,485)	(948)	3,703,709	(757,393)

The accompanying notes are an integral part of these financial statements

TransAlta TriLeisure Centre Notes to the Financial Statements

For the year ended December 31, 2021

1. Purpose of organization

The TransAlta Tri Leisure Centre (the "Centre") is a recreational leisure facility owned by the Town of Stony Plain, Parkland County and the City of Spruce Grove (the "Municipalities"). The Centre was incorporated on December 19, 2001 under the *Alberta Companies Act* as a not-for-profit Part IX corporation to operate and manage the facility. The Centre is exempt from income taxes.

2. Significant accounting policies

These financial statements are the representations of management prepared in accordance with generally accepted accounting principles established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the Centre are as follows:

Basis of accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay.

Revenue recognition

Revenue is accounted for in the period in which transactions or events occurred that gave rise to the revenue. Funds from external parties restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified. Program pre-registration revenue for programs scheduled in the subsequent year are deferred until that program has commenced. Partnership contributions and grants are recognized as revenue in the period in which the events giving rise to the transfer occurred, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

Cash

Cash includes cash on hand and balances with banks.

Segments

The Centre conducts its business through a number of reportable segments. These operating segments are established by senior management to facilitate the achievement of the Centre's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

Pension expenses

The Centre participates in a multi-employer defined benefit pension plan. The plan is accounted for as a defined contribution plan.

2. Significant accounting policies *(continued)*

Non-financial assets

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired, constructed or developed assets that do not normally provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale in the normal course of operations.

i. Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets is amortized using the straight-line method over the estimated useful life as follows:

Land improvements	20-30 years
Engineered structures	10-30 years
Machinery & equipment	3-25 years

Assets under construction are not amortized until the asset is available for productive use.

ii. Contributions of tangible capital assets

Tangible capital assets received as contributions are recorded at fair value at the date of receipt and are also recorded as revenue.

iii. Inventory for consumption

Inventory held for consumption is recorded at the lower of cost and replacement cost.

iv. Cultural and historical tangible capital assets

Works of art for display are not recorded as tangible capital assets but are disclosed.

v. Prepaid expenses and deposits

Prepaid expenses include pre-payments on goods and services which will be utilized in the following fiscal year.

Management uncertainty (use of estimates)

The preparation of financial statements in conformity 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 amounts of revenue and expenses during the year. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates.

Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets.

2. Significant accounting policies *(continued)*

Accumulated surplus

Accumulated surpluses are established at the discretion of the Board to set aside funds for future operating and capital expenditures. Transfers to and/or from reserves are reflected as an adjustment to the respective fund.

Restricted surplus consists of funds restricted by the Board for the purpose of tangible capital asset acquisitions and major unexpected maintenance projects.

Equity in tangible capital assets consists of the net investment in total capital assets less the portion financed by third parties.

Liability for contaminated sites

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the Centre is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at December 31, 2021.

At each financial reporting date, the Centre reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The Centre continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

At December 31, 2021 there is no liability for contaminated sites.

Government assistance

The Centre recognizes government assistance when there is a reasonable assurance that it will comply with the conditions required to qualify for the assistance, and that the assistance will be received.

Financial instruments

A contract establishing a financial instrument creates, at its inception, rights and obligations to receive or deliver economic benefits. The financial assets and liabilities portray these rights and obligations in the financial statements. The Centre recognizes a financial instrument when it becomes a party to a financial instrument contract.

Financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Centre is not exposed to significant interest, currency, other price risk, or liquidity risk arising from these financial instruments.

Financial assets and liabilities are recorded at cost or amortized cost and the associated transaction costs are added to the carrying value of items in the cost or amortized cost upon initial recognition. The gain or loss arising from derecognition of a financial instrument is recognized in the Statement of Operations. Impairment losses such as write-offs are reported in the Statement of Operations.

TransAlta TriLeisure Centre
Notes to the Financial Statements

For the year ended December 31, 2021

3. Cash

	<i>2021</i>	<i>2020</i>
Petty cash and floats	8,677	6,300
Cash	1,176,061	1,679,387
	1,184,738	1,685,687

4. Accounts receivable

	<i>2021</i>	<i>2020</i>
Trade	221,376	120,300
Government assistance	-	15,000
Goods and Services Tax	-	4,405
	221,376	139,705

5. Bank indebtedness

The Centre has an unsecured revolving demand operating credit facility with TD Canada Trust to a maximum of \$150,000 (2020 - \$150,000), bearing interest at prime plus 1.0%. As at December 31, 2021, the prime rate was 2.45% (2020 - 2.45%).

As of December 31, 2020 the Centre had drawn \$nil (2020 - \$nil) on the line of credit.

6. Accounts payable and accrued liabilities

	<i>2021</i>	<i>2020</i>
Trade and other	186,784	83,180
Salaries and vacation	165,593	140,504
Goods and Services Tax	6,991	-
	359,368	223,684

7. Deferred revenue

	<i>2020</i>	<i>Additions</i>	<i>Revenue Recognized</i>	<i>2021</i>
Partnership contributions	333,838	247,652	(488,306)	93,184
Pass and program fee pre-registration	192,914	1,846,565	(1,838,699)	200,780
Corporate sponsorships	135,874	198,750	(228,158)	106,466
Gift certificates	60,061	17,670	(8,190)	69,541
Other	-	13,203	-	13,203
	722,687	2,323,840	(2,563,353)	483,174

TransAlta TriLeisure Centre
Notes to the Financial Statements

For the year ended December 31, 2021

8. Partnership contributions and related party transactions

These financial statements include transactions with related parties, as the Centre is related to the City of Spruce Grove, Parkland County, and the Town of Stony Plain, as well as key management personnel of the Centre and their close family members. Transactions with these entities and individuals are considered in the normal course of operations and are recorded at the exchange amount, which approximates fair value. At year-end, no amounts were due to or from the Centre related to related party transactions.

Contributions received from partner municipalities are as follows:

	2021		2020	
	Operating	Capital	Operating	Capital
City of Spruce Grove	1,150,646	29,455	1,101,538	70,676
Parkland County	591,181	15,175	562,050	36,323
Town of Stony Plain	580,609	14,876	551,029	35,666
	2,322,436	59,506	2,214,617	142,665

9. Government assistance

During the year, the Centre received \$10,000 (2020 - \$20,000) related to the Province of Alberta's Small and Medium Enterprise Relaunch Grant. The grant offers financial assistance to organizations in Alberta that were ordered to close or curtail operations, and that experienced a revenue reduction as a result of the COVID-19 pandemic.

During the year, the Centre received \$4,888 (2020 - \$nil) related to the Alberta Child Care Grant. The grant offers financial assistance to licensed daycare, out-of-school care and preschool programs to support the recruitment, retention and professional development of their certified educators.

During the year, the Centre received \$2,000 (2020 - \$nil) related to the Restrictions Exemption Program Implementation Grant. The grant provided a one-time payment to eligible businesses, cooperatives and non-profit organizations that chose to implement the Restrictions Exemption Program.

During the year, the Centre received \$nil (2020 - \$45,039) related to the Canada Emergency Commercial Rent Assistance (CECRA) program. The program provided relief for small businesses who experienced financial hardship due to COVID-19 and was forgivable as of December 31, 2020 provided that the organization had been and remained in compliance with all program requirements. As at December 31, 2020, the Centre had met these requirements.

During the year, the Centre received \$nil (2020 - \$25,000) related to the Temporary Wage Subsidy for Employers (TWSE). Under the TWSE program, organizations experiencing significant revenue reductions during the COVID-19 pandemic were eligible to receive a subsidy for a portion of employee wages or deductions paid during those periods.

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10. Local Authorities Pension Plan

Employees of the Centre participate in the Local Authorities Pension Plan ("LAPP"), which is one of the plans covered by the Alberta *Public Sector Pension Plans Act*. The LAPP serves about 275,863 members and 433 employers. The LAPP is financed by employer and employee contributions and by investment earnings of the LAPP Fund.

Contributions for current service are recorded as expenses in the year in which they become due.

The Centre is required to make current service contributions to the LAPP of 9.39% of pensionable earnings up to the year's maximum pensionable earnings under the Canada Pension Plan and 13.84% on pensionable earnings above this amount. Employees of the Centre are required to make current service contributions of 8.39% of pensionable salary up to the year's maximum pensionable salary and 12.84% on pensionable salary above this amount.

Total current service contributions by the Centre to the LAPP in 2021 were \$154,900 (2020 - \$185,115). Total current service contributions by the employees of the Centre to the Local Authorities Pension Plan in 2021 were \$141,727 (2020 - \$167,848).

At December 31, 2020, the date of the most recent actuarial valuation, the LAPP disclosed an actuarial surplus of \$4,961,337,000 (2019 - \$7,913,261,000).

11. Financial instruments

The Centre is subject to credit risk with respect to accounts receivable. Credit risk arises from the possibility that the Centre's customers or sponsors may experience financial difficulty and be unable to fulfill their obligations. The large number and diversity of customers minimizes the Centre's credit risk.

Unless otherwise noted, the fair values of these financial instruments approximate their carrying values.

12. Segments

The Centre provides a range of services to its patrons. For each reported segment, the revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in Note 2.

Refer to Schedule IV - Schedule of Segmented Disclosure.

13. Budget information

The disclosed budget information has been approved by the Board. The Centre does not budget for amortization. Included in the actual expenses on the statement of operations is amortization of \$336,930 (2020 - \$397,023).

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14. Contingencies

The Centre is a member of the Genesis Reciprocal Insurance Exchange ("GENESIS"). Under the terms of the membership, the Centre could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred would be accounted for as a current transaction in the year the losses are determined.

15. Economic dependence

The Centre receives a significant portion of its operational and capital funding through contribution arrangements with the Town of Stony Plain, Parkland County and the City of Spruce Grove. The ability of the Centre to continue operations, at current service levels, will rely on a continued commitment of support from the Municipalities.

16. Significant event

On March 11, 2020, the World Health Organization declared the outbreak of COVID-19 (coronavirus) a pandemic. This has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Centre as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the full extent of the impact is unknown, the Centre has experienced a significant decrease in operating revenues due to facility closures and capacity restrictions as a result of the COVID-19 pandemic.