Financial Statements of

THE BRITANNIA COMMUNITY SERVICES CENTRE SOCIETY

And Independent Auditors' Report thereon

Year ended December 31, 2021

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INDEPENDENT AUDITORS' REPORT

To the Members of The Britannia Community Services Centre Society

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of The Britannia Community Services Centre Society (the "Entity"), which comprise:

- the statement of financial position as at December 31, 2021
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2021, and its results of 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 "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the Entity 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' 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 auditors' 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 the 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 Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Entity 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.
- 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.

Report on Other Legal and Regulatory Requirements

As required by the Societies Act (British Columbia) we report that, in our opinion, the accounting policies applied in preparing and presenting financial statements in accordance with Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding period.

Chartered Professional Accountants

Vancouver, Canada
May ___, 2022

THE BRITANNIA COMMUNITY SERVICES CENTRE SOCIETY

Statement of Financial Position

December 31, 2021, with comparative information for 2020

	2021	2020
Assets		
Current assets:		
Cash	$ 885,857	$ 543,659
Short-term investments, at fair value (note 3)	412,176	289,997
Amounts receivable:		
City of Vancouver	859,446	743,177
Other	510,914	475,367
Inventory	50,128	50,128
	2,718,521	2,102,328
Investments, at fair value (note 3)	517,534	700,464
Tangible capital assets (note 4)	562,999	595,488
Due from City of Vancouver and Parks Board (note 9(a))	250,500	248,200
	$ 4,049,554	$ 3,646,480
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities (note 5)	$ 338,470	$ 646,125
Deferred contributions (note 6)	554,276	622,844
Deferred revenue (note 7)	215,151	15,820
Due to related parties (note 8)	902,402	476,497
	2,010,299	1,761,286
Employee future benefits (note 9)	291,000	288,100
Working capital advance (note 10)	81,000	81,000
Deferred capital contributions (note 11)	449,912	469,669
	2,832,211	2,600,055
Net assets:		
Invested in tangible capital assets (note 12(a))	113,087	125,819
Internally restricted (note 13)	1,104,256	920,606
	1,217,343	1,046,425
Economic dependence (note 20)		
	$ 4,049,554	$ 3,646,480

See accompanying notes to financial statements.

Approved on behalf of the Board:

_______________________________ Director _______________________________ Director

THE BRITANNIA COMMUNITY SERVICES CENTRE SOCIETY
Statement of Operations

Year ended December 31, 2021, with comparative information for 2020

	2021	2020
Revenue (note 15):		
Contributions from City of Vancouver for operating purposes	$ 4,601,070	$ 3,925,360
Contributions from Government of Canada (note 21)	290,832	513,623
Rink and Pool	482,136	468,680
Donations, membership fees and special events	95,470	123,534
Province of British Columbia gaming grant	101,105	101,863
Contribution from Britannia Community Services Foundation (note 16)	66,879	64,052
Amortization of deferred capital contributions (note 11)	19,757	19,757
Interest	1,656	14,040
Rentals	-	4,268
Programs:		
Recreation (note 21)	1,148,707	1,050,265
Child Care (note 21)	776,882	864,463
Community education (note 21)	512,330	457,019
Other	-	2,464
	8,096,824	7,609,388
Expenses:		
Maintenance and operations of buildings, equipment and grounds	1,803,870	1,937,133
Salaries, wages and employee benefits Administration	1,772,916	1,556,804
Salaries, wages and employee benefits Park Board Staff	1,677,102	1,303,412
General programs	529,523	559,533
Administration	182,237	149,887
Gaming grant for children, youth, and senior programs	101,105	101,863
Amortization of capital assets	32,489	35,223
Programs:		
Recreation	605,628	507,970
Child Care	719,207	680,195
Community education	515,915	479,030
Other	414	4,470
	7,940,406	7,315,520
Excess of revenue over expenses	$ 156,418	$ 293,868

See accompanying notes to financial statements.

THE BRITANNIA COMMUNITY SERVICES CENTRE SOCIETY

Statement of Changes in Net Assets

Year ended December 31, 2021, with comparative information for 2020

	General Operating Fund				
	Invested in capital assets	Unrestricted	Internally restricted	2021 Total	2020 Total
	(note 12)		(note 13)		
Balance, beginning of year	$ 125,819	$ -	$ 920,606	$ 1,046,425	$ 765,957
Actuarial gain (loss) on employee future benefits	-	14,500	-	14,500	(13,400)
Excess (deficiency) of revenue over expenses	(12,732)	169,150	-	156,418	293,868
Internal transfers (note 13)	-	(183,650)	183,650	-	-
Balance, end of year	$ 113,087	$ -	$ 1,104,256	$ 1,217,343	$1,046,425

See accompanying notes to financial statements.

THE BRITANNIA COMMUNITY SERVICES CENTRE SOCIETY

Statement of Cash Flows

Year ended December 31, 2021, with comparative information for 2020

	2021	2020
Cash provided by (used in):		
Operating:		
Excess (deficiency) of revenue over expenses	$ 156,418	$ 293,868
Items not affecting cash:		
Amortization of capital assets	32,489	35,223
Amortization of deferred capital contributions	(19,757)	(19,757)
Change in fair value of investments	4,141	18,122
	173,291	327,456
Changes in non-cash operating working capital:		
Amounts receivable	(151,816)	(475,935)
Prepaid expenses	-	(45,003)
Accounts payable and accrued liabilities	(307,655)	420,035
Deferred contributions	(68,568)	256,635
Deferred revenue	199,331	(234,475)
Due to related parties	425,905	(239,486)
Employee future benefits	17,400	9,700
	287,888	18,927
Financing:		
Change in due from City of Vancouver and Parks Board	(2,300)	(17,400)
Investing:		
Proceeds from maturity of investments	281,006	315,942
Purchase of investments	(224,396)	-
	56,610	315,942
Increase in cash	342,198	317,469
Cash, beginning of year	543,659	226,190
Cash, end of year	$ 885,857	$ 543,659

See accompanying notes to financial statements.

1. Operations:

The Britannia Community Services Centre Society (the "Society") is registered under the Societies Act (British Columbia) and its principal activity is the provision of social, recreational and educational services to the public. The Society is a registered charity under the Income Tax Act and, accordingly, is exempt from federal and provincial income taxes.

Pursuant to a master agreement with the City of Vancouver (the "City") and the Board of School Trustees of School District No. 39 (Vancouver) ("VSB"), the Society manages the Britannia Community Services Centre with operating funds provided by the City and through its own fundraising and program activities.

Operations include the Society's support, at the discretion of the Society's Board of Management (the "Board"), to various community-initiated programs.

In March of 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. The Society has experienced the following changes in operations in relation to the COVID-19 pandemic:

- Temporary closures of facilities including the pool, rink and fitness centre;
- Cancelations and reductions in recreation and child-care programs;
- Reductions in revenues due to canceled programs and closed facilities; and
- Temporary work shortages for certain administration, child-care, and recreation staff.

The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on the Society's operations is not known at this time. As at the date of approval of these financial statements, there has been no change in the Society's budget and funding arrangement with the City, which provides funding for certain unavoidable costs including administration and recreation salaries, and maintenance (note 20).

2. Significant accounting policies:

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Handbook – *Accounting* and include the following significant accounting policies:

(a) Basis of presentation:

These financial statements do not include the financial information of the Britannia Community Services Foundation (the "Foundation"), a charitable entity controlled by the Society. A financial summary of the Foundation is included in note 16.

2. Significant accounting policies (continued):

(b) Tangible capital assets:

Tangible capital assets are recorded at cost less accumulated amortization. Amortization is recorded on a straight-line basis over the estimated useful lives of the assets as follows:

Asset	Years
Buildings - Carving Pavilion	25
Equipment	3 - 10
Leasehold improvements	10 - 20
Vehicles	7

Title to the buildings to which improvements are made, and certain other assets at the discretion of the Society, are vested in the City. Contributed tangible capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expense. Betterments that extend the estimated useful life of an asset are capitalized.

The Society reviews the carrying amount of tangible capital assets for impairment whenever events or changes in circumstances indicate that the asset no longer contributes to the Society's ability to provide services, or that the value of future economic benefits or service potential associated with the asset is less than its carrying amount. If such conditions exist, an impairment loss is measured and recorded in the statement operations at the amount by which the carrying amount of the net asset exceeds its fair value or replacement cost.

(c) Revenue recognition:

The Society follows the deferral method of accounting for contributions, which include government grants and donations. These amounts are recognized as revenue in the year in which the related expenses are recognized. Contributions restricted for the acquisition of tangible capital assets are deferred and amortized to revenue on the same basis as the related assets are amortized.

Unrestricted contributions are recognized as revenue in the year in which the funds are received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Operating grants are recorded as revenue in the period to which they relate. Unrestricted grants approved but not received at the end of an accounting period are accrued. Where a portion of a grant received relates to a future period, it is deferred and recognized in that subsequent period.

Investment income is recognized as revenue when earned.

2. Significant accounting policies (continued):

(c) Revenue recognition (continued):

Revenue from fees and contracts is recognized when the services are rendered or the goods are provided. Certain fees, which are applicable to the following fiscal year for recreation programs and swimming and skating lessons are received before year end. These amounts are recorded as deferred revenue to the extent the programs are held in the subsequent year.

Donated services and materials normally acquired for the operations of the Society are recorded at their fair value, when readily determinable and may be based on donor provided information, as of the date the services are provided or the materials are received. Donated services in the form of volunteer time are not recognized in these financial statements due to the difficulty in determining a fair value.

(d) Employee future benefits:

Employees are entitled to earned benefits related to non-vested accumulating sick leave, sick leave gratuity and full vacation entitlement at retirement. Certain employees may also defer current vacation entitlements. The liability and expense for these benefits and compensated absences, including non-vested amounts, is recognized in the financial statements in the period in which employees render services and on the basis that the benefits are expected to be provided when the employees are no longer providing active service.

The Society has accrued future obligations for post-employment benefits using the projected benefits method prorated on service. The Society's employees include Administrative, Parks Board and Child Care. The compensation, including employee future benefits of Administrative and Parks Board employees, is funded directly by the City. Child Care employees' compensation, including future benefits, is the responsibility of the Society.

The Society records actuarial gains and losses directly in net assets in the period they arise.

(e) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of revenue and expenses for the reporting period. Actual results could differ from those estimates.

(f) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Society elected to carry all investments at fair value.

2. Significant accounting policies (continued):

(f) Financial instruments (continued):

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets carried at cost or amortized cost are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Society determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Society expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

3. Investments:

Investments are comprised of guaranteed investment certificates (“GICs”) and term deposits. The GICs and term deposits bear interest ranging from 1.15% to 3.1% (2020 - 0.8% to 3.1%), and mature between February 2022 and October 2026 (2020 - February 2021 and December 2023). Amounts maturing within the next fiscal year have been classified as short-term investments.

4. Tangible capital assets:

			2021	2020
	Cost	Accumulated amortization	Net book value	Net book value
Building - Carving Pavilion	$ 656,751	$ 141,244	$ 515,507	$ 536,544
Equipment	233,198	231,291	1,907	3,812
Leasehold improvements	269,311	223,726	45,585	55,132
Vehicles	41,493	41,493	-	-
	$ 1,200,753	$ 637,754	$ 562,999	$ 595,488

The Society occupies a building that is leased from the City at a nominal rate. Leasehold improvements relate to improvements at this building.

5. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities as at December 31, 2021 are government remittances payable of $13,360 (2020 - $29) relating to sales taxes and payroll taxes.

6. Deferred contributions:

Deferred contributions represent restricted contributions received related to program and project expenses of future periods which will be recognized as revenue in the period in which the related expenses are incurred or the programs are provided.

	Balance, December 31, 2020	Amounts received during the year	Amounts recognized as revenue	Balance, December 31, 2021
Gaming	$ 69,735	$ 155,100	$ 101,105	$ 123,730
Programs	553,109	966,458	1,089,021	430,546
	$ 622,844	$ 1,121,558	$ 1,190,126	$ 554,276

7. Deferred revenue:

Deferred revenue represents fees received related to recreation programs and memberships to be provided in the following fiscal period:

	2021	2020
Recreation programs	$ 215,151	$ 15,820

8. Due to related parties:

The Society has management agreements with each of the Child Care Societies listed below. Through these agreements, the Society provides human resource management and financial services to the Child Care Societies. The management agreements do not compromise the Child Care Societies existence as each are independently governed and separately incorporated. The Society has determined the Child Care Societies are related parties by virtue of the management agreements in place and the degree of influence that the Society has on the Child Care Societies. The amount due to related parties is comprised of cash and investments held on behalf of these entities under their respective management agreements. The amounts bear interest at the rates earned by the cash and investments and are payable on demand.

	2021	2020
Grandview Terrace Child Care Society	$ 368,082	$ 261,905
Eagles in the Sky Child Care Society	240,898	65,777
Mount Pleasant Child Care Society	293,422	148,815
	$ 902,402	$ 476,497

9. Employee future benefits:

Employee benefit liabilities are comprised as follows:

	2021	2020
Administration (a)	$ 125,200	$ 124,700
Parks Board (a)	125,300	123,500
Child Care	40,500	39,900
	$ 291,000	$ 288,100

The liabilities reported in 2021 are based on a full actuarial valuation as of September 30, 2019 that was extrapolated to December 31, 2021 using the following valuation assumptions:

	2021	2020
Discount rate	2.80%	2.45%
Inflation rate	2.50%	2.50%
Rate of compensation increase	2.58 to 4.50%	2.58 to 4.50%

The continuity of the Society's employee benefit liability, which is equal to the actuarial obligation, is as follows:

	2021	2020
Beginning of year	$ 288,100	$ 265,000
Current service cost	24,100	22,300
Interest cost	7,100	8,000
Actual benefits paid	(13,800)	(20,600)
Actuarial (gain) loss	(14,500)	13,400
Balance, end of year	$ 291,000	$ 288,100

(a) The employee benefit liabilities relating to Administration and Parks Board are funded by the amount due from City of Vancouver and Parks Board reported on the statement of financial position. The amount due is non-interest bearing and has no specified terms of repayment.

10. Working capital advance:

The working capital advance represents funds received from the City at the Society's inception to assist with monthly expenses, if required. These funds are repayable to the City upon the cessation of the Society and are non-interest bearing.

11. Deferred capital contributions:

		2021		2020
Balance, beginning of year	$	469,669	$	489,426
Amortization during the year		(19,757)		(19,757)
Balance, end of year	$	449,912	$	469,669

Deferred capital contributions represent the unamortized amount of funds received from funders for and spent on the construction of a carving pavilion and child-care playground.

12. Net assets invested in capital assets:

(a) Net assets invested in capital assets is calculated as follows:

		2021		2020
Capital assets	$	562,999	$	595,488
Amounts financed by deferred capital contributions		(449,912)		(469,669)
	$	113,087	$	125,819

(b) Change in net assets invested in capital assets:

		2021		2020
Amortization of deferred capital contributions	$	19,757	$	19,757
Amortization of capital assets		(32,489)		(35,223)
	$	(12,732)	$	(15,466)

13. Internally restricted net assets:

Internally restricted net assets are comprised of the following:

	Balance, December 31, 2020	Increase (decrease), during the year	Balance, December 31, 2021
Child Care	$ 335,017	$ 27,506	$ 362,523
Community Education	18,391	(3,585)	14,806
Van	40,000	-	40,000
Discretionary Reserve	527,198	159,729	686,927
	$ 920,606	$ 183,650	$ 1,104,256

The restricted Child Care and Community Education funds provide a source of funding in these programs for program deficits that may arise, capital acquisitions, or other uses related to these programs as determined by the Board.

The restricted Van fund provides a source of funding for future major van repairs or to contribute to its possible replacement.

The Discretionary Reserve represents funds committed during the year by the Board of Management for specific programs, but not expended by year end.

In 2016, the Board passed a new annual surplus policy in which annual and prior surpluses be allocated in the following manner:

- Surpluses generated in the Britannia Child Care and Community Education will be accrued to the dedicated reserves;
- The Van Reserve would be established and maintained at $40,000;
- 75% of the remaining surplus would be allocated to a Facility Renewal Capital Fund that is managed by the Foundation;
- 15% of the remaining surplus to be placed in the Discretionary Reserve; and
- 10% of the remaining surplus to be transferred to the Foundation for the legacy of the Society.

There were no transfers of funds from the Society to the Foundation during the 2021 and 2020 fiscal years. However, the Board has made a special approval to transfer $159,729 of the fiscal 2021 surpluses to the discretionary reserve to be used towards the 5 year Reconciliation Plan.

14. Vancouver Foundation:

Funds administered by the Vancouver Foundation for which the Society is the beneficiary of the income are permanently restricted and consequently not included as an asset of the Society in these financial statements. The fund balance at December 31, 2021 is $50,150 (2020 - $50,150). The related market value at December 31, 2021 is $64,609 (2020 - $59,869).

Under the terms of the fund, the Society receives income earned on the capital. Income received in the amount of $558 (2020 - $558) has been recorded in interest income in the statement of operations.

15. Revenue:

Revenue consists of contributions and fee revenue from the following sources:

	2021	2020
City of Vancouver	$ 4,674,912	$ 4,026,263
Government of Canada	962,304	1,252,594
Province of British Columbia	300,344	351,000
Fee for service	1,634,800	1,434,299
Britannia Community Services Foundation	66,879	64,052
Other	457,585	481,180
	$ 8,096,824	$ 7,609,388

Included in revenue from the City is $73,842 of child-care, recreation and community education programs revenue (2020 - $100,903).

Contributions from the City in the statement of operations include Vancouver Park Board staff services with a value of $1,683,400 (2020 - $1,303,412) and maintenance staff services with a value of $799,713 (2020 - $617,170). The related expenses are recorded in Salaries, wages and employee benefits Park Board Staff expense, and Maintenance and operations of buildings, equipment and grounds expense on the statement of operations.

16. Britannia Community Services Foundation:

The Foundation was incorporated on November 20, 2002 and is registered under the Societies Act (British Columbia). The purpose of the Foundation is to further services and programs offered by the Society by providing financial support. The Society controls the Foundation by virtue of its ability to appoint a majority of the Foundation's Board of Directors.

The net assets and results of operations of the Foundation are not included in the financial statements of the Society. A financial summary as at and for the years ended December 31, 2021 and 2020, are as follows:

	2021	2020
Financial position:		
Total assets	$ 1,910,839	$ 1,830,056
Total liabilities	71,528	124,212
Total net assets	$ 1,839,311	$ 1,705,844
Result of operations:		
Total revenue	$ 115,876	$ 23,476
Expenses:		
Grant to Britannia Community Services Centre Society (a)	66,879	64,052
Administration	18,319	13,228
Foreign withholding taxes	595	847
Total expenses	85,793	78,127
Excess (deficiency) of revenue over expenses before undernoted item	30,083	(54,651)
Unrealized gains arising during the year	103,384	188,076
Excess of revenue over expenses	$ 133,467	$ 133,425
Statement of cash flows:		
Operating activities	$ (99,403)	$ 32,663
Investing activities	99,403	(32,663)
Change in cash and cash balance, beginning and end of year	$ -	$ -

(a) The grant from the Foundation to the Society is recorded in revenues. The transaction is in the normal course of operations and is measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

17. Bank facility:

The Society has available an operating line of credit to a maximum of $150,000 at an annual rate of bank prime. This is secured by a general security agreement creating interest against all present and after-acquired personal property and specifically charging $150,000 assignment of deposits and registered at the Personal Property Registry against the Society. As at December 31, 2021, the Society had not drawn on this facility (2020 - nil).

18. Financial risks:

(a) Interest rate risk:

The Society is exposed to interest rate risk on its fixed interest rate financial instruments, which subject the Society to a fair value risk. The Society is exposed to this type of risk as a result of investments in fixed rate GICs and term deposits.

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Society is exposed to credit risk with respect to the amounts receivable and its investments in GICs. The Society assesses, on a continuous basis, amounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts. Cash, term deposits and GICs are invested with reputable financial institutions.

(c) Liquidity risk:

Liquidity risk is the risk that the Society will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Society manages its liquidity risk by monitoring its operating requirements. The Society prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations.

In management's opinion, the Society is not exposed to significant market or currency risks related to its financial instruments. There has been no change to the risk exposures from 2020 except for impacts of COVID-19.

19. Disclosure of employee and contractor remuneration:

For the year ended December 31, 2021, the Society paid total remuneration of $615,813 (2020 - $597,811) to six (2020 – six) employees and/or contractors for services, each of whom received total annual remuneration of $75,000 or greater. No remuneration was paid to any members of the Board.

20. Economic dependence:

The Society receives a major portion of its revenue pursuant to a funding arrangement with the City. Future operations of the Society depend on continued funding under this arrangement.

21. Canada Emergency Wage Subsidy:

Due to the COVID-19 pandemic, the Canadian government introduced the Canada Emergency Wage Subsidy (“CEWS”) to assist eligible organizations who had lost a certain percentage of their qualifying revenue. During the year ended December 31, 2021, the Society recognized CEWS claims totaling $551,236 (2020 - $1,018,416) in contributions from Government of Canada and in programs revenue in the Statement of Operations as follows:

	2021	2020
Contributions from Government of Canada	$ 290,832	$ 513,623
Programs Revenue:		
Recreation	126,386	233,951
Child Care	122,513	253,467
Community education	11,505	17,375
	$ 551,236	$ 1,018,416

As at December 31, 2021, $271,100 (2020 - $223,175) is included in other amounts receivable with respect to claims not yet received.

22. Comparative information:

Certain comparative information has been reclassified to conform to this year’s current financial statement presentation. There was no impact on the prior year excess of revenue over expenses, total assets, or total net assets.