Newfoundland and Labrador Sports Centre Inc.

Annual Report 2025-26

Message from the Chairperson

As Chairperson of the Board for the Newfoundland and Labrador Sports Centre Inc., I am pleased to present its annual report for the period of April 1, 2025, to March 31, 2026. The annual report has been prepared and is submitted in accordance with the obligation as a category three entity under the **Transparency and Accountability Act**. My signature below is indicative of the Board's accountability for the actual results reported within this report.

Sincerely,

Tom Godden
Chairperson

Table of Contents

Entity Overview

The Newfoundland and Labrador Sports Centre Inc. (Sports Centre) is a group of state-of-the-art athletic facilities located in St. John's. The PowerPlex site on Crosbie Road was officially opened in July 2008. The development of the Sports Centre was made possible through a collaborative funding initiative involving the federal, provincial, and municipal governments, as well as contributions from the sporting community and private sector partners. Phase two additions were added in 2016 and include Benvon's Room and the Dr. Noel Browne High Performance Centre. In July 2025, the Sports Centre took on operations of a second site on Lambes Lane, the new Fortis Canada Games Complex. The Complex was constructed for the 2025 Canada Games and is owned by the Government of Newfoundland and Labrador. Ongoing operational support is provided annually by the Government of Newfoundland and Labrador through the Department of Tourism, Culture, Arts and Recreation (TCAR). Additional information on the Sports Centre's vision, mandate, roles and lines of business is available in its 2023-26 Activity Plan.

Lines of Business

The Sports Centre carries out its mandate through three primary lines of business:

Operation of the Sports Centre's Facilities (PowerPlex, Dr. Noel Browne High Performance Centre and Fortis Canada Games Complex): The Sports Centre facilities operate seven days per week and, as such, the daily operations require a great deal of time and focus. This includes the management of human resource issues, facilities maintenance, managing bookings, procuring required items and information technology management, among others.

Athlete Development and Training: The Crosbie Road complex includes two buildings – a multi-purpose indoor training facility (the PowerPlex) and a high-performance centre (Dr. Noel Browne High Performance Centre). The Fortis Canada Games Complex includes internationally certified athletics and soccer facilities as well as indoor training spaces. These facilities enable athletes and teams to access training space and to help achieve a higher level of athletic success.

Event Hosting: The Sports Centre complexes serve as venues to host provincial, national and international competitions in Newfoundland and Labrador.

Mandate

The mandate of the Sports Centre's Board, as described under the objects of the corporation, is:

a) To manage, maintain and operate the Newfoundland and Labrador Sports Centre Inc.;
b) To provide high-quality facilities that allow Newfoundland and Labrador Provincial Sports Organizations the opportunity to implement and develop programs through training and competition; and,
c) To provide a high-performance program that promotes and supports increased physical conditioning, skill development and overall athlete development.

The Sports Centre operates multiple facilities, including:

PowerPlex

The PowerPlex is a multipurpose indoor training facility designed to meet the needs of the province's elite and developing athletes. It features a 2,944 square metre gymnasium capable of supporting multiple court configurations, a combat room, locker and shower facilities, and a 600 square metre turf area with bleacher seating and dedicated washrooms. Major upgrades completed in 2017 expanded functional training space and improved the quality of user amenities. For the 2025 Canada Games, several upgrade projects were completed including a new top-roll curtain, new wall padding, locker room lighting and landscaping.

Dr. Noel Browne High Performance Centre

The Dr. Noel Browne High Performance Centre, connected to the Swilers Rugby Club, provides a worldclass strength and conditioning environment comparable to facilities used by professional sport organizations. The Performance Centre includes a multipurpose meeting room, office space, and extensive high performance training areas, including a 270 square metre expansion completed in 2017.

Fortis Canada Games Complex

In 2025, the Sports Centre assumed operational responsibility for the newly constructed Fortis Canada Games Complex, a major legacy project of the 2025 Canada Summer Games. Built with more than $34 million in joint federal, provincial, and municipal investment, the Complex expands the Sports Centre's capacity to support long-term sport development in Newfoundland and Labrador. The Fortis Canada Games Complex includes:

- A Class II IAAF certified 400 metre, eight lane outdoor track and integrated throwing area.
- A FIFA Quality Pro-certified artificial soccer turf field suitable for high performance training and competition.
- A modern indoor training facility with administrative space, storage, locker rooms, and accessible washrooms.

The Complex was developed to support the 2025 Canada Games but is designed to provide long-term benefits to the provincial sport system by increasing access to high performance outdoor and indoor training infrastructure.

Staff and Budget

As of March 31, 2026, the Sports Centre staff comprises 11 full-time and 16 part-time employees. The Sports Centre is managed by a Board of Directors appointed by the Lieutenant-Governor in Council. The Board of Directors is comprised of 13 members: the chairperson, six representatives appointed by the Provincial Government and six board members who are drawn from the City of St. John's as well as sport and recreation community and who have extensive experience in the field. The 2025-26 expenditures for the Sports Centre were $1,571,320. Please see Financial Information section: the Sports Centre Audited Financial Statements March 31, 2026.

Board of Directors

The Board of Directors is composed of individuals from across the sport and recreation sector who bring extensive knowledge and experience to the organization. As of March 31, 2026, the Board consisted of the following members:

- Tom Godden (Chairperson);
- Councillor Tom Davis (City of St. John's Council Representative);
- Blair White (Sport NL Representative);
- Aaron Flood (Sport NL Representative);
- Dennis Clarke (Swilers Rugby Club Representative);
- Dr. Noel Browne (Swiler's Rugby Club Representative);
- Andrew Wright (TCAR Representative):
- Andrew Bruce (Community Representative);
- Roger Head (Community Representative);
- Sheena McCrate (Community Representative);
- Colin Sullivan (Community Representative); and
- Winston Jenkins (Community Representative)

Physical Location

Rod Snow, Executive Director and High-Performance Director

NL Sports Centre

100 Crosbie Road

St. John's, NL, A1E 2X3

Email: rodsnow@gov.nl.ca

Telephone: 709-729-6580

Website: www.nlsportscentre.ca

Highlights and Partnerships

Highlights

The Sports Centre continued to reach new levels of growth in 2025-26, demonstrating success in five main areas.

- 2025 Canada Games Host Venues: In August 2025, the Sports Centre's facilities were a feature of the Games. Over 21 days, the Fortis Canada Games Complex hosted Athletics and Soccer Competitions while the PowerPlex hosted both Volleyball and Basketball. These competitions comprised the larger tournaments for the Games and saw thousands of spectators come through the doors at both facilities. While the Canada Games brought the new Complex into the Sports Centre's portfolio, it also allowed for significant upgrades to the PowerPlex and existing infrastructure. Work was completed to install a new top roll curtain in the gymnasium, new wall padding was added, while electrical upgrades in changerooms were completed in addition to a cafeteria renovation. These major projects were completed alongside refreshing the facility with painting, landscaping and accessible emergency exit access in the High Performance Centre.

- Operation of the Fortis Canada Games Complex: The conclusion of the Canada Games saw the Sports Centre taking on operations of the Fortis Canada Games Complex. This new facility has taken on a significant role in the sports community and will continue to build upon the success of the Canada Games in the years to come.

- Gender Equity: The Sports Centre remains committed to advancing equity, including support for Women and Gender Equality, by fostering inclusive participation and access across its programming and partnerships. The Sports Centre is proud that at the end of 2025-26 reporting year, the staff is equally male and female split, including women in senior roles, and we will continue to ensure gender parity.

- Capacity Utilization: During the fall 2025 and winter 2026 seasons, the Sports Centre operated at full capacity during prime-time hours, reflecting sustained and high demand for its facilities. Over the course of the year, a total of 4,900 prime-time hours were rented, contributing to an overall annual utilization of 6,009 hours. These figures underscore the Sports Centre's pivotal role as a premier venue for high-performance sport in the province. The Fortis Canada Games Complex was well used in prime-time hours during the fall. High School Sport was a frequent user of the facility and the Sports Centre has been working well with Prince of Wales Collegiate (PWC) for access given that their former field was developed into the Complex. Over the winter months, the Sports Centre's staff worked with local athletics clubs and the Provincial Sports Organizations (PSOs) to reimagine what access to the complex will look like moving forward for their sport.

- Focus on Accessibility: While 2024-25 saw the Sports Centre tackle accessibility from an infrastructure standpoint, the focus in 2025-26 was on accessibility for athletes of all abilities. The addition of a full-time High-Performance coach allows the Sports Centre to focus on the development and advancement of Para and Special Olympics Sport programs. The coach underwent specialized training to work with these athletes and is now reaching out to PSO groups specifically to help identify and train potential athletes across more sports.

Partnerships

The Sports Centre continued its partnerships with local organizations to offer summer camps in our community. While Cygnus Gymnastics has moved into its own facility, the YMCA of Northeast Avalon will host a summer camp at the Fortis Canada Games Complex, expanding the range of programs available to both the community and athletes. Cygnus Gymnastics continues to deliver the Sports Centre's well-regarded Active Start Program at the Powerplex, promoting early engagement in physical activity for children.

In support of public safety and training objectives, the Sports Centre continues to provide access to high-quality facilities and equipment for several government agencies, including the Royal Newfoundland Constabulary, Canada Border Services Agency, Department of Fisheries and Oceans, the Sheriff's Office, and the Department of Justice and Public Safety.

Co-located with the Swilers Rugby Football Club, the Sports Centre maintains a cooperative agreement to the shared use of the Dr. Noel Browne High Performance Centre. This includes shared resources, equipment, and coordinated site maintenance.

During the reporting period, new opportunities to strengthen partnerships with PSO groups that are traditionally not frequent users of the PowerPlex occurred. The NL Soccer Association (NLSA) and NL Athletics Association (NLAA) and their member clubs, as well as School Sport NL, became some of the most frequent users of the new facility. While the Sports Centre and NLAA have been long-time users of the High-Performance program for their provincial-level athletes, this facility has allowed teams and clubs to benefit from the Sports Centre who have not had the opportunity to use the facilities before. Additionally, the longstanding partnership with Swilers Rugby Club/NL Rugby Union saw teams making better use of time at the Fortis Canada Games Complex, allowing for court space to be used by more appropriate groups. The Sports Centre and PWC also worked well together. As the facility neighbors who gave up a sports field for the complex to be constructed, PWC was granted daytime access for any physical education classes to use and their athletics teams enjoyed practices on site throughout the fall.

Report on Performance

Strategic Issue 1

Facilitate sport development by providing safe, high-quality sport programs and facilities and being a primary venue for provincial sports organizations for training, competition and athlete improvement. This supports Government's strategic direction of promoting active healthy lifestyles. The Sports Centre works with its partners to ensure gender equity across all programs.

2025-26 Objective:

By March 31, 2026, the Newfoundland and Labrador Sports Centre will have provided safe, high-quality sport facilities and programs for Provincial Sports Organizations.

Indicator 1: Hosted sporting activities and competitions for multiple PSOs.

During the 2025–26 reporting period, the Sports Centre experienced its highest operational activity since opening in 2008, with facilities operating at near full capacity during prime hours. The Sports Centre hosted programming for 54 provincial, municipal, and club sport organizations across its facilities. Seven PSOs held provincial competitions, including the Newfoundland and Labrador Basketball Association, Volleyball Association, Cricket NL, School Sport NL, Taekwondo Association, Karate NL and NL Athletics Association. Gymnastics NL, NL Athletics Association and Football NL also hosted Atlantic Canadian Championships, welcoming athletes from all four Atlantic Provinces. Memorial University Varsity Athletics used the Fortis Canada Games Complex as their home field for the 2025 season and hosted 12 games at the facility in the fall. On top of these youth-focused events, the Sports Centre hosted Canada Soccer Senior Men's and Women's National Championships, five adult provincial tournaments were held at the Sports Centre as well as a large multi-cultural festival. Additionally, the Sports Centre facilitated weekend camps and tournaments, alongside regular weekly youth and adult leagues organized by the NL Basketball and Volleyball Associations. Community organizations, such as Vera Perlin and First Light, also utilized the facilities for sport and recreation programs.

Indicator 2: Undertook infrastructure review to ensure minimum standards are met for Newfoundland and Labrador Sports Centre hosted sporting events for Canada Games 2025.

While major capital upgrades for the 2025 Canada Games were completed in 2023–24 and 2024-25, the 2025–26 fiscal year focused on the final aesthetic pieces to showcase the full potential of the Sports Centre to Games visitors. Capital projects that were undertaken included the replacement of the top roll curtain and wall padding in the gymnasium, upgraded locker room lighting, a new kitchenette and full exterior landscaping. The Canada Games Host society also provided a filtered four-port water bottle filling station as the PowerPlex did not have a water fountain.

Indicator 3: Conducted policy review to promote and enable safe and healthy sport environment.

In addition to implementing the accessibility upgrades identified under Indicator 2, the Sports Centre strengthened its commitment to policy implementation and the promotion of a safe, healthy work environment in 2025-26. As part of this effort, the Sports Centre Board conducted an organizational staffing review, resulting in the creation of a new full-time Operations Manager position. Recruitment and hiring for this role were successfully completed, with the new staff member scheduled to begin in the 2025–26 fiscal year. In addition to overseeing day-to-day operations, the Operations Manager will be responsible for ensuring consistent implementation of policies across all Sports Centre facilities and for enhancing organizational efficiency through the development and standardization of procedures.

Opportunities and Challenges

Opportunities

1. **Expansion of Sport Development Opportunities**
   The expansion of facilities under the Sports Centre’s portfolio presents a significant opportunity to broaden sport participation and development for both youth and adults across the province. To support this objective, the Sports Centre is pursuing the recruitment of a dedicated Sport Development staff member. This role will focus on collaboration with PSOs and community partners to promote cross-sport training models, increase access to training opportunities, and enhance athlete development pathways. This approach is expected to optimize utilization of the specialized facilities under the Sports Centre’s management, enabling a more inclusive and multi-sport environment that supports the long-term growth of the provincial sport sector. The addition of a full-time Strength and Conditioning Coach to the staff in 2025-26 will allow the Sports Centre to centralize its focus on Para and Special Olympics athletes, expanding the Sports Centre’s reach to high performance athletes in the province.

2. **Integration of Medical Rehabilitation and Sport Programming**
   The Sport Centre recognizes the growing community demand for medical rehabilitation services, particularly those that align with physical activity and sport programming. In response, the Sports Centre is exploring opportunities to integrate these health-focused services within its existing infrastructure. Adaptable performance spaces support a continuum of care from early-stage rehabilitation through to advanced strength and conditioning. Given the variety of facilities under the Sport Centre’s umbrella and the flexibility to have multiple stages of recovery in the same space, streamlining the transitions from injury recovery to active participation can be ideal at Sports Centre’s facilities. By supporting rehabilitation, active living, and inclusive programming, the Sports Centre can contribute to building

a healthier, more active population while fulfilling its mandate to deliver high-quality, accessible sport infrastructure.

3. **Expansion of Non-Prime Time Partnerships**
   Moving forward, the Sports Centre will prioritize the expansion of lines of business during non-prime operating hours, leveraging increased facility capacity to maximize utilization. This approach will support the diversification of programming and revenue streams in part, by targeting non-traditional users during those times. By strategically expanding programming and services during underutilized periods, the Sports Centre aims to reduce operational risk while strengthening financial sustainability. This approach will improve overall efficiency and support a gradual enhancement of the Centre's financial position, ensuring that all initiatives are advanced in a prudent, measured, and responsible manner.

Challenges

1. **Ensuring Facility Capacity to Meet Growing Programming Demand**
   The Sports Centre is mandated to deliver safe, high-quality sport programming and infrastructure that supports the development of athletes and sport organizations throughout the province. In response to increasing demand for enhanced training and competition environments, the Sports Centre must continue to evaluate and improve the functionality and usability of its existing facilities. Strategic planning efforts will include a comprehensive assessment of both current and potential infrastructure to identify opportunities to expand capacity and ensure the Centre can meet evolving needs while supporting long-term sport development. Notably, the 2005 Sports Centre Planning Document identified the development of an indoor turf facility as a key priority; however, this element has yet to be realized and remains a significant consideration in future planning.

2. **Managing Organizational Growth in Line with Facility Expansion**
   As the Sports Centre undertakes strategic growth through the expansion of facilities and increased service capacity, it must also address the operational demands

associated with this development. Careful planning, prudent resource allocation, and organizational capacity building will be essential to maintaining a high standard of service delivery. Any future expansion, including corresponding increases in staffing, will be implemented in a phased, fiscally responsible manner to ensure sustainability while meeting the evolving needs of athletes, sport organizations, and the broader community.

3. **Fostering Relationships**

2025-26 saw expansion in existing relationships and the addition of some new partnerships for the Sports Centre. In expanding the footprint of the organization, there was an opportunity to build upon what had previously been seasonal relationships with some of the partners that only use Benvon's Room. Many organizations are now using much more time at the Fortis Canada Games Complex, which is also allowing for relationships to grow with users are the PowerPlex. Additionally, the Fortis Canada Games Complex has allowed for the opportunity to build relationships with new partners including the YMCA and MUN Varsity Athletics. Fostering mutually beneficial partnerships is crucial for the expansion and sustainability of the Sports Centre. These partnerships expand the Centre's reach within the sport community, healthcare sector, and broader public, supporting innovative and inclusive initiatives. Such strategic partnerships will strengthen the Centre's role as a leader in provincial sport and wellness.

Financial Information

NEWFOUNDLAND AND LABRADOR SPORTS CENTRE INC.

Financial Statements

Year Ended March 31, 2026

NEWFOUNDLAND AND LABRADOR SPORTS CENTRE INC.
Index to Financial Statements
Year Ended March 31, 2026

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Newfoundland and Labrador Sports Centre Inc. have been prepared in accordance with Canadian public sector accounting standards. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of Newfoundland and Labrador Sports Centre Inc.'s reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Board of Directors is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Audit Committee. The Audit Committee is appointed by the Board and meets periodically with management and the shareholders' auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Audit Committee reports to the Board of Directors prior to its approval of the financial statements. The Committee also considers, for review by the Board and approval by the shareholders, the engagement or re-appointment of the external auditors.

The financial statements have been audited on behalf of the shareholders by Pinsent & Associates, in accordance with Canadian generally accepted auditing standards.

Rod Snow

Rod Snow, Executive Director

St. John's, NL
June 30, 2026

PINSENT & ASSOCIATES
CHARTERED PROFESSIONAL ACCOUNTANTS
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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Newfoundland and Labrador Sports Centre Inc.

Opinion

We have audited the financial statements of Newfoundland and Labrador Sports Centre Inc. (the "corporation"), which comprise the statement of financial position as at March 31, 2026, and the statements of operations and accumulated surplus, changes in net financial assets (debt) and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the corporation as at March 31, 2026, and the results of its operations and 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 corporation in accordance with 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.

Other Matter

The financial statements for the year ended March 31, 2025 were audited by another auditor who expressed an unmodified opinion on those financial statements on June 9, 2026.

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 PSAS, 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 corporation'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 corporation or to cease operations, or has no realistic alternative but to do so.

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

(continues)

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 corporation'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 corporation'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 corporation 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.

Pinsent & Associates

St. John's, Newfoundland and Labrador
June 30, 2026

CHARTERED PROFESSIONAL ACCOUNTANTS

NEWFOUNDLAND AND LABRADOR SPORTS CENTRE INC.
Statement of Financial Position
March 31, 2026

	2026	2025
FINANCIAL ASSETS		
Cash	$ 171,726	$ 4,855
Temporary investments *(Note 4)*	10,585,035	12,149,576
Accounts receivable	152,293	66,895
Harmonized sales tax receivable	108,266	131,509
	11,017,320	12,352,835
LIABILITIES		
Accounts payable *(Note 5)*	7,983,796	106,793
Accrued liabilities *(Note 5)*	49,825	28,453
Deferred contributions *(Note 6)*	1,848,821	14,261,977
	9,882,442	14,397,223
NET FINANCIAL ASSETS (DEBT)	1,134,878	(2,044,388)
NON-FINANCIAL ASSETS		
Tangible capital assets *(Note 7)*	6,392,972	6,307,117
Building under construction *(Note 7)*	-	2,545,391
Prepaid expenses	9,089	8,173
	6,402,061	8,860,681
ACCUMULATED SURPLUS	$ 7,536,939	$ 6,816,293
ACCUMULATED SURPLUS CONSISTS OF:		
Net assets	$ 7,536,939	$ 6,816,293
	$ 7,536,939	$ 6,816,293

ON BEHALF OF THE BOARD

____________________ *Chairperson*

The accompanying notes are an integral part of these financial statements

NEWFOUNDLAND AND LABRADOR SPORTS CENTRE INC.
Statement of Operations and Accumulated Surplus
Year Ended March 31, 2026

	Budget 2026 (Unaudited)	2026	2025
REVENUES			
Government grants	$ 2,005,800	$ **1,751,999**	$ 440,574
Rental fees	350,000	**497,326**	432,946
Other grants	-	**25,424**	-
Investment income	-	**16,731**	24,198
Miscellaneous	11,005	**486**	403
Donations	94,963	**-**	-
	2,461,768	**2,291,966**	898,121
EXPENSES			
Salaries and wages	860,083	**772,015**	414,560
Amortization	252,289	**267,739**	252,288
Utilities	352,750	**189,480**	135,226
Repairs and maintenance	478,877	**187,383**	147,430
Supplies	77,145	**68,173**	25,357
Office	40,111	**21,031**	6,468
Insurance	16,604	**15,243**	12,172
Accounting fees	18,000	**15,084**	17,783
Miscellaneous	6,201	**8,287**	4,129
Property taxes	7,500	**6,059**	2,459
Advertising and promotion	10,853	**5,030**	3,041
Online booking maintenance	4,725	**4,757**	2,915
Travel	11,317	**2,870**	3,082
Staff clothing	3,000	**2,250**	-
Training	4,050	**1,913**	550
Interest and bank charges	700	**1,118**	512
Security	2,250	**1,049**	1,994
Telephone	6,500	**886**	550
Business taxes, licenses and memberships	510	**518**	403
Professional fees	75,000	**435**	-
Equipment rentals	2,500	**-**	-
	2,230,965	**1,571,320**	1,030,919
ANNUAL SURPLUS (DEFICIT)	230,803	**720,646**	(132,798)
ACCUMULATED SURPLUS - BEGINNING OF YEAR	-	**6,816,293**	6,949,091
ACCUMULATED SURPLUS - END OF YEAR	$ -	$ **7,536,939**	$ 6,816,293

The accompanying notes are an integral part of these financial statements

NEWFOUNDLAND AND LABRADOR SPORTS CENTRE INC.
Statement of Changes in Net Financial Assets (Debt)
Year Ended March 31, 2026

	Budget *2026* *(Unaudited)*	**2026**	2025
ANNUAL SURPLUS (DEFICIT)	$ 230,803	**$ 720,646**	$ (132,798)
Amortization of tangible capital assets	252,289	**267,739**	252,288
Purchase of tangible capital assets	-	**(353,593)**	-
Decrease (increase) in prepaid expenses	-	**(916)**	9,842
Decrease (increase) in building under construction	-	**2,545,391**	(2,545,391)
	252,289	**2,458,621**	(2,283,261)
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	483,092	**3,179,267**	(2,416,059)
NET FINANCIAL ASSETS (DEBT) - BEGINNING OF YEAR	-	**(2,044,389)**	371,670
NET FINANCIAL ASSETS (DEBT) - END OF YEAR	$ 483,092	**$ 1,134,878**	$ (2,044,389)

The accompanying notes are an integral part of these financial statements

NEWFOUNDLAND AND LABRADOR SPORTS CENTRE INC.
Statement of Cash Flows
Year Ended March 31, 2026

OPERATING ACTIVITIES		
Cash receipts from government and customers	**$ (10,200,072)**	$ 14,800,357
Cash paid to suppliers and employees	**6,594,993**	(902,123)
Investment income	**16,731**	24,198
Interest and bank charges paid	**(1,120)**	(512)
Cash flow from (used by) operating activities	**(3,589,468)**	13,921,920
INVESTING ACTIVITIES		
Purchase of tangible capital assets	**(353,593)**	-
Building under construction	**2,545,391**	(2,545,391)
Cash flow from (used by) investing activities	**2,191,798**	(2,545,391)
INCREASE (DECREASE) IN CASH FLOW	**(1,397,670)**	11,376,529
Cash - beginning of year	**12,154,431**	777,902
CASH - END OF YEAR	**$ 10,756,761**	$ 12,154,431
CASH CONSISTS OF:		
Cash	**$ 171,726**	$ 4,855
Temporary investments	**10,585,035**	12,149,576
	$ 10,756,761	$ 12,154,431

The accompanying notes are an integral part of these financial statements

1. PURPOSE OF THE CORPORATION

Newfoundland and Labrador Sports Centre Inc. (the "corporation") is provincially incorporated under the Corporations Act of Newfoundland and Labrador. As a Provincial Crown Corporation, the corporation is exempt from the payment of income tax under Subsection 149(1) of the Income Tax Act.

The corporation provides high performance multi-sport training and recreation facilities available to the people of Newfoundland and Labrador.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements are prepared by management in accordance with Canadian Public Sector Accounting Standards (PSAS). Canadian Public Sector Accounting Standards are part of Canadian generally accepted accounting principles (GAAP). The corporation does not prepare a statement of re-measurement gains and losses as the organization does not enter into relevant transactions or circumstances that area ddressed by that statement.

Cash

Cash includes bank account balances held with financial institutions.

Temporary investments

Temporary investments consist of guaranteed investment certificates with maturities of less than one year, and high-interest savings accounts.

Harmonized sales tax

Contributed materials and services are recoverable at 50% as a rebate. The unrecoverable portion is recorded as an expense with the rebate treated as a receivable.

Non-financial assets

Non-financial assets are not available for discharge to existing liabilities and are held for use in the provision of services. They have useful lives generally extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenditures, provides the change in net financial assets for the year.

Tangible capital assets

Tangible capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives on a straight-line basis at the following rates:

Buildings	40 years
Equipment	15 years
Office furniture & equipment	5 years

Tangible capital assets are written down when conditions indicate that they no longer contribute to the organization's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. Government grants for the acquisition of tangible capital assets are recognized on the same basis as the amortization of the acquired assets.

Tangible capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

(continues)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Impairment of long lived assets

The corporation tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected undiscounted cash flows the long-lived assets are expected to generate through their direct use. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value.

Prepaid expenses

Prepaid expenses include amounts paid in advance for services, insurance, and workers compensation and are expensed over the periods in which the benefit is recognized.

Revenue recognition

Government transfers and grants

Restricted contributions with stipulations regarding their use are recognized as revenue when the transfer is authorized and the eligibility criteria are met by the organization, except when and to the extent the transfer gives rise to an obligation that creates a liabilty, in which case the transfer is recognized when the liability is settled.

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.

Services

Revenue from rental fees is recognized on an accrual basis in accordance with the terms of the corresponding contract or agreement. Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed

Interest

Interest revenue is recognized on an accrual basis as earned. Interest is recognized as deferred where stipulations exist.

Donations

Donation revenue is recognized when received.

Deferred contributions

Certain amounts are received pursuant to legislation, regulation or agreement and may only be used in the conduct of certain programs or in the delivery of specific services in transactions. These amounts are recognized as revenue in the period the related expenditures are incurred, services are performed, or when stipulations are met.

Expenditures

Expenditures are reported on an accrual basis. The cost of all goods consumed and services received during the year are expensed.

Financial instruments

Financial instruments consist of cash, temporary investments, accounts receivable, accounts payable, accrued liabilities, government remittances payable, and promissory notes payable. The organization recognizes a financial instrument when it enters into a contract which creates a financial asset or financial liability. Financial assets and financial liabilities are initially measured at cost, which approximates fair value at the time of acquisition.

(continues)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

The organization subsequently measures all financial assets and financial liabilities at cost or amortized cost. Accounts receivable are classified as loand and accounts payable are classified as other financial liabilities; both are measured at amortized cost.

The organization's carrying value of cash, temporary investments, accounts receivable, accounts payable, accrued liabilities, government remittances payable, and promissory notes payable approximate its fair value due to the immediate or short term maturity of these instruments.

Interest attributable to financial instruments is reported on the statement of operations.

Measurement uncertainty

Certain amounts in the financial statements are subject to measurement uncertainty and are based on the corporation's best information and judgment. Actual results could differ from these estimates.

Examples of significant estimates include:

- providing for amortization of tangible capital assets;
- the estimated useful lives of assets;
- the recoverability of tangible assets;
- the estimate for accrued liabilities.

Inter-entity transactions

Inter-entity transactions are transactions between commonly controlled entities and are recorded at the exchange amount when they are undertaken on similar terms and conditions of those adopted if the entities were dealing at arm's length.

Comparative figures

Certain comparative amounts have been reclassified to conform to the current year's presentation.

3. FINANCIAL INSTRUMENTS

The corporation is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the corporation's risk exposure and concentration as of March 31, 2026.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The corporation is exposed to credit risk from customers. In order to reduce its credit risk, the corporation reviews a customer's payment history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The corporation has a significant number of customers which minimizes concentration of credit risk.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The corporation is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, and accounts payable.

Unless otherwise noted, it is management's opinion that the corporation is not exposed to significant other price risks arising from these financial instruments.

4. TEMPORARY INVESTMENTS

	2026		2025	
	Fair value	**Cost**	Fair value	Cost
Royal Business Premium Investment Account	**$ 10,003,160**	**$ 9,980,680**	$ -	$ -
CI High Interest Savings Fund A	**581,875**	**581,875**	669,567	669,567
Guaranteed Investment Certificates with an annual interest rate of Prime less 2.0%, matured June 14, 2025	-	-	11,480,009	11,125,000
	-	-	-	-
	$ 10,585,035	**$ 10,562,555**	$ 12,149,576	$ 11,794,567

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2026	2025
Accounts payable	**$ 7,983,796**	$ 106,794
Accrued liabilities	**43,002**	22,720
Accrued Salary & Benefits	**6,823**	5,734
	$ 8,033,621	$ 135,248

Accounts payable consists of trade payables in the normal course of operations and $7,833,364 of unspent capital funding related to the development of the Sport and Well Being Dome to be repaid to the Government of Newfoundland and Labrador. This amount was withdrawn from the organization's temporary investments and subsequently paid in April 2026.

6. DEFERRED CONTRIBUTIONS

Deferred contributions consist of government transfers and other grants received with associated stipulations relating to specific projects or programs, including interest earned on any associated funds when stipulated, that give rise to a liability. These contributions are recognized as revenue in the period in which the resources are used for the purpose specified and the liability is settled.

7. TANGIBLE CAPITAL ASSETS

Cost	2025 Balance	Additions	Disposals	**2026 Balance**
Land	$ 280,000	$ -	$ -	**$ 280,000**
Building	9,845,698	18,529	-	**9,864,227**
Equipment	-	292,374	-	**292,374**
Office furniture & equipment	579,338	42,690	-	**622,028**
	$ 10,705,036	$ 353,593	$ -	**$ 11,058,629**

Accumulated Amortization	2025 Balance	Amortization	Accumulated Amortization on Disposals	**2026 Balance**
Land	$ -	$ -	$ -	**$ -**
Building	3,822,778	246,509	-	**4,069,287**
Equipment	-	14,561	-	**14,561**
Office furniture & equipment	575,141	6,668	-	**581,809**
	$ 4,397,919	$ 267,738	$ -	**$ 4,665,657**

Net book value	**2026**	2025
Land	**$ 280,000**	$ 280,000
Building	**5,794,940**	6,022,920
Equipment	**277,813**	-
Office furniture & equipment	**40,219**	4,197
	$ 6,392,972	$ 6,307,117

In the prior fiscal year, the corporation received funding from the Government of Newfoundland and Labrador to develop the Sport and Well Being Dome facility. During the current fiscal year, the Government of Newfoundland and Labrador cancelled the project and directed the corporation to return any unspent capital funding, and to transfer the asset to another party. Capital costs incurred were recorded to building under construction in the amount of $5,314,555. This amount represents the cumulative costs incurred from inception to cancellation of the project. Of this amount, the following costs were incurred under contract:

- Purchase and installation of the equipment in the amount of $4,513,020 ($2,963,292 USD), all of which was included in the building under construction asset during the year.
- Design services related to the asset in the amount of $895,340. During the year, $579,367 of this amount was billed and included in building under construction.

The corporation has fulfilled all contractual obligations and any future invoices are the responsibility of the Government of Newfoundland and Labrador. The corporation agreed to provide storage of the asset until further instruction from the Government of Newfoundland and Labrador.

8. ECONOMIC DEPENDENCE

The organization is economically dependent on the Government of Newfoundland and Labrador for annual funding.

9. BUDGET FIGURES

Budget figures have been provided for comparison purposes and have been derived from estimates approved by the Board of Directors of the organization.