

Whistler Sport Legacies

Annual Report

April 1, 2017 – March 31, 2018



TABLE OF CONTENTS

Table of Contents

Executive Summary _____	3
Year in Review _____	4
Financial Review _____	8
Attachments – Whistler Sport Legacies Audited Financial Statements _____	9

Executive Summary

This report covers the seventh year of operation for the Whistler 2010 Sport Legacies Society (WSL) from April 1, 2017 to March 31, 2018.

We have now seen two Winter Olympics come and go since the 2010 Olympic and Paralympic Winter Games in Vancouver and Whistler. Eight years after 2010, we are now starting to see the children that were inspired attending the events during “our” games, be the athletes that are representing Canada today, and fulfilling their own Olympic aspirations.

We are very proud to say that Whistler Sport Legacies (WSL) has played a big part in helping these children go from inspired spectators to world-class athletes representing their country on the world stage. This is the true value of the 2010 legacies and what was envisioned when the legacies were first established.

2017-18 was a good year for WSL, with all three venues exceeding their financial targets, growing their reach into sport programming and coaching, as well as expanding the first touch youth programming introducing a new generation to our core sports. At the same time, the reputation of our facilities continues to attract many international athletes and teams to Whistler to stay and train on our venues in preparation for the world cup circuit.

Operationally we continue to execute a robust capital maintenance program and once again this year we were able to put funds into a capital reserve for the future. Nontraditional revenues were especially strong in the year with the feature film business bringing us three large projects, which greatly contributed to our financial success.

Whistler Sport Legacies continues to fulfill its mandate to maintain the legacy venues for high performance sport, recreational enthusiasts and to enhance the tourism experience in the region. We are thankful to the Board of the Games Operating Trust as well as our key partners the Resort Municipality of Whistler, the Squamish-Lillooet Regional District, viaSport and the sporting community that is helping us ‘Grow Sport’ now and into the future.

Year in Review

STRATEGIC HIGHLIGHTS

2017 was bookended with excellent snow, economic growth and record tourism to Whistler. These three key elements made for an exceptional winter season and allowed WSL to provide world-class field of play conditions in both late and early season, with 220 days of on-snow training for our Nordic athletes. The Whistler Sliding Centre had its earliest ever opening with the national teams coming to train in late September in preparation for the 2018 PyeongChang Olympic Games.

The year finished with two world-class events, the FIBT World Cup Bobsleigh & Skeleton in November and the FIS Continental Cup Ski Jumping in December. These two international events were complemented by many other North American, National and Provincial events at each of our venues throughout the winter season. These events, along with extended training periods at our two sport venues, helped the Whistler Athletes' Centre Lodge achieve another record year in occupancy and revenue, while still offering affordable short and long-term athlete lodging to athletes and teams.

At the community level, WSL has continued growing our reach into sport programming and coaching. WSL is now well established as the go-to organization for sport expertise and sport delivery in the Sea to Sky Corridor and beyond, and our community value continues to grow by offering out that expertise in the way of coach development and low cost school programming.

Financially, 2017-18 was a good year for WSL, with all three venues exceeding their financial targets. The recreational and sport experience programs at each of the venues continue to show positive growth with season passes and day tickets at Whistler Olympic Park increasing, and the public bobsleigh and skeleton programs at the Whistler Sliding Centre being among the top revenue drivers. Financial performance was further supported by the expansion of non-traditional revenues at the venues, and specifically filming business at Whistler Olympic Park. As a result, WSL once again operated within the funding provided by the Games Operating Trust, and for the third year in a row, has started to build a small reserve for the future. This was achieved while WSL continued to grow our commitment to sport programming, and to keep up with a well-controlled capital maintenance program.

FIELD OF PLAY STANDARDS

WSL is very proud to say that all seven sports that the Whistler venues were built and used for in 2010 are still homologated and sanctioned as competition compliant by the sports' international governing bodies. In the 2017-18 winter season, both Whistler Olympic Park and the Whistler Sliding Centre held internationally sanctioned events along with many North American, National and Provincial competitions.

In the coming season 2018-19, we already have scheduled a World Championships event and a World Cup along with three National Championships at WSL venues. Looking beyond next season, Whistler Olympic Park has been selected as the venue for Ski Jumping and Nordic Combined should Calgary be awarded the 2026 Olympic Winter Games. If this was to come to fruition, the legacy of 2010 will certainly be achieved.

YEAR IN REVIEW

HIGH PERFORMANCE ACCESS

In 2017-18 we had representation from Canada's top athletes training on our venues in all of the seven sports that WSL facilitates. WSL also played host to four Canadian teams for their official training camps in early season; the Whistler Sliding Centre facilitated early training with its earliest opening to date, on September 25, while Whistler Olympic Park provided early on-snow training with stored snow for cross country and biathlon athletes. These early training opportunities contribute to our Canadian athletes having a competitive advantage as they head to the world stage and the World Cup circuit later in the season. International teams are also coming to Whistler to train on our venues, which helped Whistler Athletes' Centre have another strong year in occupancy and revenues.

To ensure our national team athletes have optimal access to high-quality training and competition environments, WSL maintains three multi-party National Training Centre agreements with Ski Jumping Canada & Nordic Combined Canada, Canadian Luge Association and Bobsleigh Canada Skeleton. Additionally, WSL continues its partnership with Canadian Sport Institute Pacific through a five-year lease agreement and strategic partnership. This partnership is designed specifically to enhance the delivery of performance services in Whistler and increase the pool of podium potential athletes. Athletes who are nationally and provincially carded can access the CSI-P conditioning gym for no charge.

At Whistler Olympic Park we are heading into the third year of the Whistler Nordic Development Centre (WNDC). This program takes 10-12 biathlon athletes aged between 16 -22 years old that have reached a high performance level but are not carded by the national team and immerses them in an intensive year-round training program that helps elevate them to their full potential.



PROGRAMING & COMMUNITY IMPACT

WSL's grass roots introductory programs expanded greatly this year with the organization taking on the first touch and developmental programing of all three sliding sports. This new role for WSL was due to the fact that all the provincial sliding sports associations had significant funding cuts to their budgets, which impacted their ability to hire coaches. As these sports are extremely technical, it is impossible to offer these programs without professional coaches, so WSL has stepped in to hire the coaches and deliver the programs. This was a major shift for WSL but one that we believe was the right move to keep the sports active and growing in participation in the province of BC.

YEAR IN REVIEW

Every year WSL expands its program offering to the community of the Sea to Sky corridor. At Whistler Olympic Park, once again the elementary school program was fully subscribed to as every elementary school in the Sea to Sky corridor participated in the grade 4 & 5 program, which offers an affordable introduction to cross country skiing. Similarly, WSL's multi-sport project 'Olympic Mondays' which delivers children the opportunity to experience eight different Olympic sports was highly successful, as were WSL's multi-sport programs that operate during school breaks.



The discounted Wednesday evenings at WOP are also becoming a community favorite, introducing people to the Nordic sports at a very affordable price point while attracting a crowd of regulars as well. Other community-focused events at WOP have also found success and increased awareness of the facility, including “Ladies Ski Day” and the new “Dog Day” in support of the Whistler Animal Shelter.

Throughout the year, WSL hosts a number of coach education programs aimed at equipping the amateur coaches, teachers and volunteers in our community with the tools to teach basic movement and physical literacy, strength and conditioning for young athletes, along with more advanced education in nutrition and mental strength. WSL also continues to have a very strong relationship with the Resort Municipality of Whistler (RMOW) and in the past year, WSL and the RMOW have further developed physical literacy and quality coaching in our community. In addition, our community gym located in the Whistler Athletes' Centre offers a variety of daily fitness classes for adults, toddler fundamental movement and youth multi-sport programming and provides facilities for local clubs to rent for dryland sessions.

SAFETY COMMITMENT

This is the fourth consecutive year that WSL has achieved the Certificate of Recognition (COR) Certification with WorkSafe BC. This program has allowed WSL to focus on staff health and safety with a more structured approach and requires ongoing compliance, accountability and improvements to the safety processes at our venues. COR is the provincially recognized program that provides financial incentives to employers who go beyond the legal requirements of workplace safety regulations by taking a 'best practice' approach. The program is administered through go2hr, and WSL is measured through an annual audit performed in February.

LOOKING AHEAD

Over the past eight years, Whistler Sport Legacies has moved from being purely a facility operator to being 'a centre of sports excellence', supporting coaching and programming for the sports our venues were built for.

YEAR IN REVIEW

As we look to the future, this operational structure is expected to grow as we encourage young athletes in the Sea to Sky corridor to try our sports and support them along the athlete pathway. In the past year, WSL also facilitated training programs beyond our core sports, including partnerships with Canada's Snowboard Cross and Freestyle Skiing teams which received excellent reviews from the coaches and athletes. WSL is also starting to support some of the sporting clubs within Whistler with a fee for service to help them become more proficient in administration and bookkeeping.

At each of our three venues, WSL continues to look at ways to enhance revenues through tourism, recreation and other opportunities using strategic capital investment. One significant project that has now passed Board approval is for WSL to build additional long-term residential units on land adjacent to the Athletes' Lodge. This project will see the construction of a 48-unit apartment building that will add 84 bedrooms to our inventory. This new inventory will be used as much needed colleague housing for WSL and its partners, as well as provide additional accommodation for athletes in Whistler on extended stays. Final costing for this project is yet to be determined, but it is expected to have a positive cash flow in the first year of operation.

Financial Review

WSL's commitment to its mission to 'Grow Sport' is the main driver behind balancing the needs of our core sports, revenue generation and community engagement. Every year, we are seeing revenues increase and a reduction in our operating deficit. 2017-18 was WSL's best year financially to date, driven by record visitation to Whistler, excellent weather and the growth of non-traditional revenues. Revenues grew while expenses were relatively flat to prior year, allowing WSL to allocate a major portion of the GOT funds directly to reserves.

Nontraditional revenues, especially at Whistler Olympic Park, have produced an excellent profit stream for the organization that we expect to continue into the future. The commercial film business in BC continues to be buoyant and over the past few years, WSL has built a solid relationship with film location scouts looking for wilderness locations, and our product has delivered excellent results. Other nontraditional revenue streams that we continue to build on are endurance and extreme sports events; Tough Mudder, the Red Bull 400 and Ironman have all helped build WSL's community exposure while contributing to revenues.

Looking ahead, WSL is budgeting for continued success and consistent improvements to the bottom line as the organization grows and becomes more efficient. New business opportunities will continue to be explored for revenue generating potential, including the apartment building which is scheduled to come on line in 2021 and will significantly increase revenues at the Whistler Athletes' Centre, while also becoming a valuable asset to WSL and its colleagues.

Financial details are available in the attached Grant Thornton Financial Statements.

Attachments

- FY Ended March 31, 2018 Audited Financial Statements



Financial Statements

Whistler 2010 Sport Legacies Society

March 31, 2018

Contents

	Page
Independent Auditor's Report	1 - 2
Statement of Financial Position	3
Statement of Revenues and Expenses	4
Statement of Changes in Net Assets	5
Statement of Cash Flows	6
Notes to the Financial Statements	7 - 12

Independent Auditor's Report

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To the Members of
Whistler 2010 Sport Legacies Society

We have audited the accompanying financial statements of the Whistler 2010 Sport Legacies Society, which comprise the statement of financial position as at March 31, 2018 and the statements of revenues and expenses, changes in net assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these 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.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Whistler 2010 Sport Legacies Society as at March 31, 2018 and the results of its operations and its cash flows for the year then ended, in accordance with Canadian accounting standards for not-for-profit organizations.

Report on other legal and regulatory requirements

As required by the Societies Act of British Columbia, we report that, in our opinion, these accounting principles have been applied on a basis consistent with that of the preceding year.

Vancouver, Canada
September 20, 2018



Chartered Professional Accountants

Whistler 2010 Sport Legacies Society

Statement of Financial Position

March 31

2018

2017

Assets

Current

Cash and cash equivalents	\$ 2,412,189	\$ 2,439,055
Short-term investments (Note 3)	8,364,673	6,494,714
Receivables (Note 4)	4,626,954	4,537,695
Inventory	68,980	64,619
Prepaid expenses	114,449	44,672

	15,587,245	13,580,755
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Property and equipment (Note 5)	4,595,870	4,296,699
Deposits (Note 9)	100,000	100,000

	\$ 20,283,115	\$ 17,977,454
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Liabilities

Current

Payables and accruals (Note 8)	\$ 1,251,147	\$ 883,434
Deferred contributions (Note 6)	107,818	299,823

	1,358,965	1,183,257
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Deferred capital contributions (Note 7)	1,289,715	1,641,829
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	2,648,680	2,825,086
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Net assets (Note 11)

Internally restricted		
Capital infrastructure - replacement and maintenance	5,000,000	4,000,000
Revenue generation	2,500,000	1,500,000
Sport development	1,500,000	1,500,000
Contingency	800,000	800,000
Invested in capital assets	3,306,155	2,654,870
Unrestricted	4,528,280	4,697,498

	17,634,435	15,152,368
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	\$ 20,283,115	\$ 17,977,454
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Commitments and contingencies (Note 9)

On behalf of the Board



Director



Director

See accompanying notes to the financial statements.

Whistler 2010 Sport Legacies Society Statement of Revenues and Expenses

Year ended March 31	2018	2017
Revenue from operations		
2010 Games Operating Trust Fund	\$ 4,614,017	\$ 4,458,130
Whistler Olympic Park	2,775,496	1,752,575
Whistler Sliding Centre	1,773,688	1,689,067
Whistler Athletes' Centre	1,849,597	1,636,021
Investment income	368,394	134,120
Other income	135,787	118,459
Deferred contribution revenue recognition (Note 6)	192,005	153,475
	<u>11,708,984</u>	<u>9,941,847</u>
Expenses		
Whistler Olympic Park	2,789,498	2,446,901
Whistler Sliding Centre	2,731,156	2,495,420
Whistler Athletes' Centre	1,285,548	1,229,257
Administration	1,721,746	1,617,220
Special project expenses	25,636	151,504
	<u>8,553,584</u>	<u>7,940,302</u>
Excess of revenues over expenses before amortization, and unrealized gain on investments	<u>3,155,400</u>	<u>2,001,545</u>
Amortization		
Amortization of deferred capital contributions (Note 7)	352,114	354,296
Amortization of property and equipment	(901,276)	(814,299)
	<u>(549,162)</u>	<u>(460,003)</u>
Excess of revenues over expenses before unrealized (loss) gain on investments	<u>2,606,238</u>	<u>1,541,542</u>
Unrealized (loss) gain on investments	<u>(124,171)</u>	<u>221,382</u>
Excess of revenues over expenses	<u>\$ 2,482,067</u>	<u>\$ 1,762,924</u>

Whistler 2010 Sport Legacies Society

Statement of Changes in Net Assets

Year ended March 31, 2018

	Capital infrastructure - replacement and maintenance	Revenue generation	Sport development	Contingency	Invested in capital assets	Unrestricted	Total
Balance, March 31, 2016	\$ -	\$ -	\$ -	\$ -	\$ 2,595,218	\$ 10,794,226	\$ 13,389,444
(Deficiency) excess of revenues over expenses	-	-	-	-	(460,003)	2,222,927	1,762,924
Purchase of property and equipment	-	-	-	-	519,655	(519,655)	-
Transfers	4,000,000	1,500,000	1,500,000	800,000	-	(7,800,000)	-
Balance, March 31, 2017	4,000,000	1,500,000	1,500,000	800,000	2,654,870	4,697,498	15,152,368
(Deficiency) excess of revenues over expenses	-	-	-	-	(549,162)	3,031,229	2,482,067
Purchase of property and equipment	-	-	-	-	1,200,447	(1,200,447)	-
Transfers	1,000,000	1,000,000	-	-	-	(2,000,000)	-
Balance, March 31, 2018	\$ 5,000,000	\$ 2,500,000	\$ 1,500,000	\$ 800,000	\$ 3,306,155	\$ 4,528,280	\$ 17,634,435

See accompanying notes to the financial statements.

Whistler 2010 Sport Legacies Society

Statement of Cash Flows

Year ended March 31

2018

2017

Cash flows derived from (applied to)

Operating

Excess of revenues over expenses	\$ 2,482,067	\$ 1,762,924
Amortization of property and equipment	901,276	814,299
Amortization of deferred capital contributions	(352,114)	(354,296)
Amortization of deferred contributions	(192,005)	(153,475)
Unrealized loss (gain) on investments	124,171	(221,382)

	2,963,395	1,848,070
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Changes in non-cash operating working capital

Receivables	(89,259)	(485,550)
Inventory	(4,361)	3,202
Prepaid expenses	(69,777)	8,293
Payables and accruals	106,193	37,254

	2,906,191	1,411,269
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Investing

Purchase of property and equipment	(938,927)	(519,655)
Purchase of investments, net	(1,994,130)	(124,427)

	(2,933,057)	(644,082)
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Net (decrease) increase in cash and cash equivalents	(26,866)	767,187
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Cash and cash equivalents, beginning of year	2,439,055	1,671,868
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Cash and cash equivalents, end of year	\$ 2,412,189	\$ 2,439,055
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Whistler 2010 Sport Legacies Society

Notes to the Financial Statements

March 31, 2018

1. Nature of operations

The Whistler 2010 Sport Legacies Society (the "Society") is incorporated pursuant to the Societies Act of British Columbia. The purpose of the Society is to own, manage and operate the Whistler Athletes' Centre ("WAC"), the Whistler Olympic Park ("WOP"), and the Whistler Sliding Centre ("WSC") (collectively, the "legacy assets"), which were created for the 2010 Olympic and Paralympic Winter Games. The Society was incorporated on March 14, 2007.

The Vancouver Organizing Committee for the 2010 Olympic and Paralympic Winter Games ("VANOC") was responsible for all expenses related to the legacy assets until May 31, 2010.

On May 31, 2010, the leases for the WOP and WSC facilities and sites were officially transferred by VANOC to the Society for consideration of \$1 to be paid to each party by the other based on the mutual covenants in the Asset Transfer Agreement signed on March 26, 2008. The legacy assets were recorded at nominal value in these financial statements as their fair values cannot be reasonably estimated at the date of contribution.

The Society entered into an agreement with the Resort Municipality of Whistler ("RMOW") effective April 1, 2011, to lease the WAC lands, buildings, structures, furniture and improvements to the Society for nominal consideration and for a term of 99 years.

On December 14, 2009, the Society entered into a "FF&E Transfer Agreement" with VANOC to agree on the transfer of the fixture, furniture, vehicles and equipment acquired by VANOC for use at the WOP, WSC and WAC prior to and/or during the 2010 Olympic and Paralympic Winter Games. This agreement was amended on June 23, 2010, to include additional assets such as the Olympic Rings and Venue Towers. This group of assets were transferred on May 31, 2010, and were recorded at nominal value in these financial statements as their fair values cannot be reasonably estimated at the date of contribution.

The Society is responsible for the operating costs of the legacy assets beginning June 1, 2010. Legacy Endowment Funds were established by the Federal and Provincial governments to assist with the ongoing post-games operation and capital requirements of WOP and WSC. The Society will have access to this funding if the venues are operated in a manner that supports and provides access to the WOP and WSC for developing and training high performance athletes, and for coach and sport training and development.

2. Summary of significant accounting policies

Basis of presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO").

Revenue recognition

The Society follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. 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.

Whistler 2010 Sport Legacies Society

Notes to the Financial Statements

March 31, 2018

2. Summary of significant accounting policies (continued)

Revenue recognition (continued)

Government assistance and donations related to the acquisition of property and equipment are capitalized and amortized to income on the same basis as the related depreciable asset.

Public programs and rentals are recognized as revenue in the period when earned.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks, bank indebtedness, and short-term deposits with original maturities of three months or less.

Property and equipment

Purchased property and equipment are recorded at cost. Contributed property and equipment are recorded at fair value as of the date of contribution, when its fair value can be reasonably estimated. When the fair value cannot be reasonably estimated, the contributed capital assets are recorded at nominal value.

Amortization is provided based on the declining balance method using the following rates:

Vehicles	30% Declining balance
Computer software	50% Declining balance
Equipment	20% Declining balance
Leasehold improvements	5 to 20 years Straight-line

Financial instruments

The Society initially measures its financial assets and financial liabilities at fair value. The Society subsequently measures all of its financial assets and financial liabilities at cost, except for investments in equities, which are measured at fair value.

Financial assets measured at cost include cash and cash equivalents, receivables, and deposits.

Financial assets measured at fair value include the RBC Dominion Securities portfolio of equities and fixed income securities.

Financial liabilities measured at cost include payables and accruals.

Whistler 2010 Sport Legacies Society

Notes to the Financial Statements

March 31, 2018

2. Summary of significant accounting policies (continued)

Income taxes

The Society is a Registered Canadian Amateur Athletic Association and exempt from income taxes under Section 149(1)(l) of the Income Tax Act.

Use of estimates

The preparation of financial statements in conformity with ASNPO requires management to make estimates and assumptions that could affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the determination of useful lives of property and equipment for calculating amortization. Actual results could differ from those estimates.

3. Short-term investments	2018	2017
RBC Dominion Securities portfolio of fixed income securities	\$ 5,913,192	\$ 4,472,450
RBC Dominion Securities portfolio of equities	2,451,481	2,022,264
	\$ 8,364,673	\$ 6,494,714

4. Receivables	2018	2017
2010 Games Operating Trust Fund	\$ 4,614,017	\$ 4,458,130
Other receivables	12,937	79,565
	\$ 4,626,954	\$ 4,537,695

5. Property and equipment

	2018	2017		
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Leasehold improvements	\$ 5,360,798	\$ 2,254,592	\$ 3,106,206	\$ 3,186,146
Vehicles	1,938,309	1,197,843	740,466	412,264
Equipment	1,286,617	718,850	567,767	618,285
Computer software	584,359	505,459	78,900	80,003
Construction-in-progress	102,530	-	102,530	-
Legacy assets	1	-	1	1
	\$ 9,272,614	\$ 4,676,744	\$ 4,595,870	\$ 4,296,699

Legacy assets transferred to the Society on May 31, 2010, were recorded at nominal value as their fair values cannot be reasonably estimated at the date of contribution (see Note 1).

Whistler 2010 Sport Legacies Society

Notes to the Financial Statements

March 31, 2018

6. Deferred contributions	<u>2018</u>	<u>2017</u>
Balance, beginning of year	\$ 299,823	\$ 453,298
Less contributions recognized as revenue	<u>(192,005)</u>	<u>(153,475)</u>
Balance, end of year	<u>\$ 107,818</u>	<u>\$ 299,823</u>

7. Deferred capital contributions	<u>2018</u>	<u>2017</u>
Balance, beginning of year	\$ 1,641,829	\$ 1,996,125
Less amortization of deferred capital contributions	<u>(352,114)</u>	<u>(354,296)</u>
Balance, end of year	<u>\$ 1,289,715</u>	<u>\$ 1,641,829</u>

8. Payables and accruals

Included in payable and accruals is amounts owing in respect of government remittances for sales and hotel taxes of \$55,134 (2017 - \$57,008).

9. Commitments and contingencies

Lease commitments

On May 31, 2010, the Society assumed the leases of the WOP lands and WSC lands from VANOC with the Province.

The lease on the WOP lands commenced on September 1, 2008, for a term of 29 years. On the 15th year, the lease can be renewed for a term of 29 years commencing on the 15th year. Beginning September 2, 2010, the rent shall be the greater of (a) \$500, or (b) an amount equal to 2% of the aggregate gross revenues generated from the WOP for the preceding fiscal year. A security deposit of \$50,000 was paid to the Province in 2010.

The lease on the WSC lands commenced on November 1, 2007, for a term of 29 years. On the 15th year, the lease can be renewed for a term of 29 years commencing on the 15th year. Beginning November 2, 2010, the rent shall be the greater of (a) \$500, or (b) an amount equal to 2% of the aggregate gross revenues generated from the WSC for the fiscal year. A security deposit of \$50,000 was paid to the Province in 2010.

Whistler 2010 Sport Legacies Society

Notes to the Financial Statements

March 31, 2018

10. Financial instruments risk exposure and management

Fair values

The carrying amount of financial assets measured at cost is \$7,139,143 as at March 31, 2018 (2017 - \$7,076,750).

The carrying amount of financial assets measured at fair value is \$8,364,673 as at March 31, 2018 (2017 - \$6,494,714).

The carrying amount of financial liabilities measured at cost is \$1,251,147 as at March 31, 2018 (2017 - \$883,434).

Credit risk

The Society is exposed to credit risk on accounts receivable. The Society performs credit risk evaluations on its accounts receivable and considers its risk to be acceptable and appropriately managed. At March 31, 2018, the maximum exposure to credit risk is equal to the carrying amount of receivables of \$4,626,954 (2017 - \$4,537,695). Subsequent to year end, \$4,614,017 has been received from the 2010 Games Operating Trust Fund.

Liquidity risk

Liquidity risk is the risk that the Society will not be able to meet its obligations as they fall due. Maximum exposure to liquidity risk is \$1,251,147 representing the Society's payables and accruals as at March 31, 2018 (2017 - \$883,434), which are due to be paid in full before March 31, 2019. Management monitors cash flows to ensure there is sufficient cash on hand to meet forecasted operating expenses and other financial obligations.

11. Capital management

The primary objective of the Society's capital management is to provide adequate funding to ensure efficient delivery of its activities.

The Board has internally restricted the reserves of the Society for Capital Maintenance, Revenue Generation, Sport Development, and Contingency. The Board reviews the allocation to each reserve annually.

Net assets invested in property and equipment represents the net book value of property and equipment less the deferred capital contribution.

Unrestricted net assets are funds available for future cash flows and future operations and are preserved so the Society can have financial flexibility should opportunities arise in the future.

Whistler 2010 Sport Legacies Society

Notes to the Financial Statements

March 31, 2018

12. Disclosure required under the Societies Act

On November 28, 2016 the new British Columbia Societies Act came into force. Included in the new Act is a requirement to disclose the remuneration paid to all directors, the ten highest paid employees and all contractors who are paid at least \$75,000 annually.

During the year, the Society paid \$1,262,255 in remuneration to the 10 most highly remunerated persons who are employees, whose remuneration, during the applicable period, was at least \$75,000.
