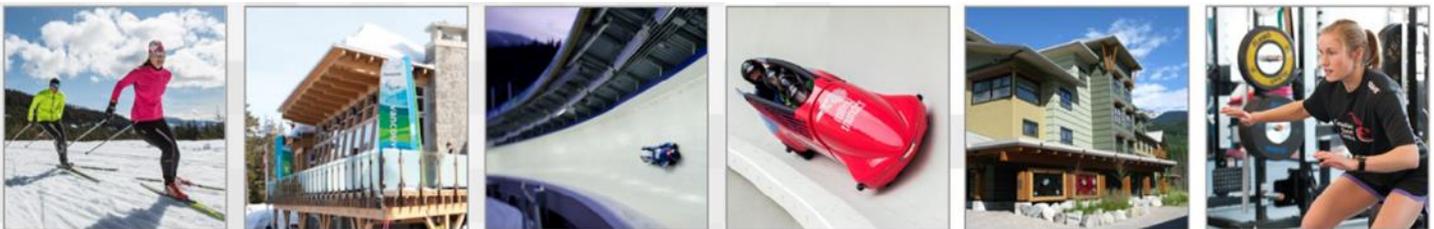


# Whistler Sport Legacies

# Annual Report

April 1, 2018 – March 31, 2019



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## Executive Summary

This report covers the eighth year of operation for the Whistler 2010 Sport Legacies Society from January 1, 2018 to March 31, 2019.

As we head closer towards the tenth anniversary of the 2010 Olympic and Paralympic Winter Games in Vancouver/Whistler, it is a good time to take stock and assess the progress of the Legacy venues in Whistler and to evaluate how they are delivering upon the vision of the Games Operating Trust when it was first established.

After almost ten years, Whistler Sport Legacies (WSL) is proud to say that all of our facilities are still homologated for the seven sports that they were originally built for and that all seven sports are active on our venues.

The highlights of the 2018-2019 winter season was the hosting of two major competitions at the Whistler Sliding Centre (WSC). First, the International Bobsleigh & Skeleton Federation (IBSF) World Championships were held over a 12-day period in February and March of this year. Next to the Olympic Games, this is the most important and prestigious competition on the Sliding Sports' calendar. In addition, the WSC also hosted the International Luge Federation (FIL) World Cup in November and December. This event saw a number of locally grown athletes come back to Whistler and compete on the world stage. WSL has played a significant role in helping these local athletes go from inspired spectators to world-class competitors representing their country on the world stage. This is the true value of the 2010 Legacies and what was envisioned for them upon inception.

Operationally, there is still a delicate balance between sport delivery and revenue generation. The sports that are directly impacted by WSL's decision processes are all under funding pressures, so there is considerable concern on price and fees associated with the use of our venues.

Although the fiscal year 2019 was not one of our best performing years due a decline in nontraditional revenues, we were still able to continue a robust capital maintenance program, as well as put funds into a capital reserve for the future.

Whistler Sport Legacies is grateful for the support of the Board of the Games Operating Trust as well as our key partners the Resort Municipality of Whistler, the Squamish-Lillooet Regional District, viaSport as we continue to 'grow sport' in the Sea to Sky Region.

## Year in Review

### STRATEGIC HIGHLIGHTS

The 2018-2019 winter season got off to a slower start than in recent history with no significant snowfall until mid-December. This lack of snowfall forced the cancellation of three Nordic events that impacted both Whistler Olympic Park (WOP) and the Whistler Athletes' Lodge. Once the snow arrived, it was abundant and at perfect temperatures that continued throughout the remainder of the season, providing some of the best conditions we have ever seen at WOP. This snow made for excellent training and competition conditions for our athletes. Additionally, we successfully hosted major competitions in all three Nordic disciplines at WOP.

The Whistler Sliding Centre (WSC) opened in early October with an abundance of teams coming to train and record crucial runs in preparation of the 2019 IBSF World Championships. The World Championships were held over 12 days in February and March and featured the world's best sliding athletes. The event received rave reviews with the track living up to its reputation as the fastest and one of the most technical tracks in the world. Although Team Canada had a number of their top athletes absent during the season due to injury, the results at the World Championships were very respectable with two Silver and two Bronze medals for the six race categories. In November/December, the WSC also hosted the FIL World Cup with the world's top luge athletes performing on the track. Canada considered this to be a rebuilding year for the team but had a strong showing from young athletes that have grown up training at the WSC. This strong season was capped by Whistler being confirmed as the host track for the Luge World Championships in 2021.



Financially, 2018-2019 was not a banner year for WSL. The late start to the winter season and the impact on revenue generation during the World Championships, due to the inability to run public programs during the event, had a significant impact on the year. However, the lack of nontraditional revenues from the film and TV industry was the most substantial, as it did not materialize as we have experienced in previous years. That being said, by managing the expenses, net operating results were pretty much in-line with our business plan. The recreational programs at WOP continued to show growth with season's passes and day ticket sales increasing over previous years. The public bobsleigh and skeleton programs at the WSC saw, for the first time, a decline in attendance during the winter. It is hard to understand a specific reason for this but it is certainly something we will be monitoring more closely for the upcoming winter season to see if it is a continuing trend.

# YEAR IN REVIEW

## FIELD OF PLAY STANDARDS

WSL is very proud to say that all seven sports that the Whistler venues were built for prior to the 2010 Winter Olympic Games are still homologated and sanctioned as competition compliant by the sports' international governing bodies. In the 2018-2019 winter season, all seven sports that WSL facilitates, held major competitions on our venues with athletes coming from all over the world to appreciate the legacies of the Games. Nine years beyond 2010, we are still receiving amazing feedback on the facilities, services and the location of our venues from athletes, coaches and officials

## HIGH PERFORMANCE ACCESS

In 2018-2019, WSL experienced its busiest year for sport. Canada's top athletes as well as a number of international teams came to Whistler to train and compete on our venues. In the off-season, we have also seen the sports of basketball, volleyball, soccer, softball and gymnastics all bring top athletes to Whistler to stay and train at WSL. The addition of a world-class artificial turf soccer field, now completed, right across from the Athletes' Lodge will certainly open up even more opportunity for WSL to promote our facilities to other sport organizations and expose them to our venues.

The announcement of the closure of Calgary's ski jumps and sliding track earlier this year will certainly put pressure on WSL this coming season. There will be additional demands on our facilities especially from the sliding community in Alberta which is quite vibrant. At this point, the Calgary track is scheduled to be closed for one season but there is a major funding gap that needs to be closed before renovations can begin, so the closure could be longer than anticipated. The Calgary ski jumps are now permanently closed, leaving Whistler as the only high level jumping facility in Canada. Unfortunately, this has been quite a blow to the ski jumping community that has been centered around Calgary for the past 30 years and has yet to find a firm footing in the Sea to Sky Corridor. WSL is working with Ski Jumping Canada, Nordic Combined Canada and the local Squamish Club to establish a future plan for development, with a grassroots program set for this coming season.



To ensure visiting athletes have the best possible training environment, WSL works closely with the Canadian Sport Institute Pacific (CSI-P) with a 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 at no charge and we have created a 'Stay and Train' program which enables all international teams staying at the Athletes' Lodge to access the CSI-P facility as well.

WSL continues to see great success coming from the Whistler Nordic Development Centre (W-NDC). This program takes 10-12 biathlon athletes aged 16-22 years old who have reached a high performance level but

## YEAR IN REVIEW

are not carded by the national team upon entry to the program. It immerses them into an intensive year-round training program that helps elevate them to their full potential. This is a unique program as all of the athletes train, work and live at WSL. As much as this program is about training the athlete, it is also very much about teaching them responsibility and how to balance out their active lifestyles.

### PROGRAMMING & COMMUNITY IMPACT

WSL's youth sport programs continue to make a positive impact and progress within the community. They expose a new generation of children to the Nordic and sliding sports, by offering an affordable introduction to cross-country skiing, luge and skeleton. WSL continues to expand its reach into programming and coaching and is now well-established as the go-to organization for sport expertise and sport delivery in the Sea to Sky Corridor.

We are especially proud of the school programs at WOP which are fully committed to, for the season, before the first snowfall. Every elementary school in the Sea to Sky Corridor now participates. The children's/youth's sliding programs are now heading into their third year and we have made good progress in luge and our hope is that the youngest participants will transfer into skeleton and bobsleigh which are traditionally for older-aged athletes.

With the closure of the track in Calgary for the coming season, these programs are expected to grow in participation with kids coming from Alberta to train.

Finding coaches for WSL's programs is challenging as these sports are extremely technical. Since these sports are more European-centric, we have had more success in filling these positions with overseas candidates as there are very few Canadians that are qualified and/or willing or able to uproot their lives for a winter season in Whistler. It is hoped that within time, the Sliding Program will become more like the Biathlon Program (W-NDC) where athletes will train year-round, live and work at WSL, at which time we will be able to attract and hire coaches year-round to fill the positions.

Along with WSL's core sport programming, we now offer both summer and winter multi-sport programs. These programs are for children aged 8 to 12 years old and provide participants with a taste of what we offer at WSL, in hopes of enticing them to take up one of our core sports in the future.

The Wednesday Night skiing at WOP with extended opening hours and significantly discounted access and rentals continues to be a community favourite, introducing people to Nordic sports at a very affordable price point while attracting regulars and sport groups for weekly activities and a social evening. Other community-focused events at WOP have also repeatedly found success and increased awareness of the facility, including "Women's Ski Day" and "Dog Day" that supports Whistler's Animal Shelter.



# YEAR IN REVIEW

Throughout the year, WSL hosts a number of coaching 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 education and quality coaching options in our community. In addition, our community gym ‘The Hub’ located at the Whistler Athletes’ Centre offers a variety of daily fitness classes for adults, fundamental movement programs for toddlers, multi-sport programming for youth, and it provides facilities for local clubs to rent for dryland training sessions.



## SAFETY COMMITMENT

This is the fifth consecutive year that WSL has achieved the Certificate of Recognition (COR) Certification with WorkSafe BC. This program is a structured approach to keeping our venues, colleagues and guests safe. It requires ongoing compliance, accountability and improvements to our safety processes. 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 audit performed in February of each year.

## LOOKING AHEAD

Now heading towards our tenth anniversary, WSL is looking at how we can reach our twentieth anniversary in 2030. As much as we feel that over the past ten years we have seen positive progress in sport delivery, community engagement and revenue generation, we are heading towards a more capital intensive period where the need to increase revenues will be crucial. Population growth in the Sea to Sky Corridor is encouraging, especially for WOP. At the same time the tourism sector continues to be strong which certainly helps the public programs at the WSC. WSL continues to look at alternative sources of income to support the overall revenue generation of the organization. Two projects that are still being pursued are the addition of a new apartment building at the Athletes’ Centre and the creation of a RV/tent campground facility at Whistler Olympic Park. Both of these projects are expected to help in revenue and bottom-line income.

## YEAR IN REVIEW

On the sport front, WSL will continue to evaluate the sport requirements and attempt to stay current for our sport users, while being realistic and prioritizing the sports that are the most relevant within the community and have the best support from the local clubs, provincial and national sport organizations. Of all the sports that we facilitate at WSL, high performance ski jumping continues to have challenges in Western Canada. Ski Jumping Canada is in the process of regrouping and setting a new strategic direction that will see a major focus on a development program across the country to rebuild a base for the future of the high performance program. WSL will support this by continuing to activate our junior jumps but has confirmed that there will not be any high performance activity or competition on the WOP Olympic Jumps this coming season. This will be the first season the jumps will not be activated since they were built.



At the WSC, we have confirmed a Luge World Cup race in December 2019 and the Luge World Championships in January 2021. In Bobsleigh and Skeleton, we will host a couple of North American Cup events this coming season, and expect to be back on the World Cup circuit in the 2020-2021 season. The Whistler track is also one of the candidates for the 2024 IBSF World Championships in Bobsleigh and Skeleton.

At WOP, WSL is working with a group that is interested in bringing the 2023 Nordic Youth World Championships to the venue. This event planning is still in the preliminary stages but if confirmed would bring approximately 500 athletes to the region for the ten-day event.

WSL continues to reach out beyond our core sports to maximize the use of our facilities and to share the legacy of the 2010 Games. Our relationship with Canada's Snowboard Cross and Freestyle Skiing Teams at WOP continues to develop as we have the ability to groom areas that can be used exclusively by these groups for training and development.

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 is in the approval process is the construction of a 57-unit residential apartment building on the land adjacent to the Athletes' Centre. This additional inventory will be multi-use and split between local workforce and



visiting athletes. Final zoning and costing for this project is yet to be approved, but we have reached a point where we are confident that this project will get the support needed to move forward.

## 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. 2018-2019 was the best year for sport development and sport fees, but unfortunately this did not make up for the decline in facility rental, Lodge rental and the public programs at the Sliding Centre. Overall, WSL missed its revenue targets by \$290K, but with savings in the middle of the statement, in expenses, we were able to make a more positive bottom line flow through.

WSL continues maintaining a robust capital maintenance program. At this point we are not overly concerned about any major components of the WSL infrastructure, although roads, roofs and sport timing equipment are all on our radar for the near future.

Nontraditional revenues i.e. the commercial film business, especially at Whistler Olympic Park, have produced excellent profits over the last few years, although this past year we fell short of expectations. This revenue is hard to predict as most of these industry decisions are made within a short lead time (less than six months). With winter as the most sought-out time period for our venues, we tend to be halfway through the WSL fiscal year before any leads materialize. Other nontraditional revenue streams are endurance and extreme sports events such as Tough Mudder, the Red Bull 400 and Ironman Canada, which have all helped build WSL's community exposure while contributing to revenues.

WSL is pursuing other business opportunities at all of our venues, but we are taking a cautious approach to protect the capital reserves that have been built over the past five years. Two projects that have moved along over the last year are the apartment building at the Whistler Athletes' Centre and the RV/tent campground at Whistler Olympic Park. Both of these projects are well into the planning stages and it is hoped that within the next year, will move forward to the construction phases.

Looking to the future, it is about prioritizing the sports that have relevance within our community and focusing on how we can help grow participation along with facilitating the high performance athletes in training and competition. The balance is always trying to deliver sport facilitation while protecting the financial health of the organization under the knowledge that sport funding has been stagnant for the last decade while the costs of facilitation have continue to increase. As we head towards WSL's tenth anniversary, I believe that we have delivered far beyond what was expected in our mandate. Now we are strategically planning for the next ten years and prioritizing our operational goals

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

## Attachments

- FY Ended March 31, 2019 Audited Financial Statements



Financial Statements

Whistler 2010 Sport Legacies Society

March 31, 2019

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# Independent Auditor's Report

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To the Members of  
Whistler 2010 Sport Legacies Society

## Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying financial statements of Whistler 2010 Sport Legacies Society (the "Society"), which comprise the statement of financial position as at March 31, 2019, statements of revenues and expenses, changes in net assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly in all material respects, the financial position of Whistler 2010 Sport Legacies Society as at March 31, 2019, 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 *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Society 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 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.

In preparing the financial statements, management is responsible for assessing the Society'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 Society or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society'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 Society'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 Society 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.

**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  
July 25, 2019



Chartered Professional Accountants

# Whistler 2010 Sport Legacies Society

## Statement of Financial Position

March 31

2019

2018

### Assets

#### Current

Cash and cash equivalents	\$ 972,388	\$ 2,412,189
Short-term investments (Note 3)	10,455,198	8,364,673
Receivables (Note 4)	4,849,060	4,626,954
Inventory	84,694	68,980
Prepaid expenses	123,339	114,449

**16,484,679** 15,587,245

Property and equipment (Note 5)

4,692,044 4,595,870

Deposits (Note 9)

100,000 100,000

**\$ 21,276,723** \$ 20,283,115

### Liabilities

#### Current

Payables and accruals (Note 8)	\$ 1,135,021	\$ 1,251,147
Deferred contributions (Note 6)	-	107,818

**1,135,021** 1,358,965

Deferred capital contributions (Note 7)

939,349 1,289,715

**2,074,370** 2,648,680

### Net assets (Note 11)

#### Internally restricted

Capital infrastructure - replacement and maintenance	5,000,000	5,000,000
Revenue generation	2,500,000	2,500,000
Sport development	1,500,000	1,500,000
Contingency	800,000	800,000
Invested in capital assets	3,752,695	3,306,155
Unrestricted	5,649,658	4,528,280

**19,202,353** 17,634,435

**\$ 21,276,723** \$ 20,283,115

Commitments and contingencies (Note 9)

On behalf of the Board

 Director

 Director

# Whistler 2010 Sport Legacies Society

## Statement of Revenues and Expenses

Year ended March 31	2019	2018
Revenue from operations		
2010 Games Operating Trust Fund	\$ 4,592,878	\$ 4,614,017
Whistler Olympic Park	1,984,213	2,775,496
Whistler Sliding Centre	1,733,826	1,773,688
Whistler Athletes' Centre	1,889,282	1,849,597
Other income	187,352	135,787
Deferred contribution revenue recognition (Note 6)	107,818	192,005
	<u>10,495,369</u>	<u>11,340,590</u>
Expenses		
Whistler Olympic Park	2,760,930	2,789,498
Whistler Sliding Centre	2,798,745	2,731,156
Whistler Athletes' Centre	1,347,534	1,285,548
Administration	1,760,227	1,721,746
Special project expenses	65,038	25,636
	<u>8,732,474</u>	<u>8,553,584</u>
Excess of revenues over expenses before amortization, investment income and unrealized gain on investments	<u>1,762,895</u>	<u>2,787,006</u>
Amortization		
Amortization of deferred capital contributions (Note 7)	350,366	352,114
Gain on disposal of property and equipment	38,194	-
Amortization of property and equipment	(998,127)	(901,276)
	<u>(609,567)</u>	<u>(549,162)</u>
Excess of revenues over expenses before investment income and unrealized gain on investments	1,153,328	2,237,844
Investment income	163,091	168,394
Unrealized gain on investments	<u>251,499</u>	<u>75,829</u>
Excess of revenues over expenses	<u>\$ 1,567,918</u>	<u>\$ 2,482,067</u>

# Whistler 2010 Sport Legacies Society

## Statement of Changes in Net Assets

Year ended March 31, 2019

	Capital infrastructure - replacement and maintenance	Revenue generation	Sport development	Contingency	Invested in capital assets	Unrestricted	Total
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
(Deficiency) excess of revenues over expenses	-	-	-	-	(609,567)	2,177,485	1,567,918
Purchase of property and equipment	-	-	-	-	1,056,107	(1,056,107)	-
<b>Balance, March 31, 2019</b>	<b>\$ 5,000,000</b>	<b>\$ 2,500,000</b>	<b>\$ 1,500,000</b>	<b>\$ 800,000</b>	<b>\$ 3,752,695</b>	<b>\$ 5,649,658</b>	<b>\$ 19,202,353</b>

See accompanying notes to the financial statements.

# Whistler 2010 Sport Legacies Society

## Statement of Cash Flows

Year ended March 31

2019

2018

Cash flows derived from (applied to)

### Operating

Excess of revenues over expenses	\$ 1,567,918	\$ 2,482,067
Amortization of property and equipment	998,127	901,276
Amortization of deferred capital contributions	(350,366)	(352,114)
Amortization of deferred contributions	(107,818)	(192,005)
Gain on disposal of property and equipment	(38,194)	-
Unrealized gain on investments	(251,499)	(75,829)

	1,818,168	2,763,395
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Changes in non-cash operating working capital

Receivables	(222,106)	(89,259)
Inventory	(15,714)	(4,361)
Prepaid expenses	(8,890)	(69,777)
Payables and accruals	(116,126)	106,193

	1,455,332	2,706,191
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### Investing

Purchase of property and equipment	(1,094,302)	(938,927)
Proceeds on disposal of property and equipment	38,195	-
Purchase of investments, net	(1,839,026)	(1,794,130)

	(2,895,133)	(2,733,057)
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Net decrease in cash and cash equivalents

	(1,439,801)	(26,866)
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Cash and cash equivalents, beginning of year

	2,412,189	2,439,055
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Cash and cash equivalents, end of year

	\$ 972,388	\$ 2,412,189
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# Whistler 2010 Sport Legacies Society

## Notes to the Financial Statements

March 31, 2019

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### 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.

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### 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.

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# Whistler 2010 Sport Legacies Society

## Notes to the Financial Statements

March 31, 2019

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### 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:

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

#### 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, 2019

### 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	2019	2018
RBC Dominion Securities portfolio of fixed income securities	\$ 7,486,277	\$ 5,913,192
RBC Dominion Securities portfolio of equities	2,968,921	2,451,481
	<b>\$ 10,455,198</b>	<b>\$ 8,364,673</b>

4. Receivables	2019	2018
2010 Games Operating Trust Fund	\$ 4,592,878	\$ 4,614,017
Other receivables	256,182	12,937
	<b>\$ 4,849,060</b>	<b>\$ 4,626,954</b>

5. Property and equipment		2019	2018
	Cost	Accumulated amortization	Net book value
Leasehold improvements	\$ 5,759,444	\$ 2,714,330	\$ 3,045,114
Vehicles	2,166,278	1,415,459	750,819
Equipment	1,546,214	859,366	686,848
Computer software	609,685	555,691	53,994
Construction-in-progress	155,268	-	155,268
Legacy assets	1	-	1
	<b>\$ 10,236,890</b>	<b>\$ 5,544,846</b>	<b>\$ 4,692,044</b>
			<b>\$ 4,595,870</b>

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).

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# Whistler 2010 Sport Legacies Society

## Notes to the Financial Statements

March 31, 2019

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<b>6. Deferred contributions</b>	<u>2019</u>	<u>2018</u>
Balance, beginning of year	\$ 107,818	\$ 299,823
Less contributions recognized as revenue	<u>(107,818)</u>	<u>(192,005)</u>
Balance, end of year	<u>\$ -</u>	<u>\$ 107,818</u>

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<b>7. Deferred capital contributions</b>	<u>2019</u>	<u>2018</u>
Balance, beginning of year	\$ 1,289,715	\$ 1,641,829
Less amortization of deferred capital contributions	<u>(350,366)</u>	<u>(352,114)</u>
Balance, end of year	<u>\$ 939,349</u>	<u>\$ 1,289,715</u>

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### **8. Payables and accruals**

Included in payables and accruals is amounts owing in respect of government remittances for sales and hotel taxes of \$73,230 (2018 - \$55,134).

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### **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.

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# Whistler 2010 Sport Legacies Society

## Notes to the Financial Statements

March 31, 2019

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### 10. Financial instruments risk exposure and management

#### Fair values

The carrying amount of financial assets measured at cost is \$5,921,448 as at March 31, 2019 (2018 - \$7,139,143).

The carrying amount of financial assets measured at fair value is \$10,455,198 as at March 31, 2019 (2018 - \$8,364,673).

The carrying amount of financial liabilities measured at cost is \$1,135,021 as at March 31, 2019 (2018 - \$1,251,147).

#### *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, 2019, the maximum exposure to credit risk is equal to the carrying amount of receivables of \$4,849,060 (2018 - \$4,626,954). Subsequent to year end, \$4,592,878 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 \$1,135,021 representing the Society's payables and accruals as at March 31, 2019 (2018 - \$1,251,147), which are due to be paid in full before March 31, 2020. Management monitors cash flows to ensure there is sufficient cash on hand to meet forecasted operating expenses and other financial obligations.

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### 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.

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# Whistler 2010 Sport Legacies Society

## Notes to the Financial Statements

March 31, 2019

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### **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 \$1,298,820 in remuneration to the 10 most highly remunerated persons who are employees, whose remuneration, during the applicable period, was at least \$75,000.

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