

Year in Review President and CEO

Strategic Highlights

This report covers the thirteenth year of operations for Whistler 2010 Sport Legacies Society from January 1, 2023, to March 31, 2024.

At Whistler Olympic Park, 2023 had a positive start with the biggest high-performance event since 2010 when playing host to the 2023 FIS Junior World & U23 Cross Country Ski Championships. This 10-day event, spanning from January to February, drew over 900 athletes from various corners of the globe to Whistler for competitive action. The event achieved resounding success, thanks to the ideal weather conditions that enabled live streaming coverage for viewers around the world. Heading into the 2023-24 winter season, although there were no FIS sanctioned events, the Park did play host to many provincial and regional events. These events saw Canada's top athletes compete in preparation for the World Cup circuit.

For the second year in a row, the weather at the Park was not ideal and for most of the 2023-24 winter season, we were faced with historically low snow accumulation. This made very little difference to sport delivery, but the perception of minimal snow certainly impacted daily visits to the Park by the recreational users. Even with these less-than-ideal conditions, the Park still recorded over 130 days of skiing in comparison to the trails within Whistler Village, which recorded less than 40 days of skiing.

Once the Park closed for the winter, work on the construction of the RV/Tent Campground project. Although the camping window is relatively short in the Callaghan Valley, the Campground had a successful first season with strong occupancy and positive feedback from the users. After experiencing the first season, we will certainly be looking to expand the overnight accommodation offering to have a more profitable revenue stream in the future.



Looking ahead to the 2024-25 season, we have a number of high-performance events scheduled at the Park and in February 2025, we will be hosting a portion of the first-ever Winter Invictus Games for their biathlon event.

At the Whistler Sliding Centre, we continue to support all three national teams with early season training and assist in facilitating the development and the NextGen athlete programming. To further aid Bobsleigh Skeleton Canada as they rebuild their organization, WSL became the organizing entity for the International Bobsleigh & Skeleton Federation (IBSF) North American Cup in November 2023. Although this is essentially a North American event, it does attract many of the smaller nations as they try to earn points for the World Cup circuit. This event also gives the up-and-coming Canadians an opportunity to compete with some of the

world's best athletes on their home soil. After successfully completing the IBSF event, in early December the track hosted the International Luge Federation (FIL) World Cup, which attracted the world's top 100 luge athletes. Normally, after the intense training and competition programming from October to December, we turn our focus to the lucrative Sport Experience Program (SEP) for the public. However, due to the frequency of reported injuries on the SEP, Technical Safety BC (TSBC) cancelled the operational license for the activity. To add context to this situation, since 2012 there have been 11 reported injuries, mainly back compression, that triggered this action and, in that time, we had serviced over 50,000 people. After working with TSBC on mitigation, we were issued a temporary operational license which covered the program for the remainder of the season with a condition. The condition required WSL to engage a third-party engineering company to review the activity and establish if the forces of the ride are within the standards set by TSBC for similar rides and activities. This work was completed in April 2024 and the results were within all the regulatory limits set out by TSBC. TSBC took the summer to review the document with the goal of reinstating the operating license in time for the winter operation. This authorization is crucial to the success and viability of the WSC as it represents 65% of the annual revenue for the venue.

Other sources of revenue that we continue to pursue are filming, corporate events, and social gatherings. Most of these activities are shorter-term bookings but are very lucrative when it comes to cash flow to the bottom line as there is very little cost involved in facilitating these activities.

The Whistler Athletes' Centre (WAC) Lodge recorded its best year ever accommodating teams and individuals in Whistler to compete and to train. In Spring 2023, the new affordable housing project, The Approach, was completed. The Approach is a 58-unit apartment building that now houses WSL colleagues as well as supports the community with an allocation of units for essential service workers. The building was fully occupied within a month of completion and has greatly helped WSL attract and retain both seasonal and long-term colleagues. This project was made possible with a very attractive CMHC ten-year fixed mortgage which allowed WSL to keep the rents at an affordable level for frontline workers and still make a small profit. With the shortage of affordable accommodation in the resort, WSL is now planning a second apartment building project that would be suitable for more long-term family-oriented accommodation. CMHC is keen to work with WSL again after the success of the first project.



field of Play standards

WSL takes great pride in maintaining the homologation and competition compliance of our venues as recognized by the international governing bodies for all seven sports they were originally designed for.

During the winter season of 2023-24, WSL successfully facilitated international events at both the Whistler Sliding Centre and Whistler Olympic Park, thereby ensuring the legacy of the 2010 Games continues.

High-performance Access

WSL remained committed to prioritizing events and training for Canada's top athletes in all seven of our core sports. Over the past year, the WSC was almost at capacity with national and NextGen athletes training and competing in Whistler. As the only sliding centre in Canada, we are challenged in trying to offset the increasing operational costs of sport, with the revenue generation of our Sport Experience public programming. At WOP, this challenge is not as delicate, as sport and recreation can exist side by side without too much interference. This is also the case with other third-party activities such as filming and corporate events. Over the years, the revenue from these non-sport activities has helped in providing capital funds for new equipment that benefits our sporting endeavors.

Unfortunately, unlike WOP, there are less opportunities to use the Sliding Centre for non-sport activities, although we do generate some revenue when the opportunities are presented. WSC will be, for the foreseeable future, the only Sliding Centre in Canada. The facility in Calgary has now been closed for five years and from what has been communicated by WinSport (its operator) there isn't any funding or appetite federally or provincially to refurbish the facility now or in the future. The track in Calgary lasted just over thirty years before requiring substantial capital for critical components. The Whistler track is now fifteen years old and according to our latest reports, is still in relatively good condition. So, if the three sliding sports can stay healthy and can continue to produce athletes, the WSC will be able to accommodate their programming into the future. WSL will do all that we can to assist in this process by acting as the provincial sport organization (PSO) for the sliding sports in delivering the local programming while facilitating the Canadian teams' training and event hosting.

At WOP, in February 2023, we hosted the Nordic Junior World Championships which made for a very busy season with Canadian and international athletes coming to the venue to train in preparation for the event. WOP continued to provide early on-snow training using stored snow (Callaghan Gold), which was further enhanced with the purchase and the installation of snow guns before the start of the season. The use of these snow guns substantially increased the volume and quality of the snow conditions, benefiting our Canadian athletes and providing an early season base for recreational users.

During the summer of 2023, we added more high-performance facilities at WOP by partnering with Canadian Sport Institute Pacific to build a new testing lab. This state-of-the-art facility will benefit athletes from various sport disciplines and is expected to attract both teams and individual athletes to Whistler who are seeking the unique advantages and services that the facility offers in high-performance testing. WOP also collaborated with Cross Country BC in assisting with free space, the purchase and installation of a cross-country ski treadmill at WOP. This new equipment is another example of providing high-performance athletes with access to additional apparatus to enhance their training environment. This treadmill not only supports year-round training but also incorporates video and health testing capabilities to improve athletes' technique and conditioning.

Programming & Community impact

WSL has continued to take the lead in all three sliding sports by employing Whistler-based coaches that not only run the development programming locally but who are also used by the Canadian teams during their pre-season training camps in Whistler. At WOP, the Whistler Nordic Development Centre (WNDC), a stand-alone WSL sport initiative, is now into its seventh year in developing NextGen biathlon athletes. This program

involves Canadian athletes who live in WSL accommodations, work part-time within WSL venues, and train year-round in Whistler to compete on the Junior World Cup circuit in hopes of making the full Canadian team in the future.

With cross-country skiing and ski jumping, WSL assumes a supportive role, closely collaborating with local clubs as well as PSO's and national sport organizations (NSO's) to enhance and support their programming and events.

Our school programming at all three of our venues continues to grow each year introducing students to sliding sports and cross-country skiing. Additionally, our after-school programs at the Whistler Athletes' Centre that cater to quality and multi-sport physical literacy, are thriving. Supplementary programs, including PLAYTots, DANCEPL3Y, Active After School Club, Pro D Days and school holiday programs have been met with great popularity, often selling out upon their launch.

The discounted Wednesday Night offerings at WOP, with a strong community focus, once again proved to be an excellent promotional initiative. This event not only fostered goodwill among locals and new visitors but also evolved into a social activity enjoyed by many groups. There is a plan to expand this offering to two nights a week for the 2024-25 season.

We maintained our commitment to conduct general coaching education programs in partnership with viaSport. These programs are designed to provide amateur coaches, teachers, and volunteers from various sports with the necessary skills and knowledge to instruct fundamental movement, physical literacy and strength and conditioning for young athletes.

During the summer months, we work with a variety of sports that come to Whistler for training camps and retreats. These sports range from traditional sports like rugby, soccer and basketball to non-traditional sports like Ultimate.

Safety commitment

For the ninth consecutive year, WSL has obtained the Certificate of Recognition (COR) Certification from WorkSafe BC. This certification program represents a systematic and structured approach to ensuring the safety of our colleagues and guests at our venues. It necessitates continuous compliance, accountability, and enhancements to our safety protocols. COR is the provincially recognized initiative that offers financial incentives to employers who surpass the minimum safety standards mandated by workplace safety regulations by adopting a "best practice" approach. The program's administration is overseen by go2hr which requires WSL to undergo an annual audit each February to evaluate its safety compliance. Along with this certification, WSL continues to evaluate our safe practices against other similar operations for worker accidents and time loss incidents through WorkSafe BC.

Looking Ahead

After fourteen years of operation, WSL remains committed to providing world-class high-performance facilities for the seven sports that we were built for, along with supporting regional clubs and athletes as they develop the next generation of Canadian talent to represent the nation on the world stage. Outside of the sport initiatives, WSL continues to look at ways to augment and increase non-traditional sources of revenue i.e. expanding the RV/Tent Campground at WOP with a year-round ski-in/-out cabin product and constructing additional colleague housing in Cheakamus Crossing beside the Whistler Athletes' Centre.

Capital maintenance and capital replacement are becoming more costly as our venues age. As with most facilities as they age, we are increasingly spending funds on mechanical and structural infrastructure i.e. slope stabilization, water treatment/sewage plant upgrades at WOP, building facades, compressors and other internal components at the WSC. These items come at a high price and take priority over anything that enhances high-performance sport delivery.

Financial Review

Fiscal year 2024 was greatly impacted by poor snowfall and mild weather in the region throughout the winter season. These conditions influenced people's mindset for recreation and even though Whistler Olympic Park had excellent conditions and operated for over 130 days, our day ticket sales were down by almost 30% over the previous year. This reduction had a trickle-down impact on rentals, lessons, retail and food and beverage sales. At the Whistler Sliding Centre, poor weather can sometimes work in our favour, as visitors look for other activities when skiing on the mountain isn't perfect. The public ride program had a good season once we got beyond the temporary shutdown by Technical Safety BC which cost an estimated \$100k in lost revenue. The other unexpected revenue reduction was from the GOT distribution. The timing of this funding notification came after our budget has been set and after the winter season had started. All these contributing factors along with the additional capital spend, saw WSL draw from its reserves for the first time in many years to cover operational and capital maintenance expenses.



Financial statements

Whistler 2010 Sports Legacies Society

March 31, 2024

Contents

	Page
Independent Auditor's Report	1 - 3
Statement of Financial Position	4
Statement of Revenues and Expenses	5
Statement of Changes in Net Assets	6
Statement of Cash Flows	7
Notes to the Financial Statements	8 - 14

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, 2024, 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, 2024, 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
September 5, 2024

Grant Thornton LLP

Chartered Professional Accountants

Whistler 2010 Sport Legacies Society

Statement of Financial Position

March 31

2024

2023

Assets

Current

Cash and cash equivalents	\$ 1,766,228	\$ 2,374,593
Short-term investments (Note 3)	14,781,307	13,694,810
Receivables (Note 4)	3,386,745	4,229,244
Inventory	178,468	131,385
Prepaid expenses	198,326	228,993

20,311,074 20,659,025

Property and equipment (Note 5)

27,223,515 25,737,544

Deposits (Note 5 and 9)

137,720 336,949

\$ 47,672,309 \$ 46,733,518

Liabilities

Current

Payables and accruals (Note 6)	\$ 1,400,528	\$ 1,659,826
Loan payable (Note 8)	123,357	-

1,523,885 1,659,826

Deferred capital contributions (Note 7)

626,891 712,378

Loan payable (Note 8)

19,676,643 18,365,882

21,827,419 20,738,086

Net assets (Note 11)

Internally restricted

Capital infrastructure - replacement and maintenance	8,400,000	8,400,000
Revenue generation	6,000,000	6,000,000
Sport development	2,400,000	2,400,000
Contingency	1,320,000	1,320,000
Invested in property and equipment	6,773,809	6,146,706
Unrestricted	951,081	1,728,726

25,844,890 25,995,432

\$ 47,672,309 \$ 46,733,518

Lease commitments (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	2024	2023
Revenue from operations		
Whistler Athletes' Centre	\$ 3,373,302	\$ 2,198,338
2010 Games Operating Trust Fund	3,134,558	4,122,473
Whistler Olympic Park	2,558,018	2,577,459
Whistler Sliding Centre	1,992,996	1,943,054
Other income	193,255	170,623
	<u>11,252,129</u>	<u>11,011,947</u>
Expenses		
Whistler Olympic Park	3,033,901	3,003,867
Whistler Sliding Centre	3,210,855	2,964,409
Administration	1,878,478	1,908,775
Whistler Athletes' Centre	2,246,115	1,497,528
Special project expenses	172,663	68,502
	<u>10,542,012</u>	<u>9,443,081</u>
Excess of revenues over expenses before other items	<u>710,117</u>	<u>1,568,866</u>
Other items		
Amortization of deferred capital contributions (Note 7)	85,487	29,402
Amortization of property and equipment	(2,209,054)	(1,177,689)
Gain on disposal of property and equipment	107,313	78,076
Government subsidies (Note 13)	-	119,043
Investment income	475,124	256,915
Unrealized gain (loss) on investments	680,471	(433,889)
(Deficiency) excess of revenues over expenses	<u>\$ (150,542)</u>	<u>\$ 440,724</u>

Whistler 2010 Sport Legacies Society

Statement of Changes in Net Assets

Year ended March 31, 2024

	Capital infrastructure - replacement and maintenance	Revenue generation	Sport development	Contingency	Invested in property and equipment	Unrestricted	Total
Balance, March 31, 2022	\$ 8,400,000	\$ 6,000,000	\$ 2,400,000	\$ 1,320,000	\$ 7,288,943	\$ 145,765	\$ 25,554,708
(Deficiency) excess of revenues over expenses	-	-	-	-	(1,070,211)	1,510,935	440,724
Purchase of property and equipment, net of funding	-	-	-	-	(72,026)	72,026	-
Balance, March 31, 2023	8,400,000	6,000,000	2,400,000	1,320,000	6,146,706	1,728,726	25,995,432
(Deficiency) excess of revenues over expenses	-	-	-	-	(2,016,254)	1,865,712	(150,542)
Purchase of property and equipment, net of funding	-	-	-	-	2,643,357	(2,643,357)	-
Balance, March 31, 2024	\$ 8,400,000	\$ 6,000,000	\$ 2,400,000	\$ 1,320,000	\$ 6,773,809	\$ 951,081	\$ 25,844,890

See accompanying notes to the financial statements.

Whistler 2010 Sport Legacies Society

Statement of Cash Flows

Year ended March 31	2024	2023
Cash flows derived from (applied to)		
Operating		
(Deficiency) excess of revenues over expenses	\$ (150,542)	\$ 440,724
Items not affecting cash		
Amortization of deferred capital contributions	(85,487)	(29,402)
Amortization of property and equipment	2,209,054	1,177,689
Gain on disposal of property and equipment	(107,313)	(78,076)
Unrealized (gain) loss on investments	(680,471)	433,889
	<u>1,185,241</u>	<u>1,944,824</u>
Changes in non-cash operating working capital		
Receivables	842,499	605,149
Inventory	(47,083)	(44,872)
Prepaid expenses	30,667	(17,040)
Deposits	199,229	2,000
Payables and accruals	255,465	192,411
	<u>2,466,018</u>	<u>2,682,472</u>
Financing		
Proceeds from loan payable	1,434,118	10,640,434
Capital contributions	-	243,000
	<u>1,434,118</u>	<u>10,883,434</u>
Investing		
Purchase of property and equipment, net	(4,102,475)	(11,293,408)
Purchase of investments, net	(406,026)	(1,728,897)
	<u>(4,508,501)</u>	<u>(13,022,305)</u>
Net (decrease) increase in cash and cash equivalents	(608,365)	543,601
Cash and cash equivalents, beginning of year	<u>2,374,593</u>	<u>1,830,992</u>
Cash and cash equivalents, end of year	<u>\$ 1,766,228</u>	<u>\$ 2,374,593</u>
Non-cash investing activities		
Purchase of property and equipment included in payables and accruals	\$ 22,815	\$ 537,578

See accompanying notes to the financial statements.

Whistler 2010 Sport Legacies Society

Notes to the Financial Statements

March 31, 2024

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 could not 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 could not 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, 2024

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.

Government subsidies related to expenses are recognized in the period in which the expenses are incurred.

Revenues from the Whistler Athletes Centre includes rental income which is recognized as revenue in the period when earned.

Revenues from the Whistler Olympic Park and Whistler Sliding Centre include public program and admission revenue which is recognized as revenue when earned.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks 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 following rates:

Buildings	4% Declining balance
Leasehold improvements	5 to 20 years Straight-line
Vehicles	30% Declining balance
Equipment	20% Declining balance
Computer software	55% 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 and fixed income securities, 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 short-term investments.

Financial liabilities measured at cost include payables and accruals and loan payable.

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.

Whistler 2010 Sport Legacies Society

Notes to the Financial Statements

March 31, 2024

2. Summary of significant accounting policies (continued)

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. Investments	<u>2024</u>	<u>2023</u>
RBC Dominion Securities portfolio of fixed income securities	\$ 9,570,035	\$ 9,419,468
RBC Dominion Securities portfolio of equities	<u>5,211,272</u>	<u>4,275,342</u>
	<u>\$ 14,781,307</u>	<u>\$ 13,694,810</u>

4. Receivables	<u>2024</u>	<u>2023</u>
2010 Games Operating Trust Fund	\$ 3,134,558	\$ 4,122,473
Capital contributions	-	25,000
Other receivables	<u>252,187</u>	<u>81,771</u>
	<u>\$ 3,386,745</u>	<u>\$ 4,229,244</u>

5. Property and equipment

			<u>2024</u>	<u>2023</u>
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Net book value</u>	<u>Net book value</u>
Buildings	\$ 21,588,678	\$ 822,118	\$ 20,766,560	\$ -
Leasehold improvements	9,143,703	5,823,128	3,320,575	1,609,019
Vehicles	3,855,035	2,457,762	1,397,273	1,097,390
Equipment	2,510,447	1,573,088	937,359	688,489
Computer software	1,054,964	919,795	135,169	103,781
Construction-in-progress	666,578	-	666,578	22,238,864
Legacy assets	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>
	<u>\$ 38,819,406</u>	<u>\$ 11,595,891</u>	<u>\$ 27,223,515</u>	<u>\$ 25,737,544</u>

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

Whistler 2010 Sport Legacies Society

Notes to the Financial Statements

March 31, 2024

5. Property and equipment (continued)

As of March 31, 2023, construction-in-progress primarily related to construction of the Rental Housing Project (the "Project") on 1315 Cloudburst Drive and includes consulting fees, permits, transfer tax, legal costs and insurance. During the year ended March 31, 2024, the Project has completed and been capitalized under buildings.

Included in property and equipment is capitalized interest of \$293,226 (2023 - \$265,500).

Included in deposits is \$34,720 (2023 - \$232,949) related to a landscape security development permit for the Project.

6. Payables and accruals

Included in payables and accruals is amounts owing in respect of government remittances for sales and hotel taxes of \$56,128 (2023 - \$54,417).

7. Deferred capital contributions	<u>2024</u>	<u>2023</u>
Balance, beginning of year	\$ 712,378	\$ 498,780
Add: capital contributions	-	243,000
Less: amortization of deferred capital contributions	<u>(85,487)</u>	<u>(29,402)</u>
Balance, end of year	<u>\$ 626,891</u>	<u>\$ 712,378</u>

8. Loan payable

The Society entered into a loan agreement with the Canada Mortgage and Housing Corporation ("CMHC") on August 9, 2021 for a term construction loan (the "loan") in an amount up to \$19,800,000, which is administered and serviced by the CMLS Financial Ltd. The purpose of the loan is to provide rental construction financing for the Project (see Note 5). The terms of the loan are as follows:

- 10-year term, maturity of November 1, 2031
- 1.84% interest rate
- Interest only payments financed by the loan during construction through to occupancy permit
- Interest only payments paid by the borrower from occupancy permit until 12 consecutive months of stabilized effective gross income ("stabilization")
- Principal and interest payment from stabilization to end of term, approximately \$1,136,808 of principal repayment over the next five years
- Closed to prepayment

Whistler 2010 Sport Legacies Society

Notes to the Financial Statements

March 31, 2024

8. Loan payable (continued)	2024	2023
Current portion of loan payable	\$ 123,357	\$ -
Non-current portion of loan payable	<u>19,676,643</u>	<u>18,365,882</u>
Balance, end of year	<u>\$ 19,800,000</u>	<u>\$ 18,365,882</u>

The expected principal and interest payments over the next 5 years will be as follows:

	Principal	Interest	Total
2025	\$ 123,357	\$ 179,186	\$ 302,543
2026	246,448	358,638	605,086
2027	251,003	354,083	605,086
2028	254,847	350,239	605,086
2029	261,153	343,933	605,086

At the end of the 10-year term, the Society will be required to have the loan assumed by a National Housing Act Approved Lender. As at March 31, 2024, the Society has drawn \$19,800,000 (2023 - \$18,365,882) on the loan, net of interest and legal expenses. During 2024, interest expense of \$357,752 is included in the Whistler Athlete's Centre expense.

9. 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. 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. 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.

10. Financial instruments risk exposure and management

Fair values

The carrying amount of financial assets measured at cost is \$5,290,693 as at March 31, 2024 (2023 - \$6,940,786).

The carrying amount of financial assets measured at fair value is \$14,781,307 as at March 31, 2024 (2023 - \$13,694,810).

Whistler 2010 Sport Legacies Society

Notes to the Financial Statements

March 31, 2024

10. Financial instruments risk exposure and management (continued)

Fair values (continued)

The carrying amount of financial liabilities measured at cost is \$ 21,200,528 as at March 31, 2024 (2023 - \$20,025,708).

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, 2024, the maximum exposure to credit risk is equal to the carrying amount of receivables of \$3,386,745 (2023 - \$4,229,244).

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 \$1,400,528 representing the Society's payables and accruals as at March 31, 2024 (2023 - \$1,659,826), which are due to be paid in full before March 31, 2024. 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 Infrastructure, 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.

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 \$1,458,969 (2023 - \$1,396,022) in remuneration to the 10 most highly remunerated persons who are employees, whose remuneration, during the applicable period, was at least \$75,000.

Whistler 2010 Sport Legacies Society

Notes to the Financial Statements

March 31, 2024

13. Government subsidies

During the year ended March 31, 2024, the federal government of Canada has ended the wage subsidy programs. During the year, the Society received \$Nil in government subsidies.

During the year ended March 31, 2023, the federal government of Canada introduced the Tourism and Hospitality Recovery Program ("THRP") for wage and rent support for Canadian employers in the tourism or hospitality sector. During the year, the Society received \$119,043 in THRP, which was recognized as revenue.

14. Contingencies

The Society may be subject to claims and lawsuits that can arise in the ordinary course of operations. During the year ended March 31, 2024, a legal proceeding has been filed against the Society. Whether any liability will flow from this matter is not presently determinable. The resulting loss, if any, will be recorded in the period in which it is determined.

15. Comparative figures

Certain of the comparative figures have been reclassified to conform to the classifications used in the current year.
