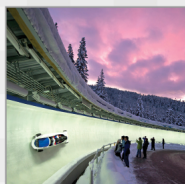
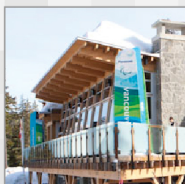
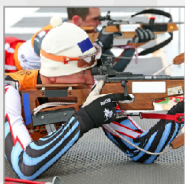




# Whistler Sport Legacies Annual Report

October 1, 2011 – March 31, 2012  
April 1, 2012 – March 31, 2013





This report includes the Audited Financial Statements for the “stub” year of October 1, 2011 to March 31, 2012 and the following full fiscal year of April 1, 2012 to March 31, 2013. During these two periods, WSL continued to build upon the foundation laid during the first year and a half of operation by delivering on our sport mandate while pursuing revenue-generating programs to further support sport.



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## Key Programs and Initiatives

### *Whistler Olympic Park*

At Whistler Olympic Park, recreational users have access to groomed cross-country trails, recreational biathlon programs, an extensive snowshoe trail system, a ski play area, a tobogganing area, dog friendly trails, and a full service Day Lodge with instructional, rental, and food/beverage services. The winter of 2012-2013 was very successful as Nordic sport enthusiasts from the Sea to Sky corridor and Lower Mainland contributed towards WOP exceeding season pass revenue by 8% and day pass revenue by 15% over the previous winter 2011-2012 season. Revenue for lessons also increased by 36% over the previous winter season.

For the winter 2012-2013 season, the skiable terrain increased from 80 to 130 kms of groomed trails and 20 to 30 kms of snowshoeing trails as Whistler Olympic Park formed a joint venture with Callaghan Country Wilderness Adventures. While the CCWA trails were not used for sport competitions, the additional terrain greatly improved the training experience for athletes of all levels.

In 2012, Whistler Olympic Park hosted sixteen Nordic events (Cross Country, Biathlon, Ski Jumping) of varying levels, from recreational to competitive. The most significant event of the 2012 season was the Nor-Am and World Junior Trials for cross-country skiing which occurred in January. This competition attracted 250 athletes and was the lead-up to the World Juniors in Liberec Czech Republic in late January 2012. The biggest event held at Whistler Olympic Park was the Sea to Sky Nordic Festival in March 2013, which was the first time that all three Nordic disciplines were held together, with more athletes competing than the 2010 Winter Olympic Games.

The Ski Jump complex was in an ongoing “care and maintenance mode” in preparation for a Ski Jump & Nordic Combined training camp in March 2012 followed by the Canadian National Ski Jumping Championships, which was made possible for the sport by funding through Ski Jumping Canada. Ski Jumping Canada also supported the 2013 Canadian National Ski Jumping Championships as part of the Sea to Sky Nordic Festival for 15 days in March 2013.

During 2012, Whistler Olympic Park continued to build on its legacy mandate to support sport development by providing access and assisting with sport delivery at all levels of the Long Term Athlete Development model for Biathlon and Cross Country Skiing. WOP has committed to providing early and late season on-snow training access and strategic program support to the Callaghan Valley Training Centre (Cross-Country Canada National Development Centre). WOP also looked at development opportunities with the traditional Nordic sports and branched out into training camps for non-traditional sports for WOP such as Freestyle, Snowboard & Skier Cross.



In the summer, WOP was open for self-guided Olympic interpretive tours, Biathlon, mountain biking, as well as horseback riding and food & beverage serviced by third party vendors. The Tough Mudder race in June brought 20,000 participants and spectators to the venue over two days and gave the Sea to Sky corridor communities a tremendous economic boost raising Whistler's normal June occupancy from 64% to an almost sold-out Resort. Non-traditional use of the venue for corporate group events, recreational sport events, TV & movie filming, and weddings continues to grow and be a great source of revenue for this venue and accounts for 15% of WOP revenue.

### *Whistler Sliding Centre*

The focus of the Whistler Sliding Centre (WSC) was running efficient operations to fully support sport, while building upon the successful launch of public bobsleigh and skeleton programs. The Whistler Sliding Centre continued to provide a public Sport Experience Program for Skeleton and Bobsleigh. While these programs are scheduled around sport use, they were very successful with sold-out sessions. Despite a challenging economic climate and competing products in a tourism destination, the WSC public programs achieved a 42% increase in revenue in the 2012-2013 season over the previous season. Non-traditional use of the WSC venue also proved to be very successful, with a significant increase in venue rentals for corporate events, TV commercial filming, and weddings.

The winter 2012-2013 season provided many opportunities for high performance and development sport training, and increased community engagement. WSC hosted two world-class events in 2012, including the FIBT Bobsleigh Skeleton World Cup Feb.2-4, 2012 and the FIBT Bobsleigh Skeleton World Cup Nov.23-24, 2012. The highlight of the past season was the Luge World Championships in February 2013, when 116 athletes from 19 countries competed. This level of competition is the highest hosted by the WSC since the 2010 Olympic Winter Games.

From late 2011 through the Fall of 2012, WSC staff supported the completion of the Safety Audit which was initiated by a recommendation of the BC Coroner's Report following the death of an athlete during the 2010 Olympic Winter Games. WSL commissioned SAIT Polytechnic's Sports and Wellness Engineering Technology Applied Research Group to carry out a technical analysis of the Whistler Sliding Centre track. The study was the first of its kind in the world of sliding sports. It included a three-dimensional scan of the track, trajectory modeling, a design audit, a safety audit, and a retrospective study of in-track incidents. The Safety Audit Final Report was released in early December 2012 was paid for by VANOC contributions. WSL's commitment to safety will be demonstrated through the implementation of 29 recommendations, an outcome of the Safety Audit Final Report.

The construction of a new start house and ramp for luge women's, doubles, and team relay was started in the summer of 2012 and phase 1 was completed in time for the Luge World Championships in February 2013. Whistler Sport Legacies funding from the GOT is based on a



number of factors relating to sport, one of which is maintaining the design and structure of the Olympic Legacy facilities to meet the technical standards established by the International Federations. The FIL requested that WSL construct a new luge start ramp and athlete preparation building because the start positions are now different than those originally determined when the track was built for Olympic competition. This investment was funded by VANOC, and will benefit sport at all levels from local to international athletes. It will be one of the most frequently used start positions on the WSC track, as it will be essential for developing athletes of all disciplines. The new Luge start will also benefit WSC's tourism product as the public bobsleigh sport experience program utilizes this start position.

### *Whistler Athletes' Centre*

The winter of 2011-2012 saw a slight increase in Lodge and townhome occupancy, but a significant lift occurred when a self-service kitchen in the Lodge was completed in June 2012, resulting in a 143% increase in Lodge revenue for 2012-2013 over the previous year. This success is due to increased awareness about the Lodge achieved through targeted sales efforts and continued marketing and media relations initiatives. It is also the result of the development of a Sport Services position to provide a one-stop-shop for athletes and teams who visit Whistler to train or compete.

Within the Audited Financial Statements for the WAC, revenue includes leased space and room rentals in the HPC, plus occupancy of the Lodge. In the High Performance Centre, our partner Canadian Sport Institute continued to support athletes with podium potential, and the Whistler Adaptive Sports Program supports recreational opportunities for people of all ages with disabilities. The Oros Gymnastics Centre operates an incredible facility, which enables the Whistler community to enjoy a legacy venue.

### *WSL's Contribution to Podium Success*

Success for WSL is defined as a healthy organization operating the venues over the long term as a legacy of the Vancouver 2010 Olympic and Paralympic Winter Games, delivering on our mandate to maintain a high performance sport training and development focus, supplemented by profitable recreational programming, and supporting regional, Provincial, and National objectives around tourism and healthy living through sport and recreation.

Both Whistler Olympic Park and the Whistler Sliding Centre have clearly delivered on the mandate of facilitating high performance sport training and event hosting, and each of the venues are considered to be the best facilities of their kind in Canada. Proof of that success is in Canada's medal count ...between the winter seasons of 2010-11 to 2012-13, Canadian athletes who have trained at WSL's venues have won a total of 356 medals in international competition. And 100% of National carded athletes for bobsleigh, skeleton, luge, biathlon, ski jump and Nordic combined have trained at WSL venues.



WSL operates three venues where Olympic-bound athletes train. And those athletes make a significant contribution towards winning Olympic medals ...the sliding sports will be competing for 27 medals while the Nordic sports will be competing for 90 medals. Athletes who train at the Whistler Sliding Centre and Whistler Olympic Park, and stay at the Athletes' Centre are well positioned to be standing on the podium in Sochi this coming year.

The following International competitions were held during the Report period:

The FIBT Bobsleigh and Skeleton World Cup was held November 23-24 2012. During this event, 164 athletes from 18 teams competed in 5 different races. Canadians placed very well with a total of 4 medals. The event was very successful with community engagement drawing crowds of over 1,000 attendees over the two days of competition. The event secured media coverage in print and online publications around the world, and had live broadcasts on SportsNet 2 in Canada and TV stations in Germany.

The FIL Luge World Championships was held February 1-2 2013. During this event, 148 athletes from 25 teams competed in 4 different races. The new Luge start was completed in time for Canadian athletes to have ample training, achieving strong results – Canadians won a total of 2 medals, and 4 medals were won by U23. The event was very successful with community engagement drawing crowds of over 1,200 attendees over the two days of competition. The event secured media coverage in print and online publications around the world, and had live broadcasts on SportsNet 2 in Canada and Eurosport across Europe.

Whistler Olympic Park hosted a Nordic Festival March 15-30, 2013, which brought together all the Nordic sports for their respective Canadian Championships (Cross Country, Biathlon, Ski Jumping and Nordic Combined). More than 800 athletes participated, which was more than the 2010 Olympic Winter Games.



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## Financial Review

### *Year ended March 31, 2012 and year ended March 31, 2013*

When reviewing our financial statements, one must consider that the prior year's data (October 1, 2011 – March 31, 2012) is for a six month period whereas our fiscal year ending March 31, 2013 is for a full twelve month period. This is due to the change of our fiscal year end to March 31 from September 30, which occurred in September 2011.

The financial statements have been prepared in accordance with the Canadian accounting standards for not-for-profit organizations ("ASNPO") and as such, the financials must present opening balances using the same standards. For the financials ending March 31, 2013, there are three comparatives presented: current year, prior year (March 31, 2012 stub year) and the opening balances of prior year (October 1, 2011).

Overall, our 2013 fiscal year performance was better than projected. The significant contributions can be attributed to our increases in revenues at all venues over their budgeted projections. Venue expenses were slightly higher than projected, but more than offset by increases in the revenue. This is due to the diligence of staff to recognize and capitalize on revenue generating opportunities while continuing to improve efficiencies and reduce costs.

Our fiscal year of April 1, 2012 – March 31, 2013 Statement of Revenue and Expenses reports combined Partner Contributions for a total of \$6,760,669 that include:

- \$2,400,524 of multi-year BC Government Transition grants recognized in FY2013
- \$1,388,344 of GOT contributions from 2011 (due to our stub year allocation)
- \$2,817,345 of GOT contributions from 2012
- \$154,457 of VANOC contribution amortization

The majority of these contributions were used to fund our operations as well as the continued capital spends on Olympic Games transition projects – primarily the VANOC funded Safety Audit and new Luge Start.

Financial performance of fiscal year 2012 was for a six month stub period October 1, 2011 – March 31, 2012. This stub period has captured the majority of WSL's regular operating revenues and expenses in a typical year because the venues are in full swing of winter operations. The summer months generally have much lower revenues as the WSC is closed and WOP has minimal revenue generating programming. The majority of WSL's annual maintenance and repairs occur in the summer off-season months and are not captured in the stub financials. Any costs incurred on capital projects are not shown in the income statement but in the balance sheet under Property and Equipment and also detailed in the notes to the financial statements.



### *Provincial Support*

The Provincial government has provided three years (fiscal 2013/2014/2015) of funding \$2.7 Million to cover the period up to March 2015. WSL has realized \$600,524 of these contributions into fiscal 2013 and \$1,101,562 in fiscal year 2014 leaving the unrealized balance of this contribution of \$997,914 for FY ending March 31, 2015 as per the original three year budget forecast.





Financial Statements

Whistler 2010 Sport Legacies Society

March 31, 2013

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Notes to the Financial Statements	7 - 13

# 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 statements of financial position as at March 31, 2013, March 31, 2012 and October 1, 2011, and the statements of revenues and expenses, changes in net assets and cash flows for the year ended March 31, 2013 and six month period ended March 31, 2012, 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 audits. We conducted our audits 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, 2013, March 31, 2012 and October 1, 2011, and the results of its operations and its cash flows for the year ended March 31, 2013 and six month period ended March 31, 2012 in accordance with Canadian accounting standards for not-for-profit organizations.

Vancouver, Canada  
September 30, 2013

*Grant Thornton LLP*

Chartered Accountants

# Whistler 2010 Sport Legacies Society

## Statements of Financial Position

	March 31 2013	March 31 2012	October 1 2011 (Note 3)
<b>Assets</b>			
Current			
Cash and cash equivalents	\$ 4,394,841	\$ 370,594	\$ -
Short-term investments (Note 4)	3,653,887	4,628,267	7,291,303
Receivables (Note 5)	3,154,804	3,685,166	1,154,963
Inventory	41,340	39,943	11,069
Prepaid expenses	102,375	91,558	213,506
	<u>11,347,247</u>	<u>8,815,528</u>	<u>8,670,841</u>
Property and equipment (Note 6)	3,768,295	1,517,199	753,522
Deposits (Note 9 a)	100,000	100,000	243,279
	<u>\$ 15,215,542</u>	<u>\$ 10,432,727</u>	<u>\$ 9,667,642</u>
<b>Liabilities</b>			
Current			
Bank indebtedness	\$ -	\$ -	\$ 62,702
Payables and accruals	993,445	1,059,573	937,873
Deferred contributions (Note 7)	3,392,117	3,460,441	4,012,062
Deferred capital contributions (Note 8)	2,720,205	3,249,330	3,325,070
	<u>7,105,767</u>	<u>7,769,344</u>	<u>8,337,707</u>
Deferred capital contributions (Note 8)	2,719,168	344,160	313,267
	<u>9,824,935</u>	<u>8,113,504</u>	<u>8,650,974</u>
<b>Net assets</b>			
Invested in capital assets	1,049,127	1,173,039	440,255
Internally restricted reserve	801,807	242,179	271,134
Unrestricted	3,539,673	904,005	305,279
	<u>5,390,607</u>	<u>2,319,223</u>	<u>1,016,668</u>
	<u>\$ 15,215,542</u>	<u>\$ 10,432,727</u>	<u>\$ 9,667,642</u>

Commitments and contingencies (Note 9)

Approved on behalf of the board

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

## Whistler 2010 Sport Legacies Society Statements of Revenues and Expenses

Year ended March 31, 2013 (with comparative figures for  
the six month period ended March 31, 2012)

	2013	2012
Revenues		
Partners contributions		
BC Government transition grant	\$ 2,554,980	\$ 2,039,965
2010 Games Operating Trust Fund	4,205,689	1,388,344
Whistler Olympic Park	1,387,925	929,462
Whistler Sliding Centre	836,921	621,225
Whistler Athletes' Centre	918,646	395,211
Interest income	113,276	42,983
Other income	148,892	55,434
	<u>10,166,329</u>	<u>5,472,624</u>
Expenses		
Whistler Olympic Park	2,161,212	1,523,532
Whistler Sliding Centre	2,184,918	1,552,389
Whistler Athletes' Centre	1,003,184	371,613
Administration	1,423,847	837,218
	<u>6,773,161</u>	<u>4,284,752</u>
Excess of revenue over expenses before other items	3,393,168	1,187,872
Amortization of property and equipment	(468,501)	(159,135)
Amortization of deferred capital contributions (Note 8)	146,717	44,847
Gain on disposal of property and equipment	-	228,971
Excess of revenues over expenses	<u>\$ 3,071,384</u>	<u>\$ 1,302,555</u>

## Whistler 2010 Sport Legacies Society Statements of Changes in Net Assets

Year ended March 31

	Invested in Capital Assets	Internally Restricted Reserve	Unrestricted	Total
Balance, October 1, 2011	\$ 440,255	\$ 271,134	\$ 305,279	\$ 1,016,668
Excess of revenues over expenses	114,683	-	1,187,872	1,302,555
Transfer to internally restricted reserve	-	757,500	(757,500)	-
Purchase of property and equipment	922,812	(786,455)	(136,357)	-
Proceeds from disposition of equipment	(228,971)		228,971	-
Deferred capital contributions used to purchase assets	(75,740)	-	75,740	-
Balance, March 31, 2012	1,173,039	242,179	904,005	2,319,223
Excess (deficiency) of revenues over expenses	(321,784)	-	3,393,168	3,071,384
Transfer to internally restricted reserve	-	757,500	(757,500)	-
Purchase of property and equipment	2,719,597	(197,872)	(2,521,725)	-
Deferred capital contributions used to purchase assets	(2,521,725)	-	2,521,725	-
<b>Balance, March 31, 2013</b>	<b>\$ 1,049,127</b>	<b>\$ 801,807</b>	<b>\$ 3,539,673</b>	<b>\$ 5,390,607</b>

See accompanying notes to the financial statements.

# Whistler 2010 Sport Legacies Society

## Statements of Cash Flows

Year ended March 31, 2013 (with comparative figures for the six month period ended March 31, 2012)

	2013	2012
Cash flows derived from (applied to)		
<b>Operating</b>		
Excess of revenues over expenses	\$ 3,071,384	\$ 1,302,555
Amortization of property and equipment	468,501	159,135
Amortization of deferred capital contributions	(146,717)	(44,847)
Amortization of deferred contributions	(3,943,324)	(2,039,965)
Gain in disposal of equipment	-	(228,971)
	<u>(550,156)</u>	<u>(852,093)</u>
Changes in non-cash operating working capital		
Receivables	530,362	(2,530,203)
Inventory	(1,397)	(28,874)
Prepaid expenses	(10,817)	121,948
Deposits	-	143,279
Payables and accruals	(66,128)	121,700
Deferred contributions received		
Deferred capital contributions	1,992,600	-
Other	3,875,000	1,488,344
	<u>5,769,464</u>	<u>(1,535,899)</u>
<b>Investing</b>		
Purchase of property and equipment	(2,719,597)	(922,812)
Proceeds from disposition of equipment	-	228,971
Sale of short-term investments	974,380	2,663,036
	<u>(1,745,217)</u>	<u>1,969,195</u>
Net increase in cash and cash equivalents	4,024,247	433,296
Cash and cash equivalents (bank indebtedness), beginning of year	<u>370,594</u>	<u>(62,702)</u>
Cash and cash equivalents, end of year	<u>\$ 4,394,841</u>	<u>\$ 370,594</u>



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# Whistler 2010 Sport Legacies Society

## Notes to the Financial Statements

March 31, 2013

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### 1. Nature of operations

The Whistler 2010 Sport Legacies Society (the "Society") is incorporated under the Society Act (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 lease 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

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March 31, 2013

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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.

#### Short-term investments

Short-term investments include securities with original terms to maturity of greater than three months and less than one year when purchased. Investment in an investment savings account is considered as short-term based on their highly liquid nature and because it represents the investment of cash that is available for current operations.

#### 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%
Computer software	50%
Equipment	20%
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 amortized cost.

Financial assets measured at amortized cost include cash and cash equivalents, short-term investments, receivables, and deposits.

Financial liabilities measured at amortized cost include bank indebtedness, and payables and accruals.

#### 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.

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# Whistler 2010 Sport Legacies Society

## Notes to the Financial Statements

March 31, 2013

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### 2. Summary of significant accounting policies (continued)

#### Use of estimates

The preparation of financial statements in conformity with Canadian 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.

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### 3. First-time adoption of accounting standards for not-for-profit organizations

These are the Society's first financial statements prepared in accordance with Canadian accounting standards for not-for-profit organizations ("new standards"). The date of transition to these new standards is October 1, 2011.

These financial statements of the Society have been prepared using policies specified by those standards that are in effect at the end of the reporting period ended March 31, 2013. The significant accounting policies that have been applied in the preparation of these financial statements are summarized in Note 2. These accounting policies have been used throughout all periods presented in the financial statements.

The Society has applied Section 1501 *First-time Adoption* in preparing these first financial statements under accounting standards for not-for-profit organizations. The Society has applied all of the mandatory exceptions and has not applied any of the optional exemptions.

The Society's transition from Canadian generally accepted accounting principles to the new standards had no impact on the opening net assets as at October 1, 2011, the statement of financial position as at October 1, 2011 and March 31, 2012, or the statement of revenues and expenses and cash flows.

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<b>4. Short-term investments</b>	<b>March 31 2013</b>	March 31 2012	October 1 2011
Guaranteed investment certificates, with interest at 1.00% to 1.70% (2012: 1.55% to 2.00%)	<b>\$ 3,653,887</b>	\$ 4,628,267	\$ 7,291,303

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# Whistler 2010 Sport Legacies Society

## Notes to the Financial Statements

March 31, 2013

<b>5. Receivables</b>	<b>March 31 2013</b>	March 31 2012	October 1 2011
2010 Games Operating Trust Society	\$ 2,817,345	\$ 2,776,688	\$ -
Province of British Columbia	-	453,255	453,255
VANOC	-	112,000	551,790
Sales taxes receivable	-	152,639	96,454
Other receivables	337,459	190,584	53,464
	<b>\$ 3,154,804</b>	<b>\$ 3,685,166</b>	<b>\$ 1,154,963</b>

### 6. Property and equipment

	Cost	Accumulated Amortization	<b>March 31 2013</b>  <b>Net Book Value</b>
Leasehold improvements	\$ 3,157,762	\$ 235,638	\$ 2,922,124
Vehicles	853,930	374,993	478,937
Computer software	213,673	165,886	47,787
Equipment	449,882	130,436	319,446
Legacy assets	1	-	1
	<b>\$ 4,675,248</b>	<b>\$ 906,953</b>	<b>\$ 3,768,295</b>

	Cost	Accumulated Amortization	<b>March 31 2012</b>  <b>Net Book Value</b>
Leasehold improvements	\$ 605,036	\$ 66,391	\$ 538,645
Vehicles	845,447	174,983	670,464
Computer software	210,085	119,893	90,192
Equipment	295,330	77,433	217,897
Legacy assets	1	-	1
	<b>\$ 1,955,899</b>	<b>\$ 438,700</b>	<b>\$ 1,517,199</b>

# Whistler 2010 Sport Legacies Society

## Notes to the Financial Statements

March 31, 2013

### 6. Property and equipment (continued)

			October 1 2011
	Cost	Accumulated Amortization	Net Book Value
Leasehold improvements	\$ 441,584	\$ 40,937	\$ 400,647
Vehicles	182,291	87,079	95,212
Computer software	164,519	96,308	68,211
Equipment	244,692	55,241	189,451
Legacy assets	1	-	1
	<u>\$ 1,033,087</u>	<u>\$ 279,565</u>	<u>\$ 753,522</u>

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).

### 7. Deferred contributions

	March 31 2013	March 31 2012	October 1 2011
Balance, beginning of period	\$ 3,460,441	\$ 4,012,062	\$ 264,362
Add: contributions received	3,875,000	1,488,344	4,613,983
Less: amounts recognized as revenue	<u>(3,943,324)</u>	<u>(2,039,965)</u>	<u>(866,283)</u>
Balance, end of period	<u>\$ 3,392,117</u>	<u>\$ 3,460,441</u>	<u>\$ 4,012,062</u>

### 8. Deferred capital contributions

	March 31 2013	March 31 2012	October 1 2011
Balance, beginning of period	\$ 3,593,490	\$ 3,638,337	\$ 1,545,480
Add: contributions received	1,992,600	-	2,118,028
Less: amounts amortized to revenue	<u>(146,717)</u>	<u>(44,847)</u>	<u>(25,171)</u>
Balance, end of period	<u>\$ 5,439,373</u>	<u>\$ 3,593,490</u>	<u>\$ 3,638,337</u>

The balance of deferred capital contributions related to capital assets consists of the following:

	March 31 2013	March 31 2012	October 1 2011
Unamortized capital contributions used to purchase assets	\$ 2,719,168	\$ 344,160	\$ 313,267
Unspent capital funding	<u>2,720,205</u>	<u>3,249,330</u>	<u>3,325,070</u>
	<u>\$ 5,439,373</u>	<u>\$ 3,593,490</u>	<u>\$ 3,638,337</u>

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# Whistler 2010 Sport Legacies Society

## Notes to the Financial Statements

March 31, 2013

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### 9. Commitments and contingencies

#### a 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 15<sup>th</sup> year, the lease can be renewed for a term of 29 years commencing on the 15<sup>th</sup> 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 15<sup>th</sup> year, the lease can be renewed for a term of 29 years commencing on the 15<sup>th</sup> 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.

#### b Environmental commitments and contingencies

The Society, as part of the Asset Transfer Agreement signed on March 26, 2008, is required to fulfill certain environmental restoration commitments. As of March 31, 2013, \$64,797 is included in payables and accruals for environmental restoration and remediation (March 31, 2012: \$64,797; October 1, 2011: \$75,542). Management expects to incur additional costs, the total amount of which cannot be reasonably estimated at this time.

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### 10. Financial instruments risk exposure and management

#### Fair values

The Society's financial instruments include cash and cash equivalents, short-term investments, receivables, deposits, bank indebtedness, and payables and accruals.

The carrying amount of financial assets measured at amortized cost is \$11,303,532 as at March 31, 2013 (March 31, 2012: \$8,784,027; October 1, 2011: \$8,689,545).

The carrying amount of financial liabilities measured at amortized cost is \$993,445 as at March 31, 2013 (March 31, 2012: \$1,059,573; October 1, 2011: \$1,000,575).

#### *Credit risk*

The Society is exposed to credit risk on accounts receivable from its members and customers. The Society performs credit risk evaluations on its members and customers and considers its risk to be acceptable and appropriately managed. At March 31, 2013, the maximum exposure to credit risk is equal to the carrying amount of receivables of \$3,154,804 (March 31, 2012: \$3,685,166; October 1, 2011: \$1,154,963).

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# Whistler 2010 Sport Legacies Society

## Notes to the Financial Statements

March 31, 2013

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### 10. Financial instruments risk exposure and management (continued)

#### *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 \$993,445 representing the Society's payables and accruals as at March 31, 2013 (March 31, 2012: \$1,059,573; October 1, 2011: \$937,873), which are due to be paid in full before March 31, 2014. 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 capital structure of the Society consists of net assets invested in property and equipment, internally restricted reserve and unrestricted net assets. The primary objective of the Society's capital management is to provide adequate funding to ensure efficient delivery of its service activities.

Net assets invested in property and equipment represents the amount of net assets that are not available for other purposes because they have been invested.

Internally restricted funds represent contributions from external sources as well as funds that have been allocated internally for future capital expenditures.

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

The capital assets of the Society are not supported by a capital asset reserve fund and there is no maintenance reserve fund.

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