



City of Richmond

Memorandum Administration

To: Mayor and Councillors ("the Shareholder") **Date:** June 11, 2015
From: George Duncan
Chief Administrative Officer **File:** 01-0060-20-ROVA1/2015-
Vol 01
President & CEO
Richmond Olympic Oval Corporation
Re: **Notice to the Shareholder of the 2015 AGM of Richmond Olympic Oval Corporation**

Attached herein are the agenda items for the AGM of the Richmond Olympic Oval Corporation to be held on June 22, 2015 adjacent to Council meeting at the Richmond City Hall.

Appendix A - Notice of AGM, to be sent at least 10 days prior to the AGM to:

- the City;
- each member of the Board; and
- the auditors

Appendix B - 2014 Audited Financial Statements

Appendix C - Consent Resolutions of the Shareholder, consenting to the resolutions required to be passed at the AGM, including:

- The appointment of Directors
- The appointment of Auditors

Appendix D - Notice of Appointment of Auditor

Appendix E - 2014 Annual Report

George Duncan
Chief Administrative Officer

GD:lc
Att. 5

APPENDIX A

RICHMOND OLYMPIC OVAL CORPORATION

Notice of Annual General Meeting

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of the Shareholder of:

Richmond Olympic Oval Corporation
(the "Corporation")

will be held on June 22, 2015 adjacent to Council meeting at the Richmond City Hall, 6911 No. 3 Road, Richmond, British Columbia for the following purposes:

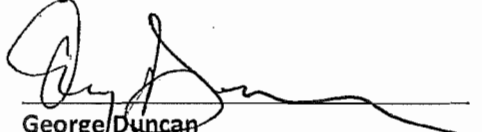
1. to acknowledge and confirm previous receipt of the audited financial statements of the Corporation for the fiscal year ended December 31, 2014 and the report of the auditors thereon;
2. to elect directors to the board of directors of the Corporation (the "Board");
3. to appoint auditors of the Corporation for the 2015 fiscal year and to authorize the Board to fix the auditors' remuneration;
4. to acknowledge and confirm previous receipt of the Corporation's 2014 Annual Report; and
5. to transact such other business as may be properly brought before the meeting.

The board of directors of the Corporation has fixed the close of business on June 22, 2015 as the record date for determining the names of the shareholders who are entitled to vote at the meeting.

The audited financial statements of the Corporation for the period from January 1, 2014 to December 31, 2014 and the report of the auditors thereon are attached to this Notice of Annual General Meeting.

Dated this 22 day of May, 2015.

On behalf of the Board of Directors


George Duncan
President & CEO

APPENDIX B

RICHMOND OLYMPIC OVAL CORPORATION

2014 Audited Financial Statements

Consolidated Financial Statements of

**RICHMOND OLYMPIC OVAL
CORPORATION**

Year ended December 31, 2014



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Chartered Accountants
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INDEPENDENT AUDITORS' REPORT

To the Shareholder of Richmond Olympic Oval Corporation

We have audited the accompanying consolidated financial statements of Richmond Olympic Oval Corporation, which comprise the consolidated statement of financial position as at December 31, 2014, the consolidated statements of operations, consolidated changes in net financial assets and cash flows for the year then ended, and notes, comprising 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 consolidated financial statements in accordance with Canadian public sector accounting standards, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance about whether the consolidated 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 our 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, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated 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 consolidated financial statements.

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



Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Richmond Olympic Oval Corporation as at December 31, 2014 and its results of operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

KPMG LLP

Chartered Accountants

April 28, 2015

Burnaby, Canada

RICHMOND OLYMPIC OVAL CORPORATION

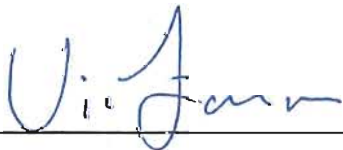
Consolidated Statement of Financial Position

December 31, 2014, with comparative information for 2013

	2014	2013
Financial Assets		
Cash	\$ 1,616,338	\$ 1,963,267
Investments (note 3)	8,677,855	8,676,448
Accounts receivable	340,779	223,030
	<u>10,634,972</u>	<u>10,862,745</u>
Financial Liabilities		
Accounts payable and accrued liabilities	2,587,430	1,692,492
Deferred revenue (note 6)	4,316,354	2,824,218
Due to City of Richmond (note 7)	166,413	532,415
Rental deposits	9,263	9,263
	<u>7,079,460</u>	<u>5,058,388</u>
Net financial assets	3,555,512	5,804,357
Non-Financial Assets		
Tangible capital assets (note 8)	7,075,748	2,663,644
Deferred lease costs (note 9)	155,250	141,665
Inventories of supplies	81,535	1,755
Prepaid expenses and other deposits	850,325	426,251
	<u>8,162,858</u>	<u>3,233,315</u>
Economic dependence (note 14)		
Accumulated surplus (note 10)	<u>\$ 11,718,370</u>	<u>\$ 9,037,672</u>

See accompanying notes to financial statements.

Approved on behalf of the Board:



Director



Director

RICHMOND OLYMPIC OVAL CORPORATION

Consolidated Statement of Operations

For the year ended December 31, 2014

	2014 Budget (note 2(j))	2014	2013
Revenue:			
2010 Games Operating Trust Fund (note 5)	\$ 2,200,000	\$ 2,270,900	\$ 2,823,239
Contribution from City of Richmond (note 12)	3,208,000	3,207,600	3,574,700
Memberships, admissions and programs	6,421,758	6,877,930	6,568,014
Other	1,310,830	1,412,922	1,235,038
	13,140,588	13,769,352	14,200,991
Expenses:			
Salaries and benefits	7,177,888	6,939,941	6,712,878
Utilities	1,050,000	900,555	1,002,566
Amortization	486,125	372,635	309,991
Supplies and equipment	631,450	794,399	618,349
Insurance	335,225	337,034	350,543
General and administration	894,253	675,819	642,501
Marketing and sponsorship	267,450	197,708	209,857
Program services	604,363	744,639	619,247
Professional fees	118,080	125,924	42,592
	11,564,834	11,088,654	10,508,524
Annual surplus	1,575,754	2,680,698	3,692,467
Accumulated surplus, beginning of year	9,037,672	9,037,672	5,345,205
Accumulated surplus, end of year	\$ 10,613,426	\$ 11,718,370	\$ 9,037,672

See accompanying notes to financial statements.

RICHMOND OLYMPIC OVAL CORPORATION

Consolidated Statements of Changes in Net Financial Assets

For the year ended December 31, 2014

	2014 Budget (note 2(j))	2014	2013
Annual surplus for the year	\$ 1,575,754	\$ 2,680,698	\$ 3,692,467
Acquisition of tangible capital assets	(2,872,465)	(4,784,739)	(2,279,138)
Amortization of tangible capital assets	486,125	372,635	309,991
	(2,386,340)	(4,412,104)	(1,969,147)
Amortization of deferred lease costs	-	17,932	17,711
Acquisition of inventory of supplies	-	(80,560)	(1,390)
Increase in prepaid expenses	-	(1,309,901)	(582,833)
Consumption of Inventory	-	780	2,143
Use of prepaid expenses and other deposits	-	885,827	585,536
Additions of deferred leasing costs	-	(31,517)	(38,190)
Change in net financial assets	(810,586)	(2,248,845)	1,706,297
Net assets, beginning of year	5,804,357	5,804,357	4,098,060
Net financial assets, end of year	\$ 4,993,771	\$ 3,555,512	\$ 5,804,357

See accompanying notes to financial statements.

RICHMOND OLYMPIC OVAL CORPORATION

Consolidated Statements of Cash Flows

For the year ended December 31, 2014 and 2013

	2014	2013
Cash provided by (used in):		
Operations:		
Annual surplus	\$ 2,680,698	\$ 3,692,467
Items not involving cash:		
Amortization of tangible capital assets	372,635	309,991
Amortization of deferred lease costs	17,932	17,711
Changes in non-cash operating working capital:		
Accounts receivable	(117,749)	167,051
Deferred lease costs	(31,517)	(38,190)
Inventory	(79,780)	753
Prepaid expenses and other deposits	(424,074)	2,703
Accounts payable and accrued liabilities	894,938	740,276
Deferred revenue	1,492,136	506,848
Due to the City of Richmond	(366,002)	665,047
	4,439,217	6,064,657
Capital activities:		
Cash used to acquire tangible capital assets	(4,784,739)	(2,279,138)
Investing activities		
Purchase of investments	(1,407)	(3,871,085)
Financing activities:		
Repayment of obligations under capital leases	-	(8,491)
Increase in rental deposits	-	3,750
	-	(4,741)
Decrease in cash	(346,929)	(90,307)
Cash, beginning of year	1,963,267	2,053,574
Cash, end of year	\$ 1,616,338	\$ 1,963,267

See accompanying notes to financial statements.

RICHMOND OLYMPIC OVAL CORPORATION

Notes to Financial Statements

For the year ended December 31, 2014

1. Incorporation and nature of business:

The Richmond Olympic Oval Corporation (the "Corporation") was incorporated on June 16, 2008 under the Business Corporations Act of British Columbia as a municipal corporation wholly-owned by the City of Richmond (the "City"). The business of the Corporation is to use the Richmond Olympic Oval facility (the "Oval") to provide a venue for a wide range of sports, business and community activities, including, but not limited to, being the long-track speed skating venue for the 2010 Olympic and Paralympic Winter Games (the "Games").

2. Significant accounting policies:

(a) Basis of presentation:

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) as prescribed by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

The consolidated financial statements include the accounts of all the funds of the Corporation and the Corporation's 50% proportionate share of operations of VROX Sport Simulation Ltd (VROX). VROX is a government partnership established to develop, manufacture and sell sport simulators to the Corporation and third party customers.

(b) Investment in government partnership

Government partnerships are accounted for under the proportionate consolidation method, where the Corporation's share of the partnership is accounted for on a line-by-line basis on the financial statements.

(c) Revenue recognition:

Memberships, admissions and programs fees are recorded as revenue in the period that the services are rendered, with any unearned portion recorded as deferred revenue. Annual distributable amounts and trust income amounts are recognized as revenue when the amounts are approved by 2010 Games Operating Trust (note 5) and when the related operating expenses and capital maintenance costs of the Oval are incurred.

Sponsorship revenues are deferred and amortized to revenue over the term of sponsorship agreements.

Restricted contributions are deferred and recognized as revenue when the resources are used for the purposes specified by the related agreement.

(d) Financial instruments:

Financial instruments are initially classified upon initial recognition as a fair value or amortized cost instrument. The Corporation holds financial instruments consisting of accounts receivables and term deposits that mature within one year. Due to the short-term nature of these assets, their fair values approximate book value.

The Corporation does not have any financial instruments required or elected to be subsequently recorded at fair value.

RICHMOND OLYMPIC OVAL CORPORATION

Notes to Financial Statements (continued)

For the year ended December 31, 2014

2. Significant accounting policies (continued):

(e) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(f) Capital assets:

(i) Tangible capital assets:

Tangible capital assets are recorded at cost. Amortization is provided on a straight-line basis at rates that reflect estimates of the economic lives of the assets over the following periods:

Assets	Rate
Athletic equipment	5 years
Building improvements	5 years
Automobile	5 years
Facility equipment	3 years
Computer software and equipment	3 years
Uniforms, ice skates and helmets	3 years
Signage	3 years

Tenant improvements are amortized over the term of the lease.

(ii) Impairment of tangible capital assets:

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Company's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the statement of operations.

(iii) Deferred lease costs:

The initial direct costs incurred in connection with leases of rental properties in the Oval are deferred and amortized over the initial term of the leases. Such costs include agent commissions, legal fees, and costs of negotiating the leases.

RICHMOND OLYMPIC OVAL CORPORATION

Notes to Financial Statements (continued)

For the year ended December 31, 2014

2. Significant accounting policies (continued):

(g) Pension plan:

The Corporation and its employees make contributions to the Municipal Pension Plan (the "Plan"). As the Plan is a multi-employer contributory defined benefit pension plan, these contributions are expensed as incurred.

(h) Income Taxes:

The Corporation is not subject to income taxes as it is a municipal corporation wholly-owned by the City of Richmond.

(i) Functional and object reporting:

The operations of the Corporation are comprised of a single function, which includes sports, fitness, and recreation. As a result, the expenses of the Corporation are presented by object in the statement of operations.

(j) Budget data:

The budget data presented in these financial statements is based upon the 2014 budget approved by the Board of Directors on November 27, 2013.

(k) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that could affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the determination of valuation of accounts receivable, useful lives of tangible capital assets for amortization, and deferred lease costs. Actual results could differ from those estimates. The estimates are reviewed periodically and as adjustments become necessary, they are recorded in earnings in the year in which they become known.

(l) Government transfers:

Restricted transfers from governments are deferred and recognized as revenue as the related expenditures are incurred or the stipulations in the related agreement are met. Unrestricted transfers are recognized as revenue when received or if the amount to be received can be reasonably estimated and collection is reasonably assured.

RICHMOND OLYMPIC OVAL CORPORATION

Notes to Financial Statements (continued)

For the year ended December 31, 2014

3. Investments:

Investments represent term deposits as follows:

Purchase Date	Maturity Date	2014	2013
October 30, 2013	February 27, 2014	\$ -	\$ 1,010,754
October 31, 2013	February 28, 2014	-	3,747,109
November 12, 2013	February 10, 2014	-	1,851,597
December 23, 2013	March 24, 2014	-	2,066,988
November 24, 2014	February 23, 2015	3,251,297	-
November 25, 2014	February 23, 2015	3,821,881	-
December 22, 2014	March 23, 2015	1,604,677	-
Total		\$ 8,677,855	\$ 8,676,448

The interest rate of the term deposits range from 1.80% to 1.90%.

4. Richmond Oval Agreement:

The Corporation is party to the Richmond Oval Agreement (the "Agreement") with the City, which had an effective date of July 1, 2008. The Agreement established the terms and conditions of the relationship between the City and the Corporation.

5. 2010 Games Operating Trust Fund:

On November 14, 2002, under the terms of the Multiparty Agreement for the Games, the Government of Canada and the Province of British Columbia agreed to establish the Legacy Endowment Fund (the "Fund") and to each contribute \$55 million. On March 31, 2004, under the terms of the 2010 Games Operating Trust Agreement, an irrevocable trust was created known as GOT and the 2010 Games Operating Trust Society (the "Society") became the trustee of the Fund. The purpose of the Fund is to fund operating expenses and capital maintenance costs of certain facilities created for the Games, specifically the Oval and the Whistler Sliding Centre and Nordic Centre, and to assist with the continued development of amateur sport in Canada. Subsequent to the formation of the Trust, the City, as owner of the Oval, became a beneficiary of the Trust and became responsible for complying with obligations set by the Trust and GOT in order to receive funding.

Effective December 31, 2007:

- the GOT Board divided the Fund into three funds: the Speed Skating Oval Fund; the Whistler Sliding Centre and Nordic Centre Fund, and the Contingency Fund; and
- the GOT Board divided the capital and any accumulated but undistributed income of the Fund as follows: Speed Skating Oval Fund (40%), Whistler Sliding Centre and Nordic Centre Fund (40%), and the Contingency Fund (20%).

RICHMOND OLYMPIC OVAL CORPORATION

Notes to Financial Statements (continued)

For the year ended December 31, 2014

5. 2010 Games Operating Trust Fund (continued):

Effective April 21, 2009, the City entered into an agreement with VANOC. The agreement details the terms and conditions to which the City is required to adhere in order to receive funding from GOT. Effective September 1, 2011 VANOC assigned the agreement to the Society.

Funds from GOT are paid to the City first and the City distributes the funds to the Corporation.

Revenue from GOT is comprised of:

	2014	2013
2013 annual distributable amount approved and received in 2014	\$ 2,270,900	\$ -
2012 annual distributable amount approved and received in 2013	-	2,823,239
	<u>\$ 2,270,900</u>	<u>\$ 2,823,239</u>

6. Deferred revenue:

	2014	2013
Balance, beginning of year	\$ 2,824,218	\$ 2,317,370
Add: additions	9,782,988	8,309,900
Less: revenue recognized	(8,290,852)	(7,803,052)
Balance, end of year	<u>\$ 4,316,354</u>	<u>\$ 2,824,218</u>

Deferred revenue comprises of:

	2014	2013
Memberships and programs	\$ 993,972	\$ 1,008,067
Sponsorship fees	1,087,500	333,333
Sport Hosting funding (note 12(ii))	554,706	552,642
Richmond Olympic Experience (note 12(ii))	1,680,176	930,176
	<u>\$ 4,316,354</u>	<u>\$ 2,824,218</u>

7. Due to the City of Richmond:

The amount due to the City of Richmond arises in the normal course of business and is non-interest bearing with no stated repayment terms.

RICHMOND OLYMPIC OVAL CORPORATION

Notes to Financial Statements (continued)

For the year ended December 31, 2014

8. Tangible capital assets:

Cost	Balance at December 31, 2013	Additions	Balance at December 31, 2014
Athletic equipment	\$ 974,709	\$ 113,194	\$ 1,087,903
Automobile	23,158	-	23,158
Building improvements	119,600	168,506	288,106
Computer software and equipment	1,181,355	173,742	1,355,097
Facility equipment	190,162	124,513	314,675
Signage	43,884	8,695	52,579
Tenant improvements	16,979	48,750	65,729
Uniforms, ice skates, and helmets	146,344	7,312	153,656
Work in progress	1,978,095	4,140,027	6,118,122
	\$ 4,674,286	\$ 4,784,739	\$ 9,459,025

Accumulated Amortization	Balance at Dec 31, 2013	Amortization Expense	Balance at Dec 31, 2014
Athletic equipment	\$ 603,837	\$ 147,873	\$ 751,710
Automobile	15,825	4,632	20,457
Building improvements	27,304	41,589	68,893
Computer software and equipment	1,109,905	81,506	1,191,411
Facility equipment	71,040	73,865	144,905
Signage	41,791	2,457	44,248
Tenant improvements	16,855	6,718	23,573
Uniforms, ice skates, and helmets	124,085	13,995	138,080
	\$ 2,010,642	\$ 372,635	\$ 2,383,277

	Net book value December 31, 2014	Net book value December 31, 2013
Athletic equipment	\$ 336,193	\$ 370,872
Automobile	2,701	7,333
Building improvements	219,213	92,296
Computer software and equipment	163,686	71,450
Facility equipment	169,770	119,122
Signage	8,331	2,093
Tenant improvements	42,156	124
Uniforms, ice skates, and helmets	15,576	22,259
Work in progress	6,118,122	1,978,095
	\$ 7,075,748	\$ 2,663,644

RICHMOND OLYMPIC OVAL CORPORATION

Notes to Financial Statements (continued)

For the year ended December 31, 2014

8. Tangible capital assets (continued):

The Oval land and building complex and its major equipment components are the property of the City and are not recorded in these financial statements.

(a) Work in progress

Work in progress, having a value of \$6,118,122 (2013 - \$1,978,095) have not been amortized. Amortization of these assets will commence when the asset is put into service.

(b) Writedown of tangible capital assets

There was no write down of tangible capital assets during the year (2013 - nil).

9. Deferred lease costs:

	2014	2013
Balance, beginning of year	\$ 141,665	\$ 121,186
Add: additions	31,518	38,190
Less: amortization	(17,933)	(17,711)
Balance, end of year	\$ 155,250	\$ 141,665

10. Accumulated surplus:

Accumulated surplus is comprised of:

	2014	2013
Share Capital	\$ 1	\$ 1
Capital reserve	2,647,658	4,731,850
Other reserves/provisions	681,709	577,108
Operating surplus	1,313,254	1,065,070
Invested in tangible capital assets	7,075,748	2,663,643
	\$ 11,718,370	\$ 9,037,672

RICHMOND OLYMPIC OVAL CORPORATION

Notes to Financial Statements (continued)

For the year ended December 31, 2014

11. Financial risk management:

The Corporation has exposure to the following risks from the use of financial instruments: credit risk, market risk, and liquidity risk. The Board of Directors ensures that the Corporation has identified its major risks and ensures that the management monitors and controls them.

a) Credit risk

Credit risk is the risk of financial loss to the Corporation if a counterparty to a financial instrument fails to meet its contractual obligations. Such risks arise principally from certain financial assets held by the Corporation consisting of investments and account receivables. The Corporation assesses these financial assets on a continuous basis for any amounts that are not collectible or realizable.

It is management's opinion that the Corporation is not exposed to significant credit risk from its financial instruments.

b) Market risk

Market risk are changes in market prices, such as interest rates, will affect the Corporation's income. The objective of market risk management is to control market risk exposures within acceptable parameters while optimizing the return of risk.

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market interest rate.

It is management's opinion that the Corporation is not exposed to significant market or interest rate risk from its financial instruments.

c) Liquidity risk

Liquidity risks are the risk that the Corporation will not be able to meet its financial obligations as they come due. The Corporation manages liquidity risks by continually monitoring actual and forecasted cash flows from operations and anticipated investing and financing activities to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Corporation's reputation.

It is management's opinion that the Corporation is not exposed to significant liquidity risk.

RICHMOND OLYMPIC OVAL CORPORATION

Notes to Financial Statements (continued)

For the year ended December 31, 2014

12. Related party transactions:

- (i) The Corporation leases the Oval from the City for \$1 annually.

Included in general and administration expenses are fees of \$132,788 to the City for the provision of city staff time in fiscal year 2014 (2013 - \$63,630).

In 2014, \$70,000 (2013 - \$70,000) of salaries and benefits expenses were charged to the City relating to the costs of the Corporation's staff time for services performed.

In accordance with the Agreement, the City will provide, for the first fifteen years of the term, financial support as agreed between the City and the Corporation from time to time; for the years 2010, 2011 and 2012 the annual financial support shall not be less than \$1.5 million per year indexed at the City of Vancouver's Consumer Price Index. After fifteen years, any financial assistance from the City will be determined by the City in its sole discretion. During 2014, the Corporation received a contribution from the City of \$3,207,600 (2013 - \$3,574,700). In 2013, \$430,000 of this contribution was for the Mezzanine Infill project, no further amounts were contributed for this project in 2014.

- (ii) Effective July 1, 2011, the Sport Hosting function of the City was transferred to the Corporation. This function is fully funded by the hotel tax. In 2014, \$400,000 (2013 - \$400,000) was transferred from the City to the Corporation as funding for the operations of that department. As at December 31, 2014, \$554,706 (2013 - \$552,642) was included in deferred revenue (note 6) and \$397,936 (2013 - \$355,137) was recognized in memberships, admissions, and programs on the statement of operations.

The Corporation also received \$500,000 from the hotel tax funding in 2014 (2013 - \$500,000) to be used to purchase capital assets related to the Richmond Olympic Experience project. In order to retain this funding, the Oval must maintain and operate the capital assets purchased with these funds over the life of the capital assets. On an annual basis, the Oval must provide a report to the City as to the use of the funds and the maintenance and operation of these capital assets. In addition, the Corporation received \$250,000 of grant funding from a third party that is also to go towards the purchase of capital assets related to the Richmond Olympic Experience project. Currently, \$1,680,176 (2013 - \$930,176) of the funds restricted for the purchase of capital assets for the Richmond Olympic Experience remains in deferred revenue and the revenue will be recognized over the life of the underlying assets once the project is complete.

- (iii) During the year, the Corporation made a deposit of \$485,000 to VROX for the purchase of sports simulators for the Richmond Olympic Experience project. This transaction is in the normal course of operations and is measured at the exchange amount, which is the amount of consideration established and agreed to by the Corporation and VROX.

The assets and liabilities of VROX as at December 31, 2014 were \$489,206 and \$609,965 respectively.

RICHMOND OLYMPIC OVAL CORPORATION

Notes to Financial Statements (continued)

For the year ended December 31, 2014

13. Pension plan:

The Corporation and its employees contribute to the Municipal Pension Plan (the "Plan"), a jointly trustee pension plan. The Plan's Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including the investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are based on a formula. The Plan has about 182,000 active members and approximately 75,000 retired members. Active members include approximately 78 contributors from the Corporation.

Every three years an actuarial valuation is performed to assess the financial position of the Plan and the adequacy of Plan funding. The most recent valuation as at December 31, 2012 indicated an unfunded liability of \$1,370 million for basic pension benefits. The next actuarial valuation will be performed as at December 31, 2015 with results available in 2016. Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate with the result that there is no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the Plan.

The funding deficit noted above represents a deficit for the Plan as a whole. Management considers the Corporation's future contributions to the Plan not to be significant. During the current fiscal year, the Corporation paid \$338,471 (2013 - \$312,990) as employer contributions to the Pension Plan.

14. Economic dependence:

The Corporation is economically dependent on receiving funding from GOT and the City.

APPENDIX C

RICHMOND OLYMPIC OVAL CORPORATION

Unanimous Consent Resolutions of the Shareholder

**UNANIMOUS CONSENT RESOLUTIONS OF THE SHAREHOLDER OF
RICHMOND OLYMPIC OVAL CORPORATION**
(the "Company")
(in lieu of the annual general meeting)

The undersigned, being the Shareholder of the Company entitled to vote at an annual general meeting, hereby consents to and adopts in writing the following resolutions:

RESOLVED THAT:

1. the Shareholder acknowledges and confirms the previous receipt of financial statements of the Company for the period from January 1, 2014 to December 31, 2014, together with the auditor's report on such financial statements, which financial statements were approved by the Company's board of directors on April 28, 2015 and presented to the Shareholder at the Finance Committee meeting of Richmond City Council on May 4, 2015;

2. The shareholder acknowledges that the following directors are currently serving a 2 year term and will continue to serve as directors for the coming year:

<u>Name</u>
Linda Sanderson
Umendra Mital
Victor John Farmer

3. in accordance with Article 14.1 of the Company's Articles, the following persons, each of whom has consented in writing to act as a director, are hereby elected as directors of the Company, to hold office for the term ending immediately prior to the election or appointment of directors at the annual general meeting of the Company held in the year set out opposite their name below:

<u>Name</u>	<u>Term</u>
Edward Michael O'Brien	2017
Dennis Skulsky	2017
George Duncan	2017
Moray Keith	2017

4. KPMG LLP be appointed as auditors of the Company until the next annual reference date of the Company or until a successor is appointed, at a remuneration to be fixed by the directors;

5. the 2014 Annual Report of the Company is hereby received; and

6. June 22, 2015 be and is hereby selected as the annual reference date for the Company for its current annual reference period.

DATED as of June 22, 2015.

CITY OF RICHMOND

Mayor Malcolm Brodie

consent resolution shareholder in lieu of agm_v1.docx

APPENDIX D

RICHMOND OLYMPIC OVAL CORPORATION

Notice of Appointment of Auditor

NOTICE OF APPOINTMENT OF AUDITOR

TO: KPMG LLP
Chartered Accountants
Metrotower II
Suite 2400- 4720 Kingsway
Burnaby, British Columbia
V5H 4N2

Pursuant to Section 204(6) of the British Columbia *Business Corporations Act*, notice is hereby given of your appointment as auditor of Richmond Olympic Oval Corporation, to hold office until the close of the next annual reference date of the Company, or until a successor is appointed.

DATED as of June 22, 2015.

RICHMOND OLYMPIC OVAL
CORPORATION

George Duncan
President & Chief Executive Officer

APPENDIX E

RICHMOND OLYMPIC OVAL CORPORATION

2014 Annual Report



2014

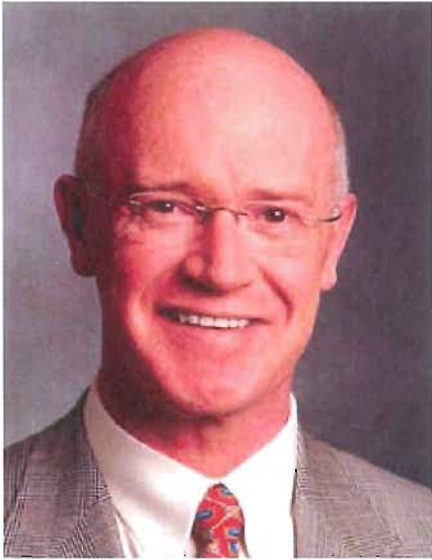
ANNUAL REPORT



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Message from the Chair

On behalf of the Board of Directors, I am pleased to introduce the 2014 Annual Report of the Richmond Olympic Oval Corporation. Since 2008 the Oval has continued to build on its foundation of financial sustainability, with 2014 performance continuing that trend. Such results were envisioned by Council when they elected to use a municipal corporate governance model for the Oval and are aligned with the Board's fundamental mandate of overseeing a legacy operation that is efficiently run, financially viable, thus being not a taxpayer burden, but a great contributor to the health and vitality of the whole community.

In 2014 we continued to work closely and collaboratively with our stakeholders and sport groups to enhance our programs and services, to strengthen our membership base and to expand our reach through diversification of our offerings. It is gratifying to see the continuing growth in these areas. Thank you to those who host their events with us, who organize community activities on our ice and courts, and, who choose to make the Oval their personal training centre.

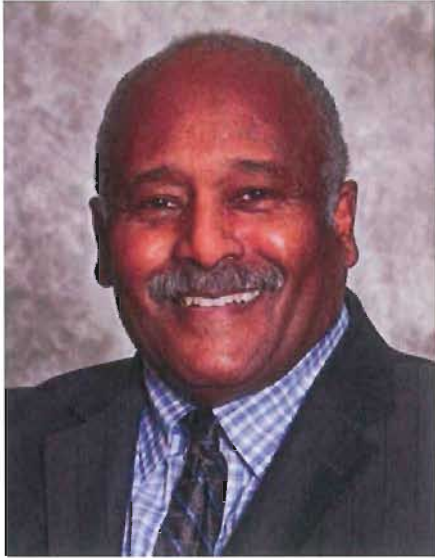
Worth special mention is the Oval's activity in high performance sport. Two important 2014 milestones were the strategic partnership with Canadian Sport Institute - Pacific and the Oval's bid to become the training centre for Volleyball Canada's Women's National team. Important high performance agreements are in place with national sports organizations such as Volleyball Canada, Hockey Canada and Table Tennis Canada. We are proud to see athletes trained at the Oval representing Canada on Olympic and Paralympic podiums.

The success of the Oval is in no small measure attributable to the ongoing significant support of the City of Richmond, the Games Operating Trust, our long-term Legacy Partners TELUS, Aspac, Scotiabank, Stuart Olson Inc. and our new 2014 Legacy Partner Lehigh Hanson Heidelberg Cement Group. To all we are sincerely grateful.

I also wish to acknowledge and sincerely thank my fellow Board Directors for their commitment to the vision and success of the Oval, the Oval management team led with strength and vision by the CEO George Duncan, and all Oval staff for their dedication, hard work and enthusiasm. Together we are able to strengthen and grow the legacy of the Oval for the benefit of all.

A stylized, handwritten signature in black ink, appearing to read 'E. Michael O'Brien'.

E. Michael O'Brien
Chair of the Board of Directors



Message from the CEO

Since opening our doors on December 12, 2008, the Oval has welcomed over 4.1 million visitors to participate in community recreation and high performance sport; to pursue their health and wellness goals; and to experience world-class cultural and entertainment events.

Oval sport, health and wellness program registration continues to rise every year, indicating Richmond residents are more active than ever before.

We welcomed several new partners in 2014, beginning with the addition of the Canadian Sport Institute Pacific in July. In November we announced our partnership with YYoga, greatly expanding our yoga offering with the opening of two purpose-built yoga studios in January 2015. Health services at the Oval grew with the addition of a full service pharmacy and a family medicine practice, in addition to the LifeMark Sport Medicine Centre.

With significant increases in membership and the number of events hosted, expanded program offerings and the addition of new business units, we are proud to witness the vision for Richmond's Olympic legacy unfold.

One of the most impactful events of 2014 was the Pac-Rim Gymnastics which, for the first time in the history of the event, included all gymnastics disciplines under one roof. It was our largest ever webcast with over 96,000 views from countries across the world.

More excitement awaits with the opening of the Richmond Olympic Experience ("ROX"), scheduled for September 2015. The ROX- the only IOC endorsed Olympic Museum in North America - will be a transformative exhibit experience that will inspire excellence in sport, promote community and motivate all to dream big. The ROX will encompass over 15,000 square feet of space throughout the Richmond Olympic Oval's three levels and will feature ground-breaking interactive sport simulators.

Also of note for 2015 is the opening of our retail store in the Oval's lobby. The new retail space will support the addition of YYoga and the ROX, and will ensure that participants in the Oval's sport, health and wellness programs have access to the desired equipment and accessories needed to further enhance their enjoyment of the facility.

Finally, I am pleased to report all of our progress has been accomplished with a foundation of financial sustainability, outperforming our financial projections for the fourth of the Oval's four full years of operation.

Management and staff will continue to work to achieve excellence in all areas of this significant community amenity. Our ongoing commitment to the community is to continually strive to capitalize on the full value of this unique asset for the citizens of Richmond and for all Canadian athletes who train at Richmond's Olympic Oval.

I would like to thank our team of dedicated staff who deliver the vast suite of programs and services offered at the Oval and acknowledge the valuable assistance that we receive from the Oval Corporation's Board of Directors and Richmond City Council.

A handwritten signature in blue ink, appearing to read "George Duncan". The signature is stylized and fluid.

George Duncan
Chief Executive Officer



2014 Progress Report

The City of Richmond (the "City") has engaged the Richmond Olympic Oval Corporation (the "**Corporation**") to embrace and deliver:

- The City's Vision to be "the most appealing, liveable, and well-managed community in Canada";
- The Project Vision for the Richmond Olympic Oval (the "**Oval**") to be "an outstanding centre of excellence for sports and wellness at the heart of an exciting urban waterfront"; and
- The Project Mission to "transform our City by blending the spirit of Olympism with inspired leadership and seamlessly combining a world class site, a sport and wellness agenda and innovative community planning to create the premiere legacy of the 2010 Olympic and Paralympic Winter Games" (the "**Games**").]

Operating Agreement Objectives

The City and the Corporation are parties to an operating agreement dated July 1, 2008 (the "**Operating Agreement**") wherein the following four objectives are noted:

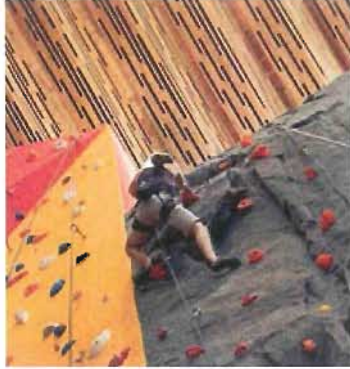
- The Oval will provide facilities for non-sporting, community and entertainment events;
- The Oval will provide facilities, programs and services for quality sport, fitness, recreational uses and wellness services for the Richmond community, neighbouring communities and the general public;
- The Oval will be developed, used and promoted as a training and competition facility for high performance sport; and
- The Oval will provide ancillary commercial, retail, health and wellness services to enhance its use in respect of the activities set out above.



The Oval Corporation's Legacy Goals

The Corporation adopted a set of five objectives that addresses its obligations to the City under the Operating Agreement and the funding requirements of the 2010 Games Operating Trust ("**GOT**"). As the Oval transitions from Games phase to Legacy phase, the Corporation will focus on:

1. establishing positive brand awareness;
2. becoming valued by the community and its employees;
3. supporting high performance sport;
4. becoming the desired location for community sport, health and fitness; and
5. operating in a financially sustainable manner.



1. Establishing Positive Brand Awareness

- In May of 2014, the Richmond Olympic Oval Corporation published an annual 'Report to the Community' in the Richmond Review and Richmond News reviewing Oval usage, revenue, expenses and benefits to residents of Richmond. The report also announced the upcoming Richmond Olympic Experience, YYoga and upcoming major events.
- 489 media articles were published about the Richmond Olympic Oval in 2014. Combined viewership reach of these articles is estimated at 87 million.
- Over the past year, events held at the Oval have drawn hundreds of thousands of people into the facility and contributed greatly to building the community's volunteer base and event hosting capacity. A complete list of events held at the Oval plus event descriptions are listed in Appendix B.
- On November 26, 2014, it was announced that Richmond would be one of only five cities outside of Ontario selected to participate in the torch relay leading up to the Toronto 2015 Pan American and Parapan Am Games.

"We are tremendously honoured to host the torch relay for the Pan Am Games," said Richmond Mayor Malcolm Brodie. "Tens of thousands of our residents came out to see the 2010 Olympic Torch Relay pass through Richmond and this will rekindle those memories and celebrate our national pride as we welcome the Pan Am Games back to Canada."

Richmond residents were invited to apply to become one of 3,000 torchbearers nationwide who will proudly carry the flame and share its welcoming spirit on its 41-day journey toward the lighting of the cauldron on July 10 to officially open the Games. The torch will arrive at the Richmond Olympic Oval on June 14, 2015.

- On December 4, 2014, The Richmond Olympic Oval announced its partnership with YYoga to open a 2-room yoga lounge at the Oval. The doors opened to the public on Monday, January 19, 2015.

"Our vision for the Richmond Olympic Oval is to provide a broad range of services and amenities that positively contribute to the overall health and wellness of our community," said Richmond



HIGHLIGHTS

<p>JANUARY</p> <ul style="list-style-type: none"> • Karate Canada National Championship 	<p>JULY</p> <ul style="list-style-type: none"> • ScotDance Canada Championships
<p>FEBRUARY</p> <ul style="list-style-type: none"> • BC Football Combine • Harry Jerome Indoor Classic Track Meet • Lower Mainland High School Boys Basketball Championships 	<p>AUGUST</p> <ul style="list-style-type: none"> • Kajaks 10km Race • Noah Yelizarov Hockey Tournament • City of Richmond Summer Play Days: Oval Waterfront
<p>MARCH</p> <ul style="list-style-type: none"> • Wheelchair Rugby Vancouver Invitational • World Grand Prix Fencing Championship • Province Gran Forza Pentathlon 	<p>SEPTEMBER</p> <ul style="list-style-type: none"> • 1st TAFISA World Martial Arts Games
<p>APRIL</p> <ul style="list-style-type: none"> • Pacific Rim Gymnastics Championship 	<p>OCTOBER</p> <ul style="list-style-type: none"> • PGA of BC Trade Show • Western Marine Trade Show • 2nd Annual Pacific Coast Female Rep Hockey Classic
<p>MAY</p> <ul style="list-style-type: none"> • CrossFit Regional Qualifiers • Millennium Cup Rhythmic Gymnastics Championship 	<p>NOVEMBER</p> <ul style="list-style-type: none"> • Hockey Canada 100th Anniversary Tour • De Danaan Christmas Feis
<p>JUNE</p> <ul style="list-style-type: none"> • Wheelchair Rugby Canada Cup • Corporate Champions Summer Games • BC Fencing Provincial Championship 	<p>DECEMBER</p> <ul style="list-style-type: none"> • Heritage Canada RDX Funding Announcement • Panther Cheer Pink Dance and Cheer Competition • Hockey BC Training Camp



New yoga lounge

Mayor Malcolm Brodie. "This new partnership will reaffirm Richmond's reputation as one of Canada's healthiest cities by adding top-flight yoga programs and amenities to the Oval's already outstanding array of recreation, sport, fitness, sport medicine and wellness programs and services."

YYoga at the Richmond Olympic Oval features 2 large studios and 50+ classes a week including YYoga's signature YHot class. Guests can enjoy the infrared sauna and private tea lounge during their visit. All YYoga passes can be used interchangeably among the 11 centres in BC, as well as the 2 located in Toronto.

"We are thrilled to expand the YYoga community and partner with the Richmond Olympic Oval," said Terry McBride, CEO of YYoga. "This is a world class facility that is dedicated to the health and wellness of the residents of Richmond. As someone who was born and raised here, I am very excited to be a part of that."

- On December 17, 2014, Shelly Glover, Minister of Canadian Heritage and Official Languages, alongside Kerry-Lynne Findlay, MP for Delta-Richmond East and Minister of National Revenue, announced \$500,000 in new funding for the Richmond Olympic Experience (the "ROX").



This funding will allow the City of Richmond to purchase large-scale, custom-designed display units with specific security and environmental controls, as well as professional lighting systems for the museum and the museum's theatre.

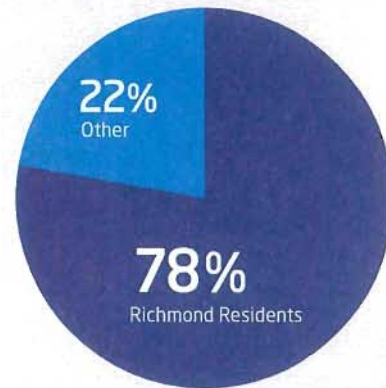
The announcement followed a pledge of \$250,000 from the Province of British Columbia the week before.

From real-life sporting experiences on state of the art sport simulators to the athlete's amazing journey to the podium, the ROX – opening in 2015 – will give visitors a unique inside look at the Olympic and Paralympic Games, plus the stories, artefacts and people that make Sport so powerful and moving.



ROX Core Experience

DATA | Oval Membership



2. Becoming Valued by the Community and Its Employees

- The Richmond Olympic Oval Corporation made over 150 complimentary membership donations in 2014 to local groups for fundraising and recognition opportunities.

Richmond Schools

- » Archibald Blair Elementary School
- » Cambie Secondary School
- » Daniel Woodward Elementary School
- » École des Navigateurs
- » Homma Elementary School
- » JN Burnett Secondary School
- » MacNeill Secondary's Recreational Leadership class
- » McNair Secondary School
- » McRoberts Secondary School
- » RC Palmer Secondary School
- » St Joseph the Worker Elementary School
- » St Paul Elementary School
- » Walter Lee Elementary School
- » Westwind Elementary School

Richmond Organizations

- » Connaught Skating Club
- » Doors Open Richmond
- » KidSport Richmond
- » Kigoos Summer Swim Club
- » Nite of Hope
- » Quilchena Golf Club
- » Richmond AIDS Society
- » Richmond Curling Club

- » Richmond Family Place
- » Richmond Hospital Foundation
- » Richmond Ravens Hockey
- » Richmond Review Ethel Tibbits Awards
- » Richmond SPCA
- » Richmond Sunrise Rotary Club
- » Richmond Therapeutic Equestrian Society
- » Richmond Youth Concert Band
- » Rotary Skates for the World
- » Seafair Minor Hockey
- » South Arm United Church

Other Schools

- » Glenwood Elementary School
- » St. Francis of Assisi
- » Van Horne Elementary School

BC Organizations

- » BC Children’s Hospital
- » BC Wheelchair Sports Association
- » BCIT
- » Dreams Take Flight – YVR

- » Harbour Air
- » Hoffmann Warm Hearts Charitable Foundation
- » Meals on Wheels
- » Starlight Children Foundation
- » UBC AMS Varsity Outdoor Club
- » UBC Chinese Varsity Club
- » UBC English Language Institute
- » Vancouver General Hospital
-Banfield Pavilion Extended Care Unit

National Organizations

- » Canadian Mental Health Association
- » Scotiabank Golf Classic
- » SOS Children’s Village Run & Walk
- » United Way
- » Volleyball Canada

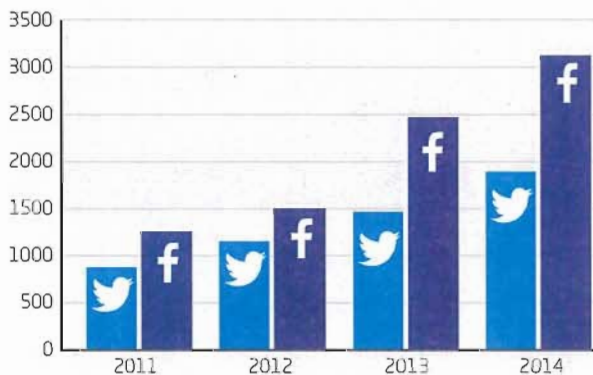
- 800 members of our community enjoyed the Second Annual Tim Horton’s Family Skate at the Richmond Olympic Oval, kicking off the New Year with free admission to the ice, complimentary hot drinks and Timmy’s famous timbits.
- On March 8, 2014, the Richmond Olympic Oval proudly hosted the BC Cancer Association Workout to Conquer Cancer event, which raised \$379,000 to power cancer research in the province. The day-long fitness challenge featured eight different workout sessions for all fitness levels. Men and women from throughout the province tested their strength and stamina during former Canadian Football League great Tommy Europe’s SHRED bootcamp, kick boxed with purpose, and stepped it up in Zumba. The event was attended by over 500 people.
- On July 12, 2014, the Oval hosted Play4Life’s 4on4 charity ball hockey tournament. Appearances were made by the NHL Montreal Canadiens’ goaltender Carey Price, who backstopped Canada’s men’s hockey team to gold at the Olympic Winter Games in Sochi, and Winnipeg Jets’ defenceman Keaton Ellerby.

Play4Life is committed to the values that create safe, fun events for teenagers with the purpose of empowering them to make a difference in their community and their world. Each Play4Life event is organized to promote health and family, and to raise awareness of our community and world issues. As such, all funds collected through entrance fees go directly to address these issues.

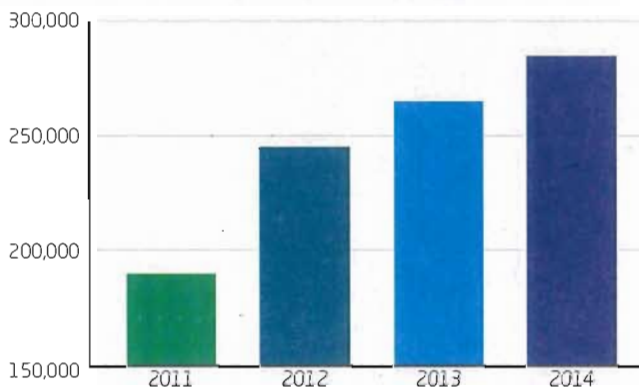
“My family traveled from Beaverton, Oregon to help fulfill my daughter’s dream of getting to meet Carey Price in person and possibly get a picture. The inspirational promoters of this event did an AMAZING job of making this dream come true and it was a moment we will never forget. I am filled with motivation to pay it forward. Thank you to everyone who made the moment possible.”
~ Wendy Stec


- Throughout August, the Richmond Olympic Oval’s waterfront plaza hosted a month-long celebration of summer with free games, music, fitness classes and more.

DATA | SOCIAL MEDIA FOLLOWING 2011-2014



DATA | WEBSITE VISITS





HIGHLIGHTS

- JANUARY**
New Year's Day Tim Horton's Annual Family Skating Event
- FEBRUARY**
BC Cancer Foundation Workout to Conquer Cancer
- JULY**
Montreal Canadiens Goaltender Carey Price visits the Oval
- AUGUST**
Summer Play Days on the Oval Plaza
- NOVEMBER**
Children's Wish Foundation Exile Island
BC Lions Skills for Life Summit
Annual Information Meeting
Oval reaches 4,000,000 visits since opening

The Games Zone came alive on Wednesdays through Sundays, with participants taking advantage of free games such as bocce, badminton, croquet, chess, checkers, ping pong, volleyball and more.

Lunch was also available on the plaza. Hotdogs, burgers and fries were available to purchase and an eclectic mix of performers provided entertainment.

Fitness buffs got in their workout by taking part in free boot camp classes on the plaza from 6:45 p.m. to 7:45 p.m. every Friday. Summer PlayDays wrapped up with a big summertime bash on Sunday, August 31, from 4:00 p.m. to 9:30 p.m. Musical performances, a bouncy castle, food trucks and a screening of Frozen on a 40-foot screen were all part of the event.

- Outsmart. Outplay. Outpledge. The Richmond Olympic Oval hosted the Children's Wish Foundation Exile Island event on November 19, 2014. The event, based on the popular Survivor reality series, is held across the country during the year and maroons corporate tribes and their wish child at a facility for an afternoon of challenges, competition, fundraising and wish granting to determine who will become the ultimate survivors.

The event at the Oval raised over \$44,000 for children's wishes in BC.

- The Richmond Olympic Oval Corporation held its Annual Information Meeting on November 26, 2014, where members of the community had the opportunity to meet with the Corporation's Board of Directors, Senior Officers and Management regarding the Corporation's activities, achievements and future plans for the Richmond Olympic Oval.

2014 READERSHIP AWARDS

WINNER

Best Sports Adventure Centre
Georgia Straight

WINNER

Best Sports Facility
Richmond Review

MENTION

Best Gym
Richmond Review

- On December 1, 2014, the Oval hosted the BC Lions Skills for Life Summit. Participating students toured WorkBC's "Find Your Fit" skills and trades stations at the Oval to get a head start on hands-on-learning through interactive demonstrations of professions like welding, carpentry, heavy equipment operating, truck driving, and even accounting.

The students also participated in leadership and team building workshops with BC Lions players. Topics included bullying prevention, stopping violence against women, making positive life choices and choosing alternatives to gang involvement.

- Richmond residents were given the chance to nominate local heroes for the Richmond Wall of Fame, to be unveiled in 2015 at the Richmond Olympic Experience, giving those who have shaped sporting culture in Richmond and put the city on the map with great achievements a place to be remembered.

In the News

OVAL HOME TO THE BEST FITNESS TRAINER ON THE CONTINENT

Oval Group Fitness Instructor Krista Popowych won the 'The Oscar's of the Fitness Industry' - the 2014 IDEA Fitness Instructor of the Year - for her work in fitness education over the past two decades. Currently, Krista teaches 5 classes per week at the Oval including: Punch & Crunch, Definition, Abs & Stretch, Step & Reps and Cycle & Strength Circuit.





Residents of Richmond, past and present, as well as anyone else who may share an interest in the wall, could nominate their favourite athletes, teams, builders and officials of sport who achieved greatness in the community and beyond up until Jan 15, 2015.

There was no limit to how many people residents could nominate and the city has no fixed number as to how many sports heroes will go on the wall.

- The Richmond Olympic Oval Corporation recognizes the value of creating a corporate culture built on employee commitment, trust and teamwork. In order to position itself as the employer of choice in the sport and fitness industry, the Corporation has focused its efforts on talent acquisition, program development, training, and employee engagement. The Corporation also strives for continuous improvement and endeavours to be a conduit for its employees to realize their true potential and achieve excellence through collaboration and a shared passion for improving lives.

analysis, physiological testing and health services in conjunction with LifeMark Sport Medical (also located within the facility). For the public and athletes alike, the Oval offers one of the most comprehensive pathways to success in sport in Canada, providing programming starting as young as 18 months with the learning of fundamental movement skills to the coaching and performance services required by podium level athletes competing on the international stage.

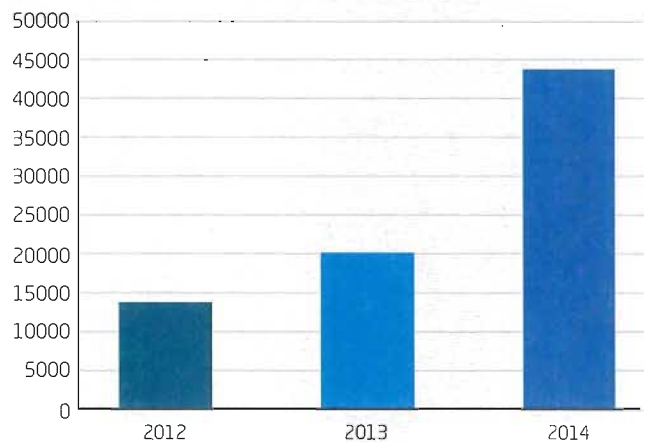
- Officially launched at the Richmond Olympic Oval in June 2011, the Canadian Sport Institute (CSI) IGNITE™ program is designed to help provincially recognized athletes between the ages of 14 and 17 improve their athleticism, physical literacy and fitness. With the aim of developing upcoming youth athletes into national champions, the IGNITE™ program is instrumental in shaping the future of sport in Canada. In 2014, the Metro Vancouver IGNITE™ program at the Oval consisted of three, 14-week phases of training with athletes from a multitude of sports, including: alpine skiing, field hockey, softball, canoe and kayak, and speed skating.

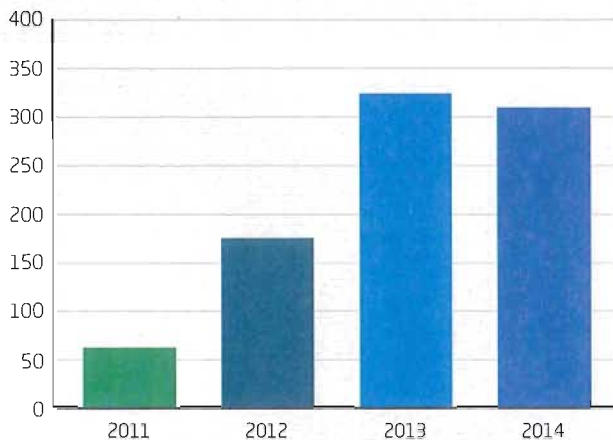
3. Supporting High Performance

- Since opening a dedicated High Performance Training Centre in March of 2012, approximately 78,000 training sessions have been completed at the Oval, 44,038 of which occurred in 2014 (a 30% increase over 2013). The Oval's High Performance Training Program continues to service developing youth athletes (from as young as 12 years old) to experienced Olympians.
- On June 11, 2014, the Richmond Olympic Oval and the Canadian Sport Institute Pacific (CSIP) announced the creation of a strategic alliance to further improve the delivery of sport performance services and availability of world class training and competition facilities in Canada. CSIP opened its offices and performance testing lab at the Oval in July of 2014.

Sport Performance Services delivered under the Oval roof now include strength and conditioning, performance nutrition, performance

DATA | High Performance Athlete Workout Sessions





- A partnership program created among fitness facilities, health clubs and community centres across the province, Canadian Sport Institute's GYMWORKS™ program provides provincially and nationally carded athletes access to training environments within a close proximity to their home, school and other personal, professional, and sport related obligations. In 2014, 311 carded athletes accessed the Oval.
- The Richmond Oval Short Track Speed Skating program continues to grow and contribute to the development of the sport in Western Canada. David Morrison, Oval Head Coach and Speed Skating Canada Regional Development Mentor, works at identifying and training high potential youth athletes and mentoring local club coaches. This work is part of the evolution of the Short Track Performance Program to becoming an official Speed Skating Canada Regional Training Centre. Performance initiatives continued in 2014, including: summer talent development camps, regional and National competitions, a testing camp for regionally located BC skaters and a 5-day per week, 35-week training program for performance athletes. Oval trained speed skaters qualified for BC's Canada Winter Games team, Junior National Championships and the National Junior ranking meet.



2014 World Fencing Grand Prix

#OVALTRAINED Athlete Successes

VOLLEYBALL

- The South Delta Secondary Senior Girls Volleyball Team won the AAAA Provincial Championships, a team that featured four Oval trained athletes: Laura Findlay, Zoe Mydanksy, Ashley Klassen and Maria Starko.
- Tamara Clarke was part of the AAA Provincial Champion Seaquam Secondary team and was also named Tournament MVP.
- At the 2014 Volleyball Club Provincials, two Oval athletes were selected to the All-Star Team: Kaleigh Matheson and Siobhan Finan.
- Megan and Nicole McNamara won silver at the Youth Olympic Games in Nanjing, China and bronze medals at the Under-19 World Volleyball Championship in Portugal.
- Six Oval Volleyball Centre of Excellence athletes were selected to participate in the U16 Baden Cup Team BC selection camp in July.
- Three Volleyball Canada Centre of Excellence athletes committed to university teams: Siobhan Finan (UBC), Kaleigh Mathison (University of Western Ontario), and Tamara Clarke (SFU).
- 90% of Volleyball Canada Centre of Excellence athletes were selected to join local high performance club teams.

TABLE TENNIS

- Mo Zhang, Oval High Performance Table Tennis athlete and coach, placed first at the Canadian Challenge Trial Cup in Toronto, placed first at the North America Cup and the Canada Open and placed in the top 3 with Jane Yan at the Canadian Championships and Commonwealth Games, solidifying her number 1 ranking in Canada.
- Jane Yan was selected to Team BC and won the singles and doubles categories at the Canadian Championships.

WHEELCHAIR RUGBY

- The Canadian Wheelchair Rugby Team won silver at the World Championships in Denmark. Richmond residents Trevor Hirschfield and Ian Chan were named to the World All Star Team.

FENCING

- Dylan French of BC Fencing was selected to carry the flag for Canada during the Opening Ceremonies of the Youth Olympic Games in Nanjing, China.

FIELD HOCKEY

- The Canadian Women's National Team did what they set out to do at World League 1 in Mexico, finishing first in the tournament and securing a berth in World League 2. Results at World League 2 will determine the nations that take part in World League 3 from which the top six teams will qualify for the 2016 Olympic Summer Games in Brazil.

- Athletes from the following 30 National, Provincial and Local Sport Associations or clubs used Oval High Performance services and facilities during 2014:

- » Alpine Canada
- » BC Athletics
- » BC Hockey
- » BC Wheelchair Sports
- » Bobsleigh BC
- » Connaught Skating Club
- » Cycling Canada
- » Field Hockey Canada
- » Field Hockey BC
- » Figure Skating Canada
- » Fencing BC
- » Fusion Football Club
- » Greater Vancouver Canadians
- » Kajaks Track and Field
- » Langara Men's Basketball
- » Richmond Soccer
- » Richmond Football Club
- » Richmond Ravens Girl's Hockey
- » Richmond Sockeyes Hockey
- » Rowing Canada
- » Rugby Canada
- » Sailing Canada
- » Skeleton BC
- » Speed Skating BC
- » Speed Skating Canada
- » Soccer Canada
- » Table Tennis Canada
- » Volleyball BC
- » Volleyball Canada
- » Wheelchair Rugby Canada

- The Table Tennis Centre of Excellence has consistently grown in the number of lessons offered with an increase in nationally recognized athletes training in the centre. Beginning in 2012, through a collaborative effort, the Oval began providing support to Table Tennis Canada in the advancement of high performance athlete development training and standards. Currently, the Oval is training 3-4 athletes each month who have been recognized as top performers in their respective age categories in Canada. In July 2014, Table Tennis Canada hosted their National Team Training Camp, which brought 16 athletes and 5 coaches in from across Canada to the Oval.

- The Corporation is proud to be working with Baseball BC and delivering the Rally Cap Program. Baseball Canada launched this initiative nation-wide in 2006. It introduces better tools for players and coaches in order to enhance their first expe-

rience with the game of baseball. The Corporation's batting cages and large indoor space make it an ideal learning and training environment for baseball players of all ages.

2014 saw continued growth and success in the delivery of the Rally Cap program with 400+ baseball players utilizing the services and facilities of the Oval for skill development, assessment, team training programs and high performance training.

- Since opening in September 2010, the Volleyball Canada Centre of Excellence (VCCE) has shown continued solid performance, with over 1,900 registrations in development programs and 900 in its high performance streams.

The Corporation is now in the second year of a 3-year Athlete Development Partnership Agreement with Volleyball Canada to develop the Richmond Olympic Oval as a National, Regional, and/or Provincial Training Centre for:

- » athlete development and education,
- » to collaborate on the development and implementation of a continuum of integrated sport services, programming and events; and
- » to foster High Performance Volleyball in Richmond, Metro Vancouver, and British Columbia.

Of the high performance athletes training at the Volleyball Centre of Excellence since 2010, 40 have been named to Team BC's 16U, 17U and 18U provincial programs, in addition to two being named to the Junior National team; 23 have progressed to play post-secondary volleyball.

In July 2014, the corporation welcomed over 80 of the region's best female and male U14 volleyball athletes as they trained for the Volleyball BC U14 Baden Cup.

- In partnership with the Richmond Virtual School (RVS) District, twenty-one of the Oval's Volleyball Canada Centre of Excellence athletes are receiving PE credits for their training done at the Richmond Olympic Oval. Additionally, there are 9 athletes participating in the RVS through the 'Vancouver Futsal Association' Elite Development and the 'Elite Goalies' Centre of Excellence programs.

RVS is a 'Distributed Learning' secondary school that opened in 2007. RVS uses a hybrid model of online and face-to-face interaction to deliver high quality and dynamic learning opportunities. This learning model is of great benefit to high performance athletes as it helps balance the demands of sport, life and academics by enabling students to obtain their Physical Education credit through a sport specific training program. High Performance PE 10-12 online incorporates the required ministry elements of PE through a variety of sports and disciplines offered at the Richmond Oval. Students acquire their physical activity hours by documenting their training program at the Richmond Oval and through competitions in their sporting discipline. Students who partake in this program are highly motivated and are part of the Oval's High Performance Pathway.

4. Becoming the Desired Location for Community Sport, Health and Fitness



- The Richmond Olympic Oval experienced over 770,000 visits in 2014, a 10% increase over 2013. Total combined visitation since opening day on December 12, 2008 is now over 4.1 million visitors.

- The long-term membership base (Annual and Monthly Continuous members) at the Oval increased 11.7% over 2013 and membership usage averaged 29,481 member visits per month throughout the year, a 10% increase over 2013.
- Member appreciation events were held in April, July and November with over 1,000 members attending several complimentary program demos, receiving product samples from the O Cafe and other local businesses, plus program discount coupons.

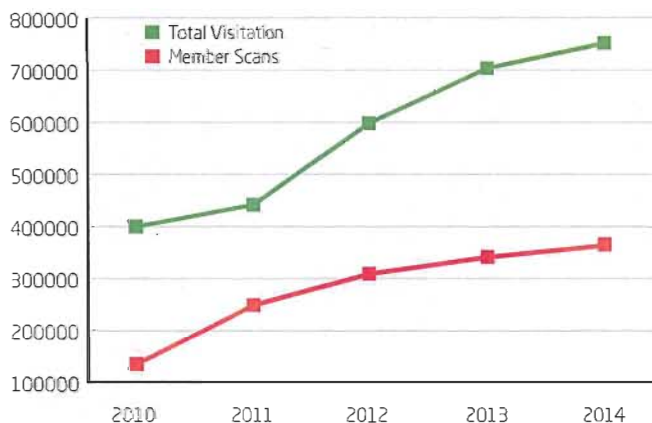
Additionally, the Oval held three membership usage challenges in February, June and October-November, each designed to improve retention and use of the Oval facility. Over 2,000 members took part in the challenges, increasing their usage of the facility by 25%.

- The Fitness Department saw a number of new programs launch in 2014, including:
 - » A reciprocal referral program with LifeMark Sport Medical;
 - » Nutrition Optimization Services launched in September with registered dietitian Angela Luk and 33 consultations were delivered in 2014;
 - » BeneFIT specialty fitness classes, including ViPR® and TRX® classes, also launched in September resulting in 374 individual and 83 ten-class punch cards being sold; and
 - » 30-minute Personal Training Sessions.

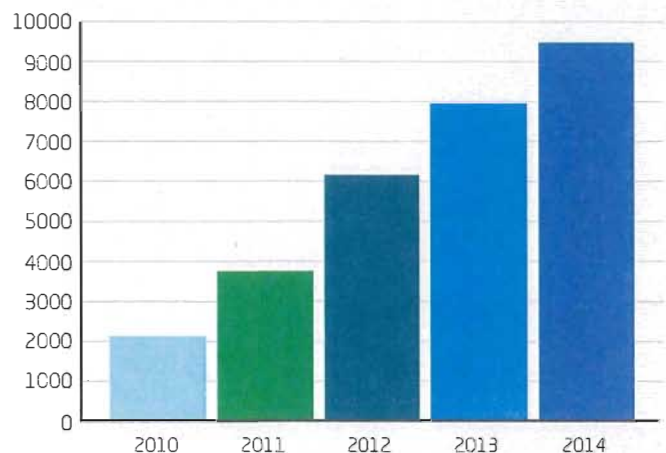
Personal Training services had a very successful year with the number of training sessions delivered up 14% compared to 2013.

- 2014 saw over 9,600 registrations in Oval sport, health and wellness programs, a 22% increase over 2013.
- Sport camp registration in particular saw a major rise in registration to achieve record registration with 1,670 campers and a 38% increase in participation.

DATA | TOTAL VISITATION & MEMBERSHIP SCANS 2011-2014



DATA | TOTAL PROGRAM REGISTRATIONS 2010-2014





■ The Oval is currently host to 4 sport leagues, including a Planet Ice Hockey League, Urban Rec, the Vancouver Futsal Association and Metro Basketball.

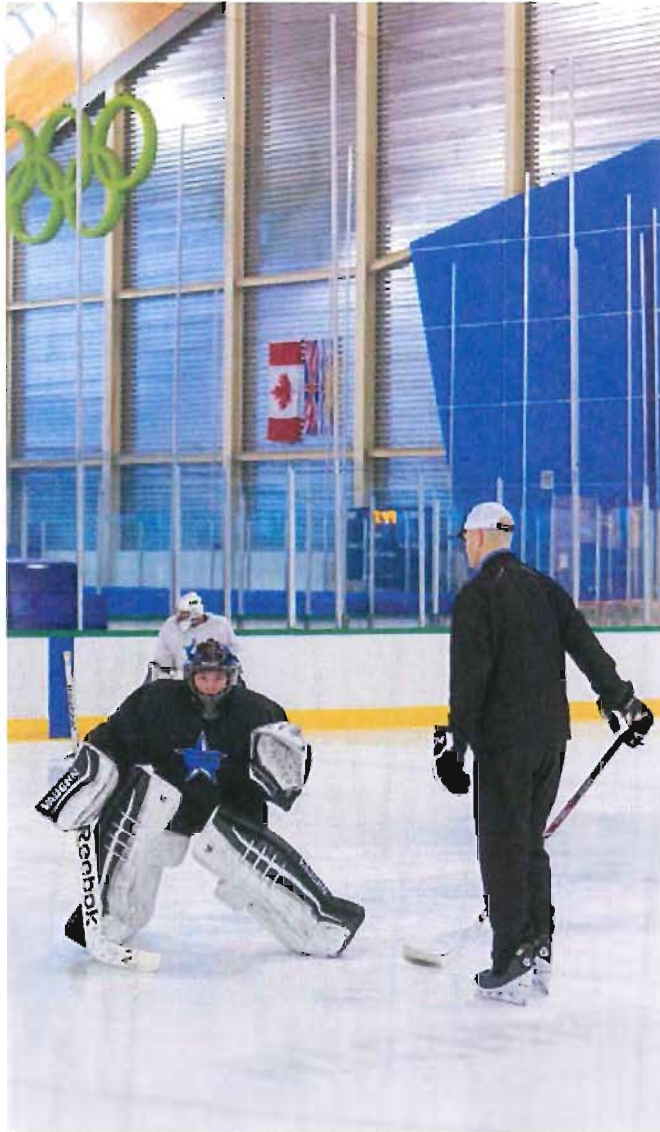
- » *Aura Gymnastics* : Cheer and Tumbling Programs
- » *BC Hockey / Greater Vancouver Canadians* : Hockey games and training
- » *DRIVE Basketball* : Youth Basketball Enrichment Programs
- » *Planet Ice* : Hockey League
- » *Richmond Arenas Community Association* : Ice Time: Minor Sport Orgs (Hockey, Figure, Ringette, Short Track)
- » *Richmond Soccer Association* : Enrichment & integrated sport services for youth soccer players
- » *Urban Rec* : Adult, Co-Ed Recreational Sports Leagues
- » *Vancouver Futsal Association* : Futsal League
- » *Vancouver Metro Basketball* : Basketball League

■ The Oval hosted 49 Sport User Groups in 2014:

- » Air Attack Volleyball
- » Aura Gymnastics
- » BC Hockey
- » BC Wheelchair Basketball Association
- » Connaught Figure Skating Club
- » Corporate Champions Tournament
- » DRIVE Basketball
- » Dynamo Fencing
- » Field Hockey BC
- » Field Hockey Canada
- » GV Canadians (Hockey)
- » Hockey Jams
- » ISEA Private Schools
- » New West Little League
- » Panther Cheer
- » Planet Ice
- » Richmond Minor Hockey

- » Richmond Ravens Hockey
- » Richmond Ringette
- » Richmond Rockets Speed Skating Club
- » Richmond School District
- » Richmond Soccer Association
- » Richmond Ultimate Hockey
- » Seafair Breakers Hockey
- » Seafair Minor Hockey
- » Steveston Hockey
- » Sport Ability
- » The Dugout Club
- » Top Ten Martial Arts
- » UBC Rowing
- » Urban Rec (Sport Leagues)
- » Vancouver Angels Hockey
- » Vancouver City Baseball
- » Vancouver College
- » Vancouver Futsal Association
- » Vancouver Hawks Field Hockey
- » Vancouver Ice Men
- » Vancouver Metro Basketball
- » Vancouver Minor Hockey
- » Vancouver School District
- » Vancouver Thunderbirds (Hockey)
- » Vancouver Warriors Hockey
- » Volleyball BC
- » Wheelchair Rugby Canada
- » Wheelchair Athletics Canada

■ Total visitation from all sport user groups and leagues total 142,000 in 2014 or 18% of total visitation.



5. Operating in a Financially Sustainable Manner



HIGHLIGHTS

REVENUE

\$6.88 million revenue from memberships, admissions, and programs (2013—\$6.57 million).

CAPITAL RESERVES

\$2.7 million transferred to capital reserves / provisions.

SURPLUS

Annual Surplus of \$2.7 million before transfers to capital reserves / provisions.

Financially Sustainable

The Corporation realized an annual surplus of \$2.7 million, for the year ended December 31, 2014. In 2013, excluding a one-time contribution of \$0.4 million towards the Mezzanine Infill Project, the annual surplus for 2013 was \$3.3 million before transfers to Capital Reserves and Provisions. In 2014, \$2.7 million was transferred to the capital reserves.

The Corporation's main sources of revenues in 2014 were 'memberships, admissions and programs', City of Richmond contributions, 2010 Games Operating Trust funding, followed by other revenue

(mainly consisting of parking, leasing and Community Legacy Partner sponsorship revenue).

The Corporation would like to thank the City of Richmond, the Games Operating Trust and our official Community Legacy Program Partners - Scotiabank, TELUS, and ASPAC Developments - for their continued support. There are 2 new Community Legacy Partners to be announced in 2015. Our partners have been critical in helping the Oval bring positive sport, health and wellness changes to as many people as possible.

Appendix

Appendix A | The Corporation

The Company, which changed its name to the "Richmond Olympic Oval Corporation," on August 10, 2010, was incorporated under the name "0827805 BC Ltd." on June 16, 2008 under the Business Corporations Act of British Columbia. Its purpose is to manage the business, operations and maintenance of the Oval. The City of Richmond, as the sole shareholder of the Company, has appointed a Board of Directors consisting of a selection of community leaders with a broad range of specialized expertise.

Directors

As of December 2014, the Company had 8 Directors. The name and province of residence of each Director, each Director's principal occupation, and the month each Director was appointed to the Board are indicated in the chart below. The term of office for full-term directors is one to two years.

Name & Province of Residence	Principal Occupation	Director Since	Re-elected	Term
E. Michael O'Brien, British Columbia, Canada	Corporate Secretary & Vice President, Strategic Planning & Legal Services, Vancouver International Airport Authority	June 2008	May 2013	2 years
Dennis Skulsky, British Columbia, Canada	President & Chief Executive Officer, BC Lions Football Club	February 2011	May 2013	2 years
Moray Keith, British Columbia, Canada	President Dueck Auto Group	June 2008	May 2013	2 years
George Duncan, British Columbia, Canada	Chief Administrative Officer, City of Richmond	June 2008	May 2013	2 years
Linda Sanderson, British Columbia, Canada	Executive Director, Human Resources, Vancouver Community College	June 2008	May 2014	2 years
Victor Farmer, British Columbia, Canada	Senior Vice President, Progressive Construction Ltd.	June 2008	May 2014	2 years
Umendra Mital, British Columbia, Canada	Executive Vice President and General Manager, Ebc Industries Ltd. and Advanced Cyclotron Systems Inc.	June 2008	May 2014	2 years
Wayne Duzita, British Columbia, Canada	Associate Vice President, Western Region, Aeroterm	August 2011	May 2014	2 years

Executive Officers

As of December 2014, the Company had two executive officers. The name and province of residence of each executive officer, the offices held by each officer and each officer's principal occupation are as follows:

Name & Province of Residence	Position	Principal Occupation
George Duncan, British Columbia, Canada	Chief Executive Officer	Chief Administrative Officer, City of Richmond
Andrew Nazareth, British Columbia, Canada	Chief Financial Officer	General Manager, Finance & Corporate Services, City of Richmond

Council Liaison

The City has assigned a Council Liaison to attend the meetings of the Richmond Olympic Oval Board. The Mayor currently holds the Council Liaison position, with Councillor Alexa Loo as the alternate.

Name & Province of Residence	Position	Principal Occupation
Mayor Malcolm Brodie, British Columbia, Canada	Council Liaison	Mayor, City of Richmond
Councillor Alexa Loo British Columbia, Canada	Alternate Council Liaison	Councillor, City of Richmond

Committees

The committees of the Board and the current members of each committee are listed below.

Business & Budget Planning Committee	Audit & Finance Committee
Moray Keith (Chair)	Victor Farmer (Chair)
George Duncan	George Duncan
E. Michael O'Brien (ex officio)	Umendra Mital
Dennis Skulsky	E. Michael O'Brien (ex officio)
Wayne Duzita	Linda Sanderson

Appendix B | Events



Tim Horton's Family Skate January 1, 2014

Close to 1,000 patrons enjoyed the second Tim Horton's Family Skate to kick off the New Year at the Richmond Oval. Skaters enjoyed free admission to the ice and were served complimentary hot drinks and timbits.



BCSRA Trade Show January 10-13, 2014

The BC Sports Rep Association (BCSRA) meets bi-annually to showcase the latest seasonal sporting goods, clothing, and accessories to perspective retailers. The tradeshow hosts hundreds of retailers and exhibitors over the three day event.



Karate Canada National Championships January 17-19, 2014

The 39th Karate Canada National Championships were held at the Richmond Olympic Oval from January 17th to 19th. Hundreds of athletes and coaches from across the nation competed together and embodied the values of sports excellence, friendship and respect which are at the very heart of Canadian karate. The 2014 edition marks the kick off of a cycle that will run through to 2017, including 4 National Championships and 2 North American cups (2014 and 2017) in total, all to be held at the Oval.



Vancouver International Open Judo Tournament January 25, 2014

Judoka from all over British Columbia competed in the annual Vancouver International Open Judo Tournament at the Richmond Olympic Oval for Junior Boys and Girls, Juvenile Men & Women, Cadet Men and Women, Junior Men and Women, Senior Men and Women. Close to 150 participants competed, and over 350 spectators took in the event.



Harry Jerome Indoor Classic February 1, 2014

The Oval hosted the 4th annual Harry Jerome Indoor Classic for track athletes 12 years and up, showcasing some of the province's top junior performers. The meet almost tripled in size from the previous year with more than 300 athletes participating in over 60 events. In addition to high school athletes, UBC, SFU and TWU entered several athletes into the open events.



Judo Pacific International February 14-16, 2014

It was a great weekend of Judo at the Richmond Olympic Oval for the 29th Annual Pacific International Invitational. Athletes from host club Steveston Judo, competed against athletes from all over Canada, the US, Japan and France.



Red Bull Crashed Ice Regional Qualifiers February 21, 2014

200 men and 20 women participated in the qualifying event, which consisted of individual speed trials on a traditional ice-hockey surface. The top participants from the qualifier who demonstrated the best speed, skill, agility, and strength earned a spot to battle to the bottom of the massive ice course in Niagara Falls, Ontario.



BCPA Winter Open February 23, 2014

This was the second time the Oval hosted the BC Powerlifting Association Winter Open. The event was a great success with 100 athletes and 200 spectators. Medals were awarded for the top 3 placements in each weight class and Best Lifter awards for Open, Masters, Junior and Bench Press categories.



AAA & AAAA Basketball Lower Mainland Tournament February 26-28, 2014

Boys and Girls from across the lower mainland took part in this instant basketball classic. The Lower Mainland AAAA zone featured five top-10 ranked teams with only three advancing to the Provincials. The AAA provincial rankings also featured plenty of Lower Mainland teams at the top and four Provincials berths were up for grabs.



Panther Cheer Mardi Parti March 1, 2014

The 2nd annual Mardi Parti Cheer and Dance Extravaganza was a huge success. There were over 700 participants and 1,000 spectators. The event featured competition in All Star, Special needs, High School and Dance divisions. Prizes were also awarded for best dressed fan, athlete, judge and coach.

Business Career Expo March 5, 2014

This was a joint career expo in partnership with 4 post-secondary institutions across Greater Vancouver and Vancouver Island, including, Vancouver Island University, Kwantlen Polytechnic University, Langara College, and Camosun College. Over 100 business-focused employers were exhibiting; an excellent opportunity for students in accounting, business management, human resources, and entrepreneurial leadership to explore career opportunities and network with employers.



Workout to Conquer Cancer March 7-8, 2014

Over 600 people were on scene for the BC Cancer Foundation's annual fundraiser at the Richmond Oval. The day-long fitness extravaganza was headlined by former CFL player and fitness trainer, Tommy Europe. Tommy led a packed house to fun and high-intense Zumba dance classes. The event raised \$379,000 for cancer research.



ANNUAL **Wheelchair Rugby Vancouver Invitational**
March 14-16, 2014

For the first time in the event's 15-year history, BC won the Vancouver Invitational Wheelchair Rugby Tournament. In front of a packed crowd Sunday afternoon at the Richmond Olympic Oval, BC claimed a 56-53 victory over the Ontario Thunder. For his incredible leadership effort, Richmond's Ian Chan was named tournament MVP. Chan trains regularly at the Oval with Oval High Performance coaches. Chan was not the only British Columbian honoured with an All Star Award. Duncan Campbell, who invented wheelchair rugby 37 years ago and still plays today, was named Most Clutch.

ANNUAL **Province Gran Forza Pentathlon**
March 19, 2014

Over 300 high school athletes converged on the Richmond Olympic Oval on Saturday, March 29th to contest the 4th annual Province Gran Forza V presented by TELUS. 61 teams competed in the indoor team pentathlon in 4 divisions where one athlete from each team competed over 50m, 800m, Standing Long jump, Shot Put and 4x200m relay.

ANNUAL **North American Karate Cup**
March 20-22, 2014

2014 North American Karate Cup offered competition in both Junior and Senior kata and kumite divisions. This event was an invitational tournament assembling National Team athletes from Mexico, Canada and the USA.

ANNUAL **Canadian Short Track Speed Skating Senior Open**
March 21-23, 2014

The season's final senior ranking event for short track speed skating brought the top men and women from across Canada to compete for positions on Canada's National Team.

Pacific Rim Gymnastics Championships
April 5-13, 2014

One of gymnastics' premier international events, the 2014 Pacific Rim Gymnastics Championships, took place at the Richmond Olympic Oval. The championships featured some of the world's best artistic, trampoline and rhythmic gymnasts. Close to 300 athletes from 17 countries around the Pacific Ocean competed.

Women's Wheelchair Basketball Nationals
April 25-27, 2014

The 2014 Canadian Wheelchair Basketball League (CWBL) Women's National Championship took place April 25-27, at the Richmond Olympic Oval. The tournament featured elite female players from across Canada, including past, present, and future members of Team Canada.

ANNUAL **City of Richmond UROC Awards**
May 1, 2014

Every year during BC Youth Week the City of Richmond Hosts the U-ROC (Richmond Outstanding Community) Youth Awards to celebrate the achievement and dedication of outstanding Richmond youth. Youth nominated have displayed qualities of mentorship, leadership, and teamwork in their community and school networks.

CAN AM Wushu Championship
May 2-4, 2014

The Oval hosted athletes from across North America over the two-day annual martial art competition. The Can-Am Wushu Championships has several categories for competition, including Chinese traditional Kungfu, Wushu, Tai Chi, Karate and Taekwondo. The event kicked off with a spectacular display of traditional dragon and lion dance performances by athletes young and old during the opening ceremonies.



**CrossFit Games Regionals Canada West
May 7-11, 2014**

The CrossFit Games, which combines weightlifting, sprinting, and gymnastics, will showcase some of Western Canada's most intense athletes and fans alike. Over the course of the three day competition, athletes performed intense workouts to test their physical and mental abilities. With the tremendous growth of CrossFit around the world, the Oval hosted some of the toughest competitors, and at the end of competition three men, three women, and three teams received invitations to the 2014 Reebok CrossFit Games in California.

**Rotary Skates For the World- Skatathon
May 8, 2014**

More than a hundred people skated to raise money to make sure the community's students get the best possible start to their day at the Richmond Sunset Rotary Club's 2nd annual Rotary Skates for the World skate-a-thon, presented by River Green at the Richmond Olympic Oval. This year's goal was to raise money for the Richmond School District 38 breakfast program. The remainder of the money raised will go towards eradicating polio, a longstanding cause supported by the Rotary Club.

**Rhythmic Gymnastics Millennium Cup
May 16-18, 2014**

The 15th Annual Millennium Cup was hosted at the Oval in a three day competition that saw athletes from across Canada, the United States, China, and Wales. The event was a great success with over 200 international individual and group competitors and hundreds of spectators daily.

**Orb Spring and Summer Warehouse Sale
May 23-25, 2014**

Over 1,000 shoppers daily enjoyed the Orb Clothing warehouse sale for its 2014 summer line. Men's and Women's outerwear, street-wear and accessories were available at a discount of up to 80% off.

**SOS Children's Village 10K Oval Run
May 25, 2014**

The North Plaza of the Oval was the site of the 6th Annual SOS Children's Village Run. The charity fundraises to support programs for foster children and youth in need. More than 400 runners enjoyed experiencing a number of exhibitors and entertainment throughout the day.

**Karate BC Provincial Championships
May 30-June 1, 2014**

Karate BC held their Provincial championship at the Oval from May 30-June 1, 2014. Both recreational and elite karate athletes, ages 5 through 75 from across British Columbia, took to the mat for the provincial title. This year, Karate BC is celebrating 40 years as a Provincial Sport Organization and will be hosting additional events throughout the weekend to honour this milestone.

**Corporate Champions
June 7-8, 2014**

Business organizations across Metro Vancouver gathered at the Oval to encourage team building and health and wellness in the workplace. Participants from 56 companies got out of the office and competed in a weekend of multi-sport action.



ANNUAL Canadian Cancer Society Relay for Life
June 14-15, 2014

The Canadian Cancer Society Relay for Life is an event that brings together family and friends to celebrate cancer survivors, remember loved ones lost to cancer and to fight back against cancer in hopes to find a cure for the disease. The Relay hosted their 12-hour event at the Oval and teams raised funds for cancer care and research. Over \$40 million was raised across Canada.

ANNUAL Canada Cup International Wheelchair Rugby Tournament
June 16-21, 2014

The 2014 Canada Cup International Wheelchair Rugby Tournament, which is considered one of the most prestigious wheelchair rugby tournaments in the world, took place from June 16-21 at the Richmond Olympic Oval. For the first time, the results at Canada Cup impacted the world rankings leading into the 2014 World Wheelchair Rugby Championships, so teams had an extra incentive to bring their best performances.

ANNUAL 2014 BC Provincial Fencing Championships
June 20-22, 2014

The BCFA welcomed athletes from the Canadian Fencing Federation and US Fencing Association to the Oval over a three day team event. This event is one of the major training events for athletes to prepare for national and international competitions.

ANNUAL ScotDance Canada Championships
July 2-6, 2014

The Richmond Olympic Oval played host to the over 800 dancers who participated in the 40th ScotDance Canada Highland Dance Championship Series from July 2nd to 6th. With most sessions reaching capacity crowds of 6000 people, and possibly the largest stage ever brought

into the city, dancers from ages seven to twenty-eight enthralled the audience with their precision, agility and team work.

ANNUAL Play4Life Breakaway 4on4 Ball Hockey Tournament
July 12, 2014

Goaltender Carey Price of the NHL Montreal Canadiens and Canadian Olympic gold medal men's hockey team was a key part of the Play4Life "breakaway ball hockey tournament" on July 12th, 2014. Joining Carey was Winnipeg Jet's Keaton Ellerby as they met with fans and signed autographs during the day. Families and spectators were welcomed at the event. Children and youth ages 8 to 16 took part in the tournament with prizes being awarded at the conclusion of the event.

ANNUAL Noah Yelizarov Memorial Hockey Tournament
August 17, 2014

ANNUAL Richmond Kajaks 10K Run
August 17, 2014

The Kajak 10k marked the eleventh event of the Lower Mainland Road Race Series. The course ran along the scenic Fraser River, starting and finishing at the Oval's North Plaza. Vancouver's Evan Elder held off Nicholas Browne of Richmond to win the last of the 10 Lower Mainland Road Race Series this year. Elder's winning time was 34:09, while Brown finished in 34:59. Jorge Parra of Tullahoma, Tenn. was third in 35:12, while the top female finisher was Tanith Maxwell of North Vancouver, who was sixth overall in 37:04.



**TAFISA World Martial Arts Games
September 3-7, 2014**

The Richmond Olympic Oval was home to The Association for International Sport for All (TAFISA) "World Martial Arts Games." The games were held September 3-7, 2014, and were the first of their kind, encompassing a martial arts festival that combined interactive demonstrations followed by a competition event that showcased the community of Sport for All martial arts athletes from around the world.

**ANNUAL Rehab Equipment Expo
September 8-9, 2014**

The Rehab Equipment Expo is an opportunity for clinic professionals and clients to test the latest products and technologies in community health accessibility and education. The event drew over five hundred clinicians and almost one hundred exhibitors.

**ANNUAL Sportability Power Soccer Tournament
October 3-5, 2014**

The Richmond Olympic Oval is fast becoming a home to wheelchair sport, and this Fall the Oval hosted the SportAbility Power Soccer Tournament. Known internationally as "powerchair football", power soccer is a form of the traditional soccer game modified for athletes in power wheelchairs. Played in co-ed teams, power soccer athletes skillfully manoeuvred, passed and shot an oversized soccer ball by bouncing it off a specialized foot-guard attached to the front of their power chairs.

**ANNUAL PGA Trade Show
October 13-16, 2014**

Making its inaugural appearance at the new facility in 2013, the show features industry exhibitors showcasing products on an array of equipment, apparel, carts, accessories, golf balls, footwear, training aids, software, sunglasses, signage, and storage solutions. The Show is attended

by the majority of the PGA of BC membership, representing over 120 golf facilities throughout the province, making it the largest golf buying show in British Columbia, with over \$2 Million in orders written.

**ANNUAL Western Marine Trade Show
October 17-19, 2014**

Western Marine Company is a distributor of marine parts and accessories serving wholesale customers throughout Canada. Over 700 staff representing more than 300 dealerships across Canada attended the 15th annual Western Marine and Transat Marine Trade Show. This was an opportunity for retail professionals to see and test some of the latest gear in the industry.

**ANNUAL 2nd Annual Pacific Coast Female Hockey Classic 2014
October 24-26, 2014**

The Richmond Ravens hosted the 2nd Annual Pacific Coast Female Rep Hockey Classic at the Richmond Olympic Oval. The tournament hosted top rep teams at the Pee Wee, Bantam & Midget levels from Western Canada and the Western United States.

**ANNUAL West Coast Winter Fitness Challenge
November 7-9, 2014**

The West Coast Winter Fitness Challenge, produced by Triple Crown Events, is a three day challenge to decide the region's fittest athlete. Athletes competed in areas of weightlifting, powerlifting, gymnastics and cardio. There were 48 Female and 48 Male individuals competing, and 32 Co-Ed Teams comprised of 4 athletes. The 7 Events over the three days determined the winners for cash and prizes.



ANNUAL Orb Fall Warehouse Sale
November 14-16, 2014

Over 1,000 shoppers daily enjoyed the Orb Clothing warehouse sale for its 2014 winter line. Men's and Women's outerwear, street-wear and accessories were available at a discount of up to 80% off.

2014 BC Cup Handball Tournament
November 15-16, 2014

With previous success in Richmond, the 2014 BC Cup Handball tournament will be expanding into a two day tournament in 2014, 2015 and 2016. The tournament even brought out famed members of the BC Handball's historic past. The San Francisco CalHeat Team Handball Club came out on top to win the Men's Division championship and the Vancouver HC won the Women's Division title.

Hockey Canada Century Tour
November 14-17, 2014

Hockey Canada launched the Century Tour to commemorate its 100th anniversary. A 20,000-square-foot interactive hockey experience caravan visited the Richmond Oval in mid November. Fans visiting the Century Tour were immersed in the excitement, history and energy that is Canadian hockey, including a state-of-the-art interactive timeline of milestone hockey moments, on-ice experiences on a synthetic ice rink, programs and activities specifically developed for families, and a celebration of both Team Canada and local community hockey leaders.

ANNUAL 10 Annual De Danaan Christmas Feis
November 29-30, 2014

This 10th annual Christmas event is a celebration of Gaelic culture through song, dance, music and theatre. Close to 2000 people including participants and spectators enjoyed Irish dance competitions all weekend at the Oval. Prizes were awarded for Beginner, Novice and Advanced jig categories for dancers five to eighteen years of age. Participants also enjoyed Irish singing from local artists.

BC Lions Skills for Life Summit
December 1, 2014

The B.C. Lions held classes for more than 120 students from across the province. The athletes presented 'Erase Bullying' and 'Be More Than a Bystander', a program that talks about violence against women. These programs were all part of the Skills for Life Summit, a joint effort between the Ministry of Education, the B.C. Lions, and Pacific NorthWest LNG.

Pink Cheer Championships
December 6, 2014

Panther Cheer Athletics 15th Annual Pink Championships took place the first weekend in December. The event showcased 40 athletes from three to seventeen years of age who competed in cheerleading and dance.

Events Secured in 2014 (2015 & Beyond)

Event	DATE
Harry Jerome Indoor Track Meet	Feb 2011-2016
Football BC Provincial Combine	Feb 2013-2015
Karate National Championships	Jan 2014-2017
Fencing World Cup	Feb 2014-2016
Fencing World Gran Prix	Mar 2014-16
Fencing Provincial Championship	June 2014-16
Age Class Wrestling Provincial Championships	Jan 2015
Red Bull Crashed Ice Regional Qualifiers	Feb 2015
BC Powerlifting Association Open	Feb 2015
Lower mainland AAA and AAAA Basketball Championships	Feb 2015
Panther Cheer Mardi Parti Championships	Feb 2015
2015 Western Canadian Fencing Championship	Mar 2015
Weightlifting Western Canadian Championship	Mar 2015
Judo Pacific International	Mar 2015-2016
WC Rugby Vancouver Invitational	Mar 2015-2016
Sitting Volleyball National Championship	April 2015
Province Gran Forza Pentathlon	April 2015
Volleyball Provincials	April 2015
36th Annual Can-Am International Martial Arts Championships	May 2015
Millennium Cup Rhythmic Gymnastics	May 2015
Fencing Nationals Championships	May 2015
Rhythmic Gymnastics National Championships	May 2015
Karate Provincials	May 2015
Fencing Provincials	June 2015
Baden Cup Volleyball Tournament	July 2015
Tournament of Champions Hockey Tournament	July 2015
Volleyball National Team Challenge Cup	July 2015
West Coast Classic Basketball	July/Aug 2015
BC Handball Cup	Nov 2015
Feis Irish Dancing Competition	Nov 2015-2016
Powerlifting Commonwealth Championships	Dec 2015
Panther Cheer	Dec 2015
Karate North America Cup	2017
IKGA World Karate Championships	Sept 2017

APPENDIX C | Awards

Awarding Body	Award
International Olympic Committee, International Association for Sports and Leisure Facilities	IOC/IAKS Gold Medal
International Paralympic Committee, International Association for Sports and Leisure Facilities	IPC/IAKS Distinction Award
Canadian Interiors, Best in Canada Design Awards	Best of Canada Design Award
CEBC Awards for Engineering Excellence	Merit Award
Royal Architectural Institute of Canada	Award of Excellence for Innovation in Architecture
Vancouver Organizing Committee	Sustainability Star Award
Wood WORKS!	Institutional Wood Design
Institution of Structural Engineers	Sports of Leisure Structures Award
The ASHRAE Technology Awards	Region XI Winner: New Public Assembly Building
Canadian Consulting Engineer Awards	Technical Merit Award
National Council of Structural Engineers Association	Finalist Award of Exceptional Merit in Buildings over \$100 million
The Globe Foundation and the World Green Building Council	Excellence for Green Building Award
VRCA Awards of Excellence	Chairman's Trade Award Gold
VRCA Awards of Excellence	Chairman's Trade Award Silver
VRCA Awards of Excellence	President's Trade Award Silver
VRCA Awards of Excellence	Manufacturer & Supplier Silver
VRCA Awards of Excellence	Electrical Contractors Over \$1 Million - Gold
VRCA Awards of Excellence	General Contractor of the Year Award
VRCA Awards of Excellence	Trade Contractor of the Year Award
CISC/ICCA Steel Awards (British Columbia Chapter)	Outstanding Steel Structure: Engineering Division Award of Excellence
Canadian Wood Council	North American Wood Design Award
Inform Awards	Honor Award, Interior Design
Concrete Reinforcing Steel Institute	Award winner, Cultural & Entertainment Facilities
Society of American Registered Architects (SARA), New York Council	Citation
VANOC Sustainability Star Award	The 2009 Sustainability Star
2010 BUILDINGS Project Innovations Awards	Grand Prize Winner (New Construction Category)
2010 SARA Professional Design Awards Program	2010 Design Awards Competition (Philadelphia)
2010 International Property Award (Bloomberg, Inc.)	Public Services Development
2010 Athletic Business	Facility of Merit
2010 European Centre for Architecture Art Design and Urban Studies and The Chicago Athenaeum: Museum of Architecture	Green GOOD Design Awards
2010 ARIDO Award	Awards of Merit, Public and Institutional Spaces
2010 REBGV Commercial Building Awards	Legacy Merit Award
ArchDaily Building of the Year 2010	Sports Category Winner
International Property Awards	Best Public Services Development Canada
IOC/IAKS 2011	Gold Medal Award
IPC/IAKS	Distinction Award
2010 CISC "National" Steel Design Award	Best of the Best - Across Canada

Appendix D | Management's Discussion and Analysis

Management's discussion and analysis provides an overview of the Corporation's business operations for the year ended December 31, 2014 relative to the year ended December 31, 2013.

This management's discussion and analysis should be read in conjunction with the Corporation's audited financial statements for the year ended December 31, 2014 and the accompanying notes. The financial statements are prepared in accordance with Canadian generally accepted accounting principles (GAAP) as prescribed by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants Canada. All figures presented in the following are expressed in Canadian dollars and are rounded to the nearest \$1,000.

About the corporation

The Richmond Olympic Oval Corporation (the "Corporation") was incorporated on June 16, 2008 under the Business Corporations Act of British Columbia as a municipal corporation wholly-owned by the City of Richmond (the "City"). The Corporation's objectives with respect to the long-term use and operation of the Richmond Olympic Oval facility (the "Oval") include but are not limited to the following: a) the Oval will be developed, used and promoted for a training and competition facility for high performance sport; b) the Oval will provide facilities, programs and services for quality sport, fitness, recreational uses and wellness services for the Richmond community, neighbouring communities and the general public; c) the Oval will provide facilities for non-sporting, community and entertainment events; and d) the Oval will provide ancillary commercial, retail, health and wellness services to enhance its use in respect of the activities set out above.

The Corporation operates in a highly competitive sport and fitness market which offers personal and group training classes, high performance training, personal training, wellness and fitness equipment, weight training and sport specific facilities and training. The Corporation also hosts many local and national events and also has various open spaces and rooms which are available for rent to the public.

Overview of Performance

Revenue

2014 revenue from memberships, admissions and programs totalled \$6,878,000 (2013 - \$6,568,000). In 2014 revenue from these sources of \$994,000 was deferred to fiscal 2015 (2013 - \$1,008,000 was deferred to 2014).

The City applies for and receives funding from the 2010 Games Operating Trust ("GOT") as explained in note 5 to the financial statements. The City received \$2,271,000 during the year which was recognized as revenue earned in the year (2013 - \$2,823,000).

The Corporation received a contribution of \$3,208,000 from the City in 2014 (2013 - \$3,575,000 of which \$430,000 was for the Mezzanine Infill project).

Other revenue of \$1,413,000 was recognized in 2014 (2013 - \$1,235,000) and mainly consisted of parking, leasing and sponsorship revenue. In addition included in other revenue is \$398,000 (2013 - \$355,000) pertaining to Sport Hosting revenue. The Sport Hosting function is fully funded by the hotel tax. The funding is recognized as deferred revenue until it is spent at which time the revenue and expense are both recognized.

Expenses

During 2014, expenses were incurred for the following:

- Salaries and benefits of \$6,940,000 (2013 - \$6,713,000). There were approximately 59 full-time and 208 part-time employees on the payroll as of December 31, 2014; (2013 - 60 full-time and 168 part-time employees);
- Other operating expenses incurred in 2014 totalled \$4,149,000 (2013 - \$3,796,000) and mainly included the following:
 - » Facility operations of the Oval including the heat, light and power, the ice-making equipment and building maintenance;
 - » Amortization costs of tangible capital assets;
 - » Property and liability insurance; and
 - » Costs associated with running the Oval high performance and fitness programs;
 - » Administration costs related to accounting, information technology, development of organizational infrastructure such as safety programs, internal controls, office supplies and equipment support, human resource policies, etc;
 - » Costs related to marketing the Oval sport fitness programs and rentals of facilities;
 - » Sport Hosting department related expenditures; and
 - » Professional fees mainly related to leases for prospective tenants, other legal agreements and audit fees;

The annual surplus for the 2014 year was \$2,681,000. In 2013, excluding a one-time contribution towards the Mezzanine infill project, the annual surplus for 2013 was \$3,262,000 before transfers to Capital Reserves and Provisions. The total accumulated surplus as of December 31, 2014 is \$11,718,000 (2013 - \$9,038,000). Please refer to note 10 to the financial statement notes for the details of the accumulated surplus balance.

Summary of Financial Position

The following table presents summary information on the Corporation's financial position at December 31, 2014.

	\$000s	
	2014	2013
Financial Assets	\$10,635	\$10,863
Financial Liabilities	7,080	5,058
Net Financial assets	\$3,555	\$5,805
Non – Financial assets	\$8,163	\$3,233
Accumulated surplus	\$11,718	\$9,038

Financial Assets

The Corporation has a cash balance of \$1,616,000 at year end (2013 - \$1,963,000). The accounts receivable aggregating \$341,000 (2013 - \$223,000) resulted primarily from sponsorship fees, leases, sales of memberships, admissions, programs, rentals and special events. The investment balance of \$8,678,000 (2013 - \$8,676,000) represents the Corporation's investments held in term deposits.

Financial Liabilities

Accounts payable and accrued liabilities of \$2,587,000 (2013 - \$1,692,000) include payroll accruals, trade payables for heat, light, power, legal and audit fees, GST payable and holdbacks on capital projects. Deferred revenue of \$4,316,000 (2013 - \$2,824,000) includes unspent funding pertaining to the Sport Hosting department and the Richmond Olympic Experience project, sponsorship fees, and the pro rata portion of fees received in 2014 for membership and programs to be delivered in 2015. The amount due to the City of \$166,000 (2013 - due to the City of \$532,000) arises in the normal course of operations, which will be repaid by the Corporation. A rental deposit of \$9,000 (2013 - \$9,000) is held as of the end of the year.

Non-Financial Assets

As at December 31, 2014, the Corporation had \$9,459,000 (2013 - \$4,674,000) of capital assets primarily pertaining to athletic equipment, building improvements, computer software and equipment, facility equipment, staff uniforms, and work-in-progress related to the Richmond Olympic Experience and the Mezzanine Infill project. Amortization for the year was \$373,000 (2013 - \$310,000). Accumulated amortization of the capital assets amounted to \$2,383,000 (2013 - \$2,011,000) at year end.

Deferred lease costs of \$155,000 (2013 - \$142,000) are direct costs incurred in connection with leases and are deferred and amortized over the terms of the lease.

Prepaid expenses of \$850,000 (2013 - \$426,000) consists of unamortized portions of the premiums on the Corporation's insurance policies together with prepaid information technology licences, equipment maintenance, and deposits on simulators.

Accumulated Surplus

The Corporation has an authorized share capital consisting of an unlimited number of common shares without par value. One share has been issued to the Corporation's parent, the City.

The capital reserve balance is \$2,648,000 (2013 - \$4,732,000), other reserves/provisions is \$682,000 (2013 - \$577,000), accumulated operating surplus is \$1,313,000 (2013 - \$1,065,000), and the amount invested in tangible capital assets is \$7,076,000 (2013 - \$2,664,000) for a total accumulated surplus balance of \$11,718,000 (2013 - \$9,038,000).

Liquidity and Capital Resources

Operating

Cash provided by operations in the year amounted to \$4,439,000 (2013 - \$6,065,000).

Capital Activities

The Corporation purchased capital assets consisting primarily of the sport and fitness, information technology, facility equipment and work-in-progress for the Richmond Olympic Experience and the Mezzanine Infill project totalling \$4,785,000 (2013 - \$2,279,000).

Investing

The Corporation has invested an additional \$1,000 (2013 - \$3,871,000) in term deposits in 2014 for a total of \$8,678,000 of investments as of December 31, 2014 (2013 - \$8,677,000).

Related Party Transactions

The Corporation is a municipal corporation wholly-owned by the City which is its only related party. Note 12 to the financial statements discloses related party transactions.

Appendix E | Audited Financial Statements

Consolidated Financial Statements of

RICHMOND OLYMPIC OVAL CORPORATION

Year ended December 31, 2014



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INDEPENDENT AUDITORS' REPORT

To the Shareholder of Richmond Olympic Oval Corporation

We have audited the accompanying consolidated financial statements of Richmond Olympic Oval Corporation, which comprise the consolidated statement of financial position as at December 31, 2014, the consolidated statements of operations, consolidated changes in net financial assets and cash flows for the year then ended, and notes, comprising 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 consolidated financial statements in accordance with Canadian public sector accounting standards, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance about whether the consolidated 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 our 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, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated 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 consolidated financial statements.

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



Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Richmond Olympic Oval Corporation as at December 31, 2014 and its results of operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

KPMG LLP

Chartered Accountants

April 28, 2015

Burnaby, Canada

RICHMOND OLYMPIC OVAL CORPORATION

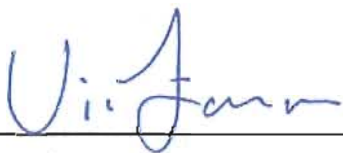
Consolidated Statement of Financial Position

December 31, 2014, with comparative information for 2013

	2014	2013
Financial Assets		
Cash	\$ 1,616,338	\$ 1,963,267
Investments (note 3)	8,677,855	8,676,448
Accounts receivable	340,779	223,030
	<u>10,634,972</u>	<u>10,862,745</u>
Financial Liabilities		
Accounts payable and accrued liabilities	2,587,430	1,692,492
Deferred revenue (note 6)	4,316,354	2,824,218
Due to City of Richmond (note 7)	166,413	532,415
Rental deposits	9,263	9,263
	<u>7,079,460</u>	<u>5,058,388</u>
Net financial assets	3,555,512	5,804,357
Non-Financial Assets		
Tangible capital assets (note 8)	7,075,748	2,663,644
Deferred lease costs (note 9)	155,250	141,665
Inventories of supplies	81,535	1,755
Prepaid expenses and other deposits	850,325	426,251
	<u>8,162,858</u>	<u>3,233,315</u>
Economic dependence (note 14)		
Accumulated surplus (note 10)	\$ 11,718,370	\$ 9,037,672

See accompanying notes to financial statements.

Approved on behalf of the Board:



Director



Director

RICHMOND OLYMPIC OVAL CORPORATION

Consolidated Statement of Operations

For the year ended December 31, 2014

	2014 Budget (note 2(j))	2014	2013
Revenue:			
2010 Games Operating Trust Fund (note 5)	\$ 2,200,000	\$ 2,270,900	\$ 2,823,239
Contribution from City of Richmond (note 12)	3,208,000	3,207,600	3,574,700
Memberships, admissions and programs	6,421,758	6,877,930	6,568,014
Other	1,310,830	1,412,922	1,235,038
	<u>13,140,588</u>	<u>13,769,352</u>	<u>14,200,991</u>
Expenses:			
Salaries and benefits	7,177,888	6,939,941	6,712,878
Utilities	1,050,000	900,555	1,002,566
Amortization	486,125	372,635	309,991
Supplies and equipment	631,450	794,399	618,349
Insurance	335,225	337,034	350,543
General and administration	894,253	675,819	642,501
Marketing and sponsorship	267,450	197,708	209,857
Program services	604,363	744,639	619,247
Professional fees	118,080	125,924	42,592
	<u>11,564,834</u>	<u>11,088,654</u>	<u>10,508,524</u>
Annual surplus	1,575,754	2,680,698	3,692,467
Accumulated surplus, beginning of year	9,037,672	9,037,672	5,345,205
Accumulated surplus, end of year	\$ 10,613,426	\$ 11,718,370	\$ 9,037,672

See accompanying notes to financial statements.

RICHMOND OLYMPIC OVAL CORPORATION

Consolidated Statements of Changes in Net Financial Assets

For the year ended December 31, 2014

	2014 Budget (note 2(j))	2014	2013
Annual surplus for the year	\$ 1,575,754	\$ 2,680,698	\$ 3,692,467
Acquisition of tangible capital assets	(2,872,465)	(4,784,739)	(2,279,138)
Amortization of tangible capital assets	486,125	372,635	309,991
	(2,386,340)	(4,412,104)	(1,969,147)
Amortization of deferred lease costs	-	17,932	17,711
Acquisition of inventory of supplies	-	(80,560)	(1,390)
Increase in prepaid expenses	-	(1,309,901)	(582,833)
Consumption of Inventory	-	780	2,143
Use of prepaid expenses and other deposits	-	885,827	585,536
Additions of deferred leasing costs	-	(31,517)	(38,190)
Change in net financial assets	(810,586)	(2,248,845)	1,706,297
Net assets, beginning of year	5,804,357	5,804,357	4,098,060
Net financial assets, end of year	\$ 4,993,771	\$ 3,555,512	\$ 5,804,357

See accompanying notes to financial statements.

RICHMOND OLYMPIC OVAL CORPORATION

Consolidated Statements of Cash Flows

For the year ended December 31, 2014 and 2013

	2014	2013
Cash provided by (used in):		
Operations:		
Annual surplus	\$ 2,680,698	\$ 3,692,467
Items not involving cash:		
Amortization of tangible capital assets	372,635	309,991
Amortization of deferred lease costs	17,932	17,711
Changes in non-cash operating working capital:		
Accounts receivable	(117,749)	167,051
Deferred lease costs	(31,517)	(38,190)
Inventory	(79,780)	753
Prepaid expenses and other deposits	(424,074)	2,703
Accounts payable and accrued liabilities	894,938	740,276
Deferred revenue	1,492,136	506,848
Due to the City of Richmond	(366,002)	665,047
	4,439,217	6,064,657
Capital activities:		
Cash used to acquire tangible capital assets	(4,784,739)	(2,279,138)
Investing activities:		
Purchase of investments	(1,407)	(3,871,085)
Financing activities:		
Repayment of obligations under capital leases	-	(8,491)
Increase in rental deposits	-	3,750
	-	(4,741)
Decrease in cash	(346,929)	(90,307)
Cash, beginning of year	1,963,267	2,053,574
Cash, end of year	\$ 1,616,338	\$ 1,963,267

See accompanying notes to financial statements.

RICHMOND OLYMPIC OVAL CORPORATION

Notes to Financial Statements

For the year ended December 31, 2014

1. Incorporation and nature of business:

The Richmond Olympic Oval Corporation (the "Corporation") was incorporated on June 16, 2008 under the Business Corporations Act of British Columbia as a municipal corporation wholly-owned by the City of Richmond (the "City"). The business of the Corporation is to use the Richmond Olympic Oval facility (the "Oval") to provide a venue for a wide range of sports, business and community activities, including, but not limited to, being the long-track speed skating venue for the 2010 Olympic and Paralympic Winter Games (the "Games").

2. Significant accounting policies:

(a) Basis of presentation:

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) as prescribed by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

The consolidated financial statements include the accounts of all the funds of the Corporation and the Corporation's 50% proportionate share of operations of VROX Sport Simulation Ltd (VROX). VROX is a government partnership established to develop, manufacture and sell sport simulators to the Corporation and third party customers.

(b) Investment in government partnership

Government partnerships are accounted for under the proportionate consolidation method, where the Corporation's share of the partnership is accounted for on a line-by-line basis on the financial statements.

(c) Revenue recognition:

Memberships, admissions and programs fees are recorded as revenue in the period that the services are rendered, with any unearned portion recorded as deferred revenue. Annual distributable amounts and trust income amounts are recognized as revenue when the amounts are approved by 2010 Games Operating Trust (note 5) and when the related operating expenses and capital maintenance costs of the Oval are incurred.

Sponsorship revenues are deferred and amortized to revenue over the term of sponsorship agreements.

Restricted contributions are deferred and recognized as revenue when the resources are used for the purposes specified by the related agreement.

(d) Financial instruments:

Financial instruments are initially classified upon initial recognition as a fair value or amortized cost instrument. The Corporation holds financial instruments consisting of accounts receivables and term deposits that mature within one year. Due to the short-term nature of these assets, their fair values approximate book value.

The Corporation does not have any financial instruments required or elected to be subsequently recorded at fair value.

RICHMOND OLYMPIC OVAL CORPORATION

Notes to Financial Statements (continued)

For the year ended December 31, 2014

2. Significant accounting policies (continued):

(e) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(f) Capital assets:

(i) Tangible capital assets:

Tangible capital assets are recorded at cost. Amortization is provided on a straight-line basis at rates that reflect estimates of the economic lives of the assets over the following periods:

Assets	Rate
Athletic equipment	5 years
Building improvements	5 years
Automobile	5 years
Facility equipment	3 years
Computer software and equipment	3 years
Uniforms, ice skates and helmets	3 years
Signage	3 years

Tenant improvements are amortized over the term of the lease.

(ii) Impairment of tangible capital assets:

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Company's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the statement of operations.

(iii) Deferred lease costs:

The initial direct costs incurred in connection with leases of rental properties in the Oval are deferred and amortized over the initial term of the leases. Such costs include agent commissions, legal fees, and costs of negotiating the leases.

RICHMOND OLYMPIC OVAL CORPORATION

Notes to Financial Statements (continued)

For the year ended December 31, 2014

2. Significant accounting policies (continued):

(g) Pension plan:

The Corporation and its employees make contributions to the Municipal Pension Plan (the "Plan"). As the Plan is a multi-employer contributory defined benefit pension plan, these contributions are expensed as incurred.

(h) Income Taxes:

The Corporation is not subject to income taxes as it is a municipal corporation wholly-owned by the City of Richmond.

(i) Functional and object reporting:

The operations of the Corporation are comprised of a single function, which includes sports, fitness, and recreation. As a result, the expenses of the Corporation are presented by object in the statement of operations.

(j) Budget data:

The budget data presented in these financial statements is based upon the 2014 budget approved by the Board of Directors on November 27, 2013.

(k) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that could affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the determination of valuation of accounts receivable, useful lives of tangible capital assets for amortization, and deferred lease costs. Actual results could differ from those estimates. The estimates are reviewed periodically and as adjustments become necessary, they are recorded in earnings in the year in which they become known.

(l) Government transfers:

Restricted transfers from governments are deferred and recognized as revenue as the related expenditures are incurred or the stipulations in the related agreement are met. Unrestricted transfers are recognized as revenue when received or if the amount to be received can be reasonably estimated and collection is reasonably assured.

RICHMOND OLYMPIC OVAL CORPORATION

Notes to Financial Statements (continued)

For the year ended December 31, 2014

3. Investments:

Investments represent term deposits as follows:

Purchase Date	Maturity Date	2014	2013
October 30, 2013	February 27, 2014	\$ -	\$ 1,010,754
October 31, 2013	February 28, 2014	-	3,747,109
November 12, 2013	February 10, 2014	-	1,851,597
December 23, 2013	March 24, 2014	-	2,066,988
November 24, 2014	February 23, 2015	3,251,297	-
November 25, 2014	February 23, 2015	3,821,881	-
December 22, 2014	March 23, 2015	1,604,677	-
Total		\$ 8,677,855	\$ 8,676,448

The interest rate of the term deposits range from 1.80% to 1.90%.

4. Richmond Oval Agreement:

The Corporation is party to the Richmond Oval Agreement (the "Agreement") with the City, which had an effective date of July 1, 2008. The Agreement established the terms and conditions of the relationship between the City and the Corporation.

5. 2010 Games Operating Trust Fund:

On November 14, 2002, under the terms of the Multiparty Agreement for the Games, the Government of Canada and the Province of British Columbia agreed to establish the Legacy Endowment Fund (the "Fund") and to each contribute \$55 million. On March 31, 2004, under the terms of the 2010 Games Operating Trust Agreement, an irrevocable trust was created known as GOT and the 2010 Games Operating Trust Society (the "Society") became the trustee of the Fund. The purpose of the Fund is to fund operating expenses and capital maintenance costs of certain facilities created for the Games, specifically the Oval and the Whistler Sliding Centre and Nordic Centre, and to assist with the continued development of amateur sport in Canada. Subsequent to the formation of the Trust, the City, as owner of the Oval, became a beneficiary of the Trust and became responsible for complying with obligations set by the Trust and GOT in order to receive funding.

Effective December 31, 2007:

- (a) the GOT Board divided the Fund into three funds: the Speed Skating Oval Fund; the Whistler Sliding Centre and Nordic Centre Fund, and the Contingency Fund; and
- (b) the GOT Board divided the capital and any accumulated but undistributed income of the Fund as follows: Speed Skating Oval Fund (40%), Whistler Sliding Centre and Nordic Centre Fund (40%), and the Contingency Fund (20%).

RICHMOND OLYMPIC OVAL CORPORATION

Notes to Financial Statements (continued)

For the year ended December 31, 2014

5. 2010 Games Operating Trust Fund (continued):

Effective April 21, 2009, the City entered into an agreement with VANOC. The agreement details the terms and conditions to which the City is required to adhere in order to receive funding from GOT. Effective September 1, 2011 VANOC assigned the agreement to the Society.

Funds from GOT are paid to the City first and the City distributes the funds to the Corporation.

Revenue from GOT is comprised of:

	2014	2013
2013 annual distributable amount approved and received in 2014	\$ 2,270,900	\$ -
2012 annual distributable amount approved and received in 2013	-	2,823,239
	<u>\$ 2,270,900</u>	<u>\$ 2,823,239</u>

6. Deferred revenue:

	2014	2013
Balance, beginning of year	\$ 2,824,218	\$ 2,317,370
Add: additions	9,782,988	8,309,900
Less: revenue recognized	(8,290,852)	(7,803,052)
Balance, end of year	<u>\$ 4,316,354</u>	<u>\$ 2,824,218</u>

Deferred revenue comprises of:

	2014	2013
Memberships and programs	\$ 993,972	\$ 1,008,067
Sponsorship fees	1,087,500	333,333
Sport Hosting funding (note 12(ii))	554,706	552,642
Richmond Olympic Experience (note 12(ii))	1,680,176	930,176
	<u>\$ 4,316,354</u>	<u>\$ 2,824,218</u>

7. Due to the City of Richmond:

The amount due to the City of Richmond arises in the normal course of business and is non-interest bearing with no stated repayment terms.

RICHMOND OLYMPIC OVAL CORPORATION

Notes to Financial Statements (continued)

For the year ended December 31, 2014

8. Tangible capital assets:

Cost	Balance at December 31, 2013	Additions	Balance at December 31, 2014
Athletic equipment	\$ 974,709	\$ 113,194	\$ 1,087,903
Automobile	23,158	-	23,158
Building improvements	119,600	168,506	288,106
Computer software and equipment	1,181,355	173,742	1,355,097
Facility equipment	190,162	124,513	314,675
Signage	43,884	8,695	52,579
Tenant improvements	16,979	48,750	65,729
Uniforms, ice skates, and helmets	146,344	7,312	153,656
Work in progress	1,978,095	4,140,027	6,118,122
	\$ 4,674,286	\$ 4,784,739	\$ 9,459,025

Accumulated Amortization	Balance at Dec 31, 2013	Amortization Expense	Balance at Dec 31, 2014
Athletic equipment	\$ 603,837	\$ 147,873	\$ 751,710
Automobile	15,825	4,632	20,457
Building improvements	27,304	41,589	68,893
Computer software and equipment	1,109,905	81,506	1,191,411
Facility equipment	71,040	73,865	144,905
Signage	41,791	2,457	44,248
Tenant improvements	16,855	6,718	23,573
Uniforms, ice skates, and helmets	124,085	13,995	138,080
	\$ 2,010,642	\$ 372,635	\$ 2,383,277

	Net book value December 31, 2014	Net book value December 31, 2013
Athletic equipment	\$ 336,193	\$ 370,872
Automobile	2,701	7,333
Building improvements	219,213	92,296
Computer software and equipment	163,686	71,450
Facility equipment	169,770	119,122
Signage	8,331	2,093
Tenant improvements	42,156	124
Uniforms, ice skates, and helmets	15,576	22,259
Work in progress	6,118,122	1,978,095
	\$ 7,075,748	\$ 2,663,644

RICHMOND OLYMPIC OVAL CORPORATION

Notes to Financial Statements (continued)

For the year ended December 31, 2014

8. Tangible capital assets (continued):

The Oval land and building complex and its major equipment components are the property of the City and are not recorded in these financial statements.

(a) Work in progress

Work in progress, having a value of \$6,118,122 (2013 - \$1,978,095) have not been amortized. Amortization of these assets will commence when the asset is put into service.

(b) Writedown of tangible capital assets

There was no write down of tangible capital assets during the year (2013 - nil).

9. Deferred lease costs:

	2014	2013
Balance, beginning of year	\$ 141,665	\$ 121,186
Add: additions	31,518	38,190
Less: amortization	(17,933)	(17,711)
Balance, end of year	\$ 155,250	\$ 141,665

10. Accumulated surplus:

Accumulated surplus is comprised of:

	2014	2013
Share Capital	\$ 1	\$ 1
Capital reserve	2,647,658	4,731,850
Other reserves/provisions	681,709	577,108
Operating surplus	1,313,254	1,065,070
Invested in tangible capital assets	7,075,748	2,663,643
	\$ 11,718,370	\$ 9,037,672

RICHMOND OLYMPIC OVAL CORPORATION

Notes to Financial Statements (continued)

For the year ended December 31, 2014

11. Financial risk management:

The Corporation has exposure to the following risks from the use of financial instruments: credit risk, market risk, and liquidity risk. The Board of Directors ensures that the Corporation has identified its major risks and ensures that the management monitors and controls them.

a) Credit risk

Credit risk is the risk of financial loss to the Corporation if a counterparty to a financial instrument fails to meet its contractual obligations. Such risks arise principally from certain financial assets held by the Corporation consisting of investments and account receivables. The Corporation assesses these financial assets on a continuous basis for any amounts that are not collectible or realizable.

It is management's opinion that the Corporation is not exposed to significant credit risk from its financial instruments.

b) Market risk

Market risk are changes in market prices, such as interest rates, will affect the Corporation's income. The objective of market risk management is to control market risk exposures within acceptable parameters while optimizing the return of risk.

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market interest rate.

It is management's opinion that the Corporation is not exposed to significant market or interest rate risk from its financial instruments.

c) Liquidity risk

Liquidity risks are the risk that the Corporation will not be able to meet its financial obligations as they come due. The Corporation manages liquidity risks by continually monitoring actual and forecasted cash flows from operations and anticipated investing and financing activities to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Corporation's reputation.

It is management's opinion that the Corporation is not exposed to significant liquidity risk.

RICHMOND OLYMPIC OVAL CORPORATION

Notes to Financial Statements (continued)

For the year ended December 31, 2014

12. Related party transactions:

- (i) The Corporation leases the Oval from the City for \$1 annually.

Included in general and administration expenses are fees of \$132,788 to the City for the provision of city staff time in fiscal year 2014 (2013 - \$63,630).

In 2014, \$70,000 (2013 - \$70,000) of salaries and benefits expenses were charged to the City relating to the costs of the Corporation's staff time for services performed.

In accordance with the Agreement, the City will provide, for the first fifteen years of the term, financial support as agreed between the City and the Corporation from time to time; for the years 2010, 2011 and 2012 the annual financial support shall not be less than \$1.5 million per year indexed at the City of Vancouver's Consumer Price Index. After fifteen years, any financial assistance from the City will be determined by the City in its sole discretion. During 2014, the Corporation received a contribution from the City of \$3,207,600 (2013 - \$3,574,700). In 2013, \$430,000 of this contribution was for the Mezzanine Infill project, no further amounts were contributed for this project in 2014.

- (ii) Effective July 1, 2011, the Sport Hosting function of the City was transferred to the Corporation. This function is fully funded by the hotel tax. In 2014, \$400,000 (2013 - \$400,000) was transferred from the City to the Corporation as funding for the operations of that department. As at December 31, 2014, \$554,706 (2013 - \$552,642) was included in deferred revenue (note 6) and \$397,936 (2013 - \$355,137) was recognized in memberships, admissions, and programs on the statement of operations.

The Corporation also received \$500,000 from the hotel tax funding in 2014 (2013 - \$500,000) to be used to purchase capital assets related to the Richmond Olympic Experience project. In order to retain this funding, the Oval must maintain and operate the capital assets purchased with these funds over the life of the capital assets. On an annual basis, the Oval must provide a report to the City as to the use of the funds and the maintenance and operation of these capital assets. In addition, the Corporation received \$250,000 of grant funding from a third party that is also to go towards the purchase of capital assets related to the Richmond Olympic Experience project. Currently, \$1,680,176 (2013 - \$930,176) of the funds restricted for the purchase of capital assets for the Richmond Olympic Experience remains in deferred revenue and the revenue will be recognized over the life of the underlying assets once the project is complete.

- (iii) During the year, the Corporation made a deposit of \$485,000 to VROX for the purchase of sports simulators for the Richmond Olympic Experience project. This transaction is in the normal course of operations and is measured at the exchange amount, which is the amount of consideration established and agreed to by the Corporation and VROX.

The assets and liabilities of VROX as at December 31, 2014 were \$489,206 and \$609,965 respectively.

RICHMOND OLYMPIC OVAL CORPORATION

Notes to Financial Statements (continued)

For the year ended December 31, 2014

13. Pension plan:

The Corporation and its employees contribute to the Municipal Pension Plan (the "Plan"), a jointly trustee pension plan. The Plan's Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including the investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are based on a formula. The Plan has about 182,000 active members and approximately 75,000 retired members. Active members include approximately 78 contributors from the Corporation.

Every three years an actuarial valuation is performed to assess the financial position of the Plan and the adequacy of Plan funding. The most recent valuation as at December 31, 2012 indicated an unfunded liability of \$1,370 million for basic pension benefits. The next actuarial valuation will be performed as at December 31, 2015 with results available in 2016. Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate with the result that there is no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the Plan.

The funding deficit noted above represents a deficit for the Plan as a whole. Management considers the Corporation's future contributions to the Plan not to be significant. During the current fiscal year, the Corporation paid \$338,471 (2013 - \$312,990) as employer contributions to the Pension Plan.

14. Economic dependence:

The Corporation is economically dependent on receiving funding from GOT and the City.



RICHMOND OLYMPIC OVAL

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