



2012

ANNUAL REPORT



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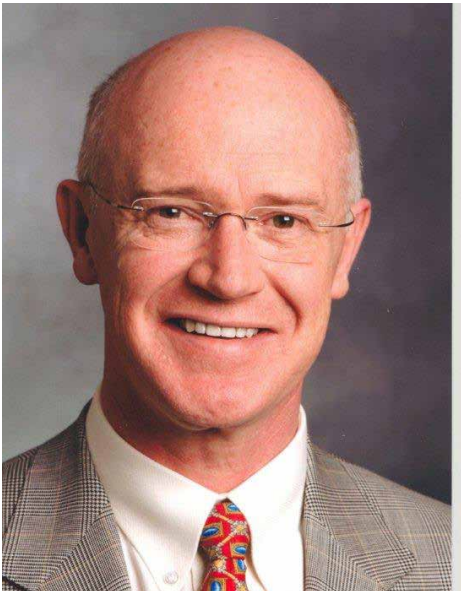
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Letter from Board Chair

I am delighted to report that last year the Oval welcomed approximately 1,500 people every day, and we sought to make every visit an excellent experience – whether our visitors participated in sports, fitness, wellness, high performance sport, special events or rented meeting space. On any given weeknight every corner of the Oval is alive with energy.

It is also gratifying to report that the Oval outperformed budget substantially in 2012. We attribute this to better than expected memberships and admissions, a larger than expected uptake of court and track rentals and very diligent scrutiny of discretionary expenditures.

Oval members are primarily from Richmond with local community members representing 78% of our membership base. The remainder primarily travel from South Vancouver, Delta and Surrey to work out on the expansive fitness mezzanine, play pick-up basketball on one of the six hardwood courts, or partake in one of the many other activities offered in this spectacular venue.

The Oval has continued to expand sports, fitness and recreation services to the community by allowing programmable space to be developed provided it is aligned with the core services that the Oval provides. This mandate ensures the continued benefit to the community while contributing

to the overall vision and success of the Corporation. In 2012 the Oval added a discrete high performance training centre, a climbing wall, batting/ golf cages and a new food and beverage service.

Management and the Oval Board continue to work collaboratively with our key stakeholders to deliver quality experiences for our members. We are grateful to the City of Richmond, the Board of the Games Operating Trust and our Legacy partners for their continued strong support of the Richmond Olympic Oval Corporation.

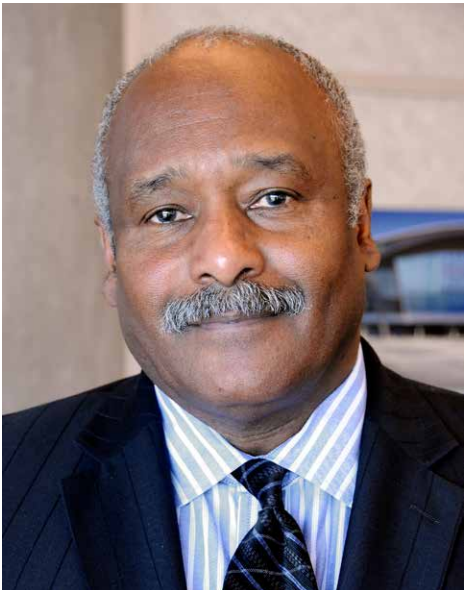
Looking ahead to 2013, the Oval will continue to expand its program offerings and its staff complement in response to the increased membership and demand. We greatly appreciate the support of our loyal members and sport partners and we are proud to be able to contribute to the overall health and fitness of the Richmond community.

On behalf of the Board of Directors, I wish to offer a sincere thank you to the extraordinary team of Oval employees, led with vision by George Duncan, for their enthusiastic dedication to providing a superlative experience for every visitor, and thus the success of this remarkable asset for our community.

A stylized, handwritten signature in black ink, appearing to read 'EMOB'.

E. Michael O'Brien

Chair of the Board of Directors



Letter from CEO

The original vision for the Richmond Olympic Oval included community sports and recreation, high performance sport, health and wellness, and culture and entertainment – all co-existing in one award-winning Olympic legacy venue. I am pleased to report that this vision is being fully realized.

The Oval has served as a venue for over 120 different sports and physical activities in addition to comprehensive fitness and nutrition counselling and sport rehabilitation services. From basketball to rock-climbing and from hockey to rhythmic gymnastics—the Oval offers it all. No other facility in Canada offers such a variety of sports and activities in one location. In 2012, approval was given to embark on an ambitious, world-class vision for the cultural pillar of the Oval vision—the creation of the Richmond Olympic Experience. The Richmond Olympic Experience is designed to be a multifaceted, multidimensional, highly interactive exhibit experience that inspires excellence in sport, promotes community and motivates every visitor to the Richmond Olympic Oval to dream big. The Richmond Olympic Experience, which has the distinction of being the first member of the Olympic Museums Network from North America, has four key areas of focus: The History of Sport in Richmond, Richmond’s Olympic Experience, the 2010 Olympic and Paralympic Winter Games, and the Olympic Movement and values. This cultural and entertainment component of the Richmond Olympic Oval is scheduled to open in the fall of 2014.

2012 was a tremendous year of growth and opportunity for the Richmond Olympic Oval. The Oval focused on expanding its sport and fitness programming to the community and on developing programs for those athletes specifically training for increased performance, whether it is at the local adult recreational level or for preparing for the Olympic podium. The Oval also significantly expanded its dedicated high performance training department in order to offer performance training to athletes with specialized training needs. This expanded program achieved early success with the many Oval-trained, national team member, Olympic athletes, including our national women’s soccer and men’s Paralympic rugby teams, returning from London with medals won for Canada!

In addition to realizing the original vision of the Oval for community sport and recreation, high performance sport, health and wellness and culture and entertainment, the financial performance of the Oval Corporation in 2012 was very positive with revenues outperforming budget for the second of the Oval’s two full years of operation.

Also in 2012, three significant capital additions were added to the Oval:

The Oval celebrated the opening of the climbing wall – introducing this new sport to members and providing a first class venue for serious climbers. The climbing wall has also been designed to accommodate the mobility impaired with access to rappelling from the mezzanine level.

Batting cages were installed, allowing the Oval to expand its capability to offer programs for baseball, softball and golf and allowing athletes and community members to practise these sport specific skills year-round.

2012 also saw the opening of the new O Cafe, offering members and visitors a selection of quality, nutritious food and beverages.

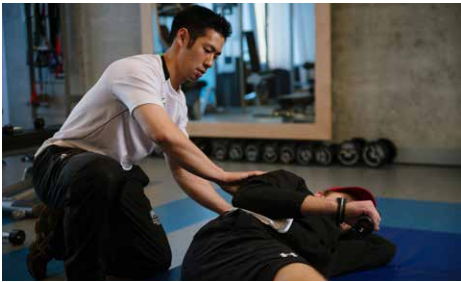
With the new capital additions, the expanded program offerings and the increase in membership and participation, the Oval is proud to have achieved the vision for Richmond’s Olympic legacy facility. Management and staff will continue to work to achieve excellence in all areas of this significant community amenity. Our ongoing commitment to the community is to continually strive to capitalize on the full value of this unique asset for the people 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.

A handwritten signature in black ink, appearing to read 'George Duncan', with a stylized, flowing script.

George Duncan

Chief Executive Officer



Spotlight on 2012

Richmond: More Active Than Ever Before

Before the first shovel of dirt was moved on the site, plans for the Richmond Olympic Oval's community legacy were already in place. The pre-planning done by the City of Richmond has been key to the Oval's success in membership, sport participation and high performance training, making it a strong example of what all Olympic venues can strive for in their legacy phase and the benefits they can deliver to their communities.

Case in point: Richmond has never been more active.

The Richmond Olympic Oval Community Legacy Program has tripled program registration from 2010 to 2012 and experienced a 50% increase in annual visitation during the same time period. Membership usage also remains very high, with over 25,000 member visits per month in 2012.

Additionally, the City of Richmond has indicated that participation in community centre registered and drop-in programs have remained at or near capacity since 2008.

The Richmond Olympic Oval's strong growth in participation, combined with continued strong participation across the City's network of community centres, ensures that Richmond will retain its reputation as the healthiest city in Canada for a long time to come.

VISITATION & MEMBER SCAN RATIO 2011-2013



Team Sports

Baseball
Basketball
Field Hockey
Floorball
Football
Futsal
Handball
Hockey
Lacrosse
Pickleball
Rugby
Soccer
Speedminton
Street Hockey
Volleyball

Racquet / Paddle Sports

Badminton
Table Tennis
Tennis

Ice Activities (Non-Hockey)

Broomball
Curling
Figure Skating
Long Track Speed Skating
Power Skating
Public Skating
Ringette
Short Track Speed Skating

Dance

Bellyfit®
Breakdancing

Dancer's Bootcamp
Hip hop
Irish Step Dance
Jazz
Latin Funk
Modern
SexyStilettos®
Zumba®

Gymnastics

Artistic Gymnastics
Rhythmic Gymnastics
Trapeze

Adaptive Sports

Bocce
Goalball
Sledge Hockey
Wheelchair Basketball
Wheelchair Rugby
Wheelchair Throws
Wheelchair Track

Combative Sports

Boxing
Brazilian Jiu-Jitsu
Fencing
Jiu-Jitsu
Judo
Karate
Kick Boxing
Mixed Martial Arts
Sword Fighting
Taekwondo
Wrestling
Wushu

Athletics (Track and Field)

Cross-Country
High jump
Javelin
Long jump
Running
Sprint
Shot put
Triple Jump

Testing

Beep test
Body Composition
FMS
Lactate Threshold
Powerlifting
Snatch
Sport Performance Testing
VO2 Max

Paddle Sports

Canoeing
Dragon Boating
Rowing

Fitness

5/10 Km Clinic
Aerobics
Bootcamps
BOSU
Crossfit
Group Strength Training
HOIST Circuit Training
Kinesis™
Mom and Baby Spin & Strength
Personal Training
Pilates Mat
Pilates Reformer

Power Plate®
Qigong
Rowing/Erg
Spinning
Stability Ball
Stroller Fit
Tai Chi
TRX®
Yoga
Yogalates

Weightlifting

Benchpress
Clean and Jerk
Deadlifting

Miscellaneous

Adventure Racing
Bubble Hockey
Carpet Bowling
Cheerleading
Competitive Video Gaming
Dodgeball
Field Painting
Floor Curling
Golf
Indoor Cycling
Mountain Biking
Ultimate Frisbee

Climbing

Bouldering
Ice Climbing (simulated)
Rock Climbing
Rope Climbing
Sport Climbing



Continuing to Build the Legacy

While legacy conversion of the venue is nearing completion, the Oval may never be “finished.” The Corporation and City will continue to seek ways to enhance its product and service offering to achieve its legacy goals.

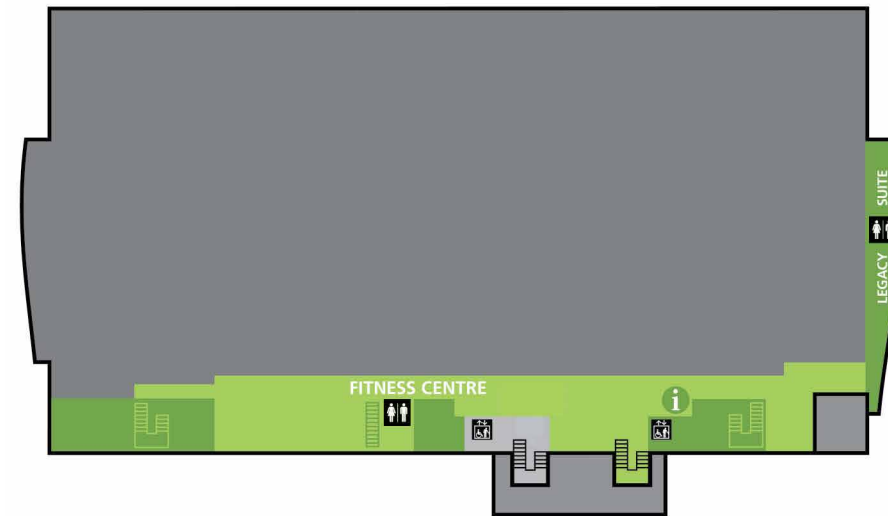
New additions that opened in 2012 include the Climbing Wall, Performance Training Centre and 2 Batting / Golfing Cages. The Climbing Wall at the Oval features 595m² (6,400 square feet) of climbing space over 31 different routes suited to all skill levels. The climbing surface features a mix of vertical, bulge, overhanging and simulated crack features. Set up for top rope, lead climbing and some bouldering, the wall also features a bridge connected to the Fitness Centre that allows physically challenged persons to experience rappelling from the wall.

The Performance Training Centre at the Oval provides the space, specialized coaching and equipment necessary for athletic training programs that target the entire athlete pathway: from aspiring local youth athletes to those seeking the Olympic podium.

Our two new batting and golfing cages deliver year-round programming and practice options for these two rapidly growing sports inside the Oval.

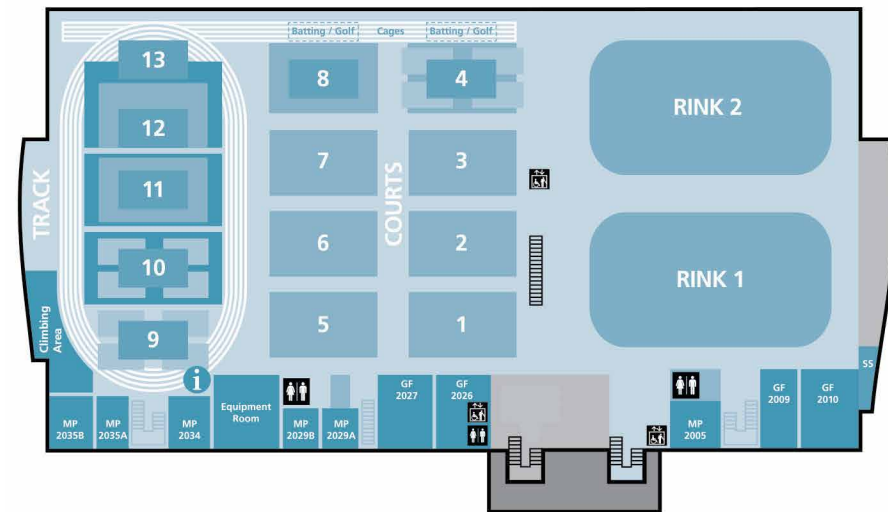


Features of the Richmond Olympic Oval



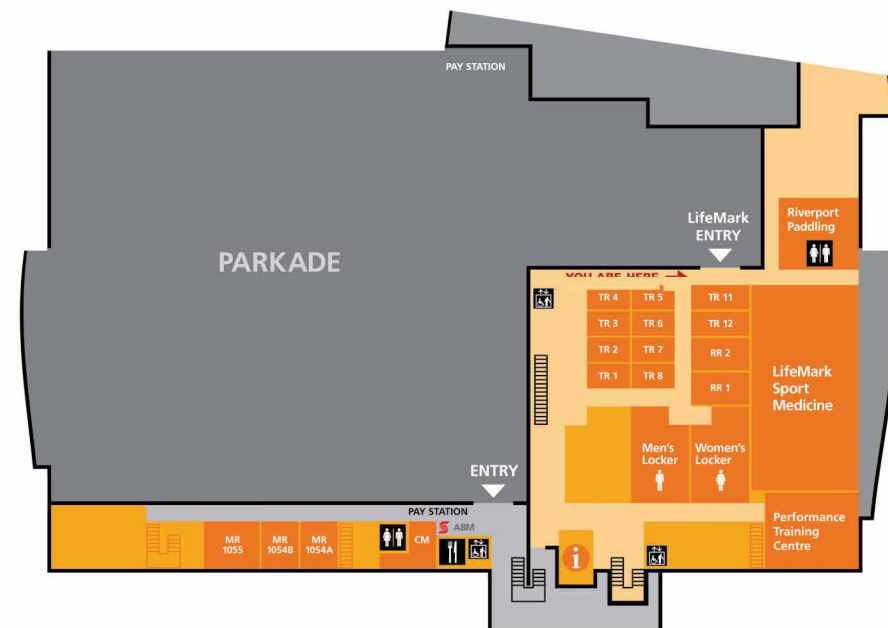
LEVEL 3

Fitness Centre
Legacy Suite



LEVEL 2

Batting / Golf Cages
Climbing Area
Courts
Equipment Room
Group Fitness Studio (GF)
Ice
Multi-purpose Rooms (MP)
Skate Shop (SS)
Track



LEVEL 1

Child Minding (CM)
LifeMark Sport Medicine
Locker Rooms
Meeting Rooms (MR)
O Cafe
Parkade
Performance
Training Centre
Referee Rooms (RR)
Riverport Paddling
Scotiabank ABM
Team Rooms (TR)



A Fully Accessible Facility

The Richmond Olympic Oval is proud to be a barrier-free, fully accessible facility, providing disabled athletes with another route to the Paralympic podium and the public another route to their own personal podiums.

Here is a list of many of the accessible features that can be found at the Oval:



↑ ACCESSIBLE FITNESS EQUIPMENT

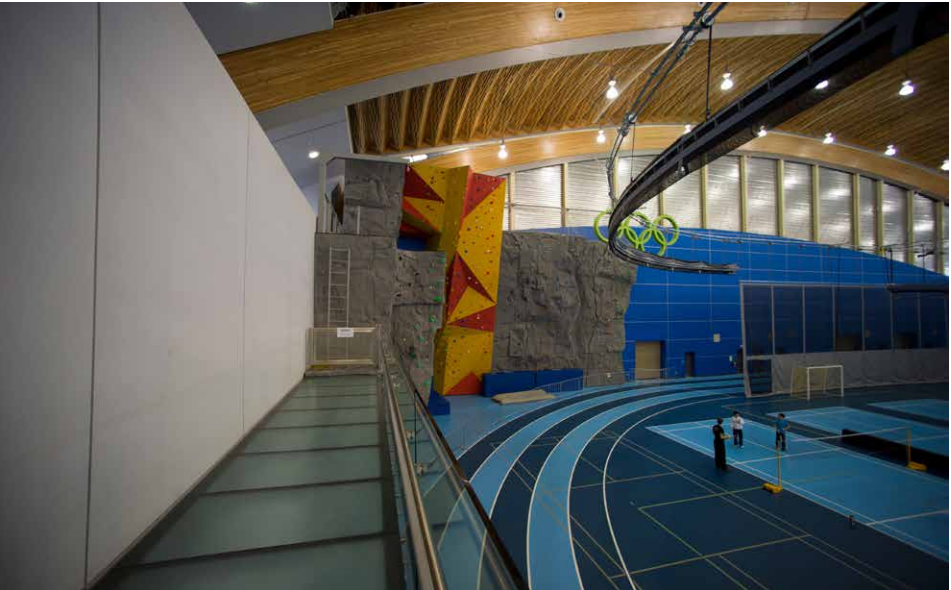
The Richmond Olympic Oval offers the most accessible equipment of any gym in BC. For example, the Technogym Inclusive line of equipment is designed to be accessible to both disabled and able bodied exercisers, featuring swing away seats and single handed adjustments for easy use.

Additional pieces include an arm ergometer with wheelchair ramp, and a Concept II Rowing Machine with a Win Tech adaptive rowing seat.



↑ RIVERPORT COMMUNITY PADDLING CENTRE

The Win Tech adaptive rowing seats are also used in the Riverport Community Paddling Centre. This, along with the Oval's custom adaptive rower transfer unit, makes the sports of rowing and paddling as inclusive as possible.



↑ WHEELCHAIR ACCESSIBLE CLIMBING WALL

Wheelchairs can access a rappel deck via a specially designed sky bridge that connects the Fitness Centre to the climbing wall.



↑ TEAM ELEVATOR

Our all-glass elevator can lift a team of up to 12 wheelchair athletes from our 10 team rooms on the ground floor to the second floor Activity Level, making larger scale adaptive sport competitions possible at the Oval.



← EXTRA WIDE TEAM ROOM DOORS

All team room doors can accommodate the extra wide wheel base of sport wheelchairs.



Proud of our Role in the 2010 Olympic Winter Games

It's hard to believe that just over three years ago, Richmond hosted the 2010 Olympic Winter Games here in the Richmond Olympic Oval. The long track speed skating ice was still in place and the City hosted 12 days of thrilling Olympic competition, highlighted by two Gold Medals for Canada.

To commemorate this exciting time that continues to deliver benefits to the community, the City of Richmond announced its commitment to the Richmond Olympic Experience project in October of 2012. The Richmond Olympic Experience will be the first official member in North America of the IOC's Olympic Museums Network, and will celebrate the Olympic spirit, the 2010 Olympic and Paralympic Winter Games and Richmond's Olympic and sport history. Interactive Olympic sport simulations, multimedia displays and exhibits, Olympic memorabilia, artwork and more will be part of the project. Opening in the fall of 2014, the Richmond Olympic Experience will be located at the Richmond Olympic Oval, the premier venue of the 2010 Olympic Winter Games.



"There is a direct correlation between facilities like this and podium results."

Travis Murao,

*Canadian Paralympic Men's Rugby Team,
Silver Medalist, London 2012*

Proud of our Role in the 2012 Olympic Summer Games

We will always remember the 2010 Olympic Winter Games and the excitement we experienced during those exhilarating days in February.

Now, thanks in part to training completed at the Richmond Olympic Oval, 36 Canadian Olympic and Paralympic athletes were able to gain valuable experience during London 2012, including medal winning performances by the national women's soccer and men's Paralympic rugby teams.



"This was the one-stop shop where we got our daily training done."

Trevor Hirschfield,

*Canadian Paralympic Men's Rugby Team,
Silver Medalist, London 2012*



"This was like our second home leading into the Olympics. The staff know what they're talking about. They can find your weaknesses and help them to become your strengths. I think that's what's here that's not necessarily anywhere else. They can help you become the greatest athlete that you want to be."

Karina LeBlanc,

*Canadian Olympic Women's Soccer Team,
Bronze Medalist, London 2012*



2012 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-man- aged 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 has transitioned from Games phase to Legacy phase, the Corporation has focused 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.

Establishing Positive Brand Awareness

- In 2012, the City of Richmond was invited to present to the World Union of Olympic Cities in Lausanne, Switzerland, September 30 to October 2.

The Oval was a key part of the City’s presentation on Social Legacies, which the IOC has defined as “using the hosting of the Olympic Games to contribute to the social wellbeing of a city’s inhabitants by encouraging and facilitating participation in physical activity, de- veloping education and engaging the community to coalesce around common social goals.”

Representatives from all 27 Olympic Cities were in attendance, helping to raise the profile of Richmond on the international stage, including:

- * Amsterdam, Netherlands
- * Athens, Greece
- * Atlanta, USA
- * Baku, Azerbaijan
- * Barcelona, Spain
- * Beijing, China
- * Busan, South-Korea
- * Copenhagen, Denmark
- * Dubai, United Arab Emirates
- * Istanbul, Turkey
- * Lake Placid, USA
- * Lausanne, Switzerland
- * Lillehammer, Norway
- * London, United Kingdom
- * Los Angeles, USA
- * Montreal, Canada
- * Qindao, China
- * Quebec City, Canada
- * Reno, USA
- * **Richmond, Canada**
- * Rotterdam, Netherlands
- * Sochi, Russia
- * St-Louis, USA
- * St-Moritz, Switzerland
- * Tokyo, Japan
- * Oslo, Norway
- * Vancouver, Canada

- The International Olympic Committee also included the Richmond Olympic Oval in a film exploring strong examples of Olympic legacies over the past 100 years.
- 534 media articles were published about the Richmond Olympic Oval in 2012 – more than double the number published in 2011 – with 100% positive to neutral in tone. Combined viewership reach of these articles is estimated at 134 million.

HIGHLIGHTS

February
Vancouver International Open Judo Tournament
Richmond Celebrates Scotia- bank Hockey Day in Canada

April
Canadian Sport Tourism Alliance Conference

May
2012 Jack Donohue Interna- tional Classic

June
2012 Canada Cup Interna- tional Wheelchair Rugby Tournament

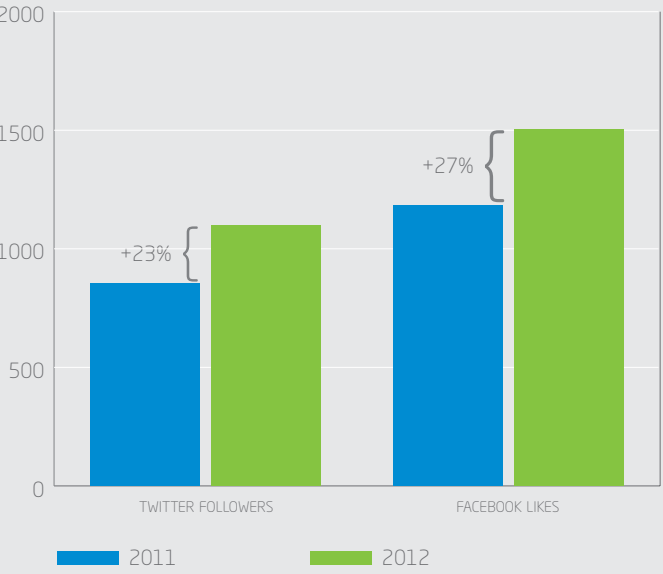
July
YONEX Canada Open 2012

September
Presentation to the World Union of Olympic Cities

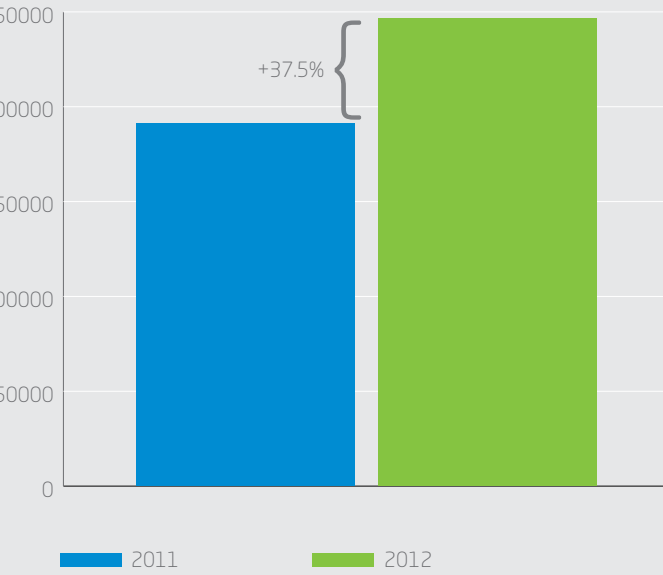
December
De Danaan Christmas Feis

- Over the past year, events held at the Oval have drawn 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.

WEBSITE & SOCIAL MEDIA GROWTH 2012 VS 2011



WEBSITE VISITS 2012 VS 2011





Becoming Valued by the Community and its Employees

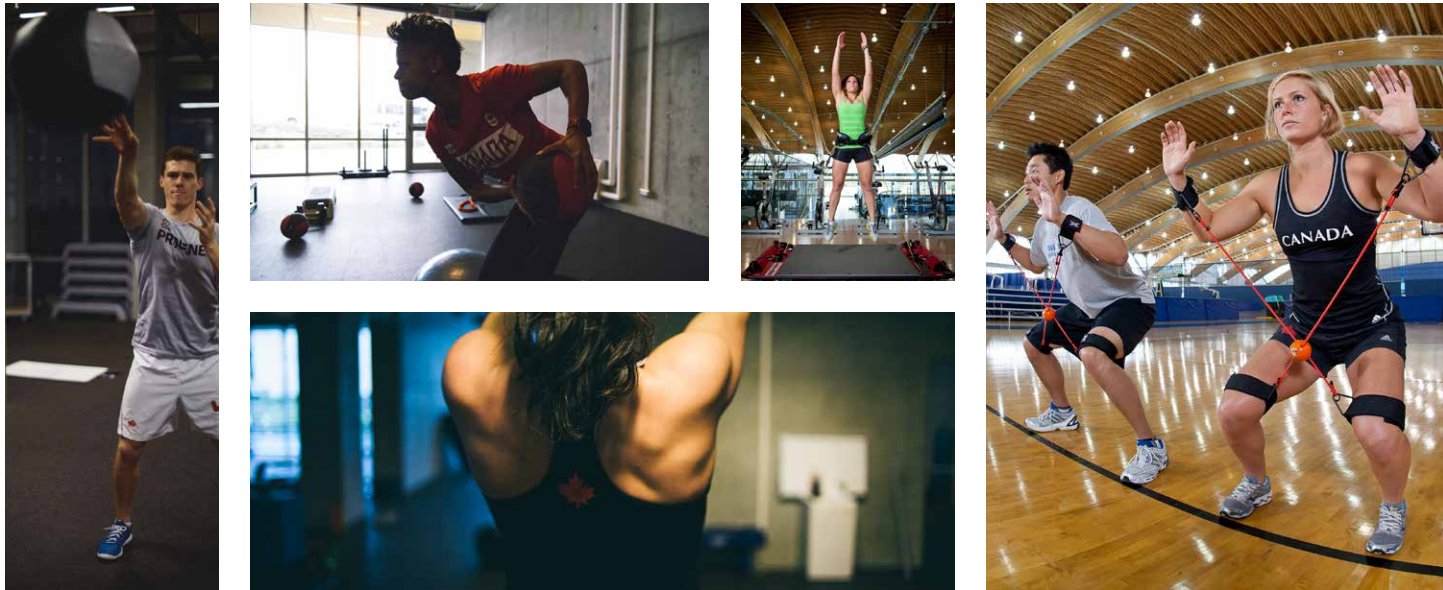
- The Richmond Olympic Oval has surpassed 2.6 million visitors since opening day on December 12, 2008.
- A crucial component of achieving loyalty for any major project is to gather feedback from the major stakeholders and to provide a forum for their input. The Corporation has continued to make this a priority by conducting member focus groups, meeting regularly with its stakeholders and engaging members and visitors during their time at the Oval.
- The Corporation held its Annual Information Meeting on November 28, 2012, where members of the community met 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.
- The Corporation conducted three membership and admission surveys in 2012, revealing > 90% customer service satisfaction and confirming the Fitness Centre and Basketball courts as the most used facilities by members and drop-in visitors alike. Additionally, yoga classes were the most popular specialty classes and 'Functionally Fit' was the most popular drop-in class.
- The 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.

2012 READERSHIP AWARDS



Supporting High Performance

- Since opening the Performance Training Centre in March of 2012, 13,500 individual high performance athlete workout sessions have been completed at the Oval. Built to maximize space for movement, the new Performance Training Centre is equipped to support the training needs of all athletes and is strategically located next to LifeMark Sport Medical to facilitate strong integration of strength and conditioning with sport medical services.
- The Corporation now offers a wide variety of athlete performance services and is capable of forming an athlete's entire integrated support team or integrating into their existing support team. Services offered include: performance testing, functional screens, nutritional consulting, strength and conditioning, physiological consulting, and mental performance sessions for individuals and teams.
- The Corporation completed its Memorandum of Understanding with Speed Skating Canada in 2012. This agreement will see the Oval



HIGHLIGHTS

- | | |
|---|--|
| March
Performance Training Centre Opens | April-June
National Women's Soccer Team Training |
| May
Athletes' Performance Phase 1 & 2 workshops | September
MOU with Speed Skating Canada |

become an official Regional Training Centre for short track speed skating, identifying and training high potential youth athletes.

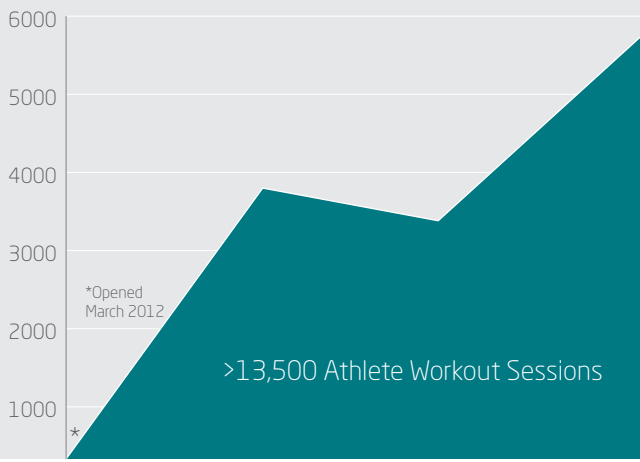
- The Corporation also began activation of its Long Term Athlete Development partnership with the Richmond Soccer Association. Nine teams participated in high performance training and over 300 hours of indoor practice were held at the Oval in 2012.
 - High performance programs at the Oval are delivered according to the Long Term Athlete Development models of Volleyball Canada, Table Tennis Canada, Canadian Soccer Association, Canada Field Hockey, Fencing Canada, Speed Skating Canada and Hockey Canada.
- The Oval's in-house professional coaching staff help deliver a unique model in Canada for sport development. The Richmond Olympic Oval's Volleyball and Table Tennis Centres of Excellence have Oval-hired professional coaches with national team experience.
- The Table Tennis Centre of Excellence has consistently grown in the number of lessons offered.
- 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 2-4 athletes each month who have been recognized as top performers in their respective age categories in Canada.

- The Corporation is proud to be working with Baseball BC and delivering their Rally Cap Program. Baseball Canada launched this initiative nation-wide in 2006, which introduces better tools for players and coaches in order to enhance their first experience with the game of baseball. In 2012, the Corporation ran the program with 15 kids aged 6-9 participating.

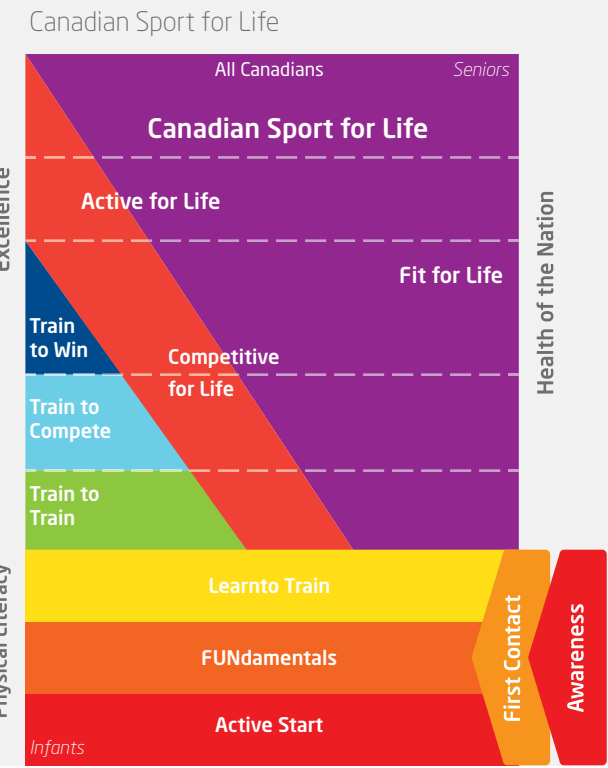
Additionally, our Winter Break Camp hosted 14 lucky athletes who trained with current Team Canada athletes Jimmy VanOstrand and Sean Bowman.

- Since opening in September of 2010, the Volleyball Centre of Excellence (VCOE) has shown continued solid performance, with over 900 registrations in VCOE's development programs and 415 in its high performance streams. Of the high performance athletes training at the VCOE, twenty-three were named to Team BC's 16U, 17U and 18U provincial programs in 2012, in addition to two being named to the Junior National Team. Twelve have progressed to play post-secondary volleyball.

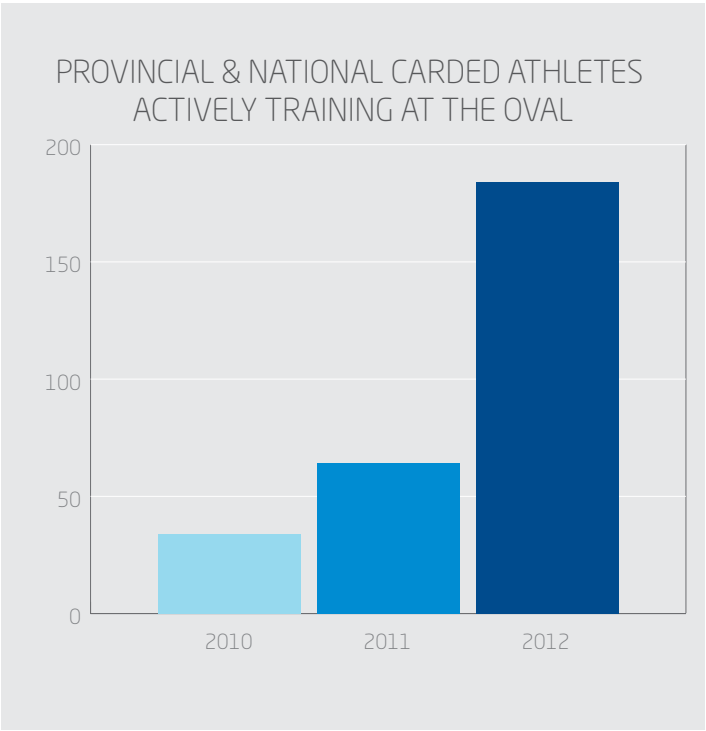
INDIVIDUAL ATHLETE WORKOUT SESSIONS 2012



OVAL VOLLEYBALL CENTRE OF EXCELLENCE PUTS
CANADIAN SPORT FOR LIFE GUIDELINES INTO PRACTICE



- In June, the Canadian Sport Institute (CSI) IGNITE™ program officially launched at the Oval. This joint effort between the Corporation and CSI is designed to help athletes between the ages of 14 and 17 improve their athleticism, physical literacy and fitness with the aim of producing future champions for Canada. Of all the IGNITE™ programs nation-wide, the Oval had the largest number of carded athletes in the country.
- The Corporation continued its support of the Gymworks™ Program, which allows provincially and nationally carded athletes registered with CSI access to training centres that have the equipment and services required to train for their sport. Participation by GymWorks™ users at the Oval grew from 64 in 2011 to 220 in 2012, an increase of 344%.
- 2012 saw the Oval host Athletes' Performance Phase 1 and Phase 2 Mentorship workshops attracting 30 registrants, including two Oval Staff. The Richmond Olympic Oval was the only facility in Canada to offer Athletes' Performance training.



Becoming the Desired Location for Community
Sport, Health and Fitness

- Total number of visits from all sources combined in 2012 was estimated at 600,000 visits, a 35% increase over 2011.
- Public interest in membership has exceeded expectations, with membership numbers already passing goals set for 2015. Membership usage is also very high with over 25,000 member visits per month, up 25% over 2011. Richmond residents account for 78% of Oval Memberships.
- The Oval's Activity Level was also highly used by Richmond organizations and residents, accounting for 76% of ice usage and 65% of court usage in 2012.
- The Oval is currently host to 4 sport leagues, including the Adult Safe Hockey League, Urban Rec, the Vancouver Futsal Association and Metro basketball. Participants of these four leagues accounted for over 50,000 visits in 2012.
- Facility usage agreements have been set up with 4 local sports organizations totaling 4,076 hours of use:

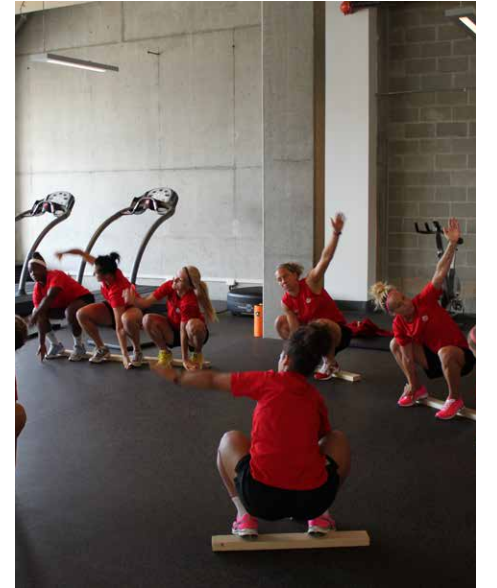
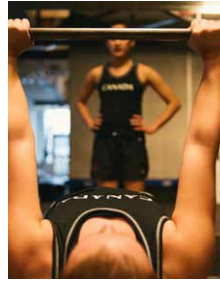
- DRIVE Basketball**
Youth Basketball Enrichment Programs
- Richmond Arenas Community Association**
Ice Time: Minor Sport Orgs (Hockey, Figure, Ringette, Short Track)
- Panther Cheer**
Cheer and Tumbling Programs
- Richmond Soccer Association**
Enrichment & integrated sport services for youth soccer players

“ It is great to see a legacy facility in action and making a significant contribution to sport success in Canada through High Performance services and facilities. *Lucinda Jagger, High Performance Advisor, Own the Podium* ”

- Sport Camps at the Richmond Olympic Oval set a record for participation in 2012 with 1,212 participants across Spring, Summer, Winter Break and Pro-D Day Camps.
- LifeMark Sport Medicine completed its first full year of operations at the Richmond Olympic Oval in 2012. This state-of-the-art clinic offers the highest standard of quality injury rehabilitation services backed by advanced research and proven techniques. It is also the largest, most comprehensive, personal rehabilitation care and sports medicine clinic in British Columbia and serves thousands of patients from members of the community (85% of visits) to high performance athletes (15% of visits).

HIGHLIGHTS

March Climbing Wall Opens to Public	October Community Legacy Programs surpass 6,000 registrations in one year
August Record Number of Summer Sport Camp registrations	November Record Month for Total Visitation and Member Scans



■ The Oval hosted 42 Sport User Groups in 2012 (up from 33 in 2011), 60% of which were from Richmond

- * Adult Safe Hockey League
- * Air Attack Volleyball
- * Aura Rhythmic Gymnastics
- * BC Floorball
- * BC Handball
- * BC Hockey
- * BC Judo
- * BC Karate
- * BC Orienteering
- * BC School Sports
- * BC Wheelchair Sports
- * ClearOne Badminton
- * Connaught Skating Club
- * Delta Ice Hawks
- * DRIVE Basketball
- * Field Hockey BC
- * Field Hockey Canada
- * Gracie Barra Jiu Jitsu
- * Greater Vancouver Canadians
- * Metro Basketball
- * Panther Cheer Athletics
- * Pacific Volleyball Society
- * Richmond City Baseball
- * Richmond Girls Soccer Association
- * Richmond Kajaks Track and Field Club
- * Richmond Lacrosse
- * Richmond Minor Hockey Association
- * Richmond Ravens
- * Richmond Red Sox
- * Richmond Ringette
- * Richmond Rockets
- * Richmond Sockeyes
- * Richmond Youth Soccer Association
- * South Delta Minor Hockey
- * Seafair Minor Hockey
- * SportAbility
- * The Dugout Club
- * UBC Field Hockey
- * UBC Rowing
- * UBC Track & Field
- * Urban Rec
- * Vancouver Angels Women's Hockey
- * Vancouver Futsal Academy
- * Vancouver Hawks
- * Vancouver Minor Hockey
- * Vancouver Thunderbirds Minor Hockey
- * Volleyball BC

■ The Oval's new climbing wall - featuring 595m² (6,400 square feet) of climbing space over 31 different routes suited to all skill levels - opened in March of 2012 to 'Member Sneak Peeks' and 'Spring Break Tie n' Tries' with 369 registrants. Overall in 2012, the climbing wall saw 3,116 people attempt to climb Richmond's first and only mountain.



“ We have been exceptionally pleased with our working experience to date with the Richmond Oval and in particular, the High Performance staff. We have some specific needs for equipment, training support and facilities. The level of attention and professionalism expressed throughout working with the High Performance staff consistently demonstrates that they understand the objectives and requirements of high performance and the level of detail to ensure that all training and competition opportunities are within a high performance context. Last but not least is their attention to the detail- their style and manner in which they approach working with us truly makes it feel as they are part of our High Performance extended support team and focused on our success.

Karen O'Neill,
CEO, Field Hockey Canada



Financially Sustainable

- The Corporation realized an annual surplus of \$3,066,824 for the year ended December 31, 2012, which is an increase of \$852,354 from the 2011 annual surplus of \$2,214,470. Of this \$3,066,824 annual surplus, the Corporation transferred \$2,400,000 to the Capital Reserve in 2012 in accordance with the Richmond Oval Agreement.
- The Corporation's main sources of revenues in 2012 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 was proud to continue its close relationship with our Community Legacy Program Partners: Scotiabank, TELUS, and ASPAC Developments. Our partners have been critical in helping the Oval bring positive sport, health and wellness changes to as many people as possible and their continued support is much appreciated.
- The Corporation has no debt other than operational accounts payable and equipment lease obligations.



“ This is the best facility I've ever trained at. It has absolutely everything we need as a team. The gym itself is amazing, the trainers here are great. And it's absolutely huge so there's room for all of us.

Christine Sinclair,

Captain Canadian Women's Soccer team,
2012 Canadian Athlete of the Year,
Six-time Nominee for FIFA Player of the year Award



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 2012, the Company has 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 and Vice President, Strategic Planning and Legal Services, Vancouver International Airport Authority	June 2008	June 2011	2 years
Dennis Skulsky, British Columbia, Canada	President & Chief Executive Officer, BC Lions Football Club	February 2011	June 2011	2 years
Moray Keith, British Columbia, Canada	President, Dueck Auto Group	June 2008	June 2011	2 years
George Duncan, British Columbia, Canada	Chief Administrative Officer, City of Richmond	June 2008	June 2011	2 years
Linda Sanderson, British Columbia, Canada	Executive Director, Human Resources, Vancouver Community College	June 2008	June 2012	1 year
Victor Farmer, British Columbia, Canada	Senior Vice President, Progressive Construction Ltd.	June 2008	June 2012	1 year
Umendra Mital, British Columbia, Canada	Vice President and General Manager, Ebco Industries Ltd. and Advanced Cyclotron Systems Inc.	June 2008	June 2012	2 years
Wayne Duzita, British Columbia, Canada	Associate Vice President, Western Region, Aeroterm	August 2011	June 2012	2 years

Executive Officers

As of December 2012, the Company has 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.

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

Committees

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

Business 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

Futsal Provincial Championships January 7-8, 2012

Surrey United and Fusion FC came out at the top of the class at the BC Provincial Futsal Championships. Surrey SC dominated the female side of the competition, winning both the U14 and U16 finals, while Fusion FC came out on top in both finals of the men's draw. The provincial futsal championships, held at the Richmond Olympic Oval and run by BC Soccer, lasted the entire weekend, with four teams in each section playing a total of three round robin games against each other.

Harry Jerome Indoor Classic February 4, 2012

Eighteen new meet records were established at the 2012 Vancouver Sun Harry Jerome Indoor Classic at the Richmond Olympic Oval.

Asianna Covington of Kajaks moved to the number two mark in the world youth lists with her 13.88m throw in the 3kg shot put. Her meet record mark was matched by Ruky Abdulai of Valley Royals in the open division with her throw of 11.08m in the 4kg shot put.

60m sprint marks were set by Maggie Hanlon of Pacific Athletics in the open division with a time of 7.65 seconds and by Tia Isabelle Baker of the Vikes in the youth division with 8.19 seconds. Lexie Scott of Vikes set the new youth 60m hurdles mark with a time of 9.56 seconds

800m marks fell in both the open and youth categories to Devan Weibe of UBC and Alison Williams of Ocean Athletics with times of 2:20.09 and 2:28.40 respectively. UBC teammate Maria Bernard broke the 1500m meet open record with her win of 4:44.27.

The 4x400m relay marks fell in both the open and youth races with Pacific Athletics time of 3:56.44 and Ocean Athletics time of 4:15.35.

Keefer Joyce of Kelowna edged Nathan Vadeboncouer in the open 60m sprint by 0.12 seconds with his 6.95 seconds, which is the number two mark in the Canadian Junior lists behind Wesley Best of Ontario's time of

6.87 seconds. Jacob Powie of Trinity Western University's time of 9.00 seconds in the open 60m hurdles was a new meet record. Sebastian Adugalski set two youth meet records in the 60m sprint and hurdles with his times of 7.45 and 8.60 seconds.

Vikes youth middle distance runners, Liam Kennell and Thomas Getty set meet records in the 800m and 1500m marks of 2:03.38 and 4:15.93 respectively. They combined with the winner of the 400m, Brendon Restall to set a new record in the 4x400m relay with a time of 3:38.43. Brendon's 400m time of 50.73 ranks number two on the Canadian Junior list behind Stewart Ellenwood of SFU's 49.75.

Vancouver International Open Judo Tournament February 4, 2012

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.

Richmond Celebrates Scotiabank Hockey Day in Canada February 11, 2012

Over 16,000 people attended Richmond Celebrates Scotiabank Hockey Day in Canada at the Richmond Olympic Oval, a free, family-focused, day-long celebration of Canada's greatest passion. Guests lined up for hours to meet former Vancouver Canucks Captain Trevor Linden and team mascot Fin. Other attractions included:

- The Hockey Hall of Fame's "Legends" exhibit featured memorabilia, interactive experiences and a number of NHL trophies, including the Hart Memorial Trophy awarded to the NHL's most valuable player.
- A giant screen with CBC TV broadcasts of games that featured all seven Canadian NHL teams.
- An interactive fun zone where fans tested their shooting and other hockey skills.



- A day-long hockey jamboree on twin Olympic-sized ice sheets.

- Sony PlayStation video games section, plus table hockey and air hockey challenges.

- A public entry road hockey tournament on the Oval plaza organized by Urban Rec.

Province Grand Forza V Team Pentathlon March 10, 2012

Only 3 of 25 records survived in the second annual Province Grand Forza V team pentathlon presented by TELUS held at the Richmond Olympic Oval on March 10th. A record 57 high school teams battled for the team honours in the 4 divisions: Senior boys and girls and Juvenile boys and girls. In the 50 metres all 4 divisional records fell.

2012 Karate Canada National Championships March 16-18, 2012

The 2012 Karate National Championships welcomed hundreds of provincial team athletes from across the country to the Richmond Olympic Oval, which were a big success for Team BC. The BC Team collected 12 Gold, seven Silver and 20 Bronze in individual events. In Team Events, BC collected one of each — Gold, Silver and Bronze.

Canadian Short Track Championship March 23-25, 2012

Speed Skating Canada and the BC Speed Skating Association played host to the Canadian Short Track Championship for junior A and B and neo-senior skaters from Friday, March 23 to Sunday, March 25 at the Richmond Olympic Oval. This Championship is one of Canada's premiere national short track events and featured the best skaters aged 15 years of age and older, not racing for Canada at the world championships. The event is a gateway to national development team programs.



Canadian Sport Tourism Alliance Sport Events Congress April 18-20, 2012

The Canadian Sport Tourism Alliance (CSTA) took its flagship event, Sport Events Congress, on the road to the west coast for the first time this year. The Richmond Olympic Oval and River Rock Casino Resort played host to CSTA's annual conference which attracts representatives from the sport, tourism and event management sectors. Over 400 delegates participated, including 45 events rights holders/sports organizations and congress attendance recorded over 60% first-time attendees.

2012 CrossFit Games - Canada West Regionals April 27-28, 2012

Some of Canada's fittest men and women descended on the Richmond Olympic Oval to try and earn their spot in the 2012 CrossFit Games. All individuals competed in five grueling events, which were then cut down to 18 men and 18 women for Event 6. At each event, athletes' performances were ranked and only the top three athletes were invited to the Games.

Grand Opening of the Climbing Wall May 8, 2012

When the new sport climbing wall at the Richmond Olympic Oval officially opened to the public, Eric Portelance was first in line as the winner of an online contest sponsored by The Richmond Review. That also earned the local resident the honour of establishing a route to the top, planting a Canadian flag at the top, and naming the route "Lulu Was Her Name." Over 200 people climbed the wall on the first day.

2012 Jack Donohue International Classic May 17, 2012

In the second game of the Classic, Canada lost a tough game to China 67-51, in front of a sold-out crowd at the Richmond Olympic Oval. Teresa Gabriele, from Mission, led Canada in scoring with 13 points and added eight steals. China's Shanshan Li had a game-high 15 points.



**Challenge Cup International AAA Championship
May 18-20, 2012**
For one week at least, Richmond and Vancouver were the mecca's of the hockey world. The Challenge Cup is one of the biggest hockey tournaments in the world with 227 teams in 13 divisions from Novice to Midget competing in 650 games in a 72-hour window.

**2012 Wheelchair Basketball National Championships
May 18-20, 2012**
With the tournament's most outstanding offensive players at the helm, the BC Breakers propelled themselves to a 77-56 win over the Calgary Rollers in the women's gold medal final of the 2012 National Championships, while Ontario claimed first place in the men's final with a golden 76-52 win over the BC provincial team.

**2012 North American Chinese Basketball Invitational
Tournament | May 26-28, 2012**
The North American Chinese Basketball Invitation Tournament saw 56 teams in six divisions compete over three days at the Oval. The Seattle Bladerunners won the top Men's division while the SF ArcAngels won the Women's.

**BC Fire Expo 2012
June 2-4, 2012**
Hosting Fire Chiefs, Training Officers and Emergency Vehicle Technicians from all over the province, the BC Fire Expo gave our firefighting heroes the chance to network, learn and see the latest fire beating and life saving advancements in the industry.

**BC Provincial Open Championships 2012
June 8-10, 2012**
The BC Provincial Open Championships were held in conjunction with a Canadian National Foil Team training camp. All attendees at the training camp competed in the foil events, making the Junior, Senior, and Team Foil events strong Pan Canadian events and ideal warm up events for those who went on to the Anaheim Nationals.

**Corporate Champions Vancouver
June 9-10, 2012**
Organizations across Metro Vancouver gathered at the Oval to encourage team building, and health and wellness in the workplace. 2,000 participants from 50 different companies got out of the office and competed in a weekend of multi-sport action.

**Vancouver Petite Feet Shoe Sale
June 15-17, 2012**
The Petite Feet Designer Shoe Sale strutted into the Oval last summer, bringing with it brands like Sam Edelman, BCBG, and Via Spiga.

**2012 Canada Cup International
Wheelchair Rugby Tournament
June 21-23, 2012**
Despite a last-minute comeback, Team Canada went down 53-56 against the Americans and finished with a silver medal at the first 2012 Canada Cup International Wheelchair Rugby Tournament. In front of a near sold-out crowd at the Richmond Olympic Oval, the Canadians traded goals and hits with the rival Americans for the first half of the game. At halftime, the score was tied 24-24. Halfway through the third quarter, Canada racked up several penalties that resulted in turnovers and quickly found themselves behind by as much as six. During the fourth quarter, however, a spark was lit by Fabien Lavoie, whose tough defense resulted in several steals, and 18-year-old rookie Zak Madell, whose energy provided a much-needed boost. Canada brought the game to within two, but ultimately they couldn't close the gap to secure the win.

**LANcouver 2012
June 29-July 1, 2012**
LANcouver is the region's biggest PC gaming event. Competitors and participants of all-ages gathered for 3 days for video game tournaments, special events, seminars, panels and much more. Winners of the Starcraft II tourney went on to compete in the world games in Toronto. Tons of prizes were handed out for the League of Legends and Counter Strike tournaments. There was even a keyboard throwing competition.



**YONEX Canada Open 2012
July 10-15, 2012**
Premier badminton stars from 35 countries around the globe competed for glory at the YONEX Canada Open 2012, but Japan ruled the Oval, claiming four out of five titles across both Men's and Women's Doubles events, Mixed Doubles and Women's singles.

**London 2012 Canadian Athlete Send-off
July 17, 2012**
New British Consul General, Rupert Potter, and City of Richmond Mayor Malcolm Brodie attended an Olympic Athlete Send-off at the Richmond Olympic Oval, wishing our Canadian athletes the best in their upcoming competitions in the 2012 Olympic Summer Games. Athletes in attendance included members of the Canadian Olympic Table Tennis Team and Paralympic Wheelchair Rugby team. Members of the public signed good luck posters for the many Canadian Olympic and Paralympic 'Oval trained' athletes.

**2012 Canadian Senior & Junior Table Tennis Championships
July 19-26, 2012**
The 2012 Canadian Senior & Junior Table Tennis Championships saw record registration with 139 Senior and 175 Junior players from seven provinces and territories compete for the national title. Also present were three of Table Tennis Canada's Olympians "Hometown Boy" Andre Ho, Pierre-Luc Hinse, and Eugene Zhen Wang.

**1st Annual JD RF Dodgeball Tournament
July 27-29, 2012**
In partnership with the Juvenile Diabetes Research Foundation (JD RF), and the BC Professional Firefighters Association (BCPFFA), the International Dodgeball Association (IDA) presented the 1st Annual JD RF Dodgeball Tournament at the Richmond Olympic Oval. Hundreds played and raised funds in order to find a cure to Juvenile Diabetes.



**Rehab Equipment Expo
September 11, 2012**
The Rehab Equipment Expo gave clinicians and consumers in the community and health facilities access to information needed to make educated decisions regarding the purchase of assistive technologies. The event drew well over five hundred clinicians and three hundred staff members from the seventy exhibitors.

**Western Marine and Transat Marine Dealer Trade Show
October 13-14, 2012**
Over 700 staff representing more than 300 dealerships across Canada attended the 13th annual Western Marine and Transat Marine Dealer Trade Show, a chance for retail dealerships to see the latest offers from industry.

**Red Bull Crashed Ice Qualifier
October 20, 2012**
270 men and women competed to get one of the 80 national spots to compete in the Red Bull Crashed Ice Downhill World Championship 2013. Participants endured speed trials and obstacle course with those showing the best speed, skill, agility and strength earning the right to move on.

**Canadian Fencing Federation Canada Cup
November 16-18, 2012**
Over 700 fencers competed in categories ranging from Y-12 to Veteran in Epee, Foil and Saber.

**De Danaan Christmas Feis
November 30-December 2, 2012**
The three-day event began with the play "The Bad Arm – Confessions of a Dodgy Irish Dancer," a one-woman comedy by London Irish writer-performer Maire Clerkin. The following evening featured a concert from popular Irish folk group Beoga. Irish dancing competitions took place all weekend.



Events Secured in 2012 (2013 & beyond)

Year	Event	Month	
2013	Rowing Canada AGM & Coaches Conference	January	New
2013	BC High School Girls Grade 9 Basketball Championship	February	New
2013	Millennium Cup Rhythmic Gymnastics	February	New
2013	Pacific International Judo Tournament	February	New
2013	BC Powerlifting Association Winter Classic	February	New
2013	Vancouver International Judo Tournament	February	New
2013	Canada Cup Wheelchair Rugby Championship	March	Returning
2013	Powerlifting National Championship	March	New
2013	Rhythmic Gymnastics Canada Championship — Elite	March	New
2013	World Grand Prix Fencing Championship	March	New
2013	Gran Forza Track Meet	April	Returning
2013	CCTTF International City Challenge Cup	May	New
2013	BC Fencing Provincial Championship & Training Camp	June	Returning
2013	Cross Fit Canada West Regionals	June	Returning
2013	Judo Canada National Championship	July	New
2013	YONEX Canada Open	July	Returning
2014	Pacific Rim Gymnastics Championship	Spring	New
2014	World Martial Arts Games	TBD	New
2014-2017	Karate Canada National & International Competitions	Various	New

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 \$ 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 & Analysis

Management’s discussion and analysis provides an overview of the Corporation’s business operations for the year ended December 31, 2012 relative to the year ended December 31, 2011.

This management’s discussion and analysis should be read in conjunction with the Corporation’s financial statements for the year ended December 31, 2012 and the accompanying notes. The Corporation’s financial statements are prepared in accordance with Canadian generally accepted accounting principles (GAAP) as prescribed by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants. All figures presented in the following are expressed in Canadian dollars and are rounded to the nearest \$1,000.

This management’s discussion and analysis has been prepared based on information available as at April 8, 2013, except where otherwise indicated.

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”). On August 10, 2010 the Corporation changed its name from 0827805 BC Ltd to Richmond Olympic Oval Corporation. 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; the Oval will provide facilities for non-sporting, community and entertainment events; 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 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

2012 revenue from memberships, admissions and programs totalled \$5,480,000 (2011 - \$4,067,000). In 2012 revenue from these sources of \$946,000 was deferred to fiscal 2013 (2011 - \$537,000 was deferred to 2012).

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 \$2,785,000 during the year which was recognized as revenue earned in the year (2011 - \$2,739,000).

The Oval received a contribution of \$3,074,000 from the City in 2012 (2011 - \$3,023,000).

Other revenue of \$1,554,000 was recognized in 2012 (2011 - \$1,031,000) and mainly consisted of parking, leasing and sponsorship revenue. In addition included in other revenue is \$426,000 (2011 - \$158,000) pertaining to Sport Hosting revenue. Effective July 1, 2011, the Sport Hosting department from the City of Richmond was transferred over to the Corporation along with separate funding that is attached to that function. The funding is recognized as deferred revenue until it is spent at which time the revenue and expense are both recognized.

Expenses

During 2012, expenses were incurred for the following:

- Salaries and benefits of \$6,262,000 (2011 - \$5,321,000). There were 62 full-time and 145 part-time employees on the payroll as of December 31, 2012; (2011 – 43 full-time and 157 part-time employees);
- Other operating expenses incurred in 2012 totalled \$3,564,000 (2011 - \$3,325,000) 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 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 year was \$3,067,000 compared to a surplus of \$2,214,000 in 2011 before transfer to Capital Reserve. The total accumulated surplus as of December 31, 2012 is \$5,345,000, however, of this amount the Corporation has transferred a total of \$4,100,000 to the Capital Reserve in accordance with the Richmond Oval Agreement (\$2,400,000 in 2012 and \$1,700,000 in 2011).

Summary of Financial Position

The following table presents summary information on the Corporation’s financial position at December 31, 2012.

	\$000s	
	2012	2011
Financial Assets	\$7,382	\$4,049
Financial Liabilities	3,284	3,003
Net Financial Assets	\$4,098	\$1,046
Non-Financial Assets	\$1,247	\$1,232
Accumulated Surplus	\$5,345	\$2,278

Financial Assets

The Corporation has a cash balance of \$2,054,000 at year end (2011 - \$1,431,000). The accounts receivable aggregating \$390,000 (2011 - \$369,000) resulted primarily from sponsorship fees, leases, sales of memberships, admissions, programs, rentals and special events. The Investment balance of \$4,805,000 (2011 - \$2,250,000) represents the Oval’s investments in term deposits.

Financial Liabilities

Accounts payable and accrued liabilities of \$952,000 (2011 - \$772,000) include payroll accruals and trade payables for heat, light, power, legal and audit fees and HST payable. The Oval has capital lease obligations for equipment with remaining terms to April 2013. The balance as at December 31, 2012 was \$8,000 (2011 - \$206,000) with payments as shown in note 6 to the financial statements. Deferred revenue of \$2,317,000 (2011 - \$1,879,000) 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 2012 for membership and programs to be delivered in 2013. The amount due from the City of \$133,000 (2011 – due to the City of \$140,000) arose in the normal course of business. A rental deposit of \$6,000 (2011 - \$6,000) is held as of the end of the year.

Non-Financial Assets

As at December 31, 2012, the Oval had \$2,395,000 (2011 - \$2,076,000) of equipment of which \$906,000 (2011 - \$906,000) resulted from the capitalization of leases for information technology equipment, leases for printers, drivers, computers, audio visual and other equipment required for the administration and running of programs, events and the operation of the Oval. In addition, it includes \$1,489,000 (2011 - \$1,170,000) of athletic equipment, staff uniforms, ice skates, helmets, computer software and equipment, facility equipment, building improvements, other equipment and work-in-progress related to the Richmond Olympic Experience as explained in note 12 of the financial statements. Amortization for the year was \$286,000 (2011 - \$527,000). Accumulated amortization of the capital assets amounted to \$1,701,000 (2011 - \$1,415,000) at year end.

Deferred lease costs of \$121,000 (2011 - \$124,000) are direct costs incurred in connection with leases and are deferred and amortized over the terms of the lease.

Prepaid expenses of \$429,000 (2011 - \$444,000) consist of unamortized portions of the premiums on the Oval’s insurance policies together with prepaid information technology licences, equipment maintenance, and sponsorship commissions.

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 accumulated operating surplus per note 11 as at December 31, 2012 is \$347,000 (2011 – \$122,000). \$2,400,000 has been transferred to the Capital Reserve in 2012 (2011 - \$1,700,000) in accordance with the Richmond Oval Agreement between the City and the Oval for a total balance of \$4,100,000 as of December 31, 2012.

Liquidity and Capital Resources

Operating

Cash provided by operations in the year amounted to \$3,694,000 (2011 - \$3,908,000).

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 totaling \$319,000 (2011 - \$365,000).

Investing

The Corporation has invested an additional \$2,555,000 (2011 - \$2,250,000) in term deposits in 2012 for a total of \$4,805,000 of investments as of December 31, 2012.

Financing

Principal payments on the capital lease obligations amounted to \$197,000 (2011 - \$232,000).

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

Financial Statements of

RICHMOND OLYMPIC OVAL CORPORATION

Year ended December 31, 2012



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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 financial statements of Richmond Olympic Oval Corporation, which comprise the statement of financial position as at December 31, 2012, the statements of operations, changes in net financial assets (debt) 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 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 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 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 financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Richmond Olympic Oval Corporation as at December 31, 2012 and its results of operations, its changes in net financial assets (debt) and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Chartered Accountants

April 18, 2013

Burnaby, Canada

RICHMOND OLYMPIC OVAL CORPORATION

Statement of Financial Position

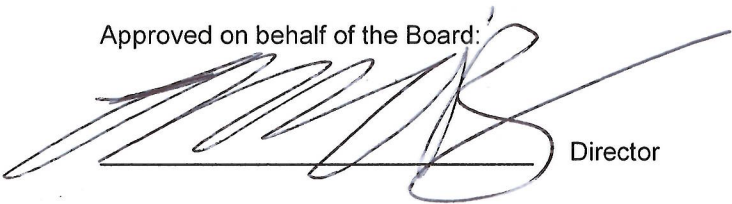
December 31, 2012, with comparative information for 2011

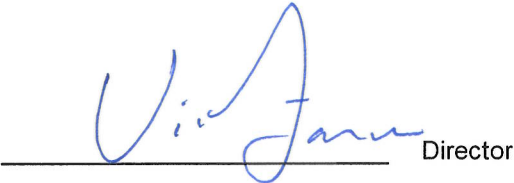
	2012	2011
Financial Assets		
Cash	\$ 2,053,574	\$ 1,430,735
Investments (note 3)	4,805,363	2,250,000
Due from City of Richmond (note 8)	132,632	-
Accounts receivable	390,081	368,744
	7,381,650	4,049,479
Liabilities		
Accounts payable and accrued liabilities	952,216	772,430
Obligations under capital leases (note 6)	8,491	205,663
Deferred revenue (note 7)	2,317,370	1,879,250
Due to City of Richmond	-	139,798
Rental deposits	5,513	5,513
	3,283,590	3,002,654
Net financial assets	4,098,060	1,046,825
Non-Financial Assets		
Tangible capital assets (note 9)	694,497	661,555
Deferred lease costs (note 10)	121,186	123,809
Inventories of supplies	2,508	1,865
Prepaid expenses and other deposits	428,954	444,327
	1,247,145	1,231,556
Accumulated surplus (note 11)	\$ 5,345,205	\$ 2,278,381

Economic dependence (note 14)

See accompanying notes to financial statements.

Approved on behalf of the Board:

 Director

 Director

RICHMOND OLYMPIC OVAL CORPORATION

Statement of Operations

For the year ended December 31, 2012

	2012 Budget	2012	2011
	(unaudited – note 2(g))		
Revenue:			
2010 Games Operating Trust Fund (note 5)	\$ 2,500,000	\$ 2,784,637	\$ 2,739,398
Contribution from City of Richmond (note 12)	3,073,883	3,073,883	3,022,500
Memberships, admissions and programs	4,820,246	5,480,286	4,067,266
Other (note 12)	991,856	1,554,377	1,031,052
	11,385,985	12,893,183	10,860,216
Expenses (note 12):			
Salaries and benefits	6,496,140	6,261,653	5,320,829
Utilities	1,107,750	914,519	818,959
Amortization	323,789	286,071	526,964
Supplies and equipment	606,337	557,441	442,954
Insurance	368,225	347,487	326,631
General and administration	612,437	396,618	489,134
Marketing and sponsorship	290,743	235,990	290,330
Program services	587,365	677,223	302,058
Professional fees	148,540	149,357	127,887
	10,541,326	9,826,359	8,645,746
Annual surplus	844,659	3,066,824	2,214,470
Accumulated surplus, beginning of year	2,278,381	2,278,381	63,911
Accumulated surplus, end of year	\$ 3,123,040	\$ 5,345,205	\$ 2,278,381

See accompanying notes to financial statements.

RICHMOND OLYMPIC OVAL CORPORATION

Statement of Changes in Net Financial Assets (Debt)

For the year ended December 31, 2012

	2012 Budget	2012	2011
	(unaudited - note 2(g))		
Annual surplus for the year	\$ 844,659	\$ 3,066,824	\$ 2,214,470
Acquisition of tangible capital assets	(503,111)	(319,013)	(364,544)
Amortization of tangible capital assets	323,789	286,071	526,964
	(179,322)	(32,942)	162,420
Amortization of deferred lease costs	-	13,729	17,002
Acquisition of inventory of supplies	-	(3,655)	(1,487)
Acquisition of prepaid expense	-	(500,385)	(679,609)
Consumption of inventories of supplies	-	3,012	2,236
Use of prepaid expenses and other deposits	-	515,758	566,495
Additions of deferred leasing costs	-	(11,106)	(7,492)
Change in net financial assets	665,337	3,051,235	2,274,035
Net financial assets (debt), beginning of year	1,046,825	1,046,825	(1,227,210)
Net financial assets, end of year	\$ 1,712,162	\$ 4,098,060	\$ 1,046,825

See accompanying notes to financial statements.

RICHMOND OLYMPIC OVAL CORPORATION

Statement of Cash Flows

For the year ended December 31, 2012 and 2011

	2012	2011
Cash provided by (used in):		
Operations:		
Annual surplus	\$ 3,066,824	\$ 2,214,470
Items not involving cash:		
Amortization of tangible capital assets	286,071	526,964
Amortization of deferred lease costs	13,729	17,002
Changes in non-cash operating working capital:		
Accounts receivable	(21,337)	(51,276)
Deferred lease costs	(11,106)	(7,492)
Inventories of supplies	(643)	749
Prepaid expenses and other deposits	15,373	(113,114)
Accounts payable and accrued liabilities	179,786	51,465
Deferred revenue	438,120	1,343,725
Due from/to the City of Richmond	(272,430)	(74,977)
	3,694,387	3,907,516
Capital activities:		
Purchase of tangible capital assets	(319,013)	(364,544)
Investing activities		
Purchase of investments	(2,555,363)	(2,250,000)
Financing activities:		
Repayment of obligations under capital leases	(197,172)	(231,890)
Increase in rental deposits	-	(21,248)
	(197,172)	(253,138)
Increase in cash	622,839	1,039,834
Cash, beginning of year	1,430,735	390,901
Cash, end of year	\$ 2,053,574	\$ 1,430,735

See accompanying notes to financial statements.

RICHMOND OLYMPIC OVAL CORPORATION

Notes to Financial Statements

For the year ended December 31, 2012

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"). On August 10, 2010, the Corporation changed its name from 0827805 B.C. Ltd. to Richmond Olympic Oval Corporation. 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 Canadian Institute of Chartered Accountants.

(b) 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 the 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.

(c) 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.

RICHMOND OLYMPIC OVAL CORPORATION

Notes to Financial Statements (continued)

For the year ended December 31, 2012

2. Significant accounting policies (continued):

(c) Non-financial assets (continued)

(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
Automobile	5 years
Building improvements	5 years
Computer software and equipment	3 years
Facility equipment	3 years
Signage	3 years
Uniforms, ice skates and helmets	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 Corporation'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) Assets held under capital lease:

Assets held under capital lease are stated at historical cost, being the lesser of the present value of the future minimum lease payments and fair value at the date of acquisition, and are amortized on a straight-line basis over their estimated useful lives.

(iv) 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, 2012

2. Significant accounting policies (continued):

(d) 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.

(e) Income taxes:

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

(f) Functional and object reporting:

The operations of the Oval are comprised of a single function, operations related to sport, fitness and recreation. As a result, the expenses of the Oval are presented by object in the statement of operations.

(g) Budget data:

The unaudited budget data presented in these financial statements is based upon the 2012 budget approved by the Board of Directors on February 29, 2012.

(h) 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.

3. Investments:

Investments represent term deposits as follows:

Purchase date	Maturity date	2012	2011
March 28, 2012	March 28, 2013	\$ 2,000,000	\$ -
July 20, 2012	January 16, 2013	1,805,363	-
July 20, 2012	January 16, 2013	1,000,000	-
March 21, 2011	March 20, 2012	-	2,250,000
Total		\$ 4,805,363	\$ 2,250,000

RICHMOND OLYMPIC OVAL CORPORATION

Notes to Financial Statements (continued)

For the year ended December 31, 2012

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

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, the funds are then paid to the Corporation.

Revenue from GOT is comprised of:

	2012	2011
2011 annual distributable amount approved and received in 2012	\$ 2,784,637	\$ -
2010 annual distributable amount approved and received in 2011	-	2,739,398
	\$ 2,784,637	\$ 2,739,398

RICHMOND OLYMPIC OVAL CORPORATION

Notes to Financial Statements (continued)

For the year ended December 31, 2012

6. Obligations under capital leases:

The capital leases have an estimated cost of borrowing ranging from 0.21% to 0.35% per month. The principal and interest payments as at December 31, 2012 and December 31, 2011 are as follows:

	2012	2011
Total minimum lease payments	\$ 8,517	\$ 208,445
Imputed interest	(26)	(2,782)
Obligations under capital leases	\$ 8,491	\$ 205,663

As at December 31, 2012, the Corporation was committed to payments under capital leases of \$8,517 in 2013.

7. Deferred revenue:

	2012	2011
Balance, beginning of year	\$ 1,879,250	\$ 535,525
Add: receipts	7,472,783	6,442,043
Less: revenue recognized	(7,034,663)	(5,098,318)
Balance, end of year	\$ 2,317,370	\$ 1,879,250

Deferred revenue comprises of:

	2012	2011
Memberships and programs	\$ 946,082	\$ 537,041
Sponsorship fees	433,333	408,333
Sport Hosting funding (note 12)	507,779	933,876
Richmond Olympic Experience (note 12)	430,176	-
	\$ 2,317,370	\$ 1,879,250

8. Due from the City of Richmond:

The amount due from 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, 2012

9. Tangible capital assets:

Cost	Balance at December 31, 2011	Additions	Balance at December 31, 2012
Assets under capital lease	\$ 905,888	\$ -	\$ 905,888
Athletic equipment	692,935	164,089	857,024
Automobile	23,158	-	23,158
Building improvements	26,727	9,963	36,690
Computer software and equipment	176,383	59,982	236,365
Facility equipment	63,343	14,027	77,370
Signage	43,884	-	43,884
Tenant improvements	16,979	-	16,979
Uniforms, ice skates, and helmets	126,838	1,128	127,966
Work-in-progress (note 12)	-	69,824	69,824
	\$ 2,076,135	\$ 319,013	\$ 2,395,148

Accumulated amortization	Balance at December 31, 2011	Amortization expense	Balance at December 31, 2012
Assets under capital lease	\$ 873,841	\$ 32,047	\$ 905,888
Athletic equipment	272,985	154,625	427,610
Automobile	6,562	4,631	11,193
Building improvements	4,847	6,674	11,521
Computer software and equipment	109,923	43,147	153,070
Facility equipment	6,599	18,444	25,043
Signage	26,808	11,809	38,617
Tenant improvements	16,255	300	16,555
Uniforms, ice skates, and helmets	96,760	14,394	111,154
	\$ 1,414,580	\$ 286,071	\$ 1,700,651

RICHMOND OLYMPIC OVAL CORPORATION

Notes to Financial Statements (continued)

For the year ended December 31, 2012

9. Tangible capital assets (continued):

	Net book value December 31, 2012	Net book value December 31, 2011
Assets under capital lease	\$ -	\$ 32,047
Athletic equipment	429,414	419,950
Automobile	11,965	16,596
Building improvements	25,169	21,880
Computer software and equipment	83,295	66,460
Facility equipment	52,327	56,744
Signage	5,267	17,076
Tenant improvements	424	724
Uniforms, ice skates, and helmets	16,812	30,078
Work-in-progress (note 12)	69,824	-
	\$ 694,497	\$ 661,555

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.

Assets under capital lease include audio and visual equipment, printers, drivers, computer hardware and other information technology equipment. The lease agreements are between the City and the Municipal Finance Authority of the Province of British Columbia. The equipment is used solely by the Corporation and, accordingly, the leased assets are capitalized and the related obligation recorded in the accounts of the Corporation. The lease payments made by the City are charged at cost to the Corporation.

There was no write down of tangible capital assets during the year (2011 - nil).

10. Deferred lease costs:

	2012	2011
Balance, beginning of year	\$ 123,809	\$ 133,319
Add: payments	11,106	7,492
Less: amortization	(13,729)	(17,002)
Balance, end of year	\$ 121,186	\$ 123,809

RICHMOND OLYMPIC OVAL CORPORATION

Notes to Financial Statements (continued)

For the year ended December 31, 2012

11. Accumulated surplus:

Accumulated surplus is comprised of:

	2012	2011
Share capital	\$ 1	\$ 1
Capital reserve	4,100,000	1,700,000
Other reserves/provisions	211,790	-
Operating surplus	347,408	122,488
Invested in tangible capital assets	686,006	455,892
	\$ 5,345,205	\$ 2,278,381

12. Related party transactions:

The Corporation leases the Oval from the City for \$1 annually.

Included in general and administration expenses is a management fee of \$61,835 to the City for the provision of city staff time in fiscal year 2012 (2011 - \$60,000).

In 2012, \$93,979 (2011 - \$84,288) of salaries and benefits expenses were charged to the City relating to the costs of the Corporation's staff time for services performed for the City.

Included as a reduction to other revenue in 2011 is \$39,919 pertaining to management fees paid to the City for services performed pertaining to the parking revenue in 2011. At the end of 2011 the Oval began managing these parking operations internally and therefore did not have any management fees paid to the City in 2012 in respect of such services.

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. Commencing in 2011, the City approved an additional \$1.5 million in annual financial support to the Corporation. The Corporation received a contribution from the City of \$3,073,833 (2011 - \$3,022,500).

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 2012, nil (2011 - \$1,091,565) was transferred from the City to the Corporation as funding for the operations of that department. As at December 31, 2012, receipts of hotel tax revenue of \$507,779 (2011 - \$933,876) was included in deferred revenue (note 7) and \$426,097 (2011 - \$157,689) was recognized in other revenue on the statement of operations.

The Corporation also received an additional \$500,000 from the hotel tax funding in 2012 to be used for the construction and operation of tourism destination enhancing attractions. This funding will be used for the Richmond Olympic Experience project. Of this amount, \$69,824 was spent in 2012 and is included in tangible capital assets (note 9) as part of work in progress. As such, \$430,176 remains in deferred revenue.

RICHMOND OLYMPIC OVAL CORPORATION

Notes to Financial Statements (continued)

For the year ended December 31, 2012

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 176,000 active members and approximately 67,000 retired members. Active members include approximately 35,000 contributors from local governments.

The most recent valuation of the Plan as a whole as at December 31, 2009 indicated a \$1,024 million funding deficit for basic pension benefits. The next valuation will be as at December 31, 2012 with results available in 2013. Defined contribution plan accounting is applied to the Plan as the Plan exposes the participating entities to actuarial risk associated with the current and former employees of other entities, with the result that there is no consistent and reliable basis for allocating the obligation, Plan assets and cost to individual entities 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 \$263,064 (2011 - \$192,337) as employer contributions to the Pension Plan.

14. Economic dependence:

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

15. Comparative figures:

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted for the current year.



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