



Richmond Olympic Oval Corporation

2009

Annual Report
to the City of Richmond

April 30, 2010

Richmond, British Columbia, CANADA

 RICHMOND
OLYMPIC OVAL

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Message from the Chair



On behalf of the Board of Directors of the Richmond Olympic Oval Corporation, I thank you for your interest in our progress towards achieving the vision for the Oval as an outstanding centre of excellence for sports and wellness for the benefit of all the residents of Richmond. The City of Richmond has entrusted the Corporation with the operation of the Oval, and this report is an annual requirement to City Council ensuring accountability to the community.

During 2009, the Board's governance focused on three major priorities:

- Introducing the Oval to the community, and providing insight about what the Oval will offer the community after the Games (the "Legacy");
- Providing Canadian speed skaters with the preparation environment they need to produce their optimal performances at the Games; and
- Reviewing post-Games conversion and business plans and recommending to the City refinements and improvements.

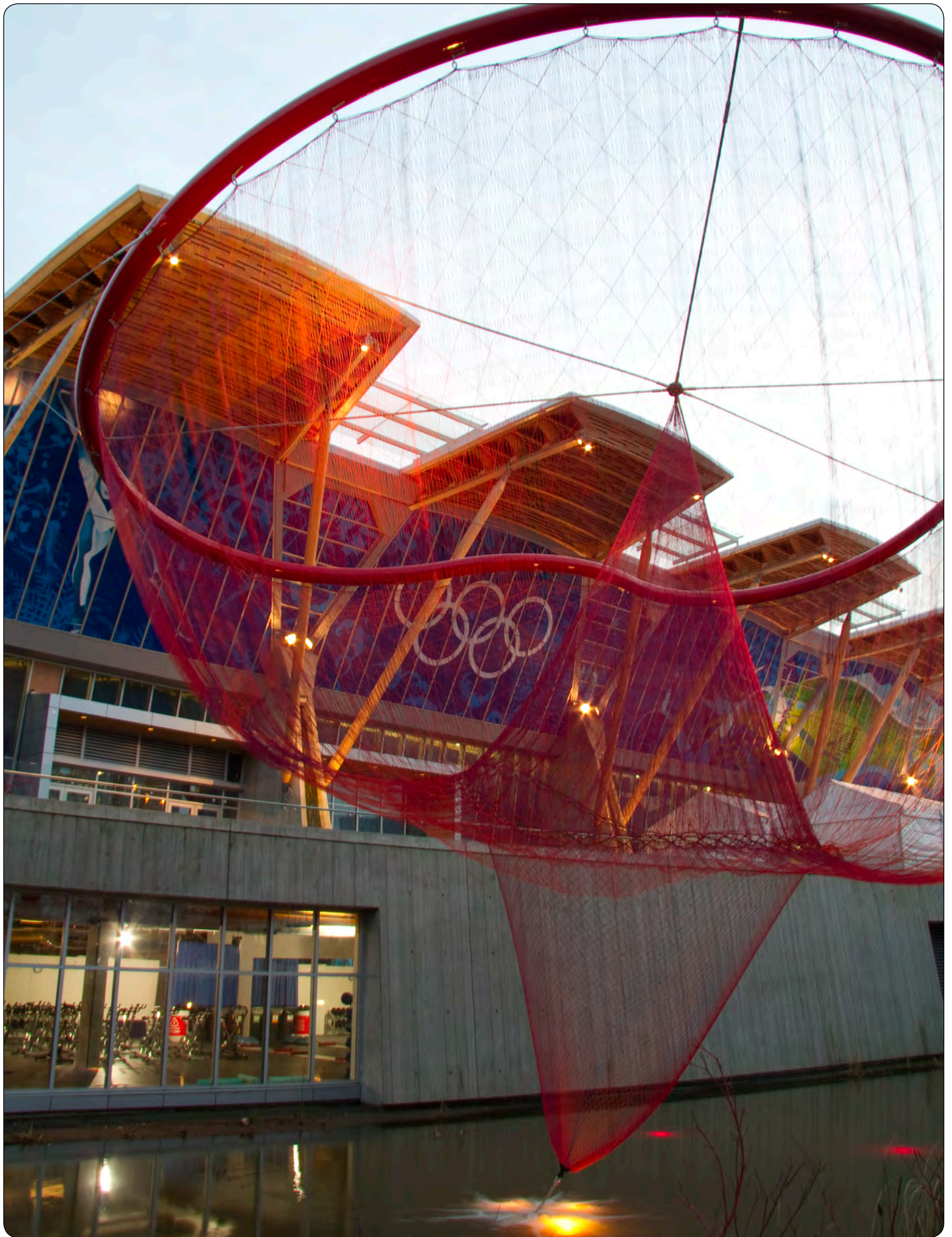
As you read through this report, you will discover the work of many beyond the Board of Directors has been delivering well against these goals, managing high attendance numbers, cultivating a vibrant community of members and developing an Olympic Legacy facility that will enrich the lives of both current and future generations within and beyond the Richmond community.

Overall, 2009 saw excellent progress: leases finalized for two anchor tenants early this year and despite a difficult economic climate and the Oval's limited operating history, the Corporation has achieved over one-third of its ten-year sponsorship goal. With completion of the 2010 Winter Games and our introduction to the world, we now look forward with great anticipation to the realisation of the post Games Legacy Oval facility.

Finally, I would like to thank the employees of the Richmond Olympic Oval Corporation, my fellow directors and the City of Richmond, for their outstanding contributions to the Oval's success.

A handwritten signature in black ink, appearing to read 'E. Michael O'Brien', written in a cursive style.

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



Message from the Chief Executive Officer



This 2009 report represents the second of the Oval Corporation's annual reports to City Council and the citizens of Richmond and details the great progress the Oval Corporation has made during 2009. In addition to the Oval being the defining and iconic facility of the 2010 Games, the Oval Corporation kept its focus on the pursuit of its operating objectives.

With excitement building throughout 2009 as we approached the 2010 Olympic and Paralympic Winter Games, the Oval became filled with thousands of community members sharing activity space with the Speed Skating Canada athletes as they trained for the Games.

This was truly a unique opportunity for our community, never before afforded by another purpose built Olympic venue.

For the Team Canada speed skating athletes, the Oval provided dedicated training space on and off the ice, and training time for Speed Skating Canada's development team -- our future speed skating champions. These efforts provided our athletes with the "home ice advantage" that produced the inspiring performances we witnessed during the Games.

More than a competitive venue for the Games, 2009 saw the Oval showcase itself as a publicly accessible legacy facility that will enrich the lives of Richmond residents for years to come. The Oval was host to many well-attended community events in 2009 from invitational badminton tournaments and speed skating world cup qualifiers to multi-sport events such as the BC Seniors' Games.

The Oval has assembled a strong team that has worked hard to integrate the Oval into the community. In 2010 we will see these efforts continue as the Oval transforms itself through the post Games Legacy Conversion, expanding its activity space, increasing service offerings to community programs and high performance athletes alike. A major goal of the Corporation in 2010 will be to open as many services and activity areas to the community as soon as possible after the Olympic Games.

A handwritten signature in black ink, appearing to read 'George Duncan'.

George Duncan
Chief Executive Officer

PHOTO: View of north elevation of the Richmond Olympic Oval and Water Sky Garden [by Janet Echelman] during the 2010 Olympic Winter Games



2009 Progress Report

The City of Richmond (the “**City**”) has engaged 0827805 B.C. Ltd., doing business as 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 Pre-Games Goals

Since incorporation on June 16, 2008, the Corporation’s primary goals leading up to the 2010 Olympic and Paralympic Winter Games (the “**Games**”) were threefold:

1. introduce the Oval to the community, and provide some insight as to what the Oval will offer the community in its post-Games phase (the “**Legacy**”);
2. provide Canadian speed skaters with the preparation environment they need to produce optimal performance at the Games; and
3. review post-Games conversion and business plans and make further recommendations to the City prior to the implementation of such plans.

PHOTO: Sport Camp Leader Jessica Christopherson giving instruction during Summer Sport Camp 2009

Introduce the Oval to the Community

Rather than providing only the ice track during the pre-Games period, the City elected to accelerate the Oval's conversion plan to give the community a taste of what it could expect in the post-Games Legacy phase. These inaugural amenities included:

- four hardwood courts in the Oval's infield suitable for a variety of sports such as basketball, badminton, volleyball, futsal and wheelchair sports;
- a portion of the Fitness Centre outfitted with state-of-the-art strength, conditioning and cardio equipment;
- two multi-purpose meeting rooms;
- a cycling and rowing studio;
- two all-purpose group fitness studios;
- British Columbia's first Kinesis™ studio;
- the Rowing & Paddling Centre; and
- the Legacy Suite.

These amenities allowed the Corporation to offer the community a variety of programming options during the important pre-Games period, which began on December 12, 2008:

- In 2009, the Corporation established a strong membership base with thousands of regular users.
- Oval registered sport and fitness programs, which featured a selection of the industry's most talented trainers, coaches and instructors, drew over 2,000 participants.
- The Corporation collaborated with the Richmond School Board to provide every child attending a local school in the City with the opportunity to skate on the Oval's long-track speed skating ice prior to the Games. Over 12,000 elementary students participated in this "Oval Kids School Program." The Corporation also hosted a free skate for all public high school students in the City.
- The Corporation provided approximately 300 hours of free public tours and viewings to the general public last year, in addition to the 362 private tours booked by various organizations. As a result, over 23,000 people toured the Oval in 2009 with staff or volunteer Oval Ambassadors serving as guides.
- In 2009, the Corporation offered a fitness schedule of over 30 classes per week that provided a variety of workout options from Transform-er muscle conditioning, Yoga Flow, BOSU Blast cardio conditioning and Row & Ride indoor rowing and cycling classes. On average, each class attracted 20 or more participants.



- The Learn to Row program, held in conjunction with the John M. S. Lecky UBC Boathouse, was a successful platform that allowed novice participants to develop the skills and confidence required to advance from indoor rowing in the Oval's Rowing & Paddling Centre to rowing and sculling on the Fraser River.
- The Fitness Centre provided a full range of strength and cardio conditioning equipment suitable for all skill levels from beginners to high performance athletes. Complimentary fitness orientations were offered to all members.
- From May 13 to June 24, 2009, the Corporation hosted "Oval Kids Sports Nights" each Wednesday between 6:00 p.m. and 9:00 p.m., whereby youth between the ages of six to fifteen years old received complimentary drop-in entry to the Oval and learned about upcoming summer sport camp programs. Attendance averaged 80 participants per night and peaked at 140 participants.
- From July 6 to September 4, 2009, the Corporation offered a selection of six different week-long multi-sport camps for youth between the ages of six to fifteen years old, which featured activities on the ice, court sports, general fitness, dragon boating, biking and hiking adventures. The Oval welcomed 512 participants in its first summer of operation, 92 of whom (18%) signed up for additional camps upon completion of their initial camp week.

PHOTOS: (Opposite) Bosu ball workout class, public skating and fitness facilities; (below) Badminton sport camp program



"All too often camps and facilities focus on activities of physical strength, which not all kids excel in. However, the Oval's variety of activities was key to my daughter's enjoyment of the camps. There was something to engage every kid in getting active and having fun. Great job, my daughter enjoyed her time very much."

Parent, 2009 Summer Sport Camp

- On November 24, 2009, the Corporation held its Annual Information Meeting where the public could learn about the Corporation's operations during the past year, its plans for the future, and ask questions of the Board of Directors. Over 30 members of the public attended. Most questions centred on the Oval's post-Games conversion plan and the opportunity for community input.
- In 2009, over 300,000 people attended or participated in events or activities at the Oval, making this facility the most publicly accessible Olympic venue prior to the Games in history.

“As far as our sport is concerned, we hope to have a fine facility. I think we all need to work together and express our needs and complement each other. I've been pleased from the track and field side with the response we've received from the Oval.”

~ Doug Clement, BC Athletics



Provide Speed Skaters with the Preparation Environment for Optimal Performance

In accordance with the City's partnership with Speed Skating Canada ("**SSC**"), the Oval served as SSC's main training facility leading up to the Games, dedicating at least four hours per day of the Oval's ice track to high performance speed skating. The Corporation also provided dedicated team rooms for changing and physical therapy, dedicated workout space and equipment for off-ice training sessions, and training time for SSC's development team and Canada's future speed skating champions.

Each of these efforts helped SSC athletes maintain focus and become familiar with their surroundings prior to the Games, giving Team Canada a "home ice advantage."

“Hands-down, it is the most beautiful oval in the world. I really like skating on it. There is nothing like else this.”

~ Christine Nesbitt, 2010 Olympic 1,000 Metre Champion

“Our pre-Games use of this building is going to be a huge advantage to us.

~ Denny Morrison, 2010 Olympic Team Pursuit Champion

“The Oval staff were excellent partners, working diligently with us to provide the time and space our athletes needed to deliver their optimal performance at the 2010 Olympic Winter Games.”

~ Brian Rahill, High Performance & Olympic Program Director

Review Post-Games Conversion and Business Plans

The City afforded the Corporation the opportunity to examine the post-Games design for the Oval and offer its advice on any modifications. The Corporation concurred that the City's plan was comprehensive and recommended that a 110 metre sprint track be included to take advantage of the Oval's size. Other minor amendments were suggested after extensive consultation with community groups and investigation of other facilities.

In early November 2009, City Council approved the Oval's conversion plan which included the Corporation's recommendations.

The Corporation also advised the City on several additions that could help the Oval achieve its full potential. The top ten additions (in priority order) were:

1. partitions and curtains to safely separate playing surfaces;
2. a dedicated active play space for children;
3. a climbing wall;
4. onsite daycare;
5. batting cages;
6. a display of the Oval's Olympic history;
7. 1,000 retractable seats for events, supplementing the existing 1,950 seats;
8. large video display boards;
9. protective covering for sport surfaces for special events; and
10. Legacy Suite décor.

The City approved the additional items in principle and indicated that if any surplus funds remain after the Oval's post-Games construction and conversion projects are fully complete, such funds could be used to implement these additional items. (Please refer to "2010 Outlook" on page 15 for a full description of the Legacy conversion plan.)

PHOTOS: (Opposite) Canadian Women's Speed Skating team (from left to right) Brittany Schussler, Kristina Groves and Clara Hughes; (below) ICON playground at the Richmond Olympic Oval Pavilion inside the Richmond O Zone.





The Corporation's Legacy Goals

During the course of 2009, 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. operating in a financially sustainable manner;
2. establishing positive brand awareness;
3. becoming valued by the community and its employees;
4. becoming the desired location for community sport, health and fitness; and
5. supporting high performance sport.

Financially Sustainable

- To date, the Corporation has achieved over one-third of its ten-year sponsorship goal. Despite the difficult economic climate and the Oval's limited operating history, the Corporation's sponsorship figures exceeded projections for both its 2010 and 2011 budgets.
- Great strides were made in securing leaseholders throughout 2009. As of April 1, 2010, leases have been finalized with two anchor tenants.

LifeMark B.C. Physiotherapist Corporation (“**LifeMark**”), a company with a strong history of operating clinics across Canada, has agreed to lease space in the Oval previously occupied by the Games-time anti-doping lab. A variety of practitioners will inhabit this space such as sports medicine physicians, physiotherapists, massage therapists, chiropractors and other professionals who can provide diagnostic and therapeutic services to Oval members, athletes and the community.

Bread Garden Franchise Inc. (“**Bread Garden**”) has committed to providing three food and beverage outlets in the Oval:

1. the popular Urban Café & Lounge concept which will offer full service meals;
 2. an Urban Express for on-the-go service; and
 3. a concessions kiosk on the Activity Level to service Oval members and those attending special events.
- Sustainable design and operating practices are key components of the Oval's reputation as a leading-edge facility.
 - o Technological advances in building design, combined with the Corporation's efforts to reduce energy costs wherever possible, resulted in lower than expected utility bills for 2009. For example, it is the Corporation's practice to power off over 60% of the Oval's 308 main ceiling lights outside of public operating hours. The remaining lights are necessary to ensure the safety of night maintenance staff.



PHOTOS: (Opposite) Public skating opportunity and community engagement; (above) catering services available at Richmond Olympic Oval.

- o The Corporation was a visible participant in Earth Hour, which took place on March 27, 2010 from 8:30 to 9:30pm, reducing the overall electrical demand of the Oval by 54%:
 - powering off over 60% of the 308 ceiling lights over the Activity Level;
 - powering off the ice refrigeration plant that cools the Oval's ice track; and
 - powering off all office and support room lights.

Establish Positive Brand Awareness



- In early 2009, it became evident to the Corporation that most members of the public perceived the Oval as solely a speed skating facility. To correct this misperception, the Corporation implemented an effective “*More Than Meets the Ice*” tagline in the spring of 2009. Despite strong public relations efforts and thousands of media articles written about the Oval's multi-activity post-Games Legacy plans, public perceptions were slow to change.

As the Games neared, the Corporation enhanced its efforts to ‘show’ rather than ‘tell’ the community about its Legacy Conversion story by launching an online Legacy campaign through www.richmondovallegacy.ca, actively participating in the Richmond O Zone with the Oval Pavilion (which drew over 10,000 participants) and a text-to-win campaign that generated more than 4,000 unique entrants.

- Over the past year, events held at the Oval drew over 100,000 people into the facility and contributed greatly to building the community's volunteer base and event hosting capacity. Please refer to Appendix B for a complete list of events held at the Oval. A selection of the most memorable international events hosted over the past year are as follows:

[Sochi 2014 Delegation | February 6, 2009](#)

Exactly five years to the date Sochi, Russia will welcome the world to the 2014 Olympic and Paralympic Winter Games, delegates from the Russian government and the Sochi 2014 organizing committee visited the Oval to gain key Olympic insights from Oval and City officials.

[One Year Countdown to the 2010 Olympic and Paralympic Winter Games | February 12, 2009](#)

The Oval was selected as the site for the Games' official one-year countdown event, which attracted major national and international media coverage. Shortly after 5:00 p.m., Richmond Mayor Malcolm Brodie introduced the event followed by remarks from the Vancouver Organizing Committee for the 2010 Olympic and Paralympic Winter Games (“**VANOC**”) and government officials along with presentations by Canadian Olympic gold-medalists Cindy Klassen and Simon

PHOTOS: (Above) special events to enhance public awareness; (right) Speed Skating and Japanese Emperor Akihito and Empress Michiko visit.

Whitfield. Hundreds of Olympians and Paralympians were also in attendance to offer their support. The President of the International Olympic Committee, Jacques Rogge, extended the official invitation to the world to come to Vancouver, British Columbia, Canada to participate in the Games. A confetti shower at 6:00 p.m. officially marked the one-year mark before the Games.

Essent International Skating Union World Single Distances Championships | March 12 – 15, 2009

During the four-day competition, several low level (elevation < 300 meters) records were set establishing the Oval as the fastest sea level ice in the world. The Canadian speed skating team won a total of eight medals at the event, tying the Netherlands for the medal lead. Approximately 15,000 people attended the event, which was covered by all major national and international media outlets.



Japanese Emperor and Empress Visit | July 9, 2009

Japanese Emperor Akihito and Empress Michiko visited the Oval during their first appearance in British Columbia in more than five decades. The Royal couple were greeted by Premier Gordon Campbell, Richmond Mayor Malcolm Brodie and Vancouver Mayor Gregor Robertson. During their visit, the Emperor and Empress viewed a demonstration by Canadian Olympic speed skaters Shannon Rempel and Nicole Garrido, and met with VANOC's Chief Executive Officer John Furlong, and Olympians Clara Hughes and Charmaine Crooks.



Prime Minister and Premier Visit | August 4, 2009

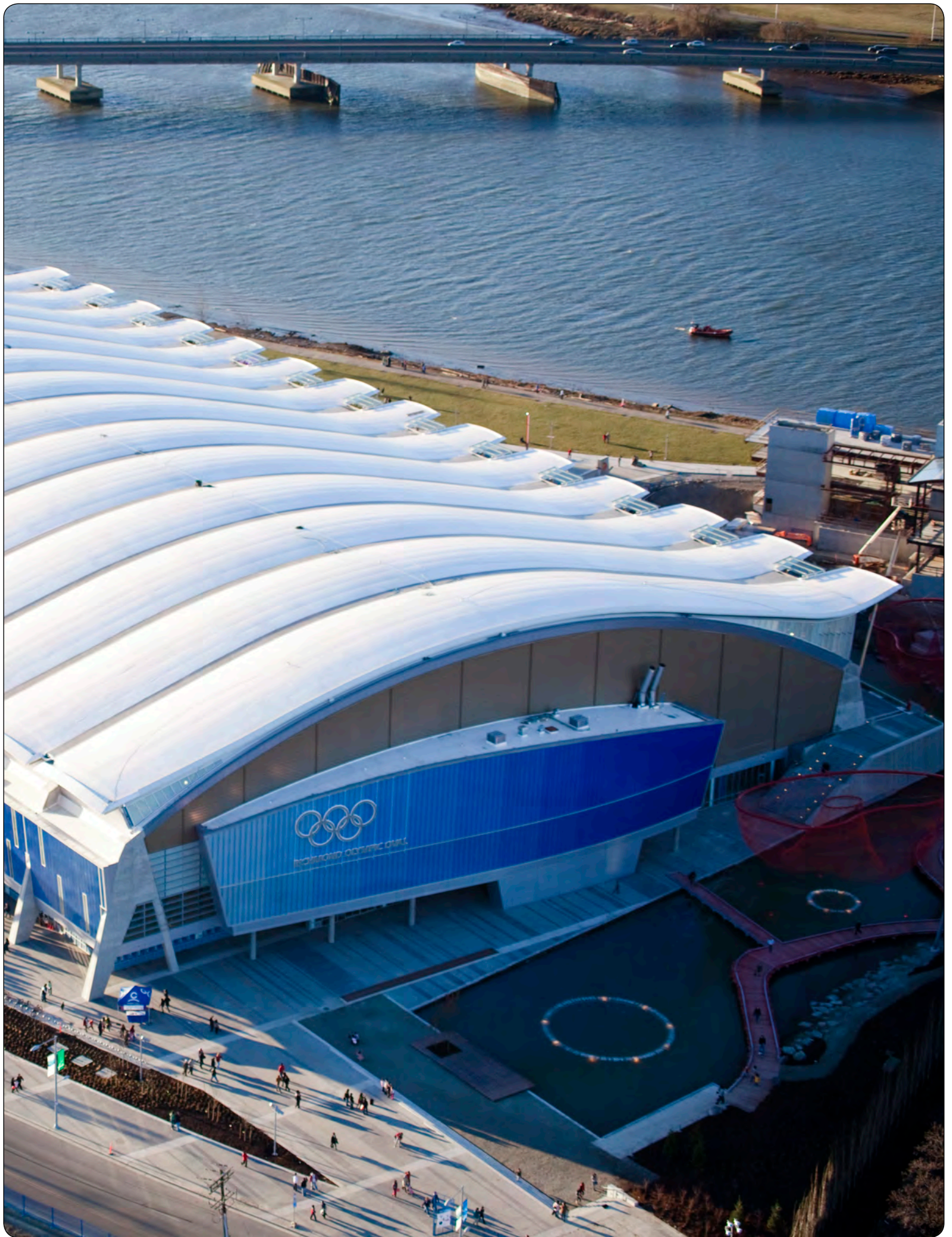
Prime Minister Stephen Harper and British Columbia Premier Gordon Campbell visited the Oval as part of their tour of Games venues. During the visit, Prime Minister Harper commented, "British Columbians should take pride in the fact that all of the sport venues were completed on time and within budget. The early completion of construction allows our Canadian athletes to use the actual venue to train. This is a competitive advantage that is a first in the history of the Winter Olympic Games."

Diplomatic Forum 2009 | October 7, 2009

The Diplomatic Forum 2009, an annual conference that brings together foreign and Commonwealth heads of diplomatic missions accredited to Canada, featured a visit to the Oval for 95 of its delegates.

"I think we are all impressed that you seem so well prepared, that things are already in place and you have planned very well what to do after the Games with all your facilities. The Oval in Richmond is a wonderful example."

~ Ingrid Maria Iremark , Ambassador of Sweden & of the European Economic Union



Vancouver 2010 Olympic and Paralympic Winter Games | February 12 – 28, 2010

The Oval was the host venue for 12 long-track speed skating events during which 36 medals were awarded. During the Games, four Olympic records were set at the Oval including: the Men's 5,000 metre, Men's 10,000 metre, and Men's Team Pursuit races. The Men's Team Pursuit race saw an Olympic record set twice in the same day and ended with a gold medal for Canadian speed skaters Denny Morrison, Lucas Makowsky and Mathieu Giroux. Additional Canadian medal winners at the Oval included Kristina Groves with a silver and bronze in the Ladies' 3,000 metre and 1,500 metre races respectively. Christine Nesbitt took gold in the Ladies' 1,000 metre race and Clara Hughes, Canada's flag bearer at the opening ceremonies for the Games, took an emotional bronze in the Ladies' 5,000 metre race. A total of approximately 100,000 spectators attended the 12 races. Over 1,000 news articles were written about the Oval during the Games, raising Richmond's profile with over 116 million people around the globe. Live television coverage of Oval events via CTV, the National Broadcasting Company and the Olympic Broadcast Service reached almost every computer and television screen on the planet.

- The various events held at the Oval over the past year raised the facility's profile on the international stage and generated several thousand media stories that were printed or broadcast to audiences around the globe. Most reports referred to the Oval as the 'crown jewel' of 2010 Olympic venues, beaming images of the Oval's unique flowing roof and striking river-side location worldwide. During the Games, billions of spectators watched through the magic of live television as their nation's long-track speed skating heroes realized moments of glory, defeat and camaraderie. The Oval is now instantly recognizable as a former Games venue, symbolic of the Games' ideals in terms of athletic achievement and environmental sustainability.
- Much as Sydney has its Opera House, the City of Richmond now has an iconic piece of architecture to call its own – one that has raised and will continue to raise the City's international stature as the most appealing, liveable, and well-managed community in Canada. An ideal destination for business, tourism, sport and recreation.



PHOTOS: (Opposite) Aerial view of Richmond Olympic Oval - the iconic building of the 2010 Olympic Winter Games; (above right and bottom right) Vancouver 2010 Olympic mascots and Speed Skating Canada Athlete Cindy Klassen.

Become Valued by the Community and Employees

- A crucial component of achieving loyalty in any major project is to gather feedback from its major stakeholders, creating a forum for their input. The Corporation has achieved this by routinely surveying its members, meeting regularly with its stakeholders and engaging members and visitors during their time at the Oval.

“The Oval is a fabulous asset to the City of Richmond and the whole of the Lower Mainland. There is so much you can program into it. Many Richmond sport groups just can’t wait to get in.”

~ Jim Lamond, Richmond Sport Council

- Immediately following the Games hosting period from December 1, 2009 to March 31, 2010 (VANOC’s “Exclusive Use Period”), the City invited the community to attend a three day “Olympic Encore Skate” event to celebrate the memories created on the 400 metre long-track speed skating ice. Over 10,000 enthusiasts attended the event, enjoying a final skate on the Oval’s ice which still bore the marks of the Games.
- The Corporation recognizes the value of creating a corporate culture built on employee commitment and trust. In an effort to position itself as the employer of choice in the sport and fitness industry, the Corporation developed comprehensive employee benefits as part of its overall compensation package.



Become the Desired Location for Community Sport, Health and Fitness

- The Richmond Arenas Community Organization (“**RACA**”) and the Corporation reached an accord on a formula to provide ice to community organizations for the 2010-2011 fall/winter season.

“We are extremely excited to have agreed on a framework for accessible ice time at the Oval for community sports. The Oval is a magnificent facility and will be a great addition to our ice time across the City.”

~ Frank Claassen, Chairperson, RACA

- The Corporation has submitted a framework to the Richmond Sport Council for use of the Oval's court and track spaces. The framework has been well received and addressed the community minor sports organizations (“**CMSOs**”) long standing enquiries about the costs and benefits of using the Oval as a place for their practices, competitions and events.
- The public's growing interest in Oval memberships reflects an abiding commitment to physical activity and better health.
- The Oval has been host to many community sport events such as the West Coast Classic basketball tournament and the Futsal Fiesta, both attended by several hundred participants.



Support High Performance

- Throughout 2009, the Corporation continued its ongoing consultation with summer and winter sport high performance sport organizations and athletes. These discussions advanced potential partnerships between the Corporation and various national sporting organizations, while expanding the Corporation's knowledge of the effective delivery of training programs and high performance sporting events.
- In March 2009, the Corporation invited the Canadian Olympic Committee (the “**COC**”) and its member sport bodies to the Oval to provide the COC with the opportunity to understand the potential of the Oval and to allow the Corporation to gain greater insight into the needs of its high performance clients.
- In 2009, Canadian Sport Centre Pacific (“**CSC Pacific**”) established a high performance lab in the Oval furnished with leading equipment and technology and staffed with sport performance experts. CSC Pacific delivered sport performance programs to provide Team Canada athletes and coaches every advantage to win medals during the Games. Dozens of Canada's best athletes came to the Oval for testing in the areas of aerobic and anaerobic thresholds and confidential equipment trials. The lab's location helped expose the Oval to athletes from a variety sport disciplines.

PHOTOS: (Opposite) Richmond Olympic Oval staff group; (above) Fitness Studio.



- The Corporation supported the Gymworks™ Program, a partnership program created between fitness facilities, health clubs and community centres across the province and CSC Pacific and PacificSport that allows all athletes registered with CSC Pacific and/or PacificSport access to local training centres. Registered athletes with CSC Pacific/PacificSport cards could choose between one or more facilities depending on which location was most convenient for them.
- In addition to Team Canada speed skaters, some notable athletes that took advantage of the Oval as a high performance training facility included:
 - Duncan Keith: Chicago Blackhawks (National Hockey League);
 - Alexa Loo: Olympian (snowboarding);
 - Ben Rutledge: Olympic Gold Medalist (rowing);
 - Darcy Marquardt: Olympian (rowing);
 - Gina Grain: Olympian (Team Canada cyclist);
 - Denise Ramsden: (Team Canada cyclist);
 - Igor Gantsevic: Fencing Canada athlete;
 - the Canadian National Wheelchair Basketball Team; and
 - the Canadian National Wheelchair Rugby Team.

“For a high performance athlete, this place has brought a lot for me. Being able to use the gym, the court and train with the speed skaters right next to me. I’m very thankful to the City for this.”

~Igor Gantsevic, Fencing Canada athlete

- During the Exclusive Use Period, VANOC, the City and the Corporation worked together to realize several synergies that will significantly contribute to the Oval’s post-Games ability to support high performance athletics and athletic events. For example, several Oval employees were seconded to VANOC’s workforce during the Games and were therefore able to expand their skill sets and experience levels in the following areas:
 - facility operations;
 - venue services;
 - media relations;
 - photography services;
 - sport services;
 - protocol; and
 - award ceremonies.

PHOTO: Bosu ball work with ROO Fitness Trainer

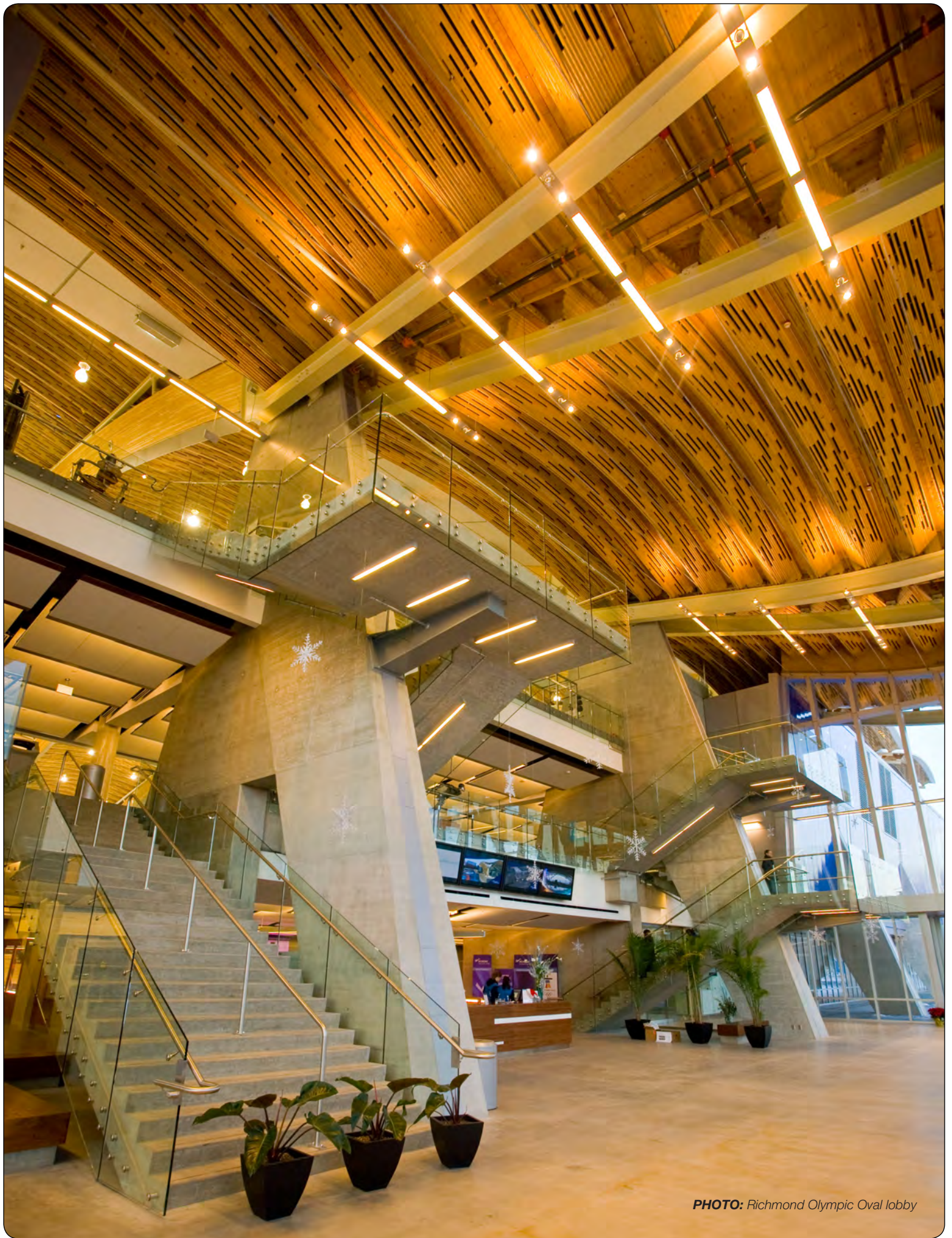


PHOTO: Richmond Olympic Oval lobby

In the News...

“The sexiest 2010 Olympic competition venue.”

Omega Lifetime Magazine

“The Richmond Olympic Oval has become that iconic piece of architecture that is the centrepiece of every Olympics... Richmond is a textbook example of how to take advantage of the Olympics.”

The Globe and Mail

“Sustainability twinned with legacy.”

The Seattle Times

“A masterpiece of environmental sustainability.”

New York Times

“A legacy achievement in Canadian architecture.”

Michael Ignatieff, Leader of the Liberal Party of Canada

“I think it’s great it’s becoming a sports complex and hopefully our team will leave an aura in the place to motivate kids to pursue sports.”

Christine Nesbitt, Olympic Gold Medallist

“This was my home away from home. You guys have made Richmond home, and it’s meant the world to me. I will never forget these Olympics.”

Clara Hughes, Team Canada 2010 Flag Bearer and Olympic Summer and Winter Games Medallist



What Oval Members are Saying...

“Our family signed up at the Oval for the 3 month promotion. We are really enjoying ourselves and it gets us out of the house after dinner. We love going with our 3 year old and have just registered him in skating lessons. We are very impressed with the staff, they are so friendly and kind. It is a fantastic facility and we will be sad when it closes for the Olympics. Keep up the great work.”

“I like to thank your staff members for recommending my handicapped sister for a membership card. My sister has been a handicapped person all her life, and she has lots of restriction to exercise, a little Table Tennis (Ping Pong) is the only sport she can play. Thank you for giving her this opportunity. I have been a member since the opening, I am there all the time with my friends. We enjoy all your Fitness classes, the facilities and environment”

“It actually exceeded my expectation. My son has always been reluctant to participate in team sports but whatever or however the leaders did motivate and encourage him. He was anxious to attend every afternoon.”

“I was and still am thoroughly blown away by my personal trainer’s passion, determination and patience in helping me develop good work out habits. He really explained the whole methodology behind working out and helped me become a person who wants to work out not someone who goes to the gym because it is good for me. I have been at the Oval 3 times a week since I joined and have lost over 8 pounds in six weeks!!”

PHOTO: Youth basketball program instructed by Kyle Watson, UBC Basketball star and McMath Secondary grad.



2010 Outlook

Post-Games Legacy Oval Conversion

Following the Exclusive Use Period, during which the Oval was closed to the general public for preparation, hosting and clean-up of the Games, the Oval will undergo a metamorphosis and re-emerge as an international centre of excellence for sports, health and wellness.

In April 2010, the Oval re-opened to the public with limited services, starting with group fitness classes, tours and a temporary fitness centre that will return to its pre-Games size and location shortly. The Oval's three levels totalling 512,000 sq. ft. will continue to open to the public in stages until the end of the summer of 2010. For Canada's high performance athletes, the City, surrounding communities and Oval members, it will be well worth the wait.

Ground Level (Level 1)

Indoor Rowing and Paddling Centre

British Columbia's only publicly accessible indoor rowing and paddling tank, which can be adapted for wheelchair accessibility, will allow users to focus on developing their technique for rowing and a variety of paddling sports.

Childminding

The Corporation will offer a safe, engaging and dynamic childminding environment for children between the ages of six weeks to 11 years old.

Centre for Health & Wellness

The Games' anti-doping lab will be transformed into a sport medicine/rehabilitation space. Operated by LifeMark, the centre will include a wide variety of treatment and diagnostic services.

Meeting Rooms

The Corporation will offer four meeting rooms with the capacity to host 24 to 100 individuals and will include high-definition projectors, a screen, whiteboards and power-operated blackout curtains.

Food & Beverage Service

In line with the Corporation's health and wellness initiatives, post-Games food and beverage services on the Activity Level will be provided by the Bread Garden, popular for its light, healthy meals.

PHOTO: Indoor rowing tank



Activity Level (Level 2)

Ice Zone

An adaptive board system will make it possible to transform the Oval's two ice rinks into multiple configurations to accommodate hockey, ringette, figure skating, short track speed skating, sledge hockey and a "Big Ice Concept" where the two rinks will be forged into one massive ice sheet.

Court Zone

Two additional portable hardwood courts will be added to the Oval's pre-Games complement of four permanent courts. All six courts are suitable for numerous sports such as basketball, indoor soccer, volleyball, badminton, handball, floorball and more. Synthetic courts for badminton and volleyball will also be added.

Track & Field Zone

Featuring a 200 metre training track for walking, jogging or track and field activities, plus a 110 metre spike-proof sprint lane - a one-of-a-kind indoor training element not found anywhere else in Canada - this area will showcase a leading synthetic surface, providing track athletes and others with an optimal training environment.

Fitness Studios

The Oval's four fitness studios (Cycling & Rowing Studio, Kinesis™ Studio, and two Group Fitness Studios), which were installed prior to the Games, will play a major role in the Oval's community Legacy, delivering the finest in group fitness, yoga, Pilates and team training.

Fitness Level (Level 3)

Fitness Centre

Our 23,000 sq. ft. Fitness Centre, with over 100 leading strength and cardio equipment units, brings the outdoors inside with stunning views of the North Shore mountains and the graceful sweeping form of the Wood Wave™ roof.

Legacy Suite

The Legacy Suite is a 5,000 sq. ft. facility for banquets or meetings overlooking the action on the Activity Level.

Membership, Community & High Performance Usage

- The Corporation will continue to benchmark its programs and membership against world-leading facilities and best practices.
- The Corporation has engaged KPMG LLP to update to its five year business plan based on the knowledge garnered from the Oval's first full year of operations.
- In addition to its current membership offerings, the Corporation will introduce family and corporate pricing.
- In the spring and summer of 2010, the Corporation will announce those national sport organizations that have elected to use the Oval as a high performance training centre.
- Invitations will be extended to all national sport organizations to consider the Oval as a permanent training and competitive site, a venue for major competitions, and a temporary location for training camps.
- The Corporation is confident it can adhere to the directional goal of providing 80% of the Oval's time and space to community usage and 20% to high performance sport.
- With its anchor tenants in place, the Corporation will secure leaseholders for its remaining 8,000 sq. ft. of leasable space.
- Continuing efforts will be made to attract "Legacy Partners" to the Oval, whose contributions will help to offset the Oval's operating expenses.
- The Corporation will pursue event hosting opportunities that can capitalize on the unique space and new Legacy amenities that the Oval has to offer.
- A variety of tour options will be introduced permitting visitors to select their preferred method of learning about the Oval, its history and its programs.
- The Corporation will present the Oval to business and community groups as a prime location for meetings and special events

PHOTOS: (Opposite) Court Zone - volleyball and Fitness Studio, Fitness Centre facilities and view of the Oval Field of Play after conversion.

Environmental Sustainability

The Richmond Olympic Oval was awarded LEED (Leadership in Energy and Environmental Design) Silver certification in 2009. As environmental technologies and ideas continue to advance, the Oval will seek further opportunities to increase the facility's energy efficiency while lowering its carbon footprint. In this endeavour, the City and Oval have partnered with Prism Engineering Ltd. to complete an Energy Opportunity Assessment for the Oval. Over the next few months, Oval Operations and City staff will review the implementation costs, savings and the potential for a return on investment on the following identified energy saving opportunities:

Lighting Controls Upgrade

Advancements in lighting controls could allow for more flexibility and efficiencies in powering the lights in the main activity space.

Induction & Fluorescent Lighting

An exploration of whether induction and fluorescent lighting systems in the main activity space may result in further energy efficiencies.

HVAC Controls

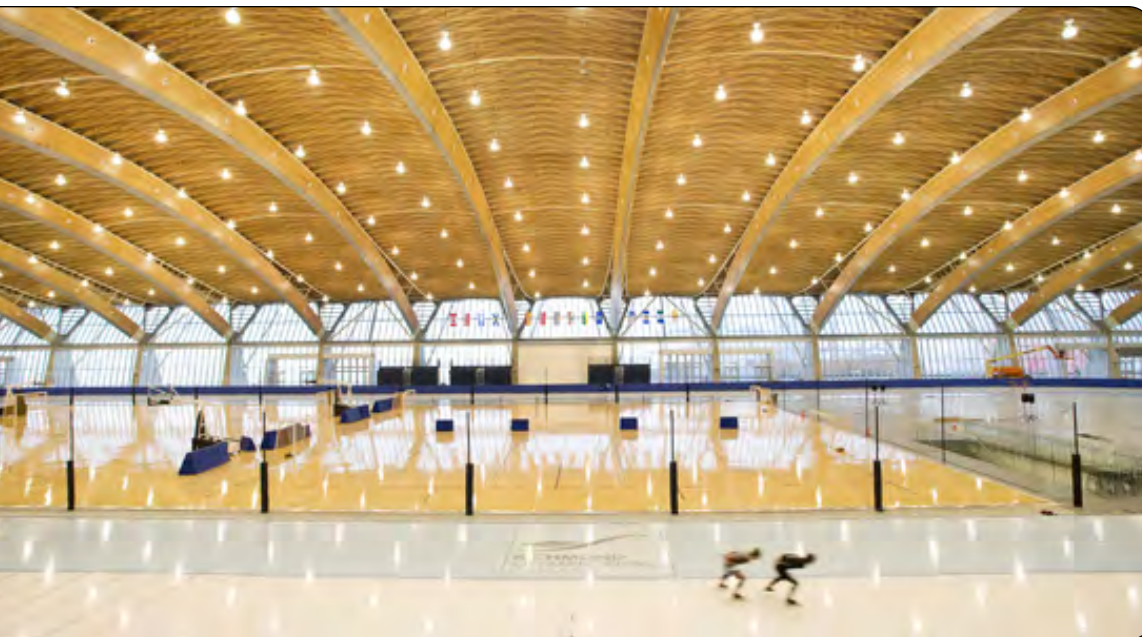
Install motion sensing switches to turn fan coils on only when rooms are occupied.

Refrigeration Plant

As the ice surface area will be reduced to approximately ½ of its current area, energy savings could be realized by downsizing a selection of the refrigeration plant motors.

Heat Recovery

There is an opportunity to recover a greater percentage of waste heat from the refrigeration plant with the possibility of exporting the recovered energy to nearby buildings.



Appendix A: The Corporation

The Company, which does business as the “Richmond Olympic Oval Corporation,” was incorporated under the name “0827805 BC Ltd.” on June 16, 2008 under the Business Corporations Act of British Columbia to manage the business, operations and maintenance of the Oval. The City, as the sole shareholder of the Company, established a Board of 11 directors consisting of a selection of community leaders with a broad range of specialized expertise.

Directors

As of April 30, 2010, the Company has 11 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 of each director expires at the conclusion of the Company’s next annual shareholder’s meeting.

Name & Province of Residence	Principal Occupation	Director Since
Susan Archibald British Columbia, Canada	<i>President, Suda Solutions Ltd.</i>	Nov. 2009
Roger Barnes British Columbia, Canada	<i>President, Roger Barnes Marketing Planning Ltd.</i>	June 2008
George Duncan, British Columbia, Canada	<i>Chief Administrative Officer, City of Richmond</i>	June 2008
Victor Farmer British Columbia, Canada	<i>Senior Vice President, Progressive Construction Ltd.</i>	June 2008
Moray Keith British Columbia, Canada	<i>President, Dueck Chevrolet Cadillac Hummer Limited and Dueck Pontiac Buick GMC Limited</i>	June 2008
Stanley Kwok British Columbia, Canada	<i>President, Stanley Kwok Consultants</i>	June 2008
Umendra Mital British Columbia, Canada	<i>Vice President and General Manager, Ebco Industries Ltd. and Advanced Cyclotron Systems Inc.</i>	June 2008
Anna Nyarady British Columbia, Canada	<i>President, Vanseco Management Ltd.</i>	June 2008
E. Michael O’Brien British Columbia, Canada	<i>Corporate Secretary and Vice President, Strategic Planning and Legal Services, Vancouver International Airport Authority</i>	June 2008
Linda Sanderson British Columbia, Canada	Management Consultant	June 2008
David Thom British Columbia, Canada	<i>Managing Director, IBI Group</i>	June 2008

PHOTO: (Opposite) Oval lighting retrofit and upgrades.

Executive Officers

As of April 30, 2010, the Company has three 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
Phyllis Carlyle British Columbia, Canada	Corporate Secretary	General Manager, Law and Community Safety, City of Richmond
Andrew Nazareth, British Columbia, Canada	Chief Financial Officer	General Manager, Business and Financial Services, City of Richmond

Committees

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

Business Planning Committee

- Moray Keith (Chair)
- Susan Archibald
- Roger Barnes
- Stanley Kwok
- Anna Nyarady
- David Thom

Audit & Finance Committee

- Victor Farmer (Chair)
- Roger Barnes
- Umendra Mital

Governance Committee

- Anna Nyarady (Chair)
- Umendra Mital
- E. Michael O'Brien

Human Resources Committee

- Linda Sanderson (Chair)
- George Duncan
- E. Michael O'Brien

Appendix B: Oval Events

BC Youth Futsal Provincials | January 3 – 4, 2009

The Oval hosted 28 teams and over 400 children from as far away as Fort St. John, British Columbia. The facility's four side-by-side pitches, which were "within view of each other and the spectators added tremendously to the sense of tournament, energy and excitement," said Heidi Lyons, Tournament Chair. The Richmond Soccer Association estimated that the total direct economic impact of the event to the City was \$23,000.

Richmond Soccer Association Futsal Fiesta January 17 – 18, 2009

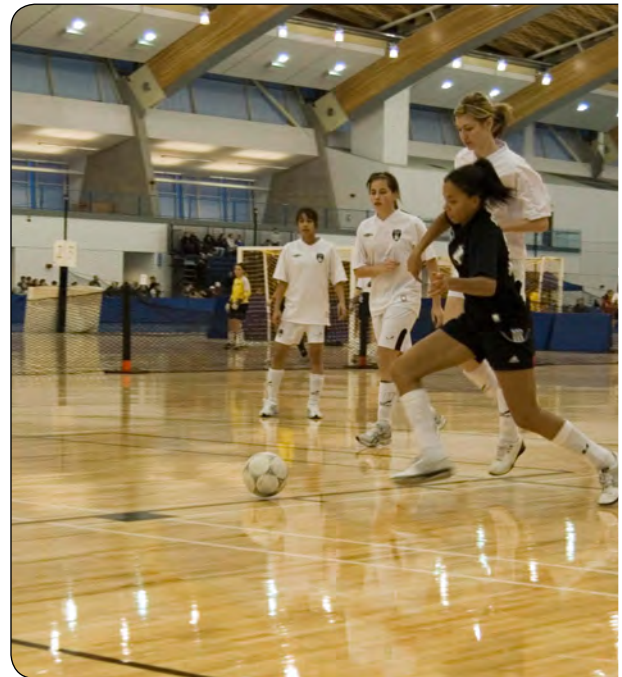
Building on the success of the Youth Futsal Provincials, Futsal Fiesta was open to all Richmond Soccer Association teams. For this event, 102 teams or approximately 1,500 boys and girls between the ages of six to seventeen-years old, were able to experience the Oval firsthand. The focus of the event was having fun, showcasing creativity and ball control.

Canadian Junior Speed Skating Championships and Canada Cup #2 January 30 – February 1, 2009

Canada's best junior speed skaters converged on the Oval for the Canadian Junior Speed Skating Championships. The Championships was used to select four Canadians to represent their country at the 2009 World Junior Speed Skating Championships in Zakopane, Poland. The Canada Cup #2 speed skating competition was held jointly with the Canadian Junior Speed Skating Championships for skaters to earn points towards their Canadian rankings in order to be selected on next year's National or Development Team.

2009 Richmond Winterfest February 13 – 14, 2009

An estimated 47,000 people attended the 2009 Richmond Winterfest. While most people came to take a spin on the Oval's 400 metre ice track with visions of Olympic gold dancing in their heads, others enjoyed the event's numerous attractions including a spectacular ice carving competition on the BC Spirit Square and Riverside Plaza, live indoor performances on the Petro-Canada stage, facepainting, magic shows and more.



PHOTOS: *Futsal Fiesta and Winterfest*

Speed Skating Canada Youth Leadership Symposium

February 13 – 14, 2009

The Speed Skating Canada Youth Leadership Symposium invited students from the ages of 16-years old to 19-years old to participate in a leadership development conference that revolved around speed skating and the upcoming Games. The program taught participants leadership skills and values through an examination of SSC, the Olympic Movement and the values of both organizations. Additionally, through group projects, delegates obtained a better understanding of the concepts of teamwork and communication, becoming successful leaders and role models of fair play, fun, respect, peace, excellence, and human development.

BC Lions Waterboys Breakfast | February 20, 2009

The largest BC Lions Waterboys Breakfast ever was held “ice-side” at the Oval. Attendees included new Waterboy inductee, Mayor Malcolm Brodie, along with BC Lions players Angus Reid and Jason Jimenez. The Waterboys are a dynamic group of British Columbia business leaders committed to building the BC Lions Football Club’s brand and relationships in the corporate community.

Vancouver Invitational Wheelchair Rugby Tournament

March 27 - 29, 2009

The tournament, won by Quebec 58-30 over Ontario, showed that the Oval will be well-suited for its post-Games role as a multi-use sport, health and wellness facility. It was also a great test event for the upcoming Canadian championships May 8 – 10 and the 12-country World Wheelchair Rugby Championships coming in September of 2010.

BC Sport Tourism Events Marketplace | April 1, 2009

The fifth annual BC Sport Tourism Events Marketplace was held on April 1, 2009. More than 100 people attended the marketplace and heard from speakers who addressed the topics of sport marketing, sustainable event hosting and the importance of community partnerships when staging events like the 2009 World Police and Fire Games.

Racket Rally 2009 | April 3 – 5, 2009

Racket Rally '09 – broadcast by Fairchild TV across Vancouver, Edmonton and Toronto – featured some of the world’s best in badminton and table tennis, and provided a three-day glimpse into the post-Games future of the Oval. With the speed skating ice removed, the 215,000 square foot floor was transformed into a 24-court festival for racquet sports. An intimate amphitheatre at the east end hosted over 5,000 spectators during the competition and was filled for a pair of featured weekend matches between Joachim Persson of Denmark and Taufik Hiyadat of Indonesia, the world’s sixth-ranked and seventh-ranked players, respectively. Mr. Hiyadat, who was also the 2004 Olympic gold medalist in Men’s badminton, stumped Mr. Persson 21-11 and 21-13 in the round-robin final on the last day of competition. Leung Chu Yan of Hong Kong won 4-1 over Robert Gardos of Austria in the table tennis summit.



Floorball Nationals | April 17-19, 2009

The Third Annual Floorball Championship was organized by the British Columbia Floorball Federation (BCFF) and sanctioned by Floorball Canada. In conjunction with the three-day event, three friendly matches were held between Team Canada and Team India.

BC Fencing Provincials | April 18-19, 2009

Richmond-based Dynamo Fencing Club hosted the BC Provincial “Open” Championships April 18 and 19 at the Richmond Olympic Oval. Several top athletes and coaches attended the tournament including Laurie Shong, one of Canada’s best epee fencers and a former cadet world champion. The tournament included a full range of events in all age groups, from under 10 to veteran, in epee, foil and sabre.

Coloplast Canadian Wheelchair Rugby Championships May 8 – 10, 2009

The Coloplast Canadian Wheelchair Rugby Championships represented the second wheelchair rugby test event to be held at the Oval. This event featured the National Team players who won a bronze medal at the 2008 Paralympic Games in Beijing, China, who each competed for their respective provinces. These athletes will form the nucleus of the National Team who will be gunning for gold at the 2010 World Wheelchair Rugby Championships, also to be held at the Oval in September 2010.

SOS Children’s Village Run | May 30, 2009

The community was invited to support and participate in the inaugural 5 to 10k Run and 1k Family Walk. The goal was to give kids the chance to dream. Celebrity guests, entertainment, prize raffle, 50/50 draw, food and refreshments were a part of the morning festivities. There was no registration fee.

3D Western Canada Basketball Invitational Tournament June 26 – 28, 2009

The fifth annual tournament, established as Western Canada’s premier summer basketball tournament, was hosted at the Oval and Simon Fraser University’s new athletic complex. Teams from British Columbia, Alberta, Saskatchewan, Manitoba, Washington, Oregon, California and Colorado competed in the tournament that featured multiple age divisions for boys, girls, and open elite.

Sport 604 Dodgeball Tourment | August 1, 2009

Sports604 and Dreams Take Flight hosted a Charity Dodgeball Tournament at the Oval. Splitting two courts into multiple dodgeball courts, the event welcomed dozens of teams from across the Lower Mainland.



PHOTOS: (Opposite) Racket Rally; and (above) BC Fencing Provincials.



Olympic Collectors Show | August 7-9, 2009

Olympic pins, medals and memorabilia collections from around the world were on display at the Oval. Hundreds of guests found, traded, collected and displayed pins. CTV held a special Olympic pin giveaway in conjunction with the show on Friday evening and attracted over 300 guests. The Pacific Pin Club the organized this 28th Annual Show, the largest of its kind in the world. More than 60 exhibitors from North America and Europe specializing in Olympic pins, medals and memorabilia set up tables at the Oval.

Kajaks Run | August 16, 2009

The Kajaks' Richmond Olympic Oval 8km race attracted approximately 300 participants and started and finished on the North Plaza. The event attracted runners and walkers from across the Lower Mainland.



America's Cup Wheelchair Basketball

August 24-29, 2009

All games and practice took place at the Oval. The event included doping control, medical and food services. The Americas Cup is the America Zone Qualifying tournament for entry into the World Championships set to take place July 2010 in Birmingham, England. The top three teams from the event earned spots amongst the world's best representing North and South America. Team USA took the gold with Canada and Mexico finishing second and third respectively.

Rotary Club of Richmond Roll and Stroll

September 12, 2009

The City of Richmond, Rotary Club of Richmond and Richmond Centre for Disability collaborated to present the Rotary Club of Richmond Roll and Stroll (a run, walk or stroll on the Dyke). The run started and finished on the Oval Plaza and was a 2km, 4km or 8km run, walk, stroll or roll. There was food, drinks (non alcoholic) and music from the Richmond Legion Community Band. Walkers, Runners, Wheelers are challenged to raise pledges.

2009 BC Seniors Games | September 16 – 19, 2009

The BC Seniors Games is an annual, multi-sport event hosted by a different British Columbia community each year. This event is one of the largest games organized within British Columbia with approximately 3,500 participants, aged 55-years old and over, from all over the province. The event included a variety of activities such as archery, badminton, bridge, carpet bowling, cribbage, cricket, cycling, darts, dragon boat racing, five pin bowling, floor curling, golf, horseshoes, ice curling, ice hockey, lawn bowling, one-act plays, pickle ball, slo-pitch, snooker, soccer, speed skating, square dancing, swimming, table tennis, tennis, track and field, volleyball and whist.

Inaugural West Coast Classic Basketball Tournament

September 26, 2009

The First Annual West Coast Basketball Classic hit the courts at the Oval in September 2009. The event was in partnership with Firststar, Baller's Network, Vitamin Water, EA Sports and the Vancouver Metro Basketball League. The annual basketball tournament included full-time officiating for all games, Official West Coast Classic game-jerseys for players, a VIP lounge, on-site first-aid, ankle-taping and massage and open admission to catch the action. In addition, all participants were eligible for the 1st Annual West Coast Classic Awards Ceremony including Team Champions in all divisions: slam dunk champ, three point champion and community champion.

Athletes CAN Kids CAN event | October 2, 2009

AthletesCAN's 4th annual KidsCAN School Day was exciting opportunity for Richmond youth to experience an Olympic venue along with the company of some of the country's top high performance athletes. This year, over 600 Richmond school children converged on the Richmond Olympic Oval for a day of sport, physical activity and interaction with national team athletes.

Foster Family Skate | October 5, 2009

Foster and adoptive families enjoyed a free skate at the Richmond Olympic Oval, joining Minister of Children and Family Development, Mary Polak, ActNow BC Athlete Ambassadors Stacie Anaka, Carly Grigg and Rick Say, and Olympic Mascots, Quatchi, Sumi and Miga. The skate demonstrated the facility's commitment to support the community and help make sure that all British Columbians have an opportunity to participate in the Olympic experience. During the skate, the families had an opportunity to experience one of the Olympic Oval's health and wellness programs: a demonstration of Wushu Martial Arts as seen in the movie 'Crouching Tiger, Hidden Dragon'. Wushu is devoted to developing a positive attitude, discipline and respect, while learning the fundamentals of this elegant and powerful Martial Art.

Speed Skating Canada Fall World Cup Qualifiers October 17-20, 2009

The event featured Canada's top speed skaters competing for the right to represent our country in the World Cup season and the upcoming 2010 Olympic Winter Games. The event was the last chance to see our speed skating heroes before the Games. School groups were invited to be spectators at the trials and over 6,500 members of the public attended the event.

Baby and Toddler Swap – the Largest Indoor Kids Garage Sale | October 25, 2009

The Baby and Toddler Swap was a cross between a Garage Sale and a Flea Market that attracted over 300 guests to the Oval. Local moms rented tables where they sold clothes, toys, and gear that their children had outgrown. Moms Club Productions presented this event, which was hosted in the Oval's multi-purpose rooms on the activity level.



PHOTOS: (Opposite) Olympian Collector Show, Wheelchair Basketball tournament; and (above) West Coast Classic Basketball Tournament.

St. John Ambulance Lower Mainland Inspection

October 25, 2009

Over 500 of St. John Ambulance emergency medical response volunteers from across the Lower Mainland participated in a special public ceremony Oval on October 25. Hosting this annual event was the St. John Ambulance Medical First Responders Lower Mainland and Fraser Valley Area Commissioner, Robert McIlwaine. The Annual Inspection recognized hundreds of volunteers for their achievements in 2008 and 2009, in addition to a Cadet Drill performance, a dynamic first aid demonstration and presentation of group and individual awards. The Honourable Steven L. Point, Lieutenant Governor of British Columbia and Vice Prior of the Order of St. John, participated as the Reviewing Officer and an honoured guest.

Halloween Skate I *October 31, 2009*

The Oval's Halloween skate, known as The Biggest Thriller Party on Ice, featured a fun afternoon of skating, costumes and music. There were Giveaways, treats, a costume contest and pumpkin decorating. Boston Pizza donated free pizza vouchers for children and treats were provided by a variety of vendors. Stephanie Sy performed a special interactive Thriller Dance which was very well received. Admission for the day was half price.

Yoga4Kidz Third Annual National Yoga Challenge

November 21-22, 2009

From November 20- 22, thousands of men, women, children and their families across the country and beyond came together to practice yoga and observe compassionate living. Proceeds from the National Yoga Challenge supported UNICEF's Unite for Children, Unite against AIDS campaign. This special overnight event featured various forms of yoga, warming huts, sleeping areas, food stations, and high energy sessions.

Kenzen Long Shot Curling Contest I *November 28, 2009*

The Kenzen Long Shot contest, dreamed up by Curl BC President Jim Mann, was held in the warm-up lane of the speed skating oval. Over 100 participants took to the "curling-prepared" speed skating ice in attempt to throw a curling rock as far as they could. Participants competed in a variety of categories, with the winners receiving prizes and getting their names placed on a plaque in the BC Sports Hall of Fame. Richmond Mayor Malcolm Brodie, Olympic Bronze Medalist Neil Houston and three-time Canadian Champion Cathy Gauthier from Manitoba were all in attendance for this historic event. The farthest shot was thrown by Ali Yakhshi-Tafti and reached an impressive distance of 514 feet.

Celebration of Ice | November 29, 2009

This successful Oval-run event attracted over 5000 guests for the day. The Celebration featured an activity zone, Olympic mascots, and DJ. The event was marketed as the last chance to skate on the Olympic oval ice before the Olympic Winter Games. The event received great press through the Vancouver Sun, Province, Globe and Mail, Richmond Review, Richmond News, Fairchild TV, AM1470, FM96.1 and FM100.5.

Oval Pavilion at the O Zone | February 12 –28, 2010

The Oval's 40' x 60' pavilion was a key feature of the Ice Zone at the Richmond O Zone. In partnership with ActNow BC and RecTec, the area featured fitness and sport demonstrations, athlete visits, giveaways, Oval membership information and an interactive children's playground. Olympic and amateur athletes provided photo opportunities that drew large crowds into the Oval tent. Daily programming included activity challenges, rowing competitions, fitness demonstrations, and interactive trivia quizzes. The Oval achieved its goal of driving awareness of the Oval's Legacy Conversion, selling memberships, increasing its database and providing a fun and interactive environment.

PHOTO: Oval Pavilion at the O Zone including Team Canada athletes (from top to bottom, left to right) **Top Row:** Jeremy Wotherspoon, Brittany Schussler, Tamara Oudenaarden, Kyle Parrot, Marianne St-Gelais, Mike Ireland; **Middle Row:** Cindy Klassen, Jamie Gregg, Charles Hamelin, Francois Hamelin, Francois-Louis Tremblay, Guillaume Bastille; and **Bottom Row:** Kristina Groves, Anastasia Bucsis, Kalyna Roberge, Valerie Maltais, Francois-Olivier Roberge, Jessica Gregg





Appendix C: Awards

In 2009, the Oval became the proud recipient of nine major architectural awards and honours. The prestige and recognition generated by these awards helped the City achieve its vision for the Oval – to be an iconic landmark and a showcase for sustainable building practices. Each award also served as a reminder to the general public that the Oval – open for their use – is one of the most exceptional facilities in the world.

Institution of Structural Engineers' 2009 Structural Award for Sport or Leisure Structures

The Oval took top honours amongst an outstanding international nominee field that included the 2008 Olympic Summer Games' Beijing National Stadium in Beijing, China (also known as the "Bird's Nest"), the Wimbledon Centre Court roof in London, England, and the New Elephant House in Copenhagen, Denmark. Based in London, England, the Institution of Structural Engineers is the world's largest membership organization dedicated to the art and science of structural engineering. This annual competition recognizes the work of the world's most talented structural designers.



Institution of Structural Engineers' 2009 Commendation for Sustainable Structures

The Oval's commendation for sustainable structures placed this facility behind only the Mapungubwe Interpretive Centre in South Africa. The sustainable structures award is given for achievement in structural design where outstanding commitment to sustainability and respect for the environment has been demonstrated.

Royal Architectural Institute of Canada's Innovation in Architecture Award of Excellence

As the leading voice of architecture in Canada, the Royal Architectural Institute of Canada honoured the Oval with its top award for architectural innovation, beating out the Four Seasons Centre for the Performing Arts in Toronto, Ontario.

BC Wood WORKS!/Canadian Wood Council's Institutional Design Award

The BC Wood WORKS! 2009 Wood Design Awards competition demonstrated how wood can deliver everything from warmth and beauty to leading-edge technological solutions - meeting the needs of any project, large or small.

Globe Foundation and World Green Building Council's Green Building Practices Award

The Green Building Practices award is bestowed upon a facility that displays a commitment to green building by incorporating building technologies and materials that minimize environmental impact, while taking advantage of local resources, innovations, and businesses.

PHOTOS: (Opposite) North Plaza elevation and view of wood roof structure; and (above) the main lobby of Richmond Olympic Oval

Vancouver Organizing Committee for the 2010 Olympic and Paralympic Winter Games' (VANOC) Sustainability Star

The Sustainability Star program was created to recognize VANOC partners who have demonstrated excellence in rising to the challenge of creating projects with positive and measurable social, economic and environmental assets that are new to the Olympic Games or host region.

Canadian Institute of Steel Construction's BC 2009 Steel Design Award of Excellence in Engineering

This annual award is presented to steel structures that showcase efficient use of steel in unique applications, in the categories of architecture, engineering and sustainability.



2009 Wood Design and Building Awards' Honour Award

The 2009 Wood Design and Building Awards is a North American-wide award that celebrates wood building innovation and achievement. A jury of industry leaders selected the Oval as an Honour Award recipient, the highest level of achievement possible, because of its use of wood to achieve a "structural feat driven by cultural and sustainability criteria. Wood was used to connect with the First Nations building aesthetic and showcase the province's resources on a world stage."

World Architecture Festival's Structural Design Award (shortlisted)

The Oval was shortlisted for the Structural Design Award at the World Architecture Festival, the biggest event and awards program of its kind, which celebrates architecture and design, and honours architects from around the world. Other shortlisted nominees included entrees from the UK, Japan and Indonesia.

LEED Silver Certification

The Oval has qualified for Silver certification under the Leadership in Energy and Environmental Design (LEED) Green Building Rating System™. LEED is an internationally accepted benchmark for the design, construction and operation of high performance green buildings providing building owners and operators the tools they need to have an immediate and measurable impact on their buildings' performance.

Appendix D: Management's Discussion and Analysis

Management's discussion and analysis provides an overview of the Corporation's business operations, as well as an examination of significant developments that have affected the Corporation's financial condition and revenues and expenses for the year ended December 31, 2009 relative to the 22 month period from March 1, 2007 to December 31, 2008. Factors that could affect future operations are also discussed. These factors may be affected by known and unknown risks and uncertainties that may cause the actual future results of the Corporation to be materially different from those expressed or implied in this discussion.

This management's discussion and analysis should be read in conjunction with the Corporation's financial statements for the year ended December 31, 2009 and the accompanying notes. The Corporation's financial statements are prepared in accordance with Canadian generally accepted accounting principles (GAAP). All figures presented in the following are expressed in Canadian dollars and are rounded to the nearest \$1,000. Certain comparative financial figures have been reclassified to conform to the current year's presentation.

During the period from March 1, 2007 to the date of incorporation on June 16, 2008, the City is deemed to have acted as an agent of the Corporation in incurring the start up revenues and expenses. Accordingly the financial statements for 2008 include the revenues and expenses of the Oval operations for the twenty-two months from March 1, 2007 to December 31, 2008.

This management's discussion and analysis has been prepared based on information available as at April xx, 2010, except where otherwise indicated.

About the Corporation

The Corporation was incorporated on June 16, 2008 as "0827805 B.C. Ltd." under the provisions of the *Business Corporations Act* of British Columbia. The Corporation does business as "Richmond Olympic Oval Corporation" or "Richmond Olympic Oval". It is a wholly-owned municipal corporation of the City of Richmond ("Richmond" or "the City").

Richmond built the Oval to provide a venue for a wide range of sports, health and wellness, business, and community activities, including being the long-track speed skating venue for the 2010 Olympic and Paralympic Winter Games ("the Games"). Effective since July 1, 2008, the Corporation has managed and operated the Oval facility under the terms and conditions of the Richmond Oval Agreement with the City as discussed in Note 3 to the financial statements.

In late November 2008, the Oval construction reached substantial completion allowing Oval staff members to move into the administration offices in early December 2008 where staff continued operations throughout 2009.

PHOTO: (Opposite) View of roof structure from basketball court level.

Overview of Performance

The first two fiscal periods of the Corporation featured the start-up of operations. During 2009 Vanoc had two "Exclusive Use Periods" ("EUP") where it effectively took control of and operated the Oval. These were the three weeks in February for the Essent Single Distance World Championship Sport Event and the period commencing December 1, 2009 through March 31, 2010 for the Games. During these periods, revenue earning operations ceased. As a result of the start-up period and the EUPs, the comparison of 2009 financial figures to those of 2008 is not particularly meaningful. Similarly, because of the three month EUP and the Legacy Conversion, the fiscal year 2010 will have approximately a half year of revenue earning operations. Accordingly, it will not be until the 2012 fiscal year is compared to fiscal year 2011 that management will be able to make valid operational comparisons.

The Oval revenue earning operations commenced on December 15, 2008 and, except during the EUPs, operated throughout 2009 offering a variety of fitness programs along with access to the four gym courts, 400 meter speed skating track, the cardio and strength training equipment on the fitness level and the rowing and paddling centre. Revenue from memberships, admissions and programs totalled \$1,498,000 (2008-\$59,000); revenue of \$78,000 was deferred to fiscal 2010 (2008 - \$43,000 was deferred to 2009).

The City applies for and receives funding from the 2010 Games Operating Trust ("GOT") as explained in notes 4 and 8 to the financial statements. The City received and transferred to the Corporation \$4,731,000 during the year (2008 - \$4,142,000) which, together with deferred GOT revenue for 2008 of \$806,000, totalling \$5,536,000 was recognized as revenue earned in the year. For the period ended December 31, 2008, \$3,336,000 was recognized as revenue and \$806,000 was deferred to 2009.

The Oval received a grant of \$1,050,000 from the City in 2009 (2008 - \$Nil).

During 2009, expenses were incurred to continue the start-up process and to operate the facility.

Expenses were incurred for:

- Salaries and benefits of \$3,354,000 (2008 - \$1,285,000). There were 26 full-time and 84 part-time employees on the payroll as at November 30, 2009; (2008 – 15 fulltime and 49 part- time employees);
- Facility operations of the Oval including the heat, light and power, the ice-making equipment and building maintenance;
- 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;
- Professional fees mainly related to creating leases for tenants, other legal agreements and audit fees;
- Costs related to developing and implementing a plan for marketing the Oval sport fitness programs and rentals of facilities;
- Costs associated with the official opening ceremonies and special events at the Oval
- Recruitment costs for various staff positions;

- Acquiring operating supplies for fitness programs;
- Property and liability insurance; and
- Supporting the training of high performance athletes, including speed skaters, and the attraction of other high performance athletes to the Oval.

The net earnings for the year are \$1,108,000 compared to \$147,000 for 2008.

Summary of Financial Position

The following table presents summary information on the Corporation's financial position at December 31, 2008.

	\$ 000s	
	2009	2008
Current assets	\$1,543	1,265
Equipment	1,177	967
Total assets	<u>\$2,720</u>	<u>2,232</u>
Current liabilities	\$ 995	1,541
Obligation under capital leases	469	544
	<u>1,464</u>	<u>2,085</u>
Shareholder's equity	1,256	147
Total liabilities and shareholder's equity	<u>\$2,720</u>	<u>2,232</u>

Current assets

Cash and accounts receivable aggregating \$1,110,000 (2008- \$108,000) resulted from funding from GOT together with sales of memberships, admissions, programs and special events.

Prepaid expenses of \$431,000 (2008 - \$244,000) consist of unamortized portions of the premiums on the Oval's insurance policies covering property, liability, business interruption, directors and officers' liability and other risks totalling \$ 279,000 (2008 - \$ 244,000) together with prepaid information technology licences and sponsorship commissions.

The amount due from the City in 2008 of \$914,000 is mainly GOT funds received by the City and not transferred to the Oval as at December 31, 2008. These funds were paid to the Oval in 2009.

Equipment

As at December 31, 2009, the Oval had \$1,579,000 (2008 - \$967,000) of new equipment of which \$944,000 was the capitalization of 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 \$635,000 (2008 - \$210,000) of athletic equipment, staff uniforms, ice skates, helmets, computer software and equipment and other equipment. Amortization of the equipment commenced on January 1, 2009 and amounted to \$402,000 for the year.

Current liabilities

Accounts payable and accrued liabilities of \$572,000 (2008 - \$511,000) include payroll accruals and trade payables for heat, light, power, equipment, service contracts, legal and audit fees.

An amount of \$242,000 (2008 - \$181,000) of the total \$711,000 (2008 - \$725,000) obligation under capital leases for equipment is recorded as current and will be amortized over the next twelve months.

Deferred revenue includes the pro rata portion of fees received in 2009 of \$78,000 (2008 - \$43,000) for fitness and other programs to be delivered in 2010. In 2008 it also included the \$806,000 portion of GOT contributions received that were deferred to 2009 as discussed above.

Obligation under capital leases

The Oval has capital lease obligations for equipment with remaining terms to January 2013. The long-term portion of the lease obligation as at December 31, 2009 was \$469,000 (2008 - \$544,000) with payments as shown in note 7 to the financial statements.

Shareholder's equity

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 retained earnings at December 31, 2009 are \$1,256,000 (2008 - \$147,000), being the accumulated net earnings for the two fiscal periods.

Liquidity and Capital Resources

Operating

Cash provided by operations in the period was \$1,561,000 (2008 - \$329,000). As discussed in "Summary of Financial Position" the City received funds from GOT which were transferred to the Corporation and which have been used to finance operating activities.

Investments

The Corporation purchased equipment primarily for the sport and fitness, information technology and security operations of the Oval totalling \$424,000 (2008 - \$210,000).

Financing

Principal payments on the capital lease obligations amounted to \$202,000 (2008 - \$31,000).

Capital Resources

The Corporation had working capital of \$547,000 at year end compared to a working capital deficiency of \$275,000 in 2008, an increase in working capital of \$822,000.

In order to finance operations in 2010, the Corporation expects to receive cash from several revenue sources as follows:

From operating activities:

- The sale of memberships;
- Admission fees to the Oval's sport and fitness facilities;
- Registered program fees, including the summer camps program;
- Tour fees and merchandise sales;
- Parking fees and tenant rentals and
- Sponsorships.

From other funding sources:

- Funding from GOT of approximately **\$2,200,000** and
- A grant from the City of \$1,500,000.

The Corporation believes that its operating working capital is adequate to meet its operating needs.

Related Party Transactions

The Corporation is a municipal corporation wholly-owned by the City which is its only related party. The City was deemed to be the agent prior to incorporation and incurred expenses and recorded revenues which were subsequently transferred to the Corporation. Note 9 to the financial statements discloses other inter-entity transactions.

Critical Accounting Policies and Estimates

The Corporation's significant accounting policies are described in Note 2 to the financial statements. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

The Corporation considers the following policies to be most critical in understanding the judgments that are involved in preparing the Corporation's financial statements and the uncertainties that could affect the Corporation's results of operations, financial condition and cash flows.

2010 Games Operating Trust Revenue

Notes to the financial statements 2(c), 4 and 8 describe in detail the accounting for GOT funds. Distributions from GOT are deferred when there is reasonable assurance that conditions of the distribution have been met and the funds will be received; such funds are recognized as revenue when related operating expenses and capital maintenance costs of the Oval are incurred. This policy was adopted because the GOT Application and Disbursement Policies require that the distributions be applied to the Corporation's annual operating expenses and capital maintenance costs.

Membership and Registered Program Fees

These fees are recorded as revenue in the period that the services are rendered. Any unearned portion is recorded as deferred revenue.

Amortization of Equipment costs

Amortization is provided on the straight-line basis at rates that reflect estimates of the economic lives of the assets at rates from 20 – 33%.

Assets held under capital lease

Equipment held under capital lease is 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.

Statement of Earnings and Retained Earnings

The Statement of Earnings and Retained Earnings should be read in the context of the issues of comparability discussed under "Performance Overview".

The 2008 financial statements were prepared on the basis that all expenses incurred by the City prior to incorporation on June 16, 2008 were incurred by the City acting as an agent for the Corporation. Accordingly, pre-incorporation expenses of \$688,164 consisting of \$226,311 in 2007 and \$461,853 in 2008 are included in the Statement of Earnings and Retained Earnings for the period ended December 31, 2008.

The Oval land and building complex and its major equipment components are the property of the City and accordingly, the related costs and amortization are not recorded in these financial statements. Construction of the Oval was completed in December 2008 at which time business operations of the Oval commenced. As previously discussed, the Corporation manages and operates the Oval under the terms of the Richmond Oval Agreement.

Industry and Economic Factors

- **Sport and Fitness Market:** The Oval is entering a highly competitive sport and fitness market which offers personal and group training classes, personal training, wellness and fitness equipment, weight training and sport specific facilities and training. These services are offered by entrepreneurial local and chain operations as well as public and private clubs. Market studies to determine the market for services to be offered by the Oval have been commissioned and reviewed. A market study to determine rates to charge has been received and the results taken into account in determining the fees. The City is recognized as being the healthiest in Canada with a very active population of all ages and it is that demographic that will assist the Oval in fulfilling its vision.
- **Special Events:** The Oval has various open spaces and rooms which are available for rent to the public. In order to attract business, our program takes into account issues such as pricing of the facility and provision of amenities such as audio visual equipment, WIFI, tables and chairs, catering, etc.
- **Leasing of Oval spaces:** The Oval has approximately 29,000 square feet of space for lease to tenants. The market is competitive and accordingly an international real estate Corporation has been retained to assist in marketing and sales. It is expected that future tenants will include retail, office, food and beverage, sport medicine and health related services. At the current date, approximately 70% of the space has been leased with rents to commence after a fixturing period. Tenants have not been able to take possession of their space until the post Games period which began on April 1, 2010.
- **Economic Downturn:** Management is ever mindful of the potential effects of the Canada wide and international economic downturn. Being in the start-up mode, there are no statistics based on Oval past history to measure or compare the potential effects. During 2009 and the recent Exclusive Use Period management has had the opportunity to study the market place, hone its operational plans and restrain expenditures.
- **2010 Olympic and Paralympic Winter Games:** The hosting of the long track speed skating events of the Games in the period February 12 to 28, 2010 provides three significant impacts all of which are being planned for in 2010:
 1. First is the cessation of normal operations for the four month period December 1, 2009 to March 31, 2010 when VANOC had an Exclusive Use Period. This has resulted in a consequent reduction in revenues from memberships, programs and rentals but with a related reduction in certain direct expenses related to those activities;
 2. Second is the Legacy conversion period after the Games when the construction in various parts of the Oval takes place through the late spring and early summer of 2010. The Oval will operate with limited programs in this period.
 3. Third is the positive impact that the television broadcasting and media coverage of the Games to the world will bring international recognition and acclaim to the Oval which will be levered into future revenues.

- The Corporation's entry into the sport and fitness and other markets is made challenging by the following factors:
 1. In the pre-Games phase the facilities did not reflect the full Legacy conversion and the effects of new facilities on revenues and expenses;
 2. Business is interrupted for the EUP for the last month of 2009 and the first three months of 2010.
 3. The start-up phase after the Legacy conversion creates challenges with respect to providing precise program offerings and fees and appropriate hours of operations to the Oval's members and customers.

These complications and challenges have been anticipated as much as reasonably possible and appropriate steps have been factored into the Corporation's operational plan for 2010.

Appendix E: Management's Responsibilities for Internal Controls and Financial Statements

To the sole shareholder of the Richmond Olympic Oval Corporation,

The accompanying financial statements of the Corporation and all information in this annual report are the responsibility of management and have been reviewed and approved by the Corporation's Board of Directors. These financial statements and related notes have been prepared by management in conformity with accounting principles generally accepted in Canada and necessarily include amounts based on management's informed judgments and estimates. Financial information included elsewhere in this annual report is consistent with that contained in the financial statements.

To assist management in fulfilling its responsibilities, a system of internal accounting controls has been established by the Corporation to provide reasonable assurance that the financial statements are accurate and reliable and that assets are safeguarded. Management believes that the systems of internal controls have operated effectively for the year ended December 31, 2009.

KPMG LLP, Chartered Accountants, appointed by the sole shareholder, have audited the financial statements and conducted a review of internal accounting policies and procedures to the extent required by generally accepted auditing standards in Canada and performed such tests as they deemed necessary to enable them to express an opinion on the financial statements.

The Board of Directors, through its Audit Committee, is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal controls, and is ultimately responsible for reviewing and approving the financial statements. The Audit Committee is composed of three independent directors who are not employees of the Corporation. The Audit Committee meets regularly with management and, on an as needed basis, with KPMG LLP to review the activities and to discuss internal control, accounting, auditing and financial matters and reports its findings to the Board of Directors.

George Duncan
President and Chief Executive Officer

Andrew Nazareth
Chief Financial Officer



PHOTO: Conceptual illustration of Fitness Centre and Activity Level below.

Appendix F: Audited Financial Statements

Financial Statements of

0827805 B.C. LTD.

(dba Richmond Olympic Oval Corporation)

Year ended December 31, 2009



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Burnaby BC V5H 4N2

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AUDITORS' REPORT

To the Shareholder of 0827805 B.C. Ltd. (dba Richmond Olympic Oval Corporation)

We have audited the balance sheet of 0827805 B.C. Ltd. (dba Richmond Olympic Oval Corporation) (the "Corporation") as at December 31, 2009 and the statements of earnings and retained earnings and cash flows for the year then ended. These financial statements are the responsibility of the Corporation's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. A horizontal line is drawn underneath the signature.

Chartered Accountants

Burnaby, Canada

March 5, 2010

KPMG LLP is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International, a Swiss cooperative. KPMG Canada provides services to KPMG LLP.

0827805 B.C. LTD.
(dba Richmond Olympic Oval Corporation)
 Balance Sheet

December 31, 2009, with comparative figures for 2008

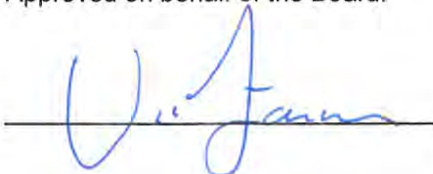
	2009	2008
Assets		
Current assets:		
Cash	\$ 1,021,195	\$ 87,165
Accounts receivable	88,918	20,471
Inventory	2,046	-
Prepaid expenses	430,565	243,715
Due from the City of Richmond (note 5)	-	914,242
	<u>1,542,724</u>	<u>1,265,593</u>
Equipment (note 6)	1,176,978	966,727
Other assets	700	-
	<u>\$ 2,720,402</u>	<u>\$ 2,232,320</u>

Liabilities and Shareholder's Equity

Current liabilities:		
Accounts payable and accrued liabilities	\$ 571,982	\$ 510,827
Obligations under capital leases (note 7)	242,199	181,222
Deferred revenue (note 8)	78,023	848,732
Due to the City of Richmond (note 5)	103,205	-
	<u>995,409</u>	<u>1,540,781</u>
Obligations under capital leases (note 7)	469,033	544,062
	<u>1,464,442</u>	<u>2,084,843</u>
Shareholder's equity:		
Share capital (note 10)	1	1
Retained earnings	1,255,959	147,476
	<u>1,255,960</u>	<u>147,477</u>
Commitments (note 3)		
Economic dependency (note 12)		
	<u>\$ 2,720,402</u>	<u>\$ 2,232,320</u>

See accompanying notes to financial statements.

Approved on behalf of the Board:

 Director

 Director

0827805 B.C. LTD.
(dba Richmond Olympic Oval Corporation)

Statement of Earnings and Retained Earnings

For the year ended December 31, 2009, with comparative figures for the period from commencement of operations on March 1, 2007 to December 31, 2008

	2009	2008
Revenue:		
2010 Games Operating Trust Fund (notes 4 and 8)	\$ 5,536,509	\$ 3,336,341
Grant from City of Richmond (note 9)	1,050,000	-
Memberships, admissions and programs	1,498,041	58,512
Interest and other (note 9)	31,267	88,964
	<u>8,115,817</u>	<u>3,483,817</u>
Expenses:		
Salaries and benefits	3,354,065	1,285,529
Utilities	973,988	198,325
General and administration	459,911	180,911
Supplies and equipment	397,052	103,812
Marketing and sponsorship	376,199	262,490
Insurance	303,621	37,416
Program services	264,762	-
Professional fees	230,233	213,699
Opening ceremonies and special events	172,584	506,929
Recruiting and consulting	72,627	547,230
Amortization	402,292	-
	<u>7,007,334</u>	<u>3,336,341</u>
Net earnings	1,108,483	147,476
Retained earnings, beginning of period	147,476	-
Retained earnings, end of period	<u>\$ 1,255,959</u>	<u>\$ 147,476</u>

See accompanying notes to financial statements.

0827805 B.C. LTD.
(dba Richmond Olympic Oval Corporation)
Statement of Cash Flows

For the year ended December 31, 2009, with comparative figures for the period from commencement of operations on March 1, 2007 to December 31, 2008

	2009	2008
Cash provided by (used in):		
Operations:		
Net earnings	\$ 1,108,483	\$ 147,476
Item not involving cash:		
Amortization	402,292	-
Changes in non-cash operating working capital:		
Accounts receivable	(68,447)	(20,471)
Inventory	(2,046)	-
Prepaid expenses	(186,850)	(243,715)
Due to/from the City of Richmond	1,017,447	(914,242)
Accounts payable and accrued liabilities	61,155	510,827
Deferred revenue	(770,709)	848,732
	<u>1,561,325</u>	<u>328,607</u>
Investments:		
Purchases of equipment	(424,371)	(210,493)
Increase in other assets	(700)	-
	<u>(425,071)</u>	<u>(210,493)</u>
Financing:		
Repayment of obligations under capital leases	(202,224)	(30,949)
	<u>934,030</u>	<u>87,165</u>
Increase in cash	934,030	87,165
Cash, beginning of period	87,165	-
	<u>\$ 1,021,195</u>	<u>\$ 87,165</u>
Supplementary information:		
Interest paid	\$ 22,872	\$ 4,767
Assets acquired under capital lease	188,172	756,234

See accompanying notes to financial statements.

0827805 B.C. LTD.

(dba Richmond Olympic Oval Corporation)

Notes to Financial Statements

For the year ended December 31, 2009, with comparative figures for the period from commencement of operations on March 1, 2007 to December 31, 2008

1. Incorporation and nature of business:

0827805 B.C. Ltd. (dba as 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:

(i) Accounting principles:

These financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles.

(ii) Statement of earnings and retained earnings:

The comparative financial statements for the period ended December 31, 2008 were prepared on the basis that all expenses incurred by the City, on behalf of the Corporation, prior to incorporation on June 16, 2008 were incurred by the City acting as an agent for the Corporation. Accordingly, pre-incorporation expenses of \$688,164, consisting of \$226,311 in 2007 and \$461,853 in 2008, were included in the statement of earnings.

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. Construction of the Oval was completed in December 2008 at which time operations of the Oval commenced.

On December 1, 2009 the Vancouver Organizing Committee for the Games ("VANOC") commenced the conversion of the Oval for the speed skating events of the Games and all Oval revenue earning operations from membership, admission and programs ceased but certain operating expenses continued to be incurred.

0827805 B.C. LTD.
(dba Richmond Olympic Oval Corporation)

Notes to Financial Statements (continued)

For the year ended December 31, 2009, with comparative figures for the period from commencement of operations on March 1, 2007 to December 31, 2008

2. Significant accounting policies (continued):

(b) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that 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 revenues and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the determination of valuation in accounts receivable, useful lives of equipment for depreciation, impairment of long-lived assets and fair values of financial instruments. Actual amounts may ultimately differ from these estimates. The estimates are reviewed periodically and as adjustments become necessary, they are recorded in earnings in the year in which they become known.

(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 (note 8) are recognized as revenue when the amounts are approved by 2010 Games Operating Trust (note 4) and when the related operating expenses and capital maintenance costs of the Oval are incurred.

(d) Equipment:

Equipment is recorded at cost. Amortization is provided on a straight-line basis at rates that reflect estimates of the economic lives of the assets based on the following annual rates:

Assets	Rate
Athletic equipment	20%
Computer software and equipment	33%
Uniforms, ice skates and helmets	33%
Signage	33%

Tenant improvements are amortized over the term of the lease.

Equipment is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized for the amount by which the carrying amount of the asset exceeds the fair value of the asset.

0827805 B.C. LTD. (dba Richmond Olympic Oval Corporation)

Notes to Financial Statements (continued)

For the year ended December 31, 2009, with comparative figures for the period from commencement of operations on March 1, 2007 to December 31, 2008

2. Significant accounting policies (continued):

(e) 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.

(f) Pension plan:

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

(g) Income taxes:

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

(h) Financial instruments:

The Corporation accounts for its financial instruments in accordance with the Canadian Institute of Chartered Accountants ("CICA") Handbook Section 3855, *Financial Instruments - Recognition and Measurement*, CICA Handbook Section 3861, *Financial Instruments - Disclosure and Presentation*, CICA Handbook Section 3865, *Hedges*, CICA Handbook Section 3862, *Financial Instruments - Disclosures*, and Section 3863, *Financial Instruments - Presentation*.

These sections require that all non-derivative financial assets and liabilities be measured at fair value with the exception of loans and receivables and held-to-maturity investments, which should be measured at amortized cost; and certain exceptions which are not applicable to the Corporation. The section also requires that gains and losses on financial instruments measured at fair value be recognized in net earnings in the periods in which they arise, with certain exceptions which are not applicable to the Corporation. In addition, disclosure with an emphasis on risks associated with both recognized and unrecognized financial instruments to which an entity is exposed during the year and at the balance sheet date, and how an entity manages these risks, is provided in the financial statements.

The Corporation's financial instruments are accounts receivable, due to and from the City, and accounts payable and accrued liabilities. The Corporation classifies its accounts receivable as loans and receivables which are recorded at amortized cost. The Corporation classifies its accounts payable and accrued liabilities as other liabilities which are recorded at amortized cost.

0827805 B.C. LTD. (dba Richmond Olympic Oval Corporation)

Notes to Financial Statements (continued)

For the year ended December 31, 2009, with comparative figures for the period from commencement of operations on March 1, 2007 to December 31, 2008

2. Significant accounting policies (continued):

(h) Financial instruments (continued):

The carrying values of cash, accounts receivable, amounts due to and from the City and accounts payable and accrued liabilities approximate their fair values due to the short-term nature of these financial assets and liabilities.

It is management's opinion that the Corporation is not exposed to significant interest, currency, or credit risk arising from these financial instruments.

(i) Assessing going concern:

CICA Handbook Section 1400, *General Standards of Financial Statement Presentation*, requires management to assess and disclose an entity's ability to continue as a going concern. Based on the assessment by management, there is no issue regarding the Corporation's ability to continue as a going concern.

(j) Capital disclosures:

CICA Handbook Section 1535, *Capital Disclosures*, requires quantitative disclosure about what is regarded as capital and disclosure of information with respect to the objectives, policies and processes used by the Corporation to manage capital. These disclosures are included in note 13 to the financial statements.

(k) Goodwill and intangible assets:

Effective January 1, 2009, the Corporation implemented the CICA Section 3064, *Goodwill and Intangible Assets*. This new section establishes standards for the recognition, measurement, presentation and disclosure by profit-oriented enterprises of goodwill and intangible assets subsequent to its initial recognition.

There is no goodwill or intangible assets recorded in the Corporation's balance sheet. The Corporation will continue to monitor the impact, if any, of the above standard in the future.

(l) Future accounting changes:

The Public Sector Accounting Board ("PSAB") recently approved changes to the scope of PSAB. These amendments require that government business enterprises adopt International Financial Reporting Standards ("IFRS") for periods beginning on or after January 1, 2011. A government business enterprise is one with self-sustaining commercial type operations. Government organizations that are not considered to be business enterprises are either government not-for-profit organizations or other government organizations. Other government organizations will be required to either adopt IFRS or to prepare their financial statements in accordance with PSAB.

0827805 B.C. LTD. (dba Richmond Olympic Oval Corporation)

Notes to Financial Statements (continued)

For the year ended December 31, 2009, with comparative figures for the period from commencement of operations on March 1, 2007 to December 31, 2008

2. Significant accounting policies (continued):

(l) Future accounting changes (continued):

As the Corporation is not expected to be self-sustaining as at January 1, 2011, it would be categorized as an other government organization and will need to determine whether it should adopt IFRS or PSAB.

Management is currently evaluating the impact of the two standards and will determine whether the Corporation should adopt IFRS or PSAB.

3. Richmond Oval Agreement:

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

(a) The Corporation:

- (i) leases the Oval for a term of twenty-five years for \$1;
- (ii) has the power to manage, operate, use and occupy the Oval;
- (iii) is responsible for repairing and maintaining all components of the Oval;
- (iv) will receive all revenue and be responsible for all operational expenses and capital expenditures of the Corporation (see (b)(iii) below);
- (v) will, in 2011, allocate from shareholder's equity to a Sustaining Capital Reserve and an Operating Capital Reserve a total of \$1.7 million to be represented by cash in a capital reserve bank account; subsequent to 2011, the amount of the contribution to the Capital Reserve will be determined by the Capital Works Committee;
- (vi) will indemnify and save harmless the City from any losses or damages arising from or which have occurred as a result of rights and obligations under the Agreement;
- (vii) will maintain property and liability insurance on the Oval;
- (viii) will not allow any encumbrances to be registered against the Oval;
- (ix) will prepare and deliver to the City, on an annual calendar year basis, audited financial statements prepared in accordance with generally accepted accounting principles and annual report, no later than April 30 of the following fiscal year; and
- (x) will prepare and deliver to the City, financial reports, at dates to be determined by the City, on the financial matters of the Corporation.

0827805 B.C. LTD. (dba Richmond Olympic Oval Corporation)

Notes to Financial Statements (continued)

For the year ended December 31, 2009, with comparative figures for the period from commencement of operations on March 1, 2007 to December 31, 2008

3. Richmond Oval Agreement (continued):

(b) The City:

- (i) 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 as determined by the City in its sole discretion;
- (ii) will pay any funds received from The 2010 Games Operating Trust ("GOT") (note 4) to the Corporation within 30 days of receipt; and
- (iii) is responsible for completing construction of the Oval in the Pre-Games configuration and for re-configuring the Oval into the post-games configuration at the City's cost.

4. 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. When VANOC ceases to exist after the Games, the agreement will be assigned to GOT or, with the consent of the City, to another party.

0827805 B.C. LTD.

(dba Richmond Olympic Oval Corporation)

Notes to Financial Statements (continued)

For the year ended December 31, 2009, with comparative figures for the period from commencement of operations on March 1, 2007 to December 31, 2008

4. 2010 Games Operating Trust Fund (continued):

Funds from GOT are paid to the City, and as indicated in note 3(b)(ii), the funds are then paid to the Corporation.

At December 31, 2008, the Speed Skating Oval Fund had a fund balance of \$39,397,078 (2007 - \$49,941,298) after distributions. The fund balance at December 31, 2009 has not been confirmed to the City.

5. Due to and from the City of Richmond:

The amount due to the City of Richmond arises in the normal course of business and includes salary and expense charges.

The amount due from the City of Richmond comprises money owing by the City pertaining mainly to GOT funds received prior to the incorporation of the Corporation that was not paid as at December 31, 2008 (see notes 4 and 8).

6. Equipment:

The cost and net book value of equipment is as follows:

	2009			2008
	Cost	Accumulated Amortization	Net Book Value	Cost
Equipment under capital lease	\$ 944,406	\$ 280,342	\$ 664,064	\$ 756,234
Athletic equipment	406,564	65,471	341,093	110,132
Computer software and equipment	87,575	17,421	70,154	24,687
Uniforms, ice skates, and helmets	89,922	28,167	61,755	75,674
Signage	33,824	2,819	31,005	-
Tenant improvements	16,979	8,072	8,907	-
	\$1,579,270	\$ 402,292	\$1,176,978	\$ 966,727

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.

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Notes to Financial Statements (continued)

For the year ended December 31, 2009, with comparative figures for the period from commencement of operations on March 1, 2007 to December 31, 2008

7. 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, 2009 and 2008 are as follows:

	2009	2008
Total minimum lease payments	\$ 739,365	\$ 771,383
Imputed interest	(28,133)	(46,099)
	711,232	725,284
Current portion of obligations under capital lease	242,199	181,222
Long term portion of obligations under capital lease	\$ 469,033	\$ 544,062

As at December 31, 2009, the Corporation was committed to payments under capital leases as follows:

2010	\$ 258,164
2011	258,164
2012	213,924
2013	9,113
	\$ 739,365

8. Deferred revenue:

Deferred revenue is comprised of:

	2009	2008
GOT contributions	\$ -	\$ 805,985
Memberships and lessons to be serviced in next fiscal year	78,023	42,747
	\$ 78,023	\$ 848,732

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Notes to Financial Statements (continued)

For the year ended December 31, 2009, with comparative figures for the period from commencement of operations on March 1, 2007 to December 31, 2008

8. Deferred revenue (continued):

Change in deferred revenue of GOT contributions is as follows:

	2009	2008
Balance, beginning of period	\$ 805,985	\$ -
Add:		
2006 Trust income received in December 2007	-	2,192,493
2007 Trust income received in June 2008	-	1,949,833
2007 annual distributable amount received in 2009	2,497,065	-
2008 annual distributable amount received in 2009	2,233,459	-
	5,536,509	4,142,326
Less:		
Revenue recognized in the period being equal to or less than the operating expenses incurred in the year:		
Pre-incorporation expenses incurred by the City to June 15, 2008 (note 2(a)(ii))	-	(688,164)
Expenses incurred June 16 - December 31, 2008	-	(2,648,177)
Expenses incurred in 2009	(5,536,509)	-
	(5,536,509)	(3,336,341)
Balance, end of period	\$ -	\$ 805,985

Revenue from GOT is comprised of:

	2009	2008
Revenue recognized from Trust income ((a) above)	\$ 805,985	\$ 3,336,341
2007 annual distributable amount received in 2009	2,497,065	-
2008 annual distributable amount received in 2009	2,233,459	-
	\$ 5,536,509	\$ 3,336,341

Applications have been made to GOT for the 2009 annual distributable amount. The Corporation will record this amount as revenue when it is approved by GOT and when the related expenses are incurred.

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Notes to Financial Statements (continued)

For the year ended December 31, 2009, with comparative figures for the period from commencement of operations on March 1, 2007 to December 31, 2008

9. Related party transactions:

The Corporation leases the Oval from the City for \$1 annually (note 3).

In 2008, the Corporation earned interest income of \$88,803 on the GOT funds held by the City.

Included in general and administration expenses is a management fee of \$60,000 to the City for the provision of city staff time in fiscal year 2009 (2008 - \$60,000).

Included in salaries and benefits expense is a charge of \$173,639 (2008 - \$85,130) relating to the costs of City staff time charged to the Corporation for services performed during 2009. Also included in the current year's salaries and benefits expenses is a recovery of \$126,000 for an adjustment of 2008 expenses charged by the City in the prior year.

During 2009, the Corporation received a grant from the City of \$1,050,000 (2008 - nil) (note 3(b)).

10. Share capital:

Share capital is comprised of:

Authorized:

Unlimited number of common shares without par value.

Issued:

One common share for cash of \$1 on June 16, 2008.

11. Pension plan:

The Corporation and its employees contribute to the Plan, a jointly trustee pension plan. The 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 defined. The Plan has about 158,000 active members and approximately 57,000 retired members. Active members include approximately 33,000 contributors from local governments.

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, 2006 indicated a surplus of \$438 million for basic pension benefits. The next actuarial valuation will be performed as at December 31, 2009 with results available in 2010. The actuary does not attribute portions of surplus to individual employers. During the current fiscal year the Corporation paid \$109,476 (2008 - \$15,799) for employer contributions to the Plan.

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Notes to Financial Statements (continued)

For the year ended December 31, 2009, with comparative figures for the period from commencement of operations on March 1, 2007 to December 31, 2008

12. Economic dependency:

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

13. Capital disclosures:

The Corporation's capital consists of its share capital and retained earnings. The Corporation's objective when managing capital is to safeguard its assets and to ensure that adequate capital is managed for future requirements. The procedures in place to achieve these goals include establishing effective internal controls, the review and approval of annual budgets and ongoing review of interim financial statements by the board of directors.

14. Comparative figures:

Certain comparative figures have been reclassified to conform with the current year's presentation.



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