

BC Games Society

2022/23

Annual Service Plan Report

August 2023



For more information the BC Games Society, please contact us at:

200-990 Fort Street

Victoria, B.C. V8V 3K2

(250) 387-1375

Or visit our website at: www.bcgames.org

Published by the BC Games Society

Board Chair's Accountability Statement



The BC Games Society 2022/23 Annual Service Plan Report compares the organization's actual results to the expected results identified in the 2022/23 – 2024/25 Service Plan published in 2022. I am accountable for those results as reported.

Signed on behalf of the Board by:

A handwritten signature in black ink, appearing to read 'N. Remesz', with a stylized flourish at the end.

Niki Remesz
Board Chair, BC Games Society
August 10, 2023

Table of Contents

Board Chair's Accountability Statement	3
Letter from the Board Chair & CEO	5
Purpose of the Annual Service Plan Report	6
Strategic Direction	6
Purpose of the Organization	6
Operating Environment	6
Report on Performance: Goals, Objectives, and Results	8
Financial Report	16
Appendix A: Progress on Mandate Letter Priorities	22
Appendix B: Auditor's Report and Audited Financial Statements	24

Letter from the Board Chair & CEO

On behalf of the BC Games Society's Board of Directors and staff, we are pleased to present our 2022/23 Annual Service Plan Report, which reflects the Society's performance over the past 12 months prior to March 31, 2023.

2022/23 was filled with unprecedented challenges and successes for the Society as our staff navigated postponements, a changing sport world and coast-to-coast activity to support the delivery of the Prince George 2022 BC Summer Games, the Greater Vernon 2022 BC Winter Games¹, the Niagara 2022 Canada Summer Games and Prince Edward Island 2023 Canada Winter Games in the span of nine months.

Amidst these challenges, BC Games Society staff not only upheld standards related to government priorities in the areas of reconciliation, safe sport, inclusion, and accessibility, but also implemented initiatives such as the *Culture of the Games* program and *Accessibility Audits* which accelerates our work in these areas.

Funding for the Society continues to be a challenge with rising costs associated with hosting Games and revenue sources continuing to be impacted by COVID-19 recovery and/or global economic downturn. The past year has provided valuable insights into volunteer recruitment, training and retention, which will shape our approach as we move forward to the 2024 BC Winter and BC Summer Games and the 2025 Canada Summer Games. The Society also welcomed three new board members and three new staff members. The busy year presented an excellent opportunity to onboard them and bring them up to speed.

Despite the challenges, it was exceptionally fitting that the Greater Vernon 2022 BC Winter Games, held in the final days of the reporting period covered by this report, marked incredible milestones. These include the celebration of the post-pandemic return of sport, the staging of multi-sport Games, and the plans for commemorating the 45th anniversary of BC Games.



Niki Remesz
Board Chair, BC Games Society
August 10, 2023



Alison Noble
President and CEO, BC Games Society
August 10, 2023

¹ Similar to the postponed Tokyo 2020 Olympic and Paralympic Summer Games, BC Games retained the year the games were originally scheduled in its title as opposed to the year the games were held.

Purpose of the Annual Service Plan Report

This annual service plan report has been developed to meet the requirements of the Budget Transparency and Accountability Act (BTAA), which sets out the legislative framework for planning, reporting and accountability for Government organizations. Under the BTAA, a Minister Responsible for a government organization is required to make public a report on the actual results of that organization's performance related to the forecasted targets stated in the service plan for the reported year.

Strategic Direction

The strategic direction set by Government in 2020 and expanded upon in the [Board Chair's 2021/22 Mandate Letter](#) from the Minister Responsible shaped the goals, objectives, performance measures and financial plan outlined in the [BC Games Society's 2022/23 – 2024/25 Service Plan](#) and the actual results are reported on in this annual report.

Purpose of the Organization

Established in 1977 by the B.C. Government under the Societies Act, the BC Games Society (the Society) oversees the biennial BC Winter Games and BC Summer Games. The Society also supports the participation of Team BC, the provincial team competing at Canada Games, in national multi-sport Games. Each of these Games provide opportunities for the development of athletes, coaches and officials in preparation for higher levels of competition. For host communities, the Games provide the chance to build or enhance their capacity to attract and deliver major events. Team BC's Mission Staff² are able to develop and enhance competencies such as leadership, teamwork, time management and organizational skills. BC Games also provide important economic and tourism benefits, allowing hosts to profile their communities and benefit from an economic impact in the range of \$1.6 million to \$2 million.

Operating Environment

The BC Games Society operates within a largely volunteer-based sector and events take place around the Province to ensure that all regions benefit from the positive outcomes of these events.

The severe weather impacts on Greater Vernon and the ongoing COVID-19 restrictions led to the decision to postpone the 2022 BC Winter Games, which were originally scheduled to take place in February 2022. Instead, the Games were held from March 23 to 26, 2023. To ensure that the postponement had as little effect on the sport pathway as possible, Society staff

² Mission Staff are individuals selected to assist sport organizations involved in the Games and/or perform specific duties (e.g., Communications, Medical, Chef de Mission) leading up to and during the Canada Games.

worked with sport organizations to extend age restrictions to allow athletes who would have attended the Games in 2022 to have the chance to attend in 2023.

The Canada Games were also affected by the COVID-19 pandemic as the Niagara 2021 Canada Summer Games were postponed to August 2022. This change meant that there were two Canada Games within the span of six months. Despite the short turnaround time, Team BC put together successful performances at both Games, and many of the Mission Staff who attended the Summer Games in Niagara were able to return for the Winter Games in Prince Edward Island.

The COVID-19 pandemic continues to impact community resources, including volunteer recruitment and funding support from local businesses. Additionally, the COVID-19 pandemic, along with inflationary factors, brought on additional challenges and costs over the last year (e.g. personal protective equipment, reduced facility capacities, increased transportation costs, food expenses, extra staff and hours to ensure vaccine card compliance).

After operating without a full complement of staff through the pandemic, the BC Games Society filled three vacancies to bring its staffing level back to 10 full-time employees. In doing so, this allowed the Society to better support host societies, Mission Staff, sport organizations, and participants at the BC Games and Canada Games.

Report on Performance: Goals, Objectives, and Results

Goal 1: Ensure effective management of BC Winter Games, BC Summer Games and Team BC

Objective 1.1: Build community capacity and individual professional development to host major events.

Key results

- Developed and delivered the [Culture of the Games](#) online module, thereby helping those associated with the BC Games and Team BC consider the roles they play in shaping the Games experience for everyone.
- Introduced new educational courses and programs – including cultural safety and inclusion awareness sessions – aimed at helping BC Winter and BC Summer Games organizing committee boards and volunteers prepare for the Games.
- Implemented new mandatory training for Team BC Mission Staff which included a gender equity course and new Canada Games-specific modules.
- Supported the delivery of the Prince George 2022 BC Summer Games, the Greater Vernon 2022 BC Winter Games, the Niagara 2022 Canada Summer Games and Prince Edward Island 2023 Canada Winter Games.
- Maintained high levels of volunteer satisfaction with training at the BC Winter Games and BC Summer Games.

Summary of progress made in 2022/23

The Society continued to work with its organizing committee comprised of volunteers to guide the implementation of standards and policies through a comprehensive transfer of knowledge program. This helped to foster an environment where individuals felt a sense of accomplishment, contribution and connection to the Games. Through the BC Games, and the Team BC program and related training, the Society continued to build a legacy of individuals with enhanced skills, abilities, expertise, and knowledge.

The Society was also actively involved in the leadership of the Domestic Franchise Holders Working Group. This Canada-wide working group consists of provincial/territorial multi-sport games organizations, international multi-sport games organizations and marquee sport event organizers. It promotes and facilitates best practices sharing amongst these organizations, enabling the Society to share these learnings with communities across British Columbia.

Performance measure(s) and related discussion

Performance Measure(s) ¹	2021/22 Actual ²	2022/23 Target	2022/23 Actual
(Games occurring in the fiscal year)	N/A	2022 BCSG, 2022 CSG, 2023 CWG, 2022 BCWG	
1.1a Volunteer satisfaction with online resource materials ³	N/A	85%	80%
1.1b # of Volunteers ⁴	N/A	2,500 ⁵	3,395 ⁶
1.1c Mission Staff satisfaction with information and awareness sessions for skill development ⁷	N/A	85%	86%

Note: Acronyms for BC Summer Games (BCSG), BC Winter Games (BCWG), Canada Summer Games (CSG) and Canada Winter Games (CWG) are being used to distinguish which calendar year set of Games occur in which fiscal year as performance measures may vary amongst type of Games.

Data source:

¹Performance Measure targets for 2023/24 and 2024/25 were stated in the 2022/23 service plan as 1.1a 87% and 90%; 1.1b 2,000 and 2,500; 1.1c n/a (Canada Games are not held in 2023/24 & 2024/25 fiscal years respectively). For forward-looking planning information, including current targets for 2023/24 – 2025/26, please see the latest service plan on the [BC Budget Website](#).

²The Greater Vernon 2022 BC Winter Games, originally scheduled for February of 2022, were postponed due to COVID-19 and took place in March 2023.

³Based on volunteer survey following each BC Games.

⁴BC Games ViewTEAM volunteer registration software. Volunteer requirements vary between BC Summer Games and BC Winter Games as more sports are involved in BC Summer Games.

^{5&6}This incorporates volunteers from both the Prince George 2022 BC Summer Games and Greater Vernon 2022 BC Winter Games which were both held in one fiscal year. Had both sets of games been held when originally scheduled, the target would be 4,500, not 2,500.

⁷Based on Mission Staff survey following each set of Canada Games (Canada Summer and Canada Winter Games are held every four years on an alternating schedule). Survey questions measured participant satisfaction with their full Canada Games experience.

The volunteer satisfaction with online resource materials (1.1a) metric with a target of 85 per cent was not achieved by five per cent. This can be attributed to a degree of volunteer burnout arising from the challenges of recruiting other volunteers post-pandemic, in addition to volunteers needing to be engaged for three years as opposed to a 1.5-year commitment due to the rescheduling of the Greater Vernon 2022 BC Winter Games.

Volunteer targets (1.2b) vary between the BC Winter and BC Summer Games and depend on community-specific factors, including the number of venues used, the level of prior sport hosting experience, and approach to scheduling and organizing volunteer responsibilities. Due to the lingering impacts of the pandemic adding new challenges to host communities in volunteer recruitment, the combined target of 4,500 volunteers for the Prince George 2022 BC Summer Games and the Greater Vernon 2022 BC Winter Games was not met. The Prince George and Greater Vernon organizing committees, however, were able to recruit enough volunteers – 2,015 and 1,380 individuals respectively – to sufficiently meet the needs of the Games.

The performance measure (1.1c) related to Mission Staff was added in 2020/21 to track progress of and reflect the Society's contribution to individual skills development. In 2022/23, the actuals exceeded the target. Skills development is supported through educational courses, ranging from cultural safety training to coaching certificates. The Society will use the Niagara 2022 Canada Games and the PEI 2023 Canada Winter Games metrics as baseline data in the future.

Objective 1.2: Provide inclusive and equitable pathways for athletes, coaches and officials to develop skills and achieve personal excellence.

Key results

- Continued progress on equity, diversity and inclusion initiatives including:
 - Ensuring all Society staff and Board members complete the mandatory Canadian Centre for the Protection of Children's *Commit to Kids* course, which provides training in keeping children safe;
 - Establishing a crisis communications hotline in place for both the BC Winter and BC Summer Games, enabling participants to report if they were experiencing harassment or witnessed anything unsafe.
- Established a successful partnership with Foundry BC, an organization providing mental health resources to youth across BC, that saw Foundry attend both the BC Summer and BC Winter Games to raise awareness of their support services.
- Engaged nine young coaches in the Coach Mentorship Program, providing leadership development and resources, and highlighting a pathway for young coaches to participate in future BC Games and Canada Games with Team BC.
- Facilitated Accessibility Audits in communities hosting the Games in partnership with the Rick Hansen Society, to assess venue accessibility, leading to facility upgrades at Lavington Elementary School, the host venue of Wheelchair Basketball at the Greater Vernon 2022 BC Winter Games. Recognizing the value of Accessibility Audits, Greater Vernon added three more non-Games facilities at their own cost.

Summary of progress made in 2022/23

In order to uphold a safe environment for all participants at the Games, the Society has adopted the [B.C. Universal Code of Conduct](#), which applies to all participants, and includes expectations related to appropriate and inappropriate behaviours. Through the implementation of the Culture of the Games initiative and providing specific training in safe sport practices to Society staff, Board, and volunteers involved in BC Games and Team BC operations, the Society continued to ensure positive, fair and safe experiences for all Games participants.

The BC Games are a stepping-stone for athletes, coaches, and officials to higher levels of competition and are integral to an athlete's performance pathway. By developing a

competition standard for athletes, coaches, and officials, the BC Games raise the standards of local competitions across the Province when participants return to their communities. In addition, the Society's work with key partners such as the Indigenous Sport, Physical Activity and Recreation Council (I•SPARC), viaSport and Provincial and Disability Sport Organizations, helps ensure that BC Games and Team BC reflect the perspectives and diversity of the sport sector and the Province as a whole.

Performance measure(s) and related discussion

Performance Measure(s) ¹	2021/22 Actual	2022/23 Target	2022/23 Actual
(Games occurring in the fiscal year)	N/A	2022 BCSG, 2022 CSG, 2023 CWG, 2022 BCWG	
1.2a BC Games head coaches are National Coaching Certification Program Competition Development certified ²	N/A	85%	89%
1.2b Percentage of BC Games participants with Indigenous heritage ³	N/A	7%	5.97%
1.2c Percentage of BC Games Alumni on Team BC (Canada Games) ⁴	N/A	50%	39.2%
1.2d Number of participants in the Coach Mentorship Program	N/A	10	9
1.2e Number of participants in the Society/ I•SPARC Indigenous program	N/A	50	37

Data source:

¹Performance Measure targets for 2023/24 and 2024/25 were stated in the 2022/23 service plan as 1.2a 85% and 85%; 1.2b 7% and 8%; 1.2c n/a (Canada Games are not held in 2023/24 and 2024/25 fiscal year); 1.2d 10 and 10; and 1.2e TBD and TBD, respectively. For forward-looking planning information, including current targets for 2023/24 – 2025/26, please see the latest service plan on the [BC Budget Website](#).

²Information provided by provincial organizations and Coaching Association of Canada.

³Self-declaration of Indigenous heritage as part of registration process (based on past participation and aiming to maintain and build to a new future standard).

⁴Comparison of Team BC registered athletes to BC Games past athlete data. Targets are only included in years where a Canada Games is scheduled.

Turnover or movement of coaches is typical at all levels of sport competition, and the targets for 1.2a recognizes a new cohort of coaches progressing to BC Games. This high standard of coach certification benefits communities when these coaches return home. In 2022/23, the head coach standard was surpassed by four per cent. This is likely due to increased down time for coaches and availability of courses during the pandemic, enabling coaches to upgrade their National Coaching Certification Program certification.

The performance measure for Indigenous participation at BC Games (1.2b) was not achieved in 2022/23 as Indigenous communities continued to face slow recovery of programming post-pandemic. Also of note, as this metric relies on participants having to self-identify, the Society also considers additional metrics such as the Indigenous program participation (1.2e) to

comprehensively determine Indigenous involvement in the Games. The Society continues to monitor Indigenous participation rates to inform I•SPARC on how it can identify gaps and growth opportunities at the Games.

Targets (1.2c) for BC Games alumni participation at the Canada Games are based on typical cycles of the Games. Due to the unusual circumstances of having four games (two BC Games and two Canada Games) within nine months, not all BC Games athletes were able to meet the Canada Games' age-eligibility criteria, resulting in fewer than expected numbers of athletes. The target of 50 per cent is historically the standard for B.C. athletes progressing from BC Games to Canada Games along the typical development pathway. The pandemic and the resulting postponements played a part in disrupting these pathways, although efforts were made to accommodate different ages to address these concerns.

The Coach Mentorship program (1.2d) saw continued success at both the BC Winter and BC Summer Games, with nine young coaches participating. The program is a partnership between viaSport BC, Canadian Sport Institute Pacific, and the BC Games Society and was first established in 2018. Built on an individualized approach for each mentee, the program is limited to 10 participants to ensure quality and the ability to give support to each mentee.

To ensure the BC Winter and BC Summer Games are accessible to all, the Society and I•SPARC developed agreements with some Provincial Sport Organizations to increase opportunities for Indigenous athletes, thereby increasing Indigenous participation. While the Society provides competition opportunities for Indigenous athletes and facilitates the partnership between Provincial Sport Organizations involved in BC Games and I•SPARC, the Society does not determine program expansion. Performance measures for 1.2e have not yet been met due to various external factors (e.g. postponement of BC Games, slow recovery of programming in Indigenous communities post-pandemic and severe weather impacts).

For reference, between Softball-Boys and Box Lacrosse, there were 35 participants in the program at the Prince George 2022 BC Summer Games and two at the Greater Vernon 2022 BC Winter Games. The Greater Vernon performance measure was impacted by Indigenous athletes not being available due to the challenges of promoting the opportunity to all Indigenous communities across the Province. The Society will continue to work with I•SPARC, to find ways to better communicate participation opportunities in the Games, thereby supporting the Province's commitment to Truth and Reconciliation Calls to Action, the BC Declaration Act and the United Nations Declaration on the Rights of Indigenous Peoples.

Goal 2: Undertake Entrepreneurial Activities and Cost-efficiencies to Support Financial Sustainability and Program Enhancement

Objective 2.1: Ensure financial and sport legacies for host communities.

Key results

- Provided leadership to the host communities' budgets, enabling them to successfully invest \$190,000 into sport competitions at the Games and create a lasting sport legacy.
- Supported the host communities in engaging local businesses to raise funds for the Games that also contributed to the financial legacy of the event.
- Committed an additional \$1.5 million in funding to support five confirmed upcoming host communities, providing direct assistance to alleviate cost pressures.
- Facilitated Accessibility Audits in communities hosting the Games in partnership with the Rick Hansen Society, to assess venue accessibility. This led to facility upgrades at Lavington Elementary School, the host venue of Wheelchair Basketball at the Greater Vernon 2022 BC Winter Games. Following these audits, Greater Vernon added three non-Games city facilities at their own cost.

Summary of progress made in 2022/23

The Society's entrepreneurial activities over the past year included working to achieve cost-efficiencies in both the Society's and host organizing committees' operating budgets. The Society continues to identify efficiencies within its business delivery model, including increased virtual and remote work with host communities across the province. As well, merchandise sales at BC Winter Games and BC Summer Games directly benefitted the host communities' legacies, providing additional revenue to go towards bursaries, facilities, and equipment.

Performance measure(s) and related discussion

Performance Measure(s) ¹	2021/22 Actual	2022/23 Target	2022/23 Actual
(Games occurring in the fiscal year)	N/A	2022 BCSG, 2022 BCWG	
2.1a \$ from Games' operating budget invested to deliver sport competitions ²	N/A	\$80,000	\$190,000
2.1b \$ financial legacy (surplus from operating budget that is invested in post-Games sport development and infrastructure) ³	N/A	\$75,000	Not Available

Data source:

¹PM targets for 2023/24 and 2024/25 were stated in the 2022/23 service plan as 2.1a \$60,000 and \$80,000 and 2.1b \$40,000 and \$60,000, respectively. For forward-looking planning information, including current targets for 2023/24 – 2025/26, please see the latest service plan on the [BC Budget Website](#).

²From host society operating budgets.

³Based on legacies fund disbursements by the host society. At present, note that neither Games has distributed their legacy.

The Society plays an active role in ensuring that host communities develop reasonable budgets that enable them to deliver successful sport competitions. The operating budgets invested to deliver sport competitions' performance measure (2.1a) for the Prince George 2022 BC Summer Games and the Greater Vernon 2022 BC Winter Games were \$80,000 and \$60,000 respectively. Over the past two Games, \$190,000 from the operating budget was used to execute sport competitions and contribute to the sport legacy in the host communities. This was due in part to the 2022 BC Winter Games being moved from 2021/22 to 2022/23. In addition, as BC Games move from one community to the next, variances are expected based on the host communities' experience, priorities, and resources-at-hand.

Neither the Prince George 2022 BC Summer Games nor the Greater Vernon 2022 BC Winter Games have distributed their legacy and will do so in the coming year. As a result, there is no figure to report for the performance measure listed in 2.1b. The two Games were successful in their fundraising efforts in the community, raising a total of \$353,384 in cash that will contribute to a strong financial legacy of the Games.

Objective 2.2: Leverage the Province's investment with corporate partners, local government and business contributions and other cost-efficiencies.

Key results

- Established a new partnership with Canadian Tire's Jumpstart Charities to provide 16 Leadership Bursaries at the Greater Vernon 2022 BC Winter Games.
- Oversaw a successful Prince George 2022 BC Summer Games where the host community secured \$300,000 in cash contributions from partners.

- Signed updated agreements with existing provincial corporate sponsors – Global BC and Black Press Media – to ensure continued profile and value in-kind contributions.

Summary of progress made in 2022/23

The Society's guidance to host communities helped to ensure that their operational budgets were well-managed and allowed for a surplus that can be reinvested into sport programs or other legacies. The operational budget also provides funding for purchases required to deliver the Games – such as scoreboards, technical equipment, supplies – which remain with the community for their use.

This guidance contributed to the overall economic impact of hosting the Games in the past fiscal year. As well, by providing this guidance to host societies and continuing to attract private, corporate and other investments in the [Powering Potential Fund](#) and by helping host societies develop Legacy Funds, the Society continues to help make sport more affordable for British Columbians.

Performance measure(s) and related discussion

Performance Measure(s) ¹	2021/22 Actual	2022/23 Target	2022/23 Actual ¹
(Games occurring in the fiscal year)	N/A	2022 BCSG, 2022 BCWG	
2.2a Value in-kind sourced (e.g. mixed media ad value, donated/discounted goods and services, etc.) ²	N/A	\$210,000	\$280,000
2.2b Corporate Partnerships (cash contribution) ³	\$0	\$10,000	\$16,000
2.2c Cash and value-in-kind (VIK) generated by host organizing committees ⁴	N/A	\$60,000 cash ⁵ \$500,000 VIK ⁶	\$301,649 ⁷ cash \$341,377 ⁸ VIK

Data source:

¹Performance Measure targets for 2023/24 and 2024/25 were stated in the 2022/23 service plan as TBD for 2.2a and 2.2b and \$40,000 cash/\$300,000 VIK in 2023/24 and \$60,000 cash/\$500,000 VIK in 2024/25. For forward-looking planning information, including current targets for 2023/24 – 2025/26, please see the latest service plan on the [BC Budget Website](#).

²Values determined through contract and/or partner supplied values.

³A new partnership with Jumpstart (Canadian Tire) was implemented for Greater Vernon Games to support Leadership Awards.

⁴From host society's (organizing committee's) audited financial statements.

^{5&6}These targets are for the Prince George 2022 BC Summer Games only as stated in the 2022/23 BC Games service plan. The targets for the Greater Vernon 2022 BC Winter Games (which were moved from the 2021/22 fiscal year to the 2022/23 fiscal year) were stated as "TBD" in the 2021/22 BC Games service plan.

^{7&8}These amount are for the Prince George 2022 BC Summer Games and doesn't include the Greater Vernon Games as the host society financial audit is not yet complete.

The value in-kind (2.2a) performance measure was exceeded by \$70,000 in 2022/23 as a result of the Society renewing agreements with long-time corporate partners Global BC and Black Press Media in order to ensure continued profile of BC Games via television, digital and print media. Both were active in Prince George and Greater Vernon, participating in festivities such as the Opening Ceremony and providing extensive coverage of sport competitions. These

partnerships are essential for expanding the awareness of the Games and the sport pathways that they enable for athletes, coaches, and officials from around the province.

The Society's corporate partnership (2.2b) cash contribution was exceeded in 2022/23 by \$6,000, from establishing a new partnership with Canadian Tire's Jumpstart Charities program to support the Leadership Bursaries formerly sponsored by Coast Capital. This partnership not only increased the Society's cash contributions, but also increased the bursary amount awarded from \$500 to \$1,000. Jumpstart Charities staff were invited to the Greater Vernon 2022 BC Winter Games where they were able to present several awards and interact with athletes, coaches, and local volunteers.

The cash and value-in-kind contributions (2.2c) identified in the table above reflect targets set in the 2022/23 service plan. At that time, only the Prince George 2022 BC Summer Games were to be held in the 2022/23 fiscal year as the Greater Vernon 2022 BC Winter Games which were to be held in February 2022 were postponed due to the COVID-19 pandemic and severe weather impacts. The 2021/22 service plan performance measures (2.2c) were to be determined if and when the Greater Vernon games were rescheduled.

The Greater Vernon 2022 BC Winter Games were subsequently rescheduled from the 2021/22 fiscal year into the 2022/23 fiscal year (i.e. held March 23-26, 2023). Due to potential ongoing external factors (e.g. slow recovery from COVID-19 pandemic, time constraints of rescheduled games on local fund-raising) targets were not set. For reference, BC Winter Games' targets are typically \$40,000 for cash contributions and \$300,000 in value-in-kind. Amounts for the Greater Vernon games are not available as the host society's audit is not yet complete.

The Prince George 2022 BC Summer Games cash and value-in-kind (2.2c) performance measures were \$60,000 and \$500,000, respectively. The host society's total cash and value-in-kind contributions exceeded expectations by \$83,026 with cash contributions providing \$301,649 and value-in-kind contributions providing \$341,377 thanks to the Prince George 2022 BC Summer Games' Friends of the Games program. Through this locally-recruited sponsorship program, each host organizing committee can generate budget savings. Fifty per cent of those savings return to the Society for future BC Games, while the other half remains in the community as a portion of the post-Games legacy investment.

Future targets for local cash and value-in-kind contributions will be combined for better clarity and to reflect the fact that host organizing committees put varying priority on cash versus value-in-kind contributions.

Financial Report

For the auditor's report and audited financial statements, see Appendix B. These documents can also be found on the BC Games Society's website.

Discussion of Results

During this period covered by this annual report, the BC Games Society supported (delivery of or in preparation for) the:

- Greater Vernon 2022 BC Winter Games (March 23-26, 2023)
- Prince George 2022 BC Summer Games (July 21-24, 2022)
- Niagara 2022 Canada Summer Games (August 6-21, 2022)
- Prince Edward Island 2023 Canada Summer Games (February 18-March 5, 2023)
- Lhtako Quesnel 2024 BC Winter Games (February 22-25, 2024)
- Maple Ridge 2024 BC Summer Games (July 18-21, 2024)

The Society has reviewed the final financial statements for the Prince George 2022 BC Summer Games. This community was successful in their fundraising efforts, and with conservative financial management, achieved a financial legacy of \$348,021 of which \$166,508 will be forwarded to the Society as part of the overarching funding agreement.

Greater Vernon 2022 BC Winter Games (held in March 2023) does not have a final financial audit at this time.

Through the Province's provision of \$1.5 million of year-end funding, the Society was able to provide early payments of Operating Grants to Lhtako Quesnel 2024 BC Winter Games and Maple Ridge 2024 BC Summer Games, which will reduce the financial burden on the Society in the coming year.

Financial Summary

(\$000s/\$m)	2021/22 Actual	2022/23 Budget	2022/23 Actual	2022/23 Variance
Revenues				
Province of BC Grant	2,013	2,013	3,573	1,560
Team BC Grant	158	250	684	434
Corporate Partner Income	0	20	16	(4)
Other Income & Recoveries	66	530	1,453	923
Total Revenue	2,237	2,813	5,726	2,913
Expenses				
Grants	565	470	1,810	1,340
Games Operations ²	238	908	1,639	731
Salaries and Benefits	736	937	955	18
Board Expenses	(1)	13	17	4
Administration	218	296	1,419	1,123
Lease Costs	144	185	155	(30)
Total Expenses	1,900	2,809	5,995	3,186
Annual Surplus (Deficit)	337	4	(269)	(273)
Capital Expenditures	(50)	18	29	11
Total Liabilities	768	21	377	356
Accumulated Surplus (Deficit)³	1,013	691	743	52

¹ The above financial information was prepared based on current Generally Accepted Accounting Principles.

² Team BC operating costs included in Games Operations.

³ Accumulated surplus includes \$148,903 in tangible assets, \$300,000 internally restricted cash, and \$294,233 unrestricted cash.

Variance and Trend Analysis

Province of BC Grant

With the receipt of \$1.5 million from the Province's year-end contingency funding, there was a significant change in the Province of BC Grant. All of these funds were dispersed to five Host Societies as noted under Grants in Expenses.

Team BC Grant

Due to the staging of both the Canada Summer Games and the Canada Winter Games within an eight-month window, additional funds were secured from the Team BC contingency fund (currently held by viaSport). The expenses associated with staging two Games within eight months are noted under Games Operations resulting in a significant increase for this line item.

Other Income & Recoveries

With two Canada Games within the fiscal, provincial sport organizations participating in these Games provided the Society with income to pay for ceremonial uniforms for both Games. The Prince George 2022 BC Summer Games also secured a larger financial surplus than expected – 50 per cent of which was returned to the Society.

Administration

With the servicing of four Games within one fiscal year, administration costs were higher.

Staffing

FTEs	2021/22	2022/23	Variance	Comments
	8	10	2	Due to the departure of staff in 2021, these positions were filled in 2022 to make a full complement of ten staff.

Risks and Uncertainties

Risks	Actions to Mitigate
<p>The Society relies on third-party provincial sport organizations (PSOs) selection and training of athletes, coaches and officials. There is a small risk that these activities are not aligned or consistent with BC Games Society policies and procedures.</p>	<p>Through long-term and consistent communication and written agreements with individual PSOs, the Society worked to ensure clear understanding of expectations, policies and practices as they relate to Games participation and services delivered by the Society, the host organizing committee and the sport organization. The Society worked with each PSO to assess capacity and future participation.</p>
<p>The Society faces fiscal pressures due to significantly higher transportation costs for athletes associated with hosting the 2022 BC Summer Games in Prince George.</p>	<p>The Society continued to work to manage pressures within the BC Games' cycles.</p>
<p>Adherence to BC Games' safety policies (e.g. harassment and abuse, etc.) is reliant on PSOs and host communities' commitment to provide safe, inclusive, ethical and positive experiences.</p>	<p>There has been an enhanced focus on safety in sport within the BC Games to ensure all participants, sport organizations and host organizing committees are informed of their role in making the BC Games safe, inclusive, ethical and positive experiences for all those involved. This included a specific focus on preventing harassment and abuse. The <i>Culture of the Games</i> program was expanded and made mandatory for all participants (athletes, coaches, managers and officials). The Society continued to work with government, viaSport and other partners on safe sport.</p>
<p>The Canadian Sport for Life's long-term athlete development continuum sets out the BC Games and Team BC competitions as important milestones for athletes, coaches, and officials. If Provincial Sport Organizations (PSOs) do not value the Games as opportunities for their members to develop and participate then the ability to achieve these milestones is impacted.</p>	<p>The Society staff worked closely with PSOs to ensure they maximize opportunities for athletes, coaches and officials as they relate to BC Games and Team BC readiness and competitions. The Society met with PSOs after each Games to review their experience at the Games and find ways to add value to their competitions such as Indigenous participation and coach mentorship programming.</p>

Risks	Actions to Mitigate
<p>In all instances of the BC Games Society's involvement, there is an underlying assumption that municipalities and school districts wish to host the Games. This may be challenged during times of economic downturn, competing demands on resources (volunteers or other hosting efforts) and/or other civic priorities.</p>	<p>The Society continued to market the positive economic and social opportunities associated with hosting the BC Winter and/or BC Summer Games. Province-wide outreach was enacted to ensure all communities are aware of the benefit of hosting a BC Games. The Society assisted host societies with budget management and technology support as well as information such as hosting guidelines and fundraising best practices.</p>
<p>The COVID-19 pandemic may have lingering effects on events (e.g. increased costs for PPE, facility rental, travel, volunteer and sponsorship recruitment, etc.). This may impact the Society's and host organizing committees' budgets, as well as the potential to cancel the Games due to outbreak concerns. This will require a thorough decommissioning plan.</p>	<p>The Society enacted a comprehensive Return to Games plan in place along with a Vaccination Policy. There are many modifications in place to ensure the Games are safe for all. The Society continued to monitor Provincial Health Officer and local health authorities' orders and guidelines, identify associated budget implications, and worked to address through operational plans and budget management.</p>

Appendix A: Progress on Mandate Letter Priorities

The following is a summary of progress made on priorities as stated in the 2021/22 Mandate Letter from the Minister Responsible.

2021/22 Mandate Letter Priority	Status as of March 31, 2023
Support Government's COVID-19 recovery efforts by enhancing alignment with B.C.'s Sport Framework Pathways to Sport, as well as the Strategic Framework for Tourism in B.C., with a focus on building event-hosting capacity within host communities and helping them to build their reputations as sport event destinations.	<ul style="list-style-type: none"> The Society continues to work with host communities to build lasting legacies from the Games, including venue accessibility upgrades and the building of new facilities using legacy funds.
In collaboration with the Indigenous Sport, Physical Activity and Recreation Council (I•SPARC), support true and lasting reconciliation by increasing sport and other opportunities for Indigenous peoples and providing support to I•SPARC in preparation for the next North American Indigenous Games.	<ul style="list-style-type: none"> The Society continues to work closely with I•SPARC to identify opportunities for increasing Indigenous representation at the Games. Host community Boards must include representation of local Indigenous communities to ensure appropriate representation and promote educational opportunities for reconciliation. In recognition of the partnership between the community of Quesnel and Lhtako Dene Nation, the Society announced that the 2024 BC Winter Games will officially be named the Lhtako Quesnel 2024 BC Winter Games.
Continue to make sport opportunities affordable for Games participants.	<ul style="list-style-type: none"> The Society continues to fund travel and ensures that the Games are accessible for all, including those coming from the farthest areas of the province.

2021/22 Mandate Letter Priority	Status as of March 31, 2023
<p>Implement and/or strengthen policies and practices that help increase diverse participation in the BC Games and ensure positive, accessible and inclusive experiences for all those involved.</p>	<ul style="list-style-type: none"> • The Society implemented a mandatory Culture of the Games module for the BC Summer Games and BC Winter Games to draw attention to the policies and practices contained within the BC Games Code of Conduct. • Society staff have been mandated to complete Gender-Based Analysis Plus (GBA+) training as part of their roles.
<p>Continue to focus on preventing and addressing harassment and abuse in alignment with viaSport's Play Safe BC initiative.</p>	<ul style="list-style-type: none"> • The Society implemented a Crisis Communications Plan that included a crisis hotline that participants could call if they felt unsafe at the Games. • The Society continues to grow the Culture of the Games program to promote inclusion, emphasize values consistent with viaSport's Play Safe BC initiative, and help tackle systemic discrimination in all its forms.

Appendix B: Auditor's Report and Audited Financial Statements

Financial Statements of

BC GAMES SOCIETY

Year ended March 31, 2023

BC GAMES SOCIETY

Management's Responsibility for the Financial Statements

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements. A summary of the significant accounting policies are described in Note 2 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced. The internal controls are designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements.

The Board of Directors are responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control, and exercises these responsibilities, in part, through the Audit Committee. The Board reviews internal financial statements on a monthly basis and external audited financial statements yearly. The Board also discusses any significant financial reporting or internal control matters prior to their approval of the financial statements.

The external auditors, Dusanj & Wirk Chartered Professional Accountants, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of BC Games Society and meet with the Audit Committee at least annually. The accompanying Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the financial statements.

On behalf of BC Games Society



Alison Noble

President and Chief Executive Officer

INDEPENDENT AUDITORS' REPORT

**To: The Board of Directors of BC Games Society
The Minister of Tourism, Arts, Culture & Sport**

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of BC Games Society (the "Society"), which comprise the statement of financial position as at March 31, 2023 and the statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year ended March 31, 2023 and a summary of significant accounting policies and other explanatory information.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Society as at March 31, 2023 and the results of its operations and changes in net financial assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Report on Other Legal and Regulatory Requirements

As required by the Societies Act (British Columbia), we report that, in our opinion, the accounting principles in Canadian public sector accounting standards have been applied on a basis consistent with that of the preceding year.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism through the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material

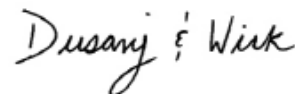


misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Victoria, B.C.
May 10, 2023



Chartered Professional Accountants

BC GAMES SOCIETY

Statement of Financial Position

March 31, 2023, with comparative figures as at March 31, 2022

		2023	2022
Financial assets			
Cash and cash equivalents		\$ 494,147	\$ 786,812
Short term investments	(Note 3)	-	666,000
Accounts receivable		423,689	27,270
Due from government organizations	(Note 4)	23,607	5,010
		941,443	1,485,092
Liabilities			
Accounts payable and accrued liabilities	(Note 5)	376,842	578,528
Deferred contributions	(Note 8)	-	189,359
		376,842	767,887
Net financial assets		564,601	717,205
Non-financial assets			
Tangible capital assets	(Note 6)	148,903	170,618
Prepaid expenses		29,632	124,833
		178,535	295,451
Accumulated surplus	(Note 7)	\$ 743,136	\$ 1,012,656
Contractual obligations	(Note 13)		
Contingent assets	(Note 14)		

See accompanying notes to financial statements.

APPROVED BY THE BOARD



Two blue ink signatures are written over two horizontal lines. The first signature is a cursive-style name, and the second is a more stylized, blocky signature.

BC GAMES SOCIETY

Statement of Operations and Accumulated Surplus

Year ended March 31, 2023, with comparative figures for 2022

		Budget (Note 2(k))	2023	2022
Revenue:				
Province of British Columbia grants	(Note 10)	\$ 2,012,500	\$ 3,572,500	\$ 2,012,500
ViaSport contribution for Team BC		250,000	684,411	158,087
Athlete registration		522,900	521,177	-
Surplus recoveries	(Note 11)	75,000	-	3,304
Funding partners		10,000	16,000	-
Powering Potential Fund grants	(Note 12)	535,376	535,367	-
Interest earned		15,000	14,585	4,103
Other (loss) revenue		-	27,981	15,692
Provincial Sports Organization revenue		-	354,354	-
Contractual revenues		-	-	43,660
		3,420,776	5,726,375	2,237,346
Expenses:	(Note 12)			
General operating costs		1,811,100	2,556,409	1,256,299
Games operating costs		1,786,251	1,629,486	78,728
Operating grants		185,000	1,810,000	565,000
		3,782,351	5,995,895	1,900,027
Annual surplus (deficit)		(361,575)	(269,520)	337,319
Accumulated surplus, beginning of year		1,012,656	1,012,656	675,337
Accumulated surplus, end of year		\$ 651,081	\$ 743,136	\$ 1,012,656

See accompanying notes to financial statements.

BC GAMES SOCIETY

Statement of Changes in Net Financial Assets

Year ended March 31, 2023, with comparative figures for 2022

	Budget (Note 2(k))	2023	2022
Annual surplus (deficit)	\$ (361,575)	\$ (269,520)	\$ 337,319
Acquisition of tangible capital assets	(18,000)	(29,040)	(49,560)
Proceeds on sale of tangible capital assets	-	-	15,950
Amortization of tangible capital assets	40,000	50,573	50,929
(Gain)/Loss on disposal of tangible capital assets	-	182	(15,692)
	22,000	21,715	1,627
Acquisition of prepaid expenses	-	(32,400)	(27,669)
Use of prepaid expenses	-	127,601	50,130
	-	95,201	22,461
Increase (decrease) in net financial assets	(339,575)	(152,604)	361,407
Net financial assets, beginning of year	717,205	717,205	355,798
Net financial assets, end of year	\$ 377,630	\$ 564,601	\$ 717,205

See accompanying notes to financial statements.

BC GAMES SOCIETY

Statement of Cash Flows

Year ended March 31, 2023, with comparative figures for 2022

	2023	2022
Cash provided by (used in):		
Operating activities:		
Annual surplus (deficit)	\$ (269,520)	\$ 337,319
Items not involving cash:		
Amortization of tangible capital assets	50,573	50,929
(Gain)/loss on disposal of tangible capital assets	182	(15,692)
Change in non-cash operating working capital:		
Decrease (increase) in accounts receivable	(396,420)	(23,154)
Decrease (increase) in due from government organizations	(18,597)	4,054
Decrease (increase) in prepaid expenses	95,201	22,461
Increase (decrease) in accounts payable and accrued liabilities	(201,685)	162,906
Increase (decrease) in deferred contributions	(189,359)	168,359
Net change in cash from operating activities	(929,625)	707,182
Capital activities:		
(Cash used) to acquire tangible capital assets	(29,040)	(49,560)
Proceeds on sale of tangible capital assets	-	15,950
Net change in cash from capital activities	(29,040)	(33,610)
Investing activities		
Decrease (increase) in short term investments	666,000	(366,000)
Net change in cash from investing activities	666,000	(366,000)
Net change in cash and cash equivalents	(292,665)	307,572
Cash and cash equivalents, beginning of year	786,812	479,240
Cash and cash equivalents, end of year	\$ 494,147	\$ 786,812

See accompanying notes to financial statements.

BC GAMES SOCIETY

Notes to Financial Statements

Year ended March 31, 2023, with comparative figures for 2022

1. Nature of operations

The Society is incorporated under the Societies Act of British Columbia. Currently, the purpose of the Society is to provide event management leadership to achieve sport, individual and community development and to manage the operations of Team BC, which is a team of athletes, coaches, managers, and mission staff that is assembled by the Province of British Columbia to represent the province at Canada's various multi-sport events.

Approximately 62% of the Society's annual revenues are received from the Province of British Columbia with the remainder generated from corporate sponsors, contributions from other societies, surpluses from host societies, athlete registration fees, contract service and interest.

The BC Winter Games and the BC Summer Games are planned and operated by societies incorporated in the host community for each event. These financial statements do not reflect the revenues and expenditures of the local societies.

BC Games Society is exempt from income taxes under the Income Tax Act.

2. Summary of significant accounting policies

The term "Society" is used to mean the BC Games Society.

(a) Basis of accounting

The accompanying financial statements are prepared in accordance with Public Sector Accounting Board standards of the Chartered Professional Accountants of Canada without any elections to follow standards for government not-for-profit organizations.

(b) Cash and cash equivalents

Cash and cash equivalents include cash on hand and highly liquid investments with a term to maturity of three months or less at acquisition. These investments are held for the purpose of meeting short term cash commitments rather than investing.

(c) Short term investments

Short term investments include investments with maturities that are capable of prompt liquidation and are cashable on demand.

(d) Financial instruments

The Society's financial instruments include cash and cash equivalents, short term investments, accounts receivable, amounts due from government organizations, accounts payable and accrued liabilities.

All financial instruments are measured at amortized cost using the effective interest method. Gains and losses are recognized in the Statement of Operations and Accumulated Surplus when these financial instruments are derecognized due to disposal or are impaired. Transaction costs related to the acquisition of these financial instruments are included in the cost of the related instruments.

BC GAMES SOCIETY

Notes to Financial Statements

Year ended March 31, 2023, with comparative figures for 2022

2. Summary of significant accounting policies (continued)

(d) Financial instruments (continued)

The Society does not have any financial instruments, such as portfolio investments that are quoted in an active market or derivative instruments, which are valued at fair value, and therefore, no Statement of Remeasurement of Gains and Losses has been included.

(e) Non-financial assets

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

(i) Tangible capital assets

Tangible capital assets are recorded at cost, which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets, is amortized on a straight-line basis over their estimated useful lives, as follows:

Asset	Basis	Rate
Computers and application software	Straight Line	3 – 5 Years
Registration software and computer cabling	Straight Line	5 Years
Bedding, torch, flags and signs for host societies	Straight Line	12 years
Furniture and equipment	Straight Line	10 years
Leaseholds	Straight Line	over the term of the lease

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Society's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value.

(ii) Works of art, historic assets, and intangibles

Works of art, historic assets, intangible assets and items that have been purchased, developed, or inherited in right of the Crown are not recorded as assets in these financial statements.

(iii) Inventories held for use

Inventories held for use are recorded at the lower of cost and replacement cost.

Cost includes the original purchase cost, plus shipping and applicable duties. Replacement cost is the estimated current price to replace the items.

BC GAMES SOCIETY

Notes to Financial Statements

Year ended March 31, 2023, with comparative figures for 2022

2. Summary of significant accounting policies (continued)

(f) Revenue recognition

Revenues are recognized in the period in which the transactions or events occurred and gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the Statement of Operations and Accumulated Surplus as the stipulated liabilities are settled.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose. Restricted contributions that must be maintained in perpetuity are recorded as revenue when received or receivable, and are presented as non-financial assets in the Statement of Financial Position.

Revenue related to fees or services received in advance of the fee being earned or the service being performed is deferred and recognized when the fee is earned or service is performed.

Donated or discounted goods and services are recorded at fair value.

Receipt of surplus from BC Summer and BC Winter Games societies are recorded at the earlier of cash receipt and final determination of the amount of the surplus.

Investment income includes interest recorded on an accrual basis, realized gains and losses on the sale of investments, and write-downs on investments where the loss in value is determined to be other-than-temporary.

(g) Provincial contributions

The financial statements do not reflect certain administrative expenses incurred and paid directly by the Province of British Columbia in the delivery of the games.

(h) Legacy Funds – host societies

Host societies retain 100% of profits from merchandise sales and 50% of their operating surplus, if any, and all interest earned as part of their legacy fund.

(i) Grants to host societies

Grants to host societies are recorded as an expense when disbursement of funds has been authorized, eligibility criteria have been met and a reasonable estimate of the amount can be made.

BC GAMES SOCIETY

Notes to Financial Statements

Year ended March 31, 2023, with comparative figures for 2022

2. Summary of significant accounting policies (continued)

(j) Use of estimates

The preparation of the financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets, liabilities, and related disclosures at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Key areas where management has made estimates and assumptions include those related to the useful life of tangible capital assets and commitments. Where actual results differ from these estimates and assumptions, the impact will be recorded in future periods when the difference becomes known.

(k) Budget figures

Annual budget figures are determined by the Society's CEO based on approved funding available, as well as the geographical location of the Society's upcoming games to reflect travel and accommodation expenses for staff and athletes. The Society's budget for fiscal year 2023 was approved by the Board of Directors in May 2022. This budget is reflected in the Statement of Operations and Accumulated Surplus and the Statement of Changes in Net Financial Assets.

(l) Changes in accounting policies

PS 3280 was issued in August 2018 and was established to guide public sector entities on how to account for and report legal obligations associated with the retirement of tangible capital assets. This standard was effective April 1, 2022.

The Society has determined that it does not have any asset retirement obligations as at March 31, 2023.

(m) Future accounting standards

The Public Sector Accounting Board (PSAB) which sets accounting standards for Canadian public sector entities has approved the following new accounting standards not yet implemented by the BC Games Society.

PS 3400 – Revenue

PS 3400 was issued in November 2018 and established standards on how to account for and report on revenue. Specifically it differentiates between revenue arising from transactions that include performance obligations and transactions that do not have performance obligations. Either a retrospective or prospective application is required for annual periods beginning on or after April 1, 2023 with early adoption permitted.

The Society is currently assessing the impact of PS 3400 and plans to adopt the new standard on the required effective date. It does not expect to have any changes due to this new standard.

BC GAMES SOCIETY

Notes to Financial Statements

Year ended March 31, 2023, with comparative figures for 2022

3. Short term investments

All short term investments matured during fiscal 2023.

4. Due from other government organizations

The amount due from other government organizations pertains to Goods and Services Taxes (GST) which has been paid on the Society's purchases and expenses, net of GST collected from athlete registration revenue.

5. Accounts payable and accrued liabilities

	2023	2022
Trade accounts payable	\$ 18,332	\$ 2,234
Salaries and benefits payable	20,443	17,339
Accrued vacation pay	44,621	8,189
Society operating grant	250,000	515,000
Other accrued liabilities	43,446	35,766
	<u>\$ 376,842</u>	<u>\$ 575,528</u>

6. Tangible capital assets

	Registration software	Computers	Bedding, torch, flags and signs for host societies	Furniture and equipment	Leasehold improvements	2023 Total
Cost						
Opening balance	\$500,436	\$115,813	\$279,579	\$70,166	\$30,024	\$996,018
Additions	19,871	7,165	-	978	1,026	29,040
Disposals	-	(4,682)	(208)	-	-	(4,890)
Closing balance	520,308	118,296	279,370	71,144	31,049	1,020,168
Accumulated amortization						
Opening balance	444,363	88,563	206,564	60,284	25,626	825,400
Amortization	20,556	15,474	10,542	2,183	1,819	50,573
Disposals	-	(4,682)	(26)	-	-	(4,708)
Closing balance	464,919	99,355	217,080	62,467	27,444	871,265
Net book value	<u>\$55,389</u>	<u>\$18,941</u>	<u>\$62,291</u>	<u>\$8,677</u>	<u>\$3,605</u>	<u>\$148,903</u>

Bedding, torch, flags and signs for host societies includes \$3,717 (cost of \$12,745, net of accumulated amortization of \$9,028) of flags and signs for Team BC.

BC GAMES SOCIETY

Notes to Financial Statements

Year ended March 31, 2023, with comparative figures for 2022

6. Tangible capital assets (cont'd)

	Registration software	Computers	Bedding, torch, flags and signs for host societies	Furniture and equipment	Leasehold improvements	2022 Total
Cost						
Opening balance	\$486,180	\$116,416	\$267,442	\$70,166	\$30,024	\$970,228
Additions	14,256	7,217	28,087	-	-	49,560
Disposals	-	(7,820)	(15,950)	-	-	(23,770)
Closing balance	500,436	115,813	279,579	70,166	30,024	996,018
Accumulated amortization						
Opening balance	425,458	80,649	210,642	57,324	23,910	797,983
Amortization	18,905	15,476	11,872	2,960	1,716	50,929
Disposals	-	(7,562)	(15,950)	-	-	(23,512)
Closing balance	444,363	88,563	206,564	60,284	25,626	825,400
Net book value	\$56,073	\$27,250	\$73,015	\$9,882	\$4,398	\$170,618

Bedding, torch, flags and signs for host societies includes \$4,779 (cost of \$12,745, net of accumulated amortization of \$7,996) of flags and signs for Team BC.

7. Accumulated surplus

	2023	2022
Investment in tangible capital assets	\$ 148,903	\$ 170,618
Operating surplus	294,233	517,038
Internally restricted surplus (below)	300,000	325,000
	<u>\$ 743,136</u>	<u>\$1,012,656</u>
Internally restricted surplus		
	2023	2022
Balance, beginning of the year	\$ 325,000	\$ -
Restricted during the year	300,000	325,000
Used during the year	(325,000)	-
	<u>\$ 300,000</u>	<u>\$ 325,000</u>

The Board has internally restricted \$300,000 of the accumulated operating surplus for costs related to future software development.

BC GAMES SOCIETY

Notes to Financial Statements

Year ended March 31, 2023, with comparative figures for 2022

8. Deferred contributions

The prior year deferred contributions comprise of funds restricted for the Niagara Canada Summer Games in fiscal 2023 and Team BC.

	2023	2022
Balance, beginning of year	\$189,359	\$ 21,000
Contributions received during the year	-	168,359
Revenue recognized from deferred contributions	189,359	-
Balance, end of year	\$ -	\$189,359

9. Financial risk management

The Society has exposure to the following risks from its use of financial instruments: interest rate risk, liquidity risk and other price risk.

The Board of Directors ensures that the Society has identified its major risks and ensures that management monitors and controls them.

It is management's opinion that there have been no changes to the Society's risk exposures from the previous fiscal year.

(a) Interest risk

Interest rate risk is the risk that the rate of return and future cash flows on the Society's GIC investments will fluctuate because of changes in market interest rates. The Society is not exposed to significant interest rate risk relating to its financial assets and liabilities.

(b) Liquidity risk

Liquidity risk is the risk that the Society will encounter difficulty in meeting obligations associated with financial liabilities. The Society enters into transactions to purchase goods and services on credit. Liquidity risk is measured by reviewing the Society's future net cash flows for the possibility of a negative net cash flow. The Society manages the liquidity risk resulting from its accounts payable obligations by maintaining significant cash resources and investing in liquid investments.

(c) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or foreign currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. Price risk is managed by holding investments to maturity.

BC GAMES SOCIETY

Notes to Financial Statements

Year ended March 31, 2023, with comparative figures for 2022

9. Financial risk management (cont'd)

(d) Fair value of financial instruments

The carrying amounts of cash and cash equivalents, short term investments, accounts receivable, amounts due from government organizations, accounts payable and accrued liabilities approximate fair value because of the short maturity of these instruments.

10. Province of British Columbia grants

	2023	2022
Operating	\$ 2,002,500	\$ 2,002,500
Accessibility	10,000	10,000
Shared Recovery Mandate	39,000	-
Additional Funding	1,521,000	-
	<u>\$ 3,572,500</u>	<u>\$ 2,012,500</u>

11. Surplus from host societies

Surplus from the host societies is comprised of:

	2023	2022
Fort St. John 2020 Winter Games Society	-	3,304
	<u>\$ -</u>	<u>\$ 3,304</u>

BC GAMES SOCIETY

Notes to Financial Statements

Year ended March 31, 2023, with comparative figures for 2022

12. Expenses by object

The following is a summary of expenses by object:

	2023	2022
Advertising and promotions	\$ 39,323	\$ 5,350
Amortization	50,573	50,929
Bad debts	11,376	-
Computer maintenance	10,264	7,349
Games operating costs	1,629,486	78,729
Insurance, leases and utilities	155,049	143,808
Office and business expenses	106,253	57,635
Operating grants	1,810,000	565,000
Professional services	48,022	44,622
Salaries and employee benefits	954,871	736,449
Team BC operating costs	1,049,668	159,262
Travel and accommodation	131,010	50,894
	<u>\$ 5,995,895</u>	<u>\$ 1,900,027</u>

13. Contractual obligations

The Society has commitments arising from contractual agreements for office equipment, employment services, and a lease for office premises. It is responsible for all operating costs associated with the property lease. These operating costs totalled \$43,183 in 2023 (2022 - \$43,183) and are included in the amounts reported below. The Society is also committed to provide funding to host societies for staging of future games events:

	2024	2025	2026	2027	2028
General commitments	\$ 271,207	\$ 220,198	\$ 130,000	\$ 130,000	\$ 97,500
Anticipated host society commitments	-	325,000	250,000	325,000	-
	<u>\$ 271,207</u>	<u>\$ 545,198</u>	<u>\$ 380,000</u>	<u>\$ 455,000</u>	<u>\$ 97,500</u>

BC GAMES SOCIETY

Notes to Financial Statements

Year ended March 31, 2023, with comparative figures for 2022

14. Contingent assets

Host societies are obligated to return 50% of their operating surplus to the Society.

The Prince George 2022 BC Summer Games took place in the summer of fiscal 2023 and the financial statements have been prepared and the audit completed.

The Society estimates that it will receive \$150,000 from the Prince George 2022 BC Summer Games Society in fiscal 2024. This is based on 50% of the operating surplus reported on the financial statements adjusted for an amount based on historical experiences.

The assets will be recorded when the host society finalizes the accounting of the surplus and makes payment.

15. Remuneration of employees

Under the Societies Act, societies must disclose remuneration paid to directors, and to employees and contractors whose remuneration was at least \$75,000 for the fiscal year.

During the year, there were seven employees who met this criterion and the total amount of remuneration paid to these persons was \$691,489. During the prior year, there were six employees who met this criterion and the total amount of remuneration paid to these persons was \$624,938. The Board of Directors receives no remuneration for their services other than reimbursement of expenses.