



## Financial Statements

(Unaudited – See Notice to Reader)

Toronto Organizing Committee for the 2015 Pan  
American and Parapan American Games

March 31, 2018

(in thousands of dollars)

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## Notice to Reader

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To the Members of the  
**Toronto Organizing Committee for the 2015 Pan American and Parapan American Games**

On the basis of information provided by management, we have compiled the statement of financial position of Toronto Organizing Committee for the 2015 Pan American and Parapan American Games as at March 31, 2018 and the statements of activities and changes in net assets for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

*Grant Thornton LLP*

Toronto, Canada  
August 8, 2018

Chartered Professional Accountants  
Licensed Public Accountants

# Toronto Organizing Committee for the 2015 Pan American and Parapan American Games

## Statement of Financial Position

(Unaudited – see Notice to Reader)

(In thousands of dollars)

March 31

	Operating Fund		Venue Development Fund		Total	
	2018	2017	2018	2017	2018	2017
<b>Assets</b>						
Current						
Cash and cash equivalents	\$ 10,336	\$ 11,174	\$ 7,866	\$ 14,819	\$ 18,202	\$ 25,993
Contributions receivable						
- Municipalities	-	-	5,716	8,714	5,716	8,714
Other receivables	173	350	-	-	173	350
Inter-fund receivable/(payable)	-	(110)	-	110	-	-
	<u>\$ 10,509</u>	<u>\$ 11,414</u>	<u>\$ 13,582</u>	<u>\$ 23,643</u>	<u>\$ 24,091</u>	<u>\$ 35,057</u>
<b>Liabilities and net assets</b>						
Current						
Accounts payable and accrued liabilities	\$ 72	\$ 159	\$ 9,642	\$ 17,589	\$ 9,714	\$ 17,748
Deferred contribution						
- Government of Canada	-	-	3,940	6,054	3,940	6,054
- Province of Ontario	10,437	11,255	-	-	10,437	11,255
	<u>10,509</u>	<u>11,414</u>	<u>13,582</u>	<u>23,643</u>	<u>24,091</u>	<u>35,057</u>
Net assets – operating and venue	-	-	-	-	-	-
	<u>\$ 10,509</u>	<u>\$ 11,414</u>	<u>\$ 13,582</u>	<u>\$ 23,643</u>	<u>\$ 24,091</u>	<u>\$ 35,057</u>

# Toronto Organizing Committee for the 2015 Pan American and Parapan American Games

## Statement of Activities and Changes in Net Assets

(Unaudited – see Notice to Reader)

(In thousands of dollars)

Year ended March 31

	Operating Fund		Venue Development Fund		Total	
	2018	2017	2018	2017	2018	2017
Revenue						
Contributions						
- Government of Canada	\$ -	\$ -	\$ 2,410	\$ 362	\$ 2,410	\$ 362
- Province of Ontario	818	394	-	-	818	394
- Municipalities	-	-	1,213	(235)	1,213	(235)
Games services revenue	(504)	-	-	-	(504)	-
Interest and sundry revenue	10	43	10	34	20	77
Sale of assets	-	3	-	-	-	3
	324	440	3,633	161	3,957	601
Total revenue						
Expenses						
Other projects	-	-	3,633	161	3,633	161
Corporate	164	68	-	-	164	68
Administrative services	136	150	-	-	136	150
Technology	15	38	-	-	15	38
Sport, venue management and overlay	9	171	-	-	9	171
Marketing and ceremonies	-	8	-	-	-	8
Games services	-	5	-	-	-	5
	324	440	3,633	161	3,957	601
Total expenses						
Excess of revenue over expenses	-	-	-	-	-	-
Net assets – operating and venue, beginning of year	-	-	-	-	-	-
Net assets – operating and venue, end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

See accompanying notes to the financial statements.

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# Toronto Organizing Committee for the 2015 Pan American and Parapan American Games

## Notes to the Financial Statements

(Unaudited – see Notice to Reader)  
(In thousands of dollars)  
March 31, 2018

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### 1. Organization

On November 6<sup>th</sup> 2009, the City of Toronto, Ontario (“ON”), Canada, was awarded the right to host the 2015 Pan American and Parapan American Games (the “Games”) by the Pan American Sports Organization (“PASO”) based in part upon the efforts of the Toronto 2015 Bid Corporation (“BIDCO”). The Games was staged in Toronto and the Greater Golden Horseshoe Area from July 10<sup>th</sup> to July 26<sup>th</sup>, 2015 and August 7<sup>th</sup> to August 15<sup>th</sup>, 2015 respectively.

Toronto Organizing Committee for the 2015 Pan American and Parapan American Games (“TO2015”) was incorporated by Letters Patent pursuant to the Corporations Act (Ontario) on January 21, 2010 and is a corporation without share capital. TO2015 is exempt from income taxes under the Income Tax Act (Canada).

TO2015 is governed by a Board of Directors consisting of twelve members. Three of these members are appointed by the Government of Canada; three are appointed by the Province of Ontario; one is appointed by the City of Toronto; four are appointed by the Canadian Olympic Committee (“COC”), and one by the Canadian Paralympic Committee (“CPC”).

TO2015’s primary purpose is to plan, organize, finance, promote and stage the Games. The Multi-Party agreement (MPA) which is between the Government of Canada, the Province of Ontario, the City of Toronto, the COC, the CPC, and TO2015, outlines the rights and obligations of each party to the agreement with respect to the funding and staging of the Games. TO2015 executed its purpose through the terms of the following key agreements:

- The Host City agreement establishes the rights and obligations of PASO, COC and TO2015.
- The Joint Marketing Programme Agreement, between the COC, the Province of Ontario and TO2015 establishes the rights and obligations pertaining to marketing and sponsorship activities.
- The 2015 Pan Parapan American Games Ontario Support Agreement between the Province of Ontario, the City of Toronto and TO2015 establishes the rights and obligations pertaining to operational funding.
- The Transfer Payment Agreement (“TPA”) between the Province of Ontario and TO2015 establishes the rights and obligations pertaining to the Operating Fund.
- The Hosting Program Contribution Agreement between the Government of Canada and TO2015 establishes the rights and obligations pertaining to the Venue Development Fund.

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# Toronto Organizing Committee for the 2015 Pan American and Parapan American Games

## Notes to the Financial Statements

(Unaudited – see Notice to Reader)  
(In thousands of dollars)  
March 31, 2018

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### 2. Fund accounting

The financial statements have been prepared in accordance with the principles of fund accounting. The accounts are classified into the following two funds:

#### *Venue Development Fund*

TO2015's responsibility is to ensure that the Pan American and Parapan American venues ("Games Venues") are available and meet specified standards for use during the Games. TO2015 has entered into various agreements regarding the development and use of the required Games Venues. TO2015 has no ownership interest in these Games Venues.

The Venue Development Fund also includes the Federal Government's contribution to the Legacy Fund.

The Venue Development Fund is established to record the receipt and use of resources that are designated for the development of the Games Venues. Infrastructure Ontario requested that TO2015 provide a single point of payment for Games related municipal capital improvements. Consequently this Fund also includes amounts provided by municipalities for subsequent remittance by TO2015 to Infrastructure Ontario on behalf of these municipalities.

#### *Operating Fund*

Revenues and expenses of TO2015 not related to venue development activity are recorded in the Operating Fund.

**Toronto Organizing Committee for the 2015 Pan American  
and Parapan American Games  
Supplemental Schedule  
Statement of Activities – Inception to date**

(Unaudited – see Notice to Reader)

(In thousands of dollars)

Period ended March 31, 2018

	Inception to date (March 31, 2018)		
	Operating Fund	Venue Development Fund	Total
Revenue			
Contribution			
- Government of Canada	\$ 805	\$ 411,459	\$ 412,264
- Province of Ontario	434,171	-	434,171
- Municipalities	-	268,650	268,650
Sponsorship revenue	131,612	-	131,612
Ticketing revenue	39,338	-	39,338
Games services revenue	13,874	-	13,874
Interest and sundry revenue	4,659	1,423	6,082
Sale of assets	2,250	-	2,250
Licensing and merchandising revenue	2,080	-	2,080
Total revenue	<u>628,789</u>	<u>681,532</u>	<u>1,310,321</u>
Expenses			
New builds	-	510,326	510,326
Renovations	-	71,705	71,705
Other projects	-	34,501	34,501
Marketing and ceremonies	156,807	-	156,807
Sport, venue management and overlay	145,340	-	145,340
Games services	128,182	-	128,182
Technology	74,769	-	74,769
Corporate	63,379	-	63,379
Administrative services	38,833	-	38,833
Essential services	9,479	-	9,479
Legacy Fund	12,000	65,000	77,000
Total expenses	<u>628,789</u>	<u>681,532</u>	<u>1,310,321</u>
Excess of revenue over expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>