Appendix C

Financial Statements of

WHISTLER 2020 DEVELOPMENT CORPORATION

Year ended December 31, 2023

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The accompanying financial statements of Whistler 2020 Development Corporation ("WDC") are the responsibility of management and have been prepared in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board. A summary of the significant accounting policies are described in 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.

WDC's management maintains a system of internal controls 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. These systems are monitored and evaluated by management.

The Board of Directors meets with management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

The financial statements have been audited by BDO Canada LLP, independent external auditors appointed by WDC. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on WDC's financial statements.

DocuSigned by:
FA72D135CD004D9...
President

DocuSigned by:
46DE987EE2FF430...
Chair of the Finance Committee

April 18, 2024

Tel: 604-932-3799
Fax: 604-932-3764
www.bdo.ca

BDO Canada LLP
202-1200 Alpha Lake Rd.
Whistler, BC V8E 0H6

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Whistler 2020 Development Corporation

Opinion

We have audited the financial statements of Whistler 2020 Development Corporation (the Entity) which comprise the Statement of Financial Position as at December 31, 2023, and the Statements Operations, Changes in Net Debt, and Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2023, and its results of operations, changes in net debt, 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 Entity 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 these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Entity'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 judgment and maintain professional skepticism throughout 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 Entity’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 Entity’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 Entity 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.

BDO Canada LLP

Chartered Professional Accountants

Whistler, British Columbia
April 18, 2024

WHISTLER 2020 DEVELOPMENT CORPORATION

Statement of Financial Position

As at December 31, 2023

		2023		2022
Financial assets:				
Cash	$	**10,016,121**	$	2,443,361
GST receivable		**10,489**		58,244
Accounts receivable (note 4)		**4,086,105**		526,838
Inventory held for sale		**297,975**		542,080
		14,410,690		3,570,523
Liabilities:				
Accounts payable and accrued liabilities		**2,142,541**		2,745,330
Construction holdbacks		**809,932**		1,590,822
Due to RMOW (note 5)		**-**		9,932,523
Design guideline deposits		**200,000**		230,000
Distribution payable (note 8(iv))		**20,836,943**		18,329,130
		23,989,416		32,827,805
Net debt		**(9,578,726)**		(29,257,282)
Non-financial assets:				
Tangible capital assets (note 6)				
Properties under development		**8,681,707**		28,633,626
Tangible capital assets		**283,705**		290,337
		8,965,412		28,923,963
Prepaid expenses and refundable deposits		**613,314**		333,319
		9,578,726		29,257,282
Accumulated surplus	**$**	**-**	$	-

See accompanying notes to financial statements.

Approved on behalf of the Board:

DocuSigned by:
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E Tayler
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WHISTLER 2020 DEVELOPMENT CORPORATION

Statement of Operations

Year ended December 31, 2023

	Budget 2023	**2023**	2022
	Note 10		
Development revenue:			
Property sales	$ 26,369,000	**$ 27,110,000**	$ 44,106,103
Selling costs	(333,670)	**(229,963)**	(884,255)
Cost of developments sold	(21,762,795)	**(23,662,515)**	(21,391,504)
Net development revenue	4,272,535	**3,217,522**	21,830,344
Construction services:			
Construction revenue	-	**15,596,726**	-
Construction interest	-	**51,943**	-
Cost of construction	-	**(15,596,726)**	-
Net construction revenue	-	**51,943**	-
Government transfers (note 7)	1,155,000	**550,000**	1,266,222
Property lease revenue (net)	45,450	**52,839**	48,899
Interest revenue	200,000	**404,563**	105,128
Other revenue	-	**-**	7,850
	1,400,450	**1,007,402**	1,428,099
Net revenue	5,672,985	**4,276,867**	23,258,443
Expenses:			
Accounting and administration	75,000	**67,829**	40,666
Bank charges	2,500	**2,521**	2,223
Amortization	8,000	**7,964**	7,831
Insurance	10,500	**10,023**	9,545
Office and other	21,875	**12,707**	10,524
Management salaries and fees	150,000	**55,650**	-
Professional fees	39,400	**112,360**	46,760
Interest	-	**-**	161,790
	307,275	**269,054**	279,339
Annual surplus from operations	5,365,710	**4,007,813**	22,979,104
Distribution to shareholder (note 8)	(5,365,710)	**(4,007,813)**	(18,329,130)
Annual surplus	-	**-**	4,649,974
Accumulated deficit, beginning of year	-	**-**	(4,649,974)
Accumulated surplus, end of year	$ -	**$ -**	$ -

See accompanying notes to financial statements.

WHISTLER 2020 DEVELOPMENT CORPORATION

Statement of Changes in Net Debt

Year ended December 31, 2023

	Budget 2023	**2023**	2022
	Note 10		
Annual surplus:			
Annual surplus from operations	$ 5,365,710	**$ 4,007,813**	$ 22,979,104
Distribution to shareholder	(5,365,710)	**(4,007,813)**	(18,329,130)
	-	**-**	4,649,974
Acquisition of tangible capital assets:			
Properties under development	(1,882,490)	**(4,845,375)**	(23,165,121)
Cost of development sold	21,762,795	**23,662,515**	21,391,504
Accrued costs of development to complete		**1,134,779**	(1,695,093)
Acquisition of tangible capital assets		**(1,332)**	-
Amortization of tangible capital assets	8,000	**7,964**	7,831
	19,888,305	**19,958,551**	1,189,095
Change in prepaid expenses and deposits	-	**(279,995)**	(54,325)
Decrease in net debt	19,888,305	**19,678,556**	1,134,770
Net debt, beginning of year	(29,257,282)	**(29,257,282)**	(30,392,052)
Net debt, end of year	$ (9,368,977)	**$ (9,578,726)**	$ (29,257,282)

See accompanying notes to financial statements.

WHISTLER 2020 DEVELOPMENT CORPORATION

Statement of Cash Flows

Year ended December 31, 2023

	2023	2022
Cash provided by (used in):		
Operations:		
Annual surplus from operations	$ 4,007,813	$ 22,979,104
Items not involving cash:		
Amortization	7,964	7,831
Changes in non-cash working capital:		
GST	47,755	370,433
Accounts receivable	(3,559,267)	(148,625)
Inventory held for sale	244,105	(542,080)
Accounts payable and accrued liabilities	(602,789)	192,942
Construction holdbacks	(780,890)	806,156
Interest due to RMOW	-	(77,148)
Design guideline deposits	(30,000)	225,000
Prepaid expenses and deposits	(279,995)	(54,325)
	(945,304)	23,759,288
Capital:		
Purchase of tangible capital assets	(1,332)	-
	(1,332)	-
Investments:		
Expenditure on property under development	(4,845,375)	(23,707,201)
Transfer to inventory held for sale	-	542,080
Transfer to cost of construction sold	452,644	-
Transfer of inventory to cost of developments sold	24,344,650	19,696,411
	19,951,919	(3,468,710)
Financing:		
Repayment of amount due to RMOW	(9,932,523)	(9,436,959)
Repayment of loan	-	(13,429,736)
Repayment of distribution payable	(1,500,000)	-
	(11,432,523)	(22,866,695)
Net increase (decrease) in cash	7,572,760	(2,576,117)
Cash, beginning of year	2,443,361	5,019,478
Cash, end of year	$ 10,016,121	$ 2,443,361
Supplementary cash flow information:		
Interest paid (note 5)	$ 200,294	$ 847,310

See accompanying notes to financial statements.

1. **Nature of operations:**

Whistler 2020 Development Corporation ("WDC") is wholly owned by the Resort Municipality of Whistler ("RMOW"), a Canadian municipality, and as such is not subject to income tax per section 149(1)(d.5) of the Income Tax Act.

WDC was incorporated on January 30, 2004 with one share, which was transferred to the RMOW effective March 2004.

WDC is developing affordable employee housing and market value lots (the development) on a portion of the 'Lands' as defined in the Municipal Services Agreement between the parties dated August 18, 2006 and the Community Land Bank Trust Declaration dated August 18, 2006 and the Community Land Bank Trust Declaration dated June 25, 2013. The Trust Declaration is an agreement between RMOW and the Province of British Columbia. The Trust Declaration requires that all profit of the current and prior years, from the sale of market and affordable employee housing on land acquired by the RMOW from the Province of British Columbia under the Community Land Bank Agreement between the RMOW and the Province dated October 21, 2005 as subsequently amended, be placed in a reserve. All monies in the reserve must be used for acquiring land, designing, constructing, financing, operating, maintaining, repairing or replacing affordable employee housing. The RMOW has established the Cheakamus Crossing Affordable Employee Housing Reserve, Bylaw No. 2307, 2021 ("CCAEHR") for this purpose. Funds are transferred from the CCAEHR to WDC to finance development activity and subsequent profits are repayable to the CCAEHR.

2. **Significant accounting policies:**

(a) Basis of accounting:

These financial statements are prepared by management in accordance with Canadian public sector accounting standards ("PSAS") established by the Canadian Public Sector Accounting Board.

(b) Non-financial assets:

(i) Tangible capital assets:

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

2. Significant accounting policies (continued):

(a) Properties under development:
Properties under development include costs related to projects currently under planning, development or construction that will result in a finished real estate asset at a future date. Interest costs incurred on the development project are capitalized. Completed projects will either be reclassified as income properties, or properties held-for-sale. Costs related to planning, development or construction are capitalized until such time as the property is ready for use or sale. Management allocated site development costs to lots based on land area, direct costs to specific lots and relative densities of the units that may be developed per lot.

(b) Tangible capital assets:
Tangible capital assets in use relate to income property and administrative assets required by the WDC to operate and manage overhead and administrative activities. These include land, building, office equipment and construction equipment.

(ii) Amortization of tangible capital assets:
The cost, less residual value, of tangible capital assets, excluding land, is amortized on a straight-line basis over their estimated useful lives as follows:

Asset	Rate
Administration assets:	
Office equipment	5 years
Construction equipment	10 years
Income properties:	
Land	not amortized
Building	50 years

The useful lives of tangible capital assets are determined on an asset-by-asset basis based on estimated remaining useful lives at the time of acquisition or completion of construction.

No amortization is recorded on properties under development. Amortization commences once the development is complete and the asset is put into productive use.

(iii) Impairment of tangible capital assets:
Tangible capital assets are written down when conditions indicate that they no longer contribute to the WDC's ability to provide goods and services, or when the value of future economic benefits are less than their net book value. Any impairment is accounted for as an expense in the statement of operations. There were no write downs during the year.

2. Significant accounting policies (continued):

(c) Prepaid expenses and deposits:
Prepaid expenses and refundable deposits include insurance and other items paid in advance or portions of building and development permits that will be refunded upon completion of development. Prepaid expenses and refundable deposits are recognized as an expense over the period of benefit or released when refunded.

(d) Revenues:
Revenues are recognized in the period in which the transactions or events occurred that 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. Such contingent gains or assets will be separately disclosed.

(i) Property sales:
Revenue recognition on sale of properties occurs when WDC has transferred the significant risks and rewards of ownership to the purchaser.

(ii) Cost of sales:
The cost of sales per lot are determined as described in Note 2(b)(i)(a). The cost of sales per unit is determined using the prorated selling price of each unit over the anticipated sales proceeds from all units of the lot. Cost of sales per unit includes an accrual of estimated future development costs required to complete the development.

(iii) Construction services:
Costs of construction services are recognized when incurred, and an equivalent cost recovery is recorded as revenue. Construction service contracts and costs incurred are reviewed and monitored to ensure no provisions for losses are necessary.

(iv) Property lease revenue:
Property lease revenue includes all amounts earned from tenants including property tax and operating cost recoveries. Lease revenues are recognized on a straight-line basis over the term of the lease.

(e) Government transfers:
Government transfers are recognized in the financial statements in the period in which events giving rise to the transfers occur, providing the transfers are authorized, any eligibility criteria have been met, any stipulations that would give rise to a liability have been met, and reasonable estimates of the amount can be made.

2. Significant accounting policies (continued):

(f) Expenses:

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year are expensed. Interest is recorded using the effective interest method which includes all debt servicing costs, then capitalized if appropriate.

(g) Measurement uncertainty:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of the revenues and expenses during the period. Items requiring the use of significant estimates include useful life, impairment and net recoverable values of tangible capital assets, allocation of costs among units to determine remaining property under development and costs of sales, provisions for accrued liabilities, potential losses on fixed price contracts, and commitments.

Estimates are based on the best information available at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these financial statements. Actual results could differ from these estimates.

(h) Financial instruments

Effective January 1, 2023, WDC adopted PS 3450 - Financial Instruments. The standard was adopted prospectively and comparative figures were not restated.

WDC's financial instruments consist of cash, accounts receivable, inventory held for sale, accounts payable, deposits, due to RMOW, distribution payable, and construction holdbacks. All financial instruments are measured at cost or amortized cost on the statement of financial position, using the effective interest rate method to determine interest revenue or expense. Transaction costs are added to the carrying value for financial instruments.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

Unrealized gains and losses from changes in the fair value of financial instruments would be recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations. As WDC has no financial instruments reported at fair value, no statement of remeasurement gains and losses is presented in these financial statements.

2. Significant accounting policies (continued):

(i) Asset Retirement Obligations

Effective January 1, 2023, WDC adopted PS 3280 - Asset Retirement Obligations. The standard was adopted prospectively and comparative figures were not restated. An asset retirement obligation exists when there is a legal obligation to incur a retirement cost in relation to a tangible capital asset. Management has reviewed the tangible capital assets of WDC and determined that there are no legal obligations.

(j) Segmented operations

WDC considers that its only function is the development of property. As such, it has only one operating segment and does not report details of revenues and expenses by segment.

3. Financial Instrument Risk Management:

WDC is exposed to credit risk, liquidity risk, interest rate risk and other price risk from its financial instruments. This note describes the WDC's objectives, policies and processes for managing those risks and the methods used to measure them. Further qualitative and quantitative information in respect of these risks is presented below and throughout these financial statements.

(i) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. WDC is exposed to credit risk through its cash and accounts receivable, including holdbacks receivable and construction costs to be invoiced. Credit risks will arise if financial institutions and customers of WDC are unable to discharge their current accounts when due.

WDC manages its credit risk by holding cash at a federally regulated chartered bank insured with the Canadian Deposit Insurance Corporation. In the event of default, the WDC's cash accounts are insured up to $100,000. Credit risks from construction service customers are managed by mortgage security clauses in construction agreements.

WDC measures its exposure to credit risk based on aging of its accounts receivable. At year end, all of the amounts outstanding for the organization's accounts receivable are current, and substantially all amounts are tied to firm contracts with related parties.

WDC's maximum exposure to credit risk at the financial statement date is the carrying value of its cash and accounts receivable, holdbacks receivable and construction costs to be invoiced as presented on the statement of financial position.

3. Financial Instrument Risk Management (continued):

(ii) Liquidity risk

Liquidity risk is the risk that the WDC will encounter difficulty in meeting obligations associated with financial liabilities. WDC is exposed to liquidity risk through its accounts payable, construction holdbacks, due to RMOW, deposits and distribution payable. Liquidity risk arises when these instruments become due and exceed available cash to discharge the liability.

WDC manages liquidity risk through cashflow planning, establishing minimum cash balances, budgeting, and payment timing clauses in construction agreements, and works closely with the shareholder to manage the timing of cash flows related to the distribution payable.

WDC measures its exposure to liquidity risk based on aging of its accounts payable, and monitoring construction holdback listings, At year end, all of the amounts outstanding in accounts payable and accrued liabilities, and construction holdbacks are not past due.

(iii) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. It is Management’s opinion that WDC is not exposed to any significant currency, interest rate risk or other price risk as WDC holds no equities traded in an active market, no interest-earning investments or interest-bearing debt. WDC earns interest on its bank accounts at the prevailing market rate, but has no other interest-bearing financial instruments.

4. Accounts receivable:

Accounts receivable consists of the following balances

		2023		2022
Trade accounts receivable (note 8(b))	$	**893,682**	$	17,624
Construction costs to be invoiced (notes 8(b)(ii) & 8(c)(ii))		**1,650,654**		-
Construction holdbacks (notes 8(b)(ii) & 8(c)(ii))		**1,541,769**		38,000
Government transfers		**-**		471,214
	$	**4,086,105**	$	526,838

5. Due to RMOW:

RMOW advanced funds to WDC for the purposes of developing current affordable resident housing projects as per a Partnering and Credit Line Agreement dated April 13, 2021. The Agreement specifies that interest is payable at the variable interest rate charged at the relevant time or for the relevant period by the Municipal Finance Authority to the RMOW from time to time, if the RMOW were to borrow the principal amount of the Credit Line from the Municipal Finance Authority.

As per the Agreement, security is provided by way of a Promissory Note for $10,000,000 and, assignments of any property insurance second in priority only to a registered first mortgage of the lands providing construction financing.

All interest charged during the year has been capitalized. During the year, the loan and accrued interest was fully repaid.

		2023		2022
Principal	$	**9,850,000**	$	9,850,000
Interest accrued		**200,294**		82,523
		10,050,294		9,932,523
Less: Principal and interest paid		**10,050,294**		-
	$	**-**	$	9,932,523

6. Tangible capital assets:

	Properties under development	Tangible capital assets				Total 2023
		Land	Buildings	Equipment	Total	Net book value
Cost						
Opening balance	$ 28,633,626	$ 37,859	$ 327,141	$ 9,055	$ 374,055	$ 29,007,681
Additions	4,845,375	-	-	1,332	1,332	4,846,707
Transfer to cost of construction sold	(452,644)	-	-	-	-	(452,644)
Cost of developments sold	(24,344,650)	-	-	-	-	(24,344,650)
Closing balance	**8,681,707**	**37,859**	**327,141**	**10,387**	**375,387**	**9,057,094**
Accumulated amortization						
Opening balance	-	-	81,786	1,932	83,718	83,718
Current year amortization	-	-	6,543	1,421	7,964	7,964
Closing balance	**-**	**-**	**88,329**	**3,353**	**91,682**	**91,682**
Net book value	**$ 8,681,707**	**$ 37,859**	**$ 238,812**	**$ 7,034**	**$ 283,705**	**$ 8,965,412**

During the year, $117,771 of interest and financing costs were capitalized to properties under development (2022 – $674,690).

	Properties under development	Tangible capital assets				Total 2022
		Land	Buildings	Equipment	Total	Net book value
Cost						
Opening balance	$ 25,164,916	$ 37,859	$ 327,141	$ 9,055	$ 374,055	$ 25,538,971
Additions	23,707,201	-	-	-	-	23,707,201
Transfer to Inventory held for sale	(542,080)	-	-	-	-	(542,080)
Cost of properties sold	(19,696,411)	-	-	-	-	(19,696,411)
Closing balance	**28,633,626**	**37,859**	**327,141**	**9,055**	**374,055**	**29,007,681**
Accumulated amortization						
Opening balance	-	-	75,243	644	75,887	75,887
Current year amortization	-	-	6,543	1,288	7,831	7,831
Closing balance	**-**	**-**	**81,786**	**1,932**	**83,718**	**83,718**
Net book value	**$ 28,633,626**	**$ 37,859**	**$ 245,355**	**$ 7,123**	**$ 290,337**	**$ 28,923,963**

Properties under development includes costs for public works within the subdivision development i.e. roads, sidewalks, and water, sanitary, storm, power, and communication systems. Pursuant to a subdivision servicing agreement, WDC constructed the works at its own cost. Costs are allocated to subdivision properties as cost of goods sold when disposed of to third parties. At substantial completion, RMOW issues a certificate of substantial completion and the public works transfer to RMOW, discharging liabilities under the subdivision servicing agreement. During the year, works with an approximate cost of $8,039,914 were substantially completed, a certificate was issued, in exchange for nil proceeds. As the costs have or will be expensed as part of the costs of properties sold there is no additional impact to the financial statements.

7. Government transfers:

The RMOW and WDC have an agreement where a portion of the Online Accommodation Platform ("OAP") revenues received by RMOW through the Municipal and Regional District Tax program are shared with WDC. The agreement stipulates that this funding must be used to support the development and construction of affordable employee housing. OAP revenue of $550,000 (2022 - $1,266,222) was recognized during the year.

8. Related party transactions:

Related parties include the RMOW, its related entities and members of the Board of Directors. These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

(a) RMOW:

(i) Municipal infrastructure works with an approximate cost of $8,039,914 were substantially completed and became property of RMOW for nil proceeds. See note 5.

(ii) WDC has received a significant portion of its historical and current financing from the RMOW and has been economically dependent on the RMOW.

(iii) Transactions and balances

		2023		2022
Interest on loan payable to RMOW (note 5)	**$**	**117,771**	$	437,261
Property taxes and utilities paid by WDC		**4,771**		4,605
Permits, fees and deposits paid by WDC		**1,080,990**		120,595
Refundable deposits due to WDC		**597,233**		268,446
Government transfers due to WDC		**-**		471,214
Distribution paid to RMOW's CCAEHR (note 8(a)(iv))		**1,500,000**		-

(iv) Distribution payable

At December 31, 2023, $20,836,943 has been recorded as a distribution payable to RMOW's CCAEHR under the terms of the Trust Declaration (as described in Note 1). The distribution amount is comprised of the current and prior year annual surplus from operations including proceeds arising from the sale of affordable employee housing and market lots, less prior year deficits. WDC holds these funds until the funds are expended on qualifying expenditures or transferred to the RMOW's CCAEHR to support ongoing development of affordable employee housing.

8. Related party transactions, (continued):

(iv) Distribution payable (continued)
In June 2023, RMOW and WDC entered into an agreement with respect to the prior year distribution payable. The RMOW and WDC agreed that:

* WDC will make a net payment of $1,500,000 to the RMOW's CCAEHR;
* The remaining distribution payable is invested in development work on Parcel A, District Lot 8073 and as such, the remaining distribution payable is not available until the developments are sold; and
* RMOW will not demand payment of the remaining distribution payable prior to December 31, 2024.

In April 2024, RMOW and WDC have amended the agreement for the distribution payable. The RMOW and WDC have agreed that:

* WDC will pay $3,800,000 to the RMOW's CCAEHR no later than 15 days after the Whistler Housing Authority makes the first construction services payment to WDC for the Lot 5 development;
* WDC will pay $5,700,000 to the RMOW's CCAEHR on or before the later of (i) December 31, 2025 and (ii) the date that is 60 days after substantial completion of the Lot 5 development as certified in writing by the architect therefor; and
* The remaining cumulative profit at December 31, 2022 will not be demanded for payment to the RMOW's CCAEH Reserve prior to January 31, 2025;

(b) Whistler Housing Authority (WHA):

(i) During the year WHA, a wholly owned subsidiary of RMOW, purchased land from WDC and entered into a development and construction services agreement to have WDC construct a residential building on behalf of WHA. Pursuant to the agreement, construction costs incurred by WDC are reimbursable by WHA up to a maximum of $17,534,200, including a 7% contingency to cover unexpected costs.

(ii)

Transactions and balances	**2023**	2022
Purchase of land from WDC	**$ 1,615,000**	$ -
Accounts receivable due to WDC, see note 4	**555,900**	-
Construction costs to be invoiced, see note 4	**940,987**	-
Construction revenue from WHA	**7,004,842**	-
Construction holdbacks due from WHA, see note 4	**689,560**	-

(iii) In March 2024, WHA entered into a purchase and sale agreement for the purchase of land (lot 5) from WDC for proceeds of $1,987,000. WDC's cost for the land is estimated to be the same as the sale proceeds. WHA intends to build affordable housing on the land and contract with WDC to supervise the development and construction of the housing.

8. Related party transactions, (continued):

(c) Whistler Valley Housing Society (WVHS):

(i) During the year WVHS, a controlled entity of RMOW, purchased land from WDC and entered into a development and construction services agreement to have WDC construct a residential building on behalf of WVHS. Pursuant to the agreement, construction costs incurred by WDC are reimbursable by WVHS up to a maximum of $12,856,441, including a 4% contingency for unexpected costs.

(ii) Transactions and balances

	2023	2022
Purchase of land from WDC	**$ 975,000**	$ -
Construction costs to be invoiced, see note 4	**709,667**	-
Construction revenue from WVHS	**8,591,833**	-
Construction holdbacks due from WVHS, see note 4	**852,209**	-

(d) Board of Directors:
There were no transactions with members of the Board of Directors in the year.

9. Contractual obligations:

WDC has entered into various agreements and contracts for services and construction to complete the development plan. Commitments outstanding as at December 31, 2023 are approximately $7,883,284 (2022 - $2,115,683).

WDC is responsible for the new home warranty provided to purchasers at 1340 and 1360 Mount Fee Road and is providing 2/5/10 year warranty insurance as required for residential units. WDC has assessed the potential risk associated with the warranty and believes there is no material exposure in the year. WDC has purchased warranty insurance and the risk is limited to claims not covered.

WDC is responsible for a twelve month warranty period on municipal infrastructure works that were substantially completed. See notes 6 and 8(a)(i). WDC has assessed the potential risk associated with the warranty and believes there is no material exposure in the year

10. Budgeted figures:

Budgeted figures are provided for comparative purposes and were derived from the budget presented to the Board of Directors on February 16, 2023.

11. Contingent Liability

Subsequent to December 31, 2023, WDC is undergoing a property transfer tax review with the Province of British Columbia in relation to development lands previously transferred. Potential additional property transfer tax owing as a result of this matter could range between $nil to $410,550. Since the result is not determinable at this time, no liability has been recorded in these financial statements.