



world **skills**™
Calgary 2009 

ANNUAL REPORT **2005/2006**

IT'S BIG

WorldSkills Calgary 2009 Ltd. is a not-for-profit organization, established to plan and host the 40th WorldSkills competition in September, 2009.

WorldSkills is a growing, global movement of agencies and committed individuals, focused on developing and promoting high performance among young people in key skills and technologies that are vital to economic and social success.

3	VISION
3	MISSION
3	GOALS
5	CHAIRMAN'S REPORT
5	PRESIDENT AND CEO'S REPORT
7	YEAR IN REVIEW
11	AUDITORS' REPORT
12	STATEMENT OF FINANCIAL POSITION
13	STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS
14	NOTES TO FINANCIAL STATEMENTS
16	BOARD OF DIRECTORS

VISION

The desired future for the organization: WorldSkills Calgary 2009 Ltd. is the benchmark for future WorldSkills competitions, leaving a lasting community impact.

MISSION

The distinctive identity or purpose which the organization seeks: Engage the passion of our youth to pursue satisfying trades and technology career pathways that result in a motivated and highly skilled workforce.



GOALS

Ideal states to be achieved at some unspecified time in the future:

- Build regional and global community capacity that creates and supports excellence in trades and technology careers.
- Create a high level of societal value and respect for careers in trades and technology.
- Increase participation and support for the trades and technology career pathways.
- Build awareness and participation of WorldSkills globally, and the Americas specifically.
- Create a positive, lasting memory of Calgary's western hospitality.
- Celebrate and support diversity throughout the competition.
- Create lasting legacies for trades and technologies, WorldSkills and future international events based in Alberta.
- Be cost effective in all undertakings.



5,000 experts, delegates and judges will gather from around the world.



Chairman's Report

The past year has been rewarding and productive for WorldSkills Calgary 2009 Ltd. We have seen the recruitment of our President and CEO and a strong senior staff team. The board of directors grew with the addition of Mr. Earl Hjelter, who will provide an excellent liaison with the Alberta Teachers' Association.

During the course of this past year, the Board successfully completed and produced the Strategic Plan, focusing attention on the Lead-up, the Launch, and the Legacy. From this document, staff produced our first business plan and budget.

In September, representatives from the board, as well as our President and CEO, attended meetings with WorldSkills International in Singapore, where we negotiated the memorandum of understanding between our two organizations. This strategic partnership with WorldSkills International describes the role and function of each organization in the planning and execution of the 2009 competition.

Board members and senior staff have been actively promoting the 2009 event and the cause of skills

education through presentations made to trade associations, industry groups, and community service groups in various venues throughout the country. Committees of the board have begun to focus on education and government relations, and a national advisory committee, chaired by Pat Nelson, was formed to provide strategic counsel and perspective.

I am very encouraged by our progress to date. Our partnerships with the City of Calgary, the Government of Alberta and the Government of Canada are strong, and add important emphasis to the work of WorldSkills Calgary 2009 Ltd. and the importance of skills and trades training.

On behalf of the board of directors of WorldSkills Calgary 2009 Ltd., I am pleased to submit our annual report for the fiscal year 2005/2006.

E.H. Guy Mallabone, Chair, Board of Directors



President and CEO's Report

I am pleased to report that fiscal 2005/2006 was a banner year for WorldSkills Calgary 2009 Ltd. Our visit to the 38th WorldSkills Competition in Helsinki in May, 2005 was enlightening, as were our audits of the SkillsUSA and the Brazilian national competitions later in the year. These three events helped shape our image of what we can achieve in Calgary in 2009 and have strengthened our working relationships with colleagues in those countries.

Ivan Bernardo, Chair of the government relations committee of the board, helped us establish strong financial and working arrangements with the Government of Alberta and the Government of Canada, signing grant and contribution agreements with each of them to support the Lead-Up, Launch and Legacy phases of WorldSkills Calgary 2009 Ltd. Our MOU with WorldSkills International sets the stage for a strong collegial relationship with the global organization, and our work on behalf of WSI in the restructuring of the sponsorship program and the Global Skills Village concept will add to the legacy of Calgary 2009.

Throughout the year, we were involved in the recruitment of new members for WorldSkills

International – part of our commitment to the cause of skilled trades awareness in the Americas and elsewhere. We were active in meetings with government and industry representatives from India, Mexico, Guatemala, Ecuador, Colombia, Peru, Costa Rica, Dominican Republic and Jamaica.

As the year came to a close, we were restructuring our website, preparing a perception survey of Albertans and reviewing proposals for our financial services requirements.

I look forward to the coming year and the opportunities that lay in the WorldSkills general assembly in May, the inaugural youth forum and our continued work on sponsorship and adjustments to the technical and infrastructure needs of an event the size of WorldSkills.

On behalf of the executive office of WorldSkills Calgary 2009 Ltd. and the senior staff, I am pleased to submit the 2005/2006 annual report.

Richard Walker, President and CEO



The WorldSkills Competition is held every two years, in a different member country, under the auspices of WorldSkills International.

Year in Review

WorldSkills 2005 Helsinki

The 38th WorldSkills competition was held in Helsinki, Finland from May 25 to June 1, 2005. In preparation for the 40th WorldSkills competition in Calgary, members of our board of directors, senior staff and industry partners served as an observer team during the Helsinki competition. The observer program provided a unique perspective into the set-up, competition and teardown procedures. A fully detailed audit report of the Helsinki competition was prepared and will serve as a road map for the planning and execution of the Calgary event.

The Helsinki competition brought together 696 competitors from 38 countries to compete in 39 skill categories. Over 5,000 international delegates participated as judges, technical advisors, official observers or team support.

The WorldSkills leaders' forum was also held in Helsinki and featured seven keynote speakers, followed by the opening of the global village.

Team Canada Results from Helsinki

Skills/Compétences Canada sent 28 competitors to Helsinki. The Canadian team did exceptionally well, recording Canada's best results ever at a WorldSkills competition.

Medals:

- **Gold** – *Web Design* – Chris Fournier (NWT)
- **Gold** – *Graphic Design* – Caroline Faucher (QC)
- **Silver** – *IT/PC Network Support*
– Menno Vanderlist (AB)
- **Silver** – *Confection Pastry*
– Catherine Guillet (QC)
- **Bronze** – *Aesthetics*
– Katy Desroches (QC)

Awards:

Besides the five medals, Canada also won eight Medallions for Excellence for achieving the International standard in the following trades:

- *Welding* – Curtis Ritchie (AB)
- *Auto Service* – Jarred Wegner (AB)
- *Bricklaying* – Tom Sorensen (AB)
- *Mechatronics* – François Lessard and Dave Castonguay (QC)
- *Hairstyling* – Mélanie Simard-Gaudreault (QC)
- *Ladies' Dressmaking* – Valérie Claveau (QC)
- *Cooking* – Éric Blouin-Duchesne (QC)
- *Refrigeration* – Mathieu Girard (QC)

Medallions for Excellence are awarded to competitors who have not earned a gold, silver or bronze medal, but who have obtained a score of 500 or more out of a total possible 600.

The Best of Nation Award for Canada (awarded to competitors with highest score and/or highest medal for each country) and the Albert Vidal Award (awarded to competitors within the top 20 highest overall scores) were given to Menno Vanderlist (AB).

Executive Team Hired

Over the course of the year, an experienced executive team was recruited:

- Richard L.H. Walker, *President and Chief Executive Officer*
- Brian Pardell, *Vice President, Operations*
- Jeff Surtees, *Corporate Counsel and Vice President of People*
- Kerry Moynihan, *Vice President, External*

The executive team leads the organization through five main functions: Executive Branch, External, Operations, Finance and People.

Strategic and Business Plan Approved

The WorldSkills Calgary 2009 Ltd. board of directors approved the WorldSkills Calgary 2009 Ltd. strategic planning document and the subsequent business plan and budget. These documents set forth the strategic direction of the organization, the vision, mission and goals that will be achieved, as well as the operational and budgetary requirements. They set out how WorldSkills Calgary 2009 Ltd. will fulfill the commitments made in the Calgary bid proposal and the responsibilities outlined in the memorandum of understanding with WorldSkills International. The business plan deals with general activities through to 2010, and provides specific, quarterly details for the current and next immediate fiscal year.

Lead-Up Events

Lead-up events consist of initiatives between May 10, 2004 (the date the 40th WorldSkills competition was awarded to Calgary) and September, 2009, that are required to prepare for the 2009 competition, including creating a movement to inspire youth and their influencers to explore trades and technology related careers. Two lead-up events were held this year.

The Great Rush for Gold event was held at SAIT, on July 12, 2005 during the Calgary Stampede. The event provided an excellent opportunity to introduce WorldSkills Calgary 2009 Ltd. to representatives from all levels of government, education, industry, partners and the general public.

On November 15, 2005, the "Skills on the Hill" event was held at Parliament Hill in Ottawa. The event provided an opportunity for MPs, Senators and Ministers of the Crown to learn more about the WorldSkills movement.





40 skill categories will be presented plus up to eight demonstration skill categories.

Recruitment of the Americas

Canada committed to continuing to consolidate its recruitment success by working with countries in the Americas to encourage them to join the WorldSkills movement. Representatives travelled to the United States national championships, held in June, 2005 in Kansas City, to view the event and reinforce our relationship with SkillsUSA.

WorldSkills International, WorldSkills Calgary 2009 Ltd. and our global partner FESTO coordinated a recruitment meeting in Recife, Brazil during the SENAI National Skills competition in March, 2006. Seven South American countries accepted the invitation to attend the event as a guest of FESTO. WorldSkills Calgary 2009 Ltd. made a keynote address to the delegates on the merits of WorldSkills, the importance of skills training and the benefits of becoming a member. Since then, Mexico has renewed its membership, Ecuador has agreed to come on as an interim member, and two other countries have indicated strong interest. India has unofficially agreed to participate in the 2007 Japan event as observers and, subject to the outcome, may participate in Calgary in 2009.

Global Sponsorship Committee

Considerable time was devoted over the year to working with WorldSkills International and its three global sponsor partners. With the assistance of Canadian representatives, a Global Sponsors Team (GST) was created, and a process for managing sponsor recruitment and future partnership arrangements was adopted. The new group adopted interim strategic and planning goals that include the following:

1. Invest funds and resources in WorldSkills for the development of infrastructure and tools

to achieve common aims consistent with the social, philanthropic and commercial objectives of global sponsor companies.

2. Communicate the current and future needs and best practices of business and industry worldwide to the stakeholders' forum within WorldSkills.
3. Help develop business and industry awareness and promote involvement in the WorldSkills mission.
4. Contribute to the development and execution of the overall sponsor strategy.

WorldSkills Calgary 2009 Ltd. serves as the coordinating body for the prospect management system for sponsorship development for WorldSkills International, WorldSkills Calgary 2009 Ltd. as well as Skills/Compétences Canada and its twelve regional affiliates.

MOU with WorldSkills International

WorldSkills Calgary 2009 Ltd. met with the Chairman and the Secretary General of WorldSkills International to negotiate the overarching memorandum of understanding between the two organizations for the 2009 competition. The document was drafted over three days and reviewed by representatives of each organization. The MOU was ratified by the WorldSkills Calgary 2009 Ltd. board in January and awaits the General Assembly in Melbourne where it will be signed.





Approximately 800,000 square feet of competition space is needed.

Auditors' Report

We have audited the statements of financial position of WorldSkills Calgary 2009 Ltd. as at March 31, 2006 and 2005 and the statements of operations and changes in net assets for the periods then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material

misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Association as at March 31, 2006 and 2005 and the results of its operations for the periods then ended in accordance with Canadian generally accepted accounting principles.

Kenway Mack Slusarchuk Stewart LLP

Chartered Accountants



WorldSkills Calgary 2009 Ltd.
Statement of Financial Position

As at March 31	2006	2005
Assets		
Current Assets		
Cash	\$ -	\$ 114,195
Accounts receivable	438,291	12,803
Prepaid expenses	-	69,180
	438,291	196,178
Restricted assets (note 4)	180,761	122,419
	\$ 619,052	\$ 318,597
Liabilities and Net Assets		
Current liabilities		
Bank indebtedness (note 3)	\$ 375,212	\$ -
Accounts payable and accrued liabilities	63,076	196,175
	438,288	196,175
Deferred revenue (note 4)	180,761	122,419
Shared capital (note 5)	619,049	318,594
	3	3
	\$ 619,052	\$ 318,597
Commitments (note 7)		

Approved on behalf of the Board of Directors.



Director



Director

WorldSkills Calgary 2009 Ltd.
Statements of Operations and Changes in Net Assets

Periods ended March 31	2006	2005
Contributions	\$ 903,158	\$ 173,026
Expenditures		
Salaries and related benefits	517,956	98,773
Travel	155,289	6,394
Advertising and promotion (note 6)	100,855	650
Office and miscellaneous	44,947	9,076
Consulting fees	29,980	31,265
Rent	16,500	5,667
Professional fees	15,112	12,686
Interest	12,032	-
Equipment rental	4,571	5,314
Board meetings	3,116	3,201
Insurance	2,800	-
	\$ 903,158	\$ 173,026
Excess of contributions over expenditures	-	-
Net assets, beginning of period	-	-
Net assets, end of period	\$ -	\$ -

See accompanying notes to the financial statements.



WorldSkills Calgary 2009 Ltd. Notes to Financial Statements

March 31, 2006 and 2005

1. Nature of operations

WorldSkills Calgary 2009 Ltd. (the "Association") is a not-for-profit organization incorporated under the Companies Act of Alberta on October 29, 2004. The Association was formed to promote trade and technology skills in Canada on a nationwide basis, through the hosting of WorldSkills Calgary 2009 Ltd.

WorldSkills Calgary 2009 Ltd. (the "Event") is the 40th international competition of WorldSkills International, a global non-profit that promotes skills and vocational education. The Event features four days of competition with over 800 competitors in 40 skill categories. In addition 5,000 experts, judges and international delegates participate in non-competitive activities such as a Global Leaders' Forum, arts and cultural events, a global village and several symposium and trade related events over 14 days.

36,000 hotel rooms are reserved and the entire Calgary Stampede Park has been booked for the various activities. The competition and related activities are expected to attract in excess of 150,000 spectators. Through support from both levels of senior government, 100,000 young people will be hosted during the competition making the Event a major educational event for Alberta and Canada.

The proposed budget for all activities is currently estimated to be \$45 million. Existing commitments from the Province of Alberta and the Government of Canada total \$14 million with additional resources anticipated for the WorldSkills 2009 Equipment Legacy Program and the program for equipment support and rural community access. Sponsorship and corporate partnerships will be pursued to support educational and cultural activities as well as the legacy aspects.

Prior to incorporation, the organizing committee, assisted by Skills Canada Alberta was awarded the event on May 10, 2004. The board of directors approved the adoption of the pre-incorporation transactions incurred from May 1 to October 29, 2004 by the organizing committee, on behalf of the Association, related to the Event. Therefore, pre-incorporation transactions in the amount of \$47,900 have been included in the comparative figures of these financial statements.

2. Significant accounting policies

(a) Use of estimates

The preparation of financial statements in conformity with Canadian

generally accepted accounting principles 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 balance sheet date and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

(b) Cash equivalents

The Association considers all investments with maturities of three months or less and demand bank loans that are utilized periodically for day-to-day operations to be cash equivalents.

(c) Revenue recognition

The Association follows the deferral method of accounting for contributions.

Unrestricted contributions are recognized as revenue when received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted contributions are initially deferred and recognized as revenue in the year in which the related expenses are incurred.

(d) Income taxes

The Canada Revenue Agency requires the Association to file an income tax return, however, the Association is not taxed due to its non-profit status. Therefore, no provision for income taxes has been made in these financial statements.

(e) Statement of cash flows

A statement of cash flows would not disclose any information which is not readily available from the existing financial statements. Therefore, no statement of cash flows is provided.

3. Bank indebtedness

A demand operating loan has been authorized by the bank to a maximum of \$850,000 and bears interest at bank's prime lending rate plus 0.75% per annum and is secured by a general security agreement and an assignment of certain funding proceeds.

4. Restricted assets and deferred revenue

Restricted assets and deferred revenue represents unspent contributions received by the Association and restricted by the contributor for a specific purpose. Restricted assets was comprised of accounts receivable in 2006 and cash in 2005.

Deferred revenue is as follows:

	2006	2005
Deferred contributions, beginning of year	\$ 122,419	\$ -
Contributions received from the Province of Alberta	956,500	295,445
Contributions received from the Government of Canada	5,000	-
Contributions recognized as revenue in year	(903,158)	(173,026)
Deferred contributions, end of year	\$ 180,761	\$ 122,419

5. Share capital

Authorized

10 shares without nominal or par value to be issued for a maximum of \$1 per share limited to 1 share per person

Issued	2006	2005
Shares	\$ 3	\$ 3

The shares are restricted and are not entitled to any dividends or other distributions of profits or property of the Association to the shareholders.

6. Advertising and promotion

The Association held a special event during the year to generate publicity. The special event was titled the "Great Rush For Gold" and revenues were generated through ticket sales, sponsorships, and an auction. The Association has shown special events expenses net of the revenues generated from the special event. The total amount of revenues generated was \$132,785, and the total expenses relating to the special event was \$142,851, for a net expense of \$10,066. This expense is included in Advertising and Promotion in the financial statements.

7. Commitments

The Association has entered into a lease for office premises and computers, which expires on March 1, 2007. Payments to the expiry of the lease are \$27,500.

The Association has committed to pay a hosting fee to WorldSkills International as a condition of hosting the Event. The amount to be paid is 25,000 Euro per year in the 4 years leading up to the Event, and the first installment towards this commitment was paid in April 2006.

The Association has also committed to making a sponsorship donation of \$25,000 to the Organizing Committee hosting the 2006 ACCC Conference, "The Learning Stampede".

8. Financial instruments

Fair value

The Association's carrying value of cash, accounts receivable, accounts payable and accrued liabilities approximates its fair value due to the immediate or short-term maturity of these instruments.

9. Comparative figures

Certain of the prior year's figures have been reclassified to conform with the current year's presentation. The changes do not affect prior year earnings.



Board Of Directors and Advisors to the Board As of March 31, 2006

Guy Mallabone (Chair)
Vice President, External Relations
SAIT Polytechnic

Dave Bronconnier (Honourary Chair)
Mayor, City of Calgary

Abe Reimer (Vice Chair)
General Manager
PCL Intracon Power Inc.

Mary Ann Steen (Secretary)
Manager, Community Investment
EnCana

Bill Nield (Treasurer)
(Former CFO, Calgary '88 Olympics)

Ivan Bernardo
Barrister Solicitor
Chipeur Advocates

Terry Cooke
President, Skills/Compétences Canada
(Former Dean of Business, NAIT)

Julien De Schutter
Vice President, Airport Marketing
Calgary Airport Authority

Dr. Gene Edworthy
Edworthy Vision Centre

Special Advisors to the Board of Directors

Shirley Dul
Assistant Deputy Minister
Apprenticeship and Industry Training Division
Alberta Advanced Education

Karen Fetterly
Program Manager
Career Transitions/Career and Life Management
Curriculum Branch, Alberta Education

Joe Fardell
President and CEO
Tourism Calgary

Doug Hawkins
Construction Labour Relations – Alberta

Earl Hjelter
Associate Executive Secretary
Alberta Teachers' Association

Orest Iwanylo
Facilities Marketing Manager
Calgary Exhibition and Stampede

Tim Richter
Director, Government Relations
TransAlta

Menno Vandelist
Public Member (Former Student)

Denis Herard
MLA for Calgary-Egmont

Peter Wyatt
Business Representative
SMWIA Local 8



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