

B.C. Pavilion Corporation
Financial Information Act Filing
Fiscal Year Ended March 31, 2019

B.C. Pavilion Corporation
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Fiscal Year Ended March 31, 2019
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B.C. Pavilion Corporation

Financial Statements

Fiscal Year Ended March 31, 2019

Audited Financial Statements

March 31, 2019

B.C. Pavilion Corporation

Statement of Management Responsibility

The financial statements of the B.C. Pavilion Corporation have been prepared by management in accordance with the financial reporting framework disclosed in note 2 to these financial statements, 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 information contained 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.

Systems of internal control are developed and maintained by management to provide reasonable assurance that reliable 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 financial records are properly maintained to provide a reliable basis for preparation of the financial statements.

The B.C. Pavilion Corporation Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control, and exercises these responsibilities through the Board and its Finance and Audit Committee. The Board reviews internal financial statements at each meeting and external audited financial statements annually. Significant financial reporting or internal control matters are discussed by the Board and its Audit and Finance Committee prior to their approval of the Corporation's financial statements.

PricewaterhouseCoopers LLP conducts an independent examination, in accordance with Canadian auditing standards, and expresses their opinion on the B.C. Pavilion Corporation financial statements. The auditors have full and free access to financial management of B.C. Pavilion Corporation and meet when required. The accompanying Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the financial statements for B.C. Pavilion Corporation.



Ian Aikenhead, Q.C.
Chair – Board of Directors



Rehana Din
Chief Financial Officer

Vancouver, British Columbia
June 6, 2019



Independent auditor's report

To the Board of Directors of B.C. Pavilion Corporation and the Ministry of Tourism, Arts and Culture,
Province of British Columbia

Our opinion

In our opinion, the accompanying financial statements of B.C. Pavilion Corporation (the Corporation) as at March 31, 2019 and for the year then ended are prepared, in all material respects, in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

What we have audited

The B.C. Pavilion Corporation's financial statements comprise:

- the statement of financial position as at March 31, 2019;
- the statement of operations and change in accumulated surplus for the year then ended;
- the statement of change in net debt for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the B.C. Pavilion Corporation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Emphasis of matter - basis of accounting

We draw attention to note 2 to the financial statements, which describes the basis of accounting and the significant differences between such basis of accounting and Canadian public sector accounting standards. Note 19 to the financial statements discloses the impact of these differences. Our opinion is not modified in respect of this matter.

PricewaterhouseCoopers LLP

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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of the financial statements in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia, 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 Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation'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 Corporation'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 Corporation'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 Corporation to cease to continue as a going concern.



- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Corporation to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

PricewaterhouseCoopers LLP

Chartered Professional Accountants

Vancouver, British Columbia,
June 6, 2019

B.C. Pavilion Corporation
Statement of Financial Position
(in \$000s)

	<i>Note</i>	March 31 2019	March 31 2018
Financial Assets			
Cash and cash equivalents	4	26,000	25,207
Accounts receivable	5	10,629	11,033
Due from governments	6	9,722	9,652
		<u>46,351</u>	<u>45,892</u>
Liabilities			
Accounts payable and accrued liabilities	7	20,940	19,158
Due to governments	6	9,400	9,372
Employee leave liability		1,122	1,060
Deferred revenue	8	34,002	39,175
Deferred contributions – government	9	863,177	883,836
Deferred contributions – other	10	9,006	9,828
Long-term debt	11	137,718	140,448
		<u>1,075,365</u>	<u>1,102,877</u>
Net financial debt		<u>(1,029,014)</u>	<u>(1,056,985)</u>
Non-financial assets			
Tangible capital assets	12	1,081,811	1,109,357
Inventories held for use		123	124
Prepaid expenses		1,104	1,059
		<u>1,083,038</u>	<u>1,110,540</u>
Accumulated surplus		<u>54,024</u>	<u>53,555</u>
Contingencies and contractual obligations	13		

Approved on behalf of the board:



Ian Aikenhead, Q.C.
Chair – Board of Directors



Flavia Coughlan
Member – Board of Directors

The accompanying notes are an integral part of these financial statements.

B.C. Pavilion Corporation
Statement of Operations and Change in Accumulated Surplus
(in \$000s)

	<i>Note</i>	March 31, 2019		March 31, 2018
		Budget	Actual	Actual
		<i>(Note 17)</i>		
Revenues	20			
Event revenues		62,943	75,751	68,725
Lease revenues		6,583	7,396	5,305
Miscellaneous revenues		2,989	2,706	3,201
Operating contributions – government		9,286	9,286	9,199
Operating contributions – other		-	-	1,500
Amortization of deferred capital contributions – government		34,104	35,472	33,530
Amortization of deferred contributions – other		640	1,437	1,598
Interest revenue		20	493	406
		116,565	132,541	123,464
Expenses	14, 20			
BC Place Stadium		51,020	53,087	61,994
Vancouver Convention Centre		72,897	78,985	70,830
		123,917	132,072	132,824
Annual operating surplus (deficit)		(7,352)	469	(9,360)
Accumulated surplus, beginning of year		53,555	53,555	62,915
Accumulated surplus, end of year		46,203	54,024	53,555

The accompanying notes are an integral part of these financial statements.

B.C. Pavilion Corporation
Statement of Change in Net Debt
(in \$000s)

	March 31 2019		March 31 2018
	Budget	Actual	Actual
	<i>(Note 17)</i>		
Annual operating surplus (deficit)	(7,352)	469	(9,360)
Acquisition of tangible capital assets	(14,836)	(16,219)	(9,585)
Amortization of tangible capital assets	41,543	43,765	41,889
Loss on disposal of asset	-	-	26
	19,355	28,015	22,970
Acquisition of prepaid expenses	-	(4,543)	(6,426)
Use of prepaid expenses	-	4,498	6,613
	-	(45)	187
Acquisition of inventory for use	-	(141)	(179)
Use of inventory	-	142	179
	-	1	-
Decrease in net financial debt	19,355	27,971	23,157
Net financial debt – beginning of year		(1,056,985)	(1,080,142)
Net financial debt – end of year		(1,029,014)	(1,056,985)

The accompanying notes are an integral part of these financial statements.

B.C. Pavilion Corporation
Statement of Cash Flows
(in \$000s)

	March 31 2019	March 31 2018
Operating Transactions		
Surplus / (deficit) for the year	469	(9,360)
Changes in Non-cash Items Included in Surplus (Deficit):		
Amortization of tangible capital assets	43,765	41,889
Amortization of operating contributions – other	-	(1,500)
Amortization of deferred capital contributions – government	(35,472)	(33,530)
Amortization of deferred contributions – other	(1,437)	(1,598)
Loss on disposal of asset	-	26
Changes in Non-Cash Working Capital Items:		
Accounts receivable	404	1,478
Due from governments	(70)	(1,619)
Due to governments	28	(45)
Accounts payable and accrued liabilities	1,782	1,059
Employee leave liability	62	159
Deferred revenue	(5,173)	803
Inventories held for use	1	-
Prepaid expenses	(45)	187
<i>Cash provided by or (used in) operating transactions</i>	4,314	(2,051)
Capital Transactions		
Purchase of tangible capital assets	(16,219)	(9,585)
<i>Cash used in capital transactions</i>	(16,219)	(9,585)
Financing Transactions		
Deferred contributions – government	14,813	9,533
Deferred contributions – other	615	15
Long-term debt	(2,730)	(2,642)
<i>Cash provided by financing transactions</i>	12,698	6,906
Increase (decrease) in cash and cash equivalents	793	(4,730)
Cash and cash equivalents – beginning of year	25,207	29,937
Cash and cash equivalents – end of year	26,000	25,207
Cash and cash equivalents are made up of:		
Cash	24,820	22,447
Cash equivalents	1,180	2,760
	26,000	25,207

The accompanying notes are an integral part of these financial statements.

B.C. Pavilion Corporation

Notes to the Financial Statements

For the year ended March 31, 2019 (tabular amounts in \$000s)

1. Authority and Nature of Operations

B.C. Pavilion Corporation (PavCo or the Corporation) was formed on April 1, 2008 under the *British Columbia Business Corporations Act*, following the amalgamation of the former B.C. Pavilion Corporation and Vancouver Convention Centre Expansion Project Ltd. (VCCEP). PavCo is wholly owned by the Province of British Columbia, and reports to the Legislative Assembly through the Minister of Tourism, Arts and Culture. As a provincial Crown agency, PavCo is subject to legislative regulations in government reporting Acts which include the *Budget Transparency and Accountability Act* and the *Financial Administration Act*.

PavCo's mandate is to generate economic and community benefit for the people of British Columbia through the prudent management of public facilities. PavCo achieves this by developing, marketing and operating iconic world class public convention, sports and entertainment facilities. The Corporation owns and operates BC Place Stadium and the Vancouver Convention Centre's west facility. The Corporation operates the Vancouver Convention Centre's east facility under a separate agreement with Canada Place Corporation.

PavCo is exempt from income taxes under the Income Tax Act.

2. Significant Accounting Policies

These financial statements have been prepared by management in accordance with Section 23.1 of the *Budget Transparency and Accountability Act* of the Province of British Columbia which requires that financial statements be prepared in accordance with Canadian public sector accounting standards except in regard to accounting for government transfers as set out in Note 19. Significant accounting policies used in the preparation of these financial statements are:

Financial assets

Cash and cash equivalents include cash on hand and short-term highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

Accounts are recorded at cost less the amount of any valuation allowance (bad debt allowance). Valuation allowances are made when collection is in doubt. Changes in valuation allowances are recognized as expenses in the period when the valuation change is made. Interest is only accrued on receivables when collection is reasonably assured.

Tangible capital assets

Tangible capital assets are recorded at cost less accumulated amortization. Asset costs (excluding land), less any residual value, are amortized over their estimated useful lives to PavCo as follows:

Buildings and improvements	10 to 50 years, straight-line
Leasehold improvements	over the shorter of the estimated useful life of the improvement or the term of the lease, straight-line
Equipment and other capital assets	1 to 10 years, straight-line
Furniture and fixtures	3 to 20 years, straight-line
Vehicles	30% per annum, declining balance
Computer hardware and software	3 to 5 years, straight-line

B.C. Pavilion Corporation

Notes to the Financial Statements

For the year ended March 31, 2019 (tabular amounts in \$000s)

2. Significant Accounting Policies (cont.)

Assets under construction are recorded at cost and include direct costs during development and construction, indirect costs that are directly attributable to the construction or development activity and other carrying costs. When construction is substantially complete or the asset is ready for use, it is subsequently amortized over its estimated useful life.

In the year of asset acquisition, amortization will be recorded at 50% of the normal annual rate, calculated for the asset as per above. In the final year or the year of disposition, amortization will be charged at 50% of the annual rate.

Contributed tangible capital assets are recorded at fair value as of the date of contribution. When fair value of a contributed asset cannot be determined by market or appraisal estimates, the asset is recorded at nominal value.

PavCo reviews the value of its tangible capital assets that are in active service for impairment based on their service potential. Assets are written down when conditions indicate that they no longer contribute to PavCo's ability to provide goods and services.

PavCo does not report the cost of its artwork and theming program in the statement of financial position as artwork is not recognized under PSAS. All costs associated with developing, constructing, acquiring, installing and securing these assets are expensed when incurred.

Inventories

Inventories consist of minor consumable supplies held for use in the course of operations at PavCo's facilities and are recognized at historical cost.

Prepaid expenses

Prepaid expenses include cash disbursements for facility insurance and future event and operational costs, which will be charged to expense over the periods expected to benefit from them.

Revenue recognition

Revenues from events held at PavCo's facilities are recognized upon completion of the events. Amounts received in advance of event completion are recorded as deferred revenue. Non-event related revenues are recognized on an accrual basis and in the period in which the transactions or events that gave rise to the revenues occurred.

Revenues received in advance from lease and business alliance agreements, and expenses incurred to generate them, are deferred and amortized on a straight-line basis over the term specified in the agreements.

Revenue resulting from contra-transactions, such as the exchange of goods or services for advertising, is recognized at fair market value. Unearned revenue is deferred and amortized over the term of the services contract.

Operating contributions are recognized as income in the period for which they are contributed. Funding received for other specific purposes is treated as deferred contributions and recognized in the period that the stipulation or restriction is met.

B.C. Pavilion Corporation

Notes to the Financial Statements

For the year ended March 31, 2019 (tabular amounts in \$000s)

2. Significant Accounting Policies (cont.)

Capital contributions

The value of contributed depreciable tangible capital assets or funding received from government or other external sources for the purpose of acquiring or developing tangible capital assets for use in providing services, is treated as deferred capital contributions. These contributions are amortized to revenue in the period during which the assets are used to provide services, at the same amortization rate as the related tangible capital assets. If the net book value of a depreciable tangible capital asset funded by a deferred capital contribution is reduced for any reason other than amortization, the proportionate share of the deferred contribution is recognized to revenue during the same period.

This accounting treatment is not consistent with the requirements of Canadian PSAS which require that government transfers or externally restricted contributions be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer or externally restricted contribution contains a stipulation that creates a liability, in which case the transfer is recognized as revenue over the period that the liability is extinguished.

Funding received for the acquisition of land or a transfer in the form of land, is recognized as revenue in the same period that the asset is acquired.

Expenses

The cost of all goods consumed and services received during the fiscal year, not related to assets, is expensed. Expenses are reported on an accrual basis. Direct costs from events held at the facilities are recognized upon completion of the events. Amounts incurred in advance of event completion are recorded as prepaid expenses. Environmental costs are recorded when a determination of liability is made and the related costs can be reasonably estimated.

Financial Instruments - recognition and measurement

PavCo's financial instruments consist of cash and cash equivalents, accounts receivable, due from governments, accounts payable and accrued liabilities, due to governments and long-term debt. All financial instruments are carried at cost or amortized cost in the financial statements. All financial assets are assessed annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

Employee pension plan

PavCo and its employees contribute to the Public Service Pension Plan in accordance with the Public Sector Pension Plans Act. Defined contribution plan accounting is applied because sufficient information is not available to apply defined benefit accounting. Contributions are expensed as they become payable (note 15).

3. Measurement Uncertainty

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosed amounts of contingent assets and liabilities at the reporting date as well as the reported amounts of revenues and expenses during the reporting period. Uncertainty in the determination of these amounts is known as measurement uncertainty.

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. Actual results could differ from these estimates. Estimates included in these financial statements are accrued liabilities, collectability of accounts receivable and estimated useful life of tangible capital assets.

B.C. Pavilion Corporation

Notes to the Financial Statements

For the year ended March 31, 2019 (tabular amounts in \$000s)

4. Cash and Cash Equivalents

	March 31 2019	March 31 2018
Unrestricted cash	24,357	21,945
Restricted cash	1,180	2,760
Investment in Convention Development Fund	463	502
	<u>26,000</u>	<u>25,207</u>

Restricted cash consists of a refundable deposit to secure a letter of credit that PavCo issued on behalf of the depositor. A liability for the amount of the deposit is recorded in accounts payable and accrued liabilities. A portion of the deposit was refunded in fiscal 2019, with a further portion expected to be refunded in fiscal 2020.

5. Accounts Receivable

	March 31 2019	March 31 2018
Trade	10,961	11,121
Other receivables	41	83
Subtotal	<u>11,002</u>	<u>11,204</u>
Less: provision for doubtful accounts	<u>(373)</u>	<u>(171)</u>
	<u>10,629</u>	<u>11,033</u>

6. Due to and from Governments

	March 31 2019	March 31 2018
Due from federal government	74	119
Due from provincial government	9,648	9,533
Total due from governments	<u>9,722</u>	<u>9,652</u>
Due to provincial government	<u>9,400</u>	<u>9,372</u>

Due from provincial government consists of contributions for tangible capital assets purchased in this fiscal year.

B.C. Pavilion Corporation

Notes to the Financial Statements

For the year ended March 31, 2019 (tabular amounts in \$000s)

7. Accounts Payable and Accrued Liabilities

	March 31 2019	March 31 2018
Trade accounts payable and accrued liabilities	18,461	16,795
Accrued interest on long-term debt	2,268	2,312
Builder's lien and other holdbacks	211	51
	20,940	19,158

8. Deferred Revenue

	March 31 2019	March 31 2018
Unearned lease revenues	24,989	27,931
Unearned event revenue and deposits	9,013	11,244
	34,002	39,175

Unearned lease revenue represents funds received in advance from lease and business alliance agreements, and is recognized in accordance with the terms specified in those agreements. The terms of the business alliance agreements range from 10 years to 50 years.

Event revenues and deposits are receipts in advance of scheduled event dates and are deferred until completion of the event.

9. Deferred Contributions – Government

Government contributions are funding transfers that contain eligibility criteria and legislative or contractual stipulations with respect to their use. PavCo has received funding for asset acquisition and capital construction projects at PavCo's facilities as follows:

	Balance April 1 2018	Contributions during year	Amortized to revenue	Balance March 31 2019
Government of Canada - Capital	183,623	-	(4,556)	179,067
Province of British Columbia – Capital	700,213	14,813	(30,916)	684,110
	883,836	14,813	(35,472)	863,177

	Balance April 1 2017	Contributions during year	Amortized to revenue	Balance March 31 2018
Government of Canada	188,179	-	(4,556)	183,623
Province of British Columbia – Capital	719,654	9,533	(28,974)	700,213
Province of British Columbia – Operating	1,500	-	(1,500)	-
	909,333	9,533	(35,030)	883,836

B.C. Pavilion Corporation

Notes to the Financial Statements

For the year ended March 31, 2019 (tabular amounts in \$000s)

9. Deferred Contributions – Government (cont.)

Contributions from the Government of Canada comprise federal funding for the construction of the Vancouver Convention Centre's west facility and the connector between the east and west facility. The funding for the Vancouver Convention Centre's west facility includes the construction of the waste water treatment facility. Contributions from the Province of British Columbia are for tangible capital assets.

Government contributions for capital are amortized to revenue in the period during which the assets are used to provide those services, at a rate corresponding with the amortization rate for the related tangible capital assets. Other government contributions are recognized when their legislative or contractual stipulations are met.

10. Deferred Capital Contributions – Other

	Balance April 1 2018	Receipts during year	Amortized to revenue	Balance March 31 2019
Other contributions	9,828	615	(1,437)	9,006

	Balance April 1 2017	Receipts during year	Amortized to revenue	Balance March 31 2018
Other contributions	11,411	15	(1,598)	9,828

Other deferred contributions include contributions, defined by their contractual stipulations, from non-related parties to fund major improvements to or for the acquisition of capital assets. Included in other deferred contributions are value-in-kind contributions of tangible capital assets.

11. Long-term Debt

	March 31 2019	March 31 2018
Province of British Columbia	137,718	140,448

In fiscal 2010, PavCo entered into a long-term loan agreement with the Province of British Columbia to provide financing for the revitalization at BC Place Stadium. PavCo received the balance of the loan in fiscal 2011. The loan is secured by the assets of BC Place Stadium and the Vancouver Convention Centre.

Under the terms of the loan agreement, the repayable loan was non-interest bearing during the construction and start-up period. Commencing April 2, 2013, PavCo began repaying the loan by providing semi-annual blended payments of principal and interest. For fiscal year 2019, \$2.73 million was repaid on the loan with \$4.55 million paid in interest.

The parties negotiated a reduced interest rate from 4.89% to 3.29% effective November 1, 2015 until fiscal 2049. The current repayment schedule reflects loan payments by PavCo of \$7.3 million for fiscal years 2020 through 2048 and \$3.7 million for fiscal year 2049.

B.C. Pavilion Corporation

Notes to the Financial Statements

For the year ended March 31, 2019 (tabular amounts in \$000s)

12. Tangible Capital Assets

	BC Place	Vancouver Convention Centre ⁽¹⁾	March 31 2019	March 31 2018
Land	31,292	41,442	72,734	72,734
Buildings and improvements	388,616	571,276	959,892	986,070
Leasehold improvements	0	25,494	25,494	24,099
Equipment	5,991	2,551	8,542	10,874
Furniture and fixtures	12,371	758	13,129	13,594
Computer hardware/software	1,130	890	2,020	1986
	439,400	642,411	1,081,811	1,109,357

(1) Includes corporate office assets

Included above as at March 31, 2019 is work-in-progress in the below tangible capital asset categories.

	BC Place	Vancouver Convention Centre	March 31 2019	March 31 2018
Buildings and improvements	2,478	1,279	3,757	5,783
Leasehold improvements	-	1,027	1,027	1,796
Equipment	50	187	237	757
Furniture and fixtures	-	12	12	333
Computer hardware/software	297	25	322	1,514
Work-in-progress	2,825	2,530	5,355	10,183

Artwork

PavCo holds a variety of art pieces at its facilities, however it does not recognize the cost or value of artwork in its financial statements. All costs of developing, constructing, acquiring, installing and securing the pieces have been expensed. The Corporation has title to most pieces in the program, and is responsible for the preservation and protection of all pieces.

The Vancouver Convention Centre's comprehensive art program, which was produced as part of the west facility expansion, includes various paintings, sculptures, First Nations pieces, and other items. The historical cost of these art pieces at March 31, 2019 is \$6.2 million (\$6.2 million at March 31, 2018).

As part of the BC Place revitalization project, PavCo developed and re-constructed Terry Fox plaza to showcase the new Terry Fox memorial sculptures. The historical cost for the Terry Fox memorial sculptures is \$0.6 million (\$0.6 million at March 31, 2018).

The Corporation uses the historical cost value of the art pieces for insurance purposes, unless appraisal values are available.

B.C. Pavilion Corporation
Notes to the Financial Statements
For the year ended March 31, 2019 (tabular amounts in \$000s)

12. Tangible Capital Assets (cont.)

	Land	Buildings and improvements	Leasehold improvements	Equipment	Furniture and fixtures	Vehicles	Computer hardware & software	2019
Cost:								
Opening balance	72,734	1,287,459	42,413	69,763	33,463	25	4,630	1,510,487
Additions	-	10,251	1,891	1,516	1,408	-	1,153	16,219
Disposals and adjustments	-	(2,702)	1,617	(2,018)	(216)	-	(686)	(4,005)
Closing balance	72,734	1,295,008	45,921	69,261	34,655	25	5,097	1,522,701
Accumulated amortization:								
Opening balance	-	(301,389)	(18,314)	(58,888)	(19,870)	(25)	(2,644)	(401,130)
Amortization expense	-	(35,726)	(2,114)	(3,815)	(1,677)	-	(433)	(43,765)
Effect of disposals and adjustments	-	2,000	-	1,984	21	-	-	4,005
Closing balance	-	(335,115)	(20,428)	(60,719)	(21,526)	(25)	(3,077)	(440,890)
Net book value	72,734	959,893	25,493	8,542	13,129	0	2,020	1,081,811
	Land	Buildings and improvements	Leasehold improvements	Equipment	Furniture and fixtures	Vehicles	Computer hardware & software	2018
Cost:								
Opening balance	72,734	1,281,895	41,337	68,549	33,301	25	3,230	1,501,071
Additions	-	5,569	1,076	1,233	256	-	1,451	9,585
Disposals and adjustments	-	(5)	-	(19)	(94)	-	(51)	(169)
Closing balance	72,734	1,287,459	42,413	69,763	33,463	25	4,630	1,510,487
Accumulated amortization:								
Opening balance	-	(267,394)	(16,430)	(54,574)	(18,473)	(25)	(2,488)	(359,384)
Amortization expense	-	(33,998)	(1,884)	(4,333)	(1,490)	-	(184)	(41,889)
Effect of disposals and adjustments	-	3	-	19	93	-	28	143
Closing balance	-	(301,389)	(18,314)	(58,888)	(19,870)	(25)	(2,644)	(401,130)
Net book value	72,734	986,070	24,099	10,875	13,593	-	1,986	1,109,357

B.C. Pavilion Corporation

Notes to the Financial Statements

For the year ended March 31, 2019 (tabular amounts in \$000s)

13. Contingencies and Contractual Obligations

a) *Contingent liabilities*

- i) Environmental - PavCo remains liable for environmental and reclamation obligations for known hazards that may exist at its facilities and has recognized soil remediation costs in the financial statements. As at March 31, 2019, management is not aware of any additional existing environmental problems related to its facilities that may result in material liability to the Corporation.
- ii) Legal - the Corporation is named in various legal actions resulting from operations at PavCo's facilities. No determination can be made on the eventual outcome or disposition of the legal actions. PavCo does not expect the outcome of any proceedings, individually or in the aggregate, to have a material impact on the Corporation's financial position.

b) *Contractual obligations*

- i) Operating leases - the Corporation is committed to payments under several operating leases and maintenance agreements, the longest of which extends to 2022. These represent total commitments as follows:

Fiscal 2020	2,682
Fiscal 2021	2,291
Fiscal 2022	2,211
Fiscal 2023	2,054
Fiscal 2024 and beyond	1,402

- ii) Capital projects - at March 31, 2019, the Corporation has committed to future expenditures under contracts currently entered into with respect to remaining capital obligations as follows:

Fiscal 2020	293
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During fiscal year 2018, PavCo entered into a 70-year land lease agreement with a third party for lands on the west side of BC Place. Lease revenues related to this lease are recognized annually within the statement of operations. As part of this lease, an \$8.5 million accommodations agreement with a First Nation was reached, payable over three years starting in fiscal year 2018. The full value of the agreement was expensed during fiscal year 2018.

B.C. Pavilion Corporation
Notes to the Financial Statements
For the year ended March 31, 2019 (tabular amounts in \$000s)

14. Expenses by Object

The following summarizes expenses by object:

	2019	2019	2018
	Budget	Actual	Actual
Event direct costs	34,298	41,219	38,092
Salaries, wages and benefits	20,766	21,242	18,550
Operating expenses	15,244	14,427	14,347
General and administration	4,065	4,143	3,989
Business development	1,113	745	699
Professional consulting fees	2,050	1,711	1,734
Interest on long-term debt	4,588	4,581	4,669
Redevelopment	250	239	355
Government transfers	-	-	8,500
Amortization	41,543	43,765	41,889
	123,917	132,072	132,824

15. Employee Pension Plan

PavCo and its employees contribute to the Public Service Pension Plan, a jointly trustee pension plan. The Public Service Pension Plan Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the plan, including investment of the assets and administration benefits. The Public Service Pension Plan has approximately 123,000 active, inactive and retired members.

Every three years an actuarial valuation is performed to assess the financial position of the plan and the adequacy of the funding. The latest actuarial valuation as at March 31, 2018, indicated a funding surplus of \$1.89 billion for basic pension benefits. The next valuation will be as at March 31, 2020.

Employers participating in the plan record their pension expenses as the amount of employer contributions made during the fiscal year. This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, and therefore there is no consistent and reliable basis for allocating the obligation, assets and costs to individual employers participating in the plan.

Contributions to the plan by PavCo for fiscal 2019 were \$1.68 million (2018 - \$1.56 million).

16. Related Party Transactions

PavCo is related through common ownership to all Province of British Columbia ministries, agencies and Crown corporations. All transactions with these entities were in the normal course of operations and recorded at fair market value.

B.C. Pavilion Corporation
Notes to the Financial Statements
For the year ended March 31, 2019 (tabular amounts in \$000s)

17. Budgeted Figures

Budgeted figures have been provided for comparison purposes and are derived from the estimates provided in the Corporation's 2018/19 Annual Service Plan report which was approved by PavCo's Board of Directors on January 23, 2018.

18. Financial Instruments

PavCo is exposed to various risks related to its financial instruments. It is management's opinion that the Corporation is not exposed to significant market, liquidity or credit risk arising from these financial instruments.

PavCo's risk management objective when it invests in financial instruments is to ensure that any investments are in quality securities, so as to safely guard the assets of the shareholder, and enable the Corporation to continue operations as a going concern.

Market Risk - Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect PavCo's income or the value of its financial instruments. PavCo's exposure to currency risk is related only to the value of foreign exchange transactions in the normal course of business, and the Corporation manages this risk by minimizing the amount of transactions in foreign funds.

Interest Rate Risk - PavCo is not subject to interest rate risk on its long-term debt as a fixed rate is provided for in the loan agreement, which eliminates fluctuations in the value of this financial instrument during the repayment period.

Liquidity Risk - Liquidity risk is the risk that PavCo will have difficulty in meeting its financial obligations when they come due. PavCo manages liquidity risk by continually monitoring cash flows and by maintaining the ability to borrow funds from its shareholder.

All financial assets and liabilities are current and expected to mature within one year, with the exception of long-term debt held with the Province of BC. Debt will mature per the following schedule:

Within one year - \$2.82 million
One to five years - \$13.9 million
Over five years - \$121.0 million

Credit Risk - Credit risk is the risk of financial loss to PavCo if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

PavCo's exposure to credit risk is related only to the value of accounts receivable in its normal course of business, and the Corporation manages this risk by minimizing the amount of transactions that require recovery. The Corporation continually monitors and manages the collection of receivables from other customers.

B.C. Pavilion Corporation

Notes to the Financial Statements

For the year ended March 31, 2019 (tabular amounts in \$000s)

19. Impact of accounting for restricted contributions in accordance with Restriction Contributions

Regulation 198/2011

As disclosed in the significant accounting policies, note 2, regulation 198/2011 requires PavCo to recognize revenue from restricted contributions for the purpose of acquiring or developing a depreciable tangible capital asset on the same basis as the related amortization expense of the tangible capital asset. As these transfers do not contain stipulations or restrictions creating a liability over the term of the expected useful life of a related tangible capital asset, Canadian PSAS would require these contributions to be recognized in revenue as a tangible capital asset is acquired or development and construction of a tangible capital asset is complete.

If PavCo had recorded deferred capital contributions under PSAS rather than the accounting policy described under note 2, deferred capital contributions recognized as revenue for the year ended March 31, 2019 would have increased by \$15.4 million (2018 - increased by \$9.5 million) and the annual operating deficit would have decreased by \$15.4 million (2018 - decreased by \$9.5 million).

As at March 31, 2019, deferred capital contributions used to purchase tangible capital assets would have decreased by \$872.2 million (2018 - decreased by \$893.7 million) and the accumulated surplus would have increased by \$872.2 million (2018 - increased by \$893.7 million).

20. Segmented Information

PavCo reports segmented information by its operating divisions: BC Place Stadium and the Vancouver Convention Centre. BC Place Stadium and the Vancouver Convention Centre, market, sell and manage space for conventions, trade and consumer shows, entertainment, sports and other events.

B.C. Pavilion Corporation
Notes to the Financial Statements
For the year ended March 31, 2019 (tabular amounts in \$000s)

20. Segmented Information (cont.)

Revenues, expenses and tangible capital assets by facility are provided in the following tables:

	<i>BC Place⁽¹⁾</i>		<i>Vancouver Convention Centre^{(1) (2)}</i>		<i>Total</i>	
	2019	2018	2019	2018	2019	2018
Revenues						
Event revenues	14,633	17,957	61,118	50,768	75,751	68,725
Lease revenues	3,512	1,548	3,884	3,757	7,396	5,305
Miscellaneous revenues ⁽³⁾	2,623	3,027	83	174	2,706	3,201
Operating contributions - other	-	1,500	-	-	-	1,500
Operating contributions - government	9,286	9,199	-	-	9,286	9,199
Deferred contributions - government	16,585	15,773	18,887	17,757	35,472	33,530
Deferred contributions - other	640	640	797	958	1,437	1,598
Interest revenue	268	232	225	174	493	406
	47,547	49,876	84,994	73,588	132,541	123,464
Expenses						
Event direct costs	8,405	10,140	32,814	27,952	41,219	38,092
Salaries, wages and benefits	8,849	7,608	12,393	10,942	21,242	18,550
Operating expenses	4,237	4,626	10,190	9,721	14,427	14,347
General and administration	1,937	1,766	2,206	2,223	4,143	3,989
Business development	270	360	475	339	745	699
Professional consulting fees	815	1,083	896	651	1,711	1,734
Interest on long-term debt	4,581	4,669	-	-	4,581	4,669
Redevelopment ⁽⁴⁾	239	355	-	-	239	355
Government transfers ⁽⁵⁾	-	8,500	-	-	-	8,500
Amortization	23,754	22,887	20,011	19,002	43,765	41,889
	53,087	61,994	78,985	70,830	132,072	132,824
Surplus (deficit) for the year	(5,540)	(12,118)	6,009	2,758	469	(9,360)

(1) Corporate office revenues and expenditures have been allocated equally between PavCo's facilities.

(2) PavCo's proportionate share of the Convention Development Fund is consolidated to Vancouver Convention Centre operations.

(3) Miscellaneous revenues include non-event related revenues and monies received outside of the course of normal operations.

(4) Redevelopment costs are outside of normal operating expenses and are associated with the redevelopment of lands to the west of BC Place.

(5) Government transfers represents the First Nations accommodation agreement costs as outlined in Note 13

B.C. Pavilion Corporation
Notes to the Financial Statements
For the year ended March 31, 2019 (tabular amounts in \$000s)

20. Segmented Information (cont.)

BC Place	Land	Buildings and improvements	Equipment	Furniture and fixtures	Computer hardware and software	2019	2018
Cost:							
Opening balance	31,292	556,835	52,932	23,191	1,379	665,629	662,107
Additions	-	7,094	804	1,186	777	9,861	3,664
Disposals and adjustments	-	(2,000)	(2,018)	(21)	34	(4,005)	(142)
Closing balance	31,292	561,929	51,718	24,356	2,190	671,485	665,629
Accumulated amortization:							
Opening balance	-	(156,283)	(44,709)	(10,519)	(824)	(212,335)	(189,587)
Amortization expense	-	(19,030)	(3,002)	(1,487)	(236)	(23,755)	(22,887)
Effect of disposals and adjustments	-	2,000	1,984	21	-	4,005	139
Closing balance	-	(173,313)	(45,727)	(11,985)	(1,060)	(232,085)	(212,335)
Net book value – March 31	31,292	388,616	5,991	12,371	1,130	439,400	453,294

B.C. Pavilion Corporation
Notes to the Financial Statements
For the year ended March 31, 2019 (tabular amounts in \$000s)

20. Segmented Information (cont.)

Vancouver Convention Centre	Land	Buildings and improvements	Leasehold improvements	Equipment	Furniture and fixtures	Vehicles	Computer hardware and software	2019	2018
Cost:									
Opening balance	41,442	730,624	42,413	16,831	10,273	25	3,250	844,858	838,964
Additions	-	3,157	1,891	713	221	-	376	6,358	5,921
Disposals and adjustments	-	(702)	1,618	-	(195)	-	(721)	-	(27)
Closing balance	41,442	733,079	45,922	17,544	10,299	25	2,905	851,216	844,858
Accumulated amortization:									
Opening balance	-	(145,106)	(18,314)	(14,180)	(9,351)	(25)	(1,819)	(188,795)	(169,797)
Amortization expense	-	(16,697)	(2,114)	(813)	(190)	-	(196)	(20,010)	(19,002)
Disposal	-	-	-	-	-	-	-	-	4
Closing balance	-	(161,803)	(20,428)	(14,993)	(9,541)	(25)	(2,015)	(208,805)	(188,795)
Net book value - March 31	41,442	571,276	25,494	2,551	758	-	890	642,411	656,063

PavCo's lease agreement with Canada Place Corporation for the Vancouver Convention Centre's east facility is for a 20-year term expiring in 2027. It is at nominal annual rent and PavCo is responsible for all operating costs. As the lease term represents the full economic life of the asset, it is included in the tangible capital assets of the Corporation

B.C. Pavilion Corporation
2. Schedule of Guarantee and Indemnity Agreements
April 01, 2018 to March 31, 2019

Name of Person / Company Indemnified	Risk Management Branch File No.	Date Issued
Non-Union Employees of B.C. Pavilion Corporation	93028	September 1, 1992
Unionized Employees of B.C. Pavilion Corporation	970002	June 1, 1994
Vancouver Port Corporation	970101	July 21, 1997
Her Majesty The Queen in Right of The Province of British Columbia represented by the Minister of Employment and Investment	970169	March 25, 1997
The Canada Employment Insurance Commission	70480	December 20, 2006
Toronto Dominion Bank	80114	May 25, 2007
Central Heat Distribution Limited	80624	January 23, 2008
Vancouver Fraser Port Authority and Imperial Parking Canada Corporation	80718	February 22, 2008
Board of Directors, BC Pavilion Corporation	80805	March 31, 2008
Canada Place Corporation	90271	June 16, 2008
BC Hydro and Power Authority	100132	May 4, 2009
PCI Convention Corporation	100185	May 15, 2009
Her Majesty the Queen in Right of the Province of British Columbia as represented by the Minister of Finance	100284	June 5, 2009
Vancouver Fraser Port Authority	100520	July 29, 2009
Vancouver Harbour Flight Centre Limited Partnership	100544	August 5, 2009
PCI Convention Corp	100545	August 5, 2009
PCI Waterfront Leasing Corp	101406	March 24, 2010
Her Majesty the Queen in Right of the Province of British Columbia represented by the Minister of Finance	101419	March 26, 2010
Royal Bank of Canada	110704	August 19, 2010
Amazon Web Services LLC	110968	October 14, 2010
City of Vancouver	121040	November 22, 2011
City of Vancouver	120996	November 30, 2011
City of Vancouver	121005 to 121017	November 30, 2011
Richmond Elevator Maintenance Limited	131081	November 9, 2012
City of Vancouver	20152056	May 9, 2014
City of Vancouver	20152573	August 15, 2014
Toronto Dominion Bank	20152671	September 5, 2014
City of Vancouver	20152680	September 8, 2014
City of Vancouver	20152965	November 10, 2014
B.C. Hydro	20153072	December 5, 2014
FortisBC Energy Inc.	20153073	December 5, 2014
City of Vancouver	20152966	December 15, 2014
City of Vancouver	20163951	May 26, 2015
City of Vancouver	20163952	May 26, 2015
City of Vancouver	20153643	March 26, 2015
City of Vancouver	20163954	May 26, 2015
City of Vancouver	20163955	May 26, 2015
City of Vancouver	20163956	May 26, 2015

B.C. Pavilion Corporation**3. Schedule of Remuneration and Expenses****April 01, 2018 to March 31, 2019****1. Elected Officials, Employees appointed by Cabinet and Member of the Board of Directors**

Name	Position	Remuneration	Expenses
Aikenhead, I	Member, Board of Directors	\$ 12,410	\$ 979
Ballingall, M	Member, Board of Directors	4,132	1,223
Breining, T	Member, Board of Directors	-	910
Cahill, C	Member, Board of Directors	6,377	943
Coughlan, F	Member, Board of Directors	8,830	175
Guerrera, C	Member, Board of Directors	7,580	-
Harris, R	Member, Board of Directors	8,330	1,750
McLaughlin, S	Member, Board of Directors	-	134
Model, E	Member, Board of Directors	4,920	-
Mundi, R	Member, Board of Directors	3,170	-
Palmer, F	Member, Board of Directors	2,920	-
Point, G	Member, Board of Directors	8,080	682
Rai, J	Member, Board of Directors	11,750	-
Total: elected officials, employees appointed by Cabinet and members of the Board of Directors		(A) 78,499	6,796

2. Other Employees

Name	Position	Remuneration	Expenses
Barnes, J *	Client Services Manager	\$ 96,383	\$ 1,583
Blais, D	Building Engineer	78,276	764
Blomfield, D *	Marketing & Communications Manager	98,141	449
Borovcanin, S *	Planning Manager	93,240	458
Brooks, L *	Manager on Duty	84,515	206
Buckoll, R	Electrician	78,442	171
Caister, B *	Waste Water Treatment Plant Operator	100,284	1,822
Choi, Y	Journeyman Dual Ticketed	80,549	-
Chung, N	Building Engineer	83,249	55
Cimiliuc, A *	Director, Finance	128,276	5,572
Coleman, R *	Manager on Duty	77,863	206
Cretney, K *	President and CEO (Interim)	437,491	53,392
Din, R *	Chief Financial Officer	267,645	7,527
Dressler, J	Building Technician	84,690	55
Dubetsky, K	Building Engineer	88,869	-
Fathi, S *	Project Manager	78,013	83
Franklin, B *	Electrical Services Manager	94,499	946
Frau, M *	Enterprise Applications Director	133,254	5,261
Garcia, J *	Manager on Duty	93,321	356
Giesse, R *	Event Manager	80,320	2,881
Granoux, S *	Event Manager	77,147	2,443
Greca, K *	Marketing Manager	87,922	2,496
Griffin, B *	Facilities Operations Director	161,375	463
Grootendorst, C *	Facility Operations Manager	81,066	2,405
Hamilton, T *	Manager on Duty	79,754	206
Hemerik, M *	Manager on Duty	89,529	356
Herceg, A	Journeyman Single Ticket	78,921	-
Heslop, G *	Manager on Duty	79,930	206
Higgs, M *	Project Manager	82,203	242
Hill, G	Trades Supervisor	85,849	-
Hill, J *	Sales Manager	81,120	12,470
Hobler, J *	Event Manager	77,810	-
Hui, H	Dual Ticketed Crew Lead	100,469	-

Name	Position	Remuneration	Expenses
Jackson, T *	Operations Manager	79,681	425
Jelinski, P	General Manager	171,238	38,381
Johnson, S *	Sales Manager	94,908	23,643
Kasch, P *	Controller	92,064	-
Keith, C *	Manager on Duty	82,912	9,729
Knight, A *	Senior Manager	98,278	3,673
Ledingham, C *	General Counsel	169,660	6,896
Lee, C *	Event Manager	80,069	-
Lee, D *	Infrastructure and Capital Projects Director	136,661	1,796
Lee, J *	Assistant Controller	78,731	2,439
Lehto, C *	General Manager	246,615	23,088
Leroux, M *	Sales Director	134,230	11,535
Liddell, N *	VP People	99,393	5,676
Livingstone, J *	Payroll Manager	82,955	2,778
Macdonald, C *	Director of Human Resources	123,721	6,901
MacDonald, D	Dual Ticketed Crew Lead	110,577	-
Mah, J *	Executive Assistant & Board Liaison	77,451	-
Mccabe, D *	Facilities Operations & Maintenance Manager	89,883	2,851
McDaniel, K	Community and Stakeholder Engagement Manager	76,852	1,734
McKay, S	Mechanical Technician	79,567	171
Medlicott, S	Conversions Supervisor	88,684	-
Melo, B	Chief Engineer	89,905	1,525
Menzies, L *	Assistant Director, Sales	100,092	7,966
Minhas, S *	Facilities Services Manager	83,144	6,517
Moore, J *	Energy Manager	97,236	83
Moore, K *	Sales Manager	88,076	9,485
Morgan, S *	Duty Manager	75,444	-
Muglich, G	Electrician	80,964	441
Munster, A *	Facilities Management Director	122,864	918
Nadem, T	Single Ticketed Crew Lead	96,986	482
Neufeld, D	Journeyperson Single Ticket	75,937	-
Patel, R *	Event Manager	80,441	300
Radziminski, A *	Event Director	107,094	3,003
Ralphs, B *	Guest Experience Manager	78,609	194
Ramsay, G *	Senior Director	171,141	758
Reid, D *	Sales Manager	93,448	18,639
Richard, J *	Senior Event Services Manager	95,255	304
Richards, J *	Venue Overlay Manager	75,063	3,701
Robindell, M *	Senior Manager, Talent, Learning & Leadership	118,672	887
Sakiani, M *	Director, Information Technology Services	141,093	2,725
Sam, L *	Event Manager	81,414	1,720
Sano, A *	Event Manager	75,163	300
Scribner, L *	Event Manager	80,022	300
Sethna, R *	Event Sales & Corporate Sponsorship Manager	83,217	3,510
Singh, K	Bldg Security/Control Room	75,845	-
Smith, C *	VP Sales & Marketing	227,468	54,685
Smith, J *	Sales Manager	97,045	25,900
Smith, W *	Director of HR and Labour Relations	146,208	1,197
Sodhi-Cavezza, A *	Event Sales Assistant Director	95,383	1,328
Techere, A *	Manager on Duty	80,416	206
Verma, H *	Senior Manager	119,059	150
Walker, C *	Senior Director	156,199	2,152
Wang, C *	Servers & Infrastructure Manager	76,516	970
Wu, J *	Communications Manager	98,359	1,075
Yu, H	Electrician	88,739	171
Total: employees with remuneration of \$75,000 or more		9,267,063	396,382
Total, other employees with remuneration of \$75,000 or less		11,739,956	82,914

Name	Position	Remuneration	Expenses
Total Employees		(B) \$ 21,007,020	\$ 479,296

3. Reconciliation

Elected Officials, Employees appointed by Cabinet and Member of the Board of Directors	(A)	78,499	x
Employees total remuneration	(B)	<u>21,007,020</u>	x
Total Remuneration		\$ 21,085,519	
Reconciling items consist of severance, employer paid benefits offset wages allocated to events as event direct costs and others			<u>156,514</u>
Total per Note 14 of audited financial statements - Salaries, wages and benefits		\$ 21,242,033	

*** Note:**

During the fiscal year 2018/19, the past practice of retaining a percentage of an employee's salary to be paid as an annual lump sum "holdback" was eliminated for employees of PavCo, as well as other employees in the public sector. Eligible employees denoted by * were paid out all remaining holdback obligations during that fiscal year;

As a result, the amounts paid in that fiscal year reflect both the prior year's holdback payment plus the current year obligation through the date of the change. Further, compensation amounts from that date through the remainder of the fiscal year reflect the addition of previously held back amounts. Total compensation earned has not increased

B.C. Pavilion Corporation

4. Statement of Severance Agreements

April 01, 2018 to March 31, 2019

There were eight severance agreements under which payment commenced between B.C. Pavilion Corporation and its non-unionized employees during fiscal year 2018/19.

These agreements included between one-half month to 18 months of compensation.

Prepared under the Financial Information Regulation, Schedule 1, subsection 6(7)

B.C. Pavilion Corporation
5. Schedule of Payments made for the Provision of Goods and Services
April 01, 2018 to March 31, 2019

1 Alphabetical list of suppliers who received aggregate payments exceeding \$25,000

9 Lives Design Inc	\$	28,420
Access Metal Products Ltd		39,906
Accountemps		26,126
Acklands - Grainger Inc.		47,613
ADN Refrigeration Ltd.		30,098
AES Engineering Ltd		27,443
All West Facility Services		46,834
Applied Electronics Limited		201,476
Arpac Storage Systems Corporation		38,051
BBW International Inc.		46,596
BC Hydro		3,111,384
Bell Canada		3,667,754
Bennett Jones LLP		193,200
Best Service Pros Ltd.		3,598,269
Black & McDonald Limited		428,345
Blackburn Young Office Solutions Inc.		53,945
Borden Ladner Gervais LLP		194,668
Boyden Vancouver		28,560
Brand.Live Management Group		52,500
Brent Macgregor P Eng		125,606
Building Energy Solutions Ltd		29,065
Burrard Iron Works Ltd		44,436
Bypass Mobile, LLC		84,788
Canada Place Corporation		3,405,664
Canadian Quilters' Association		40,819
Canadian Tourism Commission		32,946
Capital City Purchasing Services Inc.		120,632
Centaur Products Inc		2,743,770
Ceridian Canada Ltd.		131,147
Chamco Industries Ltd.		40,634
Charlton Insights Inc.		44,070
City Of Vancouver		1,065,636
ClearTech Industries Inc.		46,843
Colliers Project Leaders		42,525
Commercial Lighting Products Ltd.		60,488
Core Mechanical		78,950
Corus Sales Inc		52,500
Creative Energy Vancouver Platforms Inc.		772,898
Daikin Applied Canada, Inc.		60,967
DDB Canada		29,060
Dependable Door Maintenance Ltd.		143,831
Eco Chemical Inc		27,977
Ecolab Co.		34,698
EECOL Electric Corp.		407,645
Elite Door Services Inc.		36,771
Embers Staffing Solutions		45,792
Entity Mechanical Ltd.		121,191
ESC Automation Inc		882,538
Eventcorp Services Inc		48,825
Florian Weller Gmbh		235,925
Fortis BC Energy Inc.		138,860
Fraser Burrard Diving Ltd.		58,168
Freeman Audio Visual		2,863,591
Generating Solutions Ltd.		40,406
Genesis Security BC Group Ltd.		3,646,410
Glastech Glazing Contractors Ltd.		29,400
Go Wireless Inc.		48,931
Gord Millar		104,613
GPTW Canada Consulting Inc.		27,944
Grand & Toy Ltd.		163,293
Grant Thornton Llp		26,065
Gregg Distributors (BC) Ltd		31,204
Guillevin International Co.		101,389
Happy Stan's Recycling Services Ltd.		595,814
HCMA Architecture + Design		59,930
Heritage Office Furnishings Ltd		84,873
Houle Electric Limited		2,514,259

1 Alphabetical list of suppliers who received aggregate payments exceeding \$25,000

Humulus Consulting Corp.	247,144
Ice Development Ltd.	888,233
Imperial Parking Canada Corporation	156,446
Industra Construction Corp.	196,491
Island Key Computers Ltd.	207,235
Jardine Lloyd Thompson Canada Inc.	1,994,536
Johnson Contols	124,746
JSA Sport Architecture Inc.	64,199
Kirei Cleaning & Building Maintenance Ltd.	113,858
Kone Inc.	349,818
Konica Minolta Business Solutions (Canada) Ltd.	88,797
Kwittken LP	31,515
Laura Ballance Media Group	65,642
Lavi Industries	25,789
Letter B Productions	37,271
Lex Products Corp.	129,357
Lmdg Building Code Consultants Ltd	34,192
Lordco Parts Ltd.	31,509
Lowry Sales (B.C.) Ltd	52,381
Luma Tech Solutions Canada Ltd	25,646
Lykki a Costless Express Ltd Company	29,976
Mark's Commercial	60,933
Marten Van Keith Painting & Contracting Services	31,841
Masterduct	28,577
Mediateam	147,615
Mercer (Canada) Limited	67,032
Metagnosis Consulting Inc.	101,215
Microsoft Corporation	97,895
Minister of Finance	1,081,346
Modu-Loc Fence Rentals Ltd	45,585
Musqueam Indian Band	2,830,000
Nedco	317,580
Nodal Solutions Inc	179,445
Norcan Fluid Power Ltd	27,653
Norton Rose Fulbright Canada Llp	135,196
Ono Trading Co. Ltd	38,750
Orbis World Globes	38,536
Pace Group Communications	345,751
Panther Creative Inc.	129,987
PFM Executive Search	34,859
Pigeon Patrol	27,368
Pricewaterhouse Coopers LLP	70,560
Prism Engineering	65,136
Public Service Pension Plan	1,687,737
Reachmaster, Inc.	26,763
Receiver General for Canada	721,901
Refrigerative Supply Limited	37,786
Richmond Elevator Maintenance Ltd.	34,949
Riggitt Services, Inc.	2,647,117
Robert Half Finance & Accounting	55,094
Rockdoc Consulting Inc.	70,691
Rose Security Services Inc.	89,367
Sasco Contractors Ltd.	814,380
Scandinavian Building Services Ltd.	873,246
Scheier Mobile Service Ltd.	66,260
Secure Networking Solutions Group	174,685
Sentis Market Research Inc.	31,836
Servomation Incorporated	23,692,472
Sexauer Ltd.	29,115
Siemens Canada Limited	549,300
Stantec Architecture Ltd.	165,834
Stemcell Technologies Canada Inc.	37,204
Stephen Goetz	35,116
Sun Life Assurance Company of Canada	1,157,132
Super Save Enterprises Ltd.	53,700
Suspended Stages Inc.	52,500
Teema Solutions Group Inc.	237,483
Telus Communications Inc.	624,032
Tennant Sales & Service Company	81,243
Terminix Canada	96,596
The Next Institute	102,676
The Personnel Department Ltd.	214,707
Threesixtythree Inc.	156,881

1 Alphabetical list of suppliers who received aggregate payments exceeding \$25,000

Tides Canada Initiatives Society	51,285
Tourism Vancouver	109,293
Towne Millwork Ltd.	43,524
Troy Life & Fire Safety Ltd.	28,590
Uline Inc	96,672
Ungerboeck Systems International	140,316
Valley Traffic Systems	26,688
Vimar Equipment Ltd	40,496
Walker Environmental Group Inc.	34,599
Warrington PCI ITF Convention Centre	90,694
Waste Connections of Canada Inc.	93,817
Wesco Distribution Canada Lp	195,639
Wespac Electrical Contractors Ltd.	36,750
Western K9 Security Services Inc.	40,037
WestPark	143,296
White Star Property Services Ltd.	98,256
Williams Machinery LP	96,708
Worksafe BC	208,136
WSP Canada Inc.	183,880

Total aggregate amounts paid to suppliers (A) 80,609,096

2 Consolidated total paid to suppliers

who received aggregate payments of \$25,000 or less (B) 3,511,167

3 Total of payments to suppliers for grants and contributions greater than \$25,000

Consolidated total of grants exceeding \$25,000	-
Consolidated total of contributions exceeding \$25,000	-

Consolidated total of all grants and contributions exceeding \$25,000 -

4 Reconciliation

Total of aggregate payments exceeding \$25,000 paid to suppliers (A) 80,609,096

Consolidated total of payments of \$25,000 or less paid to suppliers (B) 3,511,167

Consolidated total of all grants and contributions exceeding \$25,000 (C) -

Total Aggregate Payments Made to Suppliers 84,120,263

Reconciling Items***Add:****Other Expense items**

Debt service	4,581,324
Amortization	43,765,457
Employee expenses	486,092

Less:

Amounts paid to vendors on capital assets and work-in-progress	(16,218,583)
Change in accrued liabilities, GST on purchases and others	(5,904,589)

x GST on reported payments

x Change in accrued liabilities and other

26,709,701

Total Aggregate Payments Made to Suppliers plus Reconciling Items \$ 110,829,964

Expenses per Statement of Operations	132,071,997
Less: Wages, salaries and benefits	(21,242,032)

\$ 110,829,965

B.C. Pavilion Corporation
Statement of Financial Information

The undersigned represents the Board of Directors of B.C. Pavilion Corporation and approves all the statements and schedules included in this Statement of Financial Information, produced under the Financial Information Act.

Signature: 

Name: Ian Aikenhead, Q.C.

Title: Board Chair

Date: September 17, 2019