



DESTINATION
BRITISH COLUMBIA®

Destination BC Corp.

Statements of Financial Information

Fiscal Year Ended March 31, 2021

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Destination BC Corp.

Financial Statements

Year Ended

March 31, 2021

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Management's Report

Management's Responsibility for the Destination BC Corp. Financial Statements

The Destination BC Corp. financial statements have been prepared by management in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the Destination BC Corp. financial statements, and for ensuring that this information is consistent, where appropriate, with the information contained in the Destination BC Corp. financial statements. A summary of the significant accounting policies are described in Note 2 to the Destination BC Corp. financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The Board reviews internal Destination BC Corp. financial statements on a quarterly basis and external audited Destination BC Corp. financial statements yearly. The Board also discusses any significant financial reporting or internal control matters prior to their approval of the Destination BC Corp. financial statements.

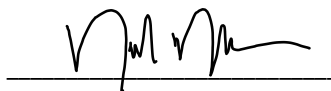
The external auditors, KPMG, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the Destination BC Corp. financial statements. The external auditors have full and free access to financial management of Destination BC Corp. and meet when required. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the Destination BC Corp. financial statements.

Approved on behalf of Destination BC Corp.:



Richard Porges

Interim Chief Executive Officer



Neil McInnes

Chief Financial Officer

May 13, 2021



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Vancouver BC V7Y 1K3
Canada
Telephone (604) 691-3000
Fax (604) 691-3031

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Destination BC Corp., and to the Minister of the Ministry of Tourism, Arts, Culture and Sport, Province of British Columbia

Opinion

We have audited the financial statements of Destination BC Corp. (the "Corporation"), which comprise:

- the statement of financial position as at March 31, 2021;
- the statement of operations and accumulated surplus for the year then ended;
- the statement of remeasurement gains and losses for the year then ended;
- the statement of changes in net debt for the year then ended;
- the statement of cash flows for the year then ended; and
- notes to the financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements as at and for the year ended March 31, 2021 of the Corporation are prepared, in all material respects, in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

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 "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the Corporation 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.

Emphasis of Matter – Financial Reporting Framework

We draw attention to Note 2(a) to the financial statements which describes the applicable financial reporting framework and the significant differences between that financial reporting framework and Canadian public sector accounting standards.

Our opinion is not modified in respect of this matter.

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 financial reporting provisions 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.

Auditors' 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 auditors' 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 the 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 auditors' 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 auditors' report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- 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.



Chartered Professional Accountants

Vancouver, Canada
May 13, 2021

Destination BC Corp.
Statement of Financial Position
March 31, 2021, with comparative information for 2020
(Expressed in thousands of dollars)

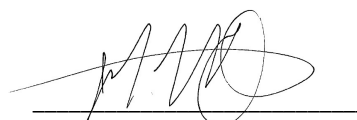
	<i>Notes</i>	2021	2020
Financial assets			
Cash and cash equivalents	3	13,132	8,598
Accounts receivable	4	5,725	380
		<u>18,857</u>	<u>8,978</u>
Liabilities			
Accounts payables and accrued liabilities	5	17,154	7,642
Due to Public Service Agency	6	972	933
Deferred capital contributions	7	866	581
		<u>18,992</u>	<u>9,156</u>
Net debt		<u>(135)</u>	<u>(178)</u>
Non-financial assets			
Tangible capital assets	8	1,575	1,041
Prepaid expenses		118	526
		<u>1,693</u>	<u>1,567</u>
Accumulated surplus		<u>1,558</u>	<u>1,389</u>
Accumulated surplus is comprised of:			
Accumulated operating surplus	9	1,558	1,373
Accumulated remeasurement gains		-	16
		<u>1,558</u>	<u>1,389</u>
Contractual obligations	10		

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

Approved on behalf of the Board:



Dawn Black
Board Chair



Joel McKay
Finance & Audit Committee

Destination BC Corp.
Statement of Operations and Accumulated Surplus
Year ended March 31, 2021, with comparative information for 2020
(Expressed in thousands of dollars)

	<i>Notes</i>	<i>Budget</i>	2021	2020
		<i>(note 2(k))</i>		
Revenues				
Government transfers	12	51,373	71,173	52,221
Program revenue	13	15	7	46
Interest income		133	152	404
Amortization of deferred capital contribution	7	196	215	321
		<u>51,717</u>	<u>71,547</u>	<u>52,992</u>
Expenses	14			
Global Marketing		32,864	32,979	31,280
Destination Management		10,997	31,834	15,129
Strategy, Research and Communications		3,233	2,269	2,210
Corporate Services		4,339	3,984	3,868
Amortization		284	312	321
		<u>51,717</u>	<u>71,378</u>	<u>52,808</u>
Annual operating surplus		-	169	184
Accumulated operating surplus, beginning of year		<u>1,205</u>	<u>1,389</u>	<u>1,189</u>
Accumulated operating surplus, end of year		<u>1,205</u>	<u>1,558</u>	<u>1,373</u>

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

Destination BC Corp.
Statement of Remeasurement Gains and Losses
Year ended March 31, 2021, with comparative information for 2020
(Expressed in thousands of dollars)

	<u>2021</u>	<u>2020</u>
Opening balance	16	16
Amount of foreign exchange reclassified to the Statement of Operations	<u>(16)</u>	<u>-</u>
Accumulated remeasurement gains, end of year	<u><u>-</u></u>	<u><u>16</u></u>

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

Destination BC Corp.
Statement of Changes in Net Debt
Year ended March 31, 2021, with comparative information for 2020
(Expressed in thousands of dollars)

	Budget	2021	2020
	<i>(note 2(k))</i>		
Annual operating surplus	-	169	184
Acquisition of tangible capital assets	(894)	(846)	(449)
Amortization of tangible capital assets	284	312	321
	(610)	(534)	(128)
Acquisition of prepaid expenses	-	(118)	(526)
Use of prepaid expenses	-	526	310
	-	408	(216)
Decrease (increase) in net debt	(610)	43	(160)
Net debt at beginning of year	(178)	(178)	(18)
Net debt at end of year	(788)	(135)	(178)

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

Destination BC Corp.
Statement of Cash Flows
Year ended March 31, 2021, with comparative information for 2020
(Expressed in thousands of dollars)

	<u>2021</u>	<u>2020</u>
Cash provided by (used in):		
Operating transactions:		
Annual operating surplus for the year	169	184
Non-cash items included in surplus:		
Amortization of tangible capital assets	312	321
Amortization of deferred capital contributions	(215)	(321)
Changes in non-cash operating working capital:		
Accounts receivable	(5,345)	105
Accounts payable and accrued liabilities	9,512	(115)
Prepaid expenses	408	(216)
Due from Ministry of Tourism, Arts and Culture	-	674
Due to Public Service Agency	39	(442)
	<u>4,880</u>	<u>190</u>
Capital transactions:		
Acquisition of tangible capital assets	<u>(846)</u>	<u>(449)</u>
Financing transactions:		
Deferred capital contributions received	<u>500</u>	<u>-</u>
Increase (decrease) in cash and cash equivalents	4,534	(259)
Cash and cash equivalents at beginning of year	<u>8,598</u>	<u>8,857</u>
Cash and cash equivalents at end of year	<u><u>13,132</u></u>	<u><u>8,598</u></u>

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

Destination BC Corp.
Notes to the Financial Statements
Year ended March 31, 2021
(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

1. Nature of Operations

Destination BC Corp. (the “Corporation”) is a provincial Crown corporation initially created under the *Business Corporations Act* (British Columbia) on November 2, 2012, and subsequently confirmed under the *Destination BC Corp. Act*, which received Royal Assent in March 2013.

The Corporation reports to the Legislative Assembly through the Ministry of Tourism, Arts, Culture and Sport (the “Ministry”). The accumulated operating surplus includes 1 issued share of the Corporation, value \$1, which is held by the Province of British Columbia (the “Province”).

The purposes of the Corporation are to:

- a) market British Columbia domestically, nationally and internationally as a tourist destination;
- b) promote the development and growth of the tourism industry in British Columbia to increase revenue and employment in, and the economic benefits generated by, the industry;
- c) provide advice and recommendations to the minister on tourism-related matters; and
- d) enhance public awareness of tourism and its economic value to British Columbia.

The Corporation commenced operations on April 1, 2013.

The Corporation is exempt from federal and provincial income taxes but is subject to the federal goods and services tax and provincial sales tax.

In 2020, the impact of COVID-19 and related restrictions on travel and public gatherings had a significant impact on British Columbia’s tourism industry which will continue until these restrictions are relaxed and the sector begins to recover. Over the past year, the Corporation has focused on the survival of the tourism industry. In partnership with the provincial and federal government, the Corporation has implemented key COVID-19 industry recovery programs providing much needed financial and business support. Destination BC will continue to actively engage with industry partners and key stakeholders regionally, nationally, and internationally to support the industry, stay engaged with key international partners, and actively participate in the ongoing dialogue for the successful recovery of the tourism sector. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on Corporation’s operations cannot be estimated reliably at this time.

Destination BC Corp.
Notes to the Financial Statements
Year ended March 31, 2021
(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

2. Summary of Significant Accounting Policies

a) Basis of accounting

These financial statements have been prepared in accordance with Section 23.1 of the *Budget Transparency and Accountability Act* of the Province supplemented by Regulations 257/2010 and 198/2011 issued by the Province Treasury Board, referred to as the financial reporting framework (the “framework”).

The *Budget Transparency and Accountability Act* requires that these financial statements be prepared in accordance with the set of standards and guidelines that comprise generally accepted accounting principles for senior governments in Canada, or if the Treasury Board makes a regulation, the set of standards and guidelines that comprise generally accepted accounting principles for senior governments in Canada as modified by the alternate standard or guideline or part thereof adopted in the regulation.

Regulation 257/2010 requires all tax-payer supported organizations to adopt Canadian public sector accounting standards (“PSAS”) issued by the Canadian Public Sector Accounting Board (“PSAB”) without any PS 4200 series.

Regulation 198/2011 requires that contributions for the purpose of acquiring or developing a depreciable tangible capital asset or contributions in the form of a depreciable tangible capital asset, in each case for use in providing services, are recorded and, referred to as deferred capital contributions and recognized in revenue at the same rate that amortization of the related tangible capital asset is recorded. The reduction of the deferred capital contributions and the recognition of the revenue are accounted for in the fiscal period during which the tangible capital asset is used to provide services. If the depreciable tangible capital asset funded by a deferred capital contribution is written down, a proportionate share of the deferred capital contribution is recognized as revenue during the same period.

For British Columbia tax-payer supported organizations, these contributions include government transfers and externally restricted contributions.

The accounting policy requirements under Regulation 198/2011 are significantly different from the requirements of Canadian public sector accounting standards which requires government transfers, which do not contain a stipulation that creates a liability, be recognized as revenue by the recipient when approved by the transferor and the eligibility criteria have been met in accordance with public sector accounting standard PS3410. As a result, revenue recognized in the statement of operations and accumulated surplus, and certain related deferred capital contributions would be recorded differently under Canadian public sector accounting standards.

Destination BC Corp.
Notes to the Financial Statements
Year ended March 31, 2021
(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

2. Summary of Significant Accounting Policies (continued)

b) Revenue recognition

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.

Contributions restricted for specific purposes other than those for the acquisition of depreciable tangible capital assets are recorded as deferred contributions and recognized in revenue in the year in which the stipulation or restriction on the contributions have been met.

Contributions for the purpose of acquiring or developing a depreciable tangible capital asset or contributions in the form of a depreciable tangible capital asset are recorded in accordance with Regulation 198/2011 which requires that they be recorded and referred to as deferred capital contributions and recognized in revenue at the same rate that amortization of the related tangible capital asset is recorded. The reduction of the deferred capital contributions and the recognition of the revenue are accounted for in the fiscal period during which the tangible capital asset is used to provide services.

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

c) Tangible capital assets

Tangible capital assets are initially recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets.

The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over their estimated useful lives as follows:

Leasehold improvements	Lesser of useful life or term of the lease
Furniture and equipment	5 years
Websites, hardware and software	5 years

Assets under construction are not amortized until the asset is available for productive use.

Destination BC Corp.
Notes to the Financial Statements
Year ended March 31, 2021
(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

2. Summary of Significant Accounting Policies (continued)

c) Tangible capital assets (continued)

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Corporation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the Corporation's statement of operations and accumulated surplus.

Intangible assets, such as copyrights, trademarks, etc. are not recognized in these financial statements.

d) Employee future benefits

- i. The employees of the Corporation belong to the Public Service Pension Plan, which is a multi-employer joint trustee plan. This Plan is a defined benefit plan, providing a pension on retirement based on the member's age at retirement, length of service and highest earnings averaged over five years. Inflation adjustments are contingent upon available funding.

The Joint Trustee Board of the Plan determines the required plan contributions annually.

The Corporation's contribution to the Plan is recorded as an expense for the year.

- ii. The costs of insured benefits reflected in these financial statements are the employer's portion of the insurance premiums owed for coverage of employees during the period.

e) Prepaid expenses

Prepaid expenses include items which are charged to expenses over the periods expected to benefit from them.

f) Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed, and services received during the year is expensed.

Transfers include entitlements, grants and transfers under shared cost agreements. Grants and transfers are recorded as expenses when the transfer is authorized, and eligibility criteria have been met by the recipient.

Destination BC Corp.
Notes to the Financial Statements
Year ended March 31, 2021
(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

2. Summary of Significant Accounting Policies (continued)

g) Foreign currency translation

Foreign currency transactions are translated at the exchange rate prevailing at the date of the transactions.

Monetary assets and liabilities included in the fair value measurement category denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the financial statement date. Unrealized foreign exchange gains and losses are recognized in the statement of remeasurement gains and losses. In the period of settlement, realized foreign exchange gains and losses are recognized in the statement of operations and accumulated surplus, and the cumulative amount of remeasurement gains and losses is reversed in the statement of remeasurement gains and losses.

h) Cash and cash equivalents

Cash and cash equivalents are entirely funds in bank accounts and therefore subject to an insignificant risk of change in value, other than potential exchange gains or losses on the USD bank accounts, if any, as described in Note 11.

i) Financial instruments

The Corporation's financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, and due to Public Service Agency. All financial instruments are measured initially at fair value and subsequently at cost or amortized cost. Due to the short-term nature of these instruments, their fair values approximate book value.

j) Measurement uncertainty

The preparation of the Corporation's 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 Corporation financial statements and the reported amounts of the revenues and expenses during the period. Areas requiring the use of management's estimates include the useful life of tangible capital assets for purposes of amortization, and accrued liabilities.

Estimates are based on the best information available at the time of preparation of the Corporation's 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.

Destination BC Corp.
Notes to the Financial Statements
Year ended March 31, 2021
(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

2. Summary of Significant Accounting Policies (continued)

k) Budget information:

Budgeted figures from the 2020/21 Service Plan have been provided for comparison purposes.

3. Cash and Cash Equivalents

The Corporation had cash consisting of the following:

	(Expressed in thousands of dollars)	
	2021	2020
Royal Bank of Canada - CAD	13,132	8,525
Royal Bank of Canada - USD	-	73
Total	13,132	8,598

4. Accounts Receivable

	(Expressed in thousands of dollars)	
	2021	2020
Accounts receivable	5,730	385
Less provision for doubtful accounts	(5)	(5)
Net Accounts Receivable	5,725	380

5. Accounts Payable and Accrued Liabilities

	(Expressed in thousands of dollars)	
	2021	2020
Accounts payables and accrued liabilities	16,512	7,187
Accrued vacation pay	642	455
Total	17,154	7,642

6. Employee Future Benefits

The Corporation and its employees are subject to the *Public Service Act* and benefits are managed through the Public Service Agency ("PSA"). The Corporation makes contributions to the PSA who administers payment of benefits to employees to whom the act applies.

Destination BC Corp.
Notes to the Financial Statements
Year ended March 31, 2021
(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

6. Employee Future Benefits (continued)

Other employee benefits available to employees of the Corporation are:

a) Retirement benefits

The employees of the Corporation belong to the Public Service Pension Plan (the “Plan”), which is a multi-employer joint trustee plan. The Public Service Pension Board of Trustees, representing Plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. Basic pension benefits are based on a formula. The Plan has about 66,822 active plan members, 50,956 retired plan members and 19,967 inactive members.

The latest actuarial valuation as at March 31, 2020, indicated a funding surplus of about \$2.7 billion for basic pension benefits. Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate with the result that there is no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the Plan.

The next valuation will be as at March 31, 2023, with results available in early 2024.

No pension liability is included in the Corporation’s financial statements.

The Corporation’s contribution of \$783 thousand (2019/20 - \$743 thousand) to the Plan was expensed during the year.

b) Other employee future benefits

Workplace safety and insurance board obligations

The Corporation is an employer under the Workers Compensation Act part 2 (the “Act”) and, as such, assumes responsibility for the payment of all claims to its injured workers under the Act. The Corporation does not fund these obligations in advance of disbursement.

Destination BC Corp.
Notes to the Financial Statements
Year ended March 31, 2021
(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

7. Deferred Capital Contribution

The deferred contribution consists of a capital contribution from the Province for the purpose of acquiring tangible capital assets. The amount recorded as revenue matches the amortization expense for the year of the related tangible capital assets.

	(Expressed in thousands of dollars)	
	2021	2020
Balance, beginning of the year	581	902
Contributions transferred during the year	500	-
Amortization during the year	(215)	(321)
Balance, end of year	<u>866</u>	<u>581</u>

8. Tangible Capital Assets

	(Expressed in thousands of dollars)			
	Furniture and Equipment Under Construction	Websites, Hardware and Software	Leasehold Improvements Under Construction	2021 Total
Cost:				
Opening Balance	13	3,806	436	4,255
Additions	221	-	625	846
Disposals	-	-	-	-
Closing balance	<u>234</u>	<u>3,806</u>	<u>1,061</u>	<u>5,101</u>
Accumulated amortization:				
Opening balance	-	3,214	-	3,214
Amortization	33	196	83	312
Disposals	-	-	-	-
Closing balance	<u>33</u>	<u>3,410</u>	<u>83</u>	<u>3,526</u>
Net book value	<u>201</u>	<u>396</u>	<u>978</u>	<u>1,575</u>

Destination BC Corp.
Notes to the Financial Statements
Year ended March 31, 2021
(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

8. Tangible Capital Assets (continued)

	(Expressed in thousands of dollars)			
	Furniture and Equipment Under Construction	Websites, Hardware and Software	Leasehold Improvements Under Construction	2020 Total
Cost:				
Opening Balance	-	3,806	-	3,806
Additions	13	-	436	449
Disposals	-	-	-	-
Closing balance	13	3,806	436	4,255
Accumulated amortization:				
Opening balance	-	2,893	-	2,893
Amortization	-	321	-	321
Disposals	-	-	-	-
Closing balance	-	3,214	-	3,214
Net book value	13	592	436	1,041

Amortization of leasehold improvements under construction as at March 31, 2020 commenced once completed and available for use during fiscal 2021.

9. Accumulated Operating Surplus

	(Expressed in thousands of dollars)	
	2021	2020
Invested in tangible capital assets	1,575	1,041
Unrestricted	(17)	332
Total	1,558	1,373

Destination BC Corp.
Notes to the Financial Statements
Year ended March 31, 2021
(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

10. Contractual Obligations

The Corporation has entered into a number of contractual arrangements for the delivery of services in the future, the development of assets, and property leases. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Disclosure relates to the unperformed portion of the contracts.

	(Expressed in thousands of dollars)					
	2022	2023	2024	2025	2026	Thereafter
Property leases	1,137	1,137	1,137	1,137	1,137	3,411
Other contractual arrangements	17,842	2,122	125	125	-	-
Total contractual obligations	18,979	3,259	1,262	1,262	1,137	3,411

11. Financial Risk Management

The Corporation is exposed to certain risks from the Corporation's financial instruments. Qualitative and quantitative analysis of the significant risks from the Corporation's financial instruments is provided below by type of risk.

a) Credit risk

The Corporation has limited exposure to credit risk associated with its cash, and accounts receivable. The Corporation is not exposed to significant credit risk as the receivables are due from governments. Cash is held with a Canadian chartered bank. The Corporation's maximum exposure to credit risk is limited to the carrying amount of these balances in these financial statements.

b) Liquidity risk

Liquidity risk is the risk that the Corporation will not meet its financial obligations as they become due. The Corporation manages liquidity risk by continually monitoring actual and forecasted cash flows from operations to meet its liabilities when due. Accounts payable and accrued liabilities are all due within one year.

c) Market risks

The Corporation is not subject to any significant interest rate risk or foreign currency risk.

There has been no significant changes to the risk exposures from the prior year.

Destination BC Corp.
Notes to the Financial Statements
Year ended March 31, 2021
(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

12. Government Transfers

	(Expressed in thousands of dollars)	
	2021	2020
Revenue		
Province of British Columbia	58,473	52,221
Federal Government	12,700	-
	<u>71,173</u>	<u>52,221</u>
Expenses		
Shared cost agreements	40,507	19,116
Total	<u>30,666</u>	<u>33,105</u>

In 2020/21, revenue from the Province included \$5 million to support Destination BC's Tourism Recovery Strategy and \$2.1 million to support Targeted Regional Tourism Development initiatives. Both funds were distributed to support the tourism industry impacted by COVID-19. The Tourism Recovery Strategy fund was distributed through Global Marketing and the Targeted Regional Tourism Development fund was distributed through Destination Management.

Also, in 2020/21, revenue from the Federal Government to support the tourism industry impacted by COVID-19 included \$6.7 million of Western Economic Diversification Canada's Regional Relief and Recovery Fund and \$6 million of Destination Canada's Tourism Recovery fund. Both funds were distributed through Destination Management. Transfers from the Federal Government includes \$5 million in accounts receivable as at March 31, 2021.

Shared cost agreement expenses include transfers to municipalities, local governments and service providers.

Destination BC Corp.
Notes to the Financial Statements
Year ended March 31, 2021
(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

13. Program Revenue

The Corporation earned the following program revenues during the year:

	(Expressed in thousands of dollars)	
	2021	2020
Remarkable Experiences Program	-	16
Other	7	30
Total program revenue	7	46

14. Expenses

The following is a summary of expenses by category:

	(Expressed in thousands of dollars)	
	2021	2020
Government transfers (note 12)	40,507	19,116
Advertising	8,645	10,633
Salaries and wages	8,421	7,947
Professional services	4,891	5,643
Information systems	3,428	3,011
Office and business	1,635	2,221
Employee benefits	2,101	1,982
Rental expenditures	1,054	1,133
Amortization	312	321
Travel	17	419
Materials and supplies	75	88
Other	20	52
Board expenses	83	73
Support services	189	169
Total expenses	71,378	52,808

Destination BC Corp.
Notes to the Financial Statements
Year ended March 31, 2021
(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

15. Related Party Transactions

The Corporation is related through common ownership to all Province ministries, agencies and Crown corporations. Transactions with these entities considered to be in the normal course of operations, are recorded at the exchange amounts, predominantly under prevailing trade terms.

The Corporation had the following transactions with the government and other government-controlled organizations:

	(Expressed in thousands of dollars)	
	2021	2020
Grants from the Province (note 12)	58,473	52,221
Amounts paid or due to the		
Ministry of Finance:		
Payroll	10,339	9,939
Regional Support	6,399	-
Building Occupancy Costs	1,056	1,137
Information Technology Services	704	715
Legal Services	56	118
Visitor Experience Support	12	110
BC Stats	30	20
Postage, supplies, printing	4	13
Insurance Premiums	18	19
Corporate Communications	9	10
Other (including bank charges)	4	4

In 2020/21, grants from the Province included \$5 million distribution of the Tourism Recovery Marketing fund and \$2.1 million distribution of the Targeted Regional Tourism Development fund.

In 2020/21, the Corporation worked with the provincial government to provide \$6.4 million to regional partners to support regional destination development priorities.

Destination BC Corp.
Financial Information Act Reporting
Fiscal Year Ended March 31, 2021

Statement of Indemnifications

Name of Person / Company Indemnified	Risk Management Branch Issuance Number	Issue Date
Google LLC	202111668	May 15, 2020
City of Richmond	202111700	June 2, 2020
Headspace Inc.	202112523	January 18, 2021
DocuSign, Inc.	202112750	March 10, 2021

Destination BC Corp.

Financial Information Act Reporting

Fiscal Year Ended March 31, 2021

Schedule of Remuneration

1. Elected Officials, Employees appointed by Cabinet and Members of the Board of Directors

Name	Position	Remuneration \$	Expenses \$
Black, Dawn	Chair, Board of Directors	12,000	237
Blakeney, Amy	Member, Board of Directors	5,158	0
Bouman, Sheila	Vice Chair, Board of Directors	10,650	77
Hannah, Linda	Member, Board of Directors	7,650	153
McKay, Joel	Member, Board of Directors	11,150	0
Neasloss, Douglas	Member, Board of Directors	4,950	77
Vaugeois, Nicole	Member, Board of Directors	10,150	77
Wilson, Penny	Member, Board of Directors	12,700	77
Wright, Randall	Member, Board of Directors	5,608	0
		(A) \$80,016	\$698

2. Employees earning > \$75,000

Name	Position	Remuneration \$	Expenses \$
Bergen, Richard	Manager, Digital Media	94,229	0
Blaker, Laura	Specialist, Corporate Communications	96,802	0
Chen, Amy	Applications Support	79,232	0
Chong, Kin-Lung	IT Operations Manager	86,886	0
Christian, Lesley	Controller	113,806	193
Endrizzi, Nicole	Executive Secretary	89,937	66
Fielden, Stephanie	Manager, Market Dev. Europe, N America, Mexico	90,853	0
Fitzpatrick, Kate	Manager, People & Development	96,233	14
Gagne, Tammy	Senior Digital Content Specialist	76,989	0
Gill, Imran	Manager, Destination Development - Iconics	93,325	0
Gonzaga, Christopher	Business Analyst, Digital Asset Management	75,110	0
Greene, Maria	Director, Global Marketing Partnerships	117,773	0
Grenon, Karla	Acting Director, Global Marketing Programs	129,128	0
Harrison, Peter	Director, Industry Partnerships & Visitor Services	138,225	2,616
Harvey, Kathleen	Manager, Visitor Services	104,437	6
Hearsum, Sarah	Specialist, Corporate Communications	83,142	0
Heerema, Jonathan	Senior Program Advisor, Vancouver Coast & Mountains	91,852	267
Hood, Kimberley	Manager, Co-op Marketing Program	95,213	542

Lange, Maya	Vice President, Global Marketing	175,099	0
Learned, Kristen	Specialist, Corporate Communications	76,743	0
Leathem, Graeme	Manager, Social Media & Digital Content	93,445	0
Leeck, Monica	Manager, Market Development Asia Pacific	96,304	0
MacIntyre, Jennifer	Manager, Industry Development	91,746	0
MacKay, Disa	Manager, Brand Engagement	95,176	0
Mackay, Grant	Vice President, Destination Management	194,621	0
Mason, Clare	Manager, Corporate Communications	97,858	29
McInnes, Neil	Chief Financial Officer	128,851	378
McKay, Alison	Director, Destination & Industry Development	111,951	0
Miller, Kyle	Manager, Online Programs	90,138	58
Nair, Parvathy	Senior Researcher	83,515	0
Penner, Kailee	Acting Manager, Research & Analytics	84,174	0
Porges, Richard	Interim Chief Executive Officer	189,601	4,479
Poulton, Leah	Director, Global Content	114,190	0
Ryan, Mika	Manager, Travel Media & Partnerships	98,960	0
Simpson, Jacqueline	Director, Global Marketing Programs	122,090	38
Singh, Neha	Salesforce Business Analyst	77,040	0
Staley, Ryan	Senior Researcher	80,795	0
Tang, Elisa	Manager, Digital Media	92,159	0
Vallance, Ruth	Manager, Digital and IT Projects	96,524	0
Vasquez, Daniel	Director, Digital Strategy & IT	118,250	0
Walden, Marsha	Chief Executive Officer	130,183	105
Total employees with remuneration of > \$75,000		\$4,292,585	\$8,791
Total employees with remuneration of \$75,000 or less		\$4,002,817	7,813
Total Employees		(B) \$8,295,402	\$16,604

3. Reconciliation

Elected Officials, Employees appointed by Cabinet and Members of the Board of Directors	(A)	\$80,016
Employees total remuneration	(B)	\$8,295,402
Sub-total		\$8,375,418
Reconciling items include year-end salary accrual and leave liability adjustment		125,531
Total per Financial Statements		\$8,500,949

Destination BC Corp.
Financial Information Act Reporting
Fiscal Year Ended March 31, 2021

Statement of Severance Agreements

There were no severance agreements made between Destination BC Corp. and its non-unionized employees during fiscal year ended March 31, 2021.

Prepared under the Financial Information Regulation, Schedule 1, subsection 6(8)

Destination BC Corp.

Financial Information Act Reporting

Fiscal Year Ended March 31, 2021

Schedule of Transfer Payments

1. Alphabetical list of recipients who were paid aggregate amounts exceeding \$25,000

Name	Amount \$
ALBERNI VALLEY TOURISM ASSOCIATION	50,196
ALLIED GOLF ASSOCIATION - BCGMA	345,825
ARMSTRONG SPALLUMCHEEN CHAMBER OF COMMERCE	47,989
ARROW SLOCAN TOURISM ASSOCIATION	44,436
BACKCOUNTRY LODGES OF BC ASSOCIATION	125,756
BC ASSOCIATION OF FARMERS' MARKETS	185,773
BC CRAFT BREWERS GUILD	339,535
BC FISHING TOURISM ASSOCIATION	345,825
BC OCEAN BOATING TOURISM ASSOCIATION	91,138
BRITISH COLUMBIA GARDEN TOURISM COALITION SOCIETY	74,669
BRITISH COLUMBIA GUEST RANCHERS' ASSOCIATION	77,866
BRITISH COLUMBIA LODGING AND CAMPGROUNDS ASSOCIATION	186,534
BRITISH COLUMBIA SNOWMOBILE FEDERATION	137,708
CANADA WEST SKI AREAS ASSOCIATION	1,605,981
CARIBOO CHILCOTIN COAST TOURISM MARKETING ASSOCIATION	310,038
CARIBOO-CHILCOTIN-COAST TOURISM ASSOCIATION	229,200
CASTLEGAR & DISTRICT CHAMBER OF COMMERCE	58,640
CITY OF LANGFORD	43,507
CITY OF MERRITT	40,806
CITY OF QUESNEL	39,640
CITY OF VERNON	39,850
COLUMBIA SHUSWAP REGIONAL DISTRICT	87,156
COLUMBIA VALLEY TOURISM MARKETING SOCIETY	48,383
COMOX VALLEY ECONOMIC DEVELOPMENT SOCIETY	218,461
CRANBROOK AND REGION TOURISM SOCIETY	69,347
DESTINATION OSOYOOS DEVELOPMENT SOCIETY	65,849
DESTINATION THINK! PROFESSIONAL SERVICES INC.	140,670
DISTRICT OF HOPE	25,973
DISTRICT OF MISSION	63,183
GABRIOLA ISLAND CHAMBER OF COMMERCE	25,777
GLOBAL SPECTRUM FACILITY MANAGEMENT	35,850
GOLD COUNTRY COMMUNITIES SOCIETY	51,329

GREATER VICTORIA VISITORS & CONVENTION BUREAU	914,852
GUIDE-OUTFITTERS ASSOCIATION OF BRITISH COLUMBIA	166,849
HARRISON TOURISM SOCIETY	25,850
HOPE BUSINESS AND DEVELOPMENT SOCIETY	243,329
HUU-AY-AHT FIRST NATIONS	40,040
INDIGENOUS TOURISM ASSOCIATION OF BRITISH COLUMBIA	2,252,500
INFORMATION WELLS GRAY	26,000
KAMLOOPS TOURISM MARKETING SOCIETY	192,772
KERMODEI TOURISM SOCIETY	28,350
KOOTENAY ROCKIES TOURISM ASSOCIATION	30,000
LUMBY & DISTRICT CHAMBER OF COMMERCE	33,163
LYTTON AND DISTRICT CHAMBER OF COMMERCE	25,797
METRO VANCOUVER CONVENTION AND VISITORS BUREAU	2,634,868
MINISTER OF FINANCE	6,375,800
MISTY ISLES ECONOMIC DEVELOPMENT SOCIETY	132,298
NELSON KOOTENAY LAKE TOURISM	147,951
NEW WESTMINSTER TOURISM AND CONVENTION DEVELOPMENT	25,105
NORTH ISLAND COAST DEVELOPMENT INITIATIVE TRUST	50,000
NORTHERN ROCKIES REGIONAL MUNICIPALITY	88,435
OLIVER TOURISM ASSOCIATION	28,039
PARKSVILLE QUALICUM BEACH TOURISM ASSOCIATION	109,188
PORT HARDY CHAMBER OF COMMERCE	26,000
RADIUM HOT SPRINGS CHAMBER OF COMMERCE	40,365
REGIONAL DISTRICT OF CENTRAL KOOTENAY	34,600
REVELSTOKE ACCOMMODATION ASSOCIATION	52,039
REVELSTOKE CHAMBER OF COMMERCE	30,152
RICHMOND TOURISM ASSOCIATION	1,078,323
SALT SPRING ISLAND CHAMBER OF COMMERCE	31,419
SIDNEY BUSINESS IMPROVEMENT AREA SOCIETY	25,598
SIMILKAMEEN VALLEY PLANNING SOCIETY	42,545
SOUTHERN GULF ISLANDS TOURISM PARTNERSHIP SOCIETY	221,440
SPARWOOD & DISTRICT CHAMBER OF COMMERCE	25,974
STATISTICS CANADA	68,590
SUNSHINE COAST TOURISM SOCIETY	530,240
SURREY TOURISM & CONVENTION ASSOCIATION	27,350
SYMPHONY TOURISM SERVICES LTD.	253,968
THE FISHING HIGHWAY TOURIST ASSOCIATION	51,633
THOMPSON OKANAGAN TOURISM ASSOCIATION	89,250
TOFINO DESTINATION MANAGEMENT ASSOCIATION	194,850
TOURISM ABBOTSFORD SOCIETY	34,600
TOURISM ASSOCIATION OF VANCOUVER ISLAND	276,976
TOURISM BOWEN ISLAND ASSOCIATION	42,421
TOURISM BURNABY	84,850
TOURISM CHILLIWACK INC.	1,263,851
TOURISM COWICHAN SOCIETY	234,072
TOURISM FERNIE SOCIETY	46,953

TOURISM GOLDEN ASSOCIATION	100,176
TOURISM KELOWNA SOCIETY	367,166
TOURISM KIMBERLEY SOCIETY	39,850
TOURISM PEMBERTON	124,850
TOURISM PRINCE GEORGE SOCIETY	208,212
TOURISM PRINCE RUPERT	33,350
TOURISM ROSSLAND SOCIETY	121,136
TOURISM SMITHERS SOCIETY	49,396
TOURISM SQUAMISH SOCIETY	133,976
TOWN OF CRESTON	35,070
TRAVEL PENTICTON SOCIETY	122,642
TUMBLER RIDGE GLOBAL GEOPARK SOCIETY	25,834
UCLUELET TOURISM ASSOCIATION	91,850
VANPASS	234,885
VILLAGE OF VALEMOUNT	28,250
WESTERN CANADA MOUNTAIN BIKE TOURISM ASSOCIATION	329,716
WHISTLER RESORT ASSOCIATION	1,530,389
WINE GROWERS BRITISH COLUMBIA SOCIETY	210,000

	(A)	\$27,418,883
2. Consolidated payments to recipients for transfers of \$25,000 or less	(B)	\$1,027,226
3. Reconciliation		
Total transfer payments exceeding \$25,000 paid to recipients	(A)	\$27,418,883
Consolidated total transfer payments of \$25,000 or less paid to recipients	(B)	\$1,027,226
Sub-total		\$28,446,109
Reconciling items including year-end accruals		\$12,060,742
Total per Financial Statements		\$40,506,851

Destination BC Corp.
Financial Information Act Reporting
Fiscal Year Ended March 31, 2021

Schedule of Payments for Goods or Services
(Other than Transfer Payments)

1. Alphabetical list of recipients who were paid aggregate amounts exceeding \$25,000

Name	Amount \$
123 WEST COMMUNICATIONS LLP	2,018,250
673030 BC INCORPORATED	46,930
AGILITY PR SOLUTIONS CANADA LTD.	59,145
BC LIONS FOOTBALL CLUB INC.	29,190
BEIJING LOGA TECHNOLOGY CO LTD	124,870
BIG WHITE SKI RESORT LTD.	50,000
BOILEAU, DANIELLE LEAH	38,140
CANADA BRITISH COLUMBIA BUSINESS SERVICES SOCIETY	40,000
CANADIAN SKI COUNCIL	250,000
CENSHARE US INC.	260,960
COLLETT, NIGEL	27,160
CONCENTRIC CONSULTING INC.	66,262
DEMPSEY, HILARY ANN CARDER	142,327
DENBAK, SUZANNE	30,000
DESTINATION CANADA	424,847
DESTINATION THINK! PROFESSIONAL SERVICES INC.	747,653
EDUKAANS ENTERPRISES	29,616
ELLIOTT, MARY	31,000
ENVIRONICS ANALYTICS GROUP LTD.	181,064
EXTREME REACH CANADA ULC	29,145
FORWARD DATA S L	82,441
FUSEFORWARD CLOUD SERVICES LTD.	275,905
GLOBAL TOURISM SOLUTIONS	191,147
GO2 TOURISM HR SOCIETY	97,152
GOWLING WLG (CANADA) LLP	30,806
GRAHAM, RICHARD JOHN	36,917
HUNTER, MARIE	43,627
INSIGHTS WEST MARKETING RESEARCH INC.	89,320

J&C FORCE CONSULTING	26,906
JUNCTION CREATIVE SOLUTIONS LTD.	131,285
KAMLOOPS TOURISM MARKETING SOCIETY	77,705
KBC PR AND MARKETING	194,049
KEMP, MEREDITH LOUISE	44,025
LAURA PLANT CONSULTING INC.	61,102
LEGER MARKETING ALBERTA INC.	77,590
LOUNGEWORKS INC	60,934
MARKETING SERVICES INTERNATIONAL GMBH	177,868
MCCORMICK, MARGARET	54,500
MINISTER OF FINANCE	3,869,895
NOISE DIGITAL INC	4,329,096
OSLER, PAMELA JANE	38,500
PACIFIC ANALYTICS INC	37,890
PALADIN TECHNOLOGIES INC.	52,033
PINTON FORREST & MADDEN GROUP INC.	55,554
PROJEXIA INC.	118,950
QUIETLY MEDIA INC.	49,000
RENDEZ-VOUS CANADA	135,705
RICHMOND TOURISM ASSOCIATION	38,733
ROGERS WIRELESS	90,421
ROUSSEL, GAVIN	57,794
ROVE MARKETING INC.	111,307
RUDER FINN PUBLIC RELATIONS CONSULTING (BEIJING) CO LTD	73,592
RYAN, THOMAS JOSEPH	25,315
SALESFORCE.COM CANADA CORP	356,585
SITEIMPROVE INC.	34,084
SNOW TRAVEL EXPO AUSTRALIA	60,000
STEARNS, KATHALENE	76,725
STR, LLC	49,934
TABLEAU SOFTWARE	34,801
TRAVEL ALBERTA	62,461
UNIREGISTRAR, CORP	42,547
VARDO CREATIVE INC.	281,540
VERB INTERACTIVE INCORPORATED	799,919
WASSERMAN & PARTNERS ADVERTISING INC.	2,616,437
WATSON ADVISORS INC.	45,421
WPIC MARKETING INC.	68,850

(A)	<u><u>\$19,992,927</u></u>
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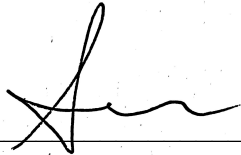
2. Consolidated payments to recipients of \$25,000 or less	(B)	<u><u>1,358,166</u></u>
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3. Reconciliation

Total payments exceeding \$25,000 paid to recipients	(A)	19,992,927
Consolidated total payments of \$25,000 or less paid to recipients	(B)	<u>1,358,166</u>
		21,351,093
Reconciling items including year-end accruals		<u>703,590</u>
Total per Financial Statements		<u><u>22,054,683</u></u>

Destination BC Corp.
Statement of Financial Information
Fiscal Year Ended March 31, 2021

The undersigned represents the Board of Destination BC Corp. and approves all the statements and schedules included in this Statement of Financial Information, produced under the Financial Information Act.



Signature

Name: Scott Fraser

Title: Destination BC Board Chair

Date: October 5, 2021