

**Infrastructure BC**  
**(formerly Partnerships British Columbia)**

**2020/21**  
**Annual Service Plan Report**

**August 2021**



For more information on Infrastructure BC contact:

Suite 1220 - 800 West Pender Street

Vancouver, B.C.

V6C 1J8

(604) 806-4168

Or

Suite 300 - 707 Fort Street

Victoria, B.C.

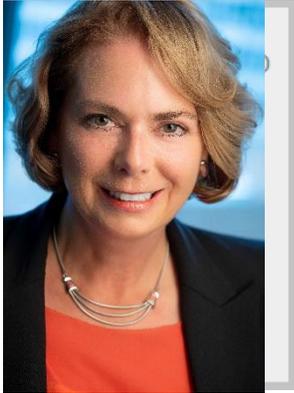
V8W 3G3

(250) 475-4668

Or visit our website at

[infrastructurebc.com](http://infrastructurebc.com)

## Board Chair's Accountability Statement



The *Infrastructure BC 2020/21 Annual Service Plan Report* compares the organization's actual results to the expected results identified in the *2020/21 – 2022/23 Service Plan* created in February 2020. I am accountable for those results as reported.

A handwritten signature in black ink, appearing to read "Dana Hayden".

Dana Hayden  
Chair, Board of Directors  
July 27, 2021

## **Table of Contents**

Board Chair’s Accountability Statement .....	3
Letter from the Board Chair & CEO.....	5
Purpose of the Annual Service Plan Report.....	7
Purpose of the Organization.....	7
Strategic Direction .....	7
Operating Environment.....	7
Report on Performance: Goals, Objectives, Measures and Targets.....	9
Financial Report.....	16
Discussion of Results .....	16
Appendix A: Additional Information.....	27
Appendix B: Glossary of Terms .....	28
Appendix C: Auditor’s Report and Audited Financial Statements.....	31

## Letter from the Board Chair & CEO

Please find enclosed our Annual Service Plan Report for the fiscal year 2020/21 which summarizes Infrastructure BC's performance in the context of the Mandate Letter provided to us by our Shareholder, the Minister of Finance.

Infrastructure BC supported the Government of B.C.'s three priorities as outlined in our 2020/21 Mandate Letter:

- to make life more affordable;
- to deliver better services; and
- to invest in a sustainable economy.

Infrastructure BC brings its procurement expertise and knowledge of infrastructure development to each project ensuring that projects are meeting the needs of citizens and clients. Infrastructure BC works in concert with the Ministry of Finance to ensure that our priorities align with the Government of B.C.'s infrastructure development priorities. Infrastructure BC also provides services to public sector project owners elsewhere in Canada.

In 2020/21, Infrastructure BC managed a significant number of projects from schools to hospitals and transit to highways.

Infrastructure BC worked closely with the Ministry of Transportation and Infrastructure, and Transportation Investment Corporation, managing the procurement of projects including the Pattullo Bridge Replacement, the Broadway Subway, Kicking Horse Canyon Phase 4. Additionally, Infrastructure BC worked throughout 2020/21 managing the planning of the George Massey Crossing project.

Infrastructure BC also managed the planning and/or procurement of projects undertaken by several health authorities and the BC Ministry of Health. These projects include the Royal Columbian Hospital Redevelopment Phase 2 and 3, Mills Memorial Hospital Redevelopment, Cowichan District Regional Hospital, Cariboo Memorial Hospital, Dawson Creek Hospital, Stuart Lake Hospital, Lions Gate Hospital Redevelopment – Phase 3 Acute Care Facility, and Burnaby Hospital Phase 1 Redevelopment.

Finally, Infrastructure BC managed the procurement for the Nanaimo Correctional Centre, Coast Mountain College Student Housing, and Cowichan District Secondary School. Infrastructure BC worked with the Ministry of Citizen's Services providing planning and advice regarding the Royal British Columbia Museum (RBCM) and Abbotsford Law Courts.

During 2020/21 the board terms of Peter Kappell, Jim Greatbanks, and Diane Delves ended. We thank each director and wish them well. Eric Denhoff, Mary Austin, Kristi Simpson, and Susan Dujmovic were welcomed as new members of the Board.

The COVID-19 pandemic has had a significant effect on how Infrastructure BC and its clients operate. The Board of Directors and the executive team would like to acknowledge all of its employees and contractors, whose talent and commitment have allowed the Organization to survive the challenges associated with a global pandemic and to continue to deliver uninterrupted value-added services to clients, albeit almost exclusively remotely.

On behalf of the Board of Directors and executive team, we would like to thank everyone at Infrastructure BC for their continued hard work and dedication.

Dana Hayden



Chair, Board of Directors, Infrastructure BC  
July 27, 2021

Mark Liedemann



President and CEO, Infrastructure BC  
July 27, 2021

## Purpose of the Annual Service Plan Report

The Annual Service Plan Report is designed to meet the requirements of the [Budget Transparency and Accountability Act](#) (BTAA), which sets out the legislative framework for planning, reporting and accountability for Government organizations. Under the BTAA, the Crown Corporation's Board is required to report on the actual results of the Crown's performance related to the forecasted targets documented in the previous year's Service Plan.

## Purpose of the Organization

Infrastructure BC (the Organization) is owned by the Province of British Columbia and governed by a Board of Directors reporting to its sole Shareholder, the Minister of Finance. It is incorporated under the [Business Corporations Act](#).

Infrastructure BC's strategic direction and mandate have been set by its Shareholder as outlined in the [2020/21 mandate letter](#). Infrastructure BC's corporate goals reflect its mandate to ensure it is meeting Shareholder and client needs.

Infrastructure BC advises public sector clients how best to plan, procure and deliver capital projects to foster innovation and quality, address key service needs, and manage projects to be on time and budget, using a variety of procurement models. These models engage the private sector and efficiently allocate risk to provide the best value and outcome for all of Infrastructure BC's projects. In all cases, the public sector owns the infrastructure and maintains full oversight of the projects.

## Strategic Direction

The strategic direction set by Government in 2017, and expanded upon in the Board Chair's [2020 Mandate Letter](#) from the Minister Responsible, shaped the goals, objectives, performance measures and financial plan outlined in the [2020/21 Infrastructure BC Service Plan](#) and actual results reported on in this annual report.

The global COVID-19 pandemic resulted in many shifts in priorities, structures, and operations across the public sector. Any changes to Infrastructure BC goals, objectives, performance measures or financial plan to align with the strategic direction established by Government in late 2020 are presented in the 2021/22 Service Plan.

## Operating Environment

In December 2020, Government announced that [Partnerships British Columbia Inc. changed its name to Infrastructure BC Inc.](#)

Since its inception in 2002, the Organization has provided planning and procurement services to owners for 64 projects with a cumulative capital investment of approximately \$23 billion. Of these, twelve projects with a total capital investment of \$4 billion were undertaken for governments in Canada other than the Government of BC. In fiscal 2020/21, Infrastructure BC managed the procurement of thirteen projects, five of which reached contract execution. All of these projects were in BC. Infrastructure BC does undertake work outside of BC when capacity

permits and clients are seeking our services. This last year virtually all services were provided for entities associated with the Province of BC.

Throughout the COVID-19 pandemic, Infrastructure BC continued to provide support to its clients and while maintaining the health and well-being of its staff. During the year, most staff worked remotely. The volume of work remained high, particularly with a large number of procurements and the Organization hired additional resources to fulfill obligations to clients. As part of Provincial and Federal Governments' focus on economic recovery through infrastructure, the outlook for complex capital projects remains strong, and there is potential for significant project work in the coming years.

While the flow of projects continues to remain strong, BC continues to experience relatively few bidders per project and those proponents that do bid are more risk averse. Infrastructure BC continues to examine and implement innovative procurement models, such as Progressive Design-Build and Alliance, to deal with the challenge of fewer bidders and related market dynamics. To encourage construction firms to invest time and resources to pursue BC projects, Infrastructure BC coordinated, on behalf of the Province, a publication of major infrastructure projects in planning and procurement to better communicate to the construction industry the depth and breadth of construction opportunities. Infrastructure BC also supported the Province of BC in the development of a standardized commercial and legal approach to manage the impact of COVID-19 on projects in construction and operation.

Infrastructure BC's mandate to be a self-sustaining organization remained unchanged. The team continued to increase the number of projects it works on, properly resourcing each project and delivering added value to our clients. Infrastructure BC staff would like to express sincere appreciation to the Organization's Board of Directors for their support, trust, and guidance in navigating through this challenging and difficult year.

British Columbia's economy declined in 2020, as the negative impacts from the COVID-19 pandemic pushed economies all over the world into deep recessions. B.C.'s real GDP contraction of 3.8 per cent was the fourth smallest among provinces (behind Prince Edward Island, Nova Scotia, and New Brunswick). The decline in B.C.'s real GDP was almost entirely driven by service-producing industries, while goods-producing industries had modest declines. Output in the arts, entertainment and recreation, accommodation and food services and transportation were some of the main drivers of the decrease in the service sector. In B.C.'s goods producing sector declines in manufacturing and natural resources were partially offset by increases in the construction sector. Employment in B.C. decreased by 6.6 per cent in 2020. However, wages and salaries remained relatively stable compared to 2019 as low wage workers accounted for the majority of job losses. Retail trade increased by 1.3 per cent in 2020, while consumer prices increased by 0.8 per cent. Residential construction activity slowed but remained relatively strong, with housing starts declining in 2020 after experiencing all-time highs in 2019. In contrast, after declining for three consecutive years home sales reached record levels in late 2020. On the external front, global international trade experienced significant disruptions as the pandemic unfolded. B.C.'s international merchandise exports contracted in 2020 reflecting a combination of weaker global demand and lower commodity prices.

## Report on Performance: Goals, Objectives, Measures and Targets

### Goal 1: Planning and procurement associated with complex infrastructure projects support government priorities

\*\*Goal 1 modified for 2020/21 Service Plan to reflect the 2021 Mandate letter priorities as outlined by the Minister of Finance

#### Objective 1.1: Achieve agreed-upon project procurement schedules

##### Key Highlights

- Used effective processes and contractual requirements to meet project procurement schedules under various partnership models.
- Used appropriate governance models throughout the project procurement process.

Performance Measure(s)	2019/20 Actuals	2020/21 Target	2020/21 Actuals	2021/22 Target	2022/23 Target
1.1 Project is delivered based on the agreed upon procurement schedule	One of three projects did not meet target	Expect to achieve	Two of five projects did not meet agreed upon procurement schedule	Expect to achieve	Expect to achieve

##### Discussion of Results

The two projects that did not meet the agreed upon procurement schedule were the Nanaimo Correctional Centre project and the Royal Columbian Hospital Redevelopment Phase 2/3 project. The reason in both cases was that there was only one bidder that completed the Request for Proposal (RFP) phase. In the case of the Nanaimo Correctional Centre project, this was due to the other two bidders withdrawing during the RFP phase because they were overcommitted with other construction projects. In the case of the Royal Columbian Hospital Redevelopment Phase 2/3 project, this was because only one bidder responded to the Request for Qualification. There were extended negotiations between the owner and each of the bidders resulting in a longer schedule. Furthermore, the owners took additional steps and effort to confirm that the price submitted by the single bidder represented fair value to them.

#### Objective 1.2: Meet capital and affordability ceilings and achieve value for money for projects

##### Key Highlights

- Promoted robust market competition for project procurement under various contract models.
- Developed risk-based cost analysis for projects at the Business Case stage and updated as necessary prior to release of the Request for Proposals (RFP).

- Implemented procurement processes that delivered three projects within established capital and affordability ceilings.

Performance Measure(s)	2019/20 Actuals	2020/21 Target	2020/21 Actuals	2021/22 Target	2022/23 Target
1.2a Each project that reaches financial close is within capital and affordability ceilings	One of three projects did not meet target	Expect to achieve	Two of five projects did not reach financial close within capital and affordability ceilings	Expect to achieve	Expect to achieve
1.2b Achieve value for money (VFM) at financial close <sup>1</sup>	All projects achieved VFM	Expect to achieve	N/A	N/A	N/A

<sup>1</sup>Value for money is the risk-adjusted difference in present value dollar terms between the partnership and traditional delivery models costs. Not all benefits are captured in a value for money number. Examples of such benefits include early completion and delivery of associated services to the public or improved long-term service outcomes (e.g. better clinical outcomes in a hospital).

## Discussion of Results

1.2a The Nanaimo Correctional Centre project and the Royal Columbian Hospital Redevelopment Phase 2/3 project did not meet the capital and affordability ceilings determined within the business case. The construction market is experiencing significant escalation at present. There is always a difference in the timing of the determination of the capital and affordability ceilings, which starts during the business case phase and is updated before the RFP is issued, and receipt of pricing from bidders. The capital and affordability ceilings are determined on the premise of a competitive market with multiple bids being received. For both above-referenced projects, there was only one bidder submitting pricing. In each case, the owner took additional steps and effort to confirm that the price submitted by the single bidder represented fair value to the owner. Five projects reached contract execution in fiscal 2020/21.

1.2b Value for Money reports are developed for projects using the design-build finance maintain procurement model. This model was not used for any projects in fiscal 2020/21. Based on current scenarios that indicate this procurement model will rarely be used, this performance measure has been discontinued and removed from future service plans.

## Objective 1.3: Maintain fairness and transparency in project procurement processes

### Key Highlights

- Published fairness advisor reports that assess the fairness of the procurement process for all Infrastructure BC managed procurements.

Performance Measure(s)	2019/20 Actuals	2020/21 Target	2020/21 Actuals	2021/22 Target	2022/23 Target
1.3 Clean Fairness Advisor report where size and scope warrants fairness review	Achieved	Expect to achieve	Achieved	Expect to achieve	Expect to achieve

**Discussion of Results**

Fairness Advisors were retained on all Infrastructure BC procurements that were active in 2020/21. Fairness Advisor reports were issued at the end of the Request for Qualification (RFQ) and Request for Proposals (RFP) phases. During 2020/21 there were six reports issued in relation to RFQs and six reports issued in relation to RFPs. All Fairness Advisor reports confirmed the integrity and fairness of the procurement process.

**Objective 1.4: Support Government Priorities**

**Key Highlights**

- Infrastructure BC supported several government priorities, including but not limited to, CleanBC, childcare spaces, and the *Wood First Act*, both in the planning stages as well as within the procurement phase of capital projects.
- Infrastructure BC continued to seek opportunities to include Indigenous Peoples and businesses through the procurement process. In addition to working with the Ministry of Finance on joint business case guidance, Infrastructure BC also collaborated with the Ministry of Finance to develop appropriate qualitative criteria that are applicable to all projects for inclusion in the Province of BC’s Capital Asset Management Framework (CAMF). Infrastructure BC also sought to develop an understanding of Gender Based Analysis Plus (GBA+) and will work with the Ministry of Finance to determine how to incorporate this initiative into future planning and procurements.

**Goal 2: Deliver value-add to our clients and engage stakeholders**

**Objective 2.1: Promote strong market participation**

**Key Highlights**

- Consistently engaged with market participants.
- Arranged market sounding initiatives for projects.
- Solicited feedback from potential market proponents regarding interest and availability to participate in projects.
- Initiated innovative procurement processes and contracts and worked with clients and the market to achieve procurement objectives.

Performance Measure(s)	2019/20 Actuals	2020/21 Target	2020/21 Actuals	2021/22 Target	2022/23 Target
2.1 Competitive procurements	At least four qualified respondents at RFQ stage	At least four qualified respondents at RFQ stage	One out of five procurements did not receive at least four qualified respondents at RFQ stage	At least four qualified respondents at RFQ stage	At least four qualified respondents at RFQ stage

**Discussion of Results**

The Cowichan District Hospital Replacement project received two responses at the RFQ stage despite significant efforts to engage potential bidders. There were/are limited contractors with the experience to successfully undertake major capital projects. Additionally, there were many competing projects in the private sector with attractive risk profiles and margins.

Infrastructure BC implemented new procurement models, including Alliance and Progressive Design-Build to attract bidders and increase competition on projects.

**Objective 2.2: Maintain client satisfaction**

**Key Highlights**

- Throughout 2020/21 Infrastructure BC provided presentations to multiple clients featuring a variety of topics, including procurement models, contractual terms relating to COVID-19, and design-build strategies.
- Infrastructure BC maintained its pivotal role supporting emerging government priorities by ensuring that the most viable service delivery options were thoroughly assessed and by updating the procurement options analysis methodology.

Performance Measure(s)	2019/20 Actuals	2020/21 Target	2020/21 Actuals	2021/22 Target	2022/23 Target
2.2 Client satisfaction	Achieved	N/A <sup>1</sup>	N/A	Achieve 85% client satisfaction or higher	N/A

<sup>1</sup>The most recent survey was held in Q4 of 2019/20 fiscal year and will be held biennially thereafter.

**Discussion of Results**

Infrastructure BC conducts client surveys to measure satisfaction with Infrastructure BC’s services. Infrastructure BC received a score of 88/100 in the 2019/20 survey. The survey is undertaken every two years, Infrastructure BC’s next survey will be conducted in Q4 of 2021/22.

**Objective 2.3: Maintain stakeholder satisfaction**

**Key Highlights**

- Infrastructure BC participated in stakeholder webinars as keynote speaker in one dozen opportunities throughout 2020/21.
- Infrastructure BC maintained the organization’s stakeholder engagement program using a range of methods to gather and respond to feedback. Examples undertaken during 2020/21 include market outreach sessions, meetings and briefings, workshops and information sharing events, conferences, and business-to-business networking sessions.
- Executed effective stakeholder outreach and engagement in procurement practices.

Performance Measure(s)	2019/20 Actuals	2020/21 Target	2020/21 Actuals	2021/22 Target	2022/23 Target
2.3 Stakeholder satisfaction <sup>1</sup>	Achieved 88%	N/A <sup>2</sup>	N/A	Maintain or improve upon previous survey performance	N/A

<sup>1</sup>The client and stakeholder satisfaction ratings have a standard error of +/- 13 percent at the 95 per cent level of confidence. Infrastructure BC has a limited number of clients and stakeholders, and as a result, the percentage satisfaction rating may fluctuate from year to year.

<sup>2</sup>The most recent survey was held in Q4 of 2019/20 fiscal year and will continue biennially thereafter.

**Discussion of Results**

Stakeholder engagement continued to be a key focus for Infrastructure BC. Consistent participation in virtual webinars throughout 2020/21 helped to ensure that Infrastructure BC understood and addressed the needs of its stakeholders, clients, and potential clients. This ongoing engagement provided the opportunity for Infrastructure BC to offer detailed procurement model presentations to stakeholders and clients.

Infrastructure BC received a score of 88/100 in the 2019/20 survey, which was the most recent survey conducted. The stakeholder satisfaction survey is undertaken every two years, Infrastructure BC’s next survey will be conducted in Q4 of 2021/22.

**Goal 3: Maintain a responsive and resilient organization**

**Objective 3.1: Be financially self-sufficient**

**Key Highlights**

- Actively assessed revenue-generating opportunities through the development and application of Infrastructure BC’s business development plan. The plan identifies key strategies and tactics necessary to ensure the agency maintains financial self-sufficiency.
- Created an effective project work/revenue flow, with appropriate accountability, resourcing, and effective delegation across the agency.
- Increased or expanded support to Government on complex infrastructure projects and other Government priorities.

Performance Measure(s)	2019/20 Actuals	2020/21 Target	2020/21 Actuals	2021/22 Target	2022/23 Target
3.1a Self-sufficiency	Achieved	Expect to achieve net income target of \$0.60M	Achieved net income of \$0.52M See discussion of financial results	Expect to achieve net income target of \$0.91M	Expect to achieve net income target of \$0.95M
3.1b Each sector will contribute at least 25% to consulting fees revenue <sup>1</sup>	Achieved	Expect to achieve	One sector did not meet target	Expect to achieve	Expect to achieve

<sup>1</sup>Sectors include Transportation and Utilities, Health Care and Accommodations.

**Discussion of Results**

3.1a Infrastructure BC achieved a net income of \$0.52M, compared to its net income target of \$0.60M. Given the challenges of the COVID-19 outbreak Infrastructure BC has continued to deliver consulting services to our valued clients and fulfilling our mandate.

3.1b The Healthcare and Transportation sectors within Infrastructure BC contributed a minimum of 25% consulting fees revenue. The Accommodation sector contributed 19% of consulting fees revenue.

**Objective 3.2: Provide a workplace that promotes employee engagement and satisfaction**

**Key Highlights**

- Promoted strong teamwork and open communication amongst all staff members and provided significant learning opportunities.
- Implemented a health and wellness program to mitigate some of the effects associated with COVID-19.
- Implemented virtual social gatherings to facilitate interaction between employees and replace interactions that were common when all employees worked in the office.
- Re-started an employee education program, which on account of COVID-19 is being delivered virtually. This has the entire Organization attend sessions together quarterly. While the virtual sessions are not quite as effective as in-person they are still an important tool to promote employee engagement.
- Management team conducted regular check-ins to employees, who were predominantly working remotely throughout the year.

Performance Measure(s)	2019/20 Actuals	2020/21 Target	2020/21 Actuals	2021/22 Target	2022/23 Target
3.2 Employee satisfaction survey with a goal to achieve 80% or higher rating*	Achieved 82% rating	N/A	N/A	Expect to achieve	N/A

\*The most recent survey was held in Q4 of 2019/20 fiscal year and biennially thereafter.

**Discussion of Results**

As a result of COVID-19, this was a very challenging year in which to maintain high levels of employee engagement, particularly for employees who are new to the organization. This required several initiatives that are summarized in the highlights above.

3.2a Infrastructure BC received a score of 82/100 in the 2019/20 survey, the most recent survey conducted. The employee satisfaction survey and employee retention are instrumental in ensuring the continuity of project success. Overall responses were positive. Employees value their work with Infrastructure BC. The survey is undertaken every two years; Infrastructure BC’s next survey will be conducted in Q4 of 2021/22.

## Financial Report

For the auditor's report and audited financial statements, [see Appendix C](#). These can also be found on the [Infrastructure BC website](#).

### Discussion of Results

This Discussion of Results of Infrastructure BC Inc. (Infrastructure BC or the 'Organization'), formerly Partnerships British Columbia Inc., is intended to be read in conjunction with the audited financial statements and accompanying notes. The results reported are prepared in accordance with Canadian Public Sector Accounting Standards using guidelines developed by the Public Sector Accounting (PSA) Board of the Chartered Professional Accountants of Canada.

This Discussion of Results presents an analysis of Infrastructure BC's 2020/21 financial performance in comparison to the previous fiscal year and 2020/21 budget. Some totals may not be precise due to rounding.

### Overview of 2020/21

The coronavirus, COVID-19, was declared a pandemic on March 11, 2020, by the World Health Organization. Throughout the COVID-19 pandemic, Infrastructure BC adhered to the Provincial Health Officer's guidance and directions. To support the guidelines and restrictions, all Infrastructure BC employees transitioned and were set up to work remotely from home. An Office Safety Plan was prepared to inform all staff of the protocols and guidelines they would need to observe to maintain a safe working environment if they chose to work in the office. During this difficult period, the Organization continued to support clients' projects while ensuring the health and well-being of all employees and their families.

### Comparison of 2020/21 and 2019/20 Financial Performances

Infrastructure BC generated consulting fees of \$8,489,670 in fiscal 2020/21 compared to \$8,220,846 in 2019/20, resulting in an increase of \$268,824 or 3.3%. The increase in consulting fees was largely due to the number of projects in procurement in 2020/21 – thirteen versus eleven in 2019/20 together with several complex projects in the business case phase.

The Organization assisted clients to reach contract agreements on five projects - Broadway Subway, Coast Mountain College Student Residence, Nanaimo Correctional Centre, Kicking Horse Canyon Phase 4, and Royal Columbian Hospital Redevelopment Phase 2 and 3. At the same time, there were eight projects in procurement - Burnaby Hospital Redevelopment Phase 1, Cariboo Memorial Hospital, Cowichan District Hospital, Cowichan Secondary School, Dawson Creek District Hospital, Lions Gate Hospital Redevelopment – Phase 3 Acute Care Facility, Mills Memorial Hospital, and Stuart Lake Hospital.

In 2020/21, the majority of Infrastructure BC’s consulting fees were generated from the following projects:

<b>Project</b>	<b>Delivery Model**</b>	<b>Business Case</b>	<b>Procurement</b>
Broadway Subway	DBF	Procurement commenced in fiscal 2019/20 and contract agreement was reached in fiscal 2020/21.	
Burnaby Hospital Redevelopment Phase 1	DBF	Business case was completed in fiscal 2018/19	In procurement
Cariboo Memorial Hospital	Progressive DB	Business case was completed in fiscal 2019/20	In procurement
Coast Mountain College Student Housing	DB	Procurement commenced and a final contract agreement was reached in fiscal 2020/21.	
Cowichan District Hospital Replacement	Competitive Alliance	Business case was completed in fiscal 2019/20	In procurement
Cowichan Secondary School	DB	Infrastructure BC was not involved in the business case*	In procurement
Dawson Creek District Hospital	Progressive DB	Business case was completed in 2020/21	In procurement
Lions Gate Hospital Redevelopment – Phase 3 Acute Care Facility	DB	Infrastructure BC was not involved in the business case*	In procurement
Mills Memorial Hospital	Progressive DB	Business case was completed in fiscal 2018/19	In procurement
Nanaimo Correctional Centre	DB	Procurement commenced in fiscal 2019/20 and contract agreement was reached in fiscal 2020/21	
Kicking Horse Canyon Phase 4	DB	Procurement commenced and reached a final contract agreement in fiscal 2020/21	
Royal Columbian Hospital Redevelopment Phase 2 and 3	Modified DB	Procurement commenced in fiscal 2019/20 and contract agreement was reached in fiscal 2020/21	

Stuart Lake Hospital Redevelopment	Progressive DB	Business case was completed in fiscal 2019/20	In procurement
------------------------------------	----------------	---	----------------

\*Project owner developed and completed the business case without Infrastructure BC involvement

\*\*Descriptions of Delivery Models can be found in Appendix B

During the year, Infrastructure BC supported the development and/or completion of concept plan and/or business cases for the following projects:

- Collections and Research Building for the Royal BC Museum;
- Dawson Creek Hospital;
- New Surrey Hospital and Cancer Centre;
- Royal BC Museum; and
- George Massey Crossing.

During the year, Infrastructure BC provided advisory services during design, construction, and operations on the following projects:

- Abbotsford Courthouse;
- Broadway Subway;
- Kicking Horse Canyon Phase 4;
- Pattullo Bridge Replacement; and
- Royal Columbian Hospital Redevelopment Phase 2 and 3.

The table below presents a comparison of selected Statements of Operations for fiscal 2020/21 with those of the previous fiscal year.

			% of revenues	
	2021	2020	2021	2020
Revenues	\$ 8,664,892	\$ 8,637,717	100.0%	100.0%
Human resources	6,442,447	6,294,927	74.4%	72.9%
General and administrative expenses	1,528,816	1,589,110	17.6%	18.4%
Amortization	169,416	169,167	2.0%	2.0%
Operating surplus	\$ 524,213	\$ 584,513	6.0%	6.8%

### Revenues

The table below provides changes to the Organization's revenues by category.

			% of revenues	
	2021	2020	2021	2020
Consulting fees	\$ 8,489,670	\$ 8,220,846	98.0%	95.2%
Interest income	175,222	416,871	2.0%	4.8%
	\$ 8,664,892	\$ 8,637,717	100.0%	100.0%

### Comparison to Budget

The table below provides details of the Organization's actual and budgeted revenues for 2020/21.

	2021 Actual	2021 Budget	Change	%
Consulting fees	\$ 8,489,670	\$ 9,017,480	\$ (527,810)	-5.9%
Interest income	175,222	388,000	(212,778)	-54.8%
	\$ 8,664,892	\$ 9,405,480	\$ (740,588)	-7.9%

For the year ended March 31, 2021, consulting fees were 5.9 per cent below budget.

Infrastructure BC’s budget was developed based on the number of projects in the procurement, business case, implementation, and advisory phases, and the number of staff required to deliver on those projects. Infrastructure BC budgeted for 40.4 Full-Time Equivalent (FTE) staff in 2020/21 but averaged 36.8 FTEs during the year.

The difference between actual and budgeted consulting fees was also partly attributable to the Organization’s decision to support the Province of BC on several value-added initiatives on a no-fee basis. In addition, the Organization continued to invest in the development, orientation, and integration of new employees into the organization.

The decrease in interest income was due to the significant decrease in interest rates as a result of the global COVID-19 pandemic. The Organization continued to place its excess cash with the Ministry of Finance Central Deposit Program (the ‘Program’). The Program pays an interest equal to the prime lending rate of the principal banker to the Province of BC less 1.5% which worked out to be 0.95% compared to approximately 2.45% for fiscal 2019/20.

### Expenses

The table below provides details of the Organization’s operating expenses for 2020/21 and 2019/20.

	2021	2020	Change	%
Human resources	\$ 6,442,447	\$ 6,294,927	\$ 147,520	2.3%
Administration	175,258	275,934	(100,676)	-36.5%
Building occupancy	503,883	492,986	10,897	2.2%
Information systems	211,057	259,896	(48,839)	-18.8%
Professional fees	633,822	337,003	296,819	88.1%
Travel	4,796	223,291	(218,495)	-97.9%
Amortization	169,416	169,167	249	0.1%
<b>Total General and Administrative Expenses</b>	<b>1,698,232</b>	<b>1,758,277</b>	<b>(60,045)</b>	<b>-3.4%</b>
<b>Total Operating Expenses</b>	<b>\$ 8,140,679</b>	<b>\$ 8,053,204</b>	<b>\$ 87,475</b>	<b>1.1%</b>
<b>% of expenses to revenues</b>	<b>94.0%</b>	<b>93.2%</b>		
<b>% of general and administration expenses to revenues</b>	<b>19.6%</b>	<b>20.4%</b>		

For the year ended March 31, 2021, there was an increase in operating expenses of \$87,475 or 1.1 per cent compared to last year. The increase was primarily attributable to the following:

- Human resources,
- Building occupancy; and
- Professional fees.

The increase in human resources expenses was due to the increase in the number of professional staff to support the significant number of projects. In addition, there was an increase in vacation liability expense due to the ongoing COVID-19 restrictions.

The increase in building occupancy costs was due to the increase in actual operating expenses for both the Vancouver and Victoria offices and the additional cleaning and sanitization carried out for both offices.

The increase in professional fees expenses was due to the hiring of an advisory firm to lead the review of the management of a public-private partnership agreement for an operational hospital, the engagement of an executive search firm to support the search for management and senior resources, and legal advice to support the Province of BC with respect to future procurements. The primary objective of the review of the lessons learned from an operating hospital is to incorporate and share them on future projects.

The decrease in the other line items was primarily due to the ongoing COVID-19 restrictions on in-person meetings and the elimination of all non-essential travel.

Overall, for the year ended March 31, 2021, total expenses as a percentage of revenues were 94 per cent compared to 93.2 per cent for the year ended March 31, 2020. Total general and administrative expenses, as a percentage of revenues, were 19.6 per cent compared to 20.4 per cent for the year ended March 31, 2020. The increase was largely attributable to the COVID-19 restrictions on in-person meetings and the elimination of all non-essential travel.

## Comparison to Budget

The table below provides details of the Organization's actual and budgeted expenses for 2020/21.

	2021 Actual	2021 Budget	Change	%
Human resources	\$ 6,442,447	\$ 6,952,988	\$ (510,541)	-7.3%
Administration	175,258	297,200	(121,942)	-41.0%
Building occupancy	503,883	497,312	6,571	1.3%
Information systems	211,057	340,325	(129,268)	-38.0%
Professional fees	633,822	332,000	301,822	90.9%
Travel	4,796	204,000	(199,204)	-97.6%
Amortization	169,416	178,193	(8,777)	-4.9%
Total General and Administrative Expenses	1,698,232	1,849,030	(150,798)	-8.2%
Total Operating Expenses	\$ 8,140,679	\$ 8,802,018	\$ (661,339)	-7.5%
% of expenses to revenues	94.0%	93.6%		
% of general and administrative expenses to revenues	19.6%	19.7%		

The variance of actual and budgeted expenses for 2020/21 was primarily attributable to COVID-19 that restricted social gatherings, in-person meetings, and eliminated non-essential travel.

For the year ended March 31, 2021, human resources expenses were \$6,442,447 compared to budget of \$6,952,988, resulting in a variance of \$510,541 or 7.3 per cent. The Organization had budgeted for 40.4 FTEs but averaged 36.8 FTEs during the year. The variance was due to the timing of the hiring of senior employees to support the Organization's implementation initiatives. Given the current COVID-19 challenges, the Organization deferred the hiring of senior employees to support the implementation initiatives to Q1 of fiscal 2021/22.

Going forward, the Organization has budgeted for 41.2 FTEs with a corresponding increase in human resources expenses to reflect the increase in project resource requirements to deliver on the significant number of projects in procurement, business case, advisory, and implementation phase.

For the year ended March 31, 2021, total general and administrative expenses were \$1,698,232 compared to budget of \$1,849,030, resulting in a variance of \$150,798 or 8.2 per cent. The restrictions on social gatherings and in-person meetings reduced administration expenses whereas the elimination of non-essential travel reduced travel and accommodation expenses.

Information technology expenses were under budget by \$129,268 because of the changes to Microsoft's software licencing that transitioned all users to Office 365 in fiscal 2020/21. This change reduced the number of network server licenses as all corporate emails are now delivered by Microsoft's cloud-based solution. In addition, the Organization renegotiated a lower monthly information technology helpdesk contract that contributed to a reduction in information technology expenses.

Professional fees were \$301,822 more than budgeted because of certain one-time initiatives that were not included in the budget. These initiatives included the hiring of an advisory firm to support a performance review of a Design-Build Finance Maintain hospital in the operations phase, the engagement of an executive search firm to support the search for management and senior resources, and legal advice to support the Province of BC with respect to future procurements.

Total expenses for the year ended March 31, 2021, as a percentage of revenues were 94 per cent which was greater than budget of 93.6 per cent. General and administrative expenses for the year ended March 31, 2021, as a percentage of revenues, were 19.6 per cent which was lower than budget of 19.7 per cent.

## Statement of Financial Position

The table below presents a comparison of selected financial position items of the current fiscal year with those of the previous fiscal year.

	2021	2020	Change	%
<b>Financial Assets</b>				
Cash	\$18,246,121	\$16,914,167	\$ 1,331,954	7.9%
Accounts receivable	1,814,266	2,527,920	(713,654)	-28.2%
<b>Total Financial Assets</b>	20,060,387	19,442,087	618,300	3.2%
<b>Liabilities</b>				
Accounts payable and accrued liabilities	1,171,547	1,084,450	87,097	8.0%
Deferred lease inducement	123,977	166,483	(42,506)	-25.5%
<b>Total Liabilities</b>	1,295,524	1,250,933	44,591	3.6%
<b>Net Financial Assets</b>	\$18,764,863	\$18,191,154	\$ 573,709	3.2%
<b>Non-Financial Assets</b>	\$ 521,384	\$ 570,880	\$ (49,496)	-8.7%
<b>Accumulated Surplus</b>	\$19,286,247	\$18,762,034	\$ 524,213	2.8%

Explanations of significant changes in the Statement of Financial Position are provided below.

Cash increased by \$1,331,954 from \$16,914,167 as at March 31, 2020 to \$18,246,121 as at March 31, 2021. The increase in cash was due to the operating surplus together with the positive changes in net working capital.

The Organization continued to invest its excess cash with the Ministry of Finance Central Deposit Program (the “Program”). The interest rate from this Program is prime less 1.5 per cent and there was a decrease in the prime lending rate of the principal banker to the Province of BC.

Accounts receivable, which consists of work fees, project recoverable expenses, and accruals at year-end, decreased by \$713,654 from \$2,527,920 as at March 31, 2020, to \$1,814,266 as at March 31, 2021. Current accounts receivable represented approximately 90 per cent of the balance at year-end. All the amounts receivable are receivables from the Province of BC and related agencies. As a result, the Organization did not provide for any doubtful accounts for the years ended March 31, 2021, and 2020.

Non-financial assets consisting of prepaid expenses and tangible capital assets decreased by \$49,496. This was primarily due to computer hardware additions less amortization during the year.

### **Liabilities and accumulated surplus**

Accounts payable and accrued liabilities increased by \$87,097 from \$1,084,450 as at March 31, 2020 to \$1,171,547 as at March 31, 2021. The increase was largely due to the year-end accrual of staff's vacation liability that will be resolved with a board-approved policy to pay out any unused or accrued vacation carry-forward in January 2022. Staff are continually encouraged to utilize their vacation entitlements to help manage the continuing physical and mental challenges associated with remote working during COVID-19.

The deferred lease inducement of \$123,977 consists of the unamortized reimbursement of leasehold improvement costs from the lessor. The total inducement of \$251,496 was deferred and recognized as a reduction of building occupancy expense on a straight-line basis over the term of the lease.

The increase in accumulated surplus was attributable to an annual operating surplus of \$524,213.

### **Statement of Cash Flows**

#### ***Liquidity and capital resources***

The table below presents a comparison of the Organization's working capital position for the current fiscal year with that of the previous fiscal year.

	<b>2021</b>	<b>2020</b>	<b>Change</b>
Cash	\$18,246,121	\$16,914,167	\$ 1,331,954
Accounts receivable	1,814,266	2,527,920	(713,654)
Other current assets	74,883	60,352	14,531
	<u>20,135,270</u>	<u>19,502,439</u>	<u>632,831</u>
Accounts payable and accrued liabilities	<u>1,171,547</u>	<u>1,084,450</u>	<u>87,097</u>
Net working capital	<u>\$18,963,723</u>	<u>\$18,417,989</u>	<u>\$ 545,734</u>

As at March 31, 2021, the Organization's principal sources of liquidity included cash of \$18,246,121 and accounts receivable of \$1,814,266. The Organization has \$1,174,547 in accounts payable and accrued liabilities due next year. As a result, the Organization's net working capital improved by \$545,734 to \$18,963,723 as at March 31, 2021.

### Commitments and Contractual Obligations

The Organization is committed to payments under operating leases for premises through fiscal 2023/24 as follows:

	<b>Amount</b>
2022	536,589
2023	545,428
2024	402,651
	<b>\$ 1,484,668</b>

The Organization’s Vancouver and Victoria office leases are scheduled to expire on February 28, 2024, and August 31, 2023, respectively.

During the year, Infrastructure BC did not enter into any contractual obligations or off-balance sheet arrangements. In addition, the Organization did not have any pending litigation or contingencies as at March 31, 2021.

### Selected Annual Information

The following table presents selected financial information for the years ended March 31, 2021, 2020, 2019, 2018, and 2017.

	2021	2020	2019	2018	2017
Total revenues	\$ 8,664,892	\$ 8,637,717	\$ 7,518,903	\$ 7,248,590	\$ 7,565,624
Total operating expenses	\$ 8,140,679	\$ 8,053,204	\$ 6,800,683	\$ 6,908,176	\$ 6,197,153
Annual operating surplus	\$ 524,213	\$ 584,513	\$ 718,220	\$ 340,414	\$ 1,068,471
Total current assets	\$20,135,270	\$19,502,439	\$18,978,200	\$18,094,641	\$17,990,110
Total assets	\$20,581,771	\$20,012,967	\$19,500,553	\$18,613,482	\$18,116,357
Total current liabilities	\$ 1,171,547	\$ 1,084,450	\$ 1,114,043	\$ 894,237	\$ 988,220
Total liabilities	\$ 1,295,524	\$ 1,250,933	\$ 1,323,032	\$ 1,145,733	\$ 988,220

## **Appendix A: Additional Information**

### **Corporate Governance**

Infrastructure BC is governed by a Board of Directors that reports to its shareholder, the Minister of Finance. The Board's direction is implemented by management, who carry out the day-to-day operations of the Corporation under the supervision of the President and Chief Executive Officer. For more information on Corporate Governance, please refer to our web page at [InfrastructureBC.com](http://InfrastructureBC.com).

### **Contact Information**

VANCOUVER  
1220 – 800 West Pender Street  
Vancouver, BC V6C 1J8  
Phone: (604) 806-4168

VICTORIA  
300 - 707 Fort Street  
Victoria, BC V8W 3G3  
Phone: (250) 475-4668

## Appendix B: Glossary of Terms

<b>Affordability Ceiling</b>	Means the maximum of the sum of the Net Present Cost of the Annual Service Payments, in the case of a DBFM, and serves as a reference for Proponents when developing and pricing their proposals, to highlight potential affordability issues during procurement.
<b>Business Case</b>	Provides decision-makers sufficient information about a project to commit to implementation of the project. Expands on the contents of the concept plan, while focusing specifically on procurement options analysis and funding impact.
<b>Capital Cost Ceiling</b>	Is the capital cost ceiling calculated as the sum of the total nominal capital costs within the DBFM contract. The Capital Cost Ceiling serves as a reference for Proponents when developing and pricing their proposals for the maximum nominal capital component to highlight potential affordability issues during procurement.
<b>Competitive Alliance</b>	Target price contract that aligns incentives and shares risks across the public and private sectors; delivers capital projects via an integrated approach between the owner and private sector parties. Procurement revolves around a competition with two separate private sector consortia working with the owner to develop the best project proposal. Evaluation is based on price, technical solution and skills and attitude of key individuals. Cowichan Hospital Replacement Project is the first use of this model in British Columbia.
<b>Concept Plan</b>	Written before the business case, a concept plan provides a general overview of a project to obtain government direction and approval to move the planning process forward. Includes the need to address service demand pressures and a preliminary analysis of potential service delivery options.
<b>Design-Bid-Build (DBB)</b>	Under this model, the owner enters into separate contracts with the designer and contractor. This is a traditional project delivery method.

<b>Design-Build (DB)</b>	Under this model, the design-builder enters into a single contract with the owner and is responsible for both the design and construction of the project. Risk is transferred to the design-builder.
<b>Design-Build-Finance (DBF)</b>	Under this model, Project Co enters into a single contract with the owner and is responsible for the design, construction and financing of the project. Risk is transferred to Project Co.
<b>Design-Build-Finance-Maintain (DBFM)</b>	Under this model, the Project Co enters into a single contract with the owner and is responsible for the design, construction, financing of the project and maintenance of the asset following completion for a set amount of years (typically 30). Risk is transferred to Project Co.
<b>Fairness Advisor Report</b>	A Fairness Advisor is an independent third-party whose role is to observe and/or monitor the procurement process and to report as to the fairness of the procurement process observed. A clean report attests to the fairness of the procurement process, enhances the integrity of the public procurement process by providing comfort to the proponents that the process was credible and provided equal opportunity for all to compete.
<b>Progressive Design-Build</b>	A design-build procured with a progressive design and price. Allows the Owner and the Contractor to work through complex, high-risk issues in a collaborative manner. Procurement revolves around an extended competition with a single proponent. Evaluation is based on determining if the price proposed by private partner delivers value.
<b>Request for Proposals (RFP)</b>	Invites eligible Proponents from the RFQ stage to prepare and submit Proposals to design and build and potentially finance and maintain (depending on the model) the project under a long-term project agreement.
<b>Request for Qualifications (RFQ)</b>	Invites interested parties to submit responses indicating their interest and qualifications for a project. Based on responses, a shortlist of up to three Proponents are invited to participate in the next stage of the Competitive Selection Process, the Request for Proposals stage.
<b>Value for Money (VFM)</b>	The risk-adjusted difference in present value dollar terms between the partnership and traditional delivery models costs. Not all benefits are captured in a value for money number. Examples of such benefits include early

completion and delivery of associated services to the public or improved long-term service outcomes (e.g. better clinical outcomes in a hospital).

## **Appendix C: Auditor's Report and Audited Financial Statements**



Tel: 604 688 5421  
vancouver@bdo.ca  
www.bdo.ca

BDO Canada LLP  
1100 Royal Centre  
1055 West Georgia Street  
Vancouver BC V6E 3P3

---

## Independent Auditor's Report

---

To the Board of Directors and Shareholder of Infrastructure BC Inc.

### Opinion

We have audited the financial statements of Infrastructure BC Inc. (formerly Partnerships British Columbia Inc.) (the "Organization") which comprise the Statement of Financial Position as at March 31, 2021 and the Statements of Operations, Changes in Net Financial Assets, and Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the Organization's financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2021 and its results of operations, changes in net financial assets, and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally-accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of this report. We are independent of the Organization 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.

### Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization'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 Organization, or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization'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 Organization'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 Organization'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 Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*BDO Canada LLP*

Chartered Professional Accountants

Vancouver, British Columbia  
June 8, 2021

Infrastructure BC Inc.  
(formerly Partnerships British Columbia Inc.)  
Statement of Financial Position  
As at March 31, 2021 and 2020

	March 31, 2021	March 31, 2020
<b>Financial assets</b>		
Cash and cash equivalents	\$ 18,246,121	\$ 16,914,167
Accounts receivable (Note 3)	1,814,266	2,527,920
Total Financial Assets	<u>20,060,387</u>	<u>19,442,087</u>
<b>Liabilities</b>		
Accounts payable & accrued liabilities (Note 4)	1,171,547	1,084,450
Deferred lease inducement	123,977	166,483
Total Liabilities	<u>1,295,524</u>	<u>1,250,933</u>
<b>Net financial assets</b>	<u>18,764,863</u>	<u>18,191,154</u>
<b>Non-financial assets</b>		
Prepaid expenses	74,883	60,352
Tangible capital assets (Note 6)	446,501	510,528
Total Non-financial Assets	<u>521,384</u>	<u>570,880</u>
<b>Accumulated surplus</b>	<u>\$ 19,286,247</u>	<u>\$ 18,762,034</u>
Accumulated surplus is comprised of:		
Accumulated surplus	\$ 19,286,245	\$ 18,762,032
Share capital (Note 7)	2	2
	<u>\$19,286,247</u>	<u>\$ 18,762,034</u>

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

**APPROVED ON BEHALF OF THE BOARD**

*Dana Hayden*

Dana Hayden (Jun 2, 2021 06:43 MDT)

D. Hayden, Chair

*Susan Dujmovic*

Susan Dujmovic (Jun 9, 2021 09:41 PDT)

S. Dujmovic, Director

**Infrastructure BC Inc.**  
**(formerly Partnerships British Columbia Inc.)**  
**Statement of Operations**  
**For the Years Ended March 31, 2021 and 2020**

	<b>Budget</b>	<b>March 31,</b>	<b>March 31,</b>
	(Note 11)	<b>2021</b>	<b>2020</b>
<b>Revenue</b>			
Consulting fees	\$ 9,017,480	\$ 8,489,670	\$ 8,220,846
Interest income	388,000	175,222	416,871
<b>Total Revenues</b>	<b>9,405,480</b>	<b>8,664,892</b>	<b>8,637,717</b>
<b>Expenses</b>			
Administration	297,200	175,258	275,934
Amortization of tangible capital assets	178,193	169,416	169,167
Building occupancy	497,312	503,883	492,986
Human resources	6,952,988	6,442,447	6,294,927
Information systems	340,325	211,057	259,896
Professional services	332,000	633,822	337,003
Travel	204,000	4,796	223,291
<b>Total Expenses</b>	<b>8,802,018</b>	<b>8,140,679</b>	<b>8,053,204</b>
<b>Reimbursable costs</b>			
Project recoveries	1,890,000	1,967,988	2,274,632
Less: Project expenses	(1,890,000)	(1,967,988)	(2,274,632)
<b>Net reimbursable costs</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Annual surplus</b>	<b>603,462</b>	<b>524,213</b>	<b>584,513</b>
<b>Accumulated surplus, beginning of year</b>	<b>18,936,922</b>	<b>18,762,032</b>	<b>18,177,519</b>
<b>Accumulated surplus, end of year</b>	<b>\$ 19,540,384</b>	<b>\$ 19,286,245</b>	<b>\$ 18,762,032</b>

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

**Infrastructure BC Inc.**  
**(formerly Partnerships British Columbia Inc.)**  
**Statement of Changes in Net Financial Assets**  
**For the Years Ended March 31, 2021 and 2020**

	<b>Budget</b>	<b>March 31,</b>	<b>March 31,</b>
	(Note 11)	<b>2021</b>	<b>2020</b>
Annual surplus	\$ 603,462	\$ 524,213	\$ 584,513
Acquisition of tangible capital assets	(67,500)	(105,389)	(157,342)
Amortization of tangible capital assets	178,193	169,416	169,167
	<u>110,693</u>	<u>64,027</u>	<u>11,825</u>
Additions to prepaid expenses	-	(97,306)	(105,138)
Use of prepaid expenses	-	82,775	123,164
	<u>-</u>	<u>14,531</u>	<u>18,026</u>
<b>Increase in net financial assets for the year</b>	<b>714,155</b>	<b>573,709</b>	<b>614,364</b>
<b>Net financial assets, beginning of year</b>	<b>18,284,184</b>	<b>18,191,154</b>	<b>17,576,790</b>
<b>Net financial assets, end of year</b>	<b>\$ 18,998,339</b>	<b>\$ 18,764,863</b>	<b>\$ 18,191,154</b>

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

**Infrastructure BC Inc.**  
**(formerly Partnerships British Columbia Inc.)**  
**Statement of Cash Flows**  
**For the Years Ended March 31, 2021 and 2020**

	<b>March 31, 2021</b>	<b>March 31, 2020</b>
<b>Operating transactions</b>		
Annual surplus	\$ 524,213	\$ 584,513
Non-cash item included in surplus:		
Amortization of tangible capital assets	169,416	169,167
Amortization of deferred lease inducement	(42,506)	(42,506)
	<u>651,123</u>	<u>711,174</u>
<b>Changes in operating accounts</b>		
Accounts receivable	713,654	(970,075)
Prepaid expenses	(14,531)	18,026
Accounts payable and accrued liabilities	87,097	(29,593)
	<u>786,220</u>	<u>(981,642)</u>
<b>Cash provided by (used in) operations</b>	<u>1,437,343</u>	<u>(270,468)</u>
<b>Capital transactions</b>		
Purchase of tangible capital assets	(105,389)	(157,342)
	<u>(105,389)</u>	<u>(157,342)</u>
<b>Net increase (decrease) in cash for the year</b>	1,331,954	(427,810)
<b>Cash and cash equivalents, beginning of year</b>	<u>16,914,167</u>	<u>17,341,977</u>
<b>Cash and cash equivalents, end of year</b>	<u>\$ 18,246,121</u>	<u>\$ 16,914,167</u>

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

**Infrastructure BC Inc. (formerly Partnerships British Columbia Inc.)**  
**Notes to Financial Statements**  
**For the Years Ended March 31, 2021 and 2020**

**1. Nature of Operations**

Infrastructure BC Inc. (“Infrastructure BC” or the “Organization”) (formerly Partnerships British Columbia Inc.) is a company owned by the Province of British Columbia (the “Province”) and is governed by a Board of Directors reporting to its sole Shareholder; the Minister of Finance. The Organization was incorporated under the British Columbia Business Corporations Act in May 2002 and changed its corporate name to Infrastructure BC in August 2020. It has two issued shares, both are held by the Minister of Finance.

The Organization’s vision is to improve people’s lives and communities through infrastructure with a mandate to work with owners to deliver complex public infrastructure in an evolving world. Infrastructure BC provides a variety of consulting services to public sector agencies wishing to explore innovative options for building and managing public infrastructure like highways, bridges, hospitals, public transit and accommodations facilities.

The Organization’s core business is to:

- Provide specialized services in the procurement of major public projects, ranging from advice to business cases, procurement management, and implementation.
- Provide advice on partnership project management, deal structure, risk management, procurement, and the selection and engagement of consultants.
- Foster a positive business and policy environment for successful projects and related activities by continually expanding British Columbia’s and other jurisdictions’ base of knowledge, understanding and expertise in these areas.
- Manage an efficient and leading edge organization that meets or exceeds performance expectations.

The Organization’s clients are public sector agencies, including ministries, Crown corporations, local and statutory authorities in British Columbia and other Provinces, and local governments. To serve these clients effectively, Infrastructure BC is also working to build strong relationships with private sector partners such as businesses, investors and the financial services sector.

Infrastructure BC is exempt from income taxes under the *Income Tax Act*.

**Infrastructure BC Inc. (formerly Partnerships British Columbia Inc.)**  
**Notes to Financial Statements**  
**For the Years Ended March 31, 2021 and 2020**

**2. Summary of Significant Accounting Policies**

**a. Basis of accounting**

These financial statements are prepared by management in accordance with Canadian Public Sector Accounting Standards ("PSAS") using guidelines developed by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

**b. Cash and cash equivalents**

Cash equivalents include deposits held in the Ministry of Finance's Central Deposit Program which are recorded at cost plus accrued interest. These deposits earn interest at the prime lending rate of the principal banker to the Province of BC minus 1.5%.

**c. Employee future benefits**

The employees of Infrastructure BC belong to the Public Service Pension Plan (the "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 and the provision of post-retirement health benefits are contingent upon available funding.

The joint Board of Trustees of the Plan determines the required Plan contributions annually.

The contributions made by Infrastructure BC to the Plan are recorded as an expense for the year.

**d. Tangible capital assets**

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition.

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

**Infrastructure BC Inc. (formerly Partnerships British Columbia Inc.)**  
**Notes to Financial Statements**  
**For the Years Ended March 31, 2021 and 2020**

**2. Summary of Significant Accounting Policies**

**d. Tangible capital assets (continued)**

• Computer software	2 years
• Computer hardware	3 years
• Furniture and equipment	5 years
• Leasehold improvements	Lease term

Tangible capital assets are written down when conditions indicate that they no longer contribute to Infrastructure BC's ability to provide goods and services.

**e. Prepaid expenses**

Prepaid expenses, which are primarily comprised of annual insurance premiums and future travel costs, are charged to expense over the periods expected to benefit from it.

**f. Deferred lease inducement**

Deferred lease inducement consists of reimbursement of leasehold improvement costs from the lessor. This inducement is deferred and recognized as a reduction to building occupancy expense on a straight-line basis over the term of the lease.

**g. Revenue recognition**

Revenues are recognized on an accrual basis in the period in which the transactions or events occurred that gave rise to the revenues. Revenues are recognized as the consulting services are provided and collection is reasonably assured. Project recoveries are recognized when services are performed or when costs are incurred.

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

**h. Expenses**

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

Reimbursable project expenses are expensed when services are performed or when costs are incurred.

**Infrastructure BC Inc. (formerly Partnerships British Columbia Inc.)**  
**Notes to Financial Statements**  
**For the Years Ended March 31, 2021 and 2020**

**2. Summary of Significant Accounting Policies (continued)**

**i. Measurement uncertainty**

The preparation of financial statements in conformity with PSAS requires management to make estimates and assumptions that affect the reporting amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of the revenues and expenses during the period. Items requiring the use of significant estimates include the useful life of tangible capital assets, estimated employee benefits, collection of accounts receivable and the impairment of tangible capital assets.

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

**j. Related party transactions**

A related party disclosure is presented when the following criteria are met:

- A related party exists,
- A transaction occurs between related parties,
- The transaction occurred at a value different from that which would have been arrived at if the parties were unrelated, and
- The transaction has a material financial effect.

Infrastructure BC is related through common ownership to the Province of British Columbia's government ministries, agencies, and Crown corporations (the "Provincial Government"), and these organizations represent the majority of Infrastructure BC's clients. All transactions with Provincial Government entities take place on regular commercial terms.

**Infrastructure BC Inc. (formerly Partnerships British Columbia Inc.)**  
**Notes to Financial Statements**  
**For the Years Ended March 31, 2021 and 2020**

**3. Accounts Receivable**

	<b>March 31, 2021</b>	<b>March 31, 2020</b>
Revenues receivable	\$ 1,812,338	\$ 2,525,574
Accrued interest	1,928	2,346
	<b><u>\$ 1,814,266</u></b>	<b><u>\$ 2,527,920</u></b>

There was no provision for doubtful accounts required as at March 31, 2021 and 2020.

The revenues receivable are primarily due from the Provincial Government.

**4. Accounts Payable and Accrued Liabilities**

	<b>March 31, 2021</b>	<b>March 31, 2020</b>
Accounts payables and accrued liabilities	\$ 613,940	\$ 641,379
Salaries and benefits	136,912	137,065
Accrued vacation	420,695	306,006
	<b><u>\$ 1,171,547</u></b>	<b><u>\$ 1,084,450</u></b>

**Infrastructure BC Inc. (formerly Partnerships British Columbia Inc.)**  
**Notes to Financial Statements**  
**For the Years Ended March 31, 2021 and 2020**

**5. Employee Future Benefits**

Infrastructure BC and its employees contribute to the Plan in accordance with the Public Sector Pension Plan Act. BC Pension Corporation administers the Plan, including payment of pension benefits to employees to whom the act applies. The Public Service Pension Plan is a multi-employer, defined benefit plan. As such, no pension liability for this type of plan is included in the financial statements.

The Plan provides defined pension benefits to employees based on their length of service and salary. The maximum contribution rate for eligible employees was 8.35% (2020: 8.35%). Infrastructure BC's contributions exceed the employee contributions to the plan. During the year ended March 31, 2021, Infrastructure BC contributed \$497,619 (2020: \$470,294) to the Plan. These contributions are the Organization's pension expense which is included under human resources expense.

Every three years, an actuarial valuation is performed to assess the financial position of the Plan and the adequacy of Plan funding. The latest valuation as at March 31, 2020 showed that the Plan had a surplus of \$2.7 billion and is 109.6 percent funded as it had assets of \$30.5 billion and liabilities of \$27.8 billion. The next valuation will be as at March 31, 2023 with results available by the end of 2023.

**Infrastructure BC Inc. (formerly Partnerships British Columbia Inc.)**  
**Notes to Financial Statements**  
**For the Years Ended March 31, 2021 and 2020**

**6. Tangible Capital Assets**

	Computer software	Computer hardware	Furniture and equipment	Leasehold improvements	2021 Total
<b>Cost</b>					
Opening Balance	\$ 87,177	\$ 523,685	\$ 277,083	\$ 893,434	\$ 1,781,379
Additions	-	105,389	-	-	105,389
Closing Balance	87,177	629,074	277,083	893,434	1,886,768
<b>Accumulated Amortization</b>					
Opening Balance	87,177	442,229	167,590	573,855	1,270,851
Amortization	-	57,508	27,596	84,312	169,416
Closing Balance	87,177	499,737	195,186	658,167	1,440,267
<b>Net book value</b>	<b>\$ -</b>	<b>\$ 129,337</b>	<b>\$ 81,897</b>	<b>\$ 235,267</b>	<b>\$ 446,501</b>

	Computer software	Computer hardware	Furniture and equipment	Leasehold improvements	2020 Total
<b>Cost</b>					
Opening Balance	\$ 87,177	\$ 605,629	\$ 169,639	\$ 880,684	\$ 1,743,129
Additions	-	37,148	107,444	12,750	157,342
Dispositions	-	(119,092)	-	-	(119,092)
Closing Balance	87,177	523,685	277,083	893,434	1,781,379
<b>Accumulated Amortization</b>					
Opening Balance	87,177	494,160	147,233	492,206	1,220,776
Amortization	-	67,161	20,357	81,649	169,167
Dispositions	-	(119,092)	-	-	(119,092)
Closing Balance	87,177	442,229	167,590	573,855	1,270,851
<b>Net book value</b>	<b>\$ -</b>	<b>\$ 81,456</b>	<b>\$ 109,493</b>	<b>\$ 319,579</b>	<b>\$ 510,528</b>

**7. Share Capital**

The authorized share capital is 5,000,000 common shares at no par value. There are two issued shares held by the Minister of Finance.

**Infrastructure BC Inc. (formerly Partnerships British Columbia Inc.)**  
**Notes to Financial Statements**  
**For the Years Ended March 31, 2021 and 2020**

**8. Expenses by Object**

The entity is a sole purpose organization and therefore does not report by function and does not provide segmented information.

**9. Commitments**

The Organization is committed to payments under operating leases for premises through 2023/24 as follows:

<u>Year</u>	<u>Amount</u>
2022	\$ 536,589
2023	545,428
2024	402,651
	<u>\$ 1,484,668</u>

The Organization's Vancouver and Victoria office leases are scheduled to expire on February 28, 2024 and August 31, 2023, respectively.

**10. Risk Management**

**a. Fair value of financial instruments**

The fair value of a financial instrument is the estimated amount that the Organization would receive or pay to settle a financial asset or financial liability as at the reporting date.

The fair values of accounts receivable, and accounts payable and accrued liabilities approximate their carrying values given their short-term maturities.

**b. Financial management risk objectives and policies**

In the normal course of business, the Organization is exposed to financial risks that have the potential to negatively impact its financial performance. These risks may include credit risk, liquidity risk, interest rate risk, and other price risk. The Organization's exposure to market and fair value risks has been minimized by keeping its investments in the Ministry of Finance's Central Deposit Program, which has an equivalent risk profile to deposits at commercial banks and does not fluctuate in value based on market factors. It therefore does not expose the Organization

**Infrastructure BC Inc. (formerly Partnerships British Columbia Inc.)**  
**Notes to Financial Statements**  
**For the Years Ended March 31, 2021 and 2020**

**10. Risk Management (continued)**

**b. Financial management risk objectives and policies (continued)**

to any market or value risk. There have been no changes to the risks the Organization is exposed to from the prior year.

**c. General objectives, policies and processes**

The Audit and Risk Management Committee has overall responsibility for the determination of the Organization's risk management objectives and policies.

The Audit and Risk Management Committee has delegated the authority to ensure effective implementation of the objectives and policies of the Organization to the Chief Executive Officer (CEO) and Senior Management Team. The Audit and Risk Management Committee and Board of Directors receives quarterly reporting from the CEO and Senior Management to ensure all processes and policies put in place are effectively meeting the objectives of the Organization.

There have been no changes in the objectives, policies and processes for managing risk from the prior year.

**d. Credit risk**

Credit risk is the risk that the Organization's counterparties will fail to meet their financial obligations to the Organization, causing a financial loss.

Accounts receivable arise primarily as a result of consulting work to governments, ministries, agencies and Crown corporations, therefore, collection risk is low. The Organization does not consider its exposure to credit risk to be material.

**e. Liquidity risk**

Liquidity risk is the risk that the Organization may be unable to generate or obtain sufficient cash in a timely and cost-effective manner to meet its commitments as they come due.

**Infrastructure BC Inc. (formerly Partnerships British Columbia Inc.)**  
**Notes to Financial Statements**  
**For the Years Ended March 31, 2021 and 2020**

**10. Risk Management (continued)**

e. **Liquidity risk (continued)**

The Organization has in place a planning, budgeting and forecasting process to help determine the funds required to support the Organization's normal operating requirements. The Organization's annual Service Plan and budget are approved by the Board of Directors. The Organization also provides a quarterly forecast to the Audit and Risk Management Committee.

**11. Budgeted Figures**

Budgeted figures have been provided for comparison purposes and have been derived from the budget approved by the Board of Directors on January 16, 2020. These budgeted figures were included in the Organization's 2020/21 – 2022/23 Service Plan.

**12. Impact of COVID-19**

On March 11, 2020 the COVID-19 outbreak was declared a global pandemic by the World Health Organization. Given the daily evolution of the COVID-19 outbreak and responding to local directives to curb its spread, the Organization has continued to deliver consulting services throughout the pandemic and fulfill its mandate. However, the ongoing and evolving nature of this crisis may create uncertainties in the Organization's future operations.



**STATEMENTS  
OF  
FINANCIAL INFORMATION**

For the year ended March 31, 2021

**INFRASTRUCTURE BC INC.  
STATEMENT OF FINANCIAL INFORMATION APPROVAL**

The undersigned represents the Board of Directors of Infrastructure BC Inc. and approves all the statements and schedules included in this Statement of Financial Information, produced under the *Financial Information Act*.



Mark Liedemann  
President and CEO  
October 4, 2021

**INFRASTRUCTURE BC INC.  
STATEMENT OF DEBTS  
AS AT MARCH 31, 2021**

This organization has no Long Term Debt issues outstanding for the fiscal year ended March 31, 2021, as required by Financial Information Regulation, Schedule 1, subsections 4(3) and 4(4), produced under the *Financial Information Act*.

**INFRASTRUCTURE BC INC.  
SCHEDULE OF GUARANTEE AND INDEMNITY AGREEMENTS  
AS AT MARCH 31, 2021**

Indemnity Agreements in force which required government approval prior to being given under the Guarantees and Indemnities Regulation (BC Reg. 258/87).

<b>Entity</b>	<b>Amount</b>
Royal Island Holdings Inc.	Unlimited
Fraser Health Authority	Unlimited
Canadian Imperial Bank of Commerce	Unlimited
KPMG LLP	Unlimited
BC Hydro & Power Authority	Unlimited
PricewaterhouseCoopers LLP	Unlimited
Capital Regional District	Unlimited
SaskBuilds Corporation	Unlimited
BDO Canada LLP	Unlimited
800 West Pender Ltd.	Unlimited
Transport for New South Wales	Unlimited
Independent System Operator (AESO)	Unlimited
Vancouver Fraser Port Authority	\$2 million

**INFRASTRUCTURE BC INC.  
STATEMENT OF SEVERANCE AGREEMENTS  
AS AT MARCH 31, 2021**

There were two severance agreements under which payment commenced between Infrastructure BC Inc. and its non-unionized employees during fiscal year 2020/2021.

These agreements represent three (3) and four (4) months of salary.

**INFRASTRUCTURE BC INC.**

**SCHEDULE SHOWING THE REMUNERATION AND EXPENSES  
PAID TO OR ON BEHALF OF EACH BOARD MEMBER AND EMPLOYEE**

**1. Members of the Board of Directors**

<u>Name</u>	<u>Position</u>	<u>Remuneration</u>	<u>Expenses</u>
Hayden, Dana	Chair	\$ 16,013	\$ 207
Austin, Mary	Member, Board	8,625	-
Delves, Diane	Member, Board	5,375	-
Denhoff, Eric	Member, Board	8,625	-
Dujmovic, Suzana	Member, Board	11,542	-
Greatbanks, James	Member, Board	5,375	-
Kappel, Peter	Member, Board	7,958	-
Lornie, Stephen	Member, Board	13,625	-
Paine, Julian	Member, Board	13,375	1,568
Simpson, Kristine	Member, Board	6,500	-
Stewart, Roberta	Member, Board	11,681	204
<b>Total</b>		<b>\$ 108,694</b>	<b>\$ 1,980</b>

**2. Other Employees**

all employees with remuneration and expenses exceeding \$75,000

<u>Name</u>	<u>Remuneration</u>	<u>Expenses</u>
Anderson, Kim	\$ 188,974	\$ 3,326
Bahain, Julien	107,569	1,824
Beswick, Brad	99,499	1,675
Binning, Mathew	102,695	2,423
Cloutier, Kathy	118,569	7,671
Cochrane, Fiona	148,250	2,880
DeCicco, Naomi	110,769	4,772
Fimrite, Sue-Anne Michelle	159,514	2,250
Fox, Justin	162,868	2,617
French, Jason	148,783	6,480
Good, Jeff	212,706	1,769
Hempstock, Adam	122,903	510
Houle, Michael	221,202	17,060
Hubner, David	213,366	683
Kubikova, Miroslava	137,661	544
Kyriakelis, George	150,421	2,484
Lee, Chan-Seng	218,628	5,054
Liedemann, Mark	274,768	25,248
Mill, Karen	184,476	4,141
Peacock, Catherine	193,852	4,180
Radman, Anthony	149,690	955
Riecken, David	142,324	2,001
Salomon, Nathan	109,665	1,581
Silman, Cathy	133,070	1,846
Srour, Gabriel	99,844	1,418
Sun, Keith	124,448	1,486
Tamber, Jagdeep	104,597	820
Valente, Antonio	143,755	1,680
Weiss, Joel	139,477	2,201
Wilson, Dawn	134,114	2,252
Zhu, Xiaofei	141,332	1,121
	<b>\$ 4,699,788</b>	<b>\$ 114,952</b>

<b>Consolidated total</b> of other employees with remuneration and expenses of \$75,000 or less	\$ 414,310	\$ 9,465
<b>Total: Other Employees</b>	<u>\$ 5,114,098</u>	<u>\$ 124,417</u>
<b>Reconciliation</b>		
Total remuneration - Board of Directors	\$ 108,694	
Total remuneration - Other Employees		<u>5,114,098</u>
<b>Subtotal</b>	<b>\$ 5,222,791</b>	
Reconciling items:		
Benefits less amounts included in remuneration above	\$ 970,972	
HR related costs		149,613
Accruals		<u>99,071</u>
	<u>\$ 6,442,447</u>	
<b>Total per Statement of Operations</b>		
Base Salaries & Benefits	<u>\$ 6,442,447</u>	
<b>Variance</b>	<u>\$ -</u>	

**INFRASTRUCTURE BRITISH COLUMBIA INC.**  
**SCHEDULE SHOWING PAYMENTS MADE FOR THE PROVISION OF GOODS OR SERVICES**

**1. List of suppliers who received aggregate payments exceeding \$25,000**

<b>Supplier Name</b>	<b>2020-21 Amount Paid</b>
800 West Pender Ltd	338,810
AMTG Consulting Ltd	38,635
BDO Canada LLP	68,913
Bennett Jones LLP	104,768
Canada Revenue Agency	373,713
Charter Project Delivery Inc	29,957
Chatham Canada Corp.	26,796
Deloitte LLP	220,412
Equitex Realty Ltd	246,114
Ernst and Young LLP Chartered Accountants	103,184
Firmex Inc	35,840
GWL - Canada Life	137,302
Hooper Access & Privacy Consulting Ltd	32,130
John McKendrick Infrastructure Consultant	63,628
KPMG LLP	211,843
Miller Thomson LLP	119,195
MP2 Enterprises Inc	38,504
Norton Rose Fulbright Canada LLP	44,745
Nucleus Networks Inc	287,526
Odgers Berndtson Canada Inc	44,520
Payworks (Payroll service provider)	4,919,522
PCI Group Pty Ltd	550,120
PricewaterhouseCoopers LLP	129,318
Public Service Long Term Disability Fund	71,971
Public Service Pension Plan	916,027
Receiver General for Canada (Employer portion of EI and CPP)	152,935
RWA Projects Inc	79,178
Shaw Telecom GP	29,167
Singleton Urquhart Reynolds Vogel LLP	145,600
SSA Quantity Surveyors Ltd	62,596
Sun Coast Consulting Ltd	224,181
Traction Creative Communications	25,200
Turnbull Construction Project Managers Ltd	25,948
Workplace Benefits	33,116
<b>2. Total of payments with aggregate totals over \$25,000</b>	<b>9,931,412</b>
<b>3. Consolidates total of payments with aggregate totals under \$25,000</b>	<b>503,389</b>

4. Total of payments to suppliers for grants & contributions exceeding \$25,000 -

**Reconciliation**

Total of aggregate payments exceeding \$25,000 paid to suppliers	9,931,412
Consolidated total of payments of \$25,000 or less paid to suppliers	503,389
Consolidated total of all grants and contributions exceeding \$25,000	-
Subtotal	<u>10,434,801</u>
Reconciling items:	
Non-cash expenses	169,416
Increase in prepaid expenses	14,531
Change in A/P & accrued liabilities	87,097
Payments related to capital expenditures	(105,389)
Payments to CRA for GST	(528,379)
Other reconciling items	<u>36,590</u>
<b>Total per Statement of Operations</b>	<b><u><u>10,108,667</u></u></b>