

BRITISH COLUMBIA TRANSIT

FIR, Schedule 1, Section 9

Statement of Financial Information Approval As at March 31, 2021

The undersigned represents BC Transit Management and has the overall responsibility for the preparation of the financial information included in this report, produced under the *Financial Information Act*.



Name: Roland Gehrke

Title: Vice President, Finance and Chief Financial Officer

Date: July 14, 2021

Prepared pursuant to the Financial Information Regulation, Schedule 1, Section 9

BRITISH COLUMBIA TRANSIT

FIR, Schedule 1, Section 9

**Statement of Financial Information Approval
As at March 31, 2021**

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



Name: Catherine Holt

Title: Chair, Board of Directors

Date: July 30, 2021

Prepared pursuant to the Financial Information Regulation, Schedule 1, Section 9

BRITISH COLUMBIA TRANSIT

FIR, Schedule 1, Section 4 (1)(a) & (b)

Schedule of Long Term Debt and Sinking Funds As at March 31, 2021

Debt Issue	Debt Type	Maturity	Rate	Currency	Principal	Sinking Fund Book Value	Sinking Fund Market Value
BCCP-70	Bond	10-Apr-2021	6.33%	CAD	11,300,000	13,403,024	13,403,358
BCCP-176	Bond	8-Aug-2021	3.39%	CAD	2,571,958	2,028,310	2,039,958
BCCP-77	Bond	13-Nov-2021	5.97%	CAD	2,100,000	1,925,294	2,000,750
BCCP-82	Bond	10-Jun-2022	6.27%	CAD	8,140,000	7,154,922	7,500,715
BCCP-84	Bond	12-Aug-2022	6.05%	CAD	9,100,000	9,641,749	10,099,896
BCCP-85	Bond	10-Sep-2022	5.74%	CAD	3,050,000	3,550,361	3,750,211
BCCP-85	Bond	10-Sep-2022	5.74%	CAD	3,060,000	3,383,986	3,546,266
BCCP-142	Bond	9-Dec-2023	5.02%	CAD	500,000	301,075	319,951
BCCP-107	Bond	11-Jul-2025	4.57%	CAD	3,179,500	2,019,832	2,261,990
BCCP-108	Bond	11-Aug-2025	4.61%	CAD	5,000,000	3,185,216	3,549,991
BCCP-173	Bond	11-Jul-2026	4.01%	CAD	29,056,381	14,098,568	15,154,804
BCCP-113	Bond	8-Aug-2026	4.78%	CAD	1,711,057	965,344	1,105,810
BCCP-119	Bond	11-Dec-2026	4.30%	CAD	8,285,000	4,855,596	5,497,783
BCCP-128	Bond	9-Oct-2027	4.86%	CAD	2,200,000	1,109,992	1,274,596
BCCP-139	Bond	7-Oct-2028	4.98%	CAD	7,212,000	3,322,500	3,776,563
BCCP-143	Bond	9-Dec-2028	5.19%	CAD	2,747,000	1,230,101	1,402,203
BCCP-145	Bond	11-May-2029	5.01%	CAD	22,500,000	9,507,697	10,805,005
BCCP-174	Bond	11-Jul-2031	4.21%	CAD	6,145,256	1,931,869	2,114,601
BCCP-157	Bond	9-Mar-2040	4.60%	CAD	11,423,000	2,258,302	2,553,900
BCCP-159	Bond	12-Apr-2040	4.73%	CAD	8,700,000	1,565,609	1,777,556
Total					<u>\$ 147,981,152</u>	<u>\$ 87,439,345</u>	<u>\$ 93,935,906</u>

BRITISH COLUMBIA TRANSIT

FIR, Schedule 1, Section 5 (1)

Schedule of Guarantees & Indemnity Agreements As at March 31, 2021

Guarantee Agreements

No guarantee agreements were in effect at March 31, 2021.

Indemnity Agreements

ASJ Contracting Ltd. and Sarjeet Singh Johal

Clean Energy Fueling Services Corp.

Docusign Inc.

Elbow River Marketing Ltd.

Fort Modular Inc.

Her Majesty the Queen in Right of the Province of British Columbia

High Line Software Corporation & High Line Software, Inc.

KPMG LLP

LinkedIn Ireland Unlimited Company

Meltwater News Canada Inc.

Neovation Corporation

Pricewaterhouse Coopers

Publishers of OpenSesame Inc.

SAP Canada Inc.

Shaw Telecom G.P.

Sobeys Quebec Inc.

Unitech Construction Management

Universal Music Publishing Canada on behalf of Universal Songs of Polygram Int., Inc. and Betty Songs

Wash-Bots Canada Ltd.

BRITISH COLUMBIA TRANSIT

FIR, Schedule 1, Section 6(2)(a)

Schedule Showing the Remuneration and Expenses Paid in Respect of Each Board Member or Commission Member For the Year Ended March 31, 2021

Elected Officials, Commission Members, and Members of the Board of Directors

Member Name	Remuneration	Total Expenses
Holt, Catherine, Chair	25,750	-
Hall, Lyn	10,500	-
Elliot, Karen	10,250	-
Milne, Wendal	10,500	-
Redlin, Blair	17,000	-
Members of the Commission and Board of Directors		
Brice, Susan	12,750	-
Helps, Lisa	10,850	-
Members of the Commission		
Dubow, Sharmarke	600	-
Haynes, Fred	450	-
Martin, Robert	750	-
Murdoch, Kevin	600	-
Orr, Geoff	750	-
Tait, Maja	750	-
Total Remuneration and Expenses	\$ 101,500	\$ -

All meetings were held virtually for the year ended March 31, 2021 due to the COVID-19 Pandemic.

BRITISH COLUMBIA TRANSIT

FIR, Schedule 1, Section 6 (2)(b) & (c)

Schedule Showing the Remuneration and Expenses over \$75,000
Paid in Respect of Each Employee
For the Year Ended March 31, 2021

EMPLOYEE NAME	*REMUNERATION	TOTAL EXPENSES
Abraham, Eric	\$ 114,305	\$ -
Adlan, Khaled	77,289	359
Ages, Mark	96,251	-
Alabi, Oluwasina	85,261	-
Alexander, Adam	91,266	241
Alexander, Dryden	76,968	-
Allan, David	89,224	-
Anderson, Stephen	126,407	5,222
Andrei, Gabriel	81,349	-
Andrzejewski, Dariusz	82,388	-
Angus, Joanne	82,571	88
Anthony, Sunni-Jean	78,727	229
Aparicio, Julio	91,899	-
Apostoliuk, Kaylee	91,362	1,202
Armer-Watson, Shawn	77,906	-
Atlas, Baljit	81,513	-
Aveyard, Pauline	95,173	4,591
Bailer, Daniel	137,664	-
Baker, Mark	109,542	146
Bakewell, Robert	88,648	-
Baluch, James	108,348	-
Banerd, Christopher	89,402	-
Banerd, Warren	94,665	-
Banning, Mark	78,590	-
Barath, Nadine	75,016	-
Bateman, Amalia	88,168	-
Beaulieu, Loretta	96,087	709
Bell, Gerald	104,657	152
Bentley, Matthew	76,577	110
Berekoff, Nicolette	90,561	-
Berna, Laura-Lea	164,779	316
Berndt, Chad	111,024	1,600
Bhattacharjee, Sankalpa	100,531	1,165
Bissett, Michele	82,411	-
Booth, Lesley	79,262	-
Booth, Michael	115,679	1,622
Boss, James	107,865	-
Boyd, Matthew	133,591	4,811
Braga, Adelio	92,523	-
Brilz, Grant	106,444	-

EMPLOYEE NAME	*REMUNERATION	TOTAL EXPENSES
Brown, Allan	91,511	995
Brown, Robert	81,655	-
Broydell, Nancy	93,920	-
Buckland, Troy	86,336	86
Bulinckx, Conor	75,072	-
Bullivant, Bronson	91,347	421
Bunce, Evan	93,779	-
Byrne, Denny	138,270	-
Campbell, Debra	104,251	-
Campbell, Ryan	86,018	4,431
Carr, Gordon	76,263	-
Carragher, Jennifer	88,001	-
Carrington, Juliet	83,385	-
Chahal, Inderjit	78,290	-
Charchuk, Eric	82,117	606
Cheney, Gillian	76,156	650
Chisholm, Kathleen	97,683	-
Chisholm, Robert	91,959	1,213
Chown, Jennifer	99,840	709
Clark, Andrew	82,879	-
Clarke, Janice	75,217	-
Claussen, Darek	76,267	-
Coleman, Jeffrey	100,213	1,026
Connelly, Jacquelin	94,785	-
Conner, Gregory	187,379	5,725
Cooke, Lelania	78,723	-
Corbett, Brian	84,009	231
Cordner, Julie	89,637	625
Correa, Michael	78,449	-
Corthals, Remi	87,733	261
Costello, Maryanne	82,076	-
Couch, Nigel	106,219	2,759
Cousins, Graham	76,838	110
Craig, Michael	78,535	-
Cronk, Terry	88,301	123
Cross, Jacquelynn	87,502	110
Crossley, Matthew	109,787	21,843
Croyle, Timothy	209,646	2,863
Cunningham, Michael	77,051	-
Cyr, Tanya	83,310	505
Dabhi, Jential	85,684	-
Danks, Matthew	99,581	-
Dann, Jeremy	87,106	-
Darimont, John	80,929	-
Davidson, Jordan	81,814	-
Dennis, Ryan	92,634	-
deVooght, Pamela	91,333	-
DeYaeger, Kyle	102,683	-
Dickie, Glenn	77,974	-
Dickinson, Guy	82,435	-
Dillon, Amit	84,424	4,041
Doiron, Lauren	92,334	2,163
Dosanjh, Tarinder	95,085	1,333

EMPLOYEE NAME	*REMUNERATION	TOTAL EXPENSES
Drake, Ryan	94,987	1,181
Duberry, A.M. Larry	90,545	-
Duncan, Alexander	95,199	-
Dunning, Tara	102,832	462
Dyck, Jonathon	102,444	1,798
Dyrbye, Brad	85,352	-
Dyson, Ronald	83,000	-
Dzogan, Spencer	110,785	-
Eager, Emlyn	98,388	1,558
Edmonstone, Mordecai	85,798	-
Egginton, Garry	89,117	-
English, Joseph	87,946	498
Erez, Ariel	84,046	2,897
Ferguson, B. Brent	76,543	-
Flemming, Ronald	97,453	20
Fletcher, Bob	94,532	-
Flynn, Christopher	103,444	-
Foote, Norman	77,866	-
Freire, Andrew	105,468	473
Frias, Robert	81,695	-
Fudge, Christopher	118,263	350
Furlong, Marie-Andree	105,481	-
Gaug, Ronald	82,900	-
Gehrke, Roland	206,513	1,571
Gervais, Justin	90,561	3,717
Gibbs, Neil	90,965	1,662
Gibson, Matthew	88,895	-
Gill, Amarjit	103,408	-
Gimse, C. Bjorn	87,121	3,638
Girardeaux, Olivier	81,467	8,034
Golchin, Manny	85,530	-
Gotto, Michael	82,777	-
Gramlich, Craig	130,078	994
Green, F. Nate	102,067	-
Gregory, Christopher	91,198	1,261
Groenesteyn, Shaun	77,164	110
Gubby, Nick	82,474	124
Hagman, Michael	91,597	198
Hales, Graham	82,823	-
Hall, Curtis	77,441	-
Hall, Robert	114,621	569
Halliday, Kenneth	87,020	-
Hames, Meghan	88,899	-
Hamilton, Daryl	94,846	142
Hamilton, Gordon	92,116	-
Harper, Christopher	92,224	-
Harriott, Danielle	88,102	100
Hart, Robert	93,032	4,727
Hartley, Thomas	108,408	-
Hattie, Mike	88,019	-
Head, Bruce	108,544	20
Hegar, Mark	89,685	657
Henderson, W. Neil	124,081	-

EMPLOYEE NAME	*REMUNERATION	TOTAL EXPENSES
Henderson, William	88,608	-
Henson, Deborah	96,121	850
Hermus, Chelsea	83,376	381
Hileman, Garth	96,477	20
Hill, Gregory	102,711	998
Hill, Luke	82,812	-
Hill, Megan	133,285	-
Hissein, Aboubakar	84,466	-
Hitchborn, Justin	90,198	-
Hittos, Pierre	75,670	-
Hobbs, Donna	140,991	1,622
Hooper, Carolyn	92,417	-
Huang, Kai Dong	81,380	2,888
Huber, Geoffrey	107,547	195
Huff, Norma	84,176	-
Hunter, Lori	123,787	-
Isbister, Sean	86,422	475
Jackson, Leah	79,836	-
Jahn, Christopher	79,024	294
Jensen, Shawn	75,675	-
Johal, Sukhdev	87,919	-
Johnson, Sarah	95,469	-
Joki-Erkkila, Juha	86,301	142
Jones, Kenneth	80,696	-
Jones, Leanne	115,356	-
Jones, Ronald	102,399	-
Juanicotena, Fernando	88,620	150
Kassim, Nageeb	85,479	-
Keith, Harry	76,212	-
Kendrew, Jeffrey	85,185	5,836
Kennett, Ryan	87,369	-
Kenny, Erin	85,553	-
Khan, Mumit	119,402	-
Kiefer, Christopher	98,537	5,341
King, Dustin	91,962	716
Kirby, Melissa	92,780	2,798
Kitchener, James	82,074	-
Klee, Robin	86,518	-
Konyu, Robert	76,570	-
Kunderman, Edward	88,776	3,256
Laguigne, Christophe	76,146	-
Lamb, Aaron	208,851	560
Langridge, Terry	122,913	-
Lavoie, Jason	86,338	-
Lavoie, Jennifer	86,335	79
Lay, Melissa	87,684	-
Leentvaar, Wilhelmina	80,656	-
Leslie, Coralie	132,454	-
Lever, William	75,798	-
Locke, Michael	81,532	-
Lockley, Maria	107,075	2,465
Lott, Bridget	93,757	-
Loughran, Elizabeth	85,407	661

EMPLOYEE NAME	*REMUNERATION	TOTAL EXPENSES
Louis, Donald	98,554	258
Lowther, Don	108,342	84
Lunt, William	84,629	-
Lysne, Philip	79,317	-
MacDonald, John	95,151	-
Mackay, Robert	130,267	-
Maguire, Tristan	92,056	-
Maier, E. Karl	111,981	-
Maric, Goran	118,006	5,582
Marson, Brooke	92,493	-
Matechuk, Michael	117,720	15,519
Matsuno, Kevin	77,356	193
Mavrow, Marleen	93,649	4,276
Maxwell, James	101,671	-
McArthur, Michelle	88,223	-
McCarthy, C. Wayne	75,022	-
McColeman, Stephen	75,589	-
McConnell, Shellene	117,052	373
McGregor, Peter	84,879	-
McGregor, Robert	83,613	-
McKenna, Sean	81,851	-
McKeracher, Kristen	94,990	4,032
McLachlan, Gordon	95,202	-
McMullen, Adriana	95,746	1,700
McRae, Norma	81,306	-
Megenbir, Levi	98,842	167
Melanson, Terrence	119,203	187
Miller, Andrew	97,349	2,081
Miller, Trudy	77,750	-
Milligan, Donald	112,397	441
Millward, Steven	109,038	2,925
Millwater, Kenneth	75,969	-
Minty, Casey	86,302	1,071
Mioduszewski, Dariusz	75,230	-
Miskow, Dennis	108,613	229
Moar, Monika	77,823	-
Mockford, Donald	81,808	-
Mohat, Robert	75,212	-
Montgomery, Tony	80,522	-
Moore, Myrna	110,175	-
Morais, Jose	77,706	-
Moss, Gary	86,900	106
Mossey, Chelsea	99,322	1,125
Mountan, David	83,278	-
Mumeni, Ahmed	88,316	4,600
Munro, Timothy	76,080	-
Murray, Catriona	102,043	3,910
Murray, Todd	85,553	446
Myers, Ann	111,300	-
Myers, R. Scott	88,119	243
Naylor, William	114,156	-
Nelson, Eric	129,062	1,357
Neu, Darcy	95,674	3,278

EMPLOYEE NAME	*REMUNERATION	TOTAL EXPENSES
Nicol, Jesse	75,333	-
Niessen, Cassandra	98,123	-
Nishikawa, Yasuhiro	78,596	-
Noordam, Timothy	79,242	218
Nordstrom, Errol	103,350	2,188
O'Connell, Kaitlin	91,302	-
Olague, Jose	75,058	-
Palmer, John	127,783	-
Pandher, Manmohan	94,776	-
Parker, Wayne	124,660	-
Parrett, Kevin	110,241	356
Parry, Colin	90,164	-
Patterson, Kathleen	78,669	-
Patterson, Leslie	117,945	30,893
Pereira, Denise	77,889	-
Perry, Dallas	105,034	-
Perry, Daniel	80,452	217
Peters, Bruce	106,508	356
Peterson, Todd	108,995	2,300
Pheiffer, Mark	105,670	-
Phillips, Sarah	93,004	-
Pimentel, Fernando	83,019	977
Pinkerton, Erinn	286,116	203
Pounden, John	76,023	-
Prudhon, Colin	85,301	170
Quaite, Bradach	102,510	519
Quamina, David	84,147	-
Rai, Serena	77,702	531
Ram, Jim	82,122	-
Ravelli, Sacha	86,488	20
Reaney, Greg	93,443	-
Redden, Glen	102,432	-
Regnier, Shad	112,472	2,960
Rego, Pedro	88,116	288
Riach, Bradley	79,785	-
Ridout, Christy	185,538	3,891
Ridout, Shawn	101,830	-
Rinaldis, Michael	90,070	-
Ringma, Robert	105,785	986
Roberts, Megan	75,286	182
Rodgers, Stacey	75,274	5,619
Rosenke, Matthew	81,502	136
Rowden, Ian	96,490	2,682
Rowe, Kevin	102,994	6,634
Ruch, Freddy	98,178	-
Ruffolo, Salvatore	91,072	636
Ryan, Sabrina	89,501	110
Sadeghi, Zarina	86,068	-
Saluja, Amarjyot	89,356	-
Sanders, Paul	93,956	4,701
Scagliati, Mario	89,894	-
Schaefer, Mark	90,511	20
Schubert, Kevin	147,084	360

EMPLOYEE NAME	*REMUNERATION	TOTAL EXPENSES
Schulz, Boyd	79,069	-
Schuszter, Darren	79,045	-
Semutakirwa, Parfait	83,624	-
Shams, Navid	92,605	4,887
Showers, Donald	76,903	-
Sidhu, Dalbir	91,175	-
Sidhu, Gurvinder	85,151	-
Sinclair, Brittany	81,720	342
Singh, Vincent	85,124	156
Somerset, Christian	87,747	-
Soproniuk, Kevin	79,742	-
Sousa, Paul	85,358	-
South, Carl	81,066	-
Sparling, Jeffrey	85,978	-
Spencer, Kevin	86,245	1,622
Spier, Brian	85,651	-
Spingat, Lothar	80,629	-
Stark, David	78,092	-
Stevens, Nathan	96,162	310
Stevens, Sheryl	90,002	11,003
Stewart, Alan	96,065	466
Stillings, Jeremy	99,212	-
Stoker, Phillip	81,387	-
Strumpski, Bert	77,135	-
Stuart, Douglas	81,967	-
Sturrock, James	91,184	-
Summers, Gwen	90,705	1,496
Svoboda, Jennifer	87,607	-
Taggart, Michael	76,233	-
Takhar, Gursev	112,692	-
Taylor, Carla	80,239	28
Taylor, Lindsay	88,162	620
Thompson, Aaron	76,647	595
Timmermans, Levi	134,828	504
Timmins, Ryan	99,311	659
Trahan, Mike	83,300	-
Traill, Theresa	76,537	-
Tremblay, Kailen	84,167	-
Trotter, Lisa	116,671	-
Tsui, Alexandre	89,202	-
Tweedale, Christopher	80,629	-
Tyler, Robert	78,566	-
Vaithyanathan Srinivasan, Srinath	82,228	-
Van Doormaal, Paul	80,311	-
van Munster, J. Kent	89,837	8,826
Vanderkuyl, Paul	80,301	-
Wadsworth, James	109,282	868
Wakefield, Christopher	93,088	335
Walker, Douglas	93,347	8,803
Wan, Wen	92,892	-
Waring, Andrew	79,223	-
Warwick, Claude	75,474	-
Watson, William	101,151	-

EMPLOYEE NAME	*REMUNERATION	TOTAL EXPENSES
Weatherell, Timothy	109,038	200
Weeks, James	87,698	-
Weiss, Cameron	75,861	-
Weiss, James	90,964	472
White, Andrew	98,988	1,307
White, Danielle	80,935	475
White, Kelvin	112,038	-
Wiles, William	84,847	-
Will, Jeffrey	100,305	209
Williams, Shannon	87,477	-
Wilson, Allan	82,812	20
Wilson, Brandi	86,231	-
Wilson, Josh	79,236	-
Wood, Terri	94,921	2,068
Woodruff, Joseph	103,190	475
Woods, David	91,534	2,292
Wright, Seth	82,781	-
Yates, Christopher	81,058	-
Yeo, G. Keith	84,097	-
Yeo, Inook	80,052	5,302
Yeo, Tim	96,322	379
Young, Spencer	95,891	-
Zacchigna, Mark	89,831	-
Zaporojets, Vitalii	103,841	-
Zarft, Christopher	76,701	-
Zerbin, Taylor	93,759	597
Zimmerman, Melissa	135,733	683
Over 75,000 Remuneration	\$36,243,253	\$320,208
Less than 75,000 Remuneration	\$40,707,744	\$195,532
Grand Total Employees	\$76,950,997	\$515,740

*Remuneration in 2021 is based on a 27-pay period cycle (2020 - 26 pay periods) and includes Gross Pay and Taxable benefits payable to the employee, per the definition of "remuneration" under FIR Schedule 1, subsection 6(1). Remuneration also includes banked time payouts such as overtime and annual vacation.

BRITISH COLUMBIA TRANSIT

FIR, Schedule 1, Section 6 (2)(d)

Schedule Showing the Remuneration and Expenses Paid to or on Behalf of Each Employee (Reconciliation) For the Year Ended March 31, 2021

Total remuneration - elected officials, employees appointed by Cabinet and members of the Board	101,500
Total remuneration - other employees	76,950,997
Subtotal	<u>\$ 77,052,497</u>
Less: Capitalized remuneration	(3,403,676)
Less: Remuneration for Members of the Board of Directors	(101,500)
Plus: Employee benefits	18,319,466
Plus: Other employee payments	424,479
Plus: Change in Accrued Payroll Liabilities & Amounts Due to Timing	1,251,734
Total per Statement of Revenue and Expenditure	<u><u>\$ 93,543,000</u></u>

BRITISH COLUMBIA TRANSIT

FIR, Schedule 1, Section 6 (7)(a) & (b)

Statement of Severance Agreements For the Year Ended March 31, 2021

There were seven severance agreements made between BC Transit and its non-unionized employees during the fiscal year 2020/21.

These agreements represent from one to eight months of compensation. **

This statement is prepared under the *Financial Information Regulation*, Schedule 1, Section 6(7).

** "Compensation" means salary and benefits. Benefits may include the employer's share of health and welfare benefits and superannuation premiums.

BRITISH COLUMBIA TRANSIT

Part II FIR, Schedule 1, Section 7 (1)(a) & (b)

Alphabetical List of Suppliers who Received Aggregate Payments
In Excess of \$25,000
Year ended March 31, 2021

Vendor Name	Aggregate Amount Paid
1172192 B.C. LTD.	\$ 102,087
627535 B.C. LTD.	96,937
A.C.E. COURIER	130,850
ACCIONA FACILITY SERVICES CANADA	484,931
ACKLANDS-GRAINGER INC.	44,053
ACTIVE CHEMICALS	32,810
ADAMS MOBOX STORAGE LTD.	127,999
AFZ EQUITY CORP(Inc.NO BC0359723)	279,377
ALEXANDER DENNIS (CANADA) INC.	5,094,027
ALEXANDER DENNIS INC.	1,337,080
ALL PRO EXCAVATING & CONTRACTING Ltd.	47,358
AMAZON MARKET PLACE	54,264
AMPCO MANUFACTURERS INC.	130,558
APPLE	32,184
APPROVATION TECHNOLOGIES INC.	61,430
ARCHITECTURE49 INC	672,724
ARI FINANCIAL SERVICES INC.	46,527
AROW GLOBAL CORPORATION	4,215,318
ARROW & SLOCAN LAKES COMMUNITY	1,675,427
ASJ CONTRACTING LTD.	481,540
ASSA ABLOY ENTRANCE SYSTEMS CANADA INC.	113,945
BAKER TRANSIT PARTS INC.	207,841
BANG THE TABLE CANADA LTD	41,776
BC HYDRO	710,663
BC TRANSIT HEALTH & BENEFIT TRUST	93,904
BELLA COOLA VALLEY BUS COMPANY LTD.	250,838
BERKS INTERTRUCK LTD.	40,599
BERRY & SMITH TRUCKING LTD.	94,655
BLUEBIRD CABS LTD.	175,608
BRIGHTSIDE SOLUTIONS INC.	64,219
BUNZL CLEANING & HYGIENE	67,333
CANADA TICKET INC.	257,043
CANADIAN ENERGY	271,933
CANADIAN LINEN AND UNIFORM	161,756
CANADIAN URBAN TRANSIT	65,611
CAPITAL REGION EMERGENCY SERVICES	737,452
CAREFREE SOCIETY	1,109,055

Vendor Name	Aggregate Amount Paid
CASCADE ROOFING & EXTERIORS INC.	474,456
CASCADIA PROJECT SERVICES INC.	177,677
CATALYS LUBRICANTS INC.	278,874
CBI HEALTH CENTRE	27,967
CBI OT SERVICES	51,416
CBM NA INC	697,252
CBS PARTS LTD.	385,278
CDW CANADA INC.	124,613
CENTRE FOR TRANSPORTATION & ENVIRONMENT	92,081
CHAMCO INDUSTRIES LTD.	45,059
CHARTER TELECOM INC	586,574
CHEK MEDIA GROUP	29,868
CITY OF ABBOTSFORD	227,047
CITY OF KAMLOOPS	101,168
CITY OF KELOWNA	596,613
CITY OF LANGFORD	190,666
CITY OF NELSON	1,241,389
CITY OF POWELL RIVER	1,105,916
CITY OF PRINCE GEORGE	54,036
CITY OF VERNON	48,608
CITY OF VICTORIA	411,276
CITYKINECT INC.	52,440
CLEAN ENERGY FUELING SERVICES CORP	12,211,841
COENCORP CONSULTANT CORPORATION	63,396
COLDFRONT	82,504
COLUMBIA FIRE & SAFETY LTD.,	85,487
COLUMBIA FUELS	6,488,694
COMOX PACIFIC EXPRESS LTD.	33,082
COMOX VALLEY REGIONAL DISTRICT	82,764
CONSIDINE & COMPANY	323,839
COWICHAN LAKE COMMUNITY	214,280
COX TAYLOR BARRISTERS & SOLICITORS	51,171
CRS TOMNOR REFRIGERATION LTD.	68,467
CULLEN DIESEL POWER LTD	85,620
CULLEN WESTERN STAR TRUCKS LTD	210,120
CUMMINS CANADA ULC	9,086,387
DAVE SPIERS PLUMBING AND HEATING	91,992
DAVE STEEVES & ASSOCIATES INC	34,223
DELL CANADA INC.	448,904
DELOITTE MANAGEMENT SERVICES LP	52,500
DIAMOND MANUFACTURING INC.	46,769
DIGABIT INC. DBA DOCUMOTO	94,425
DILAX SYSTEMS INC.	233,265
DILIGENT CANADA INC.	66,888
DISTRICT OF SAANICH	318,617
DIVERSIFIED TRANSPORTATION LTD.	5,945,000
DIVERSIFIED TRANSPORTATION LTD. MC	774,199
DODD'S FURNITURE & MATTRESS	57,303

Vendor Name	Aggregate Amount Paid
DOROSH CONSTRUCTION LTD.	230,121
DSA MEDIA	291,620
DUBOIS CHEMICALS CANADA, INC.	29,667
DUO SECURITY, INC	33,375
DYNAMIC SPECIALTY VEHICLES LTD	14,909,254
E H EMERY ELECTRIC LTD	47,543
ECLIPSYS SOLUTIONS	307,474
EDGEWOOD HOLDINGS LTD	27,500
ELECTRONIC DATA MAGNETICS, INC	252,912
ELREG DISTRIBUTORS LTD.	51,333
EMC CORPORATION OF CANADA	31,334
EMPRESS TRANSPORTATION / YELLOW CAB	73,202
ENGHOUSE TRANSPORTATION	47,291
EXEC-U-NET CONSULTING GROUP	39,099
EXP SERVICES INC.	33,548
FACEBOOK	124,862
FARRIS LLP IN TRUST	1,881,998
FIRSTCANADA ULC	71,791,360
FLEETMIND SEON SOLUTIONS INC.	767,717
FORTISBC ENERGY INC.	1,836,988
FOTO PRINT	101,074
FRASER & HOYT INCENTIVES	91,435
GABRIEL ROSS CONTRACT INC.	54,430
GANGES FAERIE MINISHUTTLE	651,955
GARIVAL S.E.C	1,043,356
GARTNER CANADA CO.	57,225
GFL ENVIRONMENTAL INC.	106,916
GIRO INC.	210,262
GLOBAL KNOWLEDGE NETWORK (CANADA) INC.	41,351
GOOGLE ADS	32,897
GOWLING WLG (CANADA) LLP	59,598
GRANDE WEST TRANSPORTATION	16,766,734
GRAPHIC OFFICE INTERIORS LTD.	758,421
GREAT NORTHERN ENGINEERING CONSULTANTS	99,869
GREAT WEST LIFE ASSURANCE CO.	33,214
GREEN LINE HOSE & FITTINGS LTD.	41,954
GREGG DISTRIBUTORS LTD.	209,139
GROUP IN-RGY CONSULTING INC,	523,105
HEALTHCARE BENEFIT TRUST	1,878,581
HENRY'S GARDENING	27,618
HERJAVEC GROUP (TORONTO)	190,936
HIGH LINE SOFTWARE CORPORATION	120,663
HOLDFAST METALWORKS LTD.	412,380
HOMEWOOD HEALTH INC.	42,000
HOOTSUITE INC.	55,084
HOULE ELECTRIC LTD.	1,588,576
HOURIGANS CARPETS & LINOS LTD.	65,720
HUB INTERNATIONAL INSURANCE BROKERS	1,684,012

Vendor Name	Aggregate Amount Paid
ICBC	2,106,529
IMS GROUP LTD.	49,388
INDUSTRIAL PLASTICS (1975) LTD	69,055
INSIGHTSOFTWARE.COM INC	216,286
INTERIOR HEALTH	44,939
ISLAND CORRIDOR FOUNDATION	38,868
ISP3 SOLUTION PROVIDERS INC.	79,149
J.R. HUGGETT COMPANY CORP.	35,070
JAN ENNS COMMUNICATIONS	45,242
JEMMA SCOBLE & ASSOCIATED CONSULTING INC	63,884
JENNER CHEVROLET OLDSMOBILE	141,636
JIVE SOFTWARE INC.	50,154
KAL TIRE	106,978
KELLER EQUIPMENT SUPPLY LTD.	101,039
KERR CONTROLS INC.	87,665
KIMBERLEY COMMUNITY TRANSPORTATION	445,603
KING BROS. LTD.	135,523
KINGSVIEW CONSTRUCTION LTD.	157,563
KNAPPETT PROJECTS LTD	1,876,924
KODIAK MOBILE VIDEO	949,351
KPMG LLP	249,228
LAH SOURCING LTD.	49,918
LAKERS' GO BUS SOCIETY	845,825
LANGILLE'S	30,240
LDN TRANSPORTATION	265,069
LEGER MARKETING ALBERTA INC	277,115
LES HALL FILTER SERVICE	65,095
LINKEDIN IRELAND UNLIMITED COMPANY	43,500
LONG VIEW SYSTEMS	147,280
LOOMIS EXPRESS	191,214
LORDCO PARTS LTD.	215,162
LUCERIX INTERNATIONAL CORP.	34,453
LUMINATOR TECHNOLOGY GROUP, INC	108,969
M.J. BRADLEY ASSOCIATES LLC	48,696
MAIL - O - MATIC SERVICES LTD	28,278
MAPLE-SAILING PATHWAY LTD.	45,500
MCELHANNEY	322,739
MERCER (CANADA) LIMITED	50,231
MERIDIAN REHABILITATION CONSULTING INC.	72,259
METAL BUILDING GROUP (MBG BUILDINGS INC)	35,804
MGM MECHANICAL LTD.	101,001
MICHELIN NORTH AMERICA INC (CAN)	459,939
MICROSOFT CORPORATION	546,560
MINISTER OF FINANCE	2,241,903
MITCHELL PRESS	159,874
MONARCH NA STRUCTURES LIMITED	1,234,729
MONK OFFICE SUPPLY LTD.	44,471
MONSTER WORLDWIDE CANADA LTD	29,814

Vendor Name	Aggregate Amount Paid
MOORE CANADA CORPORATION	91,211
MORNEAU SHEPELL	113,600
MORRISON HERSHFIELD LIMITED	1,066,801
MRC TOTAL BUILD LP	6,036,215
NATSCO - TRANSIT SOLUTIONS	194,748
NEOVATION CORPORATION	44,363
NEW FLYER INDUSTRIES LTD.	26,184,937
NEXTGEN TRANSIT INC.	2,790,550
NICOLA VALLEY TRANSPORTATION SOCIETY	473,518
NORCAN FLUID POWER LTD.	30,927
NORDBO SERVICES LTD.	125,882
NORTH GLASS & ALUMINUM LTD.	75,779
NOVICLEAN INC.	89,279
OAK TRANSIT INCORPORATED	547,363
OAKCREST PARK ESTATES LTD.	787,541
OKTA INC.	25,662
OLYMPUS STAGE LINES LTD.	359,258
ORACLE CANADA ULC	560,341
ORKIN CANADA CORPORATION	238,917
PACIFIC BLUE CROSS	4,470,553
PALADIN TECHNOLOGIES INC.	623,178
PASSENGER CONTRACTED TRANS. SERVICES LTD	768,119
PATRICIAN VENTURES LTD	27,300
PCM ARTIFICIAL LIFT SOLUTIONS INC.	279,789
PENTICTON TRANSIT SERVICES	3,529,306
POWELL RIVER TAXI LTD	434,019
PREVOST CAR INC.	3,157,559
PRICE WATERHOUSECOOPERS LLP	151,816
PRINCE GEORGE TRANSIT LTD	6,766,470
PRINCETON & DISTRICT	181,374
PROCUREMENT LAW OFFICE PROFESSIONAL CORP	211,163
PUBLIC SERVICE PENSION PLAN	12,606,664
PWTRANSIT	13,334,334
RALMAX CONTRACTING LTD	41,162
RBC/BC TRANSIT GRP PLAN #005422	35,391
REBER CREATIVE	61,782
RECEIVER GENERAL FOR CANADA	21,401,241
RE-FLOW SOLUTIONS LTD.	57,046
REGIONAL DISTRICT OF BULKLEY-NECHAKO	46,566
REGIONAL DISTRICT OF NANAIMO	11,753,925
RESOLVER INC.	84,867
RESORT MUNICIPALITY OF WHISTLER	96,972
REVELSTOKE CONNECTION LTD	459,080
RICHMOND ELEVATOR MAINTENANCE LTD.	94,290
RICOH CANADA INC.	86,218
RICON CORPORATION	34,996
RIPTIDE STUDIOS INC.	57,978
RONDEX	26,805

Vendor Name	Aggregate Amount Paid
RON'S DRYWALL LTD.	175,061
SAFETY-KLEEN CANADA, INC.	39,230
SCHOOL DISTRICT # 20, TRAIL	60,155
SEASTAR SOLUTIONS	76,956
SECURED SECURITY LTD	81,591
SERVICE FIRST LTD.	27,210
SHAW	29,678
SHENZHEN ARCHIBALD TECHNOLOGY CO. LTD	84,765
SMART SOFTWARE, INC.	43,099
SMITHERS COMMUNITY SERVICES	340,085
SNC-LAVALIN INC.	100,056
SOLUTIA SDO LTD.	42,447
SOUTH COAST ELECTRIC LTD.	154,586
SPORTWORKS NW, INC.	95,562
STANTEC CONSULTING LTD.	607,971
STONE PACIFIC CONTRACTING LTD.	31,135
STRATAGEN SYSTEMS INC	114,486
STRATEGIC MAPPING INC.	2,293,115
SUNSHINE COAST REGIONAL DIST.	3,040,519
SUPER SAVE TOILET RENTALS INC.	44,068
SWISH MAINTENANCE LIMITED	33,746
TAVOLA STRATEGY GROUP LTD	90,311
TAXI CANADA LTD.	84,351
TC PUBLICATION LIMITED PARTNERSHIP	29,239
TELUS	281,974
TELUS MOBILITY (BC)	661,262
TELUS SERVICES INC.	161,212
THE AFTERMARKET PARTS COMPANY, LLC	2,359,476
THE GEAR CENTRE	434,431
THERMO KING OF BRITISH COLUMBIA INC.	191,768
THINK COMMUNICATIONS INC.	231,186
TOK TRANSIT BC LTD.	1,804,192
TOTEM TOWING	103,017
TOWER KITCHENS & MILLWORKS LTD.	43,281
TRACKIT LLC	36,084
TRAPEZE SOFTWARE ULC	390,955
TRI CITY FINISHING	177,731
TST-CF EXPRESS	76,140
UBC - SAUDER SCHOOL OF BUSINESS	128,625
ULINE CANADA CORPORATION	239,812
UNI-SELECT CANADA INC.	43,976
UNISYNC GROUP LTD.	371,649
UNITECH CONSTRUCTION MANAGEMENT LTD.	495,330
UNITED RENTALS OF CANADA, INC.	42,452
UNITED SAFETY & SURVIVABILITY CORP	149,748
UNIVERSITY OF VICTORIA	75,112
UPLAND CONTRACTING LTD	154,700
URBAN SYSTEMS	116,359

Vendor Name	Aggregate Amount Paid
VAN KAM FREIGHTWAYS LTD	41,738
VERITIV CANADA, INC.	40,734
VICTORIA CONTRACTING & MUNICIPAL MAINTENANCE	46,153
VICTORIA TAXI	96,282
VICTORIA WATERJET LTD	77,985
VITATEK CLEANING SOLUTIONS	240,400
VOITH TRANSMISSION CANADA INC.	643,761
WASH-BOTS CANADA LTD.	89,858
WASTE CONNECTIONS OF CANADA INC.	35,933
WATSON & ASH TRANSP. CO. LTD.	296,093
WATT CONSULTING GROUP	70,204
WAYSIDE PRINTERS	122,829
WESTERN INTERIOR DESIGN GROUP LTD	31,080
WESTERN OIL SERVICES LTD.	135,456
WESTERN SCALE CO. LTD	291,826
WESTMATIC INC.	111,352
WESTVAC INDUSTRIAL LTD	565,932
WHEATON CHEVROLET BUICK	469,518
WHISTLER TRANSIT LTD.	7,600,924
WILCO CIVIL INC.	1,480,159
WILLIAMS MACHINERY LP HEAD OFFICE	79,715
WORKSAFE BC	1,174,931
YELLOWHEAD COMMUNITY SERVICES	407,686
Consolidated Total of Payments in Excess of \$25,000 Paid to Suppliers	<u>\$ 349,723,436</u>
Consolidated Total of Payments in Less than \$25,000 Paid to Suppliers	<u>\$ 3,556,681</u>
Total Aggregate Payments Made to Suppliers Per Accounts Payable Ledger	<u><u>\$ 353,280,117</u></u>

BRITISH COLUMBIA TRANSIT

FIR, Schedule 1, Section 7 (1)(c)

Reconciliation of Vendor Payments to Financial Statements Year ended March 31, 2021

Vendor Analysis Reconciliation

Vendor Analysis 353,280,117

Vendor Payments Not on Statement of Operations

Amounts paid to vendors on Capital Assets and WIP	(97,667,324)	
Other Timing Differences Between Cash Disbursements and the Accrual Basis of Accounting	(26,840,414)	
		<u>(124,507,738)</u>

Expense Items Not in 2020/21 Vendor Analysis

Employee Net Pay via Payroll	52,856,125	
Amortization	60,507,259	
Debt service	7,959,238	
		<u>121,322,622</u>
		<u>\$ 350,095,001</u>

BC Transit Statement of Operations

Operations	237,490,702	
Maintenance	76,323,958	
Administration	36,280,341	
		<u>\$350,095,001</u>

BRITISH COLUMBIA TRANSIT

Part II FIR, Schedule 1, Section 7 (2)(b)

Total of Payments to Suppliers for Grants and Contributions
Exceeding \$25,000
For the Year Ended March 31, 2021

Vendor Name	Aggregate Amount Paid
Consolidated total of grants exceeding \$25,000	\$ -
Consolidated total of contributions exceeding \$25,000	-
Consolidated total of all grants and contributions exceeding \$25,000	<u>\$ -</u>

Consolidated Financial Statements of

BRITISH COLUMBIA TRANSIT

Year ended March 31, 2021

MANAGEMENT REPORT

Year ended March 31, 2021

The consolidated financial statements of British Columbia Transit (“BC Transit”) are the responsibility of management and have been prepared in accordance with Canadian public sector accounting standards as required by section 23.1 of the *Budget Transparency and Accountability Act* of the Province of British Columbia except in regard to the accounting for government transfers which is based on the Restricted Contributions Regulation 198/2011.

These consolidated financial statements include some amounts based on management’s best estimates and careful judgment. A precise determination of assets and liabilities is dependent upon future events and, consequently, the preparation of periodic consolidated financial statements necessarily involves the use of management’s judgment in establishing the estimates and approximations used. The consolidated financial statements have, in management’s opinion, been properly prepared within the framework of the accounting policies summarized in the notes to the consolidated financial statements and incorporate, within reasonable limits of materiality, all information available as at May 27, 2021.

BC Transit’s system of internal controls is designed to provide reasonable assurance that assets are safeguarded, transactions are properly recorded and executed in accordance with management’s authorization, financial information is reliable and ethics codes are observed. Inherent to the concept of reasonable assurance is the recognition that there are limits in all internal control systems and that system costs should not exceed the expected benefits. The system includes the selection, training and development of qualified personnel, organizational division of responsibilities, appropriate delegation of authority and formal written company policies and procedures including the Code of Conduct applicable to all BC Transit officers and employees.

The consolidated financial statements have been examined by PricewaterhouseCoopers LLP of British Columbia, BC Transit’s independent external auditors. Their responsibility is to express their opinion whether the consolidated financial statements are prepared, in all material respects, in accordance with the accounting requirements of Canadian public sector accounting standards. The Board of Directors meets regularly with management and the external auditors to satisfy itself that BC Transit’s system of internal control is adequate and to ensure that responsibilities for financial reporting are being met.

On behalf of BC Transit:



Erinn Pinkerton
President and Chief Executive Officer
May 27, 2021



Roland Gehrke, CPA CA
Vice President, Finance and Chief Financial Officer
May 27, 2021



Independent auditor's report

To the Board of Directors of British Columbia Transit, and
To the Minister of Transportation and Infrastructure, Province of British Columbia

Our opinion

In our opinion, the accompanying consolidated financial statements of British Columbia Transit (BC Transit) as at March 31, 2021 and for the year then ended are prepared, in all material respects, in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

What we have audited

BC Transit's consolidated financial statements comprise:

- the consolidated statement of financial position as at March 31, 2021;
- the consolidated statement of operations for the year then ended;
- the consolidated statement of change in net debt for the year then ended;
- the consolidated statement of rereasurement gains and losses for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

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 consolidated financial statements* section of our report.

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

Independence

We are independent of BC Transit in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

PricewaterhouseCoopers LLP
Central City Tower, 13450 102 Avenue, Suite 1400, Surrey, British Columbia, Canada V3T 5X3
T: +1 604 806 7000, F: +1 604 806 7806

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



Emphasis of matter – basis of accounting

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

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

Management is responsible for the preparation of the consolidated financial statements in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing BC Transit's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 BC Transit'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 BC Transit'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 consolidated 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 BC Transit to cease to continue as a going concern.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within BC Transit to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

/s/PricewaterhouseCoopers LLP

Chartered Professional Accountants

Surrey, British Columbia
May 27, 2021

BRITISH COLUMBIA TRANSIT

Consolidated Statement of Financial Position
(In thousands of dollars)

March 31, 2021, with comparative figures for March 31, 2020

	March 31, 2021	March 31, 2020
FINANCIAL ASSETS	\$	\$
Cash and cash equivalents (Note 3)	54,104	28,842
Accounts receivable (Note 4)	62,401	67,055
Debt sinking funds (Note 7)	93,936	110,050
	210,441	205,947
LIABILITIES		
Accounts payable and accrued liabilities	30,813	36,855
Due to Province	641	926
Deferred revenue and contributions (Note 5)	127,934	88,174
Deferred capital contributions (Note 6)	312,384	273,811
Debt (Note 7)	147,981	167,051
Employee future benefits (Note 8)	22,859	22,184
	642,612	589,001
NET DEBT	(432,171)	(383,054)
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 9)	432,720	387,033
Inventories	18,324	16,671
Prepaid expenses	3,614	3,152
Prepaid lease payments	3,343	3,690
	458,001	410,546
ACCUMULATED SURPLUS		
Accumulated operating surplus	19,333	19,485
Accumulated remeasurement gains	6,497	8,007
	25,830	27,492

Measurement uncertainty, Commitments, contingent liabilities, contractual rights and significant event (Notes 2(i), 10, 11, 12 and 22).

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

Approved on behalf of the Board:



Catherine Holt, Chair
May 27, 2021



Blair Redlin, Director
May 27, 2021

BRITISH COLUMBIA TRANSIT

Consolidated Statement of Operations
(In thousands of dollars)

Year ended March 31, 2021, with comparative figures for March 31, 2020

	Budget 2021 (Note 15)	March 31, 2021	March 31, 2020
REVENUE	\$	\$	\$
Operations	85,245	45,944	83,396
Government transfers:			
Federal (Note 13)	-	45,251	-
Provincial (Note 13)	115,816	157,549	108,078
Local government (Note 13)	117,160	55,686	108,589
Deferred capital contributions (Note 6)	43,850	38,622	35,738
Investment and other income	6,057	6,027	7,732
	368,128	349,079	343,533
EXPENSES (Note 14)			
Operations	262,320	237,491	244,587
Maintenance	72,482	76,324	66,088
Administration	36,160	36,280	32,741
	370,962	350,095	343,416
NET (DEFICIT) SURPLUS from operations	(2,834)	(1,016)	117
OTHER			
Disposal of capital assets			
Loss on disposal of capital assets	-	(648)	(1,322)
Other capital recoveries	-	585	495
Contributions for land purchase (Note 13)	-	705	819
Gain on investments	-	87	348
Other expenses (recovery)	-	135	(36)
	-	864	304
ANNUAL (DEFICIT) SURPLUS	(2,834)	(152)	421
Accumulated operating surplus, beginning of year	19,485	19,485	19,064
Accumulated operating surplus, end of year	16,651	19,333	19,485

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

BRITISH COLUMBIA TRANSIT

Consolidated Statement of Change in Net Debt
(In thousands of dollars)

Year ended March 31, 2021, with comparative figures for March 31, 2020

	Budget 2021 (Note 15)	March 31, 2021	March 31, 2020
	\$	\$	\$
Surplus (deficit) for the year	(2,834)	(152)	421
Acquisition of tangible capital assets	(183,836)	(106,842)	(72,919)
Amortization of tangible capital assets	67,860	60,507	59,794
Disposal of tangible capital assets	-	648	1,322
	(118,810)	(45,839)	(11,382)
Acquisition of inventories of parts	-	(27,214)	(29,259)
Consumption of inventories of parts	-	25,561	26,798
Acquisition of prepaid expenses	-	(11,061)	(10,185)
Consumption of prepaid expenses	-	10,599	10,183
Consumption of prepaid leases	-	347	352
	-	(1,768)	(2,111)
Realized gain reclassified to operations	-	(87)	(348)
Gain (loss) on portfolio investment	-	(1,423)	1,110
	-	(1,510)	762
Increase in net debt	(118,810)	(49,117)	(12,731)
Net debt, beginning of year	(383,054)	(383,054)	(370,323)
Net debt, end of year	(501,864)	(432,171)	(383,054)

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

BRITISH COLUMBIA TRANSIT

Consolidated Statement of Remeasurement Gains and Losses
(In thousands of dollars)

March 31, 2021, with comparative figures for March 31, 2020

	March 31, 2021	March 31, 2020
	\$	\$
Accumulated remeasurement gains, beginning of year	8,007	7,245
Unrealized (loss) gain on investments	(1,423)	1,110
Realized gain on investments, reclassified to Consolidated Statement of Operations	(87)	(348)
Accumulated remeasurement gains, end of year	6,497	8,007

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

BRITISH COLUMBIA TRANSIT

Consolidated Statement of Cash Flows
(In thousands of dollars)

March 31, 2021, with comparative figures for March 31, 2020

	March 31, 2021	March 31, 2020
Cash provided by (used for):	\$	\$
Operating transactions		
Annual (deficit) surplus	(152)	421
Non-cash charges to operations (Note 16)	23,204	25,131
Changes in non-cash operating working capital (Note 16)	29,880	15,120
Cash used for operating transactions	52,932	40,672
Capital transactions		
Proceeds on disposal of tangible capital assets	189	81
Cash used to acquire tangible capital assets	(101,071)	(72,049)
Cash used for capital transactions	(100,882)	(71,968)
Investing transactions		
Purchase of debt sinking funds and investments	(7,247)	(8,355)
Redemption of debt sinking funds and investments	21,938	2,180
Cash received (used) from investing transactions	14,691	(6,175)
Financing transactions		
Debt repaid	(19,070)	(1,828)
Capital contributions received	77,591	50,585
Cash received from financing transactions	58,521	48,757
Increase in cash and cash equivalents	25,262	11,286
Cash and cash equivalents, beginning of year	28,842	17,556
Cash and cash equivalents, end of year	54,104	28,842
Supplemental cash flow information		
Cash paid for interest	7,897	8,586
Cash received from interest	285	901

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

BRITISH COLUMBIA TRANSIT

Notes to Consolidated Financial Statements
(In thousands of dollars)

Year Ended March 31, 2021, with comparative figures for March 31, 2020

1. Nature of Operations

British Columbia Transit (“BC Transit”) is a Crown corporation, established under the *British Columbia Transit Act*, as amended in 1998, to operate the urban transit systems in the Province of British Columbia (the “Province”) outside of the Metro Vancouver Regional service area. BC Transit is included in the government reporting entity of the Province of British Columbia and reports to the Legislative Assembly through the Ministry of Transportation and Infrastructure. BC Transit is exempt from income taxes under the *Income Tax Act*.

BC Transit, on behalf of the Victoria Regional Transit Commission (“VRTC”), is responsible for the administration of all funds raised by certain tax levies. These funds are recorded as a liability and summarized in Note 5.

2. Summary of Significant Accounting Policies

(a) Basis of Accounting

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards as required by section 23.1 of the *Budget Transparency and Accountability Act* of the Province of British Columbia and supplemented by Regulation 198/2011 issued by the Province of British Columbia Treasury Board.

Regulation 198/2011 requires that restricted contributions be recognized as revenue in the period the restriction is met, and that restricted contributions for the purpose of acquiring or developing a depreciable tangible capital asset, be recognized as revenue at the same rate the 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.

Canadian public sector accounting standards require government transfers, which do not contain a stipulation that creates a liability, to be recognized as revenue by the recipient when approved by the transferor and the eligibility criteria have been met. The Regulation allows for the deferral of revenue recognition to future years, recognized for non-capital government transfers in the period the restriction the transfer is subject to is met and for capital transfers in income, systematically, over the useful life of the asset, rather than in the year the transfer was made. This results in differences in deferred contributions, deferred capital contributions and accumulated operating surplus on the consolidated statement of financial position, and the government transfers revenue and annual surplus on the statement of operations. The impact of accounting for restricted contributions in accordance with Regulation 198/2011 is disclosed in Note 19.

(b) Basis of Consolidation

Consolidated Entities

The consolidated financial statements reflect the assets, liabilities, revenues and expenses of organizations which are controlled by BC Transit. Controlled organizations are consolidated with inter-organizational transactions, balances, and activities eliminated on consolidation.

The following organizations are controlled by BC Transit and are fully consolidated in these financial statements:

TBC Vehicle Management Inc.	0922667 B.C. Ltd.
TBC Operations Inc.	0925406 B.C. Ltd.
TBC Properties Inc.	0928624 B.C. Ltd.
0915866 B.C. Ltd.	

BRITISH COLUMBIA TRANSIT

Notes to Consolidated Financial Statements
(In thousands of dollars)

Year Ended March 31, 2021, with comparative figures for March 31, 2020

2. Summary of Significant Accounting Policies (continued)

(c) *Deferred Contributions and Revenue Recognition*

Government transfers received relate to contributions from federal, provincial and local governments to fund capital projects, operating costs, sinking fund and interest payments.

Under Restricted Contributions Regulation 198/2011, government transfers are reported as revenue based on the nature of the restrictions on the use of the funds by the contributors as follows:

- (i) Contributions for the purpose of acquiring or developing a depreciable tangible capital asset for use in providing services are recorded and referred to as deferred capital contributions and are recognized as revenue at the same rate that amortization of the 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.
- (ii) Contributions restricted for specific purposes other than for those to be held in perpetuity or the acquisition or development of a depreciable tangible capital asset are recorded as deferred contributions and recognized as revenue in the year in which the stipulation or restriction on the contribution has been met.

See Note 19 for the impact of this regulation on these consolidated financial statements.

Transit user charges are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated, collection is reasonably assured and when services have been provided to the users. Transit passes purchased in advance of services being performed are deferred and recognized in the month the service is delivered.

(d) *Investment Income*

Investment income is reported as revenue in the period earned. When required by the funding party or related Act, investment income earned on deferred contributions is added to the investment and forms part of the deferred contributions balance.

(e) *Financial Instruments*

BC Transit has elected to measure specific financial instruments at fair value, to correspond with how they are evaluated and managed. These financial instruments are identified in this note by financial asset and financial liability classification and are not reclassified for the duration of the period they are held. All other financial assets and financial liabilities are measured at cost or amortized cost. The following classification system is used to describe the basis of the inputs used to measure the fair values of financial instruments in the fair value measurement category:

- Level 1** Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2** Market-based inputs other than quoted prices that are observable for the asset or liability either directly or indirectly.
- Level 3** Inputs for the asset or liability that are not based on observable market data; assumptions are based on the best internal and external information available, and are most suitable and appropriate based on the type of financial instrument being valued, in order to establish what the transaction price would have been on the measurement date in an arm's-length transaction.

BRITISH COLUMBIA TRANSIT

Notes to Consolidated Financial Statements
(In thousands of dollars)

Year Ended March 31, 2021, with comparative figures for March 31, 2020

2. Summary of Significant Accounting Policies (continued)

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations. A write-down of an investment to reflect a loss in value is not reversed for a subsequent increase in value.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense. Transaction costs are a component of cost for financial instruments measured using cost or amortized cost.

(i) Cash and cash equivalents

Cash and cash equivalents include cash in bank and in transit, certificates of deposit and short-term investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. These short-term investments generally have no term and are held for the purpose of meeting short-term cash commitments, rather than for investing. They are reported at fair value and are measured using a Level 1 valuation.

(ii) Accounts receivable

Accounts receivable are recorded at cost less any amount for valuation allowance. Valuation allowances are made to reflect accounts receivable at the lower of cost and the net recoverable value, when collectability and risk of loss exists. Changes in valuation allowance are recognized in the statement of operations.

(iii) Debt sinking funds

Investments in sinking funds consist of pooled investment portfolios and Canadian, Provincial government and Crown corporation bonds managed by the British Columbia Investment Management Corporation ("BCI"), a corporation established under the *Public Sector Pension Plans Act*. Sinking fund investments are recorded at fair value and measured using a Level 1 valuation. Discounts and premiums arising on the purchase of these investments are amortized over the term of the investments.

(iv) Debt and other financial liabilities

All debt and other financial liabilities are recorded using cost or amortized cost. Discounts and premiums arising on the issuance of debt are amortized over the term of the debt.

(f) Employee Future Benefits

- (i) BC Transit and its employees contribute to the Public Service Pension Plan in accordance with the *Public Service Pension Plans Act*. Multi-employer, jointly-trusted pension plans follow defined contribution pension plan accounting. Contributions are expensed as they become payable.
- (ii) Outside of the Public Service Pension Plan, BC Transit maintains various benefit arrangements available to retired employees including non-pension post-retirement benefits (retiree hospital, drugs, vision, medical), post-employment benefits (vacation, overtime) and continuation of long-term disability benefits. The future obligations under these benefit plans are accrued as the employees render the services necessary to earn the benefit. Management, using an estimate of salary

BRITISH COLUMBIA TRANSIT

Notes to Consolidated Financial Statements
(In thousands of dollars)

Year Ended March 31, 2021, with comparative figures for March 31, 2020

2. Summary of Significant Accounting Policies (continued)

escalation and expected retirement ages, calculates the cost of the defined retirement benefit. The recorded liability represents these estimated future costs discounted to a present value using market interest rates applicable to BC Transit, and the cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime of active employees covered under the plan. The accrued employee benefit obligations and the net periodic benefit cost were estimated by an actuarial valuation completed effective for March 31, 2021.

(g) *Liability for Contaminated Sites*

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all of the following criteria are met:

1. An environmental standard exists;
2. Contamination exceeds the environmental standard;
3. BC Transit:
 - a) is directly responsible; or
 - b) accepts responsibility; and
4. A reasonable estimate of the amount can be made.

As at March 31, 2021, BC Transit has not identified any contaminated sites that meet the criteria for recognition.

(h) *Non-Financial Assets*

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(i) *Tangible capital assets*

Tangible capital assets are recorded at cost, which includes amounts that are directly attributable to the acquisition, design, construction, development, improvement or betterment of the asset. The costs, less the residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Asset	Useful Life - Years
Land	Indefinite
Exchanges, shelters, and other transit infrastructure	3 – 40
Buildings	5 – 40
Vehicles – including major components	2 – 20
Other equipment	4 – 20

(ii) *Contributions of tangible capital assets*

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt with a corresponding entry made to deferred capital contributions. The contributed tangible capital assets are then amortized over their estimated useful lives.

BRITISH COLUMBIA TRANSIT

Notes to Consolidated Financial Statements
(In thousands of dollars)

Year Ended March 31, 2021, with comparative figures for March 31, 2020

2. Summary of Significant Accounting Policies (continued)

(iii) *Interest capitalization*

Interest is capitalized whenever debt is issued to finance the construction of tangible capital assets. Interest is capitalized from the date of advance of funds until the assets are available for service.

(iv) *Inventories*

Inventories held for consumption are recorded at the lower of historical cost or replacement cost.

(v) *Impairment of tangible capital assets*

BC Transit monitors the recoverability of tangible capital assets. Whenever events or changes in circumstances indicate that the tangible capital asset no longer contributes to the ability to provide transit services or that the value of the future economic benefits associated with the tangible capital asset is less than its net book value, the cost of the tangible capital asset is written down to residual value.

(vi) *Prepaid expenses and leases*

Prepaid expenses and leases include prepaid insurance, parts credits, prepaid software and prepaid property leases. These are expensed over the period they are expected to benefit.

(vii) *Intangibles*

Intangible assets are not recognized in BC Transit's financial statements.

(i) **Measurement Uncertainty**

The preparation of consolidated 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 consolidated financial statements and the reported amounts of the revenues and expenses during the period.

Estimates are based on the best information available at the time of preparation of the consolidated financial statements and are reviewed annually to reflect new information as it becomes available. Significant measurement uncertainty includes assumptions used in the determination of amortization periods, employee future benefits and estimating provisions for certain accrued liabilities. Actual results could differ from these estimates.

(j) **New Accounting Pronouncements**

Standards and interpretations issued that are relevant to the operations of BC Transit, but not yet effective include:

Asset Retirement Obligations (PS3280): This new section will require recognition of a liability related to future costs of legal obligations to be incurred upon the retirement of controlled tangible capital assets. This section applies to fiscal years beginning on or after April 1, 2022. Management is in the process of assessing the impact of this standard.

Revenue (PS3400): This new section establishes standards on how to account for and report revenue arising from transactions that include performance obligations. This section applies to fiscal years beginning on or after April 1, 2023. Management is in the process of assessing the impact of this standard.

BRITISH COLUMBIA TRANSIT

Notes to Consolidated Financial Statements
(In thousands of dollars)

Year Ended March 31, 2021, with comparative figures for March 31, 2020

3. Cash and Cash Equivalents

Major components of cash and cash equivalents are comprised of the following:

	2021	2020
	\$	\$
Cash	24,068	8,594
Cash equivalents	30,036	20,248
Cash and cash equivalents	54,104	28,842

4. Accounts Receivable

Accounts receivable are comprised of the following:

	2021	2020
Provincial:	\$	\$
Operating	8,879	3,521
Capital grants	22,795	19,494
	31,674	23,015
Federal:		
Operating	1,415	-
Capital grants	13,425	20,537
	14,840	20,537
Local governments	8,682	14,081
Trade and other	7,205	9,422
Accounts Receivable	62,401	67,055

5. Deferred Revenue and Contributions

Deferred service funding consists of operating contributions that have been received, but not yet earned.

Deferred contributions for assets relate to the operating costs and capital costs of assets required to provide transit service. Differences between contributions received and costs incurred are deferred and used to fund transit services in future periods.

Deferred Victoria Regional Transit funds are held on behalf of the VRTC. These funds are restricted for the use of funding transit in the Capital Regional District. Inflows to the VRTC fund include property taxes, gas tax and interest. Outflows are in the form of municipal billings and occur on a monthly basis.

Deferred sales represent transit fees received in advance of services being performed and are recognized as revenue over the period the service is performed.

BRITISH COLUMBIA TRANSIT

Notes to Consolidated Financial Statements
(In thousands of dollars)

Year Ended March 31, 2021, with comparative figures for March 31, 2020

5. Deferred Revenue and Contributions (continued)

The deferred revenue and contributions, reported on the consolidated statement of financial position, are comprised of the following:

	2021	2020
	\$	\$
Deferred service funding contributions	33,728	23,965
Deferred contributions for assets	43,445	46,533
Deferred Victoria Regional Transit Fund	50,140	17,080
Deferred sales	621	596
Total deferred revenue and contributions	127,934	88,174

Continuity of deferred service funding, contributions and revenue:

	2021	2020
Deferred service funding contributions:	\$	\$
Balance, beginning of year	23,965	45,769
Service funding contributions received	38,664	69,609
Service funding contributions applied	(28,901)	(91,413)
Balance, end of year	33,728	23,965
Deferred contributions for assets:		
Balance, beginning of year	46,533	34,947
Contributions received	23,833	39,910
Contributions used	(26,921)	(28,324)
Balance, end of year	43,445	46,533
Deferred Victoria Regional Transit Fund		
Balance, beginning of year	17,080	6,389
Revenue fuel tax received	16,433	19,421
Revenue property tax received	34,700	31,753
Investment and other income received	260	285
Transfer from deferred service funding	-	9,434
Government transfers	(18,333)	(50,202)
Balance, end of year	50,140	17,080
Deferred sales		
Balance, beginning of year	596	564
Amounts received	3,947	1,362
Amounts recognized as revenue	(3,922)	(1,330)
Balance, end of year	621	596
Balance, end of year	127,934	88,174

BRITISH COLUMBIA TRANSIT

Notes to Consolidated Financial Statements
(In thousands of dollars)

Year Ended March 31, 2021, with comparative figures for March 31, 2020

6. Deferred Capital Contributions

Deferred capital contributions include federal, provincial and municipal grants subject to amortization on the same basis as the related asset.

	2021	2020
	\$	\$
Balance, beginning of year	273,811	259,608
Contributions and other additions	77,591	50,585
Impairment and disposals of capital assets	(396)	(644)
Amortization	(38,622)	(35,738)
Balance, end of year	312,384	273,811

7. Debt

BC Transit's debt, including principal and interest, is either held or guaranteed by the Province. BC Transit has not experienced any losses to date under this guarantee. Under the *British Columbia Transit Act*, BC Transit is subject to a borrowing ceiling limit of \$500 million in total. The Minister of Finance, as BC Transit's fiscal agent, arranges financing at BC Transit's request.

The gross amount of debt and the amount of sinking fund assets available to retire the debt are as follows:

	2021	2020
Debt has a weighted average rate of 5.34%, maturing at various dates to 2040, amortized from nine to 30 years	\$147,981	\$167,051

The total debt principal and interest payments for the next five years are as follows:

	\$
2022	22,445
2023	28,736
2024	5,436
2025	4,911
2026	12,902
Thereafter	121,899

Investments held in sinking funds, including interest earned, are to be used to repay the related debt at maturity. Gain on investments includes \$87 (2020 - \$348) of realized gains on disposition of investments in sinking funds. Sinking fund investments are managed by the British Columbia Investment Management Corporation and have cost and market values as follows:

	2021		2020	
	Cost	Market Value	Cost	Market Value
	\$	\$	\$	\$
Provincial bonds	74,525	81,024	81,807	89,774
Money market funds	12,914	12,912	18,797	18,797
Corporate bonds	-	-	1,439	1,479
Total	87,439	93,936	102,043	110,050

BRITISH COLUMBIA TRANSIT

Notes to Consolidated Financial Statements
(In thousands of dollars)

Year Ended March 31, 2021, with comparative figures for March 31, 2020

7. Debt (continued)

Debt sinking fund installments in each of the next five years are as follows:

	\$
2022	3,971
2023	3,766
2024	3,456
2025	3,433
2026	3,433
Thereafter	10,894

In April 2017, BC Transit entered into an unsecured revolving credit facility with a Canadian financial institution totaling \$10 million. Interest on the credit facility is based on the prime lending rate which is a variable per annum reference rate of interest for loans made by the Bank of Canada in Canadian dollars. Interest accrues on a day-to-day basis. At March 31, 2021, the facility was not in use.

In November 2002, BC Transit entered into a loan agreement pursuant to section 54(1) of the *Financial Administration Act* with the Minister of Finance and Corporate Relations to lend a maximum principal amount not to exceed \$90 million in Canadian currency. Terms and conditions of the loan state the Minister will use reasonable commercial efforts to comply with the borrowing requirements of BC Transit; however, the terms and conditions of the loan are within the sole discretion of the Minister. The maximum term on the loan is one year and can be renewed for another term as approved by the Minister and is due upon maturity. Interest on the loan is based on money market rates. As of March 31, 2021, BC Transit has not drawn on the facility.

8. Employee Future Benefits

BC Transit provides sick leave and other various benefits to its employees. These amounts and other employee-related liabilities will require funding in future periods and are set out below.

Continuity of employee future benefits liability:

	2021	2020
Accrued benefit liability:	\$	\$
Balance, beginning of year	22,184	22,083
Current benefit cost and event-driven expense	1,295	547
Interest	354	405
Amortization of actuarial gain	(653)	(478)
Benefits paid	(321)	(373)
Balance, end of year	22,859	22,184
Unamortized actuarial gain	(13,125)	(6,462)
Employee future benefit obligation	9,734	15,722

BRITISH COLUMBIA TRANSIT

Notes to Consolidated Financial Statements
(In thousands of dollars)

Year Ended March 31, 2021, with comparative figures for March 31, 2020

8. Employee Future Benefits (continued)

The employee future benefits liability reported on the statement of financial position is comprised of:

	2021	2020
	\$	\$
Non-pension post-retirement benefits	6,310	12,865
Post-employment benefits	1,140	904
Continuation of long-term disability benefits	2,284	1,953
Total employee future benefit obligation	9,734	15,722
Unamortized actuarial gain	13,125	6,462
Employee future benefit liability	22,859	22,184

The unamortized actuarial gain on future payments is amortized over the expected period of the liability which is 12 years (2020 – 10 years) for post-employment benefits and 12 years (2020 – 10 years) for post-retirement benefits.

The actuarial assumptions adopted in measuring BC Transit's accrued benefit obligations are as follows:

	2021	2020
Discount rate	2.3% - 2.7%	2.3% - 2.9%
Expected future inflationary increases	2.6% - 5.2%	2.6% - 5.2%
Weighted average health care trend - end of year	6.3% in 2021 grading to 3.8% in and after 2040	6.5% in 2020 grading to 3.8% in and after 2040
Dental and MSP trend – end of year	4.0%	4.0%

Public Service Pension Plan

BC Transit and its employees contribute to the Public Service Pension Plan, a jointly-trusted pension plan. The Public Service Pension Plan Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the plan, including investment of the assets and administration benefits. The plan has approximately 137,745 active and retired members.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and the adequacy of the funding. The latest actuarial valuation as at March 31, 2020, indicated a funding surplus of \$2,667 million for basic pension benefits. The next valuation will be March 31, 2023.

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

The total amount paid into this pension plan by BC Transit for the year ended March 31, 2021, for employer contributions was \$7,094 (2020 – \$6,234).

BRITISH COLUMBIA TRANSIT

Notes to Consolidated Financial Statements
(In thousands of dollars)

Year Ended March 31, 2021, with comparative figures for March 31, 2020

9. Tangible Capital Assets

Cost	Balance, March 31, 2020	Additions	Disposals	Transfers	Balance, March 31, 2021
	\$	\$	\$	\$	\$
Land	28,850	-	-	1,959	30,809
Exchanges, shelters and other transit infrastructure	68,052	-	-	914	68,966
Buildings	89,889	-	-	40,731	130,620
Vehicles	521,101	-	(51,532)	70,026	539,595
Other equipment	84,114	-	-	1,259	85,373
Capital projects in progress	27,025	106,842	(65)	(114,889)	18,913
Total	819,031	106,842	(51,597)	-	874,276

Accumulated amortization	Balance, March 31, 2020	Disposals	Amortization	Transfers	Balance, March 31, 2021
	\$	\$	\$	\$	\$
Exchanges, shelters and other transit infrastructure	31,144	-	5,293	-	36,437
Buildings	31,958	-	3,702	-	35,660
Vehicles	313,526	(50,949)	46,395	-	308,972
Other equipment	55,370	-	5,117	-	60,487
Capital projects in progress	-	-	-	-	-
Total	431,998	(50,949)	60,507	-	441,556

Net book value	Balance, March 31, 2020	Balance, March 31, 2021
	\$	\$
Land	28,850	30,809
Exchanges, shelters and other transit infrastructure	36,908	32,529
Buildings	57,931	94,960
Vehicles	207,575	230,623
Other equipment	28,744	24,886
Capital projects in progress	27,025	18,913
Total	387,033	432,720

BRITISH COLUMBIA TRANSIT

Notes to Consolidated Financial Statements
(In thousands of dollars)

Year Ended March 31, 2021, with comparative figures for March 31, 2020

9. Tangible Capital Assets (continued)

Cost	Balance, March 31, 2019	Additions	Disposals	Transfers	Balance, March 31, 2020
	\$	\$	\$	\$	\$
Land	25,889	-	-	2,961	28,850
Exchanges, shelters and other transit infrastructure	66,880	-	-	1,172	68,052
Buildings	55,177	-	-	34,712	89,889
Vehicles	527,266	-	(34,572)	28,407	521,101
Other equipment	67,601	-	-	16,513	84,114
Capital projects in progress	38,383	72,919	(512)	(83,765)	27,025
Total	781,196	72,919	(35,084)	-	819,031

Accumulated amortization	Balance, March 31, 2019	Disposals	Amortization	Transfers	Balance, March 31, 2020
	\$	\$	\$	\$	\$
Exchanges, shelters and other transit infrastructure	25,917	-	5,227	-	31,144
Buildings	29,785	-	2,173	-	31,958
Vehicles	301,294	(33,762)	45,994	-	313,526
Other equipment	48,970	-	6,400	-	55,370
Capital projects in progress	-	-	-	-	-
Total	405,966	(33,762)	59,794	-	431,998

Net book value	Balance, March 31, 2019	Balance, March 31, 2020
	\$	\$
Land	25,889	28,850
Exchanges, shelters and other transit infrastructure	40,963	36,908
Buildings	25,392	57,931
Vehicles	225,972	207,575
Other equipment	18,631	28,744
Capital projects in progress	38,383	27,025
Total	375,230	387,033

Capital projects in progress having a value of \$18,913 (2020 - \$27,025) have not been amortized. Amortization of these assets will commence when the asset is available for service.

During the year, assets with a net book value of \$648 (2020 - \$1,322) were written off. Interest capitalized for capital projects in 2021 was \$nil (2020 - \$nil).

BRITISH COLUMBIA TRANSIT

Notes to Consolidated Financial Statements
(In thousands of dollars)

Year Ended March 31, 2021, with comparative figures for March 31, 2020

10. Commitments

BC Transit has entered into various contracts as part of the normal course of operations and capital programs. These consist of outstanding commitments from contracts for leased properties (Operating leases); construction projects and facility leases (Facilities), Vehicle purchases and contracts with operating partners for transit operations (Operating contracts). Amounts are as summarized below:

	2022	2023	2024	2025	2026
	\$	\$	\$	\$	\$
Operating leases	2,056	2,073	2,060	1,987	2,004
Facilities	8,107	881	881	881	881
Vehicle purchases	33,357	-	-	-	-
Operating contracts	6,026	6,168	6,312	6,461	6,613
Total	49,546	9,122	9,253	9,329	9,498

11. Contingent Liabilities

The nature of BC Transit's activities is such that there is usually litigation pending or in process at any time. With respect to unsettled claims at March 31, 2021, management has determined that BC Transit has valid defenses and appropriate insurance coverage in place. In the event any claims are successful, management believes that such claims are not expected to have a material effect on the financial position of BC Transit.

BC Transit provides secured letters of credit where required for development permits or other activities. The letters of credit are held by a beneficiary who can request a draw on BC Transit's bank account for the specified amount in the event of non-compliance. At March 31, 2021, there were seven letters of credit outstanding for a total amount of \$2,746, none of which have been drawn upon.

12. Contractual Rights

BC Transit has two contractual rights contribution agreements with the Province of British Columbia which are summarized below:

- i. Funding for 66.67% of eligible expenses and 100% of incremental administrative costs of operating the Highway 16 inter-community transit service initiative to maximum contributions of \$520 per year to March 31, 2023.
- ii. Funding to acquire tangible capital assets as part of Canada and British Columbia's investing in Canada Infrastructure Program. Approved projects under the contribution agreement allow federal funding of up to \$72,216 and provincial funding of up to \$67,525 for future fiscal years to fund eligible expenditures incurred to December 31, 2027, as defined within the agreement.

BRITISH COLUMBIA TRANSIT

Notes to Consolidated Financial Statements
(In thousands of dollars)

Year Ended March 31, 2021, with comparative figures for March 31, 2020

13. Government Transfers

The transfers reported on the statement of operations are:

	2021	2020
Government transfers:	\$	\$
Provincial contributions:		
Operating transfers	157,549	108,078
Deferred capital contributions	25,412	25,018
Write-off of capital assets	236	644
Contributions for land purchase	604	819
	183,801	134,559
Federal contributions:		
Operating transfers	45,251	-
Deferred capital contributions	12,140	9,566
Write-off of capital assets	159	58
	57,550	9,624
Local government contributions:		
Transfers under cost share agreements	55,686	108,589
Deferred capital contributions	832	912
Contributions for land purchase	101	-
	56,619	109,501
Other:		
Deferred capital contributions	238	242
Total government transfers	298,208	253,926

In addition to the ongoing government funding programs, BC Transit signed a contribution agreement with the Province under the federal Safe Restart program and the BC Restart Plan. This agreement provided for \$88.3 million in a one-time contribution funded 50/50 by the Federal and Provincial governments to provide financial relief to Local Government Partners and help ensure that affordable transit services continue through the COVID-19 recovery period. Under this agreement Local Governments will limit average annual public fare increases to 2.3% and BC Transit will work with Local Governments to maintain essential transit service levels to March 31, 2024.

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14. Classification of Expense By Object

	Budget	2021	2020
	\$	\$	\$
Contracted management fees, wages and benefits	111,959	109,114	105,897
Salaries, wages and benefits	93,532	93,543	87,501
Amortization of capital assets	67,860	60,507	59,794
Fuel and lubricants	27,039	18,531	26,149
Fleet maintenance	20,545	23,621	21,410
Interest	7,839	7,959	8,586
Insurance	7,191	7,416	6,542
Facility maintenance	6,671	6,239	5,293
Information systems	6,582	5,949	4,772
Leases and taxes	5,461	4,683	4,754
Major projects and initiatives	1,970	1,230	259
Local government expenses	2,385	2,358	2,352
Marketing and communications	2,461	2,458	2,172
Taxi programs	2,622	546	2,285
Corporate expenses	3,921	4,110	2,972
Contracted and professional fees	1,615	1,526	1,684
Travel and meetings	1,309	305	994
Total operating expenses	370,962	350,095	343,416

15. Budget Data

The budget data presented in these consolidated financial statements was included in the 2020/21-2022/23 Service Plan approved by the Board of Directors on January 30, 2020, and by the Government of British Columbia on February 18, 2020.

16. Additional Information For the Statement of Cash Flows

	2021	2020
	\$	\$
Non-cash charges to operations:		
Amortization of tangible capital assets	60,507	59,794
Amortization of prepaid lease	347	352
Gain on the disposal of debt sinking funds	(87)	(348)
Loss on the disposal of tangible capital assets	63	597
Amortization of deferred capital contributions	(38,622)	(35,738)
Long-term disability benefits expense	996	474
	23,204	25,131
Changes in non-cash operating working capital:		
Accounts receivable	4,655	16,934
Accounts payable and accrued liabilities	(6,043)	461
Due to Province	(285)	926
Deferred revenue and contributions	39,760	505
Employee future benefits	(321)	(373)
Inventories	(1,653)	(2,461)
Prepaid expenses	(462)	(2)
Net change in accrued acquisition of tangible capital assets	(5,771)	(870)
	29,880	15,120

BRITISH COLUMBIA TRANSIT

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17. Financial Instruments

(a) Fair Value

The carrying value of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, approximate their fair value due to the relatively short periods to maturity of the instruments. Debt and debt sinking funds are reflected on the statement of financial position at fair value.

In evaluating the fair value information, considerable judgment is required to interpret the market data used to develop the estimates. The use of different market assumptions and/or different valuation techniques may have a material effect on the estimated fair value amounts for financial instruments. Accordingly, the estimates of fair value presented herein may not be indicative of the amounts that could be realized in a current market exchange.

(b) Risks Associated With Financial Assets and Liabilities

BC Transit is exposed to financial risks from its financial assets and liabilities. The financial risks include market risk relating to commodity prices, interest rates and foreign exchange risks as well as credit risk and liquidity risk.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of commodity price risk, interest rate risk, foreign exchange risk and credit risk as discussed below.

Commodity Price Risk

BC Transit is exposed to commodity price risk. Commodity price risk and volatility has a significant impact on BC Transit's fuel costs. Management continually monitors the exposure to commodity price volatility and assesses possible risk mitigation strategies including continuing to buy at rack prices, use of alternative fueling technologies, entering into physical fixed-price agreements to fix all or a portion of fuel prices with a supplier, and/or the potential to enter into financial commodity derivative contracts. Management does not have the authority under the *British Columbia Transit Act* to enter into financial commodity derivative contracts directly. The ability for management to execute physical hedge agreements with suppliers is governed under formal policies and is subject to limits established by the Board of Directors. No such hedge agreements were entered into during the year.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. BC Transit is exposed to interest rate risk to the extent that there are changes in the prime interest rate. BC Transit may, from time to time, enter into interest rate swap contracts to manage exposure to interest rates and cash flow risk. No such derivative contracts were entered into during the year.

Foreign Exchange Risk

BC Transit is exposed to currency risk on purchases of various capital assets and parts from suppliers requiring payment in either US dollars or pounds sterling. These risks are monitored and can be mitigated by management by entering into foreign currency option agreements. There were no such arrangements entered into during the year.

BRITISH COLUMBIA TRANSIT

Notes to Consolidated Financial Statements
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17. Financial Instruments (continued)

Sensitivity Analysis

The following table is a sensitivity analysis indicating the impact on net surplus (deficit) of a change in each type of market risk discussed above. The sensitivity analysis is based on reasonable possible movement within the forecast period, being one year. These assumptions may not be representative of actual movements in these risks and should not be relied upon. Given the volatility in the financial and commodity markets, the actual percentage changes may differ significantly from the outcomes noted below. Each risk is contemplated independent of other risks.

Estimated impact of a 1% change on annual surplus:	\$
Interest rate risk	220
Foreign exchange risk	459
Commodity risk (fuel)	216

Liquidity Risk

Liquidity risk is the risk that BC Transit will encounter difficulty in meeting obligations associated with financial liabilities as they come due. BC Transit manages liquidity risk through its cash, debt, sinking fund and funding management initiatives. Accounts payable and accrued liabilities are due in the next fiscal year. Maturity of long-term debt is disclosed in Note 7. Other commitments with future minimum payments are disclosed in Note 10.

Credit Risk

Credit risk is the potential for financial loss to BC Transit if the counterparty in a transaction fails to meet its obligations. Financial instruments that potentially give rise to concentrations of credit risk include cash and cash equivalents and debt sinking funds where they are invested in Canadian Money Market and Bond Funds. It is management's opinion that BC Transit is not exposed to any significant credit risk due to the credit worthiness of the investments and collectability of accounts receivable.

(c) Capital Disclosures

BC Transit defines capital as accumulated surplus plus deferred capital contributions. BC Transit receives the majority of these capital funds from federal, provincial or municipal government partners.

BC Transit's objective when managing capital is to meet its current Service Plan initiatives with the current funding available. BC Transit manages its capital structure in conjunction with the Province and makes adjustments to its Service Plan and related budgets based on available government funding. The focus is to ensure that service levels are preserved within the funding restrictions by the Province and municipal partners.

BC Transit is not subject to debt covenants or other restrictions with respect to operating funding. Funding received for designated purposes must be used for the purpose outlined by the funding party. BC Transit has complied with the external restrictions on any external funding provided.

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18. Related-Party Transactions

There are certain parties that are considered related due to their ability to exercise control over the financial and operating policies of BC Transit. All transactions between BC Transit and its related parties are considered to possess commercial substance and are consequently recorded at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

As a Crown corporation of the Province, BC Transit and the Province are considered related parties. Provincial transactions and balances have been disclosed elsewhere in the financial statements (Note 13).

The BC Transit Board of Directors and Senior Leadership Team are also considered related parties. Transactions consist of remuneration and expense reimbursement.

19. Impact of Accounting For Government Transfers in Accordance With Section 23.1 of the *Budget Transparency and Accountability Act*

As noted in the significant accounting policies, Note 2(a), section 23.1 of the *Budget Transparency and Accountability Act* and Restricted Contributions Regulation 198/2011, require BC Transit to recognize non-capital government transfers as revenue in the period the restriction is met, and also require BC Transit to recognize government transfers for the acquisition of capital assets as revenue on the same basis as the related amortization expense. As these transfers do not contain stipulations that create a liability, Canadian public sector accounting standards would require these grants to be fully recognized as revenue. The impact of correcting this difference on the consolidated financial statements of BC Transit is as follows:

As at March 31, 2021, a decrease in deferred capital contributions by \$312,384 (2020 – \$273,811), and an increase in accumulated surplus by the same amounts.

For the year ended March 31, 2021, an increase in annual surplus by \$38,573 (2020 – increase by \$14,203).

20. Investment in Transportation Property and Casualty Company Inc.

In January 2010, the Board of Directors approved the withdrawal from the Transportation Property and Casualty Company Inc. Program ("TPCCP"). As a replacement to TPCCP, BC Transit procured a comprehensive stand-alone insurance coverage program effective April 1, 2010, which is renewed annually. Claims which have been registered and served prior to the withdrawal from the TPCCP program, continue to be settled in an orderly manner and BC Transit will continue to monitor these claims. \$1,828 (2020 - \$1,828) remains in cash equivalents to offset other potential future claims. See Note 11 for further details regarding unsettled claims.

21. Economic Dependency

BC Transit is dependent on receiving government transfers from the Province of British Columbia and Local Government Partners for its continued existence and ability to carry out its normal activities.

22. Significant Event

In March 2020, the World Health Organization declared a global pandemic related to the coronavirus disease known as COVID-19. The impacts to the economy have been far-reaching. BC Transit has been impacted with additional cleaning and safety expenses, decreased ridership and temporary cancellation of fare collection (March 19 to May 31, 2020). Federal and Provincial funding support was provided (Note 13).