

B.C. PAVILION CORPORATION

YEAR ENDING MARCH 31, 2006

STATEMENTS OF FINANCIAL INFORMATION

B.C. Pavilion Corporation
Financial Statements
March 31, 2006

B.C. Pavilion Corporation

Management's Responsibility for Financial Reporting

The accompanying financial statements of B.C. Pavilion Corporation for the year ended March 31, 2006 and all the information in this annual report are the responsibility of management and have been approved by the Board of Directors.

Management has prepared the financial statements for the year ended March 31, 2006 in accordance with Canadian generally accepted accounting principles. A precise determination of certain of the assets and liabilities is dependent on future events and consequently the preparation of the financial statements necessarily involves the use of management's best estimates and judgments. These financial statements present fairly the financial position of B.C. Pavilion Corporation as at March 31, 2006 and the results of operations and the changes in cash flows for the year then ended. Financial information used elsewhere in the Annual Report is consistent with that in the financial statements.

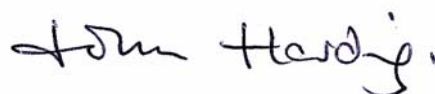
Management is responsible for the preparation, content, consistency, objectivity and integrity of the financial statements and all other financial information contained in this Annual Report. Management has established and maintains a system of internal controls that provides reasonable assurance that the financial records are reliable, form a proper basis for the preparation of the financial statements, and that the assets of the Corporation are properly accounted for and safeguarded. The internal control process includes a Peoples Policy applicable to the conduct of all employees.

The Audit and Finance Committee of the Board of Directors, which is comprised of directors who are not employees of the Corporation, oversees management's discharge of its financial reporting responsibilities. The Audit and Finance Committee meets periodically with management and the external auditors to discuss financial reporting, internal controls and other financial matters. The external auditors have free and independent access to the Audit and Finance Committee without management's presence.

The financial statements have been audited by the Auditor General of British Columbia, in accordance with Canadian generally accepted auditing standards and their report follows.



Doris Bradstreet Daughney
Chairman of the Board



John Harding
Chief Financial Officer



Report of the
Office of the Auditor General
of British Columbia

To the Members of the Board of Directors of the
B.C. Pavilion Corporation, and

To the Minister of Tourism, Sport and the Arts
Province of British Columbia:

We have audited the balance sheet of the *B.C. Pavilion Corporation* as at March 31, 2006 and the statements of operations and operations deficiency and cash flows for the year then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the *B.C. Pavilion Corporation* as at March 31, 2006 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Victoria, British Columbia
April 28, 2006

Errol S. Price, CA
Deputy Auditor General

B.C. Pavilion Corporation

Balance Sheet

(in \$000s)

March 31

2006

2005

Assets

Current

Cash and cash equivalents (Note 3)	3,227	3,445
Accounts receivable	2,342	1,949
Due from Province of British Columbia	2,277	476
Prepaid expenditures	562	538

8,408 6,408

Capital assets (Note 4)

58,084 57,560

66,492 63,968

Liabilities

Current

Trade payables and accrued liabilities	3,806	4,133
Current portion of long-term debt (Note 5)	75	75
Unearned revenue	4,086	2,797

7,967 7,005

Long-term

Long-term debt (Note 5)	368	443
Unearned revenue	305	276

673 719

8,640 7,724

Shareholder's Equity

Share capital (Note 7)	-	-
Contributed surplus	31,131	31,131
Deferred government contributions (Note 8)	28,795	27,187
Operations deficiency	(2,074)	(2,074)


57,852 56,244

66,492 63,968

On behalf of the Board



Doris Bradstreet Daughney
Chairman of the Board



John Horning
Chairman of the Audit Committee

See accompanying notes to the financial statements.

B.C. Pavilion Corporation

Statement of Operations and Operations Deficiency

(in \$000s)

Year Ended March 31	2006	2005
Revenues from operations (Note 9)	32,628	29,760
Direct costs	15,604	14,668
	17,024	15,092
Facility expenses		
Staffing	7,311	6,166
Operating	6,055	5,410
General and administration	2,123	2,319
Business development	1,316	1,300
Fees	1,301	804
Depreciation	3,167	2,566
	21,273	18,565
(Loss) before other expenses	(4,249)	(3,473)
Other expenses		
Restructuring costs (Note 6)	-	357
Impairment loss on capital assets	-	(75,000)
	-	(74,643)
(Loss) before government contributions	(4,249)	(78,116)
Deferred government contributions (Note 8)	4,249	78,116
Net operating income	-	-
Operations deficiency – beginning of year	(2,074)	(2,074)
Operations deficiency – end of year	(2,074)	(2,074)

See accompanying notes to the financial statements.

B.C. Pavilion Corporation

Statement of Cash Flows

(in \$000s)

Year Ended March 31	2006	2005
Operations		
Loss before government contributions	(4,249)	(78,116)
Depreciation	3,167	2,566
Impairment loss	-	75,000
Loss on disposition of assets	5	7
Unearned revenue	1,318	196
Change in non-cash operating working capital (Note 10)	(2,545)	(42)
<i>Cash (used in) operations</i>	(2,304)	(389)
Financing		
Contributions from the Province of British Columbia	5,857	2,556
<i>Cash provided by financing activities</i>	5,857	2,556
Investing		
Capital asset additions	(3,696)	(2,065)
(Decrease) in long-term debt	(75)	(182)
<i>Cash (used in) investing activities</i>	(3,771)	(2,247)
Net decrease in cash and cash equivalents	(218)	(80)
Cash and cash equivalents – beginning of year	3,445	3,525
Cash and cash equivalents – end of year (Note 3)	3,227	3,445

See accompanying notes to the financial statements.

1. Authority and purpose

B.C. Pavilion Corporation (PavCo) was incorporated under the laws of British Columbia on May 3, 1984. The mandate of PavCo is to generate economic and community benefit for the people of British Columbia through the management of public tourism and cultural facilities.

PavCo owns and operates BC Place Stadium and Bridge Studios, and operates the Vancouver Convention & Exhibition Centre under a separate agreement with Canada Place Corporation.

PavCo is exempt from income taxes under the Income Tax Act as it is wholly owned by the Province of British Columbia.

2. Summary of significant accounting policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles.

Short-term investments

Short-term investments consist of units in the Province of British Columbia Pooled Investment Portfolios. Units are carried at the lower of cost adjusted by income attributed to the units, and fair value. Income attributed to the units represents the unitholder's share of the interest earned by the Portfolio and may be realized upon the sale of the units.

Capital assets

Capital assets funded through contributions by the Province of British Columbia are recorded at cost less accumulated depreciation.

Capital assets funded by the Government of Canada are recorded at cost, net of the related contributions and less accumulated depreciation.

Capital assets contributed by other parties in exchange for services are recorded at the fair value less accumulated depreciation.

Assets are depreciated over their estimated useful lives to PavCo:

Buildings and improvements	10 to 50 years, straight line
Furniture	5 years, straight line
Computer equipment	3 years, straight line
Leasehold improvements	over the shorter of the estimated useful life of the improvement and the term of the lease
Motor vehicles	30% per annum, declining balance
Equipment and other capital assets	1 to 10 years, straight line

2. Summary of significant accounting policies (continued)

Government funding

Funding received from the Province of British Columbia is recognized as deferred government contributions when received and is then recorded as a recovery to the extent operating expenses exceed revenues.

Funding for depreciable capital assets is recorded as deferred government contributions and is recognized as a recovery in the statements of operations equal to the depreciation charged on the related capital assets.

Funding for acquisition of non-depreciable capital assets, such as land, is recorded as contributed surplus.

Revenue recognition

Revenue from events at BC Place Stadium and the Vancouver Convention & Exhibition Centre is recognized on the completion of events. Amounts received in advance of event completion are recorded as unearned revenue.

Revenue from rentals at Bridge Studios is recognized as the facility is utilized.

Contra-transactions

Unearned revenue resulting from contra-transactions, such as the exchange of goods or services for advertising, is amortized over the term of the services contract.

Accounting estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires that management make estimates and assumptions based on information available. Such estimates and assumptions may affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and the reported amounts of revenues and expenses. Actual results could differ from the amounts estimated.

Environmental expenses

Under the current legislation responsibility for site cleanup rests with the polluter. Environmental expenditures incurred as a result of the ongoing business activities of PavCo are expensed or capitalized as appropriate.

Financial instruments

PavCo has various financial instruments including cash, receivables and payables. The carrying values of these financial instruments approximates their fair value due to their short-term nature.

Foreign currency transactions

Any foreign currency transactions are translated into Canadian dollars at the rate of exchange in effect at the transaction date. Any foreign currency denominated monetary assets and liabilities are stated using the prevailing rate of exchange at the balance sheet date.

2. Summary of significant accounting policies (continued)

Impairment of long-lived assets

PavCo reviews capital assets for impairment on an annual basis or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable in accordance with the accounting standard CICA Handbook Section 3063 "Impairment or Disposal of Long-Lived Assets". An impairment loss is recognized when the carrying amount of an asset that is held and used exceeds the projected undiscounted future net cash flows expected from its use and disposal, and is measured as the amount by which the carrying amount of the asset exceeds its fair value, which is measured by discounted cash flows when quoted market prices are not available.

Related parties

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

3. Cash and cash equivalents

PavCo considers deposits in banks and short-term investments with original maturities of three months or less as cash and short-term investments.

	<u>2006</u>	2005
Cash	3,056	2,287
Short-term investments	171	1,158
	<u>3,227</u>	<u>3,445</u>

4. Capital assets

	<u>2006</u>			2005
	Carrying Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Facilities				
BC Place Stadium (Note 1)	99,625	48,785	50,840	50,085
Bridge Studios (Note 2)	14,676	8,625	6,051	6,493
Vancouver Convention & Exhibition Centre	6,659	5,480	1,179	982
Corporate Office	36	22	14	-
	<u>120,996</u>	<u>62,912</u>	<u>58,084</u>	<u>57,560</u>

Note 1 – BC Place Stadium carrying cost includes land \$29,818 thousand

Note 2 – Bridge Studios carrying cost includes land \$1,313 thousand

Management performed an impairment test using the undiscounted future cash flows for the operations of BC Place, which indicated that the net book value exceeds the current and future projected cash flows from operations of the facility at March 31, 2005. The recoverable amount of the capital asset has been written down to its estimated fair value, resulting in an impairment charge of \$75 million during fiscal 2005.

5. Long-term debt

	2006	2005
British Columbia Transportation Financing Authority	443	518
Less: Current portion	75	75
	368	443

The long-term non interest bearing debt is repayable over a ten year term to 2011. The minimum amount payable each year is \$75 thousand.

6. Restructuring costs

In February 2002, the Province of British Columbia Core Review and Deregulation Task Force recommended that changes be made to the service delivery model of PavCo. At that time expenses to cover the costs of severance pay, lease obligations plus other costs were recorded. Subsequently the government reversed this decision.

	2006	2005
Balance beginning of the year	-	610
Used during the year	-	(253)
Reversal of accrual not required		(357)
Balance end of year	-	-

7. Share capital

PavCo has authorized capital of 10,000 common shares without par value of which one share is issued and outstanding. The Minister of Tourism, Sport and the Arts holds the share issued as the designated representative of Her Majesty the Queen in right of the Province of British Columbia.

8. Deferred government contributions

	2006			2005
	Capital Assets	Operating	Total	Total
Balance, beginning of year	27,187	-	27,187	102,747
Contributions received from the Province of British Columbia	3,292	2,565	5,857	2,556
	30,479	2,565	33,044	105,303
Allocated to operations:				
To offset depreciation recorded on related capital assets	(3,007)	-	(3,007)	(2,444)
To record write down in value of BC Place Stadium	-	-	-	(75,000)
To fund current operating deficiency	-	(1,242)	(1,242)	(672)
	(3,007)	(1,242)	(4,249)	(78,116)
Balance, end of year	27,472	1,323	28,795	27,187

9. Revenue from operations by business segment

	2006	2005
Vancouver Convention & Exhibition Centre	15,344	16,912
BC Place Stadium	12,713	9,414
Bridge Studios	4,503	3,352
Corporate Office	68	82
	32,628	29,760

10. Change in non-cash operating working capital

	2006	2005
Receivables	(393)	873
Due from Province of British Columbia	(1,801)	(476)
Prepays	(24)	(118)
Trade payables and accrued liabilities	(327)	289
Restructuring costs	-	(610)
	(2,545)	(42)

11. Intangible rights

PavCo has had interests in two properties that have been sold or transferred to third parties. Under the terms of the transfer agreements, PavCo could have rights to further income or property at some future date if these or other adjacent properties are developed or sold.

The first relates to a parcel of land adjacent to BC Place Stadium that was transferred to a developer for future exchange for another piece of land of approximate size. If by 2008 the adjacent land is sub-divided or developed, then PavCo will receive the land exchange, otherwise, PavCo will receive cash compensation of approximately \$150 thousand.

The second relates to a parcel of land in Surrey, British Columbia, that, if the land were to be sold or redeveloped before March 2016, then PavCo would receive three fifths of the sales proceeds of the land over \$1.1 million. No estimate is available of the current value of the land or of the intention of the owner to dispose of it at this time.

12. Environmental costs

PavCo and predecessor property owners remain liable for environmental and reclamation obligations for known hazards that exist at Bridge Studios or may exist at other facilities. These hazards are being actively monitored and mitigated by PavCo's management. Management is not aware of any existing environmental problems related to its facilities that may result in material liability to PavCo.

13. Related party transactions

PavCo has the following related party transactions during the year, all of which were recorded at the exchange amount:

	<u>2006</u>	<u>2005</u>
Capital and operating funding	5,524	2,556
Signing bonus	333	-
Payment for office and professional services	1,754	1,353
Repayment of long-term debt	75	175

14. Subsequent event

Subsequent to year-end the shareholder directed PavCo to sell the assets associated with the operations known as Bridge Studios. Based on prior years results this will result in a reduction in revenue of \$4,503 thousand (2005 - \$3,352 thousand) and expenses of \$2,596 thousand (2005 - \$2,410 thousand). The carrying costs of the capital assets at March 31, 2006 are \$6,051 thousand (2005- \$6,493 thousand).

15. Employee benefits plan

PavCo and its employees contribute to the Public Service Pension Plan in accordance with the *Public Sector Pension Plans Act*. The British Columbia 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. Under joint trusteeship, the risk and reward associated with the Plan's unfunded liability or surplus is shared between the employers and the plan members and will be reflected in their future contributions. The most recent actuarial valuation (March 31, 2005) has determined the Plan has an unfunded liability. As a result, the actuary has

determined that an increase in contribution rates of 1.88% each, for plan members and employers, is necessary in order for the Plan to maintain its long-term financial soundness and thus its ability to meet the pension promise made to plan members. The trustees have decided that this increase in rates will be introduced effective April 1, 2006.

Contributions to the Plan by PavCo for fiscal 2006 were \$399 thousand (2005 - \$372 thousand).

16. Comparative figures

Certain comparative numbers have been restated to conform with the financial statement presentation used in the current year.

**B.C. PAVILION CORPORATION
FINANCIAL REPORTING YEAR ENDING MARCH 31, 2006**

SCHEDULE OF INDEMNIFICATIONS

Name of Person / Company Indemnified	Risk Management Branch File No.	Date Issued
Her Majesty The Queen in Right of Canada represented by the Minister of Transport	96015	Sep. 13/91
CAPA Ventures Ltd.	92036	Aug. 8/91
Non-Union Employees of B.C. Pavilion Corporation	93028	Sep./92
Unionized Employees of B.C. Pavilion Corporation	970002	June 1/94
Her Majesty The Queen in Right of Canada represented by the Minister of Transport	96013	Sep. 15/94
Vancouver Ticket Centre Ltd. d.b.a. Ticketmaster	96012	Sep. 22/94
Law Brothers Productions Canada Inc.	960028	May/95
Her Majesty The Queen in Right of Canada represented by the Minister of Transport	960146	Mar. 1/96
Vancouver Port Corporation	970101	July 21/97
City Of Burnaby	970102	Oct./96
City Of Burnaby	970103	Oct./96
B.C. Tel Communications	970167	Mar./97
B.C. Tel	970168	Mar./97
Her Majesty The Queen in Right of The Province of British Columbia represented by the Minister of Employment and Investment	970169	Mar. 25/97
Telus Mobility	030046	June 13, 2002
City of Abbotsford	040100	Sept 30, 2003

Note: None of the indemnities have expiry dates or limits of amounts of indemnity.

B.C. PAVILION CORPORATION
FINANCIAL REPORTING YEAR ENDING MARCH 31, 2006

SCHEDULE OF DEBT

Debt at March 31, 2006 was as follows:

British Columbia Transportation Financing Authority

(in \$ thousands)

Current portion	\$ 75
Long-term portion	368
Total	<u>\$443</u>

The long-term non interest bearing debt is repayable over a ten year term to 2011. The minimum amount payable each year is \$75 thousand.



B.C. PAVILION CORPORATION
 SCHEDULE OF REMUNERATION
 APRIL 1, 2005 TO MARCH 31, 2006

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

NAME	Position	REMUNERATION	EXPENSES
ASSAM NORMAN	Member, Board	9,500	342
DAUGHNEY, DORIS	Chair	68,500	5,281
HORNING, JOHN	Member, Board	11,500	-
JARVIS, DANIEL	Member, Board	10,500	-
KRESIVO MIRIAM	Member, Board	11,000	-
MINDELL, DAVID	Member, Board	7,500	-
		(A) \$ 118,500	\$ 5,623

2. Other Employees (excluding those listed in Section 1 above)

NAME	REMUNERATION	EXPENSES
HARDING JOHN	158,385	7,375
MAPLE BARBARA	142,442	41,269
CROSLEY HOWARD	142,059	19,403
WONG CATHERINE	102,261	8,657
HRYNUIK RON	95,826	18,155
STARKEY ROBERT	89,914	18,264
GRIFFIN BRIAN	88,978	5,065
DUTTON DEBORAH	84,644	3,114
RAMSAY GRAHAM	84,504	8,036
LINGENFELTER STEVEN	83,509	765
QUAN DAN	82,543	2,291
ATKINSON TIM	79,624	3,260
Total, other employees with remuneration of less than \$75,000 or less	5,766,660	203,814
Total, Other Employees	(B) \$ 7,001,349	\$ 339,467

3. Reconciliation

Elected Officials, Employees appointed by Cabinet and Member of the Board Directors	(A) \$ 118,500
Other Employees' total remuneration	(B) \$ 7,001,349
Subtotal	\$ 7,119,849
Reconciling Items	\$ 191,192
Total, per Statement of Operations and Operations Deficiency	\$ 7,311,040

**B.C. PAVILION CORPORATION
YEAR ENDING MARCH 31, 2006**

SCHEDULE OF SEVERANCE AGREEMENTS

There were no severance agreements under which payment commenced between PavCo and its non-unionized employees during fiscal year 2006.

** "Compensation" means regular monthly salary

B.C Pavilion Corporation
SCHEDULE SHOWING PAYMENTS MADE FOR THE PROVISION OF GOODS OR SERVICES
For Year Ending March 31, 2006

1. Alphabetical list of supplier who received aggregate payments in excess of \$25,000

Supplier Name	Aggregate Amt paid to supplier
4TH UTILITY INC.	78,066
A & A SERVICE COMPANY	780,445
A & B PAVING CO. LTD.	40,625
ADVANTAGE CONSULTING INC.	116,847
AJILON STAFFING OF CANADA, LTD.	57,298
ARELCO PROMOTIONAL GROUP, INC.	25,309
ASCEND MEDIA	25,046
AUDITOR GENERAL OF BRITISH COLUMBIA	59,403
AVW-TELAV	463,970
B.C. TRANSPORTATION FINANCING AUTHORITY	75,000
B.C.G.E.U.	42,203
BC COMFORT	25,536
BC HYDRO	1,288,789
BC LIONS FOOTBALL CLUB INC.	190,471
BENWELL ATKINS LTD.	138,324
BFI CANADA INC.	30,836
BIRDAIR INC.	144,800
BONSOR BUILDING MAINTENANCE, INC.	28,408
BORDEN LADNER GERVAIS LLP	108,266
BORTOLO & SONS PAVING LTD.	58,802
BPC BUSINESS PRO COMPUTER	52,645
BRASCON ARCHITECTURAL PRODUCTS INC	25,876
C.R. LAURENCE CO OF CANADA	40,960
CANADA PLACE CORPORATION	2,072,784
CANADIAN TOURISM	56,586
CENTERPLATE	98,147
CENTRAL HEAT DISTRIBUTION LTD	894,885
CFS CREATIVE FLOORING SOLUTIONS LTD	34,008
CHRISTOV SERVICES LTD.	30,611
CITIPARK LEASING	55,968
CITY OF BURNABY	442,271
CITY OF VANCOUVER	270,398
COASTAL PACIFIC ELECTRIC LTD.	87,044
CORIOLIS CONSULTING CORP.	30,110
CORPORATE EXPRESS	48,090
CRITERION COMMUNICATIONS INC.	160,917
DAN'S EQUIPMENT REPAIRS LTD.	26,828
DEPENDABLE DOOR MAINTENANCE	42,560
DIRECT TELECOM SOLUTIONS INC.	34,557
DLM II PRODUCTIONS INC.	71,734
DTM SYSTEMS CORPORATION	41,643
DUNGEON SIEGE PRODUCTIONS INC.	50,000
ELECTRIC SHOW SERVICE	232,774
ENTERPRISE PAPER CO. LTD.	86,205
ERINMORE MANAGEMENT LTD.	250,217
EVERYPOINT LOGISTICS SOLUTIONS INC	149,426
EXECUTIVE SECURITY SYSTEMS LTD	191,396
FEIHT PRODUCTIONS LTD.	30,000
FIELDTURF INC.	747,225
FIRST CHOICE WASTE DISPOSAL	73,159
GENESIS SECURITY INC.	59,021
GO WIRELESS, INC.	47,229
GRAND & TOY LTD.	39,680
GREAT WEST LIFE	336,723
GREENLIGHT DYNAMICS INCORPORATED	96,969
GROUP TELECOM	91,881
GWSAE ASSN LEADERSHIP	38,769
HANNAH RACHEL PRODUCTION SERVICES	26,400
HEENAN BLAIKIE	50,497
HERITAGE ELECTRIC LTD.	46,271
HOME DEPOT CREDIT SERVICES	29,354

B.C Pavilion Corporation
SCHEDULE SHOWING PAYMENTS MADE FOR THE PROVISION OF GOODS OR SERVICES
For Year Ending March 31, 2006

HOULE ELECTRIC LIMITED	87,807
IMAP ENTERPRISES	28,869
JARDINE LLOYD THOMPSON CANADA INC	580,672
JUMP! CREATIVE INC.	60,614
KEN EVANS	57,096
KEYNOTE CONSULTING, LTD.	88,101
KPMG LLP	80,688
LABOUR READY INC.	63,470
MATRIX PROFESSIONAL VIDEO	27,586
MCR MECHANICAL LTD.	26,349
MEDICAL SERVICES PLAN OF B.C.	83,118
METROPOLITAN FINE PRINTERS INC.	34,990
MICROSERVE, V8205	36,859
MINISTER OF FINANCE	290,757
MULTIVIEW INCORPORATED	40,022
NASCO STAFFING SOLUTIONS	375,537
NORTHSTAR TRAVEL MEDIA LLC	45,558
NOVELL CANADA, LTD.	42,850
NUTECH INDUSTRIES INC.	40,763
PACIFIC NEWSPAPER GROUP INC.	47,938
PALADIN SECURITY GROUP LTD.	915,169
PATCH COMPUTERS INC.	44,768
PRIMEDIA BUSINESS MAGAZINES & MEDI	30,410
PRIMETIME SECURITY LTD.	92,782
PUBLIC SERVICE PENSION PLAN	747,107
QUEST RETAIL TECHNOLOGY PTY LTD.	513,560
RAY & BERNDTSON TANTON MITCHELL	82,317
RECEIVER GENERAL FOR CANADA	1,693,599
REFRIGERATIVE SUPPLY	87,871
RENAISSANCE CONTRACTING	163,313
REPUTATIONS CORPORATION	155,024
RIGGIT SERVICES INC.	768,275
ROCK ADVERTISING INC.	39,444
SACRE-DAVEY ENGINEERING	29,689
SEACOR ENVIRONMENTAL INC.	35,609
SERVOMATION INCORPORATED	10,064,534
SIMPLEXGRINNELL	52,148
SMS MODERN CLEANING SERVICES INC.	231,665
SOFTCHOICE CORPORATION	74,334
SPIRAX SARCO CANADA LIMITED	47,448
STEPHEN K. LEFROY, C.A.	123,175
STS ENTERTAINMENT INC.	56,517
TELUS	41,518
TERASEN GAS	117,590
TERRAPLAS PLC	334,180
THE PERSONNEL DEPARTMENT	26,982
THE RC MEDIA TEAM INC.	56,120
TICKETMASTER	99,957
TOTAL QUALITY ENTERPRISES	25,989
TOURISM VANCOUVER	37,436
UNGERBROECK SYSTEMS INTERNATONAL,	30,803
UNISOURCE CANADA, INC.	77,792
VIDCOM COMMUNICATIONS LTD	67,041
VNU BUSINESS MEDIA, INC.	59,729
WILLIAMS MACHINERY RENTALS LTD	130,714
WORKERS COMPENSATION BOARD	99,995
XEROX CANADA LTD	49,998
Total Aggregate Amts paid to suppliers	(A) 30,514,508

B.C Pavilion Corporation
SCHEDULE SHOWING PAYMENTS MADE FOR THE PROVISION OF GOODS OR SERVICES
For Year Ending March 31, 2006

2. Consolidated total paid to suppliers who received aggregate payments less than \$25,000

	(B)	3,474,693
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3. Total of payments to suppliers for grants and contributions greater than \$25,000

Consolidated total of grants greater than \$25,000	N/A
Consolidated total of contributions greater than \$25,000	N/A
Consolidated total of all grants and contributions greater than \$25,000	N/A

4. Reconciliation

Total of aggregate payments in excess of \$25,000 paid to suppliers	(A)	30,514,508
Consolidated total of payments less than \$25,000 paid to suppliers	(B)	3,474,693
Consolidated total of all grants and contributions greater than \$25,000	(C)	N/A
Reconciling Items		<u>(279,462)</u>
Total per Statement of Operations and Operations Deficiency		<u>\$ 33,709,739</u>

Reconciliation to Financial Statements

Direct Costs	15,603,950
Staffing	7,311,040
Operating	6,055,022
General and Administration net of Restructuring Costs	2,123,226
Business Development	1,315,631
Fees	1,300,869
Total per Statement of Revenue and Expenditures	<u>33,709,738</u>

**B.C. PAVILION CORPORATION
STATEMENT OF FINANCIAL INFORMATION APPROVAL
YEAR ENDING MARCH 31, 2006**

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

A handwritten signature in black ink, appearing to read 'John Horning', with a long horizontal stroke extending to the right.

John Horning
Director
September 30, 2006