

**BRITISH COLUMBIA LIQUOR DISTRIBUTION BRANCH**

**Statements of Financial Information**

**For the Fiscal Year Ended March 31, 2015**

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# **Liquor Distribution Branch**

Financial Statements

**March 31, 2015**

(in thousands of dollars)

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## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of the British Columbia Liquor Distribution Branch have been prepared by management in accordance with International Financial Reporting Standards. Any financial information contained elsewhere in the annual report has been reviewed to ensure consistency with the financial statements.

Management is responsible for the integrity of the financial statements and has established systems of internal control to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and financial records are properly maintained to facilitate the preparation of financial statements in a timely manner.

The Office of the Auditor General of British Columbia has performed an independent audit of the financial statements of the Liquor Distribution Branch. The Auditor's Report outlines the scope of this independent audit and expresses an opinion on the financial statements of the Liquor Distribution Branch.



R. Blain Lawson  
General Manager and Chief Executive Officer



Roger M. Bissoondatt, CPA, CA, CMA  
Chief Financial Officer

Vancouver, British Columbia  
May 14, 2015



## INDEPENDENT AUDITOR'S REPORT

*To the Minister of Justice, Province of British Columbia*

I have audited the accompanying financial statements of the British Columbia Liquor Distribution Branch, which comprise the statements of financial position as at March 31, 2015 and of comprehensive income, due (to) from the Province of British Columbia and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

In my view, the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### ***Opinion***

In my opinion, the financial statements present fairly, in all material respects, the financial position of the British Columbia Liquor Distribution Branch as at March 31, 2015, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Russ Jones, CPA, FCA  
Deputy Auditor General

Victoria, British Columbia  
May 15, 2015

**Liquor Distribution Branch**  
**Statements of Comprehensive Income**  
For the years ended March 31, 2015 and 2014

(in thousands of dollars)

<b>Year ended March 31,</b>	<b>Note</b>	<b>2015</b>	<b>2014</b>
Sales	4	3,092,479	2,943,695
Less commissions and discounts		(214,560)	(198,170)
Net sales		2,877,919	2,745,525
Cost of sales		(1,670,086)	(1,581,463)
<b>Gross profit</b>		1,207,833	1,164,062
Administration expenses	5,13	(300,811)	(280,587)
Transportation expenses	5	(14,298)	(13,724)
Marketing expenses	5	(5,923)	(5,246)
Net operating income		886,801	864,505
Other income		11,502	12,474
<b>Net income before other items</b>		898,303	876,979
Gain on sale	16	36,930	-
<b>Net income and comprehensive income</b>		935,233	876,979

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

## Liquor Distribution Branch

### *Statements of Due (To)From the Province of British Columbia*

*For the years ended March 31, 2015 and 2014*

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(in thousands of dollars)

<b>Year Ended March 31,</b>	<b>2015</b>	<b>2014</b>
Balance beginning of year	(427)	1,076
Net income and comprehensive income	(935,233)	(876,979)
Payments to the Province of British Columbia	939,268	875,476
Balance end of year	<u>3,608</u>	<u>(427)</u>

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



# Liquor Distribution Branch

## Statements of Financial Position

As at March 31, 2015 and 2014

(in thousands of dollars)

As at March 31,	Note	March 31	
		2015	2014
<b>ASSETS</b>			
NON-CURRENT ASSETS			
Property and equipment	6	47,851	46,308
Intangible assets	7	14,664	9,939
Prepaid expenses - long term	8	1,821	1,860
		<u>64,336</u>	<u>58,107</u>
CURRENT ASSETS			
Due from Province of British Columbia	9	3,608	-
Inventories	10	89,577	87,730
Prepaid expenses	8	5,170	5,998
Accounts receivable	11	9,241	8,960
Cash		14,285	765
		<u>121,881</u>	<u>103,453</u>
TOTAL ASSETS		<u>186,217</u>	<u>161,560</u>
<b>LIABILITIES</b>			
NON-CURRENT LIABILITIES			
Other long-term liabilities	12,13,14	26,542	25,165
		<u>26,542</u>	<u>25,165</u>
CURRENT LIABILITIES			
Due to Province of British Columbia	9	-	427
Accounts payable and accrued liabilities	14,15	159,675	135,968
		<u>159,675</u>	<u>136,395</u>
TOTAL LIABILITIES		<u>186,217</u>	<u>161,560</u>

Approved for issue on May 14, 2015 by:



R. Blain Lawson  
General Manager and Chief Executive Officer



Roger M. Bissoondatt, CPA, CA, CMA  
Chief Financial Officer

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

# Liquor Distribution Branch

## Statements of Cash Flows

For the years ended March 31, 2015 and 2014

(in thousands of dollars)

<b>Year Ended March 31,</b>	<b>Note</b>	<b>2015</b>	<b>2014</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net income and comprehensive income		935,233	876,979
Adjustments for:			
Depreciation and amortization		16,295	15,810
Gain on retirement/disposal of property and equipment		(37,435)	(334)
Rent and lease amortization		(642)	272
Accrued employee benefits		1,885	895
		<u>915,336</u>	<u>893,622</u>
Change in long-term assets		39	849
Change in working capital		22,575	(24,559)
		<u>937,950</u>	<u>869,912</u>
<b>CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES</b>			
Acquisition of property and equipment	6	(15,884)	(10,685)
Acquisition of intangible assets	7	(9,357)	(2,262)
Proceeds from disposal of property and equipment		40,113	566
		<u>14,872</u>	<u>(12,381)</u>
<b>CASH FLOWS USED IN FINANCING ACTIVITIES</b>			
Payments to the Province of British Columbia	9	(939,268)	(875,476)
Payments on capital leases		(27)	(49)
Payments on tenant improvement loans		(7)	(24)
		<u>(939,302)</u>	<u>(875,549)</u>
<b>NET INCREASE (DECREASE) IN CASH</b>		13,520	(18,018)
CASH - BEGINNING OF YEAR		765	18,783
		<u>14,285</u>	<u>765</u>
<b>CASH - END OF YEAR</b>		<u>14,285</u>	<u>765</u>

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

# Liquor Distribution Branch

## *Notes to the financial statements*

*For the years ended March 31, 2015 and 2014*

*(Tabular amounts in thousands of dollars)*

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### **1. Purpose of the Branch**

The British Columbia Liquor Distribution Branch (the LDB) is one of two branches of the Province of British Columbia (the Province) responsible for the beverage alcohol industry in British Columbia and reports to the Attorney General and Minister of Justice.

The LDB obtains its authority for operation from the *British Columbia Liquor Distribution Act* (the Act). As stated in Section 2 of the Act, the LDB has the exclusive right to purchase liquor for resale and reuse in the Province in accordance with the provisions of the *Importation of Intoxicating Liquors Act (Canada)*.

The LDB is reported in the public accounts on a modified equity basis, in a manner similar to a commercial Crown corporation.

### **2. Basis of presentation**

#### **(a) Statement of compliance**

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

#### **(b) Basis of measurement**

The financial statements have been prepared on the historical cost basis. The accounts have been prepared on a going concern basis.

#### **(c) Functional and presentation currency**

These financial statements are presented in Canadian dollars, which is the LDB's functional currency. All financial information has been rounded to the nearest thousand.

#### **(d) Use of estimates and judgements**

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the LDB's accounting policies. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In determining and applying accounting policies, judgement is often required where the choice of specific policy, assumption or account estimate to be followed could materially affect the reported results or net position of the LDB, should it later be determined that a different choice would be more appropriate.

# Liquor Distribution Branch

## *Notes to the financial statements*

*For the years ended March 31, 2015 and 2014*

*(Tabular amounts in thousands of dollars)*

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Management considers the following to be areas of significant judgement and estimation for the LDB due to greater complexity and/or being particularly subject to the exercise of judgement:

- i) **Property and equipment**  
The determination of the useful economic life and residual values of property and equipment is subject to management estimation. The LDB regularly reviews all of its depreciation rates and residual values to take account of any changes in circumstances, and any changes that could affect prospective depreciation charges and asset carrying values.
- ii) **Employee benefits – Retiring allowances**  
Employees who are eligible to retire and receive pension benefits under the Public Service Pension Plan are granted full vacation entitlement for the final calendar year of service. The LDB recognizes a liability and an expense for retiring allowances when benefits are earned and not when these benefits are paid. These obligations are valued by independent actuaries.

### **3. Significant accounting policies**

The accounting policies below have been applied consistently to all periods presented in these financial statements, unless otherwise indicated.

#### **(a) Foreign currency translation**

The LDB in the normal course of business purchases product in foreign currency. 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 date of the statement of financial position.

#### **(b) Financial instruments**

Financial assets are recognized when the LDB has rights or other access to economic benefits. Such assets consist of cash or a contractual right to receive cash or another financial asset. The LDB derecognizes a financial asset when the contractual rights to the cash flows from the asset have expired or have been transferred and all the risks and rewards of ownership are substantially transferred.

All of the LDB's financial assets are designated as loans and receivables and deposits. The LDB initially recognizes loans and receivables and deposits on the date that they originate.

Financial liabilities are recognized when there is an obligation to transfer benefits and that obligation is a contractual liability to deliver cash or another financial asset. Financial liabilities are derecognized when they are extinguished.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the LDB has a legal right to offset the amounts and

# Liquor Distribution Branch

## *Notes to the financial statements*

*For the years ended March 31, 2015 and 2014*

*(Tabular amounts in thousands of dollars)*

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intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The LDB has the following categories of financial assets and financial liabilities:

### ***Loans and receivables***

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the LDB provides money, goods or services directly to a debtor with no intention of trading the receivable. They are included in current assets, except for maturities of greater than 12 months after the statement of financial position date which are classified as non-current assets. Loans and receivables are initially recognized at fair value plus any directly attributable transaction costs.

Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less any provision for impairment. Any resulting income or expense is recognized in the statement of comprehensive income. Loans and receivables include accounts receivable, cash on hand and bank deposits in transit.

i) **Accounts receivable**

Accounts receivable are recognized initially at the invoice amount, which approximates the fair value.

A provision for impairment of trade receivables is established when there is objective evidence that the LDB will not be able to collect all amounts due according to the terms of the receivables. The carrying amount of accounts receivable is reduced through the use of an allowance account, and the amount of the loss is recognized in the statement of comprehensive income. The amount of the provision is the difference between the asset's carrying value and the present value of the estimated future cash flows discounted at the original effective interest rate. Subsequent recoveries of amounts previously written off are credited to other income.

ii) **Cash and cash equivalents**

Cash and cash equivalents include cash on hand, bank deposits in transit, and bank overdrafts. Bank overdrafts are shown as bank indebtedness in current liabilities on the statement of financial position.

### ***Financial liabilities held at amortized cost***

Financial liabilities are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method and include accounts payable, tenant improvement loans, and bank indebtedness. Any resulting income or expense is recognized in the statement of comprehensive income.

i) **Accounts payable**

Accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the payment is due within one year or less and non-current liabilities if the payment is due more than one year from the statement of financial position date.

# Liquor Distribution Branch

## *Notes to the financial statements*

*For the years ended March 31, 2015 and 2014*

*(Tabular amounts in thousands of dollars)*

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ii) Bank indebtedness

Bank indebtedness is shown in current liabilities and included within cash and cash equivalents on the statement of cash flows as it forms an integral part of the LDB's cash management.

**(c) Property and equipment**

Property and equipment are measured at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditures that are directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the LDB and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred. When parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

i) Construction in process

Construction in process is carried at cost less any impairment loss. Cost includes professional fees, materials, direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. When these assets are ready for their intended use, they are transferred into the appropriate category. At this point, depreciation commences on the same basis as the other property and equipment.

ii) Assets held under finance leases

Refer to 3(f).

**(d) Intangible assets**

Where computer software is not an integral part of a related item of property and equipment, the software is capitalized as an intangible asset.

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring them into use. Direct costs associated with the production of identifiable and unique internally generated software products controlled by the LDB that will generate economic benefits exceeding costs beyond one year are capitalized. Direct costs include software development employment costs including those of contractors used. Where assets are under construction over a period of time, these costs are recorded in a construction in progress account until put into use.

Costs associated with maintaining computer software programs are recognized as an expense as incurred.

Other development expenditures that do not meet these criteria are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period.

# Liquor Distribution Branch

## Notes to the financial statements

For the years ended March 31, 2015 and 2014

(Tabular amounts in thousands of dollars)

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Intangible assets acquired by the LDB have finite lives and are measured at cost less accumulated amortization and accumulated impairment losses.

**(e) Depreciation of non-financial assets**

No depreciation is provided on land or assets in the course of construction. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Buildings	2.5 - 5% per annum
Leasehold improvements	a minimum of 10% per annum or a rate sufficient to amortize the cost over the remaining life of the respective lease
Furniture, fixtures, vehicles and equipment	10 - 25% per annum
Information systems	25% per annum
Computer software development costs	25% per annum

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each date of the statement of financial position.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the statement of comprehensive income.

**(f) Leases**

When assets are financed by leasing agreements that transfer substantially all of the risks and rewards of ownership to the LDB (finance leases), the assets are treated as if they had been purchased outright, and the corresponding liability to the leasing company is included as an obligation under finance leases. Finance leases are capitalized at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables and current payables, as appropriate. The interest element of the finance cost is charged to the statement of comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property and equipment acquired under finance leases are depreciated over the shorter of the useful life of the asset and the lease term.

All other leases are operating leases and the costs are recorded on a straight-line basis over the lease term. The value of any lease incentive received to take on an operating lease (for example, rent-free periods and tenant allowances) is recognized as deferred income and is recognized over the life of the lease.

# Liquor Distribution Branch

## *Notes to the financial statements*

*For the years ended March 31, 2015 and 2014*

*(Tabular amounts in thousands of dollars)*

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**(g) Inventories**

The LDB's inventories are valued at the lower of cost and net realizable value. Inventories are determined on a weighted average cost basis. Cost of inventories comprises all cost of purchase to bring inventories to a LDB distribution centre and includes supplier invoiced value, freight, duties and taxes. Net realizable value represents the estimated selling price for inventories less the costs to sell.

**(h) Impairment of assets**

Assets that are subject to depreciation and amortization are reviewed at each statement of financial position date to determine whether there is any indication that assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent, if any, of the impairment loss. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs), which are based on the LDB's individual stores.

Non-financial assets that suffered an impairment loss are reviewed for possible reversal of the impairment at each reporting date. An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. This reversal would be recognized immediately in the statement of comprehensive income.

**(i) Employee benefit plans**

The LDB and its employees contribute to the Public Service Pension Plan in accordance with the *Public Service Pension Plans Act*. Defined contribution plan accounting is applied to the multi-employer defined benefit pension plan because sufficient information is not available to apply defined benefit accounting. Accordingly, contributions are expensed as they become payable. Employees are also entitled to specific retirement benefits as provided for under collective agreements and terms of employment. These benefits are accounted for as an expense and a liability in the period incurred.

**(j) Provisions**

Provisions are recognized if, as a result of a past event, the LDB has a legal or constructive obligation upon which a reliable estimate can be made, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are calculated on a discounted basis where the effect is material to the original undiscounted provision. The carrying amount of the provision increases in each period to reflect the passage of time and the unwinding of the discount.

**(k) Revenue recognition**

Reported revenue represents the fair value of consideration received or receivable in exchange for goods and services provided to third parties in the course of ordinary activities. Revenue is recognized when the risks and rewards of ownership are substantially transferred.



# Liquor Distribution Branch

## *Notes to the financial statements*

*For the years ended March 31, 2015 and 2014*

*(Tabular amounts in thousands of dollars)*

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Revenue is stated net of estimated returns and excludes provincial sales tax, federal goods and services tax, container recycling fees and container deposits.

**(l) Other income**

Revenue that is ancillary to the sales of beverage alcohol is recognized as other income. Other income includes revenue from beverage container handling fees, border point collections, and customs clearing administrative fees.

**(m) Recent accounting developments**

*i) New standards, interpretations, and amendments of standards adopted by the LDB*

On April 1, 2014, the LDB adopted two new standards that were issued by the International Accounting Standards Board (IASB).

*Amendment to IAS 32, 'Financial instruments: Presentation' - Offsetting financial assets and financial liabilities* - the amendment clarifies the requirements for offsetting financial assets and financial liabilities on the statement of financial position. Specifically, the right of set-off must not be contingent on a future event and must be legally enforceable for all counterparties in the normal course of business, as well as in the event of default, insolvency or bankruptcy. This amendment had no significant impact on the financial statements.

*Amendment to IAS 36, 'Impairment of assets' – Recoverable amount disclosures for non-financial assets* – the amendment clarifies the disclosure requirements in respect of fair value less costs of disposal. There are also two new disclosure requirements: additional information about the fair value measurement of impaired assets when the recoverable amount is based on fair value less costs of disposal; and information about the discount rates that have been used when the recoverable amount is based on fair value less costs of disposal using a present value technique. This amendment had no significant impact on the financial statements.

*ii) Standards and interpretations issued but not yet effective and not yet adopted by the LDB*

The following new IFRS standards, amendments and interpretations to existing standards have been published by the IASB and are relevant to the LDB. They are not yet effective and have not been early adopted. The impact on the financial statements has not yet been assessed.

*IFRS 9, 'Financial instruments'*, addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in July 2014 and replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through OCI and fair value through P&L. The basis of classification depends on the business model and the contractual cash flow characteristics of the financial asset. There is a new expected credit loss model that replaces the incurred loss impairment model used

# Liquor Distribution Branch

## Notes to the financial statements

For the years ended March 31, 2015 and 2014

(Tabular amounts in thousands of dollars)

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in IAS 39 as well as new general hedge accounting requirements. It carries forward the guidance on recognition and de-recognition of financial instruments from IAS 39. The standard is effective for accounting periods beginning on or after January 1, 2018 with early adoption permitted.

*IFRS 15, 'Revenue from contracts with customers'* - deals with revenue recognition and establishes principles for reporting about the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18 'Revenue', IAS 11 'Construction contracts' and IFRIC 13 'Customer Loyalty Programmes'. IFRS 15 will be effective for annual periods beginning on or after January 1, 2017, with early adoption permitted. The IASB has issued an exposure draft that would, if approved defer the effective date to January 1, 2018.

### *iii) Other ongoing developments which may impact the LDB*

*IAS 17 'Leases'* - The IASB has issued an exposure draft which proposes a single approach to lease accounting that would ensure that all assets and liabilities arising under lease contracts are recognized in the statement of financial position. The IASB is currently deliberating on the comments received on the exposure draft. The final standard is to be issued in the second half of 2015.

## 4. Sales

Total sales reported include sales to retail customers, licensed establishments, licensee retail stores and agency stores. These amounts do not include subsequent resale by licensed establishments, licensee retail stores and agency stores.

	2015	2014
	\$	\$
Retail customers	1,201,155	1,178,276
Licensee retail stores	1,097,711	1,025,544
Licensed establishments	495,829	471,999
Agency stores	297,784	267,876
	<u>3,092,479</u>	<u>2,943,695</u>

# Liquor Distribution Branch

## Notes to the financial statements

For the years ended March 31, 2015 and 2014

(Tabular amounts in thousands of dollars)

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### 5. Operating expenses

The LDB's operating expenses are comprised of:

	2015	2014
	\$	\$
Administration costs	300,811	280,587
Transportation	14,298	13,724
Marketing	5,923	5,246
	<u>321,032</u>	<u>299,557</u>
	2014	2014
	\$	\$
Salaries, wages and benefits	171,984	162,771
Rents	42,508	39,696
Bank charges	25,712	24,027
Other administrative expenses	19,492	17,203
Depreciation and amortization	16,295	15,810
Transportation	14,298	13,724
Repairs and maintenance	7,880	7,488
Professional services	7,574	4,877
Data processing	7,038	6,088
Marketing	5,923	5,246
Loss prevention	2,328	2,627
	<u>321,032</u>	<u>299,557</u>

# Liquor Distribution Branch

## Notes to the financial statements

For the years ended March 31, 2015 and 2014

(Tabular amounts in thousands of dollars)

### 6. Property and equipment

	Land & land improvements	Buildings & building improvements	Leasehold improvements	Furniture, fixtures, vehicles & equipment	Held assets under finance leases	Information systems	Construction in process	Total
<b>March 31, 2014</b>								
Opening net book value	1,072	2,952	29,792	6,910	-	5,422	1,462	47,610
Assets Reclassified (Note 7)	-	-	-	(27)	-	-	(60)	(87)
Additions	30	234	-	2,387	-	2,323	5,711	10,685
Transfers	-	-	2,776	606	-	992	(4,374)	-
Disposals (cost)	(130)	(947)	(539)	(363)	-	(57)	-	(2,036)
Disposals (accumulated depreciation)	-	875	548	352	-	56	-	1,831
Amortization charge	(2)	(182)	(5,941)	(2,855)	-	(2,715)	-	(11,695)
<b>Closing net book value</b>	<b>970</b>	<b>2,932</b>	<b>26,636</b>	<b>7,010</b>	<b>-</b>	<b>6,021</b>	<b>2,739</b>	<b>46,308</b>
<b>March 31, 2014</b>								
Cost	973	20,745	63,027	36,485	3,900	81,101	2,739	208,970
Accumulated depreciation	(3)	(17,813)	(36,391)	(29,475)	(3,900)	(75,080)	-	(162,662)
<b>Net book value</b>	<b>970</b>	<b>2,932</b>	<b>26,636</b>	<b>7,010</b>	<b>-</b>	<b>6,021</b>	<b>2,739</b>	<b>46,308</b>
<b>March 31, 2015</b>								
Opening net book value	970	2,932	26,636	7,010	-	6,021	2,739	46,308
Additions	-	42	170	3,248	-	4,256	8,168	15,884
Transfers	-	-	4,027	2,209	-	1,625	(7,861)	-
Disposals (cost)	(326)	(14,970)	(710)	(1,086)	-	(511)	(25)	(17,628)
Disposals (accumulated depreciation)	2	12,713	701	1,055	-	511	-	14,982
Amortization charge	(2)	(49)	(6,023)	(2,904)	-	(2,717)	-	(11,695)
<b>Closing net book value</b>	<b>644</b>	<b>668</b>	<b>24,801</b>	<b>9,532</b>	<b>-</b>	<b>9,185</b>	<b>3,021</b>	<b>47,851</b>
<b>March 31, 2015</b>								
Cost	647	5,817	66,514	40,856	3,900	86,471	3,021	207,226
Accumulated depreciation	(3)	(5,149)	(41,713)	(31,324)	(3,900)	(77,286)	-	(159,375)
<b>Net book value</b>	<b>644</b>	<b>668</b>	<b>24,801</b>	<b>9,532</b>	<b>-</b>	<b>9,185</b>	<b>3,021</b>	<b>47,851</b>

# Liquor Distribution Branch

## Notes to the financial statements

For the years ended March 31, 2015 and 2014

(Tabular amounts in thousands of dollars)

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### 7. Intangible assets

	Intangible Assets	Construction in process	Total
<b>March 31, 2014</b>			
Opening net book value	11,178	554	11,732
Assets Reclassified (Note 6)	-	60	60
Additions	321	1,941	2,262
CIP Capitalization	720	(720)	-
Amortization charge	(4,115)	-	(4,115)
<b>Closing net book value</b>	<b>8,104</b>	<b>1,835</b>	<b>9,939</b>
<b>March 31, 2014</b>			
Cost	19,270	1,835	21,105
Accumulated amortization	(11,166)	-	(11,166)
<b>Net book value</b>	<b>8,104</b>	<b>1,835</b>	<b>9,939</b>
<b>March 31, 2015</b>			
Opening net book value	8,104	1,835	9,939
Additions	485	8,872	9,357
CIP Capitalization	3,492	(3,492)	-
Disposals (cost)	(44)	-	(44)
Disposals (accumulated depreciation)	12	-	12
Amortization charge	(4,600)	-	(4,600)
<b>Closing net book value</b>	<b>7,449</b>	<b>7,215</b>	<b>14,664</b>
<b>March 31, 2015</b>			
Cost	23,203	7,215	30,418
Accumulated amortization	(15,754)	-	(15,754)
<b>Net book value</b>	<b>7,449</b>	<b>7,215</b>	<b>14,664</b>

### 8. Prepaid expenses

Prepaid expenses include insurance, software maintenance, and wine futures. The LDB purchases select products up to three years in advance to secure future delivery of these products as part of its ongoing business practices. These products are normally purchased in foreign currency and are translated to Canadian dollars at the spot exchange rate in effect at the transaction date. At March 31, 2015, the LDB has recorded \$3.7 million (2014 - \$5.2 million) of prepaid wine futures for delivery in fiscal years 2016 and 2017.

# Liquor Distribution Branch

## Notes to the financial statements

For the years ended March 31, 2015 and 2014

(Tabular amounts in thousands of dollars)

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	2015	2014
	\$	\$
Wine futures	3,715	5,168
Other prepaids	3,276	2,690
	<u>6,991</u>	<u>7,858</u>
Long-term portion	<u>(1,821)</u>	<u>(1,860)</u>
Current portion	<u>5,170</u>	<u>5,998</u>

### 9. Due to/from Province of British Columbia

The LDB uses the Province's financial and banking systems to process and record its transactions. The amount due from the Province represents the accumulated net financial transactions with the Province. During the year, the total receipts from the Province were \$2.20 billion (2014- \$2.13 billion) and the total payments to the Province were \$3.14 billion (2014- \$3.01 billion).

### 10. Inventories

	2015	2014
	\$	\$
Store inventory	56,738	52,746
Warehouse inventory	32,839	34,984
	<u>89,577</u>	<u>87,730</u>

For fiscal 2015, the LDB changed the classification of inventory held at third party locations. This inventory is now included in warehouse inventory. Fiscal 2014 store and warehouse inventory has been restated for comparability.

During the year, inventories that were recognized as cost of sales amounted to \$1.7 billion (2014 - \$1.6 billion).

### 11. Accounts receivable

	2015	2014
	\$	\$
Trade accounts receivable and other items	9,929	9,986
Provision for doubtful accounts	(688)	(1,026)
Accounts receivable and other items - net	<u>9,241</u>	<u>8,960</u>

Receivables past due but not impaired are \$1.0 million (2014 - \$0.4 million). During the year the LDB expensed \$13 thousand (2014 -\$527 thousand) in bad debts expense.

# Liquor Distribution Branch

## Notes to the financial statements

For the years ended March 31, 2015 and 2014

(Tabular amounts in thousands of dollars)

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### 12. Other long-term liabilities

The LDB's other long-term liabilities are comprised of:

	2015	2014
	\$	\$
Retirement benefit obligation (note 13(b))	14,756	13,754
WorkSafe BC claims accrual (note 13(c))	8,900	7,900
Long-term portion of deferred lease liabilities (note 14)	1,982	2,486
Long-term portion of obligation under finance lease	-	4
Other	904	1,021
	<u>26,542</u>	<u>25,165</u>

### 13. Employees' benefit plans and other employment liabilities

#### (a) Public Service Pension Plan

The LDB and its employees contribute to the Public Service Pension Plan, a jointly trustee pension plan. The Public Service Pension Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the plan, including investment of the assets and administration of benefits. The plan is a multi-employer contributory pension plan. Basic pension benefits are based on a formula. The Plan has about 56,000 active plan members and approximately 42,000 retired plan members.

The latest actuarial valuation as at March 31, 2014, indicated a funding surplus of \$194 million for basic pension benefits. The next valuation will be March 31, 2017, with results available in early 2018.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, with the result that there is no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

The total amount paid into this pension plan by the LDB for the year ended March 31, 2015 was \$11.4 million for employer contributions (2014 - \$11.1 million), which was recorded in administration expenses.

#### (b) Retirement benefits

Employees are entitled to specific non-pension retirement benefits as provided for under collective agreements and terms of employment. The future liability for this obligation amounts to \$14.8 million (2014 - \$13.8 million), which represents future employees' retirement benefits outside of the Plan and is included in other long-term liabilities. The amount expensed in the current year was \$1.0 million (2014 - \$414 thousand).

# Liquor Distribution Branch

## Notes to the financial statements

For the years ended March 31, 2015 and 2014

(Tabular amounts in thousands of dollars)

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### (c) WorkSafe BC outstanding claims

The LDB self-funds worker's compensation claims. The LDB recognizes a liability and an expense for claims that are in progress at the year-end. This liability of \$8.9 million (2014 - \$7.9 million) is valued by independent actuaries.

### 14. Deferred lease liabilities

	2015	2014
	\$	\$
Deferred rent	2,357	2,920
Deferred tenant allowances	99	178
Deferred tenant improvement loans	-	7
	<u>2,456</u>	<u>3,105</u>
Less current portion	(474)	(619)
Long-term portion	<u>1,982</u>	<u>2,486</u>

### 15. Accounts payable and accrued liabilities

	2015	2014
	\$	\$
Trade payables	103,898	73,429
Accrued liabilities	52,184	59,020
Other payables	3,115	2,873
Current portion of obligation under finance lease	4	27
Current portion of deferred lease liabilities (note 14)	474	619
	<u>159,675</u>	<u>135,968</u>

### 16. Contractual commitments

#### (a) Leases

The LDB leases various stores, offices and warehouses under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

The minimum lease expenditures charged to the statement of comprehensive income during the year is \$32.0 million (2014 - \$29.8 million). These expenditures include property taxes and common area maintenance costs.



# Liquor Distribution Branch

## Notes to the financial statements

For the years ended March 31, 2015 and 2014

(Tabular amounts in thousands of dollars)

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Future commitments for operating leases for the LDB premises are as follows:

	2015	2014
Total future minimum rental payments under non-cancellable operating leases expiring:	\$	\$
Not later than one year	32,692	29,251
Later than one year and not later than five years	77,770	76,179
Later than five years and not later than 25 years	14,361	16,421
	<u>124,823</u>	<u>121,851</u>

**(b) BC liquor store fees**

For the year ended March 31, 2015, the LDB paid the Liquor Control and Licensing Branch \$0.4 million (2014 - \$0.4 million) for license fees. The fee is based on the annual sales in each government liquor store.

**(c) Vancouver distribution property sale and leaseback**

During fiscal 2015, the LDB sold the land and property that currently houses the Vancouver distribution centre, retail store, and administrative offices for a net gain of \$36.9 million.

The LDB has entered into an operating lease with the new owners until the LDB moves its warehouse operations. The LDB expects to be fully operational in a new warehouse facility by 2018.

**(d) Payroll processing**

The LDB entered into an agreement with the BC Public Service Agency for payroll processing. The LDB paid \$0.7 million for processing services. The agreement expires in November 2019.

Other contractual commitments have been disclosed elsewhere in the notes to the financial statements.

## 17. Contingent items

The LDB is the sole importer of beverage alcohol in the Province. The LDB, as the importer of record, has the future liability for customs duty on import beer of \$0.6 million (2014 - \$0.5 million) based upon the value of the agents' inventories at March 31, 2015.

The LDB is the defendant in legal actions and it is not expected that the ultimate outcome of these claims will have a material effect on the financial position of the LDB.

# Liquor Distribution Branch

## Notes to the financial statements

For the years ended March 31, 2015 and 2014

(Tabular amounts in thousands of dollars)

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### 18. Capital management

The LDB does not retain any equity. Net income is returned to the Province. The LDB has no externally imposed capital requirements.

### 19. Related party transactions

#### (a) Province of British Columbia

The LDB is related through common ownership to all Province ministries, agencies and Crown corporations. Transactions with these entities are generally considered to be in the normal course of operations and are recorded at the exchange amount, unless disclosed separately in these financial statements.

#### (b) Key management compensation

The LDB's executive management committee is defined as key management. At March 31, 2015, there were 9 (2014 - 9) members on the executive committee.

	2015	2014
	\$	\$
Salaries and short-term benefits	1,181	1,121
Post-employment benefits	88	88
Fees for services	188	249
	<u>1,457</u>	<u>1,458</u>

Other related party transactions have been disclosed elsewhere in the notes to the financial statements.

### 20. Financial risk factors

The LDB is exposed to the following risks related to its financial assets and liabilities:

- Credit risk
- Liquidity risk
- Market risk

It is management's opinion that the LDB is not exposed to significant credit, liquidity or market risk arising from these instruments.

#### *Credit risk*

Credit risk is the risk of financial loss to the LDB due to customer inability to pay for product or a counterparty to a financial instrument failing to meet its contractual obligations. The LDB's exposure to credit risk is related only to the value of accounts receivable in its normal course of business, and the LDB manages this risk by minimizing the amount of transactions which require recovery. The LDB continually monitors and manages the collection of receivables. See accounts receivable note 3(b) for further disclosure on credit risk.

# Liquor Distribution Branch

## *Notes to the financial statements*

*For the years ended March 31, 2015 and 2014*

*(Tabular amounts in thousands of dollars)*

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### ***Liquidity risk***

Liquidity risk is the risk that the LDB will be unable to meet its financial obligations as they become due.

The LDB manages liquidity risk primarily by monitoring cash flows and by maintaining the ability to borrow funds through the Province.

### ***Market risk***

Market risk is the risk that changes in the market prices, such as foreign exchange rates and interest rates, will affect the LDB's income or the value of its financial instruments.

While the majority of the LDB's transactions are in Canadian dollars, the LDB also transacts in Euros and US dollars. These transactions are in the normal course of business. The LDB's exposure to foreign currency risk could impact the accounts payable of the LDB. A 10% movement in the exchange rate between the Canadian dollar and the other currencies listed above would not have a material impact on the LDB.

The LDB currently does not hold any debt or equity securities and as such is not exposed to interest rate risk. As the LDB has no significant interest-bearing assets and liabilities, the LDB's income and operating cash flows are substantially independent of changes in market interest rates.

## Schedule of Debts

B.C. Liquor Distribution Branch's long term debt is not secured by debt instruments nor is it covered by sinking funds or reserves.

*Prepared under the Financial Information Regulation, Schedule 1, section 4.*

## Schedule of Guarantee and Indemnity Agreements

Listing of Indemnities Approved by Risk Management Branch and In Force

<b>Fiscal 2014/15</b>	<b>Date of Risk Management Approval</b>
Hitachi ID Systems Inc. and LDB <i>Master Software License and Service Agreement</i>	September 24, 2013
1008729 B.C. Ltd and LDB Developments Limited Partnership and LDB <i>Lease Agreement</i>	October 29, 2013
OpenDNS Inc. and LDB <i>Umbrella Guest Wifi Service</i>	March 12, 2014
Prosci Inc and LDB <i>License Agreement</i>	March 19, 2014

*Prepared under the Financial Information Regulation, Schedule 1, section 5.*

## Schedule of Remuneration and Expenses (unaudited)

Name	Remuneration	Expenses	Total
Akbulatov, R.	79,010	2,118	81,128
Alexander, B.	100,522	8,236	108,758
Anand, P.	88,724	435	89,159
Andersen, S.	90,362	-	90,362
Ansari, M.	97,279	499	97,778
Apolinario, F.	90,027	209	90,236
Bains, P.	75,962	518	76,480
Ballantyne, D.	75,879	-	75,879
Bhala, M.	78,494	4,751	83,245
Bissoondatt, R.	153,068	10,607	163,675
Brown, R.	80,808	61	80,869
Calvo, M.	80,437	1,068	81,505
Campbell, C.	79,339	16,610	95,949
Campbell, D.	80,981	-	80,981
Cann, R.	77,395	218	77,613
Castaneto, J.	85,694	10,780	96,474
Chan, D.	108,417	163	108,580
Chan, K.	92,670	600	93,270
Cheung, L.	120,924	26	120,950
Chu, E.	122,574	306	122,880
Cournoyer, V.	78,773	207	78,980
Davidson, R.	86,072	1,478	87,550
Deng, W.	92,882	-	92,882
Deo, K.	90,931	48	90,979
Der, A.	76,929	2,718	79,647
Dobrozdravich, T.	92,566	11,114	103,680
Dockstader, R.	76,362	-	76,362
Dorval, K.	75,951	3,952	79,903
Elder, T.	85,343	12,572	97,915
Farley, D.	118,710	7,878	126,588
Ferrara, R.	101,931	12,265	114,196
Fong, J.	90,775	42	90,817
Ford, D.	81,525	4,105	85,630
Gerlock, K.	86,578	1,039	87,617
Gibney, D.	85,473	2,052	87,525
Giesbrecht, K.	84,940	851	85,791
Gilmore, K.	79,408	276	79,684
Gonzaga, C.	78,523	4,152	82,675
Groff, A.	79,436	-	79,436
Hall, C.	84,580	1,384	85,964

## Schedule of Remuneration and Expenses (unaudited)

Name	Remuneration	Expenses	Total
Haller, L.	93,166	23,215	116,381
Hang, L.	79,442	-	79,442
Hickson, W.	76,720	35	76,755
Huh, B.	81,411	-	81,411
Jackson, D.	92,197	127	92,324
James, R.	98,628	1,894	100,522
Janson, P.	83,329	2,814	86,143
Jeyaraj, B.	77,296	-	77,296
Jing, J.	89,820	-	89,820
Johnson, R.	78,155	82	78,237
Kang, B.	93,603	1,809	95,412
Kapeluck, D.	90,559	482	91,041
Keller, N.	76,547	-	76,547
Kelly, M.	81,166	7,807	88,973
Kemick, A.	79,529	262	79,791
Kho, P.	105,529	871	106,400
Kimm-Jones, R.	79,088	411	79,499
Kok, R.	102,618	-	102,618
Koo, S.	77,821	1,995	79,816
Kuromi, G.	88,087	48	88,135
Lagumbay, C.	79,157	185	79,342
Lam, N.	78,492	1,718	80,210
LaRoche, A.	93,334	5,990	99,324
Larson, L.	80,111	10,237	90,348
Lau, T.	93,640	38	93,678
Lawson, R.	233,282	25,545	258,827
Lee, R.	92,266	4,277	96,543
Lee, T.	92,986	-	92,986
Lee, T.	95,608	-	95,608
Leitch, S.	78,491	310	78,801
Lemieux, J.	81,760	4,831	86,591
Ling, S.	90,580	115	90,695
Low, E.	98,348	458	98,806
Martin, P.	110,519	-	110,519
May, K.	92,653	595	93,248
McDonald, D.	77,992	2,678	80,670
McDonnell, K.	108,188	13,706	121,894
McEwan, E.	93,241	7,865	101,106
McGauley, A.	85,362	323	85,685
McGowan, P.	86,712	13,546	100,258

## Schedule of Remuneration and Expenses (unaudited)

Name	Remuneration	Expenses	Total
Mcphate, A.	90,194	5,789	95,983
Meng, H.	80,210	31	80,241
Michael, W.	111,491	11,149	122,640
Miles, D.	89,363	3,563	92,926
Mohn, D.	98,654	13,117	111,771
Mok, K.	90,223	-	90,223
Molnar, Z.	110,593	-	110,593
Moore, E.	86,313	415	86,728
Nanji, A.	100,992	9,233	110,225
Ngui, C.	79,408	-	79,408
Northcote, S.	89,619	3,327	92,946
Olynyk, Z.	93,915	-	93,915
Pablo, A.	77,919	1,823	79,742
Parry, P.	99,535	1,642	101,177
Patten, M.	98,413	4,851	103,264
Peng, V.	76,866	810	77,676
Perlova, E.	92,369	167	92,536
Petersen, S.	99,211	-	99,211
Philip, B.	80,659	14,268	94,927
Poppema, J.	89,558	68	89,626
Primrose, R.	89,928	-	89,928
Procopio, M.	141,351	1,072	142,423
Randhawa, P.	113,591	649	114,240
Robertson, J.	97,372	35	97,407
Schiedel, S.	83,703	5,989	89,692
Seeley, P.	99,067	1,273	100,340
Shaferman, L.	82,357	2,320	84,677
Sharma, B.	81,551	18,277	99,828
Shaw, A.	79,345	2,432	81,777
Sheppard, C.	92,216	3,563	95,779
Shklover, M.	88,955	-	88,955
Starck, C.	92,723	124	92,847
Strasser, J.	96,126	988	97,114
Swail, M.	85,266	-	85,266
Tomlinson, N.	87,855	1,422	89,277
Tougas, R.	103,573	531	104,104
Tran, A.	86,754	4,250	91,004
Tsui, V.	77,228	2,811	80,039
Tymo, N.	92,193	-	92,193
Wang, J.	83,769	3,438	87,207

### Schedule of Remuneration and Expenses (unaudited)

Name	Remuneration	Expenses	Total
Willis, K.	79,475	2,276	81,751
Wilson, K.	141,453	1,634	143,087
Wong, A.	105,558	247	105,805
Wong, A.	84,644	3,694	88,338
Wong, J.	77,744	-	77,744
Yee, B.	81,784	-	81,784
Zhao, X.	97,001	104	97,105
Zheng, S.	87,983	-	87,983
Zheng, W.	86,253	61	86,314
Amounts Over \$75,000	11,786,010	385,050	12,171,060
Amounts Under \$75,000	127,889,779	969,286	128,859,065
Grand Total	<u>139,675,789</u>	<u>1,354,336</u>	<u>141,030,125</u>



## Remuneration and Expense Reconciliation (unaudited)

	2014/15
<b>Total remuneration (T4) - employees</b>	139,675,789
<b>Reconciling items:</b>	
Employer paid benefits	33,850,328
Outside temporary services & meal allowances	59,108
WCB & Cost recoveries	(627,113)
Labour allocated to Capital Projects	(1,273,336)
Year end adjustments (Net)	925,407
Year end payroll accruals	503,521
Pre-retirement payments accrued in prior year	(1,391,308)
Other	261,555
	<u>\$ 171,983,951</u>
<b>Total per Statement of Revenue and Expenditure</b>	
Operating Expenses - Salaries and Wages	<u>\$ 171,983,951</u>
<b>Variance</b>	<u>\$ -</u>

*Prepared under the Financial Information Regulation, Schedule 1, subsection 6(2)*

## Statement of Severance Agreements

During the fiscal year ended March 31, 2015, there was one severance agreement made between the LDB and a non-unionized employee. The agreement represented 18 months of salary and benefits.

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

## Schedule of Payments (unaudited)

Supplier Name	Amount
0739829 BC Ltd	113,873
0745248 BC LTD.	114,464
0878302 BC LTD	357,331
0885242 BC Ltd.	192,894
0916294 BC LTD	77,858
0917382 BC LIMITED	480,998
0925621 BC LTD.	96,753
0940999 BC LTD.	85,171
0952902 BC LTD	29,980
0957765 BC LTD	971,267
0996901 BC LTD	107,888
218241 BC LTD	59,290
2601-2609 WESTVIEW DRIVE LEASEHOLDS LIMITED	324,455
297296 BC LIMITED	111,830
33 ACRES BREWING COMPANY INC	1,319,467
385728 BC LIMITED	1,890,730
3873731 CANADA INC DBA ACTION INVENTORY SERVICES	547,632
448844 BC LIMITED	30,284
490 REID VENTURES LIMITED	154,138
517244 BC LIMITED	194,852
526087 BC LIMITED	49,656
586041 BC LTD	72,737
627022 BC LIMITED	236,508
6599559 CANADA INC	53,281
8400 GRANVILLE PROPERTY INC AND 8400 GRANVILLE PARTNERSHIP	254,432
8677115 CANADA INC	26,326
A & K LA BOUTIQUE DU VIN	109,474
AC WINE SYNDICATE INC	2,044,474
ACCELLOS INC	36,090
ACCEO SOLUTION INC.	106,801
ACCESS GAS SERVICES INC	102,639
ACCURATE GLASS LIMITED	119,007
ACCURATE LOCK & SAFE CO LIMITED	168,636
ADMIRAL ROOFING	44,578
AFIC EXIM (CANADA) CORPORATION	3,067,869
ALAN & THERESA WALKER	72,159
ALBERTA DISTILLERS LIMITED	12,368,864
ALLEN BRANDS INC	3,109,969
ALLIANCE INSTALLATIONS INC	56,721
ALLOY BRANDS INC	1,169,551
ALTUS WINES INC	144,399
AM/PM MOBILE SOLUTIONS INC	239,122
AMATI CORPORATION	48,585
AMERICAN INVESTMENTS LIMITED	118,609
ANARONA WINES LIMITED	57,424
ANDREW PELLER LIMITED	62,561,330
ANISOFT GROUP INC	415,889
ANIXTER CANADA INC	39,012
ANNEX CONSULTING GROUP INC	466,948
ANTERRA WESTBANK TOWNE CENTRE LIMITED	276,616

## Schedule of Payments (unaudited)

Supplier Name	Amount
ANTHEM KRC SALISH PLAZA LTD	246,099
AON REED STENHOUSE INC	133,850
APOSTOLOS GOURTZIOVALITIS	47,235
APPELLATION WINE MARKETING INC	2,130,523
AQUATERRA MANAGEMENT LIMITED	263,733
AQUILINI BRANDS	1,572,297
AQUILINI PROPERTIES LIMITED PARTNERSHIP	856,915
ARCH EAGLE PROPERTIES LIMITED	100,076
ARCTURUS LP	201,535
ARISE VENTURES LTD	30,881
ARROW LEAF CELLARS INC	105,103
ARROWHEAD BREWING COMPANY	450,094
ARTISAN SAKEMAKER AT GRANVILLE ISLAND	167,406
ARTISAN WINES LIMITED	231,748
ATLAS SIGN & AWNING COMPANY	635,287
AUSTEVILLE PROPERTIES LIMITED	424,902
AUTHENTIC WINE & SPIRITS MERCHANTS	12,961,440
AVALON LAND CORP	507,337
AXIS PLANNING INC	90,581
B&L SECURITY PATROL (1981) LIMITED	92,749
BACARDI CANADA INC	21,476,643
BACCHUS GROUP, THE	4,461,435
BAD TATTOO BREWING CO LIMITED	80,601
BAILLIE-GROHMAN ESTATE WINERY LTD	73,914
BANDSTRA TRANSPORTATION SYSTEMS LTD	682,086
BANK OF AMERICA NATIONAL ASSOCIATION	3,519,167
BAR GLOBAL DISTRIBUTION LIMITED	50,556
BARBIERI DEVELOPMENTS LTD	467,706
BARCA ENTERPRISES LTD	27,841
BARCBEE'S HOLDINGS CORPORATION	65,417
BARREL SELECT INC	45,774
BARRICA WINE & SPIRITS LIMITED	38,026
BC FLUORESCENT SALES & SERVICE LIMITED	103,331
BC GOVERNMENT EMPLOYEES' UNION	2,257,304
BC HYDRO	2,264,541
BC PUBLIC SERVICE AGENCY	69,180
BCIMC REALTY CORPORATION	720,132
BEAM GLOBAL CANADA INC	8,610,022
BEATTY FLOORS LTD.	35,735
BECKVILLE WOODCRAFTS LIMITED	1,310,249
BELL CANADA	184,946
BENCH 1775 WINERY	530,238
BENJAMIN BRIDGE VINEYARDS	25,930
BENTALL KENNEDY (CANADA) LP	628,665
BEVERAGE HANDLING SYSTEMS LIMITED	41,677
BEVERAGE INTERNATIONAL DISTRIBUTORS	69,700
BIG RIVER BREWING COMPANY	66,297
BIG ROCK BREWERY INC	4,077,594
BLACK FLY BEVERAGE COMPANY INC	42,945
BLACK KETTLE BREWING INC	230,683

## Schedule of Payments (unaudited)

Supplier Name	Amount
BLASTED CHURCH VINEYARDS INC	921,647
BLUE NOTE WINE & SPIRITS INC	1,468,865
BOMBER BREWING CORPORATION	1,414,258
BONN CONSTRUCTION LTD	95,718
BONVIDA WINES (BC) CORPORATION	290,516
BOULTBEE REALTY LIMITED	901,330
BOUNTY MANAGEMENT GROUP INC, THE	52,723
BOUSHELONG WINE & SPIRIT INTL INC	1,224,559
BOYDEN VANCOUVER	27,216
BRAINS II CANADA INC	333,686
BRAVO BEER CORPORATION	888,107
BREWERS' DISTRIBUTOR LIMITED	405,241,879
BRIDGE BREWING CORP	716,924
BRINKS CANADA LIMITED	440,152
BROOK POONI ASSOCIATES INC	76,641
BROOKFIELD JOHNSON CONTROLS	28,193
BROOKS BAY HOLDINGS LTD	32,401
BROWN-FORMAN BEVERAGES WORLDWIDE	7,122,432
BRUCE ASHLEY GROUP	5,434,271
BUCCI INVESTMENT CORPORATION	342,263
BULLDOG BAG LIMITED	245,514
BURNABY DIESEL TECH SERVICES INC.	48,443
BURROWING OWL ESTATE WINERY LIMITED	425,151
BURROWS & LUONGO	1,222,256
C.I.T.A.I. SpA	154,120
CA CANADA COMPANY	575,128
CALLAHAN CONSTRUCTION COMPANY LTD	343,680
CAMACC SYSTEMS INC.	149,301
CAMBIE STREET PROPERTIES INC	763,095
CANADA DRY MOTT'S INC	1,748,020
CANADA DRY MOTT'S INC (AMERICA)	292,526
CANADA FUTURE INVESTMENT CO	201,692
CANADA POST CORPORATION	323,107
CANADIAN DOORMASTER ELECTRIC LIMITED	57,609
CANADIAN FREIGHTWAYS	35,417
CANADIAN ICEBERG VODKA CORPORATION	225,768
CANNERY BREWING CO, THE	1,370,312
CANREAL MANAGEMENT CORPORATION IN TRUST	127,057
CARLSBERG CANADA INC	9,884,343
CATEGORY 12 BREWING INC	100,930
CC JENTSCH CELLARS	30,210
CDI Computer Dealers Inc	77,475
CDW CANADA INC.	496,998
CEDAR CREEK ESTATE WINERY	701,530
CELINE TURENNE	50,050
CENTRAL CITY BREWING CO	8,885,765
CENTURY GROUP	291,670
CENTURY GROUP INC	416,486
CENTURY MARKETING CORP	129,054
CHAMPLAIN SQUARE LP	274,984
CHARTON HOBBS INC	21,023,852

## Schedule of Payments (unaudited)

Supplier Name	Amount
CHATEAU DES CHARMES WINES LIMITED	383,988
CHESTNUT PROPERTIES LIMITED	327,640
CHILKOOT BREWING COMPANY LIMITED	153,847
CHOICE IMPORT AGENCIES	140,061
CHRISTOPHER STEWART WINE & SPIRITS INC	4,389,242
CHURCH AND STATE WINES, INC - OLIVER	138,849
CITY OF KAMLOOPS	195,297
CITY OF VANCOUVER	970,003
CLARKE TRANSPORT	447,633
CLEARBROOK TOWN CENTRE LIMITED	330,109
CLEARWATER ENTERPRISES LIMITED	52,051
COAST LIGHTING (VI) LIMITED	100,390
COBEES ENTERPRISE LIMITED	446,285
COLLEGE HEIGHTS PLAZA	143,817
COLUMBIA PLACE COLUMBIA SQUARE HOLDINGS INC	464,525
COMMERCIAL LIGHTING PRODUCTS LTD	50,520
COMMERCIAL LOGISTICS INC	3,680,425
COMOX PACIFIC EXPRESS LTD	43,679
COMPUGEN INC	133,779
CONSTELLATION BRANDS CANADA INC	94,050,583
CONSUMING VENTURES INC	711,157
CONTAINER WORLD FORWARDING SERVICES INC.	94,316
COOL KING REFRIGERATION LTD	68,458
COOL SPIRITS INC	33,613
CORAL ENVIRONMENTS LIMITED	91,798
CORBY DISTILLERIES LIMITED	35,600,717
CORPORATE CLASSICS CATERERS	52,849
CP PACKAGING CORP	33,205
CRAFT BEER IMPORTERS CANADA INC	719,251
CRAG HOLDINGS LTD	38,900
CRAIG STREET BREWING CO LTD	48,710
CRANNOG ALES LIMITED	425,399
CREATIVE TRADE SRO	136,295
CRESTON VALLEY MALL LIMITED	68,317
CROSBY PROPERTY MANAGEMENT LTD	33,565
CRU EXPORT MANAGEMENT GROUP LTD.	929,528
CULIN IMPORTERS LIMITED	154,185
CUMBERLAND BREWING COMPANY LTD	54,298
CUSTOM PAPER LIMITED	165,875
D WAY BEVERAGE INC	394,381
DAGERAAD BREWING INC	334,524
DANWORTH BRANDS INC	76,812
DASILVA DEVELOPMENTS LIMITED	157,421
DATATECH BUILDING LP	193,775
DATAVANTAGE CORPORATION	67,488
DAVAMCO CHARTERS INC	59,135
DAVID APLIN & ASSOCIATES INC	41,474
DAVID HERMAN & SON LIMITED	4,560,274
DEAD FROG BREWERY	1,211,968
DEAN'S OILFIELD SERVICES LTD	173,300

## Schedule of Payments (unaudited)

Supplier Name	Amount
DEEP COVE BREWERS AND DISTILLERS INC	125,774
DELEGATS WINE ESTATE LTD	4,426,655
DELF GROUP INC, THE	8,100,160
DELL SOFTWARE, CANADA	37,389
DEMERARA DISTILLERS LIMITED	142,409
DIAGEO CANADA INC	57,208,646
DIAMOND ESTATES WINES & SPIRITS LIMITED	975,987
DIRECT SOURCE INTERNATIONAL INC	220,195
DIRECT WINES LIMITED	390,531
DIRTY LAUNDRY VINEYARD	52,513
DISTILLERS PRIDE LIMITED	32,977
DO ALL ENTERPRISES	328,042
DOGWOOD SIGN & LIGHT MAINTENANCE	46,277
DOLLARTON SHOPPING CENTRE	250,901
DOMAINE DE CHABERTON ESTATES	28,637
DOMAINE PINNACLE INC	190,021
DONALD WILLIAMS	30,428
DORSET REALTY GROUP	1,108,700
DREAM WINES CORPORATION	1,511,503
DRIFTWOOD BREWING	7,613,331
DRIFTWOOD PROPERTIES LIMITED	39,627
DTM SYSTEMS CORPORATION	1,764,605
DYNAMIC CHOCOLATES ULC	75,839
E&J GALLO WINERY	13,354,442
E&J GALLO WINERY CANADA LTD	1,030,439
EARTH WINES	66,515
EDGAR DESIGNS	276,214
EDOKO FOOD IMPORTERS LIMITED	98,931
ELEMENT FLEET MANAGEMENT	90,931
EMPSON CANADA	1,000,232
ENCORP PACIFIC CANADA	46,912,368
ENERPRO SYSTEMS CORP	68,845
ENERSYS CANADA INC	27,283
ENOTECA BACCO	806,922
EPIC IMAGING	454,129
ERNST AND YOUNG LLP	540,524
EVOLUTION FINE WINES LIMITED	818,881
EXPRESS DATA LIMITED	153,613
F&G DELIVERY LIMITED	1,298,984
FAIRON FREIGHT	36,967
FERNIE BREWING CO	2,095,171
FIREWEED BREWING CORP	5,668,754
FIRST CAPITAL CORPORATION	864,704
FIRSTSERVICE RESIDENTIAL BC LTD	458,330
FLEXAHOPPER PLASTICS LTD	30,027
FOREMOST WINE DOMAINES	54,584
FORRESTER SWITZERLAND GMBH	53,946
FORSYTHE	189,060
FORT BERENS ESTATE WINERY LTD	50,739
FORT GARRY BREWING COMPANY LTD	3,598,273
FORTISBC	373,886

## Schedule of Payments (unaudited)

Supplier Name	Amount
FORTY CREEK DISILLERY LIMITED	614,897
FORTY CREEK DISTILLERY	1,545,576
FORWARD HOLDING LTD	246,316
FOUNTANA BEVERAGE CORP	78,042
FOUR CORNERS EUROPEAN WINE IMPORTS INC	28,519
FOUR MILE PUB LIMITED	251,947
FOUR WINDS BREWING COMPANY LTD	1,471,268
FRASER LAKE SHOPPING CTR INC	42,050
FREDDY'S BREW PUB	32,842
FREE HOUSE WINES & SPIRITS LIMITED	1,084,998
FRESHTAP POUR SYSTEM INC	328,790
FRESHTAP POUR SYSTEM INC	513,858
G PALOUBIS & SON INC	324,455
GALIANO ISLAND	47,988
GALILEO WINE & SPIRITS LTD	446,877
GARDAWORLD CASH SERVICES CANADA CORPORATION	124,735
GARTNER CANADA, CO.	164,488
GDI SERVICES (CANADA) LP	135,936
GEE RICK HOLDINGS LIMITED	229,885
GEHRINGER BROS ESTATE WINERY	1,706,380
GENERAL PROPERTIES LIMITED	54,657
GEORGES DUBOEUF	48,534
GERRY HUMPHRIES CONSULTING INC.	175,993
GIFFARD	78,492
GIVEX CANADA CORP	223,149
GLADSTONE BREWING COMPANY INC	30,765
GLAZERS OF CANADA	361,151
GLENMORE PRINTING	1,391,116
GLOBAL KNOWLEDGE NETWORK CANADA	167,786
GLOBAL WINE & SPIRITS (CANADA) LIMITED	42,936
GLOBAL WINE MERCHANTS INC	32,671
GLOBEFILL INC	414,557
GOLD MEDAL MARKETING	216,190
GOLDEN ACRES VENTURES LTD	34,770
GOLDEN MASONIC CENTRE SOCIETY	75,068
GOOD SPIRITS LIMITED	33,760
GOODBYE GRAFFITI INC	30,575
GORDON OSTERLOH	103,216
GRAFF RETAIL GROUP, THE	178,397
GRANVILLE ISLAND BREWING COMPANY	19,501,869
GRAPEBRANDS WEST INC	107,359
GRAPHIC OFFICE INTERIORS LTD	45,462
GRAY MONK CELLARS	2,747,284
GREAT WEST LIFE ASSURANCE CO	683,775
GREAT WESTERN BREWING CO LIMITED	1,214,722
GREEN LEAF BREWING CORPORATION	398,267
GROSVENOR CANADA LIMITED	282,569
GUANGZHOU IMPORT & EXPORT INC	29,259
GUELPH TWINES LIMITED	95,393

## Schedule of Payments (unaudited)

Supplier Name	Amount
GUILDFORD TOWN CENTRE LIMITED PARTNERSHIP	372,548
GULF ISLANDS BREWERY LIMITED	596,088
GULF PACIFIC ITF COWICHAN MINI MALL LTD.	251,961
GUY ANDERSON WINES LTD.	430,572
GWL REALTY ADVISORS INC, ITF	639,776
HARBOUR CENTRE COMPLEX LIMITED	338,155
HARBOUR INTERNATIONAL TRUCKS LTD	109,585
HARDING FORKLIFT SERVICES LIMITED	662,067
HARPER'S TRAIL ESTATE WINERY LTD	85,357
HAWTHORNE MOUNTAIN VINEYARDS	342,626
HAYS SPECIALIST RECRUITMENT (CANADA) INC	102,291
HEARTHSTONE PROPERTIES LIMITED	372,509
HELIOS SERVICES GROUP LTD.	75,212
HENRY OF PELHAM FAMILY ESTATES	509,315
HERITAGE REALTY PROPERTIES LIMITED	175,751
HESTER CREEK ESTATE WINERY	1,222,217
HEWLETT PACKARD (CANADA) LIMITED	174,259
HI-BRIDGE CONSULTING CORP	310,785
HIGHWOOD DISTILLERS LIMITED	2,175,951
HILLSIDE CENTRE HOLDINGS INC	204,133
HIRAM WALKER & SONS LIMITED	1,391,214
HODGSON ELECTRIC INC	66,918
HODGSON FREIGHTWAYS LIMITED	56,754
HOG'S BREATH COFFEE CO LTD	51,801
HONEYWELL LIMITED	33,040
HORIZON WINES INC	919,270
HOULE ELECTRIC LIMITED	26,896
HOWARD NEMTIN & ASSOCIATES LIMITED	49,057
HOWE SOUND BREWING	3,032,658
HOWLING BLUFF ESTATE WINERY	36,052
HOYNE BREWING COMPANY LTD	4,243,236
HP ADVANCED SOLUTIONS	112,613
HUGH & MCKINNON REALTY LTD IN TRUST	125,055
HWP WHISTLER'S MARKETPLACE LTD.	504,153
IBM CANADA LIMITED	535,850
ICON FINE WINE AND SPIRITS LTD	2,399,509
IMPAC CANADA	61,683
IMPACT RECRUITMENT INC	27,302
IN DEVELOPMENT CONSTRUCTION	149,367
INDEPENDENT DISTILLERS	1,162,567
INFORM BROKERAGE INC	54,588
INFO-TECH RESEARCH GROUP INC	34,650
INLAND KENWORTH	27,076
INN AT LAUREL POINT	42,394
INNISKILLIN OKANAGAN VINEYARDS INC	313,649
INNISKILLIN WINES INC	594,607
INSIGHT WEST MARKETING RESEARCH INC	177,177
INTEPLAST BAGS & FILMS CORPORATION	979,011
INTERGALACTIC AGENCY INC	538,091
INTERNATIONAL CELLARS INC	6,850,919



## Schedule of Payments (unaudited)

Supplier Name	Amount
INTERNATIONAL WEB EXPRESS	171,352
INVESTORS GROUP TRUST CO LIMITED	263,275
IPS (INTEGRITY-PAAHI SOLUTIONS INC)	91,034
IRON MOUNTAIN CANADA CORPORATION	44,487
IRONWOOD DEVELOPMENTS LIMITED	415,372
ISABELLA WINERY LTD	145,941
ISLAND SPIRITS DISTILLERY CORPORATION	106,777
IVANHOE CAMBRIDGE INC.	29,664
JAMES LAURENCE GROUP INC	48,578
JDA SOFTWARE CANADA LIMITED	1,632,158
JDA SOFTWARE, INC.	1,087,588
JDK SIGN MAINTENANCE	52,528
JENSEN, O	54,352
JF HILLEBRAND CANADA INC	155,531
JH SHEERE & ASSOCIATES	94,060
JIM PATTISON DEVELOPMENTS LTD	812,639
JNE RETAIL EQUIPMENT LIMITED	62,462
JOE BORRELLI INC	75,741
JOHN ALLEN BREWING CO LIMITED, THE	46,210
JOHN F KELLY & ASSOCIATES	699,429
JOHNSTON EQUIPMENT CO LIMITED	260,341
JOIE VENTURES INC	552,148
KAM KWAN SING	711,166
KELLAND FOODS HOLDINGS LIMITED	169,520
KEN MAYER STUDIOS	128,150
KENWAY INTERNATIONAL TRADING LIMITED	986,166
KERRISDALE STATION LTD	268,971
KEVINGTON BUILDING CORP	443,827
KING DAY TRADING LIMITED	44,180
KING'S CROSS SHOPPING CENTRE	286,325
KINGSGATE MALL LP	369,018
KIRKWOOD DIAMOND CANADA PARTNERSHIP	2,609,436
KOBAIR HOLDINGS LIMITED	54,514
KOST KLIP MANUFACTURING LTD	167,521
KROMBACHER BRAUEREI	323,373
LA BRASSERIE MCAUSLAN INC	1,047,181
LABATT BREWERIES OF CANADA	42,301,865
LAKE BREEZE VINEYARDS	95,453
LAKE VIEW CREDIT UNION	77,654
LANDMARK SELECTIONS LIMITED	9,159,139
LAWREN MONETA CULINARY MEDIA	42,740
LE VIEUX PIN WINERY	37,771
LEAVITT MACHINERY	115,080
LEGION STREET HOLDINGS LTD	69,963
LEUNG SUI KWAN KAM, COLIN KAM, HARDY KAM	1,105,440
LGA CONSULTING INC	67,193
LIBERTY SPECIALTY IMPORTS INC	3,069,619
LIFFORD WINE & SPIRITS INC	4,287,984
LIGHTHOUSE BREWING COMPANY INC	5,113,634
LOCKE PROPERTY MANAGEMENT IN TRUST	61,703

## Schedule of Payments (unaudited)

Supplier Name	Amount
LONE TREE CELLARS	214,763
LONG TABLE DISTILLERY LIMITED	183,847
LONGWOOD BREW PUB LIMITED	85,562
LONGWOOD BREWERY LTD	622,402
LOON PROPERTIES INC	492,016
LORENZ AGAVE SPIRITS	88,510
LOW COUNTRIES BREWING LTD	133,721
LULU ISLAND WINERY LTD	1,544,574
LUXURY LIQUOR	58,345
LYNN VALLEY SHOPPING CTR	437,225
MAAST PROPERTIES & INVESTMENTS LIMITED	34,382
MACATEE MANAGEMENT 0853784 BC LTD	37,980
MACDOUGALL ROSS RETAIL SERVICES	161,918
MACKENZIE VENTURES LIMITED	52,214
MAGNOTTA CORPORATION	83,762
MAGNUM CONSULTANTS LIMITED	190,801
MAISON DES FUTAILLES	487,133
MALINDA DISTRIBUTORS INC	143,124
MANAMI SEI	50,368
MANULIFE CANADIAN PROPERTY PORTFOLIO	180,456
MAPLE LEAF PROPERTY MGMT	313,863
MARCON ELEMENTS HOMES LTD	124,649
MARCUS VON ALBRECHT / VON ALBRECHT & ASSOC.	120,799
MARINE PROMENADE PROPERTIES INC	274,455
MARK ANTHONY GROUP INC	96,989,476
MARQUIS WINE CELLARS	313,277
MARRAM FINE WINES LIMITED	453,101
MAXWELL FLOORS LIMITED	52,600
MCCLELLAND PREMIUM IMPORTS	1,517,408
MCWILLIAM'S WINES PTY LTD	317,947
MEAGHERS DISTILLERY LIMITED	657,230
MESA HOLDINGS	32,498
METAFORE TECHNOLOGIES INC	69,807
MICROSERVE BUS COMP SERV LTD	643,791
MICROSOFT CANADA INC	1,269,672
MID ISLAND CONSUMER SERVICE CO-OPERATIVE	38,376
MIKE WEIR WINE	303,323
MILL BAY CENTRE	74,326
MILLBAY SYNERGY MALL LIMITED PARTNERSHIP	65,759
MINHAS CREEK CRAFT	180,749
MINISTER OF FINANCE	15,632,040
MISSION SPRINGS DEVELOPEMENTS LIMITED	248,890
MITCHELL PRESS LIMITED	1,196,639
MJS BEVERAGE CONCEPTS INTL	1,952,184
MNP LLP	102,795
MOLSON CANADA 2005	34,064,135
MONDIA ALLIANCE CANADA INC	5,949,081
MONOLAB DESIGN	47,127
MOODY ALES LTD	175,314
MOON CURSER VINEYARDS	119,217
MOON UNDER WATER BREWERY LTD, THE	406,729
MORGUARD REAL ESTATE INVESTMENT TRUST	687,177

## Schedule of Payments (unaudited)

Supplier Name	Amount
MORRIS & DEBORAH KROMHOUT	52,910
MOUNTAIN PACIFIC PROPERTIES LIMITED	92,098
MSR	100,850
MT BEGBIE BREWING COMPANY LIMITED	2,112,428
MUSKOKA BREWERY	153,599
NATHAN FONG & ASSOCIATES	30,984
NAVIGO CONSULTING & COACHING INC	243,354
NELSON & DISTRICT CREDIT UNION	51,883
NELSON BREWING COMPANY, THE	2,677,768
NETWORK AGENCY LTD	140,627
NEW WORLD WINES	462,482
NEWFOUNDLAND LABRADOR LIQUOR CORPORATION	187,306
NEWFOUNDLAND LC - MOSAIQ	633,727
NEWPORT PROPERTY MANAGEMENT IN TRUST	249,005
NEXUS GLOBAL TRADING LIMITED	178,488
NIBBANA HOLDINGS INC	32,046
NIIU DIGITAL INC	26,250
NK'MIP CELLARS INC	3,164,127
NO 168 SAIL VIEW VENTURES LTD	97,993
NOORT INVESTMENTS	74,512
NORMAND JOSEPH ANDERSEN	31,842
NORTH LANGLEY SHOPPING CENTRE LIMITED	208,541
NORTHAM BREWERY LP	16,166,478
NORTHAM MANAGEMENT LIMITED	1,033,409
NORTHILLS SHOPPING CENTRE	209,754
NORTHWEST WASTE SOLUTIONS INC	34,365
NOSEWORTHY IMPORTS LIMITED	109,158
NOVACOM CONSTRUCTION LTD	264,756
NWA REALTY ADVISORS (FERNIE) LTD.	78,559
OKANAGAN CRUSH PAD WINERY	148,806
OKANAGAN SPIRITS INC	58,301
OLD YALE BREWING CO LIMITED	444,725
OLE SMOKY MOONSHINE	328,329
ONE WEST HOLDINGS LTD	139,511
ONNI PROPERTY MANAGEMENT SERVICES LTD.	786,865
OPERATION RED NOSE	25,000
ORACLE CANADA ULC	1,106,721
OSOYOOS LAROSE	725,969
OVERLAND WEST FREIGHT LINES LTD	26,069
OVERWAITEA FOOD GROUP LP	98,218
PACIFIC BREEZE WINERY LTD	411,976
PACIFIC CARBON TRUST	91,061
PACIFIC NORTHERN GAS LIMITED	45,783
PACIFIC WESTERN BREWING COMPANY	31,066,148
PACIFIC WINE & SPIRITS INC.	4,477,636
PAINTED ROCK ESTATE WINERY LTD	195,372
PALADIN SECURITY GROUP LTD	1,450,068
PARALLEL 49 BREWING COMPANY LTD	6,674,874
PARAMOUNT PALLET, LP	671,536
PARK ROYAL SHOPPING CENTRE HOLDINGS LTD	667,068
PARMAR JANITORIAL SERVICES	58,906

## Schedule of Payments (unaudited)

Supplier Name	Amount
PARTNERS REIT	39,057
PARTNERS REIT	340,188
PATAGONIA IMPORTS LTD	1,093,741
PATRICIA HOTEL VANCOUVER	31,552
PATRON SPIRITS LIMITED, THE	127,492
PEACOCK & MARTIN	187,358
PENINSULA VILLAGE SHOPPING CENTRE LTD	322,318
PEREGRINE PLASTICS & SCREEN PRINTING	530,098
PERFORMANCE PAINTING & DECORATING	100,266
PERSEPHONE BREWING COMPANY INC	1,024,781
PERSEUS WINERY & VINEYARDS	96,395
PETER MIELZYNSKI AGENCIES LIMITED	19,456,771
PETER PRAEGEL	29,966
PETERSON COMMERCIAL PROPERTY MANAGEMENT INC	1,092,813
PHILIPPE DANDURAND WINES LIMITED	11,748,447
PHILLIPS BREWING CO	19,407,439
PHILLIPS PRODUCTS CO LLC	1,408,132
PILLITTERI ESTATES WINERY	170,596
PINNACLE INTERNATIONAL REALTY GROUP II INC	515,226
POPLAR GROVE WINERY	149,530
POSTAGE BY PHONE	47,250
POWELL STREET CRAFT BREWERY INC	224,252
POWERLAND COMPUTERS LTD	211,787
PR BRIDGE SYSTEM LTD	109,074
PRECEPT WINE UNLIMITED COMPANY	291,390
PREMIER BRANDS LIMITED	3,883,866
PREMIER COASTS TRADING LIMITED	44,083
PREMIUM BEER COMPANY, THE	10,186,701
PRESTIGE WINE GROUP	166,342
PRESTIGE WINE GROUP CANADA	50,567
PRICEWATERHOUSECOOPERS LLP	107,740
PROGRESS LUV2PAK INTERNATIONAL LTD	111,218
PROLIFT EQUIPMENT LIMITED	65,769
PROQUIP ON-SITE DIESEL REFUELING LTD	205,080
PROSPERO INTERNATIONAL REALTY INC.	797,405
PROXIMO SPIRITS CANADA INC	2,101,863
PTPC CORRUGATED COMPANY	257,930
PUBLIC SERVICE LONG TERM DISABILITY FUND	3,606,778
PUBLIC SERVICE PENSION PLAN	22,118,308
PURE GLOBAL IMPORTS INC	89,958
PURPLE VALLEY IMPORTS INC	134,221
QINGHUA INTL TRADE DEVELOPMENT CORP	450,154
QUAFF WINES & SPIRITS	40,484
QUAILS' GATE ESTATE WINERY LIMITED	2,214,387
QUARTECH SYSTEMS LIMITED	536,461
QUARTERDECK BREWING CO	25,601
R&B BREWING INC	812,058
R&H CREEKSIDE	228,742
R. DUFOUR ENTERPRISES LTD	28,464
RACINE WINE IMPORTS	113,573

## Schedule of Payments (unaudited)

Supplier Name	Amount
RADEV TRADE	29,645
RADIUM MOTORS LIMITED	56,324
RADONS BROS FARMS LIMITED	111,304
RAIN CITY BRANDS INC	1,067,423
RARE DRAMS DISTRIBUTORS INC	89,821
RDO BREWING VENTURES LTD	506,135
REALCOM ADVISORS INC	333,622
RECEIVER GENERAL FOR CANADA	262,981,430
RED DOG WINE & SPIRITS LTD	292,838
RED ROOSTER WINERY	4,733,978
RED TRUCK BEER COMPANY LTD	1,885,160
REDMOND O'HANLON & THOMAS NOONAN	29,281
RENAISSANCE WINE MERCHANTS LIMITED	2,143,156
RESERVAS TEQUILA DISTRIBUTING INC	31,916
REVELSTOKE LAND & DEVELOPMENT CO LTD	127,689
RHINO PRINT SOLUTIONS INC	255,237
RICHMOND PROPERTY GROUP LTD	486,623
RICOH CANADA INC	55,406
RIVERBEND METAL (1997) CORP	86,850
RKZ CONSULTING LTD	145,656
ROAD 13 VINEYARDS	1,056,608
ROCKSOLID LANDSCULPTING	29,179
ROOFTOP CELLARS LIMITED	391,515
ROSSLAND BEER COMPANY	109,116
RP JOHNSON CONSTRUCTION LTD	187,366
RURAL STORES LIMITED	136,326
RUSSIAN STANDARD VODKA CANADA LTD	1,615,655
RUTH SINGER INVESTMENT LIMITED	217,131
S.i. SYSTEMS C9565C	125,171
SAFFIRE WINES LIMITED	44,105
SALSBURY DRIVE HOLDINGS LTD	1,298,719
SAZERAC OF CANADA INC	4,805,095
SCHENLEY DISTILLERIES INC	510,575
SD 5 VENTURES LIMITED	108,520
SEACOVE GROUP INC, THE	755,884
SEBUCOM INTERNATIONAL CORP	151,871
SECURITY GROUP (VICTORIA)	44,549
SEDIMENTARY WINES INC	308,744
SEDLAK MANAGEMENT CONSULTANTS INC	1,306,953
SELECT WINE MERCHANTS LIMITED	15,883,176
SERENDIPITY ESTATE WINERY	40,620
SERGUEI ORLOV\ OST TRADING	75,244
SHANNON ALLARDYCE	30,460
SHAW BUSINESS A DIVISON OF SHAW TELECOM GP	156,739
SHEARDOWN'S FOODLINER LIMITED	33,368
SHEARWATER MARINE LTD	45,448
SHERWOOD MOUNTAIN BREWHOUSE LTD	50,854
SHOPPERS CORNER LIMITED	298,644
SHUSWAP LAKE BREWING COMPANY	60,157
SIERRA SYSTEMS GROUP INC.	168,903

## Schedule of Payments (unaudited)

Supplier Name	Amount
SIMAY INVESTMENTS LIMITED	92,136
SLEEMAN BREWERIES LTD	95,989,942
SMITHERS MALL INVESTMENTS INC	176,414
SOBEYS WEST INC	1,631,111
SOPHIE INVESTMENTS INC	293,479
SOURCE DISPLAY INC	1,398,585
SOURCE FLOOR & SPECIALTIES INC	43,285
SOVEREIGN WINE AND SPIRITS	86,025
SPICE TECHNOLOGY GROUP INC.	118,650
SPICERS CANADA LIMITED	114,712
SPINNAKERS BREW PUB INC	782,757
STAG'S HOLLOW WINERY & VINEYARD	167,117
STANDARD LIFE ASSURANCE COMPANY OF CANADA	608,385
STAPLES ADVANTAGE	385,191
STATEWOOD PROPERTIES LIMITED	113,108
STEAM WHISTLE BREWING	1,756,618
STEAMWORKS BREWING COMPANY LTD	4,379,644
STEEL & OAK BREWING COMPANY LTD	350,944
STERLING MANAGEMENT SERVICES LTD	198,270
STILE ENTERPRISES LIMITED	5,817,649
STONEBOAT VINEYARDS LTD	82,147
STORM BREWING LIMITED	430,246
STROMA SERVICE CONSULTING INC.	137,576
STUFFED ANIMAL HOUSE, THE	332,945
SUMAC RIDGE ESTATE WINERY LIMITED	7,148,243
SUMMERHILL ESTATE WINERY	438,356
SUMMIT BROOKE CONSTRUCTION CORP	3,549,730
SUMMIT FINE WINES COMPANY	1,852,765
SUNNYCREST MANAGEMENT LTD.	159,340
SUPERIOR PROPANE	36,351
SUTTON PLACE HOTEL, THE	40,871
T H WINES INC	100,803
TANDEM WINE SELECTION INC	55,629
TANNIN FINE WINES LIMITED	27,862
TANTALUS VINEYARDS	30,880
TAVI TEQUILA INC	61,591
TAYLOR HILL AGENCIES LIMITED	400,728
TEAM SALES LIMITED	44,267
TEEMA SOLUTIONS GROUP INC	121,422
TEEPEE HANDICRAFTS LIMITED	168,300
TEKSYSTEMS CANADA INC	58,215
TELUS COMMUNICATIONS COMPANY	146,294
TELUS MOBILITY	188,468
TELUS SERVICES INC	84,672
TERRAROSA IMPORTS INC	75,247
TESSLER & STEIN	34,036
THAT'S LIFE GOURMET LIMITED	578,907
THE GREAT GIFT PAK CO.	30,576
THE VIEW WINERY INC	83,783
THE WINE GROUP	4,492,884

## Schedule of Payments (unaudited)

Supplier Name	Amount
THERAPY VINEYARDS	29,353
THIBODEAU ARCHITECTURE AND DESIGN	73,149
THINK COMMUNICATIONS INC.	157,378
THOMAS ROBERT AGENCY, THE	137,626
THORNHAVEN ESTATE WINERY	53,751
THREE RANGES BREWING COMPANY LTD	201,256
TIN WHISTLE BREWING CO, THE	222,399
TINHORN CREEK VINEYARDS LIMITED	806,010
TOP NOTCH COMMERCIAL REPAIRS	72,831
TOP SHELF DISTRIBUTION LIMITED	42,069
TOR THE OFFICE RESOURCE LTD.	48,397
TORCHLIGHT BREWING INC	56,910
TOTAL GRAPHICS INC	373,984
TOWNSHIP 7 VINEYARDS AND WINERY LTD.	77,316
TOWNSITE BREWING INC.	838,229
TRAIL BAY PROPERTIES LIMITED	136,960
TRANS CANADA LABELS	51,874
TRANSPACIFIC REALTY ADVISORS ITF CALIDO ENTERPRISES LTD	216,017
TREASURY WINE ESTATES CANADA INC.	11,119,516
TREEN SAFETY (WORKSAFE) INC	35,734
TREO PORT MANN	30,930
TRIALTO WINE GROUP LIMITED	5,968,921
TRICOR TRANSPORTATION INC.	768,767
TRILLIUM BEVERAGE INC	1,268,047
TROY LIFE & FIRE SAFETY LTD	29,525
TRUE BLUE WIRE PRODUCTS	59,854
TRUE NORTH COMMERCIAL LP (CORONATION MALL)	51,372
TUFF CITY BREWING LTD	1,649,613
UNILOGIK SYSTEMS INC	220,136
UNISOURCE CANADA INC	133,610
UNITED DISTRIBUTORS OF CANADA	1,045,698
UNTAPPED TRADING INCORPORATED	677,367
UPAKNEE INC	133,085
URBAN DESIGN GROUP ARCHITECTS LIMITED	203,993
URBAN DISTILLERIES INC	25,423
VALEMOUNT HOLDINGS LIMITED	30,056
VALENTINA'S HOLDING CO LIMITED	52,117
VAN KAM FREIGHTWAYS LIMITED	8,792,516
VANCOUVER ISLAND BREWING COMPANY	7,161,904
VANCOUVER NEOLITE LTD.	126,782
VARGAS HOLDINGS CO LIMITED	41,178
VELOSUS SOLUTIONS	1,969,374
VENDEMMIA CONSULTING GROUP INC	116,158
VENUS 2011 IMPORTERS	32,982
VICTOR PROJECTS LIMITED	392,247
VICTORIA REFRIGERATION	26,993
VICTORIA SPIRITS	176,338
VIKAS ENTERPRISES LTD	542,787
VINEQUEST WINE PARTNERS GP LTD	95,909
VINO ALLEGRO WINE IMPORTS INC	437,531

## Schedule of Payments (unaudited)

Supplier Name	Amount
VINTAGE CORKS	1,136,375
VINTAGE TRADE LIMITED	74,325
VINTAGE WEST WINE MARKETING INC	2,957,813
VISUAL VERIFICATION SYSTEMS INC	235,331
WAGLISLA FREIGHT LIMITED PARTNERSHIP	135,917
WAJAX EQUIPMENT	512,607
WALDORF WINE GROUP INC	901,746
WARBURN ESTATE WINERY	30,383
WARRINGTON PCI MANAGEMENT	281,217
WARRINGTON PCI MANAGEMENT ITF	330,590
WEMBLEY MALL	111,707
WERNER SMITH MECHANICAL INC	364,501
WESBROOK PROPERTIES	311,320
WESGROUP PROPERTIES LP	185,656
WESTBIER ENTERPRISES LTD	69,960
WESTERN SALES LIMITED	54,489
WESTLO FINANCIAL CORP	510,107
WHEELHOUSE BREWING COMPANY	149,938
WHITEHALL AGENCIES INC	430,864
WHITEHAVEN WINE COMPANY LTD	499,694
WILD GOOSE VINEYARDS & WINERY	343,964
WILLIAM GRANT & SONS	2,559,065
WILLIAM PREMIUM CIDER	106,093
WINDJAMMER INVESTMENTS LIMITED	42,666
WINE COUNTRY WELCOME CENTRE INC	117,218
WINE PLUS	47,824
WINEQUEST WINE & SPIRIT	102,048
WIS INTERNATIONAL	48,206
WOLF BREWING COMPANY	142,801
WOLRIGE MAHON LLP	63,250
WOOREE TRADING LTD	448,005
WORKSAFE BC	2,226,556
WPCG	254,470
WPS DISASTER MANAGEMENT SOLUTIONS LTD.	44,722
WRAY & NEPHEW CANADA LIMITED	1,685,029
XEROX CANADA LTD	874,125
YALETOWN BREWING CO	45,243
YANNICK TREFFOT	97,804
YELLOW DOG BREWING COMPANY INC	294,108
YOUNG & WYSE COLLECTION INC	32,283
YV TRADE GROUP LTD	28,671
Amounts over \$25,000	1,979,068,478
Amounts \$25,000 and less	4,992,332
Total payments	\$ 1,984,060,810



## Schedule of Payments (unaudited)

<b>Ministry of Finance - Corporate Purchasing Card and Business Travel Account</b>	
AIR CAN	140,589
Payments to suppliers > \$25,000	140,589
Payments to suppliers \$25,000 or less	739,807
Total	\$ 880,396
(Included in Ministry of Finance total of \$15,632,040)	

## Payment to Suppliers Reconciliation (unaudited)

	<b>March 31, 2015</b>
<b>Total of aggregate payments exceeding \$25,000 paid to suppliers</b>	1,979,068,478
<b>Consolidated total of payments of \$25,000 or less paid to suppliers</b>	4,992,332
<b>Total payments to suppliers</b>	1,984,060,810
<b>Reconciling items:</b>	
Employee related payments	137,877,978
Non-cash operating expenses	212,065,948
Supplier payments not included in operating expenses	(8,340,475)
Third party remittances	(347,301,287)
Change in balance sheet accounts	3,867,118
Other	8,888,011
	1,991,118,103
<b>Total per Statement of Revenue and Expenditure</b>	
Cost of Goods Sold	1,670,086,159
Operating Expenses	321,031,944
	1,991,118,103
<b>Variance</b>	\$ -

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

**BRITISH COLUMBIA LIQUOR DISTRIBUTION BRANCH**  
For the Fiscal Year Ended March 31, 2015

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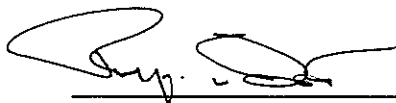
**Statement of Payments for Grants and Contributions**

BC Liquor Distribution Branch paid \$32,612 to various municipalities for fees in lieu of business licenses.

*Prepared under the Financial Information Regulation, Schedule 1, subsection 7(2)*

**Statement of Financial Information Approval**

The undersigned, as authorized by the Financial Information Regulation, Schedule 1, subsection 9(2), approves all the statements and schedules included in this Statement of Financial Information, produced under the *Financial Information Act*.



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Roger M. Bissoondatt, CPA, CA, CMA,  
Chief Financial Officer  
September 30, 2015