

Tourism Prince George  
04.21.2022

PRINCE GEORGE  
RURAL  
URBANITY

# 2021

## ANNUAL REPORT

PRINCE<sup>BC</sup>  
GEORGE



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## MESSAGE FROM THE CHAIR – PAUL ROBISON

### OUR FOCUS GOING FORWARD IS OUR CONTINUED COMMITMENT TO PROMOTE OUR BEAUTIFUL LOCATION AND AMENITIES, SOLIDIFYING OUR POSITION AS THE BASECAMP TO THE NORTH.

As we all continue to navigate through the second year of the global COVID-19 pandemic, we are all looking forward to a light at the end of the tunnel. As the international borders open, restrictions are lifted, and businesses and citizens are slowly getting back to normal, there is new hope for recovery in the hospitality-tourism sector and with all tourism stakeholders. Tourism Prince George has worked diligently to position Prince George as a key location for all types of events and conventions. We are the Basecamp for Northern British Columbia and are proud, not only to be located on the traditional lands of the Lheidli T'enneh First Nation, but to also maintain our excellent working relationship with them.

#### Our focus for success in 2021 and going forward are:

- ▶ Visitor Services – that warm welcome our valued visitors receive from Tourism Prince George and the community;
- ▶ Marketing – our continued commitment to promote our beautiful location and amenities, solidifying our position as the Basecamp to the North;
- ▶ Destination Development – collaborating and facilitating the development of new and enhanced products and experiences;
- ▶ Business Development – working with stakeholders that attract more events to drive overnight visitation;



- ▶ Industry Outreach – continuing to support Prince George as a city that is strategically located and is the supply and service centre for nearly 320,000 people;
- ▶ Organizational Effectiveness – continuing to enhance our organization and provide mentorship to our Board of Directors and Tourism Prince George team.

I am proud to be associated with the amazing Board of Directors and thank them for their commitment and hard work to ensure Tourism Prince George remains “PG Strong”. The Board will ensure professional guidance and support to Tourism Prince George, led by our CEO Colin Carson.

We as a Board are committed to our mission: Operating on the traditional territory of the Lheidli T'enneh First Nation, Tourism Prince George exists to attract visitors, increase their length of stay, encourage them to share their amazing experiences with the world and, ultimately, increase the direct and indirect economic benefits to Prince George and the surrounding Northern Region.

I look forward to an exciting future for tourism and business in 2022 and beyond.

Yours respectfully,

Paul A. Robison

## MESSAGE FROM THE CEO – COLIN CARSON

AS 2021 COMES TO AN END, WE WANT TO SAY THANK YOU TO OUR STAKEHOLDERS WHO SHOWED PERSEVERANCE AND INNOVATION TO CONTINUE TO SHOWCASE OUR COMMUNITY AND OFFER AMAZING EXPERIENCES TO OUR VISITORS.



The COVID-19 pandemic wreaked havoc on our healthcare system, the business world, and the tourism industry. This, coupled with extreme weather patterns throughout British Columbia, had a major effect on visitor leisure travel and sport, meeting, and event hosting. As 2021 comes to an end, we want to say thank you to our stakeholders who showed perseverance and innovation to continue to showcase our community and offer amazing experiences to our visitors. The tourism industry locally, provincially, and nationally has shown signs of recovery and we're hopeful that 2022 can bring some much needed stability to a sector that has lost so much.

### Looking back on 2021, I would like to take this opportunity to highlight some positive stories for the year:

- ▶ Prince George's hotel occupancy was up an estimated 12% from 2020 based on our projections. Although the year has been challenging, we've seen signs of positive trends and we are hopeful that 2022 can continue in this direction.
- ▶ Route 16 Ramble, developed by Six Sigma Productions, won the award for the Best Canadian Film at the Toronto Motorcycle Film Festival. Route 16 is a cooperative marketing initiative between seven partners along Highway 16 to promote motorcycle travel. This campaign began in 2017 and has been steadily growing with guided motorcycle tours scheduled to begin in 2022.
- ▶ Our website launched the ability to have direct hotel room bookings. This tool has been a request from the accommodations in Prince George and allows travelers planning their trip to book directly on the Tourism Prince George website. The website produced 339 hotel referrals with an estimated booking revenue of approximately \$8,211.
- ▶ Three movie productions, A Great North Christmas, The Way to the Heart, and Within the Grip were filmed in Prince George. Not only did the filming take place in the city but two movies are set in Prince George, giving our community even more exposure.



- ▶ During the summer, Tourism Prince George took to the streets! In lieu of operating the Visitor Centre on Saturdays, the Tourism Prince George team delivered visitor services and promoted the brand at local events.
- ▶ For stretches of the year, we were unable to market Prince George as a destination due to travel restrictions. During that time, we were busy gathering content to promote local stakeholders giving them access to new marketing materials for future use.

2022 is shaping up to be an exciting year for Tourism Prince George and the industry. Large scale events are being planned and we look forward to the reopening of borders to allow international visitors to return in a safe manner and to hosting in-person events. In 2022, Tourism Prince George will also move into our new Strategic Plan that will guide us over the next five years while focusing on key pillars that will drive visitation and improve the visitor experience in Prince George. We are also looking forward to continuing our strong partnerships with the City of Prince George, the Lheidli T'enneh First Nation,

Northern BC Tourism Association, and all of our stakeholders.

Lastly, I want to thank the Tourism Prince George team, Board of Directors, tourism stakeholders, and all partners who came together as a community during these unprecedented times. Looking forward, Tourism Prince George will continue to work together with all levels of government, industry, and associations in recovery efforts to ensure a resilient tourism sector.

Sincerely,

Colin Carson

# 03

## MISSION, VISION & VALUES

### MISSION

Operating on the traditional territory of the Lheidli T'enneh First Nation, Tourism Prince George exists to attract visitors, increase their length of stay, encourage them to share their amazing experiences with the world and, ultimately, increase the direct and indirect economic benefits to Prince George and the surrounding region.

### VISION

Our vision is for Prince George to be BC's year-round "Northern Gateway to Adventure", a vibrant destination known for its diverse wilderness experiences, urban adventures and iconic events.

### VALUES

Our decisions are guided by the following core values:

- ▶ **Welcoming:** We are excited to welcome the world and offer amazing experiences.
- ▶ **Proud:** We are proud of Prince George and the contribution that we make to our incredible community.
- ▶ **Collaborative/Inclusive:** We foster open communication, inclusiveness, teamwork and community engagement, ultimately building trust with our stakeholders and regional partners.
- ▶ **Accountable:** We are dedicated to operating in a transparent and fiscally responsible manner.
- ▶ **Responsible:** We strive to operate and encourage our stakeholders to operate in an environmentally, socially and economically sustainable manner.
- ▶ **Progressive:** We monitor emerging best practices for DMO management and operations, and adopt new practices that will help us excel.

## 2021 BOARD OF DIRECTORS

**Paul Robison** – Chair  
Super 8 Prince George

**Elke Hierl-Steinbauer** – Vice-Chair  
Bon Voyage Motor Inn

**Doug Bell** – Secretary  
Northern Lights Estate Winery

**Jamie Valcourt** – Treasurer  
Courtyard by Marriott

**Lauren Phillips**  
Overhang Education Centre

**Crystal Gibbs**  
Lheidli T'enneh First Nation

**Arun Mutalik**  
Coast Prince George Hotel by APA

**Julie Rogers**  
City of Prince George

**Bailey Hoefels**  
Trench Brewing & Distilling

**Gordon Duke**  
Prince George Airport Authority

**Connor Bull**  
Prestige Treasure Cove Resort



## STAFF FOR 2021

**Colin Carson**  
Chief Executive Officer

**Sarah Kirk**  
Director, Corporate Services

**Annie Doran**  
Director, Marketing & Visitor Experience

**Sherry McKay**  
Specialist, Visitor Services

**Carmen Herman**  
Specialist, Business Development

**Kirstyn Wallace**  
Specialist, Marketing

**Emily Woodland**  
Marketing Assistant (part-time)

\*Note these positions are as of December 31, 2021.

# 05

## GOALS & OBJECTIVES



Tourism Prince George / Graeme Paterson

Tourism Prince George / Bill Campbell





## GOALS & OBJECTIVES

From the 2020-2024 Strategic Plan Tourism Prince George identified key target areas of focus for:

**Destination Development** We will have accessible and desirable products during all seasons that are available to a wide range of visitors in the leisure market including Indigenous, arts & culture, and adventure experiences through industry engagement, training, and experience development tactics.

**Sport Tourism** We will develop services, partnerships, and promotional programs in the Sport Tourism sector that build Prince George’s capacity to host successful sporting events year-round.

**Meetings and Conventions** We will develop services, partnerships, and promotional programs in the Meetings and Conventions sector that build Prince George’s capacity to host successful events year-round.

**Marketing** We will promote the positive image of Prince George through engagement and continuing to build a compelling brand in core and niche markets.

**Visitor Services** We will provide excellent customer service and support local tourism stakeholders in delivering professional services to visitors.

**Organizational Effectiveness** We will increase the capacity and effectiveness of Tourism Prince George in the following areas – governance, engagement, staff capabilities, policies, and procedures.

## OVERARCHING GOALS

Four overarching goals for Tourism Prince George are listed below. The work done annually is to further these outcomes:

TOURISM PRINCE GEORGE OVERARCHING GOAL	➔	MEASUREMENT OF SUCCESS
Increase the net promoter score year-over-year	➔	Changes in the net promoter score
Increase tourism revenues by 5% annually	➔	Changes in MRDT revenue
Increase the overall market readiness of the destination	➔	Changes in the number of market and export ready experiences
Increase in stakeholder satisfaction	➔	Changes in stakeholder satisfaction as reflected in periodic stakeholder surveys

# RESULTS FROM KEY AREAS

Tourism Prince George / Paul Alberts



## DESTINATION DEVELOPMENT 2021 SUMMARY

- ▶ Destination development is the management of the supply of tourism products and experiences. This process is not done in isolation and it is very collaborative. In order for a destination to realize sustainable, responsible tourism growth many partnerships are necessary. This continued in 2021. Destination development is the long game and most tactics take years to realize and need fostering annually.
- ▶ Tourism Prince George continued to participate in the development of a Northern BC Tourism Ten-Year Destination Development Strategy with participation on both the Northeast and Northwest Advisory Committees. This strategy addresses experience development, infrastructure, signage, transportation, policy needs, business training, and labour market issues. Both Advisory Committees have identified a Northern Circle Route Signage Strategy as its first tactic.
- ▶ In collaboration with the College of New Caledonia's Tourism & Hotel Management Post-Diploma Practicum Program and Northern BC Tourism Association, research was conducted in the following areas: Net Promoter Score, sustainable tourism, itinerary planning, digital readiness, explorer quotient matches, and digital auditing.
- ▶ Tourism Prince George continues to work with the Lheidli T'enneh First Nation to assist in the development of its tourism strategy. Projects completed for 2021 were:
  - Collection of video and photo assets of the Uda Dune Baiyoh House of Ancestors Conference Centre for promotional purposes.
  - Support of an entrepreneurship session, facilitated by Indigenous Worx, for Lheidli T'enneh First Nation Band Members that are interested in developing a tour of the Ancient Forest/Chun T'oh Whudujut Provincial Park.
- ▶ Tourism Prince George continues to work with the BC Destination Marketing Organization Association, the BC Hotel Association, and the Tourism Association Industry of BC on tourism advocacy to all levels of government.
- ▶ A Memorandum of Understanding was signed with Spinal Cord Injury BC to document and evaluate the accessibility of Prince George. All documentation will be uploaded to the AccessNow Application that will allow potential visitors to choose hotels, attractions, and restaurants that meet their accessibility needs.



## SPORT TOURISM 2021 SUMMARY

- ▶ As all sports tournaments stopped during COVID-19 the focus shifted to gathering research, information, and keeping informed on issues from the local, provincial, and national level.
- ▶ Tourism Prince George filled the position of Specialist, Business Development in September 2021. This position will be responsible for both the sport tourism and meetings and conventions portfolios.
- ▶ Input was provided to assist with safe restart strategies and other policy creation for sports as well as assisting with opportunities to keep two-way communication flowing.
- ▶ Tourism Prince George hired a consultant that delivered a strategy on event attraction, with sport events playing a major role.
- ▶ Sporting events that were confirmed in 2021:
  - 2022 Canadian National Biathlon Championships – March 11th-18th at the Caledonia Nordic Ski Club.
  - 2022 World Women’s Curling Championships – March 19th-27th at the CN Centre.
  - 2022 BC Summer Games – July 21st-24th at various venues.
  - 2022 Canadian Native Fastball Championships – July 29th-August 1st at Spruce City Stadium.

## MEETINGS & CONVENTIONS 2021 SUMMARY

- ▶ All in-person meetings were halted and citywide facilities were eventually closed for conferences and large gatherings. The Prince George Conference and Civic Centre remained the vaccination clinic for Northern Health Authority throughout 2021.
- ▶ Tourism Prince George filled the position of Specialist, Business Development in September 2021. This position will be responsible for both the sport tourism and meetings and conventions portfolios.
- ▶ Input was provided to assist with safe restart strategies and other policy creation for conferences as well as assisting with opportunities to keep two-way communication flowing.
- ▶ Tourism Prince George hired a consultant that delivered a strategy on event attraction, with conference attraction playing a major role.
- ▶ Promotion of Prince George as a destination for conferences kicked off again in the fall of 2021 with Requests for Proposals being posted for four conferences.



Tourism Prince George

## MARKETING 2021 SUMMARY

- ▶ Tourism Prince George followed Destination Canada and Destination BC's response, recovery, and resiliency model during COVID-19. Marketing and messaging was focused on regional, local, and BC audiences. Until June 15, 2021, no marketing was permitted to encourage travel.
- ▶ An emphasis was on content development, asset curation and collection, refinement of brand, and streamlining marketing processes and strategies due to the restrictions on promotions. A total of 750 full-rights photography assets and 100 short b-roll clips were created.
- ▶ Tourism Prince George continued to provide sector support (fishing, mountain biking, camping, culinary, ski, and golfing) in the areas of content creation, digital promotions, and various campaigns.
- ▶ Data migration of all owned assets to the Crowdriff database was completed as well as curation of shared assets through Media Hub.



## BY THE NUMBERS - CAMPAIGNS

- ▶ Brand campaign ran June 15th to September 15th in BC markets, adults 25+. Programmatic video and banner ads generated over 100,000 impressions, 1,700 clicks, and 0.17% click through rate. Complimentary social ads also ran on Facebook and Instagram.
- ▶ A new tent, 2 table clothes, 2 pop up banners, media background, vehicle wrap, and branded merchandise were rolled out in 2021.
- ▶ Route 16 ran one programmatic campaign (video & banner ads) from June 1st to July 31st generating 490,000 impressions, 558 clicks, and 0.11% click through rate. This campaign targeted BC residents, adults 25+.
- ▶ The second programmatic Route 16 campaign targeted Alberta residents, 25+. The (video & banner ads) campaign ran July 6th to September 2nd and generated 806k impressions, 1,055 clicks, and 0.13% click through rate.



Route 16 / Jong Sun Park



## BY THE NUMBERS – WEBSITE & SOCIAL MEDIA

- ▶ Ride North (mountain bike) campaign August 14th to September 25th ads total 1,600 conversions, over 2 million total impressions, 41,000 ad clicks, 2.09% click through rate, and 30,000 landing page visits. Target markets included BC, Alberta, Ontario, Quebec, and Washington.
- ▶ Fishing campaign “Campers Cup” ran the month of September in the Northern BC region. 20 participants entered the tournament and received Tourism Prince George prize packages.
- ▶ Go North (camping) - Programmatic & Social Campaign ran July & August in BC (65%) and Alberta (35%). Over 1 million impressions, 9,200 clicks, and 0.78% click through rate.
- ▶ Stakeholder Features - 6 stakeholder features were produced including photo, video, and social media assets. These were promoted through social media channels and shared with stakeholders for self-promotion.

- ▶ Check-In Canada functionality has been added to the website as an accommodation booking engine.
- ▶ 22 new blogs produced and published.
- ▶ 87K total page views in 2021 by 42,000 users.
- ▶ Traffic acquired through search 42% of the time, 24% direct link, and 14% social media.
- ▶ Domestic travel interest remains high. 80% of web traffic from Canada, 8% USA, and 2% China.
- ▶ Instagram takeovers ran May to September. 16 themes were featured for a total of 71 businesses. The campaign saw 114K impressions and 7.4K engagements by audiences.





## VISITOR SERVICES 2021 SUMMARY

- ▶ The Visitor Information Centre operations were impacted as the centre was closed the first half of 2021 during the second wave of the COVID-19 pandemic.
- ▶ The Visitor Information Centre reopened on June 7th and three seasonal staff were hired with support from the Service Canada Summer Jobs program.
- ▶ Visitor servicing continued through emails, calls, and digital engagement through our social media with 230 email inquiries received in 2021.
- ▶ Shopify was a new tool implemented in 2021 to reach visitors outside of the community to access souvenirs and to better control inventory.
- ▶ Over \$27,000 in merchandise was sold in 2021 (\$18,852.11 sold in-person at events or at the Visitor Information Centre and \$7,595.43 online). \$967.28 in hoodies and socks were sold to businesses within the community
- ▶ Instagram stories and reels was another tool adopted to reach virtual audiences and promote local stakeholders, events, and merchandise.
- ▶ Consultants completed an evaluation of the visitor services structure and location of the Visitor Information Centre. The visitor centre relocation is ongoing, as Tourism Prince George continues to evaluate locations.
- ▶ Tourism Prince George provided mobile services at 12 events and interacted with nearly 3,000 guests,



Tourism Prince George / Darrin Rigo



## ORGANIZATIONAL EFFECTIVENESS 2021 SUMMARY

- ▶ In 2021, our goal was to continue to increase the capacity and effectiveness of Tourism Prince George in the areas of governance, staff capabilities, and policies and procedures.
- ▶ The Board of Directors continued to provide effective governance by ensuring that Board composition represented diverse sectors in the tourism industry and recruiting Directors with specific skills according to the Board Skills Matrix.
- ▶ The Board continued to monitor internal and external factors that could impact Tourism Prince George and its stakeholders by regularly reviewing and updating the Society's Risk Register.
- ▶ In 2021, in collaboration with the Lheidli T'enneh First Nation and the City of Prince George, the Board and staff participated in Module #1 of the Lheidli T'enneh First Nation Cultural Competency Training.
- ▶ We continued to develop staff capabilities by attracting, developing, and retaining team members who are enthusiastic, capable, and feel valued. In 2021, an organization restructure was completed to align with the new Five-Year Strategic Plan (2022-2026) which was finalized in the fall. The staff also participated in a one-day team building session.
- ▶ In collaboration with the City of Prince George, a new Five-Year MRDT Application was submitted to the Province to coincide with the 2022-2026 Strategic Plan. Approval was received March 1, 2022.
- ▶ In 2021, we continued to refine and create new relevant policies, procedures, and systems such as:
  - Onboarding of a new customer relationship management system (Simpleview) that will be used to streamline data and internal/external communications.
  - Onboarding of Act On and a new look for the B2B newsletter. With the hiring of a Specialist, Communications & Stakeholder Engagement, our goal for 2022 is to increase stakeholder outreach and the number of newsletter subscribers.
  - Ongoing updates to the Board Governance Policy Manual including the development of a Media Relations Policy.
  - Ongoing updates to the Employee Policies & Procedures policy to coincide with updated COVID-19 safety plans and the BC Employment Standards Act.
- ▶ Tourism Prince George continues to provide timely, accurate, and transparent submissions of various reports (MRDT, financial statements, performance related to annual tactical and strategic plan) to Destination BC, City of Prince George, and other partners.

07

**APPENDIX A**



Tourism Prince George

**Tourism Prince George  
Financial Statements**

*December 31, 2021*



# Tourism Prince George Contents

*For the year ended December 31, 2021*

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To the of Tourism Prince George:

## Opinion

We have audited the financial statements of Tourism Prince George (the "Society"), which comprise the statement of financial position as at December 31, 2021, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

## Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Prince George, British Columbia

April 1, 2022

*MNP* LLP

Chartered Professional Accountants

**Tourism Prince George**  
**Statement of Financial Position**  
*As at December 31, 2021*

	<b>2021</b>	2020
<b>Assets</b>		
<b>Current</b>		
Unrestricted cash	451,743	534,702
Accounts receivable	359,063	274,784
Inventory	25,895	17,389
Prepaid expenses and deposits	14,592	16,759
	<b>851,293</b>	843,634
<b>Restricted investments (Note 3)</b>	<b>1,160,965</b>	558,301
<b>Tangible capital assets (Note 4)</b>	<b>37,339</b>	40,276
<b>Intangible assets (Note 5)</b>	<b>153,463</b>	131,509
	<b>2,203,060</b>	1,573,720
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accruals	113,363	97,585
Government remittance payable	43,114	42,971
Deferred contributions (Note 6)	74,778	69,315
	<b>231,255</b>	209,871
<b>Commitments (Note 7)</b>		
<b>Net Assets</b>		
Invested in tangible capital and intangible assets	190,800	171,782
Internally restricted (Note 8)	1,160,965	558,301
Unrestricted	620,040	633,766
	<b>1,971,805</b>	1,363,849
	<b>2,203,060</b>	1,573,720

Approved on behalf of the Board  
e-Signed by Colin Carson  
2022-04-01 15:52:57:57 MDT

Director

**Tourism Prince George**  
**Statement of Operations**  
*For the year ended December 31, 2021*

	<b>2021</b>	<b>2020</b>
<b>Revenue</b>		
Hotel room tax grant	1,332,401	963,549
City of Prince George - Service agreement	327,000	327,000
Province of British Columbia	253,927	95,282
Partnership programs	47,305	14,707
Merchandise sales	25,590	13,778
Federal government	9,059	11,416
Advertising	100	47,610
Sales commission	-	729
	<b>1,995,382</b>	1,474,071
<b>General and administrative expenses</b> <i>(Schedule 1)</i>	<b>1,390,332</b>	1,356,051
<b>Excess of revenue over expenses before other income</b>	<b>605,050</b>	118,020
<b>Other income (expense)</b>		
Interest income	2,906	5,471
DMO relief funding	-	167,600
CEWS funding	-	174,488
	<b>2,906</b>	347,559
<b>Excess of revenue over expenses</b>	<b>607,956</b>	465,579

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

**Tourism Prince George**  
**Statement of Changes in Net Assets**  
*For the year ended December 31, 2021*

	<i>Invested in tangible capital and intangible assets</i>	<i>Internally restricted</i>	<i>Unrestricted</i>	<i>2021</i>	<i>2020</i>
<b>Net assets, beginning of year</b>	<b>171,782</b>	<b>558,301</b>	<b>633,766</b>	<b>1,363,849</b>	898,270
<b>Excess of revenue over expenses</b>	-	-	<b>607,956</b>	<b>607,956</b>	465,579
<b>Interfund transfers</b>	-	<b>600,000</b>	<b>(600,000)</b>	-	-
<b>Interest earned on restricted investments</b>	-	<b>2,664</b>	<b>(2,664)</b>	-	-
<b>Acquisition of tangible capital assets</b>	<b>7,770</b>	-	<b>(7,770)</b>	-	-
<b>Amortization of tangible capital assets</b>	<b>(10,706)</b>	-	<b>10,706</b>	-	-
<b>Intangible assets additions funded by operations</b>	<b>45,350</b>	-	<b>(45,350)</b>	-	-
<b>Amortization of intangible assets</b>	<b>(23,396)</b>	-	<b>23,396</b>	-	-
<b>Net assets, end of year</b>	<b>190,800</b>	<b>1,160,965</b>	<b>620,040</b>	<b>1,971,805</b>	1,363,849

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

**Tourism Prince George**  
**Statement of Cash Flows**  
*For the year ended December 31, 2021*

	<b>2021</b>	<b>2020</b>
<b>Cash provided by (used for) the following activities</b>		
<b>Operating</b>		
Excess of revenue over expenses	<b>607,956</b>	465,579
Amortization - tangible capital assets	<b>10,706</b>	26,196
Amortization - intangible assets	<b>23,396</b>	10,035
Interest earned on restricted investments	<b>(2,664)</b>	(5,296)
	<b>639,394</b>	496,514
Changes in working capital accounts		
Accounts receivable	<b>(84,279)</b>	16,867
Inventory	<b>(8,506)</b>	(8,697)
Prepaid expenses and deposits	<b>2,167</b>	90,105
Accounts payable and accruals	<b>15,778</b>	984
Government remittance payable	<b>144</b>	(9,412)
Deferred contributions	<b>5,463</b>	20,970
	<b>570,161</b>	607,331
<b>Investing</b>		
Purchase of tangible capital assets funded by operations	<b>(7,770)</b>	(14,415)
Purchase of intangible assets funded by operations	<b>(45,350)</b>	(66,766)
Purchase of restricted investments	<b>(600,000)</b>	(200,000)
	<b>(653,120)</b>	(281,181)
<b>Increase (decrease) in unrestricted cash resources</b>	<b>(82,959)</b>	326,150
<b>Unrestricted cash resources, beginning of year</b>	<b>534,702</b>	208,552
<b>Unrestricted cash resources, end of year</b>	<b>451,743</b>	534,702

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

**1. Incorporation and nature of the organization**

The purpose of Tourism Prince George (the “Society”) is to promote and market tourism in the Prince George area. The Society evaluates, develops, and implements marketing programs on behalf of various industry stakeholders. The Society is also responsible for visitor services activities within the Prince George area. The Society is incorporated under the Society Act (British Columbia) and is a non-profit organization pursuant to Section 149(1)(l) of the Income Tax Act.

*Impact on operations of COVID-19 (coronavirus)*

In early March 2020 the impact of the global outbreak of COVID-19 (coronavirus) began to have a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders.

The Society's operations were impacted by COVID-19 due to the restrictions on travel, reduction in access to destination taxes collected from hotels, cancellation of events and overall decline in the tourism industry as a result of the pandemic.

At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Society as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, we anticipate this outbreak may cause reduced revenues from hotel taxes, supply chain disruptions, staff shortages, and increased government regulations, all of which may negatively impact the Society's operations and financial condition.

**2. Significant accounting policies**

The financial statements of the Society have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant policies:

***Restricted investments***

Restricted investments are stated at fair value and consist of short-term guaranteed investment certificates (“GIC’s”). In determining fair values, adjustments have not been made for transaction costs. The difference between the fair value and cost of investments at the beginning and end of each year is reflected under internally restricted in the statement of changes in net assets.

***Inventory***

Inventory is valued at the lower of cost and net realizable value, with cost determined on a first-in, first-out basis. Net realizable value is the estimated selling price less the estimated costs necessary to make the sale.

***Tangible capital assets***

Purchased tangible capital assets are recorded at cost. Contributed tangible capital assets are recorded at fair value at the date of contribution plus all costs directly attributable to the acquisition.

Amortization is provided using the declining balance method at rates intended to amortize the cost of assets over their estimated useful lives.

	<b>Rate</b>
Automotive	30 %
Computer equipment	55 %
Furniture and fixtures	20 %

***Impairment of tangible capital assets***

When a tangible capital asset no longer has any long-term service potential to the Society, the excess of its net carrying amount over any residual value should be recognized as an expense in the statement of operations. A write-down should not be reversed.



2. **Significant accounting policies** (Continued from previous page)

***Intangible assets***

Separately acquired intangible assets are recorded at cost which includes all amounts that are directly attributable to the purchase and preparation of the asset for its intended use. Amortization is recognized straight-line over the asset's useful life. The useful life of the brand development asset is estimated to be 7 years and the useful life of the Visitor Experience Guide is estimated to be 3 years.

***Impairment of intangible assets***

When an intangible asset no longer has any long-term service potential to the Society, the excess of its net carrying amount over any residual value should be recognized as an expense in the statement of operations. A write-down should not be reversed.

***Revenue recognition***

Unrestricted sources of income are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated or collection is reasonably assured. Contributions restricted internally or by donors for specific purposes are deferred to the extent that they are unexpended at the year-end. When expenditures are made in subsequent years, related deferred contributions are amortized and recorded as revenue in the statement of operations.

***Measurement uncertainty (use of estimates)***

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Provisions are made for slow moving and obsolete inventory. Amortization is based on the estimated useful lives of tangible capital assets and intangible assets.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the financial statements of changes in such estimates and assumptions in future years could be material. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues over expenses in the years in which they become known.

***Financial instruments***

The Society recognizes its financial instruments when the Society becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management. Financial assets and liabilities originated and issued in all other related party transactions are initially measured at their carrying or exchange amount in accordance with Section 3840 *Related Party Transactions*.

At initial recognition, the Society may irrevocably elect to subsequently measure any financial instrument at fair value. The Society has made such an election during the year.

The Society subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those designated in a qualifying hedging relationship or that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost less impairment. With the exception of financial liabilities indexed to a measure of the Society's performance or value of its equity and those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in the excess of revenues over expenses for the current period. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

**Tourism Prince George**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2021*

**2. Significant accounting policies** (Continued from previous page)

**Financial asset impairment**

The Society assesses impairment of all of its financial assets measured at cost or amortized cost. The Society groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group; there are numerous assets affected by the same factors; no asset is individually significant. Management considers whether the issuer is having significant financial difficulty; whether there has been a breach in contract, such as a default or delinquency in interest or principal payments in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Society determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year. If so, the Society reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets; and the amount expected to be realized by exercising any rights to collateral held against those assets. Any impairment, which is not considered temporary, is included in current year excess of revenues over expenses.

The Society reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in the excess of excess in the year the reversal occurs.

**3. Restricted investments**

Restricted investments are comprised of guaranteed investment certificates with interest rates ranging from 0.28% to 0.60% (2020 - 0.45%) and maturing between February and December 2022. These investments are internally restricted by the Board of Directors.

**4. Tangible capital assets**

	<i>Cost</i>	<i>Accumulated amortization</i>	<i>2021 Net book value</i>	<i>2020 Net book value</i>
Automotive	43,522	42,477	1,045	1,493
Computer equipment	82,180	72,008	10,172	6,130
Furniture and fixtures	174,688	148,566	26,122	32,653
	<b>300,390</b>	<b>263,051</b>	<b>37,339</b>	<b>40,276</b>

**5. Intangible assets**

	<i>2021</i>	<i>2020</i>
Brand development	114,557	131,509
Visitor Experience Guide	38,906	-
	<b>153,463</b>	<b>131,509</b>

Amortization of \$23,396 (2020 – \$10,035) related to intangible assets is included in current year earnings.

**Tourism Prince George**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2021*

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**6. Deferred contributions**

Deferred contributions consist of unspent contributions externally restricted for the purpose of specific projects. Recognition of these amounts as revenue is deferred to periods when the specified expenditures are made. Changes in the deferred contribution balance are as follows:

	2021	2020
Balance, beginning of year	69,315	48,345
Destination BC - Route 16	47,528	36,815
Partnership Income - Route 16	-	32,500
MRDT Operating Grant - January 2022	27,250	-
Less: Amount recognized as revenue during the year	<b>(69,315)</b>	<b>(48,345)</b>
Balance, end of year	<b>74,778</b>	<b>69,315</b>

**7. Commitments**

The Society has entered into operating leases for office equipment which expire between April and September 2022.

The Society has entered into an agreement for the lease of their premises including repairs and maintenance and use of signs expiring December 2022. The agreement also provides for the payment of additional rent based on a certain percentage of the operating expenses of the lessor.

The minimum lease payments in the next year are as follows:

2022	57,582
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**8. Internally restricted**

Restricted reserve funds provide an operational and organizational contingency for a defined period and can also be used for one-time usage on special projects, programs, and operational needs as prioritized in the strategic plan of Tourism Prince George for the specific goal of driving visitor revenue and economic growth to the City of Prince George.

During the year, the Directors resolved to transfer \$600,000 from the unrestricted fund to the restricted fund.

**9. Economic dependence**

The Society is dependent upon the provision of operations funding from the City of Prince George and the allocation of the hotel room tax grants from the City of Prince George as they are the Society's primary sources of revenue. The loss of this relationship would have a significant impact on the Society's operations.

**10. Financial instruments**

***Financial assets***

The Society's financial assets consist of unrestricted cash, restricted investments and accounts receivable. All of these financial assets except restricted investments are measured at amortized cost. Restricted investments are measured at fair value.

***Credit risk***

The Society has a long history of dealing with its diverse client base and does not believe it is exposed to an unusual level of credit risk with respect to its accounts receivable.

**10. Financial instruments** *(Continued from previous page)*

***Liquidity risk***

The Society's objective is to have sufficient liquidity to meet its liabilities when due. The Society monitors its cash balances and cash flows generated from operations to meet its requirements. As at December 31, 2021, the most significant financial liabilities are accounts payable and accruals.

***Interest rate risk***

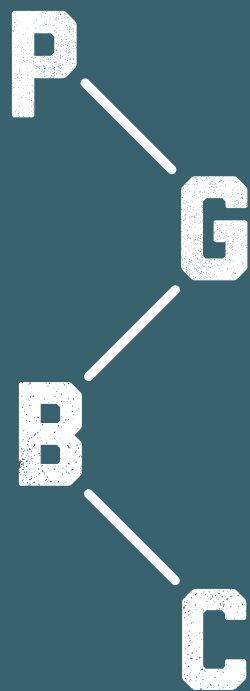
The Society is exposed to interest rate risk on its fixed rate financial instruments due to changes in fair value and changes in interest cash flows. The maturity dates of the fixed rate guaranteed investment certificates included in restricted investments are within one year. Interest income is not a material source of revenue for the Society. The exposure to interest rate risk is therefore minimal.

**11. Subsequent event**

On February 28, 2022, the City of Prince George renewed the agreement with the Province of British Columbia for allocation of Designated Accommodation Area Tax Regulation for a five year period ending in 2027.

**Tourism Prince George Society**  
**Schedule 1 –Schedule of Expenses**  
For the year ended December 31, 2021

	<i>2021</i>	<i>2020</i>
<b>Operating</b>		
Amortization – tangible capital assets	10,706	26,196
Amortization – intangible assets	23,396	10,035
Bad debts (recovery)	669	—
Bank charges and interest	3,850	4,301
Board expenses	1,525	2,167
Insurance	5,329	6,093
Internet and computer services	6,266	6,555
Merchandise purchases	18,969	10,301
Office expenses	40,469	28,530
Professional fees	28,540	22,461
Rent	55,123	55,110
Repairs, maintenance and security	114,541	54,304
Telephone	7,661	7,512
Vehicle expenses	9,171	4,555
Visitor service program	58,214	32,817
	<b>384,429</b>	<b>270,938</b>
<b>Salaries</b>		
Training and professional development	7,105	6,840
Wages and benefits	506,879	619,829
	<b>513,984</b>	<b>626,668</b>
<b>Marketing</b>		
Advertising	339,487	287,601
Destination development	45,528	50,690
Marketing memberships	35,965	4,705
Event attraction	64,881	99,209
Website	6,058	16,240
	<b>491,919</b>	<b>458,445</b>
	<b>1,390,332</b>	<b>1,356,051</b>



**THE BEST WAY  
TO CONTACT US**

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