

# **Ontario Tourism Marketing Partnership Corporation**

(operating as Destination Ontario)

## **Financial Statements**

**For the Year Ended March 31, 2024**

**Ontario Tourism Marketing  
Partnership Corporation**

(operating as Destination Ontario)

**Financial Statements**

**For the year ended March 31, 2024**

---

**Contents**

|                                     |        |
|-------------------------------------|--------|
| <b>Management Report</b>            | 1      |
| <b>Independent Auditor's Report</b> | 2 – 3  |
| <b>Financial Statements</b>         |        |
| Statement of Financial Position     | 4      |
| Statement of Operations             | 5      |
| Statement of Changes in Net Assets  | 6      |
| Statement of Cash Flows             | 7      |
| Notes to Financial Statements       | 8 – 13 |

# Ontario Tourism Marketing Partnership Corporation

(operating as Destination Ontario)

---

## Management Report

---

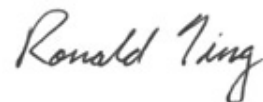
The accompanying financial statements are the responsibility of the management of the Ontario Tourism Marketing Partnership Corporation. The financial statements have been prepared by management in accordance with Canadian Public Sector Accounting Standards. The statements include certain amounts based on estimates and judgements. Management has determined such amounts on a reasonable basis in order to ensure that the financial statements are presented fairly, in all material respects.

Management maintains a system of internal accounting and administrative control that is designed to provide reasonable assurance the financial information is relevant, reliable and accurate and that the Corporation's assets are properly accounted for and adequately safeguarded.

The financial statements have been audited by Deloitte LLP, a firm of independent external auditors appointed by the Board of Directors, whose report follows.



Vincenza Ronaldi  
President and CEO  
June 19, 2024



Ronald Ting  
Treasurer  
June 19, 2024

## Independent Auditor's Report

To the Board of Directors of  
Ontario Tourism Marketing Partnership Corporation

### Opinion

We have audited the financial statements of Ontario Tourism Marketing Partnership Corporation (operating as Destination Ontario) (the "Corporation"), which comprise the statement of financial position as at March 31, 2024, 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 (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). 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 Corporation 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 public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Corporation'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 GAAS 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 GAAS, 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 Corporation'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 Corporation'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 Corporation 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.

The signature "Deloitte LLP" is written in a cursive, handwritten style in black ink.

Chartered Professional Accountants  
Licensed Public Accountants  
June 19, 2024

**ONTARIO TOURISM MARKETING PARTNERSHIP CORPORATION**

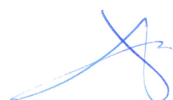
(operating as Destination Ontario)

**Statement of Financial Position**

|                                                     | <b>March 31<br/>2024<br/>(\$ 000)</b> | <b>March 31<br/>2023<br/>(\$ 000)</b> |
|-----------------------------------------------------|---------------------------------------|---------------------------------------|
| <b>ASSETS</b>                                       |                                       |                                       |
| <b>Current</b>                                      |                                       |                                       |
| Cash                                                | <b>3,938</b>                          | 6,931                                 |
| Accounts receivable (Note 3)                        | <b>883</b>                            | 894                                   |
| Prepaid expenses                                    | <b>34</b>                             | 9                                     |
|                                                     | <b>4,855</b>                          | 7,834                                 |
| <b>Capital assets (Note 4)</b>                      | <b>128</b>                            | 492                                   |
|                                                     | <b>4,983</b>                          | 8,326                                 |
| <b>LIABILITIES AND NET ASSETS</b>                   |                                       |                                       |
| <b>Current</b>                                      |                                       |                                       |
| Accounts payable and accrued liabilities            | <b>3,331</b>                          | 7,131                                 |
| Obligation for retirement benefits (Note 2h)        | <b>294</b>                            | 311                                   |
| Deferred revenue (Note 5)                           | <b>25</b>                             | 125                                   |
|                                                     | <b>3,650</b>                          | 7,567                                 |
| <b>Obligation for retirement benefits (Note 2h)</b> | <b>592</b>                            | 696                                   |
| <b>Deferred capital contributions (Note 6)</b>      | <b>1</b>                              | 12                                    |
|                                                     | <b>593</b>                            | 708                                   |
|                                                     | <b>4,243</b>                          | 8,275                                 |
| <b>Net assets (deficiency)</b>                      |                                       |                                       |
| Unrestricted fund                                   | <b>613</b>                            | (429)                                 |
| Investment in capital assets                        | <b>127</b>                            | 480                                   |
|                                                     | <b>740</b>                            | 51                                    |
|                                                     | <b>4,983</b>                          | 8,326                                 |

**Commitments (Note 10)**

Approved on behalf of the board:



Board Chair



Member, Audit Committee

The accompanying notes are an integral part of these financial statements

---

**ONTARIO TOURISM MARKETING PARTNERSHIP CORPORATION**

(operating as Destination Ontario)

**Statement of Operations**

| <b>For the year ended March 31</b>                   | <b>2024</b><br><b>(\$ 000)</b> | <b>2023</b><br><b>(\$ 000)</b> |
|------------------------------------------------------|--------------------------------|--------------------------------|
| <b>Revenues</b>                                      |                                |                                |
| Province of Ontario grant (Note 7)                   | <b>33,063</b>                  | 33,077                         |
| Advertising sales                                    | <b>2,447</b>                   | 2,430                          |
| Interest income                                      | <b>403</b>                     | 354                            |
| Travel Information Services - sales                  | <b>317</b>                     | 270                            |
| Amortization of deferred capital contribution        | <b>11</b>                      | 26                             |
|                                                      | <b>36,241</b>                  | 36,157                         |
| <b>Expenses</b>                                      |                                |                                |
| Advertising and marketing                            | <b>19,741</b>                  | 22,863                         |
| Administration (Note 8)                              | <b>7,633</b>                   | 7,935                          |
| Travel Information Services (Note 9)                 | <b>5,317</b>                   | 5,576                          |
| Partnerships and sales                               | <b>1,479</b>                   | 2,623                          |
| Technology operations                                | <b>522</b>                     | 896                            |
| Research                                             | <b>414</b>                     | 353                            |
| Amortization of capital assets                       | <b>400</b>                     | 656                            |
| Board and committee expenses (Note 12)               | <b>46</b>                      | 9                              |
|                                                      | <b>35,552</b>                  | 40,911                         |
| <b>Excess (deficiency) of revenues over expenses</b> | <b>689</b>                     | (4,754)                        |

The accompanying notes are an integral part of these financial statements

---

**ONTARIO TOURISM MARKETING PARTNERSHIP CORPORATION**

(operating as Destination Ontario)

**Statement of Changes in Net Assets**

For the year ended March 31

---

|                                                            | <b>Unrestricted<br/>Fund<br/>(\$ 000)</b> | <b>Investment<br/>in Capital<br/>Assets<br/>(\$ 000)</b> | <b>2024<br/>Total<br/>(\$ 000)</b> | <b>2023<br/>Total<br/>(\$ 000)</b> |
|------------------------------------------------------------|-------------------------------------------|----------------------------------------------------------|------------------------------------|------------------------------------|
| <b>Net (deficiency) assets</b> , beginning of year         | <b>(429)</b>                              | <b>480</b>                                               | <b>51</b>                          | 4,805                              |
| Excess (deficiency) of revenues over expenses for the year | <b>1,078</b>                              | <b>(389)</b>                                             | <b>689</b>                         | (4,754)                            |
| Capital assets acquisitions                                | <b>(36)</b>                               | <b>36</b>                                                | -                                  | -                                  |
|                                                            |                                           |                                                          |                                    |                                    |
| <b>Net assets</b> , end of year                            | <b>613</b>                                | <b>127</b>                                               | <b>740</b>                         | 51                                 |

---

The accompanying notes are an integral part of these financial statements

---

**ONTARIO TOURISM MARKETING PARTNERSHIP CORPORATION**

(operating as Destination Ontario)

**Statement of Cash Flows****For the year ended March 31****2024**  
**(\$ 000)****2023**  
**(\$ 000)****OPERATING**Excess (deficiency) of revenues over expenses **689** (4,754)

Add (less) non-cash items:

Amortization of deferred capital contributions **(11)** (26)Amortization of capital assets **400** 656**1,078** (4,124)Change in non-cash working capital (Note 11) **(3,914)** 2,437Obligation for retirement benefits, net **(121)** 235**(2,957)** (1,452)**CAPITAL**Capital asset acquisitions **(36)** (73)**Decrease in cash during the year** **(2,993)** (1,525)**Cash, beginning of year** **6,931** 8,456**Cash, end of year** **3,938** 6,931

---

The accompanying notes are an integral part of these financial statements

---

# ONTARIO TOURISM MARKETING PARTNERSHIP CORPORATION

(operating as Destination Ontario)

## Notes to Financial Statements

March 31, 2024

---

### 1. NATURE OF CORPORATION

The Ontario Tourism Marketing Partnership Corporation (the "Corporation") was established as a corporation without share capital on November 30, 1998 pursuant to Ontario Regulation 618/98 made under the *Development Corporations Act*. The Regulation was amended by Ontario Regulation 271/04 in September, 2004 to extend the mandate of the Corporation indefinitely. The Corporation commenced active operations on April 1, 1999. In the fall of 2017, the Corporation announced a new corporate operating name, Destination Ontario. The Ontario Tourism Marketing Partnership Corporation will continue to be the official legal name of the Corporation. The objects of the Corporation are:

- (a) to market Ontario as a travel destination;
- (b) to undertake joint marketing initiatives with the tourism industry;
- (c) to support and assist the marketing efforts of the tourism industry; and
- (d) in co-operation with the tourism industry, the Government of Ontario, other governments and other agencies of governments, to promote Ontario as a travel destination.

The Corporation enters into agreements with private and public sector partners in order to add value to tourism marketing programs. The Corporation tracks the dollar value (leverage, in-kind) of such agreements to demonstrate the impact of the Corporation's investment on the partnered marketing programs. However, related partner revenues and expenses are not included in the Corporation's financial statements.

The Corporation is a not-for-profit organization, and thus not subject to income tax.

---

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### (a) Basis of Accounting

The financial statements are the representations of management and are prepared in accordance with Canadian Public Sector Accounting Standards ("PSAS") including the 4200 series of standards contained in the Chartered Professional Accountants (CPA) Canada handbook.

#### (b) Revenue Recognition

The Corporation follows the deferral method of accounting for revenues.

##### Province of Ontario Grant

The Corporation is funded primarily by the Province of Ontario. Operating grants are recorded as revenue in the period to which they relate. Grants approved but not received at the end of an accounting period are accrued. Where a portion of a grant is related to a future period, it is deferred and recognized in a subsequent period.

##### Advertising Sales

Revenue from Advertising sales is recognized in the period in which the program is run, the amount can be reasonably estimated and collection is reasonably assured.

**Notes to Financial Statements****March 31, 2024**

---

**2. SIGNIFICANT ACCOUNTING POLICIES (continued)****(b) Revenue Recognition (continued)***Travel Information Services – sales*

Revenue from the sale of consigned merchandise is recognized when the merchandise is sold and only to the extent that proceeds exceed the cost of the items sold.

*Interest Income*

Interest income is recognized in the period in which it is earned.

**(c) Partner Support**

The Corporation benefits from donated services provided by the tourism industry, such as transportation costs (airline and bus tickets), and accommodation and meal costs (discounted or free hotel rooms and restaurant charges). Because of the difficulty of determining their fair value, donated services are not recognized in the financial statements.

**(d) Capital Assets**

All capital assets are recorded at cost. Amortization is provided on a straight-line basis over the estimated useful life of the asset, with half a year amortization taken in the year of acquisition and disposition. All capital assets are amortized over three to five years.

**(e) Deferred Capital Contributions**

Deferred capital contributions represent amounts received from the Ministry of Tourism, Culture and Sport to finance the acquisition of capital assets. The amortization of deferred capital contributions is recorded as revenue in the statement of operations on the same basis as the amortization of the related assets.

**(f) Use of Estimates**

The preparation of financial statements in accordance with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates as additional information becomes available in the future. Accounts requiring significant accounting estimates include amortization of capital assets, accrued liabilities, obligation for retirement benefits, deferred capital contributions, and deferred revenue.

**(g) Financial Instruments**

Unless otherwise noted, it is management's opinion that the Corporation is not exposed to significant interest, currency, liquidity or credit risks arising from its financial instruments.

The Corporation's financial instruments, which include cash, accounts receivable, and accounts payable and accrued liabilities, are all valued at cost less any amount for valuation allowance.

---

**ONTARIO TOURISM MARKETING PARTNERSHIP CORPORATION**

(operating as Destination Ontario)

**Notes to Financial Statements****March 31, 2024**

---

**2. SIGNIFICANT ACCOUNTING POLICIES (continued)****(h) Retirement Benefits**

Retirement benefits represent legislated severance accruals under the Public Service Act of Ontario and is recognized as it is earned by eligible employees. The liability is calculated using management's best estimate of underlying assumptions.

**(i) Foreign Currency Translation**

Foreign currency accounts are translated into Canadian dollars as follows:

At the transaction date, each asset, liability, revenue and expense is translated into Canadian dollars by the use of the exchange rate in effect at that date. At the year end date, monetary assets and liabilities are translated into Canadian dollars by using the exchange rate in effect at that date. The resulting foreign exchange gains and losses are included in the excess (deficiency) of revenue over expenses for the year.

**(j) Adoption of new accounting standard**

PSAS 3400, Revenue

Effective April 1, 2023, the Corporation prospectively adopted PSAS 3400, Revenue. The adoption of the new standard had no impact on the Corporation as it's revenue recognition policies were already aligned with the requirements of the new standard.

---

**3. CREDIT RISKS RELATED TO FINANCIAL INSTRUMENTS**

The Corporation's exposure to credit risk is minimal. The Corporation determines on a continuing basis, the probable credit losses and sets up a provision for losses, if necessary, based on the estimated realizable value.

Below the accounts receivable aging is summarized:

|                                            |            |            |           | 2024<br>(\$ 000) |
|--------------------------------------------|------------|------------|-----------|------------------|
|                                            | Current    | +60 Days   | +90 Days  | Total            |
| General accounts receivable                | 103        | 104        | 38        | 245              |
| Harmonized Sales Tax<br>("HST") receivable | 638        | -          | -         | 638              |
| <b>Totals</b>                              | <b>741</b> | <b>104</b> | <b>38</b> | <b>883</b>       |

|                             |            |          |           | 2023<br>(\$ 000) |
|-----------------------------|------------|----------|-----------|------------------|
|                             | Current    | +60 Days | +90 Days  | Total            |
| General accounts receivable | 185        | -        | 92        | 277              |
| HST receivable              | 617        | -        | -         | 617              |
| <b>Totals</b>               | <b>802</b> | <b>-</b> | <b>92</b> | <b>894</b>       |

---

**ONTARIO TOURISM MARKETING PARTNERSHIP CORPORATION**

(operating as Destination Ontario)

**Notes to Financial Statements****March 31, 2024**

---

**4. CAPITAL ASSETS**

|                                           | <b>2024</b>     |                                 | <b>2023</b>     |                                 |
|-------------------------------------------|-----------------|---------------------------------|-----------------|---------------------------------|
|                                           | <b>(\$ 000)</b> |                                 | <b>(\$ 000)</b> |                                 |
|                                           | <b>Cost</b>     | <b>Accumulated Amortization</b> | <b>Cost</b>     | <b>Accumulated Amortization</b> |
| Web Strategy                              | <b>2,299</b>    | <b>2,190</b>                    | 2,263           | 1,822                           |
| Leasehold improvements                    | <b>1,106</b>    | <b>1,106</b>                    | 1,106           | 1,091                           |
| Furniture                                 | <b>174</b>      | <b>155</b>                      | 174             | 138                             |
|                                           | <b>3,579</b>    | <b>3,451</b>                    | 3,543           | 3,051                           |
| <b>Cost less accumulated amortization</b> |                 | <b>128</b>                      |                 | 492                             |

---

**5. DEFERRED REVENUE**

|                      | <b>2024</b>     | <b>2023</b>     |
|----------------------|-----------------|-----------------|
|                      | <b>(\$ 000)</b> | <b>(\$ 000)</b> |
| Advertising programs | <b>25</b>       | 125             |
|                      | <b>25</b>       | 125             |

---

**6. DEFERRED CAPITAL CONTRIBUTIONS**

Deferred capital contributions represent contributions received relating to acquisition of capital assets:

|                       | <b>2024</b>     | <b>2023</b>     |
|-----------------------|-----------------|-----------------|
|                       | <b>(\$ 000)</b> | <b>(\$ 000)</b> |
| Opening balance       | <b>12</b>       | 38              |
| Amortization          | <b>(11)</b>     | (26)            |
| <b>Ending balance</b> | <b>1</b>        | 12              |

---

---

**ONTARIO TOURISM MARKETING PARTNERSHIP CORPORATION**

(operating as Destination Ontario)

**Notes to Financial Statements****March 31, 2024**

---

**7. REVENUE: PROVINCE OF ONTARIO**

The Corporation received funding that is recognized as revenue from the Province of Ontario as follows:

|                                   | <b>2024</b><br><b>(\$ 000)</b> | <b>2023</b><br><b>(\$ 000)</b> |
|-----------------------------------|--------------------------------|--------------------------------|
| Core funding                      | <b>32,968</b>                  | 32,968                         |
| Summer Experience Program         | <b>87</b>                      | 109                            |
| Repair and Rehabilitation Funding | <b>8</b>                       | -                              |
|                                   | <b>33,063</b>                  | <b>33,077</b>                  |

---

**8. ADMINISTRATIVE EXPENSES**

Certain costs of administration such as legal and human resources support services were provided by the Ministry of Tourism, Culture and Sport without charge. All other administrative expenses are borne by the Corporation and are as follows:

|                                   | <b>2024</b><br><b>(\$ 000)</b> | <b>2023</b><br><b>(\$ 000)</b> |
|-----------------------------------|--------------------------------|--------------------------------|
| Salaries and benefits             | <b>6,508</b>                   | 6,939                          |
| Lease                             | <b>680</b>                     | 684                            |
| Supplies and equipment            | <b>188</b>                     | 219                            |
| Services                          | <b>181</b>                     | 14                             |
| Transportation and communications | <b>76</b>                      | 79                             |
|                                   | <b>7,633</b>                   | <b>7,935</b>                   |

The Corporation provides pension benefits for all its full-time employees through participation in the Public Service Pension Fund (PSPF) and the Ontario Public Service Employees' Union Pension Fund (OPSEU Pension Fund) which are both multi-employer defined benefit pension plans established by the Province. These plans are accounted for as defined contribution plans, as the Corporation has insufficient information to apply defined benefit plan accounting to these pension plans. Included in salaries and benefits are contributions to the PSPF and OPSEU pension funds for the year of \$501,000 (2023 – \$498,000).

Costs of post-retirement non-pension employee benefits are paid by the Management Board Secretariat and are not included in administrative expenses.

---

**ONTARIO TOURISM MARKETING PARTNERSHIP CORPORATION**

(operating as Destination Ontario)

**Notes to Financial Statements****March 31, 2024**

---

**9. TRAVEL INFORMATION SERVICES**

The expenditures for the Travel Information Services are as follows:

|                                  | <b>2024</b>         | <b>2023</b>         |
|----------------------------------|---------------------|---------------------|
|                                  | <b>(\$ 000)</b>     | <b>(\$ 000)</b>     |
| Salaries and benefits            | <b>2,865</b>        | 2,959               |
| Lease                            | <b>1,432</b>        | 1,282               |
| Services                         | <b>357</b>          | 930                 |
| Supplies and equipment           | <b>340</b>          | 155                 |
| Merchandise for sale             | <b>245</b>          | 196                 |
| Transportation and communication | <b>78</b>           | 54                  |
|                                  | <b><u>5,317</u></b> | <b><u>5,576</u></b> |

Included in salaries and benefits are contributions to the PSPF and OPSEU pension funds for the year of \$166,000 (2023 - \$168,000).

---

**10. OPERATING LEASES**

The Corporation has various operating leases for its premises expiring up to the 2025/2026 fiscal year. The minimum annual payments are as follows:

|      | <b>(\$ 000)</b>     |
|------|---------------------|
| 2025 | 1,237               |
| 2026 | 547                 |
|      | <b><u>1,784</u></b> |

---

**11. CHANGE IN NON-CASH WORKING CAPITAL**

|                                                      | <b>2024</b>         | <b>2023</b>         |
|------------------------------------------------------|---------------------|---------------------|
|                                                      | <b>(\$ 000)</b>     | <b>(\$ 000)</b>     |
| Decrease in accounts receivable                      | <b>11</b>           | (78)                |
| Increase in prepaid expenses                         | <b>(25)</b>         | -                   |
| Decrease in accounts payable and accrued liabilities | <b>(3,800)</b>      | 2,390               |
| Decrease in deferred revenue                         | <b>(100)</b>        | 125                 |
|                                                      | <b><u>3,914</u></b> | <b><u>2,437</u></b> |

**12. BOARD AND COMMITTEE EXPENSES**

Board and committee members do not receive per diems. Board and committee members are reimbursed for meal and travel expenses incurred to attend board of directors and related committee meetings, consistent with the Ontario Public Sector Travel, Meals and Hospitality directive.