

**BC IMMIGRANT INVESTMENT FUND LTD.**  
**Financial Statements**  
**March 31, 2004**

# BC IMMIGRANT INVESTMENT FUND LTD.

## Statement of Management Responsibility


Management, in accordance with Canadian generally accepted accounting principles, has prepared the financial statements of *BC Immigrant Investment Fund Ltd.* These statements present fairly the financial position of the Corporation as at March 31, 2004 and results of its operations for the year then ended.

Management is responsible for the preparation, integrity and objectivity of the financial statements. Systems of internal control are developed and maintained by management to provide reasonable assurance that transactions are properly authorized, assets are safeguarded, and financial records are properly maintained to provide a reliable basis for preparation of the financial statements.

The Auditor General of British Columbia has performed an independent audit of the financial statements. The Report of the Auditor General outlines the scope of his audit and his opinion on the financial statements of *BC Immigrant Investment Fund Ltd.*



Doug Callbeck  
Director



Dan Pantella  
Secretary

Victoria, British Columbia  
April 11, 2004



## Report of the Auditor General of British Columbia

To the Shareholder of *BC Immigrant Investment Fund Ltd.*:

I have audited the balance sheet of *BC Immigrant Investment Fund Ltd.* as at March 31, 2004 and the statements of operations and retained earnings, and cash flows for the year then ended. These financial statements are the responsibility of the Corporation's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of *BC Immigrant Investment Fund Ltd.* as at March 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Wayne Strelieff, FCA  
Auditor General

*Victoria, British Columbia*  
*April 11, 2004*

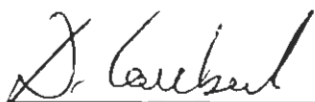
# BC IMMIGRANT INVESTMENT FUND LTD.

## Balance Sheet

(in \$000)

March 31,	2004	2003
<b>Assets</b>		
<b>Current assets</b>		
Cash	28,110	17,549
Interest receivable	45	39
Deferred charges (note 3)	1,225	771
	<b>29,380</b>	<b>18,359</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable	3	3
<b>Long-term liabilities</b>		
Promissory notes (note 4)	28,786	18,075
	<b>28,789</b>	<b>18,078</b>
<b>Shareholder's equity</b>		
Share capital (note 6)	-	-
Retained earnings	591	281
	<b>591</b>	<b>281</b>
	<b>29,380</b>	<b>18,359</b>

On behalf of the Board

  
\_\_\_\_\_  
Director

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

**BC IMMIGRANT INVESTMENT FUND LTD.**  
**Statement of Operations and Retained Earnings**

(in \$000)

<b>Year ended March 31,</b>	<b>2004</b>	<b>2003</b>
<b>Revenue</b>		
Interest	581	348
	<b>581</b>	<b>348</b>
<b>Expenses</b>		
Amortization of commissions (note 3)	268	140
Professional fees	3	3
	<b>271</b>	<b>143</b>
<b>Excess of revenue over expenses for the year</b>	<b>310</b>	<b>205</b>
<b>Retained earnings beginning of year</b>	<b>281</b>	<b>76</b>
<b>Retained earnings end of year</b>	<b>591</b>	<b>281</b>

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

# BC IMMIGRANT INVESTMENT FUND LTD.

## Statement of Cash Flows

(in \$000)

<b>Year ended March 31</b>	<b>2004</b>	<b>2003</b>
	\$	\$
<b>Cash flows from operating activities</b>		
Interest	575	323
Payments to suppliers	(3)	(3)
	572	320
<b>Cash flows from financing activities</b>		
Promissory notes received	9,989	8,622
Promissory notes repaid	-	(209)
	9,989	8,413
<b>Increase in cash during the year</b>	<b>10,561</b>	<b>8,733</b>
<b>Cash beginning of year</b>	<b>17,549</b>	<b>8,816</b>
<b>Cash end of period</b>	<b>28,110</b>	<b>17,549</b>

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

# BC IMMIGRANT INVESTMENT FUND LTD.

## Notes to the Financial Statements

March 31, 2004

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### 1. Nature of business

BC Immigrant Investment Fund Ltd., (the "Corporation") was incorporated on September 19, 2000 under the *Company Act* (which now continues as the *Business Corporations Act*) and is wholly owned by the Province of British Columbia.

The Corporation is an approved fund under the Federal Immigrant Investor Program (the "Program"). The Program provides an opportunity for experienced business persons to immigrate to Canada after making an investment in a Fund approved by a Province and the Minister of Citizenship and Immigration. The Minister acts as agent for approved funds by receiving investments from immigrant investors and disbursing them to approved funds according to an allocation formula set out in the Immigration Regulations, 1978. The regulations require approved Funds participating in the Program to invest in economic initiatives, which will create employment in Canada to foster the development of a strong and viable economy.

The Minister of Finance acts as fiscal agent for the Corporation.

The Corporation is exempt from federal and provincial taxes.

### 2. Significant accounting policy

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

### 3. Deferred charges

Deferred charges represent the commission paid on promissory notes received. This amount is deferred and amortized over the life of the note.

	2004	2003
	\$	\$
Deferred charges beginning of year	771	353
Additions during the year	722	573
Amortization during the year	(268)	(140)
Repayments' during the year	-	(15)
Deferred charges end of year	<u>1,225</u>	<u>771</u>

# BC IMMIGRANT INVESTMENT FUND LTD.

## Notes to the Financial Statements

March 31, 2004

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### 4. Promissory Notes

The funds received from the Immigrant Investor Program are repayable, without interest, 5 years after they are received. The obligation of the Corporation is represented by non-transferable zero interest promissory notes. The Province of British Columbia fully guarantees these funds.

	2004	2003
	\$	\$
Promissory notes beginning of year	18,075	9,105
Additions during the year	10,711	9,195
Repayments during the year	-	(225)
Promissory notes end of year	<u>28,786</u>	<u>18,075</u>

### 5. Related party transactions

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

The Ministry of Small Business and Economic Development provides general administrative services to the Corporation at no cost. The cost of this support is not material and has not been recorded in these financial statements.

### 6. Share capital

The Corporation has authorized capital consisting of 100,000 common shares with no par value. The Minister of Small Business and Economic Development holds the one common share issued as representative of Her Majesty the Queen in right of the Province of British Columbia.