

BRITISH COLUMBIA TRADE DEVELOPMENT CORPORATION
Financial Statements
September 30, 2003



Report of the Auditor General of British Columbia

*To the Shareholder of British Columbia Trade
Development Corporation:*

I have audited the balance sheet of *British Columbia Trade Development Corporation* as at September 30, 2003 and the statements of revenues, expenditures and unappropriated equity, and cash flows for the six months ending September 30, 2003. 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 *British Columbia Trade Development Corporation* as at September 30, 2003 and the results of its operations and its cash flows for the six month period in accordance with Canadian generally accepted accounting principles applied on a basis consistent with that of the preceding period.

*Victoria, British Columbia
November 20, 2003*

Wayne Strelloff, CA
Auditor General

BRITISH COLUMBIA TRADE DEVELOPMENT CORPORATION**Balance Sheet**

(\$000)	<u>September 30, 2003</u>	<u>March 31,</u>
	After wind-up	Before wind-up
	\$	\$
ASSETS		
Current assets		
Cash and short term investments (Note 4)		5,941
Accountable advances		2
		<u>5,943</u>
 Investments	50	50
	50	5,993
 LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities		7
 NET ASSETS		
<u>Unappropriated equity</u>	50	5,986
	50	<u>5,993</u>

Approved by the Board



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

BRITISH COLUMBIA TRADE DEVELOPMENT CORPORATION
Statement of Revenues, Expenditures and Unappropriated Equity

(\$000)	September 30, 2003	March 31, 2003
	\$	\$
Revenues		
Investment income	41	352
Dividend income	230	-
Other	-	138
	271	490
Expenditures		
Office	10	8
Professional services	2	7
	12	15
	259	475
Gain on sale of shares	-	94
Decrease in loan guarantee reserve (Note 5)	-	2,500
Excess of revenues over expenditures	259	3,069
Unappropriated equity, beginning of period	5,986	2,917
Dividends paid during the period	(6,195)	-
Unappropriated equity	50	5,986
Assets transferred to Province of British Columbia on wind-up (Note 2)	(50)	-
Unappropriated equity, end of period	-	5,986

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

BRITISH COLUMBIA TRADE DEVELOPMENT CORPORATION
Statement of Cash Flows

(\$000)	<u>September 30,</u> <u>2003</u> \$	<u>March 31,</u> <u>2003</u> \$
Operating activities		
Excess of revenue over expenditures	259	3,069
Items not affecting cash		
Gain on sale of shares		(94)
Loan guarantee reserve		(2,500)
Change in not-cash working capital		
Accounts receivable	2	(2)
<u>Accounts payable</u>	<u>(7)</u>	<u>(17)</u>
	<u>254</u>	<u>456</u>
Investing activates		
Decrease in loan guarantee reserve fund	-	2,500
Proceeds from sale of shares	-	94
Dividends paid during the period	<u>(6,195)</u>	-
	<u>(6,195)</u>	<u>2,594</u>
(Decrease) increase in cash and short-term investments	(5,941)	3,050
Cash and short-term investments, beginning of period	5,941	2,891
Cash and short-term investments, end of period		5,941

The accompanying notes are an integral part of these financial statements

BRITISH COLUMBIA TRADE DEVELOPMENT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2003

1. Authority and purpose

British Columbia Trade Development Corporation (the "Corporation") was established under the *Trade Development Corporation Act*. The principle role of the Corporation was to promote the sale of British Columbia goods and services to markets outside British Columbia by providing advice and assistance to export enterprises on terms and conditions the Corporation considers advisable. The Corporation is a Crown corporation and is exempt from income taxes.

2. Cessation of operations

In its 1996 budget, the Province of British Columbia (the Province") announced the Corporation would be wound up and its existing functions would be amalgamated with the Ministry of Competition, Science and Enterprise (formerly Employment and Investment). By regulation of the Lieutenant Governor in Council the corporation will be dissolved and all of the rights, property and assets transferred to and vested in the Province of British Columbia.

3. Significant accounting policies

(a) General

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

(b) Cash and short-term investments

Cash and short-term investments include short-term money market instruments, which, on acquisition, have a term to maturity of three months or less.

(c) Investments

Investments are accounted for by the cost method, as the Corporation does not have significant influence over the operating, financing and investing decisions related to the investments.

(d) Foreign currency translation

Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the rates of exchange at the balance sheet date. Revenues and expenditures are translated at the average rates of exchange prevailing during the period. Foreign exchange gains or losses are included in income for the period.

BRITISH COLUMBIA TRADE DEVELOPMENT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2003

3. Significant accounting policies (con't)

(e) Investment income

Investment income is reported net of legal and consulting fees related to the administration of the Province's Export Loan Guarantee Program.

(f) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts and disclosures of project expenditures and accountable advances at the date of the financial statements. Actual results could differ from these estimates.

(g) Related parties

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

4. Cash and short term investments

	September 30, 2003		March 31, 2003	
	Cost	Market Value	Cost	Market Value
	\$	\$	\$	\$
Cash	-	-	638	638
Short term Investments	-	-	5,303	5,303
	-	-	5,941	5,941

BRITISH COLUMBIA TRADE DEVELOPMENT CORPORATION**September 30, 2003****5. Loan Guarantee Reserve Fund**

<u>(\$000)</u>	<u>September 30, 2003</u>	<u>March 31, 2003</u>
Balance, beginning of period	-	2,500
Investment income	-	25
Legal and consulting fees	-	(25)
<u> Loan guarantee reserve</u>	<u>-</u>	<u>(2,500)</u>
Balance, end of period	-	-