

BCNET
Financial Statements
For the year ended March 31, 2023

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Financial Statements
For the year ended March 31, 2023

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Management's Responsibility for Financial Reporting

The financial statements and the information contained in the annual report are the responsibility of the management of BCNET. The financial statements have been prepared in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

The financial statements include, where appropriate, estimates based on the best judgment of management. Financial and operating data elsewhere in the annual report is consistent with that contained in the accompanying financial statements.

As part of its responsibilities, BCNET maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate, and that BCNET's assets are appropriately accounted for and adequately safeguarded.

The Board of BCNET carries out its responsibilities with regard to the financial statements mainly through its Finance and Audit Committee (the "Committee"). The Committee reviews the annual financial statements and other information contained in the annual report and recommends them to the Board for approval. The Committee meets periodically with management and external auditors. Following these meetings, the Committee meets privately with the auditors to ensure free and open discussion of any subject the Committee or the auditors wish to pursue. The Committee also recommends the engagement or re-appointment of the external auditors, reviews the audit approach and approves the fees of the external auditors for audit and non-audit services.

The financial statements, audited by BDO Canada LLP, have been approved by the Board, on the recommendation of the Finance and Audit Committee.

Signed by:



Board Chair



Chief Financial Officer

Independent Auditor's Report

To the Members of BCNET

Opinion

We have audited the financial statements of BCNET (the "Corporation") which comprise the statement of financial position as at March 31, 2023, and the statements of operations, net debt, changes in reserves 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 of the Corporation as at and for the year ended March 31, 2023 are prepared, in all material respects, in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia (the "Act").

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 BCNET 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.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial statements are prepared in order for BCNET to meet the reporting requirements of the Act referred to above. Note 1(b) to the Financial Statements discloses the impact of these differences between such basis of accounting and Canadian public sector accounting standards. Our opinion is not modified in respect of this matter.

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

Management is responsible for the preparation of the financial statements in accordance with the Act, 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 BCNET'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 BCNET, 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 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 BCNET'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 BCNET'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 BCNET to cease to continue as a going concern.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within BCNET to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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.

BDO Canada LLP

Chartered Professional Accountants

Vancouver, British Columbia

June 28, 2023

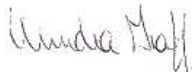
BCNET
Statement of Financial Position
For the year ended March 31, 2023

	As at March 31 2023	As at March 31 2022
FINANCIAL ASSETS		
Cash and cash equivalents	\$ 4,691,825	\$ 5,573,269
Accounts receivable	293,639	260,857
	4,985,464	5,834,126
LIABILITIES		
Accounts payable and accrued liabilities	1,022,425	2,316,389
Deferred capital contributions (Note 3)	6,488,062	5,498,561
Deferred operating grants (Note 4)	1,065,426	1,908,497
Deferred revenues (Note 5)	1,003,769	907,963
	9,579,682	10,631,410
NET DEBT	(4,594,218)	(4,797,284)
NON-FINANCIAL ASSETS		
Prepaid expenses	535,019	509,086
Tangible capital assets (Note 2)	8,687,020	8,646,386
	9,222,039	9,155,472
Accumulated surplus	\$ 4,627,821	\$ 4,358,188

Approved by:



CEO & President



Finance & Audit Committee Chair

BCNET
Statement of Operations
For the year ended March 31

	Budget (Note 7)	2023	2022
Revenues			
Operating revenue	11,231,062	12,313,815	11,558,440
Operating grants (Note 4)	2,047,439	2,083,282	2,433,238
Capital grants (Note 3)	717,935	568,592	444,950
Pass through services	8,464,339	8,674,665	8,504,722
	<u>\$ 22,460,775</u>	<u>\$ 23,640,354</u>	<u>\$ 22,941,350</u>
Expenses (Note 8)			
Cybersecurity & Identity Management	1,672,500	1,708,200	1,711,047
General & Administration	2,267,888	2,399,940	2,553,413
Network Services	6,164,545	5,875,130	6,312,867
Professional Development & Training	179,101	347,383	207,653
Procurement	580,151	549,566	513,329
Shared Services & Technology	11,587,206	12,490,502	11,608,653
	<u>\$ 22,451,391</u>	<u>\$ 23,370,721</u>	<u>\$ 22,906,962</u>
Annual Surplus	<u>\$ 9,384</u>	<u>\$ 269,633</u>	<u>\$ 34,388</u>

BCNET
Statement of Net Debt
For the year ended March 31

	Budget	2023	2022
Annual Surplus	\$ 9,384	\$ 269,633	\$ 34,388
Acquisition of tangible capital assets	(2,773,500)	(1,708,936)	(3,242,436)
Amortization of tangible capital assets	2,052,418	1,668,302	1,621,220
	<u>(721,082)</u>	<u>(40,634)</u>	<u>(1,621,216)</u>
Acquisition of prepaid expenses	-	(1,615,094)	(1,615,272)
Use of prepaid expenses	-	1,589,161	1,921,838
	<u>-</u>	<u>(25,933)</u>	<u>306,566</u>
Changes in net debt for the year	(711,698)	203,066	(1,280,262)
Net debt, beginning of year	(4,797,284)	(4,797,284)	(3,517,022)
Net debt, end of year	<u>\$ (5,508,982)</u>	<u>\$ (4,594,218)</u>	<u>\$ (4,797,284)</u>

BCNET

Statement of Changes in Accumulated Surplus
For the year ended March 31

	Capital Reserve (Note 6)	Operating Reserve (Note 6)	Unrestricted	Total
Balance, April 1, 2022	\$ 2,358,188	\$ 2,000,000	\$ -	\$ 4,358,188
Annual Surplus	-	-	269,633	269,633
Transfer to Capital Reserve	269,633		(269,633)	-
Balance March 31, 2023	<u>\$ 2,627,821</u>	<u>\$ 2,000,000</u>	<u>\$ -</u>	<u>\$ 4,627,821</u>

BCNET
Statement of Cash Flows
For the year ended March 31

	2023	2022
Cash flows from operating activities		
Annual Surplus	\$ 269,333	\$ 34,388
Items not involving cash:		
Amortization of tangible capital assets	1,668,302	1,621,220
Amortization of deferred capital contributions	(568,592)	(444,950)
Change in non-cash operating working capital:		
Accounts receivable	(32,782)	77,215
Prepaid expense	(25,933)	306,566
Accounts payable and accrued liabilities	(1,293,964)	1,523,584
Deferred operating grants	(843,071)	(1,539,576)
Deferred revenue	95,806	(327,765)
	(730,601)	1,250,682
Cash flows for capital activities		
Acquisition of tangible capital assets	(1,708,936)	(3,242,436)
	(1,708,936)	(3,242,436)
Cash flows from financing activities		
Capital contributions received	1,558,093	3,196,249
	1,558,093	3,196,249
Increase (decrease) in cash and cash equivalents	(881,444)	1,204,495
Cash and cash equivalents, beginning of year	5,573,269	4,368,774
Cash and cash equivalents, end of year	\$ 4,691,825	\$ 5,573,269
Cash and cash equivalents consist of:		
Cash in bank	871,639	107,363
Cash equivalents	3,820,186	5,465,906
	\$ 4,691,825	\$ 5,573,269

1. Nature of Operations and Summary of Significant Accounting Policies

a) Nature and Purpose of the Organization

BCNET's ("the Corporation") mission is to deliver exceptional value to our members by leveraging our advanced network, fostering collaboration, and building on our expertise.

BCNET is incorporated under the Canada Not-for-profit Corporations Act.

BCNET is a tax-exempt body under Section 149 of the Income Tax Act.

b) Basis of Accounting

The financial statements have been prepared in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia supplemented by Regulations 198/2011 issued by the Province of British Columbia Treasury Board.

The Budget Transparency and Accountability Act requires that the financial statements be prepared in accordance with the set of standards and guidelines that are comprised of generally accepted accounting principles for senior governments in Canada, being Canadian Public Sector Accounting Standards ("PSAS"), except for modifications put forward by Treasury Board.

Regulation 198/2011 requires that restricted contributions received or receivable for acquiring or developing a depreciable tangible capital asset or contributions in the form of a depreciable tangible capital assets are to be deferred and recognized in revenue at the same rate that amortization of the related tangible capital asset is recorded.

The basis of accounting that the Corporation has adopted is different from PSAS with respect to the timing of revenue recognition for government transfers. If the Corporation had recorded government transfers under PSAS rather than the accounting policy described above and in note 1(f), capital contributions recognized as revenue and the annual surplus for the year ended March 31, 2023 would have increased by \$989,501 (March 31, 2022- increased by \$2,751,300).

1. Nature of Operations and Summary of Significant Accounting Policies (continued)

Consequentially, as at March 31, 2023, deferred capital contributions used to purchase tangible capital assets would have decreased and the accumulated surplus would have increased by \$4,988,062 (March 31, 2022 - \$4,098,561). Under PSAS, the total cash flows from operating, financing, and capital transactions for the years ended March 31, 2023 and 2022 would have been the same as reported in these financial statements.

c) Cash and Cash Equivalents

Cash and cash equivalents are comprised of the amounts held in the Corporation's bank accounts, balances held in the Province's Central Deposit Program (CDP), guaranteed investment certificates with original terms to maturity of less than 90 days, and mutual funds that are readily convertible to cash.

d) Tangible Capital Assets

Tangible capital assets are recorded at cost. Amortization is provided annually on a straight-line basis. Tangible capital assets not yet in service are not amortized. Estimated useful lives are as follows:

Fibre	10 - 20 years
Leasehold Improvements	Over the term of the lease
Facilities, office equipment, and computer hardware	3 – 10 years

The Corporation reviews its tangible capital assets for impairment. An impairment loss is recognized for tangible capital assets whenever events or changes in circumstances indicate a tangible capital asset no longer contributes to the Corporation's ability to provide services. The impairment loss is calculated based on the estimated remaining future service potential, as the difference between the carrying amount and the residual value. The amount of the write-down is recognized as an impairment loss on the Statement of Operations.

e) Leased Assets

Leases entered into that transfer substantially all the benefits and risks associated with ownership are recorded as the acquisition of a tangible capital asset. The asset is amortized in a manner consistent with tangible capital assets owned by the Corporation. All other leases are accounted for as operating leases, and the lease payments are expensed as incurred.

1. Nature of Operations and Summary of Significant Accounting Policies (continued)

f) Revenue Recognition

Externally restricted contributions are recorded as deferred revenue and then recognized as revenue when the restrictions specified by the contributors are satisfied.

- Contributions for specific purposes other than for the acquisition of tangible capital assets are recorded as deferred revenue and recognized as revenue in the year in which the related expenses are incurred.
- Contributions restricted for capital purposes by external restrictions or the Restricted Contribution Regulation 198/2011 described in note 1(b) are recorded as deferred capital contributions and amortized on a straight-line basis over the useful life of the asset. Amortization commences once the asset is put into use.

Revenue from the provision of services is recorded as the services are performed.

"Pass through services" are software services purchased by BCNET on behalf of members, and directly rebilled to the members.

g) Use of Estimates

The preparation of financial statements 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 revenue and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

h) Financial Instruments

Financial instruments are limited to fixed income instruments and are recorded at fair value when acquired or issued.

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Notes to Financial Statements
March 31, 2023

2. Tangible Capital Assets

Cost	2022	Additions	Disposal	2023
Leasehold improvements	\$ 736,013	-	-	\$ 736,013
Office equipment	462,713	52,907	(9,734)	505,886
Computer hardware	12,750,896	1,656,029	(276,733)	14,130,192
Fibre	14,000,508	-	-	14,000,508
Fibre Option	177,370	-	-	177,370
Total	\$ 28,127,500	1,708,936	(286,467)	\$ 29,549,969

Accumulated Amortization	2022	Amortization Expense	Disposal	2023
Leasehold improvements	\$ 345,200	38,590	-	\$ 383,790
Office equipment	418,857	50,889	(9,734)	460,012
Computer hardware	8,007,690	1,113,938	(276,733)	8,844,895
Fibre	10,709,367	464,885	-	11,174,252
Fibre Option	-	-	-	-
Total	\$ 19,481,114	1,668,302	(286,467)	\$ 20,862,949

Net Book Value	2022	2023
Leasehold improvements	\$ 390,813	\$ 352,223
Office equipment	43,856	45,874
Computer hardware	4,743,206	5,285,297
Fibre	3,291,141	2,826,256
Fibre Option	177,370	177,370
Total	\$ 8,646,386	\$ 8,687,020

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Notes to Financial Statements
March 31, 2023

2. Tangible Capital Assets (continued)

"Fibre" refers to certain fibre circuits connecting member organizations that have been purchased or acquired through Indefeasible Right of Use (IRU) and capital lease agreements.

The Corporation has entered into fibre agreements for periods of between ten and twenty years for the use of IRU Fibres to service its members. The Corporation is amortizing these costs over the term of the agreements.

In 2014, the Corporation transferred fibre valued at \$2.5 million to a third party in exchange for an IRU to access a portion of the fibre transferred; and a fibre option to access an additional 350 strand kilometres of fibre and the commitment to connect specified members to the additional fibre. The transaction was measured at the fair value of the fibre transferred which approximates the fair value of the assets received. The remaining option cost will be transferred to the fibre account and amortized once the fibre circuits are identified and in use.

3. Deferred Capital Contributions

	2022	Received	Amortized to Revenue	2023
Federal	\$ 1,615,684	58,093	\$ (306,614)	\$ 1,367,163
Provincial	3,599,930	1,500,000	(228,180)	4,871,750
Other	282,947	-	(33,798)	249,149
Total	\$ 5,498,561	1,558,093	\$ (568,592)	\$ 6,488,062

The deferred capital contributions are restricted for the development and support of the Optical Regional Advanced Network.

4. Deferred Operating Grants

	2022	Received	Amortized to Revenue	2023
Federal	\$ -	\$ 170,211	\$ (170,211)	\$ -
Provincial	1,908,497	545,000	(1,388,071)	1,065,426
Other	-	525,000	(525,000)	-
Total	\$ 1,908,497	\$ 1,240,211	\$ (2,083,282)	\$ 1,065,426

The deferred provincial operating grants are restricted for the implementation of initiatives from the Ministry of Post Secondary Education and Future Skills and for the expansion of the BCNET network.

BCNET
Notes to Financial Statements
March 31, 2023

5. Deferred Revenues

	2022	Received	Amortized to Revenue	2023
Service contracts	\$ 415,797	\$ 8,947,230	\$ (8,936,164)	\$ 426,862
Conferences & member services	444,610	407,880	(302,779)	549,711
Software customization	47,556	234,100	(254,460)	27,196
Total	\$ 907,963	\$ 9,589,209	\$ (9,493,403)	\$ 1,003,769

6. Accumulated Surplus

- a) The BCNET Board has approved the creation of an Operating Reserve and a Capital Reserve. The target minimum Operating Reserve is to equal approximately two months of operating costs, estimated at \$2,000,000. The balance of any annual surpluses in excess of the \$2,000,000 will be allocated to the Capital Reserve.
- b) The Corporation's Capital Reserve includes amounts invested in tangible capital assets plus any additional funds available for future investments. The Corporation's tangible capital assets are funded either through grants received from CANARIE, the Ministry of Post Secondary Education and Future Skills or internally from surpluses generated by the Corporation. The unamortized balance of those assets that are funded internally reflects the funds committed and their future amortization expense. The balance in the capital reserve is increased by the annual surplus and offset by the net unfunded investment in capital assets during the year.

	2023	2022
Tangible capital assets	\$ 8,687,020	\$ 8,646,386
Amounts financed by:		
Unamortized deferred capital grants	(4,988,062)	(4,098,561)
Invested in Tangible Capital Assets	\$ 3,698,958	\$ 4,547,825
Less: Expected future recoveries from members	(2,000,000)	(2,000,000)
Transfer to (from) capital reserve	928,863	(189,637)
Balance in Capital Reserve	\$ 2,627,821	\$ 2,358,188

BCNET
Notes to Financial Statements
March 31, 2023

7. Budget

The budget for the fiscal year ended March 31, 2023 was approved by the BCNET Board of Directors at a meeting on March 7th, 2022.

8. Expenses by Object

	Budget	2023	2022
Cost of services	\$ 6,273,014	\$ 7,439,237	\$ 7,381,687
Staffing	4,940,462	4,799,210	4,816,238
Operating	880,498	982,646	749,469
Amortization	2,052,418	1,668,302	1,621,221
Pass through services	8,304,999	8,481,324	8,338,347
Total	\$ 22,451,391	\$ 22,370,720	\$ 22,906,962

9. Related Party Transactions

During the year, the Corporation entered into the following transactions with its members:

	<u>2023</u>	<u>2022</u>
Revenue from members	\$ 20,397,770	\$ 19,380,211
Purchases from members	718,419	1,173,750

As at March 31, the Corporation had balances due to and from members as follows:

	<u>2023</u>	<u>2022</u>
Receivable from members	\$ 249,223	\$ 123,220
Payable to members	444,203	497,087

These transactions are in the normal course of operations and are measured at the exchange value established and agreed to by the related parties.

Transactions with the Provincial Government via operating or capital grant are disclosed in Notes 3 and 4.

10. Commitments

The Corporation has commitments for fibre contracts, software licensing and rent that extend to January 2038.

The annual payments due for the next five years and thereafter are as follows:

2024	\$	2,955,832
2025		1,144,241
2026		736,545
2027		500,394
2028		349,014
Thereafter		881,555
Total	\$	<u>6,567,581</u>

11. Contractual Rights

The Corporation has entered into fibre contracts (Note 10) to connect certain member institutions to the BCNET network. In return, the Corporation has received commitments to receive the following revenues from those institutions:

2024	\$	2,511,964
2025		810,076
2026		455,385
2027		315,815
2028		191,557
Thereafter		162,441
Total	\$	<u>4,447,238</u>

12. Pension Plan

The employer and its employees contribute to the Municipal Pension Plan (the “Plan”), a jointly trusteesd pension plan. The Board of Trustees, representing plan members and employers, is responsible for administering the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2021, the Plan had about 220,000 active members and approximately 120,000 retired members.

12. Pension Plan (continued)

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recently available valuation for the Plan as at December 31, 2021, indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis.

BCNET paid \$327,651 (2022 - \$315,271) for employer contributions while employees contributed \$303,016 (2022 - \$285,673) to the plan in fiscal 2023.

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

13. Financial Instrument Risk

Credit risk

Credit risk is the risk that the Corporation will incur a loss due to the failure by its debtors to meet their contractual obligations. Financial instruments that potentially subject the Corporation to significant concentrations of credit risk consist primarily of cash and cash equivalents and accounts receivable. The Corporation limits its exposure to credit risk by placing its cash and cash equivalents with high quality investments. The Corporation's exposure to credit risk with respect to its accounts receivable is low as most receivables are from government sources and member organizations that are primarily government funded.

13. Financial Instrument Risk (continued)

Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Corporation is exposed to foreign exchange risk through its transactions with U.S. entities. The Corporation limits its exposure to foreign exchange risk by entering into forward derivative contracts on all significant purchases made in U.S. dollars and arranging to rebill most costs to members at equivalent exchange rates.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Corporation's risk is limited to the investments held in accordance with its investment Policy. All instruments have a maturity date of less than 90 days.

Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its obligations as they fall due. The Corporation budgets for adequate levels of working capital to ensure all its obligations can be met when they fall due, and a sufficient operating reserve to manage any unexpected fluctuations.

14. Segmented Information

BCNET provides a variety of services to its members. Distinguishable functional segments have been separately disclosed on the Statement of Operations. The segments and services provided are as follows:

Cybersecurity & Identity Management

We support our members to continuously improve the protection of information. Services include but are not limited to support service for federated identity services and security vulnerability scanning.

Network

The BCNET Advanced Network provides BCNET members with private, dedicated, ultra-high-speed, fibre optic infrastructure and third party managed leased circuit at speeds of up to 100 gigabits per second. The Advanced Network extends over 10,000 Kilometers and directly connects 153 locations at colleges, institutes, research universities, federal and provincial laboratory and research institutions in British Columbia. A cloud-based virtual router service helps reduce equipment, operating, and facility costs.

14. Segmented Information (continued)

Professional Development & Training

Our professional development and training service portfolio helps to support our members to train their staff. We investigate member requirements and negotiate competitive pricing with third party organizations. BCNET partners with prominent information Technology companies and Training Providers in the delivery of training.

Procurement

BCNET provides a range of joint procurement agreements and services that offer best overall value, savings and efficiencies to its members following legislative and trade treaty requirements.

Shared Services & Technology

BCNET facilitates the development of collaborative and innovative technology solutions to support the delivery of education and research. The solutions we offer to our members include: AppsAnywhere, DataSafe, Desire2Learn, Digital Signage, EduCloud Backup, EduCloud Server, Kaltura, LinkedIn Learning, MapleSoft, Moodle, IBM SPSS, PebblePad, TeamDynamix, TurnItIn and Video Conferencing. Additionally, the portfolio provides strategic consulting, expert services, and vendor management services in support of institutional Enterprise Resource Planning (ERP) systems.

15. Comparative Figures

Certain comparative figures have been reclassified to conform to the financial statement presentation in the current year.