

BCIF Management Ltd.
Consolidated Financial Statements
March 31, 2008

BCIF Management Ltd.

Statement of Management Responsibility

Management, in accordance with Canadian generally accepted accounting principles, has prepared the consolidated financial statements of *BCIF Management Ltd.* These statements present fairly the financial position of the Corporation as at March 31, 2007 and 2008 and results of its operations for the years then ended.

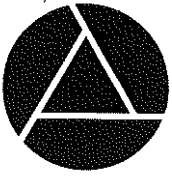
Management is responsible for the preparation, integrity and objectivity of the financial statements. Systems of internal control are developed and maintained by management to provide reasonable assurance that transactions are properly authorized, assets are safeguarded, and financial records are properly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



Doug Callbeck
Director

Victoria, British Columbia
April 30, 2008



Report of the Auditor General of British Columbia

To the Director of BCIF Management Ltd., and

*To the Minister of Economic Development
Province of British Columbia:*

I have audited the consolidated balance sheet of *BCIF Management Ltd.* as at March 31, 2008 and 2007 and the consolidated 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 *BCIF Management Ltd.* as at March 31, 2008 and 2007 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

*Victoria, British Columbia
April 30, 2008*

John Doyle, MBA, CA
Auditor General

BCIF Management Ltd.
Consolidated Balance Sheet

March 31,	2008	2007
	\$	\$
Assets		
Cash	12,043	21,317
	12,043	21,317
Liabilities		
Accounts payable	-	2,650
	-	2,250
Shareholder's equity		
Share capital (Note 3)	100	100
Retained earnings	11,943	18,567
	12,043	18,667
	12,043	21,317

On behalf of the Board



Director

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

BCIF Management Ltd.
Consolidated Statement of Operations and Retained Earnings

Years Ended March 31,	2008	2007
	\$	\$
Income		
Interest	527	276,081
Expenses		
Amortization of bond issue costs	-	36,122
Annual fees	-	5,107
Bond interest	-	3,814
Consulting	-	44,671
Issue expenses	-	13,193
Professional fees	7,151	10,300
	7,151	113,207
Income (Loss) before other income	(6,624)	162,874
Gain on cancellation of bonds	-	1,472,518
Net (loss) income for the year	(6,624)	1,635,392
Retained earnings (deficit) beginning of year	18,567	(1,616,825)
Retained earnings end of the year	11,943	18,567

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

BCIF Management Ltd.
Consolidated Statement of Cash Flows

Years Ended March 31,	2008	2007
	\$	\$
Operating activities		
Net income (loss) for the year	(6,624)	1,635,392
Items not affecting cash		
Gain on cancellation of bonds payable	-	(1,472,518)
Amortization of bond issue costs	-	36,122
Changes in non-cash working capital		
Interest receivable	-	325,913
Accounts payable	(2,650)	(23,873)
Cash flows provided by (used in) operating activities	(9,274)	501,036
Financing activities		
Final payment to bondholders	-	(10,727,482)
Cash flows provided by (used in) financing activities	-	(10,727,482)
Investing activities		
Collection of loans receivable	-	8,704,067
Cash flows provided by (used in) investing activities	-	8,704,067
Net (decrease) in cash	(9,274)	(1,522,379)
Cash beginning of year	21,317	1,543,696
Cash end of year	12,043	21,317

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

BCIF Management Ltd.

Notes to the Consolidated Financial Statements

March 31, 2008

1. Nature of Operations and Cessation of Business

BCIF Management Ltd. (the "Corporation") was incorporated on December 23, 1994 under the laws of British Columbia. The Corporation is wholly owned by the Province of British Columbia and is exempt from federal and provincial income taxes.

The Corporation's primary function was to manage the British Columbia Investment Fund which was established to hold capital investments from immigrants. The Corporation ceased active business as of October 31, 2006 and is in the process of being dissolved.

2. Significant Accounting Policies

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles. Significant accounting policies followed in the preparation of these financial statements are:

a) Basis of consolidation

The accounts of the BCIF Management Ltd. and British Columbia Investment Fund Ltd. have been consolidated in these financial statements. All inter-company charges and transactions have been eliminated in these consolidated financial statements.

b) 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 disclosure of assets and liabilities at the date of the financial statements. Actual results could differ from these estimates.

c) 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 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.

BCIF Management Ltd.

Notes to the Consolidated Financial Statements

March 31, 2008

3. Share Capital

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

4. Comparative figures

Certain comparative numbers have been restated to conform to the financial statement presentation used in the current year.