COLUMBIA BASIN TRUST

CONSOLIDATED FINANCIAL STATEMENTS

AS AT MARCH 31, 2013

CONTENTS

RESPONSIBILITY FOR FINANCIAL REPORTING

Management is responsible for the preparation of the accompanying consolidated financial statements and all of the information contained in the Annual Report. The financial statements have been prepared in accordance with Canadian public sector accounting standards and include amounts that are based on estimates and judgements. Management believes that the financial statements fairly present CBT's consolidated financial position and results of operations. The integrity of the information presented in the financial statements, including estimates and judgements relating to matters not concluded by fiscal year end, is the responsibility of management. The financial statements have been approved by CBT's Board of Directors.

Management has established and maintained appropriate systems of internal control which are designed to provide reasonable assurance that CBT's assets are safeguarded and that reliable financial records are maintained to form a proper basis for preparation of financial statements. These systems include formal written policies and appropriate delegation of authority and segregation of responsibilities within the organization.

The independent external auditors, KPMG, Chartered Accountants, have been appointed by CBT's Board of Directors, to express an opinion as to whether the consolidated financial statements present fairly, in all material respects, CBT's financial position, results of operations, changes in net assets and cash flows in conformity with Canadian public sector accounting standards. The Auditor's report follows and outlines the scope of their examination and their opinion on the consolidated financial statements.

The Board of Directors, through the Finance and Audit Committee, is responsible for ensuring that management fulfills its responsibility for financial reporting and internal controls. The Finance and Audit Committee, comprised of directors who are not employees, meets regularly with the external auditors and management to satisfy itself that each group has properly discharged its responsibility to review the financial statements before recommending approval by the Board of Directors. The external auditors have full and open access to the Finance and Audit Committee, with and without the presence of management.

Neil Muth
President & CEO

Christine Lloyd
Director, Finance & Operations

KPMG LLP
Chartered Accountants
Metrotower II
Suite 2400 - 4720 Kingsway
Burnaby BC V5H 4N2

Telephone (604) 527-3600
Fax (604) 527-3636
Internet www.kpmg.ca

INDEPENDENT AUDITORS' REPORT

To the Directors of Columbia Basin Trust:

To the Minister of Jobs, Tourism and Skills Training:

We have audited the accompanying consolidated financial statements of Columbia Basin Trust, which comprise the consolidated statement of financial position as at March 31, 2013, the consolidated statements of operations, changes in accumulated surplus, statements of remeasurement gains and losses, changes in net financial assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Columbia Basin Trust as at March 31, 2013 and its consolidated results of operations, its consolidated changes in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Comparative Information

The consolidated financial statements of Columbia Basin Trust as at and for the year ended March 31, 2012 were audited by another auditor who expressed an unmodified opinion on those financial statements on May 25, 2012.

"KPMG LLP"

Chartered Accountants

May 28, 2013

Burnaby, Canada

COLUMBIA BASIN TRUST
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(in thousands)

		2013		2012 (Restated - Note 3)
FINANCIAL ASSETS				
Cash	$	1,117	$	1,867
Accrued interest and other assets (Note 4)		1,473		1,417
Short-term investments (Note 5)		69,577		88,625
Market securities (Note 6)		23,619		21,911
Loan receivable (Note 7)		20,000		20,000
Private placements - commercial loans (Note 8)		21,418		13,827
Private placements - commercial investment (Note 9)		3,000		4,400
Private placements - real estate investments (Note 10)		7,102		7,565
Investment in Columbia Basin Broadband Corporation (Note 11)		-		1,284
Investment in Waneta Expansion Limited Partnership (Note 12)		81,647		61,987
Investment in power projects (Note 13)		203,033		205,849
		431,986		428,732
LIABILITIES				
Accounts payable and accrued liabilities		558		639
Long-term debt (Note 14)		1,056		-
Delivery of Benefits initiatives liabilities (Note 15)		24,274		20,449
		25,888		21,088
Net Financial Assets		406,098		407,644
NON-FINANCIAL ASSETS				
Prepaid expenses		49		24
Tangible capital assets (Note 16)		4,772		2,906
		4,821		2,930
ACCUMULATED SURPLUS	$	410,919	$	410,574
Accumulated Surplus is comprised of:				
Accumulated Surplus	$	410,359	$	411,112
Accumulated Remeasurement Gain/(Loss)		560		(538)
	$	410,919	$	410,574

COMMITMENTS (Note 19)

Approved on behalf of the Board of Directors:

Gregory Deck

Greg Deck
Chair

Naqvi

Amed Naqvi
Chair, Finance and Audit Committee

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

COLUMBIA BASIN TRUST
CONSOLIDATED STATEMENT OF OPERATIONS
(in thousands)

FOR THE YEAR ENDING MARCH 31	Budget (Note 24)	2013	2012 (Restated - Note 3)
REVENUES			
Power projects (Note 13)	$ 19,021	$ 19,734	$ 16,371
Short-term investments	1,620	1,613	2,106
Loan income	1,134	1,130	1,135
Private placements - commercial loans	777	925	1,163
Private placements - real estate investments (Note 10)	816	818	627
Market securities	700	611	860
Broadband operations	-	400	(110)
Recoveries (Note 20)	460	367	786
Rental revenue (Note 17)	-	52	-
	24,528	25,650	22,938
EXPENSES (Note 18)			
Water and Environment initiatives	7,826	7,518	6,802
Social initiatives	6,002	5,841	2,576
Community development initiatives	5,753	5,508	8,749
Economic initiatives	3,471	2,779	2,887
Youth initiatives	1,947	1,867	1,296
Broadband initiatives	-	558	-
Investment initiatives	570	531	913
Other initiatives	931	401	231
	26,500	25,003	23,454
Private placements - impairment loss (Note 9)	-	(1,400)	-
ANNUAL DEFICIT	$ (1,972)	$ (753)	$ (516)

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

COLUMBIA BASIN TRUST
CONSOLIDATED STATEMENT OF REMEASUREMENT GAINS AND LOSSES
(in thousands)

FOR THE YEAR ENDING MARCH 31		2013		2012
Accumulated remeasurement loss, beginning of year	$	(538)	$	-
Unrealized gain/(loss) on market securities		1,098		(538)
ACCUMULATED REMEASUREMENT GAIN/(LOSS), end of year	$	560	$	(538)

CONSOLIDATED STATEMENT OF CHANGE IN ACCUMULATED SURPLUS
(in thousands)

FOR THE YEAR ENDING MARCH 31		2013		2012 (Restated - Note 3)
Accumulated surplus, beginning of year, as previously reported	$	430,561	$	432,008
Adoption of government transfers standard adjustment (Note 3)		(19,449)		(20,380)
Accumulated surplus, beginning of year, restated		411,112		411,628
Annual deficit, as previously reported		(753)		(1,447)
Adoption of government transfers standard adjustment (Note 3)		-		931
Annual deficit, restated		(753)		(516)
ACCUMULATED SURPLUS, end of year	$	410,359	$	411,112

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

COLUMBIA BASIN TRUST
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
(in thousands)

FOR THE YEAR ENDING MARCH 31	Budget (Note 24)	2013	2012 (Restated - Note 3)
ANNUAL DEFICIT	$ (1,972)	$ (753)	$ (516)
Acquisition of prepaid expenses	-	(49)	(24)
Use of prepaid expenses	-	24	117
Acquisition of tangible capital assets	-	(2,340)	(673)
Amortization of tangible capital assets	506	474	448
	506	(1,891)	(132)
Effect of remeasurement gain/(loss)	-	1,098	(538)
Change in Net Financial Assets	(1,466)	(1,546)	(1,186)
NET FINANCIAL ASSETS, beginning of year, as previously reported	427,093	427,093	429,210
Adjustments due to adoption of government transfers standard	-	(19,449)	(20,380)
NET FINANCIAL ASSETS, beginning of year, restated	427,093	407,644	408,830
NET FINANCIAL ASSETS, end of year	$ 425,627	$ 406,098	$ 407,644

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

COLUMBIA BASIN TRUST
CONSOLIDATED STATEMENT OF CASH FLOWS
(in thousands)

FOR THE YEARS ENDING MARCH 31	2013	2012
CASH FLOWS FROM/APPLIED TO OPERATING ACTIVITIES		
Cash received from private placements - commercial loans	$ 836	$ 1,554
Cash received from broadband operations	392	-
Cash received from short-term investments	2,762	3,229
Cash received from market securities	611	860
Cash received from tenants	373	322
Cash paid for operating expenses	(5,924)	(6,005)
Cash paid for Delivery of Benefits obligations	(14,704)	(17,209)
	(15,654)	(17,249)
CASH FLOWS FROM/APPLIED TO INVESTING ACTIVITIES		
Investment in Waneta Expansion Limited Partnership	(19,660)	(35,422)
Proceeds from sale of investment in deferred power projects	-	5,760
Investment in deferred power projects	-	(876)
Investment in Brilliant Expansion Power Corporation	-	(16,598)
Purchase of short-term investments	(157,892)	(225,906)
Redemption of short-term investments and market securities	176,329	154,000
Issuance of commercial loans	(10,367)	(11,169)
Repayment of commercial loans	2,723	12,975
Commercial investment	-	(4,400)
Cash assumed on conversion of CBBC from modified equity to consolidation	677	-
Dividends received from real estate investments	1,281	1,240
Dividends received from power projects investments	22,550	158,063
	15,641	37,667
CASH FLOWS FROM/APPLIED TO CAPITAL TRANSACTIONS		
Purchase of tangible capital assets	(1,781)	(673)
CASH FLOWS FROM/APPLIED TO FINANCING ACTIVITIES		
Advance to Columbia Power Corporation	-	(20,000)
Proceeds from issuance of debt	1,044	-
Advances to Columbia Basin Broadband Corporation	-	(1,394)
	1,044	(21,394)
DECREASE IN CASH	(750)	(1,649)
CASH, beginning of year	1,867	3,516
CASH, end of year	$ 1,117	$ 1,867

Tangible capital assets assumed on conversion of CBBC from modified equity to consolidation - $559,000.

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

1. NATURE OF COLUMBIA BASIN TRUST

Columbia Basin Trust (CBT) is a corporation established by the *Columbia Basin Trust Act*. The purpose of CBT is to manage its assets for the ongoing economic, social and environmental well-being of the Columbia Basin (Basin) region. The sole share of CBT is held by the Minister of Finance on behalf of the Province of BC.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of accounting

The consolidated financial statements of CBT have been prepared in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board.

(b) Basis of presentation

These consolidated financial statements reflect the assets, liabilities, revenues and expenses of the reporting entity, which is comprised of all organizations controlled by CBT. Government business partnerships (GBP) and government business enterprises (GBE) are accounted for using the modified equity method. Other government organizations (OGO) and government partnerships (GP) are accounted for using the proportionate consolidation method. All intercompany balances and transactions have been eliminated for OGO's and GP's.

Under the modified equity method, only CBT's percentage investment in the GBP and GBE, and the net income and other changes in equity are recorded. No adjustment is made for accounting policies that are different from those of CBT.

As at April 1, 2012, management determined that Columbia Basin Broadband Corporation (CBBC) no longer met the definition of a GBE and CBBC was fully consolidated with the change in accounting treatment applied prospectively from that date.

CBT's government business partnerships with interest in power projects consist of the following entities:

- Arrow Lakes Power Corporation (ALPC) – 50% interest
- Brilliant Power Corporation (BPC) – 50% interest
- Brilliant Expansion Power Corporation (BEPC) – 50% interest
- Waneta Expansion Power Corporation (WEPC) – 42% interest

CBT's government business partnerships with interest in real estate consist of the following entities:

- Castle Wood Village – 50% interest
- Columbia Village – 50% interest
- Crest View Village – 50% interest
- Garden View Village – 50% interest
- Joseph Creek Village – 50% interest
- Lake View Village – 50% interest
- Mountain Side Village – 50% interest
- Rocky Mountain Village – 50% interest

(c) Tangible capital assets and amortization

Tangible capital assets are recorded at cost, which includes amounts directly related to the acquisition, construction, design, development, improvement or betterment of the assets. Costs include overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

The cost, less residual value of the tangible capital assets, excluding land, is amortized on a straight-line basis over the expected useful lives as follows:

	Years
New buildings	30
Leasehold improvements	5 - 8
Office furniture and equipment	5
Server hardware and software	3 - 5
Workstation hardware	3
Fibre optics	25

Tangible capital assets are written down to their residual value when conditions indicate that they no longer contribute to CBT's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The write-downs are accounted for as expenses in the statement of operations. Transfers of capital assets from related parties are recorded at carrying value.

(d) Revenue recognition

Revenues are recognized in the period in which the transaction or event occurs that gives rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Government transfers to CBT are recognized in the financial statements as revenues in the period in which the events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria and stipulations have been met and reasonable estimates of the amounts can be made.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose. Revenue related to fees or services received in advance of the fee being earned or the service being performed is deferred and recognized when the fee is earned or service performed.

(e) Expenses

Expenses are reported on an accrual basis when the goods have been received or the services have been provided. The cost of all goods consumed and services received during the year is expensed.

Expenses are classified by function on the statement of operations. CBT allocates administration costs by identifying an appropriate basis of allocating and applying that basis consistently each year.

Government transfers are recognized in the consolidated financial statements in the period in which the amounts of the transfers are authorized and any eligibility criteria have been met by the recipient.

(f) Taxes

CBT is exempt from income taxes under paragraph 149(1)(d) of the *Income Tax Act*. CBT is also exempt from Federal Large Corporations Tax under subsection 181.1(3) of the *Income Tax Act*.

(g) Foreign currency translation

Foreign currency transactions are translated at the exchange rates prevailing at the dates of transactions. Monetary assets and liabilities included in the fair value measurement category denominated in foreign currencies, are translated into Canadian dollars at the exchange rate prevailing at the financial statement date. Unrealized foreign exchange gains and losses are recognized in the statement of remeasurement gains and losses. In the period of settlement, realized foreign exchange gains and losses are recognized in the statement of operations, and the cumulative amount of remeasurement gains and losses is reversed in the statement of remeasurement gains and losses.

(h) Financial instruments

Derivatives and equity instruments quoted in an active market are measured at fair value. CBT measures other specific financial instruments at cost and amortized cost to correspond with how they are evaluated and managed.

Financial instruments measured at fair value are classified as level one, two or three for the purposes of describing the basis of the inputs used to measure the fair values, as described below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Market-based inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3: Inputs for the asset or liability that are not based on observable market data; assumptions are based on the best internal and external information available and are most suitable and appropriate based on the type of financial instrument being valued in order to establish what the transaction price would have been on the measurement date in an arm's length transaction.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations.

For financial instruments measured using amortized cost, amortized cost is defined as the amount at which a financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus cumulative amortization using the effective interest method and minus any impairment losses. The effective interest rate method is used to determine interest revenue or expense.

For portfolio investments measured at cost, the cost method records the initial investment at cost and earnings from such investments are recognized only to the extent received or receivable. When an investment is written down to recognize an impairment loss, the new carrying value is deemed to be the new cost basis for subsequent accounting purposes.

Interest and dividends attributable to financial instruments are reported in the statement of operations.

Financial assets measured at cost or amortized cost are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations. A write-down of a portfolio investment to reflect a loss in value is not reversed for a subsequent increase in value.

Transaction costs are a component of cost for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value.

CBT has designated its financial instruments as follows:

i. Cash

Cash includes cash on hand and is measured at fair value. CBT presents its Statement of Cash Flows using the direct method.

ii. Short-term investments

Short-term investments are accounted for as portfolio investments. Investments quoted in an active market are reported at fair value and other investments are recorded at cost or amortized cost. These investments are highly liquid and held for the purpose of meeting short-term cash commitments. Investments reported at fair value recognize any changes in fair value in the statement of remeasurement gains and losses.

iii. Market securities

Equity and debt investments quoted in an active market are reported at fair value. CBT invests in long-term investments through pooled fund products managed by the British Columbia Investment Management Corporation, a corporation established under the *Public Sector Pension Plans Act*. CBT has a diversified securities portfolio that includes short-term deposits, bonds and equities. Market securities are accounted for as portfolio investments and are reported at fair value with changes in fair value recognized in the statement of remeasurement gains and losses.

iv. Investment in Waneta Expansion Limited Partnership

CBT accounts for its investment in Waneta Expansion Limited Partnership (WELP) as a portfolio investment and it is measured on a cost basis.

v. Private placements and loans receivable

Investments in commercial loans or loans receivable are recorded at amortized cost less any amount for impairments. Impairment losses are recorded to reflect loans receivable at the lower of amortized cost and the net recoverable value, when collectability and risk of loss exists. Impairments are recognized in the statement of operations. Interest is accrued on loans receivable to the extent it is deemed collectable. Commercial investments that have an equity interest are accounted for as portfolio investments and are measured at cost, less any amounts written off to reflect a permanent decline in value.

(in thousands)

vi. Debt and other financial assets and financial liabilities

Debt, accrued interest and other assets and accounts payable and accrued liabilities are measured at amortized cost and are recorded at values that approximate their amortized cost using the effective interest method.

(i) Employee future benefits

CBT and its employees make contributions to the Public Sector Pension Plan, which is a multi-employer defined benefit pension plan. Multi-employer defined benefit pension plans are accounted for as defined contribution plans. As a result, CBT's contributions are expensed as paid.

Non-vesting sick leave benefits accrue to CBT's employees with no obligation to pay sick leave benefits until the employee is injured or ill. The sick leave benefits are not paid out to an employee upon termination of employment, resignation or retirement. CBT has determined, using management's best estimate of the future utilization of the sick leave benefits that the obligation is not significant and one has not been recorded.

(j) Measurement uncertainty

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the consolidated financial statements and the reported amounts of the revenues and expenses during the period. Significant estimates include assumptions used for recording general loan loss provisions and for identifying any impairment for CBT's investment in WELP.

Estimates are based on the best information available at the time of preparation of the consolidated financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these consolidated financial statements. Actual results could differ from these estimates.

3. CHANGES IN ACCOUNTING POLICY

On April 1, 2012, CBT adopted the public sector accounting standard PS3410 Government Transfers. This accounting policy was applied retroactively with the restatement of prior periods resulting in a change to the consolidated statement of change in accumulated surplus, the consolidated statement of financial position and the consolidated statement of operations.

The following tables summarize the changes made to CBT's financial statements:

		April 1, 2011, as originally reported		**Adjustment**		**April 1, 2011, restated**
Accumulated surplus, beginning of year	$	432,008	$	(20,380)	$	411,628

		March 31, 2012, as originally reported		**Adjustment**		**March 31, 2012, restated**
Accumulated surplus	$	430,561	$	(19,449)	$	411,112
Delivery of Benefits initiatives liabilities	$	-	$	19,449	$	19,449
Annual deficit	$	(1,447)	$	931	$	(516)

(in thousands)

4. ACCRUED INTEREST AND OTHER ASSETS

Accrued interest and other assets consist of accrued interest on short-term investments and recoveries for management and information technology services.

5. SHORT-TERM INVESTMENTS

Short-term investments consist of a portfolio of short-term deposits held at financial institutions and with the British Columbia Investment Management Corporation and are allocated as follows:

	Fair value hierarchy level		2013		2012
Term securities: measured at amortized cost	-	$	48,687	$	53,095
Pooled fund investments: measured at fair value	1		20,890		35,530
		$	69,577	$	88,625

6. MARKET SECURITIES

CBT has a diversified securities portfolio that includes short-term deposits, bond and equity funds, which is managed by the British Columbia Investment Management Corporation.

CBT's investment in market securities measured at fair value is as follows:

	Fair value hierarchy level		2013		2012
Market value	1	$	23,619	$	21,911
Cost		$	22,513	$	21,902

Remeasurement gain/(loss) on market securities:

		2013		2012
Opening market value	$	21,911	$	16,588
Purchases		610		5,861
		22,521		22,449
Ending market value		23,619		21,911
	$	1,098	$	(538)

7. LOAN RECEIVABLE

An unsecured $20-million loan was advanced to Columbia Power in April 2011. Interest is payable semi-annually at the rate of 5.67% until April 2016, after which the loan will be repayable in 50 semi-annual payments of principal and interest. Accrued interest and other assets include $568,000 of accrued interest on this loan to Columbia Power.

(in thousands)

8. PRIVATE PLACEMENTS – COMMERCIAL LOANS

CBT provides commercial loans that are generally secured by real estate and have terms extending no further than 28 years.

Commercial loans are as follows:

		2013		2012
Commercial loans bearing interest from 3.9% to 8%	$	21,569	$	13,925
Less: general impairment loss		(151)		(98)
	$	21,418	$	13,827

9. PRIVATE PLACEMENTS – COMMERCIAL INVESTMENT

This commercial equity investment is accounted for as a portfolio investment and measured at cost. In 2012/13, an impairment in the value of this investment occurred and a write down of $1.4 million was provisioned for in the statement of operations. The new carrying value is deemed to be the new cost basis for this investment.

Commercial investment is as follows:

		2013		2012
Commercial investment	$	4,400	$	4,400
Less: specific impairment loss		(1,400)		-
	$	3,000	$	4,400

10. PRIVATE PLACEMENTS – REAL ESTATE INVESTMENTS

CBT's real estate investments are comprised of 50% ownership interests in real estate investments throughout the Basin consisting of eight seniors housing facilities (see listing of joint ventures in Note 2). These investments are accounted for as investments in government business partnerships using the modified equity basis of accounting.

Condensed supplementary financial information for private placements – real estate investments is as follows:

(a) Financial position (at 50%):

	Current Assets	Non-Current Assets	Total Assets	Current Liabilities	Non-Current Liabilities	Total Liabilities	Net Assets
March 31, 2013							
Castle Wood Village	$ 96	$ 4,540	$ 4,636	$ 170	$ 3,891	$ 4,061	$ 575
Columbia Village	264	5,812	6,076	199	5,253	5,452	624
Crest View Village	48	4,964	5,012	156	4,209	4,365	647
Garden View Village	35	3,640	3,675	96	2,848	2,944	731
Joseph Creek Village	102	10,129	10,231	315	8,037	8,352	1,879
Lake View Village	35	6,182	6,217	126	4,735	4,861	1,356
Mountain Side Village	52	3,294	3,346	80	2,589	2,669	677
Rocky Mountain Village	31	3,403	3,434	115	2,706	2,821	613
	$ 663	$ 41,964	$ 42,627	$ 1,257	$ 34,268	$ 35,525	$ 7,102

(in thousands)

	Current Assets	Non-Current Assets	Total Assets	Current Liabilities	Non-Current Liabilities	Total Liabilities	Net Assets
March 31, 2012							
Castle Wood Village	$ 83	$ 4,733	$ 4,816	$ 162	$ 4,039	$ 4,201	$ 615
Columbia Village	8	3,089	3,097	100	2,340	2,440	657
Crest View Village	37	5,168	5,205	149	4,342	4,491	714
Garden View Village	27	3,778	3,805	92	2,930	3,022	783
Joseph Creek Village	105	10,484	10,589	281	8,325	8,606	1,983
Lake View Village	24	6,388	6,412	121	4,850	4,971	1,441
Mountain Side Village	44	3,419	3,463	76	2,653	2,729	734
Rocky Mountain Village	22	3,543	3,565	111	2,816	2,927	638
	$ 350	$ 40,602	$ 40,952	$ 1,092	$ 32,295	$ 33,387	$ 7,565

(b) Investment in private placements – real estate (at 50%):

	Castle Wood Village	Columbia Village	Crest View Village	Garden View Village	Joseph Creek Village	Lake View Village	Mountain Side Village	Rocky Mountain Village	Total
March 31, 2013									
Opening balance	$ 615	$ 657	$ 714	$ 783	$ 1,983	$ 1,441	$ 734	$ 638	$ 7,565
Dividends paid	(139)	(128)	(174)	(104)	(359)	(163)	(83)	(131)	(1,281)
Surplus	99	95	107	52	255	78	27	105	818
	$ 575	$ 624	$ 647	$ 731	$ 1,879	$ 1,356	$ 678	$ 612	$ 7,102
March 31, 2012									
Opening balance	$ 666	$ 719	$ 792	$ 853	$ 2,152	$ 1,531	$ 795	$ 670	$ 8,178
Dividends paid	(141)	(110)	(168)	(104)	(339)	(162)	(84)	(132)	(1,240)
Surplus	90	48	90	34	170	72	23	100	627
	$ 615	$ 657	$ 714	$ 783	$ 1,983	$ 1,441	$ 734	$ 638	$ 7,565

(c) Results of operations (at 50%):

	Revenue	Finance Charges	Operations	Amortization	Total Expense	Surplus
March 31, 2013						
Castle Wood Village	$ 526	$ 229	$ 1	$ 197	$ 427	$ 99
Columbia Village	313	92	-	126	218	95
Crest View Village	559	243	2	207	452	107
Garden View Village	363	172	1	138	311	52
Joseph Creek Village	1,096	448	1	392	841	255
Lake View Village	545	252	1	214	467	78
Mountain Side Village	310	156	-	127	283	27
Rocky Mountain Village	374	129	-	140	269	105
	$ 4,086	$ 1,721	$ 6	$ 1,541	$ 3,268	$ 818

(in thousands)

	Revenue	Finance Charges	Operations	Amortization	Total Expense	Surplus
March 31, 2012						
Castle Wood Village	$ 526	$ 237	$ 2	$ 197	$ 436	$ 90
Columbia Village	313	124	19	122	265	48
Crest View Village	556	251	8	207	466	90
Garden View Village	362	177	7	144	328	34
Joseph Creek Village	1,096	504	13	409	926	170
Lake View Village	545	258	1	214	473	72
Mountain Side Village	311	160	-	128	288	23
Rocky Mountain Village	374	135	-	139	274	100
	$ 4,083	$ 1,846	$ 50	$ 1,560	$ 3,456	$ 627

(d) Non-current assets:

CBT's investment in real estate, comprised of seniors housing facilities, is as follows (at 50%):

	Land	Building	2013	2012
Operating facilities	$ 2,728	$ 45,487	$ 48,215	$ 48,247
Projects under development	-	2,844	2,844	-
Less: accumulated amortization	-	(9,094)	(9,094)	(7,645)
	$ 2,728	$ 39,237	$ 41,965	$ 40,602

(e) Current and non-current liabilities:

i. Long-term debt

Long-term debt consists of mortgage loans that are included in current and non-current liabilities of the real estate entities. The purpose of the mortgage loans was to provide financing for the acquisition of land and the construction of seniors housing facilities. These loans have interest rates varying between 3.3% and 6.4% and will mature on different dates between April 2013 and November 2017. The loans are repayable in equal monthly payments of principal and interest, were originally amortized over 25 years and are secured by first charges, both fixed and floating, over the assets of the seniors housing facilities to which they relate.

ii. Indemnities by joint venturers

The joint venturers of the eight real estate investments gave separate indemnities for 50% of the original mortgage proceeds totaling $38.8 million.

iii. Principal repayments

Scheduled principal repayments are estimated as follows (at 50%):

2014	$ 1,074
2015	1,156
2016	1,214
2017	1,278
2018	1,350
Thereafter	28,895
	$ 34,967

(in thousands)

(f) Contingencies:

In June 2010, the BC Housing Management Commission (BC Housing) provided a government grant to allow for subsidized suites at the Lake View Village, a seniors housing facility located in Nelson, BC. Under this agreement, Lake View Village received a forgivable loan in the amount of $855,000 (CBT's share is 50%), which was applied directly to the existing mortgage on the property. Under the terms and conditions of the agreement, if the loan is defaulted within the first 10 years, $855,000 is repayable to BC Housing. Thereafter, the forgivable loan amount is reduced by 1/15th per year. As at March 31, 2013, the balance of the forgivable loan was $855,000 (CBT's share is 50%).

11. INVESTMENT IN COLUMBIA BASIN BROADBAND CORPORATION

The CBBC is a wholly owned subsidiary of CBT. CBBC was formed in June 2011 with a mission to provide connectivity to a world-class open access broadband network across the Basin. As at April 1, 2012, CBT determined that CBBC was not able to sustain its operations and meet its liabilities from revenues received from entities outside the government reporting entity and therefore no longer met the definition of a GBE. CBBC was accounted for using the modified equity method for the comparative year ending March 31, 2012. CBBC is fully consolidated for the current year ending March 31, 2013.

12. INVESTMENT IN WANETA EXPANSION LIMITED PARTNERSHIP

CBT Waneta Expansion Power Corp. (16.5% interest), CPC Waneta Holding Ltd. (32.5% interest), and Fortis Inc. (51% interest) formed a partnership to own and develop the Waneta Expansion Project.

The Waneta Expansion Project is a $900-million hydroelectric development downstream from the Waneta Dam in Trail, BC. Construction of the 335-megawatt facility commenced October 1, 2010, and is expected to be completed in early 2015. CBT invested a total of $19.7 million in the Waneta Expansion Project in 2012/13, to bring CBT's total investment to $81.7 million.

This investment is accounted for as a portfolio investment and is measured at cost.

	2013	2012
Investment in Waneta Expansion Limited Partnership	$ 81,647	$ 61,987

13. INVESTMENT IN POWER PROJECTS

CBT's investment in power projects comprises ownership interests in four entities that are jointly controlled with Columbia Power and these investments are accounted for as GBP's.

(a) Arrow Lakes Power Corporation

CBT Arrow Lakes Power Development Corp. has a 50% ownership interest in the Arrow Lakes Power Corporation (ALPC). The purpose of the ALPC is to operate the 185-megawatt Arrow Lakes Generating Station adjacent to Hugh Keenleyside Dam at Castlegar, BC, and a 48-kilometre transmission line from the power plant to BC Hydro's Selkirk substation.

(in thousands)

(b) Brilliant Power Corporation

CBT Power Corp. has a 50% ownership interest in the Brilliant Power Corporation (BPC). The purpose of the BPC is to operate the Brilliant Power Facility and Brilliant Terminal Station. The Brilliant Power Facility comprises Brilliant Dam and Generating Station, located on the Kootenay River three kilometres upstream from the confluence of the Columbia River. The Brilliant Terminal Station is a 230-kilovolt switchyard that interconnects Arrow Lakes Generating Station, Brilliant Expansion and Brilliant Dam and Generating Station to the integrated BC transmission system.

(c) Brilliant Expansion Power Corporation

CBT Brilliant Expansion Power Corp. has a 50% interest in the Brilliant Expansion Power Corporation (BEPC). The purpose of the BEPC is to operate Brilliant Expansion, a 120-megawatt power generation development adjacent to Brilliant Dam at Castlegar, BC.

(d) Waneta Expansion Power Corporation

CBT Energy Inc. has a 42% interest in the Waneta Expansion Power Corporation (WEPC). The WEPC previously held legal title of assets related to the Waneta Expansion Project. In October 2010, all deferred development costs and expansion rights related to the Waneta Expansion Project were sold to the Waneta Expansion Limited Partnership in exchange for a $72-million non-interest bearing Promissory Note. In March 2011, CBT Energy Inc. agreed to the sale of 8% of its interest in the WEPC for $5.8 million, and this transaction was finalized in March 2012.

Condensed supplementary financial information for investment in power projects is as follows:

(e) Financial position:

	Current Assets	Property, Plant & Equipment	Lease Receivable	Other Non-Current Assets	Total Assets	Current Liabilities	Non-Current Liabilities	Total Liabilities	Net Assets
March 31, 2013									
ALPC - 50%	$ 11,800	$ 122,769	$ -	$ 8,719	$ 143,288	$ 5,324	$ 173,681	$ 179,005	$ (35,717)
BPC - 50%	6,438	-	152,089	5,327	163,854	5,837	61,205	67,042	96,812
BEPC - 50%	6,672	115,056	-	888	122,616	715	-	715	121,901
WEPC - 42%	-	-	-	20,037	20,037	-	-	-	20,037
	$ 24,910	$ 237,825	$ 152,089	$ 34,971	$ 449,795	$ 11,876	$ 234,886	$ 246,762	$ 203,033
March 31, 2012									
ALPC - 50%	$ 10,920	$ 126,244	$ -	$ 11,414	$ 148,578	$ 5,042	$ 173,636	$ 178,678	$ (30,100)
BPC - 50%	6,857	-	149,640	5,319	161,816	5,663	63,994	69,657	92,159
BEPC - 50%	6,654	117,410	-	1,301	125,365	543	-	543	124,822
WEPC - 42%	-	-	-	18,968	18,968	-	-	-	18,968
	$ 24,431	$ 243,654	$ 149,640	$ 37,002	$ 454,727	$ 11,248	$ 237,630	$ 248,878	$ 205,849

(in thousands)

(f) Investment in power projects:

	ALPC 50%	BPC 50%	BEPC 50%	WEPC 42%	Total
March 31, 2013					
Opening balance	$ (30,100)	$ 92,159	$ 124,822	$ 18,968	$ 205,849
Contributions	-	-	-	-	-
Dividends paid	(5,100)	(5,200)	(12,250)	-	(22,550)
(Deficit)/surplus	(517)	9,853	9,329	1,069	19,734
	$ (35,717)	$ 96,812	$ 121,901	$ 20,037	$ 203,033
March 31, 2012					
Opening balance	$ 114,777	$ 88,421	$ 109,791	$ 17,955	$ 330,944
Contributions	-	-	16,598	-	16,598
Dividends paid	(142,812)	(5,900)	(9,352)	-	(158,064)
(Deficit)/surplus	(2,065)	9,638	7,785	1,013	16,371
	$ (30,100)	$ 92,159	$ 124,822	$ 18,968	$ 205,849

(g) Results of operations:

	Revenue	Finance Charges	Operations	Amortization	Total Expense	(Deficit)/ Surplus
March 31, 2013						
ALPC - 50%	$ 18,511	$ 9,701	$ 5,639	$ 3,688	$ 19,028	$ (517)
BPC - 50%	20,692	5,190	5,616	33	10,839	9,853
BEPC - 50%	16,649	14	4,796	2,510	7,320	9,329
WEPC - 42%	1,069	-	-	-	-	1,069
	$ 56,921	$ 14,905	$ 16,051	$ 6,231	$ 37,187	$ 19,734
March 31, 2012						
ALPC - 50%	$ 18,079	$ 11,542	$ 4,887	$ 3,715	$ 20,144	$ (2,065)
BPC - 50%	20,567	5,408	5,487	34	10,929	9,638
BEPC - 50%	15,240	203	4,751	2,501	7,455	7,785
WEPC - 42%	1,013	-	-	-	-	1,013
	$ 54,899	$ 17,153	$ 15,125	$ 6,250	$ 38,528	$ 16,371

(i) Non-current assets:

Promissory Note

The WEPC's non-current asset is a non-interest bearing Promissory Note and is payable on the fifth anniversary of the commercial operation date of the Waneta Expansion Project. The commercial operation date is estimated to occur in 2015, thereby making the Promissory Note's estimated repayment date in 2020, 10 years from the date of issuance. The Promissory Note was discounted using an effective interest rate of 5.5% to reflect a present value at March 31, 2011, of $43 million (CBT's portion was $18 million). Interest accretes until the Promissory Note is recognized at its face value in 2020. As at March 31, 2013, CBT's portion of the Promissory Note was $20 million.

(in thousands)

(j) Non-current liabilities:

i. Long-term debt

BPC has long-term debt that consists of the following:

- Series "A" bonds bearing interest at 8.93%; and
- Series "B" bonds bearing interest at 6.86%; and
- Series "C" bonds bearing interest at 5.67%.

The bonds are redeemable in whole or in part at any time before May 31, 2026, at a price equal to the greater of the principal amount then outstanding, or a price calculated to provide a yield to maturity based on the current yield of a matching-duration Government of Canada bond plus 0.30%, 0.31% and 0.23% respectively. The bonds are secured on a limited recourse basis by charges against Brilliant Dam assets and revenues.

On April 5, 2011, ALPC issued $350 million principal amount of Series "B" bonds with a coupon rate of 5.52%, which is due April 5, 2041. The Series "B" bonds are secured on a limited recourse basis by charges against Arrow Lakes Generating Facility and Transmission assets, related material contracts, licenses, permits, approvals, authorizations and insurance coverage.

Power project bonds are as follows (at 50%):

		2013		2012
Arrow Lakes bonds	$	175,000	$	175,000
Brilliant Dam bonds		65,193		67,893
		240,193		242,893
Less: financing costs		(2,400)		(2,562)
Less: current portion of long-term debt		(2,907)		(2,701)
	$	234,886	$	237,630

ii Principal repayments

Scheduled principal repayments related to long-term debt are estimated as follows (at 50%):

2014	$	2,907
2015		3,129
2016		3,369
2017		7,006
2018		7,475
Thereafter		216,307
	$	240,193

(in thousands)

(k) Contingencies

CBT's operating and development power project activities are affected by federal, provincial and local government laws and regulations. Under its agreements with its Bondholders, the BPC and ALPC have agreed to comply or cause compliance in all material respects with such laws and regulations, as well as to maintain all material franchises. Under current regulations, the venturers are required to meet performance standards to minimize or mitigate the negative impacts of their proposed projects. The impact, if any, of future legislative or regulatory requirements on specific projects and their related deferred costs cannot currently be estimated.

14. LONG-TERM DEBT

CBT obtained a term loan in the amount of approximately $1 million during the year. The loan is secured by a collateral mortgage over real estate. The net debt shown on the consolidated statement of financial position is measured at amortized cost and is comprised of the following:

	2013	2012
Demand loan bearing an interest rate at 3.27% per annum, maturing 2017	$ 1,059	$ -
Deferred finance costs	(3)	-
	$ 1,056	$ -

Scheduled principal repayments are estimated as follows:

2014	$ 28
2015	29
2016	30
2017	969
	$ 1,056

15. DELIVERY OF BENEFITS

Delivery of Benefits refers to activities that CBT undertakes in the region as it seeks to support the efforts of the people of the Basin to create a legacy of social, economic and environmental well-being in the Basin.

	2013	2012
Funds authorized during the year	$ 19,324	$ 17,322
Funds rescinded/recovered	(795)	(44)
Funds paid during the year	(14,704)	(17,209)
	3,825	69
Liabilities, beginning of year	20,449	20,380
Liabilities, end of year	$ 24,274	$ 20,449

(in thousands)

Delivery of Benefits obligations are payable to various organizations in the fiscal years ending March 31 as follows:

2014	$	13,377
2015		4,615
2016		6,282
	$	24,274

16. TANGIBLE CAPITAL ASSETS

CBT's tangible capital assets are as follows:

		Cost		Accumulated Amortization		2013		2012
Land	$	690	$	-	$	690	$	205
Building		4,445		1,328		3,117		2,257
Leasehold improvements		713		643		70		47
Office furniture and equipment		550		511		39		58
Server hardware and software		861		566		295		292
Workstation hardware		286		254		32		47
Fibre optics		570		41		529		-
	$	8,115	$	3,343	$	4,772	$	2,906

Refer to Schedule A for supplementary financial information.

17. RENTAL REVENUE

CBT receives rental revenue from two commercial properties located in Cranbrook, BC.

18. EXPENSES

In addition to the direct benefits provided to Basin communities, CBT has also allocated administration services and costs to each major initiative area using an appropriate cost allocation methodology. In the case of CBT's wholly owned subsidiary, CBBC, all administration costs are tracked separately and expensed directly to this initiative area. CBBC was accounted for using the modified equity method in 2011/12.

(in thousands)

The following table lists the direct benefits expensed, funding benefits that were recovered or rescinded, and the allocation of administration services and costs to each major initiative area, excluding CBBC, for 2012/13.

	Community Benefits	Benefits Recovered/ Rescinded	Administration Allocation	Total Expenses
Water and Environment initiatives	$ 6,211	$ (93)	$ 1,400	$ 7,518
Social initiatives	5,523	(92)	410	5,841
Community development initiatives	3,583	(157)	2,082	5,508
Economic initiatives	2,754	(450)	475	2,779
Youth initiatives	1,206	(3)	664	1,867
Broadband initiatives	-	-	558	558
Investment initiatives	-	-	531	531
Other initiatives	47	-	354	401
	$ 19,324	$ (795)	$ 6,474	$ 25,003

The following comprises CBT's and CBBC's expenses by object:

	CBT	CBBC	Total
March 31, 2013			
Amortization	$ 391	$ 84	$ 475
Board and committee expenses	200	-	200
Communications	130	-	130
Corporate travel and meetings	218	21	239
Delivery of Benefits initiatives	18,529	-	18,529
Information technology	105	58	163
Network costs	-	200	200
Office and general	534	17	551
Professional fees	370	23	393
Staff remuneration and development	3,968	155	4,123
	$ 24,445	$ 558	$ 25,003
March 31, 2012			
Amortization	$ 448	$ -	$ 448
Board and committee expenses	162	-	162
Communications	318	-	318
Corporate travel and meetings	247	-	247
Delivery of Benefits initiatives	17,276	-	17,276
Information technology	189	-	189
Office and general	474	-	474
Professional fees	388	-	388
Staff remuneration and development	3,952	-	3,952
	$ 23,454	$ -	$ 23,454

(in thousands)

19. COMMITMENTS

(a) CBT Office

CBT has entered into operating lease agreements for its office spaces with terms expiring at various dates in the future.

(b) Waneta Expansion Project

Over the next 2.5 years, CBT Waneta Expansion Power Corp. is committed to fund its 16.5% interest in the Waneta Expansion Project and is committed to funding $20.2 million in 2013/14, $5.7 million in 2014/15, and $2 million in 2015/16.

20. RECOVERIES

CBT charges Columbia Power for information technology support services and management services relating to jointly owned power project entities. Columbia Power also rents a portion of the Columbia Basin building owned by CBT. In addition, CBT charged CBBC for management services, which was accounted for using the modified equity method in 2011/12. These items are classified as recoveries on the statement of operations.

		2013		**2012**
Information technology systems	$	156	$	299
Management/contract services		60		336
Rental expense		151		151
	$	367	$	786

21. RELATED PARTY TRANSACTIONS

CBT is related through common ownership of its jointly owned entities with Columbia Power. CBT is also indirectly related through common ownership to all Province of BC ministries, agencies, Crown corporations and public sector organizations that are included in the provincial government reporting entity. All related party transactions are considered to possess commercial substance and are consequently recorded at their exchange amounts. CBBC was accounted for using the modified equity method in 2011/12.

(in thousands)

CBT's portion of related party transactions in power projects, CBBC and Joseph Creek Village are as follows:

Due from and sales to related parties:

	2013		2012	
	Due from related party	Sales to related party	Due from related party	Sales to related party
Columbia Power	$ 53	$ 366	$ 164	$ 657
Province of BC	1,886	-	1,829	-
BC Hydro	1,918	31,082	2,193	29,769
BPC	-	-	-	-
BEPC	188	712	42	640
Powerex	-	-	-	705
Joseph Creek Village	2040	132	-	-
CBBC	-	-	-	100
	$ 6,085	$ 32,292	$ 4,228	$ 31,871

Due to and purchases from related parties:

	2013		2012	
	Due to related party	Purchases from related party	Due to related party	Purchases from related party
Columbia Power	$ 216	$ 1,793	$ 207	$ 1,915
Province of BC	96	7,755	70	6,512
BC Hydro	10	174	10	186
BPC	188	712	42	640
BEPC	-	-	-	-
Powerex	-	45	-	45
Joseph Creek Village	-	-	-	-
CBBC	-	-	-	24
	$ 510	$ 10,479	$ 329	$ 9,322

22. PUBLIC SERVICE PENSION PLAN

CBT and its employees contribute to the Public Service Pension Plan (PSPP) in accordance with the *Public Sector Pension Plans Act*. The British Columbia Pension Corporation administers the plan, including payment of pension benefits to employees to whom the Act applies. The PSPP is a multi-employer defined benefit pension plan. Under joint trusteeship, the risks and rewards associated with the PSPP's unfunded liability or surplus is shared between the employers and the plan members and will be reflected in future contributions.

The most recent actuarial valuation as at March 31, 2011 indicated a $275 million funding deficit for basic pension benefits. To maintain funding for the basic pension benefits, contribution rates to the basic account were increased by a total of 0.8% of salary. This increase was shared equally between members and employers and was effective April 2012. Contributions to the PSPP by CBT in 2012/13 were $267,000 (2011/12 - $232,000). No provision, other than CBT's required employer pension contributions, has been made in the accounts of CBT for this liability. The next valuation date will be March 31, 2014 with results expected in fiscal 2015.

(in thousands)

23. RISK MANAGEMENT

(a) Credit risk

Credit risk refers to the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. CBT extends credit within its commercial loans and investments. To mitigate CBT's exposure to credit risk, an assessment of the credit worthiness of a borrower is carried out prior to the placement of a commercial loan or investment. CBT's exposure to credit risk is as indicated by the carrying value of its commercial loans and investments. The maximum exposure to credit risk at March 31 was:

	2013	2012
Accrued interest and other assets	$ 1,473	$ 1,417
Commercial loans	$ 21,418	$ 13,827
Commercial investment	$ 3,000	$ 4,400

(b) Liquidity risk

Liquidity risk refers to the risk that CBT will encounter difficulty in meeting obligations associated with financial liabilities. CBT monitors and maintains its liquidity to ensure sufficient capacity to repay its financial liabilities when they become due. CBT considers that it has sufficient liquidity to meet its financial obligations. The maximum exposure to liquidity risk at the reporting date was:

	2013	2012
Accounts payable and accrued liabilities	$ 558	$ 639
Long-term debt	$ 1,056	$ -
Delivery of Benefits liabilities	$ 24,274	$ 20,449

(c) Market risk

Market risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk.

i. Currency risk

Currency 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. CBT realizes all significant revenues and expenses in Canadian dollars and is therefore not significantly exposed to currency fluctuations.

ii. Interest rate risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. CBT is not exposed to significant interest rate risk for current liabilities due to the short-term nature of its current liabilities. CBT's short-term investments and commercial loans are subject to variable interest rates.

Sensitivity analyses: A change of 100 basis points in the interest rates in short-term investments would increase or decrease revenues by $786,000. A change of 100 basis points in the market rates of commercial loans would increase or decrease revenues by $144,158.

iii. Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial statement or its issuer, or factors affecting all similar financial instruments traded in the market. As CBT's market securities portfolio is affected by global market conditions, the maximum exposure to price risk at the reporting date was:

		2013		**2012**
Market securities	$	23,619	$	21,911

24. BUDGETED FIGURES

Budgeted figures have been provided for comparison purposes and have been derived from CBT's annual budget approved by the Board of Directors in January 2012.

25. COMPARATIVE FIGURES

Certain prior year figures have been reclassified to conform with the current year's presentation.

(in thousands)

Schedule A: Tangible capital assets supplementary financial information

		Land		Building		Office Furniture and Equipment		Leasehold Improve-ments		Server Hardware and Software		Work-Station Hardware		Fibre Optics		Total
March 31, 2013																
Cost																
Opening balance	$	205	$	3,470	$	530	$	637	$	632	$	268	$	-	$	5,742
Additions		485		975		20		76		271		20		570		2,417
Disposals		-		-		-		-		(42)		(2)		-		(44)
		690		4,445		550		713		861		286		570		8,115
Accumulated amortization																
Opening balance		-		(1,213)		(472)		(590)		(340)		(221)		-		(2,836)
Additions		-		(115)		(40)		(53)		(267)		(35)		(41)		(551)
Disposals		-		-		-		-		42		2		-		44
		-		(1,328)		(512)		(643)		(565)		(254)		(41)		(3,343)
	$	690	$	3,117	$	38	$	70	$	296	$	32	$	529	$	4,772
March 31, 2012																
Cost																
Opening balance	$	70	$	3,190	$	517	$	635	$	445	$	244	$	-	$	5,101
Additions		135		280		15		2		187		54		-		673
Disposals		-		-		(2)		-		-		(30)		-		(32)
		205		3,470		530		637		632		268		-		5,742
Accumulated amortization																
Opening balance		-		(1,099)		(402)		(549)		(187)		(183)		-		(2,420)
Additions		-		(114)		(72)		(41)		(153)		(68)		-		(448)
Disposals		-		-		2		-		-		30		-		32
		-		(1,213)		(472)		(590)		(340)		(221)		-		(2,836)
	$	205	$	2,257	$	58	$	47	$	292	$	47	$	-	$	2,906