



British Columbia Council
for International Education

Annual
Report **12 | 13**

BCCIE

BRITISH COLUMBIA COUNCIL
FOR INTERNATIONAL EDUCATION





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Message from the Chair to the Minister Responsible

Jim Hamilton
Chair

Honourable Amrik Virk Minister of Advanced Education

The British Columbia Council for International Education (BCCIE) supports BC's diverse International Education sector by actively promoting the Province as the premier education destination in Canada for international learners, encouraging global opportunities for BC learners, and providing leadership and support in executing strategies, fostering internationalization, and sharing best practices. For BCCIE 2012/13 has been a transformational year. After over 20 years of working to advance International Education in BC, the organization became a Provincial Crown Corporation in 2012. BCCIE is now mandated to fulfil this role for the benefit of all British Columbians.

This new status brings stability and transparency to our organization, new capacity to act on our mandate, and clearer expectations to meet. As a result, BCCIE has stepped up its engagement and strategic activities to support the sector on behalf of the Province, with activities that are expected, as in the past, to translate into new economic opportunities for diverse peoples and communities across BC.

This is BCCIE's first annual report as a Crown Corporation. As such, no relevant comparables exist from previous years to provide context for the year's achievements and activities. However, I am pleased to report that BCCIE met or exceeded all its Operational Plan targets. We have operated with efficiency and quality within our revenues, and have established a comprehensive Service Plan to guide our work going forward.

Achievements

While engaging in the complex process of becoming a Crown Corporation, BCCIE continued to achieve significant performance outcomes during 2012/13, working closely and collegially with many partners, including three Ministries.

As a long-term Board member, and Chair since 2009, I am proud to report major achievements in all our strategic arenas: Coordinated Leadership, Market Support, and Communications, Professional Development and Service. They are highlighted here, and are presented in further detail in this Annual Report.

Highlights

In 2012/13, BCCIE increased the number and quality of relationships cultivated on behalf of the Provincial Government, chiefly through representation of BC at signature education and trade events nationally and internationally. In addition, BCCIE also grew its effectiveness as a hub of marketing expertise for International Education providers in 2012/13 launching the StudyinBC website (www.studyinbc.com), Canada's first provincially-endorsed unique destination resource for study options in British Columbia as well as administering the Education Quality Assurance (EQA) standards program, Canada's only Education Quality Assurance designation. Finally, the highlight of our ongoing efforts to improve BC's professional expertise in the sector was unquestionably the annual BCCIE conference held in Kelowna in June 2012, our largest ever event attracting over 220 individuals.

Market Environment

Although Canadian numbers overall have grown, and BC has done very well in that growth, Canada's share of the total global market has actually dropped from 5% to 4.5% as more countries are aggressively entering the education marketplace and pursuing the same students. Canada remains the world's fourth most popular study destination but BC continues to attract increasing numbers of students as the destination of choice for many learners; however, we need to be strategic and vigilant to maintain this growth.

Challenges and Opportunities

To address this expanded global competition and achieve our goals around leadership and communication, BCCIE is increasing its focus on emerging global markets and on efforts to reinforce BC's strong brand abroad. Emerging markets in Latin America, Southeast Asia and Central Europe are offering significant opportunities to our sector. To support government in the achievement of the targets outlined in the International Education Strategy, BCCIE is actively pursuing key connections in those regions while maintaining our key regional relationships in China, Southeast and South Asia and Western Europe.

BCCIE sees a major opportunity in our own backyard, with a growing emphasis amongst BC educational institutions on access to international experiences for their own students. We are working to increase local student awareness of international opportunities, and envisage a highly mobile student population and domestic workforce, which increasingly require the skill sets that only an International Education can provide.

The future trajectory is clear: more and more, students will need to be able to work effectively across different cultures. To that end, we are actively encouraging the internationalization of curriculum and expanded language learning opportunities at both K-12 and post-secondary levels.

Future Outlook

Globally, the international student population is set to double over the next decade, and BC is well positioned to take advantage of that growth. BCCIE believes that with well-planned interventions and strategic relationships, we can help the sector further increase market share.

To achieve this, we must continue to foster the Province's global and Canadian reputation for leadership, quality and innovation. And BCCIE will redouble its efforts to support and grow the professional standards that ensure this enviable position.

We have a huge advantage in our mission: BC institutions boast a globally-recognized cadre of innovative and professional practitioners, with no shortage of the entrepreneurial talent and eclectic programming that contribute to BC's economic development and job creation goals. We have accomplished so much in BC through the leadership and vision of individuals, districts, schools and institutions and with the support of education partners, government and communities across the Province.

In this work, BCCIE remains committed to fostering the values that propelled our sector to these ranks: economic advancement and prosperity, of course, as well as the spirit of global citizenry, development, cultural curiosity and the universality of scholarship. BCCIE will continue to champion these directions in International Education: connecting key players, accelerating the dissemination of best practices and celebrating our education sector's successes.



Jim Hamilton
Chair



Statement of Accountability

The British Columbia Council for International Education (“BCCIE”) 2012/13 Annual Report was prepared under the direction of the BCCIE Board of Directors in accordance with the Budget Transparency and Accountability Act and the British Columbia 2012/13 Crown Corporation Annual Report Guidelines. The information presented was prepared in accordance with the BC Reporting Principles and represents a comprehensive picture of BCCIE’s actual performance for the 12 months ended March 31, 2013 in relation to its 2012/13 Operational Plan.

The Board is accountable for the contents of the report, including the selection of performance measures and how results have been reported. The measures presented are consistent with BCCIE’s goals and objectives, and focus on aspects critical to the organization’s performance.

The Board is responsible for ensuring internal controls are in place to ensure performance information is measured accurately and in a timely fashion.

All significant assumptions, policy decisions, events and identified risks, as of March 31, 2013 have been considered in preparing the report. Any changes in mandate, direction, goals, strategies, measures or targets made since the 2012/13 Operational Plan was released and any significant limitations in the reliability of data are identified in the report.

The Board is confident in the financial and performance-based information included in this report.

Jim Hamilton
Chair, BCCIE

June 7, 2013



Letter from Executive Director

Randall Martin
Executive Director

From where I sit, 2012/13 will be remembered as the year that BC's dynamic International Education sector finally achieved the recognition it has long and well deserved. For BCCIE, it is certainly a moment to celebrate. The sector's collective hard work and impact have been recognized, and our messages have been heard.

Today, International Education's impressive metrics are increasingly well known: it is a clean, knowledge-based export industry that annually injects over \$2 billion of direct economic benefit into BC's economy and shows no sign of slowing down. Right now, more than 100,000 international students are living in BC, enrolled in diverse short-term and longer-term education and training programs at public and private institutions and trade organizations across the province. These students directly support over 22,000 jobs, generating a \$6-billion ripple effect across the province.

Also clearly recognized was the role that BCCIE has played in fostering this success. Now, as the agency publicly responsible for serving BC's interests in International Education, BCCIE can further coordinate and help grow this sector. We are building the profile of our sector and province abroad, providing leadership, support and coordination in branding and global marketing, and acting as a hub of comprehensive expertise. We will continue to meet the needs of our members with professional development and communications initiatives, and to promote ever-higher standards of professionalism across the sector. We engage with over 1,700 active stakeholders and partners provincially, nationally and internationally, and this number continues to grow.

At BCCIE, we were heartened this year as the Provincial Government launched an International Education Strategy, celebrating and supporting the sector. This is a welcome acknowledgement of our stakeholders and partners whose efforts over two decades have made International Education a major part of our economy.

As we move forward to implement our new Service Plan, we anticipate working even more closely with Provincial ministries to help achieve the ambitious aims of the strategy and address the various needs of the communities engaged in International Education.

With International Education increasingly in the spotlight, it is important to emphasize that BCCIE's focus is not solely on bringing students to BC, which is but one side of the International Education coin, but also on providing more and more BC students with opportunities for international study and impactful engagement with different cultures. We are excited by new initiatives that focus on skills and trade development and bring together International Education, labour market development, and regional growth as partners with mutually beneficial goals.

In BCCIE's role as international ambassadors for the sector, we have enjoyed an outstanding year of success. We have greatly expanded BC's network of international partners and contacts, and connected regional marketing initiatives to those networks, focusing more on BC school districts and institutions that have not traditionally been in the mainstream. To further develop this, we are introducing a mentoring program to support their efforts to gain new leverage in the global marketplace and increasingly enhance the professionalism of an already impressive community of practitioners.

We are experiencing a generational change in the International Education sector, with the founding generation of Baby Boomers moving on or hanging on to work well into retirement, and with Generation X and Generation Y moving in and now fully engaged in the field; the passing of the torch, the dissemination of values and best practices, succession planning and the professional development of the next generation are of fundamental importance. Accordingly, in 2012/13 we delivered more professional development events, to more people, than ever before in our history, and our



In BCCIE's role as international ambassadors for our sector and BC business more broadly, BCCIE has enjoyed an outstanding year of success. We have greatly expanded BC's network of international partners and contacts, and connected regional marketing initiatives to those networks, focusing more on BC school districts and institutions that have not traditionally been in the mainstream.



Most fundamentally, our work at BCCIE has always been about building bridges and relationship platforms to bring the right people together.

annual conference was the largest in BCCIE's 23-year history. More than 220 people involved in International Education gathered in Kelowna from all over BC and Canada, including many representatives from both the Federal and Provincial Government to participate in compelling dialogue about future challenges and opportunities.

Most fundamentally, our work at BCCIE has always been about building bridges and relationship platforms to bring the right people together and to create the environment to help them make things happen. When we do that work successfully, both the sector and BC's reputation for international understanding and cooperation flourish. Our success and achievements abroad and at home are collective. They rely on the integrity and quality of what we put forward as a province, and the values with which we embrace our vocation.

In our activities for 2013/14, I believe our new role as a Crown Corporation will enable us to further coordinate the interwoven and symbiotic nature of this exceptionally diverse sector. Clearly, a better-coordinated sector is a stronger sector. We see a vibrant future in our work of supporting International Education, with continuing leadership in BC, and by BC, assured.

Randall Martin, PhD
Executive Director



Highlights: BC's Leadership in International Education, Assured

Generating billions in revenue and thousands of jobs, International Education is now a recognized BC economic success story. It is an inspiring BC success story, and one that speaks directly to the rewards of working well together. And that, fundamentally, is the purpose and role of the British Columbia Council for International Education. BCCIE has been a force for coordinated efforts to grow and develop the sector since 1991, helping achieve together what cannot be accomplished with purely individual efforts.

At BCCIE, we forge new global and local connections in International Education. We support the marketing of BC under a unified, highly respected brand. And we work to support that brand with an ever-increasing quality of experience for our students.

We here present a look at the highlights of BCCIE's achievements in 2012/13. The highlights are presented in lieu of specific reporting on performance measures. BCCIE became a Crown Corporation in 2012 and therefore did not have a 2012/13 Service Plan to report on for this Annual Report, but rather strategic goals from an Operational Plan that we pursued.



Goal 1: By sharing best practices and fostering positive relationship building for the benefit of BC's diverse International Education sectors, and by promoting a culture of quality and excellence in internationalization.

Coordinated Leadership

Coordinated Leadership

Here we highlight some of our major achievements in coordinating leadership on behalf of British Columbia.

China: Engaging Our Largest Market

Today, China is the source country for 20,000 of BC's international students. It is the largest single country of origin, and agreements developed this year further strengthen BC as a preferred study destination for Chinese students.

In 2012/13, BCCIE signed memoranda of understanding (MOUs) with key partner organization in China. These MOUs raised the level of dialogue and engagement between China and BC and created platforms upon which many BC and Chinese districts, organizations, institutions could pursue new opportunities.

BCCIE also helped deliver a major BC presence during the 2012 China Education Expo, involving 26 institutions from our province. Our efforts helped double BC's participation in Beijing, Shanghai and Guangzhou and brought great value-add through additional networking and site visits.

Supporting Student Mobility: BC Summer Camps

Partnering with the Powell River School District, BCCIE hosted its second Canada Summer Adventure Program for international students in 2012. The program gave 16 international high school students from Beijing the chance to enjoy ten days of summer adventure and learning in the outdoor-oriented coastal community of Powell River, experiences they will cherish for a lifetime.

Going Global with Government

BCCIE supported several of government's international activities during 2012/13. For BC's larger trade missions, we planned and led the mission's education component, engaging our networks and deploying our deep sectoral knowledge to support government goals. We again supported a Hanban-sponsored tour of China by a large group of K-12 superintendents and colleagues. We delivered a major Team BC marketing mission to China on behalf of the Province.



Represented by 20,000 students, China is the largest single source country for international students in BC.



"Besides practicing my English, I improved my teamwork skills as well. I learned that I can take care of myself because I stayed in a home stay which is not the same as my home in Beijing. Overall I learned and improved a lot of my skills."

BC-Beijing Summer Camp Student, 2012



"Canada would be much more effective in International Education if every province had an organization like BCCIE."

Canadian diplomat



Goal 2: BCCIE supports BC's International Education sector in positioning BC as the leading quality destination for international learners from around the globe.

Market Support

Market Support

BCCIE supports the sector's combined marketing efforts with targeted initiatives aimed at growing the sector's marketing effectiveness. This year, we made outstanding progress: in information development through the new StudyinBC website, through support of the Province's Education Quality Assurance designation, and in training BC's new overseas team of Education Marketing Managers. We also organized and hosted a variety of incoming international delegations and familiarization tours across the province.

StudyinBC: Launching BC's Voice Online

BCCIE launched the StudyinBC website in June 2012, a web portal for the world to peer into and anticipate our quality education offerings and experiences. StudyinBC informs prospective students about study options in BC and includes student testimonial videos, supporting students in the inspiration stage of their journey. StudyinBC is aspirational and student driven and complements the Ministry's LearnLive BC site, which supports the decision-making stage by offering details and pathways to programs. Visit the website at www.studyinbc.com.



A Unique Resource for Students



"You learn a lot about yourself, and about people from around the world. You especially learn a lot because you do this experience on your own - it's really good. You grow up a lot!"

*Claire Delefortrie,
international student from France*

"The site looks great! It is really well designed, and it incorporates social media effectively. We'll be sure to mention it to our audience and continue to check back in."

*Danny Newman
CEO, Genius Recruiter*

"I have been a huge fan of the International Education efforts of British Columbia and BCCIE since I entered the field back in 2000 and StudyinBC.com only enhances my appreciation of their efforts!"

David Comp, International Higher Education Consulting Blog (one of only six blogs worldwide selected by the New York Times editors for the paper's online International Education section).

EQA: Setting Global Standards

Unique in Canada, BC has established official quality standards for International Education, through the Education Quality Assurance designation, a marquee designation assuring parents and students of the quality of our offerings, and a key plank in the marketing of BC Education in the provincial International Education Strategy. EQA tells the world that BC cares about its international students and the quality of their experience here.

BCCIE administers EQA on behalf of the Ministry of Advanced Education, Innovation and Technology. In March 2013, 106 post-secondary institutions were qualified to use the designation.

"Quality is never an accident; it is always the result of high intention, sincere effort, intelligent direction, and skillful execution; it represents the wise choice of many alternatives."

William A. Foster



www.bceqa.ca

Ensuring BC's Presence at Signature Events

Participating in key national and International Education events, and more importantly coordinating a BC presence at these events, is an effective way to showcase BC's potential and opportunity, and to tell our stories of success.

BCCIE coordinated a BC presence at three signature events in 2012/13:

- National Association of Foreign Student Advisers (NAFSA)
- European Association for International Education (EAIE)
- Asia Pacific Association for International Education (APAIE).



Leading the Way with EQA

EQA establishes BC as a world leader in education quality assurance. The designation is granted to public and private post-secondary institutions that meet or exceed government recognized quality assurance requirements, and offer consumer protection to learners. BC is the only Canadian province with a consolidated list of quality public and private post-secondary institutions branded with a provincial seal, recognized globally as a symbol of quality.



As of March 2013, there were over 100 EQA designated post-secondary institutions.



BCCIE represents British Columbia's public and private school districts and institutions at the Canada Pavilion in the NAFSA exhibitor hall.

Orienting BC's Education Marketing Managers

BC's International Education sector has a new group of dedicated full-time marketers on its team, all locally hired in our key markets of China, India, Korea and Japan. Engaged by the BC government through its trade and investment offices abroad, the new Education Marketing Managers (EMM) will work in their home regions to promote BC as an education destination.

BCCIE helped prepare the EMM team to take on their new roles. We coordinated a one-week Orientation and Familiarization Mission in February 2013, one that took the group from Vancouver Island to the Okanagan to Prince George, and finally Metro Vancouver.

BCCIE hosts also introduced the group to diverse schools and institutions, to see for themselves the diversity, breadth and quality of our education system. A series of roundtables with sector leaders helped prepare the EMMs for their work of generating more opportunities for BC's International Education community.

Hosting and Organizing Delegations

BCCIE regularly organizes incoming and outgoing international delegations as well as familiarization tours of BC. During the past year, we organized and conducted 10 incoming delegations from China, Vietnam, Brazil, India and Libya.



"I envision the EMMs will work to build an understanding of institutional priorities in markets and ensure alignment with local activities."

BC International Educator





Goal 3: BCCIE provides effective professional development offerings, service and communication to and for BC's International Education stakeholders.

Communication, Professional Development and Service

Communication, Professional Development and Service

BCCIE works diligently to offer our partners richly programmed, effective and collegial professional development opportunities and service initiatives, and to promote a culture of internationalization, the dissemination of best practices and succession planning.

To that end, we present a variety of professional development platforms:

- **Summer Seminar** is BCCIE's annual conference that brings International Education professionals from BC and Canada together to engage in dialogue around key topics within the sector.
- **Sector Roundtables** enable practitioners to engage in dialogue with BCCIE staff and share critical institutional updates and issues affecting the industry.
- **Professional Development** events inform practitioners about the current trends and relevant issues facing the International Education sector. Each session addresses a special topic, with presentations conducted by sector leaders.
- **BCCIE Speaker Series** gives International Education partners an opportunity to hear the view of influential leaders on topics of importance to the sector.
- **Webinars** help BCCIE respond to the needs of stakeholders outside the Lower Mainland with learning opportunities that don't require them to travel in order to participate.

Summer Seminar: Global Pursuits, Local Endeavours

Kelowna was the site of BCCIE's annual Summer Seminar with over 220 participants attending 24 concurrent learning and dialogue sessions.



"Summer Seminar offered a good variety of sessions and events allowing professionals in International Education to engage in meaningful dialogue about current issues. It was an excellent learning opportunity and an annual event that every institution should be represented at."

Summer Seminar conference attendee



"The BCCIE Summer Seminar is the go-to event for professional development and networking. I left this conference feeling prepared, engaged and welcomed to a community of fellow practitioners."

Summer Seminar conference attendee

Workshopping Key Pathways and Partnerships

BCCIE hosted a workshop called Recruiting Pathways and Partnerships within the Canadian and BC Context. Dr Daniel J Guhr, managing director of Illuminate Consulting Group (ICG), and Sharon Curl of Euro Centres, presented the latest research and practical experiences which map out structural, organizational, performance and business aspects of pathways and partnerships.

Dialoguing with Canada's Senior Diplomats

In 2012/13, our partners and stakeholders enjoyed the opportunity to hear from and interact with senior Canadian diplomats about International Education opportunities and challenges in their respective postings abroad, including:

- Canada's Ambassador to China, the [Honourable Guy Saint-Jacques](#)
- Canada's Ambassador to Mexico, the [Honourable Sara Hradecky](#)
- Canada's Ambassador to Kuwait, the [Honourable Douglas George](#).

Webinar: Introducing Google Analytics

Stakeholders from across the province logged on to a BCCIE Webinar on Google Analytics, which covered the fundamentals of this important digital marketing tool.

Webinar: Leveraging the ICEF Agent Barometer

BCCIE recruited Sarah Mines, Canada manager at International Community Empowerment Foundation (ICEF), to lead a webinar about ICEF's annual survey of screened International Education agents from 107 countries. The webinar provided insights into the 2012 ICEF Barometer results most relevant to Canadian educators.



BCCIE brings leading experts such as Dr. Daniel J. Guhr, Illuminate Consulting Group, to share the latest research in International Education.



BCCIE International Education Award Winners

The BCCIE International Education Awards Program recognizes the professionalism, dedication and efforts of an exemplary group of experts and practitioners in the diverse field of International Education in British Columbia.

2012 Award Winners

International Education Distinguished Leadership Award
[Patricia Gartland](#), Coquitlam School District No. 43

International Education Distinguished Service Award
[Carolyn Russell](#), University of Victoria

Outstanding Program in International Education Award
[SFU Dual Degree Program in Computing Science](#) (Simon Fraser University / Zhejiang University)

Rising Star in International Education Award
[Caroline Rueckert](#), University of British Columbia

Innovation and Excellence in International Education Award
["Hope For Youth" Scholarship Program](#) (Languages Canada)

International Education Lifetime Achievement Award
[Bob Bagshaw](#)

Organizational Overview

Enabling Legislation

The British Columbia Council for International Education (BCCIE) is incorporated under the Society Act, and is a Provincial Crown Corporation.

Mandate

The mandate direction provided by Government to BCCIE is to:

- Undertake activities and initiatives in support of Government priorities for International Education, including those outlined in the Province's International Education Strategy;
- Provide planning, logistics and ground-level coordination and support for international events, missions, and delegations (incoming and outgoing), specifically in relation to International Education;
- Maintain, support and enhance the critical network of international contacts as appropriate, and leverage these to support Government's International Education priorities and objectives; and,
- Maintain and update the StudyinBC website.

In support of this mandate, BCCIE serves the needs of all International Education sectors of British Columbia: public and independent K-12, public and private post-secondary, and language schools through providing the following:

- Coordinated leadership for all of the participants in British Columbia's International Education sector;
- Market support, such as the coordination of missions, delegations, familiarization and signature events; and,
- Communication activities, professional development offerings and services.

Vision

To profile British Columbia as the education destination of choice for learners from around the globe and to promote global citizenry and internationalization at all levels of BC's education system.

Values

BCCIE's core values guide its operations and are embedded in its organizational culture, as follows:

Internationalization

We embrace internationalization and the promotion of global understanding. BCCIE's team and stakeholders are passionate about furthering the interests of the International Education sector in BC and promoting the many benefits to international learners and British Columbians alike.

Global Citizenry

Through programming, mobility and an ethos ingrained in all activities, BCCIE encourages the appreciation of diversity, the ability to live and let others live, the ability to adhere to one's convictions while accepting that others adhere to theirs, and the ability to enjoy one's rights and freedoms without infringing on those of others.

Collaboration

We think the world is a better place if people work together. We actively seek to forge partnerships and foster collaboration. We believe that, through sharing complementary activities and roles with the International Education sector and government, we can build a community of educators and citizens that value international learners from all corners of the world while recognizing the great value that International Education brings to the province.

Best Practices

We actively raise the bar by sharing best practices in International Education and internationalization with the sector. BCCIE collects and disseminates the latest research findings, innovations and best practices to share with the sector, and embeds best practices in all professional development offerings.

Integrity

We are committed to meeting and maintaining the highest standard of integrity expected by our stakeholders, government, and all British Columbians. We promote and follow fair and transparent policies and processes in all that we do.



BCCIE embraces internationalization and the promotion of global understanding.



Overview of Core Business Areas

In support of government policy and strategic direction, including that outlined in the BC International Education Strategy, BCCIE is committed to advancing the International Education interests of the Province of British Columbia, the regions and communities across the province, and importantly the interests of the public and private education institutions in language training, K-12 and post-secondary.

BCCIE serves British Columbians through the coordination of activities that promote BC to international learners and their families from around the world, with a focus on the key markets identified in the BC International Education Strategy. BCCIE also researches, collects and disseminates best practices to all participants in BC's International Education sectors through electronic and print publications and professional development offerings, including our flagship professional development event, the annual BCCIE Summer Seminar.

All of these activities support BC's economic development through the growth of the International Education sector, and create learning environments and communities that are progressive, open, welcoming, and valuable to international practitioners, learners and their families. This, in turn, enriches the lives of all participants in International Education, including preparing BC's domestic students to be better global citizens, and leads to tangible economic, political, and social benefits for the province.

How We Deliver Services

Through consultation and direction from the Ministry and the Board, and broad engagement with the diverse participants representing BC's International Education sector, BCCIE is able to achieve its objectives by delivering services in the following categories:

Coordinated Leadership: Working with the Province and BC's public and private post-secondary and K-12 sectors and BC's language schools to enhance the International Education sector in BC. This is done through sharing best practices and fostering positive relationship building for the benefit of BC's diverse International Education sectors, and by promoting a culture of quality and excellence in internationalization.

Market Support: Supporting BC's International Education sector in positioning BC as the leading quality destination for international learners from around the globe.

Communication, Professional Development and Service: Supporting the International Education sector by providing effective professional development offerings, service and communication to and for BC's International Education stakeholders.



Our Partners

BCCIE seeks to be both leader and supporter and to be as relevant as possible to the public and stakeholders it serves. In doing so, we strive to develop and nurture a strong network of supporters and collaborators.

Partners include the following broad stakeholder groups:

- BC Provincial Government
- Federal and provincial governments
- Public and independent K-12
- Public and private post-secondary institutions (colleges, institutes and universities)
- Private career training schools
- Language schools
- International agents
- Students and their families
- British Columbia's communities and regions

BC-based organizations such as:

- British Columbia Association of Institutes and Universities (BCAIU)
- British Columbia Council on Admissions and Transfer (BCCAT)
- BC Career Colleges Association (BCCCA)
- BC Colleges
- Federation of Independent School Associations in British Columbia (FISA)
- International Public School Education Association (IPSEA)
- LinkBC
- Private Career Training Institutions Agency (of BC) (PCTIA)
- Research Universities Council of BC (RUCBC)

Canadian organizations and federal departments such as:

- Asia Pacific Foundation of Canada (APFC)
- Association of Community Colleges of Canada (ACCC)
- Association of Universities and Colleges of Canada (AUCC)
- Canada World Youth (CWY)
- Canadian Association of Public Schools International (CAPS-I)
- Canadian Bureau for International Education (CBIE)
- Languages Canada
- Canadian Association of Independent Schools (CAIS) / Standards in Excellence And Learning (SEAL)
- Citizenship and Immigration Canada (CIC)
- Council of Ministers of Education, Canada (CMEC)
- Department of Foreign Affairs and International Trade Canada (DFAIT)
- National Association of Career Colleges (NACC)
- World University Association of Canada (WUSC)

International organizations such as:

- Asia Pacific Association for International Educators (APAIE)
- Association of International Educators (NAFSA)
- Association of International Education Administrators (AIEA)
- European Association for International Education (EAIE)
- International Association of Universities (IAU)
- Other participants in International Education
- Employees and Board members



Location of Crown Corporation Operations

British Columbia Council for International Education
Suite 603 – 409 Granville Street
Vancouver, BC V6C 1T2

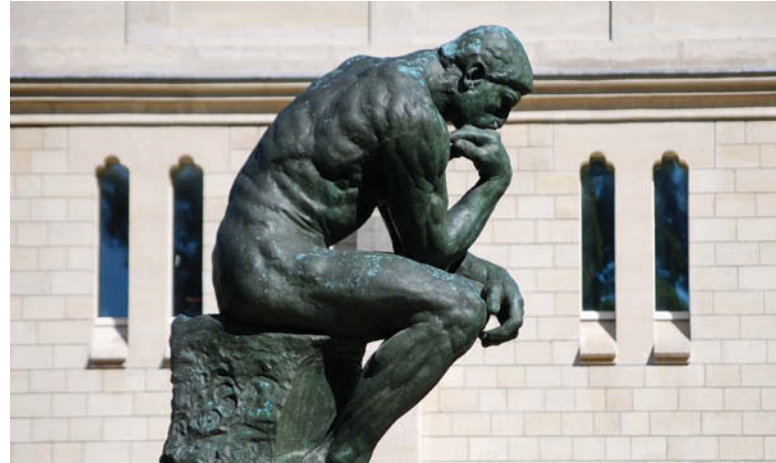
T: 604-637-6766
E: bccie@bccie.bc.ca
W: www.bccie.bc.ca

Office hours are Monday-Friday, 8:30 am to 4:30 pm.
For more information please visit us at www.bccie.bc.ca

Corporate Governance

BCCIE is governed by an eight-member Board of Directors that ensures operations reflect its mandate direction and the interests of its many stakeholders.

The composition of the Board reflects BCCIE’s mandate and BC’s diverse International Education sector, with representatives from public post-secondary universities and colleges, public and independent K-12, private career training institutions, and the Ministry of Advanced Education, Innovation and Technology. At this time, the Board has one subcommittee, the Finance Committee, which provides oversight of financial reporting, corporate control systems, risk management and the audit process. In addition, the Board will be revising BCCIE’s Governance principles and re-establishing a Board Governance subcommittee during the current fiscal year.



Role and Membership of the Board

BCCIE’s Board is comprised of eight members, each serving two-year terms. Board members are as follows:

Mr Jim Hamilton (Board Chair), President, Okanagan College	Second term start: January 2012
Ms Claire Avison, Assistant Deputy Minister, BC Ministry of Education	First term start: January 2012
Ms Robin Ciceri, President, The Research Universities’ Council of British Columbia	First term start: January 2012
Dr Peter Froese, Executive Director, Federation of Independent School Associations	Second term start: January 2013
Dr Kris Bulcroft, President and Vice-Chancellor, Capilano University	First term start: April 2012
Dr Steve Cardwell, Superintendent of Schools and CEO, Vancouver School Board	First term start: December 2012
Ms Dawn Minty, Assistant Deputy Minister, BC Ministry of Advanced Education, Innovation and Technology	First term start: January 2012
Ms Karin Kirkpatrick, Registrar and CEO, Private Career Training Institutions Agency	Second term start: January 2013

Senior Management Team Senior Management Team for the period 2012/13

Dr Randall Martin, Executive Director
Ms Karmen Blackwood, Director of Operations, Finance, and Stakeholder Relations
Mr Colin Doerr, Director of Communications and Programs

Please note, Ms Karmen Blackwood resigned from BCCIE in March 2013. Ms Tanya Grand joined the senior management team on May 1, 2013 in the role of Director, Operations and Programs.

For the full BCCIE team, visit www.bccie.bc.ca/about/team

Report on Performance

This performance report highlights BCCIE's results for the fiscal year ending March 31, 2013. We are pleased to report that the organization achieved all of its Operational Plan commitments within each of its areas of strategic focus.

The goals discussed here were first articulated in BCCIE's 2012/13 Operating Plan, created and implemented before the Society became a Crown Corporation. Our goals are, however, also reflected in BCCIE's recently developed and first-ever Service Plan for 2013/14.

Since BCCIE is in its first year of Crown Corporation status, we will not be reporting on specific performance measures for 2012/13. For fiscal year 2013/14, we will focus on refining performance measures and benchmarks against which BCCIE can evaluate its progress and performance over the longer term.

Goal 1: Coordinated Leadership

The objective of this goal is to support the International Education sector and the Provincial Government goal of creating a globally-oriented education system in British Columbia. BCCIE addresses this by providing coordinated leadership for the benefit of BC's diverse International Education sector, by promoting a culture of quality and excellence in internationalization, and by sharing best practices in International Education based on in-depth knowledge, experience and global relationships.

In 2012/13, we completed all the planned initiatives, including one Team BC mission to China, a mission to the United Kingdom, and a superintendents' delegation to China sponsored by Hanban. In addition, we began drafting a China strategy and carried out a targeted human resources allocation plan for our transition planning and evolving mandate. We are proud to say we delivered on all Operational Plan commitments.

Goal 2: Market Support

This goal is aimed at supporting the objectives of the International Education sector and Provincial Government in ensuring that all international students receive quality learning and life experiences, and in maximizing the benefits of International Education for all communities, families and



businesses. Chiefly, we address this goal by assisting in the multi-faceted work of positioning BC as Canada's preferred destination for learners at all levels from around the world. For example, we coordinated BC's presence at two signature events: the National Association of International Educators: NAFSA and the European Association for International Education (EAIE).

In 2012/13, BCCIE launched StudyinBC, supported the training for the Education Marketing Managers and also hosted over ten incoming delegations from China, Vietnam, Brazil, India and Libya.

Goal 3: Communication, Professional Development and Service

This goal is focused on supporting the International Education sector and the Provincial Government to create a globally-oriented education system in British Columbia. To this end, we provide effective professional development offerings, research, services and strategic communications to all International Education stakeholders in BC.

During 2012/13, BCCIE delivered on all of its Operational Plan commitments, including round table events and the annual Summer Seminar which attracted a record 220 participants.

Benchmarks and Performance Management Systems: Changes and Rationale

As an organization unique in BC and across Canada, BCCIE is without other provincial organizations of a similar structure, funding level and mandate against which to benchmark performance. BCCIE will, however, continue to search for organizations that may offer similar services so as to assist in the benchmarking process.

In 2013/14 we will establish credible performance measures and benchmarks to assist BCCIE in evaluating its progress and performance. One of BCCIE's main priorities over the 2013/14 fiscal year will be to implement best practices, track performance against the goals outlined above, and establish realistic benchmarks. BCCIE will track performance on a quarterly basis, comparing against the performance measures and targets outlined herein to establish reasonable benchmarks.

Capacity, Risk and Risk Mitigation Strategies and Opportunities

The main risk for BCCIE at this time is also BCCIE's greatest opportunity: namely, fulfilling all responsibilities of its new status. As a new Crown Corporation, BCCIE is re-establishing an already healthy working relationship with the Ministry and with Government as a whole, and is required to manage all of its new responsibilities and accountabilities while continuing to offer the same level of outreach and service under current staffing levels. This is a significant transition for BCCIE, and to mitigate this risk, BCCIE is working closely with the Ministry to further develop our collaborative relationship in order to meet the deadlines of associated reporting requirements.

In addition to the risk highlighted above, the greatest strategic issue and challenge that BCCIE will face in the coming years is in the ongoing support of our coordinating role by Government and by extension our stakeholder communities. We are confident that through ongoing collaboration and dialogue with the Ministry and the diverse sectors we represent, BCCIE will continue to mitigate risks and importantly to seek opportunities to further develop the International Education sector.



Risk(s)

Change in government priorities with respect to the direction for International Education that would impact BCCIE's mandate and priorities.

Risk Mitigation Strategies and Opportunities

BCCIE will continue to work closely with government and the sector to identify additional ways to support the development of the sector and sharing of best practices as well as to identify any additional actions that can be taken in response to the BC International Education Strategy.

BCCIE is quick to adapt to change and operationalize opportunities to further support the marketing of BC and promotion of internationalization best practices for the benefit of the sector.

Government Letter of Expectations

BCCIE fulfilled all actions specified in the Government Letter of Expectations. These are detailed below.

Specific Direction to BCCIE	BCCIE Actions in 2012/13
<p>Work collaboratively with the Ministry of Advanced Education, Innovation and Technology and Minister Responsible for Multiculturalism (the Ministry) to establish priorities with respect to activities and initiatives BCCIE will carry out.</p>	<p>BCCIE collaborated intensively with the Ministry in the preparation of BCCIE's first Service Plan as a Crown Corporation in addition to working together on a variety of other BCCIE documents such as the Operational Plan. Plans have now been developed for 2013/14 and 2014/15.</p>
<p>Submit a Board-approved Operational Plan that demonstrates how funding will be applied to initiatives and activities in support of Government priorities related to International Education and the Province's International Education Strategy.</p>	<p>BCCIE submitted a Board-approved Operational Plan that indicates distribution of funding across all BCCIE initiatives, including activities supporting the International Education sector and the province's International Education Strategy.</p>
<p>Submit for Ministry Review and approval quarterly summaries of activities carried out during the previous three months as well as summaries of activities to be carried out, or initiated, during the coming three months.</p>	<p>BCCIE submitted to the Ministry quarterly reports summarizing activities for each quarter, as well as monthly event calendars summarizing the planned activities for each coming month.</p>
<p>Administer the Education Quality Assurance (EQA) designation according to the EQA Administrative Agreement in place between BCCIE and the Ministry, and account for funding designated to this activity from within general funding provided to BCCIE by the Ministry.</p>	<p>BCCIE administered the EQA designation in accordance with the EQA Administrative Agreement and reported on funding designated to this activity.</p>
<p>Inform the Ministry of any additional work which may be acquired outside of that funded by the Ministry.</p>	<p>In 2012/13, BCCIE did acquire additional work outside that which is funded by the Ministry. This was primarily in relation to the planning and implementation of the EMM orientation and training mission to BC and was funded on contract by the Ministry of Jobs, Tourism and Skills Training (JTST). In addition, funding was provided to BCCIE from JTST to coordinate a BC presence during the 2012 China Education Expo. We also received support and collegial cooperation towards coordinating incoming delegations from India and Vietnam for example.</p>
<p>In the event that BCCIE hires staff to be located internationally, ensure they are situated in British Columbia's existing international trade offices.</p>	<p>BCCIE did not hire any staff to be located internationally during the 2012/13 fiscal year.</p>

Financial Report

Management Discussion and Analysis

A summary of BCCIE's financial results is presented below. Chart A details BCCIE's current operations, with comparison to the 2012/13 budget and includes comments on variance. Please note a comparison to fiscal 2011/12 is not included as BCCIE only became a Crown Corporation in early 2012.

Chart A	2012/13 (Budget)	2012/13 (Actual)	Variance Analysis
REVENUE			
Provincial Grant - General Operations	1,250,000	1,300,000	
Provincial Grant - Education Quality Assurance (EQA)	250,000	200,000	
EQA (Renewal and New Application Fees)	157,500	176,931	Note 1
Summer Seminar	160,000	119,932	Note 2
Professional Development	8,000	10,109	
Other Government Contracts (JTST for EMM training, China Education Expo)	-	117,429	Note 3
Bank Interest	-	9,926	Note 4
TOTAL REVENUE	1,825,500	1,934,327	
EXPENSES			
Core Services (including Communication, Missions, Delegations, Familiarization Tours and Operations)	1,198,500	1,211,758	
<i>Operations</i>	<i>503,060</i>	<i>330,251</i>	Notes 5 & 6
<i>Salaries</i>	<i>607,687</i>	<i>803,520</i>	Note 7
<i>Lease</i>	<i>87,753</i>	<i>77,987</i>	Note 8
Professional Development	8,000	9,378	
EQA	407,500	275,707	Note 9
Summer Seminar	160,000	92,235	Note 10
NAFSA (Signature Event)	48,000	23,566	Note 11
Board Meeting	3,500	12,388	Note 12
TOTAL EXPENSES	1,825,500	1,625,031	
NET INCOME (LOSS)	-	309,296	
TOTAL DEBT	-	-	
ACCUMULATED SURPLUS AT BEGINNING OF THE YEAR	391,673	391,673	
ACCUMULATED SURPLUS AT END OF THE YEAR	391,673	700,969	Notes 13 & 14

Notes:

1. Includes 15% of all other revenues associated with EQA. Amount budgeted does not include other revenues as they were uncertain at time of budgeting.
2. Revenues and registrations did not meet initial expectations.
3. Other Government Contracts were not budgeted because the contracts were uncertain.
4. Bank Interest was not budgeted because it depended on the interest rate and the volume of the term deposits we had.
5. Though direction to transition away from marketing occurred in Oct 2011, there was unexpected result on staffing. Staff transitions impacted scope of work carried out on some of 2012/13 operational plan deliverables.
6. One area of under spending was on consultants. Budgeted 100,000 in 2012/13 to support work during transition and only spent 20,000.
7. Salaries for Core Services were allocated to EQA differently starting Q3 as per direction from the Ministry. The overspending in Salaries corresponds to the under spending in the EQA budget.
8. Did not have to pay for lease for third office space for 3 months in 2012/13 because building found new renters.
9. EQA portion of Salaries was allocated differently starting Q3, as per direction from the Ministry. The under spending in the EQA budget is related to the overspending in the Salaries budget.
10. Sponsorships exceeded expectations, catering substantially less than budgeted.
11. Budget figures were based upon costs of Vancouver-based event when we acted as hosts in prior year, which resulted in over budgeting.
12. Board Meeting includes BCCIE Board Strategic Planning Retreat (design, development and facilitation). The strategic planning session was new for the Board and unanticipated at time of budgeting.
13. Accumulated Surplus is used for BCCIE's Contingency Reserve. Amount has been discussed with auditor and deemed an appropriate amount given calculated exposure.
14. Accumulated Surplus also includes under spending in Operations due to reduced spending on consultants and reduced scope of some operational plan deliverables during staff transitions.

BCCIE met or exceeded all its financial budget goals and Operational Plan targets during 2012/13. Our revenue came from several sources: primary funding is from the Government of the Province of British Columbia, through the Ministry of Advanced Education, Innovation and Technology in support of provincial goals in International Education (IE). BCCIE is also contracted annually by the Ministry to administer the provincially owned Education Quality Assurance designation. BCCIE has also engaged in contracts with other Ministries, in support of specific deliverables that align with our mandate and their priorities. In addition, BCCIE is entrepreneurial, receiving fees from individuals who participate in professional development and other events, which we continue to grow on a revenue-generating basis. Combined, these revenues in 2012/13 covered all expenditures.

Future Financial Outlook

Our forecast information for the next three years is consistent with our Service Plans. Please see Chart B for a summary of BCCIE's forecast information. We believe that BCCIE's new Crown Corporation status coupled with the continued growth and diversity of the IE sector and its importance to regional growth, labour market development and trades and training will ensure a sound future financial outlook for at least the next three years.

Chart B	2013/14 (Budget)	2014/15 (Budget)	2015/16 (Budget)
REVENUE			
Provincial Grant - General Operations	1,300,000	1,300,000	1,300,000
Provincial Grant - Education Quality Assurance (EQA)	200,000	200,000	200,000
EQA (Renewal and New Application Fees)	120,000	120,000	120,000
Summer Seminar	153,290	157,889	162,626
Professional Development	12,375	14,850	14,850
Familiarization Tours (Institutional Support)	-	-	-
Other Government Contracts	-	-	-
Bank Interest	8,000	8,000	8,000
TOTAL REVENUE	1,793,665	1,800,739	1,805,476
EXPENSES			
General Operations (Salaries, Lease, IT, Board Meetings, Supplies, etc.)	1,086,133	1,086,129	1,075,400
Operations	109,594	80,293	39,389
Salaries	876,540	902,836	929,921
Lease	100,000	103,000	106,090
EQA	204,918	203,525	207,050
Summer Seminar	134,488	138,522	142,678
Professional Development	13,186	13,972	11,429
Outgoing Missions (Including Senior Government Missions)	50,100	51,603	53,151
Incoming Delegations	13,700	14,111	14,534
Familiarization Tours	28,656	29,516	30,401
Market Support (Including Signature Events and Other Key Conferences)	62,700	66,239	68,226
Communication	39,884	41,081	42,313
StudyinBC	24,700	18,686	19,687
Internationalization (BCSAC, China, and Other Country Strategies)	135,200	137,356	140,607
TOTAL EXPENSES	1,793,665	1,800,739	1,805,476
NET INCOME (LOSS)	-	-	-
TOTAL DEBT	-	-	-
ACCUMULATED SURPLUS AT BEGINNING OF THE YEAR	700,969	700,969	700,969
ACCUMULATED SURPLUS AT END OF THE YEAR	700,969	700,969	700,969

Note:

1. No revenue from other government contracts is included in the forecasts;
2. Bank interest is from term deposits, and;
3. Accumulated surplus is BCCIE's contingency amount for liabilities such as severance packages, lease penalties, other professional fees and other costs.

Financial Performance: Major Risks and Opportunities

The main risk for BCCIE at this time is also BCCIE's greatest opportunity: our capacity to meet new demands and expectations. As a new Crown Corporation, BCCIE is establishing a rejuvenated working relationship with Government and with our parent Ministry and colleague Ministries, and is required to manage all of its new accountabilities while maintaining outreach and service at current staffing levels. To mitigate this risk, BCCIE is working closely with the Ministry to further develop a collaborative relationship to efficiently meet new deadlines and reporting requirements.

In addition to the risk highlighted above, the greatest strategic issue BCCIE will face in the coming years is that of ongoing support for our coordinating role. As a highly-adaptive organization, we are confident we can address risks through ongoing collaboration with the Ministry and those we represent, and continue to be in a strong position to seek new opportunities for International Education in BC.

Financial Statements: BCCIE

**THE BRITISH COLUMBIA COUNCIL FOR
INTERNATIONAL EDUCATION**

FINANCIAL STATEMENTS

MARCH 31, 2013

Financial Statements: BCCIE

STEELE & Co.*

CHARTERED ACCOUNTANTS
*Representing incorporated professionals

SUITE 909
808 WEST HASTINGS STREET
VANCOUVER, BC CANADA V6C 1C8

TELEPHONE: (604) 687-8808
TELEFAX: (604) 687-2702
EMAIL: email@steele-co.ca

INDEPENDENT AUDITOR'S REPORT

To the Members of The British Columbia Council for International Education

We have audited the statements of financial position of The British Columbia Council for International Education ("the Council") as at March 31, 2013 and the statements of operations, changes in net financial assets and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards and the requirements of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audits 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the 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 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, these financial statements present fairly, in all material respects, the financial position of the Council as at March 31, 2013 and the results of its operations, net financial assets and cash flows for the year in accordance with Canadian public sector accounting standards and Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

Report on Other Legal and Regulatory Requirements

As required by the Society Act (British Columbia), we report that, in our opinion, these principles have been applied, after giving retrospective application to the adoption of deferred contributions as explained in Note 3 to the financial statements, on a basis consistent with that of the preceding year.

Vancouver, Canada
May 13, 2013



CHARTERED ACCOUNTANTS

Financial Statements: BCCIE

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

STATEMENT OF FINANCIAL POSITION

	<u>NOTE</u>	<u>MARCH 31, 2013</u>	<u>MARCH 31, 2012</u> Restated - Note 10
FINANCIAL ASSETS			
CASH AND CASH EQUIVALENTS	4	\$ 284,164	\$ 250,092
GUARANTEED INVESTMENT CERTIFICATES	5	641,847	367,634
ACCOUNTS RECEIVABLE		40,715	28,369
SALES TAX RECEIVABLE		6,249	3,251
		<u>972,975</u>	<u>649,346</u>
LIABILITIES			
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES		75,322	44,894
SALARIES AND ASSESSMENTS PAYABLE		250,940	280,974
DEFERRED REVENUE	8	101,498	61,500
		<u>427,760</u>	<u>387,368</u>
NET FINANCIAL ASSETS		<u>545,215</u>	<u>261,978</u>
NON-FINANCIAL ASSETS			
TANGIBLE CAPITAL ASSETS	9	87,820	104,010
PREPAID EXPENSES		67,934	25,685
		<u>155,754</u>	<u>129,695</u>
ACCUMULATED SURPLUS	10	<u>\$ 700,969</u>	<u>\$ 391,673</u>
GOING CONCERN CONSIDERATIONS COMMITMENTS	2 7 & 6		

APPROVED ON BEHALF OF THE BOARD



Dr. Randall Martin



Robin Ciceri

Financial Statements: BCCIE

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

STATEMENT OF OPERATIONS

	<u>2013 BUDGET</u> (Note 14)	<u>YEAR ENDED MARCH 31,</u> <u>2013</u> <u>2012</u>	
			Restated - Note 10
REVENUES			
EDUCATION QUALITY			
ASSURANCE (EQA) (SCHEDULE)	\$ 407,500	\$ 376,931	\$ 376,200
GOVERNMENT GRANTS (SCHEDULE)	1,250,000	1,300,000	1,250,000
ADMINISTRATION AND OPERATING			
CONTRACTS (SCHEDULE)	160,000	237,361	186,690
OTHER (SCHEDULE)	8,000	20,035	1,764
	<u>1,825,500</u>	<u>1,934,327</u>	<u>1,814,654</u>
EXPENSES			
EDUCATION QUALITY			
ASSURANCE (EQA) (SCHEDULE)	407,500	275,707	341,886
ADMINISTRATION AND OPERATING			
CONTRACTS (SCHEDULE)	1,418,000	1,349,324	1,581,242
	<u>1,825,500</u>	<u>1,625,031</u>	<u>1,923,128</u>
ANNUAL SURPLUS (DEFICIT)	<u>\$ -</u>	309,296	(108,474)
ACCUMULATED SURPLUS			
AT BEGINNING OF THE YEAR		<u>391,673</u>	<u>500,147</u>
ACCUMULATED SURPLUS			
AT END OF THE YEAR		<u>\$ 700,969</u>	<u>\$ 391,673</u>

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

Financial Statements: BCCIE

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

	<u>2013 BUDGET</u> (Note 14)	<u>YEAR ENDED MARCH 31,</u>	
		<u>2013</u>	<u>2012</u> Restated - Note 10
ANNUAL SURPLUS (DEFICIT)	\$ -	\$ 309,297	\$ (108,474)
ACQUISITION OF TANGIBLE CAPITAL ASSETS	-	(13,191)	(39,309)
AMORTIZATION OF TANGIBLE CAPITAL ASSETS	24,885	29,381	48,743
USE OF PREPAID EXPENSES	<u>(24,885)</u>	<u>(42,250)</u>	<u>48,726</u>
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	<u>\$ -</u>	283,237	(50,314)
NET FINANCIAL ASSETS BEGINNING OF THE YEAR		<u>261,978</u>	<u>312,292</u>
NET FINANCIAL ASSETS END OF THE YEAR		<u>\$ 545,215</u>	<u>\$ 261,978</u>

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

Financial Statements: BCCIE

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

STATEMENT OF CASH FLOWS

	YEAR ENDED MARCH 31,	
	2013	2012
		Restated - Note 10
OPERATING TRANSACTIONS		
CASH RECEIVED FROM		
EQA	\$ 357,231	\$ 397,350
GOVERNMENT GRANTS	1,339,998	994,900
OPERATING/CONTRACTS	146,919	112,173
OTHER INVESTMENT INCOME	17,519	1,764
SUMMER EVENTS	105,373	33,231
	<u>1,967,040</u>	<u>1,539,418</u>
CASH PAID FOR		
ADVERTISING	629	-
DATABASE AND EQUIPMENT MAINTENANCE	5,361	48,538
EQA	267,928	340,825
EVENT FEES	97,076	6,826
SALES TAX (RECOVERABLE)	(561)	(33,599)
INSURANCE	3,597	2,313
LEADERSHIP AND ORGANIZATION	5,302	-
MARKETING	135,302	144,841
OFFICE COMMUNICATIONS	50,195	51,517
OFFICE SUPPLIES AND MISCELLANEOUS	22,691	28,562
PROFESSIONAL AND CONSULTING FEES	54,686	192,591
RENT AND FACILITIES	79,267	85,600
SALARIES AND BENEFITS	837,666	667,596
TRAVEL AND HOSPITALITY	86,425	111,134
	<u>1,645,564</u>	<u>1,646,744</u>
CASH PROVIDED BY (APPLIED TO)		
OPERATING TRANSACTIONS	<u>321,476</u>	<u>(107,326)</u>
CAPITAL TRANSACTIONS		
CASH USED TO ACQUIRE TANGIBLE CAPITAL ASSETS	<u>(13,191)</u>	<u>(39,309)</u>
CASH APPLIED TO CAPITAL TRANSACTIONS	<u>(13,191)</u>	<u>(39,309)</u>
INVESTING TRANSACTIONS		
GUARANTEED INVESTMENT CERTIFICATES	<u>(274,213)</u>	<u>(307,179)</u>
CASH APPLIED TO INVESTING TRANSACTIONS	<u>(274,213)</u>	<u>(307,179)</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	34,072	(453,814)
CASH AND CASH EQUIVALENTS BEGINNING OF THE YEAR	<u>250,092</u>	<u>703,906</u>
CASH AND CASH EQUIVALENTS END OF THE YEAR	<u>\$ 284,164</u>	<u>\$ 250,092</u>

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

Financial Statements: BCCIE

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2013

1. NATURE OF OPERATIONS

The British Columbia Council for International Education ("the Council") is an educational marketing institution incorporated in 1991 under the Society's Act of British Columbia. On January 23, 2009, the Council changed its name from the British Columbia Centre for International Education to the British Columbia Council for International Education, amended its Constitution and replaced its By-Laws in their entirety. At the same time, its mandate was expanded to include overseas missions, new internal and external programs, marketing and communication portfolios and to administer government sponsored initiatives, such as the Education Quality Assurance Program ("EQA"). The Council receives funding for its programs through the Ministry of Advanced Education or other government funded agencies. Previously, the Council was funded by internal programs and membership dues. In 2012, the mandate and mission of the Council was further changed and scaled back to focus on the core areas of planning and logistics of international events, marketing British Columbia in the international markets and administering the EQA program.

The Council reports to the Legislative Assembly through the Ministry of Advanced Education and is considered a Government Reporting Entity ("GRE"). The Council has no issued shares.

The Council is exempt from income taxes under the Income Tax Act.

2. GOING CONCERN CONSIDERATIONS

These financial statements have been prepared on the assumption that the Council is a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Council is not expected to continue in operation for the foreseeable future. The Council is economically dependent on government support to fund its programs and activities. The Council's continuation as a going concern is dependent upon its ability to receive future government funding sufficient to meet current and future obligations.

As at March 31, 2013, the Council had net financial assets of \$545,215 (2012 - \$261,978).

The Council has Provincial government grant commitments of \$1,300,000 to fund its fiscal 2014 operations and \$200,000 for the EQA program and received funding of \$1,300,000 and \$200,000 respectively to fund its fiscal 2013 operations and the EQA program.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Accounting

These financial statements are prepared by management in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia. This Section requires that financial statements be prepared in accordance with Canadian Public Sector Accounting Standards ("PSAS") modified by B.C. Regulation 198/2011, "Restricted Contributions Regulation". This regulation requires organizations to account for restricted contributions received as deferred contributions and recognize them in revenue as the related expenditures occur or, in the case of restricted contributions for the purchase of tangible capital assets, as amortization expense is recorded for the related asset. There is no significant conflict in the accounting results under the Restricted Contributions Regulation and Sections PS 3100 or PS 3410 on the Council's financial statements.

Financial Statements: BCCIE

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2013

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

b. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits and short-term highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. These short-term investments generally have a maturity of three months or less at acquisition and are held for the purpose of meeting short-term cash commitments rather than for investing.

c. Guaranteed Investment Certificates

Guaranteed investment certificates are interest bearing and generally have a maturity date of one year or less.

d. Employee Future Benefits

- i. The employees of the Council belong to the Municipal Pension Plan which is a multi-employer joint trustee plan. This plan is a defined benefit plan, providing a pension on retirement based on the member's age at retirement, length of service and highest earnings averaged over five years. Inflation adjustments are contingent upon available funding.

The joint trustee board of the plan determines the required plan contributions annually.

The contribution of the Council to the plan is recorded as an expense for the year.

- ii. The costs of insured benefits reflected in these financial statements are the Council's portion of the insurance premiums owed for coverage of employees during the period.

e. Tangible Capital Assets Including Capital Leases

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets.

The Council does not have any capital leases.

The cost, less estimated residual value, of the tangible capital assets, excluding land, is amortized on a declining balance basis over their estimated useful lives as follows:

Computer equipment and software	50%-100% declining balance method
Office furniture and equipment	20% declining balance method
Website	30% declining balance method
Leasehold improvements	3 years straight line

Financial Statements: BCCIE

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2013

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

e. Tangible Capital Assets Including Capital Leases (Continued)

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Council'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 net write-downs are accounted for as expenses in the statement of operations. No write downs were recorded during the year.

Contributed capital assets are recorded into revenues at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value. No contributed capital assets were received during the year.

f. Prepaid Expenses

Prepaid expenses include prepaid insurance, rental facilities, and travel and mission expenses and are charged to expense over the periods that are expected to benefit from the expense.

g. Funds and Reserves

Certain amounts, as approved by the Board of Directors, are set aside in accumulated surplus for future operating and capital purposes. Transfers to/from funds and reserves are an adjustment to the respective fund when approved.

h. Revenue Recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be reasonably determined or collection is reasonably assured.

Government transfers are recognized as revenues when the transfer is authorized, any eligibility criteria are met, and reasonable estimates of the amounts can be made. Transfers are recognized as deferred revenue when amounts have been received but not all eligibility criteria or stipulations have been met.

Restricted contributions are deferred and recognized as revenue as the related stipulations in the agreement are met. Such amounts are reported as deferred revenue until the stipulation has been met.

i. Foreign Currency Translation

Foreign currency transactions are translated at the exchange rate prevailing at the date of the transactions unless hedged by forward contracts that specify the rate of exchange. Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at year-end. Adjustments to revenue or expense transactions arising as a result of foreign currency translation are credited or charged to operations at the time the adjustments arise. The Council does not undertake any currency hedges.

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THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2013

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

j. Measurement Uncertainty

The preparation of financial statements requires management to make estimates and assumptions that affect the reporting amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of the revenues and expenses during the period. Items requiring the use of significant estimates include the useful life of capital assets and related amortization and estimated employee benefits.

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

k. Financial Instruments

Measurement

Financial assets originated or acquired, or financial liabilities issued or assumed are initially measured at their fair values. In the case of a financial asset or financial liability not being subsequently measured at fair value, the initial fair value will be adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption. Transaction costs of financial instruments measured at fair value are expensed.

The Council subsequently measures its financial assets and liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Unrealized gains and losses from changes in fair value are recognized in the statement of remeasurement gains and losses until the respective investment is ultimately disposed of, at which time the cumulative gain or loss is recognized in the statement of operations.

Financial assets measured at amortized cost include cash, guaranteed investment certificates, and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable.

Impairment

At the end of each reporting period, the Council assesses whether there are any indications that a financial asset measured at cost or amortized cost may be impaired. When there is an indication of impairment, the Council determines whether a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset and, in which case, the carrying amount of the asset is reduced to the highest expected value that is actually recoverable from the asset either by holding that asset, by its sale, or by exercising the right to any collateral (net of cost). The carrying amount of the asset is reduced directly or through the use of an allowance account and the amount of the reduction is recognized as an impairment loss in net income. A write down of a portfolio investment to reflect a loss in value is not reversed for a subsequent increase in value.

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THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2013

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

k. Financial Instruments (Continued)

Derecognition

A financial liability or a part of a financial liability is removed from the statement of financial position when it is extinguished (i.e. when the obligation is discharged or cancelled, or expires). The difference between the carrying amount of that financial liability extinguished or transferred to another party and the fair value of the consideration paid, including any non-cash assets transferred, liabilities assumed or equity instruments issued, is recognized in net income for the period.

4. CASH AND CASH EQUIVALENTS

	<u>2013</u>	<u>2012</u>
Unrestricted cash and demand deposits	<u>\$ 284,164</u>	<u>\$ 250,092</u>

5. GUARANTEED INVESTMENT CERTIFICATES

	<u>2013</u>	<u>2012</u>
Guaranteed investment certificates bear interest at rates ranging from 1.30% to 1.55% (weighted average 1.35%), are non-redeemable for twelve months and have maturity dates to February 14, 2014. Of the total, \$35,545 has been pledged as security for the Council's outstanding Visa commitments from time to time.	<u>\$ 641,847</u>	<u>\$ 367,634</u>

6. EMPLOYEES' PENSION PLAN AND BENEFITS PLAN

The Council contracts out its employee and payroll services under a fee arrangement currently with Capilano University ("CU"). Under this arrangement, the Council's employees are considered employees of CU. Employee compensation costs invoiced to the Council include employee salaries and related pension and employment benefits as determined by CU. Any funding adjustments are reflected ongoing in the CU's invoices to the Council.

a. Retirement Benefits - Pension Plan

The Council and its employees contribute to the Municipal Pension Plan which is a multi-employer plan in accordance with the Public Sector Pension Plan Act. The plan provides defined pension benefits to employees based on their length of service and employee's salary. The contribution rate for eligible employees is 7.8% of the employee's salary until the yearly insurable earnings is reached, increasing to 9.3% thereafter. The Council matches contributions to the plan at the rate of 8.74% and 9.78% respectively of the eligible employee's salary. As the plan is not under the Council's control, no pension liability, other than amounts invoiced, is included in the financial statements. The Council paid \$42,577 (2012 - \$52,760) for employer contributions to the plan for fiscal 2013.

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THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2013

6. EMPLOYEES' PENSION PLAN AND BENEFITS PLAN (CONTINUED)

b. Other Employee Benefits

The Council has entered into an employment contract with its Executive Director ("ED") which provides for administrative leave of one full month of paid compensation for each year of completed service from October 2007, and a severance package of one full year's salary plus benefits should the ED terminate his employment for specified reasons. The contract also provides that the severance package will be fully payable on the termination of employment for any reason after the completion of five full years of service.

Payroll liabilities include a provision for accrued administrative leave of \$79,350 as at March 31, 2013. The estimated payout of the severance entitlement is \$238,050 as at March 31, 2013.

The Council provides for its employees life insurance, disability and health care benefits which are funded by monthly premium payments to independent benefit providers. The benefits cease upon termination of employment with the Council. The Council currently has no long-term commitments with these benefit provisions.

7. COMMITMENTS

The Council has entered into operating leases for premises and office equipment pursuant to agreements extending to September 2018. Repayments over the remaining terms are due as follows:

<u>YEAR ENDED MARCH 31,</u>	<u>PREMISES</u>	<u>OFFICE EQUIPMENT</u>	<u>TOTAL</u>
2014	\$ 92,050	\$ 11,206	\$ 103,256
2015	92,050	11,206	103,256
2016	93,890	11,206	105,096
2017	94,504	11,206	105,710
2018	23,626	5,603	29,229
	<u>\$ 277,990</u>	<u>\$ 33,618</u>	<u>\$ 311,608</u>

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THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2013

8. DEFERRED REVENUE

Deferred revenues represent externally restricted contributions received by the Council for the EQA program or for future general operating expenses.

The following is a summary of externally restricted funds received.

	MARCH 31, 2013		
	EQA	BCCIE	TOTAL
Deferred revenue			
beginning of the year	\$ 61,500	\$ -	\$ 61,500
Net increase in deferred revenue	28,500	11,498	39,998
Deferred revenue			
end of the year	<u>\$ 90,000</u>	<u>\$ 11,498</u>	<u>\$ 101,498</u>
	MARCH 31, 2012		
	Restated - Note 10		
	EQA	BCCIE	TOTAL
Deferred revenue			
beginning of the year	\$ 316,600	\$ -	\$ 316,600
Net revenue recognized in the year	(255,100)	-	(255,100)
Deferred revenue			
end of the year	<u>\$ 61,500</u>	<u>\$ -</u>	<u>\$ 61,500</u>

The Council is the administrator of the EQA program. This is a program that has been implemented in conjunction with the British Columbia Provincial Government ("the Government") and is British Columbia's brand for quality post-secondary education. The EQA is a voluntary mechanism available to all eligible public and private post-secondary institutions in British Columbia. The EQA designation provides for a standard logo that can be recognized as an assurance of quality. Designation is based on an institution having met or exceeded existing quality assurance standards and being in good standing with both the Ministry and the applicable body. The agreement with the Government stipulates that the program is to be self-sustaining by 2014.

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THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2013

9. TANGIBLE CAPITAL ASSETS

<u>MARCH 31, 2013</u>	<u>WEBSITE</u>	<u>FURNITURE AND EQUIPMENT</u>	<u>COMPUTER HARDWARE AND SOFTWARE</u>	<u>LEASEHOLD IMPROVEMENTS</u>	<u>TOTAL</u>
Cost					
Opening balance	\$ 91,511	\$ 75,625	\$ 60,672	\$ 44,683	\$ 272,491
Additions	-	1,079	-	12,112	13,191
Closing balance	<u>91,511</u>	<u>76,704</u>	<u>60,672</u>	<u>56,795</u>	<u>285,682</u>
Accumulated amortization					
Opening balance	35,980	29,717	58,101	44,683	168,481
Amortization	16,659	9,289	1,414	2,019	29,381
Closing balance	<u>52,639</u>	<u>39,006</u>	<u>59,515</u>	<u>46,702</u>	<u>197,862</u>
Net book value	<u>\$ 38,872</u>	<u>\$ 37,698</u>	<u>\$ 1,157</u>	<u>\$ 10,093</u>	<u>\$ 87,820</u>

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THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2013

9. TANGIBLE CAPITAL ASSETS (CONTINUED)

<u>MARCH 31, 2012</u>	<u>WEBSITE</u>	<u>FURNITURE AND EQUIPMENT</u>	<u>COMPUTER HARDWARE AND SOFTWARE</u>	<u>LEASEHOLD IMPROVEMENTS</u>	<u>TOTAL</u>
Cost					
Opening balance	\$ 55,037	\$ 75,625	\$ 57,838	\$ 44,683	\$ 233,183
Additions	36,474	-	2,834	-	39,308
Closing balance	<u>91,511</u>	<u>75,625</u>	<u>60,672</u>	<u>44,683</u>	<u>272,491</u>
Accumulated amortization					
Opening balance	19,997	18,240	51,713	29,788	119,738
Amortization	15,983	11,477	6,388	14,895	48,743
Closing balance	<u>35,980</u>	<u>29,717</u>	<u>58,101</u>	<u>44,683</u>	<u>168,481</u>
Net book value	<u>\$ 55,531</u>	<u>\$ 45,908</u>	<u>\$ 2,571</u>	<u>\$ -</u>	<u>\$ 104,010</u>

Financial Statements: BCCIE

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2013

10. COMPARATIVE FIGURES

The comparative figures as at March 31, 2012 have been restated to reflect the retroactive adoption of accounting for externally restricted contributions as deferred revenue (Note 3 (a)), and recognize them in revenues as the related expenditures are incurred or service provided. The impact of this change on the accumulated surplus of the Council is summarized in Note 11 to the financial statements.

11. ACCUMULATED SURPLUS

	MARCH 31, 2013	2012 <u>Restated - Note 10</u>
Accumulated surplus beginning of the year as originally reported	\$ 391,673	\$ 566,747
Adjustments for restricted contributions	-	<u>(66,600)</u>
Accumulated surplus beginning of the year as restated	<u>391,673</u>	<u>500,147</u>
Annual surplus (deficit) for the year as originally reported	309,296	(113,574)
Adjustments for restricted contributions for the year	-	<u>5,100</u>
Annual surplus (deficit) for the year as restated	<u>309,296</u>	<u>(108,474)</u>
Accumulated surplus end of the year	<u>\$ 700,969</u>	<u>\$ 391,673</u>

As at March 31, 2013 and 2012 there were no restrictions against the Council's accumulated surplus.

12. RELATED PARTY TRANSACTIONS

The Council had the following transactions with the Government and other government controlled organizations:

	YEAR ENDED MARCH 31, 2013	2012
Grants from the Province		
BCCIE	\$ 1,300,000	\$ 1,250,000
EQA	<u>200,000</u>	<u>250,000</u>
	<u>\$ 1,500,000</u>	<u>\$ 1,500,000</u>

The Council had entered into a management contract with a company controlled by its former chief executive officer. The contract provided for a guaranteed remuneration of \$200,000 per calendar year and the reimbursement of expenses at the Group 3 rate. Fees paid during fiscal 2013 aggregated \$Nil (2012 - \$31,920). The chief executive officer waived his entitlement to the balance of fees for 2013 and 2012. The chief executive officer retired December 31, 2011 at which time the contract was terminated. These transactions are considered to be in the normal course of business and are measured at their exchange amounts, being the amounts agreed to by the parties.

Financial Statements: BCCIE

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2013

13. EXPENSES BY OBJECT

The following is a summary of expenses by object:

<u>EXPENSES</u>	YEAR ENDED MARCH 31,	
	2013	2012
Advertising	\$ 740	\$ -
Amortization	29,382	48,743
Database and equipment maintenance	37,010	25,032
Event fees	58,764	51,309
Insurance	4,233	2,949
Leadership and organization	6,238	-
Marketing	153,133	179,809
Office communications	55,876	57,027
Office supplies and miscellaneous	24,179	43,865
Professional and consulting fees	66,168	192,023
Rent and facilities	92,345	101,444
Salaries and benefits	971,275	1,094,830
Travel and hospitality	125,688	126,097
	<u>\$ 1,625,031</u>	<u>\$ 1,923,128</u>

14. BUDGETED FIGURES

The budgeted figures have been provided for comparison purposes and have been derived from the estimates approved by the Board of Directors.

15. FINANCIAL RISK MANAGEMENT

Risks and Concentrations

The Council is exposed to various risks through its financial instruments, without being exposed to concentrations of risk. The following analysis provides a measure of the Council's risk exposure at March 31, 2013.

a. Liquidity Risk

Liquidity risk arises if the Council is unable to meet its obligations associated with financial liabilities. The Council is exposed to this risk mainly in respect to its accounts payable. The Council mitigates this risk by preparing and monitoring operating budgets that are used to assist with the planning of cash flows to meet its obligations as they come due.

Financial Statements: BCCIE

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2013

15. FINANCIAL RISK MANAGEMENT (CONTINUED)

b. Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge its obligation.

Cash and cash equivalents, guaranteed investment certificates and accounts receivable are exposed to credit risk due to the potential for counterparties to default on their contractual obligations. The maximum potential loss on these financial instruments equals their carrying value.

The Council mitigates its credit risk exposure by maintaining its cash in major Canadian chartered banks. Accounts receivable are owed from various entities and there is no concentration of risk associated with any particular customer. As at March 31, 2013 there were no overdue account receivable balances.

c. Market Risk

Market risk is the risk that the fair market value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Council is mainly exposed to interest rate risk and other price risk.

i. *Currency risk*

Currency risk is the risk that the fair market value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Council is not exposed to any currency risk and does not maintain any foreign denominated financial currencies.

ii. *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market interest rates. The Council is exposed to interest rate risk on its guaranteed investment certificates ("GICs"), which bear interest at fixed rates which could expose the Council to interest rate price risk. Fluctuations in market interest rates could affect the fair value of these financial instruments.

iii. *Other price risk*

Other price risk is the risk that the fair market value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument traded in the market.

The Council is not exposed to other price risk.

Financial Statements: BCCIE

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES

PROGRAMS

	EDUCATION QUALITY ASSURANCE		ADMINISTRATION AND OPERATING CONTRACTS	
	YEAR ENDED MARCH 31, 2013	2012 Restated - Note 10	YEAR ENDED MARCH 31, 2013	2012 Restated - Note 10
REVENUE				
FEES - PRIVATE INSTITUTIONS	\$ 135,575	\$ 126,200	\$ -	\$ -
GRANTS	200,000	250,000	1,300,000	1,250,000
OPERATING	-	-	237,361	186,690
OTHER	41,356	-	20,035	1,764
	<u>376,931</u>	<u>376,200</u>	<u>1,557,396</u>	<u>1,438,454</u>
EXPENSES				
ADVERTISING	111	-	629	-
AMORTIZATION	-	-	29,382	48,743
DATABASE AND EQUIPMENT MAINTENANCE	16,072	25,684	20,938	(652)
EVENT FEES	9,114	-	49,650	51,309
INSURANCE	636	639	3,597	2,313
LEADERSHIP AND ORGANIZATION	936	-	5,302	-
MARKETING	22,970	21,798	130,163	158,012
OFFICE COMMUNICATIONS	10,727	10,388	45,149	46,639
OFFICE SUPPLIES AND MISCELLANEOUS	5,892	2,750	18,287	41,111
PROFESSIONAL AND CONSULTING FEES	8,726	16,111	57,442	175,912
RENT AND FACILITIES	13,852	15,070	78,493	86,374
SALARIES AND BENEFITS	167,755	229,518	803,520	865,312
TRAVEL AND HOSPITALITY	18,916	19,928	106,772	106,169
	<u>275,707</u>	<u>341,886</u>	<u>1,349,324</u>	<u>1,581,242</u>
SURPLUS (DEFICIT) FOR THE YEAR	<u>\$ 101,224</u>	<u>\$ 34,314</u>	<u>\$ 208,072</u>	<u>\$ (142,788)</u>

Location of Crown Corporation Operations

British Columbia Council for International Education
Suite 603 – 409 Granville Street
Vancouver, BC V6C 1T2

T: 604-637-6766
E: bccie@bccie.bc.ca
W: www.bccie.bc.ca

Office hours are Monday-Friday, 8:30 am to 4:30 pm.
For more information please visit us at www.bccie.bc.ca

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