

British Columbia Council for International Education

2022/23

Annual Service Plan Report

August 2023



For more information on the B.C. Council for International Education, please contact us at:

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Published by the B.C. Council for International Education

Board Chair's Accountability Statement



The B.C. Council for International Education (BCCIE) 2022/23 Annual Service Plan Report compares the organization's actual results to the expected results identified in the 2022/23 – 2024/25 Service Plan published in 2022. The Board is accountable for those results as reported.

Signed on behalf of the Board by:

A handwritten signature in black ink, appearing to read 'M. Tarko', written over a faint horizontal line.

Dr. Michel Tarko
Board Chair, BC Council for International Education
August 4, 2023

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Letter from the Board Chair & Executive Director

On behalf of the Board of Directors, management, and staff of the British Columbia Council for International Education (BCCIE), we are pleased to submit the 2022/23 BCCIE Annual Service Plan Report, demonstrating performance against targets outlined in the 2022/23 - 2024/25 Service Plan published in February 2022. Despite the continued impact of the novel coronavirus (COVID-19) pandemic on the sector, BCCIE met or exceeded its targets for all performance measures associated with the three goals of its Service Plan.

In the most recent Mandate Letter from the Ministry of Post-Secondary Education and Future Skills (Ministry), BCCIE was directed to make substantive progress on several priorities, such as supporting Government's mandate review of BCCIE and Government's implementation of the provincial international education framework, with a focus on diversification and supporting regions outside the Lower Mainland. To implement this mandate, BCCIE staff worked collaboratively with the Ministry, partner ministries (Ministry of Education and Child Care and Ministry of Jobs, Economic Development and Innovation), and the BCCIE Board of Directors to deliver programs and services that support the sector and provincial international education priorities.

As more regular travel resumed this year, BCCIE welcomed several international delegations to B.C. and facilitated a total of 10 partnership-development programs with priority markets, both online and in person. The virtual program enabled the organization to support the sector by offering more opportunities for partnership development with a variety of markets, supporting Government's priorities for diversification and enhanced regional support in B.C.

BCCIE held its first-ever B.C. International Education Week (BCIEW) conference in June 2022. The event attracted more than 400 participants and included opportunities for B.C. institutions to network and build partnerships with delegations from Mexico, the Philippines, and Ireland. BCIEW included workshops on a variety of topics, including a two-day seminar aimed at regional institutions to support the building and implementation of Strategic Internationalization Plans.

Strong two-way communication and collaboration with government remained a priority throughout this past year. BCCIE met regularly with staff in government to ensure strategic alignment with provincial international education priorities and to discuss progress on BCCIE's deliverables. BCCIE continued ongoing discussions with the Board regarding professional development needs, board effectiveness, risk management, and overall Board governance.



Dr. Michel Tarko
Board Chair, BCCIE
August 4, 2023



Dr. Randall Martin
Executive Director, BCCIE
August 4, 2023

Purpose of the Annual Service Plan Report

This annual service plan report has been developed to meet the requirements of the Budget Transparency and Accountability Act (BTAA), which sets out the legislative framework for planning, reporting and accountability for Government organizations. Under the BTAA, a Minister Responsible for a government organization is required to make public a report on the actual results of that organization's performance related to the forecasted targets stated in the service plan for the reported year.

Strategic Direction

The strategic direction set by Government in 2020 and expanded upon in the Board Chair's [2021/22 Mandate Letter](#) from the Minister Responsible shaped the goals, objectives, performance measures and financial plan outlined in the BCCIE 2022/23 – 2024/25 Service Plan and the actual results reported on in this annual report.

Purpose of the Organization

BCCIE is a provincial Crown Agency, incorporated under the *Societies Act*, that supports the internationalization efforts of B.C.'s public and independent K-12 schools, public and private colleges and universities, and language schools. It promotes international education in and for B.C., to enhance B.C.'s international reputation for quality education, and to support the international education activities and initiatives of the provincial government. It builds and maintains global networks, creating platforms for B.C.'s global profile and success of local communities and the education sector.

BCCIE's Vision: BCCIE advances and supports international education in and for British Columbia.

BCCIE's Mission: BCCIE positions British Columbia as an education destination of choice and promotes two-way mobility.

As a Crown Agency, BCCIE's 2022-2025 Strategic Plan is guided by the Mandate Letter and the Ministry framework on international education. The Ministry sets out a balanced approach to international education that is student-centred and sustainable, and that delivers positive education outcomes for international students and global opportunities for domestic students, underpinned by a commitment to quality education. The Province of British Columbia's foundational principles of: attainable and affordable housing; safer communities; improved health care; and a sustainable, clean, secure, and fair economy informed BCCIE's approach to its work throughout the reporting period.

Operating Environment

During 2022/23, Canadian education jurisdictions faced heightened inter-provincial and international competition to attract students and establish education partnerships, as international education sectors in other Canadian provinces, Australia, the US, the UK, and other countries continue aggressive campaigns to recover market share lost to the pandemic and to support their economic growth. BCCIE pursued a strategic, balanced approach to secure B.C. as a quality international destination for education.

Despite the impacts of the pandemic, India and China remain by far the largest source countries for international students, collectively representing more than 50 per cent of all international students in both B.C. and Canada. Diversification of B.C.'s international education system—of both international student source countries and receiving B.C. regions—has been and will continue to be a key focus for BCCIE. In 2022/23, this included: developing new markets to support a balanced approach to international education; ensuring a more sustainable and diverse recruitment of international learners that is less susceptible to market shocks; and ongoing work to ensure the K-12 sector and post-secondary institutions across B.C. are building and developing the capabilities to attract, support, and retain international students in their communities. A strong and diverse international education sector supports local economies throughout the province and contributes to immediate and sustainable economic recovery for B.C.

Priorities included targeting new market entry and existing market support to attract students to in-demand programs, supporting public post-secondary institutions with the development of international education strategic plans to help them manage growth and demands of international education programs and supporting institutions to promote global citizenship and provide positive education outcomes for students.

BCCIE continued to implement new and innovative supports for B.C. institutions, through online market briefings and partnership development programs with target markets. These activities not only created new partnerships and helped sustain existing relationships, but also supports government's foundational principle to fight climate change by reducing travel. These new activities and virtual models of engagement continue in BCCIE's work and contribute to the sustainability of both the international education sector and the environment.

Report on Performance: Goals, Objectives, and Results

Goal 1: Support the two-way flow of students, instructors, and ideas between British Columbia and international partners.

Objective 1.1: Facilitate strategic international partnerships in education.

International partnerships are an essential part of a globally aware education system. They increase diversified markets supporting the two-way flow of students, instructors, and ideas between British Columbia and international partners and support learners to attain valuable global skills.

Key results

- Identified key new and emerging markets and maintenance markets for BCCIE partnership building activities.
- Renewed strategic partnership agreements with: JuventudesGto, a decentralized public organization of the Government in the State of Guanajuato, Mexico; AMPEI, the Mexican Association for international Education; and the Jalisco Consortium, a group of six public universities in Mexico.
- Signed new partnership agreements with 17 Philippine institutions who are members of the Commission on Higher Education (CHED) and a consortium of six public universities in Queretaro, Mexico.
- Delivered ten in-person and virtual partnership development programs for the B.C. international education sector including three partnership development sessions with the Philippines, Mexico, and Ireland at B.C. International Education Week (BCIEW) in June 2022 and a familiarization tour with Mexico in February 2023.
- Supported five students to study abroad with B.C. Study Abroad scholarships.
- Supported the internationalization and capacity development efforts of nine school districts through the International Education Mobility Programs.

Summary of progress made in 2022/23

BCCIE has continued to play an important role in facilitating international partnerships focused on diversifying markets, both by increasing opportunities for B.C. students to study and work abroad and by helping to position B.C., including regions outside the Lower Mainland, as a destination of choice for international learners. During 2022/23, BCCIE built strong relationships with partners in Southeast Asia and Mexico and provided opportunities for B.C. institutions to form their own strong relationships with local institutions in these regions. BCCIE will continue to diversify relationships within Mexico in new regions and cities and build

upon relationships in Vietnam, the Philippines, Thailand, and Indonesia, to continue to provide more opportunities for partnership development in the B.C. sector.

BCCIE has also expanded opportunities for B.C. students and educators to study abroad through the administration of the Ministry of Education and Child Care’s International Education Mobility Programs. In addition, BCCIE continued to promote study abroad opportunities through the University Mobility in Asia and the Pacific (UMAP) Consortium and B.C. Study Abroad Consortium, as well as more widely promoting the benefits of study abroad.

Performance measures and related discussion

Performance Measure	2020/21 Baseline	2021/22 Actual	2022/23 Target	2022/23 Actual
1.1a Number of annual strategic agreements BCCIE signs to support further diversification of international education markets ^{1,2}	2	1	2	5

Data source: BCCIE

¹This performance measure was not carried forward in the latest service plan. For more details on forward-looking planning information, including the performance measure and current targets for 2023/24 – 2025/26, please see the latest service plan on the [BC Budget website](#).

²BCCIE tracks the number of agreements signed annually.

In the 2018/19 service plan, BCCIE introduced a new measure of agreements it enters into and determined that, because the goal was to achieve strategic, quality outcomes, the targets would remain constant over time.

In 2022/23, BCCIE exceeded the target of two strategic agreements due to three current agreements that were due to be renewed this year. In addition, BCCIE signed two new agreements resulting in a total of five strategic agreements being signed this fiscal year.

Performance Measure	2020/21 Baseline	2021/22 Actual	2022/23 Target	2022/23 Actual
1.1b Number of opportunities for international partnership development between B.C. schools, districts, and institutions and international counterparts ^{1,2}	9	6	7	10

Data source: BCCIE

¹This performance measure was not carried forward in the latest service plan. For more details on forward-looking planning information, including the performance measure and current targets for 2023/24 – 2025/26, please see the latest service plan on the [BC Budget website](#).

²BCCIE tracks the number of partnership-building programs offered to BC institutions as a part of Team BC missions, familiarization tours, the BCCIE annual summer conference, virtual B2B sessions and any other partnership focused programs by BCCIE.

In 2022/23, BCCIE exceeded this target due to a larger number of delegations visiting B.C. In addition, BCCIE was able to use one-time funding from the Ministry of Post-Secondary Education and Future Skills (PSFS) to support an incoming familiarization tour from Mexico.

These in-person opportunities, along with the virtual opportunities organized by BCCIE, resulted in a total of 10 partnership development opportunities for the B.C. international education sector this year.

Goal 2: Build capacity and provide leadership and expertise in international education.

Objective 2.1: Identify, create, and support opportunities for capacity building in the international education sector.

Capacity building efforts, including BCCIE's Summer Conference, focus on fostering diversity in the classroom, ensuring a positive experience for international students, and learning from and appreciating the intercultural dynamics developed within classrooms and campuses. This includes supporting the awareness of the history of Indigenous peoples in B.C. and Canada among international students.

Key results

- Delivered a total of 12 capacity building programs including the first B.C. International Education Week (BCIEW).
- Built capacity in the sector for 1,039 participants this year, with 310 participants from regions outside the Lower Mainland.
- Presented two regional workshops on topic of Decolonization, Reconciliation, and Indigenization and how it intersects with Justice, Equity, Diversity and Inclusion.
- Supported five formal pairings and one self-directed pairing in the BCCIE mentorship program, with all five formal pairings having a mentor or mentee from a regional institution or school.
- Organized season three of the morning coffee series, which included ten sessions on ten different topics each lasting ten minutes.

Summary of progress made in 2022/23

BCCIE is committed to providing effective and relevant capacity building expertise and services to international education stakeholders in the province, with a continued focus on ensuring greater support and accessibility to those outside the Lower Mainland. In 2022/23, BCCIE organized and delivered activities and sessions throughout B.C., including two regional workshops in Kamloops and Nanaimo as well as supporting participants from regional institutions to travel to two workshops in Vancouver. BCCIE continued to offer many capacity building programs and market briefings online this year to ensure regional participants were able to access these learning opportunities.

Performance measures and related discussion

Performance Measure	2020/21 Baseline	2021/22 Actual	2022/23 Target	2022/23 Actual
2.1a Number of capacity building sessions ^{1,2}	22	13	12	12
2.1b Number of participants at capacity building sessions ¹	2625	2276	900	1039
2.1c Satisfaction with capacity building sessions and annual Summer Conference ^{1,3}	94%	95%	95%	95%

Data source: BCCIE

¹This performance measure was not carried forward in the latest service plan. For more details on forward-looking planning information, including the performance measure and current targets for 2023/24 – 2025/26, please see the latest service plan on the [BC Budget website](#).

²Capacity building sessions refer to expert-led workshops, seminars, the BCCIE annual conference and the mentorship program. Both virtual and in person programs are included.

³BCCIE surveys participants, using a standard five-point Likert scale to measure their satisfaction with the coordination and organization of the session

Sector capacity building sessions bring stakeholders together to share best practices, foster peer-to-peer learning, discuss new ideas, and collaborate on a variety of topics such as regional or relevant challenges. These three performance measures provide a complete picture and solid basis for determining the effectiveness of BCCIE's work to build capacity, leadership, and expertise in the international education sector.

In 2022/23, BCCIE returned to some in person activities and continued to offer many programs online. As such, BCCIE achieved or exceeded all the targets for the three performance measures for this goal. BCCIE exceeded the target for the second performance measure as more participants attended the first annual BCIEW, increasing the overall numbers for this performance measure.

Goal 3: Promote the benefits and opportunities of international education.

Objective 3.1: Develop effective communication and engagement strategies for outreach to domestic and international stakeholders.

Through a variety of in-person, web, and digital communication methods, BCCIE shares information about opportunities and best practices and supports positive relationships and collaborations for the benefit of the entire education sector. As the Province works to develop a balanced and student-centred approach to international education, BCCIE will play a critical role in communicating provincial international education priorities and strengthening the provincial education sector profile.

Key results

- Completed engagement process with post-secondary institutions to identify gaps and opportunities to support international students on topics of student rights, assistance and supports and added additional resources to Study in B.C. website.
- Drafted and disseminated 16 relevant sector-focused articles on international education topics.
- Shared nine blog posts by B.C. students highlighting their experiences studying abroad.
- Organized through the Study in B.C. contest, posted 11 blogs by international students sharing their experiences of studying in B.C.

Summary of progress made in 2022/23

BCCIE worked closely with the government to assess and improve the extent to which information reaches international students in B.C., including such topics as student safety, health, and rights. BCCIE will continue to work with both institutions and the government to ensure international students are well-informed of their rights, regulatory protections, and supports and assistance available to them.

Performance measure and related discussion

Performance Measure	2020/21 Baseline	2021/22 Actual	2022/23 Target	2022/23 Actual
3.1a Total number of annual pageviews for BCCIE website ^{1,2}	95,730	125,963	105,500	107,585

Data source: BCCIE Google Analytics

¹This performance measure was not carried forward in the latest service plan. For more details on forward-looking planning information, including the performance measure and current targets for 2023/24 – 2025/26, please see the latest service plan on the [BC Budget website](#).

²BCCIE tracks the number of pageviews quarterly, and the numbers are greatly affected by BCCIE program offerings.

This metric was introduced in 2019/20 to demonstrate the effectiveness of BCCIE communication activities to promote and support provincial international education priorities. While there are limitations to this measure, as it is not a complete representation of all BCCIE communication and engagement strategies, it provides a high-level assessment of the efficacy of communications efforts. In 2022/23, BCCIE achieved the target for this performance measure, demonstrating BCCIE’s ability to engage with the sector in a meaningful way.

Financial Report

For the auditor's report and audited financial statements, see [Appendix B](#). These documents can also be found on the BCCIE website.

Discussion of Results

BCCIE increased program expenditures in 2022/23 in response to the revenue generated from B.C. International Education Week (BCIEW), which was more than anticipated in the budget. In 2022/23, international travel and in person events resumed, resulting in more program expenditures compared to last year when most activities were virtual. Despite additional program expenditures, BCCIE was able to end the year with a small surplus of \$292. The organization worked closely with the Board's Finance and Human Resources Committee and PSFS to ensure that strategic expenditure of operating funds and execution of activities were aligned with the BCCIE mandate, Strategic Plan, and Operational Plan.

BCCIE was expected to spend \$175,000 in one-time, targeted funding from PSFS to support government's development and implementation of an international education framework. The Ministry reprofiled its workplan to focus on the sector's immediate needs during the COVID-19 pandemic, which delayed the development and implementation of the international education framework as well as the Ministry's direction to BCCIE on the support required to implement it. Government's leadership transition process also postponed the Ministry's direction to BCCIE on related international education programs. Once BCCIE's Strategic Plan was finalized and approved, BCCIE was able to spend \$50,000 of the one-time funding in 2022/23. The Ministry has approved deferral of the remaining \$125,000 to 2023/24 to support the implementation of the international education priorities.

In addition to funding provided from PSFS, BCCIE generated additional revenue from two in-person capacity building workshops and received contract funding from the Ministry of Education and Child Care for the administration of their International Education Mobility Awards Programs in 2022/23. This additional revenue further enabled BCCIE to deliver on priorities and activities within the current operating budget.

Financial Summary

	2021/22 Actual	2022/23 Budget	2022/23 Actual	2022/23 Variance
Revenues				
Provincial Grant - General Operations	1,500,000	1,500,000	1,500,000	-
Provincial Grant - One-Time Funding ¹	-	175,000	50,000	(125,000)
BCCIE Summer Conference/BC International Education Week (BCIEW) ²	168,118	150,000	466,377	316,377
Professional Development ³	7,525	4,000	6,315	2,315
Other Government Contracts ⁴	379,250	-	50,000	50,000
Bank Interest ⁵	7,933	9,000	23,864	14,864
Total Revenue	2,062,826	1,838,000	2,096,556	258,556
Expenses				
General Operations (IT, Board Meetings, Supplies, etc.)	1,398,631	1,417,000	1,468,461	51,461
<i>Operations</i>	108,224	114,949	159,934	44,985
<i>Salaries</i>	1,184,804	1,189,489	1,195,720	6,231
<i>Lease</i>	105,603	112,562	112,807	245
Program Areas ⁶	663,597	421,000	627,803	206,803
Total Expenses	2,062,228	1,838,000	2,096,264	258,264
Net Income	598	-	292	292
Total [Liabilities/Debt]	-	-	-	-
Capital Expenditures	-	-	-	-
Accumulated Surplus	773,790	773,790	774,082	

¹ BCCIE planned to spend the remaining \$175,000 of the one-time funding from the Ministry of Post-Secondary Education and Future Skills on special projects in 2022/23. Ministry direction to BCCIE on the support required to implement the international education framework was delayed due to government transition. BCCIE spent \$50,000 from one-time funding and deferred the \$125,000 to 2023/24 for strategic initiatives in support of the B.C. International Education Framework.

² BCCIE hosted the first BCIEW in June 2022. As this was the first conference in this format for BCCIE, more participants attended the event than anticipated in the budgeting process, contributing to more revenue than expected.

³ BCCIE hosted two paid events in 2022/23, resulting in more revenue than anticipated this year.

⁴ In 2022/23, BCCIE received a small contract for the Ministry of Education and Childcare (ECC) TUA scholarship program which was unknown at the time of budgeting.

⁵ In 2022/23, BCCIE received more interest than anticipated due to higher bank interest rates for the term deposits.

⁶ In 2022/23, more money was spent on program areas due to the addition of the ECC \$50,000 contract for the scholarship program, the \$50,000 in one-time funds being spent, and more revenue generated from BCIEW. The additional revenue generated from BCIEW funded additional programs and activities in support of BCCIE's mandate.

Variance and Trend Analysis

Positive variances resulted from activities in three key areas. After the budgeting cycle had closed, BCCIE received a contract from the Ministry of Education and Child Care to administer their International Education Mobility Awards Programs, creating a variance of \$50,000. In addition, BCCIE received more revenue than anticipated for professional development due to offering two in person events for the sector and received substantially more revenue than anticipated for BCIEW hosted in June 2022. The revenue generated from these BCCIE events resulted in a positive variance of \$318,692 that went to further supporting operational and program expenses as well as priorities in support of the International Education Framework.

In addition to positive variance, BCCIE managed one main area of negative variance. Due to the additional revenue generated from BCIEW, only \$50,000 in one-time funding from the Ministry to support the implementation of the international education framework was expended this fiscal. The remaining \$125,000 was deferred to fiscal year 2023/24 resulting in a negative variance in 2022/23.

Risks and Uncertainties

To continue support for B.C.'s economic recovery, BCCIE will work closely with the Ministry and partner ministries to assess how BCCIE can continue to build sector capacity and identify strategic opportunities to benefit students, B.C.'s international education sector, and the province. Rising global interest in international education, and the pressures of rising international enrolment in B.C., may increase demand for BCCIE services and supports delivered in the province and in overseas missions.

BCCIE is actively working to manage operating budget pressures that expose the budget to risk, including supplies, rent, staffing, and travel. As the cost of these inputs continue to increase, significant risk is placed on the budget. BCCIE will work closely with ministries on strategies to address higher costs, leverage partnerships, and ensure alignment with government priorities.

Appendix A: Progress on Mandate Letter Priorities

The following is a summary of progress made on priorities as stated in the 2021/22 Mandate Letter from the Minister Responsible.

2021/22 Mandate Letter Priority	Status as of March 31, 2023
<p>Support Government’s mandate review of BCCIE, and implementation of recommendations from the review.</p>	<ul style="list-style-type: none"> • BCCIE staff are working closely with the Board to implement mandate review recommendations. • BCCIE created a new strategic plan directly aligned with the B.C. International Education Framework (IEF) to ensure alignment with government direction and mandate. An evaluation framework was also developed with new KPIs to measure progress against priorities outlined in the new strategic plan. • The BCCIE Board of Directors has approved target markets for BCCIE to focus on to deliver on the diversification goals in the IEF.
<p>Support Government’s implementation of the provincial International Education Framework, with a focus on supporting school districts and post-secondary institutions to further diversify their sources of international students, identify new opportunities for BC Offshore Schools, support institutions in regions outside the Lower Mainland to build their capacity to engage in international education, and work to promote these regions as study destinations</p>	<ul style="list-style-type: none"> • All ongoing mandated priorities have been internalized into BCCIE’s regular business operations. • BCCIE has delivered two strategic planning sessions aimed at smaller, regional institutions with plans to deliver two more workshops in June 2023. • BCCIE has delivered indigenization workshops in two different regions with plans to deliver two more workshops in different regions in 2023/24. • BCCIE delivered 10 partnership development events in 2022/23 with target markets and provided 4 market briefings for the sector to help with diversification. • BCCIE hosted a Mexico fam tour in the regions to support partnership development and diversification.

Appendix B: Auditor's Report and Audited Financial Statements

**THE BRITISH COLUMBIA COUNCIL FOR
INTERNATIONAL EDUCATION**

FINANCIAL STATEMENTS

MARCH 31, 2023

STEELE & CO.
CHARTERED PROFESSIONAL ACCOUNTANTS



May 16, 2023

Statement of Management Responsibility
Year ended March 31, 2023

The accompanying financial statements have been prepared by management in accordance with Canadian public sector accounting standards and the integrity of these statements is management's responsibility. Management is also responsible for all of the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

Management is responsible for the preparation of the financial statements and has established a system of internal controls to provide reasonable assurance that assets are safeguarded, transactions are properly authorized, and financial records provide reliable information for the preparation of financial statements.

The Council's Board of Directors is responsible for the review and approval of the financial statements and meets with management and the external auditor to discuss the results of the audit examination and financial reporting matters. The external auditor has full access to the Board with and without the presence of management.

The external auditors, Steele & Co., conducted an independent audit of the financial statements in accordance with Canadian auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of the British Columbia Council for International Education and meet when required.


Yours truly,



Dr. Randall Martin
Executive Director



Tanya Ogilvie
Director, Operations and Communications



Miranda Wong
Senior Manager, Finance and Human Resources

STEELE & CO.

CHARTERED PROFESSIONAL ACCOUNTANTS

*Representing incorporated professionals

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INDEPENDENT AUDITOR'S REPORT

**To the Members of
The British Columbia Council for International Education, and
To the Minister of Finance, Province of British Columbia**

Opinion

We have audited the statement of financial position of The British Columbia Council for International Education ("the Council") as at March 31, 2023 and the statements of operations, change in net financial assets, and cash flows for the year ended March 31, 2023, and a summary of significant accounting policies and other explanatory information.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Council as at March 31, 2023 and the results of its operations, change in net financial assets and cash flows for the year in accordance with Canadian public sector accounting standards.

Basis of Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Council in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance 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 for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Council or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Council's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:


- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

Report on Other Legal and Regulatory Requirements

As required by the Societies Act (British Columbia), we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

Vancouver, Canada
May 16, 2023



CHARTERED PROFESSIONAL ACCOUNTANTS

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION
STATEMENT OF FINANCIAL POSITION

	NOTE	MARCH 31,	
		2023	2022
FINANCIAL ASSETS			
CASH AND CASH EQUIVALENTS	4	\$ 321,004	\$ 323,273
TERM DEPOSITS	5	919,459	906,326
ACCOUNTS RECEIVABLE		14,500	-
SALES TAX RECEIVABLE		1,135	-
		<u>1,256,098</u>	<u>1,229,599</u>
LIABILITIES			
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES		59,183	72,017
SALARIES AND ASSESSMENTS PAYABLE		149,232	155,461
SALES TAX PAYABLE		-	1,338
DEFERRED REVENUE	8	<u>380,384</u>	<u>357,700</u>
		<u>588,799</u>	<u>586,516</u>
NET FINANCIAL ASSETS		<u>667,299</u>	<u>643,083</u>
NON-FINANCIAL ASSETS			
TANGIBLE CAPITAL ASSETS	9	11,464	21,361
PREPAID EXPENSES		<u>95,319</u>	<u>109,346</u>
		<u>106,783</u>	<u>130,707</u>
ACCUMULATED SURPLUS		<u>\$ 774,082</u>	<u>\$ 773,790</u>
GOING CONCERN CONSIDERATIONS CONTRACTUAL OBLIGATIONS	2 6 & 7		

APPROVED ON BEHALF OF THE BOARD



Dr. Randall Martin



Dr. Michel Tarko

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

STATEMENT OF OPERATIONS

	<u>2023 BUDGET</u> (NOTE 12)	<u>YEAR ENDED MARCH 31,</u>	
		<u>2023</u>	<u>2022</u>
REVENUES			
GOVERNMENT GRANTS - CORE	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
GOVERNMENT CONTRIBUTIONS			
CONTRACTS	175,000	100,000	379,250
SUMMER CONFERENCE	150,000	466,377	168,118
ADMINISTRATION AND OPERATING	4,000	6,315	7,525
OTHER	9,000	23,864	7,933
	<u>1,838,000</u>	<u>2,096,556</u>	<u>2,062,826</u>
EXPENSES			
ADMINISTRATION AND OPERATING			
CONTRACTS (NOTE 11)	<u>1,838,000</u>	<u>2,096,264</u>	<u>2,062,228</u>
ANNUAL OPERATING SURPLUS	<u>\$ -</u>	292	598
ACCUMULATED SURPLUS			
BEGINNING OF THE YEAR		<u>773,790</u>	<u>773,192</u>
ACCUMULATED SURPLUS			
END OF THE YEAR		<u>\$ 774,082</u>	<u>\$ 773,790</u>

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

	2023 BUDGET (NOTE 12)	YEAR ENDED MARCH 31,	
		2023	2022
ANNUAL OPERATING SURPLUS	\$ -	\$ 292	\$ 598
ACQUISITION OF TANGIBLE CAPITAL ASSETS	-	-	(6,950)
AMORTIZATION OF TANGIBLE CAPITAL ASSETS	(11,000)	9,897	12,730
ACQUISITION OF PREPAID EXPENSES	-	(95,319)	(109,346)
USE OF PREPAID EXPENSES	11,000	109,346	142,518
INCREASE IN NET FINANCIAL ASSETS	\$ -	24,216	39,550
NET FINANCIAL ASSETS BEGINNING OF THE YEAR		643,083	603,533
NET FINANCIAL ASSETS END OF THE YEAR		\$ 667,299	\$ 643,083

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

STATEMENT OF CASH FLOWS

	YEAR ENDED MARCH 31,	
	2023	2022
OPERATING TRANSACTIONS		
CASH RECEIVED FROM		
GOVERNMENT GRANTS - CORE	\$ 1,500,000	\$ 1,500,000
GOVERNMENT CONTRIBUTIONS - CONTRACTS	100,000	399,250
SUMMER CONFERENCE	489,062	256,469
ADMINISTRATIVE AND OPERATING	6,315	7,525
OTHER	23,864	7,933
	<u>2,119,241</u>	<u>2,171,177</u>
CASH PAID FOR		
DONATIONS	1,000	2,000
EQUIPMENT RENTAL	32,282	3,513
EVENT FEES	56,892	33,602
EVENTS AND CONFERENCES	215,575	13,441
INFORMATION TECHNOLOGY AND WEBSITES	104,646	89,268
INSURANCE	5,210	4,861
LEADERSHIP AND ORGANIZATION	7,654	1,913
MARKETING	49,338	334,363
OFFICE COMMUNICATIONS	8,998	27,491
OFFICE SUPPLIES AND MISCELLANEOUS	21,679	16,688
PROFESSIONAL AND CONSULTING FEES	95,721	148,554
RENT AND FACILITIES	154,908	113,314
SALARIES AND BENEFITS	1,198,949	1,595,981
TELECOMMUNICATIONS	11,748	11,272
TRAVEL	143,778	12,950
	<u>2,108,378</u>	<u>2,409,211</u>
CASH PROVIDED (USED) BY OPERATING TRANSACTIONS	<u>10,863</u>	<u>(238,034)</u>
CAPITAL TRANSACTIONS		
CASH USED TO ACQUIRE TANGIBLE CAPITAL ASSETS	-	(6,950)
CASH USED BY CAPITAL TRANSACTIONS	-	(6,950)
INVESTING TRANSACTIONS		
TERM DEPOSITS	(13,132)	465,352
CASH PROVIDED (USED) BY INVESTING TRANSACTIONS	<u>(13,132)</u>	<u>465,352</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,269)	220,368
CASH AND CASH EQUIVALENTS BEGINNING OF THE YEAR	<u>323,273</u>	<u>102,905</u>
CASH AND CASH EQUIVALENTS END OF THE YEAR	\$ 321,004	\$ 323,273

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

1. PURPOSE AND OPERATIONS OF THE COUNCIL

The British Columbia Council for International Education ("the Council") is a Provincial Crown Agency incorporated in 1991 under the Societies Act (British Columbia). The Council supports the internationalization efforts of British Columbia's public and independent K-12 schools, public and private colleges and universities, and language schools. It promotes international education in and for British Columbia, to enhance its international reputation for quality education, and to support the international education activities and initiatives of the provincial government. It builds and maintains global networks, creating platforms for British Columbia's global profile and success of local communities and the education sector.

The Council reports to the Legislative Assembly through the Ministry of Advanced Education for the Province of British Columbia and is considered a Government Reporting Entity. The Council has no issued shares.

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

2. GOING CONCERN CONSIDERATIONS

While the pandemic significantly impacted the international education sector and the Council's operations over the last few years, with the relaxing of travel restrictions both internally and internationally, 2022/2023 saw a tentative return to more normal operations and international activities and engagements. The Council continued to implement their new virtual models of engagement and was able to also host in-person partnership development events that supported the sector and represent British Columbia physically abroad at conferences and at international events.

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, 2023, the Council had net financial assets of \$667,299 (2022 - \$643,083).

The Council has the Ministry's grant commitment of \$1,500,000 to fund its fiscal 2024 operations and received funding of \$1,500,000 to fund its fiscal 2023 operations.

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis for Presentation

These financial statements have been prepared by management in accordance with Canadian Public Sector Accounting Standards.

b. Cash and Cash Equivalents

Cash and cash equivalents may 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. Term Deposits

Term deposits are interest bearing and generally have maturity dates 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 to the plan by the Council 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 the estimated residual value, of the tangible capital assets, excluding land, is amortized on a declining balance basis over their estimated useful lives as follows:

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

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

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 is 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 tangible capital assets are recorded as revenue 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 a nominal value. Transfers of tangible capital assets from related parties are recorded at carrying value. No contributed tangible capital assets were received during the year.

f. Prepaid Expenses

Prepaid expenses, which include prepaid insurance, facility rentals, travel, and mission expenses, are charged to operations over the periods that are expected to benefit from the expense.

g. 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 not 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.

Contributions from other sources are deferred and recognized as revenue as the related stipulations in the agreement are met. Restricted contributions that must be maintained in perpetuity are recorded as revenue when received or receivable and are presented as non-financial assets in the statement of financial position.

Revenue related to fees or services received in advance of the fee being earned or service performed is deferred and recognized when the fee is earned or service performed.

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

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THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

h. 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.

i. 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 re-measurement 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 and cash equivalents, term deposits, and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and salaries and assessments payable.

The Council has not presented a statement of re-measurement gains or losses as it has no reportable transactions for its fiscal years ending March 31, 2023 and 2022.

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. 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 selling that asset, 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, 2023

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

i. 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.

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.

4. CASH AND CASH EQUIVALENTS

	Year Ended March 31,	
	2023	2022
Cash and demand deposits	<u>\$ 321,004</u>	<u>\$ 323,273</u>

Cash and term deposits include \$175,000 (2022 - \$225,000) which is restricted and may be used only for specified purposes.

5. TERM DEPOSITS

	Year Ended March 31,	
	2023	2022
Term deposits bear interest at rates ranging from 1.75% to 2.80% (weighted average 2.54%), and have maturity dates to May 25, 2023.	<u>\$ 919,459</u>	<u>\$ 906,326</u>

Cash and term deposits include \$175,000 (2022 - \$225,000) which is restricted and may be used only for specified purposes.

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

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 retired employees based on their age at retirement, length of service and highest earnings averaged over five years. The contribution rate for eligible employees is 8.61% of the employee's salaries. The Council matches contributions to the plan at the rate of 9.31% of the eligible employee's salary. The contribution rates remain unchanged for 2023.

The Council records its pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate with the result that there is no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan. The Council paid \$81,898 (2022 - \$76,375) for employer contributions to the plan for fiscal 2023. The contribution rates are subject to change as determined by the plan administrators.

The actuarial valuation for the Municipal Pension Plan as at December 31, 2021, indicated a \$3,761,000 funding surplus for basic pension benefits.

b. Other Employee Benefits

The Council provides for its employees life insurance, and 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.

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

7. CONTRACTUAL OBLIGATIONS

The Council has entered into operating leases for premises and office equipment pursuant to agreements extending to June 2028 and June 2027 respectively. Annual payments over the remaining terms are as follows:

<u>Year Ended March 31,</u>	<u>Premises</u>	<u>Office Equipment</u>	<u>Total</u>
2024	\$ 114,609	\$ 3,233	\$ 117,842
2025	114,609	3,233	117,842
2026	115,529	3,233	118,762
2027	115,836	3,233	119,069
2028	115,836	808	116,644
2029	28,959	-	28,959
	<u>\$ 605,378</u>	<u>\$ 13,740</u>	<u>\$ 619,118</u>

8. DEFERRED REVENUE

Deferred revenues represent externally restricted contributions received by the Council for future general operating expenses. The following is a summary of the externally restricted funds received.

	<u>Year Ended March 31,</u>	
	<u>2023</u>	<u>2022</u>
Deferred revenue beginning of the year	\$ 357,700	\$ 269,349
Net increase in deferred revenue	<u>22,684</u>	<u>88,351</u>
Deferred revenue end of the year	<u>\$ 380,384</u>	<u>\$ 357,700</u>

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

9. TANGIBLE CAPITAL ASSETS

	Website	Office Furniture and Equipment	Computer Equipment and Software	Leasehold Improvements	Total
March 31, 2023					
Cost					
Opening balance	\$ 91,511	\$ 82,540	\$ 153,282	\$ 68,760	\$ 396,093
Additions	-	-	-	-	-
Closing balance	91,511	82,540	153,282	68,760	396,093
Accumulated amortization					
Opening balance	89,942	75,025	143,606	66,159	374,732
Amortization	471	1,503	5,322	2,601	9,897
Closing balance	90,413	76,528	148,928	68,760	384,629
Net book value	\$ 1,098	\$ 6,012	\$ 4,354	\$ -	\$ 11,464
March 31, 2022					
Cost					
Opening balance	\$ 91,511	\$ 82,540	\$ 146,332	\$ 68,760	\$ 389,143
Additions	-	-	6,950	-	6,950
Closing balance	91,511	82,540	153,282	68,760	396,093
Accumulated amortization					
Opening balance	89,270	73,146	136,028	63,558	362,002
Amortization	672	1,879	7,578	2,601	12,730
Closing balance	89,942	75,025	143,606	66,159	374,732
Net book value	\$ 1,569	\$ 7,515	\$ 9,676	\$ 2,601	\$ 21,361

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THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

10. RELATED PARTY TRANSACTIONS

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

	Year Ended March 31,	
	2023	2022
Government Grants - Core	\$ 1,500,000	\$ 1,500,000
Government Contributions - Contracts	100,000	379,250
	<u>\$ 1,600,000</u>	<u>\$ 1,879,250</u>

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.

The Council's current payroll of \$1,195,720 includes ten employees with salaries totalling \$802,756.

11. EXPENSES BY OBJECT

The following is a summary of expenses by object:

	Year Ended March 31,	
	2023	2022
Amortization	\$ 9,897	\$ 12,730
Bank charges and foreign exchange	852	882
Donations	1,000	2,000
Equipment rental	31,488	4,307
Event fees	43,877	76,255
Events and conferences	218,769	16,362
Information technology and websites	86,866	110,303
Insurance	5,210	4,861
Leadership and organization	7,654	1,913
Marketing	49,337	334,363
Office communications	9,552	26,936
Office supplies and miscellaneous	17,837	19,253
Professional and consulting fees	98,312	130,842
Rent and facilities	154,908	113,314
Salaries and benefits	1,195,720	1,184,804
Telecommunications	12,657	9,630
Travel	152,328	13,473
	<u>\$ 2,096,264</u>	<u>\$ 2,062,228</u>

12. BUDGETED FIGURES

The fiscal 2023 budget is reflected in the Statement of Operations and the Statement of Change in Net Assets. Budget data presented in these financial statements is based upon the fiscal 2023 budget approval by the Board on February 1, 2022.

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

13. 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, 2023.

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.

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, term deposits, 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 and cash equivalents, and term deposits 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, 2023, there was no overdue accounts receivable balance.

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.

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 term deposits, 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.

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

13. FINANCIAL RISK MANAGEMENT (CONTINUED)

Risks and Concentrations (Continued)

c. Market Risk (Continued)

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.

**THE BRITISH COLUMBIA COUNCIL FOR
INTERNATIONAL EDUCATION**

FINANCIAL STATEMENTS

MARCH 31, 2023

May 16, 2023

Statement of Management Responsibility
Year ended March 31, 2023

The accompanying financial statements have been prepared by management in accordance with Canadian public sector accounting standards and the integrity of these statements is management's responsibility. Management is also responsible for all of the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

Management is responsible for the preparation of the financial statements and has established a system of internal controls to provide reasonable assurance that assets are safeguarded, transactions are properly authorized, and financial records provide reliable information for the preparation of financial statements.


The Council's Board of Directors is responsible for the review and approval of the financial statements and meets with management and the external auditor to discuss the results of the audit examination and financial reporting matters. The external auditor has full access to the Board with and without the presence of management.

The external auditors, Steele & Co., conducted an independent audit of the financial statements in accordance with Canadian auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of the British Columbia Council for International Education and meet when required.


Yours truly,



Dr. Randall Martin
Executive Director



Tanya Ogilvie
Director, Operations and Communications



Miranda Wong
Senior Manager, Finance and Human Resources

STEELE & CO.*

CHARTERED PROFESSIONAL ACCOUNTANTS

*Representing incorporated professionals

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INDEPENDENT AUDITOR'S REPORT

**To the Members of
The British Columbia Council for International Education, and
To the Minister of Finance, Province of British Columbia**

Opinion

We have audited the statement of financial position of The British Columbia Council for International Education ("the Council") as at March 31, 2023 and the statements of operations, change in net financial assets, and cash flows for the year ended March 31, 2023, and a summary of significant accounting policies and other explanatory information.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Council as at March 31, 2023 and the results of its operations, change in net financial assets and cash flows for the year in accordance with Canadian public sector accounting standards.

Basis of Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Council in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance 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 for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Council or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Council's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

Report on Other Legal and Regulatory Requirements

As required by the Societies Act (British Columbia), we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

Vancouver, Canada
May 16, 2023



CHARTERED PROFESSIONAL ACCOUNTANTS

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

STATEMENT OF FINANCIAL POSITION

		MARCH 31,	
	NOTE	2023	2022
FINANCIAL ASSETS			
CASH AND CASH EQUIVALENTS	4	\$ 321,004	\$ 323,273
TERM DEPOSITS	5	919,459	906,326
ACCOUNTS RECEIVABLE		14,500	-
SALES TAX RECEIVABLE		1,135	-
		<u>1,256,098</u>	<u>1,229,599</u>
LIABILITIES			
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES		59,183	72,017
SALARIES AND ASSESSMENTS PAYABLE		149,232	155,461
SALES TAX PAYABLE		-	1,338
DEFERRED REVENUE	8	380,384	357,700
		<u>588,799</u>	<u>586,516</u>
NET FINANCIAL ASSETS		<u>667,299</u>	<u>643,083</u>
NON-FINANCIAL ASSETS			
TANGIBLE CAPITAL ASSETS	9	11,464	21,361
PREPAID EXPENSES		95,319	109,346
		<u>106,783</u>	<u>130,707</u>
ACCUMULATED SURPLUS		<u>\$ 774,082</u>	<u>\$ 773,790</u>
GOING CONCERN CONSIDERATIONS	2		
CONTRACTUAL OBLIGATIONS	6 & 7		

APPROVED ON BEHALF OF THE BOARD



Dr. Randall Martin



Dr. Michel Tarko

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

STATEMENT OF OPERATIONS

	<u>2023 BUDGET</u> (NOTE 12)	<u>YEAR ENDED MARCH 31,</u> <u>2023</u> <u>2022</u>	
REVENUES			
GOVERNMENT GRANTS - CORE GOVERNMENT CONTRIBUTIONS	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
CONTRACTS	175,000	100,000	379,250
SUMMER CONFERENCE	150,000	466,377	168,118
ADMINISTRATION AND OPERATING OTHER	4,000 9,000	6,315 23,864	7,525 7,933
	<u>1,838,000</u>	<u>2,096,556</u>	<u>2,062,826</u>
EXPENSES			
ADMINISTRATION AND OPERATING CONTRACTS (NOTE 11)	<u>1,838,000</u>	<u>2,096,264</u>	<u>2,062,228</u>
ANNUAL OPERATING SURPLUS	<u>\$ -</u>	292	598
ACCUMULATED SURPLUS BEGINNING OF THE YEAR		<u>773,790</u>	<u>773,192</u>
ACCUMULATED SURPLUS END OF THE YEAR		<u>\$ 774,082</u>	<u>\$ 773,790</u>

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

	<u>2023 BUDGET</u> (NOTE 12)	<u>YEAR ENDED MARCH 31,</u>	
		<u>2023</u>	<u>2022</u>
ANNUAL OPERATING SURPLUS	\$ -	\$ 292	\$ 598
ACQUISITION OF TANGIBLE CAPITAL ASSETS	-	-	(6,950)
AMORTIZATION OF TANGIBLE CAPITAL ASSETS	(11,000)	9,897	12,730
ACQUISITION OF PREPAID EXPENSES	-	(95,319)	(109,346)
USE OF PREPAID EXPENSES	<u>11,000</u>	<u>109,346</u>	<u>142,518</u>
INCREASE IN NET FINANCIAL ASSETS	<u><u>\$ -</u></u>	24,216	39,550
NET FINANCIAL ASSETS BEGINNING OF THE YEAR		<u>643,083</u>	<u>603,533</u>
NET FINANCIAL ASSETS END OF THE YEAR		<u><u>\$ 667,299</u></u>	<u><u>\$ 643,083</u></u>

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

STATEMENT OF CASH FLOWS

	YEAR ENDED MARCH 31,	
	2023	2022
OPERATING TRANSACTIONS		
CASH RECEIVED FROM		
GOVERNMENT GRANTS - CORE	\$ 1,500,000	\$ 1,500,000
GOVERNMENT CONTRIBUTIONS - CONTRACTS	100,000	399,250
SUMMER CONFERENCE	489,062	256,469
ADMINISTRATIVE AND OPERATING	6,315	7,525
OTHER	23,864	7,933
	<u>2,119,241</u>	<u>2,171,177</u>
CASH PAID FOR		
DONATIONS	1,000	2,000
EQUIPMENT RENTAL	32,282	3,513
EVENT FEES	56,892	33,602
EVENTS AND CONFERENCES	215,575	13,441
INFORMATION TECHNOLOGY AND WEBSITES	104,646	89,268
INSURANCE	5,210	4,861
LEADERSHIP AND ORGANIZATION	7,654	1,913
MARKETING	49,338	334,363
OFFICE COMMUNICATIONS	8,998	27,491
OFFICE SUPPLIES AND MISCELLANEOUS	21,679	16,688
PROFESSIONAL AND CONSULTING FEES	95,721	148,554
RENT AND FACILITIES	154,908	113,314
SALARIES AND BENEFITS	1,198,949	1,595,981
TELECOMMUNICATIONS	11,748	11,272
TRAVEL	143,778	12,950
	<u>2,108,378</u>	<u>2,409,211</u>
CASH PROVIDED (USED) BY OPERATING TRANSACTIONS	<u>10,863</u>	<u>(238,034)</u>
CAPITAL TRANSACTIONS		
CASH USED TO ACQUIRE TANGIBLE CAPITAL ASSETS	-	(6,950)
CASH USED BY CAPITAL TRANSACTIONS	-	(6,950)
INVESTING TRANSACTIONS		
TERM DEPOSITS	(13,132)	465,352
CASH PROVIDED (USED) BY INVESTING TRANSACTIONS	<u>(13,132)</u>	<u>465,352</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>(2,269)</u>	<u>220,368</u>
CASH AND CASH EQUIVALENTS BEGINNING OF THE YEAR	<u>323,273</u>	<u>102,905</u>
CASH AND CASH EQUIVALENTS END OF THE YEAR	<u>\$ 321,004</u>	<u>\$ 323,273</u>

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

1. PURPOSE AND OPERATIONS OF THE COUNCIL

The British Columbia Council for International Education ("the Council") is a Provincial Crown Agency incorporated in 1991 under the Societies Act (British Columbia). The Council supports the internationalization efforts of British Columbia's public and independent K-12 schools, public and private colleges and universities, and language schools. It promotes international education in and for British Columbia, to enhance its international reputation for quality education, and to support the international education activities and initiatives of the provincial government. It builds and maintains global networks, creating platforms for British Columbia's global profile and success of local communities and the education sector.

The Council reports to the Legislative Assembly through the Ministry of Advanced Education for the Province of British Columbia and is considered a Government Reporting Entity. The Council has no issued shares.

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

2. GOING CONCERN CONSIDERATIONS

While the pandemic significantly impacted the international education sector and the Council's operations over the last few years, with the relaxing of travel restrictions both internally and internationally, 2022/2023 saw a tentative return to more normal operations and international activities and engagements. The Council continued to implement their new virtual models of engagement and was able to also host in-person partnership development events that supported the sector and represent British Columbia physically abroad at conferences and at international events.

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, 2023, the Council had net financial assets of \$667,299 (2022 - \$643,083).

The Council has the Ministry's grant commitment of \$1,500,000 to fund its fiscal 2024 operations and received funding of \$1,500,000 to fund its fiscal 2023 operations.

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis for Presentation

These financial statements have been prepared by management in accordance with Canadian Public Sector Accounting Standards.

b. Cash and Cash Equivalents

Cash and cash equivalents may 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. Term Deposits

Term deposits are interest bearing and generally have maturity dates 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 to the plan by the Council 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 the estimated residual value, of the tangible capital assets, excluding land, is amortized on a declining balance basis over their estimated useful lives as follows:

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

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

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 is 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 tangible capital assets are recorded as revenue 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 a nominal value. Transfers of tangible capital assets from related parties are recorded at carrying value. No contributed tangible capital assets were received during the year.

f. **Prepaid Expenses**

Prepaid expenses, which include prepaid insurance, facility rentals, travel, and mission expenses, are charged to operations over the periods that are expected to benefit from the expense.

g. **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 not 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.

Contributions from other sources are deferred and recognized as revenue as the related stipulations in the agreement are met. Restricted contributions that must be maintained in perpetuity are recorded as revenue when received or receivable and are presented as non-financial assets in the statement of financial position.

Revenue related to fees or services received in advance of the fee being earned or service performed is deferred and recognized when the fee is earned or service performed.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

h. 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.

i. 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 re-measurement 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 and cash equivalents, term deposits, and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and salaries and assessments payable.

The Council has not presented a statement of re-measurement gains or losses as it has no reportable transactions for its fiscal years ending March 31, 2023 and 2022.

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. 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 selling that asset, 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.

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

i. 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.

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.

4. CASH AND CASH EQUIVALENTS

	Year Ended March 31, 2023	2022
Cash and demand deposits	\$ 321,004	\$ 323,273

Cash and term deposits include \$175,000 (2022 - \$225,000) which is restricted and may be used only for specified purposes.

5. TERM DEPOSITS

	Year Ended March 31, 2023	2022
Term deposits bear interest at rates ranging from 1.75% to 2.80% (weighted average 2.54%), and have maturity dates to May 25, 2023.	\$ 919,459	\$ 906,326

Cash and term deposits include \$175,000 (2022 - \$225,000) which is restricted and may be used only for specified purposes.

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 retired employees based on their age at retirement, length of service and highest earnings averaged over five years. The contribution rate for eligible employees is 8.61% of the employee's salaries. The Council matches contributions to the plan at the rate of 9.31% of the eligible employee's salary. The contribution rates remain unchanged for 2023.

The Council records its pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate with the result that there is no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan. The Council paid \$81,898 (2022 - \$76,375) for employer contributions to the plan for fiscal 2023. The contribution rates are subject to change as determined by the plan administrators.

The actuarial valuation for the Municipal Pension Plan as at December 31, 2021, indicated a \$3,761,000 funding surplus for basic pension benefits.

b. Other Employee Benefits

The Council provides for its employees life insurance, and 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.

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

7. CONTRACTUAL OBLIGATIONS

The Council has entered into operating leases for premises and office equipment pursuant to agreements extending to June 2028 and June 2027 respectively. Annual payments over the remaining terms are as follows:

<u>Year Ended March 31,</u>	<u>Premises</u>	<u>Office Equipment</u>	<u>Total</u>
2024	\$ 114,609	\$ 3,233	\$ 117,842
2025	114,609	3,233	117,842
2026	115,529	3,233	118,762
2027	115,836	3,233	119,069
2028	115,836	808	116,644
2029	28,959	-	28,959
	<u>\$ 605,378</u>	<u>\$ 13,740</u>	<u>\$ 619,118</u>

8. DEFERRED REVENUE

Deferred revenues represent externally restricted contributions received by the Council for future general operating expenses. The following is a summary of the externally restricted funds received.

	<u>Year Ended March 31,</u>	
	<u>2023</u>	<u>2022</u>
Deferred revenue beginning of the year	\$ 357,700	\$ 269,349
Net increase in deferred revenue	<u>22,684</u>	<u>88,351</u>
Deferred revenue end of the year	<u>\$ 380,384</u>	<u>\$ 357,700</u>

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

9. TANGIBLE CAPITAL ASSETS

	Website	Office Furniture and Equipment	Computer Equipment and Software	Leasehold Improvements	Total
March 31, 2023					
Cost					
Opening balance	\$ 91,511	\$ 82,540	\$ 153,282	\$ 68,760	\$ 396,093
Additions	-	-	-	-	-
Closing balance	91,511	82,540	153,282	68,760	396,093
Accumulated amortization					
Opening balance	89,942	75,025	143,606	66,159	374,732
Amortization	471	1,503	5,322	2,601	9,897
Closing balance	90,413	76,528	148,928	68,760	384,629
Net book value	\$ 1,098	\$ 6,012	\$ 4,354	\$ -	\$ 11,464
March 31, 2022					
Cost					
Opening balance	\$ 91,511	\$ 82,540	\$ 146,332	\$ 68,760	\$ 389,143
Additions	-	-	6,950	-	6,950
Closing balance	91,511	82,540	153,282	68,760	396,093
Accumulated amortization					
Opening balance	89,270	73,146	136,028	63,558	362,002
Amortization	672	1,879	7,578	2,601	12,730
Closing balance	89,942	75,025	143,606	66,159	374,732
Net book value	\$ 1,569	\$ 7,515	\$ 9,676	\$ 2,601	\$ 21,361

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

10. RELATED PARTY TRANSACTIONS

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

	Year Ended March 31,	
	2023	2022
Government Grants - Core	\$ 1,500,000	\$ 1,500,000
Government Contributions - Contracts	100,000	379,250
	<u>\$ 1,600,000</u>	<u>\$ 1,879,250</u>

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.

The Council's current payroll of \$1,195,720 includes ten employees with salaries totalling \$802,756.

11. EXPENSES BY OBJECT

The following is a summary of expenses by object:

	Year Ended March 31,	
	2023	2022
Amortization	\$ 9,897	\$ 12,730
Bank charges and foreign exchange	852	882
Donations	1,000	2,000
Equipment rental	31,488	4,307
Event fees	43,877	76,255
Events and conferences	218,769	16,362
Information technology and websites	86,866	110,303
Insurance	5,210	4,861
Leadership and organization	7,654	1,913
Marketing	49,337	334,363
Office communications	9,552	26,936
Office supplies and miscellaneous	17,837	19,253
Professional and consulting fees	98,312	130,842
Rent and facilities	154,908	113,314
Salaries and benefits	1,195,720	1,184,804
Telecommunications	12,657	9,630
Travel	152,328	13,473
	<u>\$ 2,096,264</u>	<u>\$ 2,062,228</u>

12. BUDGETED FIGURES

The fiscal 2023 budget is reflected in the Statement of Operations and the Statement of Change in Net Assets. Budget data presented in these financial statements is based upon the fiscal 2023 budget approval by the Board on February 1, 2022.

13. 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, 2023.

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.

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, term deposits, 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 and cash equivalents, and term deposits 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, 2023, there was no overdue accounts receivable balance.

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.

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 term deposits, 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.

13. FINANCIAL RISK MANAGEMENT (CONTINUED)

Risks and Concentrations (Continued)

c. Market Risk (Continued)

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.

