

British Columbia Investment Management Corporation

Pooled Investment Portfolios

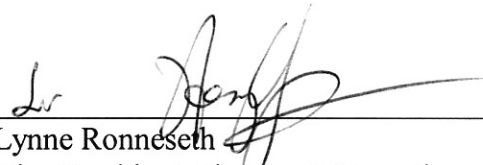
STATEMENT OF RESPONSIBILITY

Responsibility for the integrity, objectivity and the preparation of the accompanying financial statements rests with the management of the British Columbia Investment Management Corporation. These statements are prepared in accordance with Canadian generally accepted accounting principles consistently applied and include some amounts that are based on best estimates and judgements. Systems of internal controls are in place to provide reasonable assurance that transactions are appropriately authorized, assets are safeguarded and financial records are properly maintained to provide reliable financial statements.

The Auditor General of the Province of British Columbia conducts an independent examination, in accordance with Canadian generally accepted auditing standards, and provides an independent professional opinion on the financial statements.



Doug Pearce
Chief Executive Officer
Chief Investment Officer



Lynne Ronneseth
Vice President, Finance & Operations

Victoria, British Columbia
August 19, 2005



Report of the Auditor General of British Columbia

To the Unitholders of:

Canadian Money Market Fund ST1
Indexed Government Bond Fund
Indexed Canadian Equity Fund
North American Equity Fund
Enhanced Indexed U.S. Equity Fund
Currency Overlay Fund

Canadian Money Market Fund ST2
Long Term Bond Fund
Active Canadian Equity Fund
Active U.S. Equity Fund
U.S. Value Index Equity Fund
U.S. Currency Hedging Fund

U.S. Dollar Money Market Fund ST3
British Columbia Focus Fund
Enhanced Canadian Equity Fund
S & P 500 Index Equity Fund
U.S. Equity Derivatives Fund
(collectively, "the Funds")

I have audited the statements of net assets as at March 31, 2005 and March 31, 2004 of the Funds, the statements of changes in net assets for the years then ended, or for the shorter period since the inception date disclosed in Note 1, and the statements of investments as at March 31, 2005. These financial statements are the responsibility of the Funds' management. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Funds as at March 31, 2005 and March 31, 2004, the changes in their net assets for the years then ended or for the shorter period since the inception date disclosed in Note 1, and their investments as at March 31, 2005 in accordance with Canadian generally accepted accounting principles.

*Victoria, British Columbia
August 19, 2005*

Wayne Strelloff, FCA
Auditor General

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS
STATEMENTS OF NET ASSETS
AS AT MARCH 31, 2005

(\$ Thousands)

	FUND ST1		FUND ST2		FUND ST3	
	2005	2004	2005	2004	2005	2004
					(US \$)	
Investments at market value	\$ 1,901,558	\$ 816,400	\$ 3,652,711	\$ 3,606,283	\$ 162,626	\$ 220,121
Cash	-	-	-	-	-	-
Accrued investment income	-	1	198	907	-	-
Total assets	1,901,558	816,401	3,652,909	3,607,190	162,626	220,121
bciMC funds management fees payable (note 6)	44	14	91	51	4	7
Payable for purchase of investments	126,460	-	-	99,115	-	-
Custodial fees payable	9	7	14	15	3	2
Accounts payable	9	11	11	9	7	8
Total liabilities	126,522	32	116	99,190	14	17
Net assets representing unitholders' equity	\$ 1,775,036	\$ 816,369	\$ 3,652,793	\$ 3,508,000	\$ 162,612	\$ 220,104
Number of units outstanding (note 10)	571.437	268.706	1,140.067	1,120.083	86.545	119.099
Net asset value per unit	\$ 3,106	\$ 3,038	\$ 3,204	\$ 3,132	\$ 1,879	\$ 1,848

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



Doug Pearce
Chief Executive Officer
Chief Investment Officer

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS
STATEMENTS OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2005

(\$ Thousands)

	<u>FUND ST1</u>		<u>FUND ST2</u>		<u>FUND ST3</u>	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
	(US \$)					
Net assets, beginning of year	\$ 816,369	\$ 916,047	\$ 3,508,000	\$ 1,458,882	\$ 220,104	\$ 96,106
Changes during the year:						
Operations:						
Income:						
Investment income	42,152	39,511	81,248	87,293	2,856	1,317
Expenses (note 5, 6):						
bclMC funds management fees	395	348	804	811	46	73
Custodial fees	36	29	59	54	10	7
Administrative and professional fees	3	19	9	15	5	15
	<u>434</u>	<u>396</u>	<u>872</u>	<u>880</u>	<u>61</u>	<u>95</u>
Net investment income	41,718	39,115	80,376	86,413	2,795	1,222
Net realized gain (loss) on sale of investments	(2)	37	(207)	919	(9)	(4)
Net unrealized gain (loss) on investments	13	6	(801)	2,020	(1)	(1)
	<u>41,729</u>	<u>39,158</u>	<u>79,368</u>	<u>89,352</u>	<u>2,785</u>	<u>1,217</u>
Capital transactions:						
Proceeds from units issued	23,044,867	20,923,296	6,678,674	10,302,994	2,132,974	1,897,208
Amounts paid for units redeemed	<u>(22,127,929)</u>	<u>(21,062,132)</u>	<u>(6,613,249)</u>	<u>(8,343,228)</u>	<u>(2,193,251)</u>	<u>(1,774,427)</u>
	916,938	(138,836)	65,425	1,959,766	(60,277)	122,781
Net increase (decrease) during the year	<u>958,667</u>	<u>(99,678)</u>	<u>144,793</u>	<u>2,049,118</u>	<u>(57,492)</u>	<u>123,998</u>
Net assets, end of year	<u>\$ 1,775,036</u>	<u>\$ 816,369</u>	<u>\$ 3,652,793</u>	<u>\$ 3,508,000</u>	<u>\$ 162,612</u>	<u>\$ 220,104</u>

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

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS
STATEMENTS OF NET ASSETS
AS AT MARCH 31, 2005

(\$ Thousands)

	INDEXED GOVERNMENT BOND FUND		LONG TERM BOND FUND		BRITISH COLUMBIA FOCUS FUND	
	2005	2004	2005	2004	2005	2004
Investments at market value	\$ 214,551	\$ 206,420	\$ 2,023,969	\$ 1,858,778	\$ 5,376	\$ 7,925
Receivable from sale of investments	16,498	10,725	60,805	-	-	2,590
Receivable from issue of units	60	87	-	-	-	-
Accrued investment income	2,496	3,218	25,692	28,874	-	-
Total assets	233,605	220,450	2,110,466	1,887,652	5,376	10,515
bclMC funds management fees payable (note 6)	7	6	48	18	3	2
Payable for purchase of investments	15,557	9,971	42,468	-	-	-
Payable for redemption of units	675	1,600	-	-	-	-
Custodial fees payable	2	4	6	7	-	-
Accounts payable	10	10	10	10	10	12
Total liabilities	16,251	11,591	42,532	35	13	14
Net assets representing unitholders' equity	\$ 217,354	\$ 208,859	\$ 2,067,934	\$ 1,887,617	\$ 5,363	\$ 10,501
Number of units outstanding (note 10)	90.336	91.243	1,340.927	1,340.653	2.634	4.459
Net asset value per unit	\$ 2,406	\$ 2,289	\$ 1,542	\$ 1,408	\$ 2,036	\$ 2,355

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

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS
STATEMENTS OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2005

(\$ Thousands)

	INDEXED GOVERNMENT BOND FUND		LONG TERM BOND FUND		BRITISH COLUMBIA FOCUS FUND	
	2005	2004	2005	2004	2005	2004
Net assets, beginning of year	\$ 208,859	\$ 198,152	\$ 1,887,617	\$ 1,617,872	\$ 10,501	\$ 11,112
Changes during the year:						
Operations:						
Income:						
Investment income	9,393	9,762	101,985	95,168	487	1,079
Expenses (note 5, 6):						
bcIMC funds management fees	71	87	421	295	28	40
Custodial fees	9	10	29	29	-	-
Administrative and professional fees	10	17	6	17	12	20
	<u>90</u>	<u>114</u>	<u>456</u>	<u>341</u>	<u>40</u>	<u>60</u>
Net investment income	9,303	9,648	101,529	94,827	447	1,019
Net realized gain (loss) on sale of investments	3,350	9,427	63,089	45,141	(4)	(2)
Net unrealized gain (loss) on investments	<u>(1,918)</u>	<u>940</u>	<u>15,324</u>	<u>69,777</u>	<u>(1,181)</u>	<u>472</u>
	<u>10,735</u>	<u>20,015</u>	<u>179,942</u>	<u>209,745</u>	<u>(738)</u>	<u>1,489</u>
Capital transactions:						
Proceeds from units issued	10,045	14,722	37,489	151,994	-	-
Amounts paid for units redeemed	<u>(12,285)</u>	<u>(24,030)</u>	<u>(37,114)</u>	<u>(91,994)</u>	<u>(4,400)</u>	<u>(2,100)</u>
	<u>(2,240)</u>	<u>(9,308)</u>	<u>375</u>	<u>60,000</u>	<u>(4,400)</u>	<u>(2,100)</u>
Net increase (decrease) during the year	<u>8,495</u>	<u>10,707</u>	<u>180,317</u>	<u>269,745</u>	<u>(5,138)</u>	<u>(611)</u>
Net assets, end of year	<u>\$ 217,354</u>	<u>\$ 208,859</u>	<u>\$ 2,067,934</u>	<u>\$ 1,887,617</u>	<u>\$ 5,363</u>	<u>\$ 10,501</u>

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

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS
STATEMENTS OF NET ASSETS
AS AT MARCH 31, 2005

(\$ Thousands)

	INDEXED CANADIAN EQUITY FUND		ACTIVE CANADIAN EQUITY FUND		ENHANCED CANADIAN EQUITY FUND	
	2005	2004	2005	2004	2005	2004
Investments at market value	\$ 8,294,205	\$ 7,457,488	\$ 5,317,677	\$ 4,816,759	\$ 263,116	\$ 136,087
Cash	-	-	1,127	1,638	282	650
Receivable from sale of investments	12,343	19,100	17,817	11,386	1,782	414
Receivable from issue of units	500	45	400	-	-	-
Accrued investment income	13,862	12,297	5,734	5,620	445	244
Total assets	8,320,910	7,488,930	5,342,755	4,835,403	265,625	137,395
bcIMC funds management fees payable (note 6)	220	95	130	36	16	32
Payable for purchase of investments	9,739	20,681	19,540	20,803	1,907	314
Payable for redemption of units	275	1,110	400	-	-	-
External management fees payable	-	-	2,490	2,207	83	75
Custodial fees payable	34	11	35	34	13	9
Accounts payable	21	33	21	13	7	8
Total liabilities	10,289	21,930	22,616	23,093	2,026	438
Net assets representing unitholders' equity	\$ 8,310,621	\$ 7,467,000	\$ 5,320,139	\$ 4,812,310	\$ 263,599	\$ 136,957
Number of units outstanding (note 10)	2,473.793	2,544.544	1,079.858	1,138.546	167.068	100.221
Net asset value per unit	\$ 3,359	\$ 2,935	\$ 4,927	\$ 4,227	\$ 1,578	\$ 1,367

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

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS
STATEMENTS OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2005

(\$ Thousands)

	INDEXED CANADIAN EQUITY FUND		ACTIVE CANADIAN EQUITY FUND		ENHANCED CANADIAN EQUITY FUND	
	2005	2004	2005	2004	2005	2004
Net assets, beginning of year	<u>\$ 7,467,000</u>	<u>\$ 6,692,593</u>	<u>\$ 4,812,310</u>	<u>\$ 3,483,348</u>	<u>\$ 136,957</u>	<u>\$ 98,275</u>
Changes during the year:						
Operations:						
Income:						
Investment income	<u>159,038</u>	<u>152,651</u>	<u>73,608</u>	<u>66,075</u>	<u>3,145</u>	<u>2,288</u>
Expenses (note 5, 6):						
bcIMC funds management fees	1,928	1,393	1,051	530	171	440
External management fees	-	41	9,339	8,009	315	279
Custodial fees	136	136	140	139	50	37
Administrative and professional fees	55	36	35	35	8	15
	<u>2,119</u>	<u>1,606</u>	<u>10,565</u>	<u>8,713</u>	<u>544</u>	<u>771</u>
Net investment income	156,919	151,045	63,043	57,362	2,601	1,517
Net realized gain (loss) on sale of investments	202,710 ¹	284,272 ¹	286,214 ¹	179,191	9,118	7,394
Net unrealized gain (loss) on investments	701,217 ¹	1,878,608 ¹	408,572 ¹	1,092,409	14,763	29,221
	<u>1,060,846</u>	<u>2,313,925</u>	<u>757,829</u>	<u>1,328,962</u>	<u>26,482</u>	<u>38,132</u>
Capital transactions:						
Proceeds from units issued	938,787	240,681	64,988	124,040	102,320	550
Amounts paid for units redeemed	<u>(1,156,012)</u>	<u>(1,780,199)</u>	<u>(314,988)</u>	<u>(124,040)</u>	<u>(2,160)</u>	<u>-</u>
	<u>(217,225)</u>	<u>(1,539,518)</u>	<u>(250,000)</u>	<u>-</u>	<u>100,160</u>	<u>550</u>
Net increase (decrease) during the year	<u>843,621</u>	<u>774,407</u>	<u>507,829</u>	<u>1,328,962</u>	<u>126,642</u>	<u>38,682</u>
Net assets, end of year	<u>\$ 8,310,621</u>	<u>\$ 7,467,000</u>	<u>\$ 5,320,139</u>	<u>\$ 4,812,310</u>	<u>\$ 263,599</u>	<u>\$ 136,957</u>

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

¹ Net realized gain (loss) on sale of investments and net unrealized gain (loss) on investments includes the following foreign exchange gains (losses):

\$	276	\$	(280)	\$	1,502	\$	-
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BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS
STATEMENTS OF NET ASSETS
AS AT MARCH 31, 2005

(\$ Thousands)

	NORTH AMERICAN EQUITY FUND		ACTIVE U.S. EQUITY FUND		S & P 500 INDEX EQUITY FUND	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
Investments at market value	\$ 7,946,004	\$ 8,056,862	\$ 2,179,881	\$ 2,230,339	\$ 1,973,850	\$ 2,275,116
Cash	-	-	62,261	51,329	685	-
Receivable from sale of investments	-	-	16,291	7,843	-	-
Receivable from issue of units	-	-	-	-	375	200
Accrued investment income	-	-	2,310	2,187	2,608	2,823
Withholding taxes receivable	-	-	60	29	48	51
Total assets	<u>7,946,004</u>	<u>8,056,862</u>	<u>2,260,803</u>	<u>2,291,727</u>	<u>1,977,566</u>	<u>2,278,190</u>
bcIMC funds management fees payable (note 6)	-	4	60	28	53	39
Payable for purchase of investments	-	-	14,599	10,967	7	1,068
Payable for redemption of units	-	-	-	-	-	200
External management fees payable	-	-	2,933	2,553	-	-
Custodial fees payable	-	-	60	67	10	27
Accounts payable	7	11	16	16	17	14
Total liabilities	<u>7</u>	<u>15</u>	<u>17,668</u>	<u>13,631</u>	<u>87</u>	<u>1,348</u>
Net assets representing unitholders' equity	<u>\$ 7,945,997</u>	<u>\$ 8,056,847</u>	<u>\$ 2,243,135</u>	<u>\$ 2,278,096</u>	<u>\$ 1,977,479</u>	<u>\$ 2,276,842</u>
Number of units outstanding (note 10)	6,073.377	6,841.888	593.929	593.888	557.407	632.386
Net asset value per unit	<u>\$ 1,308</u>	<u>\$ 1,178</u>	<u>\$ 3,777</u>	<u>\$ 3,836</u>	<u>\$ 3,548</u>	<u>\$ 3,600</u>

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

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS
STATEMENTS OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2005

(\$ Thousands)

	NORTH AMERICAN EQUITY FUND		ACTIVE U.S. EQUITY FUND		S & P 500 INDEX EQUITY FUND	
	2005	2004	2005	2004	2005	2004
Net assets, beginning of year	<u>\$ 8,056,847</u>	<u>\$ 7,931,934</u>	<u>\$ 2,278,096</u>	<u>\$ 1,792,546</u>	<u>\$ 2,276,842</u>	<u>\$ 2,323,902</u>
Changes during the year:						
Operations:						
Income:						
Investment income	<u>156,745</u>	<u>178,266</u>	<u>41,633</u>	<u>30,092</u>	<u>47,378</u>	<u>57,701</u>
Expenses (note 5, 6):						
bcIMC funds management fees	1,872	1,728	527	433	528	554
External management fees	-	-	10,177	9,627	-	-
Custodial fees	161	247	259	251	77	147
Administrative and professional fees	<u>44</u>	<u>58</u>	<u>14</u>	<u>28</u>	<u>19</u>	<u>29</u>
	<u>2,077</u>	<u>2,033</u>	<u>10,977</u>	<u>10,339</u>	<u>624</u>	<u>730</u>
Net investment income	154,668	176,233	30,656	19,753	46,754	56,971
Net realized gain (loss) on sale of investments	249,552	97,212	18,818 ¹	12,501 ¹	16,527 ¹	3,481 ¹
Net unrealized gain (loss) on investments	<u>368,132</u>	<u>2,124,500</u>	<u>(84,585) ¹</u>	<u>396,996 ¹</u>	<u>(94,708) ¹</u>	<u>389,008 ¹</u>
	<u>772,352</u>	<u>2,397,945</u>	<u>(35,111)</u>	<u>429,250</u>	<u>(31,427)</u>	<u>449,460</u>
Capital transactions:						
Proceeds from units issued	140,401	62,375	138,861	69,265	228,277	75,170
Amounts paid for units redeemed	<u>(1,023,603)</u>	<u>(2,335,407)</u>	<u>(138,711)</u>	<u>(12,965)</u>	<u>(496,213)</u>	<u>(571,690)</u>
	<u>(883,202)</u>	<u>(2,273,032)</u>	<u>150</u>	<u>56,300</u>	<u>(267,936)</u>	<u>(496,520)</u>
Net increase (decrease) during the year	<u>(110,850)</u>	<u>124,913</u>	<u>(34,961)</u>	<u>485,550</u>	<u>(299,363)</u>	<u>(47,060)</u>
Net assets, end of year	<u>\$ 7,945,997</u>	<u>\$ 8,056,847</u>	<u>\$ 2,243,135</u>	<u>\$ 2,278,096</u>	<u>\$ 1,977,479</u>	<u>\$ 2,276,842</u>

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

¹ Net realized gain (loss) on sale of investments and net unrealized gain (loss) on investments includes the following foreign exchange gains (losses):

\$ 187,031	\$ 277,540	\$ (172,704)	\$ (369,635)
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BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS
STATEMENTS OF NET ASSETS
AS AT MARCH 31, 2005

(\$ Thousands)

	ENHANCED INDEXED U.S. EQUITY FUND		U.S. VALUE INDEX EQUITY FUND		U.S. EQUITY DERIVATIVES FUND	
	2005	2004	2005	2004	2005	2004
Investments at market value	\$ 177,012	\$ 177,627	\$ 982,239	\$ 1,185,536	\$ 2,949,670	\$ 2,569,849
Cash	60	2,177	676	-	-	-
Receivable from sale of investments	-	340	-	897	-	-
Receivable from issue of units	-	-	521	-	-	-
Accrued investment income	234	211	1,083	1,141	-	-
Withholding taxes receivable	-	-	30	32	-	-
Total assets	177,306	180,355	984,549	1,187,606	2,949,670	2,569,849
bcIMC funds management fees payable (note 6)	8	8	30	24	12	15
Payable for purchase of investments	-	-	892	1,091	-	-
Payable for redemption of units	-	-	-	-	-	-
External management fees payable	10	92	-	-	-	-
Custodial fees payable	1	2	5	4	5	4
Accounts payable	9	9	13	11	6	55
Total liabilities	28	111	940	1,130	23	74
Net assets representing unitholders' equity	\$ 177,278	\$ 180,244	\$ 983,609	\$ 1,186,476	\$ 2,949,647	\$ 2,569,775
Number of units outstanding (note 10)	113.335	113.335	677.073	823.945	2,150.654	1,970.474
Net asset value per unit	\$ 1,564	\$ 1,590	\$ 1,453	\$ 1,440	\$ 1,372	\$ 1,304

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

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS
STATEMENTS OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2005

(\$ Thousands)

	ENHANCED INDEXED U.S. EQUITY FUND		U.S. VALUE INDEX EQUITY FUND		U.S. EQUITY DERIVATIVES FUND	
	2005	2004	2005	2004	2005	2004
Net assets, beginning of year	\$ 180,244	\$ 184,624	\$ 1,186,476	\$ 944,740	\$ 2,569,775	\$ 294,406
Changes during the year:						
Operations:						
Income:						
Investment income	3,358	3,364	23,424	23,472	181,563	359,255
Expenses (note 5, 6):						
bclMC funds management fees	50	148	315	340	859	587
External management fees	294	393	-	-	-	-
Custodial fees	5	9	42	48	72	54
Administrative and professional fees	10	16	10	21	27	78
	<u>359</u>	<u>566</u>	<u>367</u>	<u>409</u>	<u>958</u>	<u>719</u>
Net investment income	2,999	2,798	23,057	23,063	180,605	358,536
Net realized gain (loss) on sale of investments	(27,684) ¹	(28,198) ¹	(4,434) ¹	50,362 ¹	(20,159) ¹	(18,045) ¹
Net unrealized gain (loss) on investments	21,719 ¹	60,875 ¹	(3,624) ¹	252,961 ¹	(15,721) ¹	(3,062) ¹
	<u>(2,966)</u>	<u>35,475</u>	<u>14,999</u>	<u>326,386</u>	<u>144,725</u>	<u>337,429</u>
Capital transactions:						
Proceeds from units issued	4,298	145	6,086	8,110	336,983	1,965,753
Amounts paid for units redeemed	(4,298)	(40,000)	(223,952)	(92,760)	(101,836)	(27,813)
	<u>-</u>	<u>(39,855)</u>	<u>(217,866)</u>	<u>(84,650)</u>	<u>235,147</u>	<u>1,937,940</u>
Net increase (decrease) during the year	<u>(2,966)</u>	<u>(4,380)</u>	<u>(202,867)</u>	<u>241,736</u>	<u>379,872</u>	<u>2,275,369</u>
Net assets, end of year	<u>\$ 177,278</u>	<u>\$ 180,244</u>	<u>\$ 983,609</u>	<u>\$ 1,186,476</u>	<u>\$ 2,949,647</u>	<u>\$ 2,569,775</u>

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

¹ Net realized gain (loss) on sale of investments and net unrealized gain (loss) on investments includes the following foreign exchange gains (losses):

\$ (15,696)	\$ (29,633)	\$ (85,844)	\$ (97,446)	\$ (22,323)	\$ (22,465)
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BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
 POOLED INVESTMENT PORTFOLIOS
 STATEMENT OF NET ASSETS
 AS AT MARCH 31, 2005

(\$ Thousands)

	CURRENCY OVERLAY FUND		U.S. CURRENCY HEDGING FUND	
	2005	2004	2005	2004
Investments at market value	\$ 82,322	\$ 82,516	\$ 57,559	\$ -
Total assets	<u>82,322</u>	<u>82,516</u>	<u>57,559</u>	<u>-</u>
bcIMC funds management fees payable (note 6)	3	5	3	-
External management fees payable	431	312	-	-
Custodial fees payable	22	15	-	-
Accounts payable	4	4	5	-
Total liabilities	<u>460</u>	<u>336</u>	<u>8</u>	<u>-</u>
Net assets representing unitholders' equity	<u>\$ 81,862</u>	<u>\$ 82,180</u>	<u>\$ 57,551</u>	<u>\$ -</u>
Number of units outstanding (note 10)	24.266	24.266	28.835	-
Net asset value per unit	<u>\$ 3,374</u>	<u>\$ 3,387</u>	<u>\$ 1,996</u>	<u>\$ -</u>

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

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2005

(\$ Thousands)

	CURRENCY OVERLAY FUND		U.S. CURRENCY HEDGING FUND	
	2005	2004	2005	2004
Net assets, beginning of year	\$ 82,180	\$ 4,250	\$ -	\$ -
Changes during the year:				
Operations:				
Income:				
Investment income	1,696	853	564	979
Expenses (note 5, 6):				
bcIMC funds management fees	61	86	23	55
External management fees	1,708	1,886	-	-
Custodial fees	78	44	1	1
Administrative and professional fees	4	9	4	4
	1,851	2,025	28	60
Net investment income	(155)	(1,172)	536	919
Net realized gain (loss) on sale of investments	8,217 ¹	24,440 ¹	11,107 ¹	40,282 ¹
Net unrealized gain (loss) on investments	(8,380) ¹	1,390 ¹	12,528 ¹	- ¹
	(318)	24,658	24,171	41,201
Capital transactions:				
Proceeds from units issued	6,464	65,000	35,109	44,827
Amounts paid for units redeemed	(6,464)	(11,728)	(1,729)	(86,028)
	-	53,272	33,380	(41,201)
Net increase (decrease) during the year	(318)	77,930	57,551	-
Net assets, end of year	\$ 81,862	\$ 82,180	\$ 57,551	\$ -

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

¹ Net realized gain (loss) on sale of investments and net unrealized gain (loss) on investments includes the following foreign exchange gains (losses):

	\$ (163)	\$ 23,050	\$ 23,622	\$ 40,213
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BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS
STATEMENTS OF INVESTMENTS
AS AT MARCH 31, 2005

(\$ Thousands)

	FUND ST1				FUND ST2			
	2005		2004		2005		2004	
	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost
Obligations of, or guaranteed by, Government of Canada	\$ 1,481,220	\$ 1,481,215	\$ 481,657	\$ 481,658	\$ 1,215,580	\$ 1,215,863	\$ 1,899,368	\$ 1,899,004
Obligations of, or guaranteed by, the Province of British Columbia	118,560	118,560	26,983	26,983	-	-	-	-
Obligations of, or guaranteed by, other provinces	301,778	301,775	307,760	307,764	61,342	61,373	63,179	63,143
Obligations of, or guaranteed by, savings institutions	-	-	-	-	1,906,721	1,906,699	1,394,064	1,393,963
Commercial paper issued by corporations incorporated under the laws of Canada or a province	-	-	-	-	469,068	469,057	249,672	249,653
Total Investments	<u>\$ 1,901,558</u>	<u>\$ 1,901,550</u>	<u>\$ 816,400</u>	<u>\$ 816,405</u>	<u>\$ 3,652,711</u>	<u>\$ 3,652,992</u>	<u>\$ 3,606,283</u>	<u>\$ 3,605,763</u>

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

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
 POOLED INVESTMENT PORTFOLIOS
 STATEMENTS OF INVESTMENTS
 AS AT MARCH 31, 2005

(\$ Thousands)

	FUND ST3			
	2005		2004	
	Fair Value	Cost	Fair Value	Cost
Obligations of, or guaranteed by, Government of Canada	\$ 39,965	\$ 39,967	\$ 100,695	\$ 100,696
Obligations of, or guaranteed by, other provinces	19,970	19,970	-	-
Obligations of, or guaranteed by, savings institutions	71,996	71,996	80,455	80,455
Commercial paper issued by corporations incorporated under the laws of Canada or a province	<u>30,695</u>	<u>30,695</u>	<u>38,971</u>	<u>38,971</u>
Total Investments	<u><u>\$ 162,626</u></u>	<u><u>\$ 162,628</u></u>	<u><u>\$ 220,121</u></u>	<u><u>\$ 220,122</u></u>

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

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS
STATEMENTS OF INVESTMENTS
AS AT MARCH 31, 2005

(\$ Thousands)

	INDEXED GOVERNMENT BOND FUND				LONG TERM BOND FUND			
	2005		2004		2005		2004	
	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost
Bonds								
Obligations of, or guaranteed by, Government of Canada	\$ 135,510	\$ 135,123	\$ 101,698	\$ 100,711	\$ 966,473	\$ 931,930	\$ 983,793	\$ 936,246
Obligations of, or guaranteed by, the Province of British Columbia	13,206	12,501	8,616	8,155	162,710	150,339	150,792	145,063
Obligations of, or guaranteed by, other provinces	65,166	63,354	94,125	90,753	810,360	730,261	722,371	663,958
Obligations of Canadian municipalities	547	517	550	519	-	-	-	-
	<u>214,429</u>	<u>211,495</u>	<u>204,989</u>	<u>200,138</u>	<u>1,939,543</u>	<u>1,812,530</u>	<u>1,856,956</u>	<u>1,745,267</u>
Short Term Investments								
Units in British Columbia Investment Management Corporation Pooled Investment Portfolio Fund ST1	122	122	1,431	1,430	84,426	84,426	1,822	1,822
Total Investments	<u>\$ 214,551</u>	<u>\$ 211,617</u>	<u>\$ 206,420</u>	<u>\$ 201,568</u>	<u>\$ 2,023,969</u>	<u>\$ 1,896,956</u>	<u>\$ 1,858,778</u>	<u>\$ 1,747,089</u>

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

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS
STATEMENTS OF INVESTMENTS
AS AT MARCH 31, 2005

(\$ Thousands)

	BRITISH COLUMBIA FOCUS FUND				INDEXED CANADIAN EQUITY FUND			
	2005		2004		2005		2004	
	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost
Private Placements	\$ 4,967	\$ 4,733	\$ 7,544	\$ 5,987	\$ -	\$ -	\$ -	\$ -
Equity Investments								
Consumer Discretionary	-	-	-	-	531,198	450,543	537,852	462,558
Consumer Staple	-	-	-	-	335,782	212,394	302,417	205,320
Energy	-	-	-	-	1,751,492	844,970	1,067,474	647,305
Financial Services	-	-	-	-	2,677,898	1,510,595	2,378,649	1,392,465
Health Care	210	68	-	-	119,827	163,922	150,430	171,514
Industrial Products	-	-	-	-	492,867	378,844	456,374	413,724
Information Technology	-	-	-	-	472,048	934,108	598,521	968,300
Materials and Processing	-	-	-	-	1,302,023	944,237	1,231,485	931,491
Telecommunication Services	-	-	-	-	441,781	338,356	360,098	317,912
Utilities	-	-	-	-	124,055	95,090	327,297	231,053
	210	68	-	-	8,248,971	5,873,059	7,410,597	5,741,642
Convertible debentures	-	-	-	-	5,715	6,000	14,247	8,792
	210	68	-	-	8,254,686	5,879,059	7,424,844	5,750,434
Derivative Contracts (note 3)								
Stock index futures contracts	-	-	-	-	707	707	(186)	(186)
Short Term Investments								
Obligations of, or guaranteed by, Government of Canada, or savings institutions	-	-	-	-	3,998	3,998	4,993	4,993
Units in British Columbia Investment Management Corporation Pooled Investment Portfolio								
Fund ST1	-	-	2	2	34,814	34,814	27,837	27,837
Fund ST2	199	199	379	379	-	-	-	-
	199	199	381	381	38,812	38,812	32,830	32,830
Total Investments	<u>\$ 5,376</u>	<u>\$ 5,000</u>	<u>\$ 7,925</u>	<u>\$ 6,368</u>	<u>\$ 8,294,205</u>	<u>\$ 5,918,578</u>	<u>\$ 7,457,488</u>	<u>\$ 5,783,078</u>

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

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS
STATEMENTS OF INVESTMENTS
AS AT MARCH 31, 2005

(\$ Thousands)

	ACTIVE CANADIAN EQUITY FUND				ENHANCED CANADIAN EQUITY FUND			
	2005		2004		2005		2004	
	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost
Private Placements	\$ 317	\$ 1,061	\$ 317	\$ 1,061	\$ -	\$ -	\$ -	\$ -
Equity Investments								
Consumer Discretionary	482,823	390,166	444,736	367,176	15,837	14,343	\$ 9,219	\$ 7,443
Consumer Staple	419,036	301,816	327,853	239,548	10,326	8,788	4,700	4,097
Energy	977,179	547,406	664,358	459,863	54,258	39,912	19,983	15,351
Financial Services	1,455,122	853,889	1,351,966	831,395	83,982	70,818	43,295	34,578
Health Care	145,572	160,897	158,936	156,052	3,368	3,781	2,793	2,463
Industrial Products	443,358	311,576	396,014	297,874	15,931	12,718	8,937	7,757
Information Technology	318,164	413,281	328,270	396,749	15,189	14,229	11,616	7,355
Materials and Processing	589,830	408,044	641,107	513,075	41,457	36,272	22,906	18,675
Telecommunication Services	148,631	108,278	146,173	126,711	14,464	12,458	6,724	6,288
Utilities	13,537	9,800	66,860	50,611	3,313	3,066	5,367	4,539
	<u>4,993,252</u>	<u>3,505,153</u>	<u>4,526,273</u>	<u>3,439,054</u>	<u>258,125</u>	<u>216,385</u>	<u>135,540</u>	<u>108,546</u>
Convertible debentures	222,457	202,148	189,215	176,622	-	-	-	-
Exchange traded funds	-	-	-	-	295	278	-	-
	<u>5,215,709</u>	<u>3,707,301</u>	<u>4,715,488</u>	<u>3,615,676</u>	<u>258,420</u>	<u>216,663</u>	<u>135,540</u>	<u>108,546</u>
Derivative Contracts (note 3)								
Stock index futures contracts	-	-	-	-	58	58	(2)	(2)
Short Term Investments								
Obligations of, or guaranteed by, Government of Canada, or savings institutions	75,142	75,146	55,030	55,013	595	595	99	99
Obligations issued by corporations incorporated under the laws of Canada or a province	23,537	23,538	41,908	41,905	100	100	100	100
Units in British Columbia Investment Management Corporation Pooled Investment Portfolio Fund ST1	2,972	2,971	4,016	4,016	3,943	3,943	350	350
	<u>101,651</u>	<u>101,655</u>	<u>100,954</u>	<u>100,934</u>	<u>4,638</u>	<u>4,638</u>	<u>549</u>	<u>549</u>
Total Investments	<u>\$ 5,317,677</u>	<u>\$ 3,810,017</u>	<u>\$ 4,816,759</u>	<u>\$ 3,717,671</u>	<u>\$ 263,116</u>	<u>\$ 221,359</u>	<u>\$ 136,087</u>	<u>\$ 109,093</u>

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

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS
STATEMENTS OF INVESTMENTS
AS AT MARCH 31, 2005

(\$ Thousands)

	NORTH AMERICAN EQUITY FUND				ACTIVE U.S. EQUITY FUND			
	2005		2004		2005		2004	
	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost
Investment Funds								
Indexed Canadian Equity Fund	\$ 6,448,790	\$ 5,219,661	\$ 6,336,111	\$ 5,507,349	\$ -	\$ -	\$ -	\$ -
S & P 500 Index Equity Fund	1,497,197	1,791,472	1,720,737	1,982,777	-	-	-	-
	<u>7,945,987</u>	<u>7,011,133</u>	<u>8,056,848</u>	<u>7,490,126</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Equity Investments								
Consumer Discretionary	-	-	-	-	305,256	297,225	304,336	274,480
Consumer Staple	-	-	-	-	156,120	152,264	163,973	156,938
Energy	-	-	-	-	197,404	141,057	144,108	121,595
Financial Services	-	-	-	-	385,045	387,658	455,775	404,194
Health Care	-	-	-	-	296,566	310,758	275,927	281,690
Industrial Products	-	-	-	-	291,581	261,307	272,700	251,781
Information Technology	-	-	-	-	341,306	376,664	386,794	369,035
Materials and Processing	-	-	-	-	89,090	87,267	86,974	85,072
Telecommunication Services	-	-	-	-	51,204	47,847	80,428	84,949
Utilities	-	-	-	-	61,534	55,211	53,890	52,920
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,175,106</u>	<u>2,117,258</u>	<u>2,224,905</u>	<u>2,082,654</u>
Convertible debentures	-	-	-	-	620	619	801	619
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,175,726</u>	<u>2,117,877</u>	<u>2,225,706</u>	<u>2,083,273</u>
Short Term Investments								
Obligations issued by corporations incorporated under the laws of Canada or a province	-	-	-	-	2,690	2,717	2,573	2,590
Units in British Columbia Investment Management Corporation Pooled Investment Portfolio								
Fund ST1	-	-	-	-	77	77	10	10
Fund ST2	17	17	14	14	-	-	-	-
Fund ST3	-	-	-	-	1,388	1,728	2,050	2,399
	<u>17</u>	<u>17</u>	<u>14</u>	<u>14</u>	<u>4,155</u>	<u>4,522</u>	<u>4,633</u>	<u>4,999</u>
Total Investments	<u>\$ 7,946,004</u>	<u>\$ 7,011,150</u>	<u>\$ 8,056,862</u>	<u>\$ 7,490,140</u>	<u>\$ 2,179,881</u>	<u>\$ 2,122,399</u>	<u>\$ 2,230,339</u>	<u>\$ 2,088,272</u>

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

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS
STATEMENTS OF INVESTMENTS
AS AT MARCH 31, 2005

(\$ Thousands)

	S & P 500 EQUITY FUND				ENHANCED INDEXED U.S. EQUITY FUND			
	2005		2004		2005		2004	
	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost
Equity Investments								
Consumer Discretionary	\$ 223,678	\$ 225,504	\$ 252,704	\$ 244,436	\$ 19,739	\$ 20,133	\$ 17,497	\$ 18,794
Consumer Staple	202,283	174,463	255,888	205,595	17,754	18,072	19,081	18,938
Energy	171,842	118,186	134,365	115,003	15,040	12,631	10,647	10,911
Financial Services	387,395	347,106	480,929	381,492	33,982	36,192	38,294	39,461
Health Care	254,541	245,841	296,243	260,134	22,497	22,434	24,599	28,139
Industrial Products	233,056	200,712	240,927	220,254	20,501	20,855	20,476	23,879
Information Technology	295,336	375,771	382,294	426,226	26,013	27,401	32,564	44,231
Materials and Processing	63,647	53,721	66,118	58,739	5,555	5,348	4,697	4,473
Telecommunication Services	60,909	99,033	79,644	118,887	5,380	5,729	6,564	9,324
Utilities	62,516	63,085	65,811	77,690	5,433	5,089	3,107	3,121
	<u>1,955,203</u>	<u>1,903,422</u>	<u>2,254,923</u>	<u>2,108,456</u>	<u>171,894</u>	<u>173,884</u>	<u>177,526</u>	<u>201,271</u>
Exchange traded funds	-	-	-	-	4,760	4,791	-	-
	<u>1,955,203</u>	<u>1,903,422</u>	<u>2,254,923</u>	<u>2,108,456</u>	<u>176,654</u>	<u>178,675</u>	<u>177,526</u>	<u>201,271</u>
Derivative Contracts (note 3)								
Stock index futures contracts	<u>(26)</u>	<u>(26)</u>	<u>(23)</u>	<u>(23)</u>	-	-	-	-
Short Term Investments								
Obligations of, or guaranteed by, Government of Canada, or savings institutions	2,413	2,480	5,229	5,305	-	-	-	-
Units in British Columbia Investment Management Corporation Pooled Investment Portfolio								
Fund ST1	-	-	-	-	14	14	51	51
Fund ST3	16,260	16,522	14,987	15,218	344	353	50	54
	<u>18,673</u>	<u>19,002</u>	<u>20,216</u>	<u>20,523</u>	<u>358</u>	<u>367</u>	<u>101</u>	<u>105</u>
Total Investments	<u>\$ 1,973,850</u>	<u>\$ 1,922,398</u>	<u>\$ 2,275,116</u>	<u>\$ 2,128,956</u>	<u>\$ 177,012</u>	<u>\$ 179,042</u>	<u>\$ 177,627</u>	<u>\$ 201,376</u>

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

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS
STATEMENTS OF INVESTMENTS
AS AT MARCH 31, 2005

(\$ Thousands)

	U.S. VALUE INDEX EQUITY FUND				U.S. EQUITY DERIVATIVES FUND			
	2005		2004		2005		2004	
	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost
Investment Funds								
S & P 500 Index Equity Fund	\$ -	\$ -	\$ -	\$ -	\$ 191,410	\$ 205,247	\$ -	\$ -
Equity Investments								
Consumer Discretionary	128,670	161,605	183,349	214,644	-	-	-	-
Consumer Staple	26,433	28,954	26,858	29,875	-	-	-	-
Energy	84,186	67,987	129,151	134,935	-	-	-	-
Financial Services	361,676	401,320	436,977	433,109	-	-	-	-
Health Care	78,199	76,425	45,197	45,277	-	-	-	-
Industrial Products	77,409	79,783	108,724	114,030	-	-	-	-
Information Technology	72,478	104,728	69,972	100,528	-	-	-	-
Materials and Processing	35,644	31,727	41,170	37,337	-	-	-	-
Telecommunication Services	53,307	89,547	71,676	110,112	-	-	-	-
Utilities	55,782	60,531	66,165	84,838	-	-	-	-
	<u>973,784</u>	<u>1,102,607</u>	<u>1,179,239</u>	<u>1,304,685</u>	-	-	-	-
Exchange traded funds	6,157	6,243	4,025	3,856	-	-	-	-
	<u>979,941</u>	<u>1,108,850</u>	<u>1,183,264</u>	<u>1,308,541</u>	-	-	-	-
Derivative Contracts (note 3)								
Stock index futures contracts	5	5	5	5	(3,469)	(3,469)	(2,745)	(2,745)
Short Term Investments								
Obligations of, or guaranteed by, Government of Canada	241	248	261	265	6,033	6,188	163,459	165,620
Obligations of, or guaranteed by, Government of United States, or savings institutions	-	-	-	-	162,884	167,381	-	-
Units in British Columbia Investment Management Corporation Pooled Investment Portfolio								
Fund ST2	-	-	-	-	2,487,297	2,487,125	2,220,198	2,218,947
Fund ST3	2,052	2,067	2,006	2,032	105,515	106,545	188,937	191,653
	<u>2,293</u>	<u>2,315</u>	<u>2,267</u>	<u>2,297</u>	<u>2,761,729</u>	<u>2,767,239</u>	<u>2,572,594</u>	<u>2,576,220</u>
Total Investments	<u>\$ 982,239</u>	<u>\$ 1,111,170</u>	<u>\$ 1,185,536</u>	<u>\$ 1,310,843</u>	<u>\$ 2,949,670</u>	<u>\$ 2,969,017</u>	<u>\$ 2,569,849</u>	<u>\$ 2,573,475</u>

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

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
 POOLED INVESTMENT PORTFOLIOS
 STATEMENTS OF INVESTMENTS
 AS AT MARCH 31, 2005

(\$ Thousands)

	CURRENCY OVERLAY FUND				U.S. CURRENCY HEDGING FUND			
	2005		2004		2005		2004	
	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost
Derivative Contracts (note 3)								
Foreign currency contracts	\$ (7,095)	\$ -	\$ 1,285	\$ -	\$ 12,521	\$ -	\$ -	\$ -
Short Term Investments								
Units in British Columbia Investment Management Corporation Pooled Investment Portfolio								
Fund ST1	89,417	89,417	81,231	81,231	-	-	-	-
Fund ST3	-	-	-	-	45,038	45,031	-	-
	<u>89,417</u>	<u>89,417</u>	<u>81,231</u>	<u>81,231</u>	<u>45,038</u>	<u>45,031</u>	<u>-</u>	<u>-</u>
Total Investments	<u>\$ 82,322</u>	<u>\$ 89,417</u>	<u>\$ 82,516</u>	<u>\$ 81,231</u>	<u>\$ 57,559</u>	<u>\$ 45,031</u>	<u>\$ -</u>	<u>\$ -</u>

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

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2005**

1. The Portfolios

British Columbia Investment Management Corporation ("bcIMC") was established under the *Public Sector Pension Plans Act* as a trust company authorized to carry on trust business and investment management services. These financial statements have been prepared by bcIMC staff and are the responsibility of bcIMC management.

Under the *Public Sector Pension Plans Act* and the *Pooled Investment Portfolios Regulation*, B.C. Reg. 447/99, bcIMC may establish and operate pooled investment portfolios "... in which money from trust funds, special funds or other funds, other public money and the money of government bodies and designated institutions may be combined in common for the purpose of investment by means of investment units of participation in a pooled investment portfolio." In addition, pooled investment portfolios previously established under the *Financial Administration Act* and the *Pooled Investment Portfolios Regulation*, B.C. Reg. 84/86, were continued under the *Pooled Investment Portfolios Regulation*, B.C. Reg. 447/99, to be held in trust by bcIMC and invested by the Chief Investment Officer of bcIMC.

Participation in each portfolio is expressed in units, each unit giving its holder a proportionate share in net assets. Unitholders may only acquire and redeem units on respective valuation dates. The value of a unit is \$1 million on establishment and is determined by dividing the market value of the net assets of the portfolio by the total number of units outstanding on subsequent valuation dates.

The number of portfolio units available for issue is unlimited, except for the British Columbia Focus Fund. The British Columbia Focus Fund is a closed-end fund, which was limited in participation to a prescribed set of unitholders at the time the fund was established. As noted below, the British Columbia Focus Fund has not issued new units of investment since September 1, 1994.

Short-Term Funds

The Fund ST1 was established on April 21, 1986, and invests primarily in Canadian money market investments maturing within one month.

The Fund ST2 was established on September 19, 1986, and invests primarily in Canadian money market investments maturing within 15 months.

The Fund ST3 was established on August 1, 1990, and invests primarily in U.S. money market investments maturing within one month. The financial statements of Fund ST3 are presented in U.S. dollars.

Bond Funds

The Indexed Government Bond Fund was established on September 1, 1993, and invests primarily in bonds which are issued or guaranteed by the government of Canada or a provincial government.

The Long Term Bond Fund was established on February 1, 1999, and invests primarily in bonds which are issued or guaranteed by the government of Canada or a provincial government.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2005**

1. The Portfolios (continued)

Private Placement Funds

The British Columbia Focus Fund was established on March 31, 1994. Its investments are long term in nature and are generally made in partnership with other investors, outside the structure of public markets. The partnerships invest primarily in debt and equity investments in Canadian companies situated in British Columbia. Investments are generally related to venture capital, buy-out financing or expansion and development financing for companies at various stages of development. The fund was closed as at September 1, 1994. Distribution of net assets to the unitholders will be made as investments are wound up.

Equity Funds

The Indexed Canadian Equity Fund was established on December 12, 1989, and invests primarily in securities of Canadian companies that comprise the S&P/TSX Composite Index.

The Active Canadian Equity Fund was established on July 26, 1990, and invests primarily in diversified portfolios of securities of Canadian companies.

The Enhanced Canadian Equity Fund was established on November 27, 2002 and invests primarily in diversified portfolios of securities of Canadian companies.

The North American Equity Fund was established on October 26, 2001 and owns units of bcIMC's Indexed Canadian Equity Fund and S & P 500 Index Equity Fund.

The Active U.S. Equity Fund was established on October 20, 1993, and invests primarily in diversified portfolios of securities of U.S. companies.

The S & P 500 Index Equity Fund was established on February 6, 1995, and invests primarily in the securities of U.S. companies that comprise the Standard and Poor's 500 Composite Index.

The Enhanced Indexed U.S. Equity Fund was established on September 1, 1998, and invests primarily in the securities of U.S. companies.

The U.S. Value Index Equity Fund was established on October 13, 2000, and invests primarily in the securities of U.S. companies that comprise the Standard and Poor's/BARRA Value Index.

The U.S. Equity Derivatives Fund was established on December 16, 2002 and invests primarily in Canadian domestic securities and derivative products (futures contracts and swap contracts) to replicate the return of the Standard & Poor's 500 Composite Index.

For the Active U.S. Equity Fund, the S & P 500 Index Equity Fund, the Enhanced Indexed U.S. Equity Fund and the U.S. Value Index Equity Fund, the \$1 million unit value equated to \$1.321 million, \$1.398 million, \$1.553 and \$1.513 million in translated Canadian dollars respectively, based on foreign currency exchange rates on the funds' establishment dates as noted above. The financial statements of the U.S. equity funds are presented in Canadian dollars.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2005**

1. The Portfolios (continued)

Other Pooled Funds

The Currency Overlay Fund was established on October 8, 2002 and engages in the buying and selling of currencies through spot market, forward contracts, futures, and/or options to achieve desired currency exposure.

The U.S. Currency Hedging Fund was established on June 23, 2003 and engages in the buying and selling of currencies through spot market, forward contracts, and/or futures to achieve desired currency exposure.

2. Significant Accounting Policies

a) Basis of Presentation

The financial statements are prepared in accordance with Canadian generally accepted accounting principles.

b) Valuation of Investments

Short term investments are valued at fair value derived from external quotations. Securities listed on a stock exchange are valued at their closing sale price on the valuation date. Securities not traded on that date are valued at the mean price between the latest bid and asked price. Securities not listed on any stock exchange, or which are traded over-the-counter, are valued in the same manner based on available public quotations from recognized dealers in such securities or at the price estimated by the fund manager to be the fair value. Forward foreign currency contracts are valued at the prevailing forward exchange rates on the valuation date. Stock index futures contracts are valued based on the value of the respective index on the valuation date.

Private placement investments made in partnership with other investors are valued by the external managers at their estimates of fair value. Fair value is defined as the expected realization if investments were disposed of in an orderly distribution over a reasonable period of time. These valuations are reviewed by management. Private placement investments made directly in private companies are valued at a price estimated by management to be the fair value. Private placement investments made directly in public companies are valued at their closing stock exchange sale price on the valuation date less appropriate discounts for escrow and volume limitations. Securities not traded on that date are valued at the mean price between the latest bid and asked price.

c) Measurement Uncertainty

Financial statements prepared in conformity with Canadian generally accepted accounting principles require management to make certain estimates and assumptions that can affect the reported balances. In determining the fair value of some investments, particularly private placements, management relies on external appraisers' or fund managers' assumptions regarding investment industry performance and prospects, as well as general business and economic conditions that prevail and are expected to prevail. By nature, these asset valuations are subjective and do not necessarily result in precise determinations. Should the underlying assumptions change, the reported fair value may change by a material amount.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2005**

2. Significant Accounting Policies (continued)

d) Investment Transactions and Income

Investment transactions are accounted for on a trade date basis. Dividend income is recognized on the ex-dividend date, and interest income on the accrual basis. Income on foreign investments is reported net of withholding tax expense. The income (loss) arising on the settlement of foreign currency contracts is reported as net realized gain (loss) on sale of investments. The daily variation income (loss) on stock index futures contracts, including brokerage commissions and miscellaneous expenses on the purchase and sale of the contracts, is reported as investment income.

Net realized gain (loss) on sale of investments represents the difference between the sales proceeds and cost, less related disposition costs. The net unrealized gain (loss) on investments represents the year-over-year change in the difference between the fair value and the cost of the investments. The cost is calculated based on historical cost for private placements and derivative contracts, average cost for equities, and amortized cost for money market securities and bonds. The amortized cost is the cost of acquisition adjusted by amortization of discounts and premiums on a true constant yield basis over the terms of the investments.

e) Issue and Redemption of Units

The issue and redemption of units are recorded on a trade date basis.

f) Foreign Currency Translation

Assets, liabilities and commitments in foreign currencies are translated into Canadian dollars at the fiscal year-end exchange rate. Income, purchases and sales of investments are translated at the rate prevailing on the respective dates of such transactions. Net realized gain (loss) on sale of investments and net unrealized gain (loss) on investments includes foreign currency translation gains (losses).

3. Derivative Contracts

Derivative contracts are financial contracts, the value of which is derived from the value of underlying assets, commodities, indices, interest rates or currency rates. The derivative contracts held by the pooled investment portfolios include foreign currency contracts and stock index futures contracts.

Foreign Currency Contracts

A foreign currency contract is a contract to exchange a specified amount of one currency for another currency on a specific date in the future for a specified price.

For the Currency Overlay Fund, there is a net unrealized loss of \$7,094,730 (2004: \$1,285,109 gain) based on the prevailing foreign currency exchange rates on March 31, 2005, relating to 364 (2004: 258) foreign exchange contracts. These contracts settled in May and June 2005.

For the U.S. Currency Hedging Fund, there is a net unrealized gain of \$12,520,838 (2004: nil) based on the prevailing foreign currency exchange rates on March 31, 2005, relating to 13 (2004: nil) foreign exchange contracts. These contracts settled in May and June 2005.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2005**

3. Derivative Contracts (continued)

Stock Index Futures Contracts

A stock index futures contract is an exchange-traded contract to buy or sell a fixed value of the index. These contracts are transacted either in the over-the-counter (OTC) market or regulated exchanges. The final settlement for stock index futures contract does not result in one party taking possession of the underlying asset, but rather a cash settlement of net gains or losses.

As at March 31, 2005, the Indexed Canadian Equity Fund holds 415 futures contracts (2004: 325) to purchase the S&P/TSE 60 Composite Stock Index for settlement in June 2005. These contracts have a notional value of \$44,363,500 (2004: \$30,914,000) on March 31, 2005, resulting in an accrued investment income of \$706,550 (2004: accrued investment loss of \$185,800). The fund intends to close out each futures contract before settlement by entering into equal, but offsetting, futures contracts. With respect to these futures contracts, \$4,000,000 (2004: \$5,000,000) of Government of Canada T-Bills, maturing in April 2005, is held on margin.

As at March 31, 2005, the Enhanced Canadian Equity Fund holds 37 futures contracts (2004: 3) to purchase the S&P/TSE 60 Composite Stock Index for settlement in June 2005. These contracts have a notional value of \$3,955,300 (2004: \$285,360) on March 31, 2005, resulting in an accrued investment gain of \$58,460 (2004: accrued investment loss of \$1,740). The fund intends to close out each futures contract before settlement by entering into equal, but offsetting, futures contracts. With respect to these futures contracts, \$500,000 (2004: \$100,000) of Government of Canada T-Bills, maturing in July 2005, is held on margin.

As at March 31, 2005, the S & P 500 Index Equity Fund holds 59 futures contracts (2004: 57) to purchase the S&P 500 Composite Stock Index for settlement in June 2005. These contracts have a notional value of \$21,240,531 (2004: \$21,007,086) on March 31, 2005, resulting in an accrued investment loss of \$25,930 (2004: accrued investment loss of \$23,075). The fund intends to close out each futures contract before settlement by entering into equal, but offsetting, futures contracts. With respect to these futures contracts, \$2,419,200 (2004: \$5,242,000) of Government of Canada T-Bills, maturing in July 2005, is held on margin.

As at March 31, 2005, the U.S. Value Index Equity Fund holds 14 futures contracts (2004: 14) to purchase the S&P/BARRA Value Stock Index for settlement in June 2005. These contracts have a notional value of \$2,575,299 (2004: \$2,597,935) on March 31, 2005, resulting in accrued investment income of \$5,080 (2004: accrued investment income of \$4,586). The fund intends to close out each futures contract before settlement by entering into equal, but offsetting, futures contracts. With respect to these futures contracts, \$241,920 (2004: \$262,100) of Government of Canada T-Bills, maturing in July 2005, is held on margin.

As at March 31, 2005, the U.S. Equity Derivatives Fund holds 7,700 futures contracts (2004: 6,969) to purchase the S&P 500 Composite Stock Index for settlement in June 2005. These contracts have a notional value of \$2,756,687,472 (2004: \$2,568,391,631) on March 31, 2005, resulting in accrued investment loss of \$3,468,970 (2004: accrued investment loss of \$2,744,875). The fund intends to close out each futures contract before settlement by entering into equal, but offsetting, futures contracts. With respect to these futures contracts, \$6,048,000 (2004: \$163,812,500) of Government of Canada T-Bills, maturing in May 2005, are held on margin and \$163,296,000 (2004: nil) of United States of America Government T-Bills, maturing in May 2005, are held on margin.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2005**

4. Risk Management

In general, all pooled investment portfolios are exposed to price risk and credit risk. There are three types of price risk: currency risk, interest rate risk and market risk. Currency risk relates to the possibility that investments may change in value due to future changes in foreign exchange rates. Interest rate risk relates to the possibility that investments may change in value due to future changes in market interest rates. Market risk relates to the possibility that investments may change in value due to future changes in market prices. Credit risk relates to the possibility that a loss may occur if another party fails to discharge an obligation. In order to avoid undue investment risk, bcIMC has established specific investment criteria for each pooled investment portfolio, such as minimum credit ratings for investees and counterparties, and investment diversification requirements.

5. Expenses

The custodial fees are applicable to the money market funds, bond funds and equity funds. Management fees are paid by the Active Canadian Equity Fund, the Enhanced Canadian Equity Fund, the Active U.S. Equity Fund, the Enhanced Indexed U.S. Equity Fund and the Currency Overlay Fund to external fund managers for providing investment management and advisory services. For the British Columbia Focus Fund, in most cases, management fees are expenses of the various partnership investments, not of the fund. Where management fees are incurred directly by the fund, they are reported on the financial statements. Brokerage fees are incorporated into the cost and proceeds of equity and bond transactions.

6. Related Party Transactions

All inter-portfolio transactions are conducted at fair value.

Third party costs that are attributable to a specific pooled investment portfolio are charged to that portfolio and shared on a pro-rata basis by the portfolio unitholders. Other costs are initially borne by bcIMC. bcIMC recovers these costs by charging management fees.

bcIMC allocates fees, calculated on a cost recovery basis, to the various pooled investment portfolios in which clients participate.

7. Commitments

The British Columbia Focus Fund has outstanding commitments for investment contracts of \$0.5 million (2004: \$0.7 million)

8. Subsequent Events

The North American Equity Fund was closed on July 1, 2005 and the U.S. Equity Derivatives Fund was closed on August 25, 2005.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
 POOLED INVESTMENT PORTFOLIOS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED MARCH 31, 2005**

9. Comparative Figures

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

10. Units Outstanding

The following is a summary of the changes in units outstanding during the year:

	<u>FUND ST1</u>		<u>FUND ST2</u>		<u>FUND ST3</u>	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
Outstanding, beginning of year	286.706	309.965	1,120.083	479.942	119.099	52.494
Issued	7,508.297	6,982.437	2,109.831	3,344.211	1,146.493	1,030.423
Redeemed	<u>(7,205.566)</u>	<u>(7,023.696)</u>	<u>(2,089.847)</u>	<u>(2,704.070)</u>	<u>(1,179.047)</u>	<u>(963.818)</u>
Outstanding, end of year	<u>571.437</u>	<u>268.706</u>	<u>1,140.067</u>	<u>1,120.083</u>	<u>86.545</u>	<u>119.099</u>

	<u>INDEXED GOVERNMENT BOND FUND</u>		<u>LONG TERM BOND FUND</u>		<u>BRITISH COLUMBIA FOCUS FUND</u>	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
Outstanding, beginning of year	91.243	95.437	1,340.653	1,297.933	4.459	5.498
Issued	4.372	6.751	25.475	111.310	-	-
Redeemed	<u>(5.279)</u>	<u>(10.945)</u>	<u>(25.201)</u>	<u>(68.590)</u>	<u>(1.825)</u>	<u>(1.039)</u>
Outstanding, end of year	<u>90.336</u>	<u>91.243</u>	<u>1,340.927</u>	<u>1,340.653</u>	<u>2.634</u>	<u>4.459</u>

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2005**

10. Units Outstanding

	INDEXED CANADIAN EQUITY FUND		ACTIVE CANADIAN EQUITY FUND		ENHANCED CANADIAN INTERNATIONAL FUND	
	2005	2004	2005	2004	2005	2004
Outstanding, beginning of year	2,544.544	3,134.758	1,138.546	1,138.546	100.221	99.745
Issued	328.952	92.150	14.893	31.391	71.081	0.476
Redeemed	(399.703)	(682.364)	(73.581)	(31.391)	(4.234)	-
Outstanding, end of year	<u>2,473.793</u>	<u>2,544.544</u>	<u>1,079.858</u>	<u>1,138.546</u>	<u>167.068</u>	<u>100.221</u>
	NORTH AMERICAN EQUITY FUND		ACTIVE U.S. EQUITY FUND		S & P 500 INDEX EQUITY FUND	
	2005	2004	2005	2004	2005	2004
Outstanding, beginning of year	6,841.888	8,984.738	593.888	577.023	632.386	777.921
Issued	116.793	53.389	35.573	20.260	61.935	23.151
Redeemed	(885.304)	(2,196.239)	(35.532)	(3.395)	(138.914)	(168.686)
Outstanding, end of year	<u>6,073.377</u>	<u>6,841.888</u>	<u>593.929</u>	<u>593.888</u>	<u>557.407</u>	<u>632.386</u>
	ENHANCED INDEXED U.S. EQUITY FUND		U.S VALUE INDEX EQUITY FUND		U.S. EQUITY DERIVATIVES FUND	
	2005	2004	2005	2004	2005	2004
Outstanding, beginning of year	113.335	140.802	823.945	892.811	1,970.474	300.00
Issued	2.736	0.098	4.103	5.650	258.217	1,691.602
Redeemed	(2.736)	(27.565)	(150.975)	(74.516)	(78.037)	(21.128)
Outstanding, end of year	<u>113.335</u>	<u>113.335</u>	<u>677.073</u>	<u>823.945</u>	<u>2,150.654</u>	<u>1,970.474</u>

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2005

10. Units Outstanding

	CURRENCY OVERLAY FUND		U.S. CURRENCY HEDGING FUND	
	2005	2004	2005	2004
Outstanding, beginning of year	24.266	4.000	-	-
Issued	1.771	23.823	29.574	3.355
Redeemed	(1.771)	(3.557)	(0.739)	(3.355)
Outstanding, end of year	<u>24.266</u>	<u>24.266</u>	<u>28.835</u>	<u>-</u>