



Report of the Auditor General of British Columbia

To the Unitholders of:

Canadian Corporate Bond Fund
Short Term Bond Fund
Pension Bond Fund
Realpool Investment Fund
Realpool International Fund 1999
Realpool International Fund 2001
Realpool International Fund 2002
Fixed Term Mortgage Fund
Construction Mortgage Fund
Specialty Mortgage Fund
Private Placement Fund 1995
Private Placement Fund 1996
Private Placement Fund 1997

Private Placement Fund 1998
Private Placement Fund 1999
Private Placement Fund 1999A
Private Placement Fund 2000
Private Placement Fund 2001
Private Placement Fund 2002
Private Placement Fund 2003
Private Placement Fund 2003A
Asian Equity Fund
European Equity Fund
International Equity Fund
Infrastructure Fund
(collectively, "the Funds")

I have audited the statements of net assets as at December 31, 2003 and December 31, 2002 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 December 31, 2003. 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 December 31, 2003 and December 31, 2002, 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 December 31, 2003 in accordance with Canadian generally accepted accounting principles.

Victoria, British Columbia
July 21, 2003

Wayne Strelieff, FCA
Auditor General