

577315 BRITISH COLUMBIA LTD.
Financial Statements
October 31, 2001


577315 BRITISH COLUMBIA LTD.

Statement of Management Responsibility

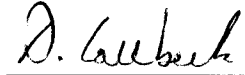
Management, in accordance with Canadian generally accepted accounting principles, has prepared the financial statements of *577315 British Columbia Ltd.* These statements present fairly the financial position of the Corporation as at October 31, 2001 and results of its operations for the period April 1, 2001 to October 31, 2001.

Management is responsible for the preparation, integrity and objectivity of the financial statements. Systems of internal control are developed and maintained by management to provide reasonable assurance that transactions are properly authorized, assets are safeguarded, and financial records are properly maintained to provide a reliable basis for preparation of the financial statements.

The Auditor General of British Columbia has performed an independent audit of the financial statements. The Report of the Auditor General outlines the scope of his audit and his opinion on the financial statements of *577315 British Columbia Ltd.*



Mark Lofthouse
President



Doug Callbeck
Secretary

Victoria, British Columbia
January 15, 2002



Report of the Auditor General of British Columbia

To the Shareholder of 557315 British Columbia Ltd.:

I have audited the balance sheet of *557315 British Columbia Ltd.* as at October 31, 2001 and the statement of operations and retained earnings, and cash flows for the period April 1, 2001 to October 31, 2001. These financial statements are the responsibility of the Corporation's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit 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 *557315 British Columbia Ltd.* as at October 31, 2001 and the results of its operations and its cash flows for the period April 1, 2001 to October 31, 2001 in accordance with Canadian generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Wayne Strelieff

*Victoria, British Columbia
January 15, 2002*

Wayne Strelieff, CA
Auditor General

577315 BRITISH COLUMBIA LTD.
Balance Sheet

(in thousands of dollars)

As at	October 31 2001	March 31 2001
	\$	\$
Assets		
Cash	-	1
Interest receivable	-	421
	-	422
Liabilities		
Accounts payable	-	6
	-	6
Shareholder's equity		
Share capital (note 5)	-	-
Retained earnings	-	416
	-	416
	-	422

On behalf of the Board



Director



Director

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

577315 BRITISH COLUMBIA LTD.
Statement of Operations and Retained Earnings

(in thousands of dollars)

Period Ended	October 31 2001	March 31 2000 (note 7)
	\$	\$
Revenue		
Interest	8	421
Gain on sale of shares	-	18,334
	8	18,755
Expenses		
Interest	-	1,693
Professional fees	3	327
	3	2,020
Net income for the period	5	16,735
Retained earnings (deficit) beginning of period	416	(1,948)
Distribution to shareholder (note 6)	(421)	(14,371)
Retained earnings end of period	-	416

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

577315 BRITISH COLUMBIA LTD.

Statement of Cash Flows

(in thousands of dollars)

Period Ended	October 31 2001	March 31 2000 (note 7)
	\$	\$
Cash flows from operating activities		
Interest	429	-
Operating expenses	(9)	(2,459)
Distribution to shareholder	(421)	(14,371)
Cash flows (used in) operating activities	(1)	(16,830)
Cash flows from financing activities		
Loans	-	255,717
Repayments	-	(317,550)
Cash flows (used in) from financing activities	-	(61,833)
Cash flows from investing activities		
Sale of investment	-	78,334
Cash flows from investing activities	-	78,334
Net (decrease) in cash	(1)	(329)
Cash beginning of period	1	330
Cash end of period	-	1

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

577315 BRITISH COLUMBIA LTD.

Notes to the Financial Statements

October 31, 2001

1. Nature of business

577315 British Columbia Ltd., (the "Corporation") was incorporated on December 29, 1998 under the *Company Act* of British Columbia and is wholly owned by the Province of British Columbia.

The Minister of Finance acts as fiscal agent for the Corporation. The Corporation is exempt from federal and provincial taxes.

2. Cessation of operations

The Corporation ceased operations effective October 31, 2001 and is in the process of surrendering its charter.

3. Significant accounting policies

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

4. Related party transactions

The Corporation is related through common ownership to all Province of British Columbia ministries, agencies and Crown corporations. Transactions with these entities, unless disclosed separately in these financial statements, are generally considered to be in the normal course of operations and are recorded at the exchange amount.

The Ministry of Competition, Science and Enterprise provides administrative services to the Corporation at no cost. The cost of this support is not material and has not been recorded in these financial statements.

5. Share capital

The Corporation has authorized capital consisting of 100,000,000 preference shares with a par value of one dollar each and 100,000,000 common shares with no par value. The Minister of Competition, Science and Enterprise holds the one common share issued as representative of Her Majesty the Queen in right of the Province of British Columbia.

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Notes to the Financial Statements

October 31, 2001

6. Distribution to shareholder

By directors' resolution the Corporation distributed its assets and liabilities to the shareholder in satisfaction of its share capital and equity. This resulted in the Corporation transferring \$421,268 to its shareholder.

7. Comparative figures

Comparative figures for March 31, 2001 are for twelve months.