

British Columbia Council for International Education

2014/15 ANNUAL SERVICE PLAN REPORT



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Board Chair's Message and Accountability Statement



On behalf of the Board of Directors, management and staff of the BC Council for International Education (BCCIE), I am pleased to submit the 2014/2015 Annual Service Plan Report, reporting on targets outlined in the *BCCIE 2014/15-2016/17 Service Plan*.

International Education is a priority of government and is a key sector under *Canada Starts Here: the BC Jobs Plan*. In BC, international students spend \$2.3 billion on tuition, accommodation and other living expenses, arts, culture and recreation, supporting over 25,500 jobs and having a direct economic impact on communities and regions across the province. The sector is growing at approximately six percent per annum and is fundamental to demographic and economic growth and labour market development.

In 2014/15, BCCIE continued its important work to support *British Columbia's International Education Strategy* and enhance both diversity and growth of the sector. BCCIE completed the first coordinated BC market entry activity into Brazil and established a framework for new market entry into four emerging priority markets in Southeast Asia. The organization continued to support important existing markets leading government missions to both India and China. BCCIE also hosted incoming delegations of education decision makers from India, Vietnam, China and the United States.

As a result of Core Review in April 2014, BCCIE received further direction from government to work with the Ministry of Advanced Education (“the Ministry”) to implement two priority projects, including the creation of an international partnership inventory and an initiative to track study and work abroad. BCCIE worked collaboratively with the Ministry and the sector to successfully achieve these deliverables by March 2015. Operating under the new Taxpayer Accountability Principles, BCCIE worked to strengthen accountability, promote cost control, and ensure activities and practices operate in the best interest of taxpayers.

I am pleased to report that BCCIE exceeded all targets outlined in the *2014/15-2016/17 Service Plan* and continues to support the achievement of the target to increase the number of international students in BC by 50 percent by September 2016.

The *BCCIE 2014/15 Annual Service Plan Report* compares the corporation's actual results to the expected results identified in the *2014/15 - 2016/17 Service Plan*. I am accountable for those results as reported.

A handwritten signature in blue ink, which appears to read "J. Hamilton". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Jim Hamilton
Board Chair

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Purpose of the Organization

In 2012, under *Canada Starts Here: The BC Jobs Plan*, government released *British Columbia's International Education Strategy (Strategy)* with the goals to create a globally-oriented education system, to ensure all students receive quality learning and life experiences, and to maximize the social, cultural and economic benefits of International Education for BC.

As a key partner, the purpose of BCCIE is to promote International Education in and for the Province of British Columbia, enhance British Columbia's international reputation for education and support the *Strategy*. In doing so, BCCIE works closely with the Ministry of Advanced Education, Ministry of Education and Ministry of International Trade.

Through activities that promote BC to international learners and their families, BCCIE serves the needs of all education sectors in British Columbia – public and independent K-12, public and private post-secondary and language schools. BCCIE provides opportunities for the sector to learn from experts in the International Education field, coordinates and supports incoming delegations and familiarization tours, organizes and implements government and sector missions abroad, reports on the economic impact of International Education in BC, and works to grow the BC brand and online presence.

BCCIE is a provincial Crown Corporation reporting to the Ministry of Advanced Education (“the Ministry”) and is incorporated under the *Society Act*. Additional information regarding the Board of Directors and Corporate Governance can be found online and specific links can be accessed in Appendix A.

Strategic Direction and Context

Strategic Direction

In 2014/15 Government provided the following mandate direction to BCCIE:

- Develop and undertake activities in support of Government priorities for International Education and the Province's International Education Strategy, as jointly determined and agreed to by the Ministry and BCCIE.

To achieve the mandate, BCCIE was directed to take the following specific actions as outlined in the [Government's Letter of Expectations \(GLE\)](#):

- Work collaboratively with the Ministry to establish priorities with respect to activities and initiatives BCCIE will carry out, as outlined in the BCCIE Operational Plan;
- Meet monthly with the Ministry to review progress on activities and initiatives undertaken with respect to implementing the *Strategy*, including reporting and sharing information on ongoing and prospective activities, financial targets and risk assessments; and,
- Administer the Education Quality Assurance (EQA) designation according to the EQA Administrative Agreement in place between BCCIE and the Ministry, and account for funding designated to this activity from within general funding provided to BCCIE by the Ministry.

As a result of Core Review, in April of 2014 Government provided BCCIE with additional direction to support the Province in the creation of an international partnership inventory and an initiative to create baseline information on study and work abroad activities.

BCCIE completed all actions identified with the introduction of the [Taxpayer Accountability Principles \(TAP\)](#) outlined in the [TAP Addendum](#) to the GLE and ensured activities and internal practices were in alignment with TAP.

Strategic Context

The International Education landscape in BC is characterized by a focus on a select few key partner countries. In 2014/15, the education sector in BC continued to take action to further diversify the international student population, including expanded destination programs and source countries as a way to mitigate the risk of a narrow focus.

BCCIE supported the sector in this shift by coordinating education missions into the new and emerging markets of Brazil and Southeast Asia, and will continue to support the sector by preparing advanced market intelligence reports for these new markets. To ensure this expansion is sustainable and does not impact relationships in existing markets, BCCIE is working closely with the Government to develop defensible long-term plans for market entry and international activities.

In the *2014/15-2016/17 Service Plan*, BCCIE identified federal government regulation changes for international student visa requirements as an operational risk for the organization. BCCIE anticipated these regulation changes may increase the volume of EQA applications during 2014/15, and correspondingly implemented improvements to procedures and protocols to minimize potential capacity and staffing level impacts. Concurrent with implementation of these operational adjustments, the Ministry notified BCCIE that the administration of EQA, a BCCIE responsibility, would transition to the Ministry during 2014/15.

The additional Core Review direction of April 2014 and changes to administration of EQA during 2014/15 collectively impacted BCCIE's internal operating environment, human resources and financial plans. In response, BCCIE implemented strategies such as adjusting staff portfolios and reallocating resources to meet new demands and facilitate shifts in EQA responsibilities.

Report on Performance

As directed in the GLE, BCCIE established activities and set targets in the BCCIE Operational Plan. The goals, strategies, measures and targets outlined in the *2014/15-16/17 Service Plan* directly support the *Strategy* and align with the BCCIE Operational Plan.

BCCIE exceeded all of the organization-specific targets outlined in the *2014/15-16/17 Service Plan* and continues to support the achievement of the provincial target to increase the number of international students in BC by 50 percent by September 2016.

BCCIE completed all actions identified for 2014/15 in accordance with the introduction of TAP and as outlined in the Addendum to the GLE, and undertook additional activities in support of TAP. Activities included:

- development of a Code of Ethics and Strategic Engagement Plan;
- creation of a Charter of Expectations for Board Members;
- enhancement of the Board Orientation package;
- engagement among the Minister, Deputy Minister, Board Chair and Executive Director through regular meetings; and,
- updating of internal control procedures and organizational policies.

BCCIE continues to work with the Ministry to finalize the Evaluation Plan, implement the Strategic Engagement Plan and ensure activities and internal practices at BCCIE are in alignment with TAP.

Goals, Strategies, Measures and Targets

As a key partner in the implementation of the *Strategy*, BCCIE has three Strategic Goals that directly underpin the goals of the *Strategy*:

1. Increase International Participation throughout our Education System;
2. Provide Market Support for the International Education Sector in BC; and,
3. Provide Communication and Professional Development for the International Education Sector.

Goal 1: Increase International Participation throughout our Education System

Objective: to create a globally-oriented education system in British Columbia – a system that embraces diversity and positions all students for success.

Strategies

- Develop country/region action plans for new and emerging markets;
- Expand the number of pairings for the BCCIE International Education Mentorship Program through an annual call for applications; and,
- Increase institutional participation in the BC Study Abroad (BCSA) Consortium and student participation in study abroad opportunities through active outreach to BC institutions.

Performance Measure 1: Satisfaction with the International Education Mentorship Program

Performance Measure	2011/12 Actual	2012/13 Actual	2013/14 Actual	2014/15 Target	2014/15 Actual	2015/16 Target	2016/17 Target
Percentage of BCCIE International Education Mentorship Program participants who were either satisfied (4.0) or very satisfied (5.0) with the program ¹	N/A ²	N/A ²	N/A ²	75%	100%	80%	85%

Data Source: BCCIE

¹ BCCIE surveys existing mentors and mentees on an annual basis, using a standard five-point Likert scale (1.0 = very dissatisfied; 2.0 = dissatisfied; 3.0 = neither dissatisfied nor satisfied; 4.0 = satisfied; 5.0 = very satisfied) to measure program satisfaction.

² This performance measure was modified in 2014/15 to include an assessment of the quality of the service BCCIE is delivering with the Mentorship program versus the previous measure of number of mentorships established, therefore no data is available for years prior to 2014/15.

Discussion

The BCCIE International Education Mentorship Program facilitates the transfer of knowledge and expertise from experienced International Education professionals to new International Education practitioners. This measure demonstrates success in building the capacity of British Columbia’s International Education practitioners to increase the international outlook of their institutions, an action within the *Strategy*. As part of the International Education Mentorship Program, BCCIE offered a self-directed option in addition to the formal program, where participants were provided with a match but not supported financially throughout the year. The satisfaction scores above reflect the responses of seven of the eight mentors and mentees in the formal program.

The first year of the program ended in June 2014. Due to the annual cycle of the program and final survey, the satisfaction scores for 2014/15 reflect the 2013/14 program year. As this is still a new program, BCCIE determined the targets through reflection on preliminary qualitative feedback from program participants at the start of the program rather than by historical benchmarks. The first year target was 75 percent of formal mentors and mentees satisfied with the program. The actual results indicated 100 percent of the participants were satisfied. BCCIE is pleased with the success of the first year of the program and will continue to monitor and revise the targets for the performance measure as the program develops.

Goal 2: Provide Market Support for the International Education Sector in BC

Objective: to assist in positioning British Columbia as Canada’s preferred destination for learners from around the world.

Strategies

- Organize and implement government and education sector missions and major events, host incoming delegations and familiarization tours and grow the BC brand; and,
- Participate in and coordinate a strong BC presence at the Department of Foreign Affairs, Trade and Development (DFATD) signature events to maximize BC’s competitive advantage.

Performance Measure 2: Number of International Students studying in BC

Performance Measure ^{1,2,3,4}	Baseline	2012/13 Actual	2013/14 Target	2013/14 Actual	2014/15 Target	2015/16 Target
International students studying in British Columbia	94,000	112,800	113,430	114,600	125,900	141,000

Data Source: Citizenship and Immigration Canada; Ministry of Education; Public Post-secondary Institutions; and Languages Canada.

¹ Reporting of the performance measure has been adjusted. The reporting year shown in the table now matches the data year.

² Actuals and targets align with academic year data.

³ Baseline and targets were established in the *International Education Strategy*, launched in May 2012, based on the most recent data available at that time (i.e. 2009/10).

⁴ Includes students enrolled in the kindergarten to grade 12 education system, private language schools, public and private post-secondary institutions.

Discussion

Significant economic, cultural and social benefits accompany the increased international outlook of our education system. International students drive economic growth, create jobs, foster research and innovation and meet provincial labour market needs. They also enrich our communities and

our campuses with diverse global perspectives. Government launched the *Strategy* in May 2012 and set a goal of increasing the number of international students studying in BC by 50 percent by September 2016. The *Strategy* established a baseline of 94,000 students (based on the 2009/10 academic year), and a target of 141,000 students. Interim targets were also established.

In the 2013/14 academic year, approximately 114,600 international students chose BC to pursue their educational goals, including 39,600 in our public post-secondary system, 17,400 attending private post-secondary, 43,500 in private language schools and 14,100 in public/independent kindergarten to grade 12 education.

BCCIE is one of many partners working towards achieving increased numbers of international students in the province. Although BCCIE is not directly responsible for recruiting students, an expected outcome of Team BC missions, which include both government led and coordinated sector missions, and hosting international delegations is an increase in the number of international students who choose BC as a study destination. The organization is also responsible for the promotion of BC as a world class education destination. The organization’s contribution is important and therefore the target is included as a measure in the service plan.

Performance Measure 3: Satisfaction with Coordination of Missions

Performance Measure	2011/12 Actual	2012/13 Actual	2013/14 Actual	2014/15 Target	2014/15 Actual	2015/16 Target	2016/17 Target
Percentage of BC participants who were either satisfied (4.0) or very satisfied (5.0) with the coordination and organization of the Team BC mission ¹	N/A ²	N/A ²	N/A ²	70%	100%	75%	80%

Data Source: BCCIE

¹ BCCIE surveys participants, using a standard five-point Likert scale (1.0 = very dissatisfied; 2.0 = dissatisfied; 3.0 = neither dissatisfied nor satisfied; 4.0 = satisfied; 5.0 = very satisfied) to measure their satisfaction with events.

² This performance measure was modified in 2014/15 to include an assessment of BCCIE’s performance versus the previous measure of number of missions, therefore no data is available for years prior to 2014/15.

Discussion

Team BC missions, specifically in new and emerging markets such as Brazil, help to position BC as a leading destination for international students and support BC institutions, schools and school districts to develop partnerships and enhance their profiles. Team BC missions refer to senior government missions and other missions abroad that are coordinated and organized by BCCIE and may include a delegation of BC K-12 school districts and private high schools, public and private post-secondary institutions and language schools. These missions also include a series of value added events hosted and organized by BCCIE and may involve some level of coordinated BC branding. They do not include feasibility missions to explore market opportunities. This measure is an indicator of success in promoting the BC world class education system internationally, thereby maximizing the economic benefits of International Education, and supporting a key goal of the *Strategy*.

BCCIE surveyed participating schools and institutions following the Brazil/Chile mission in September 2014 and India and China missions in October 2014. Averaged results were used as a

measure of success in providing a service for the sector. BCCIE determined targets through reflection on qualitative feedback from previous mission participants rather than by historical benchmarks. The 2014/15 target was 70 percent of participants satisfied with coordination of the mission. The actual results indicated 100 percent of participants who responded to the survey reported satisfaction with the service delivered. It is important to note the response rate from the China mission was low. With actual results much higher than anticipated, BCCIE adjusted targets for future years and will continue to refine tracking and reporting mechanisms over time.

Goal 3: Provide Communication and Professional Development for the International Education Sector

Objective: to provide effective professional development offerings, research, services and strategic communications to all International Education stakeholders in British Columbia.

Strategies

- Plan, organize and host an annual Summer Seminar conference; and,
- Develop and coordinate a series of professional development offerings relevant to all participants in BC’s International Education sector.

Performance Measure 4: Satisfaction with Professional Development events and the annual Summer Seminar conference

Performance Measure	2011/12 Actual	2012/13 Actual	2013/14 Actual	2014/15 Target	2014/15 Actual	2015/16 Target	2016/17 Target
Percentage of participants who were either satisfied (4.0) or very satisfied (5.0) with BCCIE’s professional development event offerings including the annual Summer Seminar ¹	N/A ²	N/A ²	N/A ²	90%	95%	91%	92%

Data Source: BCCIE

¹ BCCIE surveys participants, using a standard five-point Likert scale (1.0 = very dissatisfied; 2.0 = dissatisfied; 3.0 = neither dissatisfied nor satisfied; 4.0 = satisfied; 5.0 = very satisfied) to measure their satisfaction with events.

² This performance measure was slightly modified in 2014/15 to reflect a change in the way participant satisfaction was reported, therefore no data is available before 2014/15.

Discussion

This performance measure focuses on professional development events and the Summer Seminar conference, which incorporate specific issues aligned with deliverables under the *Strategy*. These events bring stakeholders together to share best practices, discuss new ideas and collaborate on a variety of topics such as marketing and recruitment, study abroad and student services. BCCIE hosts a minimum of nine professional development events per year in addition to the Summer Seminar conference. Satisfaction with professional development events is an indicator of success in building the capacity to create a globally-oriented education system.

In 2014/15, BCCIE hosted a total of 14 professional development events ranging in size from 15-25 participants on average per session. In addition, BCCIE hosted its largest Summer Seminar conference this year with over 300 delegates. Survey response rates for both professional

development events and Summer Seminar vary for each session but remain quite high with an average response rate of 70 percent for professional development events and 35 percent for Summer Seminar.

From averaged results for these 15 events, BCCIE aimed to achieve 90 percent of participants satisfied with their participation. The survey results indicated 95 percent of participants were satisfied with the professional development events and Summer Seminar conference in 2014/15, demonstrating success in providing a valued service for the sector. BCCIE set the targets for this performance measure using an average of results from professional development events and Summer Seminar conference evaluations over the last two years and will continue to monitor progress against the targets, making adjustments as necessary.

Financial Report

Management Discussion and Analysis

BCCIE provided the services and activities outlined in the *2014/15-16/17 Service Plan* within the operating budget, ending the year with a minimal surplus. The organization worked closely with the Board's Finance and Human Resources Committee members and the Ministry to ensure execution of operating expenses and activities in alignment with mandate, Operational Plan and the *Strategy*.

BCCIE generated additional revenue from professional development activities, government contracts for education missions and the Summer Seminar conference to enhance existing plans and complete added activities in support of the sector. By leveraging strategic partnerships and coordinating activities with provincial and federal colleagues, the revenue generated in 2014/15 covered all expenditures, including activities over and above those identified in the Operational Plan.

The economic, cultural, and social significance of International Education to BC continues to necessitate building new relationships with key partner countries in addition to maintaining existing important global linkages. This results in an ongoing requirement for BCCIE to support additional government missions or other priorities and activities in support of the sector.

Consistent with the direction under TAP, BCCIE will continue to closely monitor resources and expenditures to ensure that services are delivered in an efficient and cost-effective manner. The organization will work collaboratively with the Ministry of Advanced Education, Ministry of Education and Ministry of International Trade to develop strategies to manage expenditures and ensure alignment with BCCIE's mandate to support key government priorities.

British Columbia Council for International Education

Financial Resource Summary Table

	2013/14 (Actual) ¹¹	2014/15 (Budget)	2014/15 (Actual)	2014/15 (Variance)	2013/14 - 14/15 (Variance)	2015/16 (Budget) ¹²	2016/17 (Budget) ¹²
REVENUE							
Provincial Grant - General Operations ¹	1,300,000	1,300,000	1,360,000	60,000	60,000	1,500,000	1,500,000
Provincial Grant - EQA ¹	200,000	200,000	140,000	- 60,000	- 60,000	-	-
EQA (Reapplication and New App Fees) ²	152,950	165,000	193,100	28,100	40,150	234,000	-
Summer Seminar ³	160,060	223,055	192,540	- 30,515	32,480	205,120	211,274
Professional Development ⁵	15,651	14,850	4,410	- 10,440	- 11,241	10,395	10,395
Familiarization Tours (Institutional Support) ⁴	22,000	-	9,750	9,750	- 12,250	-	-
Other Government Contracts ⁴	45,000	-	90,000	90,000	45,000	-	-
Bank Interest ⁵	13,433	8,000	16,114	8,114	2,681	8,000	8,000
TOTAL REVENUE	1,909,094	1,910,905	2,005,914	95,009	96,820	1,957,515	1,729,669
EXPENSES							
General Operations (IT, Board Meetings, Supplies, etc.) ⁶	1,037,748	1,112,888	1,140,686	27,798	102,938	1,216,107	1,247,753
Operations	169,619	162,292	152,266	- 10,026	- 17,353	161,250	161,250
Salaries ⁷	783,837	863,046	895,639	32,593	111,802	952,944	981,533
Lease ⁸	84,292	87,550	92,781	5,231	8,489	101,913	104,970
EQA ⁹	222,511	215,967	117,590	- 98,377	- 104,921	-	-
Goal 1 - Internationalization	93,579	91,950	92,526	576	- 1,053	129,950	73,350
Goal 2 - Market Support	304,615	255,660	349,149	93,489	44,534	357,968	164,020
Goal 3 - Communications & Professional Development	212,531	234,440	291,760	57,320	79,229	253,490	244,546
TOTAL EXPENSES	1,870,984	1,910,905	1,991,711	80,806	120,727	1,957,515	1,729,669
NET INCOME (LOSS)	38,110	-	14,203	14,203	- 23,907	-	-
TOTAL DEBT	-	-	-	-	-	-	-
ACCUMULATED SURPLUS AT BEGINNING OF THE YEAR	700,969	739,079	739,079			753,282	753,282
ACCUMULATED SURPLUS AT END OF THE YEAR¹⁰	739,079	739,079	753,282			753,282	753,282

Notes:

1. The transition of EQA administration to the Ministry will conclude in 2015/16. The \$200,000 previously allocated to EQA will be re-directed to support increases in BCCIE's other core activities. In 2014/15, BCCIE received an additional \$60,000 to support activities associated with the further direction issued by Government.
2. BCCIE received \$140,000 to support EQA administration for half of the fiscal year and to support the transition of EQA into the Ministry. BCCIE will continue to be responsible for the collection and processing of payments for EQA, vendor contract management and database hosting during the transition of EQA administration. Revenue from EQA reapplications for 2015/16 is based on the current number of EQA designated schools at the time of the 2015/16 budget preparation. No EQA fee revenues are anticipated for 2016/17 onwards.
3. Revenues for 2015/16 and future years are revised to reflect revenues more closely aligned with 2014/15.
4. Forecasts do not include revenue from other government contracts and familiarization tours.
5. Bank interest is from term deposits.
6. The increase in general operating costs reflects a change in the way expenses are reported.
7. The increase in salaries reflects a change in the way expenses are reported. The only material change is the annual three percent increase.
8. The increase in lease costs reflects a change in the way expenses are reported. There is no material increase beyond annual inflation.
9. The 2014/15 actual number represents EQA administration expenses for half of the fiscal year and support for the transition of EQA into the Ministry. In 2015/16, EQA expenses are included under general operations.
10. Accumulated surplus is BCCIE's contingency for liabilities that would be incurred if there were a reduction in operations or wind down of the Society.
11. BCCIE's first service plan was completed in 2013/14 therefore historical financial information for 2009/10 - 2012/13 is not available.
12. Budget numbers for 2015/16 and 2016/17 were updated in the 2015/16 - 2017/18 Service Plan and these updated numbers are included in this financial table. Therefore the numbers in the 2014/15-16/17 Service Plan will differ from the numbers in this annual report.

**THE BRITISH COLUMBIA COUNCIL FOR
INTERNATIONAL EDUCATION**

FINANCIAL STATEMENTS

MARCH 31, 2015

STEELE & Co.*

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

**To the Members of
The British Columbia Council for International Education**

We have audited the statement of financial position of The British Columbia Council for International Education ("the Council") as at March 31, 2015 and the statements of operations, change in net financial assets, and cash flows for the year ended March 31, 2015, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Council as at March 31, 2015 and the results of its operations, changes in net financial assets and cash flows for the year in accordance with Canadian public sector accounting standards.

Report on Other Legal and Regulatory Requirements

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

Vancouver, Canada
May 14, 2015



CHARTERED ACCOUNTANTS

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

STATEMENT OF FINANCIAL POSITION

		MARCH 31,	
	NOTE	2015	2014
FINANCIAL ASSETS			
CASH AND CASH EQUIVALENTS	4	\$ 55,192	\$ 112,760
GUARANTEED INVESTMENT CERTIFICATES	5	841,682	816,540
ACCOUNTS RECEIVABLE		8,418	34,079
SALES TAX RECEIVABLE		2,835	2,800
		<u>908,127</u>	<u>966,179</u>
LIABILITIES			
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES		33,474	56,254
SALARIES AND ASSESSMENTS PAYABLE		95,664	93,799
EMPLOYEE FUTURE BENEFITS	6	99,188	85,962
DEFERRED REVENUE	8	76,500	161,200
		<u>304,826</u>	<u>397,215</u>
NET FINANCIAL ASSETS		<u>603,301</u>	<u>568,964</u>
NON-FINANCIAL ASSETS			
TANGIBLE CAPITAL ASSETS	9	72,448	70,001
PREPAID EXPENSES		77,532	100,114
		<u>149,980</u>	<u>170,115</u>
ACCUMULATED SURPLUS		<u>\$ 753,281</u>	<u>\$ 739,079</u>
GOING CONCERN CONSIDERATIONS	2		
CONTRACTUAL OBLIGATIONS	6 & 7		

APPROVED ON BEHALF OF THE BOARD



 Dr. Randall Martin



 Jim Hamilton

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

British Columbia Council for International Education

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

STATEMENT OF OPERATIONS

	<u>2015 BUDGET</u> (NOTE 12)	<u>YEAR ENDED MARCH 31,</u>	
		<u>2015</u>	<u>2014</u>
REVENUES			
EDUCATION QUALITY			
ASSURANCE (EQA) (SCHEDULE)	\$ 365,000	\$ 333,314	\$ 354,385
GOVERNMENT GRANTS (SCHEDULE)	1,300,000	1,450,000	1,345,000
ADMINISTRATION AND OPERATING			
CONTRACTS (SCHEDULE)	237,905	206,700	197,710
OTHER (SCHEDULE)	8,000	15,900	11,999
	<u>1,910,905</u>	<u>2,005,914</u>	<u>1,909,094</u>
EXPENSES			
EDUCATION QUALITY			
ASSURANCE (EQA) (SCHEDULE)	215,967	117,590	222,511
ADMINISTRATION AND OPERATING			
CONTRACTS (SCHEDULE)	1,694,938	1,874,122	1,648,473
	<u>1,910,905</u>	<u>1,991,712</u>	<u>1,870,984</u>
ANNUAL OPERATING SURPLUS	<u>\$ -</u>	14,202	38,110
ACCUMULATED SURPLUS			
BEGINNING OF THE YEAR		<u>739,079</u>	<u>700,969</u>
ACCUMULATED SURPLUS			
END OF THE YEAR		<u>\$ 753,281</u>	<u>\$ 739,079</u>

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

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

	2015 BUDGET	YEAR ENDED MARCH 31,	
	(NOTE 12)	2015	2014
ANNUAL OPERATING SURPLUS	\$ -	\$ 14,202	\$ 38,110
ACQUISITION OF TANGIBLE CAPITAL ASSETS	-	(34,296)	(9,236)
AMORTIZATION OF TANGIBLE CAPITAL ASSETS	26,295	31,849	27,055
ACQUISITION OF PREPAID EXPENSES	-	(77,532)	(100,114)
USE OF PREPAID EXPENSES	(26,295)	100,114	67,934
INCREASE IN NET FINANCIAL ASSETS	\$ -	34,337	23,749
NET FINANCIAL ASSETS BEGINNING OF THE YEAR		568,964	545,215
NET FINANCIAL ASSETS END OF THE YEAR		\$ 603,301	\$ 568,964

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

British Columbia Council for International Education

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

STATEMENT OF CASH FLOWS

	YEAR ENDED MARCH 31,	
	2015	2014
OPERATING TRANSACTIONS		
CASH RECEIVED FROM		
EQA	\$ 270,014	\$ 412,388
GOVERNMENT GRANTS	1,450,000	1,345,000
OPERATING/CONTRACTS	12,425	52,991
OTHER INVESTMENT INCOME	15,900	11,998
SUMMER EVENTS	192,540	157,060
	<u>1,940,879</u>	<u>1,979,437</u>
CASH PAID FOR		
EQA	121,923	240,942
EQUIPMENT RENTAL	21,833	17,525
EVENT FEES	117,421	82,953
HOSPITALITY	143,389	119,039
INFORMATION TECHNOLOGY AND WEBSITES	131,809	159,235
INSURANCE	3,932	3,599
LEADERSHIP AND ORGANIZATION	15,302	36,034
MARKETING	17,196	9,460
OFFICE COMMUNICATIONS	39,090	33,148
OFFICE SUPPLIES AND MISCELLANEOUS	21,755	28,412
PROFESSIONAL AND CONSULTING FEES	91,623	83,678
RENT AND FACILITIES	145,660	121,415
SALARIES AND BENEFITS	880,549	827,404
SALES TAXES (RECOVERABLE)	(433)	929
SUBSIDIES (RECOVERABLE)	(3,200)	16,200
TELECOMMUNICATIONS	16,858	13,396
TRAVEL	174,302	173,543
	<u>1,939,009</u>	<u>1,966,912</u>
CASH PROVIDED BY OPERATING TRANSACTIONS	<u>1,870</u>	<u>12,525</u>
CAPITAL TRANSACTIONS		
CASH USED TO ACQUIRE TANGIBLE CAPITAL ASSETS	<u>(34,296)</u>	<u>(9,236)</u>
CASH APPLIED TO CAPITAL TRANSACTIONS	<u>(34,296)</u>	<u>(9,236)</u>
INVESTING TRANSACTIONS		
GUARANTEED INVESTMENT CERTIFICATES	<u>(25,142)</u>	<u>(174,693)</u>
CASH APPLIED TO INVESTING TRANSACTIONS	<u>(25,142)</u>	<u>(174,693)</u>
DECREASE IN CASH AND CASH EQUIVALENTS	<u>(57,568)</u>	<u>(171,404)</u>
CASH AND CASH EQUIVALENTS BEGINNING OF THE YEAR	<u>112,760</u>	<u>284,164</u>
CASH AND CASH EQUIVALENTS END OF THE YEAR	<u>\$ 55,192</u>	<u>\$ 112,760</u>

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

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015

1. NATURE OF OPERATIONS

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

The Council reports to the Legislative Assembly through the Ministry 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

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, 2015, the Council had net financial assets of \$603,301 (2014 - \$568,964).

The Council has the Ministry's grant commitment of \$1,500,000 to fund its fiscal 2016 operations, and received funding of \$1,360,000 and \$140,000 respectively to fund its fiscal 2015 operations and the EQA program.

Subsequent to the year end, the Council was notified by the Government that it required the Council's assistance in administering the EQA program during the transition process to the Government. The Council has been granted the right to retain the EQA fees received from April 1, 2015 to March 31, 2016.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Accounting

These financial statements have been prepared by management in accordance with Canadian public sector accounting standards.

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

b. Cash and Cash Equivalents

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

c. Guaranteed Investment Certificates

Guaranteed investment certificates ("GIC's") are interest bearing and generally have a maturity date of one year or less.

d. Employee Future Benefits

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

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

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

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

e. Tangible Capital Assets Including Capital Leases

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

The Council does not have any capital leases.

The cost, less 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:

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

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015

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 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, and which are then recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value. No contributed capital assets were received during the year.

f. Prepaid Expenses

Prepaid expenses, 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 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.

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015

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, GIC's, and accounts receivable.

Financial liabilities measured at amortized cost include accounts 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, 2015 and 2014.

Impairment

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

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.

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

j. Measurement Uncertainty

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

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

4. CASH AND CASH EQUIVALENTS

	2015	2014
Unrestricted cash and demand deposits	\$ 55,192	\$ 112,760

5. GUARANTEED INVESTMENT CERTIFICATES

	2015	2014
GIC's bear interest at rates ranging from 1.30% to 1.55% (weighted average 1.23%), are non-redeemable for twelve months and have maturity dates to January 2, 2016. Of the total, \$55,787 has been pledged as security for the Council's outstanding Visa commitments from time to time.	\$ 841,682	\$ 816,540

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015

6. EMPLOYEES' PENSION PLAN AND BENEFITS PLAN

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

a. Retirement Benefits - Pension Plan

The Council and its employees contribute to the Municipal Pension Plan which is a multi-employer plan in accordance with the Public Sector Pension Plan Act. The plan provides defined pension benefits to employees based on their length of service and employee's salary. The contribution rate for eligible employees is 8.5% of the employee's salaries until the yearly insurable earnings are reached, increasing to 10.0% thereafter. The Council matches contributions to the plan at the rate of 9.61% of the eligible employee's salary. As the plan is not under the Council's control, no pension liability, other than amounts invoiced, is included in the financial statements. The Council paid \$64,070 (2014 - \$69,206) for employer contributions to the plan for fiscal 2015. The contribution rates are subject to change as determined by the plan administrators.

b. Other Employee Benefits

In fiscal 2011, the Council entered into an employment contract with its Executive Director ("ED") which provides for administrative leave of one full month of paid compensation for each year of completed service from October 2007, and a severance package of one full year's salary plus benefits should the ED terminate his employment for specified reasons. The contract also provides that the severance package will be fully payable on the termination of employment for any reason after the completion of five full years of service.

Payroll liabilities include a provision for accrued administrative leave of \$99,188 (2014 - \$85,962) as at March 31, 2015. The estimated payout of the severance entitlement is \$257,888 (2014 - \$244,662) as at March 31, 2015.

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, 2015

7. CONTRACTUAL OBLIGATIONS

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

<u>YEAR ENDED MARCH 31,</u>	<u>PREMISES</u>	<u>OFFICE EQUIPMENT</u>	<u>TOTAL</u>
2016	\$ 93,890	\$ 10,106	\$ 103,996
2017	94,504	10,106	104,610
2018	94,504	10,106	104,610
	<u>23,626</u>	<u>5,053</u>	<u>28,679</u>
	<u>\$ 282,898</u>	<u>\$ 30,318</u>	<u>\$ 313,216</u>

8. DEFERRED REVENUE

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

	<u>MARCH 31, 2015</u>		
	<u>EQA</u>	<u>BCCIE</u>	<u>TOTAL</u>
Deferred revenue beginning of the year	\$ 159,000	\$ 2,200	\$ 161,200
Net decrease in deferred revenue	<u>(82,500)</u>	<u>(2,200)</u>	<u>(84,700)</u>
Deferred revenue end of the year	<u>\$ 76,500</u>	<u>\$ -</u>	<u>\$ 76,500</u>
	<u>MARCH 31, 2014</u>		
	<u>EQA</u>	<u>BCCIE</u>	<u>TOTAL</u>
Deferred revenue beginning of the year	\$ 90,000	\$ 11,497	\$ 101,497
Net increase (decrease) in deferred revenue	<u>69,000</u>	<u>(9,297)</u>	<u>59,703</u>
Deferred revenue end of the year	<u>\$ 159,000</u>	<u>\$ 2,200</u>	<u>\$ 161,200</u>

The Council is the administrator of the EQA program. This is a program that has been implemented in conjunction with the British Columbia Provincial Government ("the Government") and is British Columbia's brand for quality post-secondary education. The EQA is a voluntary mechanism available to all eligible public and private post-secondary institutions in British Columbia. The EQA designation provides for a standard logo that can be recognized as an assurance of quality. Designation is based on an institution having met or exceeded existing quality assurance standards and being in good standing with both the Ministry and the applicable body. The agreement with the Government stipulated that the program was to be self-sustaining by 2014. The Council was notified that effective October 1, 2014, it will no longer be the administrator of the program, and was requested by the Government to continue administering the program until it has been transferred to the Government's control.

British Columbia Council for International Education

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015

9. TANGIBLE CAPITAL ASSETS

<u>MARCH 31, 2015</u>	<u>WEBSITE</u>	<u>OFFICE FURNITURE AND EQUIPMENT</u>	<u>COMPUTER EQUIPMENT AND SOFTWARE</u>	<u>LEASEHOLD IMPROVEMENTS</u>	<u>TOTAL</u>
Cost					
Opening balance	\$ 91,511	\$ 78,131	\$ 67,379	\$ 57,897	\$ 294,918
Additions	-	-	29,675	4,621	34,296
Closing balance	<u>91,511</u>	<u>78,131</u>	<u>97,054</u>	<u>62,518</u>	<u>329,214</u>
Accumulated amortization					
Opening balance	64,301	46,689	61,996	51,931	224,917
Amortization	8,163	6,288	11,121	6,277	31,849
Closing balance	<u>72,464</u>	<u>52,977</u>	<u>73,117</u>	<u>58,208</u>	<u>256,766</u>
Net book value	<u>\$ 19,047</u>	<u>\$ 25,154</u>	<u>\$ 23,937</u>	<u>\$ 4,310</u>	<u>\$ 72,448</u>
<u>MARCH 31, 2014</u>					
Cost					
Opening balance	\$ 91,511	\$ 76,704	\$ 60,672	\$ 56,795	\$ 285,682
Additions	-	1,427	6,707	1,102	9,236
Closing balance	<u>91,511</u>	<u>78,131</u>	<u>67,379</u>	<u>57,897</u>	<u>294,918</u>
Accumulated amortization					
Opening balance	52,639	39,007	59,515	46,701	197,862
Amortization	11,662	7,682	2,481	5,230	27,055
Closing balance	<u>64,301</u>	<u>46,689</u>	<u>61,996</u>	<u>51,931</u>	<u>224,917</u>
Net book value	<u>\$ 27,210</u>	<u>\$ 31,442</u>	<u>\$ 5,383</u>	<u>\$ 5,966</u>	<u>\$ 70,001</u>

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015

10. RELATED PARTY TRANSACTIONS

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

	YEAR ENDED MARCH 31,	
	2015	2014
Government Grants		
BCCIE	\$ 1,450,000	\$ 1,345,000
EQA	140,000	200,000
	\$ 1,590,000	\$ 1,545,000

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.

11. EXPENSES BY OBJECT

The following is a summary of expenses by object:

	YEAR ENDED MARCH 31,	
	2015	2014
AMORTIZATION	\$ 31,849	\$ 27,055
BAD DEBT	-	3,000
BANK CHARGES AND FOREIGN EXCHANGE	3,462	6,115
EQUIPMENT RENTAL	22,054	17,868
EVENT FEES	115,646	75,782
HOSPITALITY	143,322	119,825
INFORMATION TECHNOLOGY AND WEBSITES	177,698	183,826
INSURANCE	4,231	4,244
LEADERSHIP AND ORGANIZATION	14,802	36,184
MARKETING	17,196	-
OFFICE COMMUNICATIONS	39,705	32,876
OFFICE SUPPLIES AND MISCELLANEOUS	17,835	27,987
PROFESSIONAL AND CONSULTING FEES	92,773	82,117
RENT AND FACILITIES	153,154	136,306
SALARIES AND BENEFITS	945,723	939,846
SUBSIDIES	7,000	6,000
TELECOMMUNICATIONS	17,142	15,318
TRANSLATION SERVICES	3,674	480
TRAVEL	184,446	156,155
	\$ 1,991,712	\$ 1,870,984

12. BUDGETED FIGURES

The budgeted figures have been provided for comparison purposes and have been derived from the estimates approved by the Board of Directors. The budgeted figures have not been audited.

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015

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, 2015.

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, GIC's, 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, cash equivalents, and GIC's 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, 2015 there were no overdue account receivable balances.

c. Market Risk

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

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 GIC's, 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, 2015

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.

14. COMPARATIVE FIGURES

Certain of the prior year's comparative figures have been reclassified to agree to the current year's financial statement presentation.

British Columbia Council for International Education

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES

PROGRAMS

	EDUCATION QUALITY ASSURANCE		ADMINISTRATION AND OPERATING CONTRACTS	
	YEAR ENDED MARCH 31, 2015	2014	YEAR ENDED MARCH 31, 2015	2014
REVENUE				
FEES - PRIVATE INSTITUTIONS	\$ 193,100	\$ 152,950	\$ -	\$ -
GRANTS	140,000	200,000	1,450,000	1,345,000
OPERATING	-	-	14,160	37,650
OTHER	214	1,435	15,900	11,999
SUMMER SEMINAR	-	-	192,540	160,060
	<u>333,314</u>	<u>354,385</u>	<u>1,672,600</u>	<u>1,554,709</u>
EXPENSES				
AMORTIZATION	-	-	31,849	27,055
BAD DEBT	-	-	-	3,000
BANK CHARGES AND FOREIGN EXCHANGE	2,797	5,265	666	850
EQUIPMENT RENTAL	321	746	21,733	17,122
EVENT FEES	-	585	115,646	75,197
HOSPITALITY	770	1,027	142,552	118,798
INFORMATION TECHNOLOGY AND WEBSITES	51,432	30,952	126,265	152,874
INSURANCE	299	645	3,932	3,599
LEADERSHIP AND ORGANIZATION	-	150	14,802	36,034
MARKETING	-	-	17,196	-
OFFICE COMMUNICATIONS (RECOVERY)	(79)	-	39,784	32,876
OFFICE SUPPLIES AND MISCELLANEOUS	1,130	2,590	16,705	25,397
PROFESSIONAL AND CONSULTING FEES	1,439	6,153	91,334	75,964
RENT AND FACILITIES	7,510	14,875	145,644	121,431
SALARIES AND BENEFITS	50,083	156,009	895,640	783,837
SUBSIDIES	-	-	7,000	6,000
TELECOMMUNICATIONS	959	1,714	16,184	13,604
TRANSLATION SERVICES	-	-	3,674	480
TRAVEL	929	1,801	183,516	154,354
	<u>117,590</u>	<u>222,512</u>	<u>1,874,122</u>	<u>1,648,472</u>
SURPLUS (DEFICIT) FOR THE YEAR	<u>\$ 215,724</u>	<u>\$ 131,873</u>	<u>\$ (201,522)</u>	<u>\$ (93,763)</u>

Appendices

Appendix A: Hyperlinks to Additional Information

Additional information including an organizational overview and further details about the BCCIE corporate governance structure can be found at <http://www.bccie.bc.ca/>

Organizational Overview:

Mandate, Vision, Business Areas: <http://www.bccie.bc.ca/about/about-bccie/>

Partner Organizations: <http://www.bccie.bc.ca/about/partner-organizations/>

Location: <http://www.bccie.bc.ca/contact/>

Corporate Governance:

Board of Directors: <http://www.bccie.bc.ca/about/board-of-directors/>

Corporate Governance and Reports: <http://www.bccie.bc.ca/about/corporate-reports/>

Senior Management: <http://www.bccie.bc.ca/about/our-team/>