British Columbia Council for International Education

2021/22
Annual Service Plan Report

August 2022

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https://bccie.bc.ca/

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Board Chair's Accountability Statement

The *British Columbia Council for International Education (BCCIE) 2021/22 Annual Service Plan Report* compares the corporation's actual results to the expected results identified in the *2021/22 – 2023/24 Service Plan* created in April 2021. The Board is accountable for those results as reported.

Dr. Michel Tarko
Board Chair
July 22, 2022

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Letter from the Board Chair & Executive Director

On behalf of the Board of Directors, management, and staff of the British Columbia Council for International Education (BCCIE), we are pleased to submit the 2021/22 BCCIE Annual Service Plan Report, demonstrating performance against targets outlined in the 2021/22 - 2023/24 Service Plan created in April 2021. The novel coronavirus (COVID-19) pandemic continued to impact BCCIE operations, changing the way in which deliverables were executed. As a result, BCCIE did not meet all the targets for the performance measures identified in the 2021/22 Service Plan.

In the 2021/22 Mandate Letter from the Ministry of Advanced Education and Skills Training (Ministry), BCCIE was directed to make substantive progress on several priorities, such as supporting Government's mandate review of BCCIE and Government's implementation of the provincial international education framework, with a focus on diversification and supporting regions outside the Lower Mainland. To implement this mandate, BCCIE staff worked collaboratively with the Ministry, partner ministries (Ministry of Education and Ministry of Jobs, Economic Recovery, and Innovation), as well as the BCCIE Board of Directors to fulfill its operational activities in support of the sector and these emerging provincial international education priorities.

The COVID-19 pandemic continued to restrict travel for B.C. and the international community, impacting BCCIE's operations in significant ways. The Omicron wave forced the difficult but necessary decision to transition the Asia-Pacific Association for International Education (APAIE 2022) conference, a BCCIE-led global event in Vancouver, to a virtual event. Although the event was online, the conference attracted 1,300 participants from B.C., Canada, and internationally and still provided a significant opportunity for B.C. to build strategic partnerships with institutions in the Asia-Pacific region, supporting the Province's goal for diversification.

BCCIE staff continued to find new and innovative ways to support B.C. schools and institutions, attending four virtual student recruitment fairs to profile B.C. as a study destination and hosting four virtual market briefings for B.C. schools and institutions. In addition, BCCIE hosted five online partnership development events with priority markets such as Mexico and Southeast Asia. These new approaches and activities enabled the organization to support the sector and Government's international education framework priorities for diversification and enhanced regional support in B.C.

This year, due to COVID-19 restrictions, BCCIE offered all thirteen capacity building events online, which had the added benefit of reducing barriers for regional participation outside the Lower Mainland. In addition, BCCIE hosted its first ever virtual Summer Conference event in June 2021. The event attracted 374 participants and included opportunities for B.C. institutions to network and build partnerships with delegations from Mexico and Southeast Asia. BCCIE's online delivery and engagement led to 28 percent of all participants attending from a school or institution outside the Lower Mainland, supporting Government's priority for regional engagement.

Strong two-way communication and collaboration with the Ministry, and partner ministries, remained a priority throughout this challenging year. BCCIE met regularly with staff in government to ensure strategic alignment with provincial international education priorities and to discuss progress on BCCIE's deliverables. BCCIE continued ongoing discussions with the Board regarding professional development needs, orientation, planning for Board member succession, and overall Board governance.

Dr. Michel Tarko

Board Chair BCCIE
July 22, 2022

Dr. Randall Martin

Executive Director BCCIE
July 22, 2022

Purpose of the Annual Service Plan Report

The Annual Service Plan Report is designed to meet the requirements of the *Budget Transparency and Accountability Act* (BTAA), which sets out the legislative framework for planning, reporting and accountability for Government organizations. Under the BTAA, the Crown Corporation's Board is required to report on the actual results of the Crown's performance related to the forecasted targets documented in the previous year's Service Plan.

Purpose of the Organization

BCCIE works collaboratively with the Ministry of Advanced Education and Skills Training and partner ministries including the Ministry of Education and the Ministry of Jobs, Economic Recovery, and Innovation, and with schools, districts, and post-secondary institutions to deliver on the international education priorities of the Province. BCCIE supports B.C. students, teachers and administrators in the provincial K-12 and post-secondary system by providing leadership and expertise as well as promoting the benefits and opportunities of international education broadly. BCCIE also supports a strong and sustainable provincial economy and builds targeted and strategic partnerships between B.C. and global institutions. This is accomplished through BCCIE's work to diversify key markets, build capacity of schools and institutions across B.C. to engage in international education, and increase pathways between B.C. K-12 and post-secondary institutions.

BCCIE is a provincial Crown agency reporting to the Ministry of Advanced Education and Skills Training ("the Ministry") and is incorporated under the *Societies 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

The strategic direction set by Government in 2020 and expanded upon in the Board Chair's 2021-22 Mandate Letter from the Minister Responsible shaped the goals, objectives, performance measures, and financial plan outlined in the 2021/22 BCCIE Service Plan as well as actual results reported on in this annual report.

Operating Environment

The COVID-19 pandemic was a significant impact to BCCIE's operating environment in 2021/22, affecting the international community and disrupting the international education sector through travel restrictions and worldwide health and safety measures. Changing border and flight restrictions in Canada and internationally impacted international education travel. In B.C., education ministries continued to work closely with provincial and federal health officials to ensure schools and institutions supported the safe arrival of international students to Canada in the context of changing border requirements. The restrictions impacted BCCIE's ability to physically represent B.C. abroad, develop new partnerships, lead overseas missions, and hold or host international events. Notably, however, the Asia-Pacific Association for International Education (APAIE) conference, a BCCIE-led global event, was successfully delivered as a

virtual event in March 2022, providing a significant opportunity for B.C. to build strategic partnerships with institutions in the Asia-Pacific region.

BCCIE developed new and innovative supports in response to the limitations imposed by the COVID-19 pandemic to help the B.C. K-12 and post-secondary sectors continue their international education engagement activities, such as virtual student recruitment fairs and online partner-development events with target markets like Mexico and Southeast Asia. These activities not only sustained connections to key international partners and supported system coordination within the B.C. post-secondary and K-12 sectors during the COVID-19 pandemic, they also created new international partnerships. These new activities and virtual models of engagement will continue, and this work will strengthen the sustainability of the international education sector and support provincial economic recovery.

Global interest in international education appears to have remained strong despite the pandemic, with B.C. and Canada remaining top destinations for international students. International student interest in Canada is influenced by both provincial and federal government policies, including opportunities to work after graduation, and the federal immigration levels plan which offers a potential pathway to permanent residency for international students who choose to pursue it. Governments and post-secondary institutions are considering the opportunity of international students in education programs that lead to high-opportunity occupations to support the province's social, community and economic well-being.

In 2021/22, BCCIE supported Government's mandate review of the organization and is now working closely with the Ministry to carry out recommendations from the review. One of the key recommendations is the development of a new strategic plan that is in line with the B.C. International Education Framework. Performance measures are also being reviewed for alignment with the new plan.

Report on Performance: Goals, Objectives, Measures and Targets

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

BCCIE plays a critical role in facilitating partnerships focused on diversifying markets, both for increasing opportunities for B.C. students to study and work abroad, and for positioning B.C., including regions outside the Lower Mainland, as a destination of choice for international learners.

Objective 1.1: Facilitate strategic international partnerships in education.

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

Key Highlights

- Renewed Memorandum of Agreement with the Foundation for International Cooperation in Higher Education of Taiwan.
- Hosted five virtual partnership development opportunities for the B.C. education sector.
- Facilitated one additional B.C. post secondary institution to join the University Mobility in Asia Pacific (UMAP) association.

Performance Measure(s)	2018/19 Baseline	2020/21 Actuals	2021/22 Target	2021/22 Actuals	2022/23 Target	2023/24 Target
1.1a Number of annual strategic agreements BCCIE signs to support further diversification of international education markets[1]	4	2	2	1	2	2

Data source: BCCIE

[1]BCCIE tracks the number of agreements signed annually.

Performance Measure(s)	2019/20 Baseline	2020/21 Actuals	2021/22 Target	2021/22 Actuals	2022/23 Target	2023/24 Target
1.1b Number of opportunities for international partnership development between B.C. schools, districts, and institutions and international counterparts[1]	10	9	6	5	8	9

Data source: BCCIE

[1] BCCIE tracks the number of partnership-building events offered to B.C. institutions as a part of Team B.C. missions, familiarization tours, the BCCIE annual summer conference, virtual B2B events and any other partnership focused events hosted by BCCIE. Targets for this performance measure have been adjusted in the 2022/23 Service Plan.

Discussion of Results

In the 2018/19 service plan, BCCIE introduced a new measure of agreements entered into by BCCIE, and it was determined that as the goal was to achieve strategic, quality outcomes, the targets would remain constant over time. A second measure was added in the 2019/20 service plan to capture BCCIE's efforts to support matchmaking and partnership development at the institutional and school level that may lead to new agreements which further support international market diversification. Together, the two measures demonstrate the comprehensive actions undertaken by BCCIE to facilitate sector opportunities to build international partnerships. It is important to note that the partnership development cycle is a phased approach requiring significant effort over time.

Due to COVID-19 travel restrictions, BCCIE did not meet the target for the first performance measure, signing only one strategic agreement in 2021/22. A second strategic agreement signing was planned, however the event was postponed due to COVID-19 restrictions and is expected to be signed in 2022/23. If travel restrictions continue, BCCIE will look to arrange virtual signings where possible to help achieve this target in the future.

COVID-19 restrictions continued to impact BCCIE's ability to travel abroad for Team B.C. missions to Southeast Asia and Latin America, host familiarization tours, and physically host the APAIE conference in Vancouver. Several partnership development opportunities were planned for the in-person APAIE 2022 event in late March and switching the conference online meant these opportunities were not implemented in the virtual platform. While BCCIE did offer five virtual partnership development events, BCCIE did not meet the 2021/22 target for this measure.

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

BCCIE is committed to providing effective and relevant capacity building expertise and services to all international education stakeholders in the province, with a continued focus on ensuring greater support and accessibility to those outside the Lower Mainland. BCCIE organizes and delivers activities and sessions throughout B.C. and undertakes focused capacity building projects with schools and institutions to support international education engagement. This work provides information, knowledge, and best practices to international education practitioners to support student success and increases capability, agility, and engagement within the sector.

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

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

Key Highlights

- Hosted 13 virtual capacity building sessions, including the annual Summer Conference and APAIE 2022, for over 2,200 participants.
- Hosted two capacity building sessions for the sector with a specific focus on intercultural training and indigenization.
- Formally contributed to the conversation of equity, diversity, and inclusion in the international education sector through the 2021 Summer Conference theme of *Addressing Privilege.*
- Developed and organized a second morning coffee series from September to November 2021. The series included 10 sessions on 10 different topics that lasted for 10 minutes each.
- Supported six pairings in the BCCIE mentorship program, receiving a 100% satisfaction rate from participants.

Performance Measure(s)	2019/20 Baseline	2020/21 Actuals	2021/22 Target	2021/22 Actuals	2022/23 Target	2023/24 Target
2.1a Number of capacity building sessions [1]	12	22	12	13	12	12
2.1b Number of participants at capacity building sessions [2][3]	834	2625	1000	2276	900	950
2.1c Satisfaction with capacity building sessions and annual Summer Conference [4]	95%	94%	95%	95%	95%	95%

Data source: BCCIE

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

[2]Numbers of participants include participation in capacity building sessions for both virtual and in person events. Targets for this performance measure have been adjusted in the 2022/23 Service Plan.

[3]The number of participants anticipated in 2022/23 and 2023/24 are lower and reflect a transition back to some in-person events, which may have lower attendance than virtual events.

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

Discussion of Results

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

In 2021/22, BCCIE was able to deliver on the organization's operational requirements for this goal by continuing to offer all the capacity building sessions online. As such, BCCIE achieved or exceeded all the targets for the three performance measures for this goal. For the second performance measure, BCCIE significantly exceeded the target for total number of participants

due to co-hosting the APAIE 2022 conference, as this event was not in the original projections for this target.

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

BCCIE plays a leadership role in communicating and engaging with stakeholders in the sector, including B.C. students, schools and institutions, international institutions, and government partners. This goal promotes the value proposition of the sector through information sharing about opportunities and best practices, as well as fostering positive relationships.

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

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

Key Highlights

- Added 115 new subscribers to BCCIE communications channels (8 percent increase) compared to last year.
- Drafted and disseminated 15 relevant sector-focused articles on international education topics.
- Promoted 121 international education events and opportunities to international education practitioners in B.C.

Performance Measure(s)	2019/20 Baseline	2020/21 Actuals	2021/22 Target	2021/22 Actuals	2022/23 Target	2023/24 Target
3.1a Total number of annual pageviews for BCCIE website[1]	168,468	95,730	100,000	125,963	105,000	110,250

Data source: BCCIE Google Analytics

[1] BCCIE tracks the number of pageviews quarterly and the numbers are greatly affected by BCCIE events. Targets for this performance measure have been adjusted in the 2022/23 Service Plan.

Discussion of Results

This metric was introduced in 2019/20 to demonstrate the effectiveness of BCCIE's communication activities to promote and support provincial international education priorities. While there are limitations with this measure as it is not a complete representation of all BCCIE's communication and engagement strategies, it provides a high-level assessment of the efficacy of communications efforts. This performance measure is being reviewed as part of BCCIE's new strategic plan.

In 2021/22, COVID-19 continued to impact how BCCIE interacted and communicated with the sector. Although the BCCIE Summer Conference was online in June 2021, it helped BCCIE

continue to stay connected and engaged with the sector in a meaningful way. This contributed to BCCIE exceeding the target for this performance measure set for 2021/22.

Financial Report

For the auditor's report and audited financial statements, see Appendix B. These can also be found on the BCCIE website.

Discussion of Results

BCCIE reduced program expenditures in 2021/22 in response to the impact of COVID-19 by eliminating travel, cancelling BCCIE-led sector missions, and continuing the delivery of events and webinars online. In 2021/22, BCCIE-led conferences also moved online with the summer conference and APAIE 2022 being offered as virtual events. Operational savings and the savings realized from online events enabled BCCIE to continue to deliver on its mandate priorities within its existing funding. As a result, BCCIE was able to end the year with a small surplus of $598. The organization worked closely with the Board's Finance and Human Resources Committee and the Ministry of Advanced Education and Skills Training (Ministry) to ensure that strategic expenditure of operating funds and execution of activities were aligned with the BCCIE mandate, Strategic Plan, and Operational Plan.

BCCIE was expected to spend $225,000 in one-time, targeted funding from the Ministry to support government's development and implementation of an international education framework. With continuing travel restrictions and less international activity in the education sector due to COVID-19, BCCIE was unable to strategically implement priority projects to support the framework and therefore did not expend the one-time funding in 2021/22. In consultation with the Ministry, the $225,000 has been deferred to 2022/23 to strategically support the implementation of the international education framework priorities.

In addition to funding provided from the Ministry, BCCIE generated additional revenue from the World Education Services (WES) workshop and hosting the BCCIE annual summer conference. BCCIE also received contract funding from the Ministry of Education for the administration of their scholarship program in 2021/22. This additional revenue further enabled BCCIE to deliver on priorities and activities within the current operating budget.

Financial Summary

	2020/21 (Actual)	2021/22 (Budget)	2021/22 (Actual)	2021/22 (Variance)
Revenue				
Provincial Grant - General Operations	1,500,000	1,500,000	1,500,000	-
Provincial Grant - One-Time Funding[1]	275,000	225,000	-	-225,000
BCCIE Summer Conference [2]	-	145,940	168,118	22,178
APAIE 2020 [3]	-	-	-	-
Professional Development[4]	2,250	1,500	7,525	6,025
Familiarization Tours (Institutional Support)[5]	-	-	-	-
Other Government Contracts[6]	67,500	-	379,250	379,250
Other Missions[7]	9,000	-	-	-
Bank Interest[8]	15,660	9,250	7,933	-1,317
Total Revenue	**1,869,410**	**1,881,690**	**2,062,826**	**181,136**
Expenses				
General Operations (IT, Board Meetings, Supplies, etc.)	1,511,504	1,457,674	1,398,631	-59,043
Operations	*139,217*	*114,712*	*108,224*	*-6,488*
Salaries	*1,261,479*	*1,230,400*	*1,184,804*	-45,596
Lease	*110,808*	*112,562*	*105,603*	-6,959
Program Areas[9]	357,607	424,016	663,597	239,581
Total Expenses	**1,869,111**	**1,881,690**	**2,062,228**	**180,538**
Net Income	299	-	598	598
Total Debt	-	-	-	-
Accumulated Surplus	**773,192**	**772,893**	**773,790**	

Note 1: BCCIE planned to spend the remaining $225,000 of the one-time funding from the Ministry of Advanced Education and Skills Training (AEST) on special projects in 2021/22. Due to continued COVID-19 restrictions, BCCIE deferred the full $225,000 to 2022/23 to be spent on strategic initiatives in support of the B.C. International Education Framework.

Note 2: Due to COVID-19 restrictions, BCCIE hosted the annual summer conference as a virtual event in June 2021. As this was the first virtual conference for BCCIE, more participants attended the conference than anticipated in the budgeting process, contributing to more revenue than expected.

Note 3: APAIE 2020 was postponed due to the global pandemic and was held as a virtual event in March 2022. With the changes to the event, BCCIE did not make a profit on the conference.

Note 4: BCCIE hosted a larger online paid two-day workshop resulting in more revenue than anticipated this year.

Note 5: There were no familiarization tours in 2021/22 due to pandemic travel restrictions.

Note 6: In 2021/22, BCCIE received another contract for the Ministry of Education's TUA scholarship program which was unknown at the time of budgeting.

Note 7: In 2021/22, BCCIE did not receive any contract revenue for planning or organizing missions.

Note 8: In 2021/22, BCCIE received less interest than anticipated due to lower bank interest rates.

Note 9: In 2021/22, more expenses were incurred on program areas due to the addition of the Ministry of Education's contract for the scholarship program.

Variance and Trend Analysis

Positive variances resulted from activities in three key areas. After the budgeting cycle had closed, BCCIE received a contract from the Ministry of Education to administer their scholarship program, creating a variance of $379,250. In addition, BCCIE received more revenue than anticipated for professional development due to offering a larger two-day online workshop for the sector and received more revenue than anticipated for the virtual summer conference hosted in June 2021. The revenue generated from these BCCIE events resulted in a positive variance of $28,203 that went to further supporting operational and program expenses.

In addition to positive variance, BCCIE managed one main area of negative variance. Due to continued pandemic restrictions, the one-time funding from the Ministry to support the implementation of the international education framework was not expended this fiscal. The $225,000 was deferred to fiscal year 2022/23 resulting in a negative variance in 2021/22.

Risks and Uncertainties

The global impact of COVID-19 on students and the demand for international education with the restrictions on international travel continues to create uncertainties in the international education sector within B.C. To continue support for students and to assist institutions in recovery and rebuilding phases of B.C.'s economic recovery, BCCIE will work closely with the Ministry and partner ministries to assess how BCCIE can continue to build sector capacity and identify strategic opportunities to benefit students, B.C.'s international education sector, and the province. Rising global interest in international education, and the pressures of rising international enrolment in B.C., may increase demand for BCCIE services and supports delivered in the province and in overseas missions.

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

Appendix A: Additional Information

Organizational Overview

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

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

Location: www.bccie.bc.ca/contact

Corporate Governance

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

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

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

Contact Information

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Appendix B: Auditor's Report and Audited Financial Statements

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

FINANCIAL STATEMENTS

MARCH 31, 2022

STEELE & CO.
CHARTERED PROFESSIONAL ACCOUNTANTS

BCCIE
BC COUNCIL FOR INTERNATIONAL EDUCATION

May 16, 2022

Statement of Management Responsibility
Year ended March 31, 2022

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

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

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

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

Yours truly,

Dr. Randall Martin
Executive Director

Tanya Ogilvie
Director, Operations and Communications

Miranda Wong
Senior Manager, Finance and Human Resources

STEELE & CO.*
CHARTERED PROFESSIONAL ACCOUNTANTS
*Representing incorporated professionals

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INDEPENDENT AUDITOR'S REPORT

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

Opinion

We have audited the statement of financial position of The British Columbia Council for International Education ("the Council") as at March 31, 2022 and the statements of operations, change in net financial assets, and cash flows for the year ended March 31, 2022, and a summary of significant accounting policies and other explanatory information.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Council as at March 31, 2022 and the results of its operations, change in net financial assets and cash flows for the year in accordance with Canadian public sector accounting standards.

Basis of Opinion

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Council to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

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

Vancouver, Canada
May 16, 2022

Steele & Co.

CHARTERED PROFESSIONAL ACCOUNTANTS

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

STATEMENT OF FINANCIAL POSITION

	NOTE	MARCH 31, 2022	2021
FINANCIAL ASSETS			
CASH AND CASH EQUIVALENTS	4	$ 323,273	$ 102,905
TERM DEPOSITS	5	906,326	1,371,678
ACCOUNTS RECEIVABLE		-	20,000
SALES TAX RECEIVABLE		-	975
		1,229,599	1,495,558
LIABILITIES			
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES		72,017	56,038
SALARIES AND ASSESSMENTS PAYABLE		155,461	370,149
SALES TAX PAYABLE		1,338	-
EMPLOYEE FUTURE BENEFITS	6	-	196,489
DEFERRED REVENUE	8	357,700	269,349
		586,516	892,025
NET FINANCIAL ASSETS		643,083	603,533
NON-FINANCIAL ASSETS			
TANGIBLE CAPITAL ASSETS	9	21,361	27,141
PREPAID EXPENSES		109,346	142,518
		130,707	169,659
ACCUMULATED SURPLUS		$ 773,790	$ 773,192
GOING CONCERN CONSIDERATIONS	2		
CONTRACTUAL OBLIGATIONS	6 & 7		

APPROVED ON BEHALF OF THE BOARD

Dr. Randall Martin

Dr. Michel Tarko

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

STATEMENT OF OPERATIONS

	2022 BUDGET (NOTE 12)	YEAR ENDED MARCH 31, 2022	2021
REVENUES			
GOVERNMENT GRANTS - CORE	$ 1,500,000	$ 1,500,000	$ 1,500,000
GOVERNMENT CONTRIBUTIONS CONTRACTS	225,000	379,250	342,500
SUMMER CONFERENCE	145,940	168,118	-
ADMINISTRATION AND OPERATING	1,500	7,525	11,250
OTHER	9,250	7,933	15,660
	1,881,690	2,062,826	1,869,410
EXPENSES			
ADMINISTRATION AND OPERATING CONTRACTS (NOTE 11)	1,881,690	2,062,228	1,869,111
ANNUAL OPERATING SURPLUS	$ -	598	299
ACCUMULATED SURPLUS BEGINNING OF THE YEAR		773,192	772,893
ACCUMULATED SURPLUS END OF THE YEAR		$ 773,790	$ 773,192

THE BRITISH COLUMBIA COUNCIL FOR INTERNATIONAL EDUCATION

STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

	2022 BUDGET (NOTE 12)	YEAR ENDED MARCH 31, 2022	2021
ANNUAL OPERATING SURPLUS	$ -	$ 598	$ 299
ACQUISITION OF TANGIBLE CAPITAL ASSETS	-	(6,950)	(13,795)
AMORTIZATION OF TANGIBLE CAPITAL ASSETS	11,000	12,730	13,290
ACQUISITION OF PREPAID EXPENSES	-	(109,346)	(142,518)
USE OF PREPAID EXPENSES	(11,000)	142,518	124,826
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	$ -	39,550	(17,898)
NET FINANCIAL ASSETS BEGINNING OF THE YEAR		603,533	621,431
NET FINANCIAL ASSETS END OF THE YEAR		$ 643,083	$ 603,533

STATEMENT OF CASH FLOWS

	YEAR ENDED MARCH 31, 2022	2021
OPERATING TRANSACTIONS		
CASH RECEIVED FROM		
GOVERNMENT GRANTS - CORE	$ 1,500,000	$ 1,500,000
GOVERNMENT CONTRIBUTIONS - CONTRACTS	399,250	67,874
SUMMER CONFERENCE	256,469	-
ADMINISTRATIVE AND OPERATING	7,525	511,565
OTHER	7,933	15,660
	2,171,177	2,095,099
CASH PAID FOR		
DONATIONS	2,000	-
EQUIPMENT RENTAL	3,513	3,513
EVENT FEES	33,602	59,650
EVENTS AND CONFERENCES	13,441	5,253
INFORMATION TECHNOLOGY AND WEBSITES	89,268	87,089
INSURANCE	4,861	4,226
LEADERSHIP AND ORGANIZATION	1,913	2,322
MARKETING	334,363	15,500
OFFICE COMMUNICATIONS	27,491	322
OFFICE SUPPLIES AND MISCELLANEOUS	16,688	41,529
PROFESSIONAL AND CONSULTING FEES	148,554	224,773
RENT AND FACILITIES	113,314	109,113
SALARIES AND BENEFITS	1,595,981	1,080,258
TELECOMMUNICATIONS	11,272	12,692
TRAVEL	12,950	4,202
	2,409,211	1,650,442
CASH PROVIDED (USED) BY OPERATING TRANSACTIONS	(238,034)	444,657
CAPITAL TRANSACTIONS		
CASH USED TO ACQUIRE TANGIBLE CAPITAL ASSETS	(6,950)	(13,795)
CASH USED BY CAPITAL TRANSACTIONS	(6,950)	(13,795)
INVESTING TRANSACTIONS		
TERM DEPOSITS	465,352	(511,614)
CASH PROVIDED (USED) BY INVESTING TRANSACTIONS	465,352	(511,614)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	220,368	(80,752)
CASH AND CASH EQUIVALENTS BEGINNING OF THE YEAR	102,905	183,657
CASH AND CASH EQUIVALENTS END OF THE YEAR	$ 323,273	$ 102,905

1. PURPOSE AND OPERATIONS OF THE COUNCIL

The British Columbia Council for International Education ("the Council") is an educational marketing institution incorporated in 1991 under the Societies 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. 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 and marketing British Columbia in the international markets.

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

The outbreak of the Covid-19 pandemic and the measures adopted by governments in countries worldwide to mitigate the pandemic's spread have impacted the Council's operations. While the Council has been able to transition to a more virtual concept and work environment, the continuation of the pandemic and the various restrictions put in place by various governments has affected the Council's operations and results for the year and is expected to continue to do so for the next two to three fiscal years.

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, 2022, the Council had net financial assets of $643,083 (2021 - $603,533).

The Council has the Ministry's grant commitment of $1,500,000 to fund its fiscal 2023 operations, and received funding of $1,500,000 to fund its fiscal 2022 operations.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis for Presentation

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

b. Cash and Cash Equivalents

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

c. Term deposits

Term deposits are interest bearing and generally have maturity dates of one year or less.

d. Employee Future Benefits

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

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

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

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

e. Tangible Capital Assets Including Capital Leases

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

The Council does not have any capital leases.

The cost, less the estimated residual value, of the tangible capital assets, excluding land, is amortized on a declining balance basis over their estimated useful lives as follows:

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

e. Tangible Capital Assets Including Capital Leases (Continued)

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Council's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets is less than their net book value. The net write-downs are accounted for as expenses in the statement of operations. No write downs were recorded during the year.

Contributed tangible capital assets are recorded as revenue at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined which are then recognized at a nominal value. Transfers of tangible capital assets from related parties are recorded at carrying value. No contributed tangible capital assets were received during the year.

f. Prepaid Expenses

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

g. Revenue Recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be reasonably determined or collection is reasonably assured.

Government transfers are recognized as revenues when the transfer is authorized, any eligibility criteria are met, and reasonable estimates of the amounts can be made. Transfers are recognized as deferred revenue when amounts have been received but not all eligibility criteria or stipulations have been met.

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

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

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

h. Foreign Currency Translation

Foreign currency transactions are translated at the exchange rate prevailing at the date of the transactions unless hedged by forward contracts that specify the rate of exchange. Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at year end.

Adjustments to revenue or expense transactions arising as a result of foreign currency translation are credited or charged to operations at the time the adjustments arise. The Council does not undertake any currency hedges.

i. Financial Instruments

Measurement
Financial assets originated or acquired, or financial liabilities issued or assumed, are initially measured at their fair values. In the case of a financial asset or financial liability not being subsequently measured at fair value, the initial fair value will be adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption. Transaction costs of financial instruments measured at fair value are expensed.

The Council subsequently measures its financial assets and liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market which are measured at fair value. Unrealized gains and losses from changes in fair value are recognized in the statement of re-measurement gains and losses until the respective investment is ultimately disposed of, at which time the cumulative gain or loss is recognized in the statement of operations.

Financial assets measured at amortized cost include cash and cash equivalents, term deposits, and accounts receivable.

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

The Council has not presented a statement of re-measurement gains or losses as it has no reportable transactions for its fiscal years ending March 31, 2022 and 2021.

Impairment
At the end of each reporting period, the Council assesses whether there are any indications that a financial asset measured at cost or amortized cost may be impaired. When there is an indication of impairment, the Council determines whether a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset. In which case, the carrying amount of the asset is reduced to the highest expected value that is actually recoverable from the asset either by holding that asset, by selling that asset, or by exercising the right to any collateral (net of cost).

The carrying amount of the asset is reduced directly or through the use of an allowance account and the amount of the reduction is recognized as an impairment loss in net income. A write down of a portfolio investment to reflect a loss in value is not reversed for a subsequent increase in value.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

i. Financial Instruments (Continued)

Derecognition
A financial liability or a part of a financial liability is removed from the statement of financial position when it is extinguished (i.e.: when the obligation is discharged or cancelled, or expires). The difference between the carrying amount of that financial liability extinguished or transferred to another party and the fair value of the consideration paid, including any non-cash assets transferred, liabilities assumed or equity instruments issued, is recognized in net income for the period.

j. Measurement Uncertainty

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

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

4. CASH AND CASH EQUIVALENTS

	Year Ended March 31, 2022	2021
Cash and demand deposits	$ 323,273	$ 102,905

Cash and term deposits include $225,000 (2021 - $225,000) which is restricted and may be used only for specified purposes.

5. TERM DEPOSITS

	Year Ended March 31, 2022	2021
Term deposits bear interest at rates ranging from 0.30% to 1.00% (weighted aveage 0.83%), and have maturity dates to May 25, 2022.	$ 906,326	$ 1,371,678

Term deposits and cash include $225,000 (2021 - $225,000) which is restricted and may be used only for specified purposes.

6. EMPLOYEES' PENSION PLAN AND BENEFITS PLAN

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

a. Retirement Benefits - Pension Plan

The Council and its employees contribute to the Municipal Pension Plan which is a multi-employer plan in accordance with the Public Sector Pension Plan Act. The plan provides defined pension benefits to retired employees based on their age at retirement, length of service and highest earnings averaged over five years. The contribution rate for eligible employees is 8.5% 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 9.75% of the eligible employee's salary. Effective January 1, 2022, the contribution rate for eligible employees is 8.61% of the employee's salaries. The Council matches contributions to the plan at the rate of 9.31% of the eligible employee's salary.

The Council records its pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate with the result that there is no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan. The Council paid $76,375 (2021 - $88,884) for employer contributions to the plan for fiscal 2022. The contribution rates are subject to change as determined by the plan administrators.

The actuarial valuation for the Municipal Pension Plan as at December 31, 2018, indicated a $2,866,444 funding surplus for basic pension benefits.

6. EMPLOYEES' PENSION PLAN AND BENEFITS PLAN (CONTINUED)

b. Other Employee Benefits

In fiscal 2011, and as renegotiated in 2016, the Council entered into an employment contract with its Executive Director which provides for administrative leave of one full month of paid compensation for each year of completed service from October 2007 and at the discretion of the Council twelve months' notice or pay in lieu of notice, should the Council terminate the employment contract without just cause. During the year the Council negotiated a new contract, eliminating the administrative leave requirement and paid the balance owing to the Executive Director. As a result of this change, no provision for the administrative leave is required in liabilities (2021 - $196,489) as at March 31, 2022.

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.

7. CONTRACTUAL OBLIGATIONS

The Council has entered into operating leases for premises and office equipment pursuant to agreements extending to June 2023 and June 2027 respectively. Annual payments over the remaining terms are as follows:

Year Ended March 31,	Premises	Office Equipment	Total
2023	$ 112,597	$ 3,303	$ 115,900
2024	28,149	3,233	31,382
2025	-	3,233	3,233
2026	-	3,233	3,233
2027	-	3,233	3,233
2028	-	808	808
	$ 140,746	$ 17,043	$ 157,789

8. DEFERRED REVENUE

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

	Year Ended March 31, 2022	2021
Deferred revenue beginning of the year	$ 269,349	$ 523,975
Net increase (decrease) in deferred revenue	88,351	(254,626)
Deferred revenue end of the year	$ 357,700	$ 269,349

9. TANGIBLE CAPITAL ASSETS

March 31, 2022	Website	Office Furniture and Equipment	Computer Equipment and Software	Leasehold Improvements	Total
Cost					
Opening balance	$ 91,511	$ 82,540	$ 146,332	$ 68,760	$ 389,143
Additions	-	-	6,950	-	6,950
Closing balance	91,511	82,540	153,282	68,760	396,093
Accumulated amortization					
Opening balance	89,270	73,146	136,028	63,558	362,002
Amortization	672	1,879	7,578	2,601	12,730
Closing balance	89,942	75,025	143,606	66,159	374,732
Net book value	$ 1,569	$ 7,515	$ 9,676	$ 2,601	$ 21,361
March 31, 2021					
Cost					
Opening balance	$ 91,511	$ 80,559	$ 140,760	$ 62,518	$ 375,348
Additions	-	1,981	5,572	6,242	13,795
Closing balance	91,511	82,540	146,332	68,760	389,143
Accumulated amortization					
Opening balance	88,310	71,045	126,839	62,518	348,712
Amortization	960	2,101	9,189	1,040	13,290
Closing balance	89,270	73,146	136,028	63,558	362,002
Net book value	$ 2,241	$ 9,394	$ 10,304	$ 5,202	$ 27,141

10. RELATED PARTY TRANSACTIONS

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

	Year Ended March 31, 2022	2021
Government Grants - Core	$ 1,500,000	$ 1,500,000
Government Contributions - Contracts	379,250	342,500
	$ 1,879,250	$ 1,842,500

These transactions are considered to be in the normal course of business and are measured at their exchange amounts, being the amounts agreed to by the parties.

The Council's current payroll of $1,184,804 includes eleven employees with salaries totalling $765,714.

11. EXPENSES BY OBJECT

The following is a summary of expenses by object:

	Year Ended March 31, 2022	2021
Amortization	$ 12,730	$ 13,290
Bank charges and foreign exchange	882	831
Donations	2,000	-
Equipment rental	4,307	3,513
Event fees	76,255	57,889
Events and conferences	16,362	5,520
Information technology and websites	110,303	88,954
Insurance	4,861	4,226
Leadership and organization	1,913	2,321
Marketing	334,363	15,500
Office communications	26,936	322
Office supplies and miscellaneous	19,253	42,326
Professional and consulting fees	130,842	243,829
Rent and facilities	113,314	110,809
Salaries and benefits	1,184,804	1,261,480
Telecommunications	9,630	14,106
Travel	13,473	4,195
	$ 2,062,228	$ 1,869,111

12. BUDGETED FIGURES

The fiscal 2022 budget is reflected in the Statement of Operations and the Statement of Change in Net Assets. Budget data presented in these financial statements is based upon the fiscal 2022 budget approval by the Board on March 24, 2021.

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, 2022.

a. Liquidity Risk

Liquidity risk arises if the Council is unable to meet its obligations associated with financial liabilities. The Council is exposed to this risk mainly in respect to its accounts payable. The Council mitigates this risk by preparing and monitoring operating budgets that are used to assist with the planning of cash flows to meet its obligations as they come due.

b. Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge its obligation.

Cash and cash equivalents, term deposits, and accounts receivable are exposed to credit risk due to the potential for counterparties to default on their contractual obligations. The maximum potential loss on these financial instruments equals their carrying value.

The Council mitigates its credit risk exposure by maintaining its cash and cash equivalents, and term deposits in major Canadian chartered banks. Accounts receivable are owed from various entities and there is no concentration of risk associated with any particular customer. As at March 31, 2022, there was no overdue accounts receivable balance.

c. Market Risk

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

i. *Currency risk*
Currency risk is the risk that the fair market value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Council is not exposed to any currency risk and does not maintain any foreign denominated financial currencies.

ii. *Interest rate risk*
Interest rate risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market interest rates.

The Council is exposed to interest rate risk on its term deposits, which bear interest at fixed rates which could expose the Council to interest rate price risk. Fluctuations in market interest rates could affect the fair value of these financial instruments.

13. FINANCIAL RISK MANAGEMENT (CONTINUED)

Risks and Concentrations (Continued)

c. Market Risk (Continued)

iii. *Other price risk*
Other price risk is the risk that the fair market value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument traded in the market.

The Council is not exposed to other price risk.