
BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS
GROUP OF FUNDS

Canadian Money Market Fund ST1
Canadian Money Market Fund ST2
U.S. Dollar Money Market Fund ST3
Indexed Government Bond Fund
Long Term Bond Fund
British Columbia Focus Fund
Indexed Canadian Equity Fund
Active Canadian Equity Fund
Enhanced Canadian Equity Fund
Active U.S. Equity Fund
S & P 500 Index Equity Fund
Enhanced Indexed U.S. Equity Fund
U.S. Value Index Equity Fund
U.S. Social Index Equity Fund
Currency Overlay Fund
U.S. Currency Hedging Fund
British Pound Currency Hedging Fund

FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2008

**British Columbia Investment Management Corporation
Pooled Investment Portfolios**

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

British Columbia Investment Management Corporation (bcIMC) manages Pooled Investment Portfolios on behalf of governing fiduciaries such as pension fund trustees and other public sector clients. This report contains the financial statements for the following Pooled Investment Portfolios for the years (or periods) ending March 31, 2008:

Canadian Money Market Fund ST1	Indexed Canadian Equity Fund	U.S. Value Index Equity Fund
Canadian Money Market Fund ST2	Active Canadian Equity Fund	U.S. Social Index Equity Fund
U.S. Dollar Money Market Fund ST3	Enhanced Canadian Equity Fund	Currency Overlay Fund
Indexed Government Bond Fund	Active U.S. Equity Fund	U.S. Currency Hedging Fund
Long Term Bond Fund	S & P 500 Index Equity Fund	British Pound Currency Hedging Fund
British Columbia Focus Fund	Enhanced Indexed U.S. Equity Fund	

The financial statements of the Pooled Investment Portfolios have been prepared by management of bcIMC and approved by the Chief Investment Officer/Chief Executive Officer. All of the financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The significant accounting policies used in the preparation of these statements are disclosed in note 2 to the financial statements. The statements include certain amounts that are based on management's judgement and best estimates.

bcIMC's Board has established an Audit Committee. The Committee's mandate includes making recommendations on the appointment of the external auditor for the Pooled Investment Portfolios, and reviewing the annual audited financial statements of the Pooled Investment Portfolios and the internal controls over financial reporting. The Committee reviews the recommendations of the internal and external auditors with respect to internal controls and the responses of management to those recommendations, and also meets with management and the internal and external auditors to review annual audit plans.

bcIMC maintains systems of internal control and supporting processes to provide reasonable assurance that assets are safeguarded; that transactions are appropriately authorized and recorded; and that there are no material misstatements in the financial statements. bcIMC's internal control framework includes: a strong corporate governance structure; a code of conduct that includes conflict of interest guidelines; an organizational structure that provides for appropriate segregation of duties and accountability for performance; an enterprise-wide risk management framework that identifies, monitors and reports on key risks; and Board-approved pooled investment portfolio policies and client-approved investment mandates. bcIMC's system of internal control is supported by internal and external auditors who review and evaluate internal controls and report directly to the Audit Committee.

bcIMC's external auditors, KPMG LLP, have full and unrestricted access to the Audit Committee and bcIMC management. KPMG discusses with management and the Committee the results of their audit of the Pooled Investment Portfolios' financial statements and related findings with respect to such audits. Each of the Pooled Investment Portfolio financial statements is audited by KPMG LLP in accordance with Canadian generally accepted auditing standards. KPMG LLP has performed such tests and other procedures as they considered necessary to express an opinion on the Pooled Investment Portfolio financial statements.



Doug Pearce
Chief Executive Officer / Chief Investment Officer



David Woodward
Vice President, Finance & Operations



KPMG LLP
Chartered Accountants
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AUDITORS' REPORT

To the unitholders of the following funds managed by British Columbia Investment Management Corporation (the Manager):

Canadian Money Market Fund ST1	Active U.S. Equity Fund
Canadian Money Market Fund ST2	S & P 500 Index Equity Fund
Canadian Money Market Fund ST3	Enhanced Indexed U.S. Equity Fund
Indexed Government Bond Fund	U.S. Value Index Equity Fund
Long Term Bond Fund	U.S. Social Index Equity Fund
British Columbia Focus Fund	Currency Overlay Fund
Indexed Canadian Equity Fund	U.S. Currency Hedging Fund
Active Canadian Equity Fund	British Pound Currency Hedging Fund
Enhanced Canadian Equity Fund	

(collectively, the Funds)

We have audited the statements of net assets and of investments of the Funds as at March 31, 2008 and their statements of operations and changes in net assets, and, where presented, of cash flows for the year (or shorter period since establishment as indicated in note 1) ended March 31, 2008. These financial statements are the responsibility of the Funds' Manager. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, these financial statements present fairly, in all material respects, the net assets and investments of the Funds as at March 31, 2008, and the results of their operations, the changes in their net assets, and their cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants

Vancouver, Canada
July 4, 2008

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

FUND ST1

**Statement of Net Assets
as at March 31
(in \$000s except number of units outstanding)**

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	3,581,763	1,869,551
Liabilities		
bclMC funds management fees payable (note 6)	41	17
Custodial fees payable	10	10
Accounts payable	3	5
	<u>54</u>	<u>32</u>
Net assets representing unitholders' equity	<u>3,581,709</u>	<u>1,869,519</u>
Number of units outstanding (note 7)	1,030.600	561.268
Net asset value per unit	<u>3,475</u>	<u>3,331</u>

Doug Pearce
Chief Executive Officer
Chief Investment Officer

**Statement of Operations and Changes in Net Assets
for the years ended March 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Investment Income	114,923	68,529
Expenses (note 6):		
bclMC funds management fees	581	369
Custodial fees	39	41
Administrative and professional fees	4	6
	<u>624</u>	<u>416</u>
Net investment income	114,299	68,113
Realized and unrealized gains (losses):		
Net realized loss	(1)	-
Change in unrealized gain	-	2
	<u>(1)</u>	<u>2</u>
Net income from operations	114,298	68,115
Capital Transactions:		
Proceeds from units issued	42,291,017	33,907,245
Amounts paid for units redeemed	<u>(40,693,125)</u>	<u>(34,452,748)</u>
	<u>1,597,892</u>	<u>(545,503)</u>
Increase (decrease) in net assets	1,712,190	(477,388)
Net assets, beginning of year	<u>1,869,519</u>	<u>2,346,907</u>
Net Assets, end of year	<u>3,581,709</u>	<u>1,869,519</u>

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

FUND ST1

**Statement of Investments
as at March 31, 2008
(in \$000s)**

	<u>Total Cost</u>	<u>Total Fair Value</u>	<u>% of Fair Value</u>
Money Market Investments			
Obligations of, or guaranteed by, Government of Canada	111,682	111,683	3.1%
Obligations of, or guaranteed by, savings institutions	<u>3,470,080</u>	<u>3,470,080</u>	<u>96.9%</u>
Total Investments	<u><u>3,581,762</u></u>	<u><u>3,581,763</u></u>	<u><u>100.0%</u></u>

All money market investments have a term to maturity within one year and their weighted average yield to maturity is 3.49%.

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

FUND ST2

Statement of Net Assets

as at March 31

(in \$000s except number of units outstanding)

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	2,555,502	2,032,041
Cash	76	572
	<u>2,555,578</u>	<u>2,032,613</u>
Liabilities		
bclIMC funds management fees payable (note 6)	37	28
Payable for purchase of investments	-	88,934
Custodial fees payable	14	14
Accounts payable	3	6
	<u>54</u>	<u>88,982</u>
Net assets representing unitholders' equity	<u>2,555,524</u>	<u>1,943,631</u>
Number of units outstanding (note 7)	709,262	565,357
Net asset value per unit	<u>3,603</u>	<u>3,438</u>

Doug Pearce
Chief Executive Officer
Chief Investment Officer

Statement of Operations and Changes in Net Assets

for the years ended March 31

(in \$000s)

	<u>2008</u>	<u>2007</u>
Investment Income	110,125	99,701
Expenses (note 6):		
bclIMC funds management fees	633	537
Custodial fees	55	48
Administrative and professional fees	4	6
	<u>692</u>	<u>591</u>
Net investment income	109,433	99,110
Realized and unrealized gains:		
Net realized gain	3,635	255
Change in unrealized gain	3,069	275
	<u>6,704</u>	<u>530</u>
Net income from operations	116,137	99,640
Capital Transactions:		
Proceeds from units issued	10,647,817	9,239,981
Amounts paid for units redeemed	(10,152,061)	(8,972,903)
	<u>495,756</u>	<u>267,078</u>
Increase in net assets	611,893	366,718
Net assets, beginning of year	1,943,631	1,576,913
Net Assets, end of year	<u>2,555,524</u>	<u>1,943,631</u>

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

FUND ST2

**Statement of Investments
as at March 31, 2008
(in \$000s)**

	<u>Total Cost</u>	<u>Total Fair Value</u>	<u>% of Fair Value</u>
Money Market Investments			
Obligations of, or guaranteed by, Government of Canada	444,615	445,275	17.4%
Obligations of, or guaranteed by, provinces	50,000	50,000	2.0%
Obligations of, or guaranteed by, savings institutions	1,230,697	1,231,880	48.2%
Commercial paper issued by corporations incorporated under the laws of Canada or a province	<u>827,174</u>	<u>828,347</u>	<u>32.4%</u>
Total Investments	<u><u>2,552,486</u></u>	<u><u>2,555,502</u></u>	<u><u>100.0%</u></u>

All money market investments have a term to maturity within one year and their weighted average yield to maturity is 3.27%.

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

FUND ST3

Statement of Net Assets

as at March 31

(in \$000s except number of units outstanding)

	2008 (US \$)	2007 (US \$)
Assets		
Investments at fair value	142,420	81,388
Liabilities		
bclMC funds management fees payable (note 6)	6	2
Custodial fees payable	3	3
Accounts payable	2	5
	11	10
Net assets representing unitholders' equity	<u>142,409</u>	<u>81,378</u>
Number of units outstanding (note 7)	66.255	39.674
Net asset value per unit	<u>2,149</u>	<u>2,051</u>

Doug Pearce
Chief Executive Officer
Chief Investment Officer

Statement of Operations and Changes in Net Assets

for the years ended March 31

(in \$000s)

	2008 (US \$)	2007 (US \$)
Investment Income	7,371	5,848
Expenses (note 6):		
bclMC funds management fees	83	47
Custodial fees	15	13
Administrative and professional fees	4	5
	102	65
Net investment income	7,269	5,783
Realized and unrealized gains (losses):		
Net realized gain (loss)	5	(1)
Change in unrealized gain	3	2
	8	1
Net income from operations	7,277	5,784
Capital Transactions:		
Proceeds from units issued	1,817,999	1,323,500
Amounts paid for units redeemed	(1,764,245)	(1,338,307)
	53,754	(14,807)
Increase (decrease) in net assets	61,031	(9,023)
Net assets, beginning of year	81,378	90,401
Net Assets, end of year	<u>142,409</u>	<u>81,378</u>

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

FUND ST3

**Statement of Investments
as at March 31, 2008
(in \$000s)**

	<u>Total Cost (US \$)</u>	<u>Total Fair Value (US \$)</u>	<u>% of Fair Value</u>
Money Market Investments			
Obligations of, or guaranteed by, Government of Canada	30,000	30,000	21.1%
Obligations of, or guaranteed by, provinces	29,989	29,989	21.1%
Obligations of, or guaranteed by, savings institutions	57,011	57,013	40.0%
Commercial paper issued by corporations incorporated under the laws of Canada or a province	<u>25,416</u>	<u>25,418</u>	<u>17.8%</u>
Total Investments	<u><u>142,416</u></u>	<u><u>142,420</u></u>	<u><u>100.0%</u></u>

All money market investments have a term to maturity within one year and their weighted average yield to maturity is 2.39%.

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

INDEXED GOVERNMENT BOND FUND

Statement of Net Assets

as at March 31

(in \$000s except number of units outstanding)

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	78,161	195,952
Receivable from sale of investments	4,957	18,089
Accrued investment income	907	2,153
	<u>84,025</u>	<u>216,194</u>
Liabilities		
bciMC funds management fees payable (note 6)	5	4
Payable for purchase of investments	6,414	16,982
Payable for redemption of units	1,300	2,080
Custodial fees payable	1	4
Accounts payable	3	5
	<u>7,723</u>	<u>19,075</u>
Net assets representing unitholders' equity	<u>76,302</u>	<u>197,119</u>
Number of units outstanding (note 7)	26.784	73.867
Net asset value per unit	<u>2,849</u>	<u>2,669</u>

Doug Pearce
Chief Executive Officer
Chief Investment Officer

Statement of Operations and Changes in Net Assets

for the years ended March 31

(in \$000s)

	<u>2008</u>	<u>2007</u>
Investment Income	5,298	9,037
Expenses (note 6):		
bciMC funds management fees	82	84
Custodial fees	6	14
Administrative and professional fees	4	5
	<u>92</u>	<u>103</u>
Net investment income	5,206	8,934
Realized and unrealized gains (losses):		
Net realized gain (loss)	(1,357)	877
Change in unrealized gain	371	665
	<u>(986)</u>	<u>1,542</u>
Net income from operations	4,220	10,476
Capital Transactions:		
Proceeds from units issued	3,285	18,069
Amounts paid for units redeemed	(128,322)	(90,633)
	<u>(125,037)</u>	<u>(72,564)</u>
Decrease in net assets	(120,817)	(62,088)
Net assets, beginning of year	197,119	259,207
Net Assets, end of year	<u>76,302</u>	<u>197,119</u>

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

INDEXED GOVERNMENT BOND FUND

**Statement of Investments
as at March 31, 2008
(in \$000s)**

	Fair Value						% of Fair Value
	Cost	Term to Maturity				Total	
		Within 1 Year	1-5 Years	Over 5 Years	No Specific Maturity		
Bonds							
Obligations of, or guaranteed by, Government of Canada	29,430	-	15,732	12,888	-	28,619	36.6%
Obligations of, or guaranteed by, the Province of British Columbia	3,418	-	1,344	2,142	-	3,486	4.5%
Obligations of, or guaranteed by, other provinces	39,216	1,202	15,671	24,637	-	41,510	53.1%
Obligations of Canadian municipalities	1,523	-	545	1,028	-	1,573	2.0%
	<u>73,587</u>	<u>1,202</u>	<u>33,292</u>	<u>40,695</u>	<u>-</u>	<u>75,188</u>	<u>96.2%</u>
Money Market Investment							
Units in British Columbia Investment Management Corporation Pooled Investment Portfolio Fund ST1	2,973	-	-	-	2,973	2,973	3.8%
Total Investments	<u>76,560</u>	<u>1,202</u>	<u>33,292</u>	<u>40,695</u>	<u>2,973</u>	<u>78,161</u>	<u>100.0%</u>
Weighted average yield to maturity on bonds		2.18%	3.39%	4.15%		3.79% ¹	

¹ The total weighted average yield to maturity does not include the money market securities with no specific maturity dates.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

LONG TERM BOND FUND

Statement of Net Assets

as at March 31

(in \$000s except number of units outstanding)

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	2,932,447	2,383,437
Accrued investment income	38,160	32,940
	<u>2,970,607</u>	<u>2,416,377</u>
Liabilities		
bclIMC funds management fees payable (note 6)	33	30
Custodial fees payable	10	9
Accounts payable	3	5
Payable for redemption of units	247	-
	<u>293</u>	<u>44</u>
Net assets representing unitholders' equity	<u>2,970,314</u>	<u>2,416,333</u>
Number of units outstanding (note 7)	1,552,959	1,340,927
Net asset value per unit	<u>1,913</u>	<u>1,802</u>

Doug Pearce
Chief Executive Officer
Chief Investment Officer

Statement of Operations and Changes in Net Assets

for the years ended March 31

(in \$000s)

	<u>2008</u>	<u>2007</u>
Investment Income	119,859	107,388
Expenses (note 6):		
bclIMC funds management fees	593	471
Custodial fees	39	34
Administrative and professional fees	4	5
	<u>636</u>	<u>510</u>
Net investment income	119,223	106,878
Realized and unrealized gains:		
Net realized gain	26,136	35,139
Change in unrealized gain	22,632	274
	<u>48,768</u>	<u>35,413</u>
Net income from operations	167,991	142,291
Capital Transactions:		
Proceeds from units issued	544,239	5,635
Amounts paid for units redeemed	(158,249)	(5,635)
	<u>385,990</u>	<u>-</u>
Increase in net assets	553,981	142,291
Net assets, beginning of year	<u>2,416,333</u>	<u>2,274,042</u>
Net Assets, end of year	<u>2,970,314</u>	<u>2,416,333</u>

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

LONG TERM BOND FUND

**Statement of Investments
as at March 31, 2008
(in \$000s)**

	Cost	Fair Value			% of Fair Value
		Over 5 Years	No Specific Maturity	Total	
Bonds					
Obligations of, or guaranteed by, Government of Canada	1,023,924	1,071,248	-	1,071,248	36.5%
Obligations of, or guaranteed by, the Province of British Columbia	182,774	188,326	-	188,326	6.4%
Obligations of, or guaranteed by, other provinces	1,415,653	1,511,283	-	1,511,283	51.6%
Canadian dollar-denominated obligations issued by non-Canadian entities in the Canadian market	<u>54,539</u>	<u>55,798</u>		<u>55,798</u>	<u>1.9%</u>
	<u>2,676,890</u>	<u>2,826,655</u>	-	<u>2,826,655</u>	<u>96.4%</u>
Money Market Investment					
Units in British Columbia Investment Management Corporation Pooled Investment Portfolio Fund ST1	<u>105,792</u>	-	105,792	<u>105,792</u>	<u>3.6%</u>
Total Investments	<u><u>2,782,682</u></u>	<u><u>2,826,655</u></u>	<u>105,792</u>	<u><u>2,932,447</u></u>	<u>100.0%</u>
<hr/>					
Weighted average yield to maturity on bonds		4.37%		4.37% ¹	

¹ The total weighted average yield to maturity does not include the money market securities with no specific maturity dates.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

BRITISH COLUMBIA FOCUS FUND

**Statement of Net Assets
as at March 31
(in \$000s except number of units outstanding)**

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	1,842	3,079
Accrued investment income	4	8
	<u>1,846</u>	<u>3,087</u>
Liabilities		
bclMC funds management fees payable (note 6)	1	1
Accounts payable	3	7
	<u>4</u>	<u>8</u>
Net assets representing unitholders' equity	<u>1,842</u>	<u>3,079</u>
Number of units outstanding (note 7)	0.799	1.639
Net asset value per unit	<u>2,305</u>	<u>1,879</u>

Doug Pearce
Chief Executive Officer
Chief Investment Officer

**Statement of Operations and Changes in Net Assets
for the years ended March 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Investment Income	33	39
Expenses (note 6):		
bclMC funds management fees	25	15
Administrative and professional fees	4	7
	<u>29</u>	<u>22</u>
Net investment income	4	17
Realized and unrealized gains (losses):		
Net realized gain (loss)	(8) ¹	38 ¹
Change in unrealized gain (loss)	479 ¹	(437) ¹
	<u>471</u>	<u>(399)</u>
Net income (loss) from operations	475	(382)
Capital Transactions:		
Amounts paid for units redeemed	(1,712)	(2,064)
Decrease in net assets	(1,237)	(2,446)
Net assets, beginning of year	3,079	5,525
Net Assets, end of year	<u>1,842</u>	<u>3,079</u>

¹ The net realized gain (loss) and change in unrealized gain (loss) includes the following exchange loss:

(1)	-
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**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

BRITISH COLUMBIA FOCUS FUND

**Statement of Cash Flows
for the years ended March 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net income (loss) from operations	475	(382)
Items not affecting cash:		
Net realized loss (gain)	8	(38)
Change in unrealized loss (gain)	(479)	437
	<u>4</u>	<u>17</u>
Changes in non-cash operating accounts:		
Accrued income	4	(8)
bclMC funds management fees payable	-	1
Accounts payable	(4)	4
	<u>4</u>	<u>14</u>
Cash flows from investing activities		
Proceeds from investments	3,744	4,045
Purchase of investments	(2,036)	(1,995)
	<u>1,708</u>	<u>2,050</u>
Cash flows from financing activities		
Amounts paid for units redeemed	(1,712)	(2,064)
Increase in cash	-	-
Cash, beginning of year	-	-
Cash, end of year	<u>-</u>	<u>-</u>

**Statement of Investments
as at March 31, 2008
(in \$000s)**

	<u>Cost</u>	<u>Fair Value</u>	<u>% of Fair Value</u>
Private Equity Investments			
Units in Canadian Limited Partnerships	193	192	10.4%
Common Shares in Canadian Corporations	43	72	3.9%
Preferred Shares in Canadian Corporations	30	580	31.5%
	<u>266</u>	<u>844</u>	<u>45.8%</u>
Money Market Investments			
Units in British Columbia Investment Management Corporation Pooled Investment Portfolio			
Fund ST1	985	985	53.5%
Fund ST2	9	9	0.5%
Fund ST3	4	4	0.2%
	<u>998</u>	<u>998</u>	<u>54.2%</u>
Total Investments	<u>1,264</u>	<u>1,842</u>	<u>100.0%</u>

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

INDEXED CANADIAN EQUITY FUND

Statement of Net Assets

as at March 31

(in \$000s except number of units outstanding)

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	5,313,233	5,988,904
Net receivable for variation on futures contracts (Schedule One)	502	-
Cash	2	1,498
Receivable from sale of investments	26,567	10,933
Receivable from issue of units	11,590	2,000
Accrued investment income	11,200	10,678
	<u>5,363,094</u>	<u>6,014,013</u>
Liabilities		
Net payable for variation on futures contracts	-	441
bciMC funds management fees payable (note 6)	94	110
Payable for purchase of investments	41,633	6,909
Payable for redemption of units	1,861	8,300
Custodial fees payable	34	31
Accounts payable	3	5
	<u>43,625</u>	<u>15,796</u>
Net assets representing unitholders' equity	<u>5,319,469</u>	<u>5,998,217</u>
Number of units outstanding (note 7)	1,039.812	1,214.349
Net asset value per unit	<u>5,116</u>	<u>4,939</u>



Doug Pearce
Chief Executive Officer
Chief Investment Officer

Statement of Operations and Changes in Net Assets

for the years ended March 31

(in \$000s)

	<u>2008</u>	<u>2007</u>
Investment Income	117,919	107,079
Expenses (note 6):		
bciMC funds management fees	1,723	1,527
Custodial fees	138	136
Administrative and professional fees	30	16
	<u>1,891</u>	<u>1,679</u>
Net investment income	116,028	105,400
Realized and unrealized gains (losses):		
Net realized gain	630,563 ¹	1,199,687 ¹
Change in unrealized loss	<u>(537,086)¹</u>	<u>(600,278)¹</u>
	93,477	599,409
Net income from operations	209,505	704,809
Capital Transactions:		
Proceeds from units issued	289,075	359,852
Amounts paid for units redeemed	<u>(1,177,328)</u>	<u>(2,704,789)</u>
	<u>(888,253)</u>	<u>(2,344,937)</u>
Decrease in net assets	(678,748)	(1,640,128)
Net assets, beginning of year	5,998,217	7,638,345
Net Assets, end of year	<u>5,319,469</u>	<u>5,998,217</u>

¹ The net realized gain and change in unrealized loss includes the following exchange gains:

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**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

INDEXED CANADIAN EQUITY FUND

**Statement of Investments
as at March 31, 2008
(in \$000s)**

	<u>Cost</u>	<u>Fair Value</u>	<u>% of Fair Value</u>
Canadian Public Equity Investments			
Common and Preferred Shares:			
Consumer Discretionary	184,958	212,732	4.0%
Consumer Staple	120,437	142,452	2.7%
Energy	676,545	1,334,557	25.1%
Financial Services	985,938	1,571,091	29.5%
Health Care	35,488	18,736	0.4%
Industrial Products	190,288	291,072	5.5%
Information Technology	384,244	278,139	5.2%
Materials and Processing	627,768	1,057,947	19.9%
Telecommunication Services	191,946	275,756	5.2%
Utilities	59,348	77,084	1.5%
	<u>3,456,960</u>	<u>5,259,566</u>	<u>99.0%</u>
Money Market Investment			
Obligations of, or guaranteed by, Government of Canada (Schedule Two)	9,949	9,949	0.2%
Units in British Columbia Investment Management Corporation Pooled Investment Portfolio			
Fund ST1	43,718	43,718	0.8%
	<u>53,667</u>	<u>53,667</u>	<u>1.0%</u>
Total Investments	<u>3,510,627</u>	<u>5,313,233</u>	<u>100.0%</u>

**Schedule One - Net Receivable for Variation on Futures Contracts
as at March 31, 2008**

Type of Contract	No of Contracts	Expiry Date	Notional Value (\$ 000)	Net Receivable (\$ 000)
S&P Canada 60 Equity Index Futures	330	June 2008	51,863	502

\$5.0 million Government of Canada T-Bills, maturing in June 2008, are held on margin for the equity index futures contracts. See note 5 for additional information on derivatives.

**Schedule Two - Terms and Weighted Average Yields for Money Market Investments
as at March 31, 2008**

	Fair Value (\$ 000)	Term to Maturity	Weighted Average Yield to Maturity
Obligations of, or guaranteed by, Government of Canada	9,949	Within 1 year	2.80%

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

ACTIVE CANADIAN EQUITY FUND

**Statement of Net Assets
as at March 31
(in \$000s except number of units outstanding)**

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	3,964,028	4,646,522
Cash	1,640	2,289
Receivable from sale of investments	4,808	344,583
Receivable from sale of units	6,100	-
Accrued investment income	7,706	6,916
	<u>3,984,282</u>	<u>5,000,310</u>
Liabilities		
bclMC funds management fees payable (note 6)	54	71
Payable for purchase of investments	4,628	11,279
Payable for redemption of units	6,100	400,000
External management fees payable	1,918	2,381
Custodial fees payable	33	35
Accounts payable	3	5
	<u>12,736</u>	<u>413,771</u>
Net assets representing unitholders' equity	<u>3,971,546</u>	<u>4,586,539</u>
Number of units outstanding (note 7)	584,147	671,282
Net asset value per unit	<u>6,799</u>	<u>6,833</u>

Doug Pearce
Chief Executive Officer
Chief Investment Officer

**Statement of Operations and Changes in Net Assets
for the years ended March 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Investment Income	87,354	86,266
Expenses (note 6):		
bclMC funds management fees	1,112	976
External management fees	8,325	9,445
Custodial fees	132	142
Administrative and professional fees	22	14
	<u>9,591</u>	<u>10,577</u>
Net investment income	77,763	75,689
Realized and unrealized gains (losses):		
Net realized gain	575,736 ¹	839,019 ¹
Change in unrealized loss	<u>(654,992)¹</u>	<u>(418,938)¹</u>
	<u>(79,256)</u>	<u>420,081</u>
Net income (loss) from operations	(1,493)	495,770
Capital Transactions:		
Proceeds from units issued	179,767	132,986
Amounts paid for units redeemed	<u>(793,267)</u>	<u>(1,824,986)</u>
	<u>(613,500)</u>	<u>(1,692,000)</u>
Decrease in net assets	(614,993)	(1,196,230)
Net assets, beginning of year	<u>4,586,539</u>	<u>5,782,769</u>
Net Assets, end of year	<u>3,971,546</u>	<u>4,586,539</u>

¹ The net realized gain and change in unrealized loss includes the following exchange losses:

(141)	(281)
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**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

ACTIVE CANADIAN EQUITY FUND

Statement of Investments
as at March 31, 2008
(in \$000s)

	<u>Cost</u>	<u>Fair Value</u>	<u>% of Fair Value</u>
Canadian Public Equity Investments			
Common and Preferred Shares:			
Consumer Discretionary	320,650	328,540	8.3%
Consumer Staple	175,884	177,805	4.5%
Energy	625,590	943,753	23.8%
Financial Services	692,440	1,004,007	25.3%
Health Care	50,606	38,799	1.0%
Industrial Products	207,211	328,251	8.3%
Information Technology	223,293	245,805	6.2%
Materials and Processing	344,858	478,606	12.1%
Telecommunication Services	96,351	147,905	3.7%
Utilities	22,292	28,812	0.7%
	<u>2,759,175</u>	<u>3,722,283</u>	<u>93.9%</u>
Mutual Funds	108,320	113,067	2.9%
	<u>2,867,495</u>	<u>3,835,350</u>	<u>96.8%</u>
Canadian Private Equity Investments			
Common Shares	911	38	0.0%
Money Market Investments			
Obligations of, or guaranteed by, Government of Canada, or savings institutions (Schedule One)	95,959	95,973	2.4%
Obligations of, or guaranteed by, Provinces of Canada (Schedule One)	29,658	29,657	0.7%
Debentures issued by corporations incorporated under the laws of Canada or a province (Schedule One)	2,238	2,238	0.1%
Units in British Columbia Investment Management Corporation Pooled Investment Portfolio			
Fund ST1	772	772	0.0%
	<u>128,627</u>	<u>128,640</u>	<u>3.2%</u>
Total Investments	<u>2,997,033</u>	<u>3,964,028</u>	<u>100.0%</u>

Schedule One - Terms and Weighted Average Yields for Money Market Investments as at March 31, 2008

	<u>Fair Value (\$ 000)</u>	<u>Term to Maturity</u>	<u>Weighted Average Yield to Maturity</u>
Obligations of, or guaranteed by, Government of Canada, or savings institutions	95,973	Within 1 year	3.17%
Obligations of, or guaranteed by, Provinces of Canada	29,657	Within 1 year	2.99%
Debentures issued by corporations incorporated under the laws of Canada or a province	2,238	Within 1 year	3.58%

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

ENHANCED CANADIAN EQUITY FUND

Statement of Net Assets

as at March 31

(in \$000s except number of units outstanding)

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	1,835,773	1,551,347
Net receivable for variation on futures contracts (Schedule One)	142	-
Cash	1,594	2,887
Receivable from sale of investments	6,369	10,607
Receivable from issue of units	5,425	-
Accrued investment income	3,555	3,153
	<u>1,852,858</u>	<u>1,567,994</u>
Liabilities		
Net payable for variation on futures contracts	-	164
bciMC funds management fees payable (note 6)	45	33
Payable for purchase of investments	10,440	13,061
Payable for redemption of units	5,235	-
External management fees payable	468	457
Custodial fees payable	28	25
Accounts payable	3	5
	<u>16,219</u>	<u>13,745</u>
Net assets representing unitholders' equity	<u>1,836,639</u>	<u>1,554,249</u>
Number of units outstanding (note 7)	771.819	677.123
Net asset value per unit	<u>2,380</u>	<u>2,295</u>



Doug Pearce
Chief Executive Officer
Chief Investment Officer

Statement of Operations and Changes in Net Assets

for the years ended March 31

(in \$000s)

	<u>2008</u>	<u>2007</u>
Investment Income	33,419	29,665
Expenses (note 6):		
bciMC funds management fees	613	429
External management fees	1,970	1,551
Custodial fees	117	93
Administrative and professional fees	13	21
	<u>2,713</u>	<u>2,094</u>
Net investment income	30,706	27,571
Realized and unrealized gains (losses):		
Net realized gain	113,452 ¹	99,359 ¹
Change in unrealized gain (loss)	<u>(85,719)¹</u>	<u>53,320¹</u>
	<u>27,733</u>	<u>152,679</u>
Net income from operations	58,439	180,250
Capital Transactions:		
Proceeds from units issued	351,751	154,032
Amounts paid for units redeemed	<u>(127,800)</u>	<u>(123,502)</u>
	<u>223,951</u>	<u>30,530</u>
Increase in net assets	282,390	210,780
Net assets, beginning of year	1,554,249	1,343,469
Net Assets, end of year	<u>1,836,639</u>	<u>1,554,249</u>

¹ The net realized gain and change in unrealized gain (loss) includes the following exchange gains:

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**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

ENHANCED CANADIAN EQUITY FUND

**Statement of Investments
as at March 31, 2008
(in \$000s)**

	<u>Cost</u>	<u>Fair Value</u>	<u>% of Fair Value</u>
Canadian Public Equity Investments			
Common and Preferred Shares:			
Consumer Discretionary	89,408	79,779	4.3%
Consumer Staple	40,170	36,594	2.0%
Energy	397,182	446,375	24.3%
Financial Services	534,942	525,774	28.6%
Health Care	6,724	5,130	0.3%
Industrial Products	103,665	111,156	6.1%
Information Technology	74,427	108,651	5.9%
Materials and Processing	307,280	370,051	20.2%
Telecommunication Services	95,694	96,029	5.2%
Utilities	36,951	38,652	2.1%
	<u>1,686,443</u>	<u>1,818,191</u>	<u>99.0%</u>
Two)			
Obligations of, or guaranteed by, Government of Canada, or savings institutions (Schedule Two)	2,739	2,743	0.2%
Units in British Columbia Investment Management Corporation Pooled Investment Portfolio			
Fund ST1	14,839	14,839	0.8%
	<u>17,578</u>	<u>17,582</u>	<u>1.0%</u>
Total Investments	<u><u>1,704,021</u></u>	<u><u>1,835,773</u></u>	<u><u>100.0%</u></u>

**Schedule One - Net Receivable for Variation on Futures Contracts
as at March 31, 2008**

Type of Contract	No of Contracts	Expiry Date	Notional Value (\$ 000)	Net Receivable (\$ 000)
S&P Canada 60 Equity Index Futures	90	June 2008	14,144	142

\$2.0 million Government of Canada T-Bills, maturing in June 2008, are held on margin for the equity index futures contracts. See note 5 for additional information on derivatives.

**Schedule Two - Terms and Weighted Average Yields for Money Market Investments
as at March 31, 2008**

	<u>Fair Value (\$ 000)</u>	<u>Term to Maturity</u>	<u>Weighted Average Yield to Maturity</u>
Obligations of, or guaranteed by, Government of Canada, or savings institutions	2,743	Within 1 year	2.26%

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

ACTIVE U.S. EQUITY FUND

Statement of Net Assets

as at March 31

(in \$000s except number of units outstanding)

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	2,582,314	2,848,957
Cash	88,186	69,599
Receivable from sale of investments	38,295	19,600
Receivable from issue of units	204,140	-
Accrued investment income	2,775	2,872
Withholding taxes receivable	258	186
	<u>2,915,968</u>	<u>2,941,214</u>
Liabilities		
Unrealized loss on foreign currency contracts (Schedule One)	10	-
bclMC funds management fees payable (note 6)	34	47
Payable for purchase of investments	236,921	23,156
Payable for redemption of units	4,000	-
External management fees payable	4,289	3,051
Custodial fees payable	56	60
Accounts payable	3	5
	<u>245,313</u>	<u>26,319</u>
Net assets representing unitholders' equity	<u>2,670,655</u>	<u>2,914,895</u>
Number of units outstanding (note 7)	696,370	641,552
Net asset value per unit	<u>3,835</u>	<u>4,544</u>

Doug Pearce
Chief Executive Officer
Chief Investment Officer

Statement of Operations and Changes in Net Assets

for the years ended March 31

(in \$000s)

	<u>2008</u>	<u>2007</u>
Investment Income	69,616	69,378
Expenses (note 6):		
bclMC funds management fees	708	581
External management fees	11,063	11,656
Custodial fees	239	258
Administrative and professional fees	4	6
	<u>12,014</u>	<u>12,501</u>
Net investment income	57,602	56,877
Realized and unrealized gains (losses):		
Net realized gain	14,492 ¹	49,891 ¹
Change in unrealized gain (loss)	<u>(494,924)¹</u>	<u>104,812¹</u>
	<u>(480,432)</u>	<u>154,703</u>
Net income (loss) from operations	(422,830)	211,580
Capital Transactions:		
Proceeds from units issued	591,220	128,030
Amounts paid for units redeemed	<u>(412,630)</u>	<u>(128,030)</u>
	178,590	-
Increase (decrease) in net assets	(244,240)	211,580
Net assets, beginning of year	<u>2,914,895</u>	<u>2,703,315</u>
Net Assets, end of year	<u>2,670,655</u>	<u>2,914,895</u>

¹ The net realized gain and change in unrealized gain (loss) includes the following exchange losses: (264,226) (30,039)

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

ACTIVE U.S. EQUITY FUND

**Statement of Investments
as at March 31, 2008
(in \$000s)**

	<u>Cost</u>	<u>Fair Value</u>	<u>% of Fair Value</u>
U.S. Public Equity Investments			
Common and Preferred Shares:			
Consumer Discretionary	366,557	303,537	11.8%
Consumer Staple	242,293	233,652	9.0%
Energy	274,540	318,661	12.4%
Financial Services	443,589	377,544	14.6%
Health Care	377,755	321,008	12.4%
Industrial Products	312,741	305,662	11.8%
Information Technology	528,510	478,177	18.6%
Materials and Processing	133,374	147,840	5.7%
Telecommunication Services	73,779	57,941	2.2%
Utilities	31,179	32,771	1.3%
	<u>2,784,317</u>	<u>2,576,793</u>	<u>99.8%</u>
Money Market Investments			
Obligations issued by corporations incorporated under the laws of Canada or a province (Schedule Two)			
	4,828	4,865	0.2%
Units in British Columbia Investment Management Corporation Pooled Investment Portfolio			
Fund ST1	8	8	0.0%
Fund ST3	635	648	0.0%
	<u>5,471</u>	<u>5,521</u>	<u>0.2%</u>
Total Investments	<u>2,789,788</u>	<u>2,582,314</u>	<u>100.0%</u>

**Schedule One - Unrealized Loss on Foreign Currency Contracts
As at March 31, 2008**

No of Contracts	Expiry Dates	Notional Value (\$000s)	Unrealized Loss (\$000s)
1	April 2008	200,000	(10)

**Schedule Two - Terms and Weighted Average Yields for Money Market Investments
as at March 31, 2008**

	<u>Fair Value (\$ 000)</u>	<u>Term to Maturity</u>	<u>Weighted Average Yield to Maturity</u>
Obligations issued by corporations incorporated under the laws of Canada or a province	4,865	Within 1 year	2.51%

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

S & P 500 INDEX EQUITY FUND

Statement of Net Assets

as at March 31

(in \$000s except number of units outstanding)

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	5,711,548	5,486,072
Unrealized gain on foreign currency contracts (Schedule One)	5	-
Net receivable for variation on futures contracts (Schedule Two)	79	-
Receivable from sale of investments	54,259	1,886
Receivable from issue of units	25,931	400,060
Accrued investment income	8,041	6,432
Withholding taxes receivable	31	35
	<u>5,799,894</u>	<u>5,894,485</u>
Liabilities		
Unrealized loss on foreign currency contracts	-	489
Net payable for variation on futures contracts	-	4
bciMC funds management fees payable (note 6)	60	82
Payable for purchase of investments	3,533	204,725
Payable for redemption of units	78,902	200,060
Custodial fees payable	71	37
Accounts payable	3	5
	<u>82,569</u>	<u>405,402</u>
Net assets representing unitholders' equity	<u>5,717,325</u>	<u>5,489,083</u>
Number of units outstanding (note 7)	1,598.892	1,299.198
Net asset value per unit	<u>3,576</u>	<u>4,225</u>



Doug Pearce
Chief Executive Officer
Chief Investment Officer

Statement of Operations and Changes in Net Assets

for the years ended March 31

(in \$000s)

	<u>2008</u>	<u>2007</u>
Investment Income	213,669	138,080
Expenses (note 6):		
bciMC funds management fees	1,265	1,104
Custodial fees	245	186
Administrative and professional fees	5	7
	<u>1,515</u>	<u>1,297</u>
Net investment income	212,154	136,783
Realized and unrealized gains (losses):		
Net realized gain (loss)	(23,539) ¹	61,193 ¹
Change in unrealized gain (loss)	(1,065,846) ¹	345,254 ¹
	<u>(1,089,385)</u>	<u>406,447</u>
Net income (loss) from operations	(877,231)	543,230
Capital Transactions:		
Proceeds from units issued	3,048,143	688,829
Amounts paid for units redeemed	(1,942,670)	(1,295,149)
	<u>1,105,473</u>	<u>(606,320)</u>
Increase (decrease) in net assets	228,242	(63,090)
Net assets, beginning of year	5,489,083	5,552,173
Net Assets, end of year	<u>5,717,325</u>	<u>5,489,083</u>

¹ The net realized gain (loss) and change in unrealized gain (loss) includes the following exchange losses:

	(375,100)	(107,306)
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**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

S & P 500 INDEX EQUITY FUND

**Statement of Investments
as at March 31, 2008
(in \$000s)**

	<u>Cost</u>	<u>Fair Value</u>	<u>% of Fair Value</u>
U.S. Public Equity Investments			
Common and Preferred Shares:			
Consumer Discretionary	611,527	492,916	8.6%
Consumer Staple	658,623	630,469	11.0%
Energy	589,666	754,765	13.2%
Financial Services	1,269,161	957,169	16.8%
Health Care	765,479	668,073	11.7%
Industrial Products	673,164	693,513	12.1%
Information Technology	988,411	894,505	15.7%
Materials and Processing	178,489	203,357	3.6%
Telecommunication Services	232,851	196,138	3.4%
Utilities	208,425	205,773	3.6%
	<u>6,175,796</u>	<u>5,696,678</u>	<u>99.7%</u>
Bonds			
Obligations of, or guaranteed by, Government of Canada, or savings institutions (Schedule Three)			
	<u>3,952</u>	<u>4,099</u>	<u>0.1%</u>
Money Market Investment			
Units in British Columbia Investment Management Corporation Pooled Investment Portfolio			
Fund ST1	137	137	0.0%
Fund ST3	10,369	10,634	0.2%
	<u>10,506</u>	<u>10,771</u>	<u>0.2%</u>
Total Investments	<u><u>6,190,254</u></u>	<u><u>5,711,548</u></u>	<u><u>100.0%</u></u>

**Schedule One - Unrealized Gain on Foreign Currency Contracts
as at March 31, 2008**

No of Contracts	Expiry Dates	Notional Value (\$ 000)	Unrealized Gain (\$ 000)
1	April 3, 2008	52,970	5

**Schedule Two - Net Receivable for Variation on Futures Contracts
as at March 31, 2008**

No of Contracts	Type of Contracts	Expiry Date	Notional Value (\$ 000)	Net Receivable (\$ 000)
55	S&P 500 Equity Index	June 20, 2008	18,713	79

\$4.1 million Government of Canada T-Bills, maturing in June 2008, are held on margin for the equity index futures contracts. See note 5 for additional information on derivatives.

**Schedule Three - Terms and Weighted Average Yields for Bonds
as at March 31, 2007**

	Fair Value (\$ 000)	Term to Maturity	Weighted Average Yield to Maturity
Obligations of, or guaranteed by, Government of Canada, or savings institutions	\$4,099	Within 1 year	1.53%

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

ENHANCED INDEXED U.S. EQUITY FUND

Statement of Net Assets

as at March 31

(in \$000s except number of units outstanding)

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	1,153,573	1,124,580
Net receivable for variation on futures contracts (Schedule One)	57	-
Receivable from sale of investments	109,580	132,901
Receivable from issue of units	88,000	-
Accrued investment income	1,565	1,273
	<u>1,352,775</u>	<u>1,258,754</u>
Liabilities		
Unrealized loss on foreign currency contracts (Schedule Two)	8	-
Net payable for variation on futures contracts	-	2
bclMC funds management fees payable (note 6)	37	30
Payable for purchase of investments	194,282	133,393
Payable for redemption of units	3,000	-
Custodial fees payable	18	18
Accounts payable	3	5
	<u>197,348</u>	<u>133,448</u>
Net assets representing unitholders' equity	<u>1,155,427</u>	<u>1,125,306</u>
Number of units outstanding (note 7)	731.673	601.705
Net asset value per unit	<u>1,579</u>	<u>1,870</u>

Doug Pearce
Chief Executive Officer
Chief Investment Officer

Statement of Operations and Changes in Net Assets

for the years ended March 31

(in \$000s)

	<u>2008</u>	<u>2007</u>
Investment Income	40,544	21,784
Expenses (note 6):		
bclMC funds management fees	496	395
Custodial fees	73	89
Administrative and professional fees	4	8
	<u>573</u>	<u>492</u>
Net investment income	39,971	21,292
Realized and unrealized gains (losses):		
Net realized gain (loss)	(127,148) ¹	62,135 ¹
Change in unrealized gain (loss)	(88,608) ¹	50,326 ¹
	<u>(215,756)</u>	<u>112,461</u>
Net income (loss) from operations	(175,785)	133,753
Capital Transactions:		
Proceeds from units issued	407,746	413,721
Amounts paid for units redeemed	(201,840)	(8,101)
	<u>205,906</u>	<u>405,620</u>
Increase in net assets	30,121	539,373
Net assets, beginning of year	1,125,306	585,933
Net Assets, end of year	<u>1,155,427</u>	<u>1,125,306</u>

¹ The net realized gain (loss) and change in unrealized gain (loss) includes the following exchange gains (losses):

(121,633)	11,610
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**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

ENHANCED INDEXED U.S. EQUITY FUND

**Statement of Investments
as at March 31, 2008
(in \$000s)**

	<u>Cost</u>	<u>Fair Value</u>	<u>% of Fair Value</u>
U.S. Public Equity Investments			
Common and Preferred Shares:			
Consumer Discretionary	100,026	95,601	8.3%
Consumer Staple	133,563	126,362	11.0%
Energy	125,542	151,217	13.1%
Financial Services	218,926	191,584	16.7%
Health Care	139,762	134,956	11.7%
Industrial Products	140,930	138,971	12.0%
Information Technology	180,687	179,149	15.5%
Materials and Processing	38,871	40,506	3.5%
Telecommunication Services	42,655	39,262	3.4%
Utilities	42,972	41,210	3.6%
	<u>1,163,934</u>	<u>1,138,818</u>	<u>98.8%</u>
Money Market Investments			
Obligations of, or guaranteed by, Government of Canada, or savings institutions (Schedule Three)			
	1,482	1,537	0.1%
Units in British Columbia Investment Management Corporation Pooled Investment Portfolio			
Fund ST1	42	42	0.0%
Fund ST3	12,837	13,176	1.1%
	<u>14,361</u>	<u>14,755</u>	<u>1.2%</u>
Total Investments	<u><u>1,178,295</u></u>	<u><u>1,153,573</u></u>	<u><u>100.0%</u></u>

**Schedule One - Net Receivable for Variation on Futures Contracts
as at March 31, 2008**

No of Contracts	Type of Contracts	Expiry Date	Notional Value (\$ 000)	Net Receivable (\$ 000)
42	S&P 500 Equity Index	June 20, 2008	14,290	57

\$1.5 million Government of Canada T-Bills, maturing in June 2008, are held on margin for the equity index futures contracts. See note 5 for additional information on derivatives.

**Schedule Two - Unrealized Loss on Foreign Currency Contracts
As at March 31, 2008**

No of Contracts	Expiry Dates	Notional Value (\$000s)	Unrealized Loss (\$000s)
1	April 2008	85,000	(8)

**Schedule Three - Terms and Weighted Average Yields for Money Market Investments
as at March 31, 2008**

	<u>Fair Value (\$ 000)</u>	<u>Term to Maturity</u>	<u>Weighted Average Yield to Maturity</u>
Obligations of, or guaranteed by, Government of Canada, or savings institutions	1,537	Within 1 year	1.53%

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

U.S. VALUE INDEX EQUITY FUND

Statement of Net Assets

as at March 31

(in \$000s except number of units outstanding)

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	959,968	1,240,825
Net receivable for variation on futures contracts (Schedule One)	13	-
Cash	11	-
Receivable from sale of investments	6,875	-
Receivable from issue of units	-	1,980
Accrued investment income	2,164	1,890
Withholding taxes receivable	25	28
	<u>969,056</u>	<u>1,244,723</u>
Liabilities		
Net payable for variation on futures contracts	-	4
bclMC funds management fees payable (note 6)	21	26
Payable for purchase of investments	1,137	5,860
Custodial fees payable	13	7
Accounts payable	2	5
	<u>1,173</u>	<u>5,902</u>
Net assets representing unitholders' equity	<u>967,883</u>	<u>1,238,821</u>
Number of units outstanding (note 7)	643,554	673,734
Net asset value per unit	<u>1,504</u>	<u>1,839</u>

Doug Pearce
Chief Executive Officer
Chief Investment Officer

Statement of Operations and Changes in Net Assets

for the years ended March 31

(in \$000s)

	<u>2008</u>	<u>2007</u>
Investment Income	61,810	32,852
Expenses (note 6):		
bclMC funds management fees	390	332
Custodial fees	58	51
Administrative and professional fees	8	5
	<u>456</u>	<u>388</u>
Net investment income	61,354	32,464
Realized and unrealized gains (losses):		
Net realized gain	22,663 ¹	33,037 ¹
Change in unrealized gain (loss)	(309,331) ¹	88,797 ¹
	<u>(286,668)</u>	<u>121,834</u>
Net income (loss) from operations	(225,314)	154,298
Capital Transactions:		
Proceeds from units issued	9,517	4,903
Amounts paid for units redeemed	(55,141)	(4,903)
	<u>(45,624)</u>	<u>-</u>
Increase (decrease) in net assets	(270,938)	154,298
Net assets, beginning of year	1,238,821	1,084,523
Net Assets, end of year	<u>967,883</u>	<u>1,238,821</u>

¹ The net realized gain and change in unrealized gain (loss) includes the following exchange losses:

(85,037)	(33,545)
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**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

U.S. VALUE INDEX EQUITY FUND

**Statement of Investments
as at March 31, 2008
(in \$000s)**

	<u>Cost</u>	<u>Fair Value</u>	<u>% of Fair Value</u>
U.S. Public Equity Investments			
Common and Preferred Shares:			
Consumer Discretionary	127,407	86,026	9.0%
Consumer Staple	115,513	92,837	9.7%
Energy	37,382	40,784	4.2%
Financial Services	387,016	265,275	27.6%
Health Care	97,139	85,733	8.9%
Industrial Products	155,077	143,637	15.0%
Information Technology	88,775	66,212	6.9%
Materials and Processing	43,100	40,112	4.2%
Telecommunication Services	101,844	66,642	6.9%
Utilities	68,931	64,073	6.7%
	<u>1,222,184</u>	<u>951,331</u>	<u>99.1%</u>
Exchange Traded Funds	1,660	1,467	0.2%
	<u>1,223,844</u>	<u>952,798</u>	<u>99.3%</u>
Money Market Investments			
Obligations of, or guaranteed by, Government of Canada (Schedule Two)	1,976	2,049	0.2%
Units in British Columbia Investment Management Corporation Pooled Investment Portfolio			
Fund ST1	47	47	0.0%
Fund ST3	4,933	5,074	0.5%
	<u>4,980</u>	<u>5,121</u>	<u>0.5%</u>
Total Investments	<u>1,230,800</u>	<u>959,968</u>	<u>100.0%</u>

**Schedule One - Net Receivable for Variation on Futures Contracts
as at March 31, 2008**

No of Contracts	Type of Contracts	Expiry Date	Notional Value (\$ 000)	Net Receivable (\$ 000)
40	S&P 500 Equity Index	June 20, 2008	13,609	13

\$2.1 million Government of Canada T-Bills, maturing in June 2008, are held on margin for the equity index futures contracts. See note 5 for additional information on derivatives.

**Schedule Two - Terms and Weighted Average Yields for Money Market Investments
as at March 31, 2008**

	Fair Value (\$ 000)	Term to Maturity	Weighted Average Yield to Maturity
Obligations of, or guaranteed by, Government of Canada, or savings institutions	2,049	Within 1 year	1.53%

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

U.S. SOCIAL INDEX EQUITY FUND

**Statement of Net Assets
as at March 31
(in \$000s except number of units outstanding)**

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	431,408	513,827
Cash	1	-
Receivable from sale of investments	-	135
Receivable from issue of units	-	200,000
Accrued investment income	459	289
	<u>431,868</u>	<u>714,251</u>
Liabilities		
Unrealized loss on foreign currency contracts	-	489
bciMC funds management fees payable (note 6)	21	11
Payable for purchase of investments	-	199,034
Custodial fees payable	5	7
Accounts payable	3	28
	<u>29</u>	<u>199,569</u>
Net assets representing unitholders' equity	<u>431,839</u>	<u>514,682</u>
Number of units outstanding (note 7)	490.668	490.668
Net asset value per unit	<u>880</u>	<u>1,049</u>



Doug Pearce
Chief Executive Officer
Chief Investment Officer

**Statement of Operations and Changes in Net Assets
for the years ended March 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Investment Income	9,395	2,852
Expenses (note 6):		
bciMC funds management fees	384	45
Custodial fees	29	15
Administrative and professional fees	(18)	44
	<u>395</u>	<u>104</u>
Net investment income	9,000	2,748
Realized and unrealized gains (losses):		
Net realized gain (loss)	(1,972) ¹	331 ¹
Change in unrealized gain (loss)	(89,871) ¹	11,603 ¹
	<u>(91,843)</u>	<u>11,934</u>
Net income (loss) from operations	(82,843)	14,682
Capital Transactions:		
Proceeds from units issued	4,561	500,867
Amounts paid for units redeemed	(4,561)	(867)
	<u>-</u>	<u>500,000</u>
Increase (decrease) in net assets	(82,843)	514,682
Net assets, beginning of year	514,682	-
Net Assets, end of year	<u>431,839</u>	<u>514,682</u>

¹ The net realized gain (loss) and change in unrealized gain (loss) includes the following exchange gains (losses):

	(52,481)	7,635
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**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

U.S. SOCIAL INDEX EQUITY FUND

Statement of Investments
as at March 31, 2008
(in \$000s)

	<u>Cost</u>	<u>Fair Value</u>	<u>% of Fair Value</u>
U.S. Public Equity Investments			
Common and Preferred Shares:			
Consumer Discretionary	60,787	45,010	10.4%
Consumer Staple	63,269	62,408	14.5%
Energy	16,755	21,775	5.0%
Financial Services	117,490	78,238	18.1%
Health Care	66,107	57,132	13.2%
Industrial Products	36,375	32,572	7.6%
Information Technology	101,272	92,007	21.3%
Materials and Processing	9,593	9,776	2.3%
Telecommunication Services	32,049	26,991	6.3%
Utilities	4,847	4,385	1.0%
	<u>508,544</u>	<u>430,294</u>	<u>99.7%</u>
Exchange Traded Funds	6	314	0.1%
	<u>508,550</u>	<u>430,608</u>	<u>99.8%</u>
Money Market Investment			
Units in British Columbia Investment Management Corporation Pooled Investment Portfolio			
Fund ST1	45	45	0.0%
Fund ST3	734	755	0.2%
	<u>779</u>	<u>800</u>	<u>0.2%</u>
Total Investments	<u>509,329</u>	<u>431,408</u>	<u>100.0%</u>

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

CURRENCY OVERLAY FUND

Statement of Net Assets

as at March 31

(in \$000s except number of units outstanding)

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	108,670	133,004
Accounts receivable	9	-
Unrealized gain on foreign currency contracts (Schedule One)	5,313	-
	<u>113,992</u>	<u>133,004</u>
Liabilities		
Unrealized loss on foreign currency contracts	-	527
Bank indebtedness	9	-
bclMC funds management fees payable (note 6)	12	2
External management fees payable	836	1,134
Custodial fees payable	24	24
Accounts payable	7	14
	<u>888</u>	<u>1,701</u>
Net assets representing unitholders' equity	<u>113,104</u>	<u>131,303</u>
Number of units outstanding (note 7)	34.884	34.884
Net asset value per unit	<u>3,242</u>	<u>3,764</u>



Doug Pearce
Chief Executive Officer
Chief Investment Officer

Statement of Operations and Changes in Net Assets

for the years ended March 31

(in \$000s)

	<u>2008</u>	<u>2007</u>
Investment Income	5,605	5,078
Expenses (note 6):		
bclMC funds management fees	194	83
External management fees	2,765	4,038
Custodial fees	106	115
Administrative and professional fees	11	14
	<u>3,076</u>	<u>4,250</u>
Net investment income	2,529	828
Realized and unrealized gains (losses):		
Net realized gain (loss)	(26,567) ¹	11,392 ¹
Change in unrealized gain	5,839 ¹	8,910 ¹
	<u>(20,728)</u>	<u>20,302</u>
Net income (loss) from operations	(18,199)	21,130
Capital Transactions:		
Proceeds from units issued	-	296
Amounts paid for units redeemed	-	(296)
	<u>-</u>	<u>-</u>
Increase (decrease) in net assets	(18,199)	21,130
Net assets, beginning of year	131,303	110,173
Net Assets, end of year	<u>113,104</u>	<u>131,303</u>

¹ The net realized gain (loss) and change in unrealized gain includes the following exchange gains (losses):

(20,727)	20,302
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**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

CURRENCY OVERLAY FUND

**Statement of Investments
as at March 31, 2008
(in \$000s)**

	<u>Cost</u>	<u>Fair Value</u>	<u>% of Fair Value</u>
Money Market Investments			
Units in British Columbia Investment Management Corporation Pooled Investment Portfolio			
Fund ST2	108,670	108,670	100.0%

**Schedule One - Unrealized Gain on Foreign Currency Contracts
as at March 31, 2008**

<u>No of Contracts</u>	<u>Expiry Dates</u>	<u>Notional Value (\$ 000)</u>	<u>Unrealized Gain (\$ 000)</u>
21	May 2008	651,652	2,318
500	June 2008	1,389,139	2,995
<u>521</u>		<u>2,040,791</u>	<u>5,313</u>

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

U.S. CURRENCY HEDGING FUND

Statement of Net Assets

as at March 31

(in \$000s except number of units outstanding)

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	626,558	373,448
Unrealized gain on foreign currency contracts	-	95,115
Receivable from issue of units	16,351	-
	<u>642,909</u>	<u>468,563</u>
Liabilities		
Unrealized loss on foreign currency contracts (Schedule One)	72,544	-
bclMC funds management fees payable (note 6)	16	9
Payable for purchase of investments	16,351	-
Accounts payable	7	15
	<u>88,918</u>	<u>24</u>
Net assets representing unitholders' equity	<u>553,991</u>	<u>468,539</u>
Number of units outstanding (note 7)	62.799	134.788
Net asset value per unit	<u>8,822</u>	<u>3,476</u>



Doug Pearce
Chief Executive Officer
Chief Investment Officer

Statement of Operations and Changes in Net Assets

for the years ended March 31

(in \$000s)

	<u>2008</u>	<u>2007</u>
Investment Income	20,032	14,440
Expenses (note 6):		
bclMC funds management fees	395	298
Custodial fees	22	16
Administrative and professional fees	12	15
	<u>429</u>	<u>329</u>
Net investment income	19,603	14,111
Realized and unrealized gains (losses):		
Net realized gain (loss)	826,064 ¹	(152,739) ¹
Change in unrealized gain (loss)	(268,831) ¹	150,657 ¹
	<u>557,233</u>	<u>(2,082)</u>
Net income from operations	576,836	12,029
Capital Transactions:		
Proceeds from units issued	101,031	120,276
Amounts paid for units redeemed	(592,415)	(1,456)
	<u>(491,384)</u>	<u>118,820</u>
Increase in net assets	85,452	130,849
Net assets, beginning of year	468,539	337,690
Net Assets, end of year	<u>553,991</u>	<u>468,539</u>

¹ The net realized gain (loss) and change in unrealized gain (loss) includes the following exchange gains (losses):

	645,702	(40,233)
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**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

U.S. CURRENCY HEDGING FUND

Statement of Investments
as at March 31, 2008
(in \$000s)

	<u>Cost</u>	<u>Fair Value</u>	<u>% of Fair Value</u>
U.S. Public Equity Investment			
Units in British Columbia Investment Management Corporation Pooled Investment Portfolio			
S&P 500 Index Equity Fund	698,711	626,264	100.0%
Money Market Investment			
Units in British Columbia Investment Management Corporation Pooled Investment Portfolio			
Fund ST2	216	216	0.0%
Fund ST3	82	78	0.0%
	<u>298</u>	<u>294</u>	<u>0.0%</u>
Total Investments	<u>699,009</u>	<u>626,558</u>	<u>100.0%</u>

Schedule One - Unrealized Loss on Foreign Currency Contracts
as at March 31, 2008

<u>No of Contracts</u>	<u>Expiry Dates</u>	<u>Notional Value (\$ 000)</u>	<u>Unrealized Gain (Loss) (\$ 000)</u>
34	April 2008	\$ 1,699,537	\$ (52,286)
7	May 2008	705,000	(11,941)
3	June 2008	288,523	(7,574)
7	July 2008	804,714	(794)
<u>1</u>	August 2008	<u>67,740</u>	<u>51</u>
<u>52</u>		<u>\$ 3,565,514</u>	<u>\$ (72,544)</u>

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

BRITISH POUND CURRENCY HEDGING FUND

Statement of Net Assets

as at March 31

(in \$000s except number of units outstanding)

	2008
	(note 1)
Assets	
Investments at fair value	37,114
Unrealized gain on foreign currency contracts	-
Receivable from issue of units	207
	37,321
Liabilities	
Unrealized loss on foreign currency contracts (Schedule One)	16,536
bciMC funds management fees payable (note 6)	5
Payable for purchase of investments	207
Accounts payable	9
	16,757
Net assets representing unitholders' equity	20,564
Number of units outstanding (note 7)	44,101
Net asset value per unit	466



Doug Pearce
Chief Executive Officer
Chief Investment Officer

Statement of Operations and Changes in Net Assets

for the eleven months ended March 31

(in \$000s)

	2008
	(note 1)
Investment Income	391
Expenses (note 6):	
bciMC funds management fees	29
Custodial fees	5
Administrative and professional fees	12
	46
Net investment income	345
Realized and unrealized gains (losses):	
Net realized gain	3,892 ¹
Change in unrealized loss	(22,043) ¹
	(18,151)
Net loss from operations	(17,806)
Capital Transactions:	
Proceeds from units issued	38,702
Amounts paid for units redeemed	(332)
	38,370
Increase in net assets	20,564
Net assets, beginning of year	-
Net Assets, end of year	20,564

¹ The net realized gain and change in unrealized loss includes the following exchange gains loss:

(15,019)

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

BRITISH POUND CURRENCY HEDGING FUND

Statement of Investments
as at March 31, 2008
(in \$000s)

	<u>Cost</u>	<u>Fair Value</u>	<u>% of Fair Value</u>
U.S. Public Equity Investment			
Units in British Columbia Investment Management Corporation Pooled Investment Portfolio			
S&P 500 Index Equity Fund	42,525	37,018	99.7%
Money Market Investment			
Units in British Columbia Investment Management Corporation Pooled Investment Portfolio			
Fund ST3	96	96	0.3%
Total Investments	<u>42,621</u>	<u>37,114</u>	<u>100.0%</u>

Schedule One - Unrealized Loss on Foreign Currency Contracts
as at March 31, 2008

No of Contracts	Expiry Dates	Notional Value (\$ 000)	Unrealized Loss (\$ 000)
5	April 2008	\$ 457,800	\$ (16,082)
2	June 2008	15,953	(433)
1	August 2008	6,655	(18)
1	September 2008	5,022	(3)
<u>9</u>		<u>\$ 485,430</u>	<u>\$ (16,536)</u>

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
 POOLED INVESTMENT PORTFOLIOS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED MARCH 31, 2008**

1. The Portfolios

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

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

The Pooled Investment Portfolios have the following investment mandates and were established on the following dates:

Pooled Investment Portfolios	Investment Mandate	Date Established
Fund ST1	Canadian money market investments maturing within one month	April 21, 1986
Fund ST2	Canadian money market investments maturing within 15 months	September 19, 1986
Fund ST3	U.S. money market investments maturing within one month	August 1, 1990
Indexed Government Bond Fund	Canadian federal and provincial government bonds with varying maturity dates	September 1, 1993
Long Term Bond Fund	Canadian federal and provincial government bonds with longer maturity dates	February 1, 1999
British Columbia Focus Fund	Private debt and equity investments in Canadian companies situated in British Columbia	March 31, 1994
Indexed Canadian Equity Fund	Securities comprising the top 180 – 190 stocks in the S&P/TSX Composite Index	December 12, 1989
Active Canadian Equity Fund	Diversified portfolio of actively managed publicly traded Canadian securities	July 26, 1990
Enhanced Canadian Equity Fund	Diversified portfolio of publicly traded Canadian securities with a lower level of active risk management than the Active Canadian Equity Fund	November 27, 2002
Active U.S. Equity Fund	Diversified portfolio of actively managed publicly traded U.S. securities	October 20, 1993
S & P 500 Index Equity Fund	Securities comprising the Standard and Poor's 500 Composite Index	February 6, 1995
Enhanced Indexed U.S. Equity Fund	Diversified portfolio of publicly traded U.S. securities with a lower level of active risk management than the Active U.S. Equity Fund	September 1, 1998
U.S. Value Index Equity Fund	Securities comprising the Standard and Poor's 500/Citigroup Value Index	October 13, 2000
U.S. Social Index Equity Fund	Securities comprising the Domini 400 Social Index	October 31, 2006
Currency Overlay Fund	Spot market, forward contracts, futures, and/or options to achieve desired currency exposure	October 8, 2002
U.S. Currency Hedging Fund	Spot market, forward contracts, and/or futures to protect client's foreign investments from impact of appreciating Canadian dollar.	June 23, 2003
British Pound Currency Hedging Fund	Spot market, forward contracts, and/or futures to protect client's foreign investments from impact of appreciating Canadian dollar.	April 26, 2007

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
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2. Significant Accounting Policies

a) Basis of Presentation

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles. A Statement of Cash Flows was not prepared for pooled investment portfolios where substantially all of the investments are considered highly liquid as the required information is adequately disclosed in the respective Statement of Operations and Changes in Net Assets. Certain comparative figures have been reclassified to conform to the current year's presentation.

b) Valuation

Investments and investment-related receivables and liabilities are stated at fair value. Fair value is an estimate of the amount of consideration that would be agreed upon in an arm's length transaction between knowledgeable, willing parties under no compulsion to act.

Fair value is determined as follows:

- (i) Money market securities values are derived from external market quotations.
- (ii) Bonds, debentures, real return bonds, and public equities (including exchange traded funds) are valued at their closing sale price on the valuation date. Securities not traded on that date are valued at the mean price between the latest bid and asked price. Securities not listed on any stock exchange, or which are traded over-the-counter, are valued in the same manner based on available public quotations from recognized dealers in such securities or at the price estimated by the fund manager to be the fair value. Forward foreign currency contracts are valued at the prevailing forward exchange rates on the valuation date.
- (iii) Derivatives, including equity index futures contracts and foreign currency contracts, are valued based on the quoted market prices for the underlying assets.
- (iv) Private market investments within the British Columbia Focus Fund are held directly, through limited partnerships or through some other co-ownership arrangement. Where quoted market prices are not available, fair value is determined based on the carrying value and other relevant information reported by external managers of the investments. These carrying values are determined by the external managers using accepted industry valuation methods, such as earnings multiples of comparable publicly traded companies, discounted cash flows, and third party transactions or other events that suggest a significant change in the value of the investment, and are reviewed by bcIMC management.

c) Income Recognition

Investment transactions are accounted for on a trade date basis. Dividend income is recognized on the ex-dividend date and interest income on the accrual basis. Income on foreign investments is reported net of withholding tax expense. Brokerage commissions are initially capitalized into the cost of the related investment. Pursuit costs are charged to net income of the respective pooled investment portfolio in the period incurred. The daily cash settlement on the equity index futures, including brokerage commissions and miscellaneous expenses on the purchase and sale of the contracts, is recorded as investment income.

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2. Significant Accounting Policies (Continued)

Gains (losses) on the settlement of foreign currency contracts, translation gains (losses) on foreign denominated monetary balances and investments, and gains (losses) on the sale of investments are recorded as realized gains (losses). Gain (loss) on the sale of investments is calculated as the difference between the sales proceeds and cost, less related disposition costs. The year-over-year change in the difference between the fair value and the cost of the investments and foreign currency contracts held at year end is recognized as an unrealized gain (loss).

The cost used for the calculation of realized gain (loss) and change in unrealized gain (loss) is based on historical cost for private placements and foreign exchange contracts, average cost for equities, and amortized cost for money market securities and bonds. The amortized cost is the cost of acquisition adjusted by amortization of discounts and premiums on a true constant yield basis over the terms of the investments for money market securities and bonds.

d) Issue and Redemption of Units

Participation in each pooled investment portfolio is expressed in units, each unit giving its holder a proportionate share in the net assets of the respective pooled investment portfolio. The value of a unit of a pooled investment portfolio is \$1 million on establishment (U.S. \$ 1million for the Fund ST3, the Active U.S. Equity Fund, the S & P 500 Equity Fund, the Enhanced Indexed U.S. Equity Fund and the U.S. Value Index Equity Fund). For each subsequent unit issuance and redemption, the unit value is determined by dividing the fair value of the net assets of the portfolio by the total number of units outstanding. Where one pooled investment portfolio invests in another pooled investment portfolio, the unit issuances and redemptions are transacted on the same basis as client transactions. All unit transactions are recorded on a trade date basis.

Most pooled investment portfolios are open-ended funds where the number of units available for issue is unlimited and the proportion of units issued or redeemed by each client on a particular valuation date depends on changes to their desired asset allocation. However, the British Columbia Focus Fund is a closed-end fund where participation is limited to a prescribed set of unitholders with a specified proportionate share in the net assets at the time the fund was established. All unit transactions for closed-ended pools are participated in by the prescribed set of unitholders based on their pro-rata basis of participation.

e) Foreign Currency Translation

The financial statements of the pooled investment portfolios are presented in Canadian dollars except for Fund ST3, which is presented in U.S. dollars. Assets, liabilities and commitments in foreign currencies are translated into Canadian dollars at the fiscal year-end exchange rate. Investment income and expenses, and purchases and sales of investments are translated at the rate prevailing on the respective dates of such transactions. Realized gain (loss) and change in unrealized gain (loss) include foreign currency translation gains (losses), which have been footnoted and disclosed in each respective Statement of Operations and Changes in Net Assets, where applicable.

f) Income Taxes

Under paragraph 104(6) of the *Income Tax Act (Canada)*, the pooled investment portfolios may deduct from their taxable income any amounts that are distributed to beneficiaries (i.e. unitholders) and taxable in their hands. All income and net taxable capital gains earned by the pooled investment portfolio are distributed to the unitholders through actual cash distributions or an increase in the tax cost of the units prior to the end of the calendar year, resulting in no Canadian taxes payable for the pooled investment portfolios. The corporations held by the pooled investment portfolios are exempt from Canadian tax under section 149 (o.2) of

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2. Significant Accounting Policies (continued)

f) Income Taxes

the *Income Tax Act (Canada)*

The income earned by the pooled investment portfolios and the corporations held by them are exempt from U.S. tax under Section 892 of the *Internal Revenue Code* unless that income earned is effectively connected to a trade or business in the U.S. None of the pooled investment portfolios or the corporations held by them is subject to U.S. tax on the basis of earning effectively connected income in the U.S.

g) Use of Estimates

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

3. Future Accounting Policy Changes

Section 3855, Financial Instruments – Recognition and Measurement

On April 1, 2005, the Canadian Institute of Chartered Accountants ("CICA") issued Section 3855, "Financial Instruments – Recognition and Measurement" of the CICA Handbook – Accounting, which establishes Canadian generally accepted accounting principles (GAAP) for measuring financial assets, financial liabilities and non-financial derivatives. Section 3855 will apply to the pooled investment portfolios for the fiscal years beginning on April 1, 2008.

Under Section 3855, the fair value of financial instruments traded in active markets must be measured based on their bid prices. Currently, the fair value of these financial instruments is measured based on the last traded price of the day (the closing price), where available, for both Canadian GAAP and the calculation of the Net Asset Value (NAV) for purchases and redemptions of units. After the introduction of Section 3855 on April 1, 2008, the pooled investment portfolios will continue to measure the fair value of financial instruments traded in active markets at closing prices when calculating the NAVs for the purchase and redemptions of units, in line with industry practice, and will measure the fair value of these financial instruments at bid prices for financial reporting under Canadian GAAP. Reconciliations between the NAVs calculated for the purchases and redemptions of units and the NAVs calculated in accordance with Section 3855 will be reported in the financial statements, beginning March 31, 2009.

Section 3855 also requires that transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities must be charged to net income in the period in which they are incurred. The current accounting practices of the pooled investment portfolios has been to add these expenses to the cost of the securities purchased or deduct them from the proceeds of sale, as applicable. Starting April 1, 2008, these transaction costs will be charged to net income of the respective pooled investment portfolio in the period incurred. However, this change will have no impact on net income since there will be an equal and offsetting change on the net realized and unrealized gain (loss), as applicable.

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3. Future Accounting Policy Changes (continued)

Neither of these changes under Section 3855 will result in the restatement of comparative figures for 2008 as the new standard requires retrospective adoption without restatement. However, with respect to the change in valuation, a transition adjustment will be recorded to the opening balances of net assets and investments, as applicable.

Section 3862, Financial Instruments – Disclosures and Section 3863, Financial Instruments – Presentation

Section 3862, Financial Instruments – Disclosures and Section 3863 Financial Instruments – Presentation of the CICA Handbook will be applicable to the Funds for their fiscal year beginning April 1, 2008. These new sections enhance existing disclosure and presentation of the nature and scope of the risks associated with financial instruments as well as the way these risks are managed. These standards have no impact on the recognition or measurement of financial instruments.

4. Financial Instruments

Financial instruments are legally enforceable agreements between two or more parties, expressing a contractual right or a right to a payment of money. Financial instruments held by the pooled investment portfolios include derivatives, investments and the investment-related assets and liabilities. Financial instruments are exposed to foreign currency, interest rate, market and credit risks.

a) Foreign Currency Risk

The pooled investment portfolios are exposed to currency risk through holding of investments, investment receivables, and investment liabilities in various currencies. Fluctuations in the relative value of the Canadian dollar (U.S. dollar for Fund ST3) against these foreign currencies can result in a positive or negative effect on the fair value of the investments, investment receivables, and investment liabilities. The pooled investment portfolios use foreign currency contracts to hedge some foreign currency exposure on investment receivables and liabilities, and engage in the buying and selling of currencies through the spot market, forward contracts, equity index futures contracts, and/or options in order to achieve the desired currency exposure. The net currency exposure is shown in the Statements of Investments for the pooled investment portfolios that hold investments, investment receivables and investment liabilities denominated in foreign currencies.

b) Interest Rate Risk

Interest rate risk refers to the effect on the market value of the assets and liabilities due to fluctuations in both long-term and short-term changes in nominal and real interest rates. The pooled investment portfolios that primarily hold money market securities and bonds have established duration bands based on their relevant benchmark to avoid undue interest rate risk. The terms to maturity, average effective yield and the nature of the investment are shown in the Statements of Investments for money market securities and bonds to provide further information on interest rate risk.

c) Market Risk

Market risk is the risk that the value of an investment will fluctuate as a result of changes in the market conditions, whether those changes are caused by factors specific to the individual investment or factors affecting all investments. There are established investment criteria for each pooled investment portfolio related to diversification of investments and investment mandates for the external managers to avoid undue market risk. The Statements of Investments show the percentage of investments held in particular industry sectors for publicly traded Canadian and U.S. equities and for mortgages to provide further information on market risk.

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4. Financial Instruments (continued)

d) Credit Risk

The pooled investment portfolios are exposed to a credit risk if a borrower defaults or becomes insolvent or if a party fails to deliver under a contract and the rights to any claims become unenforceable. To avoid undue credit risk, the pooled investment portfolios have established specific investment criteria, such as minimum credit ratings for investees and counterparties and maximum concentrations with given counterparties. The Statements of Investments show the percentage of money market and bond investments held with a particular group of counterparties (i.e. Government of Canada, Province of British Columbia, other provinces or corporations) to provide further information on credit risk.

e) Fair Value of Investment-Related Assets and Liabilities

Each pooled investment portfolio's investments and derivatives are carried at fair value. The investment-related assets and liabilities are carried at cost. In the opinion of bcIMC, the fair values of the investment-related assets and liabilities approximate their carrying values given their short-term nature.

5. Derivatives

Derivative contracts are financial contracts, the value of which is derived from the value of underlying assets or indices. Derivative transactions are conducted in the over-the-counter market directly between the two counterparties or on regulated exchange markets. The pooled investment portfolios use derivative financial instruments, when appropriate, to assist in the management of financial risks, including interest rate, foreign currency, and market risks. The financial derivative contracts entered into by the pooled investment portfolios included equity index futures contracts and foreign currency contracts.

Equity Index Futures Contracts

Equity index futures contracts are exchange-traded contracts to either buy or sell specified equity indices at a specified price at a date in the future. In the case of equity index futures contracts, the notional value is the value if the holder were to take possession of the underlying asset represented by the contracts. Rather than taking possession of the underlying assets, the contracts are subject to daily cash settlement of the changes in the notional value. The outstanding daily cash settlement amounts as at March 31 for each pooled investment portfolio that holds equity index futures contracts is recorded as a Net Receivable or Net Payable for Variation on Futures Contracts on the Statements of Net Assets. The number of contracts, type of contracts, and settlement dates are shown in the schedules, following the Statement of Investments, for each pooled investment portfolio that holds them.

Foreign Currency Contracts

Foreign currency contracts are agreements to exchange a specified amount of one currency for another currency on a specific date in the future for a specified price. In the case of foreign currency contracts, the notional value represents the amount to be exchanged on the future contract date. The fair value of the foreign currency contracts is calculated as the difference between the amount to be exchanged on the future contract date and the amount that would be exchanged using the prevailing forward foreign currency rates. The unrealized gains (losses) on the unexpired foreign currency contracts as at March 31 are shown as Unrealized Gain or Unrealized Loss on Foreign Currency Contracts on the Statements of Net Assets. The number of foreign currency contracts and respective expiry dates are shown in the schedules, following the Statement of Investments, for each pooled investment portfolio that holds them.

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6. Expenses

Custodial fees are applicable to the bond funds and equity funds. Where management fees are incurred directly by the pooled investment portfolio, they are reported on the financial statements of the portfolios as external management fees. For the British Columbia Focus Fund, management fees are expenses of the various underlying partnership investments rather than the pooled investment portfolios and are therefore not shown on the pooled fund financial statements.

Third party costs that are attributable to a specific pooled investment portfolio are charged to that portfolio and thereby shared on a pro-rata basis by the portfolio unitholders. Other costs initially borne by bcIMC are recovered from the various pooled investment portfolios in which clients participate by charging management fees, which are calculated on a cost recovery basis.

7. Units Outstanding

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

	FUND ST1		FUND ST2		FUND ST3	
	2008	2007	2008	2007	2008	2007
Outstanding, beginning of year	561.268	734.483	565.357	478.284	39.674	46.397
Issued	12,413.499	10,386.863	3,026.468	2,751.399	864.122	660.917
Redeemed	(11,944.167)	(10,560.078)	(2,882.563)	(2,664.326)	(837.541)	(667.640)
Outstanding, end of year	<u>1,030.600</u>	<u>561.268</u>	<u>709.262</u>	<u>565.357</u>	<u>66.255</u>	<u>39.674</u>

	INDEXED GOVERNMENT BOND FUND		LONG TERM BOND FUND		BRITISH COLUMBIA FOCUS FUND	
	2008	2007	2008	2007	2008	2007
Outstanding, beginning of year	73.867	102.617	1,340.927	1,340.927	1.639	2.634
Issued	1.258	7.027	298.515	3.162	-	-
Redeemed	(48.341)	(35.777)	(86.483)	(3.162)	(.840)	(.995)
Outstanding, end of year	<u>26.784</u>	<u>73.867</u>	<u>1,552.959</u>	<u>1,340.927</u>	<u>.799</u>	<u>1.639</u>

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7. Units Outstanding (continued)

	INDEXED CANADIAN EQUITY FUND		ACTIVE CANADIAN EQUITY FUND		ENHANCED CANADIAN EQUITY FUND	
	2008	2007	2008	2007	2008	2007
Outstanding, beginning of year	1,214.349	1,770.493	671.282	943.794	677.123	661.705
Issued	56.508	76.447	25.929	22.061	147.918	74.203
Redeemed	(231.045)	(632.591)	(113.064)	(294.573)	(53.222)	(58.785)
Outstanding, end of year	<u>1,039.812</u>	<u>1,214.349</u>	<u>584.147</u>	<u>671.282</u>	<u>771.819</u>	<u>677.123</u>
	ACTIVE U.S. EQUITY FUND		S & P 500 INDEX EQUITY FUND		ENHANCED INDEXED U.S. EQUITY FUND	
	2008	2007	2008	2007	2008	2007
Outstanding, beginning of year	641.552	641.552	1,299.198	1,451.697	601.705	344.105
Issued	149.364	31.242	787.974	171.115	238.615	262.299
Redeemed	(94.546)	(31.242)	(488.280)	(323.614)	(108.647)	(4.699)
Outstanding, end of year	<u>696.370</u>	<u>641.552</u>	<u>1,598.892</u>	<u>1,299.198</u>	<u>731.673</u>	<u>601.705</u>
	U.S. VALUE INDEX EQUITY FUND		U.S. SOCIAL INDEX EQUITY FUND		CURRENCY OVERLAY FUND	
	2008	2007	2008	2007	2008	2007
Outstanding, beginning of year	673.734	673.734	490.668	-	34.884	34.884
Issued	6.126	2.805	5.117	491.458	-	0.790
Redeemed	(36.306)	(2.805)	(5.117)	(0.790)	-	(0.790)
Outstanding, end of year	<u>643.554</u>	<u>673.734</u>	<u>490.668</u>	<u>490.668</u>	<u>34.884</u>	<u>34.884</u>

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7. Units Outstanding (continued)

	U.S. CURRENCY HEDGING FUND		BRITISH POUND CURRENCY HEDGING FUND
	2008	2007	2008 (note 1)
Outstanding, beginning of year	134.788	104.910	-
Issued	14.208	30.319	44.596
Redeemed	(86.197)	(0.441)	(.495)
Outstanding, end of year	<u>62.799</u>	<u>134.788</u>	<u>44.101</u>