

Financial Information Act Return

Financial Statements Year Ended March 31, 2012

(Published in accordance with the Financial Information Act,
Chapter 131, Statutes of British Columbia, 1979)



TABLE OF CONTENTS

	PAGE
Statement of Financial Information Approval	3
Management Report	4
Audited Financial Statements	5
Statement of Guarantees and Indemnities	22
Schedule of Debts	22
Schedule of Employee Remuneration and Expenses	23
Statement of Severance Agreements	24
Schedule of Board of Directors Remuneration	25
Schedule of Supplies of Goods and Services	26

INDUSTRY TRAINING AUTHORITY
STATEMENT OF FINANCIAL INFORMATION APPROVAL
FISCAL YEAR ENDED MARCH 31, 2012

The undersigned represents the Board of Directors of the Industry Training Authority and approves all statements and schedules included in this Statement of Financial Information, produced under the Financial Information Act.

A handwritten signature in dark ink, appearing to read "Frank Pasacreta", with a stylized, cursive script.

Frank Pasacreta,
Chair, Board of Directors
Jul 24, 2012

MANAGEMENT REPORT

FISCAL YEAR ENDED MARCH 31, 2012

The Financial Statements contained in this Statement of Financial Information under the Financial Information Act have been prepared by management in accordance with generally accepted accounting principles, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all the statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

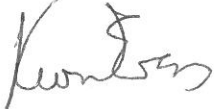
Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises this responsibility through the Audit Committee of the Board. The Audit Committee meets with management, the internal auditors and the external auditors at least twice a year.

The ITA's external auditor, the Auditor General of British Columbia has the responsibility for assessing the management systems and practices of the ITA.

The Auditor General of British Columbia conducts an independent examination, in accordance with generally accepted auditing standards, and expresses their opinion on the financial statements. Their examination does not relate to the other schedules and statements required by the Act. Their examination includes a review and evaluation of the ITA's system of internal controls and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly. The external auditors have full and free access to the Audit Committee of the Board and meet on a regular basis.

On behalf of the Industry Training Authority



Kevin Evans
Chief Executive Officer



Sue Thomas, CA.
Chief Financial Officer

July 24, 2012

Prepared pursuant to Financial Information Regulation, Schedule 1, section 9

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Audited Financial Statements

Fiscal Year Ended
March 31, 2012

From the Annual Report 2011 / 2012

Pages 24 to 39

Management's Responsibility for the Financial Statements

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards and the integrity and objectivity of these statements are 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. A summary of the significant accounting policies are described in Note 2 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced. The internal controls are designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements.

The Board of Directors are responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements at every meeting and external audited financial statements yearly. The Board also discusses any significant financial reporting or internal control matters prior to their approval of the financial statements.

The external auditors, the Auditor General of British Columbia, conduct an independent examination, 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 Industry Training Authority and meet when required. The accompanying Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the financial statements.

On behalf of Industry Training Authority



Kevin Evans
Chief Executive Officer



Sue Thomas CA
Chief Financial Officer

May 15, 2012

Independent Auditor's Report



INDEPENDENT AUDITOR'S REPORT

*To the Board of Directors of the Industry Training Authority, and
To the Minister of Jobs, Tourism and Innovation, Province of British Columbia*

Report on the Financial Statements

I have audited the accompanying financial statements of the Industry Training Authority, which comprise the statements of financial position as at March 31, 2012, March 31, 2011, and April 1, 2010, and the statements of operations and changes in accumulated surplus, changes in net financial assets and cash flows for the years ended March 31, 2012, and March 31, 2011, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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


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

In my view, the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Industry Training Authority as at March 31, 2012, March 31, 2011, and April 1, 2010, and the results of its operations and its cash flows for the years ended March 31, 2012, and March 31, 2011, in accordance with Canadian public sector accounting standards.

Victoria, British Columbia
May 15, 2012


John Doyle, MAcc, CA
Auditor General

Industry Training Authority

Statement of Financial Position

in thousands of dollars

	<i>Note</i>	March 31, 2012	March 31, 2011 (Restated - Note 3)	April 1, 2010 (Restated - Note 3)
Financial Assets				
Cash and cash equivalents	4	15,292	8,896	6,585
Accounts receivable	5	26	29	11
Due from government/ other government organizations	6	3,859	4,365	4,146
		19,177	13,290	10,742
Liabilities				
Accounts payable and accrued liabilities	7	4,914	3,205	2,983
Employee future benefits	8	3	-	-
Due to government/ other government organizations	9	1,521	2,043	2,599
Deferred revenue	10	555	-	-
		6,993	5,248	5,582
Net financial assets		12,184	8,042	5,160
Non-financial assets				
Tangible capital assets	13	4,610	3,751	3,223
Prepaid expenses		592	590	630
		5,202	4,341	3,853
Accumulated surplus		17,386	12,383	9,013
Contingent liabilities	12			
Contractual obligations	14			

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



Frank Pasacreta
Board Chair



Jack Carthy
Audit Committee Chair

Industry Training Authority

Statement of Operations and Changes in Accumulated Surplus

in thousands of dollars

	<i>Note</i>	Budget	March 31, 2012	March 31, 2011
		(Note 19)		(Restated - Note 3)
Revenues				
Provincial general funding		94,444	94,444	94,444
Provincial grants and other		8,560	8,313	17,152
Provincial crowns		4,250	4,250	-
Federal funding received		300	192	634
Operating		500	383	452
Fees		332	383	341
Investment income		180	293	243
Other		21	31	-
		108,587	108,289	113,266
Expenses	<i>15 & 16</i>			
Standards development		2,746	2,437	2,608
Industry engagement (non standards work)		3,399	3,382	3,621
Assessment and certification		2,434	1,067	1,833
Training delivery		78,522	74,781	79,349
Labour supply initiatives		11,582	12,537	14,068
Administration		9,904	9,082	8,417
		108,587	103,286	109,896
Annual surplus		-	5,003	3,370
Accumulated surplus at the beginning of the year as originally reported			11,592	8,201
Adjustments to accumulated surplus:				
Change on transition to Public Sector Accounting Standards				
Deferred contributions from province Yes2It			782	782
Deferred capital contributions tenant improvements			9	30
Accumulated surplus at beginning of year restated			12,383	9,013
Accumulated surplus at end of year			17,386	12,383

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

Industry Training Authority

Statement of Changes in Net Financial Assets

in thousands of dollars

	Budget (Note 19)	March 31, 2012	March 31, 2011 (Restated - Note 3)
Annual operating surplus	-	5,003	3,370
Acquisition of tangible capital assets	(1,839)	(1,585)	(1,118)
Disposal of tangible capital assets	-	-	-
Amortization of tangible capital assets	660	716	620
(Gain)/loss on sale of tangible capital assets	-	10	-
Write-downs on tangible capital assets	-	-	(30)
	(1,179)	(859)	(528)
(Acquisition)/use of prepaid expense	(10)	(2)	40
	(10)	(2)	40
(Increase)/ decrease in net financial assets	(1,189)	4,142	2,882
Net financial assets at beginning of year	8,042	8,042	5,160
Net financial assets at end of year	6,853	12,184	8,042

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

Industry Training Authority

Statement of Cash Flows

in thousands of dollars

	March 31, 2012	March 31, 2011
		(Restated - Note 3)
Operating transactions		
Annual surplus	5,003	3,370
Non-cash items included in annual surplus increase/(decrease):		
Amortization	716	590
Change in prepaid expenses	(2)	40
Change in receivables	509	(237)
Change in payables and accrued liabilities	1,190	(334)
Change in deferred revenue	555	-
Cash provided by operating transactions	7,971	3,429
Capital transactions		
Proceeds on sale of tangible capital assets	10	-
Cash used to acquire tangible capital assets	(1,585)	(1,118)
Cash applied to capital transactions	(1,575)	(1,118)
Increase in cash and cash equivalents	6,396	2,311
Cash and cash equivalents at beginning of year	8,896	6,585
Cash and cash equivalents at end of year	15,292	8,896

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

Industry Training Authority

Notes to Financial Statements

for the Years Ended March 31, 2012 and March 31, 2011

1. Nature of Operations

Industry Training Authority (ITA) is a Crown agency established on January 2, 2004 and operates under the authority of the *Industry Training Authority Act*. ITA reports to the Legislative Assembly through the Ministry of Jobs, Tourism and Innovation. The mandate of the ITA is to oversee occupational standards, credentialing, and apprenticeship for skilled trades and occupations in demand by industry and the BC labour market. It serves the public interest ensuring industry standards and credentials are in place for skilled trades and occupations, while providing individuals with accessible technical apprenticeship training opportunities that are closely linked to workplace opportunities. These services are grouped into the following key areas: standards, industry engagement, assessment and certification, training delivery and labour supply initiatives.

ITA is exempt from income taxes under the *Income Tax Act*.

2. Summary of Significant Accounting Policies

a Basis of accounting

The financial statements are prepared by management in accordance with Canadian public sector accounting standards for provincial reporting entities established by the Canadian Public Sector Accounting Board.

b Conversion to Public Sector Accounting Standards

Commencing with the 2012 fiscal year, at the request of the Minister of Finance, ITA has adopted Canadian public sector accounting ("PSA") standards as issued by the Public Sector Accounting Board. These financial statements are the first financial statements for which ITA has applied Canadian public sector accounting standards. ITA has early adopted the accounting standards contained in PS 1201 – *Financial statement presentation*, PS 3410 – *Government transfers*, PS 2601 – *Foreign currency translation* and PS 3450 – *Financial instruments* in the preparation of these financial statements.

c Tangible capital assets

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

The cost, less residual value, of the tangible capital assets, is amortized on a straight-line basis over their estimated useful lives as follows:

Furniture and equipment	5 years
Computer hardware and software	3-10 years
Leasehold improvements	10 years

Annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

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

Transfers of capital assets from related parties are recorded at carrying value. ITA has recorded additions relating to computer software for apprenticeship records at carrying value.

d Employee future benefits

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

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

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

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

Industry Training Authority

Notes to Financial Statements continued

for the Years Ended March 31, 2012 and March 31, 2011

e Prepaid expenses

Prepaid expenses include payments to private trainers for classes spanning the fiscal year end as well as other operational expenses and are charged to expense over the periods expected to benefit from the prepaid.

f Revenue recognition

Revenues are recognized in the period when 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 determined with a reasonable degree of certainty or when their estimation is impractical.

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability and are taken into revenue in the statement of operations as the stipulation liabilities are settled.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue in the period when they are used for the specific purpose.

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

g Expenses

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

Grants and transfers are recorded as expenses when the transfer is authorized and eligibility criteria have been met by the recipient.

h Foreign currency translation

Foreign currency transactions are translated at the exchange rate prevailing at the date of the transactions and there are no foreign denominated assets or liabilities existing at year end.

i Financial instruments

ITA has the following financial instruments:

i. Cash and cash equivalents

Cash and cash equivalents includes cash held in a high yield account at a Canadian bank and is subject to an insignificant risk of change in value.

ii. Accounts receivables

Accounts receivables are primarily from the province or the federal government. They are subject to an insignificant risk of change in value.

iii. Accounts payables

Accounts payables are to trade, and to the province and government related entities that are due within 30 days.

All financial assets and financial liabilities are measured at cost which approximates fair value due to the short term nature of these accounts.

j Measurement uncertainty

The preparation of financial statements is in conformity with Canadian public sector accounting standards for provincial reporting entities. These standards require 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 rates for amortization.

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

Industry Training Authority

Notes to Financial Statements continued

for the Years Ended March 31, 2012 and March 31, 2011

3. Conversion to Public Sector Accounting Standards

Commencing with the 2012 fiscal year, ITA has adopted Canadian public sector accounting ("PSA") standards. These financial statements are the first financial statements for which ITA has applied Canadian public sector accounting standards. At the direction of the Minister of Finance ITA has early adopted the accounting standards contained in PS 1201 – *Financial statement presentation*, PS 3410 – *Government transfers*, PS 2601 – *Foreign currency translation* PS 3450 – *Financial instruments* and *Portfolio Investments* PS 3041 in the preparation of these financial statements.

The impact of the conversion to Canadian public sector accounting standards on the accumulated surplus at the beginning of the 2011 fiscal year, the date on transition, and the comparative annual surplus is presented in the Statement of Operations and Changes in Accumulated Surplus. These accounting changes have been applied retroactively with restatement of prior periods except for the accounting standards contained in PS 2601 and PS 3450 as these standards specifically prohibit retroactive application. The following changes have been implemented to comply with PSA:

a Statement of Financial Position

(in \$ thousands)

Retroactive Changes	Previously Stated April 1, 2010	Adjustment April 1, 2010	Restated April 1, 2010
Deferred contribution	782	(782)	-
Deferred capital contribution	30	(30)	-

The deferred contribution is the funding received from the province to support the Yes2IT youth in trades program. There are no indicators that create the conditions to continue to defer this funding under public sector accounting standards.

Deferred capital for tenant improvements for offices rented from the province. There also were no indicators that created the conditions to continue to defer this funding.

b Statement of Operations and Changes in Accumulated Surplus

(in \$ thousands)

	Previously Stated March 31, 2011	Adjustment March 31, 2011	Restated March 31, 2011
Deferred contribution	-	-	-
Deferred capital contribution	21	(21)	-

There was no revenue recognized from the deferred contribution for Yes2IT during this time period.

Deferred capital for tenant improvements revenue recognition no longer qualified as a deferred capital contribution.

c Statement of Cash Flow

There were no impacts to the cash flow as a result of the conversion to Public Sector Accounting Standards.

Industry Training Authority

Notes to Financial Statements continued

for the Years Ended March 31, 2012 and March 31, 2011

4. Cash and Cash Equivalents

(in \$ thousands)

	March 31, 2012	March 31, 2011	April 1, 2010
Unrestricted cash	15,292	8,896	6,585

5. Accounts Receivables

(in \$ thousands)

	March 31, 2012	March 31, 2011	April 1, 2010
Revenues receivable	4	9	4
Accrued interest	22	20	7
	26	29	11

6. Due from Government and Other Government Organizations

(in \$ thousands)

	March 31, 2012	March 31, 2011	April 1, 2010
Provincial government	3,512	3,108	3,840
Federal government	345	1,255	108
Other government organizations	2	2	198
	3,859	4,365	4,146

7. Accounts Payable and Accrued Liabilities

(in \$ thousands)

	March 31, 2012	March 31, 2011	April 1, 2010
Accounts payable and accrued liabilities	4,346	2,863	2,428
Salaries and benefits payable	505	279	503
Accrued vacation pay	63	63	52
	4,914	3,205	2,983

Industry Training Authority

Notes to Financial Statements continued

for the Years Ended March 31, 2012 and March 31, 2011

8. Employee Future Benefits

ITA and its employees contribute to the Public Service Pension Plan in accordance with the *Public Sector Pensions Act*. BC Pension Corporation administers the plan, including payment of pension benefits to employees to whom the act applies. The Public Service Pension Plan is a multi-employer, defined benefit plan.

Information about obligations for retirement benefits and other employee future benefits is as follows:

a Retirement and other employee future benefits – pension plan

ITA and its employees contribute to the Public Service Pension Plan in accordance with the *Public Sector Pensions Act*. The plan provides defined pension benefits to employees based on their length of service and rates of pay. The maximum contribution rate for eligible employees was 9.28% (2011: 9.28%). ITA's maximum contribution rate is 10.28% (2011: 10.28%). During the year ended March 31, 2012, ITA contributed \$319 thousand (2011: \$318 thousand) to the plan. These contributions are ITA's pension benefit expense. No pension liability for this type of plan is included in the financial statements.

An actuarial valuation is conducted every three years to assess the financial position of the Public Service Pension Plan's (PSPP's) pension fund. The most recent valuation was conducted as at March 31, 2011, and the results showed that the PSPP's basic account had a deficit of \$275.401million. The contribution rate increase effective April 1, 2012 to the basic account is relatively small, which is in part due to the 2010 rebound in the plan's investments. The actuary does not attribute portions of the unfunded liability to individual employers.

b Long-term disability life insurance and health care benefits

ITA provides life insurance, dental and health care benefits to employees on long-term disability leave for a period of two years after the date of disability. The insurance carrier waives the life insurance premium for employees on long-term disability; however, ITA is responsible for the payment of the premium costs of medical, dental and Medical Services Plan under this plan. The costs of salary compensation paid to employees on long-term disability leave are fully insured through employee paid contributions and are not included in this plan.

The accrued benefit obligations for employee future benefit plans as at March 31, 2012 is \$3 thousand (2011: \$0).

9. Due to Government and Other Government Organizations

(in \$ thousands)

	March 31, 2012	March 31, 2011	April 1, 2010
Federal government	11	140	105
Provincial government	288	223	595
Other government organizations	1,222	1,680	1,899
	1,521	2,043	2,599

ITA's liabilities to government and other government organizations are all amounts payable on demand and within a year. Other government organizations includes: colleges, universities and school districts.

Industry Training Authority

Notes to Financial Statements continued

for the Years Ended March 31, 2012 and March 31, 2011

10. Deferred Revenue

(in \$ thousands)

	Balance April 1, 2011	Receipts during year	Transferred to revenue	Balance March 31, 2012
	(Restated - Note 3)			
Tenant inducement Richmond office	-	530	30	500
Aboriginal Research – province	-	105	50	55
	-	635	80	555

ITA received \$530 thousand in tenant inducements for leasehold improvements to the Richmond office. This revenue is being deferred and recognized over the term of the lease.

ITA entered into an agreement with the province's employment and labour market services for a Labour Market Project for Aboriginal research for \$170 thousand. \$105 thousand was advanced to the ITA and the unspent funds are deferred as at March 31, 2012.

11. Fiscal Risk Management

ITA's financial instruments are not exposed to significant risk. They are measured at cost and include: cash and cash equivalents; trade receivables and trade payables.

a Cash and cash equivalents

ITAs cash and cash equivalents are made up of cash held in bank accounts in demand deposits.

- i. Cash is not exposed to significant liquidity risk or market risk which includes currency risk and interest rate risk.
- ii. ITA's objectives in managing these risks are to significantly minimize risk by:
 - (1) Holding cash in a chequing and a deposit account at a Canadian bank,
 - (2) In Canadian currency, and
 - (3) In interest bearing bank accounts.
- iii. There have been no changes in the fiscal risks or ITAs objectives, policies or process, from the previous period.

b Accounts receivables

Accounts receivables are primarily from the provincial and federal governments with less than 1% from trade receivables.

- i. ITA's accounts receivables do not have significant credit, liquidity or market risk.
- ii. ITA's objective is to keep all receivables current. Trade receivables that are past due are not impaired.
- iii. There have been no changes in the fiscal risks or ITAs objective, policies or process, from the previous period.

c Accounts payables

Accounts payables are to trade and to the province and government related entities and are due within 30 days.

- i. ITA's accounts payables do not have significant credit, liquidity or market risk.
- ii. ITA's objective is to keep all payables current.
- iii. There have been no changes in the fiscal risks or ITAs objective, policies or process, from the previous period.

12. Contingent Liabilities – Pension

ITA has an accrual for an obligation arising from employees' potential voluntary purchase of past service in the Public Service Pension Plan of \$53 thousand (2011: \$81 thousand). Changes in the accrual are reflected in the Statement of Operations.

Industry Training Authority

Notes to Financial Statements continued

for the Years Ended March 31, 2012 and March 31, 2011

13. Tangible Capital Assets

March 31, 2012 (in \$ thousands)

	Furniture and equipment	Computer hardware & software	Leasehold improvements	March 31, 2012 Total
Cost				
Opening Balance	308	5,533	280	6,121
Additions	225	767	593	1,585
Disposals	(52)	(2)	(273)	(327)
Closing Balance	481	6,298	600	7,379
Accumulated Amortization				
Opening Balance	281	1,835	254	2,370
Additions	32	631	53	716
Disposals	(42)	(2)	(273)	(317)
Closing Balance	271	2,464	34	2,769
Net book value	210	3,834	566	4,610

Cost at March 31, 2012 includes work in progress as follows: Leasehold improvements \$0 (April 1, 2011: \$7 thousand)

March 31, 2011 (in \$ thousands)

	Furniture and equipment	Computer hardware & software	Leasehold improvements	March 31, 2011 Total
Cost				
Opening Balance	301	4,431	270	5,002
Additions	7	1,102	10	1,119
Write-downs	-	-	-	-
Closing Balance	308	5,533	280	6,121
Accumulated Amortization				
Opening Balance	266	1,340	173	1,779
Additions	15	495	111	621
Write-downs	-	-	(30)	(30)
Closing Balance	281	1,835	254	2,370
Net book value	27	3,698	26	3,751

Cost at March 31, 2011 includes work in progress as follows: Leasehold improvements \$7 thousand (April 1, 2010: \$0)

Industry Training Authority

Notes to Financial Statements continued

for the Years Ended March 31, 2012 and March 31, 2011

14. Contractual Obligations

ITA has entered into a number of multiple-year contracts for the delivery of services for operating leases for premises and equipment. The lease commitments are for space costs and exclude operating costs. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Disclosure relates to the unperformed portion of the contracts.

(in \$ thousands)

Contractual obligations	March 31, 2013	March 31, 2014	March 31, 2015	March 31, 2016	March 31, 2017	Thereafter
Future operating lease payments – office	195	195	195	195	202	910
Future operating lease payments – copiers	12	12	8	-	-	-
	207	207	203	195	202	910

15. Government Transfers

(in \$ thousands)

	March 31, 2012	March 31, 2011
Revenue:		
Provincial general funding	94,444	94,444
Provincial other funding/grants	8,288	17,152
Provincial crown	4,250	-
	106,982	111,596
Expenses:		
Ministry of Education	165	219
Post secondary institutions	70,111	73,731
Private training institutions	6,542	7,168
TTCBC	-	325
School districts	4,088	3,855
LMA related transfers	5,268	4,901
Skills Canada	-	295
CES	-	1,789
Asia Pacific Gateway	-	216
Aboriginal agencies	-	90
	86,174	92,589

The majority of the expenses listed above are related to training with LMA related transfers being part of both: training delivery and assessment and certification. There were no liabilities created from the government transfers received. There were no changes in the recognition of these expenses as a result of the change to PSAB.

Industry Training Authority

Notes to Financial Statements continued

for the Years Ended March 31, 2012 and March 31, 2011

16. Expenses by Object

The following is a summary of expenses by object:

(in \$ thousands)

	March 31, 2012	March 31, 2011
ITO-delivered services	5,683	6,061
Training provider services (including Youth)	78,653	85,447
Labour Supply Initiatives (Women, Aboriginal & Immigrant)	8,218	7,719
Assessment & certification	1,067	1,833
Other operating costs	785	870
Compensation	4,585	3,945
Staff development	79	53
Information systems / telecommunications	1,309	1,266
Communications & marketing	555	245
Building occupancy and other	512	393
Amortization	716	590
Loss on disposal	10	-
Other administrative costs	1,114	1,474
	103,286	109,896

Compensation and staff development costs for all ITA employees are included in Administration in the Statement of Operations as all program delivery and employee activity is in support of ITA's single product; Certificates of Qualification.

Building occupancy and other includes the moving costs related to the new consolidated offices on August 29, 2011.

Industry Training Authority

Notes to Financial Statements continued

for the Years Ended March 31, 2012 and March 31, 2011

17. Related Party Transactions

a Board and Employees

Payments training delivery of \$0 (2011: \$1,789,000), \$0 (2011: \$295,000) and \$0 (2011: \$216,000) were made to three separate not-for-profit societies, each of whose Boards included a board member, employee or former employee of ITA. An employee's spouse, as a contractor was paid \$0 (2011: \$948). The Board members and employees did not participate in the approval of the payments. During 2011, a former employee was a part time instructor at one of the post secondary institutions funded to provide training delivery and was a member of the Board of Trustees for the Public Service Pension Plan.

b Province

ITA has the following transactions with the government and other government controlled organizations.

(in \$ thousands)

	March 31, 2012	March 31, 2011
Provincial general funding – Ministry of Jobs, Training and Innovation	94,444	94,444
Provincial other funding/grants – Ministry of Jobs, Training and Innovation	8,303	17,152
Crown – Trades Training Consortium BC	4,250	-
Operating – Queens Printer	383	452
	107,380	112,048
Transfers to:		
Post secondary institutions	70,159	73,731
School districts	4,088	3,855
Trades Training Consortium BC	-	325
Ministry of Education	165	219
Ministry of Citizens' Services – Accommodation and Real Estate Services	216	392
Queen's Printer & BC Mail Plus	711	545
Public Service Pension Plan	319	318
Service BC	332	315
Other government related entities	42	20
	76,032	79,720

ITA's office leases with the Ministry of Citizens' Services – Accommodation and Real Estate Services ended August 31, 2011.

18. Comparative Figures

Certain comparative figures have been restated to conform to current year's presentation.

19. Budgeted Figures

Budgeted figures as approved by the Board of Directors have been provided for comparison purposes.

INDUSTRY TRAINING AUTHORITY

**STATEMENT OF GUARANTEES AND INDEMNITIES
FISCAL YEAR ENDED MARCH 31, 2012**

The Industry Training Authority has not given any guarantees or indemnities under the Guarantees and Indemnities Regulation during fiscal year 2011/2012.

**SCHEDULE OF DEBTS
FISCAL YEAR ENDED MARCH 31, 2012**

The Industry Training Authority had no debts as of the fiscal year ended March 31, 2012.

INDUSTRY TRAINING AUTHORITY

SCHEDULE OF EMPLOYEE REMUNERATION AND EXPENSES For the Year Ended March 31, 2012

Name	Remuneration	Expenses
Ashifa Dhanani	96,696	1,543
Cory Williams	92,474	2,855
Diane Evans	87,431	(994)
Doug Podetz	101,825	9,170
Gary Macey	151,066	6,868
Gary McDermott	110,637	33,092
Helena Fehr	94,636	2,544
Jeff Nugent	131,156	12,721
Jessi Zeilke	109,199	7,952
Jim Pelton	110,001	9,650
Judy Harris	96,002	2,024
Karen Zukas	97,309	2,939
Kevin Evans	198,807	26,457
Michael Stewart	80,067	1,207
Natalia Dumitrescu	96,281	10,266
Robert Scales	96,307	5,282
Rodger Hargreaves	106,204	7,742
Ruth McGillivray	87,894	1,000
Shelley Seidman	96,692	2,163
Sue Thomas	134,556	3,595
Consolidated total of other employees with remuneration and expenses of \$75,000 or less	1,634,539	25,003
Total Employee:	3,809,779	173,079

Explanation of Differences in Schedule of Remuneration and Expenses to Audited Statements

Taxable Benefits are stipulated by the Canada Customs and Revenue Agency and included in remuneration. They may not necessarily be amounts that have been paid to employees.

The credit balance for Diane Evans's expenses is due to the Federal Government reimbursements crossing over the period end.

Expenses are components of the Travel and the General Office and Business expenses on the Audited Statements.

Prepared as required by Financial Information Regulation, Schedule 1, subsection 6(7)

INDUSTRY TRAINING AUTHORITY
STATEMENT OF SEVERANCE AGREEMENTS
FISCAL YEAR ENDED MARCH 31, 2012

There were three severance agreements made between the Industry Training Authority and the non-unionized employees during fiscal year 2011/2012.

These agreements represent from 3 to 7 months of compensation.*

* "Compensation" means the value of salary plus benefits in lieu, life and dependent life insurance.

Prepared under the Financial Information Regulation, Schedule 1, subsection 6(7)

INDUSTRY TRAINING AUTHORITY

SCHEDULE OF BOARD OF DIRECTORS REMUNERATION AND EXPENSES

For the Year Ended March 31, 2012

Name	Position	Remuneration	Expenses
Frank Pasacreta	Chair	25,650	17,936
Allan Bruce	Director	3,033	908
David Fehr	Director	2,588	222
Jack Carthy	Director	8,900	405
Jack Davidson	Director	6,900	1,452
Kurt Krampfl	Director	7,633	740
Laura Stanton	Director	8,250	4,244
Patty Sahota	Director	6,300	298
Suromitra Sanatani	Director	5,850	3,113
Tom Kirk	Director	13,450	12,621
Total Board Fees & Expenses		88,554	41,939
Meeting Expenses Paid by ITA (catering, room rental and Intranet Aprio)			18,228
			148,721
Total Board Costs on Financial Statements			148,721

Prepared under the Financial Information Regulation, Schedule 1, section 6(2), (3), (4), (5) and (6)

INDUSTRY TRAINING AUTHORITY
SCHEDULE OF SUPPLIES OF GOODS AND SERVICES
For the Year Ended March 31, 2012

Supplier Name	Amount Paid	Supplier Name	Amount Paid
Aboriginal Community Career Employment Services Society	230,120	Kevin Hanson	25,323
Automotive Training Standards Organization	620,514	Kirstin Leversage	40,059
BC Floor Covering Joint Conference Society	25,383	Kla-how-eya Aboriginal Centre of SACS	34,917
Bell Canada	262,580	Konica Minolta Business Solutions (Canada) Ltd.	38,036
British Columbia Construction Association	1,420,951	Kwantlen Polytechnic University	3,064,961
British Columbia Funeral Association	139,740	Leslie Rodgers	45,533
British Columbia Institute of Technology	18,528,490	Martello Property Services Inc.	128,584
British Columbia Wall & Ceiling Association	103,125	Maxium Developments Inc.	45,853
Bull, Housser & Tupper LLP	97,319	Medical Services Plan	51,947
Byron Joseph, Chief Councillor / Squamish Nation	166,667	Minister of Finance	470,672
Camosun College	5,629,390	Minister of Finance - Accommodation and Real Estate Services Division	200,673
Canada JobMart Ltd. dba Izen Consulting	115,920	Minister of Finance - Queen's Printer	359,185
Canada Revenue Agency - Tax Centre	252,827	MNP LLP	48,864
Canadian Standards Association	62,983	Mosaic Translation Services	33,552
CGI Information Systems and Management Consultants Inc.	216,217	Nicola Valley Institute of Technology	255,000
CITO BC Construction Industry Training Organization	2,188,995	North Island College	2,879,652
College of New Caledonia	4,424,649	Northern Lights College	1,990,377
College of the Rockies	1,827,628	Northwest Community College	1,538,978
Computronix (Canada) Ltd.	1,236,405	Okanagan College	7,979,695
Concept House Inc.	41,589	Pacific Vocational College	1,268,548
DC 38 Joint Trade Soc dba The Finishing Trades Inst of BC	601,216	Pile Drivers,Divers,Bridge,Dock and Wharf Builders,Local 2404	49,500
Diners Club International	195,161	Prince George Nechako Aboriginal Employment and Training Association	202,239
Discovery Community College Ltd.	116,363	Public Service Pension Plan	600,092
DIVERSEcity Community Resources Society	276,633	Quadrant Marine Institute Inc.	130,934
Dundee Realty Management (B.C.) Corp	131,693	R.A. Malatest & Associates Ltd.	31,007
EasyAccess Business Solutions Inc.	64,887	RCABC Educational Foundation	415,476
Edge Training & Consulting Ltd.	81,230	Receiver General of Canada	335,950
Electrical Industry Training Institute	668,544	Residential Construction Industry Training Organization	381,696
Electrical Joint Training Committee Society	82,256	Rod Munro	29,897
Encon Group Inc.	270,782	Rogers Wireless Inc.	39,826
Enform Canada	63,500	RTO BC Resource Training Organization	1,159,682
GMG Consulting Services Inc.	44,836	S.U.C.C.E.S.S.	302,996
go2 Tourism HR Society	780,414	Salvation Army	54,730
Grand & Toy	25,436	School District No. 5 (Southeast Kootenay)	82,408
Graphic Office Interiors Ltd.	182,929	School District No. 8 (Kootenay Lake)	94,500
Herzog Associates Inc.	26,812	School District No. 20 (Kootenay Columbia)	88,282
HortEducationBC	349,877	School District No. 22 (Vernon)	99,875
Horticulture Centre of the Pacific	111,337	School District No. 23 (Central Okanagan)	448,297
Hunt Personnel Temporarily Yours	70,899	School District No. 27 (Cariboo-Chilcotin)	53,164
ITS Consulting Inc.	175,526	School District No. 33 (Chilliwack)	35,000
IUOE Local 115 Training Association	157,196	School District No. 34 (Abbotsford)	224,500
Jerry R. Miller	44,710	School District No. 35 (Langley)	160,875
John T. Jones, Chief Councillor/Old Massett Village Council	31,179	School District No. 36 (Surrey)	500,572
Joint Apprentice Refrigeration Training School	411,780	School District No. 37 (Delta)	60,125
KaryoEdelman	279,706	School District No. 38 (Richmond)	107,125

INDUSTRY TRAINING AUTHORITY
SCHEDULE OF SUPPLIES OF GOODS AND SERVICES
For the Year Ended March 31, 2012

Supplier Name	Amount Paid	Supplier Name	Amount Paid
School District No. 39 (Vancouver)	195,500	School District No. 82 (Coast Mountain)	37,863
School District No. 40 (New Westminster)	88,500	School District No. 83 (North Okanagan-Shuswap)	197,066
School District No. 41 (Burnaby)	189,250	School District No. 91 (Nechako Lakes)	39,000
School District No. 42 (Maple Ridge-Pitt Meadows)	114,000	Secwepemc Cultural Education Society	138,240
School District No. 43 (Coquitlam)	280,375	Selkirk College	2,071,744
School District No. 46 (Sunshine Coast)	54,500	Sheet Metal Workers Training Centre Society	301,868
School District No. 47 (Powell River)	101,500	Sprott-Shaw Degree College Corp.	268,838
School District No. 48 (Howe Sound)	45,750	Stephen Rosin	32,368
School District No. 54 (Bulkley Valley)	40,000	Stuart Logie doing business as NHI Consulting	29,547
School District No. 57 (Prince George)	256,125	The Deetken Group - Deetken Enterprises Inc.	30,819
School District No. 59 (Peace River South)	98,875	The Deliberation Network	115,055
School District No. 60 (Peace River North)	80,500	Thompson Rivers University	4,651,334
School District No. 61 (Greater Victoria)	157,750	Tidal Multimedia Inc. dba Tidal Interactive	30,523
School District No. 62 (Sooke)	78,375	Tradeworks Training Society	252,843
School District No. 63 (Saanich)	143,750	Transportation Career Development Association of BC	785,460
School District No. 67 (Okanagan Skaha)	47,750	Trowel Trades Training Association	217,760
School District No. 68 (Nanaimo-Ladysmith)	154,875	Twisted Lime Media Inc.	29,190
School District No. 69 (Qualicum)	44,978	UA Piping Industry College of BC	1,844,230
School District No. 70 (Alberni)	25,000	Unison Construction Management Ltd.	800,706
School District No. 71 (Comox Valley)	55,500	United Food and Commercial Workers Local 247	515,883
School District No. 72 (Campbell River)	43,000	University College of the Fraser Valley	1,739,160
School District No. 73 (Kamloops Thompson)	176,625	VanAsep Training Society	200,000
School District No. 75 (Mission)	32,125	Vancouver Community College	7,909,778
School District No. 79 (Cowichan)	46,375	Vancouver Island University	5,326,004
Total for over \$25,000 paid to suppliers			\$ 99,141,802
Total for under \$25,000 paid to suppliers			1,310,987
Total			\$ 100,452,788

Explanation of Differences in Schedule of Goods and Services to Audited Statements:

A reconciliation of amounts reported in the Financial Information Act Return and the audited financial statements has not been prepared. The ITA prepares its Financial Statements on an accrual basis while the amounts reported in the Financial Information Act Return are based on cash payments in the year. This will result in timing differences between amounts recorded as expenses in the Financial Statements and amounts paid to a vendor in the year. HST charged by vendors will also be included in these totals.

Prepared under the Financial Information Regulation, Schedule 1 section 7 and the Financial Information Act, Section 2.