

**B.C. ASSOCIATION FOR CRANE SAFETY**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2016**

**B.C. ASSOCIATION FOR CRANE SAFETY  
FINANCIAL STATEMENTS  
DECEMBER 31, 2016**

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NORTH VANCOUVER

CHARTERED PROFESSIONAL  
ACCOUNTANTS

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## INDEPENDENT AUDITOR'S REPORT

To the Members of the B.C. Association For Crane Safety

### Report on the Financial Statements

We have audited the accompanying financial statements of the B.C. Association For Crane Safety, which comprise the statement of financial position as at December 31, 2016, and the statements of operations, changes in net assets and cash flows for the year then ended, 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 generally accepted accounting principles for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's responsibility

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

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

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

### Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of the B.C. Association For Crane Safety as at December 31, 2016 and its financial performance and its cash flows for the year ended December 31, 2016, in accordance with Canadian generally accepted accounting principles for not-for-profit organizations.

### Report on Other Legal and Regulatory Requirements

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

CHARTERED PROFESSIONAL ACCOUNTANTS

North Vancouver, B.C.  
March 22, 2017

**B.C. ASSOCIATION FOR CRANE SAFETY**  
**STATEMENT OF OPERATIONS**  
**YEAR ENDED DECEMBER 31, 2016**

**STATEMENT 1**

	ITA Industry Training Authority Fund	BC Ministry of Jobs Fund	Yukon WCHSB Fund	WorkSafeBC Operations Fund	WorkSafeBC Reserve Fund	WorkSafeBC Projects Fund	WorkSafeBC Capital Fund	Total WorkSafeBC Fund	TOTAL 2016	TOTAL 2015
<b>FUNDING</b>	\$119,271	\$100,000	\$12,797	\$627,400	\$ -	\$189,000	\$ -	\$816,400	\$1,048,468	\$ 749,173
<b>EXPENSES</b>										
Advertising	-	-	-	191	-	-	-	191	191	1,561
Amortization	-	-	-	-	-	-	5,490	5,490	5,490	5,636
Automotive	-	-	-	1,458	-	-	-	1,458	1,458	1,741
Bank charges & interest	114	24	292	1,557	-	-	-	1,557	1,987	1,221
Computer and website	-	-	-	9,573	-	-	-	9,573	9,573	5,179
Consulting fees	93,719	97,497	6,355	-	-	178,742	-	178,742	376,313	208,077
Courses & conferences	-	-	-	13,218	-	819	-	14,037	14,037	5,225
Insurance	-	-	-	7,255	-	-	-	7,255	7,255	6,781
Loss on disposal of assets	-	-	-	-	-	-	457	457	457	1,759
Maintenance of Industry										
Services – Note 3	-	-	-	114,395	-	-	-	114,395	114,395	75,769
Meeting Costs	415	-	-	4,749	-	182	-	4,931	5,346	5,837
Membership and dues	-	-	-	899	-	-	-	899	899	898
Office supplies & other	-	-	-	5,738	-	1,740	-	7,478	7,478	5,607
Professional fees	-	-	-	9,130	-	-	-	9,130	9,130	8,597
Rent	-	-	-	55,472	-	-	-	55,472	55,472	55,248
Salaries and benefits	3,712	-	-	392,617	-	-	-	392,617	396,329	364,021
Telephone	-	-	88	6,823	-	-	-	6,823	6,911	8,685
Travel	15,027	-	-	879	-	7,343	-	8,222	23,249	5,454
	\$112,987	\$ 97,521	\$ 6,735	\$623,954	\$ -	\$188,826	\$ 5,947	\$ 818,727	\$1,035,970	\$ 767,296

Excess (deficiency) of funding  
over expenses

\$ 6,284    \$ 2,479    \$ 6,062    \$ 3,446    \$ -    \$ 174    \$ (5,947)    \$ 2,327    \$ 12,498    \$ (18,123)

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

**EPR NORTH VANCOUVER**

**B.C. ASSOCIATION FOR CRANE SAFETY**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**YEAR ENDED DECEMBER 31, 2016**

**STATEMENT 2**

	ITA Industry Training Authority Fund	BC Ministry of Jobs Fund	Yukon WCHSB Fund	WorkSafeBC Operations Fund	WorkSafeBC Reserve Fund	WorkSafeBC Projects Fund	WorkSafeBC Capital Fund	Total WorkSafeBC Fund	TOTAL 2016	TOTAL 2015
Net assets, beginning of year	\$ 549	\$ 2,772	-	\$ -	\$ 146,748	\$ -	\$ 21,116	\$ 167,864	\$ 171,185	\$ 189,308
Excess (deficiency) of funding over expenses	6,284	2,479	6,082	3,446	-	174	(5,947)	(2,327)	12,498	(18,123)
Interfund transfers	-	-	-	174	-	(174)	-	-	-	-
Purchase of Capital Assets	-	-	-	(6,870)	-	-	6,870	-	-	-
Bridge financing from Reserve Fund – Note 5	-	-	-	3,250	(3,250)	-	-	-	-	-
Net assets, end of year	<u>\$ 6,833</u>	<u>\$ 5,251</u>	<u>\$ 6,062</u>	<u>\$ -</u>	<u>\$ 143,498</u>	<u>\$ -</u>	<u>\$ 22,039</u>	<u>\$ 165,537</u>	<u>\$ 183,683</u>	<u>\$ 171,185</u>

The accompanying notes and schedules are an integral part of these financial statements  
**EPR NORTH VANCOUVER**

**B.C. ASSOCIATION FOR CRANE SAFETY**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED DECEMBER 31, 2016**

**STATEMENT 3**

	2016	2015
<b>OPERATING ACTIVITIES</b>		
Excess of funding over expenses for the year	\$12,498	\$ (18,123)
Items not involving cash		
Amortization	5,490	5,636
Loss on disposal of assets	457	532
	18,445	(11,955)
Changes in working capital accounts		
Accounts receivable	(63,313)	79,920
Prepaid expenses	(822)	(474)
Accounts payable and accrued liabilities	58,854	(73,933)
Deferred revenue	(7,500)	7,500
	5,664	1,058
<b>FINANCING ACTIVITY</b>		
WorkSafeBC funding payable	-	(87)
<b>INVESTING ACTIVITIES</b>		
Purchase of capital assets	(6,870)	(5,107)
Increase (decrease) in cash	(1,206)	(4,136)
Cash, beginning of year	171,004	175,140
<b>Cash, end of year</b>	<b>\$169,798</b>	<b>\$ 171,004</b>

The accompanying notes and schedules are an integral part of these financial statements  
**EPR NORTH VANCOUVER**

**B.C. ASSOCIATION FOR CRANE SAFETY**  
**STATEMENT OF FINANCIAL POSITION**  
**YEAR ENDED DECEMBER 31, 2016**

**STATEMENT 4**


	2016	2015
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	\$169,798	\$171,004
Accounts receivable	75,627	12,314
Prepaid expenses	11,304	10,482
	<u>256,729</u>	<u>193,800</u>
Capital assets – Note 4	22,039	21,116
	<u><b>\$278,768</b></u>	<u><b>\$ 214,916</b></u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued liabilities	\$ 95,085	\$ 36,231
Deferred revenue	-	7,500
	<u>95,085</u>	<u>43,731</u>
<b>NET ASSETS</b>		
Net assets	183,683	171,185
	<u><b>\$278,768</b></u>	<u><b>\$214,916</b></u>

**Commitment – Note 8**

Approved by the Directors:

 Director

June 1/17 Date

 Director

21. 06. 17 Date

The accompanying notes and schedules are an integral part of these financial statements  
**EPR NORTH VANCOUVER**

**B.C. ASSOCIATION FOR CRANE SAFETY**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2016**

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**1. PURPOSE OF THE ASSOCIATION**

The B.C. Association for Crane Safety (the "Association") is incorporated under the Societies Act of British Columbia.

The Association provides leadership for health and safety development within the crane hoisting industry. They serve all industry stakeholders as a forum for effectively addressing common safety issues and as an industry advisory body regarding standards, regulations, and qualifications. The purpose is to support and maintain a comprehensive, inclusive credentialing regime to support the goal of accident free crane operations throughout British Columbia.

**2. SIGNIFICANT ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations as issued by the Accounting Standards Board in Canada and include the following significant accounting policies:

**Revenue Recognition**

The Association follows the deferral method of accounting for contributions; restricted contributions, including provincial funding, and are deferred and matched with related expenses as incurred.

Unrestricted revenue, including administrative recoveries, are recognized as revenue when received or receivable, if the amount can be reasonably estimated and collection is reasonable assured.

**Fund Accounting**

In order to ensure observance of limitations and restrictions placed on the use of resources available to the Association, the accounts are maintained on a fund accounting basis. Accordingly, resources are classified for accounting and reporting purposes into funds. These funds are held in accordance with the objectives specified by the contributors or in accordance with the directives issued by the Board of Directors.

*ITA Industry Training Authority Fund*

The Industry Training Authority Fund is used to account for all revenue and expenditures related to apprenticeship standards, certification and exams, for Crane Operators in British Columbia.

*BC Ministry of Jobs*

The BC Ministry of Jobs Fund is used to account for all revenue and expenditures related to the development of crane operative jobs in British Columbia.

*The Yukon Workers' Comp Health & Safety Board Fund*

This fund is used to account for all revenue and expenditures related to services provided for crane operator certification, information, support and record system for Yukon.



**B.C. ASSOCIATION FOR CRANE SAFETY**  
**NOTES TO FINANCIAL STATEMENTS**  
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**2. SIGNIFICANT ACCOUNTING POLICIES - continued**

*WorkSafeBC Operations Fund*

The WorkSafeBC Operations Fund is used to account for all revenue and expenditure related to general and ancillary operations of the Association and Maintenance of Industry Services function.

*WorkSafeBC Projects Fund*

The WorkSafeBC Projects Fund is used to account for all revenue and expenditure related to non-administrative operations of the Association.

*The WorkSafeBC Reserve Fund*

The WorkSafeBC Reserve Fund may be used as an alternative funding source for unforeseen, time sensitive and unbudgeted initiatives that will result in a deficit at the end of the year. It may also be used as a bridge financing until the next funding payment is received from WorkSafeBC. The WorkSafeBC Reserve Fund consists of a maximum of up to 3 months of the annual WorkSafeBC's funding amount.

*The WorkSafeBC Capital Fund*

The WorkSafeBC Capital Fund is used to account for all capital assets of the organization and to present the flow of funds related to their acquisition and disposal, unexpended capital resources.

**Capital Assets**

Capital assets are recorded at cost. Amortization is provided using the declining balance method at rates intended to amortize the cost of assets over their estimated useful lives.

Computer equipment	30%
Furniture and equipment	20%

**Measurement Uncertainty (use of estimates)**

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Amortization is based on the estimated useful lives of capital assets. Accounts receivable are stated after evaluations as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

These estimated and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in excess of revenues and expenses in the periods in which they become known.

**B.C. ASSOCIATION FOR CRANE SAFETY**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2016**

**2. SIGNIFICANT ACCOUNTING POLICIES - continued**

**Financial Instrument**

The Association recognized its financial instruments when the Association becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

At initial recognition, the Association may irrevocably elect to subsequently measure any financial instrument at fair value. The Association has not made such an election during the year. The Association subsequently measures financial assets and liabilities at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in the excess (deficiency) of revenues over expenses for the current period. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at amortized cost or cost.

**Long-lived Assets**

Long-lived assets consist of computer equipment and furniture and equipment. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Association performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying amount of an assets, or group of assets, may not be recoverable. Impairment is measured as the amount by which the asset's carrying value exceeds its fair value. Prices for similar items are used to measure fair value of long-lived assets. Any impairment is included in the net loss for the year.

**3. MAINTENANCE OF INDUSTRY SERVICES**

Maintenance of Industry Services are expenditures to support, expand and maintain industry established services and products relevant and in tune with industry expressed and demonstrated needs. In contrast, Project Costs are related to new or in-progress services and products.

**4. CAPITAL ASSETS**

			<b>2016</b>	<b>2015</b>
	Cost	Accumulated Amortization	Net	Net
Computer equipment	\$23,562	\$13,118	\$10,444	\$ 9,624
Furniture and equipment	26,435	14,840	11,595	\$ 11,492
	<b>\$49,997</b>	<b>\$27,958</b>	<b>\$22,039</b>	<b>\$ 21,116</b>

**B.C. ASSOCIATION FOR CRANE SAFETY**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2016**

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**5. WORKSAFEBC FUNDING DEFICIENCY**

According to the agreement with WorkSafeBC, any surplus funds paid by WorkSafeBC shall either be deducted from the subsequent year's funding, returned to WorkSafeBC or retained in a reserve fund to a maximum of up to 3 months of the annual WorkSafeBC's funding amount. WorkSafeBC has historically reduced any surplus amounts by deducting them from the subsequent years' funding.

This year the Association has recorded a deficiency of funding as a result of an adjustment of \$174 in the WorkSafeBC Projects Fund to clear out the net income in that fund, a \$6,870 adjustment in the WorkSafeBC Capital Fund for capital purchases. When these adjustments are added to the net income of the fund of \$3,446 the net deficiency of funding in the WorkSafeBC Operations Fund is \$3,250. Management has authorized the transfer from the Reserve Fund to fund the deficiency

**6. ECONOMIC DEPENDENCE**

The Association's primary source of income is from WorkSafeBC funding. The Association's ability to continue viable operations is dependent on maintaining the funding relationship and agreements with WorkSafeBC.

**7. FINANCIAL INSTRUMENTS**

The Association as part of its operations carries a number of financial instruments. The carrying value of cash, accounts receivable, accounts payable and accrued liabilities approximates its fair value given the short-term nature of these financial instruments. It is administration's opinion that the Association is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed.

**8. COMMITMENT**

The Association entered into a 3-year rental lease agreement commencing on March 1, 2012 and ending on February 28, 2016. The lease was extended by an additional 3 years effective on March 1, 2016 and ending on February 28, 2018. Pursuant to the lease agreement, the minimum required annual payments with operating costs are as follows:

2017	\$ 52,299
2018	\$ 8,716

**9. REMUNERATION OF DIRECTORS, EMPLOYEES AND CONTRACTORS**

The Society Act of British Columbia requires disclosure of remuneration to directors and remuneration to employees and contractors when this is in excess of \$75,000.

During the year the Society paid the following remuneration:

Directors	\$ 0
Employees	\$176,412
Contractors	\$238,319