

**BC ASSOCIATION FOR CRANE SAFETY**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2023**

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FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

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**EPR NORTH VANCOUVER**  
CHARTERED PROFESSIONAL ACCOUNTANTS

## **INDEPENDENT AUDITOR'S REPORT**

To the members of  
BC Association for Crane Safety

### *Opinion*

We have audited the financial statements of BC Association for Crane Safety, which comprise the statement of financial position as at December 31, 2023, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

### *Basis for Opinion*

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

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

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

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

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

### *Auditor's Responsibilities for the Audit of the Financial Statements*

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

## INDEPENDENT AUDITOR'S REPORT — continued

- ◆ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ◆ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- ◆ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ◆ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

### *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.

***EPR***

### **CHARTERED PROFESSIONAL ACCOUNTANTS**

North Vancouver, BC  
March 31, 2024

**BC ASSOCIATION FOR CRANE SAFETY**  
**STATEMENT OF OPERATIONS**  
**YEAR ENDED DECEMBER 31, 2023**

**STATEMENT 1**

	<b>ESDC Fund</b>	<b>ITA Industry Training Authority Fund</b>	<b>Total WorksafeBC Fund</b>	<b>TOTAL 2023</b>	<b>TOTAL 2022</b>
<b>REVENUE</b>					
Funding – Note 8	-	\$8,778	\$1,635,521	\$1,644,299	\$1,709,153
Sublet Rental Income – Note 11	-	-	162,080	162,080	140,944
	<b>-</b>	<b>\$8,778</b>	<b>\$1,797,601</b>	<b>\$1,806,379</b>	<b>\$1,850,097</b>
<b>EXPENSES</b>					
Advertising	-	-	139,855	139,855	105,158
Amortization	-	-	18,878	18,878	15,122
Automotive	-	-	716	716	1,710
Bank charges & interest	-	-	1,935	1,935	1,673
Computer and website	-	-	47,220	47,220	50,357
Consulting fees	-	-	205,450	205,450	228,081
Courses & conferences	-	-	1,691	1,691	555
Insurance	-	-	29,512	29,512	31,127
Interest	-	-	293	293	598
Maintenance of Industry Services – Note 3	-	-	285,898	285,898	174,978
Meeting Costs	-	-	13,168	13,168	3,667
Membership and dues	-	-	17,955	17,955	13,220
Moving Cost	-	-	-	-	1,276
Office supplies & other	-	-	20,963	20,963	49,362
Professional fees	-	-	20,761	20,761	22,560
Reference material	-	-	542	542	-
Rent	-	-	224,368	224,368	225,423
Salaries and benefits	-	-	766,875	766,875	660,702
Telephone	-	-	9,455	9,455	10,783
Travel	-	-	39,754	39,754	9,209
	<b>\$ -</b>	<b>\$ -</b>	<b>\$1,845,289</b>	<b>\$1,845,289</b>	<b>\$1,605,561</b>
Excess (deficiency) of funding over expenses	<b>\$ -</b>	<b>\$8,778</b>	<b>\$ (47,668)</b>	<b>\$ (38,910)</b>	<b>\$ 244,536</b>

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

**BC ASSOCIATION FOR CRANE SAFETY  
STATEMENT OF OPERATIONS – WORKSAFEBC FUND  
YEAR ENDED DECEMBER 31, 2023**

**STATEMENT 2**

	<b>WorkSafeBC Operations Fund</b>	<b>WorksafeBC Reserve Fund</b>	<b>WorksafeBC Projects Fund</b>	<b>WorksafeBC Capital Fund</b>	<b>Total WorksafeBC Fund</b>
<b>REVENUE</b>					
Funding – Note 8	\$1,635,521	-	-	-	\$1,635,521
Sublet Rental Income – Note 11	162,080	-	-	-	162,080
	<b>\$1,797,601</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$1,797,601</b>
<b>EXPENSES</b>					
Advertising	139,855	-	-	-	139,855
Amortization	-	-	-	18,878	18,878
Automotive	716	-	-	-	716
Bank charges & interest	1,935	-	-	-	1,935
Computer and website	47,220	-	-	-	47,220
Consulting fees	205,450	-	-	-	205,450
Courses & conferences	1,691	-	-	-	1,691
Insurance	29,512	-	-	-	29,512
Interest	293	-	-	-	293
Maintenance of Industry Services					
– Note 3	285,898	-	-	-	285,898
Meeting Costs	13,168	-	-	-	13,168
Membership and dues	17,955	-	-	-	17,955
Office supplies & other	20,963	-	-	-	20,963
Professional fees	20,761	-	-	-	20,761
Reference material	542	-	-	-	542
Rent	224,368	-	-	-	224,368
Salaries and benefits	766,875	-	-	-	766,875
Telephone	9,455	-	-	-	9,455
Travel	39,754	-	-	-	39,754
	<b>\$ 1,826,411</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 18,878</b>	<b>\$1,845,289</b>
Excess (deficiency) of funding over expenses	<b>\$ (28,810)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (18,878)</b>	<b>\$ (47,688)</b>

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

**BC ASSOCIATION FOR CRANE SAFETY**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**YEAR ENDED DECEMBER 31, 2023**

**STATEMENT 3**

	<b>ESDC Fund</b>	<b>ITA Industry Training Authority Fund</b>	<b>BC Ministry of Jobs Fund</b>	<b>Yukon WCHSB Fund</b>	<b>Total WorksafeBC Fund</b>	<b>TOTAL 2023</b>	<b>TOTAL 2022</b>
Net assets, beginning of year	\$ 509	\$52,869	\$5,488	\$1,314	\$867,222	\$927,402	\$682,866
Excess (deficiency) of funding over expenses	-	8,778	-	-	(47,688)	(38,910)	244,536
Net assets, end of year	<b>\$ 509</b>	<b>\$61,647</b>	<b>\$5,488</b>	<b>\$1,314</b>	<b>\$819,534</b>	<b>\$888,492</b>	<b>\$927,402</b>

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

**BC ASSOCIATION FOR CRANE SAFETY**  
**STATEMENT OF CHANGES IN NET ASSETS – WORKSAFEBC FUND**  
**YEAR ENDED DECEMBER 31, 2023**

**STATEMENT 4**

	<b>WorkSafeBC Operations Fund</b>	<b>WorksafeBC Reserve Fund</b>	<b>WorksafeBC Projects Fund</b>	<b>WorksafeBC Capital Fund</b>	<b>Total WorksafeBC Fund</b>
Net assets, beginning of year	\$339,898	\$459,000	\$ 2,830	\$65,494	\$867,222
Excess (deficiency) of funding over					
Expenses	(28,810)	-	-	(18,878)	(47,688)
Purchase of Capital Assets	(10,786)	-	-	10,786	-
Net assets, end of year	<b><u>\$300,302</u></b>	<b><u>\$459,000</u></b>	<b><u>\$ 2,830</u></b>	<b><u>\$57,402</u></b>	<b><u>\$819,534</u></b>

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



**BC ASSOCIATION FOR CRANE SAFETY**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED DECEMBER 31, 2023**

**STATEMENT 5**

	<b>2023</b>	<b>2022</b>
<b>OPERATING ACTIVITIES</b>		
Excess of funding over expenses for the year	\$(38,910)	\$244,536
Items not involving cash		
Amortization	18,878	15,122
	(20,032)	259,658
Changes in working capital accounts		
Accounts receivable	(8,527)	(27,596)
GST Rebate receivable	(10,537)	-
Supplies inventory	(7,433)	(17,244)
Prepaid expenses	(18,408)	18,953
Security deposit	-	25,431
Accounts payable and accrued liabilities	(8,434)	29,140
Deferred grant revenue	918,000	-
	844,629	288,342
<b>INVESTING ACTIVITIES</b>		
Purchase of capital assets	(10,786)	(45,082)
<b>FINANCING ACTIVITIES</b>		
Equipment loan	(3,055)	(2,749)
Increase (decrease) in cash	830,788	240,511
Cash, beginning of year	816,000	576,089
<b>Cash, end of year</b>	<b>\$1,647,388</b>	<b>\$816,600</b>

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

**BC ASSOCIATION FOR CRANE SAFETY**  
**STATEMENT OF FINANCIAL POSITION**  
**YEAR ENDED DECEMBER 31, 2023**

**STATEMENT 6**

	<b>2023</b>	<b>2022</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	\$1,647,388	\$816,600
Accounts receivable	16,371	7,845
GST rebate receivable	47,961	37,424
Supplies inventory	45,077	37,644
Prepaid expenses	51,262	32,854
	<u>1,808,059</u>	<u>932,367</u>
Security deposit	8,827	8,827
Tangible capital assets under capital lease – Note 4	1,319	3,957
Tangible capital assets – Note 5	56,084	61,537
	<u><b>\$1,874,289</b></u>	<u><b>\$1,006,688</b></u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued liabilities	\$ 66,982	\$75,416
Deferred grant revenue	918,000	-
Current portion of obligation under capital lease – Note 6	815	3,055
	<u>985,797</u>	<u>78,471</u>
<b>Long Term Liabilities</b>		
Obligation under capital lease – Note 6	-	815
<b>NET ASSETS</b>		
Restricted net asset	459,000	459,000
Unrestricted net asset	429,492	468,402
Net assets	<u>888,492</u>	<u>927,402</u>
	<u><b>\$1,874,289</b></u>	<u><b>\$1,006,688</b></u>

**Economic Dependence** – Note 9

**Commitment** – Note 11

Approved by the Directors:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

\_\_\_\_\_ Date

\_\_\_\_\_ Date

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

**BC ASSOCIATION FOR CRANE SAFETY**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

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**1. PURPOSE OF THE ASSOCIATION**

The BC 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 and 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 deferred method of accounting for contributions; restricted contributions, including provincial funding, 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 reasonably 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.

*The ESDC Fund (Employment and Social Development Canada)*

This fund is used to account all revenues and expenditures related to the Canada/European Union Crane Operator Credential MRA Project. The project was completed on March 31, 2023.

*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 ASSOCIATION FOR CRANE SAFETY**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

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**2. SIGNIFICANT ACCOUNTING POLICIES** - continued

*WorkSafeBC Operations Fund*

The WorkSafeBC Operations Fund is used to account for all revenue and expenditures 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 expenditures 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.

**Equipment Under Capital Lease**

Equipment under capital lease is recorded at cost and is amortised over the lease term of 60 months.

**Tangible Capital Assets**

Tangible 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.

**BC ASSOCIATION FOR CRANE SAFETY**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

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**2. SIGNIFICANT ACCOUNTING POLICIES** - continued

**Measurement Uncertainty** (use of estimates) - continued

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 estimates 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.

**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. TANGIBLE CAPITAL ASSETS UNDER CAPITAL LEASE**

			<b>2023</b>	<b>2022</b>
	Cost	Accumulated Amortization	Net	Net
Equipment	\$13,189	\$11,870	\$1,319	\$3,957

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**BC ASSOCIATION FOR CRANE SAFETY**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**5. TANGIBLE CAPITAL ASSETS**

			<b>2023</b>	<b>2022</b>
	Cost	Accumulated Amortization	Net	Net
Computer equipment	\$71,936	\$35,400	\$36,536	\$37,103
Furniture and equipment	45,585	26,038	19,548	24,434
	<b>\$117,522</b>	<b>\$61,438</b>	<b>\$56,084</b>	<b>\$61,537</b>

**6. OBLIGATION UNDER CAPITAL LEASE**

In 2019, the Association entered into an agreement with Xerox Canada Ltd. for the lease of an office copier.

	<b>2023</b>	<b>2022</b>
\$13,189 lease obligation payable to Xerox Canada Ltd., bearing an interest rate of 10.650% per annum repayable in quarterly payments of \$764.21 due on April 30, 2024	815	3,870
Less: current portion of obligation	(815)	(3,055)
Lease obligation	<b>\$ -</b>	<b>\$ 815</b>

For the year ended December 31, 2023, the Association incurred interest of \$872 in connection with the lease obligation.

**7. WORKSAFEBC RESERVE FUND**

According to the HSA funding agreement with WorkSafeBC, any surplus funds attributed to WorkSafeBC activities shall either be deducted from the subsequent year's funding, returned to WorkSafeBC or retained in a reserve fund. The maximum amount of the reserve fund shall not, at any time, exceed an amount equal to three months' worth of the total annual funding.

In 2023, Worksafe BC deducted \$200,479 from the annual Funding as a result of the 2022 surplus.

**8. REVENUE FUNDING WORKSAFE BC**

	<b>2023</b>	<b>2022</b>
Funding from WorksafeBC	\$1,836,000	\$1,836,000
Deducted for prior year Surplus Funds	(200,479)	(135,513)
	<b>\$1,635,521</b>	<b>\$1,700,487</b>

**BC ASSOCIATION FOR CRANE SAFETY**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

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**9. 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. The Association has a HSA funding agreement in place with WorkSafeBC for 2023.

**10. 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.

**11. COMMITMENTS**

The Association has lease commitments for its office premises. The minimum payments for the next three years are as follows:

2024	\$ 75,541
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On October 28, 2022 the Association entered into a Sublease Agreement with the Landlord to sublease the premises to third parties effective January 1, 2022. The terms of the lease are the same terms of the Head Lease which was entered into on April 2, 2019, terminating on June 29, 2024.

On January 1, 2022 the Association moved to a new location and entered into a lease agreement with a 5-year term. The lease commenced on February 1, 2022 and ends on January 31, 2027.

The minimum payments for the next five years on this current lease are as follows:

2024	\$29,652
2025	\$29,790
2026	\$30,548

**12. 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 Association paid \$607,721 to four individuals whose salaries were greater than \$75,000. No compensation was paid to any Directors.