

**B.C. Federation of Labour  
Occupational Health and Safety Centre  
Financial Statements**  
*For the period ended March 31, 2024*

**B.C. Federation of Labour  
Occupational Health and Safety Centre  
Contents**

*For the period ended March 31, 2024*

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## Independent Auditor's Report

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To the Executive Council of the Occupational Health and Safety Centre Fund of the B.C. Federation of Labour:

### Opinion

We have audited the Occupational Health and Safety Centre Fund (the "Centre") financial statements of the B.C. Federation of Labour (the "BCFED"), which comprise the statement of financial position as at March 31, 2024, and the statements of operations, changes in net assets and cash flows for the period then ended, and notes to the financial statements and schedules, 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 Centre as at March 31, 2024, and the results of its operations and its cash flows for the period then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### 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 Centre 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.

### Other Matter

The accompanying financial statements are specific to the financial position and results of operations of the Centre, an element of the financial statements of the BCFED. The financial statements have been prepared to provide information to the Directors and to the Workers' Compensation Board ("WorkSafe BC"), and as a result, may not be suitable for another purpose.

### 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 Canadian accounting standards 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.

In preparing the financial statements, management is responsible for assessing the Centre'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 Centre or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Centre'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.

#### MNP LLP

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As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Centre'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 Centre'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 Centre 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.

Port Moody, British Columbia

June 17, 2024

*MNP LLP*

Chartered Professional Accountants

**MNP**

**B.C. Federation of Labour**  
**Occupational Health and Safety Centre**  
**Statement of Financial Position**  
*As at March 31, 2024*

	<i>March 31</i> <b>2024</b>	<i>March 31</i> <b>2023</b>
<b>Assets</b>		
<b>Current</b>		
Cash	1,743,171	89,311
Accounts receivable	126,790	167,658
Term deposits	2,164,091	1,861,866
Prepaid expenses	27,810	23,624
	<b>4,061,862</b>	<b>2,142,459</b>
<b>Capital assets (Note 3)</b>	<b>550,500</b>	<b>609,776</b>
	<b>4,612,362</b>	<b>2,752,235</b>
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accruals	233,205	356,272
Deferred contributions (Note 4)	1,744,490	1,040,063
Due to BCFED General Fund (Note 5)	560,002	389,413
	<b>2,537,697</b>	<b>1,785,748</b>
<b>Net Assets</b>		
Unrestricted	1,524,165	356,711
Invested in capital assets	550,500	609,776
	<b>2,074,665</b>	<b>966,487</b>
	<b>4,612,362</b>	<b>2,752,235</b>

**Approved on behalf of the Board**

e-Signed by Sussanne Skidmore  
2024-06-27 08:54:54:54 PDT  
**President**

e-Signed by Hermender Singh Kailley  
2024-06-27 16:10:22:22 PDT  
**Secretary - Treasurer**

**B.C. Federation of Labour  
Occupational Health and Safety Centre  
Statement of Operations**

*For the period ended March 31, 2024*

	<b>12 Months Ended March 31 2024</b>	<b>7 Months Ended March 31 2023</b>
<b>Revenue</b>		
WCB project funds	3,799,648	1,373,756
Course registration fees	762,135	601,755
Interest and other	197,786	91,488
<b>Total revenue</b>	<b>4,759,569</b>	<b>2,066,999</b>
<b>Expenses</b>		
Accounting and legal fees	55,701	11,043
Advertising and sponsorships	15,276	4,349
Amortization	80,602	46,396
Benefits <i>(Schedule 1)</i>	773,940	510,945
Conferences, registrations and meeting expenses	53,740	11,956
Consultants and contractors <i>(Schedule 1)</i>	50,861	45,304
Bank charges and other	122,285	12,013
Office supplies	33,439	14,559
Property tax and insurance	23,821	12,508
Publication	136,958	86,557
Rent - office	159,728	59,276
Salaries <i>(Schedule 1)</i>	1,665,718	997,294
Technology	292,029	130,329
Telecommunications and freight	33,839	19,426
Training - staff	24,265	11,765
Travel	129,190	93,245
<b>Total expenses</b>	<b>3,651,392</b>	<b>2,066,965</b>
<b>Excess of revenue over expenses</b>	<b>1,108,177</b>	<b>34</b>

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

**B.C. Federation of Labour  
Occupational Health and Safety Centre  
Statement of Changes in Net Assets**

*For the period ended March 31, 2024*

	<i>Unrestricted</i>	<i>Invested in capital assets</i>	<b>12 Months Ended March 31 2024</b>	<i>7 Months Ended March 31 2023</i>
<b>Net assets, beginning of period</b>	356,711	609,776	<b>966,487</b>	966,453
<b>Excess (deficiency) of revenue over expenses</b>	1,188,780	(80,602)	<b>1,108,177</b>	34
<b>Purchase of capital assets</b>	(21,326)	21,326	-	-
<b>Net assets, end of period</b>	<b>1,524,165</b>	<b>550,500</b>	<b>2,074,664</b>	966,487

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

**B.C. Federation of Labour**  
**Occupational Health and Safety Centre**  
**Statement of Cash Flows**  
*For the period ended March 31, 2024*

	<i>12 Months Ended March 31 2024</i>	<i>7 Months Ended March 31 2023</i>
<b>Cash provided by (used for) the following activities</b>		
<b>Operating</b>		
Excess of revenue over expenses	1,108,177	34
Amortization	80,602	46,396
<hr/>		
Changes in working capital accounts		
Accounts receivable	40,868	(95,125)
Prepaid expenses	(4,186)	(4,280)
Accounts payable and accruals	(123,068)	(65,319)
Deferred contributions	704,429	(217,620)
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	1,806,822	(335,914)
<hr/>		
<b>Financing</b>		
Advances of due to BCFED General Fund	170,589	223,983
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<b>Investing</b>		
Purchase of term deposits	(302,225)	-
Purchase of capital assets	(21,326)	-
Proceeds on maturity of term deposits	-	48,137
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	(323,551)	48,137
<hr/>		
<b>Increase (decrease) in cash</b>	<b>1,653,860</b>	<b>(63,794)</b>
<b>Cash, beginning of year</b>	<b>89,311</b>	<b>153,105</b>
<hr/>		
<b>Cash, end of year</b>	<b>1,743,171</b>	<b>89,311</b>

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



**B.C. Federation of Labour**  
**Occupational Health and Safety Centre**  
**Notes to the Financial Statements**  
*For the period ended March 31, 2024*

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**1. Nature of the organization**

The B.C. Federation of Labour (the "BCFED") was formed to promote the principles and policies of the Canadian Labour Congress and to promote the interests of working people and BCFED's affiliates in British Columbia.

The BCFED is a not-for-profit organization under the Income Tax Act (the "Act") and as such is exempt from income taxes. In order to maintain its status as a registered not-for-profit organization under the Act, the BCFED must meet certain requirements within the Act. In the opinion of the management, these requirements have been met.

The financial statements of BCFED are comprised of three Funds, being the Occupational Health and Safety Centre (the "Centre"), the BCFED General Fund ("General Fund"), and B.C. Centre for Women in the Trades ("BCCWITT"). These financial statements have been prepared to report the financial position and results of operations of the Centre, and do not include account balances and transactions of BCFED's General Fund or BCCWITT. Financial statements of BCFED, presenting the financial position and results of operations of the Centre, General Fund, and BCCWITT are available upon request.

**2. Significant accounting policies**

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada, which are part of Canadian generally accepted accounting principles, and include the following significant accounting policies:

***Revenue recognition***

The Centre is funded under an agreement with the Workers' Compensation Board of British Columbia to provide occupational health and safety training from April 2024 through to March 2026. Course registration fees are recognized upon completion of the related conference, course or event if collection is reasonably assured.

***Capital assets***

Capital assets are recorded at cost less accumulated amortization. Amortization is provided using the straight-line method at rates intended to amortize the cost of the assets over their estimated useful lives:

	<b>Rate</b>
Computer software	10 years
Furniture and equipment	3 - 5 years
Leasehold improvements	5 years

***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 revenue and expenses during the reporting period.

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

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

***Employee future benefits***

The Centre's employees participate in a multi employer benefit plan for certain of its employees, the Municipal Pension Plan, for which there is insufficient information to apply defined benefit plan accounting because the actuary does not attribute portions of the surplus to individual employers participating in the plan. Accordingly, the Centre is not able to identify its share of the plan assets and liabilities, and therefore, the Centre uses defined contribution plan accounting for this plan.

**2. Significant accounting policies** *(Continued from previous page)*

***Financial instruments***

The Centre recognizes its financial instruments when the Centre becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management. Financial assets and liabilities originated and issued in all other related party transactions are initially measured at their carrying or exchange amount in accordance with Section 3840 *Related Party Transactions*.

At initial recognition, the Centre may irrevocably elect to subsequently measure any financial instrument at fair value. The Centre has not made such an election during the period.

The Centre subsequently measures financial assets and liabilities measured at amortized cost, with transaction costs and financing fees added to the carrying amount of the Centre's financial instruments.

***Arm's length financial instruments***

Financial instruments originated/acquired or issued/assumed in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value.

At initial recognition, the Centre may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Centre has not made such an election during the period.

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 excess of revenue over expenses. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

***Related party financial instruments***

The Centre initially measures the following financial instruments originated/acquired or issued/assumed in a related party transaction ("related party financial instruments") at cost on initial recognition. When the financial instrument and the consideration transferred both do not have repayment terms, the cost is equal to the carrying or exchange amount of the consideration transferred or received.

The Centre subsequently measures related party financial instruments using the cost method less any reduction for impairment.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of related party financial instruments are immediately recognized in excess of revenue over expenses.

***Financial asset impairment***

The Centre assesses impairment of all of its financial assets measured at cost or amortized cost. The Centre groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group; there are numerous assets affected by the same factors; no asset is individually significant, etc. Management considers whether the issuer is having significant financial difficulty; whether there has been a breach in contract, such as a default or delinquency in interest or principal payments; etc. in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Centre determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the period. If so, the Centre reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets; and the amount expected to be realized by exercising any rights to collateral held against those assets. Any impairment, which is not considered temporary, is included in current period excess of revenue over expenses.

The Centre reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in the excess of revenue over expenses in the period the reversal occurs.

**B.C. Federation of Labour  
Occupational Health and Safety Centre  
Notes to the Financial Statements**  
*For the period ended March 31, 2024*

**3. Capital assets**

			<i>March 31 2024</i>	<i>March 31 2023</i>
	<i>Cost</i>	<i>Accumulated amortization</i>	<i>Net book value</i>	<i>Net book value</i>
Computer software	795,360	265,120	530,240	609,776
Furniture and equipment	12,444	12,444	-	-
Leasehold improvements	21,326	1,066	20,260	-
	<b>829,130</b>	<b>278,630</b>	<b>550,500</b>	<b>609,776</b>

**4. Deferred contributions**

Deferred contributions consist of course registration fees of \$75,860 (2023 - \$30,084) received that relate to courses to be conducted subsequent to year-end, and WorkSafe BC funding of \$1,668,630 (2023 - \$961,032) and DIVERSEcity Community Resources Society funding of \$Nil (2023 - \$48,947) received that relates to the period from April 1, 2024.

**5. Due to BCFED General Fund**

Amounts due to BCFED General Fund are unsecured, non-interest bearing and have no fixed terms of repayment.

**6. Financial instruments**

The Centre, as part of its operations, carries a number of financial instruments. It is management's opinion that the Centre is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

***Interest rate risk***

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. The Centre is exposed to interest rate risk with respect to its term deposits.

***Liquidity risk***

Liquidity risk refers to the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Centre manages liquidity risk by maintaining an adequate amount of liquid assets with various maturities in order to ensure that it can meet all of its financial obligations as they come due.

***Credit risk***

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Centre's main credit risk relates to its accounts receivable. The Centre manages its credit risk by performing regular investigation into delinquent accounts and provides allowances for potentially uncollectible accounts receivable. The Centre has not made any provisions for doubtful accounts at year-end.

**B.C. Federation of Labour**  
**Occupational Health and Safety Centre**  
**Schedule 1 - Schedule of Salaries, Benefits, and Contractor Expenses**  
*For the period ended March 31, 2024*  
*(Audited)*

	<i>12 Months Ended March 31 2024</i>	<i>7 Months Ended March 31 2023</i>
<b>Salaries:</b>		
Directors and management	\$ 441,714	\$ 264,769
Facilitators	757,336	467,444
Administration staff	<u>466,668</u>	<u>265,081</u>
Total Salaries	<u>1,665,718</u>	<u>997,294</u>
<b>Benefits:</b>		
Medical benefits	114,582	69,510
Canada Pension Plan and Employment Insurance premiums	221,616	155,551
Retirement plan contributions	162,547	95,463
Wage loss indemnity, AD&D, Life insurance and long-term disability	78,460	44,639
Other benefits	<u>196,735</u>	<u>145,782</u>
Total Benefits	<u>773,940</u>	<u>510,945</u>
<b>Contractors:</b>		
EAL Program	-	-
OH&S Program	17,232	27,809
Mental Health Program	2,890	3,795
Community Education Program	<u>30,739</u>	<u>13,700</u>
Total Contractors	<u>50,861</u>	<u>45,304</u>
<b>Total salaries, benefits, and contractor expenses</b>	<b><u>\$ 2,490,519</u></b>	<b><u>\$ 1,553,543</u></b>

See Accompanying Independent Auditors' Report and Notes to Financial Statements