

**APPLIED SCIENCE TECHNOLOGISTS AND
TECHNICIANS OF BRITISH COLUMBIA**

FINANCIAL STATEMENTS

DECEMBER 31, 2013

**APPLIED SCIENCE TECHNOLOGISTS AND
TECHNICIANS OF BRITISH COLUMBIA**

INDEX TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

Independent Auditor's Report		
Statement of Financial Position	Statement	I
Statement of Operations	Statement	II
Statement of Changes in Net Assets	Statement	III
Statement of Cash Flows	Statement	IV
Notes to Financial Statements		

INDEPENDENT AUDITOR'S REPORT

To the Members of the Applied Science Technologists and Technicians of British Columbia:

We have audited the accompanying financial statements of the Applied Science Technologists and Technicians of British Columbia, which comprise the statement of financial position as at December 31, 2013 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 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.

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 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.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Applied Science Technologists and Technicians of British Columbia as at December 31, 2013, and of its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

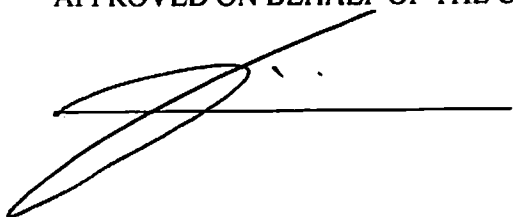
Surrey, B.C.
May 7, 2014

Sadler Weismiller Group, Chartered Accountants

**APPLIED SCIENCE TECHNOLOGISTS AND
TECHNICIANS OF BRITISH COLUMBIA
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2013**

	<u>2013</u>	<u>2012</u>
ASSETS		
CURRENT ASSETS		
Cash - Note 2(k)	\$ 439,876	\$ 280,407
Investments - Notes 2(c), 2(d) & 3	1,182,893	700,941
Accounts receivable	124,954	60,633
Prepaid expenses	<u>56,786</u>	<u>45,205</u>
	1,804,509	1,087,186
INVESTMENTS - Notes 2(c), 2(d) & 3	-	550,000
CAPITAL ASSETS - Notes 2(f) & 5	<u>1,075,274</u>	<u>1,103,367</u>
	<u>\$ 2,879,783</u>	<u>\$ 2,740,553</u>
LIABILITIES & NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accruals - Note 12	\$ 131,235	\$ 55,113
Sales taxes payable	24,075	50,087
Deferred grant revenue - Notes 2(b) & 7	101,292	101,931
Deferred dues - Note 2(b)	<u>962,988</u>	<u>919,289</u>
	1,219,590	1,126,420
NOTE PAYABLE - ASTTBC Foundation - Note 8	-	70,000
ACCRUED EMPLOYEE FUTURE BENEFIT OBLIGATION - Notes 2(g) & 9	<u>125,000</u>	<u>124,392</u>
	<u>1,344,590</u>	<u>1,320,812</u>
NET ASSETS		
Invested in capital assets	1,007,935	1,034,366
Internally restricted - Note 10	388,240	313,240
Unrestricted		
Cumulative excess of revenue over expenses	<u>139,018</u>	<u>72,135</u>
	<u>1,535,193</u>	<u>1,419,741</u>
	<u>\$ 2,879,783</u>	<u>\$ 2,740,553</u>

APPROVED ON BEHALF OF THE COUNCIL:




**APPLIED SCIENCE TECHNOLOGISTS AND
TECHNICIANS OF BRITISH COLUMBIA
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>2013</u>	<u>2012</u>
REVENUE - Note 2(b)		
Membership dues	\$ 2,253,525	\$ 2,189,217
Registration fees	209,394	212,047
Governance	49,217	49,313
Professional affairs	460,580	402,909
Education and training	5,000	5,000
Publications	12,256	10,404
Member services	53,899	40,801
Institutes	16,079	17,280
Investment income - Notes 2(c) & 2(d)	26,650	25,887
Other Grants and Miscellaneous	<u>-</u>	<u>4,220</u>
	<u>3,086,600</u>	<u>2,957,078</u>
 EXPENDITURES - Notes 2(j) & 13		
Administration - general	121,502	127,049
Wages and benefits - Note 9	1,809,644	1,733,298
Office and equipment maintenance	128,998	117,613
Amortization	42,916	48,600
Interest expense - Note 8	2,800	2,800
Stationary and printing	40,992	35,309
Governance	162,030	142,415
Professional affairs	359,189	306,121
Legislation and practice	32,748	34,993
National association dues and expenses	77,196	61,274
Public affairs and recruitment	96,725	103,449
Education and training	9,802	16,240
Publications	41,211	38,079
Member services	31,041	23,918
Institutes	<u>14,354</u>	<u>7,379</u>
	<u>2,971,148</u>	<u>2,798,537</u>
 EXCESS OF RECEIPTS OVER EXPENDITURES	 <u>\$ 115,452</u>	 <u>\$ 158,541</u>

**APPLIED SCIENCE TECHNOLOGISTS AND
TECHNICIANS OF BRITISH COLUMBIA
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2013**

	<i>Invested in Capital Assets</i>	<i>Internally Restricted (Note 10)</i>	<i>Unrestricted Excess of Revenue Over Expenses</i>	<i>2013 Total</i>	<i>2012 Total</i>
Net Assets, beginning of the year	\$ 1,034,366	\$ 313,240	\$ 72,135	\$ 1,419,741	\$ 1,261,200
Excess of receipts over expenditures - Note 10	-	75,000	40,452	115,452	158,541
Purchase of capital assets - Note 10	16,485	-	(16,485)	-	-
Amortization	<u>(42,916)</u>	<u>-</u>	<u>42,916</u>	<u>-</u>	<u>-</u>
Balance, end of the year	<u>\$ 1,007,935</u>	<u>\$ 388,240</u>	<u>\$ 139,018</u>	<u>\$ 1,535,193</u>	<u>\$ 1,419,741</u>

**APPLIED SCIENCE TECHNOLOGISTS AND
TECHNICIANS OF BRITISH COLUMBIA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>2013</u>	<u>2012</u>
OPERATING ACTIVITIES		
Excess of receipts over expenditures	\$ 115,452	\$ 158,541
Items not affecting cash		
Amortization	42,916	48,600
Accrued employee future benefit obligation	608	43,100
Unrealized gains on marketable securities	-	(1,208)
Increase (decrease) in working capital items other than cash		
Accounts receivable increase	(64,321)	(29,774)
Prepaid expenses increase	(11,582)	(9,495)
Accounts payable and accruals increase (decrease)	76,122	(71,325)
HST/GST payable increase (decrease)	(26,012)	9,103
Deferred grant revenue increase (decrease)	(639)	56,931
Dues received in advance increase	<u>43,699</u>	<u>115,323</u>
	<u>176,243</u>	<u>319,796</u>
FINANCING ACTIVITY		
Repayment of ASTTBC Foundation note	<u>(70,000)</u>	<u>-</u>
INVESTING ACTIVITIES		
Purchase of capital assets	(16,483)	(70,552)
Proceeds on disposal (purchase) of investments	68,048	(202,050)
Proceeds on disposal of capital assets	<u>1,661</u>	<u>1,000</u>
	<u>53,226</u>	<u>(271,602)</u>
INCREASE IN CASH FOR THE YEAR	159,469	48,194
CASH, BEGINNING OF YEAR	<u>280,407</u>	<u>232,213</u>
CASH, END OF YEAR	<u>\$ 439,876</u>	<u>\$ 280,407</u>
NET CASH RECEIVED FOR:		
Interest	<u>\$ 22,555</u>	<u>\$ 21,879</u>

**APPLIED SCIENCE TECHNOLOGISTS AND
TECHNICIANS OF BRITISH COLUMBIA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013**

1. PURPOSE OF THE ORGANIZATION

ASTTBC is a professional organization established to maintain, improve and increase the knowledge, ability and competence of technologists and technicians; to regulate standards of training and practice of and for its members, and to protect the interests of the public. ASTTBC was incorporated under the Applied Science Technologists and Technicians Act RSBC 1979 c.16.1 in 1985 and is a not-for-profit organization under Section 149 of the Income Tax Act.

According to the *Association's Act of Incorporation*, any surplus derived from carrying on the affairs and business of the Association shall be devoted and applied solely in promoting and carrying out its objectives and purposes, and shall not be divided among its members.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Presentation

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and are in accordance with Canadian generally accepted accounting principles.

(b) Revenue Recognition

The Association accounts for revenue using the deferral method of accounting for contributions. Restricted contributions, if any, are recognized as revenue in the year in which the related expenditures are incurred. Unrestricted contributions are recognized as revenue when received or receivable.

Members dues are billed on a yearly basis. Some dues are billed on a fiscal year basis and others for a period from June 1 to May 31. Dues received in advance and for a period after December 31 have been deferred and will be recognized as income in the following year. All other revenues are recognized when receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

(c) Investments

Investments are initially recognized and subsequently measured at fair value, determined using market information. Transaction costs and net gains and losses arising from changes in fair value are immediately recognized in operations.

(d) Investment Income

Investment income includes interest income as well as realized and unrealized gains and losses. Revenue is recognized on an accrual basis. Interest on fixed income instruments is recognized over the term of these investments using the effective interest method.

	<u>2013</u>	<u>2012</u>
Investment income is comprised of the following:		
Interest from investments	\$ 25,355	\$ 24,679
Realized gain on investments	1,295	-
Unrealized gain on investments	<u>-</u>	<u>1,208</u>
	<u>\$ 26,650</u>	<u>\$ 25,887</u>

**APPLIED SCIENCE TECHNOLOGISTS AND
TECHNICIANS OF BRITISH COLUMBIA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013**

2. **SIGNIFICANT ACCOUNTING POLICIES - Continued**

(e) **Financial Instruments**

Measurement of financial instruments

The Company measures all its financial assets and financial liabilities at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value of these financial instruments are recognized in net income. The carrying amounts of the financial assets and liabilities approximate the amortized cost unless otherwise noted.

Financial assets measured at amortized cost on a straight-line basis include cash and accounts receivable.

Financial liabilities measured at amortized cost on a straight-line basis include the accounts payable, deferred grant revenue, deferred dues, notes payable and the accrued employee future benefit obligation.

Financial assets measured at fair value include mutual fund investments and guaranteed investment certificates.

Impairment

Financial instruments measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

Transaction costs

The Association's transaction costs related to financial instruments that will be subsequently measured at fair value are recognized in net income in the period incurred. The carrying amount of the financial instruments that will not be subsequently measured at fair value is adjusted for transaction costs directly attributable to the origination, issuance or assumption of these instruments.

(f) **Capital Assets**

Capital assets are recorded at cost. Amortization is on a straight line basis over the assets' estimated useful lives as follows:

Building and improvements	40 years
New roof 2010	15 years
Office furniture and equipment	10 years
Photocopier equipment	5 years
Computer equipment and software	5 years

Full amortization is taken in the year of acquisition.

**APPLIED SCIENCE TECHNOLOGISTS AND
TECHNICIANS OF BRITISH COLUMBIA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013**

2. SIGNIFICANT ACCOUNTING POLICIES - Continued

(g) Employee Future Benefit Plans

The Association maintains a group registered retirement savings plan for all employees. The Association's contributions to the plan are expensed in the year to which they relate.

In March 2010, the Association agreed to provide a retiring allowance to an employee. This retirement obligation is for cash remuneration only and does not offer any post-retirement benefits such health benefits. The defined benefit obligation provides a pension based on the length of service and annual earnings of the employee. There are no designated pension plan assets or accounts maintained by the Association and portions of the retirement allowance will be paid out overtime from the Association's unrestricted funds. Therefore, there are no gains/losses, costs, amortization, or remeasurements relating to the defined benefit provision to be recorded. The Association's contributions to this plan are expensed in the year to which they relate.

(h) Donated Services

The Association and its members benefit from donated services in the form of volunteer time for various committees. Donated services are not recognized in these financial statements.

(i) Use of Estimates

The preparation of financial statements in accordance 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 contingencies at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The most significant areas requiring management estimates and assumptions include the estimate of useful lives of building and equipment for calculating amortization, the determination of the deferred portion of government grants, determination of future employee benefit obligation and the allocation of expenses to the appropriate functional category.

(j) Allocation of Expenses:

The Association classifies expenses on the statement of operations by activity. The cost of the activities includes costs that can be directly attributed; administration, interest and amortization; wages and benefits; maintenance; and stationary and printing costs.

The basis of allocation are made based on the proportional revenue of the operation activity, except for wages & benefits, which are allocated based on management's estimates of efforts exerted (Note 13).

(k) Cash

Cash comprises of petty cash on hand and deposits held in the bank.

3. INVESTMENTS

Investments consist of financial institution guaranteed securities, corporate bonds and discount notes. Effective interest rates range from 1.5% to 2.13% (2012: 1.5% to 2.75%) on an annual basis. Maturity dates range from 1 month to 2 months for investments other than mutual fund savings accounts. Investments maturing within 12 months from year-end are classified as current.

**APPLIED SCIENCE TECHNOLOGISTS AND
TECHNICIANS OF BRITISH COLUMBIA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013**

4. FINANCIAL INSTRUMENTS

Risks and concentrations

The Association is exposed to various risks through its financial instruments, without being exposed to concentrations of risk. The following analysis provides a measure of the Association's risk exposure as at December 31, 2013.

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 Association's main credit risk relates to its accounts receivable. The Association's credit risk is minimal as the accounts receivable consist mainly of government funds receivable.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Association is not exposed to currency risk as it holds no financial instruments in a foreign currency.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Association is exposed to interest rate risk on its fixed and floating interest rate financial instruments. Fixed-interest instruments subject the Association to a fair value risk, since fair value fluctuates inversely to changes in market interest rates. The Association is exposed to fixed interest rate risk on its investments in interest bearing accounts and instruments insured by a Canadian chartered bank and highly liquid investments that are readily convertible into known amounts of cash. Floating rate instruments, such as the Association's line of credit, subject the Association to related cash flow risk.

5. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net Book Value	
			<u>2013</u>	<u>2012</u>
Building and improvements	\$ 513,319	\$ 57,173	\$ 456,146	\$ 470,682
Office furniture and equipment	153,018	115,231	37,787	30,206
Computer equipment and software	150,692	106,351	44,341	65,479
Land	<u>537,000</u>	<u>-</u>	<u>537,000</u>	<u>537,000</u>
	<u>\$ 1,354,029</u>	<u>\$ 278,755</u>	<u>\$ 1,075,274</u>	<u>\$ 1,103,367</u>

**APPLIED SCIENCE TECHNOLOGISTS AND
TECHNICIANS OF BRITISH COLUMBIA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013**

6. LINE OF CREDIT

The Association has arranged a line of credit at the HSBC to cover any cash shortages. Interest is charged at prime plus 0.75%. The maximum amount authorized is \$100,000. The line of credit is secured by an assignment of credit balance over deposit accounts and a \$500,000 demand collateral first mortgage against the property located at 10767 - 148th Street, Surrey, B.C. As at December 31, 2013 the balance due on the line of credit was \$Nil (2012: \$Nil).

7. GOVERNMENT GRANTS

In 2011, the Association received a grant of \$75,000 from the Minister of Health, of which \$30,000 was included in revenue to offset costs expended in 2011. In, 2012 an additional \$3,658 in costs were expended and as of December 31, 2013 there still remains \$37,898 of this grant to be expended in the future.

The Association also received grant funds from Human Resources and Skills Development Canada to develop comprehensive processes to assess and recognize the credentials of foreign trained individuals in key occupations. The Ministry of Jobs, Tourism and Innovation provided funds for various programs in 2013 including foreign training assessments for technologists and technicians, assisting and supporting internationally trained professionals, providing information and webinars on "Working in BC", addressing employment integration barriers and developing a new Association management database. The following summarizes new grant funds received, expended and the balance deferred to future years:

	Prior Balance Deferred	Current Funds Received/Billed	Current Funds Expended	Current Balance Deferred
Foreign Credentials Recognition	\$ 50,588	\$ 140,528	\$ 127,722	\$ 63,394
Foreign Training Assessments	-	11,000	11,000	-
Working In B.C.	10,000	134,000	144,000	-
Employment Integration Barriers	-	45,000	45,000	-
Association Management Database	-	40,500	40,500	-
FQR Database	-	10,000	10,000	-
OACETT TRC user fee	<u>-</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
	60,588	386,028	383,222	63,394
Minister of Health - received in 2011	<u>41,343</u>	<u>-</u>	<u>3,445</u>	<u>37,898</u>
	<u>\$ 101,931</u>	<u>\$ 386,028</u>	<u>\$ 386,667</u>	<u>\$ 101,292</u>

8. NOTE PAYABLE

The note payable to the ASTTBC Foundation was paid out during the year. The note payable was unsecured, bore interest at 4%, and was payable annually on February 1, with the principal due December 31, 2014. The Association had the option to repay the note prior to December 31, 2014.

**APPLIED SCIENCE TECHNOLOGISTS AND
TECHNICIANS OF BRITISH COLUMBIA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013**

9. EMPLOYEE FUTURE BENEFIT COSTS

	<u>2013</u>	<u>2012</u>
Included in wages & benefits - contributions to group RRSP's	\$ <u>142,953</u>	\$ <u>128,149</u>
Accrued Employee Future Benefit Obligation:		
Beginning balance	\$ 124,392	\$ 81,292
Past service costs retiring allowance obligation	-	34,097
Current service costs retiring allowance obligation	608	4,219
Interest	<u>-</u>	<u>4,784</u>
Total Accrued Employee Future Benefit Obligation	\$ <u>125,000</u>	\$ <u>124,392</u>

Unamortized past service costs at December 31, 2013 is \$Nil (2012: \$Nil).

10. RESTRICTIONS ON NET ASSETS

The Association has internally restricted funds to be used for the following purposes:

	<u>Balance</u> <u>2012</u>	<u>Additional</u> <u>Restrictions</u>	<u>Expenditures</u>	<u>Balance</u> <u>2013</u>
Reserve for Professional Regulation	\$ 33,240	\$ -	\$ -	\$ 33,240
Reserve for First Nations Careers Council	5,000	-	-	5,000
Reserve for Computer Systems Upgrade	205,000	20,000	-	225,000
Reserve for Onsite Wastewater	-	15,000	-	15,000
Reserve for 2013 TARC 25th Anniversary	15,000	(15,000)	-	-
Reserve for Fire Protection	35,000	15,000	-	50,000
Reserve for Marketing	10,000	15,000	-	25,000
Reserve for Property Inspection	-	15,000	-	15,000
Reserve for Building Repairs	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>20,000</u>
	\$ <u>313,240</u>	\$ <u>75,000</u>	\$ <u>-</u>	\$ <u>388,240</u>

For 2013, the Council recommended a reserve of \$20,000 for new database software; \$15,000 for professional accountability regarding fire protection; \$15,000 for professional accountability regarding onsite wastewater; \$15,000 for professional accountability regarding property inspection; \$10,000 for major building repairs and improvements and \$15,000 for marketing and communications. The reserve for the 2013 TARC 25th Anniversary Celebration was used during the year. The funds required to execute these projects will come out of current cash flows and short term investments as needed.

11. CAPITAL MANAGEMENT

The Association defines capital as debt and net assets. The Association's primary objectives in managing capital are to safeguard the entity's ability to continue as a going concern so that it can continue to provide services and benefits to its members. The Association is not subject to any externally imposed capital requirements.

**APPLIED SCIENCE TECHNOLOGISTS AND
TECHNICIANS OF BRITISH COLUMBIA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013**

12. CONTROLLED ENTITY - ASTTBC Foundation

The Foundation is a registered Canadian charitable organization under the Income Tax Act. The ASTTBC council appoints the trustees of ASTTBC Foundation and provides ASTTBC Foundation with administrative and support services without charge. The Foundation was established for the advancement of technology, technical education and professional development for residents of British Columbia through bursaries, scholarships and other approved projects. The Foundation has not been consolidated in the Association's financial statements as the Association believes separate note disclosure of the Foundation is available to the members. Included in accounts payable, as at December 31, 2013, is a balance owing from ASTTBC Foundation of \$15,501 (2012: \$5,086) for donations not yet transferred. A financial summary of the Foundation as at December 31, 2013 and 2012 and for the years then ended are as follows:

	<u>2013</u>	<u>2012</u>
Financial Position		
Total assets	\$ <u>563,761</u>	\$ <u>540,280</u>
Liabilities	\$ 2,650	\$ 2,575
Net assets - restricted for endowment	377,934	363,112
Net assets - unrestricted	<u>183,177</u>	<u>174,593</u>
	<u>\$ 563,761</u>	<u>\$ 540,280</u>
Results of Operations		
Total revenues	\$ 41,508	\$ 36,056
Total expenses	<u>32,924</u>	<u>26,534</u>
Excess of revenues over expenses	<u>\$ 8,584</u>	<u>\$ 9,522</u>
Cash Flows		
Operations	\$ (14,001)	\$ 5,020
Endowment contributions	14,822	14,533
Proceeds (purchase) of investments	<u>67,900</u>	<u>(86,575)</u>
Increase (decrease) in cash	<u>\$ 68,721</u>	<u>\$ (67,022)</u>

**APPLIED SCIENCE TECHNOLOGISTS AND
TECHNICIANS OF BRITISH COLUMBIA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013**

13. **ALLOCATION OF EXPENSES**

Program and general support costs have been allocated among business activities as follows:

	Direct Costs	Admin, Interest, Amortization	Wages & Benefits	Maintenance	Stationary & Printing	Total
Membership Dues	\$ 77,196	\$ 123,149	\$ 180,963	\$ 95,001	\$ 30,190	\$ 506,499
Registration Fees	129,473	11,443	361,929	8,827	2,805	514,477
Governance	162,030	2,690	271,447	2,075	659	438,901
Professional Affairs	359,189	25,169	271,447	19,417	6,170	681,392
Education & Training	9,802	273	90,482	211	67	100,835
Publications	41,211	670	271,447	517	164	314,009
Member Services	31,041	2,945	271,447	2,272	722	308,427
Institutes	<u>14,354</u>	<u>879</u>	<u>90,482</u>	<u>678</u>	<u>215</u>	<u>106,608</u>
	<u>\$ 824,296</u>	<u>\$ 167,218</u>	<u>\$ 1,809,644</u>	<u>\$ 128,998</u>	<u>\$ 40,992</u>	<u>\$ 2,971,148</u>

14. **CONTINGENCIES**

During the year, a couple who contracted one of the Association's members to perform residential onsite wastewater services initiated proceedings against the Association since they were dissatisfied with the services provided. These claimants filed this civil suit since their contractor is a certified and registered member of the Association. The case had not been settled as of the date of issue of these financial statements and result of the claim is undeterminable at this time. The liability insurance held by the Association covers legal fees and any settlement that may occur and no costs relating to this claim have been accrued.