

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

**Audited Financial Statements**

**December 31, 2006**

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

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December 31, 2006**

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

**AUDITORS' REPORT**

We have audited the statement of financial position of Applied Science Technologists and Technicians of British Columbia as at December 31, 2006 and the statements of changes in net assets, operations and cash flows for the year then ended. These financial statements are the responsibility of the Association's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Association as at December 31, 2006 and the results of its operations, changes in net assets and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

North Vancouver, BC

O'NEILL, GOLDSTONE & CO.

February 21, 2007

“(signed) O’Neill, Goldstone & Co.”

Certified General Accountants

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

**Statement of Financial Position  
as at December 31, 2006**

	<u>2006</u>	<u>2005</u>
<b><u>ASSETS</u></b>		
<b>Current Assets:</b>		
Cash and short-term marketable securities (Notes 2 & 3)	\$ 351,209	\$ 471,124
Accounts receivable	35,794	15,083
Prepaid expenses	<u>36,896</u>	<u>23,468</u>
	<u>423,899</u>	<u>509,675</u>
<b>Long-term Investments:</b>		
Marketable securities (Notes 2 & 3)	<u>244,595</u>	<u>----</u>
<b>Capital Assets:</b> (Notes 2 & 4)	<u>594,367</u>	<u>610,579</u>
<b>Total Assets:</b>	<u><u>\$1,262,861</u></u>	<u><u>\$1,120,254</u></u>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
<b>Current Liabilities:</b>		
Accounts payable and accruals	\$ 132,423	\$ 123,997
GST payable	11,145	8,179
Deferred revenue	----	8,734
Deferred dues (Note 2)	432,134	331,268
Capital lease	<u>----</u>	<u>752</u>
	<u>575,702</u>	<u>472,930</u>
<b>Long-Term Liability:</b> (Note 7)	<u>70,000</u>	<u>70,000</u>
	<u>645,702</u>	<u>542,930</u>
<b>Net Assets:</b>		
Invested in capital assets	524,367	539,827
Internally restricted (Note 8)	51,737	48,323
Unrestricted		
Cumulative excess (deficiency) of revenue over expenses	42,890	(10,826)
Net unrealized gains (losses) on available for sale marketable securities	<u>(1,835)</u>	<u>----</u>
	<u>617,159</u>	<u>577,324</u>
<b>Total Liabilities and Net Assets:</b>	<u><u>\$1,262,861</u></u>	<u><u>\$1,120,254</u></u>

See accompanying notes to financial statements

**APPROVED ON BEHALF OF THE COUNCIL**

\_\_\_\_\_  
“(signed) Keith Switzer” President

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“(signed) John McNeill” Secretary Treasurer

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

**Statement of Changes in Net Assets  
for the year ended December 31, 2006**

	<b>Invested in Capital Assets</b>	<b>Internally Restricted</b>	<b>Un- restricted</b>	<b>2006 Total</b>	<b>2005 Total</b>
<b>Balance - beginning of year</b>	\$539,827	\$ 48,323	\$(10,826)	\$577,324	\$547,077
<b>Excess of revenue over expenses</b>			41,670	41,670	31,745
Gain (loss) on disposal of equipment					(1,498)
Investment in equipment	27,870		(27,870)		
Principal repayment of capital lease	752		(752)		
Amortization	(44,082)		44,082		
Reserve for Professional Regulation (Note 8)		(11,586)	11,586		
Reserve for Building Repairs (Note 8)	<u>          </u>	<u>15,000</u>	<u>(15,000)</u>	<u>          </u>	<u>          </u>
	<u>524,367</u>	<u>51,737</u>	<u>42,890</u>	<u>618,994</u>	<u>577,324</u>
Unrealized gains (losses) on available for sale marketable securities during the period	<u>          </u>	<u>          </u>	<u>(1,835)</u>	<u>(1,835)</u>	<u>          </u>
<b>Balance - end of year</b>	<u><u>\$524,367</u></u>	<u><u>\$ 51,737</u></u>	<u><u>\$ 41,055</u></u>	<u><u>\$617,159</u></u>	<u><u>\$577,324</u></u>

See accompanying notes to financial statements

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

**Statement of Operations  
for the year ended December 31, 2006**

	<u>2006</u>	<u>2005</u>
<b>Revenue:</b>		
Membership dues	\$1,605,214	\$1,474,630
Registration fees	93,930	127,479
Governance	27,002	19,452
Professional affairs (Note 6)	48,082	152,652
Publications	7,889	8,202
Member services	27,239	23,362
Career management	7,484	57,440
Institutes	16,325	18,394
Investment income	27,459	20,400
Miscellaneous	<u>12,190</u>	<u>4,065</u>
	<u>1,872,814</u>	<u>1,906,076</u>
<b>Expenses:</b>		
Administration-general	68,412	76,459
Wages and benefits	1,093,421	1,051,410
Office and equipment maintenance	95,885	90,010
Amortization	44,082	40,281
Interest expense	2,805	12,197
Stationery and printing	29,695	35,997
Governance	83,162	73,488
Professional affairs	95,196	143,538
Legislation and practice	21,298	23,419
National association dues and expenses	95,395	103,185
Public affairs and recruitment	89,842	52,147
Publications	42,126	32,440
Member services	15,865	10,087
Career Management	8,659	84,883
Institutes	33,715	33,361
Reserve Expenditures (Note 8)	<u>11,586</u>	<u>11,429</u>
	<u>1,831,144</u>	<u>1,874,331</u>
<b>Excess of Revenue over Expenses:</b>	41,670	31,745
<b>Gain (Loss) on Disposal of Equipment:</b>	<u>----</u>	<u>(1,498)</u>
<b>Increase in Net Assets:</b>	<u>\$ 41,670</u>	<u>\$ 30,247</u>

See accompanying notes to financial statements

**APPLIED SCIENCE TECHNOLOGISTS AND  
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**Statement of Cash Flows  
for the year ended December 31, 2006**

	<u>2006</u>	<u>2005</u>
<b>Cash Provided by (used for):</b>		
<b>Operating Activities:</b>		
Excess of revenue over expenses	\$ 41,670	\$ 31,745
Items not affecting cash		
Amortization	44,082	40,281
Unrealized gain (loss) marketable securities	<u>(1,835)</u>	<u>----</u>
	83,917	72,026
Changes in non-cash working capital items		
Accounts receivable (increase)	(20,711)	(166)
Prepaid expenses (increase)	(13,428)	4,546
Accounts payable and accruals (decrease)	8,426	(56,049)
GST payable (decrease)	2,966	5,070
Deferred revenue (decrease)	(8,734)	(108,750)
Dues received in advance (decrease)	<u>100,866</u>	<u>107,408</u>
	<u>153,302</u>	<u>24,085</u>
<b>Financing and Investing Activities:</b>		
Payment first mortgage principal	----	(171,762)
Lease payments principal	(752)	(4,261)
Purchase of capital assets	(27,870)	(42,611)
Proceeds disposal of capital assets	----	3,947
Investment long-term marketable securities	<u>(244,595)</u>	<u>----</u>
	<u>(273,217)</u>	<u>(214,687)</u>
<b>Increase (decrease) in cash:</b>	(119,915)	(190,602)
<b>Cash and marketable securities - beginning of year</b>	<u>471,124</u>	<u>661,726</u>
<b>Cash and marketable securities - end of year</b>	<u>\$ 351,209</u>	<u>\$ 471,124</u>

See accompanying notes to financial statements

**APPLIED SCIENCE TECHNOLOGISTS AND  
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**Notes to Financial Statements  
December 31, 2006**

**Note 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. ASTT 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 objects and purposes, and shall not be divided among its members.

**Note 2 - Significant accounting policies:**

- (a) The Association accounts for revenue using the deferral method. Restricted contributions, if any, are recognized in the year in which the related expenditures are incurred. Unrestricted contributions are recognized when received or receivable.
- (b) 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.
- (c) Marketable securities classified as available for sale are recorded at market value.
- (d) Investment income includes interest income and realized gains and losses. Unrealized gains and losses on available for sale marketable securities are included directly in net assets until the asset is removed from the statement of financial position.
- (e) Capital assets are recorded at cost. Amortization is on a straight line basis over the assets' estimated useful lives at the following rates:

Building and improvements	2.5%
Office furniture and equipment	10%
Computer equipment	20%

Full amortization is taken in the year of acquisition.

- (f) 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.

**Note 3 - Marketable securities:**

Marketable securities consist of Canadian Government and Corporate Bonds and Discount Notes with interest rates ranging from 3.740% to 4.515% on an annual basis, with maturity dates ranging from 10 months to a year and 11 months.



**APPLIED SCIENCE TECHNOLOGISTS AND  
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**Notes to Financial Statements  
December 31, 2006**

**Note 4 - Capital assets are comprised of the following:**

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	
			<u>2006</u>	<u>2005</u>
Building and improvements	\$348,303	\$127,060	\$221,243	\$230,090
Office furniture and equipment	158,206	111,337	46,869	51,088
Computer equipment	<u>124,789</u>	<u>70,358</u>	<u>54,431</u>	<u>57,577</u>
	631,298	308,755	322,543	338,755
Land	<u>271,824</u>	----	<u>271,824</u>	<u>271,824</u>
	<u>\$903,122</u>	<u>\$308,755</u>	<u>\$594,367</u>	<u>\$610,579</u>

**Note 5 - 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 ½%. 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 property at 10767 - 148th Street, Surrey, BC.

**Note 6 - Government Grants:**

In 2004 the Association received a grant of \$190,000 from the Province of British Columbia to carry out the development of the onsite waste water practitioner registration process and fulfill their regulatory role under the new sewage system regulation. Management included \$110,000 in revenue to offset costs expended in 2005 and \$80,000 to offset costs expended in 2004.

**Note 7 - Long-term Liability:**

Note payable - FEAT, unsecured, interest at 4% (2005 - 8%), payable annually on February 1, principal due December 31, 2011.

**Note 8 - Restrictions on Net Assets:**

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

	<u>Balance 2005</u>	<u>Additional Restrictions</u>	<u>Expenditures</u>	<u>Balance 2006</u>
Reserve for Professional Regulation	\$ 28,323	\$ ----	\$ 11,586	\$ 16,737
Reserve for Building Repairs	<u>20,000</u>	<u>15,000</u>	----	<u>35,000</u>
	<u>\$ 48,323</u>	<u>\$ 15,000</u>	<u>\$ 11,586</u>	<u>\$ 51,737</u>

**Note 9 - Comparable figures:**

Comparable figures have been changed to conform to current presentation

**APPLIED SCIENCE TECHNOLOGISTS AND  
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**Notes to Financial Statements  
December 31, 2006**

**Note 10 - Financial Instruments:**

The Association's financial instruments consist of cash, marketable securities, accounts receivable, accounts payable, accruals, and note due to FEAT. The fair value of these financial instruments approximates their carrying values unless otherwise noted.

**Note 11 - Controlled Entity - Foundation for Education and Advancement in Technology:**

The Foundation is a registered Canadian charitable organization under the Income Tax Act. The ASTTBC council appoints the trustees of FEAT. 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 provides a more meaningful presentation of the Association's activities. Financial statements for the Foundation are available to the members. A financial summary of the Foundation as at December 31, 2006 and 2005 and for the years then ended as follows:

	<u>2006</u>	<u>2005</u>
<b>Financial Position</b>		
Total assets	<u>\$320,321</u>	<u>\$269,904</u>
Liabilities	\$ 2,100	\$ 2,000
Net assets	<u>318,221</u>	<u>267,904</u>
	<u>\$320,321</u>	<u>\$269,904</u>
<b>Results of Operations</b>		
Total revenues	\$ 47,702	\$ 39,154
Total expenses	<u>19,050</u>	<u>15,638</u>
Excess of revenues over expenditures	<u>\$ 28,652</u>	<u>\$ 23,516</u>
<b>Cash Flows</b>		
Operations	\$ 36,536	\$ 26,924
Endowment contributions	22,165	7,341
Increase in investments	<u>(62,669)</u>	<u>(41,280)</u>
Increase (decrease) in cash	<u>\$ (3,968)</u>	<u>\$ (7,015)</u>