

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

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2015**

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

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**DECEMBER 31, 2015**

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## 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, 2015 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.

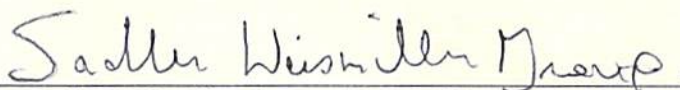
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or 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, 2015, 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 26, 2016




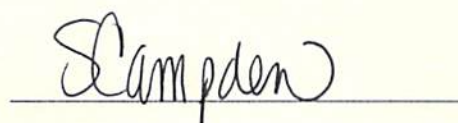
Sadler Weismiller Group, Chartered Professional Accountants

**APPLIED SCIENCE TECHNOLOGISTS AND  
TECHNICIANS OF BRITISH COLUMBIA  
STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2015**

	<u>2015</u>	<u>2014</u> (Note 5)
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash - Note 2(f)	\$ 367,080	\$ 288,237
Short term investments - Notes 2(c), 2(d), & 7	1,416,126	1,615,309
Accounts receivable	123,772	72,039
Prepaid expenses	<u>34,898</u>	<u>73,982</u>
	1,941,876	2,049,567
LONG TERM INVESTMENTS - Notes 2(c), 2(d) & 14	221,336	-
TANGIBLE CAPITAL ASSETS - Notes 2(i) & 6	1,096,184	1,069,442
INTANGIBLE CAPITAL ASSETS - Notes 2(i) & 6	25,200	-
RESTRICTED CASH		
-Accrued employee future benefit obligations - Note 2(j)	<u>87,906</u>	<u>74,933</u>
	<u>\$ 3,372,502</u>	<u>\$ 3,193,942</u>
<b>LIABILITIES &amp; NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accruals - Note 13	\$ 98,707	\$ 134,479
Bank overdraft	-	9
Sales taxes payable	29,998	31,365
Deferred contract and fee revenue - Notes 2(b) & 10	137,450	61,548
Deferred dues - Note 2(b)	<u>1,187,033</u>	<u>1,164,843</u>
	1,453,188	1,392,244
ACCRUED EMPLOYEE FUTURE BENEFIT OBLIGATION - Notes 2(j) & 8	<u>140,082</u>	<u>134,403</u>
	<u>1,593,270</u>	<u>1,526,647</u>
<b>NET ASSETS</b>		
Invested in capital assets	1,121,384	1,069,442
Internally restricted - Note 11	488,983	435,000
Unrestricted		
Cumulative excess of revenue over expenses	<u>168,865</u>	<u>162,853</u>
	<u>1,779,232</u>	<u>1,667,295</u>
	<u>\$ 3,372,502</u>	<u>\$ 3,193,942</u>

APPROVED ON BEHALF OF THE COUNCIL:

  
 Keith Trulson, ASCT, Eng L.  
 ASTTBC President.



**APPLIED SCIENCE TECHNOLOGISTS AND  
TECHNICIANS OF BRITISH COLUMBIA  
STATEMENT OF OPERATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>2015</u>	<u>2014</u>
<b>REVENUE - Note 2(b)</b>		
Membership dues	\$ 2,490,747	\$ 2,332,129
Registration fees	223,998	203,646
Governance	63,049	52,668
Professional affairs	710,502	627,631
Education and training	750	5,500
Publications	9,438	10,988
Member services	72,840	65,625
Institutes	15,368	14,915
Investment and other income - Notes 2(c), 2(d) & 15	<u>26,834</u>	<u>20,196</u>
	<b><u>3,613,526</u></b>	<b><u>3,333,298</u></b>
 <b>EXPENDITURES - Notes 2(h) &amp; 12</b>		
Administration - general	130,695	132,523
Wages and benefits - Note 8	2,021,097	1,836,900
Office and equipment maintenance	183,206	140,032
Amortization	54,845	41,386
Bad debts - Note 10	60,000	-
Stationary and printing	36,768	38,930
Governance	187,648	142,242
Professional affairs	472,484	494,967
Legislation and practice	44,112	65,809
National association dues and expenses	84,583	72,130
Public affairs and recruitment	104,675	103,417
Education and training	35,301	46,722
Publications	48,708	39,812
Member services	28,812	33,574
Institutes	<u>8,655</u>	<u>12,752</u>
	<b><u>3,501,589</u></b>	<b><u>3,201,196</u></b>
 <b>EXCESS OF RECEIPTS OVER EXPENDITURES</b>	 <b>\$ <u>111,937</u></b>	 <b>\$ <u>132,102</u></b>

**APPLIED SCIENCE TECHNOLOGISTS AND  
TECHNICIANS OF BRITISH COLUMBIA  
STATEMENT OF CHANGES IN NET ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<i>Invested in Capital Assets (Note 5)</i>	<i>Internally Restricted (Note 11)</i>	<i>Unrestricted Excess of Revenue Over Expenses (Note 5)</i>	<i>2015 Total</i>	<i>2014 Total</i>
Net Assets, beginning of the year	\$ 1,069,442	\$ 435,000	\$ 162,853	\$ 1,667,295	\$ 1,535,193
Excess of receipts over expenditures - Note 10	-	64,050	47,887	111,937	132,102
Purchase of capital assets - Note 11	106,787	(10,067)	(96,720)	-	-
Amortization	<u>(54,845)</u>	<u>-</u>	<u>54,845</u>	<u>-</u>	<u>-</u>
Balance, end of the year	<u>\$ 1,121,384</u>	<u>\$ 488,983</u>	<u>\$ 168,865</u>	<u>\$ 1,779,232</u>	<u>\$ 1,667,295</u>

**APPLIED SCIENCE TECHNOLOGISTS AND  
TECHNICIANS OF BRITISH COLUMBIA  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>2015</u>	<u>2014</u>
<b>OPERATING ACTIVITIES</b>		
Excess of receipts over expenditures	\$ 111,937	\$ 132,102
Items not affecting cash		
Amortization	54,845	41,386
Accrued employee future benefit obligation	5,679	9,403
Realized loss on disposal of capital assets	-	3,842
Unrealized loss on long term investments	2,088	-
Change in working capital items other than cash		
Accounts receivable decrease (increase)	(51,733)	52,915
Prepaid expenses decrease (increase)	39,084	(17,197)
Accounts payable and accruals increase (decrease)	(35,772)	3,244
GST payable increase (decrease)	(1,367)	7,290
Deferred contract revenue increase (decrease)	75,902	(39,744)
Dues received in advance increase	<u>22,190</u>	<u>201,855</u>
	<u>222,853</u>	<u>395,096</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of capital assets	(106,787)	(39,395)
Proceeds on disposal (purchase) of short term investments	199,183	(432,416)
Proceeds on disposal (purchase) of long term investments	<u>(223,424)</u>	<u>-</u>
	<u>(131,028)</u>	<u>(471,811)</u>
<b>INCREASE (DECREASE) IN CASH FOR THE YEAR</b>	91,825	(76,715)
<b>CASH, BEGINNING OF YEAR</b>	<u>363,161</u>	<u>439,876</u>
<b>CASH, END OF YEAR</b>	<u>\$ 454,986</u>	<u>\$ 363,161</u>
<b>CASH CONSISTS OF:</b>		
Cash	\$ 367,080	\$ 288,237
Restricted Cash	87,906	74,933
Overdraft	<u>-</u>	<u>(9)</u>
	<u>\$ 454,986</u>	<u>\$ 363,161</u>
<b>NET CASH RECEIVED FROM:</b>		
Interest	<u>\$ 25,814</u>	<u>\$ 24,038</u>
Dividends	<u>\$ 3,878</u>	<u>\$ -</u>

**APPLIED SCIENCE TECHNOLOGISTS AND  
TECHNICIANS OF BRITISH COLUMBIA  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**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. It also regulates standards of training and practice of and for its members and protects 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, dividend income, realized and unrealized gains and losses and investment account fees. 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.

**(e) 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.

**(f) Cash**

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



**APPLIED SCIENCE TECHNOLOGISTS AND  
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NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

2. **SIGNIFICANT ACCOUNTING POLICIES - Continued**

(g) **Financial Instruments**

*Measurement of financial instruments*

The Association 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, accounts receivable, guaranteed investment certificates and mutual fund savings accounts.

Financial liabilities measured at amortized cost on a straight-line basis include the accounts payable and the accrued employee future benefit obligation.

Financial assets measured at fair value include common and preference shares of public companies and corporate bonds in long term investments.

*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.

(h) **Allocation of Expenses:**

The Association allocates 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 12).

**APPLIED SCIENCE TECHNOLOGISTS AND  
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NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

2. **SIGNIFICANT ACCOUNTING POLICIES - Continued**

(i) **Capital Assets**

*Tangible assets:*

Tangible assets are recorded at cost. Amortization is calculated 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.

*Intangible assets:*

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

Websites	5 years
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Full amortization is taken in the year of acquisition.

(j) **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 as health benefits. The defined benefit obligation provides a pension based on the length of service and annual earnings of the employee. This benefit is paid out over a five year period after the date of retirement.

The accrued future benefit obligation is determined using the present value (based on a 1.6% discount rate, 1.5% in 2014) of the contracted benefit amortized over the remaining service period to full eligibility. The accrued obligation is measured at December 31 of each year. The Association restricts a portion of its cash balance to be held to pay this obligation upon the retirement of the employee. The annual increase in restricted cash is equal to a percentage of the employee's annual salary.

(k) **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 capital assets for calculating amortization, the determination of the deferred portion of government grants, determination of the discount factor used to calculate the future employee benefit obligation and the allocation of expenses to the appropriate functional category.

**APPLIED SCIENCE TECHNOLOGISTS AND  
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**3. 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, 2015.

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's main market risk relates to its long term investments. The Association has reduced this risk by keeping the total amount invested in equities and corporate bonds proportionally low compared to guaranteed investment certificates and mutual fund savings accounts.

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, guaranteed investment certificates, corporate bonds and mutual fund savings accounts. Floating rate instruments, such as the Association's line of credit, subject the Association to related cash flow risk.

**4. LINE OF CREDIT**

The Association has arranged a line of credit at the HSBC to cover any cash shortages. Interest is charged at the bank's prime plus 0.75%. The maximum amount authorized is \$75,000 (2014: \$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, 2015 the balance due on the line of credit was \$Nil (2014: \$Nil).

**5. COMPARATIVE FIGURES**

Certain of the comparative prior year figures have been changed to conform with the current year's presentation.

**APPLIED SCIENCE TECHNOLOGISTS AND  
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**6. CAPITAL ASSETS**

Tangible assets:

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	
			<u>2015</u>	<u>2014</u>
Building and improvements	\$ 540,588	\$ 87,358	\$ 453,230	\$ 458,381
Office furniture and equipment	157,846	114,762	43,084	30,750
Computer equipment and software	207,584	144,714	62,870	43,311
Land	<u>537,000</u>	<u>-</u>	<u>537,000</u>	<u>537,000</u>
	<u>\$ 1,443,018</u>	<u>\$ 346,834</u>	<u>\$ 1,096,184</u>	<u>\$ 1,069,442</u>

Intangible assets:

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	
			<u>2015</u>	<u>2014</u>
Websites	<u>\$ 31,500</u>	<u>\$ 6,300</u>	<u>\$ 25,200</u>	<u>\$ -</u>

**7. SHORT TERM INVESTMENTS**

Short term investments consist of financial institution guaranteed investment certificates and mutual fund savings accounts. Effective interest rates range from 1.35% to 1.8% (2014: 1.4% to 1.85%) on an annual basis. Maturity dates range from 2 months to 9 months for guaranteed investment certificates.

**8. EMPLOYEE FUTURE BENEFIT COSTS**

	<u>2015</u>	<u>2014</u>
Included in wages & benefits - contributions to group RRSP's	<u>\$ 153,710</u>	<u>\$ 157,626</u>
Accrued Employee Future Benefit Obligation:		
Beginning balance	\$ 134,403	\$ 125,000
Current service costs retiring allowance obligation	<u>5,679</u>	<u>9,403</u>
Total Accrued Employee Future Benefit Obligation	<u>\$ 140,082</u>	<u>\$ 134,403</u>

**9. 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  
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**10. GOVERNMENT CONTRACTS & GRANTS**

The Association received a contract worth \$160,000 from the Province of BC, Ministry of Jobs in the current year for the development of a new internal database. Of this, \$150,000 was received in the year with the remaining \$10,000 expected to be received in fiscal 2016. \$35,950 of these funds have been expended during the year in costs relating to the development of the new database and the remaining \$124,050 is to be expended in the following year. Costs related to the development of the internal database in excess of \$160,000 will be capitalized as an intangible asset.

The Province of BC provided funds for various other contracts in 2015 including \$92,081 for language training for Fire Protection technicians, \$50,000 for developing guidelines for composting toilets, \$30,000 for developing a Foreign Qualification Database, \$58,000 for Qualification Recognition for Technologists and Technicians from India, \$20,000 for developing a Mutual Recognition Agreement with two regulatory bodies in India, \$180,000 to provide information and webinars on "Working in BC", \$30,000 towards developing a Sewerage System Standard Practice Manual and \$9,500 towards development of partnerships with various organizations in the province. Many of these projects will carry on into the next fiscal year.

An agreement was made with the First Nations Employment Society in which the Association was to receive \$60,000 to research and develop a Public Works Technicians Program. Subsequent to the year end it was determined that this amount is uncollectable and has been written off as a bad debt expense.

The Association received contract funds of \$50,000 from the Province of BC, Ministry of Health in 2014 to support a study on comparison of inter-jurisdictional certification programs and standards. At December 31, 2015, there remains \$23,400 (2014: \$38,000) of funds not yet expended on this program and is included in deferred revenue. The Minister of Health also provided funds to develop a sewerage system standard practice manual. In conjunction with the manual, the Association is to provide workshops throughout the province. The Association charged \$51,056 in registration fees for workshops occurring in the current year. Of these fees, \$23,548 were collected in 2014 and were included in deferred revenue. The following summarizes new contract funds received, expended and the balance deferred to future years:

	Prior Balance Deferred	Current Funds Received/Billed	Current Funds Expended	Current Balance Deferred
Navantis Database Project	\$ -	\$ 150,000	\$ 35,950	\$ 114,050
India Qualification Recognition	-	58,000	58,000	-
Working In B.C.	-	180,000	180,000	-
MOH Standardization Project	38,000	-	14,600	23,400
Sewerage System Standard Practice Manual	-	30,000	30,000	-
SPM seminar registration fees	23,548	27,508	51,056	-
FQR Database	-	30,000	30,000	-
Toilet Composting	-	50,000	50,000	-
MRA India Project	-	20,000	20,000	-
First Nations Employment Society	-	60,000	60,000	-
Fire Protection Language	-	92,081	92,081	-
EPBC Initiative	-	9,500	9,500	-
	<u>\$ 61,548</u>	<u>\$ 707,089</u>	<u>\$ 631,187</u>	<u>\$ 137,450</u>

**APPLIED SCIENCE TECHNOLOGISTS AND  
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NOTES TO THE FINANCIAL STATEMENTS  
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**11. RESTRICTIONS ON NET ASSETS**

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

	Balance <u>2014</u>	Additional <u>Restrictions</u>	<u>Expenditures</u>	Balance <u>2015</u>
Reserve for Professional Regulation	\$ 30,000	\$ 30,000	\$ -	\$ 60,000
Reserve for First Nations Careers Council	5,000	-	-	5,000
Reserve for Computer Systems Upgrade	220,000	50,000	35,950	234,050
Reserve for Onsite Wastewater	40,000	-	-	40,000
Reserve for Fire Protection	50,000	-	-	50,000
Reserve for Marketing	20,000	-	-	20,000
Reserve for Property Inspection	25,000	-	-	25,000
Reserve for Staff Succession	15,000	10,000	-	25,000
Reserve for Public Policy	10,000	-	-	10,000
Reserve for Building Repairs	<u>20,000</u>	<u>10,000</u>	<u>10,067</u>	<u>19,933</u>
	<u>\$ 435,000</u>	<u>\$ 100,000</u>	<u>\$ 46,017</u>	<u>\$ 488,983</u>

For 2015, the Council recommended a reserve of \$50,000 (2014: \$21,238) for new database software; \$Nil (2014: \$25,000) for professional accountability regarding onsite wastewater; \$Nil (2014: \$10,000) for professional accountability regarding property inspection; \$10,000 (2014: \$17,202) for major building repairs and improvements; \$30,000 (2014: \$23,657) for professional regulation; \$10,000 (2014: \$15,000) for staff succession and \$Nil (2014: \$10,000) for public policy. The funds required to execute these projects will come out of current cash flows and short term investments as needed.

**12. ALLOCATION OF EXPENSES**

Expenses are allocated on the basis of revenue per activity and management estimates. 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	\$ 84,583	\$ 170,512	\$ 202,110	\$ 127,227	\$ 25,533	\$ 609,965
Registration Fees	148,787	15,335	404,218	11,442	2,296	582,078
Governance	187,648	4,316	202,110	3,221	646	397,941
Professional Affairs	472,482	48,640	505,274	36,292	7,284	1,069,972
Education & Training	35,301	51	202,110	38	8	237,508
Publications	48,708	646	202,110	482	97	252,043
Member Services	28,812	4,987	202,110	3,721	747	240,377
Institutes	<u>8,655</u>	<u>1,052</u>	<u>101,055</u>	<u>785</u>	<u>158</u>	<u>111,705</u>
	<u>\$ 1,014,976</u>	<u>\$ 245,539</u>	<u>\$ 2,021,097</u>	<u>\$ 183,208</u>	<u>\$ 36,769</u>	<u>\$ 3,501,589</u>

**APPLIED SCIENCE TECHNOLOGISTS AND  
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**13. 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, 2015, is a balance owing from ASTTBC Foundation of \$4,671 (2014: \$9,228) for donations not yet transferred. A financial summary of the Foundation as at December 31, 2015 and 2014 and for the years then ended are as follows:

	<u>2015</u>	<u>2014</u>
<b>Financial Position</b>		
Total assets	\$ <u>627,470</u>	\$ <u>598,351</u>
Liabilities	\$ 2,809	\$ 2,730
Net assets - restricted for endowment	425,349	404,831
Net assets - unrestricted	<u>190,312</u>	<u>190,790</u>
	<u>\$ 618,470</u>	<u>\$ 598,351</u>
<b>Results of Operations</b>		
Total revenues	\$ 58,400	\$ 54,619
Total expenses	<u>49,878</u>	<u>47,006</u>
Excess of revenues over expenses	<u>\$ 8,522</u>	<u>\$ 7,613</u>
<b>Cash Flows</b>		
Operations	\$ 1,216	\$ 5,539
Endowment contributions	20,518	26,897
Proceeds (purchase) of investments	<u>(6,580)</u>	<u>(105,530)</u>
Increase (decrease) in cash	<u>\$ 15,154</u>	<u>\$ (73,094)</u>

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**14. LONG TERM INVESTMENTS**

Long term investments consist of investments in common and preference shares of public companies, corporate bonds with maturity dates of greater than twelve months from date of acquisition and cumulative unrealized gains and losses.

	<u>2015</u>	<u>2014</u>
Equities	\$ 150,995	\$ -
Corporate bonds	<u>70,341</u>	<u>-</u>
	<u>\$ 221,336</u>	<u>\$ -</u>

Corporate bonds have coupon rates ranging from 4.164% to 4.95% (2014: Not applicable) on an annual basis and maturity dates ranging from 5 to 10 years. During the year, the Company recorded a fair value adjustment loss of \$2,059 (2014: \$Nil) on the shares of public companies and \$29 (2014: \$Nil) on its corporate bonds. This income is included in investment income (see Note 15).

**15. INVESTMENT AND OTHER INCOME**

Investment and other income consists of the following:

	<u>2015</u>	<u>2014</u>
Interest	\$ 25,814	\$ 24,038
Dividends	3,878	-
Realized gains (losses) on sale of assets	-	(3,842)
Unrealized gains (losses) on long term investments	(2,088)	-
Investment account fees	<u>(770)</u>	<u>-</u>
	<u>\$ 26,834</u>	<u>\$ 20,196</u>