
Association of British Columbia
Forest Professionals
Financial Statements
November 30, 2021



Independent Auditor's Report

To the Members of Association of British Columbia Forest Professionals

Opinion

We have audited the financial statements of Association of British Columbia Forest Professionals (the "Association"), which comprise the statement of financial position as at November 30, 2021, and the statement of revenue and expenses, statement of changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at November 30, 2021, and its results of operations and its cash flows for the year 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 Association 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 Information

Management is responsible for the other information. The other information comprises the information in the Annual Report, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Annual Report prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

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 Association'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 Association or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

- 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 Association'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 Association'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 Association 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.

Vancouver, B.C.
January 20, 2022

Chartered Professional Accountants

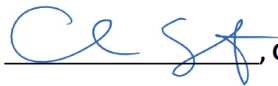
Association of British Columbia Forest Professionals

Statement of Financial Position

November 30, 2021

			2021 \$	2020 \$
	<u>Operating fund</u>	<u>Reserve fund</u>	<u>Total</u>	<u>Total</u>
Assets				
Current assets				
Cash and cash equivalents	3,067,776	21,373	3,089,149	2,753,406
Accounts receivable	32,074	-	32,074	61,353
Marketable securities	-	591,665	591,665	581,825
Prepaid expenses	<u>124,408</u>	<u>-</u>	<u>124,408</u>	<u>142,524</u>
	<u>3,224,258</u>	<u>613,038</u>	<u>3,837,296</u>	<u>3,539,108</u>
Investments	-	1,024,953	1,024,953	997,913
Property and equipment (Note 3)	<u>139,336</u>	<u>-</u>	<u>139,336</u>	<u>93,064</u>
	<u>3,363,594</u>	<u>1,637,991</u>	<u>5,001,585</u>	<u>4,630,085</u>
Liabilities				
Current liabilities				
Accounts payable and accrued liabilities (Note 4)	291,110	-	291,110	272,770
Deferred revenue (Note 5)	<u>2,693,236</u>	<u>-</u>	<u>2,693,236</u>	<u>2,519,384</u>
	<u>2,984,346</u>	<u>-</u>	<u>2,984,346</u>	<u>2,792,154</u>
Commitment under operating lease (Note 6)				
Net assets				
Unrestricted	239,912	1,637,991	1,877,903	1,744,867
Investment in property and equipment	<u>139,336</u>	<u>-</u>	<u>139,336</u>	<u>93,064</u>
	<u>379,248</u>	<u>1,637,991</u>	<u>2,017,239</u>	<u>1,837,931</u>
	<u>3,363,594</u>	<u>1,637,991</u>	<u>5,001,585</u>	<u>4,630,085</u>

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

Approved on behalf of Council  , President  , Chief Executive Officer

Association of British Columbia Forest Professionals

Statement of Revenue and Expenses

Year ended November 30, 2021

				2021 \$	2020 \$
	<u>Operating fund budget</u>	<u>Operating fund actual</u>	<u>Reserve fund actual</u>	<u>Total actual</u>	<u>Total actual</u>
Revenue					
Registration fees	2,538,230	2,480,671	-	2,480,671	2,473,003
Other fees	204,870	254,252	-	254,252	219,965
Annual meeting, net (Note 7)	-	57,516	-	57,516	4,282
Advertising and mailings (Note 8)	45,000	62,113	-	62,113	46,206
Seminars and workshops	-	1,061	-	1,061	-
Interest	15,000	3,314	26,991	30,305	44,310
Other investment income	-	-	107,251	107,251	41,288
Grant revenue	270,000	137,577	-	137,577	112,532
Other	10,385	18,831	-	18,831	6,940
	<u>3,083,485</u>	<u>3,015,335</u>	<u>134,242</u>	<u>3,149,577</u>	<u>2,948,526</u>
Expenses					
Business function					
- Schedule A	927,000	729,558	-	729,558	747,969
Office - Schedule B	407,652	442,517	-	442,517	370,124
Staff - Schedule C	1,748,833	1,786,767	-	1,786,767	1,742,411
Other	-	-	11,427	11,427	10,503
	<u>3,083,485</u>	<u>2,958,842</u>	<u>11,427</u>	<u>2,970,269</u>	<u>2,871,007</u>
Excess of revenue over expenses for the year	-	56,493	122,815	179,308	77,519

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

Association of British Columbia Forest Professionals

Statement of Changes in Net Assets

Year ended November 30, 2021

	2021 \$			
	Operating fund	Reserve fund	Investment in property and equipment	Total
Balance, beginning of year	226,852	1,518,015	93,064	1,837,931
Excess of revenue over expenses for the year	<u>56,493</u>	<u>122,815</u>	<u>-</u>	<u>179,308</u>
	<u>283,345</u>	<u>1,640,830</u>	<u>93,064</u>	<u>2,017,239</u>
Transfers				
Purchase of property and equipment	(105,843)	-	105,843	-
Amortization of property and equipment	59,571	-	(59,571)	-
Interfund transfer (Note 9)	5,385	(5,385)	-	-
Discipline and enforcement stabilization charge (Note 10)	<u>(2,546)</u>	<u>2,546</u>	<u>-</u>	<u>-</u>
	<u>(43,433)</u>	<u>(2,839)</u>	<u>46,272</u>	<u>-</u>
Balance, end of year	239,912	1,637,991	139,336	2,017,239

	2020 \$			
	Operating fund	Reserve fund	Investment in property and equipment	Total
Balance, beginning of year	97,081	1,559,000	104,331	1,760,412
Excess (deficiency) of revenue over expenses for the year	<u>19,733</u>	<u>57,786</u>	<u>-</u>	<u>77,519</u>
	<u>116,814</u>	<u>1,616,786</u>	<u>104,331</u>	<u>1,837,931</u>
Transfers				
Purchase of property and equipment	(10,437)	-	10,437	-
Amortization of property and equipment	21,704	-	(21,704)	-
Interfund transfer (Note 9)	21,122	(21,122)	-	-
Discipline and enforcement stabilization charge (Note 10)	<u>77,649</u>	<u>(77,649)</u>	<u>-</u>	<u>-</u>
	<u>110,038</u>	<u>(98,771)</u>	<u>(11,267)</u>	<u>-</u>
Balance, end of year	226,852	1,518,015	93,064	1,837,931

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

Association of British Columbia Forest Professionals

Statement of Cash Flows

Year ended November 30, 2021

	2021	2020
	\$	\$
Cash flows from (used in) operating activities		
Excess of revenue over expenses for the year	179,308	77,519
Items not affecting cash		
Amortization of property and equipment	59,571	21,704
Change in accumulated amortization of interest on investments	(16,300)	(10,039)
Unrealized loss (gain) on marketable securities	(47,401)	(19,175)
Loss (gain) on sale of marketable securities	(47,829)	(8,781)
Changes in non-cash working capital		
Decrease (increase) in		
Accounts receivable	29,279	(3,856)
Prepaid expenses	18,116	9,614
Increase (decrease) in		
Accounts payable and accrued liabilities	18,340	(43,146)
Deferred revenue	<u>173,852</u>	<u>(125,997)</u>
	<u>366,936</u>	<u>(102,157)</u>
Cash flows from (used in) investing activities		
Purchase of property and equipment	(105,843)	(10,437)
Purchase of marketable securities	(83,115)	(135,089)
Purchase of investments	(117,900)	(173,200)
Proceeds from sale of marketable securities	168,505	134,488
Proceeds from sale of investments	<u>107,160</u>	<u>184,041</u>
	<u>(31,193)</u>	<u>(197)</u>
Increase (decrease) in cash and cash equivalents during the year	335,743	(102,354)
Cash and cash equivalents, beginning of year	<u>2,753,406</u>	<u>2,855,760</u>
Cash and cash equivalents, end of year	3,089,149	2,753,406
Cash and cash equivalents are comprised of		
Cash	1,605,595	1,273,166
Mutual funds - money market	<u>1,483,554</u>	<u>1,480,240</u>
	3,089,149	2,753,406

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

Association of British Columbia Forest Professionals

Schedule of Business Function Expenses

Year ended November 30, 2021

		2021 \$	2020 \$
	Budget	Actual	Actual
Governance			
General corporate legal	10,000	412	12,916
Governance training and facilitation	17,000	14,783	4,508
Meetings and travel	73,000	45,130	28,370
Professional Governance Act Implementation	<u>80,000</u>	<u>96,457</u>	<u>164,033</u>
	<u>180,000</u>	<u>156,782</u>	<u>209,827</u>
Registration			
FPRC	20,000	13,777	13,407
Examinations	-	2,353	1,400
Meetings and travel	3,000	50	-
Allied science process	92,500	120,979	118,399
Learning management system	<u>84,500</u>	<u>76,307</u>	<u>41,789</u>
	<u>200,000</u>	<u>213,466</u>	<u>174,995</u>
Communications			
External communications	68,400	69,270	42,556
Internal communications	<u>81,600</u>	<u>82,838</u>	<u>73,376</u>
	<u>150,000</u>	<u>152,108</u>	<u>115,932</u>
Finance			
Professional fees	<u>18,500</u>	<u>22,000</u>	<u>19,500</u>
Compliance			
Act enforcement (Note 10)	3,000	12,552	5,478
Discipline (meetings, travel, legal) (Note 10)	87,000	74,901	162,649
Training	<u>5,000</u>	<u>11,441</u>	<u>1,500</u>
	<u>95,000</u>	<u>98,894</u>	<u>169,627</u>
Professional practice			
Professional development	23,000	13,806	14,628
Professional practice	202,000	65,457	33,073
Meetings and travel	-	1,175	1,210
Practice guidance	<u>10,000</u>	<u>3,210</u>	<u>8,691</u>
	<u>235,000</u>	<u>83,648</u>	<u>57,602</u>
External relations			
Indigenous relations	3,000	262	1,450
Government relations	2,000	2,350	840
Inter-professional relations	<u>2,500</u>	<u>48</u>	<u>100</u>
	<u>7,500</u>	<u>2,660</u>	<u>2,390</u>
Audit and practice review			
Meetings and travel	26,000	-	-
Reviews	<u>15,000</u>	<u>-</u>	<u>(1,904)</u>
	<u>41,000</u>	<u>-</u>	<u>(1,904)</u>
Total business function expenses	<u>927,000</u>	<u>729,558</u>	<u>747,969</u>

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

Association of British Columbia Forest Professionals

Schedule of Office Expenses

Year ended November 30, 2021

		2021 \$	2020 \$
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Office expenses			
Bank and credit card charges	55,000	64,795	56,721
Delivery	6,000	5,904	7,396
Furniture and equipment			
Service and minor purchases	90,307	104,453	95,363
Amortization	71,845	59,571	21,704
Insurance	7,000	3,753	6,713
Office rent, tax and utilities	130,000	142,389	136,005
Other	8,500	17,248	8,752
Postage	3,500	3,704	1,775
Stationery and supplies	13,000	9,795	11,590
Telecommunications	<u>22,500</u>	<u>30,905</u>	<u>24,105</u>
	<u>407,652</u>	<u>442,517</u>	<u>370,124</u>

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

Association of British Columbia Forest Professionals

Schedule of Staff Expenses

Year ended November 30, 2021

		2021 \$	2020 \$
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Staff expenses			
Benefits (Note 11)	261,963	264,073	247,363
Contract	-	29,025	5,588
Other	11,340	21,298	46,719
Salaries	1,440,530	1,436,941	1,418,312
Training and education	23,000	32,013	11,160
Travel	<u>12,000</u>	<u>3,417</u>	<u>13,269</u>
	1,748,833	1,786,767	1,742,411

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

Association of British Columbia Forest Professionals

Notes to the Financial Statements

November 30, 2021

1. Operations

The Association of British Columbia Forest Professionals (the "Association") was created in 1947 under the provincial Foresters Act. In 2021, the Foresters Act was repealed and replaced with the Professional Governance Act ("PGA"), which continues to charge the Association with a duty to serve and protect the public interest through the regulation of the practice of professional forestry. Specific responsibilities to be undertaken by the Association are assigned in Section 22 of the PGA.

The Association is exempt from income taxation pursuant to Section 149 of the Income Tax Act as long as certain criteria continue to be met.

On March 11, 2020, the World Health Organization characterized the outbreak of a disease caused by a strain of a novel coronavirus ("COVID-19"), as a pandemic. This has resulted in a series of public health and emergency measures that have been put in place to combat the spread of the virus. The Association has implemented safety and physical distancing procedures as recommended by the Canadian and local governments. The duration and impact of COVID-19 is unknown at this time and it is not possible to reliably estimate the impact that the length and severity of these developments will have on the financial results and condition of the Association in future periods.

2. Accounting policies

Basis of presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") which necessarily involves the use of estimates. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of significant accounting policies summarized below.

Use of estimates

The preparation of financial statements in accordance with ASNPO requires management to make estimates and assumptions that affect the amounts reported in the financial statements and notes. Management believes that the estimates utilized in preparing the financial statements are reasonable; however, actual results may differ from the estimates. Significant areas requiring the use of management estimates relate to collectability of accounts receivable, amortization and impairment of property and equipment and determination of accrued liabilities.

Fund accounting

The Association maintains two funds, the Operating Fund and the Reserve Fund. Day-to-day operations are recorded in the Operating Fund. The Reserve Fund is maintained for unforeseen or unanticipated financial obligations and is administered according to the Association's reserve fund policy. Transfers between these funds are approved by Council.

Cash and cash equivalents

Cash and cash equivalents consist of cash on deposit, cheques issued and outstanding, and investments in mutual funds.

Mutual funds that are highly liquid, such as money market funds, are considered cash equivalents.

Association of British Columbia Forest Professionals

Notes to the Financial Statements

November 30, 2021

2. Accounting policies - continued

Marketable securities

Marketable securities consist of public company shares. Marketable securities are initially recognized and subsequently measured at fair value without adjustment for any transaction costs that would be incurred on disposal. Changes in fair value are recognized in income as they occur. Transaction costs associated with the acquisition of these marketable securities are recognized in income in the period incurred.

Property and equipment

Property and equipment are carried at cost less accumulated amortization. Amortization is provided over the estimated useful life of each property and equipment using the straight-line method as follows:

Computer software and equipment	-	3 years
Office furniture and equipment	-	10 years
Telephone equipment and fax	-	5 years
Other equipment	-	5 years
Leasehold improvements	-	5 years

The carrying amount of property and equipment is written down to its residual value when the property and equipment no longer has any long-term service potential to the Association. In that event, the amount by which the carrying value of an impaired property or equipment exceeds its residual value is charged to operations.

Budget figures

The budget figures on the statement of revenue and expenses and schedules are unaudited and taken from the Association's budget prepared in November 2020.

Revenue recognition

Registration fees and other revenues are recognized when they become due, and collection is reasonably assured. Amounts received in advance are deferred and recognized as revenue in the year to which they relate.

The Association follows the deferral method for recognizing contribution revenue. Accordingly, government contributions received are recognized as revenue in the year the related expenditures are incurred. Unexpended contributions are included in deferred revenue.

Discipline expenses

Discipline expenses are charged to the Operating Fund using a pre-determined, budgeted amount. When actual discipline expenses exceed the budgeted amount, the difference is financed by the Reserve Fund. When actual expenses fall below the budgeted amount, the difference is transferred to the Reserve Fund.

Employee future benefits

Contributions to the staff retirement savings plan are expensed in the year to which they relate.

Financial instruments

The Association initially measures its financial assets and liabilities at fair value.

The Association subsequently measures all its financial assets and financial liabilities at amortized cost, except for its investments in marketable securities that are quoted in an active market and which are measured at fair value. Changes in the fair value of marketable securities are recognized in the Reserve Fund as they occur. Marketable securities consist of shares in publicly traded companies on Canadian, U.S. and international stock exchanges.

Association of British Columbia Forest Professionals

Notes to the Financial Statements

November 30, 2021

2. Accounting policies - continued

Financial assets measured at amortized cost include cash and cash equivalents, accounts receivable and long-term investments that consist of guaranteed investment certificates. Investments consist entirely of guaranteed investment certificates with maturity dates of twelve months or more.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

3. Property and equipment 2021
\$

	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Net</u>
Computer software and equipment	641,280	527,217	114,063
Office furniture and equipment	54,079	31,999	22,080
Telephone equipment and fax	1,150	1,150	-
Other equipment	20,602	17,409	3,193
Leasehold improvements	<u>14,933</u>	<u>14,933</u>	<u>-</u>
	732,044	592,708	139,336

2020
\$

	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Net</u>
Computer software and equipment	630,221	562,757	67,464
Office furniture and equipment	84,897	66,098	18,799
Telephone equipment and fax	26,551	26,551	-
Other equipment	60,199	53,398	6,801
Leasehold improvements	<u>14,933</u>	<u>14,933</u>	<u>-</u>
	816,801	723,737	93,064

4. Accounts payable and accrued liabilities

Included in accounts payable and accrued liabilities is GST/HST payable of \$ 117,887 (2020 - \$ 113,664).

5. Deferred revenue 2021
\$ 2020
\$

Registration fees	2,354,162	2,114,548
AGM sponsorship and trade show registration	35,464	12,180
Advertising	17,608	10,657
Government grants	<u>286,002</u>	<u>381,999</u>
	2,693,236	2,519,384

Association of British Columbia Forest Professionals

Notes to the Financial Statements

November 30, 2021

6. Commitment under operating lease

The Association leases its office premises under an operating lease which expires October 31, 2024.

The Association is obligated to make the following minimum lease payments under its operating lease for the fiscal years ending:

	\$
2022	70,518
2023	72,197
2024	<u>67,720</u>
	<u>210,435</u>

7. Annual meeting

The annual meeting profit of \$ 57,516 (2020 - profit of \$ 4,282) is the net amount generated from the Association's 73rd annual general meeting. The event had received \$ 145,992 (2020 - \$ 270,857) from registrations and sponsorships and incurred general expenses of \$ 88,476 (2020 - \$ 266,575).

8. Advertising and mailings

Advertising and mailings include gross revenue of \$ 62,113 (2020 - \$ 47,879) from advertising sold in and with the Association's magazine "BC Forest Professional" and website, and a commission expense of \$ Nil (2020 - \$ 1,673) paid to its advertising solicitor.

9. Interfund transfers

The Association maintains a Reserve Fund for unforeseen or unanticipated financial obligations, giving it stability and assurances to be able to protect its mandate if needed. The Association aims to maintain a Reserve Fund between one-quarter and one-half of the budgeted operating expenditures. If the Reserve Fund exceeds one-half of the budgeted operating expenditures, a portion of Reserve Fund earnings will be transferred to the Operating Fund. Other withdrawals from the Reserve Fund shall only occur with the prior approval of Council.

Reserve Fund earnings of \$ 5,385 (2020 - \$ 21,122) were transferred to the Operating Fund.

10. Discipline and enforcement stabilization charge

Actual discipline expenses for the year were \$ 87,453 (2020 - \$ 168,127). The amount by which this is below the budgeted amount has been transferred to the Reserve Fund.

Association of British Columbia Forest Professionals

Notes to the Financial Statements

November 30, 2021

11. Employee future benefits

The Association has a Staff Retirement Savings Plan that is made available to all employees. Contributions to the plan are made at the following rates:

- a) 5% of their salary up to the "yearly maximum pensionable earnings" ("YMPE") as set by the Canada Revenue Agency; and
- b) 8% of their salary above the YMPE.

Included in Benefits expense for the year is \$ 89,450 (2020 - \$ 86,061) of contributions made by the Association to the Staff Retirement Savings Plan.

12. Financial instruments

Financial instruments consist of cash and cash equivalents, accounts receivable, marketable securities, investments and accounts payable and accrued liabilities.

Credit risk

Credit risk on financial instruments arises from the potential for counterparties to default on their contractual obligations to the Association. The Association is exposed to credit risk in the event of non-performance by any of the counterparties.

Interest rate risk

Investments bear interest at fixed rates. These investments are therefore subject to interest rate risk as fluctuations in the market rates of interest may increase or decrease their fair value. The Association holds investments which have maturity dates ranging from February 2022 to June 2026 with effective interest rates ranging from 1.53% to 3.39%.

Market and currency risk

The Association is exposed to currency and market risk as its marketable securities include some foreign (U.S.) investments. Therefore, these investments may be exposed to changes in market prices, currency risk and other price risk.

13. Related party transactions

Unless otherwise stated, related party transactions occur in the normal course of business and are measured at the exchange amount, being the amount of consideration established and agreed to by the related parties.

As at November 30, 2021, there is \$ 9,085 (2020 - \$ 5,885) owing to Association of BC Professional Foresters ("ABC PF") ForesTrust from the Association consisting of donations collected on ABCPF ForesTrust's behalf.

Association of British Columbia Forest Professionals

Notes to the Financial Statements

November 30, 2021

14. Association of BC Professional Foresters ("ABC PF") ForesTrust

ABC PF ForesTrust, a registered charity (the "Charity"), provides scholarships and bursaries to forestry students and funds BC's forestry education activities. The Charity was established as a charitable trust on December 1, 1984 and is a registered charity under the *Income Tax Act*. Trustees are appointed by the CEO with one council liaison representative appointed annually by the Association's Council. One of the trustees is an Association employee with the remainder being Association registrants. The main donors to the Charity are Association registrants, and the Charity acts as an advocate for the Association's purpose. The Charity has not been consolidated in the Association's financial statements. Financial figures of the Charity as at November 30, 2021 and 2020 and for the years then ended are as follows:

Financial position	2021	2020
	\$	\$
Total assets	30,797	24,382
Total liabilities	<u>2,000</u>	<u>2,000</u>
Total net assets*	<u>28,797</u>	<u>22,382</u>

*Note: Net assets are either spent on scholarships and awards or on public information and education programs. Donations made for a specific scholarship, award or program are restricted and accounted for as endowments. As at November 30, 2021, \$ Nil (2020 - \$ Nil) of net assets are subject to donor imposed restrictions.

Results of operations	2021	2020
	\$	\$
Total revenue	9,415	9,534
Total expenses	<u>3,000</u>	<u>2,500</u>
Excess of revenue over expenses	<u>6,415</u>	<u>7,034</u>

Cash	2021	2020
	\$	\$
Cash from operations	6,415	7,034
Cash from financing and investing activities	<u>-</u>	<u>-</u>
Increase in cash	<u>6,415</u>	<u>7,034</u>

15. Contingency

The Association has been named a defendant in a legal action claiming damages in the amount of \$ 16,518. Management is of the opinion that there is a strong defense against the claim. No provision for losses has been reflected in the accounts for this matter.

16. Comparative figures

Certain 2020 figures have been reclassified to conform to the presentation used in the current year.