



**Building Officials' Association
of British Columbia**

2021-22 Annual Report



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President's Message

It is my pleasure to present to you the 2021-22 Annual Report of the Building Officials' Association of British Columbia (Association). This report reflects outcomes and targets set out in the Administrative Agreement, in addition to showcasing data from the 2021 member survey. This data illustrates member views on Association performance and provides context for ongoing discussions about increasing the number of qualified officials and local government capacity to approve the development of safe and affordable housing.

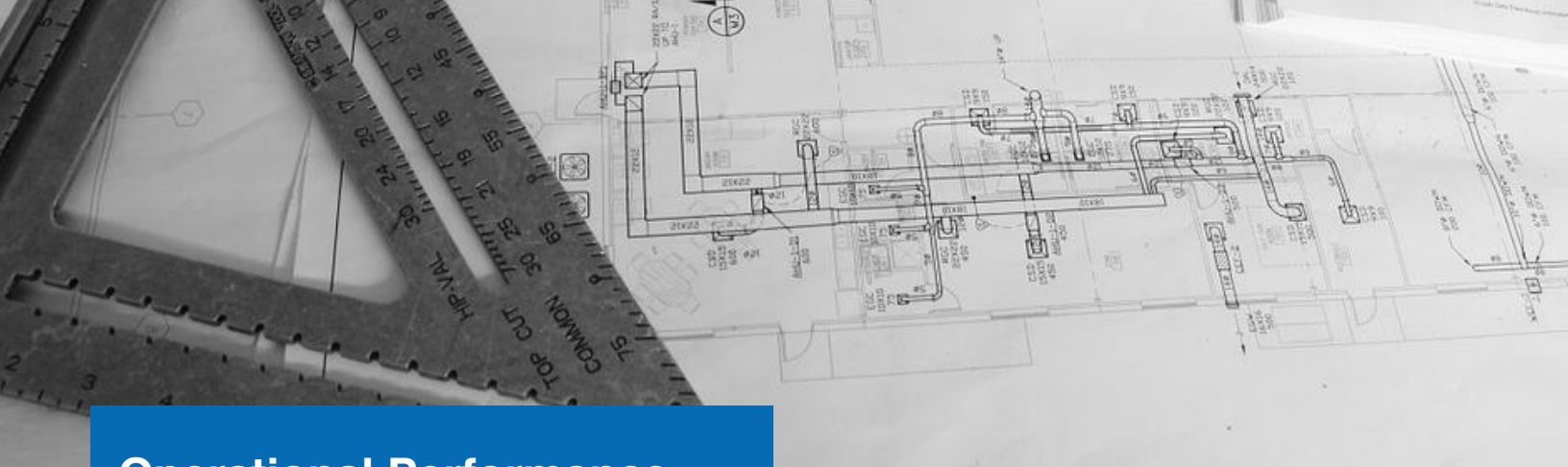
A number of goals were reached over the past year, which include:

- doubling the number of online professional development sessions offered;
- hosting 18 zone meetings for almost 800 registrants;
- developing the 2022-27 strategic plan;
- increasing capacity and structure for complaint investigations;
- initiating a review of certification and designation programs;
- establishing finance and governance committees to strengthen Executive oversight; and
- initiating a comprehensive review of Association governance.

The Association enjoyed another successful financial year with a surplus of approximately \$240,000, which can be reinvested to provide additional education and other services for members and stakeholders.

There is so much that would not have been accomplished without the hard work of the Executive Committee, volunteers, and staff. I extend my sincere thanks to all involved with helping the Association achieve its goals over the past year. I look forward to continued collaboration with such dedicated individuals striving for excellence in all respects.

Brian Champlin
President
Building Officials' Association of B.C.



Operational Performance

This annual report is focused on the outcomes and measures in the Administrative Agreement between the Association and Province that governs administration of the qualification requirements under the *Building Act* (Act). Data from a 2021 member survey and other sources is used to inform discussion of these outcomes where relevant. Additional surveys will be released in 2022-23 to evaluate educational offerings, identify educational offerings, and collect feedback on membership growth and retention.

Overall Performance

In 2021-22, the Association surveyed its members to assess organizational performance and inform strategic planning. Nearly 25% of members completed the survey, which will be conducted annually to evaluate progress over time and identify improvement opportunities.

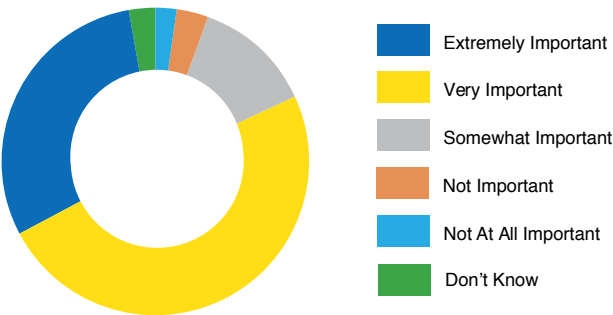
Overall, respondents believe that the Association:

- Plays an important role in the building regulatory system.
- Is generally effective in performing that role.
- Delivers value to members.
- Is largely on the right track with respect to performance and direction.



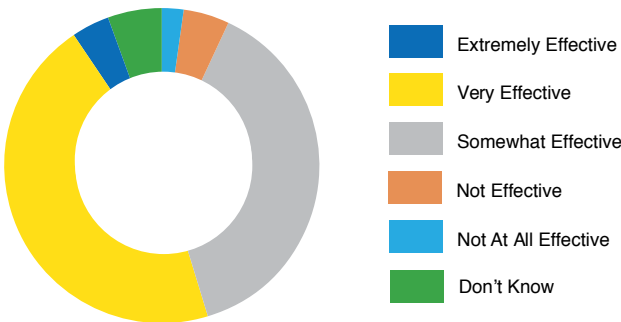
Importance of Role, 2021-22

80% feel that the Association plays an 'extremely' or 'very' important role in the building regulatory system.



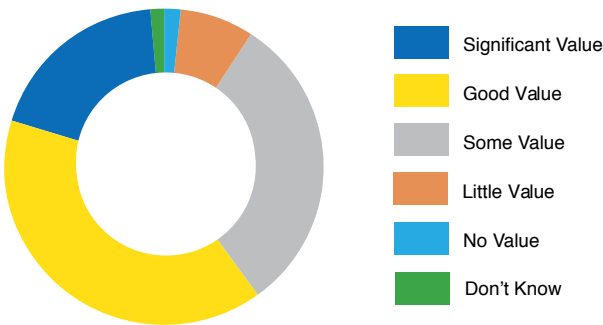
Effectiveness in Role, 2021-22

50% feel that the Association is 'extremely' or 'very' effective in performing that role.



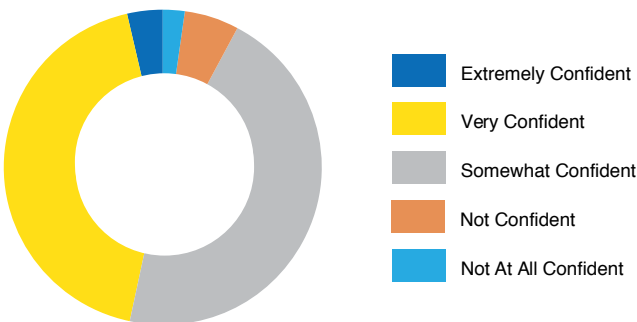
Value to Members, 2021-22

60% feel they receive significant or good value from the Association.



Confidence in Direction, 2021-22

46% are 'extremely' or 'very' confident that the Association is on the right track.





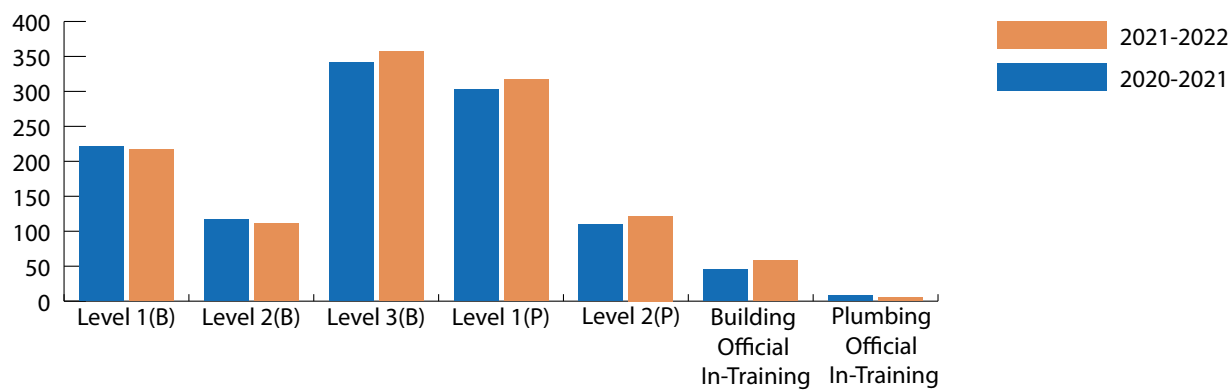
Building and Plumbing Official Workforce

Qualified Officials

At the end of 2021-22, there were nearly 1,050 Association members, of which 685 were qualified building officials and 439 were qualified plumbing officials employed by local authorities across B.C. There continues to be a high number of ‘dual qualified’ officials with 350 individuals being qualified as both building and plumbing technical officials.

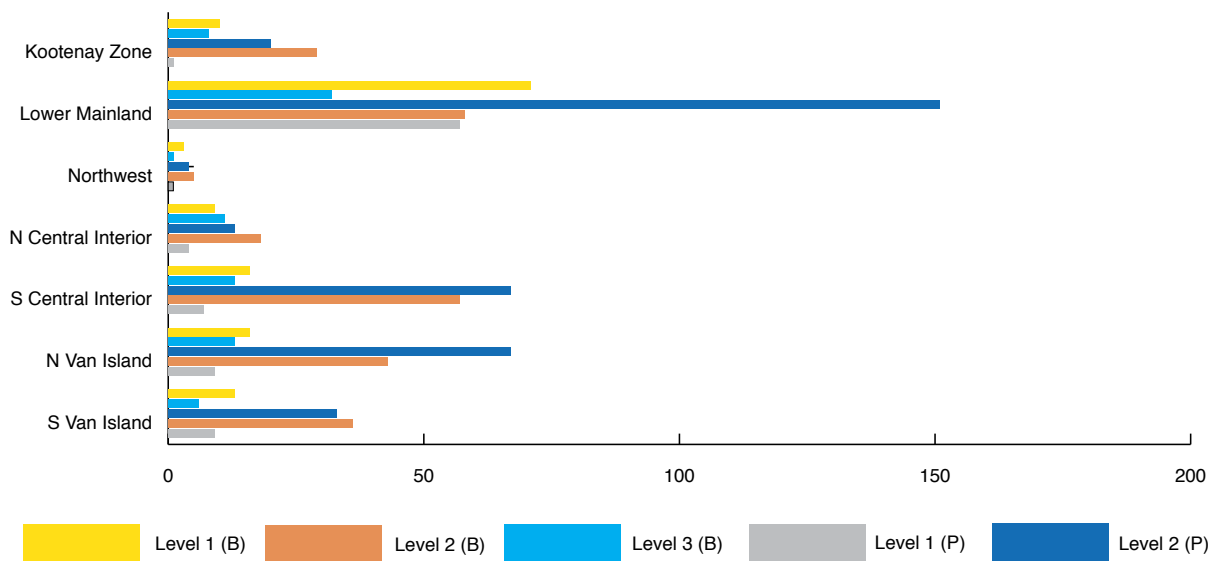
While these totals do not represent substantial increases from the previous year, the Association still issued 110 new building official, 64 plumbing official, and 57 new trainee qualifications in 2021-22. This could be attributed to natural attrition and retirements offsetting newly qualified officials, but it also reflects the fact that a number of qualifications were issued to existing officials who were updating their credentials and scope of practice rather new people entering the field for the first time.

Number of Qualified Officials Per Fiscal Year, 2020-2022



As shown below, the distribution of qualified officials across the zones are consistent with historic patterns in Association membership and correlate with population density and economic activity. Nearly 50% of all qualified officials are employed by local governments in the Lower Mainland while less than 1% of qualified officials work within the Northwest Zone.

Number of Qualified Officials by Zone, 2021-2022

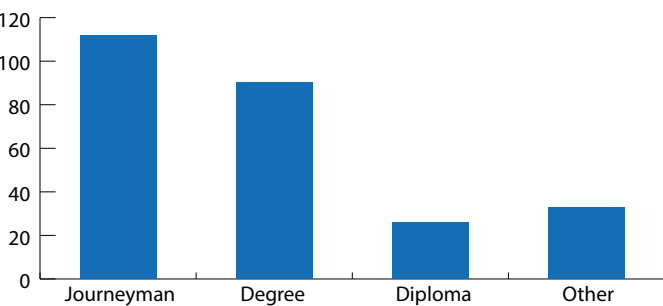


Increasing System Capacity

The Association recognizes that building official capacity plays an important role in helping the province address the need to build affordable and safe housing across B.C. In response to provincial policy and feedback from stakeholders, increasing the number of building and plumbing officials is identified as a priority initiative in the Association’s 2022-27 Strategic Plan.

As part of this work, the Association has started gathering additional data about the education, experience and career intentions of currently qualified officials as part of its annual member survey to inform discussion and develop effective strategies to address this issue.

Educational Background of Qualified Officials, 2021-22



Industry Experience Before Qualification, 2021-22

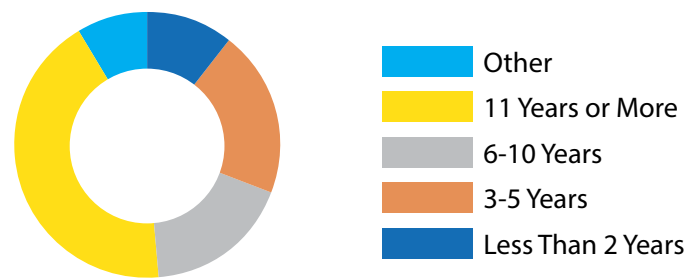


While there are no formal pre-requisites or entry qualifications that an individual must meet before being eligible to write exams or become qualified, as shown above, current data suggests that most officials have completed formal higher education in building construction, such as a journeyperson certificate or a technologist diploma. Data also indicates that most individuals choose to become building or plumbing officials after gaining significant experience in the industry. For example, a majority of respondents to the member survey indicated that they had at least 10 years of industry experience before choosing to become a qualified official.

¹Other credentials and education identified by respondents included professional designations (e.g. P.Eng, AScT), various construction-related certificates, or experience-based learning without formal education.

Lastly, the career intentions of respondents suggest that a number of current officials plan to continue working in the occupation for the foreseeable future. As shown below, a majority of officials intend to keep working in the occupation for at least the next six years with many indicating that they intend to work a decade or more.

Career Intentions of Qualified Officials, 2021-22



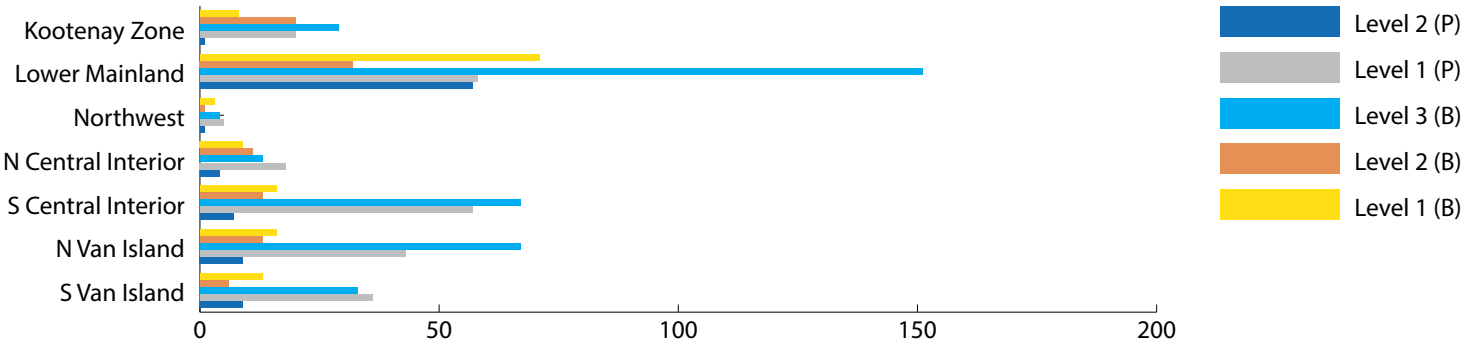
The Association will be collecting other information to help understand this issue and inform decision-making. For example, an exit survey issued to individuals who cancel qualifications will collect feedback from those who are leaving the occupation.

Certified and Designated Officials

Obtaining certification as a building or plumbing official means that an individual has completed the exams required for qualification and obtained a minimum number of years experience working for a local authority as a qualified official. The certification program was administered by the Association under the *Building Officials’ Association Act* for many years before the *Building Act* was introduced to make minimum qualifications mandatory across B.C. The titles of Registered Building Official (RBO) and Building Code Qualified (BCQ) are also granted to individuals meeting specific criteria. The former is given to building officials who have completed the exams and work experience required to be certified as a level three official and the latter is given to individuals who have completed all the exams required for qualification but lack the work experience required to achieve certification.

While qualifications issued under the *Building Act* are the credential required to practice, there continues to be strong interest amongst qualified officials in obtaining certification and RBO status. Eighty new building certifications and 35 new plumbing certifications were issued in 2021-22. Further, 43 new RBO titles were granted along with two additional BCQ titles. Overall, this increased the number of certified building and plumbing officials to 552 and 334 respectively. There are now 332 and 31 officials who hold the RBO and BCQ designations respectively.

Number of Certified Officials by Zone, 2021-22



In late 2021-22, the Association initiated a review of its certification and designation programs to determine how they could be updated to provide more value to practitioners, stakeholders and the public. This work will continue into the next fiscal year with the Association planning to engage members and stakeholders in later 2022-23.



Competency Framework



Outcome 1: The Association implements a quality, competency-based framework for training, examinations, and continuing professional development (CPD) for building and plumbing officials using a phased approach.

Like other Canadian building official associations, the Association uses the National Occupational and Training Standard for Professional Building Officials (NOS) as the foundation for building official education programs. The NOS was established in 2007 and sets out the competencies, skills and attitudes needed for individuals to be effective building officials.

In 2020-21, the Association approached the Alliance of Canadian Building Officials Associations (ACBOA) about updating the NOS to reflect changes that have occurred in code content and administration since 2007. An application for federal funding to support this work was unsuccessful but the Association and ACBOA are planning to seek funding again in 2022-23 so that this important initiative can proceed.

To be effective, a competency framework must provide education that is accessible and relevant to the learning needs and work of practitioners. Recent survey data shows the Association is largely effective in these areas with 86% of respondents agreeing that the education offered is accessible and 82% agreeing that it is relevant to their learning needs. At the same time, specific topics were suggested for future educational offerings, including:

- legal & ethics
- 'soft skills' (leadership, communications)
- plans reviews
- site inspections
- letters of assurance
- local government administration
- Energy Step Code
- barrier free design and accessibility

Increasing the breadth of educational offerings to address the legal, administrative, and practical competencies needed to be an effective official is an area of focus in the Association's 2022-27 Strategic Plan and will be a key element of CPD offerings going forward. As outlined later in this report, the Association began taking steps to address these needs last year when planning its 2022-23 CPD offerings.

Code Training



Outcome 2: The Association develops, delivers and continuously improves its code-related training for building and plumbing officials at all levels.

Development

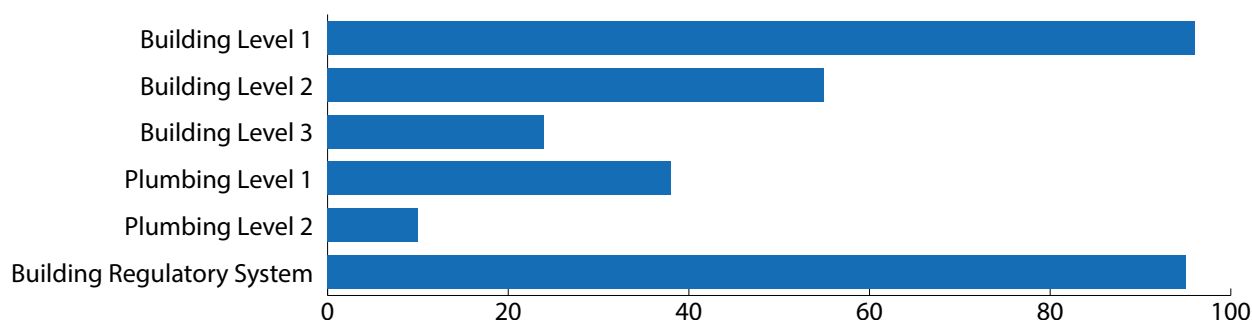
The Association completed its suite of code courses for building officials with the release of the level two and level three online courses in spring 2021. These courses are aligned with the current edition of the B.C. Building Code. The level one course was also updated to reflect the current code edition.

The Association is in discussions with Camosun College about updating its current level one plumbing code course and possibly developing a similar online course to support students seeking qualification as a level two plumbing official.

Delivery

In 2021-22, the Association processed 326 course registrations. Student registrations for level one and two courses exceeded forecasts but uptake for the level 3 course was below expectations.

2021-22 Course Registrations



The Association collaborated with Camosun College to continue delivering the level one plumbing code course, which was completed by thirty-nine students. The level two plumbing code course was delivered directly by the Association to 19 students.

The Association also offers the Introduction to the Building Regulatory System course to support the building official in-training qualification. In 2021-22, 95 students registered for this course that provides an overview of the legislative and administrative foundations of the building regulatory system.



Professional Development



Outcome 3: The Association develops, delivers and continuously improves its CPD program for building and plumbing officials at all levels.

The Association focused on delivering more online webinars and training sessions for members in 2021-22 to increase access to CPD opportunities and hosted more than thirty sessions, nearly double the number offered the previous year. The following are examples of sessions offered in 2021-22 (number of registrants in parentheses):

- ULC Standards delivered four sessions on life safety standards and systems (200).
- Hilti delivered two sessions on fire stopping (100).
- The Association delivered seven 'lunch and learns' (200 per event).
- The Association collaborated with partners to raise awareness of systems and other tools that might be used to increase capacity or generate efficiencies in permitting processes. For example, sessions were offered on digital permitting (55), remote video inspections (51), and building department accreditation (39).
- The Association partnered with the Canadian Wood Council and British Columbia Institute of Technology (BCIT) to deliver education related to mass timber construction. The Canadian Wood Council (CWC) delivered three sessions on wood construction (405) and lumber quality assurance (138). BCIT offered two sessions on fire protection (203) and building enclosures in buildings constructed from mass timber (213).

The Association provides additional CPD opportunities through meetings of members. One hundred and eighty members attended the 2021 Annual General Meeting that was delivered virtually. Zone meetings organized by the Association give members opportunities to network, hear presentations from different stakeholders, and discuss code interpretation and permitting practices. Details of these meetings are specifically addressed under Outcome 8 in this report.

In 2021-22, the Association focused on preparing for the 2022 Conference and Annual General Meeting on May 15-18, 2022, in Victoria, B.C. Education provided through this event has traditionally been a significant source of CPD points for qualified officials. Educational streams focused on building, plumbing, Energy Step Code, and building regulations were planned for the four-day event.

In support of its 2022-27 Strategic Plan, the Association is planning to focus greater attention on the non-technical competencies of building and plumbing officials. Communication and other 'soft skills' training developed by the International Code Council will be delivered next fiscal year, as will sessions on mentoring, coaching, public speaking and building department succession planning. Technical courses focused on codes and standards from the Canadian Automatic Sprinklers Association and the Heating, Refrigeration, Air Conditioning Institute of Canada will also be offered.



Code Update Training



Outcome 4: The Association develops, delivers and continuously improves B.C. Building Code change seminars or code education sessions as needed.

There were no updates to the B.C. Building Code or other building regulations in 2021-22 that required the development or delivery of code update training.

The Association did initiate discussions with the Province and other regulatory bodies and stakeholders about collaborating to offer training that supports adoption of anticipated code amendments related to energy efficiency in 2022 and the next edition of the B.C. Building Code in 2023.

With respect to the energy efficiency, the Association and BCIT agreed to collaborate on development of Energy Step Code education for building officials. BC Hydro is funding this work, which will be completed and offered over fall and winter 2022-23.

Examinations



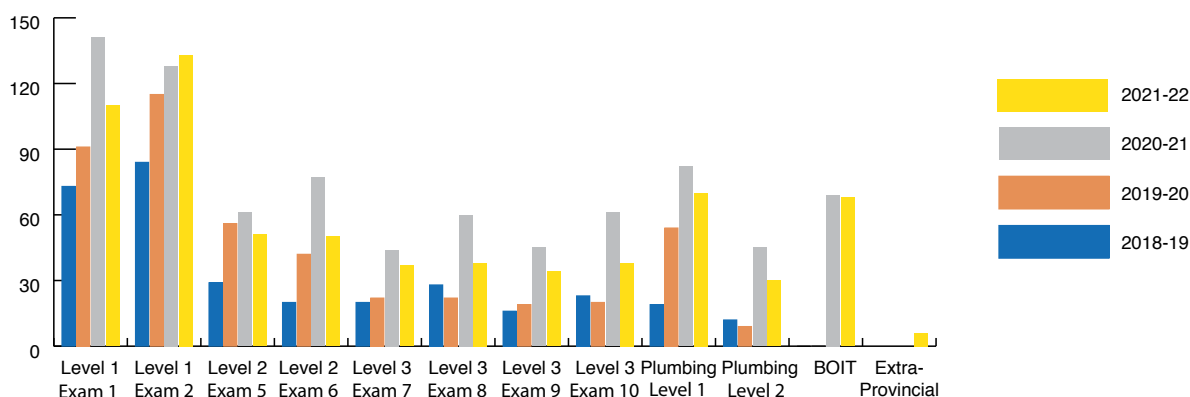
Outcome 5: The Association designs, delivers, and continuously improves qualification exams for building and plumbing officials at all levels.

The ICC provides exam development and delivery services under contract to the Association. These services leverage the expertise of building and plumbing officials from B.C. who volunteer to serve as subject-matter experts on the Association's exam committees. Exams are available at any time for qualified officials and others to write at test sites, workplaces, or home.

All exam banks for building official exams were updated building code exams for levels two and three building official qualification were released in May and June 2022 respectively. Revisions to questions and drawings in the level one and two plumbing official exams were also in the process of being updated.

In 2022-23, the Association will be releasing updated question banks for plumbing official exams and developing additional questions related to the Energy Step Code for inclusion in building official exams.

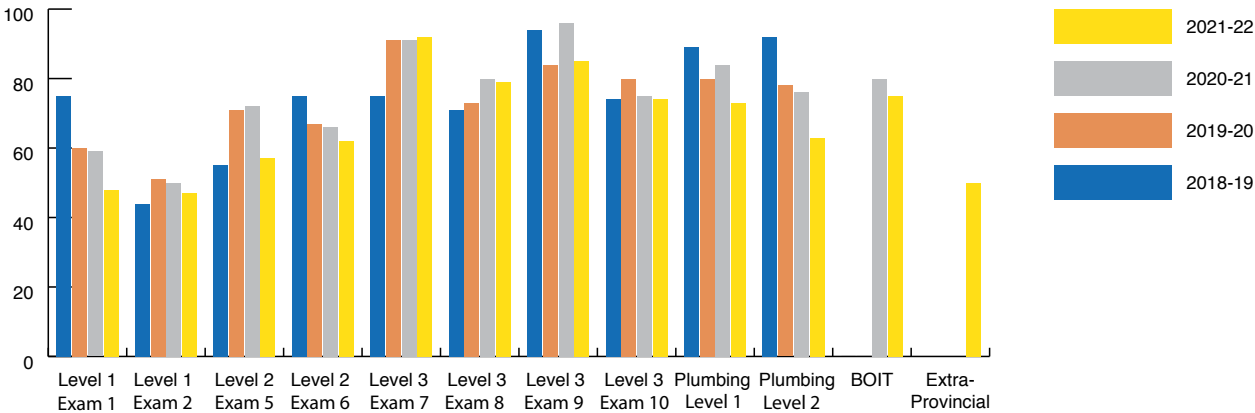
Number of Exams Per Fiscal Year, 2018-22



Nearly 700 exams were written in 2021-22. This represents a decrease from 2020-21, but still represents a significant increase over the number of exams written in 2018-19 (455) and 2019-20 (450). The additional exams written in 2020-21 were likely due to members needing to meet qualification requirements before the *Building Act* transition period ended on February 28, 2021.

As shown below, student success in ten of eleven courses declined, albeit in some cases marginally, in 2021-22 when compared to the previous year. The level 1 exams, especially exam one, continue to return the lowest pass rates of all the qualification exams. Similarly, the level one plumbing exam has seen a continued decline in student achievement since 2018. There are several variables that might help explain this trend. For example, there are no minimum pre-requisites that candidates must satisfy before writing the exams to ensure a minimum level of code and industry knowledge. Similarly, exam candidates are not required to complete any training to increase code knowledge before writing the exam. In 2021-22, the Association started collecting additional information about exam candidates to better understand how the educational backgrounds of students affects exam results. This same data will also assist with evaluating code courses offered by the Association. The process used to develop individual questions and exams has remained consistent throughout the period shown in the graph above except for the change to online exams in 2018, which does not appear to have had a clear impact on exam results.

Exam Pass Rates Per Fiscal Year, 2018-22





Annual Compliance



Outcome 6: Building officials pay an administration fee and report CPD points to the Registrar of Qualified Building Officials annually.

2021-22 marked the first year that qualified officials were required to meet CPD requirements and submit annual reports by December 31 under the *Building Act*. Reporting of CPD and submission of annual reports are both completed online and in accordance with the Administrative Agreement. The Association previously updated its online reporting system to capture information about professional development activities that is required under the Act.

The Association focused on providing officials and local governments with information about the new CPD and reporting requirements ahead of the December 31 deadline. Email reminders about outstanding CPD points were distributed bi-monthly to all qualified officials. Professional development and annual report deadlines were also communicated through the Association website and newsletter and zone meetings. As indicated earlier in this report, the number of online educational offerings was also increased to provide officials with ample opportunity to satisfy CPD requirements.

Overall, there was a high level of compliance amongst qualified officials with the CPD and annual reporting requirements. Approximately 94% practicing building and plumbing officials provided evidence of having obtained their required CPD points by December 31. This degree of compliance with a new legislative requirement is notable given the impact that the COVID-19 pandemic had on the availability of traditional, in-person professional development opportunities and local government operations and priorities.

With respect to annual reporting requirements, approximately 87% of qualified officials submitted an annual report before December 31, 2021. Discussions with qualified officials leading up to the reporting deadline suggested that this requirement was not well understood and, more specifically, how it differed from the requirement to submit information about completed CPD activities. The Association will provide additional clarity on this administrative requirement in an effort to achieve greater compliance in 2022.

In late 2021-22, the Association initiated discussions with the Province about refining the current CPD framework under the *Building Act*. Work in this regard will commence in 2022-23 with the Association engaging stakeholders to develop a new process for 'reinstating' qualifications when an official is removed from the register for not completing annual CPD or reporting requirements. This process will provide clarity for officials and local authorities about the consequences for not meeting these legislated obligations and how qualifications can be reinstated once the non-compliance is remedied.



Online Member Forum



Outcome 7: The Association hosts an online discussion forum for B.C. Building Code interpretation and application questions on the Association’s website.

The online member portal provides Association members with a secure forum to share information, seek advice from others, and discuss code interpretations and application. Forum activity was slightly above the previous year, with 39 new posts being added to the forum and 114 responses to posts from 2021-22 and other fiscal years.

As part of its 2022-27 Strategic Plan, the Association is committed to updating its website to establish an online community of practice to facilitate discussion and sharing of resources. This could include information about the building code, plans reviews, or site inspections. The Association could also provide resources to support local authorities on topics such as bylaw development, digital service delivery, and staff recruitment or succession planning.

Zone Meetings



Outcome 8: Building Code interpretation and application questions are routinely discussed at the Association's Regional Zone meetings.

Association zones all meet regularly throughout the year and provide important professional development opportunities for qualified officials and other members. Regular topics of discussion include code questions, interpretations from the Code Interpretation Committee, appeal decisions from the Building Code Appeal Board, and permitting or inspection practices.

As committed to in 2020-21, the Association introduced a new registration process for zone meetings to better track and report on attendance last year. In 2021-22, nearly 800 registrants attended 18 zone meetings. This is an increase of five meetings over the previous year. Whereas the Vancouver Island North zone did not hold any meetings in 2020-21 due to a vacant Vancouver Island North zone director position, all seven Association zones held at least two meetings in 2021-22.

Additional administrative changes were made to provide additional support to volunteer Zone Directors with staff assuming primary responsibility for developing agendas and scheduling presentations. Increasing staff involvement in zone meeting administration also helps provide consistent presentations and other agenda items across all zones. Presenters at zone meetings in 2021-22 included the Building and Safety Standards Branch, Ministry of Environment, Notarius, and the BC Association of Building Designers.

Looking ahead to 2022-23, the Association will be working with zone directors to find ways in which the zones can help the Association engage effectively in national code development and identify trends and issues that are affecting local governments and the broader industry.



Governance and Operational Support

In addition to the program outcomes and activities described above, the Association completed other work to improve its governance, business processes and systems, and engagement with stakeholders. Highlights of these activities include:

- The Executive approved a new 2022-27 Strategic Plan for the Association that sets out four strategic priorities: Education, Professionalism, Governance, and Relationships. Each priority includes specific areas of focus which the Executive team established based on feedback from members, local authorities, and other partners. This feedback-driven, collaborative approach was adopted to ensure that the plan was aligned with the needs of the building regulatory system in B.C. The Association will publish an annual report to provide updates on key projects and progress towards achieving strategic priorities.
- The Association started to update and increase capacity for its complaint investigation responsibilities under the Building Officials' Association Act and the *Building Act*. This included developing a new policy and procedure to assist the Registrar in investigating complaints and determining the appropriateness and nature of administrative penalties. A Complaints Investigator was also hired on a contract basis to provide additional capacity for this function.
- The Association is increasing its participation in provincial consultations to help shape policy and initiatives affecting the building regulatory system. In 2021-22, the Association participated in consultations on the *Architects Act*, Development Approvals Process Review, and professional involvement and governance in the building construction sector. The Association is also represented on several standing councils and committees, such as the Energy Step Code Council and Industry and Consumer Advisory Council.
- Continuous improvement to the Association IT infrastructure is ongoing. Updates to the Association learning management system were started in late 2021-22 and will be completed in 2022-23. Electronic records were moved to Microsoft OneDrive while SharePoint is now being used to enhance records management and support online collaboration for Executive standing committees. A hardware evergreen schedule was established to improve financial forecasting and better manage capital assets.
- Website updates included developing search functionality to help users easily locate specific interpretations or content. Exam application forms were updated to collect information about the educational background of students to assist with interpreting results and assessing education.
- The following core business processes were reviewed and documented: Membership application, qualification application, certification application, exam application, and job posting. Process documentation supports continuous improvement, business continuity, and staff onboarding and cross-training.



2021-22 Financial Statements

Management's Comments on the 2020-21 Financial Statements

The financial statements and review engagement report prepared by KPMG show the Association ended its 2021-22 fiscal year with a positive budget balance of approximately \$243,000 and no outstanding liabilities. The 2020-21 balance will be used to help fund future educational offerings and other program enhancements.

Revenues

Total revenues in 2020-21 were very close to budget forecasts at \$1,012,000. Revenue from job postings and building code courses exceeded projections and offset less than expected revenue from the plumbing level two course and examinations.

Expenses

The Association's expenditures in 2020-21 were \$755,000, which was \$260,000 below budget. Expense reductions were the result of continued restrictions on in-person gatherings and priorities being reevaluated and reordered.



KPMG LLP
Metro Tower I
Suite 2401 - 4710 Kingsway
Burnaby BC V5H 4M2
Canada
Tel 604 527-3600
Fax 604 527-3636

INDEPENDENT PRACTITIONERS' REVIEW ENGAGEMENT REPORT

To the Members of Building Officials' Association of British Columbia

We have reviewed the accompanying financial statements of Building Officials' Association of British Columbia (the "Association"), which comprise the statement of financial position as at March 31, 2022, the statements of revenue and expenses and net assets and cash flows for the year then ended, and notes, comprising 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. KPMG Canada provides services to KPMG LLP.



Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Building Officials' Association of British Columbia as at March 31, 2022, 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.

KPMG LLP

Chartered Professional Accountants

Burnaby, Canada

May 13, 2022

BUILDING OFFICIALS' ASSOCIATION OF BRITISH COLUMBIA

Statement of Financial Position

March 31, 2022, with comparative information for 2021
(Unaudited)

	2022	2021
Assets		
Current assets:		
Cash	\$ 525,526	\$ 212,547
Accounts receivable	23,080	36,209
Investments (note 2)	75,000	-
Prepaid expenses	43,880	11,500
	667,486	260,256
Investments (note 2)	50,000	-
Equipment (note 3)	8,862	8,872
	\$ 726,348	\$ 269,128

Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities (note 4)	\$ 99,855	\$ 12,749
Deferred revenue (note 5)	136,319	9,450
	236,174	22,199
Long-term debt (note 6)	40,000	40,000
Net assets:		
Unrestricted	450,174	206,929
	\$ 726,348	\$ 269,128

See accompanying notes to financial statements.

Approved on behalf of the Board:

 Director
  Director

BUILDING OFFICIALS' ASSOCIATION OF BRITISH COLUMBIA

Statement of Revenue and Expenses and Net Assets

Year ended March 31, 2022, with comparative information for 2021
(Unaudited)

	2022	2021
Revenue:		
Membership dues and fees	\$ 549,345	\$ 540,554
Annual registrations	7,050	2,300
Continuing professional development	9,568	51,446
Examination fees	17,445	21,447
Online training	231,005	124,187
Job posting	79,439	39,727
Grants, sponsorships and partnerships	117,500	95,500
Interest and miscellaneous	549	458
	<u>1,011,901</u>	<u>875,619</u>
General and administrative expenses:		
Amortization	8,727	6,821
Bad debts	-	50,421
Bank and service charges	22,364	12,524
Conference and Annual General Meeting	4,246	12,792
Education and training delivery	44,419	29,336
Education and training development	95,818	104,046
IT services and maintenance	43,809	34,702
Office administration and operations	147,926	116,315
Salaries and benefits	440,980	420,716
	<u>808,289</u>	<u>787,673</u>
Excess of revenue over expenses before the undernoted item	203,612	87,946
Other income:		
Government assistance (note 6)	-	20,000
Management fees (note 7)	34,875	38,999
Other income	4,758	80,600
	<u>39,633</u>	<u>139,599</u>
Excess of revenue over expenses	243,245	227,545
Net assets (deficit), beginning of year	206,929	(20,616)
Net assets, end of year	<u>\$ 450,174</u>	<u>\$ 206,929</u>

See accompanying notes to financial statements.

BUILDING OFFICIALS' ASSOCIATION OF BRITISH COLUMBIA

Statement of Cash Flows

Year ended March 31, 2022, with comparative information for 2021
(Unaudited)

	2022	2021
Cash provided by (used in):		
Operations:		
Excess of revenue over expenses	\$ 243,245	\$ 227,545
Items not involving cash:		
Amortization	8,727	6,821
Forgiveable portion of long-term debt	-	(20,000)
	251,972	214,366
Changes in non-cash operating working capital	194,724	(242,114)
	446,696	(27,748)
Financing:		
Proceeds from long-term debt	-	60,000
Investing:		
Purchase of equipment	(8,717)	(8,126)
Purchase of investments	(125,000)	-
	(133,717)	(8,126)
Increase in cash	312,979	24,126
Cash, beginning of year	212,547	188,421
Cash, end of year	\$ 525,526	\$ 212,547

See accompanying notes to financial statements.

BUILDING OFFICIALS' ASSOCIATION OF BRITISH COLUMBIA

Notes to Financial Statements

Year ended March 31, 2022
(Unaudited)

Nature of operations:

Building Officials' Association of British Columbia (the "Association") was incorporated in 1954 under the Building Officials' Act of British Columbia. The primary objective of the Association is the promotion of uniform building regulations and cooperation between building officials, the building industry, government and the public. The Association is exempt from income and capital taxes under section 149(1)(l) of the Income Tax Act.

1. Significant accounting policies:

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The Association's significant accounting policies are as follows:

(a) Equipment:

Equipment are stated at cost, less accumulated amortization. Amortization is provided using the straight-line method and following annual rates:

Asset	Rate
Computer	3 years
Furniture and fixtures	3 years
Computer software	3 years

The carrying amount of an item of equipment is tested for recoverability whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized when the asset's carrying amount is not recoverable and exceeds its fair value.

(b) Government assistance:

Government assistance related to current expenses and revenue is included in the determination of net income for the year. During the prior year, the Company received government assistance related to the Canada Emergency Business Account ("CEBA") and recorded this as part of other income (note 5).

BUILDING OFFICIALS' ASSOCIATION OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended March 31, 2022
(Unaudited)

1. Significant accounting policies (continued):

(c) Revenue recognition:

Revenue from examination and conference fees are recognized when the related services are provided. Amounts charged for membership are recognized as revenue when earned. Education fees are recognized as revenue when the seminars and workshop are held. A receivable is recognized if the amount to be received can be reasonably estimated and collection is reasonably assured.

Unrestricted contributions from grants, sponsorships and partnerships are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Externally restricted contributions from grants, sponsorships and partnerships are recognized as revenue in the year in which the related expenses are recognized.

(d) Contributed services:

The Association and its members benefit from contributed services in the form of volunteer time for various committees. Because of the difficulty in determining their fair value, these contributed services are not recognized in the financial statements.

(e) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

(f) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Association has not elected to carry any such financial instruments at fair value.

BUILDING OFFICIALS' ASSOCIATION OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended March 31, 2022
(Unaudited)

1. Significant accounting policies (continued):

(f) Financial instruments (continued):

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Association determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Association expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future year, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(g) Investments:

The Association has investments consist of investments in redeemable guaranteed investment certificates with various terms of maturity from the date of purchase.

(h) Deferred revenue:

Deferred revenue comprises advance payments for membership, conference and examination fees, and grants and special reserve fund received by the Association. These items are recorded as revenue when earned.

(i) Related party transactions:

Monetary and non-monetary related party transactions and non-monetary related party transactions that have commercial substance are measured at the exchange amount when they are in the normal course of operations, except when the transaction is an exchange of a product or property held-for-sale in the normal course of operations. Where the transaction is not in the normal course of operations, it is measured at the exchange amount when there is a substantive change in the ownership of the item transferred and there is independent evidence of the exchange amount.

All other related party transactions are measured at the carrying amount.

BUILDING OFFICIALS' ASSOCIATION OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended March 31, 2022
(Unaudited)

2. Investments:

As at March 31, 2022, the Association has an one year redeemable GIC maturing on January 19, 2023 and has a five year non-redeemable GIC bearing interest at 2% per annum maturing on January 19, 2027.

3. Equipment:

			2022	2021
	Cost	Accumulated amortization	Net book value	Net book value
Furniture and fixtures	\$ 4,743	\$ 4,209	\$ 533	\$ 187
Computer	26,697	22,056	4,641	8,685
Computer software	5,533	1,844	3,688	-
	\$ 36,973	\$ 28,109	\$ 8,862	\$ 8,872

4. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are government remittances payable of \$6,315 (2021 - \$2,732) relating to goods and services taxes.

5. Deferred revenue:

	2022	2021
Balance, beginning of year	\$ 9,450	\$ 150,442
Amount received during the year	136,319	9,450
Amount amortized to revenue during the year	(9,450)	(150,442)
Balance, end of year	\$ 136,319	\$ 9,450

BUILDING OFFICIALS' ASSOCIATION OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended March 31, 2022
(Unaudited)

6. Government assistance and long-term debt:

During fiscal 2021, the Company applied for and received the Canada Emergency Business Account ("CEBA") program loan for \$60,000 as an interest free loan. The loan is non-interest bearing to December 31, 2022, with monthly interest payments required at 5% per annum commencing January 1, 2023 to maturity on December 31, 2025. If an event of default has not occurred, up to 25% of the loan will be forgiven if at least 75% of the loan has been repaid on or prior to December 31, 2022. Given the government has the intention to forgive 25% of the loan, the Association has recognized the \$20,000 forgivable portion during the prior year as government assistance and has recorded it as other income.

7. Related party transactions:

During the year, the Association charged management fees of \$34,875 (2021 - \$38,999) to Alliance of Canadian Buildings Officials' Association ("ACBOA"). The Association is a member of ACBOA.

During the year, ACBOA charged annual membership fees of \$3,239 (2021 - \$2,945) to the Association.

The transactions are in the normal course of operations or business and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

8. Financial risk:

(a) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Association deals with creditworthy counterparties to mitigate the risk of financial loss from defaults. The Association monitors the credit risk of members through historical membership data. There has been no change to the risk exposures from 2021, except for the impact of the Covid-19 pandemic.

(b) Liquidity risk:

Liquidity risk is the risk that the Association will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Association manages its liquidity risk by monitoring its operating requirements. The Association prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no change to the risk exposures from 2021, except for the impact of the Covid-19 pandemic.



ABOUT BOABC

We are an Association approaching 1000 members primarily representing local government Building Officials and those involved in building design, construction, testing and research.

Suite 224
186 – 8120 No. 2 Road
Richmond, BC
V7C 5J8

info@boabc.org

(604) 270-9516

