

**NOVA SCOTIA CONSTRUCTION SAFETY ASSOCIATION
(OPERATING AS CONSTRUCTION SAFETY NOVA SCOTIA)**

FINANCIAL STATEMENTS

DECEMBER 31, 2022

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INDEPENDENT AUDITORS' REPORT

To the Members of:
Nova Scotia Construction Safety Association

Opinion

We have audited the financial statements of **Nova Scotia Construction Safety Association** ("the Association"), which comprise the statement of financial position as at December 31, 2022 and the statements of operations and changes in net assets and 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 December 31, 2022, and results of its 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 Auditors' 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.

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.

Auditors' 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 auditors' 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 auditors' 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.

Dartmouth, Nova Scotia
April 17, 2023



Chartered Professional Accountants

NOVA SCOTIA CONSTRUCTION SAFETY ASSOCIATION
(OPERATING AS CONSTRUCTION SAFETY NOVA SCOTIA)
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022

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	2022 Budget \$	2022 Actual \$	2021 Actual \$
REVENUES			
Membership (Note 13)	2,385,900	2,951,108	2,495,614
Safety services	792,563	728,400	608,591
Other (Note 14)	<u>45,046</u>	<u>104,239</u>	<u>73,513</u>
	<u>3,223,509</u>	<u>3,783,747</u>	<u>3,177,718</u>
EXPENSES			
<i>Program</i>			
Salaries and benefits	1,242,054	1,280,894	1,048,001
Contract operations	37,000	40,002	24,344
Online learning	25,597	11,030	5,843
Materials	-	12,185	3,605
Travel	55,200	62,468	30,491
Other	<u>79,844</u>	<u>72,036</u>	<u>78,933</u>
	<u>1,439,695</u>	<u>1,478,615</u>	<u>1,191,217</u>
<i>Administrative</i>			
Salaries and benefits	906,560	1,000,521	916,774
Marketing and promotion	115,950	98,691	48,373
Staff education	50,000	48,417	32,963
Board of directors	10,518	7,983	15,461
Interest and bank charges	15,120	13,360	12,665
Travel	14,900	26,364	15,063
Research and innovation	8,500	5,716	23,250
Professional fees	52,917	99,363	91,001
IT services and subscriptions	193,973	161,218	196,601
Office	60,139	47,570	53,303
Facilities	214,568	203,693	190,799
Insurance	<u>17,007</u>	<u>19,238</u>	<u>13,173</u>
	<u>1,660,152</u>	<u>1,732,134</u>	<u>1,609,426</u>
	<u>3,099,847</u>	<u>3,210,749</u>	<u>2,800,643</u>
EXCESS OF REVENUES OVER EXPENSES			
BEFORE OTHER EXPENSES	123,662	572,998	377,075
AMORTIZATION OF CAPITAL ASSETS	100,000	90,336	95,996
AMORTIZATION OF INTANGIBLE ASSETS	70,000	62,925	57,857
LOSS ON DISPOSAL OF INTANGIBLE ASSET	<u>-</u>	<u>23,714</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES			
OVER EXPENSES	<u>(46,338)</u>	<u>396,023</u>	<u>223,222</u>

**NOVA SCOTIA CONSTRUCTION SAFETY ASSOCIATION
(OPERATING AS CONSTRUCTION SAFETY NOVA SCOTIA)
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2022**

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	Investment in Capital and Intangible Assets	Unrestricted	Internally Restricted (Note 9)	Total 2022	Total 2021
	\$	\$	\$	\$	\$
Net assets - beginning of year	1,506,350	1,598,130	216,534	3,321,014	3,097,792
Excess (deficiency) of revenues over expenses	(153,261)	545,215	4,069	396,023	223,222
Acquisition of capital assets	24,073	(24,073)	-	-	-
Acquisition of intangible assets	34,112	(34,112)	-	-	-
Payments on obligation under capital lease	7,521	(7,521)	-	-	-
Loss on disposal of intangible asset	(23,714)	23,714	-	-	-
Interfund transfers	-	(35,000)	35,000	-	-
Net assets - end of year	<u>1,395,081</u>	<u>2,066,353</u>	<u>255,603</u>	<u>3,717,037</u>	<u>3,321,014</u>

**NOVA SCOTIA CONSTRUCTION SAFETY ASSOCIATION
(OPERATING AS CONSTRUCTION SAFETY NOVA SCOTIA)
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2022**

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	2022	2021
	\$	\$
ASSETS		
CURRENT		
Cash	887,269	444,741
Cash - internally restricted (Note 9)	1,922	22
Cash - externally restricted (Note 10)	150,000	-
Term deposits	725,000	725,552
Term deposits - internally restricted (Note 9)	250,000	216,511
Accounts receivable (Note 3)	669,749	533,698
Prepays	<u>60,965</u>	<u>78,076</u>
	2,744,905	1,998,600
CAPITAL ASSETS (Note 4)	1,231,288	1,297,551
INTANGIBLE ASSETS (Note 5)	<u>185,354</u>	<u>237,881</u>
	<u>4,161,547</u>	<u>3,534,032</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 6)	221,597	135,159
Deferred revenue (Note 7)	201,352	48,777
Current portion of obligation under capital lease	<u>10,498</u>	<u>9,454</u>
	433,447	193,390
OBLIGATION UNDER CAPITAL LEASE (Note 8)	<u>11,063</u>	<u>19,628</u>
	<u>444,510</u>	<u>213,018</u>
NET ASSETS		
INVESTMENT IN CAPITAL AND INTANGIBLE ASSETS	1,395,081	1,506,350
UNRESTRICTED	2,066,353	1,598,130
INTERNALLY RESTRICTED (Note 9)	<u>255,603</u>	<u>216,534</u>
	<u>3,717,037</u>	<u>3,321,014</u>
	<u>4,161,547</u>	<u>3,534,032</u>
COMMITMENTS (Note 11)		
CONTINGENCIES (Note 12)		

Approved by the Board

Donald Mattot

Director

Milton Howley

Director

NOVA SCOTIA CONSTRUCTION SAFETY ASSOCIATION
(OPERATING AS CONSTRUCTION SAFETY NOVA SCOTIA)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022

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	2022	2021
	\$	\$
CASH PROVIDED BY (USED FOR):		
OPERATING		
Excess of revenues over expenses	396,023	223,222
Items not affecting cash		
Amortization of capital assets	90,336	95,996
Amortization of intangible assets	62,925	57,857
Loss on disposal of intangible asset	<u>23,714</u>	<u>-</u>
	572,998	377,075
Changes in non-cash working capital items		
Accounts receivable	(136,051)	(236,635)
Prepays	17,111	(38,124)
Accounts payable and accrued liabilities	86,438	(129,155)
Deferred revenue	<u>152,575</u>	<u>12,517</u>
	<u>693,071</u>	<u>(14,322)</u>
FINANCING		
Payments on obligation under capital lease	<u>(7,521)</u>	<u>(9,579)</u>
INVESTING		
Acquisition of term deposits	(975,000)	(939,660)
Proceeds on term deposits	942,063	928,698
Acquisition of capital assets	(24,073)	(12,973)
Acquisition of intangibles	<u>(34,112)</u>	<u>(39,064)</u>
	<u>(91,122)</u>	<u>(62,999)</u>
CHANGE IN CASH	594,428	(86,900)
CASH - beginning of year	<u>444,763</u>	<u>531,663</u>
CASH - end of year	<u><u>1,039,191</u></u>	<u><u>444,763</u></u>
 Cash consists of:		
Cash	887,269	444,741
Cash - internally restricted	1,922	22
Cash - externally restricted	<u>150,000</u>	<u>-</u>
	<u><u>1,039,191</u></u>	<u><u>444,763</u></u>

**NOVA SCOTIA CONSTRUCTION SAFETY ASSOCIATION
(OPERATING AS CONSTRUCTION SAFETY NOVA SCOTIA)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

1. OPERATIONS

The Nova Scotia Construction Safety Association ("the Association") was incorporated under the Societies Act of Nova Scotia on May 21, 1993. It is committed to providing quality, accessible and affordable safety services. As an Association founded by and responsible to the construction industry, the Association is dedicated to developing a positive occupational health and safety culture within the province's construction sector and its communities of interest. The Association is a non-profit organization and is exempt from income taxes under Section 149.1(1) of the Income Tax Act.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Net asset funds

Investment in Capital and Intangible Assets Fund

The Investment in Capital and Intangible Assets Fund is used to account for capital and intangible assets, including their acquisition, financing, amortization and disposal. Operating costs of capital assets are accounted for by the Investment in Capital and Intangible Assets Fund.

Unrestricted Fund

The Unrestricted Fund is used for the Association's day-to-day ongoing activities. This fund includes the assets, liabilities, revenues and expenses other than those related to the Investment in Capital and Intangible Assets Fund and Internally Restricted Fund.

Internally Restricted Fund

The Internally Restricted Fund was created by the Board of Directors for the purpose of financing the cost of specific future capital asset replacements.

Cash and internally restricted cash

Cash and internally restricted cash consists of cash on hand and bank balances held with a financial institution.

NOVA SCOTIA CONSTRUCTION SAFETY ASSOCIATION
(OPERATING AS CONSTRUCTION SAFETY NOVA SCOTIA)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital assets

Capital assets are recorded at cost. Amortization is provided for using the following rates and methods over their estimated useful lives as follows:

Assets under capital lease	Term of lease	Straight line
Building	4%	Diminishing balance
Computer equipment - administrative	30%	Diminishing balance
Computer equipment - services	30%	Diminishing balance
Office equipment	20%	Diminishing balance
Paving	8%	Diminishing balance
Sign	10%	Diminishing balance
Training equipment	20%	Diminishing balance

One half year's amortization is taken in the year of acquisition and year of disposal.

Intangible assets

Intangible assets are accounted for at cost. Amortization is based on the estimated useful life using the straight line method over a 5-10 year period. One half year's amortization is taken in the year of acquisition and year of disposal.

Impairment of long-lived assets

Long-lived assets are tested for impairment whenever events or changes in circumstances indicate that their carrying value may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. Any impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value.

Revenue recognition

Membership revenue

Membership revenue relating to the Workers' Compensation Board of Nova Scotia ("WCB") levy is recorded based on amounts provided by WCB as per Note 13. Associate membership revenue is recorded when billed, at the beginning of the membership term, provided collection is reasonably assured.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (continued)

Safety services

Safety services revenue is recognized when the service has been provided to the member, provided the price is fixed or determinable and collection is reasonably assured.

Other revenue

Other revenue, consisting of investment, rental and other, is recognized on a monthly basis, when earned, provided the price is fixed or determinable and collection is reasonably assured.

Financial instruments

Measurement of financial instruments

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

The Association subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash, guaranteed investment certificates and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and obligation under capital lease.

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of any write down is recognized in the excess of revenues over expenses. Any 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 any reversal is recognized in the excess of revenues over expenses.

**NOVA SCOTIA CONSTRUCTION SAFETY ASSOCIATION
(OPERATING AS CONSTRUCTION SAFETY NOVA SCOTIA)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. Estimates are used when accounting for items and matters such as allowance for uncollectible accounts receivable, WCB levy receivable, useful lives of capital assets and intangible assets, certain accrued liabilities and contingencies. Actual results could differ from those estimates.

The main item for which a significant estimate was made is accounts receivable for a levy received from WCB. To estimate this amount, management is required to make various assumptions that it considers reasonable. Any changes to the assumptions could have a significant impact on the Association's excess of revenues over expenses and financial position. As a result, the membership revenue of the Association could increase or decrease in upcoming years as described in Note 13.

Government assistance

The Association recognizes government assistance when the conditions under which the assistance was approved have been met and collection is reasonably assured. Government assistance related to non-capital expenditures are recognized as revenue in the period in which the related expenses were incurred. Capital asset grants are accounted for as a reduction of the cost of the related asset.

3. ACCOUNTS RECEIVABLE	2022	2021
	\$	\$
Trade receivables	139,702	71,562
Workers Comp Levy	538,148	454,855
HST recoverable	10,582	25,964
Allowance for doubtful accounts	(18,683)	(18,683)
	<u>669,749</u>	<u>533,698</u>

**NOVA SCOTIA CONSTRUCTION SAFETY ASSOCIATION
(OPERATING AS CONSTRUCTION SAFETY NOVA SCOTIA)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

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4. CAPITAL ASSETS	Cost \$	Accumulated Amortization \$	Net 2022 \$	Net 2021 \$
Land	128,565	-	128,565	128,565
Assets under capital lease	49,949	34,964	14,985	24,974
Building	1,427,273	741,171	686,102	714,689
Computer equipment - administrative	259,867	232,609	27,258	30,530
Computer equipment - services	382,447	377,973	4,474	6,391
Office equipment	231,441	195,213	36,228	25,998
Paving	412,014	109,007	303,007	329,355
Sign	27,461	18,198	9,263	10,292
Training equipment	194,213	172,807	21,406	26,757
	<u>3,113,230</u>	<u>1,881,942</u>	<u>1,231,288</u>	<u>1,297,551</u>
 5. INTANGIBLE ASSETS				
	Cost \$	Accumulated Amortization \$	Net 2022 \$	Net 2021 \$
Curriculum development	304,290	203,239	101,051	131,459
LMS software system	118,176	34,567	83,609	104,339
Website	6,945	6,251	694	2,083
	<u>429,411</u>	<u>244,057</u>	<u>185,354</u>	<u>237,881</u>
 6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES				
			2022 \$	2021 \$
Trade payables			36,608	3,309
Accrued liabilities			<u>184,989</u>	<u>131,850</u>
			<u>221,597</u>	<u>135,159</u>

**NOVA SCOTIA CONSTRUCTION SAFETY ASSOCIATION
(OPERATING AS CONSTRUCTION SAFETY NOVA SCOTIA)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

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7. DEFERRED REVENUE	2022	2021
	\$	\$
Safety services	51,352	48,777
LSI grant (Note 10)	<u>150,000</u>	<u>-</u>
	<u>201,352</u>	<u>48,777</u>
8. OBLIGATION UNDER CAPITAL LEASE	2022	2021
	\$	\$
Xerox Canada Ltd, repayable in quarterly instalments of \$2,858 until December 2024, including interest at 5.27% per annum, secured by office equipment with a net book value of \$14,985.	21,561	29,082
Less current portion	<u>10,498</u>	<u>9,454</u>
	<u>11,063</u>	<u>19,628</u>

Future minimum lease payments due over the next two years on obligation under capital lease are as follows:

	\$
2023	11,430
2024	<u>11,430</u>
	22,860
Less amount representing interest	<u>1,299</u>
Balance	<u><u>21,561</u></u>

9. INTERNALLY RESTRICTED NET ASSETS

The Association has established a capital reserve fund held in an interest bearing account and guaranteed investment certificates for the purpose of financing the cost of specific future capital asset replacement. Annual funding and the specific projects that are to be financed by the capital reserve fund are decided by the Board. The funds are held in the capital reserve fund's interest bearing bank account.

**NOVA SCOTIA CONSTRUCTION SAFETY ASSOCIATION
(OPERATING AS CONSTRUCTION SAFETY NOVA SCOTIA)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

10. EXTERNALLY RESTRICTED ASSET

The Association has received a grant from Nova Scotia Labour, Skills and Immigration to deliver a Fall Protection Campaign. The grant has project milestones which are anticipated to be completed from January to September of 2023. As the project has not commenced at December 31, 2022 the grant is recorded as deferred revenue (Note 7).

11. COMMITMENTS

The Association has entered into lease agreements for a vehicle and office equipment. Future minimum lease payments over the next three years are as follows:

	\$
2023	9,357
2024	2,457
2025	614

12. CONTINGENCIES

As at December 31, 2022, the Association has been named as defendant in three claims and has had two complaints filed with the Nova Scotia Labour Standards Board. The outcome of two of the claims are deemed by management to be approximately \$15,500, the remaining claim is not determinable at this time.

13. MEMBERSHIP REVENUE

Included in membership revenue is the industry-wide levy received by the Association from construction contractors. At each year end, the Association records an amount receivable for this levy based on amounts provided by WCB. The levy is calculated based on \$0.17 per \$100 of estimated payroll for employers in the construction and ready-mix concrete industries. The receivable amount is an estimate based on changing factors and as a result is subject to over or understatement. Any amounts received in excess of the prior year's receivable are recorded as revenue in the year in which they are received.

**NOVA SCOTIA CONSTRUCTION SAFETY ASSOCIATION
(OPERATING AS CONSTRUCTION SAFETY NOVA SCOTIA)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

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13. MEMBERSHIP REVENUE (Continued)	2022	2021
	\$	\$
Levy assessed relating to the current fiscal year	2,956,352	2,516,180
Levy received relating to the prior years in excess (deficiency) of estimate	(12,651)	(34,966)
Associate membership revenue	<u>7,407</u>	<u>14,400</u>
	<u>2,951,108</u>	<u>2,495,614</u>
14. OTHER REVENUE	2022	2021
	\$	\$
Investment	14,318	5,400
Rental	46,800	46,050
Other	<u>43,121</u>	<u>22,063</u>
	<u>104,239</u>	<u>73,513</u>

15. OPERATING LINE OF CREDIT

The Association has an operating line of credit authorized in the amount of \$250,000, secured by a general security agreement over all assets of the Association, bearing interest at the Bank's prime rate plus 1% per annum. As of December 31, 2022 the balance on the operating line of credit was \$NIL (2021 - \$NIL).

16. FINANCIAL INSTRUMENTS

Risks and concentrations

The Association is exposed to various risks through its financial instruments. The following analysis provides a measure of the Association's risk exposure and concentrations at December 31, 2022.

It is management's opinion that the Association is not exposed to significant currency or interest rate risks from its financial instruments. The risks arising on financial instruments are limited to the following:

16. FINANCIAL INSTRUMENTS (Continued)

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. Financial instruments that potentially subject the Association to concentrations of credit risk consist of cash, accounts receivable and investments. The Association deposits its cash and purchases investments from a reputable financial institution and therefore believes the risk of loss to be remote. The Association is exposed to credit risk from accounts receivable. Approximately 82% (2021 - 89%) of the Association's accounts receivable balance is due from WCB. The Association believes this credit risk is minimized as the Association has a close business relationship and no collection issues with WCB in the past. A provision for impairment of accounts receivable is established when there is objective evidence that the Association will not be able to collect all amounts due.

Liquidity risk

Liquidity risk is the risk that the Association will encounter difficulty in meeting obligations associated with financial liabilities. The Association is exposed to this risk mainly in respect of its accounts payable and accrued liabilities and obligation under capital lease. The Association has sufficient financing facilities are in place should cash requirements exceed cash generated from operations.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Association is exposed to this risk mainly in respect of its investments.

17. BUDGET AMOUNTS

The budget amounts disclosed on the statement of operations are unaudited and are provided for information purposes only.

**NOVA SCOTIA CONSTRUCTION SAFETY ASSOCIATION
(OPERATING AS CONSTRUCTION SAFETY NOVA SCOTIA)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

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18. ECONOMIC DEPENDENCE

The Association is economically dependent on monies collected from employers in the construction sector in the form of a levy. The levy is collected on the Association's behalf by WCB. There is an agreement in place between the Association and WCB regarding this levy. The agreement was renewed on September 1, 2020 and ends on August 31, 2024.

19. COMPARATIVE FIGURES

Certain figures presented for comparative purposes have been reclassified to conform with the financial statement presentation adopted for the current year.