

Financial Statements of

**BUILDING OFFICIALS' ASSOCIATION
OF BRITISH COLUMBIA**

Year ended March 31, 2009
(Unaudited)



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REVIEW ENGAGEMENT REPORT

To the Directors of Building Officials' Association of British Columbia

We have reviewed the statement of financial position of Building Officials' Association of British Columbia (the "Association") as at March 31, 2009 and the statements of revenue and expenses, changes in fund balance and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the Association.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles.

Chartered Accountants

Burnaby, Canada

April 21, 2009

BUILDING OFFICIALS' ASSOCIATION OF BRITISH COLUMBIA

Statement of Financial Position

March 31, 2009, with comparative figures for 2008
(Unaudited)

	2009	2008
Assets		
Current assets:		
Cash	\$ 203,717	\$ 339,131
Term deposits	459,593	286,720
Accounts receivable	3,161	18,234
Prepaid expenses	5,148	7,631
	<u>\$ 671,619</u>	<u>\$ 651,716</u>

Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities	\$ 10,036	\$ 9,590
Deferred revenue (note 3)	139,355	171,178
	<u>149,391</u>	<u>180,768</u>
Fund balance:		
Unrestricted	522,228	470,948
	<u>\$ 671,619</u>	<u>\$ 651,716</u>

Commitments (note 5)

See accompanying notes to unaudited financial statements.

BUILDING OFFICIALS' ASSOCIATION OF BRITISH COLUMBIA

Statement of Revenue and Expenses

Year ended March 31, 2009, with comparative figures for 2008
(Unaudited)

	2009	2008
Revenue:		
Membership fees	\$ 117,455	\$ 94,976
Conference fees	88,735	79,732
Interest and miscellaneous	41,033	52,337
Examination fees	27,184	37,192
Education - workshops and seminars	175,605	46,040
	<u>450,012</u>	<u>310,277</u>
Expenses:		
Administrative service	157,241	101,717
Equipment and maintenance	63,774	59,584
Education and certification	99,732	102,714
Office and miscellaneous	77,423	94,588
Awards and recognition	562	-
	<u>398,732</u>	<u>358,603</u>
Excess (deficiency) of revenue over expenses	\$ 51,280	\$ (48,326)

See accompanying notes to unaudited financial statements.

BUILDING OFFICIALS' ASSOCIATION OF BRITISH COLUMBIA

Statement of Changes in Fund Balance

Year ended March 31, 2009, with comparative figures for 2008
(Unaudited)

	2009		2008	
Balance, beginning of year	\$	470,948	\$	519,274
Excess (deficiency) of revenue over expenses		51,280		(48,326)
Balance, end of year	\$	522,228	\$	470,948

See accompanying notes to unaudited financial statements.

BUILDING OFFICIALS' ASSOCIATION OF BRITISH COLUMBIA

Statement of Cash Flows

Year ended March 31, 2009, with comparative figures for 2008
(Unaudited)

	2009	2008
Cash provided by (used in):		
Operations:		
Excess (deficiency) of revenue over expenses	\$ 51,280	\$ (48,326)
Change in non-cash working capital	(13,821)	(14,793)
	37,459	(63,119)
Investments:		
Increase in term deposits	(172,873)	(10,418)
Decrease in cash	(135,414)	(73,537)
Cash, beginning of year	339,131	412,668
Cash, end of year	\$ 203,717	\$ 339,131

See accompanying notes to unaudited financial statements.

BUILDING OFFICIALS' ASSOCIATION OF BRITISH COLUMBIA

Notes to Financial Statements

Year ended March 31, 2009
(Unaudited)

1. 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.

2. Significant accounting policies:

- (a) The Association accounts for its financial instruments in accordance with Canadian Institute of Chartered Accountants ("CICA") Handbook Section 3855, Financial Instruments - Recognition and Measurement and CICA Handbook Section 3861, Financial Instruments - Disclosure and Presentation.

Under Handbook Section 3855, all financial instruments are classified into one of the following five categories: held-for-trading, held-to-maturity investments, loans and receivables, available-for-sale financial assets or other financial liabilities. All financial instruments, including derivatives, are included on the statement of financial position and are measured at fair market value, with the exception of loans and receivables, investments held-to-maturity and other financial liabilities, which are measured at amortized cost. Measurement in subsequent periods depends on whether the financial instrument has been classified as held-for-trading, available-for-sale, held-to-maturity, loans and receivables, or other liabilities.

The Association's financial instruments are cash, term deposits, accounts receivable and accounts payable and accrued liabilities. The Association classifies its cash and term deposits as held for trading. The Association classifies its accounts receivable as loans and receivables which are recorded at amortized cost.

The Association classifies its accounts payable and accrued liabilities as other liabilities which are recorded at amortized cost.

It is management's opinion that the Association is not exposed to significant interest currency, or credit risk arising from these financial instruments.

BUILDING OFFICIALS' ASSOCIATION OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended March 31, 2009
(Unaudited)

2. Significant accounting policies (continued):

(b) Revenue recognition:

Revenue from examination and conference fees are recognized when the services are provided. Amounts charged for membership are recognized as revenue as earned. Education fees are recognized as revenue when the seminars and workshop are held.

(c) 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.

(d) Deferred revenue:

Deferred revenue comprises advance payments for membership, conference and examination fees.

(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) Assessing going concern:

CICA Handbook Section 1400, *General Standards of Financial Statement Presentation*, requires management to assess and disclose an entity's ability to continue as a going concern. Based on the assessment by management, there are no issues regarding the Association's ability to continue as a going concern.

(g) Capital disclosures:

CICA Handbook Section 1535, *Capital Disclosures*, requires quantitative disclosure about what is regarded as capital and disclosure of information with respect to the objectives, policies and processes used by the Association to manage capital. These disclosures are included in note 4 to the financial statements.

BUILDING OFFICIALS' ASSOCIATION OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended March 31, 2009
(Unaudited)

2. Significant accounting policies (continued):

(h) Future accounting changes:

Changes in accounting framework:

The Canadian Institute of Chartered Accountants has decided to transition Canadian GAAP for publicly accountable entities to International Financial Reporting Standards (IFRS) effective January 1, 2011. The Association is currently classified as a not-for-profit organization. The Accounting Standards Board (AcSB) and Public Sector Accounting Board (PSAB) have jointly issued an Invitation to Comment to invite feedback on the future of financial reporting by not-for-profit organizations. The Association is in the process of reviewing the impact of this document on its reporting framework and financial statements.

3. Deferred revenue:

	Membership fees	Conference	Examination fees	Total 2009	Total 2008
Balance, beginning of year	\$ 100,107	\$ 65,266	\$ 5,805	\$ 171,178	\$ 122,203
Amount amortized to revenue during the year	(100,107)	(65,266)	(5,805)	(171,178)	(122,203)
Amount received during the year related to next year	92,008	44,855	2,492	139,355	171,178
Balance, end of year	\$ 92,008	\$ 44,855	\$ 2,492	\$ 139,355	\$ 171,178

4. Capital disclosures:

The Association's capital consists of its unrestricted fund balance. The Association's objective when managing capital is to safeguard its assets and to ensure that adequate capital is managed for future requirements. The procedures in place to achieve these goals include establishing effective internal controls and the review and approval of annual budgets and ongoing review of interim financial statements by the board of directors.

5. Commitments:

The Association is committed to payments for rent and common costs in the amount of \$1,026.90 per month. The lease expires on May 31, 2010.