



ANNUAL FINANCIAL STATEMENTS

December 31, 2022

**ENERGY
SAFETY
CANADA**

ENERGY SAFETY CANADA
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For the Year Ended December 31, 2022

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INDEPENDENT AUDITOR'S REPORT

To the Directors of Energy Safety Canada:

Opinion

We have audited the financial statements of Energy Safety Canada (the "Organization"), which comprise the statement of financial position as at December 31, 2022, and the statement of operations, 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 Organization as at December 31, 2022, and the 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 *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our ethical responsibilities in accordance with those 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 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.

In preparing the financial statements, management is responsible for assessing the Organization'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 Organization or cease operations, or has no realistic alternative but to do so.

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

(continues)



Independent Auditor's Report to the Directors of Energy Safety Canada (*continued*)

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 Organization'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 Organization'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 Organization 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.

BDO Canada LLP

Chartered Professional Accountants

Calgary, Alberta
May 3, 2023

ENERGY SAFETY CANADA
Statement of Financial Position
As at December 31, 2022

| | 2022 | 2021 |
|---|----------------------|----------------------|
| Assets | | |
| Current | | |
| Cash | \$ 9,092,561 | \$ 4,764,245 |
| Term deposits (Note 3) | 20,641,519 | 20,533,921 |
| Accounts receivable | 539,726 | 604,828 |
| Prepaid expenses | 1,937,854 | 1,806,810 |
| | 32,211,660 | 27,709,804 |
| Property and equipment (Note 4) | 1,819,114 | 1,704,625 |
| Prepaid expenses | - | 40,656 |
| | \$ 34,030,774 | \$ 29,455,085 |
| Liabilities and Net Assets | | |
| Current | | |
| Accounts payable and accrued liabilities | \$ 2,799,332 | \$ 1,430,517 |
| Deferred contributions related to operations (Note 6) | 4,473,816 | 1,347,535 |
| Unearned revenue | 595,193 | 548,283 |
| | 7,868,341 | 3,326,335 |
| Deferred contributions related to property and equipment (Note 8) | 201,812 | 278,644 |
| Lease inducement (Note 10) | 880,815 | 990,916 |
| | 8,950,968 | 4,595,895 |
| Net assets | | |
| Invested in property and equipment | 1,617,302 | 1,425,981 |
| Internally restricted (Note 11) | 15,100,372 | 13,089,372 |
| Unrestricted | 8,362,132 | 10,343,837 |
| | 25,079,806 | 24,859,190 |
| | \$ 34,030,774 | \$ 29,455,085 |

On behalf of the Board


 _____ Director

Steve Reynolds
 _____ Director

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

ENERGY SAFETY CANADA
Statement of Operations
For the Year Ended December 31, 2022

| | 2022 | 2021 |
|---|-------------------|---------------------|
| Revenue | | |
| Training | \$ 20,272,402 | \$ 16,754,875 |
| Funding - Workers' Compensation Board (WCB) | 7,096,746 | 8,066,210 |
| Labour force research | 1,592,014 | 1,312,812 |
| Safety | 804,670 | 835,598 |
| Conferences and events | 442,189 | - |
| Interest income | 405,049 | 144,693 |
| Other income | 78,673 | 41,856 |
| Funding - Other | 42,475 | 226,840 |
| Donation | - | 2,500 |
| Canada Emergency Wage Subsidy (Note 14) | - | 787,010 |
| | 30,734,218 | 28,172,394 |
| Expenses | | |
| Salaries and benefits | 16,185,631 | 14,212,351 |
| Training | 5,693,733 | 4,609,823 |
| Rent and premises | 2,732,975 | 2,398,939 |
| General and administrative | 1,785,049 | 1,058,391 |
| Labour force expenses | 1,265,368 | 835,260 |
| Amortization | 1,001,682 | 1,416,115 |
| Professional fees | 686,538 | 247,355 |
| Conferences and events | 583,153 | 213,340 |
| Safety | 356,848 | 441,641 |
| Course development | 303,136 | 87,861 |
| | 30,594,113 | 25,521,076 |
| Excess of revenue over expenses from operations | 140,105 | 2,651,318 |
| Other income (expenses) | | |
| Recognition of deferred contributions related to property and equipment | 76,832 | 167,502 |
| Loss on foreign exchange | 679 | (95) |
| Gain on disposal of assets | 3,000 | 20,500 |
| Reorganization | - | (250,797) |
| | 80,511 | (62,890) |
| Excess of revenue over expenses | \$ 220,616 | \$ 2,588,428 |

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

ENERGY SAFETY CANADA
Statement of Changes in Net Assets
For the Year Ended December 31, 2022

| | Invested in property and equipment | Internally restricted (Note 11) | Unrestricted | 2022 | 2021 |
|--|--|---------------------------------------|----------------------|----------------------|----------------------|
| Net assets - beginning of year | \$ 1,425,981 | \$ 13,089,372 | \$ 10,343,837 | \$ 24,859,190 | \$ 22,270,762 |
| Excess (deficiency) of revenue over expenses | (924,850) | - | 1,145,466 | 220,616 | 2,588,428 |
| Purchase of property and equipment | 1,116,171 | - | (1,116,171) | - | - |
| Interfund transfer | - | 2,011,000 | (2,011,000) | - | - |
| Net assets - end of year | \$ 1,617,302 | \$ 15,100,372 | \$ 8,362,132 | \$ 25,079,806 | \$ 24,859,190 |

ENERGY SAFETY CANADA
Statement of Cash Flows
For the Year Ended December 31, 2022

| | 2022 | 2021 |
|---|---------------------------|--------------------|
| Operating activities | | |
| Cash receipts from customers | \$ 21,455,924 | \$ 18,836,969 |
| Cash paid to suppliers and employees | (28,364,950) | (25,676,586) |
| Cash receipts from funding agencies | 12,052,381 | 9,283,574 |
| Interest received | 297,453 | 210,860 |
| Loss on foreign exchange | 679 | (95) |
| | <hr/> | <hr/> |
| Cash flows from operating activities | 5,441,487 | 2,654,722 |
| Investing activities | | |
| Purchase of property and equipment | (1,116,171) | (740,240) |
| Disposal of property and equipment | 3,000 | 20,500 |
| Purchase of term deposit | - | (500,000) |
| | <hr/> | <hr/> |
| Cash flows used by investing activities | (1,113,171) | (1,219,740) |
| Increase in cash flows | 4,328,316 | 1,434,982 |
| Cash - beginning of year | <hr/> 4,764,245 | <hr/> 3,329,263 |
| Cash - end of year | <hr/> \$ 9,092,561 | <hr/> \$ 4,764,245 |

ENERGY SAFETY CANADA
Notes to Financial Statements
Year Ended December 31, 2022

1. Basis of presentation

Energy Safety Canada (the "Organization") was formed under the Canada Not-for-profit Corporations Act on September 30, 2017 from the amalgamation of Enform Canada and Oil Sands Safety Association. The Organization is a continuation of the predecessor, Enform Canada, which was originally incorporated without share capital under the Canada Corporations Act on July 25, 2005. The predecessor, Enform Canada, was registered as a charitable organization with Canada Revenue Agency effective October 1, 2005. The Organization is also registered as a charitable organization with Canada Revenue Agency effective September 30, 2017.

The Organization was established to identify the training needs of the industry, develop and offer training programs, provide training advice and guidance and to establish standards which will be accepted and supported by the petroleum industry and various regulatory agencies and to improve safety in the petroleum industry through the development of safety initiatives and programs. The Organization is governed by a Board of Directors comprised of representatives of major Canadian, petroleum associations.

2. Summary of significant accounting policies

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) in Part III of the CPA Canada Handbook, and, in management's opinion, have been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

Revenue recognition

The Organization follows the deferral method of accounting for contributions, funding and grants. Restricted contributions for operating activities are deferred and recognized as revenue in the year in which the related expenses are incurred. Restricted contributions for capital assets are deferred and recognized over the life of the related assets. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Training revenues are recognized as revenue when the amount to be received can be reasonably estimated, collection is reasonably assured and the course is held or the materials and certificates are issued.

Safety revenue is recognized as revenue when the amount to be received can be reasonably estimated, collection is reasonably assured and the services have been performed or products are issued.

Conferences and events revenue is recognized as revenue when the event is held, the amount to be received can be reasonably estimated and collection is reasonably assured.

Labour force funding is recognized as revenue in the year in which the related expenses are incurred.

Investment income is recognized as revenue when earned on an accrual basis.

Cash

Cash consists of cash on hand and cash deposited in bank accounts.

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ENERGY SAFETY CANADA
Notes to Financial Statements
Year Ended December 31, 2022

2. Summary of significant accounting policies (*continued*)

Term deposits

Term deposits are initially recognized at fair value, and subsequently carried at amortized cost. Term deposits consist of guaranteed investment certificates.

Property and equipment

Property and equipment is stated at cost or deemed cost less accumulated amortization. Property and equipment is amortized over its estimated useful life on a straight-line basis at the following rates and methods:

| | |
|---------------------------|----------|
| Computer software | 2 years |
| Computer equipment | 3 years |
| Training centre equipment | 5 years |
| Leasehold improvements | 5 years |
| Furniture and fixtures | 10 years |

Property and equipment acquired during the year but not placed into use are not amortized until they are placed into use.

Impairment of long-lived assets

Long-lived assets are tested for impairment when the asset is unable to meet its original service potential. At that time, the asset is written down to its residual value. If the service life has changed from the original estimate, the amortization period will be changed on a prospective basis.

Donated materials and property and equipment

Donated materials and property and equipment are recorded at their estimated fair market value at the date of contribution when fair values can be reasonably determined and would otherwise be purchased.

Financial instruments

The Organization initially measures its financial assets and financial liabilities at fair value. It subsequently measures all of its financial assets and financial liabilities at amortized cost.

Measurement uncertainty

The preparation of financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period.

Significant estimates included in the financial statements are valuation of accounts receivable, deferred contributions related to property and equipment, and carrying value of property and equipment. Actual results could differ from these estimates.

ENERGY SAFETY CANADA
Notes to Financial Statements
Year Ended December 31, 2022

3. Term deposits

Term deposits consist primarily of guaranteed investment certificates ("GIC") and are valued at cost plus accrued interest.

| | <u>2022</u> | <u>2021</u> |
|--|----------------------|----------------------|
| GICs with interest rate ranging from 1.70% to 4.83% (2021: 0.64% and 0.76%) maturing between March 2023 and November 2023 (2021: matured between March 2022 and July 2022) | \$ 20,641,519 | \$ 20,533,921 |

4. Property and equipment

| | Cost | Accumulated amortization | 2022 Net book value | 2021 Net book value |
|---------------------------|---------------------|---------------------------------|--------------------------------|--------------------------------|
| Computer software | \$ 503,895 | \$ 258,205 | \$ 245,690 | \$ 340,211 |
| Computer equipment | 1,905,345 | 1,139,236 | 766,109 | 836,562 |
| Training centre equipment | 411,599 | 226,419 | 185,180 | 176,961 |
| Leasehold improvements | 382,653 | 86,539 | 296,114 | 79,128 |
| Furniture and fixtures | 537,314 | 211,293 | 326,021 | 271,763 |
| | \$ 3,740,806 | \$ 1,921,692 | \$ 1,819,114 | \$ 1,704,625 |

5. Operating facility

The Organization has a revolving demand credit facility of \$1,000,000 (2021: \$1,000,000) secured by a General Security Agreement representing a first charge on all of the Organization's present and after acquired property. Interest is payable each month at prime plus 1.00% per annum. The line of credit is available at the bank's discretion and has a balance of \$Nil (2021: \$nil).

In addition, the bank provided Letters of Credit and Stand-by Letters of Guarantee in favour of the Alberta government totalling \$10,000 (2021: favour of the Alberta government for \$10,000). The Letters of Credit and Stand-by Letters of Guarantee were available at the bank's discretion and were secured by a \$10,000 guaranteed investment certificate.

ENERGY SAFETY CANADA
Notes to Financial Statements
Year Ended December 31, 2022

6. Deferred contributions related to operations

Deferred contributions represent unspent resources that are externally restricted for project development, British Columbia operations and Saskatchewan operations.

| | 2021 | Additions | Utilizations | Repayments | 2022 |
|---|---------------------|---------------------|---------------------|-------------------|---------------------|
| Labour force research Saskatchewan WCB (Schedule 1) | \$ 191,676 | \$ 5,125,429 | \$ 1,592,013 | \$ - | \$ 3,725,092 |
| British Columbia WCB - Safety program (Schedule 2) | 491,376 | 650,000 | 844,685 | - | 296,691 |
| British Columbia other revenue -Safety program | 311,411 | 557,000 | 546,984 | 171,709 | 149,718 |
| British Columbia WCB - COR program (Schedule 3) | 13,173 | 360 | - | - | 13,533 |
| Funding - Other | 159,181 | 469,952 | 455,078 | 41,694 | 132,362 |
| | 180,718 | 103,141 | 127,437 | - | 156,420 |
| | \$ 1,347,535 | \$ 6,905,882 | \$ 3,566,197 | \$ 213,403 | \$ 4,473,816 |

7. Industry funding

The Organization received funding for programs in the fiscal year from the petroleum industry through the Workers' Compensation Board ("WCB") to allow the Organization to fulfill its role. Applications for funding are submitted on an annual basis and unspent funds are deferred for use in the following year.

| | 2022 | 2021 |
|--|---------------------|---------------------|
| WCB Alberta - Operations funding | \$ 5,250,000 | \$ 6,500,000 |
| WCB Saskatchewan (Note 6) | 650,000 | 800,000 |
| WCB British Columbia - Safety program (Note 6) | 557,000 | 589,404 |
| WCB British Columbia - COR program (Note 6) | 469,952 | 419,608 |
| | \$ 6,926,952 | \$ 8,309,012 |

ENERGY SAFETY CANADA
Notes to Financial Statements
Year Ended December 31, 2022

8. Deferred contributions related to property and equipment

The deferred contributions related to property and equipment represent the unamortized balance of donated furniture and WCB surplus distributions that have been used for the acquisition of capital assets.

| | <u>2022</u> | <u>2021</u> |
|-------------------|-------------------|-------------------|
| Beginning balance | \$ 278,644 | \$ 446,146 |
| Addition | - | - |
| Utilization | <u>(76,832)</u> | <u>(167,502)</u> |
| Ending balance | <u>\$ 201,812</u> | <u>\$ 278,644</u> |

9. Indemnification of officers and directors

The Organization has indemnified its past, present and future directors, officers, employees and volunteers against expenses, judgments, and any amount actually or reasonably incurred by them in connection with any action, suit or proceeding in which the directors, officers, employees and volunteers are sued as a result of their service, if they acted honestly and in good faith with a view to the best interests of the Organization. The nature of the indemnity prevents the Organization from reasonably estimating the maximum exposure. The Organization has directors' and officers' liability insurance with respect to this indemnification.

10. Lease inducement

The Organization entered into a lease agreement for a 10 year term. The landlord offered the Organization a total 17 months of free rent, a moving allowance of \$224,611 and a turnkey of \$250,377. The lease inducement will be amortized over the lease term. On December 31, 2022, the unamortized portion of lease inducement is \$880,815 (2021: \$990,916).

11. Internally restricted reserve

The Board of Directors designated funds as a contingency for certain events that may occur in the future. During the year, the Board approved a transfer of \$2,011,000 (2021: \$250,797) from unrestricted funds to the internally restricted reserve (2021: from the internally restricted reserve to unrestricted funds). Internally restricted funds cannot be spent without board approval.

| | <u>2022</u> | <u>2021</u> |
|--------------------------------|----------------------|----------------------|
| Balance, beginning of the year | \$ 13,089,372 | \$ 13,340,169 |
| Funds transferred | <u>2,011,000</u> | <u>(250,797)</u> |
| Balance, end of the year | <u>\$ 15,100,372</u> | <u>\$ 13,089,372</u> |

ENERGY SAFETY CANADA
Notes to Financial Statements
Year Ended December 31, 2022

12. Commitments

The Organization has a land lease with The Alberta Energy Resources Conservation Board, for property in Nisku, Alberta, which expires on January 27, 2033. The annual rent for the land lease is \$1. The fair market value of the annual rent cannot be reasonably estimated as the land is used for the Organization's course training purposes.

The Organization has leases for rental of premises, office equipment and electronic services which expire on varying dates up to December 31, 2030. The estimated minimum annual rent payments are as follows:

| | |
|------------|---------------------|
| | <u>2022</u> |
| 2023 | 740,338 |
| 2024 | 668,599 |
| 2025 | 609,370 |
| 2026 | 641,745 |
| 2027 | 641,745 |
| Thereafter | <u>1,925,243</u> |
| | <u>\$ 5,227,040</u> |

13. Financial instruments

The Organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Organization's risk exposure and concentration as of December 31, 2022.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Organization is exposed to credit risk from customers. In order to reduce its credit risk, the Organization reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Organization has a significant number of customers which minimizes concentration of credit risk.

(b) Liquidity risk

Liquidity risk is the risk that the Organization will not be able to meet its financial obligations as they become due. The Organization is exposed to liquidity risk if it is unable to collect its accounts receivable on a timely basis, which in turn could impact the Organization's ability to meet commitments under its credit facilities, trade accounts payable and other payable balances. In order to manage its liquidity risk, the Organization has a varied customer base and sufficient capacity with its operating facility to meet any immediate liquidity requirements.

(continues)

ENERGY SAFETY CANADA
Notes to Financial Statements
Year Ended December 31, 2022

13. Financial instruments (*continued*)

(c) *Interest rate risk*

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Organization manages exposure through its normal operating and financing activities. The Organization is exposed to interest rate risk primarily through its interest bearing investments. The risk of interest rate changes is reduced for cash and term deposits due to their short-term nature.

14. COVID-19

The global pandemic has disrupted economic activities worldwide. In many countries, including Canada, businesses were forced to cease or limit operations for long periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services, have triggered significant disruptions to businesses worldwide resulting in an economic slowdown.

As a result of the outbreak of COVID-19, the Organization implemented public health official recommendations that included temporary suspension of instructional classes, closure of its premises to staff, students, as well as the general public. The Organization transitioned to provide virtual classes and reopening its premises to reduced staff and classroom instruction for students in accordance with public health official guidelines and recommendations.

To assist businesses during the pandemic, governments and banks have provided monetary and fiscal interventions to stabilize economic conditions. During the year, the Organization received Canada Emergency Wage Subsidy of \$nil (2021: \$787,010).

Although the disruption from the virus is expected to be temporary, given the dynamic nature of these circumstances, the duration of business disruption and the related financial impact cannot be reasonably estimated at this time. Management is continually monitoring the developments and will make changes to operations as required.

ENERGY SAFETY CANADA
Saskatchewan WCB Funding
Year Ended December 31, 2022

(Schedule 1)

| | Actual | Budget <i>(Unaudited)</i> |
|---|-------------------|------------------------------|
| Funding received | <u>\$ 650,000</u> | <u>\$ 650,000</u> |
| Expenses | | |
| Salaries - direct | 426,521 | 411,490 |
| Salaries - head office support | 135,489 | 131,371 |
| Benefits - direct | 85,879 | 85,805 |
| Rent - office | 73,602 | 80,000 |
| Technology | 47,460 | 50,000 |
| Benefits - head office support | 25,733 | 26,089 |
| Travel | 24,566 | 20,000 |
| Building and services | 8,954 | 10,000 |
| Conferences and conventions | 6,544 | 1,000 |
| Office supplies | 5,067 | 8,000 |
| Training - staff | 2,868 | 500 |
| Communications | 1,799 | 1,800 |
| Furniture and equipment | 203 | 500 |
| External events and meetings | - | 1,000 |
| Consultants and contractors | - | 1,000 |
| Accounting and legal fees | - | 1,000 |
| | <u>844,685</u> | <u>829,555</u> |
| Deficiency of funding received over expenses | <u>(194,685)</u> | <u>(179,555)</u> |
| Unused funding from prior year | <u>491,376</u> | <u>491,376</u> |
| Unused funding as at year end (Note 6) | <u>\$ 296,691</u> | <u>\$ 311,821</u> |

ENERGY SAFETY CANADA
British Columbia WCB Funding - Safety Program
Year Ended December 31, 2022

(Schedule 2)

| | Actual | Budget <i>(Unaudited)</i> |
|---|-------------------|------------------------------|
| Funding received | \$ 557,000 | \$ 557,000 |
| Expenses | | |
| Salaries - direct | 188,837 | 177,005 |
| Rent | 114,481 | 130,000 |
| Salaries - head office support | 79,417 | 54,080 |
| Benefits - direct | 43,499 | 31,207 |
| Technology | 25,964 | 30,160 |
| Furniture and equipment | 20,157 | 3,000 |
| Building maintenance and repairs | 17,381 | 19,420 |
| Benefits - head office support | 14,150 | 10,403 |
| Travel | 11,221 | 28,225 |
| Telecommunications and freight | 7,870 | 10,500 |
| Advertising and sponsorships | 7,575 | 8,500 |
| Consultants and contractors | 7,301 | 11,000 |
| Office supplies | 4,810 | 8,000 |
| Conference registration and meeting expenses | 2,836 | 19,000 |
| Training - staff | 1,195 | 5,000 |
| Miscellaneous | 182 | 1,500 |
| Board expenses | 108 | 3,000 |
| Property taxes and general insurance | - | 3,000 |
| Publications and materials | - | 4,000 |
| | <u>546,984</u> | <u>557,000</u> |
| Excess of funding received over expenses | <u>10,016</u> | <u>-</u> |
| Unused funding from prior year | 311,411 | 311,411 |
| Repayment to funder | (171,709) | - |
| | <u>139,702</u> | <u>311,411</u> |
| Unused funding as at year end (Note 6) | \$ 149,718 | \$ 311,411 |

ENERGY SAFETY CANADA
British Columbia WCB Funding - COR Program
Year Ended December 31, 2022

(Schedule 3)

| | Actual | Budget <i>(Unaudited)</i> |
|---|--------------------------|------------------------------|
| Funding received | \$ 469,952 | \$ 469,952 |
| Expenses | | |
| Salaries - head office support | 255,558 | 268,900 |
| Technology | 72,513 | 75,000 |
| Benefits - head office support | 52,662 | 48,960 |
| Consultants and contractors | 40,495 | 41,335 |
| Rent | 20,000 | 20,000 |
| Publications | 8,031 | 9,069 |
| Building and services | 3,838 | 3,838 |
| Legal fees | 1,000 | 1,000 |
| Travel | 573 | 1,000 |
| Conferences and conventions | 307 | 500 |
| Office supplies | 100 | 200 |
| Communications | - | 150 |
| | <u>455,077</u> | <u>469,952</u> |
| Excess of funding received over expenses | <u>14,875</u> | <u>-</u> |
| Unused funding from prior year | 159,181 | 159,181 |
| Repayment to funder | (41,694) | - |
| | <u>117,487</u> | <u>159,181</u> |
| Unused funding as at year end (Note 6) | <u>\$ 132,362</u> | <u>\$ 159,181</u> |