



Construction Association of Nova Scotia

2022 - 2023

**161st Annual General Meeting
September 22, 2023**

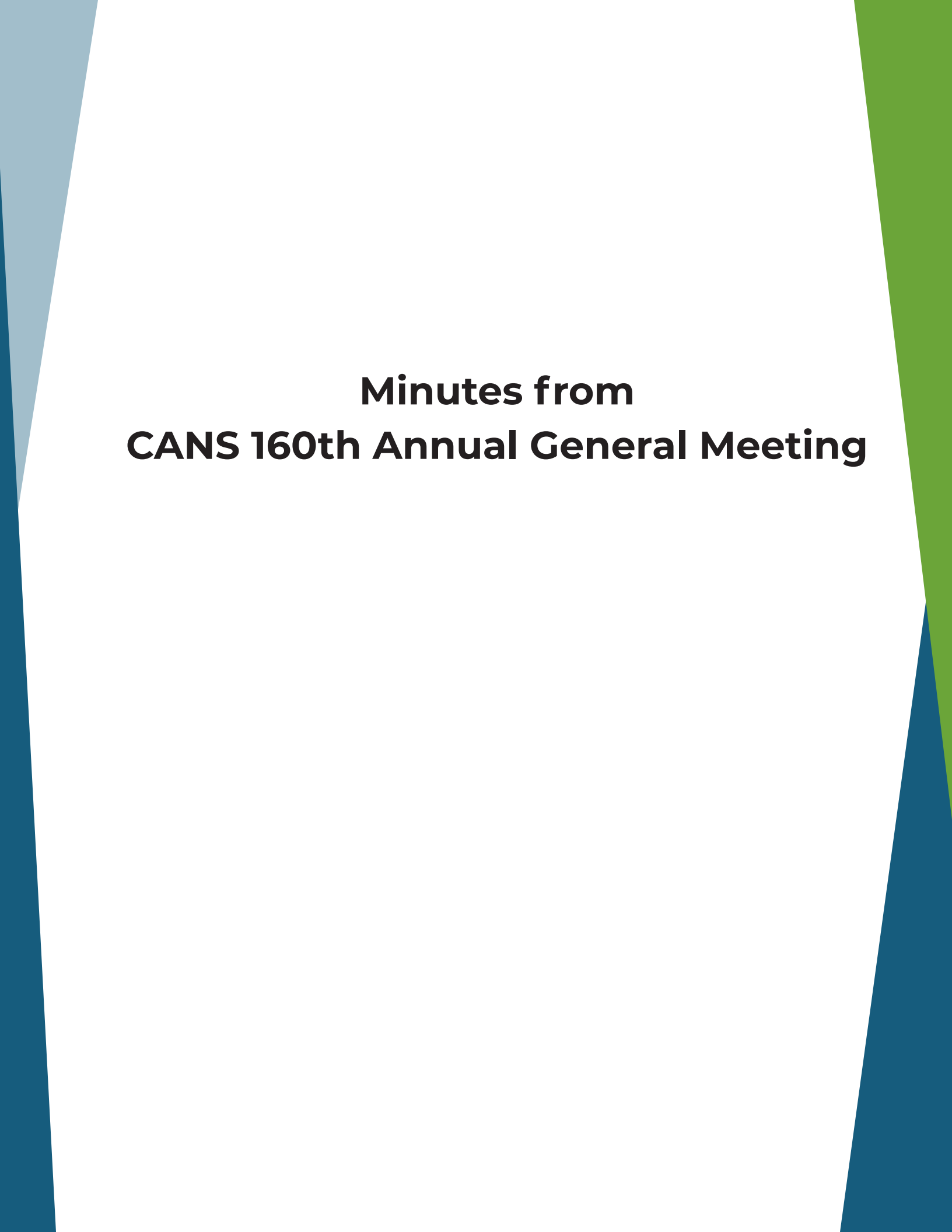
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**Minutes from
CANS 160th Annual General Meeting**

160th CANS AGM Minutes – 2022
CANS Boardrooms and Microsoft Teams
September 29th, 2022

The Annual General Meeting commences at 9:36 pm

Gord Gamble presents housekeeping items and formally calls the 160th Annual General Meeting of the Construction Association of Nova Scotia to order.

A moment of silence is observed for those in the industry that have passed.

Minutes of the 2021 Annual General Meeting are presented for approval.

Moved by Tom Skinner. Seconded by Mike Clements. Motion carried.

Chairman's Report is presented by Gord Gamble. Speaks to the year's accomplishments and highlights.

President and CEO's Report is presented by Duncan Williams. Speaks to the upcoming year's goals and areas of focus.

Treasurer's report is presented by Tom Skinner including audited financials for the year.

Statements for year ending June 30th, 2022 are presented.

Surplus for the year ended June 30, 2022 was \$29,387. This surplus was the product of strong operations coming out of the pandemic, resulting in a \$511,670 increase in overall revenue for a total of \$2,931,450 compared to \$2,419,780 in the previous fiscal year. The largest increases were to CANS Education & Training Development Program and Events. There was no government funding relating to the pandemic in this current fiscal year, compared to over \$300,000 in pandemic supports and subsidies in the prior year. Our revenue continues to show diversification with non-membership fees such as Building Futures for Youth, Events, Promotions & Advertising, and Education & Training representing over 64% of total revenue.

Expenditures of \$2,902,063 were up \$583,479 over prior year due mainly from the increase in Travel, Operating, Education and Training Development, and Events costs associated with the full calendar of events and increased business activity coming out of the pandemic. This left us with the operating surplus of \$29,387 (compared to a budgeted operating deficit of -\$33,962)

which the Board has approved to be transferred to special funds (\$8,775 to the Strategic Planning Fund, and the remaining \$20,612 to the Information Technology fund, to support upcoming business priorities).

The Balance Sheet continues to show the Association's strong financial position, with total assets of \$2,343,067. Current Liabilities and Deferred Revenue totaled \$1,458,114. Unrestricted assets totaled over \$478,335 with another \$406,618 in Reserved Funds.

Our reserves along with other funds are invested primarily in Guaranteed Investments and other interest-bearing vehicles. The Association's investment policy remains conservative, and as outlined in Note 4 on page 7 of the financial statements, its objectives are: preservation of principle, maintenance of liquidity, and maximization of return within these parameters.

Motion to approve the 2021-2022 audited financial statements of the Construction Association of Nova Scotia for the year ended June 30, 2022 as prepared by MNP LLP, as presented Moved by Victoria Stanhope. Seconded by Jon Mullin. Motion carried.

Motion to appoint MNP LLP as external accountants for ensuing fiscal year July 1, 2022, to June 30, 2023, and to authorize payment and any resulting fees and expenses: Moved by Allison Coffin. Seconded by Chad Wiesner. Motion carried.

Gord Gamble calls for a motion to have the Chairman's, President and CEO's, Treasurer's, and all of the committee reports accepted. Moved by Andrew Doucet. Seconded by Ian Boyd. Motion carried.

Gord Gamble provides the Nominations Report for the 2022-2023 Board of Directors:

Dave MacGregor – Incoming Chair of the Board and Chair of the Governance and Nominating Committee

Gord Gamble – Immediate Past Chair of the Board

Allan MacIntosh – Incoming Vice Chair of the Board

Tom Skinner – Treasurer, Chair of the Finance, Investment and Risk Management Committee

Allison Coffin – Chair of the Workforce Development, Policy and Planning Committee

Victoria Stanhope

David Wood

Heather Cruickshanks

Jon Mullin

Mike Clements

Gerard Jessome

Jamie MacNeil

Andrew Doucet

Glenn Carvery

Austin MacLennan

... and welcome new members to the Board:

Ian Boyd - Chair of the Government and Industry Relations Committee

Jason Noack - Chair of the Membership Services and Engagement Committee

Blair Nickerson

Peter Riley

Robert Rooney – Ex-officio Director, Chair of the Emerging Leaders Committee

Ex-officio Director, member of the Government & Industry Relations Committee, member of the Finance, Investment and Risk Management Committee, and member of the Governance and Nominating Committee, Duncan Williams, CANS President and CEO.

Gord Gamble calls for a motion from the floor to accept the Nominating Committee report. Moved by Heather Cruickshanks. Seconded by Austin McLennan. Motion carried.

Chad Wiesner was thanked for his service to the board of directors. Tim Houtsma and Gordon Shupe were thanked in absentia.

Duncan Williams presents Gord Gamble with a gift for his service as Chair of the Board.

Gord Gamble calls for any other business. No other business.

The group is thanked for attending the AGM.

Gord Gamble calls for a motion of adjournment. Moved by Jason Noack. Motion carried.

Meeting adjourns at 10:06 am

2022 - 2023 Highlights

Message from Dave MacGregor,
CANS 2022-2023 Chair, Board of Directors

Message from Duncan Williams,
CANS President & CEO

Message from Tom Skinner,
CANS 2022-2023 Treasurer's Report

CANS 161st Annual General Meeting

Chair of the Board Report

Dave MacGregor

It never fails to amaze me the resiliency of the construction industry. When faced with challenges, whether it be skilled trades shortages, the affordable housing crisis, a global pandemic, or natural disasters, the people who build our province step up, dedicating time, energy, and resources to ensure our economy and communities prosper. CANS goal, as always, is to continue supporting members and industry by providing members with programs and services that support their businesses and position them for success.

CANS is known as a member-driven and sector focused Association recognized for its responsiveness, proactivity, and excellence in service delivery. Throughout 2022 to 2023 the team had many accomplishments, and we are pleased to report on the highlights of that work in our Annual Report. CANS advocacy efforts focused on important issues impacting our members and the construction industry at large; the team played an active role in strengthening the workforce through partnerships and initiatives; we've provided valuable training opportunities for career and skill development designed specifically for industry; CANS networking and events provided opportunities for employees of member communities to connect with industry and their construction community; and finally, our projects and documents services continued to rank as the most important service CANS offers. Overarchingly, the programs and services we have delivered over the last year have provided CANS members and their businesses with a competitive advantage.

On behalf of the CANS team, I would like to offer congratulations to Victoria Stanhope who received recognition from the 2023 Canadian Construction Association's national awards program as the first ever recipient of the Young Leader Award. This award recognizes individuals under the age of 40 employed by a CCA member firm, who demonstrate strong leadership skills, demonstrated growth and improvement, and who

support the construction industry through active membership in a CCA Partner construction association. Victoria is a current board member, a past committee chair, a past chair of CANS board, and long-time supporter of the Association.

We added several new people to the CANS team and one changed roles. Six people joined CANS over the last year – Justin Blakeney and Andrew Slaunwhite, Project Information Specialists; Gloria Mallard, Membership Lead; Kerri Miller, Program Manager, Education and Training; Devin Ruelland, Education and Training Specialist; and Bill Sellon, Manager, Projects and Procurement Information. Melody Hillman, who has been with the Association for almost 12 years, was elevated to Vice-President, Member Engagement and Development.

It has been an honour to serve as CANS chair of the board and represent our membership over the past 12 months. I am proud of the progress the Association has made as the leading voice of the ICI construction industry, representing more than 35,000 people throughout the province.

None of the accomplishments and progress we have achieved over the last year would have been possible without the commitment and resilience of CANS staff members who continuously go above and beyond to serve our members and industry. I would also like to acknowledge my fellow board members and committee members for contributing their business expertise and industry knowledge, especially those who sit on the governance committee, Allan MacIntosh, Gord Gamble, and Tom Skinner, as well as Duncan Williams, CANS President and CEO.

On behalf of CANS board and committee members, I extend our deepest appreciation to our members, stakeholders, partners, and industry for your continued loyalty and trust.

CANS 161st Annual General Meeting

President & CEO Report

Duncan Williams

It is no secret that the last year has been met with both great accomplishments and intense challenges for industry and our Association. In light of this, I have never been prouder of the way in which we have handled ourselves – the CANS team, our volunteers, our partners, and our members – who have risen to the occasion, often on a moment's notice.

Time and time again, the construction industry has demonstrated its resiliency, responsiveness, and proactivity in the face of adversity. On the heels of the worst global pandemic of our generation, the last year has seen our communities threatened, and some destroyed, by climate change – powerful hurricanes, raging wildfires, and devastating floods. On top of that, we're seeing exponential building growth and an affordable housing crisis, coupled with a skilled labour force shortage. During these times, CANS has been seen as the go-to for information and our member companies have stepped up to build better with their sights set on growth and to ensure our communities thrive for years to come.

Over the last year, we have celebrated 160 years of building with skill and integrity as the oldest industry association in North America, representing companies throughout Atlantic Canada who build, renovate, and restore non-residential buildings, roads, bridges and other engineering projects.

We wouldn't be an association if it weren't for the people and companies who have supported us since 1862. Since then, we have remained committed to growth, progress, and leadership in the construction industry. We're proud of the role we've played in the evolution of our industry throughout our communities, province, and country. We've spent the last year celebrating our construction community and we're grateful and

thankful to our members, past and present, who have built and continue to build our towns, cities, and province.

As the leading voice of the construction industry, CANS has solidified itself as a provider of the highest quality and value-added services. In 2020, we launched our three-year strategic plan, charting our priorities for the Association for industry impact and member value. In Fall 2022, CANS staff and our board of directors participated in a Blue-Sky Retreat – a one-day brainstorming session that allowed us to discuss our current strategic priorities and the ones identified in 2020 still ranked the highest – Government and Industry Relations; Workforce Development; Industry Education and Training; and Innovation and Technology. Recognizing there is much work to be done in those key pillars, the board of directors approved an extension by two years into 2024. In a few months, we will begin the planning process for the next iteration of our strategic plan, and I encourage you all to engage with us. My favourite question to ask members is “what keeps you up at night?” We’ll be looking to you to provide input on topics important to your organization and the construction industry. Your feedback is vital in mapping our future strategic priorities and we look forward to working together with membership.

I’d like to thank Dave MacGregor for his service as chair of our board of directors this past year, our governance committee, each director of our board, our committee volunteers, and our staff for their efforts and dedication.

CANS 161st Annual General Meeting

Treasurers Report

Tom Skinner

We are pleased to enclose the audited financial statements of the Construction Association of Nova Scotia for the year ended June 30, 2023. These statements have been prepared in accordance with generally accepted accounting principles and the Auditors' report has been issued without reservation. All significant accounting policies are detailed in the Notes to the Financial Statements.

As indicated in the Statement of Operations, our deficit for the year ended June 30, 2023 was -\$177,277. Strong operations, outside of weather-related cancellations, resulted in a \$244,414 increase in overall revenue for a total of \$3,155,854 compared to \$2,931,450 in the previous fiscal year. The largest increases were to CANS Education & Training Development Program and Membership. Our revenue continues to show diversification with non-membership fees such as Building Futures for Youth, Events, Promotions & Advertising, and Education & Training representing over 66% of total revenue.

Expenditures of \$3,333,141 were up \$431,078 over prior year due mainly from the increase in Operating, Education and Training Development costs associated with the full calendar of Education offerings and increased business activity within membership and the industry. This left us with the operating deficit of -\$177,277 (compared to a budgeted operating deficit of -\$68,962).

The Balance Sheet continues to show the Association's strong financial position, with total assets of \$2,302,757. Current Liabilities and Deferred Revenue totaled \$1,595,081. Un-restricted assets totaled over \$301,058 with another \$406,618 in Reserved Funds.

Our reserves along with other funds are invested primarily in Guaranteed Investments and other interest-bearing vehicles. The Association's investment policy remains conservative, and as outlined in Note 5 on page 8 of the financial statements, its objectives are: preservation of principle, maintenance of liquidity, and maximization of return within these parameters.



2022 - 2023
Audited Financial Statements

Construction Association of Nova Scotia
Financial Statements
June 30, 2023

Draft - For Management Only

Construction Association of Nova Scotia Contents

For the year ended June 30, 2023

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Draft - For Management Only

Independent Auditor's Report

To the Board of Directors of Construction Association of Nova Scotia:

Opinion

We have audited the financial statements of Construction Association of Nova Scotia (the "Association"), which comprise the statement of financial position as at June 30, 2023, and the statements of operations, 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 June 30, 2023, 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 Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information is comprised of the Annual Report and the handout provided to members at the annual general meeting.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. We obtained the Annual report and handout prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Dartmouth, Nova Scotia

Chartered Professional Accountants

Construction Association of Nova Scotia

Statement of Financial Position

As at June 30, 2023

	2023	2022
Assets		
Current		
Cash	960,264	1,386,121
Accounts receivable (Note 4)	286,037	237,439
Prepaid expenses	40,492	54,900
Short-term investments (Note 5)	762,948	382,144
	2,049,741	2,060,604
Capital assets (Note 6)	253,016	282,463
	2,302,757	2,343,067
Liabilities		
Current		
Accounts payable and accruals (including government remittances of \$105,094 (2022 - \$83,343))	507,318	460,838
Deferred revenue and deferred contributions (Note 7)	1,015,559	919,033
Current portion of deferred lease inducement (Note 10)	6,038	6,038
Current portion of Canada Emergency Business Account (Note 9)	40,000	-
	1,568,915	1,385,909
Canada Emergency Business Account (Note 9)	-	40,000
Deferred lease inducement (Note 10)	26,166	32,205
	1,595,081	1,458,114
Commitments (Note 10)		
Net Assets		
Operating Fund	301,058	478,335
Building Futures Fund	105,321	105,321
Special Events & Projects Fund	166,050	166,050
Strategic Plan Fund	20,000	20,000
Information & Technology Fund	115,247	115,247
	707,676	884,953
	2,302,757	2,343,067

Approved on behalf of the Board of Directors

Director

Director

The accompanying notes are an integral part of these financial statements

Construction Association of Nova Scotia
Statement of Operations
For the year ended June 30, 2023

	2023 Budget (unaudited)	2023	2022
Revenue			
Membership dues	1,100,000	1,077,816	1,039,229
Industry education and training <i>(Note 11)</i>	925,000	984,569	711,650
Building Futures for Youth <i>(Note 11)</i>	230,000	245,237	235,844
CANS Connect <i>(Note 11)</i>	26,000	26,400	26,400
Special event revenue <i>(Note 12)</i>	765,000	609,306	712,759
Document sales	60,000	46,068	47,654
Promotions and advertising	84,000	43,682	45,281
Investment income	30,000	29,835	68,918
Sundry <i>(Note 11)</i>	47,038	92,951	43,715
	3,267,038	3,155,864	2,931,450
Expenses			
Salaries	1,370,000	1,394,693	1,212,216
Training and benefits	230,000	227,563	182,115
Travel	32,000	35,446	18,955
Professional fees	28,000	73,316	29,787
IT services	55,000	52,167	53,418
Office equipment and supplies	17,000	18,477	16,555
Postage and telephone	13,000	19,707	21,239
Occupancy	249,000	247,617	234,145
Canadian Construction Association fees	89,000	92,551	91,897
Document expense	29,000	25,291	20,501
Sundry	52,000	93,280	58,798
Project information	6,500	6,708	5,878
Special event expense <i>(Note 12)</i>	533,000	383,288	433,302
Board and committees	10,000	10,521	10,069
Industry education and training	470,000	491,873	385,875
Building Futures For Youth	56,000	62,216	42,773
Regional operations	8,000	16,665	6,582
Promotions and advertising	6,000	6,357	6,698
Amortization	82,500	75,405	71,260
	3,336,000	3,333,141	2,902,063
Excess (deficiency) of revenue over expenses	(68,962)	(177,277)	29,387

The accompanying notes are an integral part of these financial statements

Construction Association of Nova Scotia
Statement of Changes in Net Assets

For the year ended June 30, 2023

	<i>Operating Fund</i>	<i>Building Futures Fund</i>	<i>Special Events & Projects Fund</i>	<i>Strategic Plan Fund</i>	<i>Information & Technology Fund</i>	2023	2022
Net assets beginning of year	478,335	105,321	166,050	20,000	115,247	884,953	855,566
Excess (deficiency) of revenue over expenses	(177,277)	-	-	-	-	(177,277)	29,387
Net assets, end of year	301,058	105,321	166,050	20,000	115,247	707,676	884,953

Draft - For Management Only

The accompanying notes are an integral part of these financial statements

Construction Association of Nova Scotia Statement of Cash Flows

For the year ended June 30, 2023

	2023	2022
Cash provided by (used for) the following activities		
Operating		
Excess (deficiency) of revenue over expenses	(177,277)	29,387
Amortization	75,405	71,260
Amortization of deferred lease inducement (Note 10)	(6,038)	(6,038)
Gain on sale of short-term investments	-	(62,817)
	(107,910)	31,792
Changes in working capital accounts		
Accounts receivable	(48,598)	(94,610)
Short-term investments	-	7,788
Prepaid expenses	14,408	5,361
Accounts payable and accruals	46,479	116,433
Deferred revenue and deferred contributions	96,526	(66,513)
	905	251
Investing		
Purchase of capital assets	(45,958)	(7,173)
Proceeds on sale of short-term investments	-	262,817
Purchase of short-term investments	(380,804)	-
	(426,762)	255,644
Increase (decrease) in cash resources	(425,857)	255,895
Cash resources, beginning of year	1,386,121	1,130,226
Cash resources, end of year	960,264	1,386,121

The accompanying notes are an integral part of these financial statements

Construction Association of Nova Scotia

Notes to the Financial Statements

For the year ended June 30, 2023

1. Incorporation and nature of the organization

The Construction Association of Nova Scotia (the "Association") is a not-for-profit organization whose purpose is to represent and promote the interests of its members and to provide them with needed services.

2. Significant accounting policies

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO) set out in Part III of the CPA Canada Handbook-Accounting, as issued by the Accounting Standards Board in Canada and include the following significant accounting policies:

Cash and cash equivalents

The Association's policy is to disclose bank balances under cash and cash equivalents, including bank balances held at financial institutions and cash balances held within investment accounts.

Short-term investments

Short-term investments represent guaranteed investment certificates and portfolio funds which are valued at amortized cost, being cost plus accrued interest.

Capital assets

Capital assets are recorded at cost.

Amortization is provided using the declining balance and straight-line methods at rates intended to amortize the cost of assets over their estimated useful lives, as follows:

	Method	Rate
Computer equipment	straight-line	3 years
Furniture and equipment	declining balance	20 %
Leasehold improvements	straight-line	12 years
Video system	straight-line	5 years
CANSNet software	straight-line	5 years
Photocopier	straight-line	10 years

Long-lived assets

Long-lived assets consist of capital assets with finite useful lives. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Association performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying amount of an asset, or a group of assets, may not be recoverable. The carrying amount of a long-lived asset is not recoverable if the carrying amount exceeds the sum of the undiscounted future cash flows from its use and disposal. If the carrying amount is not recoverable, impairment is then measured as the amount by which the asset's carrying amount exceeds its fair value. Fair value is measured using the discounted future cash flows. Any impairment is included in excess of revenues over expenses for the year.

Deferred lease inducements

Deferred lease inducements are inducements received or receivable from a lessor for a free rent period. The rent-free amounts are being amortized against rent expense over the term of the lease. See note 10 for further details.

Revenue recognition

The Association uses the deferral method of accounting for revenue. Annual membership dues, which cover the period from July 1 to June 30, are recognized as revenue in the fiscal year to which they relate and only if the funds are received. Revenue from education and training, special events and other services is recognized on the date the services are rendered and collection is reasonably assured. Document sales are recognized when the goods are sold and collection is reasonably assured. Investment income is recognized using the accrual basis of accounting. Income relating to the investments held in principal protected notes is recognized based upon historical returns.

Construction Association of Nova Scotia

Notes to the Financial Statements

For the year ended June 30, 2023

2. Significant accounting policies (Continued from previous page)

Government assistance

The Association periodically applies for financial assistance under available government incentive programs. Government assistance relating to capital expenditures is deferred and amortized into income at the same rates as the underlying capital expenditure is amortized. Government assistance relating to expenditures is recognized according to the deferral method of accounting for restricted contributions which results in revenue being recognized when the related expenditures are incurred.

Government assistance relating to Workplace Innovation and Productivity Skills Incentive program (WIPSI), included in industry education and training revenue, is recognized in income as certain eligible industry education and training revenues are earned. WIPSI contributes 50% to 100% of the education course fee for eligible participating businesses.

Funds

Effective 2001, the Association began appropriating surplus for future commitments by transfer from its current year operations.

- Operating Fund - reports the general operations of the Association and represents funds which are available for the future use of the Association.

Surpluses which have been appropriated are as follows:

- Building Futures Fund - funds which have been internally and externally restricted for the purpose of covering expenditures for the promoting of careers in the construction industry and supporting expenditures for the Building Futures For Youth initiative.

- Special Events & Projects Fund - funds that have been internally restricted for the Association's milestones and projects as approved in the Association's annual budget or by a motion of the board of directors.

- Strategic Plan Fund - funds which have been internally restricted for the purpose of covering expenditures relating to the preparation of the strategic plan every three years.

- Information & Technology Fund - funds which have been internally restricted for the purpose of upgrading the Association's current software capability.

Employee future benefits

The Association's employee future benefit program consists of a defined contribution pension plan. The Association's policy is to fund pension costs as incurred. The current service costs are expensed in the year they are paid.

Measurement uncertainty (use of estimates)

The preparation of financial statements in conformity 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 contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of capital assets. Income earned on investments in principal protected notes is estimated based upon historical returns. Accrued liabilities includes an accrual for unused sick days based upon the carryforward amount per employee.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in the statement of operations in the periods in which they become known.

Financial instruments

The Association recognizes financial instruments when the Association becomes party to the contractual provisions of the financial instrument.

Construction Association of Nova Scotia

Notes to the Financial Statements

For the year ended June 30, 2023

2. Significant accounting policies (Continued from previous page)

Arm's length financial instruments

Financial instruments originated/acquired or issued/assumed in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value.

At initial recognition, the Association may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Association has not made such an election during the year.

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

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in excess of revenue over expenses. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

Financial asset impairment

The Association assesses impairment of all its financial assets measured at cost or amortized cost. The Association groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group; there are numerous assets affected by the same factors; or no asset is individually significant. Management considers whether the issuer is having significant financial difficulty; whether there has been a breach in contract, such as a default or delinquency in interest or principal payments in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Association determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

The Association reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

Any impairment, which is not considered temporary, is included in current year excess of revenue over expenses.

The Association reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in excess of revenue over expenses in the year the reversal occurs.

3. Capital disclosures

The Association's capital is comprised of internally restricted and unrestricted fund balances. The internally restricted funds consist of the Building Futures Fund, the Special Events & Projects Fund, the Strategic Plan Fund and the Information & Technology Fund. These funds are described in note 2. The Association's objectives when managing capital are to ensure that funds are appropriately allocated based on their intended purpose. Furthermore, cash and investments are managed to ensure the financial obligations and objectives of the Association are met.

4. Accounts receivable

Included in the Association's accounts receivable at year end is \$171,940 (2022 - \$155,059) of government assistance receivable, as described in note 11, and \$114,097 (2022 - \$82,380) of receivables due from the Association's membership and other external parties.

Construction Association of Nova Scotia

Notes to the Financial Statements

For the year ended June 30, 2023

5. Short-term investments

The Association has adopted a conservative investment policy, the objectives of which are:

- 1) preservation of the principal amount on at least 50% of invested principal. There will be a cap of 50% of total invested dollars on investments that do not have 100% protection on the principal amount;
- 2) maximization of the rate of return on all investments; and
- 3) maintenance of the liquidity of all investments.

	2023	2022
Renaissance Optimal Income Portfolio - (market value - \$441,765, (2022 - \$360,872))	452,948	382,144
CIBC Principal Protected Note - (market value - \$271,802, (2022 - nil))	310,000	-
	762,948	382,144

6. Capital assets

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value
Furniture and equipment	321,283	267,775	53,508	52,093
Computer equipment	177,165	155,701	21,464	9,857
CANSNet software	-	-	-	489
Video system	150,000	105,000	45,000	75,000
Leasehold improvements	166,061	81,463	84,598	87,770
Photocopier	86,105	37,659	48,446	57,254
	900,614	647,598	253,016	282,463

7. Deferred revenue and deferred contributions

	2023	2022
Membership dues paid in advance	840,726	656,879
Deferred government funding for high definition video based system (note 11)	39,600	66,000
Placement Pilot Project (Building Futures For Youth) (note 11)	82,230	91,156
Workforce Development (note 11)	-	28,520
Deferred registrations and sponsorships for annual general meeting	29,615	15,050
Deferred education	7,000	21,750
Centre for Green Building Excellence (note 11)	-	25,500
Deferred registrations and sponsorships for softball tournament	14,650	11,270
Other	1,738	2,908
	1,015,559	919,033

8. Bank indebtedness

The Association has an available line of credit of \$300,000 (2022 - \$300,000) of which nil (2022 - nil) has been drawn down. The operating line of credit bears interest at prime plus .75% and is secured by the Association's short-term investments.

Construction Association of Nova Scotia

Notes to the Financial Statements

For the year ended June 30, 2023

9. Canada Emergency Business Account

	2023	2022
Canada Emergency Business Account (CEBA) operating line, bearing interest at 0%. See terms outlined below.	40,000	40,000
Less: Current portion	40,000	-
	-	40,000

Due to the outbreak of COVID-19 (coronavirus), the Association gained access to a COVID-19 Relief Line of Credit as part of the Government-sponsored Canada Emergency Business Account (CEBA) and received \$60,000 as a three year term loan bearing interest at 0% with the option to repay by December 31, 2023. If \$40,000 of the loan is repaid on or before December 31, 2023, \$20,000 of the loan will be forgiven; otherwise, the full amount of the loan received is converted to a two year term loan bearing interest at 5%, with a maturity date of December 2025.

The Association expects full repayment of the \$40,000 on or before December 31, 2023. Therefore, the balance has been presented as a current liability. The \$20,000 forgivable portion was recognized as sundry revenue to offset non-deferrable expenses in the 2021 fiscal year when the CEBA loan was received.

10. Commitments

The Association has entered into a long-term lease for office premises which expires October 31, 2028 with estimated minimum annual payments over the next five years as follows:

2024	140,116
2025	143,543
2026	146,970
2027	149,381
2028	151,285
Thereafter, to October 2028	50,640
	781,935

A one-time inducement allowance was provided in this office premises lease and shall be applied to the annual minimum rent and any additional annual rent for operating costs until fully utilized. The total inducement allowance equals \$74,976 and is equal to 5 months of free rent and operating costs. During the current year, the Association amortized \$6,038 (2022 - \$6,038) of this inducement. The total accumulated amortization relating to the deferred lease inducement is \$42,772 (2022 - \$36,734). The current portion of the leasehold inducement is \$6,038 (2022 - \$6,038) with the long-term portion being \$26,166 (2022 - \$32,205).

11. Government assistance

The Association was approved for funding under the Workplace Innovation and Productivity Skills Incentive (WIPSI). Included in Industry education and training revenue is \$368,248 (2022 - \$326,202) of WIPSI funding.

The Association received \$230,000 (2022 - \$230,000) in funding from the Department of Labour and Advanced Education for the Building Futures For Youth program. Under the deferral method of accounting for government assistance, \$245,237 (2022 - \$235,844) has been recognized as revenue to match the amount of related expenditures that were incurred during the year. The unexpended balance of \$82,230 (2022 - \$91,156) has been deferred and will be used in the upcoming fiscal year (note 7).

During the 2019 fiscal year, the Association received \$40,000 in funding from the Department of Labour and Advanced Education for Diversity Initiatives of which \$28,520 (2022 - \$880) has been recognized as revenue to match the amount of related expenditures that were incurred during the year. This revenue is included in sundry revenue. The unexpended balance of nil (2022 - \$28,520) has been deferred (note 7).

Construction Association of Nova Scotia

Notes to the Financial Statements

For the year ended June 30, 2023

11. Government assistance *(Continued from previous page)*

During the 2020 fiscal year, the Association received \$132,000 from the Department of Labour and Advance Education to subsidize a portion of the acquisition of a new high definition video based system. This funding was deferred and is being amortized into income at the same rate as the underlying asset. The deferred balance at year-end is \$36,600 (2022 - \$66,000) (note 7). The video based system equipment has been recorded as a capital asset (note 6) and is amortized over five years. The contribution recognized in revenue is \$26,400 (2022 - \$26,400).

The Association received \$4,500 (2022 - \$25,500) from the Halifax Climate Investment, Innovation and Impact Fund in accordance with a submitted proposal for a Centre for Green Building Excellence. Of the \$30,000 grant, \$25,500 was received in the prior year and included as deferred revenue as no expenses were incurred until the current year (note 7). The full amount of the grant was spent during the year and no future expenses are expected.

12. Special events revenue and expenditures

	<i>Budget (unaudited)</i>	2023	2022
Revenue			
Golf tournament	141,000	185,913	364,002
De-icer	248,750	268,494	227,321
Annual general meeting	150,275	-	79,995
Developing executives	14,000	16,719	9,623
Spring fling	34,275	47,715	31,818
Industry summit	145,000	70,940	-
Ball tournament	23,700	19,525	-
Miscellaneous	8,000	-	-
	765,000	609,306	712,759
Expenditures			
Golf tournament	(70,000)	(99,358)	(194,989)
De-icer	(125,000)	(133,410)	(127,570)
Annual general meeting	(147,000)	(17,343)	(70,911)
Developing executives	(12,000)	(16,921)	(9,073)
Spring Fling	(27,000)	(40,789)	(23,713)
Industry summit	(108,000)	(64,602)	-
Ball tournament	(9,500)	(9,738)	-
Event planning	(26,500)	(1,127)	(7,046)
Membership	(11,600)	(11,600)	-
	(536,600)	(394,888)	(433,302)
	228,400	214,418	279,457

13. Interfund transactions

At year end, the Operating Fund owed \$105,321 (2022 - \$105,321) to the Building Futures Fund; \$166,050 (2022 - \$166,050) to the Special Events & Projects Fund; \$20,000 (2022 - \$20,000) to the Strategic Plan Fund; and \$115,247 (2022 - \$115,247) to the Information & Technology Fund. The inter-fund balances are non-interest bearing and have no set terms of repayment.

14. Financial instruments

The Association, as part of its operations, carries a number of financial instruments. The following analysis provides a measure of the Association risk exposure and concentrations at the balance sheet date.

Credit concentration

Construction Association of Nova Scotia

Notes to the Financial Statements

For the year ended June 30, 2023

14. Financial instruments *(Continued from previous page)*

Financial instruments that potentially subject the Association to concentrations of credit risk consist primarily of cash and accounts receivable.

The Association is exposed to concentration risk on its cash in that all its cash is held within one financial institution. To minimize this credit risk, the Association places its cash with a high-quality financial institution of Canada.

The Association's sales are concentrated in the construction sector; however, credit exposure is limited due to the Association's large customer base. As described in note 4, 60% (2022 - 65%) of the Association's accounts receivable is due from the government.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Association is mainly exposed to interest rate risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Association is exposed to interest rate risk on its fixed interest rate financial instruments. Fixed-rate instruments subject the Association to a fair value risk.



2023 - 2024
Committee Structure

CANS 2023-2024 Committee Structure

Governance and Nominating Committee:

Chair – Allan MacIntosh

Tom Skinner

Dave MacGregor

Ian Boyd

Duncan Williams (CANS)

Sheryl Farrington (CANS)

Melody Hillman (CANS – ad hoc)

Rob Lewis (CANS – ad hoc)

Colleen Fiske-Pinaud (CANS – ad hoc)

Finance Investment and Risk Management Committee:

Chair - Tom Skinner

Gord Gamble

David Wood

Dave MacGregor

Allison Coffin

Allan MacIntosh

Glenn Carvery

Ian Boyd

Duncan Williams (CANS)

Rob Lewis (CANS)

Government and Industry Relations Committee:

Chair – Ian Boyd

Heather Cruickshanks



Dave MacGregor

Allan MacIntosh

Kris Skiba

Gerard Jessome

Mike MacIsaac

Jamie MacNeil

Jon Mullin

Peter Riley

Mike Clements

Allison Coffin

Duncan Williams (CANS)

Sheryl Farrington (CANS)

Colleen Fiske-Pinaud (CANS)

Rob Lewis (CANS)

Taylor Shaw (CANS)

Workforce Development, Policy, and Planning Committee:

Chair – Allison Coffin

Vice Chair - Mike Clements

Heather Cruickshanks

Dena Hueston

Lorin Robar

Glenn Carvery

Austin McLennan

Melody Hillman (CANS)

Taylor Shaw (CANS)

Membership Services and Engagement Committee:

Chair – Jason Noack

Vice Chair - Blair Nickerson

Shawn Freeze

Jonathan Berkman

David Landry

Stanley North

Craig Vanexan

Gloria Mallard (CANS)

Melody Hillman (CANS)

Britney MacNeil (CANS)

Emerging Leaders Committee:

Chair – Stanley North

Vice Chair – Kevin Cahill

Jake Brennan

David Landry

Matt MacEachern

Mary Mason

Nicole Baker

Kat Burris

Danny Luong

Adam Castellani

Elizabeth MacArthur

Heidi Victoria Sullivan

Taylor Shaw (CANS)

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