

A large, solid yellow five-pointed star is centered on the page. It is the primary graphic element.

actsafe[★]

**Reflection
to Connection**

2012 Annual Report

ABOUT

Actsafes collaborates with the motion picture and performing arts industries in British Columbia to provide innovative, accessible health and safety training and resources. Actsafes is funded by the employers in B.C.'s arts and entertainment industries. We operate through two Standing Committees that represent the motion picture and performing arts communities. Membership on these committees includes both employer and worker representatives.

Contact

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Actsafes was established in 1998 at the request of industry representatives and WorkSafeBC in recognition of the unique nature of the arts and entertainment industries. From 1998 to 2010, Actsafes was known as Safety and Health in Arts Production and Entertainment (SHAPE).

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MESSAGE FROM THE CHAIR



“Reflection” was identified as one of four key objectives in Actsafe’s three-year business plan for 2012 to 2014, and it was especially relevant for Actsafe in 2012. As we celebrated our 14th anniversary, we evaluated numerous aspects of our organization, programs, and systems — many of which have been in place for some time.

In order to better achieve our mission and serve our stakeholders, we need to continually ensure that we have the right tools and are on the right path.

Catherine Roome, Chair

A key part of Actsafe’s evaluation was the development of a communications plan to drive our strategic priorities identified in the three-year business plan:

1. Increase stakeholder engagement.
2. Maintain an efficient, service-oriented organization.
3. Ensure a healthy, high-functioning organizational structure.

We assessed our communications through an independent communications audit. The audit indicated that Actsafe’s reputation and reach are viewed positively by stakeholders, and the consultant who conducted the audit said it was the most positive one she has worked on.

The audit also found that Actsafe’s communication methods are well matched to our stakeholders’ preferences. Our services are predominantly seen as “good” or “very good,”; and, while there is a sense that Actsafe is moving in the right direction, we also identified opportunities to deepen our engagement with stakeholders.

A healthy, well-functioning organization is also important as we strive to fulfill our mission. Actsafe conducted an electronic survey of Standing Committee members to evaluate the effectiveness of our Standing

Committees, prompting one member to state, “This is one of the best functioning committees I currently participate in.” Governance continued to be a key focus of the Board in 2012. Evaluating and further developing our governance structure is crucial to keeping our organization on track as we strive to serve our stakeholders and produce valuable health and safety information. To this end, the Board finalized a broad range of organizational policies, and concluded a review and update of Actsafe’s founding bylaws.

I’d like to thank the Board of Directors for all the work to improve governance, and the staff of Actsafe who provide trusted information and resources to the people and industries we serve.



Catherine Roome
Chair, Actsafe Board of Directors



MISSION STATEMENT

Our Mission

Collaborating with B.C.'s motion picture and performing arts industries to provide innovative, accessible health and safety training and resources.

Our Values

Accessibility, Collaboration, Innovation

GENERAL MANAGER'S REPORT

Two thousand and twelve was the first year of our 2012–2014 business plan. The core purpose of the plan is to position our organization for the future, by beginning a fundamental shift from the production of materials and information to deepening our relationships with the people and industries we serve.

To facilitate this shift, we focused on the assessment of current processes, systems and programs. The evaluation that took place in 2012 provided us with a foundation to build on as we move forward into year two of the plan. The majority of our 2012 business plan initiatives were completed on schedule, although projects related to the review of Actsafe's bylaws and the development of clarity with regard to aerial lift operation and training stretched into year two.



Dawn Brennan, General Manager

The independent communications audit we commissioned was an important initiative. It clearly identified that we have a good reputation, and our stakeholders believe we provide easily understood and important information. It also identified a range of opportunities for us to improve our connections with our stakeholders.

Along with our successes in 2012, we faced internal challenges with multiple staff leaves for a combined total of six months. Fortunately, we were able to bring back previous employees on short-term contracts to help ensure the ongoing provision of services to our industries. Our Board, staff, and contractors make it possible for us to live our mission and values: collaborating with B.C.'s motion picture and performing arts industries to provide innovative, accessible health and safety training and resources.

The work we do does not happen in isolation. We are connected, educated, and encouraged by the members of our Standing Committees and the many workers and employers who bring issues to our attention and work with us toward resolution and communication. I would like to express heartfelt appreciation for their time, commitment, and passion.

I would be remiss if I did not discuss health and safety. Through the year, we researched, wrote, consulted, asked questions, and

responded to questions about health and safety. In the sidebar you will see some of the topics we worked on in 2012.

I am confident that, as we move forward into our 15th year of operations in 2013, we will continue to explore a wide range of health and safety topics while serving the needs of our stakeholders and strengthening relationships with the individuals and organizations who comprise the motion picture and performing arts industries.

With appreciation,

A handwritten signature in black ink that reads "Dawn Brennan". The signature is written in a cursive, flowing style.

Dawn Brennan
General Manager, Actsafe



TRAINING & CERTIFICATION

Over the years, attendance in Actsafe's training and certification programs has ebbed and flowed for a variety of reasons. Overall attendance for Actsafe's industry training and certification courses declined by 25% from 2011 to 2012, due to three key factors:

1. Aerial Platform and Lift Truck Operator Training Industry Recognized Practice (IRP) — Developed for British Columbia's motion picture industry in 2010. Actsafe had planned to evaluate the IRP in 2012. However, the IRP failed before the evaluation could take place. As a result, enrollment in aerial platform training dropped 38% to 242 participants.

2. Live Performance Electrical Certification (LPEC) — Online course for lighting and AV technicians. The majority of applicable workers (272 participants) were certified when the certification debuted in 2011. With no requirement to renew certification, the

numbers naturally declined to 36 participants in 2012. The program was evaluated on its first year of operation and revised in 2012.

3. Occupational First Aid Level 1 — In 2010 WorkSafeBC changed the renewal requirement for OFA Level 1 from two years to three years. As a result, course attendance dropped by 22% to 285 participants in 2012. This drop in attendance was lower than anticipated.

There were increases in our two online courses: the Transportation of Dangerous Goods (TDG) course increased by 25% to 80 participants, and the WHMIS course increased by 38% to 144 participants.

PUBLICATIONS & ONLINE MEDIA

In recent years, Actsafe has looked at existing resources to tailor publications to industry needs. In 2012, some publications were revised or redesigned. Others were added in response to requests from stakeholders or following collaboration with industry organizations and individuals.

Electronic Forms — Actsafe forms are now fillable online PDFs.

Safety Bulletins — Five performing arts bulletins were developed or revised. Requests from local festivals led to “Safe Set-up and Use of Small Tents.” A request from industry resulted in “Performer Flying & Aerial Stunts.”

Safety Primers — Actsafe’s growing library of primers now includes Working at Heights for the performing arts.

Motion Picture Fact Sheets — *Construction/Woodworking* and *Propane Guidelines* were revised. A new fact sheet, *Fishbones: Electrical Ladders or Cable Hangers*, was

developed in collaboration with industry representatives and WorkSafeBC.

School Theatre Safety Manual — Actsafe worked with the Vancouver School Board on a safety manual for live production in high schools. *Play it Safe* is available free online at actsafe.ca.

Posters — Six popular Actsafe posters were redesigned and relaunched.

IT Audit — An independent audit of our information technology systems revealed that reliance on current systems poses a high level of risk. Recommendations were made for replacing the training database and updating the website.

Strategic Communications Plan – A 3-year strategic communications plan was developed based on opportunities identified in the communications audit.

Crisis Communication Plan — Developed for Actsafe’s Board and staff, the plan includes print and cloud-based versions.

RESEARCH

Research continues to play a vital role in identifying areas of concern related to health and safety in the motion picture and performing arts industries.

A groundbreaking research project looking at stunt-performance injuries indicated that performers have a high risk of head injuries and there is a lack of recognition of the severity of such injuries. The study identified the greatest cause of injury as a lack of sufficient rehearsal time for planning and preparation of stunts.

Following the release of the report, an industry meeting was held to obtain feedback, and a goal was set to develop information and resources related to identifying concussions.

Billy Quirke presented his research on air quality in hair and makeup trailers at the following events:

- Changing Environments and Population Health (US and Canada): Annual Symposium on Environmental, Occupational and Population Health (Washington)
- Canadian Association for Research on Work and Health 2012 Conference (Vancouver, B.C.)
- American Industrial Hygiene Conference and Exposition (Indiana)

Based on this research, Actsafe developed an air quality risk assessment, which the unions distributed directly to their hair and makeup department members. This tool provided targeted information on air quality and propane safety for workers in the industry.



INDUSTRY OUTREACH

Industry outreach continues to be one of the most effective ways to engage with stakeholders; this was one of the priorities identified in Actsafe's communications plan.

Actsafe's health and safety consultant, Marty Clausen, conducted 321 respirator fit tests during the course of 206 site visits — a significant increase of 65% from 2011. In addition to site visits, he made 462 consultations, including phone calls, emails, meetings, and research requests.

The number of hearing tests decreased by 15% from 2011, with Actsafe's mobile testing provider conducting 522 tests in 2012.

New regulations governing the employment of young people (ages 4–14) in the performing arts came into effect in 2012. Actsafe facilitated development of the

standards through consultation with unions, associations and employers.

Actsafe continued working with the motion picture industry and WorkSafeBC to clarify regulations and standards related to aerial lift operation. Three industry workshops were held in 2012.

HEALTH & SAFETY ISSUES

Actsafe manages a number of health and safety issues on behalf of its two industries. While many initiatives are planned, a great deal of the work we do is brought to our attention by people in the industry.

Here's a brief overview of some of the issues we dealt with in 2012.

January — Aerial lifts, theatre catwalks, stunt performers, locations, hearing and headsets.

February — Toxins, saw stops, staying healthy backstage.

March — First aid rooms, working alone, fishbones (electrical ladders or cable hangers).

April — Slippery dance floors, wood carving discs, script safety review.

May — Diving, Styrofoam, orchestra pits.

June — Fire guidelines, propane, harnesses.

July — Health and safety policies, stunt harness log books, helicopters.

August — Work trucks, aerial lifts, flying performers.

September — High school drama programs, Stanley Park polar bear den.

October — Emergency management plans, air quality in hair and makeup trailers, eye protection.

November — Locations, propane wallet cards, concussions, first aid.

December — Working at heights, due diligence, and aerial lifts.

APPENDIX A: WHO WE ARE

STAFF

Dawn Brennan
General Manager

Marty Clausen
Health & Safety Consultant

Jennifer Hill
Outreach and Project Coordinator

Maureen Kaake
Office Manager

Bev Pausche
Communications Manager

Eve Robertson and Mikey Barron
Administrative Assistants

BOARD OF DIRECTORS

Catherine Roome
Chair (non-voting)

Miles Muir
Performing Arts Employer
Representative

Don Parman
Performing Arts Worker Representative

Dusty Kelly
Motion Picture Worker Representative

Tracey Wood
Motion Picture Employer Representative

Cheryl Nex
Entertainment Partners Canada
Representative (non-voting)

Dawn Brennan
Actsafes Representative
(non-voting)

STANDING COMMITTEES

Actsafe has two standing committees: one for the motion picture industry, and one for the performing arts industry. Each committee includes industry representatives from employer associations and unions. The committees each select an employer representative and a worker representative for Actsafe's Board of Directors.

MOTION PICTURE STANDING COMMITTEE

Catherine Roome
Chair

Daryl Litke, Chief Steward
Association of Canadian Film
Craftspeople (ACFC) West

Dawn Brennan, General Manager
Actsafe

Dusty Kelly
International Alliance of Theatrical Stage
Employees (IATSE) 891

Gigi Boyd
Canadian Media Production Association -
B.C. Producers' Branch

Michael Kaerne
Commercial Production Association of
Western Canada (CPAWC)

Lori Stewart
Union of British Columbia Performers

Lorrie Ward
Teamsters Local 155

Louise Baker-Griffiths
International Alliance of Theatrical Stage
Employees (IATSE) 669

Ron Hrynuik, Studio Operations
Bridge Studios

Tracey Wood
Alliance of Motion Picture and
Television Producers

Paul Altilia
Directors Guild of Canada (BC)

PERFORMING ARTS STANDING COMMITTEE

Catherine Roome
Chair

Zaena Campbell
Dancer Transition Resource Centre
(DTRC)

Kristina Lemieux
Canadian Alliance of Dance
Artists (CADA-BC)

Dawn Brennan, General Manager
Actsafé

Don Parman
Canadian Institute for Theatre
Technology (CITT-BC)

Gene Ramsbottom
Vancouver Musicians Association
(VMA) 145

Jay Dodge
Professional Association of Canadian
Theatres (PACT)

Kevin Dale McKeown
Alliance for Arts and Culture

Louis-Marie Bournival
Canadian Actors' Equity Association
Mary-Ann Moir
Large Orchestral Ensembles

Mike Phelan
International Alliance of Theatrical Stage
Employees (IATSE) 669

Miles Muir
Vancouver Civic Theatres

Mirna Zager
The Dance Centre

Dusty Kelly
International Alliance of Theatrical Stage
Employees (IATSE) 891

Eleanor Stacey
Greater Vancouver Professional
Theatre Alliance (GVPTA)

Matt Lees
Riggitt Services Inc.

Richard Gould
International Alliance of Theatrical Stage
Employees (IATSE) Local 168

APPENDIX B: FINANCIAL REPORTS

Actsafes Safety Association
FINANCIAL STATEMENTS
December 31, 2012

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Actsafes Safety Association

Report on the Financial Statements

We have audited the accompanying financial statements of Actsafes Safety Association, which comprise the statement of financial position as at December 31, 2012 and the statement of operations and changes in net assets, and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

dhg LLP Chartered Accountants

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Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Actsafe Safety Association as at December 31, 2012, 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.

Other Matters

The financial statements of Actsafe Safety Association for the year ended December 31, 2011, were audited by another auditor who expressed an unmodified opinion on those statements on April 13, 2012.

Report on Other Legal and Regulatory Requirements

As required by the Society Act (British Columbia), we report that, in our opinion, the accounting principles in the Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding year.

Vancouver, B.C.
March 1, 2013



Chartered Accountants

Actsafe Safety Association
STATEMENT OF FINANCIAL POSITION
December 31, 2012

	<u>2012</u>	<u>2011</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents (Note 3)	\$ 718,285	\$ 228,900
Accounts receivable	2,310	4,560
GST/HST rebate receivable	24,266	31,406
Prepaid expenses	<u>5,221</u>	<u>1,426</u>
	750,082	266,292
PROPERTY AND EQUIPMENT (Note 4)	92,425	115,531
PREPAID RENT	<u>16,490</u>	<u>16,490</u>
	\$ <u>858,997</u>	\$ <u>398,313</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	44,524	31,481
Deferred revenue (Note 5)	410,600	1,100
Current portion of deferred lease inducements (Note 6)	<u>3,174</u>	<u>3,174</u>
	458,298	35,755
DEFERRED LEASE INDUCEMENTS (Note 6)	<u>7,674</u>	<u>10,848</u>
	<u>465,972</u>	<u>46,603</u>
COMMITMENT UNDER OPERATING LEASES (Note 7)		
NET ASSETS		
INTERNALLY RESTRICTED (Note 8)	250,000	250,000
UNRESTRICTED	<u>143,025</u>	<u>101,710</u>
	<u>393,025</u>	<u>351,710</u>
	\$ <u>858,997</u>	\$ <u>398,313</u>

See the accompanying notes to the financial statements.

Approved by the Board Tracy Wood Director Don Director

Actsafe Safety Association
STATEMENT OF OPERATIONS AND CHANGE IN NET ASSETS
Year ended December 31, 2012

	<u>2012</u>	<u>2011</u>
REVENUE		
WorkSafe BC funding	\$ 778,900	\$ 680,814
Course fees	99,589	139,045
Investment and other income	<u>6,173</u>	<u>7,615</u>
	<u>884,662</u>	<u>827,474</u>
EXPENSES		
Program expenses		
Industry and work site services	14,926	17,610
Industry training	135,330	210,605
Insurance	6,274	5,096
Programs	219,305	190,163
Promotion and outreach	48,942	53,190
Research and development	44,107	55,867
Stakeholders	<u>9,759</u>	<u>9,815</u>
	<u>478,643</u>	<u>542,346</u>
Administrative expenses		
Amortization of property and equipment	23,106	13,293
Bank charges and merchant fees	9,452	10,145
Board of directors (Note 9)	31,560	13,892
Office	21,410	21,688
Professional fees	12,222	18,551
Rent	97,973	105,973
Salaries and benefits	<u>168,981</u>	<u>163,252</u>
	<u>364,704</u>	<u>346,794</u>
Total expenses	<u>843,347</u>	<u>889,140</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	41,315	(61,666)
NET ASSETS, beginning of year	<u>351,710</u>	<u>413,376</u>
NET ASSET, end of year	\$ <u>393,025</u>	\$ <u>351,710</u>

See the accompanying notes to the financial statements.

Actsafes Safety Association
STATEMENT OF CASH FLOWS
Year ended December 31, 2012

	<u>2012</u>	<u>2011</u>
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses	\$ 41,315	\$ (61,666)
Items not affecting cash		
Amortization of lease inducements	(3,174)	(1,848)
Amortization of property and equipment	23,106	13,293
Changes in non-cash working capital		
Decrease (increase) in		
Accounts receivable	2,250	(2,020)
GST/HST rebate receivable	7,140	(18,051)
Prepaid expenses	(3,795)	3,312
Increase (decrease) in		
Prepaid rent	-	(16,490)
Accounts payable and accrued liabilities	13,043	8,115
Deferred revenue	<u>409,500</u>	<u>(81,380)</u>
	489,385	(156,735)
CASH FLOWS FROM (USED IN) INVESTING ACTIVITY		
Acquisition of property and equipment	<u>-</u>	<u>(124,720)</u>
INCREASE (DECREASE) IN CASH DURING THE YEAR	489,385	(281,455)
CASH AND CASH EQUIVALENTS, beginning of year	<u>228,900</u>	<u>510,355</u>
CASH AND CASH EQUIVALENTS, end of year	\$ <u>718,285</u>	\$ <u>228,900</u>
CASH AND CASH EQUIVALENTS IS COMPRISED OF		
Cash	\$ 468,285	\$ 228,900
Term deposit	<u>250,000</u>	<u>-</u>
	\$ <u>718,285</u>	\$ <u>228,900</u>

See the accompanying notes to the financial statements.

Actsafes Safety Association

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

1. ORGANIZATION AND ECONOMIC DEPENDENCE

Actsafes Safety Association (the "Association") was incorporated under the Society Act of British Columbia on March 23, 1998. The Association's mandate is to promote health and safety in the motion picture, theatre, music and other performing arts industries.

The Association is exempt from income taxation pursuant to Section 149 of the Income Tax Act as long as certain criteria continue to be met.

The Association is funded by the employers in B.C.'s motion picture and performing arts industries, through a levy on their WorkSafe BC assessments. These funds provide the operating funding for the Association's work as an industry-funded industry safety association. A change in this funding structure could have a significant impact on the Association's future operations.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations which necessarily involves the use of estimates. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of significant accounting policies summarized below.

Use of estimates

The preparation of financial statements in conformity with Canadian general accounting standards for not-for-profit organizations require management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Actual results may differ from those estimates.

Revenue recognition

Funding received under terms of agreements is recognized as revenue in the year in which the related expenses are incurred.

Revenue from WorkSafe BC is recognized when invoiced by the Association in accordance with the funding agreement with WorkSafe BC. Payments from WorkSafe BC received in advance of the fiscal year to which they relate are recorded as deferred revenue.

Revenue from course fees is recognized on the delivery of the courses to attendees.

Investment and other revenue are recorded when earned and when collection is believed to be reasonably assured.

Cash and cash equivalents

Cash and cash equivalents consist of cash and investments that are highly liquid.

Lease inducements

Lease inducements are deferred and amortized over the five year lease on a straight-line basis.

Property and equipment

Property and equipment are recorded at cost and amortized over their estimated useful lives using the following methods and rates:

Leasehold improvements	- 20% straight line
Office equipment	- 20% declining balance
Furniture and fixtures	- 20% declining balance

Comparative figures

Certain 2011 figures have been reclassified to conform to the presentation used in the current year.

Actsafe Safety Association
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2012

3. **CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consist of a cash balance of \$ 468,285 (2011 – \$ 228,900) and a term deposit of \$ 250,000 (2011 – \$ Nil) earning interest at a rate of 1.30% per annum, maturing September 6, 2013.

4. **PROPERTY AND EQUIPMENT**

	<u>2012</u>		
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Net</u>
Leasehold improvements	\$ 109,716	\$ 30,720	\$ 78,996
Office equipment	19,582	13,807	5,775
Furniture and fixtures	<u>28,789</u>	<u>21,135</u>	<u>7,654</u>
	<u>\$ 158,087</u>	<u>\$ 65,662</u>	<u>\$ 92,425</u>
	<u>2011</u>		
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Net</u>
Leasehold improvements	\$ 149,573	\$ 50,829	\$ 98,744
Office equipment	19,582	12,363	7,219
Furniture and fixtures	<u>28,789</u>	<u>19,221</u>	<u>9,568</u>
	<u>\$ 197,944</u>	<u>\$ 82,413</u>	<u>\$ 115,531</u>

5. **DEFERRED REVENUE**

Deferred revenue represents pre-payment of course fees of \$ 1,100 (2011 – \$ 1,100) and WorkSafe BC 2013 funding received in advance of \$ 409,500 (2011 – \$ Nil).

6. **DEFERRED LEASE INDUCEMENTS**

	<u>2012</u>	<u>2011</u>
Lease inducements received	\$ 15,870	\$ 15,870
Accumulated amortization	<u>5,022</u>	<u>1,848</u>
Balance of deferred lease inducements	10,848	14,022
Less: Current portion	<u>3,174</u>	<u>3,174</u>
	<u>\$ 7,674</u>	<u>\$ 10,848</u>

7. **COMMITMENTS UNDER OPERATING LEASES**

The Association is party to operating lease commitments for office premises and equipment. The office premise lease expires May 31, 2016. Minimum annual payments under the leases are as follows:

2013	\$ 67,980
2014	67,980
2015	67,980
2016	<u>28,700</u>
	<u>\$ 232,640</u>

Actsafes Safety Association

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

8. INTERNALLY RESTRICTED NET ASSETS

The Board of Directors has set aside, with approval from WorkSafe BC, an amount totaling \$ 250,000 to be used as a reserve fund. This internally restricted amount is not available for other purposes without approval from the Board of Directors.

9. BOARD OF DIRECTORS

During the year, board of directors expenses include consulting fees of \$ 18,464 (2011 - \$ Nil) related to the review of the Association's bylaws.

10. FINANCIAL INSTRUMENTS

The Association's financial instruments consist of cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities.

Fair value

The fair value of cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities are believed to equal their carrying amounts due to their short terms to maturity.

Interest rate risk

Cash and cash equivalents include a term deposit bearing interest at a fixed rate. The investment is therefore subject to interest rate price risk as fluctuations in the market rates of interest may increase or decrease their fair value.

Credit risk

Cash and cash equivalents and accounts receivable are exposed to credit risk due to the potential for counterparties to default on their contractual obligations. The maximum potential loss on all financial instruments is equal to the carrying amount of those items.