

**BUILDING OWNERS AND MANAGERS ASSOCIATION
BRITISH COLUMBIA**

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2020

Independent Auditors' Report

Statement of Financial Position

Statement of Operations and Changes in Net Assets

Statement of Cash Flows

Notes to Financial Statements

INDEPENDENT AUDITORS' REPORT

To the Members of Building Owners and Managers Association British Columbia:

Opinion

We have audited the financial statements of Building Owners and Managers Association British Columbia (the "Association"), which comprise the statement of financial position as at December 31, 2020, 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 statements of the Association as at December 31, 2020, and the results of its operations and cash flows for the year then ended in accordance with Accounting Standards for Not-for-profit Organizations (ASNPO).

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.

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 ASNPO, 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. When individuals responsible for the oversight of the financial reporting process are the same as those responsible for the preparation of the financial statements, no reference to oversight responsibilities is required.

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.

Report on Other Legal and Regulatory Requirements

As required by the *Societies 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 consistent basis.


Chartered Professional Accountants

Vancouver, Canada
April 8, 2021

**BUILDING OWNERS AND MANAGERS ASSOCIATION
BRITISH COLUMBIA**

STATEMENT OF FINANCIAL POSITION

	OPERATING FUND	GENERAL RESERVE FUND	ADVOCACY FUND	SPECIAL INITIATIVES FUND	DECEMBER 31	
					2020 TOTAL	2019 TOTAL
ASSETS						
Current						
Cash and cash equivalents	\$ 314,385	\$ 500,000	\$ 75,000	\$ 50,000	\$ 939,385	\$ 753,391
Short term investments	271,664	-	-	-	271,664	400,155
Marketable securities	1,535,015	-	-	-	1,535,015	1,410,032
Accounts receivable	117,849	-	-	-	117,849	76,712
Prepaid expenses	43,156	-	-	-	43,156	50,409
	<u>2,282,069</u>	<u>500,000</u>	<u>75,000</u>	<u>50,000</u>	<u>2,907,069</u>	<u>2,690,699</u>
Long Term						
Capital assets (Note 4)						
Tangible assets	27,435	-	-	-	27,435	34,519
Intangible assets	813	-	-	-	813	1,161
	<u>28,248</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,248</u>	<u>35,680</u>
Total Assets	<u>\$ 2,310,317</u>	<u>\$ 500,000</u>	<u>\$ 75,000</u>	<u>\$ 50,000</u>	<u>\$ 2,935,317</u>	<u>\$ 2,726,379</u>
LIABILITIES						
Current						
Accounts payable and accrued liabilities (Note 5)	\$ 76,168	\$ -	\$ -	\$ -	\$ 76,168	\$ 153,482
Dues and fees received in advance (Note 7)	257,839	-	-	-	257,839	242,739
	<u>334,007</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>334,007</u>	<u>396,221</u>
Total Liabilities	<u>334,007</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>334,007</u>	<u>396,221</u>
NET ASSETS	<u>1,976,310</u>	<u>500,000</u>	<u>75,000</u>	<u>50,000</u>	<u>2,601,310</u>	<u>2,330,158</u>
Total Liabilities And Net Assets	<u>\$ 2,310,317</u>	<u>\$ 500,000</u>	<u>\$ 75,000</u>	<u>\$ 50,000</u>	<u>\$ 2,935,317</u>	<u>\$ 2,726,379</u>

Approved by:



Director



Director

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

**BUILDING OWNERS AND MANAGERS ASSOCIATION
BRITISH COLUMBIA**

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

	OPERATING FUND	GENERAL RESERVE FUND	ADVOCACY FUND	SPECIAL INITIATIVES FUND	YEAR ENDED DECEMBER 31	
					2020 TOTAL	2019 TOTAL
Revenues						
Membership fees	\$ 434,167	\$ -	\$ -	\$ -	\$ 434,167	\$ 446,907
Seminars and workshop	10,450	-	-	-	10,450	8,080
Interest and other investment income	37,404	-	-	-	37,404	52,604
Unrealized gain on marketable securities	94,959	-	-	-	94,959	47,967
Publications	12,280	-	-	-	12,280	7,190
Education programs	38,306	-	-	-	38,306	43,088
Recycling program	2,888	-	-	-	2,888	13,712
Leasing guide	4,884	-	-	-	4,884	7,276
Lunch meetings	13,620	-	-	-	13,620	52,175
Other revenue	4,397	-	-	-	4,397	7,936
Special events	140,773	-	-	-	140,773	386,254
Awards	11,109	-	-	-	11,109	32,296
Buildex trade show	7,840	-	-	-	7,840	20,738
BOMA BEST	149,520	-	-	-	149,520	202,393
Victoria chapter	4,924	-	-	-	4,924	39,807
Online Buyers' Guide	2,596	-	-	-	2,596	4,513
Natural Resources Energy Efficiency Program (Note 9)	69,720	-	-	-	69,720	49,549
Energy Manager Agreement for Power Smart Partners (Note 10)	25,000	-	-	-	25,000	50,000
Province of BC Ministry of Jobs Program Funding (Note 11)	155,150	-	-	-	155,150	-
BC Energy Advisor Program (Note 12)	100,000	-	-	-	100,000	100,000
FortisBC Sponsorship Agreement (Note 13)	-	-	-	-	-	75,000
2030 Resilient District (Note 14)	45,000	-	-	-	45,000	5,000
Government of Canada - CEWS (Note 16)	74,930	-	-	-	74,930	-
Government of Canada - CERS (Note 16)	10,291	-	-	-	10,291	-
Total Revenue, carried forward	1,450,208	-	-	-	1,450,208	1,652,485

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

**BUILDING OWNERS AND MANAGERS ASSOCIATION
BRITISH COLUMBIA**

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS (Continued)

	OPERATING FUND	GENERAL RESERVE FUND	ADVOCACY FUND	SPECIAL INITIATIVES FUND	YEAR ENDED DECEMBER 31 2020 TOTAL	2019 TOTAL
Total Revenue, brought forward	\$ 1,450,208	\$ -	\$ -	\$ -	\$ 1,450,208	\$ 1,652,485
Expenses						
Dues to BOMA Canada (Note 6)	71,096	-	-	-	71,096	69,362
Salaries and benefits	514,374	-	-	-	514,374	500,061
Victoria chapter	4,563	-	-	-	4,563	56,696
Office rent	72,995	-	-	-	72,995	71,470
Conferences	753	-	-	-	753	18,531
Credit card charges	14,244	-	-	-	14,244	20,380
Office expense	19,385	-	-	-	19,385	25,503
Other expenses	4,168	-	-	-	4,168	3,237
Public relations and interventions	2,385	-	-	-	2,385	20,376
Professional fees	25,346	-	-	-	25,346	24,400
Recruitment fees	-	-	-	-	-	7,600
Insurance	1,761	-	-	-	1,761	1,686
Board and committee meetings	21,255	-	-	-	21,255	11,949
Annual report	3,026	-	-	-	3,026	4,548
Equipment maintenance and rental, IT	1,726	-	-	-	1,726	128
BOMA BEST	9,422	-	-	-	9,422	90,377
Education programs	37,537	-	-	-	37,537	40,393
Seminars and workshops	3,119	-	-	-	3,119	2,086
Lunch meetings	11,084	-	-	-	11,084	45,514
Special events	68,585	-	-	-	68,585	293,976
Awards	4,669	-	-	-	4,669	39,590
Natural Resources Energy Efficiency Program (Note 9)	66,720	-	-	-	66,720	47,205
Energy Manager Agreement for Power Smart Partners (Note 10)	17,764	-	-	-	17,764	63,894
Province of BC Ministry of Jobs Program Funding (Note 11)	128,069	-	-	-	128,069	-
BC Energy Advisor Program (Note 12)	28,344	-	-	-	28,344	57,791
2030 Resilient District (Note 14)	38,111	-	-	-	38,111	4,488
Support to Coalition of B.C. Businesses	-	-	-	-	-	4,000
	1,170,501	-	-	-	1,170,501	1,525,241
Excess Of Revenue Over Expenses Before Amortization	279,707	-	-	-	279,707	127,244
Amortization Of Tangible Assets	8,207	-	-	-	8,207	7,656
Amortization Of Intangible Assets	348	-	-	-	348	498
Excess Of Revenue Over Expenses, carried forward	271,152	-	-	-	271,152	119,090

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

**BUILDING OWNERS AND MANAGERS ASSOCIATION
BRITISH COLUMBIA**

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS (Continued)

	OPERATING FUND	GENERAL RESERVE FUND	ADVOCACY FUND	SPECIAL INITIATIVES FUND	YEAR ENDED DECEMBER 31	
					2020 TOTAL	2019 TOTAL
Excess Of Revenue Over Expenses, brought forward	\$ 271,152	\$ -	\$ -	\$ -	\$ 271,152	\$ 119,090
Fund Balances, Beginning Of Year	1,705,158	500,000	75,000	50,000	2,330,158	2,211,068
Fund Balances, End Of Year	\$ 1,976,310	\$ 500,000	\$ 75,000	\$ 50,000	\$ 2,601,310	\$ 2,330,158

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

**BUILDING OWNERS AND MANAGERS ASSOCIATION
BRITISH COLUMBIA**

STATEMENT OF CASH FLOWS

	YEAR ENDED DECEMBER 31	
	2020	2019
Cash Flows from Operating Activities		
Excess of revenue over expenses	\$ 271,152	\$ 119,090
Items not affecting cash:		
Amortization of tangible assets	8,207	7,656
Amortization of intangible assets	348	498
Unrealized gain on marketable securities	<u>(94,959)</u>	<u>(47,967)</u>
	184,748	79,277
Changes in non-cash working capital items:		
Accounts receivable	(41,137)	9,446
Prepaid expenses	7,253	(31,070)
Accounts payable and accrued liabilities	(77,314)	1,637
Dues and fees received in advance	<u>15,100</u>	<u>98,599</u>
	<u>88,650</u>	<u>157,889</u>
Cash Flows from Investing Activities		
Purchase of tangible assets	(1,123)	(17,166)
Redemption (purchase) of short term investments	128,491	(7,149)
Purchase of marketable securities	<u>(30,024)</u>	<u>(1,362,065)</u>
	<u>97,344</u>	<u>(1,386,380)</u>
Increase (Decrease) In Cash and Cash Equivalents For The Year	185,994	(1,228,491)
Cash and Cash Equivalents, Beginning Of Year	<u>753,391</u>	<u>1,981,882</u>
Cash and Cash Equivalents, End Of Year	<u>\$ 939,385</u>	<u>\$ 753,391</u>

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

BUILDING OWNERS AND MANAGERS ASSOCIATION BRITISH COLUMBIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2020

1. PURPOSE OF ORGANIZATION

Building Owners and Managers Association British Columbia (the "Association") acts as an advocate for the commercial real estate industry and provides research, education, services and networking opportunities for its membership. The Association is affiliated with an international network of other Building Owners and Managers Associations.

The Association is incorporated under the Societies Act of British Columbia and is exempt from income taxes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Presentation

These financial statements were prepared in accordance with Part III of the Chartered Professional Accountants ("CPA") Canada Handbook – Accounting Standards for Not-for-Profit Organizations, which sets out generally accepted accounting principles for not-for-profit organizations in Canada ("GAAP"), and include the significant accounting policies described hereafter.

b) Fund Accounting

The Society follows the principles of fund accounting.

The Operating Fund accounts for the Association's program delivery and administrative activities.

The General Reserve Fund is to ensure the organization has sufficient funds, as a contingency, to cover operating expenses for at least one year.

The Advocacy Fund is to fund advocacy related issues which are not included in the operating budget, as determined by Board resolution.

The Special Initiatives Fund is to fund unique projects or initiatives which are not included in the operating budget, as determined by Board resolution.

c) Cash and Cash Equivalents

Cash and cash equivalents include cash and short term deposits with maturities of three months or less when acquired. Deposits with maturity of greater than three months, but less than one year are excluded from cash and cash equivalents.

**BUILDING OWNERS AND MANAGERS ASSOCIATION
BRITISH COLUMBIA**

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d) Short Term Investments

Short term investments consist of Guaranteed Investment Certificates with maturity dates of one year or less from the date of acquisition.

e) Revenue Recognition

The Association follows the deferral method of accounting.

Membership fees revenues are accrued when a new member joins, and are prorated to reflect only the amount that pertains to the current year. Upon receipt of the new members' dues, the amount that pertains to a future fiscal year is recorded as dues and fees received in advance. Membership fees revenues for other members are recognized upon receipt but are deferred and shown as dues and fees received in advance if they relate to the subsequent period.

Other revenues are recognized in the fiscal year in which the related event or course occurs.

f) Capital Assets

The costs of capital assets are capitalized upon meeting the criteria for recognition as a capital asset, otherwise, costs are expensed as incurred. The cost of a capital assets comprises its purchases price and any directly attributable cost of preparing the asset for its intended use.

A capital asset is tested for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. If any potential impairment is identified, then the amount of the impairment is quantified by comparing the carrying value of the capital asset to its fair value. Any impairment of the capital asset is charged to income in the period in which the impairment is determined. An impairment loss is not reversed if the fair value of the capital asset subsequently increases. As at December 31, 2020, the Association considers the carrying value of the capital assets not to be impaired.

**BUILDING OWNERS AND MANAGERS ASSOCIATION
BRITISH COLUMBIA**

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f) Capital Assets (Continued)

i) Tangible assets

Tangible assets, consisting of furniture and equipment and leasehold improvements, are measured at cost less accumulated amortization and accumulated impairment losses.

Amortization of furniture and equipment is provided for on the declining balance method at a rate of 20% per annum. Amortization of computer equipment is provided for on the declining balance method at a rate of 30% per annum. Leasehold improvements are amortized on a straight-line basis over a five year term lease.

ii) Intangible assets

Intangible assets consist of separately acquired computer application software. The computer application software is measured at cost less accumulated amortization and accumulated impairment losses.

Amortization of computer application software is provided for on the declining balance method at a rate of 30% per annum.

g) Management Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions. These estimates and assumptions 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. Actual results could differ from management's best estimate as additional information becomes available in the future.

h) Financial Instruments

Initial and subsequent measurement

The Association initially measures its financial assets and liabilities at fair value. The Association subsequent measures all its financial assets and liabilities at cost or amortized cost, except for investment in equity instruments that are quoted in an active market, which are measured at fair value. Changes in the fair value of these financial instruments are recognized in income in the period incurred.

**BUILDING OWNERS AND MANAGERS ASSOCIATION
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NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h) Financial Instruments (Continued)

Financial assets measured at amortized cost on a straight-line basis include cash and cash equivalents, short term investments and accounts receivable.

Financial assets measured at fair value include marketable securities.

Financial liabilities measured at amortized cost on a straight-line basis include accounts payable and accrued liabilities.

Transaction costs

Transaction costs related to financial instruments that will be subsequently measured at fair value are recognized in income in the period incurred. Transactions costs related to financial instruments subsequently measured at amortized cost are included in the original cost of the asset or liability and recognized in income over the life of the instrument using the straight-line method.

Impairment

For financial assets measured at cost or amortized cost, the Association determines whether there are indications of possible impairment. When there is an indication of impairment, and the Association determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in income. A previously recognized impairment loss may be reversed. The carrying amount of the financial asset may not be greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in income.

3. FINANCIAL ASSETS AND LIABILITIES

The Association's activities result in exposure to a variety of financial risks, including risks related to interest rates, credit and liquidity.

a) Credit Risk

The Association is exposed to credit risk with cash and cash equivalents and short term investments held at one financial institution. This risk is mitigated because the financial institution is a major credit union.

The Association is also exposed to credit risk which arises from the possibility that its members and funders may experience financial difficulty or a change in their philosophy, and be unable or unwilling to fulfil their contractual obligations. However, the Association has a large number of diverse members and funders which minimizes concentration of risk.

**BUILDING OWNERS AND MANAGERS ASSOCIATION
BRITISH COLUMBIA**

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2020

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

b) Liquidity Risk

Liquidity risk is the risk of being unable to meet cash requirements or fund obligations as they become due. It stems from the possibility of a delay in realizing the fair value of financial instruments.

The Association manages its liquidity risk by constantly monitoring forecasted and actual cash flows and financial liability maturities, and by holding assets that can be readily converted into cash.

Accounts payable and accrued liabilities are generally paid within 30 days.

c) Market Risk

Market risk is the risk of loss that may arise from changes in market factors, such as interest rates.

i) 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 and floating interest rate financial instruments. Fixed-interest instruments subject the Association to a fair value risk, since fair value fluctuates inversely to changes in market interest rates. Floating rate instruments subject the Association to related cash flow risk. The Association's exposure to interest rate risk is minimal.

ii) Other Price Risk

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

The Association is exposed to other price risk from its investments in marketable securities. The fair value of the Association's market securities at December 31, 2020 is \$1,535,015 (2019 - \$1,410,032). Based on the carrying value of the marketable securities, an increase or decrease of 10% of the market prices of the underlying assets would result in estimated gains or losses of \$154,000 (2019 - \$141,000). In practice, actual trading results may differ.

**BUILDING OWNERS AND MANAGERS ASSOCIATION
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NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2020

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

d) Coronavirus ("COVID-19")

COVID-19, which has been recognized by the World Health Organization as a pandemic, has spread rapidly and extensively across the globe. Efforts by governments to control the further spread of COVID-19 have disrupted normal economic activity both domestically and globally. Uncertainty related to the extent, duration and severity of the pandemic contributed to significant volatility during the 2020 fiscal year.

4. CAPITAL ASSETS

	2020		
	COST	ACCUMULATED AMORTIZATION	NET BOOK VALUE
Tangible assets			
Furniture and equipment	\$ 120,078	\$ 107,012	\$ 13,066
Computer equipment	77,504	71,377	6,127
Leasehold improvements	48,414	40,172	8,242
	\$ 245,996	\$ 218,561	\$ 27,435
Intangible asset			
Computer software	\$ 30,520	\$ 29,707	\$ 813
	2019		
	COST	ACCUMULATED AMORTIZATION	NET BOOK VALUE
Tangible assets			
Furniture and equipment	\$ 120,078	\$ 103,746	\$ 16,332
Computer equipment	76,380	68,791	7,589
Leasehold improvements	48,414	37,816	10,598
	\$ 244,872	\$ 210,353	\$ 34,519
Intangible asset			
Computer software	\$ 30,520	\$ 29,359	\$ 1,161

**BUILDING OWNERS AND MANAGERS ASSOCIATION
BRITISH COLUMBIA**

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2020

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2020	2019
Trade payables and accrued liabilities	\$ 38,584	\$ 123,719
Goods and services tax	9,137	4,264
Payroll taxes	<u>28,447</u>	<u>25,499</u>
	<u>\$ 76,168</u>	<u>\$ 153,482</u>

6. RELATED PARTY TRANSACTION

The Association is a federated member of BOMA Canada, and pays annual fees to BOMA Canada based on its geographic representation and in accordance with a national federated agreement with all other BOMA local associations. The Association paid \$71,096 (2019 - \$69,362) in dues to BOMA Canada.

7. DUES AND FEES RECEIVED IN ADVANCE

Dues and fees received in advance are comprised of amounts restricted for the funding of expenses to be incurred in the future. Dues and fees received in advance are as follows:

	2020	2019
Beginning balance, related to operating funds	\$ 242,739	\$ 144,140
Less: Amount recognized as revenue in the year	<u>(242,739)</u>	<u>(144,140)</u>
	<u>-</u>	<u>-</u>
Add: Amounts received related to the following year:		
Prepaid membership dues and other	135,439	141,739
Prepaid sponsorship fees and other	122,400	101,000
	<u>257,839</u>	<u>242,739</u>
Ending balance, related to operating fund	<u>\$ 257,839</u>	<u>\$ 242,739</u>

**BUILDING OWNERS AND MANAGERS ASSOCIATION
BRITISH COLUMBIA**

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2020

8. COMMITMENTS

On July 12, 2017, the Association extended the lease agreement for its office space due to expire on October 31, 2017 for an additional five years commencing on November 1, 2017, and expiring on October 31, 2022. Minimum basic annual lease payments required for each fiscal period under the terms of the lease are as follows.

2021	\$ 39,360
2022	<u>32,800</u>
	<u>\$ 72,160</u>

In addition to the minimum basic annual lease payments, the Association is also responsible for its proportionate share of property taxes and operating costs.

9. NATURAL RESOURCES ENERGY EFFICIENCY PROGRAM

On February 15, 2019, the Association and Minister of Natural Resources entered into a Energy Efficiency Program to improve energy efficiency in Canada related to the industrial, residential, and commercial/institutional building sectors. In 2019, the Association received funding in the amount of \$49,549 under the contract for the period from February 15, 2019 to March 31, 2020. In 2020, the Association received a funding in the amount of \$69,720. The Association has recorded revenue of \$69,720 (2019 - \$49,549) for the year ended December 31, 2020 for services provided.

10. ENERGY MANAGER AGREEMENT FOR POWER SMART PARTNERS

The Association and BC Hydro & Power Authority have entered into an Energy Manager Program Agreement, dated February 25, 2013, to promote energy efficiency in buildings. This contract provides for a dedicated Energy Manager resource to the Association to establish or identify and enhance energy efficiency opportunities, and a conservation culture at BC Hydro customer facilities. During 2017, BC Hydro revised the contract, which has now been extended to three years instead of on a year-by-year basis from April 1, 2017 to March 31, 2020 to a maximum funding of \$50,000 per year. The Association has recorded revenue of \$25,000 (2019 - \$50,000) for the year ended December 31, 2020 for reimbursement towards support services provided. The Association has received and recorded \$175,000 in revenues since the beginning of this agreement.

11. PROVINCE OF BC MINISTRY OF JOBS, TOURISM AND SKILLS TRAINING

The Association has received a funding grant in 2020 through the Province of British Columbia Ministry of Jobs, Tourism and Skills Training in the amount of \$155,150 under Phase 1, to support labour market partnership program for funding to establish a stakeholder engagement strategy to address commercial real estate sector labour shortage issues including both building operations and property management positions. The Association has recorded revenue of \$155,150 (2019 - \$Nil) for the year ended December 31, 2020 for services provided.

BUILDING OWNERS AND MANAGERS ASSOCIATION BRITISH COLUMBIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2020

12. BC ENERGY ADVISOR PROGRAM

The Association and Minister of Energy, Mines and Petroleum Resources entered into an agreement that the Province of BC will provide a \$300,000 Innovative Clean Energy Fund financial contribution over three years starting on July 31, 2017 and ending on July 31, 2020. On September 19, 2017, the Association received a funding in the amount of \$100,000. On January 25, 2019, the Association received a funding in the amount of \$100,000. On February 10, 2020, the Association received a funding in the amount of \$100,000. The Association has recorded revenue of \$100,000 (2019 - \$100,000) for the year ended December 31, 2020 for services provided. The Association has received and recorded \$300,000 in revenues since the beginning of this agreement.

13. FORTISBC SPONSORSHIP AGREEMENT

On October 3, 2017, the Association and FortisBC Energy Inc. entered into a Sponsorship Agreement to help advance energy efficiency education and training from October 1, 2017 to December 31, 2018 targeting commercial real estate industry. On October 16, 2017, the Association received funding in the amount of \$60,000 and \$15,000 in 2018. The agreement was extended from January 1, 2019 to December 31, 2020. The Association received an additional funding of \$75,000 in 2019 and there were no further payments required for this agreement. The Association has recorded revenue of \$Nil (2019 - \$75,000) for the year ended December 31, 2020 for services provided. The Association has received and recorded \$150,000 in revenues since the beginning of this agreement. The agreement was extended from December 2020 to December 2022. The Association received an additional funding of \$75,000 on December 23, 2020 and this has been deferred to the subsequent years.

14. 2030 RESILIENT DISTRICT

On February 27, 2019, the Association and Cora Hallsworth Consulting entered into an offer of services to support of a Greater Victoria 2030 Resilient District. In 2019, the Association received funding in the amount of \$50,000 from the municipalities of Victoria and Saanich British Columbia for the period from October 2019 to October 2020. The Association has recorded revenue of \$45,000 (2019 - \$5,000) for the year ended December 31, 2020 for services provided. The Association has received and recorded \$50,000 in revenues since the beginning of this agreement.

**BUILDING OWNERS AND MANAGERS ASSOCIATION
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NOTES TO FINANCIAL STATEMENTS

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15. CAPITAL MANAGEMENT

The Association receives its principal sources of capital through membership dues, publications, education programs, lunch meetings, special events, awards, sponsorships, Buildex Trade Show, and energy training programs. The Association defines capital to be net assets.

The Association's objective when managing capital is to provide financial support for the Association. In order to achieve this objective, the Association seeks, within policies established and reviewed from time to time by the Association's Board, to maximize revenues and contain expenses.

It is the Association's policy to retain net assets sufficient to cover operational expenses for the upcoming year. The Association is not subject to external capital requirements or restrictions other than those inherent in fulfilling the purposes for which it received funding from funders for specific projects.

16. COVID-19 ASSISTANCE

During the year, the Association received Canada Emergency Wage Subsidy (CEWS) related to COVID-19 in the amount of \$74,930.

During the year, the Association received Canada Emergency Rent Subsidy (CERS) related to COVID-19 in the amount of \$10,291.