



SASKATCHEWAN
CONSTRUCTION SAFETY
ASSOCIATION

2023 ANNUAL REPORT



About the SCSA

The Saskatchewan Construction Safety Association (SCSA) is a non-profit organization funded by the construction industry to provide cost-effective, quality safety training, programs and advice. Established in 1995, SCSA remains committed to injury prevention.

SCSA serves member companies that are registered with the Saskatchewan Workers' Compensation Board (WCB) for building construction. Companies in residential, commercial and industrial construction or construction trades become automatic members of the association.

Vision

The SCSA is an important voice driving a business culture of physical and mental safety for all and the centre of excellence for construction safety training programs.

Mission

The SCSA promotes safety within the construction environment and leads the development of a safety culture through education, consultancy and building awareness towards safer communities.

Board of Directors

KEITH BIRD, CHAIRPERSON, RNF Ventures Ltd.

DANA PAIDEL, Icon Construction Ltd.

DION MALAKOFF, Saskatchewan Building Trades Council

BRIAN BARBER, Ledcor

MARK NOVECOSKY, Flynn Group of Companies

BEN MILLER, Big Block Construction

TJ KING, SMART Local 296

RYAN GERANSKY, Geransky Bros Construction

COREY JOHNSON, Flyer Electric

CAROLYN BAGNELL, Mechanical Contractors Association of Saskatchewan

Message from the Chairperson



Keith Bird, SCSA Chairperson

The Saskatchewan construction industry saw the start of a post-Covid resurgence in 2023. With the increased activity, the SCSA saw an increased demand for services. The SCSA launched a new on-demand training platform, developed new instructor led courses, added new technology to program delivery and made a concentrated effort to adapt services to meet the needs of members.

One of the highlights of 2023 was the completion and signing of the new five-year funding agreement between the SCSA and WCB. I would like to acknowledge the diligent work done by Collin and his team. I would also like to acknowledge the countless volunteer hours put into this agreement by SCSA past presidents Errol Fisher, Mark Novacosky and Ryan Smotra. Their time, energy and expertise were invaluable. Thank you!

The outreach and engagement delivered in regional communities this year showed the SCSA's strength and dedication as a provincial association. The Annual General Meeting in Yorkton was an opportunity to meet others in the local industry and learn from guest speaker Brad Siroski about the importance of mental health and substance use awareness. Numerous other outreach events included Melfort, Meadow Lake, Prince Albert and many other sites for safety demonstrations and advisory visits around the province. I look forward to this year's AGM in Swift Current.

I was pleased to attend the SCSA Employee Service Awards in December and was impressed by the large number of long-term staff. Retention and promotion within the organization ensures that quality people pass on their enthusiasm and expertise not only to members, but other employees. At the all-staff meeting at Manitou Beach, a real sense of team was evident in the sharing of strategy, goals and ideas to better serve members.

Congratulations to this year's SCSA Award nominees and winners. It was great to see so many quality nominations come in from many different regions across the province. The leadership and unwavering commitment these companies and individuals demonstrate bodes well for building a culture of physical and mental safety for all.

Our province is well-served as the SCSA *promotes safety in the construction environment and continues to lead the development of a safety culture through education, consultancy, and building awareness towards safer communities.*

Though growth in our industry comes with concerns and pressures, we can be excited about the future of Saskatchewan construction and feel confident in the SCSA's role in ensuring its success.

Keith Bird
SCSA Chairperson

Message from the President



Collin Pullar, SCSA President

In early 2023, we began implementation of a new strategic plan focused on ensuring members could benefit from digital transformation, supporting a tighter business labour force and finding ways to better support newcomers in Saskatchewan communities. While this may sound very low key in nature, it actually represents significant and continued business transformation that, in many ways, reflects the realities of what most Saskatchewan construction businesses are experiencing.

Much of the transformation is driven by the need to be more effective with time and resources

in order for companies to be competitive and deliver on projects. The need to attract, retain and maintain qualified and skilled people has become even more important in a competitive labour market. The need for improved systems, increased productivity and adaptation is greater than ever.

The Saskatchewan Construction Safety Association (SCSA) has been on a long journey of supporting cultural transformation and more recently, business transformation. We have been adapting the way we serve our members to be more accessible and flexible – hearing their concerns and providing options with more efficient use of worker and employer time, along with the convenience they seek.

In 2023, our member companies began to see the implementation of a new on-demand training platform which allows workers to access SCSA training courses and other learning materials on a 24/7 basis. Workers can take critical training at times that better suit their work and life schedules, from wherever they may be, without delay. Serving rural and remote communities has been a critical driver in this initiative. The library of content on this learning management system will continue to grow in 2024.

For those who participate in or are considering the Certificate of Recognition (COR®) program, 2023 saw the implementation of cloud-based auditing software to better support and improve the process and time required for COR® audits. This significant improvement complements and enhances the capabilities of the SCSA Analytics platform that is available to all SCSA member companies – saving the cost of time for

company owners and improving the quality and consistency of their own business data.

Throughout 2023, the SCSA continued to explore and share mental health resources through our industry partners and brought impactful speakers to local communities. This focus on healthy minds will continue to be a priority for some time and we're grateful to all who have been supporting us in this effort.

We took further steps to ensure relevance to all parts of Saskatchewan and all matters of diversity in collaboration with partners such as Saskatchewan Indian Institute of Technology in delivering training. Organizational excellence relies on building healthy and lasting partnerships. In continuing to develop a customer-centric culture, this effort to reach and engage underserved communities will continue.

In conclusion, my sincerest thanks to the SCSA Board Of Directors, our funding partners at the Saskatchewan WCB and WorkSafe Saskatchewan, the SCSA team and our hardworking members. Together, we will continue to make a difference in improving construction safety and ensuring a healthy, productive industry.

Collin Pullar
SCSA President

Operations Report



Ledcor Safety Day

INTRODUCTION

As the provincial industry association dedicated to promoting safety within construction environments, the Saskatchewan Construction Safety Association (SCSA) is a listening organization. The SCSA exists to serve its members with programs, services and advice to prevent injuries and support their businesses in creating safe and healthy workplaces.

Guided by the value of Service Focus, in 2023 the SCSA made a deliberate, ongoing effort to hear from members to inform program delivery, adapt services, increase engagement and respond to changing needs as the construction industry evolves.

Member feedback showed the SCSA is on the right path in making data-driven decisions, following a well-developed strategy created by its board of directors in extensive consultation with members. Priorities through 2025 include the use of technology, expanded course offerings, increased accessibility of learning opportunities,

enhanced consultancy services, monitoring of engagement with members and leading the development of a positive culture around safety across Saskatchewan.

At the time of writing, 2023 time-loss injuries were trending lower in B11, B12, and B13 rate codes compared with 2022. Two of three SCSA rate codes are expected to have lower rates of injuries than the five-year averages. Also at the time of writing, there were 174 total serious injuries in the B rate codes. In 2022, there were 210 serious injuries. Final statistics from the Saskatchewan Workers' Compensation Board (WCB) will be available in early 2024.

Current reporting shows no fatalities for the construction industry in 2023, but occupational diseases may not show up in statistics in the current year. The SCSA continues to work in partnership with WorkSafe Saskatchewan to promote injury prevention as outlined in the updated Fatality and Serious Injury Strategy to address common issues affecting the construction industry.

Operations Report



Safety BBQ in Melfort with Collin Pullar and MLA Todd Goudy



Safety BBQ in Meadow Lake

MEMBER ENGAGEMENT

Customer and member satisfaction is the SCSA's strategic imperative. The SCSA values its customers, aiming to respond and adapt to their needs as new concerns arise. Extensive member research in 2023 informed ongoing program development and service delivery in response to changes in member preferences.

For the first time, the SCSA started measuring net promoter score – a metric used to determine customer loyalty and satisfaction. A rating on a scale of one to ten shows how likely a customer is to recommend the organization to others. Using this metric, the SCSA achieved a net promoter score of 74. This score indicates that the SCSA has satisfied customers, generating a lot of positive word of mouth and referrals. Similarly, internal SCSA research indicated that seven out of ten members or customers were satisfied with the services they received.

Internal research also confirmed that members find the SCSA to have a friendly and welcoming atmosphere. As a training provider, the learning environment was noted to be positive, enjoyable and even fun. Members appreciated the quality of training, with great

instructors who use enthusiasm and humour to convey knowledge in an engaging manner. Members also positively acknowledged the overall help provided by the SCSA to promote safety on work sites, build effective safety programs and provide customized guidance.

“At the end of the day, we all have families and we want to go to work, do our job the best we can and go home safely. This award will help convey that message.”

-Chris Paposi, Health and Safety Manager, Ram Steel

In addition to customer loyalty, the SCSA conducted external research to gauge support for the SCSA among the general public. According to Inshtrix Research, 72 per cent of the public would say the SCSA contributes to preventing workplace injuries at construction sites in Saskatchewan. Though the SCSA does not target the general public with external messaging, this research showed good overall awareness in the broader population.

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“There are risks to working in construction if your mind is not in the game. If mentally and emotionally you aren’t in the right headspace, you can seriously harm yourself and possibly a lot of other people on the job.

-Brad Siroski, Mental Health and Substance Use Educator

The SCSA believes in building relationships with members and customers through a robust communications presence. Throughout the year, the SCSA advertises on radio and digital, publishes an annual report and numerous articles, distributes a monthly electronic newsletter to 17,000 subscribers, pursues earned media and is active on several social media platforms. The SCSA’s engagement and reach grew on all social media platforms, with a focus on growing its business following on LinkedIn.

The SCSA’s website had 357,000 visits, with the top ranking pages beyond the home page including Tool Box Talks, the Instructor Led Training schedule, SCOT®, safety document resources and the NCSO™ program. Visitors downloaded about 45,000 Tool Box Talks and over 7,000 other safety documents.

Two editions of the Safety Advocate digital magazine were published on the SCSA’s website, with content covering leadership, safety culture, mental health, injury prevention and member profiles. The SCSA also published expert articles in the digital and printed editions of We Build and Industry West magazines.

Over 2,000 safety messages were delivered on radio with year-round spots on Rawlco and Missinipi Broadcasting stations (in English, Cree and Dene). Digital ads ran in the 12 regional markets of the SJHL as part of a sponsorship agreement. The SCSA also had featured spots on Rider Radio as the injury report sponsor throughout the Saskatchewan Roughrider season, regional ads in Yorkton in advance of the 2023 Annual General Meeting with featured guest speaker Brad Siroski and a public service announcement produced by Access Communications.



Ram Steel, Corporate Leadership in Safety Award Winner

SCSA outreach events in Yorkton, Meadow Lake, Melfort, Saskatoon and Regina included speakers, safety demonstrations, community BBQs and staff meet-and-greets.

The annual SCSA Conference was held online over two mornings in April, with sessions on legal trends, WorkSafe Saskatchewan’s updated Fatality and Serious Injury Strategy, construction leadership, mental fitness and a Threads of Life testimonial.

The SCSA Awards continued to build positive perceptions in the community for safety excellence in construction, with great engagement on social media for the SCSA and the featured member companies. Ten finalists and three winners were recognized in three categories – Corporate Leadership, Safety Leader and Safety Practitioner. Nominees came from eight different regions, with winners Ram Steel in Saskatoon, Dustin Brears of Credence Construction in Yorkton and Kevin Lavoie of Supreme Steel working at the Rocanville mine. The announcement was covered by regional and national media.

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Fall Protection & Prevention Training

ADVISORY SERVICES

The SCSA completed over 3,600 service calls in 2023. These interactions with members included tool box talks, pre-audit checks, safety program development, orientations, site inspections, customized guidance, demonstrations and safety days on member sites.

Eight out of ten members were satisfied with the services they received from SCSA advisors. Advisory services works closely with Saskatchewan WCB to assist firms with understanding and applying the provincial strategy for serious injuries and fatalities.

The advisory services team completed work in 2023 to improve tracking of site visit documentation going forward in 2024. The update in technology provides additional transparency and better information for members. The implementation will improve internal processes and facilitate better communication in the advisory team, with easier tracking of service delivery.

Advisors continued to assist member companies in accessing their custom analytics dashboards and interpreting the data to make informed decisions around safety performance. Over 500 member

companies have participated in the SCSA safety culture survey, delivered twice a year. Advisors encouraged member participation and provided guidance on building a positive safety culture based on company results.

Advisory services also developed and launched a new demonstration for impalement protection, showing the protective properties of various rebar caps.

TRAINING SERVICES

SCSA safety training remains cost-effective and easy to access for every member company around the province, with an expanding catalogue of courses delivered by instructors, online or in person. Course participation showed a modest increase over 2022. The most in-demand Instructor Led Training courses were Leadership for Safety Excellence and Fall Protection and Prevention Training.

Eight out of ten students were satisfied with training taken from the SCSA within the past year. Customers showed a high preference for instructor led courses delivered online. Approximately 65 per cent of SCSA instructor led courses were executed through online training compared to 35 per cent in person.

The SCSA launched a new instructor led Ground Disturbance for Construction course, which is recognized by the Saskatchewan Common Ground Alliance (SCGA). Developed by industry professionals, it sets a new standard for ground disturbance safety training in Saskatchewan construction. General Scaffold Safety Training was also developed and launched, with a focus on metal frame scaffolding and practical, hands-on experience assembling the different scaffold systems most commonly used in the industry.

“The instructors truly care about safety and seem passionate about the material they are teaching.”

-Training student feedback

In addition to instructor led training, the SCSA launched a suite of new on-demand courses on construction safety essentials,

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leadership and mental health topics. These courses are available for purchase and completion anytime on any device. Flexible, convenient and affordable, the on-demand learning platform opens up options for members to train in their own time, anywhere in the province.

SCOT® was refreshed and relaunched on the new on-demand platform. It continued to be the most popular SCSA course, providing essentials of construction safety on Saskatchewan construction sites.

PROGRAM SERVICES

The SCSA continued to deliver safety programs that meet a national standard, with proven practices widely shared across Canada. The Canadian Federation of Construction Safety Associations announced mid-2023 the milestone of 10,000 active COR® certified companies across the country.

The nationally harmonized COR® audit instrument was rolled out in Saskatchewan in January of 2023. The new audit changes included:

- A new section for Procurement and Contractor Management,
- Changes to scoring, allowing for partial points to be awarded on some questions,
- Updated guidelines.

“You want to have your people go home safe. And the only way you can do that is by educating them and teaching them right on a daily basis.”

-Don Janzen, Construction Manager, Pacesetter Homes

In September of 2023, the SCSA moved all external COR® audits to a new and innovative electronic audit tool. A rollout of the electronic audit for COR® and SECOR® internal audits is expected in 2024. These programs are proven to benefit members with fewer injuries, improved safety performance, better safety culture, bidding advantages and potential cost savings on WCB premiums.

The NCSO™ program showed growth with 49 certifications and a pass rate of 84 per cent on the written exam. The distinct but

equivalent NHSA™ program had 14 new certifications, bringing the total number of safety professionals in Saskatchewan holding these designations to over 2,000.

FINANCIAL STEWARDSHIP

SCSA operates under a funding agreement with Saskatchewan WCB, carrying out occupational health and safety activities as detailed in the agreement. Consistent with previous years, the SCSA was funded approximately 80 per cent through Saskatchewan WCB funding and dues paid by members, with the remaining 20 per cent collected from fees for services.

A new funding agreement was reached between the SCSA and WCB that will be in effect through 2028. The agreement clarifies the partnership between the organizations to use construction industry funds toward the common goal of driving down injury rates. With a long-standing partnership over many years, this funding ensures the SCSA can remain focused on supporting members to prevent injuries, maintain a healthy workforce and improve their safety performance.

“We just keep coming back to the SCSA because they provide quality training. Whenever we can use the SCSA, any construction company should be using them.”

-Bruce Churchwell, Senior HSE Coordinator, Wright Construction

The SCSA believes in high standards of financial transparency. See the separate transparency report for more details. All financial variances over 10 per cent and \$7,500 were reported to the SCSA finance committee. The SCSA received a clean audit report in 2023 from the auditor chosen at the SCSA Annual General Meeting (KPMG).

Like most businesses, the SCSA saw increased inflationary pressures on several goods and services. Modest growth in revenue helped offset external factors. In 2023, 66 new firms were invoiced for the first time by the SCSA, showing a growing customer base. 10,672

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students were invoiced for over \$786,000 for courses and safety materials.

The SCSA's planned deficit was lower than expected owing to high interest rates, increased revenue from non-members and the availability of government grants for team development and staff training. \$176,275 was collected from audit fees for non-members. The operating reserve grew to \$1,568,370.

The SCSA will continue to listen to and communicate with members, showing value as a partner to ensure adequate funding going forward.

TEAM DEVELOPMENT

The SCSA spent less than expected on staff training in part due to training grant funding from the provincial and federal governments. All employees received both a behaviour-based and goal-based performance assessment in a consistent framework for feedback across the organization.

91 per cent of SCSA employees completed the Q12 Employee Engagement Survey through a process designed by Gallup. The SCSA obtained favourable results compared to industry benchmarks with an engagement mean of 3.98 (out of 5) and an engagement index of 45 per cent of employees considered actively engaged. In comparison, 33 per cent of the North American workforce is actively engaged and 23 per cent globally.

New hires continued to provide feedback that employees are approachable, helpful and welcoming. The employee retention rate was 6 per cent higher than in 2022, showing that the SCSA continues to retain its workforce and demonstrate aspects that make it a great place to work. A focus on the employee experience helps drive organizational results that support the mission and mandate of serving members.

Employee tenure also continued to climb, which is positive. Employees stay with the SCSA for an average length of 6.05 years. This was an increase of a half-year from 2022 and the first increase seen since 2020 when the length of service increased from 4.5

years in 2019 to 5.6 years.

The SCSA held two all-staff meetings, one in Watrous and one in Davidson to share plans, goals and progress of SCSA business plans.

CONCLUSION

With an almost 30-year history, injury prevention remains the SCSA's top priority. Ensuring that no one gets hurt on the job is not only a moral imperative but also essential for the health and productivity of Saskatchewan's construction industry. By prioritizing safety, the SCSA supports members to complete projects without incident or delay, maintain a healthy workforce and achieve their business goals.

In 2023, the SCSA received positive feedback on areas where it is doing well and heard the desire for increased course offerings, developed specifically for Saskatchewan construction environments, with flexible online options. With a focus on service improvement, the SCSA saw modest growth while handling external pressures.

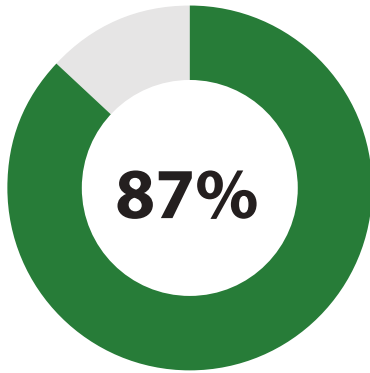
We express gratitude to our government funders, dedicated board of directors and valued members. Your commitment to the SCSA allows us to continue the important work of improving safety, promoting excellence and adapting to change within the construction industry. We look forward to overcoming challenges, embracing opportunities and continuing to be a bedrock of support for the construction community.



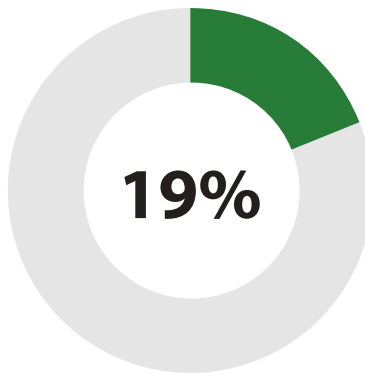
Graham site in Prince Albert

SCSA People At a Glance

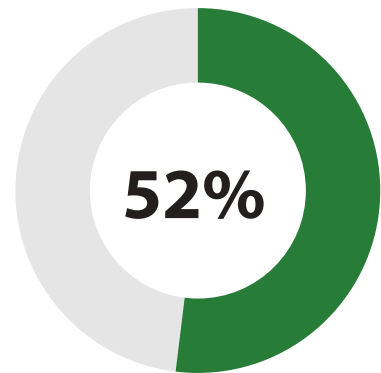
ANNUAL
RETENTION RATE



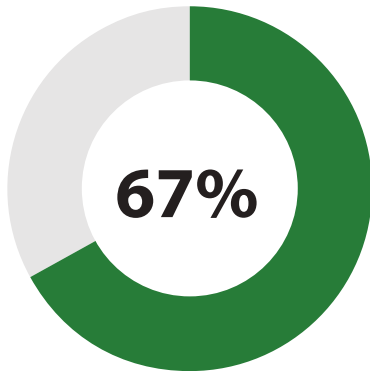
ANNUAL
TURNOVER RATE



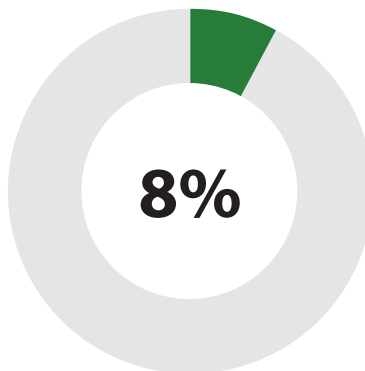
FEMALE PERCENTAGE
– EMPLOYEES



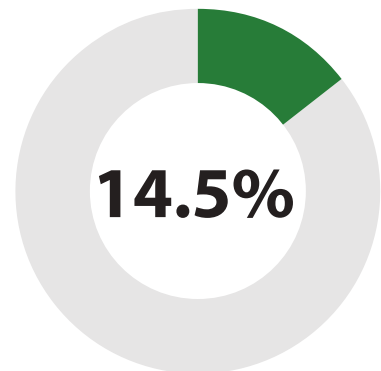
FEMALE PERCENTAGE
– EXECUTIVE LEVEL



PROMOTION
RATE



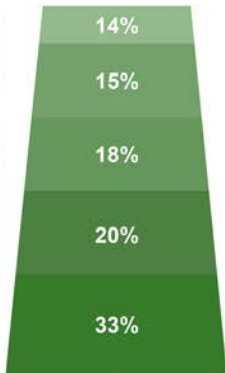
CHURNOVER
RATE



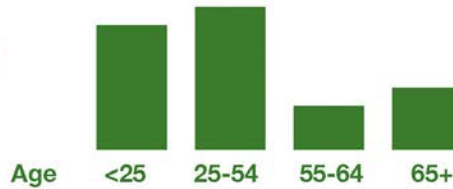
Average Length of Service
6.05 Years

SCSA Business At a Glance

INDUSTRY SNAP SHOT



New Housing
Non-Residential Maintenance
Industrial / Commercial
Residential Maintenance
Engineering



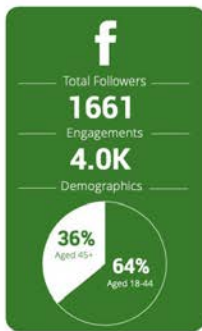
297 COR®
43 SECOR®



47 Registrations
14 Certifications
711 Total in SK



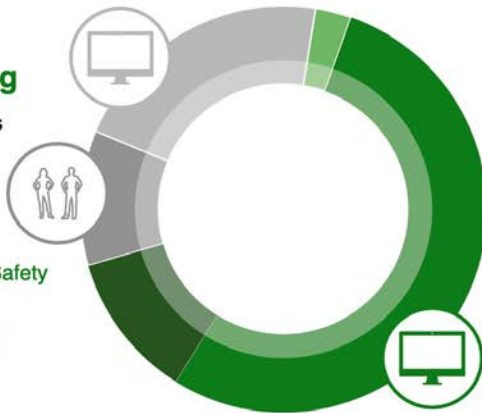
65 Registrations
39 Certifications
1334 Total in SK



★ Instructor Led Training

3266 Total Certificates
1095 In Person
2171 Online

Popular Courses
646 Fall Protection
603 Leadership for Safety Excellence
292 OHC Level 1
288 Confined Space
287 Safety Auditor



★ On Demand Training

292 Total Certificates

Safety Construction Orientation Training SCOT®

6643 Total Certificates
1188 Total SCOT® for Schools Certificates



16 954
Subscribed
41% Open Rate
3% Click Rate
Industry Average 27% & 4%

Financial Statements

Financial Statements of

SASKATCHEWAN CONSTRUCTION SAFETY ASSOCIATION INC.

And Independent Auditor's Report thereon

Year ended December 31, 2023



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Canada
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Fax (306) 757 4703

INDEPENDENT AUDITOR'S REPORT

To the Members of Saskatchewan Construction Safety Association Inc.

Opinion

We have audited the financial statements of Saskatchewan Construction Safety Association Inc. (the Entity), which comprise:

- the statement of financial position as at December 31, 2023
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2023, and its results of 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 auditor's report.

We are independent of the Entity 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 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity'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 the 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 Entity'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 Entity'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 Entity 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.
- 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.

KPMG LLP

Chartered Professional Accountants

Regina, Canada

February 15, 2024

SASKATCHEWAN CONSTRUCTION SAFETY ASSOCIATION INC.

Statement of Financial Position

As at December 31, 2023, with comparative information for 2022

	2023	2022
Assets		
Current assets:		
Cash	\$ 1,229,869	\$ 1,861,448
Accounts receivable	35,175	37,558
Short-term investments (note 2)	1,568,370	1,520,616
Prepaid expenses	214,903	127,397
	<u>3,048,317</u>	<u>3,547,019</u>
Property, plant and equipment (note 3)	295,494	270,279
	<u>\$ 3,343,811</u>	<u>\$ 3,817,298</u>

Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities (note 4)	\$ 319,639	\$ 341,533
Deferred revenue	27,886	18,850
	<u>347,525</u>	<u>360,383</u>
Net assets:		
Invested in property, plant and equipment	295,494	270,279
Internally restricted (note 5)	1,568,370	1,520,616
Unrestricted	1,132,422	1,666,020
	<u>2,996,286</u>	<u>3,456,915</u>
Commitments (note 6)		
	<u>\$ 3,343,811</u>	<u>\$ 3,817,298</u>

See accompanying notes to financial statements.

On behalf of the Board:

SASKATCHEWAN CONSTRUCTION SAFETY ASSOCIATION INC.

Statement of Operations

Year ended December 31, 2023, with comparative information for 2022

	2023	2022
Revenue:		
Funding from Saskatchewan Workers' Compensation Board	\$ 4,400,000	\$ 3,750,000
Seminar and course revenue (Schedule 1)	714,956	711,017
Audit revenue	208,771	115,754
Interest and investment income	145,405	56,337
Other	19,111	25,290
Sale of training materials	8,715	9,491
	<u>5,496,958</u>	<u>4,667,889</u>
Expenses:		
Advertising	222,033	184,983
Amortization of property, plant and equipment	75,354	53,435
Bank charges	34,249	31,721
Building maintenance and utilities	218,080	184,713
Computer expenses	181,771	175,333
Human resources	134,172	151,394
Insurance	24,635	22,211
Legal and audit	21,418	15,870
Meetings and seminars	36,048	61,432
Member services	238,198	70,570
Memberships and subscriptions	4,319	3,984
Office equipment rental	5,289	6,518
Office supplies	37,445	30,230
Postage and courier	3,572	7,503
Rent	185,295	184,244
Salaries and benefits	4,251,793	3,831,713
Telephone and fax	33,831	23,075
Travel	250,085	185,175
	<u>5,957,587</u>	<u>5,224,104</u>
Deficiency of revenue over expenses	\$ (460,629)	\$ (556,215)

See accompanying notes to financial statements.

SASKATCHEWAN CONSTRUCTION SAFETY ASSOCIATION INC.

Statement of Changes in Net Assets

Year ended December 31, 2023, with comparative information for 2022

December 31, 2023	Invested in property, plant and equipment	Internally restricted (note 5)	Unrestricted	Total
Balance, beginning of year	\$ 270,279	\$ 1,520,616	\$ 1,666,020	\$ 3,456,915
Deficiency of revenue over expenses	(75,354)	-	(385,275)	(460,629)
Net change in investment in property, plant and equipment	100,569	-	(100,569)	-
Transfer between unrestricted and internally restricted	-	47,754	(47,754)	-
Balance, end of year	\$ 295,494	\$ 1,568,370	\$ 1,132,422	\$ 2,996,286

December 31, 2022	Invested in property, plant and equipment	Internally restricted (note 5)	Unrestricted	Total
Balance, beginning of year	\$ 205,959	\$ 1,500,000	\$ 2,307,171	\$ 4,013,130
Excess (deficiency) of revenue over expenses	(53,435)	7,266	(510,046)	(556,215)
Net change in investment in property, plant and equipment	117,755	-	(117,755)	-
Transfer between unrestricted and internally restricted	-	13,350	(13,350)	-
Balance, end of year	\$ 270,279	\$ 1,520,616	\$ 1,666,020	\$ 3,456,915

See accompanying notes to financial statements.

SASKATCHEWAN CONSTRUCTION SAFETY ASSOCIATION INC.

Statement of Cash Flows

Year ended December 31, 2023, with comparative information for 2022

	2023	2022
Cash provided by (used in):		
Operations:		
Deficiency of revenue over expenses	\$ (460,629)	\$ (556,215)
Item not involving cash:		
Amortization of property, plant and equipment	75,354	53,435
Change in non-cash operating working capital:		
Accounts receivable	2,383	(9,830)
Prepaid expenses	(87,506)	(28,793)
Accounts payable and accrued liabilities	(21,894)	96,695
Deferred revenue	9,036	3,950
	<u>(483,256)</u>	<u>(440,758)</u>
Investments:		
Purchase of property, plant and equipment	(101,893)	(117,755)
Proceeds on disposal of property, plant and equipment	1,324	-
Purchase of short-term investments	(47,754)	(7,266)
	<u>(148,323)</u>	<u>(125,021)</u>
Decrease in cash	(631,579)	(565,779)
Cash, beginning of year	1,861,448	2,427,227
Cash, end of year	<u>\$ 1,229,869</u>	<u>\$ 1,861,448</u>

See accompanying notes to financial statements.

SASKATCHEWAN CONSTRUCTION SAFETY ASSOCIATION INC.

Notes to Financial Statements

Year ended December 31, 2023, with comparative information for 2022

Nature of operations:

The Saskatchewan Construction Safety Association Inc. (the "Association") is incorporated under *The Non-Profit Corporations Act of Saskatchewan*. The Association accordingly is exempt from income taxes. The primary purpose of the Association is to develop and co-ordinate safety training programs for construction sector employers and workers in the province of Saskatchewan.

Pursuant to a funding agreement, the Association receives significant funding revenue from the Saskatchewan Workers' Compensation Board (the "WCB") to finance the development and coordination of the safety training programs referred to above. As a result, the Association is dependent upon the continuance of this funding to maintain operations at their current level.

The agreement provides further that all property, plant and equipment or assets acquired for safety program development and training are deemed to be supplied by the WCB and shall remain the property of the WCB. Additionally, the bylaws of the Association provide that on dissolution of the Association, assets will be transferred to the WCB.

1. Significant accounting policies:

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The Association's significant accounting policies are as follows:

(a) Revenue recognition:

The Association follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Contributions related to the purchase of property, plant and equipment are recognized as revenue on the same basis as the related assets are amortized. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Seminar and course revenue is recognized when the training is delivered. Interest revenue is recognized when it is earned. Audit revenue, other revenue, and sales of materials are recognized when the transaction occurs.

SASKATCHEWAN CONSTRUCTION SAFETY ASSOCIATION INC.

Notes to Financial Statements (continued)

Year ended December 31, 2023, with comparative information for 2022

1. Significant accounting policies (continued):

(b) Financial assets and liabilities:

Financial instruments are recorded at fair value on initial recognition. Subsequently they are recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Association has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Association determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Association expects to realized by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(c) Property, plant and equipment:

Property, plant and equipment is recorded at cost. Amortization is calculated using the straight-line method over their estimated useful lives as follows:

Asset	Rate
Office and training equipment	5 years
Computer equipment	3 years
Leasehold improvements	Amortized over the life of the lease

SASKATCHEWAN CONSTRUCTION SAFETY ASSOCIATION INC.

Notes to Financial Statements (continued)

Year ended December 31, 2023, with comparative information for 2022

1. Significant accounting policies (continued):

(d) Use of estimates:

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Significant items subject to such estimates and assumptions include the estimated useful lives of property, plant and equipment. Actual results could differ from these estimates.

2. Short-term investments:

Short-term investments consist of guaranteed investment certificates bearing interest rates ranging from 4.05% to 4.95% (2022 - 2.3% to 3.5%). These guaranteed investment certificates have maturity dates in March - December 2024 (2022 - June - December 2023).

3. Property, plant and equipment:

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value
Office and training equipment \$	751,717	\$ 586,067	\$ 165,650	\$ 150,539
Computer equipment	148,909	115,712	33,197	28,153
Leasehold improvements	1,262,187	1,165,540	96,647	91,587
	\$ 2,162,813	\$ 1,867,319	\$ 295,494	\$ 270,279

4. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are government remittances payable of \$29,863 (2022 - \$nil), which includes amounts payable for provincial sales taxes and payroll taxes.

SASKATCHEWAN CONSTRUCTION SAFETY ASSOCIATION INC.

Notes to Financial Statements (continued)

Year ended December 31, 2023, with comparative information for 2022

5. Internally restricted net assets:

Certain specified amounts have been restricted by the Board of Directors for unforeseen extraordinary expenses that would adversely affect the Association or to offset reductions in other sources of funding. Interest earned on these restricted amounts were \$47,754 (2022 - \$20,616). Internally restricted amounts are not available for other purposes without approval of the Board of Directors.

6. Commitments:

The Association is committed under leases for office space, office equipment and vehicles over the next four years as follows:

2024	\$	236,089
2025		147,914
2026		106,571
2027		56,479

7. Financial risks:

The Association, through its financial assets and liabilities, has exposures to the following risks from its use of financial instruments:

a) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Association is exposed to credit risk with respect to cash, accounts receivable and short-term investments. The carrying amounts of financial assets on the balance sheet represent the Association's maximum credit exposure at the balance sheet date.

The Association's trade receivable amounts disclosed in the statement of financial position are net of allowance for doubtful accounts, estimated by management of the Association based on previous experience and its assessment of the current economic environment. The Association does not have significant exposure to any individual customer and has not incurred any significant bad debts during the year. The credit risk on cash and short-term investments is limited because the counterparties are chartered banks with high credit ratings assigned by national credit-rating agencies. There has been no change to the risk exposure since the prior year.

SASKATCHEWAN CONSTRUCTION SAFETY ASSOCIATION INC.

Notes to Financial Statements (continued)

Year ended December 31, 2023, with comparative information for 2022

7. Financial risks (continued):

b) Liquidity risk:

Liquidity risk is the risk that the Association will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Association manages its liquidity risk by monitoring its operational requirements. The Association prepares budgets to ensure it has sufficient funds to fulfill its obligations.

SASKATCHEWAN CONSTRUCTION SAFETY ASSOCIATION INC.

Schedule 1 - Seminar and Course Revenue

Year ended December 31, 2023, with comparative information for 2022

	2023	2022
Training programs:		
Computer based training	\$ 336,149	\$ 330,422
Instructor based training	450,550	458,897
	<u>786,699</u>	<u>789,319</u>
Training expenses	71,743	78,302
	<u>\$ 714,956</u>	<u>\$ 711,017</u>



**SASKATCHEWAN
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