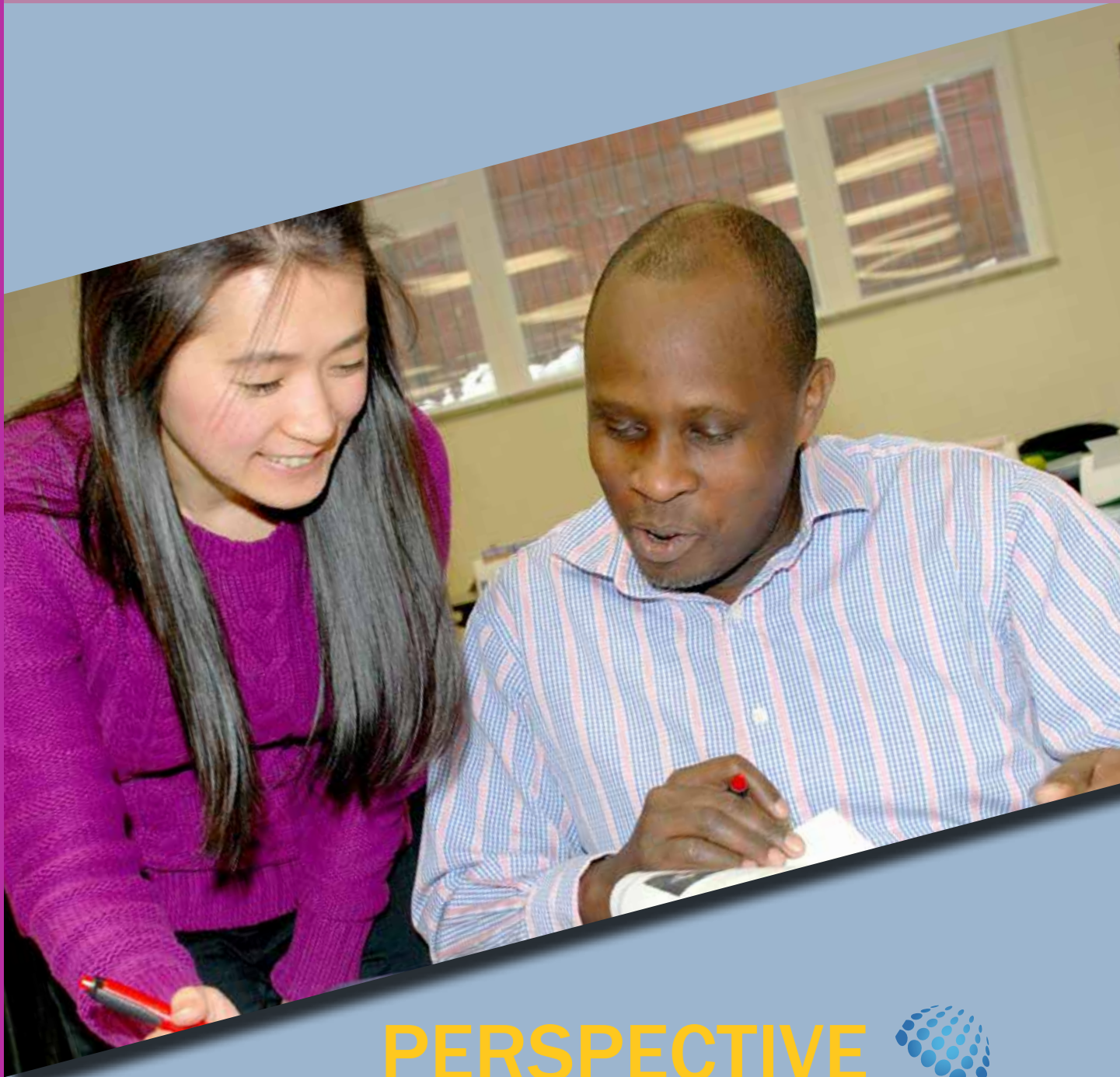




ANNUAL REPORT

2013/2014



PERSPECTIVE 
& PRIORITIES



VISION STATEMENT

We envision safer, healthier workplaces where, supported by WHSC training, hazards are identified and eliminated through meaningful worker participation and full employer responsibility.

MISSION STATEMENT

Dedicated to our vision, and using our worker-to-worker delivery model, we will provide the highest quality occupational health and safety training for workers, their representatives and employers in every workplace, regardless of sector, size, location or union status.

table of CONTENTS

Board of Directors	4
President's Report	5
Executive Director's Report.....	7
Secretary-Treasurer's Report.....	13
Auditor's Report.....	15



board of directors



OFFICERS

Wayne Samuelson
President & Chair

Rhonda Kimberley-Young
Vice-President
Ontario Teachers' Federation

Lyle Hargrove
Secretary-Treasurer
Unifor

BOARD MEMBERS

Sylvia Boyce	United Steelworkers, District 6 Health, Safety & Environment Coordinator
Sharon DeSousa	Regional Executive Vice-President, Ontario Public Service Alliance of Canada
John McCann	President Teamsters Local 879
Blain Morin	National Health & Safety Representative Canadian Union of Public Employees
Sid Ryan	President Ontario Federation of Labour
James St. John	Business Manager Central Ontario Building Trades
Barry Sawyer	Executive Assistant to the National President United Food & Commercial Workers
Andy Summers	Vice-President, Health & Safety Ontario Nurses' Association
Fred Upshaw	Representative Ontario Public Service Employees Union
Gord Wilson	President Emeritus



president's REPORT

Values shape our perspective and help inform our choices in life. Everyone connected to Workers Health & Safety Centre (WHSC) values worker well-being. With this as our guiding principle, our priority is to provide the highest quality, most effective health and safety training possible. For three decades this has been our mission. As Ontario's government designated health and safety training centre, others trust us to deliver on this too.

WHSC comes at health and safety from a worker perspective for good reason. Workers' lives and livelihoods are on the line every day. Our training reflects worker priorities because it reflects their desire and indeed their legal right and responsibility to participate in resolving the hazardous working conditions that threaten their health and safety.

However, from our perspective we believe when you address worker health and safety concerns everyone benefits. A lot is at stake when health and safety issues go unaddressed, workers' health is jeopardized, but so are production schedule deadlines and budgets when legal non-compliance brings Ministry of Labour fines and orders. As a result, WHSC training meets and often exceeds legal requirements. We are committed to quality training, whether it's legally mandated training to meet requirements for WHMIS, joint health and safety committee

certification, workplace violence prevention, awareness training for workers and supervisors, competency-based training for equipment operators, or training to fulfill employers' general training obligations to help address workplace hazards.

Our training approach also offers real-world solutions to real-world concerns. For example, in 2013/14 we responded to the expressed needs of education workers by developing a new program entitled, *Lockdown: A Crisis Response*. These workers and their reps face escalating violence in schools, colleges and universities. This training provides assessment tools and guidelines to assist them in playing a greater role in emergency or crisis preparedness planning.

WHSC training aims to get to the root of the problem, rather than perpetuate victim-blaming mythologies that leave us with the status quo — unresolved hazards. Our hazard-based training is prevention focused. It helps workplace representatives develop the knowledge and skills to identify and assess workplace hazards and confidently recommend control measures too. We supported these efforts in 2013/14 by creating, among other things, a new *Documenting Health and Safety* program. This training will help workplace reps develop critical documentation skills to track and resolve hazards and investigate work-related injuries, illnesses and fatalities.

Our training is effective in an even more meaningful way because it is designed to draw upon participants' own workplace knowledge and experience. Our highly interactive training allows those experiences to be shared. Training participants tell us that they learn much from each other. This adult-centred learning reinforces knowledge

.../cont'd

gained through the training but also encourages and inspires learners to apply this knowledge back on the job. This was top of mind when we recently revised our *Noise* training program and incorporated new opportunities for participants to practice applying control methods to sources of noise in their workplaces.

We strongly believe in our training approach. Certainly our training numbers for 2013/14, which exceeded projected targets, also speak to our capacity to deliver training. As the prevention system's designated training centre, we are uniquely positioned to support many more

workplaces by offering the tools and training to make health and safety their priority too. With a little help we are more than willing to accept that challenge.

Imagine how many more workplaces we could assist with additional funds, with increased referrals from Ministry of Labour inspectors and with greater promotion of our services?

Even greater benefit would come with robust and enforceable training standards that would ensure all Ontario workplaces receive high quality training. The WHSC would

be better positioned to compete with other providers. More important, no one need suffer the fallout that comes with inferior training in the face of weak training standards.

Moving forward we will continue to build on our strengths by developing and delivering the highest quality training. This is our priority. The following reports detail how we demonstrated this commitment.



Wayne Samuelson
President





executive director's REPORT

"Education is the kindling of a flame, not the filling of a vessel."

Socrates

Values have certainly shaped Workers Health & Safety Centre choices when it comes to training development and delivery methods. Since our beginning, our training philosophy is one rooted in adult education principles. In such a manner, we believe all are better assured of necessary learning *and* action. Over three decades we have trained tens of thousands of workers and workplace representatives in programs centred on these principles. In the 2013/14 fiscal year we delivered over 200,000 person hours of training, to exceed our projected target by 10 per cent.

To be more specific, our training programs value and integrate the experience of learners, actively including them in the education process. Our training engages participants in pursuit of their goals and supports them to develop the skill and knowledge they need. Training that regards learners as empty vessels does them a huge disservice. This is especially true when learners are workplace representatives tasked with addressing very real health and safety concerns, whether these hazards consist of workplace violence threats or uncontrolled compressed gases. (Both of which incidentally, we addressed in 2013/14 with new or revised training programs.)

Following from this then, it's equally important for good training and education to develop skills and knowledge, not simply cover topics.

For instance, rote memorization of health and safety law will fall short of our goals without the context and support to apply this information on the job. After all, significant legal duties and responsibilities demand substantial training. Our joint health and safety committee (JHSC) Certification programs have always gone beyond minimum standards to ensure workplace reps understand and can exercise their rights and duties.

Good training can also shed light on hazards previously undetected. Many of our training participants have said their experience was eye-opening, expressing an eagerness to put their newly acquired knowledge and skills to use back in their workplaces. Surely, inspiring this kind of activity is an essential part of effective workplace prevention efforts.

Good training however, is best guaranteed by standards to ensure a high level of training for everyone in the workplace. Learners need to return to their workplaces encouraged and equipped to tackle serious health and safety issues. Anything less is unacceptable when worker health and well-being is at risk. Strong, clearly communicated and enforceable standards will help ensure everyone knows about and receives the training they need to fully carry out all of their rights and duties.

Either way, should existing training standards improve or new ones be put in place we are more than able to meet, if not exceed, expectations.

.../cont'd

At this juncture, I think it important to point out WHSC have proven ourselves to be an effective system partner when it comes to meeting key system goals and required training. To name a few, we have helped lead the way with:

- ◆ designated substance training for Ministry of Labour inspectors
- ◆ the system's first new worker awareness program
- ◆ training for the prevention of musculoskeletal injuries
- ◆ WHMIS training
- ◆ workplace violence training, and of course
- ◆ JHSC Certification training.



When the system is ready to move on training to address the needs of:

- ❖ worker representatives in small workplaces
- ❖ training to help with the enforcement of Bill-C45 amendments to the *Criminal Code*,
- ❖ further training for MOL inspectors
- ❖ training to help eliminate a key barrier to effective workplace prevention programs, namely training to expose the hazards of behaviour-based safety programs
- ❖ training to support a comprehensive occupational disease prevention strategy
- ❖ as well as training to address other priority concerns of workers and their representatives,

WHSC will be ready for the challenge. In fact, we have the lion's share of this training in place today. Meantime, I am pleased to communicate the following highlights from our 2013/14 fiscal year. As ever, I am extremely proud of the contribution we have made in support of securing safer, healthier work.

Dave Killham
Executive Director

TRAINING DEVELOPMENT

WHSC maintains a catalogue of over 200 training courses and modules ranging in duration from a half-day to two weeks. WHSC delivers the training our clients and constituents demand. We do it using a hazard-based approach that encourages worker engagement and employer responsibility.

Program development continues to update and increase our catalogue of training courses to meet the needs of constituents and clients. Assignments for updating or developing new modules and courses are driven by:

- changes to legislation, regulations or standards
- recent court decisions
- newly available tools to help identify and assess hazards or select and maintain controls
- new training standards
- research on new hazards
- emerging health and safety issues
- specific client requests.



Each year, the WHSC broadens its offerings beyond the needs of a traditional industrial audience. Now you are just as likely to find us developing new programs for those in health care, education and construction, all growing segments of the WHSC's client base. These clients and constituents are demanding new and updated training that reflects the hazards and training requirements of their sectors. To address these needs in 2013/14 among other things, WHSC:

- Developed and released *Documenting Health and Safety*, a course focused on helping workplace representatives track and implement processes to ensure hazards and controls are consistently and thoroughly monitored and reported on.
- Updated our courses on the operation of mini-excavators and skid steers to improve the practical evaluation component at the end of the program.
- Revised our *Working at Heights* course to make it consistent with the draft standard.
- Completed a substantial revision to our *Noise* module to make its application more general. Considerable additional content was added on the challenges of noise surveys and workplace noise mapping. New instructions simplified the explanation for the calculation of time-weighted noise exposure.
- Developed a new module, *Lockdown: A Crisis Response*, in response to new demands in the education sector and a desire of worker organizations to become more involved in the process of crisis response planning.
- Updated our *Compressed Gas* module to give a more clear and detailed understanding of how compressed gas is regulated and the workplace parties' duty with regard to them. New content was also added on the CSA standards for compressed gas containers.



TRAINING DELIVERY AND OUTREACH

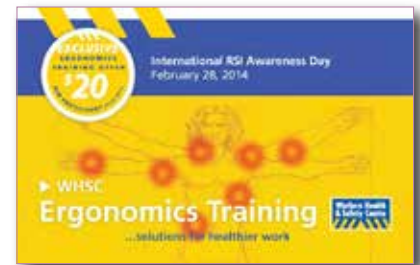
A network of highly qualified worker instructors allows WHSC to deliver training to communities and workplaces across Ontario. Consistent efforts to reach beyond immediate workplaces have also proved fruitful. To this end, during the 2013/14 fiscal year, WHSC:

- ⇒ Delivered 216,352 person hours of training to workers and workplace representatives in unionized and non-unionized workplaces across all sectors of Ontario's economy.
- ⇒ Produced and offered dedicated information sessions in the spring and fall to update and build instructors' health and safety knowledge of new and revised WHSC programs, changes to health and safety laws, standards and policies, emerging research, significant legal decisions and relevant regional events.
- ⇒ Prepared and delivered 50 different health and safety presentations for constituent, service, trade or professional groups on various topics including, young and new worker awareness and the unique and significant contribution of the WHSC.
- ⇒ Supported constituents and community partners in some 40 Ontario communities to raise awareness of Repetitive Strain Injury Awareness Day and the Day of Mourning with assistance to coordinate special events and educational opportunities, plus the design, production and dissemination of brochures, information sheets, speakers' notes, web pages and e-bulletins.



the *Young Worker Awareness Program* and school-based programs focused on Day of Mourning and Earth Day environmental awareness. (These programs continued to draw important links between worker and community health and sustainable workplaces and communities, all of which support young people and their aspirations as tomorrow's workers, employers and leaders.)

- ⇒ Participated in several Ministry of Labour (MOL) working groups including one established to determine priority risks faced by workers in some 50 industry sectors and another to develop training standards for high hazard sectors, such as construction.
- ⇒ Organized the WHSC annual golf tournament that raises funds to support the Canadian Civil Liberties Association and several student scholarships and bursaries.





- ⇒ Helped promote annual recognition of volunteer health and safety instructors and constituent activists by assisting with the coordination of 25 events, creating recognition items and drafting communications for the events.
- ⇒ Collaborated with constituents to create or revise existing health, safety and environment awareness programs delivered to approximately 60,000 young workers and students, including



INFORMATION SERVICES

WHSC Information Services group promotes all aspects of the WHSC, particularly our training services. We also provide up-to-date health and safety information to workplace representatives in support of their critical health and safety role. In the last fiscal year, we:

- ▶ Launched three new social media sites to better engage and meet the information needs of WHSC constituents and clients. 
- ▶ Continued development of the new WHSC website dedicated to better marketing WHSC training programs and providing enriched health and safety tools and resources to our constituents and clients, including important documentation tools for JHSCs.
- ▶ Produced a newsletter specific to the needs of the construction sector and its representatives.
- ▶ Developed and distributed biannual brochures to promote WHSC scheduled training, particularly legally mandated training. 
- ▶ Ramped up the marketing of WHSC training services using cost-effective electronic bulletins.
- ▶ Provided timely and accessible information through e-bulletins and e-newsletters, focusing on issues of interest to workers, workplace representatives and WHSC-trained instructors. Topics included:

- regulatory and compliance developments
- findings of Coroner's Inquests
- new tools to assess workplace chemicals
- research on effective worker representation
- changes to WHSC programs, and
- conferences and educational opportunities hosted by constituents and partners.

- ▶ Added to our suite of WHSC product sheets and updated our comprehensive catalogue both designed to explain and promote key WHSC training programs.
- ▶ Researched and responded to technical inquiries from workers, workplace representatives and WHSC program developers by compiling and synthesizing this information for the inquirer. The depth and breadth of inquiries speaks to our rich research capacity. Inquiries included:

- ↗ Best practices for blood and body fluid clean-up
- ↗ Potential health effects associated with occupational exposure to whole body scanners
- ↗ Regulatory responsibilities designed to protect the health and safety of landscape labourers
- ↗ Jurisdictional review of policies and procedures intended to protect the health and safety of workers working alone after dark
- ↗ Potential health effects associated with second-hand exposure to electronic cigarettes
- ↗ Hazards and control measures related to emissions from office photocopiers and printers
- ↗ Literature review of recent research documenting the health effects linked to occupational stress
- ↗ An evaluation of chemical finishes on fire retardant clothing.



Volunteer Recognition

Volunteer workplace health and safety representatives play a crucial role in improving working conditions. WHSC proudly supports their efforts with training and information services to help them gain competence and confidence in becoming workplace prevention leaders.

The WHSC, in conjunction with local labour councils, recognized these many contributions as part of its 18th annual Volunteer Health and Safety Recognition Campaign. Last year we acknowledged the following volunteers for their extraordinary efforts to secure safer, healthier workplaces.

Honoured Volunteers

Wayne Allen

Ottawa & District Labour Council

Wayne Andrus

Durham Region Labour Council

Levi Bourgeois

Brampton-Mississauga & District Labour Council

Rob Cowell

Peterborough & District Labour Council

John Delory

Thunder Bay & District Labour Council

Glyn Frost

Collingwood & District Labour Council

Tammi Glasgow

Guelph & District Labour Council

Pamela Lynne Hamer

Cornwall & District Labour Council

Paul Herbacz

Kenora & District Labour Council

Michel Houle

Cornwall & District Labour Council

Tim Huffman

Kingston & District Labour Council

Nelia Larosa

Toronto & York Region Labour Council

Patricia Leslie

Waterloo Regional Labour Council

Edward Ligda

Central Ontario Building Trades

Tecla Lin

Toronto & York Region Labour Council

Sue Scott-Mallett

London & District Labour Council

Steve Mantis

Injured Workers Consultants

Jim Martell

Grey-Bruce Labour Council

Ian McKelvey

Northumberland Labour Council

David Page

Chatham-Kent Labour Council

Meredith Park

North Bay & District Labour Council

Dan Phillips

Barrie & District Labour Council

Joely Price

North Simcoe Muskoka and District Labour Council

Mike Stevens

Lindsay & District Labour Council

Gord Taylor

Orangeville & District Labour Council

Jeannie Van Kempen

Windsor & District Labour Council

Jeff Van Wyk

Brantford & District Labour Council

Michelle Wells

Quinte Labour Council

Norm Westbury

Niagara Regional Labour Council

Mark Whinton

Oakville & District Labour Council





secretary- treasurer's REPORT

Reviewing our accomplishments for the 2013/14 fiscal year, I am proud to report, again this year, WHSC delivered training to thousands of workplace representatives. For my part and all involved at the Workers Health & Safety Centre, the greater satisfaction comes with the knowledge that we're doing more than helping workplaces comply with legal training requirements. We're helping prepare workplace representatives to lead their own workplace prevention efforts. After all, these people are the heart of the workplace internal responsibility system.

The previous reports provide context and demonstrate how our perspective and priority is focused on providing the highest quality health and safety training. Others are coming to share our perspective too. Growing research validates the important role of training and support for the effective functioning of joint health and safety committees and representatives.

For instance, a recent systematic literature review on the *Effectiveness of Joint Health and Safety Committees* funded by WorkSafe BC concluded, "An important implication of the research is indeed the desirability of greater guidance on terms of reference for committees, ensuring that these are sufficiently broad to cover the matters of greatest concern in today's changing workplaces, and most importantly, ensuring that committee members are trained and empowered with respect to this mandate."

Closer to home, recent research draws insights directly from Ontario health and safety representatives. A grant from the Workplace Safety & Insurance Board funded research conducted by one of our community partners — LOARC — Labour, OHCOW, Academic Research Collaboration. They examined published studies and surveyed and interviewed worker representatives to identify factors that help determine effective health and safety representation.

From this, researchers saw a pattern of activities emerge which they've set out as operating principles for effective representation. These include conducting research, listening to workers, developing solutions and using the law strategically. Named *Knowledge Activists* by study authors, these workplace reps who had greater success in addressing OHS concerns used their experience and long tenure in the role to their advantage, but also strategically used training and information and relationships to further their health and safety work. Importantly, the study underscored the need for access to quality training and information to properly support this kind of activism.

This doesn't come as a surprise. Long before JHSC Certification training was mandatory, WHSC offered comprehensive one- and two-week training courses to ensure workers and their representatives had a solid foundation of health and safety knowledge — health and safety law, health impacts of workplace hazards and principles for effective controls. Anyone completing this WHSC training was well-armed to play an active role in their workplace health and safety program. WHSC training is rooted in participant-centred, adult education techniques to ensure a relevant,

.../cont'd

engaging learning experience. Burke and his colleagues in the United States evaluated different forms of health and safety training and found that more engaging training resulted in greater knowledge acquisition and reduced injuries and illnesses.

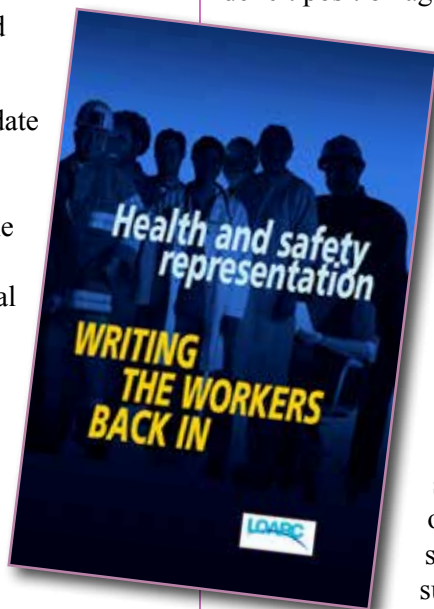
As such, our core mandate has always been and always will be training that engages. During the 2013/14 fiscal year we delivered 216,352 actual hours of participant training. This 10 per cent increase over our projected training target is worth noting given our flat-lined budget.

In the last year we also delivered more than 1,300 *Young Worker Awareness Program* presentations, reaching almost 35,000 students. This program was funded by a separate grant from the Ministry of Labour (MOL). However, despite demand for this proven and potentially life-saving program, its funding was reduced by 10 per cent (\$25,000) for a total grant of \$225,000.

Given current economic realities for our constituents and clients too, WHSC held the line on program pricing in 2013/2014. Like us, our constituents and clients often operate within tight budget parameters. Still, WHSC managed to generate \$1,505,744 in additional revenue to help offset our service delivery costs.

Unfortunately revenues could not fill the funding gap. Inflationary pressures combined with another year of flat line funding necessitated several cost saving measures, including reduced spending in

the areas of program promotion, program translation and information technology. Unforeseen actuarial adjustments on our Employee Future Benefits liability also pushed us into deficit position again this year. The



sum required to offset this liability was an additional \$370,166. New not-for-profit accounting standards regarding the treatment of actuarial gains/losses, will have similar and significant effects on our financial statements in subsequent years. Unless the current

funding paradigm and budget methodology changes, key resources may have to be diverted to offset this ongoing challenge. Services will surely suffer. For instance, without a new influx of MOL-approved capital funding, existing WHSC network and internet server capacity will limit our ability to remain responsive to constituent and client needs.

Ultimately though, we remain optimistic. Demand for our brand of quality training is demonstrably consistent. Should the province implement new and improved training standards, we know from past experience we can excel in this environment. We look forward to building upon our capacity as the prevention system's health and safety training centre. We remain dedicated to ensuring workers and all workplace representatives in all Ontario communities and sectors receive the quality training they need and deserve.

Lyle Hargrove
Secretary-Treasurer



Financial Explanation: A final word about our 2013/14 finances. The financial statements of the Workers Health & Safety Centre have been prepared in accordance with generally accepted accounting principles for organizations of our nature. In summary, our finances broke down as follows.

• Revenue	\$10,290,209
• Expenses	\$10,631,833
• Excess of expenses over revenue	(341,624)



auditor's REPORT

Financial Statements of

WORKERS HEALTH & SAFETY CENTRE FEDERATION OF ONTARIO

(operating as Workers Health & Safety Centre)

March 31, 2014

TABLE OF CONTENTS

Independent Auditor's Report	16
Statement of financial position	17
Statement of operations and changes in net assets	18
Statement of cash flows	19
Notes to the financial statements	20-26
Schedule of expenses and recovered costs	27



Deloitte LLP
5140 Yonge Street
Suite 1700
Toronto ON M2N 6L7
Canada

Tel: 416-601-6150
Fax: 416-601-6151
www.deloitte.ca

Independent Auditor's Report

To the Officers and Members of
Workers Health and Safety Centre
Federation of Ontario
(Operating as Workers Health & Safety Centre)

We have audited the accompanying financial statements of Workers Health and Safety Centre Federation of Ontario, which comprise the statement of financial position as at March 31, the statement of operations and changes in net assets and 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.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Workers Health and Safety Centre Federation of Ontario as at March 31, 2014 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.

Deloitte LLP

Chartered Professional Accountants, Chartered Accountants
Licensed Public Accountants
June 17, 2014

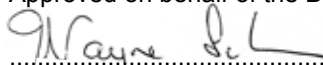
Workers Health and Safety Centre Federation of Ontario

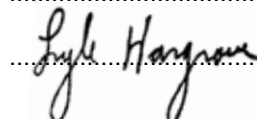
(Operating as Workers Health & Safety Centre)

Statement of financial position
as at March 31, 2014

	2014	2013
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	578,942	1,436,013
Accounts receivable	411,206	415,939
Prepaid expenses	26,446	29,945
	1,016,594	1,881,897
Severance fund	2,112,003	1,471,559
Employee future benefits fund (Note 3)	4,204,317	4,138,110
Capital assets (Note 4)	964,926	750,225
	8,297,840	8,241,791
Liabilities		
Current liabilities		
Accounts payable and accrued charges (Note 5)	1,036,167	1,138,342
Unexpended proceeds from fundraising event	8,535	6,091
Deferred revenue and funding (Note 6)	383,218	666,685
Due to Ministry of Labour	2,969	2,969
Current portion of obligations under capital lease (Note 7)	191,880	194,014
	1,622,769	2,008,101
Severance reserve	1,512,003	1,471,559
Employee future benefits (Note 3)	4,574,483	4,138,110
Obligations under capital lease (Note 7)	306,188	-
	8,015,443	7,617,770
Commitments and guarantees (Notes 9 and 13)		
Net assets (deficiency) (Note 10)		
Internally restricted net assets (deficiency)		
Invested in capital assets	466,858	556,211
Young Worker Awareness	(154,589)	(151,956)
Unrestricted net assets	(29,872)	219,766
	282,397	624,021
	8,297,840	8,241,791

Approved on behalf of the Board of Directors

 President

 Secretary-Treasurer

The accompanying notes to the financial statements are an integral part of this financial statement.

Workers Health and Safety Centre Federation of Ontario

(Operating as Workers Health & Safety Centre)
Statement of operations and changes in net assets
for the year ended March 31, 2014

	2014				2013				
	Invested in capital assets	Young worker awareness	Unrestricted	Total	Invested in capital assets	Young worker awareness	Certification delivery	Unrestricted	Total
	\$	\$	\$	\$	\$	\$		\$	\$
Revenue									
Workplace Safety and Insurance Board	-	-	-	-	-	158,247	-	-	158,247
Fee revenue (Note 10)	-	-	270,474	270,474	-	-	-	331,312	331,312
Ministry of Labour	-	294,077	9,502,445	9,796,522	-	62,500	-	9,519,476	9,581,976
Surplus retention - usage	-	-	223,213	223,213	-	-	-	556,257	556,257
	-	294,077	9,996,132	10,290,209	-	220,747	-	10,407,045	10,627,792
Expenses - schedule									
	-	296,710	10,335,123	10,631,833	-	220,747	-	10,964,918	11,185,665
Excess of revenue over expenses									
Net assets (deficiency), beginning of year	556,211	(151,956)	219,766	624,021	400,458	(151,956)	1,840,308	(906,916)	1,181,894
Gain on lease termination	13,046	-	(13,046)	-	-	-	-	-	-
Inter-fund transfer (Note 10)	-	-	-	-	-	-	(1,840,308)	1,840,308	-
Additions to capital lease	(680,701)	-	680,701	-	-	-	-	-	-
Capital lease repayments	182,634	-	(182,634)	-	184,665	-	-	(184,665)	-
Purchase of capital assets	899,137	-	(899,137)	-	350,848	-	-	(350,848)	-
Amortization of capital assets	(503,469)	-	503,469	-	(379,760)	-	-	379,760	-
Net assets (deficiency), end of year	466,858	(154,589)	(29,872)	282,397	556,211	(151,956)		219,766	624,021

The accompanying notes to the financial statements are an integral part of this financial statement.

Workers Health and Safety Centre Federation of Ontario

(Operating as Workers Health & Safety Centre)

Statement of cash flows

for the year ended March 31, 2014

	2014	2013
	\$	\$
Operating activities		
Excess of revenues over expenses	(341,624)	(557,873)
Items not affecting cash		
Amortization of capital assets	503,469	379,760
Severance reserve	40,444	18,848
Employee future benefits	436,373	490,310
Gain on termination of capital lease	(13,046)	-
Deferred revenue and funding recognized (Note 6)	(725,184)	(696,872)
	(99,568)	(365,827)
Changes in non-cash operating working capital items (Note 11)	(91,499)	315,322
	(191,067)	(50,505)
Investing activities		
Sale of short-term investments	-	2,879,754
Severance fund	(640,444)	(18,848)
Purchase of capital assets	(899,137)	(350,848)
	(1,539,581)	2,510,058
Financing activities		
Funding and revenue received in advance (Note 6)	441,717	142,942
Employee future benefits fund	(66,207)	(2,701,230)
Additions to capital leases	680,701	-
Capital lease repayments	(182,634)	(184,665)
	873,577	(2,742,953)
Net cash outflow	(857,071)	(283,400)
Cash and cash equivalents, beginning of year	1,436,013	1,719,413
Cash and cash equivalents, end of year	578,942	1,436,013
Supplementary cash flow information:		
Interest paid	31,780	20,731

The accompanying notes to the financial statements are an integral part of this financial statement.

Workers Health and Safety Centre Federation of Ontario

(Operating as Workers Health & Safety Centre)

Notes to the financial statements

March 31, 2014

1. Incorporation and purpose of the Centre

The Workers Health and Safety Centre Federation of Ontario (the "Centre") was incorporated by letters patent issued under the Ontario Corporations Act and was established to carry on safety education and training programs.

Funding, subject to annual review, for the Centre was the responsibility of the Workplace Safety and Insurance Board ("WSIB") which was established by the Province of Ontario, until March 31, 2012. Effective April 1, 2012, the Centre is now funded, subject to annual review, by the Ministry of Labour ("MOL").

The Centre had accepted an assignment by the MOL to act as the manager of a special project, the Young Worker Awareness Project. The MOL has provided additional funding for this project for the year ended March 31, 2014. This project is not part of the general operating budget of the Centre.

2. Significant accounting policies

Basis of presentation

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPOs"). Significant accounting policies are summarized below.

Fund accounting

The Unrestricted Fund records general funding, investing, programming and administrative activities and reports on unrestricted resources available for immediate use.

The Young Workers Awareness Fund records restricted funds arising from funding, programming and administrative activities associated with the Young Workers Awareness program of WHSC.

The Invested in Capital Assets Fund records capital assets purchased, less related costs.

Financial instruments

The Centre has classified each of its financial instruments into the following accounting categories:

Asset/Liability	Measurement
Cash and cash equivalents	Fair value
Accounts receivable	Amortized cost
Severance fund assets	Fair value
Employee future benefits fund assets	Fair value
Accounts payable and accrued charges	Amortized cost
Due to Ministry of Labour	Amortized cost

Financial assets and financial liabilities are initially recognized at fair value when the Centre becomes a party to the contractual provisions of the financial instruments. Subsequently, all financial instruments are measured at amortized cost, except for financial instruments measured at fair value. Subsequent changes in fair value are recorded in the Statement of operations.

Transaction costs are expensed as incurred.

Workers Health and Safety Centre Federation of Ontario

(Operating as Workers Health & Safety Centre)

Notes to the financial statements

March 31, 2014

2. Significant accounting policies (continued)

Severance fund

The Severance reserve represents amounts due to employees upon termination. A severance fund is segregated and is invested in interest bearing accounts, which are stated at fair value.

Employee future benefits

The Centre accounts for the costs of providing retirement and other post-employment benefits to its employees on an accrual basis as entitlements are earned by employees through service. Actuarial determinations are periodically used to estimate the liability and current expense for these programs. The employee future benefits fund is appropriated in support of the future employee benefit liability and is invested in interest bearing accounts, which are stated at fair value.

Capital assets

The MOL has mandated the use of a standard amortization policy for Designated Entities, including the Centre. The policy uses the straight-line method at annual rates applicable to each capital asset class as follows:

Furniture and equipment	20%
Computer equipment and software	33 1/3%
Leasehold improvements	Lower of the number of years remaining on the lease or 10 years
Assets under capital lease	Lower of the lease term, economic life of the asset or 40 years

The remaining lease term used for the purpose of calculating amortization on leasehold improvements has been deemed to be 5 years.

Deferred revenue and funding

Amounts received in advance have been deferred to be recognized as revenue, if related to operations, at the time the Centre performs the funded operating activity. Amounts relating to Capital assets are amortized to revenue at the amortization rates applicable to the corresponding capital assets.

Net assets invested in capital assets

The Centre accounts for its investment in capital assets as internally restricted net assets. Amounts are transferred between the Unrestricted Net Assets and the Internally Restricted Investment in Capital Assets for amortization, additions to capital assets and capital lease obligations.

Revenue recognition

Revenue from MOL is recognized in accordance with approved funding entitlements for each fiscal year. Fee revenue is recognized as fees are earned through the delivery of related programs.

Workers Health and Safety Centre Federation of Ontario

(Operating as Workers Health & Safety Centre)

Notes to the financial statements

March 31, 2014

2. Significant accounting policies (continued)

Use of estimates

The preparation of the Centre's financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. Due to inherent uncertainty in making estimates, actual results could differ from those estimates. Balances which require some degree of estimation are:

- Accounts receivable (allowance for doubtful accounts);
- Accounts payable and accrued liabilities (accrual estimates);
- Capital assets (amortization rates);
- Employee future benefits (actuarial assumptions); and
- Deferred recoveries and funding (recognition performance).

3. Employee future benefits

The Centre provides supplemental hospital, extended health care (including prescription drugs), vision care and dental benefits on a post-retirement basis to its employees.

Information about the plans, which represent contractual obligations of the Centre, is as follows:

	2014	2013
	\$	\$
Accrued post-retirement benefit cost		
Accrued post-retirement benefit obligation, beginning of year	4,138,110	3,647,800
Net periodic post-retirement benefit cost	634,581	665,291
Post retiree premium contributions	(198,208)	(174,981)
Accrued post-retirement benefit obligation, end of year	4,574,483	4,138,110
Plan assets	4,204,317	4,138,110
Accrued post-retirement benefit obligation, in excess of plan assets	370,166	-
Net periodic post-retirement benefit cost		
Current service cost for benefits earned during the year	165,285	149,991
Interest cost on accrued post-retirement benefit obligation	257,092	244,500
Net amortization or deferral	212,204	270,800
Net periodic post-retirement benefit cost	634,581	665,291

Workers Health and Safety Centre Federation of Ontario

(Operating as Workers Health & Safety Centre)

Notes to the financial statements

March 31, 2014

3. Employee future benefits (continued)

The significant actuarial assumptions adopted in estimating the Centre's accrued benefit amounts are as follows:

	2014	2013
	%	%
Discount rate per return	4.50%	4.40%
Rate of increase in future benefits		
Supplementary hospital and prescriptions drugs	2.00%	7.30%
Extended health care, dental care and other benefits:		
Health trend rates - 0.00% per annum in 2014 grading up to 4.50% per annum in 2023 (2013 - 4.50%)		
Dental trend rates - 0.00% per annum in 2014 grading up to 3.00% per annum in 2020 (2013 - 4.50%)		

The most recent full actuarial valuation was performed as at March 31, 2014 for the year then ended.

4. Capital assets

				2014	2013
	Amortization rate	Cost	Accumulated amortization	Net book value	Net book value
		\$	\$	\$	\$
Furniture	20%	812,143	(757,839)	54,304	91,159
Computer equipment	33.33%	4,405,660	(3,986,609)	419,050	452,120
Leasehold improvements	Lease term	558,747	(557,915)	833	25,978
Equipment - capital lease	Lease term	680,701	(189,963)	490,738	180,968
		6,457,251	(5,492,326)	964,925	750,225

5. Accounts payable and accrued charges and contingent liabilities

There are no government remittances owing as at March 31, 2014 (2013 - \$Nil).

6. Deferred revenue and funding

				2014	2013
	WSIB surplus retention		Deferred revenue	Total	Total
	Capital	Operating			
	\$	\$	\$	\$	\$
Balance - beginning of year	523,743	-	142,942	666,685	1,220,615
Funding and revenue received in advance	-	-	441,717	441,717	142,942
Recognized in revenue	(223,213)		(501,971)	(725,184)	(696,872)
Balance - end of year	300,530	-	82,688	383,218	666,685

Workers Health and Safety Centre Federation of Ontario

(Operating as Workers Health & Safety Centre)

Notes to the financial statements

March 31, 2014

7. Obligations under capital lease

The Centre has obligations under capital lease as follows:

	2014	2013
	\$	\$
Printing equipment lease agreement in the amount of \$947,999 repayable in semi-annual installments of \$135,428, including interest calculated at 5%, and maintenance charges of \$28,221 per payment		
Total amount of future minimum lease payments	677,143	286,689
Maintenance charges and interest included in installments	179,075	92,675
	498,068	194,014
Current portion	191,880	194,014
	306,188	-

On April 1, 2013, the Centre extended its capital lease arrangement for an additional 41 month term ending October 31, 2016.

8. Certification delivery

The Government of Ontario revised the Occupational Health and Safety Act in November 1992, requiring employers to provide certification training for members of their health and safety committees. As a result, the Centre began to offer certification courses in May 1993. The program is expected to be self-financed such that fees collected will cover expenses related to certification deliveries. Any excesses of fee revenue over expenses are to be carried forward to subsequent years for this program.

9. Commitments and contingencies

(a) Commitments

The Centre leases its head office and satellite locations under operating leases. Minimum lease payments annually to the end of the leases are:

	\$
2015	126,108
2016	121,776
2017	74,124
2018	53,411
	375,419

(b) Contingencies

The Centre must comply with the *2012 Standards for Designated Entities* in order to be eligible for funding by the MOL. Section 1.2(c) of these standards states that upon dissolution of the Centre, all of its remaining assets after payment of its liabilities revert to the MOL. If this situation were to occur, there are additional severance provisions in the employment contracts for all non-bargaining unit staff that would be payable. These amounts would add an additional \$759,000 (approximately) to the severance liability. Management does not consider it likely that this event will occur, and no amounts related to these severance provisions have been included in the financial statements.

Workers Health and Safety Centre Federation of Ontario

(Operating as Workers Health & Safety Centre)

Notes to the financial statements

March 31, 2014

10. Net assets

Net assets utilized in the Centre's capital assets and Young Workers' Awareness program are considered to be internally restricted. In 2013, the Centre's Board of Directors approved removing the internal restriction on the Certification Delivery fund and the balance of \$1,840,308 was transferred to the Unrestricted fund. The 2014 and 2013 results of Certification Delivery operations are included in the Unrestricted fund.

Unrestricted net assets are utilized in support of general operations. Under the Centre's funding arrangements with MOL, certain governance, business planning, performance agreements and reporting requirements may apply to the Centre's ability to retain all of its accumulated unrestricted net assets. In the view of management, the Centre is in compliance with these requirements.

Effective April 1, 2013, an interim MOL surplus recovery policy has been implemented. Under the policy, any accumulated surplus can be recovered by the MOL. The amount of accumulated surplus that can be retained by the Centre cannot exceed 6% of the current year's total revenue. Any excess above the 6% threshold will automatically be recovered by MOL. Any surplus funds retained are to be separately accounted for as Deferred funding and directed to MOL approved expenses.

The Centre sought and obtained approval from the WSIB for the use of \$1,453,000 of the accumulated surplus as at December 31, 2009, and \$95,000 of the Unrestricted fund balance as at December 31, 2010, amounts which reduced the accumulated surplus at each respective period end below the 6% threshold. As at March 31, 2014, The Centre has expended all \$1,548,000 (\$1,548,000 – March 31, 2013) of these funds on approved activities. Final approval from the WSIB relating to the use of funds has not yet been received. For the purposes of preparing these financial statements management has assumed the WSIB will approve of the use of the Unrestricted fund balance.

11. Changes in non-cash operating working capital items

	2014	2013
	\$	\$
Accounts receivable	4,733	(148,213)
Due from Workplace Safety and Insurance Board	-	100,779
Prepaid expenses	3,499	159,587
Accounts payable and accrued charges	(102,175)	200,852
Unexpended proceeds from fundraising event	2,444	(652)
Due to MOL	-	2,969
	(91,499)	315,322

12. Recovered costs

The recovered costs include the following:

	2014	2013
	\$	\$
Course and registration fees	1,165,417	1,249,882
Interest earned	67,991	76,967
Miscellaneous	1,862	1,535
	1,235,270	1,328,384

Workers Health and Safety Centre Federation of Ontario

(Operating as Workers Health & Safety Centre)

Notes to the financial statements

March 31, 2014

13. Guarantees

In the normal course of business, the Centre enters into agreements that meet the definition of a guarantee. The Centre's primary guarantees subject to disclosure requirements are as follows:

- (a) The Centre has provided indemnities under lease agreements for various operating facilities. Under the terms of these agreements, the Centre agrees to indemnify the counterparties for various items including, but not limited to, all liabilities, loss, suits, and damages arising during, on or after, the term of the agreement. The maximum amount of any potential future payment cannot be reasonably estimated.
- (b) Indemnity has been provided to all directors and/or officers of the Centre for various items including, but not limited to, all costs to settle suits or actions due to association with the Centre, subject to certain restrictions. The Centre has purchased directors' and officers' liability insurance to mitigate the cost of any potential future suits or actions. The term of the indemnification is not explicitly defined, but is limited to the period over which the indemnified party served as a director or officer of the Centre. The maximum amount of any potential future payment cannot be reasonably estimated.
- (c) In the normal course of business, the Centre has entered into agreements that include indemnities in favour of third parties, such as purchase and sale agreements, confidentiality agreements, engagement letters with advisors and consultants, outsourcing agreements, leasing contracts, information technology agreements and service agreements. These indemnification agreements may require the Centre to compensate counterparties for losses incurred by the counterparties as a result of breaches in representation and regulations or as a result of litigation claims or statutory sanctions that may be suffered by the counterparty as a consequence of the transaction. The term of these indemnities are not explicitly defined and the maximum amount of any potential reimbursements cannot be estimated.

The nature of these indemnification agreements prevents the Centre from making a reasonable estimate of the maximum exposure due to the difficulties in assessing the amount of liability which stems from the unpredictability of future events and the unlimited coverage offered to counterparties. Historically, the Centre has not made any significant payments under such or similar indemnification agreements and therefore no amount has been accrued in the balance sheet with respect to these agreements.

14. Financial instrument risks

The Centre manages financial risks associated with financial instruments as summarized below:

- Credit risk is the possibility that other parties may default on their financial obligations. The Centre manages its credit risk through proactive collection policies.
- Interest rate risk is the risk that the fair value of financial instruments will fluctuate due to changes in market interest rates. The Centre manages this risk by investing in short term instruments, which limits exposure to this risk.

Workers Health and Safety Centre

(Operating as Workers Health & Safety Centre)

Schedule of expenses and recovered costs
for the years ended March 31, 2014 and 2013

	2014		2013	
	Operating	Young Worker Awareness	Total	Total
	\$	\$	\$	\$
Amortization	503,469	-	503,469	379,760
Association Fees	1,967	-	1,967	1,890
Bad Debt Expense	7,257	-	7,257	6,244
Bank Service Charges and Interest	66,855	-	66,855	48,598
Communications	67,879	-	67,879	43,961
Directors	1,302	-	1,302	4,821
Employee Benefits	2,826,274	-	2,826,274	2,914,141
Equipment rental and Maintenance	282,050	-	282,050	307,602
Gain on termination of lease	(13,046)	-	(13,046)	-
Harmonized Sales Tax	26,367	-	26,367	31,508
Information Services	1,830	-	1,830	1,115
Insurance	27,612	-	27,612	16,520
Meeting Costs	67,322	-	67,322	107,150
Occupancy Costs	551,470	-	551,470	563,779
Postage	29,499	-	29,499	24,431
Professional Fees and Outside Consultants	145,241	-	145,241	189,429
Public Training	499,581	-	499,581	687,217
Safety Promotion	12,399	-	12,399	15,509
Special Project Expense	-	-	-	440,539
Staff Courses and Seminars	10,963	12,852	23,815	45,705
Staff Salaries	5,842,406	187,515	6,029,921	5,896,445
Subscriptions and Reference	12,520	-	12,520	10,635
Supplies and Sundry Services	41,498	75,918	117,416	106,865
Telecommunications	126,662	-	126,662	133,454
Travel and Vehicle Costs	431,016	20,425	451,441	536,731
	11,570,393	296,710	11,867,103	12,514,049
Less recovered costs (Note 12)	(1,235,270)	-	(1,235,270)	(1,328,384)
	10,335,123	296,710	10,631,833	11,185,665

The accompanying notes to the financial statements are an integral part of this financial statement.



www.whsc.on.ca

1.888.869.7950



facebook.com/WHSCtraining



twitter.com/WHSCtraining



youtube.com/WHSCtraining