



2014 Annual Report





Table of Contents

Who We Are	3
International Recognition	3
Our Vision	3
Our Mission	3
Our Board of Directors	3
What We Do	4
Message from the Chairman	5
Message from the CEO	6
Auditor's Report	7
Financial Statements	8
Notes to Financial Statements	11
2016 Canadian Underwater Conference and Exhibition	15



Canadian Coast Guard hovercraft and diving support vessel.



Who We Are

The Diver Certification Board of Canada (DCBC) is an independent federally incorporated not-for-profit body which operates under the authority of agreements with the Canada - Newfoundland and Labrador Offshore Petroleum Board and the Canada - Nova Scotia Offshore Petroleum Board.

The DCBC was founded in 2002 by the diving industry to replace the offshore diver certification regime of the National Energy Board and the offshore petroleum boards. The DCBC is the only national body which certifies offshore and inshore occupational diving and ROV personnel in Canada.

International Recognition

DCBC is a founding member of the International Diving Regulators Forum (IDRF) and has observer status in the European Diving Technology Committee (EDTC). Certificates issued by the DCBC are recognized by Australia (ADAS), France, Norway, South Africa, the United Kingdom (HSE) and the International Marine Contractors Association (IMCA).

Our Vision

Our vision is of an internationally recognized national certification scheme for the occupational diving and ROV industry, guided by various stakeholders who are dedicated to the development and enhancement of the Canadian underwater industry without personal gain or profit.

Our Mission

Our mission is to provide a national Canadian certification scheme for occupational diving and ROV personnel, based on a single national standard of competencies, in order to enhance industry safety by demonstrating personal competency.

Our Board of Directors

Jonathan Chapple*	Aqua-Lung Canada / Whites
Bruce Banks	Divers Institute of Technology
Dennis Barrington	Wet Work Marine
Cory Beaudry	BC College of Diving
Marc-André Désy	Expertech Marine
Steve Duffy	Smart Safe
Garth Hiebert	Dominion Divers (2003) Ltd
John Mitchell	Retired MOL Diving Inspector
Ian White	Closed Bell Diver/ Air DSS

* Chairman

Past Directors

Steven Hart	2001 to 2009 (First Chairman)
David Squires	2001 to 2011 (Second Chairman)
James H Wilson	2001 to 2010
John Scott	2002 to 2011
David W. Geddes	2002 to 2011
Ian Rodd	2004 to 2013





What We Do

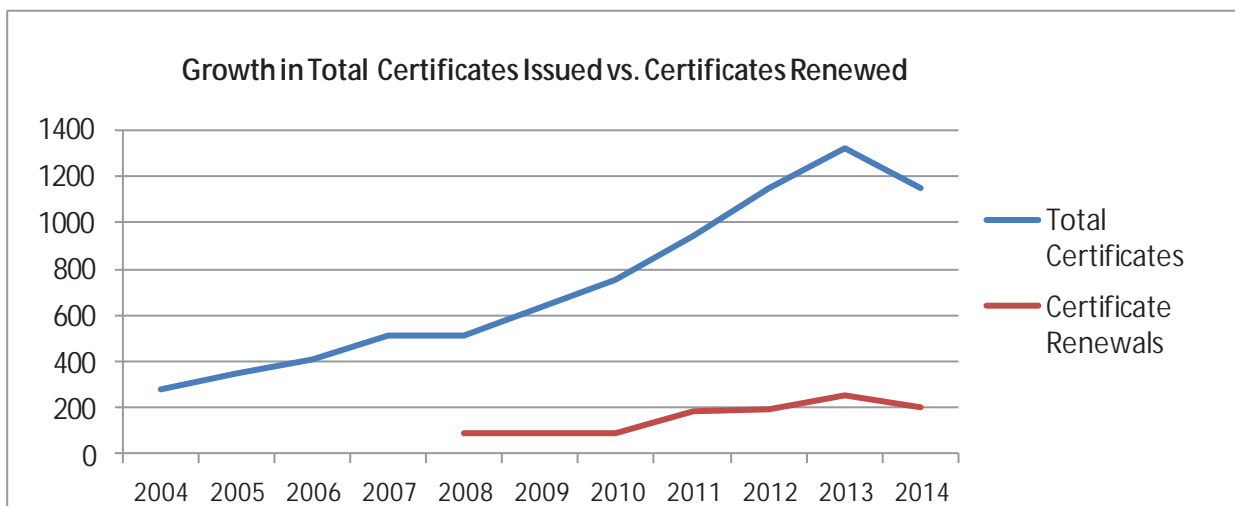
The Diver Certification Board of Canada offers certification to professional diving and ROV personnel who can demonstrate that they have sufficient training and experience to enable them to meet the competency requirements of the appropriate section of the Canadian Standards Association (CSA) *Competency Standard for Diving, Hyperbaric Chamber, and Remotely Operated Vehicle Operations* (CSA Standard Z275.4).



The DCBC accredits commercial diver training establishments (DTE) whose training meets the requirements of the CSA standard for *Occupational Diver Training* (CSA Standard Z275.5). Currently there are thirteen accredited DTE's, nine in Canada and four in the United States. DTE's also assess the competency of experienced commercial and other professional divers, provide training where necessary, and recommend the diver for certification.

Certificates Issued Since 2003

Certificate Type	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
SCUBA	0	1	2	4	15	12	14	28	26	66	123	54
SCUBA Supervisor	0	0	0	0	2	1	1	3	3	5	7	6
RSS Diver	88	227	307	345	448	424	504	655	779	114	110	78
USS Diver										793	932	878
SS Supervisor	14	17	19	13	17	10	23	28	46	55	48	57
Closed Bell Diver	58	19	12	28	20	39	58	26	45	67	52	50
Offshore Air Supervisor	1	0	0	0	4	5	5	1	3	2	6	4
Bell Diving Supervisor	11	6	3	6	2	9	8	8	15	19	10	8
Diving Safety Specialist	2	2	0	3	3	5	10	2	8	6	15	9
LST/LSS/HCO/Tender/ROV	10	4	4	6	0	3	8	5	16	20	20	6
Total	184	276	347	405	511	508	631	756	941	1147	1323	1150





Message from the Chairman



“The Directors share a common goal of improving the safety of our industry... We are trustees who make, and ensure implementation of, collective decisions in the interest of the entire industry.”

The Diver Certification Board of Canada certification scheme is now well into its second decade and 2014 was another successful year.

During the past year the Board of Directors has continued to refine our internal structure and processes while working on external policies. The Directors share a common goal of improving the safety of our industry and we are all aware that the organization must adapt in order to be receptive and responsive to the needs of our stakeholders. I have been reassured to see the active involvement and passionate commitment of each Director in this task of organizational renewal.

The composition of the Board is a key part of DCBC success and feeds the periodic renewal process. I emphasize as often as possible that our Board of Directors maintains a balanced representation from all parts of the underwater industry combined with a broad geographical representation from across the country. The individual Directors around the table have very different backgrounds and it is this subject matter expertise that makes our Board discussions lively, effective, and - above all - thorough. As Directors we are trustees who make, and ensure implementation of, collective decisions in the interest of the entire industry.

In 2014 the Board reviewed and updated policies on complaints, Prior Learning Assessment & Recognition, and is currently working on revisions to policies on renewals and endorsements.

During the year the Board of Directors undertook an evaluation of the DCBC internal organization including a 5-yearly review of our Governance

Policies. A key outcome of this process was the creation of a small Executive Committee intended to strengthen the linkage between the Board and the Executive. The Executive Committee has already started work with a remit to provide strategic direction and oversight. I am confident that this positive development will enhance the continuity, consistency, and responsiveness of decision-making within the DCBC.

As this report goes to print the 7th Canadian Underwater Conference & Exhibition (CUCE) has just completed in Victoria, March 2015. Once again the organizing committee of volunteers - from DCBC, CADC and industry - worked extremely hard to ensure the success of the CUCE. The 2015 CUCE completes the second “swing” tour of locations running from the East Coast, through central Canada, to the West Coast (many of you will remember our previous western event in Vancouver in 2011). The CUCE is unique in Canada and is presented by the DCBC in order to support and sustain the underwater industry in which we all participate. In 2016 the CUCE will embark on a new triennial travel cycle, starting in Halifax in April 2016.

In summary I am pleased to report that the DCBC remains in good shape and, more importantly, in safe hands. I thank my fellow Directors, and all our stakeholders in the occupational diving and ROV industry across North America, for their continued support of the DCBC.

Jonathan Chapple

LCDR RN (Ret'd), FCMI, MIExpE, LLB,
Chairman, DCBC



Message from the CEO



"In response to feedback from industry, we have modified the design of our diver certificates of competency...The new certificate design was implemented in January 2015."

In 2014 DCBC issued 1150 certificates, compared to 1322 in 2013. This is the first time in twelve years that we have seen a year-over-year decrease in the number of certificates issued. The main reasons for the decrease were a reduction in class sizes at our two largest accredited diver training establishments and a decrease in offshore diving on the East Coast.

We completed audits of four accredited diver training establishments (DTE), following our regular schedule which requires all accredited schools to be audited every two and a half years. We also began the initial accreditation process for our twelfth accredited DTE, based in New Jersey.

DCBC continued to participate in CSA technical sub-committee meetings for the Z275 family of diving related standards. We also committed to provide annual funding in support of CSA Z275.4, the competency standard upon which our certifications are based.

DCBC participated fully in the International Diving Regulators and Certifiers Forum (IDRCF) working group that reviewed the training and

certification of Closed Bell Divers. The review was completed in one year and presented to all IDRCF members in Barcelona, Spain in October 2014. DCBC also worked with the International Marine Contractors Association (IMCA) and the Australian Diver Accreditation Scheme (ADAS) to implement a common, computer-generated examination for Offshore Air Diving Supervisors.

In response to feedback from industry, we have modified the design of our diver certificates of competency. The new design now shows the name of the certificate holder and the certificate number on the back of the certificate as well as on the front. The definition of the diver's competence has been greatly shortened to make more room for endorsements (as listed in CSA standards). The coloured background has been replaced with a crisper rendition of the underwater design. The new certificate design was implemented in January 2015.

David G. Parkes M.Ed
Chief Executive Officer





Bluenose Accounting
Chartered Accountants



AUDITORS' REPORT

To the Board of: **DIVER CERTIFICATION BOARD OF CANADA**

Report on the Financial Statements

We have audited the accompanying financial statements of **DIVER CERTIFICATION BOARD OF CANADA**, which comprise the statement of financial position as at December 31, 2014, the statement of changes in net assets, the statements of operations, and 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-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 qualified audit opinion

Basis for Qualified Opinion

In common with many non-profit organizations, the organization derives part of its revenue from delegate fees from the annual conference, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, in the current and prior year our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to revenues, excess of revenue over expenses, assets and net assets.

Qualified Opinion

In our opinion, except for the effects (or the possible effects) of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of **DIVER CERTIFICATION BOARD OF CANADA** as at December 31, 2014, and its financial performance and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Bluenose Accounting

Bluenose Accounting Chartered Accountants
Halifax, Nova Scotia
March 20, 2015

13589 Peggy's Cove Rd.
Upper Tantallon, NS B3Z 2J3
Tel (902) 820-8000

www.BluenoseAccounting.com

209 - 1 Kingswood Dr.
Hammonds Plains, NS B4B 0P4
Tel (902) 835-5000



DIVER CERTIFICATION BOARD OF CANADA
STATEMENT OF FINANCIAL POSITION

<u>DECEMBER 31</u>	<u>2014</u>	<u>2013</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 291,380	\$ 230,147
Accounts receivable	35,130	54,183
HST receivable	3,478	2,578
Prepaid expenses	10,394	13,812
Inventory	<u>13,028</u>	<u>15,435</u>
	<u>\$ 353,410</u>	<u>\$ 316,155</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 7,137	\$ 6,329
Deferred revenue	26,081	26,675
Payroll source deductions	<u>4,360</u>	<u>4,188</u>
	37,578	37,192
COMMITMENTS (Note 6)		
NET ASSETS		
UNRESTRICTED	<u>315,832</u>	<u>278,963</u>
	<u>\$ 353,410</u>	<u>\$ 316,155</u>

Approved by the Directors:

_____ Director

_____ Director





DIVER CERTIFICATION BOARD OF CANADA
STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

YEAR ENDED DECEMBER 31	2014	2013
REVENUE		
Certificate fees	\$ 285,633	\$ 290,905
Conference	91,474	-
Operating grants (Note 5)	32,000	36,000
Accreditation fees	4,500	2,500
Other	<u>18,032</u>	<u>16,137</u>
	431,639	345,542
EXPENDITURES		
Advertisements	6,140	6,101
Board meetings	30,925	25,351
Conference	91,808	-
Furniture and equipment	1,267	7,646
Insurance	2,694	2,673
Interest and bank charges	4,167	4,201
Office	26,035	34,022
Professional fees	12,216	7,833
Rent	16,090	22,597
Salaries and benefits	178,730	166,091
Training	-	1,395
Travel	<u>24,698</u>	<u>20,658</u>
	<u>394,770</u>	<u>298,568</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 36,869</u>	<u>\$ 46,974</u>
CHANGE IN NET ASSETS		
Unrestricted net assets at beginning of year	\$ 278,963	\$ 231,989
Excess of revenue over expenses	<u>36,869</u>	<u>46,974</u>
Unrestricted net assets at end of the year	<u>\$ 315,832</u>	<u>\$ 278,963</u>





DIVER CERTIFICATION BOARD OF CANADA
STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from fees, grants and other	\$ 359,218	\$ 387,306
Net receipts from conference	90,880	26,675
Payment for salaries	(178,558)	(165,067)
Payment for other expenses	(120,652)	(133,391)
Payment for conference	<u>(88,388)</u>	<u>(11,642)</u>
	62,500	103,881
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of furniture and equipment	<u>(1,267)</u>	<u>(7,646)</u>
CHANGE IN CASH AND EQUIVALENTS DURING THE YEAR	61,233	96,235
CASH AND EQUIVALENTS AT BEGINNING OF YEAR	<u>230,147</u>	<u>133,912</u>
CASH AND EQUIVALENTS AT END OF YEAR	<u>\$ 291,380</u>	<u>\$ 230,147</u>
REPRESENTED BY:		
Cash	<u>\$ 291,380</u>	<u>\$ 230,147</u>





DIVER CERTIFICATION BOARD OF CANADA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014

1. MISSION AND VISION OF ORGANIZATION

The Board is a not-for-profit organization under section 149 (1) of the Income Tax Act, and, as such, is exempt from income taxes. Accordingly, no provision has been made in the accounts for income taxes.

a) Vision

The Diver Certification Board of Canada's vision is of an internationally recognized national certification scheme for the occupational diving and ROV industry, guided by various stakeholders who are dedicated to the development and enhancement of the Canadian underwater industry without personal gain or profit

b) Mission statement

The mission of the Diver Certification Board of Canada is to provide a national Canadian certification scheme for occupational diving and ROV personnel, based on a single national standard of competencies, in order to enhance industry safety by demonstrating personal competency.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-profit-organizations (ASNPO). The financial statements include the following significant accounting policies:

a) Fund accounting

Revenues and expenses related to program delivery and administrative activities are reported in the Unrestricted Fund. This is the only fund in use for the period covered by these statements.

b) Cash and cash equivalents

The entity's policy is to disclose bank balances under cash and cash equivalents, including bank balances and term deposits with a maturity period of three months or less.

c) Furniture and equipment

Property & equipment additions are expensed in the year of acquisition. Expensed during the year

d) Revenue recognition

The Board recognizes grants and conference income in the period to which they relate and when collection is reasonably assured. Certificate and accreditation fees are recognized when the certificate is issued or accreditation granted and when collection is reasonably assured. Other revenue is recognized when the risk and rewards have transferred and when collection is reasonably assured.



DIVER CERTIFICATION BOARD OF CANADA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014

e) Donated services

The organization benefits greatly from donated materials and services in the form of volunteer time. The value of donated materials and services is not recognized in these financial statements.

f) Use of estimates

The preparation of financial statements in conformity with Canadian ASNPO 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 financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known.

g) Inventory

Inventories consists of log book are stated at the lower of cost or net realizable value on a first in first out basis

3. GOING CONCERN

The financial statements have been prepared in accordance with Canadian ASNPO on a going concern basis. Under the going concern assumption, a organization is viewed as being able to realize its assets and discharge its liabilities in the normal course of operations.

4. FINANCIAL INSTRUMENTS

The organization's financial instruments consist of cash, accounts receivable, HST receivable, accounts payable and accrued liabilities and payroll source deductions. In management's opinion, unless otherwise noted, the organization is not exposed to significant interest rate, currency exchange rate or credit rate risk arising from these financial instruments.

Under the standards for recognition and measuring financial instruments, all financial assets are classified into one of the following four categories: held for trading, held to maturity, loans and receivables or available for sale. All financial liabilities are classified into one of the following two categories: held for trading or other financial liabilities. The organizations financial assets and financial liabilities are classified and measured as follows:

<u>ASSET/LIABILITY</u>	<u>CATEGORY</u>	<u>MEASUREMENT</u>
Cash	Held for trading	Fair values
Accounts receivable	Loans and receivables	Amortized cost
HST receivable	Loans and receivables	Amortized cost
Accounts payable and accrued liabilities	Other financial liabilities	Amortized cost
Payroll source deductions	Other financial liabilities	Amortized cost

The fair value of cash approximates its carrying values due to the nature or capacity for prompt liquidation.





DIVER CERTIFICATION BOARD OF CANADA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014

4. FINANCIAL INSTRUMENTS (Continued)
Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Financial instruments that potentially subject the company to concentrations of credit risk consist of cash and accounts receivable. The organization deposits its cash in reputable financial institutions and therefore believes the risk of loss to be remote. The organization is exposed to credit risk from accounts receivable. The organization believes this credit risk is minimized as the organization has a large and diverse customer base. A provision for impairment of accounts receivable is established when there is objective evidence that the organization will not be able to collect all amounts due.

Liquidity risk

Liquidity risk is the risk that the organization will encounter difficulty in meeting obligations associated with financial liabilities. The entity is exposed to the risk mainly in respect of its accounts payable. The organization generates enough cash from operation activities to fund operations and fulfil obligations as they become due. Sufficient financing facilities are in place should cash requirements exceed cash generated from operations.

5. OPERATING GRANTS

	2014	2013
Canada-Nova Scotia Offshore Petroleum Board	\$ 10,000	\$ 10,000
Canada-Newfoundland and Labrador Offshore Petroleum Board	10,000	10,000
Members of the Canadian Association of Petroleum Producers		
Exxon Mobil Canada Ltd.	4,000	4,000
Suncor Energy Inc.	4,000	4,000
Encana Corporation	4,000	4,000
Husky Energy Inc.	4,000	4,000
Hibernia Management and Development Company Ltd.	<u>4,000</u>	<u>4,000</u>
	40,000	40,000
Prior year grant collected and (uncollected)		
Encana Corporation	<u>(8,000)</u>	<u>(4,000)</u>
	<u>\$ 32,000</u>	<u>\$ 36,000</u>





DIVER CERTIFICATION BOARD OF CANADA**NOTES TO FINANCIAL STATEMENTS**

DECEMBER 31, 2014

6. COMMITMENTS

The Board has entered into a contract for the lease of its premises until 2018 at an annual lease rate of \$14,568.

7. COMPARATIVE FIGURES

Certain of the 2013 figures, presented for comparative purposes, have been reclassified to conform to the financial statement presentation adopted for the current year.

8. CAPITAL RISK MANAGEMENT

The Board's objective when managing capital is to ensure sufficient liquidity to support its financial obligations and to conduct operations and execute strategic plans in the best interest and support of its members and causes.

The Board's objectives are met by maintaining adequate funds to guard against the possibility that cash flows from its fees revenues and grants will not be sufficient to meet future cash flow requirements. In addition, the Board actively monitors its capital structure and to make necessary adjustments as a result to changes in economic conditions.

The Board's capital structure consists of unrestricted net assets. As at December 31, 2014, the Board's unrestricted net assets were \$278,962 (2013 \$231,988).





2016

Canadian Underwater Conference & Exhibition

Man & Machine Underwater

Halifax, NS
April 3-5, 2016

The 8th Canadian Underwater Conference and Exhibition returns to the East Coast for 2016 and will continue to focus on all aspects of the onshore and offshore underwater industries.

Approximately two dozen cutting edge technical presentations will address diving operations and ROV & AUV activities across North America and around the world.

The 2016 CUCE has numerous value added sponsorship opportunities available and space for up to 35 exhibitors. Booth's sold out in 2014 & 2015 so reserve your space early to avoid disappointment.

For information about the 2016 conference visit...

www.cuce.ca



208-5209 St. Margaret's Bay Road
Upper Tantallon NS B3Z 1E3

Tel: 902 826-2190

Fax: 902 826-2191

info@divercertification.com

www.divercertification.com