



2018 Annual Report



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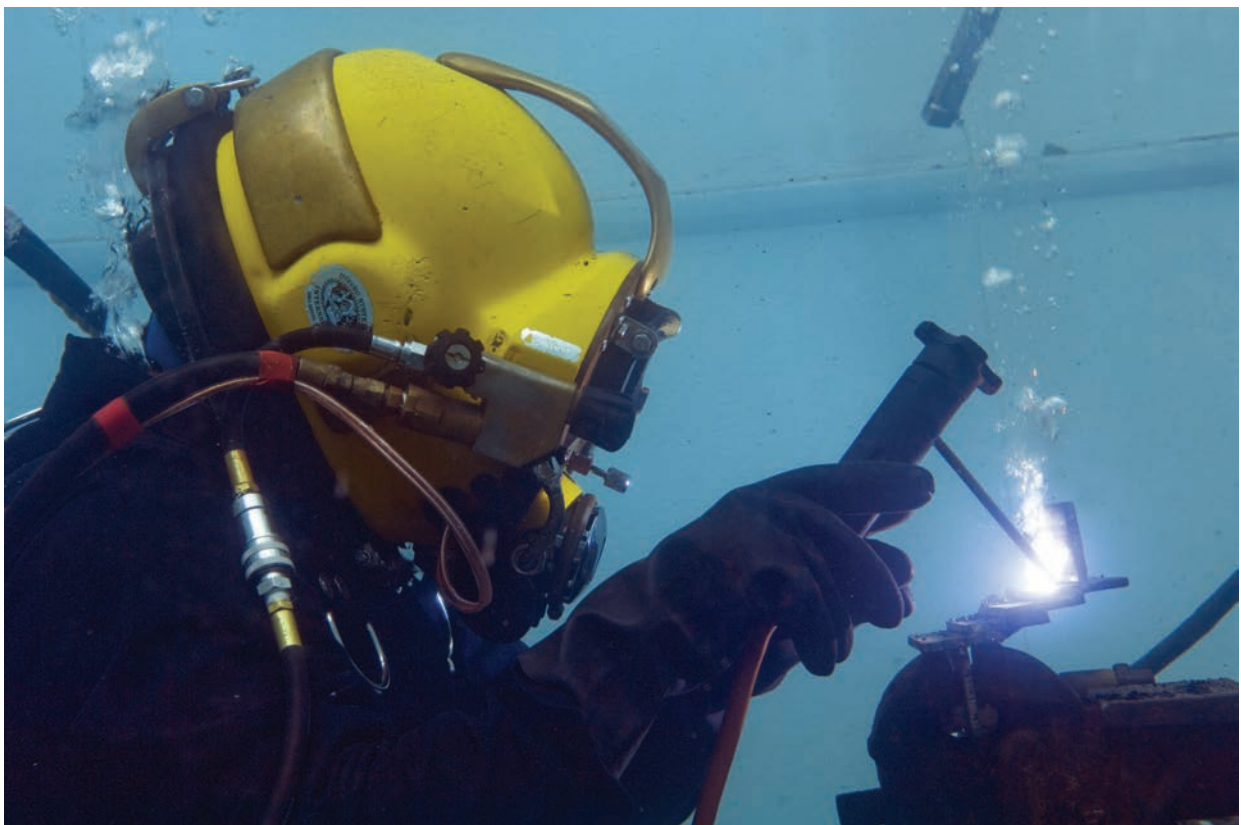


Photo courtesy of CDA-Technical Institute

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 and Certifiers Forum (IDRCF) 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

Garth Hiebert*	Dominion Divers Ltd.
Bruce Banks	Divers Institute of Technology
Cory Beaudry	BC College of Diving
Warren Fulton	WorkSafeBC
Mike Graham	Offshore DSS (Bell Diving)
Shawn MacPhail	Dominion Diving Ltd.
John Mitchell	Retired MOL Diving Inspector
Jean-Luc Ward	Bell Diving Supervisor
Ian White	Closed Bell Diver / Air DSS
* Chairman	



Past Directors

Steven Hart	2001 to 2009 (1st Chair)	David W. Geddes	2002 to 2011
David Squires	2001 to 2011 (2nd Chair)	Ian Rodd	2004 to 2013
Jonathan Chapple	2009 to 2018 (3rd Chair)	Steve Duffy	2007 to 2016
James H Wilson	2001 to 2010	Dennis Barrington	2009 to 2018
John Scott	2002 to 2011	Marc-André Déry	2009 to 2018

What We Do

The DCBC 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).

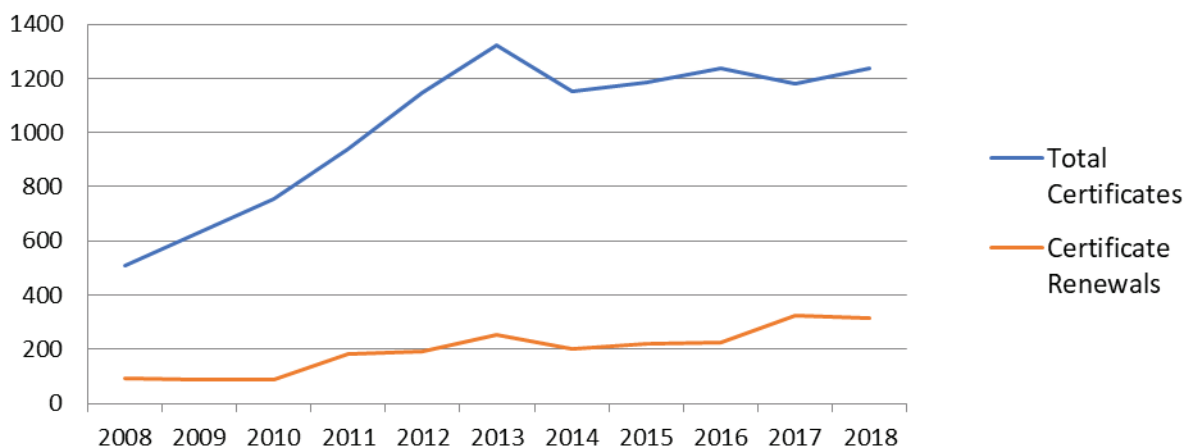
The DCBC has accredited seventeen commercial diver training establishments (DTE) whose training meets the requirements of the CSA standard for *Occupational Diver Training* (CSA Standard Z275.5), ten in Canada, six in the United States and one in the West Indies. DTE's also assess the competency of experienced commercial and other professional divers, provide training where necessary, and recommend the diver for certification.



Certificates Issued in the Past Ten Years

Certificate Type	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
SCUBA	12	14	28	26	66	123	54	70	71	76	68
SCUBA Supervisor	1	1	3	3	5	7	6	6	0	2	9
RSS Diver	424	504	655	779	114	110	78	72	83	107	170
USS Diver					793	932	878	974	972	860	869
SS Supervisor	10	23	28	46	55	48	57	40	69	57	65
Closed Bell Diver	39	58	26	45	67	52	50	11	23	47	26
Offshore Air Supervisor	5	5	1	3	2	6	4	0	4	1	7
Bell Diving Supervisor	9	8	8	15	19	10	8	4	6	7	1
Diving Safety Specialist	5	10	2	8	6	15	9	4	7	13	8
LST/LSS/HCO/Tender/ROV	3	8	5	16	20	20	6	2	4	10	16
Total	508	631	756	941	1147	1323	1150	1183	1239	1180	1239

Growth in Total Certificates Issued vs. Certificates Renewed



Message from the Chairman



"The CUCE is a unique event in Canada and is presented by the DCBC to bring together the various elements of the underwater industry in which we all participate. "

Toward the end of my second year as Chairman I was pleased to see how smoothly the board was able to remake itself following the departure of three directors who had reached the end of their allotted time on the board. Jonathan Chapple, Dennis Barrington and Marc-André Désy had each served three, three-year terms as director. Before departing, following the October meeting of the board, all three were able to participate in the election of three new directors to replace them. Although already active in the workings of the board, Warren Fulton, Mike Graham and Jean-Luc Ward will participate in their first full board meeting in April 2019.

The Canadian Underwater Conference & Exhibition (CUCE) is presented by the DCBC to bring together and support the various elements of the underwater industry in which we all participate. In 2018 the CUCE was held in Vancouver, BC in March. Once again, the volunteer organizing committee, involving people from DCBC and the occupational diving industry worked hard to ensure that the conference lived up to its well-earned reputation for excellent technical presentations and networking opportunities and created a unique Canadian event. Unfortunately, the event was a financial flop costing more than sponsors, exhibitors and attendees contributed. As a result, the 2019 CUCE was cancelled and all planning resources are now dedicated to ensuring that CUCE2020, to be held in St. John's, NL in April 2020, is both a technical and financial success.

DCBC continues to actively participate in and support the work of the Canadian Standards Association Technical Committee on occupational diving (Z275), and the six sub-committees which operate under their leadership. In 2018 our CEO was appointed a voting member of the TC, and participated fully in the discussions concerning the future of the Z275 family of standards as a member of the Executive Committee. The DCBC also continued its financial support of the diving competency standard upon which our certification activities are built by contributing \$1,770.00, or \$1.50 for each certificate issued in 2017.

DCBC is a founding member of the International Diving Regulators and Certifiers Forum (IDRCF) which meets once per year alongside the European Diving Technology Committee (EDTC) in a European city selected by the EDTC. Members of IDRCF work together to harmonize their various diving standards and to recognize each others' certificates of competency. For example all members recently harmonized their Bell Diver training standards following a year of studying and comparing the existing standards. The IDRCF is currently studying the standards for Surface Supplied Diver training with the intent to harmonize those standards also.

Garth Hiebert
Co-owner and President
Dominion Divers Ltd
Chairman, DCBC

Message from the CEO



"One of our responsibilities as a founding member of the International Diving Regulators and Certifiers Forum (IDRCF) is to ensure that CSA committees are kept up to date with their discussions."

In 2018, DCBC issued 1239 certificates compared to 1182 in 2017.

We continue to work with other like-minded organizations to improve occupational diver safety, principally by identifying the competency of divers and supervisors through certification. For example, we have worked with the International Marine Contractors Association (IMCA) and the Australian Diver Accreditation Scheme (ADAS) to set up and constantly improve a common examination scheme for Offshore Bell and Air Diving Supervisors. We're working with the Ministry of Labour in Ontario to assist older, experienced divers and supervisors to obtain DCBC certification. We're working with Natural Resources Canada on the development of the Occupational Health and Safety (OHS) regulations for the Canada-Nova Scotia and the Canada-Newfoundland and Labrador offshore areas, and we have discussed with CAPP the importance of Canadian Standards Association's (CSA) diving standards to the occupational diving industry in Canada.

We continue to work with Diver Training Establishments (DTE) to both maintain and improve the quality of diver training. We audited seven DTE's in 2018, using CSA diving standards as the basis for our audit checklists. We also accredited our first Clinical Hyperbaric Chamber Operator course to be delivered in Lévis, QC. Together with the DTE's we convinced CSA to upgrade Unrestricted Surface Supplied Diver

training to ensure that all USS divers are competent in occupational SCUBA and the use of IMCA compliant wet bells.

Staff training is important to DCBC. In 2018 all staff underwent training in ISO 9001:2015 to enable a smooth transition to this new standard. We also underwent two ISO audits, one of which was conducted by representatives of the Offshore Petroleum Board of Nova Scotia and Newfoundland and Labrador. We took the opportunity afforded by hosting the Canadian Underwater Conference & Exhibition (CUCE) in Vancouver to allow our Certification Manager, Tracy Park, to visit the Canadian Coast Guard dive unit at Sea Island and the Divers Institute of Technology in Seattle, WA where she was able to dive in a modern Kirby Morgan helmet and wet suit. Previously she had dived a Mark 5 helmet and dry suit at Seneca College in King City, Ontario. Combined with her visits to the Holland College deep dive site on Bedford Basin in Halifax, Ms. Park's knowledge of diving is constantly improving.

As this report goes to print, we are beginning preparations for the 2020 CUCE to be held in St. John's, NL in April 2020. As usual we expect excellent technical presentations and networking opportunities at this uniquely Canadian event. We hope to see you there.

David G. Parkes, M.Ed.
Chief Executive Officer



INDEPENDENT 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, 2018, 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 in the current and prior year.. 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, 2018, and its financial performance and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Bluenose Accounting Chartered Accountants
Halifax, Nova Scotia
April 3, 2019

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Upper Tantallon, NS B3Z 2J3
tel 902.820.8000

bluenoseaccounting.com

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Hammonds Plains, NS B4B 0P4
tel 902.835.5000



DIVER CERTIFICATION BOARD OF CANADA

STATEMENT OF FINANCIAL POSITION

DECEMBER 31	2018	2017
ASSETS		
CURRENT ASSETS		
Cash	\$ 217,067	\$ 279,833
Accounts receivable	77,756	66,664
HST receivable	11,760	12,398
Prepaid expenses	2,165	11,320
Inventory	8,841	20,780
	<u>\$ 317,589</u>	<u>\$ 390,995</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 6,211	\$ 10,059
Deferred revenue	-	25,714
Payroll source deductions	4,488	5,409
	<u>10,699</u>	<u>41,182</u>
COMMITMENTS (Note 6)		
NET ASSETS		
UNRESTRICTED	<u>306,890</u>	<u>349,813</u>
	<u>\$ 317,589</u>	<u>\$ 390,995</u>

Approved by the Directors:




Director

Director



DIVER CERTIFICATION BOARD OF CANADA

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

YEAR ENDED DECEMBER 31	2018	2017
REVENUE		
Certificate fees	\$ 250,422	\$ 275,309
Conference	78,962	104,319
Operating grants (Note 5)	32,000	36,000
Accreditation cost recovery	10,298	17,662
Other	20,464	16,145
Accreditation fees	<u>5,000</u>	<u>3,000</u>
	397,146	452,435
EXPENDITURES		
Advertisements	15,204	24,186
Board meetings	33,986	44,052
Conference	96,353	120,930
Furniture and equipment	73	1,303
Insurance	2,558	2,462
Interest and bank charges	5,609	6,435
Office	29,173	22,857
Professional fees	16,146	16,631
Rent	17,879	16,344
Salaries and benefits	203,282	197,043
Training	2,979	-
Travel	<u>16,827</u>	<u>21,123</u>
	<u>440,069</u>	<u>473,366</u>
EXCESS OF (EXPENSES OVER REVENUE) / REVENUE OVER EXPENSES	<u>\$ (42,923)</u>	<u>\$ (20,931)</u>
CHANGE IN NET ASSETS		
Unrestricted net assets at beginning of year	\$ 349,813	\$ 370,744
Excess of (expenses over revenue) / revenue over expenses	<u>(42,923)</u>	<u>(20,931)</u>
Unrestricted net assets at end of the year	<u>\$ 306,890</u>	<u>\$ 349,813</u>



DIVER CERTIFICATION BOARD OF CANADA
STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from fees, grants and other	\$ 307,092	\$ 323,401
Net receipts from conference	53,248	110,137
Payment for salaries	(204,203)	(196,258)
Payment for other expenses	(131,770)	(172,925)
Payment for conference	<u>(87,060)</u>	<u>(103,725)</u>
	(62,693)	(39,370)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of furniture and equipment	<u>(73)</u>	<u>(1,303)</u>
CHANGE IN CASH AND EQUIVALENTS DURING THE YEAR	(62,766)	(40,673)
CASH AND EQUIVALENTS AT BEGINNING OF YEAR	<u>279,833</u>	<u>320,506</u>
CASH AND EQUIVALENTS AT END OF YEAR	<u>\$ 217,067</u>	<u>\$ 279,833</u>
REPRESENTED BY:		
Cash	<u>\$ 217,067</u>	<u>\$ 279,833</u>



DIVER CERTIFICATION BOARD OF CANADA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

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) Capital assets

Capital assets 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, 2018

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 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.



DIVER CERTIFICATION BOARD OF CANADA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

4. FINANCIAL INSTRUMENTS

The Association initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets subsequently measured at amortized cost include cash, accounts receivable, HST receivable and inventory. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, and payroll source deductions

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.

5. OPERATING GRANTS

	2018	2017
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	(4,000)	(4,000)
Exxon Mobil Canada Ltd	<u>(4,000)</u>	<u>4,000</u>
	<u>\$ 32,000</u>	<u>\$ 40,000</u>





DIVER CERTIFICATION BOARD OF CANADA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

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. 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 Boards 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, 2018, the Board's unrestricted net assets were \$306,890 (2017 \$349,813).

Join us in St. John's, NL for the
1th Canadian Underwater Conference & Exhibition



In 2020, the Canadian Underwater Conference and Exhibition will return to Newfoundland & Labrador, to the Avalon Ballroom at the Delta Hotels St. John's Conference Centre. Come and join your colleagues at the only Canadian conference which focusses 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 2020 CUCE has numerous value-added sponsorship opportunities available and space for up to 30 exhibitors. Reserve and pay for your booth by December 31, 2019 and save 25% on the fee!

Follow @CUCE2020 on Twitter for regular updates. For information about the 2020 conference visit:

www.cuce.ca



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