

**HortEducationBC Year End Report
April 1st, 2007 – March 31st, 2008**

Financial Report

HEBC finished the 07/08 year in a healthy position financially.

The balance sheet shows current assets of \$94,169.65 with \$64,377.69 in the bank and \$27,858.60 in receivables. Total assets' including equipment and computers finished at \$104,524.02.

Current Liabilities are \$1,282.62, which includes \$3626.99 due to the receiver general but a GST rebate (input tax credit) of \$2,609.71.

HEBC total equity is \$103,241.40 which includes current earnings of \$41,828.64.

It should be noted that the present strong balance sheet and retained earnings are due to revenue generated from various projects that were not funded by ITA. It also includes funds forwarded by Worksafe BC in the 2006/07 year that are included in retained earnings from the previous year but in fact will need to be refunded, as Worksafe BC is completing the final phase of the project.

The balance sheet is included as Appendix A.

The income statement shows total revenues of \$338,716.13. \$233,000.00 of this total is direct ITA funding (\$200,000.00 core and \$33,000 project specific). The remaining \$105,716.13 came from independently funded projects including; Labour Recruitment & Retention, High School Curriculum Development, and HEBC self-raised revenue through the CNLA certification program and numerous workshops HEBC delivered.

The following table outlines ITA core funded activities:

HEBC Core Activity Revenue and Costs

ITA funding	200,000
Core Expenses	
Marketing and Awareness	19,387.38
Payroll expenses	92,058.95
General & Admin Expenses	63,234.32
Total Core Expenses	174,680.65
Net Surplus from Core Activities	25,319.35

The income statement is included as Appendix B.

2007 / 2008 Service Plan Results

Administrative Comments

HortEducationBC has had an exciting year of growth, public awareness, and industry connections. We focused on growing our industry through marketing, establishing relationships with sponsors, researching further trade possibilities and institutions to provide instruction.

It was a budding year for myself. As the new CEO / President I had to instantly emerge into the apprenticeship culture and become aware of what the program was about. I needed to understand the strengths and weaknesses and complete ongoing projects. Being a Horticulturist myself, I found this roller coaster ride an opportunity to grow in my own knowledge and to bring this exciting career to others. My background also helped when assessing program outlines, reviewing subject matter and designating institutions. The HEBC board has been very supportive in my growth and has helped me a number of ways with administrative support and encouragement to take my ideas and run with them.

The coming year is going to be just as exciting and even more so with the hopes of developing more “green” trades under our ITO. With full administrative help we hope to track apprentices closer and establish more sound relationships with sponsors and industry as a whole.

Labor Market Conditions

The labor market conditions over that past year have remained the same as the past couple of years. The main concern is the continued deterioration of numbers of available skilled trades people.

We have noticed that long institutional training programs are increasingly less popular, making the apprenticeship program very palatable. Many young people need to be merged into a “career / trade” earlier in their schooling. Therefore, coming out of school with some trade knowledge to go straight into the work force. New innovative ways of entwining education and practical training is the way to proceed in our apprenticeship programs.

HEBC will be marketing more to the high school level, while continuing to build relationships with sponsors and apprentices, to help build understanding of the apprenticeship program and its benefits. This past year’s tax credit has been a huge help in drawing awareness. It has brought sponsors to HEBC to ask questions and gain further knowledge. We would like to be more proactive and educate sponsors about programs such as the tax credit well before they bring on an apprentice.

One small shift in the market is its direct relationship to sustainable or green industries. More and more people are becoming aware of their environment and the need to decrease their carbon footprint. They are looking at the importance of horticulture and the production of their food within British Columbia. This has directed us to look toward the possibility of bringing on an agriculture trade, such as Organic Farmers.

Performance Goals

Goal 1 – Increase the number of employers / sponsors offering trainee / apprentice placements.

06/07 Actual	07/08 Target	07/08 Actual
141	146	164

Goal 2 – Increase number of apprentices / trainees registered.

06/07 Actual	07/08 Target	07/08 Actual
178	350	274

Goal 3a – Increase Certificate of Qualifications issued.

06/07 Actual	07/08 Target	07/08 Actual
23	35	21

Goal 3b – Increase certificate of completion credentials issued for Foundation Programs.

06/07 Actual	07/08 Target	07/08 Actual
N/A	72	75

Goal 4 – Increase program completion percentage.

06/07 Actual	07/08 Target	07/08 Actual
N/A	Establish Baseline	Establish Baseline

Goal 5 – Increase number of programs meeting ITA standards.

06/07 Actual	07/08 Target	07/08 Actual
3	4	3

Goal 6 – Achieve Red Seal status for landscape horticulturist designation.

06/07 Actual	07/08 Target	07/08 Actual
N/A	Yes	No

Goal 7 – Attain full-service status with ITA.

06/07 Actual	07/08 Target	07/08 Actual
N/A	Yes	No

Program Standards

The following chart outlines program standard compliance results for 07/08.

Program	06/07 Compliance	07/08 Compliance
Landscape Horticulturist	Yes	Yes – met goal
Production Horticulturist	Yes	Yes – met goal
Arboriculture	Yes	Goal 09/10
Organic Farming	No	Goal 09/10
Dairy Production	No	Goal 08/09

Program Development Activities

The following chart outlines program development results for 07/08.

Program	07/08 Activity	07/08 Results
Landscape Horticulturist	Upgrade	Yes – exam bank completed
Production Horticulturist	Upgrade	Yes – exam bank 80% completed
Arboriculture	Upgrade	Goal 09/10
Organic Farmer	New	Goal 09/10
Dairy Production	New	Goal 08/09

HortEducationBC Significant Achievements in 2007 / 2008

There has been great movement towards apprenticeship awareness over this past year. The first step HortEducationBC took was to return workshops and Certification to the BC Landscape & Nursery Association. This allowed HEBC to focus solely on the apprenticeship program. Next was to complete the Program outlines and have them placed on the ITA website.

As highlighted in the summary of our performance goals, HEBC fell short in meeting goals specifically around the number of both sponsors and apprentices. This shortfall was completely the result of not being able to reach agreement with the Utility Arborists in aligning their trade under HEBC. Looking at these same numbers, measured only against the same designations as last year (apples to apples), HEBC had an increase of 14% in sponsors and an increase of 10% in active apprentices.

Additionally, a great deal of effort has been spent both locally and nationally at trying to reach our goal of Red Seal status for the landscape horticulturist designation. In coordination with the Canadian Agricultural Human Resource Council, a new National Occupational Standard has been developed. With Ontario taking the lead we have been invited to the April 2008 meetings of the Canadian Council of Directors of Apprenticeship where we will officially throw our hat into the ring to be considered for Red Seal.

In addition to the other goals and objectives that we reached as measured by the Service Plan, HEBC also accomplished the following key items:

- Became fully responsible for the assessments of our industries Challenge Examination packages and Equivalency packages
- Waived the Examination fee of \$120 for one year until HEBC was able to market what a Challenge Examination is and it's importance
- Pacific School of Horticulture was designated as a Foundation Program Institution and is being reviewed to facilitate levels 3 and 4. This will be the first time the entire apprenticeship program will be available on Vancouver Island
- Developed good relationships with many municipalities to have them integrate more apprentices into their system
- Met with the Arborist industry and are presently working with a Technical Arborist Steering Committee to establish the need for an Arborist Trade within BC and then move forward in the development of the Trade

- Began the development of high school learning resources for Levels 1 and 2 of the Horticulture apprenticeship program, working with The Ministry of Agriculture and Lands to complete this project in the first quarter of 2008
- Huge marketing awareness through Burnaby's Bees and Lavender Project. This includes the development of ecosculptures to promote Horticulture in the classroom. Students will take the ecosculptures, grow and develop them, and will eventually have a competition amongst the high schools
- Working with CAHRC (Canadian Agricultural Human Resource Council) to develop the National Standard for Landscape Horticulturist, a significant part of the Red Seal process
- Phase III of the Labour Recruitment & Retention project has been completed, and HEBC will begin to implement a marketing strategy
- Members of the HEBC Board also served on various BC and National committees dealing with human resource issues, industry certification, labour initiatives and national training needs
- Attended many industry trade shows, meetings and events to promote training and apprenticeship to those already in or interested in the trade. Worked especially with employers / sponsors to promote the value of training in a poor labour market
- Member of the Articulation Committee for Horticulture

These are only a few of the many accomplishments HEBC had during the past year.

It has been an exceptional year for moving forth in the apprenticeship trade development for our industry. I am looking forward further production and growth of our Industry Training Organization.

Appendix A

HortEducationBC
Balance Sheet As at 03/31/2008

ASSETS

Current Assets		
Mastercard/Visa	0.00	
Royal Bank Current	<u>114,377.69</u>	
Total Cash		114,377.69
Accounts Receivable	<u>27,858.60</u>	
Total Receivable		27,858.60
Prepaid Expenses		<u>1,933.36</u>
Total Current Assets		<u>144,169.65</u>
Inventory Assets		
Total Inventory Assets		<u>0.00</u>
Capital Assets		
Office Furniture	0.00	
Accum. Amort. - Furniture	<u>0.00</u>	
Net - Furniture		0.00
Equipment	2,289.80	
Accum. Amort. - Equipment	<u>-590.92</u>	
Net - Equipment		1,698.88
Computer	7,897.53	
Accum Amort. Computer	<u>-3,224.09</u>	
Net - Computer		<u>4,673.44</u>
Total Capital Assets		<u>6,372.32</u>
Other Non-Current Assets		
Computer Software		695.36
Computer Amortization		<u>-692.34</u>
Total Other Non-Current Assets		<u>3.02</u>
TOTAL ASSETS		<u>150,544.99</u>

LIABILITIES

Current Liabilities		
Accounts Payable		585.86
Vacation payable		-328.10
EI Payable	373.78	
CPP Payable	870.76	
Federal Income Tax Payable	<u>2,382.45</u>	
Total Receiver General		3,626.99
Accured Charges		2,100.00
WCB Payable		28.22
Employee Benefits Payable		-92.94
RRSP Payable HEBC		25.00
RRSP Payable Employee		50.00
GST Charged on Sales	-2.70	
GST Paid on Purchases	<u>-2,609.71</u>	
GST Owing (Refund)		<u>-2,612.41</u>
Total Current liabilities		<u>3,382.62</u>
Long Term liabilities		
Deferred Contribution		<u>85,364.00</u>
Total Long Term liabilities		<u>85,364.00</u>
TOTAL LIABILITIES		<u>88,746.62</u>

EQUITY

Share Capital		
Total Share Capital		<u>0.00</u>
Retained Earnings		
Retained Earnings - Previous Year		49,448.76
Current Earnings		<u>12,349.61</u>
Total Retained Earnings		<u>61,798.37</u>
TOTAL EQUITY		<u>61,798.37</u>
LIABILITIES AND EQUITY		<u>150,544.99</u>

Appendix B

HortEducationBC
Income Statement 04/01/2007 to 03/31/2008

REVENUE

Sales Revenue	
Government Funding	200,000.00
ITA Program Funding	33,000.00
Bank Interest	0.00
Membership Dues	0.00
6536288 Service Canada	1,600.00
CAG080313 - High School Curriculum	29,000.00
AGM	0.00
Certification	16,862.50
Short Course	3,285.00
Marketing & Awareness	0.00
Labour Recruitment & Retention	26,660.00
Other Revenue	176.12
Net Sales	<u>310,583.62</u>

Other Revenue	
Interest Revenue	10.98
Total Other Revenue	<u>10.98</u>

TOTAL REVENUE 310,594.60

EXPENSE

Specific Expenses	
Affiliation Fees	250.00
ITA Program Expenses	53,115.00
6536288 Service Canada	1,600.00
CAG080313 High School Curriculum	28,122.35
AGM	0.00
WorkSafe BC Expenses	0.00
Certification	8,919.05
Short Course	3,124.62
Marketing & Awareness	19,387.38
Labour Recruitment & Retention	27,086.80
Specific Expense Total	<u>141,605.20</u>

Payroll Expenses	
Salaries & Wages	76,089.60
EI Expense	1,993.39
CPP Expense	3,866.85
WCB Expense	202.91
Employee Benefits	5,173.69
Total Payroll Expense	<u>87,326.44</u>

General & Administrative Expenses	
Audit & Legal	2,300.00
Contract Labour	15,045.00
Amortization Expense	1,881.87
Bank Charges	12.00
Office & Computer Supplies	11,439.11
Insurance	0.00
Other Expense	5,952.36
Telephone	2,253.21
Office Rent	14,400.00
Travel & Meetings	16,029.80
Utilities	0.00
Total General & Admin. Expenses	<u>69,313.35</u>

TOTAL EXPENSE 298,244.99

NET INCOME 12,349.61