



Grant for Assistance Application

SEP 28 2018

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Organizational Information Sheet

Referred To DCO

Name of Organization: Canadian Mental Health Association - South Cariboo Branch

SEP 28 2018

Mailing address: PO Box 876, 100 Mile House, BC, V0K 2E0

DISTRICT OF 100 MILE HOUSE
BRITISH COLUMBIA

Telephone (office): 250-395-4883

Purpose of organization: Please see attached

How long has the organization operated in the community?: Since 1992

BC Society Registration number: S-54904

Federal Charitable Registration Number (if applicable): 8066484499 – RR0001

Chairperson's name: Kimberly Vance-Lundsbye

Chairperson's telephone: 250-395-4883

Treasurer or Financial officer's name: Kira Mitchell

Treasurer or Financial Officer's telephone: 250-395-4883

Date of last Annual General Meeting (attach minutes and current list of directors): June 19th, 2018

Please see attached minutes and current list of directors

Attach the last financial statement prepared and signed by the appropriate person (i.e., CA, CGA, CMA, comptroller, bookkeeper, financial officer, treasurer, etc.).

Please see attached audited financial statement

Previous year grant amount from CRD and District (if applicable) \$2,500.00

NOTE: A Final Report for previous year's grant **MUST** be included with this submission.

Please see attached final report for the previous year's grant

Current Grant amount requested \$9,820.00



Grant for Assistance Application

Please answer the following questions, using additional paper if necessary.

1. **What plans has your organization made to fund its' activities over the next 3-5 years?**

Our funding application to the BC Gaming branch was successful, and we were awarded the majority of the funds we applied for, but not enough to cover all of our costs. We will continue to apply to the Gaming Branch every year for funding (and we hope that they will continue to approve our applications), but we will still need to make up the short fall by applying for the Grant for Assistance funding.

2. **If your organization charges user fees/memberships/admission, attach your current fee structure:**

Individual membership: \$20; Corporate membership: \$50; Subsidized membership: \$5

3. **What are your organization's specific goals and objectives for this year? How do they differ from previous years?**

The vision of CMHA is, 'Mentally healthy people in a healthy society', and the work we do is with that goal in mind. We do not have any different specific goals this year.

4. **Who does your organization serve?** (% of clients from the District, % of clients from the South Cariboo)

Approximately 50% District and 50% from the South Cariboo

5. **Does your organization receive a rental subsidy from the CRD and/or District? If so, how much?**

No.

6. **Does your organization receive any benefit from permissive tax exemption? If so, how much?** (information available through District Tax Department)

No

7. **Does your organization use CRD or district owned facilities? If so, which ones?**

Yes, we have been renting the Lodge kitchen weekly to make the soup for Soupe de Tour.

8. **How will you indicate that the CRD and District are contributing to your organization?**

We will acknowledge your generosity in the local paper and in other ways if the District and the CRD prefers other forms of recognition.

Project Summary Sheet

Please answer the following questions, using additional paper if necessary.

1. **Please provide a brief description of the proposed use of the grant being applied for:**



Grant for Assistance Application

We ask for funding to cover the cost of accessing the Lodge kitchen (\$125 per week rent, \$50 per week clean up, and \$60 per month freezer access). This is only one portion of the Soupe de Tour budget. Soupe de Tour volunteers provide hot, nourishing soup to people in need. It is served at no cost at the Food Bank, Loaves and Fishes, the 100 Mile House and District Women's Centre, the Cariboo Family Enrichment Centre, the Friendship Centre, and to the clients of Canadian Mental Health Association - South Cariboo Branch's Homeless Outreach, Extreme Weather and Activity Programs.

2. How do you know there is a need for this service/project in our community?

As of December 31, 2016, our volunteers had made and distributed 60,400 servings of soup. Each year we make and distribute about 10,000 servings. The staff of the organizations that receive the soup frequently tell us of the important role it plays in the function of their organization and their ability to help the people in need that they serve. At the Women's Centre, everyone looks forward to the freshly made soup delivered on Tuesdays. Clients gather together to eat, and a social event has developed around this weekly occurrence. Similar things happen at the other places that the fresh soup is delivered to each week. As well, the soup is frozen in quart sized containers and distributed regularly to each organization so they have these containers on hand to give out to people in need. The demand for the soup is ongoing and we could always use more than we have. If we could figure out a way to increase our ability to make a larger volume of soup, it would be used as well.

Another benefit of the program that we have discovered are the skills that are developed through volunteering to make the soup. Cedar Crest clients that volunteer for Soup de Tour work side by side with their support workers as part of our soup making group, and in addition to the camaraderie they experience working as part of a group and the lunch that they eat after the soup is made, they are also developing skills that have helped some of the Cedar Crest clients find paid employment. This has been an unexpected but positive benefit of this program.

3. Is your agency applying for funds from other levels of government or other sources for this project?

Yes, we applied to the BC Gaming Branch for the funds to run this program, and we were granted the majority of the funds we applied for, but not enough to cover all of the expenses. These funds have only been granted for this year and we will have to apply for them every year and hope that they will grant us funds each year. As the funding provided by BC Gaming does not cover our costs, we will need to continue to also apply for the Grant for Assistance funds as well.

4. Would you still be able to complete the project if you did not receive the other funds applied for? (answer only if you answered yes to question 3 above)

If BC Gaming Branch denied our funding application we would be unable to continue with this program.

5. Please describe the impact of this application being denied or approval of an amount less than requested:

If we were awarded a lesser amount, our capacity for soup making would be reduced accordingly. The demand for the soup and the need for the project is ongoing and increasing.



Grant for Assistance Application

6. **Start date of the project:** January 1st, 2019
- End date of the project:** December 31st, 2019 (for this upcoming year, but is ongoing)

7. **Please describe the key activities that will take place to complete the project and any associated timelines:**

This is an established and ongoing project that requires volunteers and agencies to collaborate in: accessing groceries, preparing soup, mentoring volunteers, chilling and freezing and distributing the soup. The soup is prepared and distributed fresh weekly, as well as being frozen and dispersed for future emergency use.

8. **Please provide a detailed financial budget for the project.**

Please see attached budget

9. **Please explain how you will measure and evaluate the impact of this project on the community? How will you determine if it is successful?**

We measure and evaluate the impact and success of this project through the ongoing and increasing need and demand for the soup, through the feedback we receive from local agencies through which the soup is distributed, and from the people in need that receive the soup.

This project has been ongoing and growing since 2010. We have the support of each of the agencies that we collaborate with on this project. The ongoing dedication and collaboration of the supporting agencies is an indicator of the success and need for the program. Soupe de Tour volunteers have never been told by an agency that they have too much soup and don't need any that week. Our challenge is to continue to come up with ways to increase the capacity to make more soup.

THE INFORMATION INCLUDED IN THIS APPLICATION IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE.



President/Chairperson



**Canadian Mental
Health Association**

Mental health for all

Our Purpose

South Cariboo Branch Agency Profile

Canadian Mental Health Association, South Cariboo Branch, is an autonomous, non-profit, charitable organization with ethical and legal responsibilities to the National and BC Divisions of CMHA. Our mandate emphasizes the importance of people with lived experience of mental illness being involved in the delivery of service and governance wherever possible.

Our Vision:

“Mentally Healthy People in a Healthy Society”

Our Mission:

The Canadian Mental Health Association (CMHA) is a national charity that helps maintain and improve mental health for all Canadians. As the nation-wide leader and champion for mental health, CMHA promotes the mental health of all and supports the resilience and recovery of people experiencing mental illness. In BC, mental health, substance use and addictive behaviour are within the scope of the organization.

Our Values:

- Social justice
- Individual and collective responsibility
- Access to appropriate and adequate resources and supports
- Self-determination
- Maximum community inclusion
- Working collaboratively with our community partners

Philosophy and Principles of Service and Support:

CMHA South Cariboo Branch provides services that are person centered and adhere to the Framework for Support. The Framework is the central philosophy guiding the activities of CMHA. This philosophy holds that a mental health consumer (someone who uses mental health services) is at the center of any supportive mental health system. The Community Resource Base, as shown below, outlines a range of possible resources in addition to the formal mental health system which can provide support to a person with mental illness. Housing, income, work and education represent four basic elements of citizenship.

The Framework for Support

The Framework is the central philosophy guiding the activities of CMHA. This philosophy holds that the person experiencing mental illness is at the center of any supportive mental health system.

The Community Resource Base outlines a range of possible resources in addition to the formal mental health system which can provide support to a person with mental illness. Housing, income, work and education represent four basic elements of citizenship.

The ultimate goal of the Framework is to ensure that people with serious mental health problems live fulfilling lives in the community. The Framework for Support is referred to as the most comprehensive model for mental health planning by federal and provincial governments as well as by the Centre for Community Change in the US, and the Government of Ireland.

Geographic Catchment area:

The South Cariboo is a sub-region of the Cariboo Regional District in the Interior of British Columbia. Its main population center is the District Municipality of 100 Mile House, a community of approximately 2,000 residents. An additional 18,000 people live in the South Cariboo. The South Cariboo boundaries are roughly described as 70 Mile House in the South to Lac la Hache in the North, and the Fraser River to the West to Lac des Roches and Mahood Lake to the East. The region includes 100 Mile House and many smaller communities such as Forest Grove, Buffalo Creek, Lac la Hache, 108 Mile Ranch, Lone Butte, Sheridan Lake, Bridge Lake, and Watch Lake/Green Lake.

**CANADIAN MENTAL HEALTH
ASSOCIATION-SOUTH CARIBOO BRANCH**

FINANCIAL STATEMENTS

MARCH 31, 2018

CANADIAN MENTAL HEALTH ASSOCIATION-SOUTH CARIBOO BRANCH

MARCH 31, 2018

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*Cariboo Location: 4722 Chilcotin Crescent, 108 Mile Ranch
Kamloops Location: 328 Seymour Street, Kamloops
Mailing Address: PO Box 28043, Kamloops, BC
Tel: (250) 372-0071 Fax: (250) 374-0066 Toll Free: (855) 588-0029
email: sandra@sjcrockerinc.com
website: www.sjcrockerinc.com*

INDEPENDENT AUDITOR'S REPORT

To the Members of:
Canadian Mental Health Association-South Cariboo Branch

I have audited the accompanying financial statements of Canadian Mental Health Association-South Cariboo Branch, which comprise the statement of financial position as at March 31, 2018 and the statements of operations and changes in fund balances 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-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

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In my opinion, these financial statements present fairly, in all material respects, the financial position of Canadian Mental Health Association-South Cariboo Branch as at March 31, 2018, and the results in operations and its cash flows for the year ended, in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

Kamloops, BC
June 15, 2018


Sandra J Crocker, CPA, CGA

CANADIAN MENTAL HEALTH ASSOCIATION-SOUTH CARIBOO BRANCH

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2018

	Society 2018	Housing Fund 2018	Capital Asset Fund 2018	Replacement Reserve Fund 2018	Total 2018	Total 2017
Current Assets						
Cash	\$ 93,697	\$ 91,363	\$ -	\$ -	\$ 185,060	\$ 149,780
Short term investment	394	26	-	-	420	408
Prepaid expenses	839	2,718	-	-	3,557	3,360
Government taxes receivable	913	1,029	-	-	1,942	2,185
Interest receivable	987	-	-	976	1,963	700
Due from housing fund	13,584	-	-	-	13,584	1,979
Accounts receivable	14,595	1,352	-	-	15,947	14,075
	<u>125,009</u>	<u>96,488</u>	<u>-</u>	<u>976</u>	<u>222,473</u>	<u>172,487</u>
Restricted cash and deposits (note 3)	14,981	11,726	-	149,257	175,964	155,985
Long Term Investments (note 4)	126,341	-	-	-	126,341	124,776
Capital assets (note 5)	-	-	1,263,348	-	1,263,348	1,328,186
	<u>\$ 266,331</u>	<u>\$ 108,214</u>	<u>\$ 1,263,348</u>	<u>\$ 150,233</u>	<u>\$ 1,788,126</u>	<u>\$ 1,781,424</u>
Current liabilities						
Accounts payable	\$ 7,348	\$ 18,511	\$ -	\$ -	\$ 25,859	\$ 26,593
Wages and employee benefits payable	28,754	230	-	-	28,984	25,741
Due to society fund	-	13,584	-	-	13,584	1,979
Security deposits	-	11,726	-	-	11,726	11,326
Deferred revenue (note 6)	49,408	12,284	-	-	61,692	23,027
Due to BC Housing	-	684	-	-	684	16,762
Current portion of long term debt (note 7)	-	-	83,041	-	83,041	80,501
	<u>85,510</u>	<u>57,019</u>	<u>83,041</u>	<u>-</u>	<u>225,570</u>	<u>187,929</u>
Long term liabilities						
Mortgage payable (note 7)	-	-	1,446,584	-	1,446,584	1,529,625
Fund Balances						
Invested in capital	-	-	(266,277)	-	(266,277)	(281,940)
Externally restricted (note 8)	14,981	51,195	-	150,233	216,409	179,301
Internally restricted (note 9)	106,637	-	-	-	106,637	106,637
Unrestricted	59,203	-	-	-	59,203	59,872
	<u>180,821</u>	<u>51,195</u>	<u>(266,277)</u>	<u>150,233</u>	<u>115,972</u>	<u>63,870</u>
	<u>\$ 266,331</u>	<u>\$ 108,214</u>	<u>\$ 1,263,348</u>	<u>\$ 150,233</u>	<u>\$ 1,788,126</u>	<u>\$ 1,781,424</u>

Approved on Behalf of the Board:

Director

Director

Director

Date June 19/18

Date June 19/18

The accompanying notes are an integral part of this statement.

CANADIAN MENTAL HEALTH ASSOCIATION-SOUTH CARIBOO BRANCH

STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED MARCH 31, 2018

	Society 2018	Housing Fund 2018	Capital Asset Fund 2018	Replacement Reserve Fund 2018	Total 2018	Total 2017
Revenues						
Contract Income -Interior Health	\$ 189,749	\$ -	\$ -	\$ -	\$ 189,749	\$ 186,720
Grants	12,233	-	-	-	12,233	13,350
Donations and fundraising	15,364	-	-	-	15,364	12,904
Tenant Rent Contributions	-	121,649	-	-	121,649	125,204
BC Housing Rent Subsidies	102,043	144,647	-	-	246,690	260,190
Interest Income	1,883	2	-	1,901	3,786	2,278
Management and bookkeeping fees (note 11)	38,345	-	-	-	38,345	27,813
Sundry	2,205	1,020	-	-	3,225	6,540
	<u>361,802</u>	<u>267,318</u>	<u>-</u>	<u>1,901</u>	<u>631,021</u>	<u>634,999</u>
Expenses						
Advertising	470	-	-	-	470	1,415
Automotive	4,705	-	-	-	4,705	8,990
Bad Debts	350	602	-	-	952	44
Board expenses	527	-	-	-	527	626
Client Costs	31,483	-	-	-	31,483	29,735
Fundraising expenses	3,429	-	-	-	3,429	3,563
Insurance	855	10,871	-	-	11,726	11,677
Library and Resource Materials	-	-	-	-	-	-
Program delivery wages and benefits	170,451	-	-	-	170,451	154,932
Program supplies	7,970	-	-	-	7,970	11,688
Property tax	-	9,246	-	-	9,246	10,664
Rent	4,583	-	-	-	4,583	11,387
Stipends	1,740	-	-	-	1,740	1,655
Telephone	4,306	-	-	-	4,306	4,210
Training	1,964	-	-	-	1,964	40
Travel	3,031	-	-	-	3,031	5,092
Utilities	-	-	-	-	-	-
heating and hot water	-	1,173	-	-	1,173	2,135
electricity	-	1,127	-	-	1,127	1,545
water and sewer	-	14,108	-	-	14,108	13,436
garbage removal	-	2,038	-	-	2,038	1,926
Maintenance	-	-	-	-	-	-
salaries, wages and benefits	623	14,519	-	-	15,142	14,823
building maintenance	320	4,045	-	19,412	23,777	24,082
grounds	-	3,352	-	-	3,352	1,272
service contracts	-	3,284	-	-	3,284	3,965
Administration	-	-	-	-	-	-
salaries, wages and benefits	64,832	8,937	-	-	73,769	75,703
office overhead	3,700	3,525	-	-	7,225	7,377
accounting fees	33,728	13,622	-	-	47,350	37,924
Audit and legal fees	5,000	8,000	-	-	13,000	10,488
Mortgage interest	-	48,728	-	-	48,728	51,087
Amortization of capital assets	-	-	65,112	-	65,112	66,706
Miscellaneous	-	-	-	2	2	1,042
Memberships, dues and fees	3,149	-	-	-	3,149	6,584
	<u>347,216</u>	<u>147,177</u>	<u>65,112</u>	<u>19,414</u>	<u>578,919</u>	<u>574,712</u>
Excess (deficiency) of revenue	14,586	120,141	(65,112)	(17,513)	62,102	60,287
Subsidy Adjustments (note 10)	-	-	-	-	-	(14,685)
Fund Balance, beginning of year	166,509	34,832	(281,940)	144,669	63,870	18,288
Interfund transfers						
Disallowed RR spending - prior years	-	(1,423)	-	1,423	-	-
Capital asset purchases	(274)	-	274	-	-	-
Mortgage principal repayments	-	(80,501)	80,501	-	-	-
Replacements reserve provision	-	(21,654)	-	21,654	-	-
Fund balances, ending	\$ 180,821	\$ 51,195	\$ (266,277)	\$ 150,233	\$ 115,972	\$ 63,870

CANADIAN MENTAL HEALTH ASSOCIATION-SOUTH CARIBOO BRANCH

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2018

	Society 2018	Housing Fund 2018	Capital Asset Fund 2018	Replacement Reserve Fund 2018	Total 2018	Total 2017
Operating Activities						
Sources of cash						
Contract Income and grants	\$ 239,555	\$ -	\$ -	\$ -	\$ 239,555	\$ 196,257
Donations and fundraising	15,364	-	-	-	15,364	12,904
Tenant Rent Contributions	-	121,779	-	-	121,779	125,204
BC Housing Rent Subsidies	102,043	127,859	-	-	229,702	259,663
Management fees	38,346	-	-	-	38,345	27,813
Interest Income	1,576	2	-	925	2,503	1,580
Sundry	2,205	1,020	-	-	3,225	6,540
Uses of Cash						
Payments for operating expenses						
Wages and benefits	(265,728)	(37,741)	-	-	(303,469)	(280,887)
Material and services	(96,586)	(59,866)	-	(19,414)	(175,666)	(166,189)
Mortgage interest	-	(48,728)	-	-	(48,728)	(51,087)
Financing Activities						
Mortgage principal repaid	-	-	(80,501)	-	(80,501)	(78,039)
Investing Activities						
Capital assets acquired	-	-	(274)	-	(274)	-
Interfund transfers						
Replacement reserve provision	-	(21,654)	-	21,654	-	-
Mortgage principal	-	(80,501)	80,501	-	-	-
Transfers to/from replacement reserve	-	(1,423)	-	-	(1,423)	-
Transfers to/from housing fund	(11,605)	11,605	-	1,423	1,423	-
Transfers to/from capital asset fund	(274)	-	274	-	-	-
Net increase in cash and term Deposits	24,895	12,352	-	4,586	41,835	53,759
Cash and term deposits, beginning of year	195,537	90,763	-	144,689	430,969	377,200
Cash and term deposits, end of year	\$ 220,432	\$ 103,115	\$ -	\$ 149,267	\$ 472,804	\$ 430,959
Consists of:						
Cash	\$ 93,697	\$ 91,363	\$ -	\$ -	\$ 185,060	\$ 149,780
Short term investment	394	26	-	-	420	408
Restricted cash and term deposits	126,341	11,726	-	149,257	287,324	280,771
	\$ 220,432	\$ 103,115	\$ -	\$ 149,257	\$ 472,804	\$ 430,959

The accompanying notes are an integral part of this statement.

CANADIAN MENTAL HEALTH ASSOCIATION-SOUTH CARIBOO BRANCH

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

1. PURPOSE OF THE SOCIETY

The Canadian Mental Health Association - South Cariboo Branch is incorporated under the laws of the Society Act of British Columbia as a not-for-profit organization and is a registered charity under the Income Tax Act. The Association promotes the mental health of individuals living within the South Cariboo region and supports the resilience and recovery of people experiencing mental illness. The programs offered by the Association are Emergency Home Support, Activity and Drop in Program, Semi Independent Living, Work Incentive Program, Homeless Outreach Program, Extreme Weather Shelter, Aquired Brain Injury and Emergency Transportation Program. The Association also provides management services to the 100 Mile House and District Women's Centre Society. Lastly, the Association also provides low cost and market housing to low income individuals and families in 100 Mile House, BC which is subsidized through BC Housing Management Commission ("BC Housing").

2. SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies observed in the preparation of these financial statements are summarized below. These policies are in accordance with Canadian accounting standards for Not-for Profit Organizations.

(a) Fund Accounting

The Association's follows the restricted fund method of accounting for contributions.

Society Fund accounts for the Society's funding from various agencies, fundraising and membership activities.

The Housing Fund reports restricted operating grants, revenues and expenses related to the society's housing activities.

The Capital Asset Fund reports the ownership and equity related to the Society's property, building and equipment.

The Replacement Reserve Fund reports the assets, liabilities, revenues and expenses related to replacing property, building and equipment.

(b) Revenue Recognition

Other Contributions

Contributions are recognized in the period received or receivable except when the contribution agreements clearly indicate the funds are for future expenditures. Contributions received for future expenditures are recorded as deferred revenue.

CANADIAN MENTAL HEALTH ASSOCIATION-SOUTH CARIBOO BRANCH

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

2. SIGNIFICANT ACCOUNTING POLICIES CONT'D

(b) Revenue Recognition cont'd

Contributions from BC Housing

Contributions received from BC Housing for the replacement reserve fund have been reported as interfund transfers from the Housing fund to the Replacement Reserve Fund.

Contributions received from BC Housing for the acquisition of capital assets have been recognized as revenue in the Capital Asset Fund.

Investment Income

Interest income earned on replacement reserve fund is recognized as revenue in the Replacement Reserve Fund in the period the investment income is earned.

Other interest income earned is recognized in the appropriate fund that it relates.

(c) Amortization of Capital Assets

Capital assets are recorded at cost. Amortization is provided on a straight-line basis over the assets estimated useful lives as follows:

Land - Lease	- 60 years
Building	- 40 years
Furniture and fixtures	- 10 years
Paving	- 20 years
Equipment	- 10 years
Automotive	- 5 years
Fencing	- 10 years
Computer	- 3 years

d) Investments

Investments are recorded at the lower of cost and market value.

(e) Contributed services

Volunteers contribute significant hours annually to assist the Association in carrying out its activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

CANADIAN MENTAL HEALTH ASSOCIATION-SOUTH CARIBOO BRANCH

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

2. SIGNIFICANT ACCOUNTING POLICIES CONT'D

(f) Use of estimates

The preparation of 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 of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date and the reported amounts of receipts and disbursements for the reporting period. Actual results could differ from these estimates. Significant financial statement items that require the use of estimates are as follows: fair value of investments, and amount of accrued liabilities. These estimates are reviewed periodically and adjustments are made, as appropriate, in the statement of operations and changes in fund balances in the year they become known.

3. RESTRICTED CASH AND TERM DEPOSITS

Cash designated for specific purposes is segregated as follows:

	2018	2017
Security deposits and accrued interest owing to tenants	\$ 11,726	\$ 11,326
Replacement Reserve	149,257	144,669
Gaming Proceeds	14,981	-
	<u>\$ 175,964</u>	<u>\$ 155,995</u>

4. LONG TERM INVESTMENTS

Investments are comprised of guaranteed investment certificates with a three year term, having an annual rate of 1.25% in Year 1, 1.75% in Year 2, and 2.25% in Year 3. Interest is paid out annually and investment maturity date is October 20, 2019.

CANADIAN MENTAL HEALTH ASSOCIATION-SOUTH CARIBOO BRANCH

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

5. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net 2018	Net 2017
Land-Lease	\$ 186,850	\$ 63,319	\$ 123,531	\$ 126,645
Building	2,288,359	1,163,138	1,125,221	1,182,429
Furniture and fixtures	2,697	1,036	1,661	1,931
Paving	35,500	35,500	-	1,183
Equipment	19,929	12,372	7,557	8,875
Fencing	14,676	9,298	5,378	6,845
Computer equipment	1,555	1,555	-	278
	\$ 2,549,566	\$ 1,286,218	\$ 1,263,348	\$ 1,328,186

6. DEFERRED REVENUE

Society fund

The deferred revenue reported in the Society Fund represents contract income received which is related to the subsequent period.

Housing fund

The deferred revenue reported in the Housing Fund represents restricted operating funds received in the current year that are related to the subsequent period.

	2018	2017
Activity and Drop In Centre	\$ 1,590	\$ -
SIL Lifeskills and Emergency Support	22,985	-
Homeless Outreach	5,633	5,633
Rent Supplement	1,408	1,408
Gaming grant	15,000	-
BC Housing Subsidy-Housing Fund	12,284	13,194
Extreme Weather Response	2,792	2,792
	\$ 61,692	\$ 23,027

CANADIAN MENTAL HEALTH ASSOCIATION-SOUTH CARIBOO BRANCH

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

7. MORTGAGE PAYABLE

	2018	2017
Mortgage-Peoples Trust bearing interest at 3.13% compounded semi-annually, repayable in monthly blended instalments of \$10,785. The mortgage matures on December 1, 2024.	\$ 1,529,625	\$ 1,610,126
Principle amounts included in current liabilities	83,041	80,501
	\$ 1,446,584	\$ 1,529,625

The mortgage is secured by a registered first charge and an assignment of rents and fire insurance proceeds on the property located at 910 Cariboo Trail, 100 Mile House, BC.

Principle payments due on the long term debt over the next five years are as follows:

2019	\$	83,041
2020		85,660
2021		88,362
2022		91,149
2023		94,024
Subsequent to 2023		1,087,389
	\$	1,529,625

CANADIAN MENTAL HEALTH ASSOCIATION-SOUTH CARIBOO BRANCH

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

8. EXTERNALLY RESTRICTED NET ASSETS

Major categories of externally imposed restrictions on net assets are as follows:

	2018	2017
Restricted for replacing capital items	\$ 150,233	\$ 144,669
Contributions, restricted for housing operations, as approved by BC Housing	51,195	34,632
Gaming grant restricted for soup de tour	14,981	-
	216,409	\$ 179,301

9. INTERNALLY RESTRICTED NET ASSETS

In prior years, the association's board of directors internally restricted \$51,128 for a future building fund and \$55,509 as a contingency fund.

10. SUBSIDY ADJUSTMENTS

BC Housing conducts an annual review of the financial statements and may adjust for any operating surplus or deficit or over (under) payment of subsidy. Prior years funding adjustments are recognized in the fiscal year they are determined. In 2018, \$0 (2017 - \$14,685) subsidy repayments were made.

11. RELATED PARTY TRANSACTIONS

The Association and the 100 Mile and District Women's Society are under common control since they have the same board of directors.

Fees paid by the 100 Mile and District Women's Society are management fees of \$29,120 (2017 - \$27813) and bookkeeping services of \$9,225 (2017 - \$0).

12. ECONOMIC DEPENDENCE

The Association is the holder of a non-profit society operating agreement granted by BC Housing under the Homes BC Program whereby it has the right to act as an authorized manager of an assisted housing development located in 100 Mile House, BC. The operating agreement can be cancelled by BC Housing if the Association fails to observe established guidelines. The Association's housing operations and assets would revert back to BC Housing should this agreement end.

The Association's main sources of income are derived from various government agencies. Should any of these funders substantially change its dealings with the Association, its ability to continue as a viable operations would be doubtful.

CANADIAN MENTAL HEALTH ASSOCIATION-SOUTH CARIBOO BRANCH

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

13. FINANCIAL INSTRUMENTS

The Association's financial instruments consist of cash, short term and long term investments, accounts receivable, account payables, and mortgage payable. Unless otherwise noted, it is management's opinion that the company is not exposed to significant interest, currency, or credit risks arising from these financial instruments.

Fair Value

The Association's cash and cash equivalents, short term investments, accounts receivable, and accounts payable are short term financial instruments whose fair value approximates their carrying value.

The fair value of long term debt is not readily obtainable.

14. REPLACEMENT RESERVE

Under the terms of the agreement with BC Housing, the replacement reserve fund is to be credited in the amount determined by the budget provision per annum plus interest earned. These funds along with the accumulated interest must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or the Credit Union Deposit Insurance Corporation; in investments guaranteed by a Canadian government; or in other investment instruments as agreed upon with BC Housing.

The reserve funds may only be used for capital repairs and replacements in accordance with the operating agreement.

15. MUNICIPAL PLAN

The Association and its employees contribute to the Municipal Pension Plan which is a jointly trusted pension plan. The Municipal Pension Plan is a defined benefit plan, where your pension is based on your age, years of pensionable service and the average of your highest five years of salary.

On April 5, 2001, the Municipal Pension Plan moved to joint trusteeship with a Municipal Pension Board of Trustees consisting of eight people appointed by the Plan Member Partners and eight people appointed by the Plan Employer Partners. The Board's duties include establishing investment policy, recommending changes in benefits and funding policy and directing the application of Pension Plan Rules. The Board appoints an independent actuary to assess the Plan's financial health every three years through an actuarial valuation. The Municipal Pension Plan is the sixth-largest defined benefit pension plan in Canada.

Every three years an actuarial valuation is performed to assess the financial position of the plan and based on certain assumption the adequacy of the plan funding. The most recent evaluation was performed as at December 31, 2015. The unfunded liability was \$2,224 million which is not attributed to the individual employers. The next valuation will be as at December 31, 2018 with results available in 2019.

CANADIAN MENTAL HEALTH ASSOCIATION-SOUTH CARIBOO BRANCH

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

16. CONTINGENT LIABILITY

Sick Time and Special Leave

The unionized employees under the HEABC Collective Agreement earn sick and special leave benefits based upon a percentage of wages paid. These benefits are only paid out under certain circumstances. As at the financial statement date, the amount of potential benefits that could be paid out is \$31,406 (2017 - \$36,136). This amount has not been reflected in the financial statements as an event must occur first in order to be paid out.

17. SUBSEQUENT EVENT

On June 4, 2018, a letter of intent was signed which will begin to establish details regarding the structure of, and the rights and obligations associated with the forming of a partnership arrangement with Liberty Contract Management Inc. The partnership would be to pursue the development and construction of new low income housing units located in 100 Mile, BC. It is the intent that the Association will operate, manage, and maintain these units as rental units to service the community.

18. COMPARATIVE FIGURES

The 2017 figures, presented in these financial statements for comparative purposes have been restated to conform to the current year's presentation.

CANADIAN MENTAL HEALTH ASSOCIATION-SOUTH CARIBOO BRANCH

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

AUDITOR'S REPORT ON COMPLIANCE WITH AGREEMENT WITH BC HOUSING

To: BC Housing

I have audited Canadian Mental Health Association-South Cariboo Branch compliance as at March 31, 2018 with the criteria established in Sections 5.3, 5.12, 5.13 and 5.10 of the Society's Operating Agreement with BC Housing dated March 17, 1997, in respect of:

- (i) Section 5.3 - Tenant Rent Contributions being charged to Rent-Geared-to-Income Tenants,
- (ii) Section 5.12 and 5.13 - Funding and maintenance of the Replacement Reserve, and the interest income related thereto, and
- (iii) Section 5.10 - Spending and accounting for the Accumulated Operating Surplus of the Homes BC development.

Compliance with the criteria established by the provisions of the Operating Agreement is the responsibility of the management of Canadian Mental Health Association-South Cariboo Branch. My responsibility is to express an opinion on this compliance based on my audit.

I conducted my audit in accordance with Canadian auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether Canadian Mental Health Association-South Cariboo Branch complied with the criteria established by the provisions of the Operating Agreement referred to above. Such an audit includes examining, on a test basis, evidence supporting compliance, evaluating the overall compliance with the agreement, and where applicable, assessing the accounting principles used and significant estimates made by management.

In my opinion, Canadian Mental Health Association-South Cariboo Branch is in compliance, in all material respects, with the criteria set out in Sections 5.3, 5.12, 5.13, and 5.10 of the Society's Operating Agreement with BC Housing dated March 17, 1997.

108 Mile Ranch, BC
June 15, 2018


Sandra J Crocker, CPA, CGA



Canadian Mental
Health Association
Mental health for all

CMHA South Cariboo Branch
Minutes for 2018 Annual General Meeting
DRAFT ONLY

Date: Tuesday June 19th 2018 at 6:00pm

Location: Room #119 – 475 Birch Avenue, 100 Mile House, BC

In attendance: Kira T., Susann C., Elizabeth C., Nicole B., Kathie C., Didi H., Rick M., Sandra C., Kimberly V.

1. **Board Chair calls Annual General Meeting to order at 6:04pm**
2. **Motion to approve minutes from previous Annual General Meeting held June 2017**
Carried unanimously.
3. **Motion to approve agenda for the June 19th, 2018 Annual General Meeting**
Carried unanimously.
4. Presentation of the 2017-2018 Financial Audit Report
Motion to approve the 2017 audited financial report.
Carried unanimously.
5. Appointment of Auditor for 2018-2019 fiscal year
Motion to obtain three quotes for auditor for CMHA South Cariboo for the 2018-2019 fiscal year before appointment.
Carried unanimously.
6. Presentation of the Annual Report
Motion to approve the 2017-2018 Annual Report
Carried unanimously.
7. **Motion to appoint the Board of Directors as follows:**
 - a. Board Chair – Kimberly Vance-Lundsbye
 - b. Vice Chair – Kira Thomas
 - c. Secretary – Elizabeth Christensen
 - d. Treasurer - Open
 - e. Additional directors - Kathie Cadrin, Allie BladesCarried unanimously.
8. **Motion to adjourn at 6:37pm**
Carried unanimously.



**Canadian Mental
Health Association**

Mental health for all

Phone: 250-395-4883, Fax 250-395-1183

Email: southcariboo@cmha.bc.ca

Board of Directors 2018-2019

Board Chair: Kimberly Vance-Lundsbye

Vice Chair/Treasurer: Kira Thomas

Fundraising Committee: Kathie (Kitten) Cadrin

Director: Allie Blades

Director: Rick Meyer

Fundraising committee: Kim Stokes

**CANADIAN MENTAL HEALTH
ASSOCIATION-SOUTH CARIBOO BRANCH**

FINANCIAL STATEMENTS

MARCH 31, 2018

CANADIAN MENTAL HEALTH ASSOCIATION-SOUTH CARIBOO BRANCH

MARCH 31, 2018

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*Cariboo Location: 4722 Chilcotin Crescent, 108 Mile Ranch
Kamloops Location: 328 Seymour Street, Kamloops
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email: sandra@sjcrockerinc.com
website: www.sjcrockerinc.com*

INDEPENDENT AUDITOR'S REPORT

To the Members of:
Canadian Mental Health Association-South Cariboo Branch

I have audited the accompanying financial statements of Canadian Mental Health Association-South Cariboo Branch, which comprise the statement of financial position as at March 31, 2018 and the statements of operations and changes in fund balances 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-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

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In my opinion, these financial statements present fairly, in all material respects, the financial position of Canadian Mental Health Association-South Cariboo Branch as at March 31, 2018, and the results in operations and its cash flows for the year ended, in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

Kamloops, BC
June 15, 2018


Sandra J Crocker, CPA, CGA

CANADIAN MENTAL HEALTH ASSOCIATION-SOUTH CARIBOO BRANCH

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2018

	Society	Housing Fund	Capital Asset Fund	Replacement Reserve Fund	Total	Total
	2018	2018	2018	2018	2018	2017
Current Assets						
Cash	\$ 93,697	\$ 91,363	\$ -	\$ -	\$ 185,060	\$ 149,780
Short term investment	394	26	-	-	420	408
Prepaid expenses	839	2,718	-	-	3,557	3,360
Government taxes receivable	913	1,029	-	-	1,942	2,165
Interest receivable	987	-	-	976	1,963	700
Due from housing fund	13,584	-	-	-	13,584	1,979
Accounts receivable	14,595	1,352	-	-	15,947	14,075
	<u>125,009</u>	<u>96,488</u>	<u>-</u>	<u>976</u>	<u>222,473</u>	<u>172,467</u>
Restricted cash and deposits (note 3)	14,981	11,726	-	149,257	175,964	155,995
Long Term Investments (note 4)	126,341	-	-	-	126,341	124,776
Capital assets (note 5)	-	-	1,263,348	-	1,263,348	1,328,186
	<u>\$ 266,331</u>	<u>\$ 108,214</u>	<u>\$ 1,263,348</u>	<u>\$ 150,233</u>	<u>\$ 1,788,126</u>	<u>\$ 1,781,424</u>
Current liabilities						
Accounts payable	\$ 7,348	\$ 18,511	\$ -	\$ -	\$ 25,859	\$ 28,593
Wages and employee benefits payable	28,754	230	-	-	28,984	25,741
Due to society fund	-	13,584	-	-	13,584	1,979
Security deposits	-	11,726	-	-	11,726	11,326
Deferred revenue (note 6)	49,408	12,284	-	-	61,692	23,027
Due to BC Housing	-	684	-	-	684	16,762
Current portion of long term debt (note 7)	-	-	83,041	-	83,041	80,501
	<u>85,510</u>	<u>57,019</u>	<u>83,041</u>	<u>-</u>	<u>225,570</u>	<u>187,929</u>
Long term liabilities						
Mortgage payable (note 7)	-	-	1,446,584	-	1,446,584	1,529,625
Fund Balances						
Invested in capital	-	-	(266,277)	-	(266,277)	(281,940)
Externally restricted (note 8)	14,981	51,195	-	150,233	216,409	179,301
Internally restricted (note 9)	106,637	-	-	-	106,637	106,637
Unrestricted	59,203	-	-	-	59,203	59,872
	<u>180,821</u>	<u>51,195</u>	<u>(266,277)</u>	<u>150,233</u>	<u>115,972</u>	<u>83,870</u>
	<u>\$ 266,331</u>	<u>\$ 108,214</u>	<u>\$ 1,263,348</u>	<u>\$ 150,233</u>	<u>\$ 1,788,126</u>	<u>\$ 1,781,424</u>

Approved on Behalf of the Board:

Director

Director

Date

Date

The accompanying notes are an integral part of this statement.

CANADIAN MENTAL HEALTH ASSOCIATION-SOUTH CARIBOO BRANCH

STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED MARCH 31, 2018

	Society 2018	Housing Fund 2018	Capital Asset Fund 2018	Replacement Reserve Fund 2018	Total 2018	Total 2017
Revenues						
Contract Income -Interior Health	\$ 189,749	\$ -	\$ -	\$ -	\$ 189,749	\$ 166,720
Grants	12,233	-	-	-	12,233	13,350
Donations and fundraising	15,364	-	-	-	15,364	12,904
Tenant Rent Contributions	-	121,649	-	-	121,649	125,204
BC Housing Rent Subsidies	102,043	144,647	-	-	246,690	260,190
Interest Income	1,863	2	-	1,901	3,766	2,278
Management and bookkeeping fees (note 11)	38,345	-	-	-	38,345	27,813
Sundry	2,205	1,020	-	-	3,225	6,540
	<u>361,802</u>	<u>267,318</u>	<u>-</u>	<u>1,901</u>	<u>631,021</u>	<u>634,999</u>
Expenses						
Advertising	470	-	-	-	470	1,415
Automotive	4,705	-	-	-	4,705	6,990
Bad Debts	350	602	-	-	952	44
Board expenses	527	-	-	-	527	626
Client Costs	31,483	-	-	-	31,483	29,735
Fundraising expenses	3,429	-	-	-	3,429	3,563
Insurance	855	10,871	-	-	11,726	11,677
Library and Resource Materials	-	-	-	-	-	-
Program delivery wages and benefits	170,451	-	-	-	170,451	154,832
Program supplies	7,970	-	-	-	7,970	11,688
Property tax	-	9,246	-	-	9,246	10,664
Rent	4,583	-	-	-	4,583	11,387
Stipends	1,740	-	-	-	1,740	1,655
Telephona	4,308	-	-	-	4,306	4,210
Training	1,964	-	-	-	1,964	40
Travel	3,031	-	-	-	3,031	5,082
Utilities						
heating and hot water	-	1,173	-	-	1,173	2,135
electricity	-	1,127	-	-	1,127	1,545
water and sewer	-	14,108	-	-	14,108	13,436
garbage removal	-	2,038	-	-	2,038	1,926
Maintenance						
salaries, wages and benefits	623	14,519	-	-	15,142	14,823
building maintenance	320	4,045	-	19,412	23,777	24,082
grounds	-	3,352	-	-	3,352	1,272
service contracts	-	3,284	-	-	3,284	3,965
Administration						
salaries, wages and benefits	64,832	8,937	-	-	73,769	78,703
office overhead	3,700	3,525	-	-	7,225	7,377
accounting fees	33,728	13,622	-	-	47,350	37,924
Audit and legal fees	5,000	8,000	-	-	13,000	10,489
Mortgage interest	-	48,728	-	-	48,728	51,087
Amortization of capital assets	-	-	65,112	-	65,112	66,706
Miscellaneous	-	-	-	2	2	1,042
Memberships, dues and fees	3,149	-	-	-	3,149	6,584
	<u>347,216</u>	<u>147,177</u>	<u>65,112</u>	<u>19,414</u>	<u>578,919</u>	<u>574,712</u>
Excess (deficiency) of revenue	14,586	120,141	(65,112)	(17,513)	52,102	60,287
Subsidy Adjustments (note 10)	-	-	-	-	-	(14,685)
Fund Balance, beginning of year	166,508	34,832	(281,940)	144,669	63,870	18,288
Interfund transfers						
Disallowed RR spending - prior years	-	(1,423)	-	1,423	-	-
Capital asset purchases	(274)	-	274	-	-	-
Mortgage principal repayments	-	(80,501)	80,501	-	-	-
Replacements reserve provision	-	(21,654)	-	21,654	-	-
Fund balances, ending	\$ 180,821	\$ 51,195	\$ (266,277)	\$ 150,233	\$ 115,972	\$ 63,870

CANADIAN MENTAL HEALTH ASSOCIATION-SOUTH CARIBOO BRANCH

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2018

	Society 2018	Housing Fund 2018	Capital Asset Fund 2018	Replacement Reserve Fund 2018	Total 2018	Total 2017
Operating Activities						
Sources of cash						
Contract Income and grants	\$ 239,555	\$ -	\$ -	\$ -	\$ 239,555	\$ 196,257
Donations and fundraising	15,364	-	-	-	15,364	12,904
Tenant Rent Contributions	-	121,779	-	-	121,779	125,204
BC Housing Rent Subsidies	102,043	127,659	-	-	229,702	259,663
Management fees	38,345	-	-	-	38,345	27,813
Interest Income	1,576	2	-	925	2,503	1,580
Sundry	2,205	1,020	-	-	3,225	8,540
Uses of Cash						
Payments for operating expenses						
Wages and benefits	(265,728)	(37,741)	-	-	(303,469)	(280,887)
Material and services	(96,686)	(59,666)	-	(19,414)	(175,866)	(166,189)
Mortgage interest	-	(48,728)	-	-	(48,728)	(51,087)
Financing Activities						
Mortgage principal repaid	-	-	(80,501)	-	(80,501)	(78,039)
Investing Activities						
Capital assets acquired	-	-	(274)	-	(274)	-
Interfund transfers						
Replacement reserve provision	-	(21,654)	-	21,654	-	-
Mortgage principal	-	(80,501)	80,501	-	-	-
Transfers to/from replacement reserve	-	(1,423)	-	-	(1,423)	-
Transfers to/from housing fund	(11,605)	11,605	-	1,423	1,423	-
Transfers to/from capital asset fund	(274)	-	274	-	-	-
Net increase in cash and term Deposits	24,895	12,352	-	4,588	41,835	53,759
Cash and term deposits, beginning of year	195,537	90,763	-	144,669	430,969	377,200
Cash and term deposits, end of year	\$ 220,432	\$ 103,115	\$ -	\$ 149,257	\$ 472,804	\$ 430,959
Consists of:						
Cash	\$ 93,697	\$ 91,363	\$ -	\$ -	\$ 185,060	\$ 149,780
Short term investment	394	26	-	-	420	408
Restricted cash and term deposits	126,341	11,726	-	149,257	287,324	280,771
	\$ 220,432	\$ 103,115	\$ -	\$ 149,257	\$ 472,804	\$ 430,959

The accompanying notes are an integral part of this statement.

CANADIAN MENTAL HEALTH ASSOCIATION-SOUTH CARIBOO BRANCH

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

1. PURPOSE OF THE SOCIETY

The Canadian Mental Health Association - South Cariboo Branch is incorporated under the laws of the Society Act of British Columbia as a not-for-profit organization and is a registered charity under the Income Tax Act. The Association promotes the mental health of individuals living within the South Cariboo region and supports the resilience and recovery of people experiencing mental illness. The programs offered by the Association are Emergency Home Support, Activity and Drop in Program, Semi Independent Living, Work Incentive Program, Homeless Outreach Program, Extreme Weather Shelter, Acquired Brain Injury and Emergency Transportation Program. The Association also provides management services to the 100 Mile House and District Women's Centre Society. Lastly, the Association also provides low cost and market housing to low income individuals and families in 100 Mile House, BC which is subsidized through BC Housing Management Commission ("BC Housing").

2. SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies observed in the preparation of these financial statements are summarized below. These policies are in accordance with Canadian accounting standards for Not-for Profit Organizations.

(a) Fund Accounting

The Association's follows the restricted fund method of accounting for contributions.

Society Fund accounts for the Society's funding from various agencies, fundraising and membership activities.

The Housing Fund reports restricted operating grants, revenues and expenses related to the society's housing activities.

The Capital Asset Fund reports the ownership and equity related to the Society's property, building and equipment.

The Replacement Reserve Fund reports the assets, liabilities, revenues and expenses related to replacing property, building and equipment.

(b) Revenue Recognition

Other Contributions

Contributions are recognized in the period received or receivable except when the contribution agreements clearly indicate the funds are for future expenditures. Contributions received for future expenditures are recorded as deferred revenue.

CANADIAN MENTAL HEALTH ASSOCIATION-SOUTH CARIBOO BRANCH

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

2. SIGNIFICANT ACCOUNTING POLICIES CONT'D

(b) Revenue Recognition cont'd

Contributions from BC Housing

Contributions received from BC Housing for the replacement reserve fund have been reported as interfund transfers from the Housing fund to the Replacement Reserve Fund.

Contributions received from BC Housing for the acquisition of capital assets have been recognized as revenue in the Capital Asset Fund.

Investment Income

Interest income earned on replacement reserve fund is recognized as revenue in the Replacement Reserve Fund in the period the investment income is earned.

Other interest income earned is recognized in the appropriate fund that it relates.

(c) Amortization of Capital Assets

Capital assets are recorded at cost. Amortization is provided on a straight-line basis over the assets estimated useful lives as follows:

Land - Lease	- 60 years
Building	- 40 years
Furniture and fixtures	- 10 years
Paving	- 20 years
Equipment	- 10 years
Automotive	- 5 years
Fencing	- 10 years
Computer	- 3 years

d) Investments

Investments are recorded at the lower of cost and market value.

(e) Contributed services

Volunteers contribute significant hours annually to assist the Association in carrying out its activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

CANADIAN MENTAL HEALTH ASSOCIATION-SOUTH CARIBOO BRANCH

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

2. SIGNIFICANT ACCOUNTING POLICIES CONT'D

(f) Use of estimates

The preparation of 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 of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date and the reported amounts of receipts and disbursements for the reporting period. Actual results could differ from these estimates. Significant financial statement items that require the use of estimates are as follows: fair value of investments, and amount of accrued liabilities. These estimates are reviewed periodically and adjustments are made, as appropriate, in the statement of operations and changes in fund balances in the year they become known.

3. RESTRICTED CASH AND TERM DEPOSITS

Cash designated for specific purposes is segregated as follows:

	2018	2017
Security deposits and accrued interest owing to tenants	\$ 11,726	\$ 11,326
Replacement Reserve	149,257	144,669
Gaming Proceeds	14,981	-
	<u>\$ 175,964</u>	<u>\$ 155,995</u>

4. LONG TERM INVESTMENTS

Investments are comprised of guaranteed investment certificates with a three year term, having an annual rate of 1.25% in Year 1, 1.75% in Year 2, and 2.25% in Year 3. Interest is paid out annually and investment maturity date is October 20, 2019.

CANADIAN MENTAL HEALTH ASSOCIATION-SOUTH CARIBOO BRANCH

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

5. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net 2018	Net 2017
Land-Lease	\$ 186,850	\$ 63,319	\$ 123,531	\$ 126,645
Building	2,288,359	1,163,138	1,125,221	1,182,429
Furniture and fixtures	2,697	1,036	1,661	1,931
Paving	35,500	35,500	-	1,183
Equipment	19,929	12,372	7,557	8,875
Fencing	14,676	9,298	5,378	6,845
Computer equipment	1,555	1,555	-	278
	\$ 2,549,566	\$ 1,286,218	\$ 1,263,348	\$ 1,328,186

6. DEFERRED REVENUE

Society fund

The deferred revenue reported in the Society Fund represents contract income received which is related to the subsequent period.

Housing fund

The deferred revenue reported in the Housing Fund represents restricted operating funds received in the current year that are related to the subsequent period.

	2018	2017
Activity and Drop In Centre	\$ 1,590	\$ -
SIL Lifeskills and Emergency Support	22,985	-
Homeless Outreach	5,633	5,633
Rent Supplement	1,408	1,408
Gaming grant	15,000	-
BC Housing Subsidy-Housing Fund	12,284	13,194
Extreme Weather Response	2,792	2,792
	\$ 61,692	\$ 23,027

CANADIAN MENTAL HEALTH ASSOCIATION-SOUTH CARIBOO BRANCH

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

7. MORTGAGE PAYABLE

	2018	2017
Mortgage-Peoples Trust bearing interest at 3.13% compounded semi-annually, repayable in monthly blended instalments of \$10,785. The mortgage matures on December 1, 2024.	\$ 1,529,625	\$ 1,610,126
Principle amounts included in current liabilities	83,041	80,501
	\$ 1,446,584	\$ 1,529,625

The mortgage is secured by a registered first charge and an assignment of rents and fire insurance proceeds on the property located at 910 Cariboo Trail, 100 Mile House, BC.

Principle payments due on the long term debt over the next five years are as follows:

2019	\$	83,041
2020		85,660
2021		88,362
2022		91,149
2023		94,024
Subsequent to 2023		<u>1,087,389</u>
	\$	<u>1,529,625</u>

CANADIAN MENTAL HEALTH ASSOCIATION-SOUTH CARIBOO BRANCH

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

8. EXTERNALLY RESTRICTED NET ASSETS

Major categories of externally imposed restrictions on net assets are as follows:

	2018	2017
Restricted for replacing capital items	\$ 150,233	\$ 144,669
Contributions, restricted for housing operations, as approved by BC Housing	51,195	34,632
Gaming grant restricted for soup de tour	14,981	-
	216,409	\$ 179,301

9. INTERNALLY RESTRICTED NET ASSETS

In prior years, the association's board of directors internally restricted \$51,128 for a future building fund and \$55,509 as a contingency fund.

10. SUBSIDY ADJUSTMENTS

BC Housing conducts an annual review of the financial statements and may adjust for any operating surplus or deficit or over (under) payment of subsidy. Prior years funding adjustments are recognized in the fiscal year they are determined. In 2018, \$0 (2017 - \$14,685) subsidy repayments were made.

11. RELATED PARTY TRANSACTIONS

The Association and the 100 Mile and District Women's Society are under common control since they have the same board of directors.

Fees paid by the 100 Mile and District Women's Society are management fees of \$29,120 (2017 - \$27,813) and bookkeeping services of \$9,225 (2017 - \$0).

12. ECONOMIC DEPENDENCE

The Association is the holder of a non-profit society operating agreement granted by BC Housing under the Homes BC Program whereby it has the right to act as an authorized manager of an assisted housing development located in 100 Mile House, BC. The operating agreement can be cancelled by BC Housing if the Association fails to observe established guidelines. The Association's housing operations and assets would revert back to BC Housing should this agreement end.

The Association's main sources of income are derived from various government agencies. Should any of these funders substantially change its dealings with the Association, its ability to continue as a viable operations would be doubtful.

CANADIAN MENTAL HEALTH ASSOCIATION-SOUTH CARIBOO BRANCH

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

13. FINANCIAL INSTRUMENTS

The Association's financial instruments consist of cash, short term and long term investments, accounts receivable, account payables, and mortgage payable. Unless otherwise noted, it is management's opinion that the company is not exposed to significant interest, currency, or credit risks arising from these financial instruments.

Fair Value

The Association's cash and cash equivalents, short term investments, accounts receivable, and accounts payable are short term financial instruments whose fair value approximates their carrying value.

The fair value of long term debt is not readily obtainable.

14. REPLACEMENT RESERVE

Under the terms of the agreement with BC Housing, the replacement reserve fund is to be credited in the amount determined by the budget provision per annum plus interest earned. These funds along with the accumulated interest must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or the Credit Union Deposit Insurance Corporation; in investments guaranteed by a Canadian government; or in other investment instruments as agreed upon with BC Housing.

The reserve funds may only be used for capital repairs and replacements in accordance with the operating agreement.

15. MUNICIPAL PLAN

The Association and its employees contribute to the Municipal Pension Plan which is a jointly trusted pension plan. The Municipal Pension Plan is a defined benefit plan, where your pension is based on your age, years of pensionable service and the average of your highest five years of salary.

On April 5, 2001, the Municipal Pension Plan moved to joint trusteeship with a Municipal Pension Board of Trustees consisting of eight people appointed by the Plan Member Partners and eight people appointed by the Plan Employer Partners. The Board's duties include establishing investment policy, recommending changes in benefits and funding policy and directing the application of Pension Plan Rules. The Board appoints an independent actuary to assess the Plan's financial health every three years through an actuarial valuation. The Municipal Pension Plan is the sixth-largest defined benefit pension plan in Canada.

Every three years an actuarial valuation is performed to assess the financial position of the plan and based on certain assumption the adequacy of the plan funding. The most recent evaluation was performed as at December 31, 2015. The unfunded liability was \$2,224 million which is not attributed to the individual employers. The next valuation will be as at December 31, 2018 with results available in 2019.

CANADIAN MENTAL HEALTH ASSOCIATION-SOUTH CARIBOO BRANCH

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

16. CONTINGENT LIABILITY

Sick Time and Special Leave

The unionized employees under the HEABC Collective Agreement earn sick and special leave benefits based upon a percentage of wages paid. These benefits are only paid out under certain circumstances. As at the financial statement date, the amount of potential benefits that could be paid out is \$31,406 (2017 - \$36,136). This amount has not been reflected in the financial statements as an event must occur first in order to be paid out.

17. SUBSEQUENT EVENT

On June 4, 2018, a letter of intent was signed which will begin to establish details regarding the structure of, and the rights and obligations associated with the forming of a partnership arrangement with Liberty Contract Management Inc. The partnership would be to pursue the development and construction of new low income housing units located in 100 Mile, BC. It is the intent that the Association will operate, manage, and maintain these units as rental units to service the community.

18. COMPARATIVE FIGURES

The 2017 figures, presented in these financial statements for comparative purposes have been restated to conform to the current year's presentation.

CANADIAN MENTAL HEALTH ASSOCIATION-SOUTH CARIBOO BRANCH

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

AUDITOR'S REPORT ON COMPLIANCE WITH AGREEMENT WITH BC HOUSING

To: BC Housing

I have audited Canadian Mental Health Association-South Cariboo Branch compliance as at March 31, 2018 with the criteria established in Sections 5.3, 5.12, 5.13 and 5.10 of the Society's Operating Agreement with BC Housing dated March 17, 1997, in respect of:

- (i) Section 5.3 - Tenant Rent Contributions being charged to Rent-Geared-to-Income Tenants,
- (ii) Section 5.12 and 5.13 - Funding and maintenance of the Replacement Reserve, and the interest income related thereto, and
- (iii) Section 5.10 - Spending and accounting for the Accumulated Operating Surplus of the Homes BC development.

Compliance with the criteria established by the provisions of the Operating Agreement is the responsibility of the management of Canadian Mental Health Association-South Cariboo Branch. My responsibility is to express an opinion on this compliance based on my audit.

I conducted my audit in accordance with Canadian auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether Canadian Mental Health Association-South Cariboo Branch complied with the criteria established by the provisions of the Operating Agreement referred to above. Such an audit includes examining, on a test basis, evidence supporting compliance, evaluating the overall compliance with the agreement, and where applicable, assessing the accounting principles used and significant estimates made by management.

In my opinion, Canadian Mental Health Association-South Cariboo Branch is in compliance, in all material respects, with the criteria set out in Sections 5.3, 5.12, 5.13, and 5.10 of the Society's Operating Agreement with BC Housing dated March 17, 1997.

108 Mile Ranch, BC
June 15, 2018


Sandra J Crocker, CPA, CGA



**Canadian Mental
Health Association**

September 24th, 2018

Report on the 2018 Grant for Assistance Funds for Soupe de Tour

We received a total of \$2,500.00 Grant for Assistance funding last year from the District of 100 Mile House and the CRD. Thank you for these funds. We applied these funds toward the cost of accessing the Lodge kitchen, its freezer, and the mandatory clean up fee, so that our Soupe de Tour volunteers can gather in the Lodge kitchen every week to make soup. It is served at no cost at the Food Bank, Loaves and Fishes, the 100 Mile House and District Women's Centre, the Cariboo Family Enrichment Centre, to the clients of Canadian Mental Health Association - South Cariboo Branch's Homeless Outreach, Extreme Weather and Activity Programs, as well as at Stemetete7uwi.

Due to a lack of ongoing funding we had to shut down Soupe de Tour last year, but our application to the BC Gaming was successful, and we were able to get Soupe de Tour back up and running again in May. We were awarded the majority of the funds that we applied for, but not enough to cover all of our costs, so we will need to continue to apply for the Grant for Assistance funding as well. The Gaming Grant funding is not ongoing funding; we will have to continue to apply for every year, with no guarantee of receiving the funding year to year.

Thank you for awarding these funds to our organization. We are grateful for your continuing generosity.

[REDACTED]
Susann Collins

Executive Director

250-395-4883

susann.collins@cmha.bc.ca

**Canadian Mental Health Association South Cariboo Branch
Budget for Soup de Tour January 1, 2019 - December 31, 2019**

Volunteer Coordination	\$	6,500.00
Advertising & Promotions	\$	100.00
Fundraising Expenses	\$	100.00
Program Supplies	\$	4,500.00
Office Supplies	\$	100.00
Rent	\$	9,820.00
Volunteer Appreciation	\$	250.00
	\$	-
	\$	<u>21,370.00</u>