

**CANADIAN MENTAL HEALTH ASSOCIATION  
CARIBOO CHILCOTIN BRANCH**

**FINANCIAL STATEMENT PACKAGE**

**YEAR ENDED MARCH 31, 2019**

**INDEX**

Transmittal letter

Financial statements

Adjusting journal entries and trial balance

Miscellaneous

- Client representation letter
- Engagement letter
- Copy of audit findings letter

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

**Financial Statements**

**Year Ended March 31, 2019**

**Index to Financial Statements**

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	Page
MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING	1
INDEPENDENT AUDITOR'S REPORT	2 - 3
FINANCIAL STATEMENTS	
Statement of Financial Position	4
Statement of Changes in Net Assets	5
Statement of Revenues and Expenditures	6 - 7
Statement of Cash Flow	8
Notes to Financial Statements	9 - 16
Jubilee Place ( <i>Schedule 1</i> )	17
Homeless Outreach ( <i>Schedule 2</i> )	18

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## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

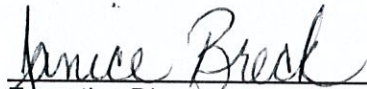
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The financial statements of the Canadian Mental Health Association - Cariboo Chilcotin Branch have been prepared in accordance with the Canadian generally accepted accounting principles. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

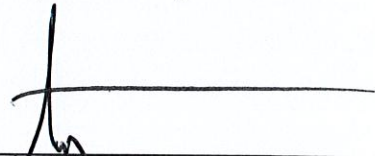
The integrity and reliability of the Canadian Mental Health Association - Cariboo Chilcotin Branch's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Board of Directors is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board meets periodically with management and the Associations' auditors to review significant accounting, reporting and internal control matters. The Board reviews the financial statements and discusses with the auditors, prior to its approval of the financial statements. The Board also considers and approves the engagement or re-appointment of the external auditors.

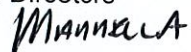
The financial statements have been audited on behalf of the Board of Directors by PMT Chartered Professional Accountants LLP, in accordance with Canadian generally accepted auditing standards.



Executive Director



Chair person - Board of Directors







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## INDEPENDENT AUDITOR'S REPORT

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### To the Members of Canadian Mental Health Association - Cariboo Chilcotin Branch

#### Report on the Financial Statements

##### Qualified Opinion

We have audited the financial statements of the Canadian Mental Health Association - Cariboo Chilcotin Branch (the Association), which comprise the statement of financial position as at March 31, 2019, and the statements of changes in net assets, revenues and expenditures and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at March 31, 2019, and its results of operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

##### Basis for Qualified Opinion

In common with many not-for-profit organizations, the Association derives revenue from fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Association. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended March 31, 2019, current assets and net assets as at March 31, 2019. Our audit opinion on the financial statements for the year ended March 31, 2018 was modified accordingly because of the possible effects of this limitation of scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

##### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the

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Independent Auditor's Report to the Members of Canadian Mental Health Association - Cariboo Chilcotin Branch *(continued)*

going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Report on Other Legal and Regulatory Requirements**

As required by the British Columbia Societies Act, we report that, in our opinion, the Society's financial statements have been prepared following Canadian accounting standards for not-for-profit organizations.

Williams Lake, BC  
October 25, 2019

  
PMT CHARTERED PROFESSIONAL  
ACCOUNTANTS LLP

## CANADIAN MENTAL HEALTH ASSOCIATION - CARIBOO CHILCOTIN BRANCH

## Statement of Financial Position

March 31, 2019

	2019	2018
<b>ASSETS</b>		
Current		
Cash	\$ 473,100	\$ 321,430
Accounts receivable (Note 6)	77,970	61,563
Interest receivable	471	1,504
Prepaid expenses	23,177	19,584
	<u>574,718</u>	<u>404,081</u>
Tangible capital assets (Note 7)	55,918	87,853
Long term investments (Note 8)	-	2,800
Restricted cash	20,000	20,000
	<u>\$ 650,636</u>	<u>\$ 514,734</u>

<b>LIABILITIES</b>		
Current		
Accounts payable and accrued liabilities (Note 10)	\$ 204,650	\$ 203,169
Damage deposits repayable	5,600	6,163
Deferred income (Note 11)	214,761	85,715
	<u>425,011</u>	<u>295,047</u>
Deferred capital contributions (Note 13)	38,531	74,989
	<u>463,542</u>	<u>370,036</u>

Lease commitments and contingencies (Note 14)

<b>NET ASSETS</b>		
Unrestricted Net Assets	149,706	111,833
Invested in Tangible Capital Assets Fund	17,388	12,865
Restricted Fund	20,000	20,000
	<u>187,094</u>	<u>144,698</u>
	<u>\$ 650,636</u>	<u>\$ 514,734</u>

APPROVED BY THE DIRECTORS


  
 \_\_\_\_\_ Director  
  
 \_\_\_\_\_ Director

The accompanying notes and schedules are an integral part of this statement.



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

**Statement of Changes in Net Assets**

**Year Ended March 31, 2019**

	Unrestricted Net Assets	Invested in Tangible Capital Assets Fund	Restricted Fund	2019	2018
<b>Net assets - beginning of year</b>					
As previously reported	\$ 132,593	\$ 12,865	\$ 20,000	\$ 165,458	\$ 114,368
Prior period adjustments (Note 15)	(20,760)	-	-	(20,760)	-
<b>As restated</b>	111,833	12,865	20,000	<b>144,698</b>	114,368
<b>Excess of revenue over expenditures</b>	48,091	(5,695)	-	<b>42,396</b>	30,330
<b>Transfers (Note 16)</b>	(10,218)	10,218	-	-	-
<b>Net assets - end of year</b>	<b>\$ 149,706</b>	<b>\$ 17,388</b>	<b>\$ 20,000</b>	<b>\$ 187,094</b>	<b>\$ 144,698</b>

# CANADIAN MENTAL HEALTH ASSOCIATION - CARIBOO CHILCOTIN BRANCH

## Statement of Revenues and Expenditures

Year Ended March 31, 2019

	2019	2018
<b>Revenue</b>		
Interior Health Authority	\$ 894,817	\$ 853,205
Jubilee Place (Schedule 1)	316,431	306,836
Province of British Columbia	221,505	212,121
Grants	205,433	8,117
Contracts - Other	123,123	224,718
Fees	116,554	106,188
Homeless Outreach (Schedule 2)	89,599	95,150
Gaming	49,000	49,000
Miscellaneous	25,699	28,684
Donations	16,503	6,022
Rental revenue	6,800	6,270
Administration fee	6,150	6,150
Fundraising	3,457	11,644
Office rent recovery	2,000	2,000
Amortization of deferred capital contributions	9,694	18,234
	<b>2,086,765</b>	<b>1,934,339</b>
<b>Expenditures</b>		
Activity costs	9,332	7,906
Advertising and promotion	510	506
Amortization	9,788	11,741
Bad debts	425	50
Bank charges	2,881	2,407
Client expenses	21,429	8,772
Contract services	20,668	22,717
Equipment rentals	4,933	4,369
Finance services	65,238	53,215
Furniture and equipment	7,788	3,608
Insurance	11,014	9,345
Memberships	4,434	4,676
Office and miscellaneous	74,947	80,735
Professional fees	18,800	14,060
Relocation expenses	-	16,348
Rental	103,072	109,698
Repairs and maintenance	15,872	10,828
Resource materials	234	222
Telephone and utilities	41,313	40,608
Training	14,569	13,571
Travel	6,416	8,070
Vehicle	9,524	8,300
Wages and benefits	1,206,212	1,052,131
Workshops	1,800	-
Jubilee Place (Schedule 1)	309,994	312,286
Homeless Outreach (Schedule 2)	80,376	80,657
	<b>2,041,569</b>	<b>1,876,826</b>
<b>Excess of revenue over expenditures from operations</b>	<b>45,196</b>	<b>57,513</b>

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**CANADIAN MENTAL HEALTH ASSOCIATION - CARIBOO CHILCOTIN BRANCH****Statement of Revenues and Expenditures** *(continued)***Year Ended March 31, 2019**

	<b>2019</b>	<b>2018</b>
<b>Other income (expenses)</b>		
Loss on disposal of property, plant and equipment	-	(27,183)
Loss on sale of marketable securities	<u>(2,800)</u>	<u>-</u>
	<u>(2,800)</u>	<u>(27,183)</u>
<b>Excess of revenue over expenditures</b>	<b><u>\$ 42,396</u></b>	<b><u>\$ 30,330</u></b>

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

**Statement of Cash Flow**

**Year Ended March 31, 2019**

	2019	2018
<b>Operating activities</b>		
Excess of revenue over expenditures	\$ 42,396	\$ 30,330
Items not affecting cash:		
Amortization of tangible capital assets	42,152	43,112
Loss on disposal of tangible capital assets	-	27,183
Loss on disposal of investments	2,800	-
Amortization of deferred capital contributions	(36,458)	(43,486)
	<u>50,890</u>	<u>57,139</u>
Changes in non-cash working capital:		
Accounts receivable	(16,407)	(38,390)
Interest receivable	1,033	576
Accounts payable and accrued liabilities	1,481	47,262
Deferred income	129,046	(6,311)
Prepaid expenses	(3,593)	(970)
Damage deposits repayable	(563)	(220)
Subsidy repayable	-	(1,506)
	<u>110,997</u>	<u>441</u>
Cash flow from operating activities	<u>161,887</u>	<u>57,580</u>
<b>Investing activity</b>		
Purchase of tangible capital assets	<u>(10,217)</u>	<u>(38,995)</u>
<b>Financing activities</b>		
Capital funding	-	30,000
Subsidy repaid	-	-
Cash flow from financing activities	<u>-</u>	<u>30,000</u>
<b>Increase in cash flow</b>	<b>151,670</b>	<b>48,585</b>
<b>Cash - beginning of year</b>	<b>341,430</b>	<b>292,845</b>
<b>Cash - end of year</b>	<b>\$ 493,100</b>	<b>\$ 341,430</b>
<b>Cash consists of:</b>		
Cash	\$ 473,100	\$ 321,430
Restricted cash	<u>20,000</u>	<u>20,000</u>
	<b>\$ 493,100</b>	<b>\$ 341,430</b>

**1. Basis of presentation**

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

**2. Purpose of organization**

Canadian Mental Health Association - Cariboo Chilcotin Branch provides programs and services that foster individual growth and promote wellness, leading to the development of strong families and healthy communities.

The Association is incorporated under the Society Act of British Columbia and is a registered charity under the Income Tax Act. The Association is exempt from income tax provided certain requirements of the Income Tax Act are met.

**3. Economic dependence**

The Association receives approximately 74% (2018 - 74%) of its revenue from the Province of British Columbia as operating funding. Should the Province of British Columbia substantially change its dealings with the Association, management is of the opinion that continued viable operations would be doubtful.

**4. Significant accounting policies**

Fund accounting

Canadian Mental Health Association - Cariboo Chilcotin Branch follows the deferral method of accounting for contributions.

The Operating Fund reports the revenues and expenses related to program delivery and administrative activities.

The Capital Fund reports the assets, liabilities, revenues and expenses related to Canadian Mental Health Association - Cariboo Chilcotin Branch's tangible capital assets.

The Restricted Fund reports the reserve to partially cover the future costs for accumulated sick time payable and sick leave that exceed the operating budget.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Financial assets measured at amortized cost include cash, accounts receivable and interest receivable.

Financial assets measured at amortized cost include accounts payable and accrued liabilities.

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Notes to Financial Statements

Year Ended March 31, 2019

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4. Significant accounting policies (*continued*)

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand less outstanding cheques and deposits with a maturity of less than three months at the time of purchase. When outstanding cheques are in excess of cash on hand, the excess is reported in bank indebtedness.

Long term investment

The investment is recorded at cost as it is not practical to determine the market value.

Tangible capital assets

Tangible capital assets are stated at cost or deemed cost less accumulated amortization. Tangible capital assets are amortized over their estimated useful lives on a straight-line basis at the following rates:

Furniture and fixtures	15% and 55%
Leasehold improvements	10% and 15%
Library	10%
Motor vehicles	20%

The Association regularly reviews its tangible capital assets to eliminate obsolete items.

Tangible capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

Amortization expense is recorded in the Tangible Capital Asset Fund

Revenue recognition

The Association follows the deferral method of accounting for contributions. Revenue consists of contributions received from various government agencies as well as other sources.

Revenue is recognized when receivable if the amount can be reasonably estimated and collection is reasonably assured, except in the case of externally restricted contributions, when the funder has specified that funds be used for a specific use and not all funds have been expended for that purpose. Revenue unearned in the current period are recorded as deferred contributions.

Contributions restricted for the purchase of tangible capital assets are deferred and amortized to revenue on the same basis as the related assets are depreciated.

Contributed services

The Association and its members benefit from contributed goods and services in the form of volunteer time for various committees and assisting in carrying out its various programs. Contributed services are not recognized in these financial statements.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

## Notes to Financial Statements

Year Ended March 31, 2019

**5. Financial instruments**

The Association is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Association's risk exposure and concentration as of March 31, 2019.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Association is exposed to credit risk from customers. In order to reduce its credit risk, the Association reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Association has a significant number of customers which minimizes concentration of credit risk.

There is no change in the risk exposure from the previous period.

Unless otherwise noted, it is management's opinion that the Association is not exposed to significant other price risks arising from these financial instruments.

**6. Accounts receivable**

	2019	2018
Trade receivables	\$ 13,668	\$ 43,978
Government receivables	64,627	18,438
	78,295	62,416
Allowance for doubtful accounts	(325)	(853)
	<u>\$ 77,970</u>	<u>\$ 61,563</u>

**7. Tangible capital assets**

	Cost	Accumulated amortization	2019 Net book value	2018 Net book value
Furniture and fixtures	\$ 262,452	\$ 244,377	\$ 18,075	\$ 19,767
Leasehold improvements	131,060	99,641	31,419	57,406
Library	15,011	15,011	-	-
Motor vehicles	33,621	27,197	6,424	10,680
	<u>\$ 442,144</u>	<u>\$ 386,226</u>	<u>\$ 55,918</u>	<u>\$ 87,853</u>

The value of contributed tangible capital assets during the year was \$NIL (2018 - \$30,000).

The write-down of tangible capital assets during the year was \$NIL (2018 - \$27,183).



**CANADIAN MENTAL HEALTH ASSOCIATION - CARIBOO CHILCOTIN BRANCH****Notes to Financial Statements****Year Ended March 31, 2019****8. Long term investments**

	<u>2019</u>	<u>2018</u>
Central Interior Community Services Co-op (16% ownership)	\$ -	\$ 2,800

Five non-profit charitable organizations serving children and families, youth and adults in the Williams Lake area have been meeting since April 2002 to explore new ways of working together to enhance services to clients. They established the Central Interior Community Services Co-Op in 2004 which is responsible for providing administrative and financial services for the five founding members and share the costs of administration and finance. The five founding members are the Boys and Girls Club of Williams Lake and District, Canadian Mental Health Association - Cariboo Chilcotin Branch, Cariboo Chilcotin Child Development Centre Association, Contact Women's Group Society, and Williams Lake Association for Community Living.

After the yearend, the investment in the Central Interior Community Services Co-op was deemed to be impaired and therefore has been written down.

**9. Restricted cash**

Restricted cash consists of internally restricted amounts to fund the Restricted Fund balance set up to partially cover the accrued liability for accumulated sick time payable and sick leave.

**10. Accounts payable and accrued liabilities**

	<u>2019</u>	<u>2018</u>
Trade payables	\$ 184,825	\$ 178,320
Government remittances	19,825	24,849
	<u>\$ 204,650</u>	<u>\$ 203,169</u>



# CANADIAN MENTAL HEALTH ASSOCIATION - CARIBOO CHILCOTIN BRANCH

## Notes to Financial Statements

Year Ended March 31, 2019

### 11. Deferred income

	2019	2018
BC Housing Management Commission - Monthly subsidy - Homeless outreach	\$ 7,088	\$ 6,874
BC Housing Management Commission - Monthly subsidy - Jubilee House	1,243	1,496
BC Housing Management Commission - Monthly subsidy - Jubilee Place	8,083	10,342
Canadian Mental Health - Kelowna	3,000	-
Canadian Red Cross - Community Bridge to Housing First	36,867	-
Canadian Red Cross - Wildfire Recovery	42,346	-
Ministry of Children and Family Development	6,000	8,406
Ministry of Municipal Affairs and Housing - Community Gaming Grants Branch	51,167	50,584
Ministry of Public Safety and Solicitor General - Community Safety and Crime Preventions Branch - Civil Forfeiture Crime Prevention	25,000	-
Ministry of Tourism Arts and Culture	-	5,396
Miscellaneous donations	100	-
Other projects/programs	-	2,617
Residential fees	4,936	-
United Way - Wildfire Relief	28,931	-
	<u>\$ 214,761</u>	<u>\$ 85,715</u>

### 12. Subsidy repaid (refundable)

BC Housing Management Commission conducts an annual review of the financial statements and may adjust for any operating surplus or deficit. Prior year's funding adjustments are recognized in the fiscal year they are determined. The annual review of the 2018 financial statements has been completed and the adjustment of prior year's grant revenue was \$NIL (2018 - \$NIL).

### 13. Deferred capital contributions

Deferred contributions represent contributions received to purchase tangible capital assets and are deferred and amortized to revenue on the same basis as the related assets are amortized. The changes for the year in the deferred contributions are as follows:

	2019	2018
Balance, beginning of year	\$ 74,989	\$ 88,475
Deferred capital contributions additions	-	30,000
Amount amortized to revenue	(36,458)	(43,486)
Balance, end of year	<u>\$ 38,531</u>	<u>\$ 74,989</u>

## Notes to Financial Statements

Year Ended March 31, 2019

**14. Lease commitments and contingencies**

- a) The Association has a lease for certain office equipment for a sixty month term commencing November 1, 2016. Monthly payments of \$37 plus applicable taxes apply.
- b) The Association has a lease for certain office equipment for a sixty-six month term commencing August 1, 2018. Monthly payments of \$376 plus applicable taxes apply.
- c) The Association has a lease for Jubilee House for a two year, four month term commencing September 15, 2017. Monthly lease payments of \$3,000 plus applicable taxes apply.
- d) The Association has a 36 month tenancy agreement commencing on October 1, 2018 for office space with Cariboo Chilcotin Child Development Centre Association, a member of the Central Interior Community Services Co-Op. Monthly lease payments of \$3,858 plus applicable taxes apply.
- e) The Association has a lease for a photocopier for a sixty month term commencing October 1, 2017. Monthly payments \$169 plus applicable taxes apply.
- f) Management of the Association is not aware of any claims or potential claims that if not successfully defended would have a material effect on the financial statements. If a claim was paid as a result of the outcome of litigation it would be treated as an expenditure.
- g) Management has not set up an accrued liability for accumulated sick pay or special leave pay for its employees as the current employment policy does not require sick pay or special leave pay to be paid out if an employee leaves. As of March 31, 2019, the sick pay and special leave pay totaled \$148,976 (2018 - \$135,700) and \$36,428 (2018 - \$32,578) respectively.

**15. Prior period adjustment**

During the year, it was identified that a payable was not set up correctly in the fiscal year ended March 31, 2018. This resulted in a prior period adjustment that has increased accounts payable in 2018 by \$20,760 and a corresponding decrease in contracts - other revenue.

**16. Transfers**

During the year, the Association's management approved \$10,218 (2018 - \$8,996) to be transferred from Unrestricted net assets to Invested in tangible capital assets for the purchase of tangible capital assets.

**17. Funds held in trust**

The Association holds funds in their bank account in trust for some clients. There is a formal trust agreement in place outlining that these funds are not to be used and do not earn interest. These funds have been deposited into the Association's bank account however, they belong to the client and as such, are not part of the operations of the Association. The Association is responsible for the proper administration of these funds.

	2019	2018
Client trust funds (asset)	\$ 25,865	\$ 9,920
Client trust funds (liability)	(25,865)	(9,920)
	<u>\$ -</u>	<u>\$ -</u>



**18. Associated party transactions**

During the year, the Association entered into the following transactions with associated parties:

- a) The Association paid \$71,678 (2018 - \$59,655) for financial services to the Central Interior Community Services Co-Op, an affiliated society. The Association recovered \$79 (2018 - \$89) for supplies, services and telephone expenses; and \$1,250 (2018 - \$1,750) in meeting room rental from the Co-Op.
- b) The Association recovered \$32 (2018 - \$NIL) for expenses from the Boys and Girls Club of Williams Lake and District, a member of the Central Interior Community Services Co-Op.
- c) The Association paid \$296 (2018 - \$300) for supplies, services and telephone expenses and \$44,494 (2018 - \$42,694) for rent to Cariboo Chilcotin Child Development Centre Association, a member of the Central Interior Community Services Co-Op. The Association recovered \$2,005 (2018 - \$1,721) for supplies, services and telephone expenses.
- d) The Association recovered \$NIL (2018 - \$162) for supplies, services and telephone expenses from Contact Women's Group Society, a member of the Central Interior Community Services Co-Op.
- e) The Association paid \$401 (2018 - \$2,936) for supplies, services and telephone expenses to the Williams Lake Association for Community Living, a member of the Central Interior Community Services Co-Op. The Association recovered \$628 (2018 - \$979) for supplies, services and telephone expenses, \$4,250 (2018 - \$4,100) for meeting room rental and \$11,008 (2018 - \$11,707) in wage transfers.
- f) As of March 31, 2019, included in accounts receivable is \$4,303 (2018 - \$5,293) due from associated parties. These amounts are subject to normal trade and occurred during the normal course of operations.
- g) As of March 31, 2019, included in accounts payable is \$NIL (2018 - \$NIL) due to associated parties. These amounts are subject to normal trade and occurred during the normal course of operations.

**19. Remuneration of directors, employees and contractors**

As required by the Society Act of British Columbia, remuneration above \$75,000 paid to directors, employees and contractors must be disclosed.

The Association does not remunerate its directors.

During the year, the Association paid remuneration, including benefits in excess of \$75,000, to two employees totaling \$190,262 (2018 - totaling \$262,154).



## Notes to Financial Statements

Year Ended March 31, 2019

**20. Gaming**

The Association applies annually to the Community Gaming Grants Branch of the Ministry of Community, Sport and Cultural Development for a Community Gaming grant. In order to receive gaming funds the Association is required to have a separate bank account for gaming funds, and expenditures are restricted by terms set by the Licensing and Grants Division.

The audited financial statements are presented on a consolidated basis. This results in presentation of the gaming bank account and gaming accounts receivable as part of the consolidated cash and receivable balance. If the amounts had been shown on a fund basis, the Gaming Fund presentation would be as follows:

	2019	2018
<b>Fund presentation of gaming net assets</b>		
Cash	\$ 52,025	\$ 64,808

**21. Capital disclosure**

The Association considers its capital to be the balance maintained in its Unrestricted Net Assets. The primary objective of the Association is to invest its capital in a manner that will allow it to continue as a going concern and comply with its stated objectives. Capital is invested under the direction of the Board of Directors of the Association with the objective of providing a reasonable rate of return, minimizing risk and ensuring adequate liquid investments are on hand for current cash flow requirements. The Association is not subject to any externally imposed requirements of its capital.

**22. Defined contribution pension plan**

During the year, the Association contributed to the Municipal Pension Plan, a defined contribution pension plan, for its employees. The plan is managed by an outside party. The expense incurred during the year totaled \$25,131 (2018 - \$21,340) and is included in wages and benefits.

In addition, there is an RRSP matching defined contribution pension plan for its employees. The plan is managed by an outside party. The expense incurred during the year totaled \$9,421 (2018 - \$9,528) and is included in wages and benefits.

**23. Comparative figures**

Some of the comparative figures have been reclassified to conform to the current year's presentation.

**CANADIAN MENTAL HEALTH ASSOCIATION - CARIBOO CHILCOTIN BRANCH****Jubilee Place****(Schedule 1)****Year Ended March 31, 2019**

	2019	2018
<b>Revenue</b>		
Residence fee	\$ 146,985	\$ 149,640
BC Housing Management Commission	134,442	124,100
Miscellaneous income	8,013	7,843
Donations	225	-
Interest income	2	1
Amortization of deferred capital contributions	26,764	25,252
	<u>316,431</u>	<u>306,836</u>
<b>Expenditures</b>		
Activity costs	142	-
Amortization	32,364	31,371
Bad debts	275	2,106
Contracted services	20	471
Equipment rentals	2,135	1,158
Finance services	4,400	4,400
Furniture and equipment	242	-
Insurance	1,066	1,233
Office and miscellaneous	2,156	2,215
Professional fees	6,000	6,000
Repairs and maintenance	13,841	30,402
Telephone and utilities	65,199	55,321
Training	1,911	1,241
Wages and benefits	180,243	176,368
	<u>309,994</u>	<u>312,286</u>
<b>Excess (deficiency) of revenue over expenditures</b>	<u>\$ 6,437</u>	<u>\$ (5,450)</u>

**CANADIAN MENTAL HEALTH ASSOCIATION - CARIBOO CHILCOTIN BRANCH**
**Homeless Outreach**
**(Schedule 2)**
**Year Ended March 31, 2019**

	2019	2018
<b>Revenue</b>		
BC Housing Management Commission	\$ 89,359	\$ 80,060
Donations	240	240
Miscellaneous income	-	14,850
	<u>89,599</u>	<u>95,150</u>
<b>Expenditures</b>		
Accommodation	2,000	2,000
Administration	6,150	6,150
Client expenses	13,200	13,560
Finance services	2,040	2,040
Insurance	242	550
Office and miscellaneous	2,011	2,227
Professional fees	500	500
Rental	360	840
Telephone and utilities	1,758	1,990
Training	683	-
Wages and benefits	51,432	50,800
	<u>80,376</u>	<u>80,657</u>
<b>Excess (deficiency) of revenue over expenditures</b>	<u>\$ 9,223</u>	<u>\$ 14,493</u>