

**Canadian Mental Health Association
Vernon and District Branch**

**Financial Statements
For the Year Ended March 31, 2020**

**Canadian Mental Health Association
Vernon and District Branch**

**Financial Statements
For the Year Ended March 31, 2020**

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Independent Auditor's Report

To the directors of Canadian Mental Health Association - Vernon and District Branch

Opinion

We have audited the financial statements of Canadian Mental Health Association - Vernon and District Branch (the Association), which comprise the statement of financial position as at March 31, 2020, the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at March 31, 2020, and its financial performance and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

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 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 related to going concern and using the 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 Societies Act (British Columbia), we report that, in our opinion, the accounting principles in Canadian accounting standards for not-for-profit organizations have been applied, on a basis consistent with that of the preceding year.

Chartered Professional Accountants

Vernon, British Columbia
July 28, 2020

**Canadian Mental Health Association
Vernon and District Branch
Statement of Financial Position**

March 31	2020	2019
Assets		
Current		
Cash and cash equivalents	\$ 1,035,815	\$ 975,046
Investments (Note 2)	409,603	80,304
Accounts receivable	92,981	31,427
Prepaid expenses	20,546	8,580
	1,558,945	1,095,357
Investments (Note 2)	432,082	684,499
Restricted cash (Note 3)	202,779	114,211
Property, plant and equipment (Note 4)	13,783,641	12,543,997
	\$15,977,447	\$ 14,438,064

Liabilities and Net Assets

Current		
Accounts payable and accrued liabilities (Note 5)	\$ 683,670	\$ 408,274
Deposits received	52,808	52,314
Deferred revenues (Note 6)	243,526	184,032
Short term debt (Note 7)	396,288	77,693
Current portion of long term debt (Note 8)	2,765,907	452,733
	4,142,199	1,175,046
Long term debt (Note 8)	3,802,899	6,568,847
Deferred capital contributions (Note 9)	3,711,159	2,616,378
	11,656,257	10,360,271
Net Assets		
Restricted	2,107,010	1,758,773
Unrestricted	2,214,180	2,319,020
	4,321,190	4,077,793
	\$15,977,447	\$ 14,438,064

On behalf of the Board:



Director



Director

**Canadian Mental Health Association
Vernon and District Branch
Statement of Changes in Net Assets**

For the year ended March 31	RESTRICTED			2020 Total	2019 Total
	Invested in Property, Plant and Equipment	Replacement Reserve	Operations		
	(Schedule 1)				
Balance, beginning of the year	\$ 1,490,356	\$ 484,138	\$ (215,721)	\$ 1,758,773	\$ 1,515,747
Excess of revenues over expenses	(248,523)	-	596,760	348,237	243,026
Contributions received	(1,218,908)	-	1,218,908	-	-
Long term debt principal repayments	452,774	-	(452,774)	-	-
Purchase of property, plant and equipment	1,337,360	-	(1,337,360)	-	-
Replacement reserve provision	-	114,912	(114,912)	-	-
Interest on replacement reserve	-	11,437	(11,437)	-	-
Replacement reserve expenditures	-	(173,389)	173,389	-	-
Balance, end of the year	\$ 1,813,059	\$ 437,098	\$ (143,147)	\$ 2,107,010	\$ 1,758,773

The accompanying notes are an integral part of these financial statements.

**Canadian Mental Health Association
Vernon and District Branch
Statement of Operations**

For the year ended March 31	2020	2019
	(Schedule 2)	
Revenue		
Interior Health Authority	\$ 2,355,233	\$ 2,180,183
Rent and user fees	1,145,460	1,068,780
BC Housing	687,932	703,833
Canadian Mental Health Association - BC Division	541,343	493,070
Donations and fundraising	238,199	223,552
Store sales	163,639	174,226
Grants - Other	218,742	144,489
Sundry	89,557	100,032
BC Gaming	89,458	99,116
Workshop sales	99,790	97,508
United Way	6,450	5,535
Amortization of deferred contributions (Note 9)	145,525	97,089
	5,781,328	5,387,413
Expenses		
Advertising and promotion	11,615	24,500
Amortization	441,283	413,995
Insurance	41,060	31,002
Interest and bank charges	9,919	8,414
Interest on long term debt	199,744	212,945
Memberships and licences	26,221	17,419
Office and miscellaneous	60,085	63,837
Professional development	15,288	42,858
Professional fees	28,318	28,567
Program expenses	273,604	237,717
Property taxes	3,089	2,351
Rent	32,512	15,832
Repairs and maintenance	296,927	329,425
Subcontracts	16,617	44,123
Supplies	104,383	94,190
Telephone	5,076	4,240
Travel	23,105	24,300
Utilities	348,392	342,172
Vehicle	30,242	28,309
Volunteer and honorariums	63,720	79,741
Wages and benefits	3,506,731	3,164,565
	5,537,931	5,210,502
Excess of revenues over expenses	\$ 243,397	\$ 176,911

The accompanying notes are an integral part of these financial statements.

**Canadian Mental Health Association
Vernon and District Branch
Statement of Cash Flows**

For the year ended March 31	2020	2019
Cash flows from operating activities		
Cash receipts from federal and provincial funding and grants	\$ 4,135,298	\$ 3,835,735
Cash receipts from rent and user fees	1,145,954	1,070,628
Cash received from other revenue	333,829	363,592
Cash paid to suppliers and employees	(4,633,476)	(4,560,874)
Interest received	19,157	8,174
Interest paid	(199,744)	(212,945)
	<u>801,018</u>	<u>504,310</u>
Cash flows from investing activities		
Purchase of investments	(76,882)	(642,478)
Capital contributions received	1,240,306	909,877
Purchase of property, plant and equipment	(1,680,926)	(907,985)
	<u>(517,502)</u>	<u>(640,586)</u>
Cash flows from financing activities		
Proceeds of short term debt	331,191	-
Repayment of short term debt	(12,596)	(12,170)
Repayment of long term debt	(452,774)	(440,001)
	<u>(134,179)</u>	<u>(452,171)</u>
Net increase (decrease) in cash and cash equivalents	149,337	(588,447)
Cash and cash equivalents, beginning of the year	1,089,257	1,677,704
Cash and cash equivalents, end of the year	\$ 1,238,594	\$ 1,089,257
Represented by:		
Cash and cash equivalents	\$ 1,035,815	\$ 975,046
Restricted cash (Note 3)	202,779	114,211
	<u>\$ 1,238,594</u>	<u>\$ 1,089,257</u>

The accompanying notes are an integral part of these financial statements.

Canadian Mental Health Association Vernon and District Branch Notes to Financial Statements

March 31, 2020

1. Significant Accounting Policies

Nature and Purpose of Organization	<p>The Canadian Mental Health Association - Vernon and District Branch (the "Association") is a branch of the Canadian Mental Health Association and was incorporated under the Society Act of British Columbia. The Association's purpose is to provide services that promote, maintain, and enhance the mental health of individuals in Vernon, British Columbia and the surrounding area.</p> <p>The Association is a registered charity and, as such, is exempt from income tax and may issue income tax receipts to donors.</p>
Basis of Accounting	<p>The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.</p>
Revenue Recognition	<p>The Association follows the deferral method of accounting for contributions.</p> <p>Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.</p> <p>Restricted net investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted net investment income is recognized as revenue when earned.</p> <p>Revenue from tenant rent is recognized when the cash is collected or when collection is reasonably assured.</p> <p>Store sales, workshop revenues, fundraising and other miscellaneous revenue are recognized in the respective programs when there is persuasive evidence of an arrangement, the services or goods have been provided and cash is collected or reasonably collectible.</p>
Use of Estimates	<p>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 at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available.</p>
Cash and Cash Equivalents	<p>Cash and cash equivalents consist of cash on hand and bank balances.</p>

**Canadian Mental Health Association
Vernon and District Branch
Notes to Financial Statements**

March 31, 2020

1. Significant Accounting Policies (continued)

Property, plant and equipment

Purchased capital assets are stated at cost less accumulated amortization. Contributed tangible capital assets are recorded at fair value at the date of contribution and are amortized, unless fair value is not determinable in which case contributed tangible capital assets are recorded at nominal value at the date of contribution. Expenditures for repairs and maintenance are expensed as incurred. Betterments that extend the useful life of the tangible capital asset are capitalized.

Construction in progress is not amortized until the tangible capital asset is substantially complete and ready for use.

Amortization based on the estimated useful life of the asset is calculated as follows:

	Method	Rate
Buildings	Straight-line	40 years
Vehicles	Straight-line	5 years
Computer equipment	Straight-line	3 years
Furniture and equipment	Straight-line	10 years
Leasehold improvements	Straight-line	5-10 years

Financial Instruments

Financial instruments are recorded at fair value at initial recognition.

In subsequent periods, equities traded in an active market and derivatives are reported at fair value, with any change in fair value reported in income. All other financial instruments are reported at cost or amortized cost less impairment. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items measured at fair value and charged to the financial instrument for those measured at amortized cost.

Financial assets are tested for impairment when indicators of impairment exist. When a significant change in the expected timing or amount of the future cash flows of the financial asset is identified, the carrying amount of the financial asset is reduced and the amount of the write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of the improvement, provided it is not greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously, and the amount of the reversal is recognized in net income.

**Canadian Mental Health Association
Vernon and District Branch
Notes to Financial Statements**

March 31, 2020

1. Significant Accounting Policies (continued)

Contributed Materials Due to the difficulty in determining the fair value of materials contributed to the organization they are not recognized in the financial statements.

Contributed Services Volunteers contribute many hours per year to assist the Association in carrying out its activities. Due to the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

2. Investments

The carrying amount of investments are comprised of the following:

	2020	2019
At amortized cost:		
Canadian corporate bonds and term notes, bearing interest between 1.620% and 2.923% and maturing between April 2020 and November 2022	\$ 507,664	\$ 507,939
Foreign corporate bonds, bearing interest between 2.222% to 2.840% and maturing between March 2021 and July 2023	174,706	176,560
At fair value:		
Cash and savings accounts	159,315	80,304
	\$ 841,685	\$ 764,803
Investments are allocated as follows:		
Current	\$ 409,603	\$ 80,304
Long term	432,082	684,499
	\$ 841,685	\$ 764,803

**Canadian Mental Health Association
Vernon and District Branch
Notes to Financial Statements**

March 31, 2020

3. Restricted Cash and Investments

Restricted cash and investments consists of cash and in investments in money market funds and corporate bonds which are restricted in their use and can only be used for specified purposes.

	<u>2020</u>	<u>2019</u>
Cash	\$ 202,779	\$ 114,211
Investments	841,685	764,803
	<u>\$ 1,044,464</u>	<u>\$ 879,014</u>

Restricted cash is allocated for the following purposes:

	<u>2020</u>	<u>2019</u>
Internally restricted funds (Note 10)	\$ 329,468	\$ 324,075
Replacement reserve funds (Schedule 1)	610,389	544,191
Gaming	86,500	-
Damage deposits	18,107	10,748
	<u>\$ 1,044,464</u>	<u>\$ 879,014</u>

**Canadian Mental Health Association
Vernon and District Branch
Notes to Financial Statements**

March 31, 2020

4. Property, Plant and Equipment

	2020		2019	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Land	\$ 2,782,085	\$ -	\$ 2,782,085	\$ -
Buildings	16,929,320	6,380,569	15,594,706	5,974,019
Vehicles	237,841	182,301	237,841	167,594
Computer equipment	72,595	71,804	71,740	63,076
Furniture and equipment	446,399	361,668	412,724	351,563
Leasehold improvements	61,370	61,370	61,370	60,217
Construction in progress	311,743	-	-	-
	20,841,353	7,057,712	19,160,466	6,616,469
		\$ 13,783,641		\$ 12,543,997

5. Accounts Payable and Accrued Liabilities

Included in accounts payable and accrued liabilities are government remittances payable of \$9,655 (2019 - \$11,982).

**Canadian Mental Health Association
Vernon and District Branch
Notes to Financial Statements**

March 31, 2020

6. Deferred Revenues

	Opening	Grants received	Amounts recognized	Ending
Crisis Line	\$ 41,528	\$ 201,243	\$ (139,807)	\$ 102,964
Peer	5,265	6,791	(2,473)	9,583
Wellness	21,719	14,861	(21,124)	15,456
Youth	8,479	17,500	(15,979)	10,000
Family	8,436	6,661	(10,838)	4,259
Men's Shed	16,250	20,500	(8,320)	28,430
RDH	2,500	14,000	(2,500)	14,000
IT	32,085	7,642	(24,205)	15,522
Mental Health Education	-	17,205	(15,700)	1,505
Other*	47,770	809,405	(815,368)	41,807
	<u>\$ 184,032</u>	<u>\$ 1,115,808</u>	<u>\$ (1,056,314)</u>	<u>\$ 243,526</u>

*Other includes Hub, Lawns, General, Health Essentials, Social Committee, Gaming Funds, and BC Housing Rent Subsidy.

7. Short Term Debt

	2020	2019
Royal Bank term loan, repayable in monthly instalments of \$1,265 including interest calculated at a rate of 3.58%, maturing November 2021.	\$ 65,097	\$ 77,693
BC Housing Loan, non-interest bearing, repayable on demand.	331,191	-
	<u>\$ 396,288</u>	<u>\$ 77,693</u>

**Canadian Mental Health Association
Vernon and District Branch
Notes to Financial Statements**

March 31, 2020

8. Long Term Debt

	2020	2019
MCAP Financial Corporation mortgages, with monthly principal and interest payments of \$25,434, with interest calculated at rates ranging between 2.20% and 4.12%, maturing between June 2021 and October 2027, secured by specific property.	\$ 3,705,946	\$ 3,916,316
Canada Mortgage and Housing Corporation mortgage, with monthly principal and interest payments of \$27,052, with interest calculated at a rate of 3.43%, maturing February 2021, secured by specific property.	2,541,404	2,774,924
Peoples Trust Company mortgage, with monthly principal and interest payments of \$1,674, with interest calculated at a rate of 3.46%, maturing March 2024, secured by specific property.	<u>321,456</u>	<u>330,340</u>
	6,568,806	7,021,580
Current portion	<u>(2,765,907)</u>	<u>(452,733)</u>
Long-term portion of debt	<u>\$ 3,802,899</u>	<u>\$ 6,568,847</u>

Principal repayments on long term debt over the next five years and thereafter are as follows:

2021	\$ 2,765,907
2022	315,374
2023	227,764
2024	515,844
2025	148,090
Thereafter	<u>2,595,827</u>
	<u>\$ 6,568,806</u>

**Canadian Mental Health Association
Vernon and District Branch
Notes to Financial Statements**

March 31, 2020

9. Deferred Capital Contributions

Albert Place

Contributions were received relating to capital improvements to the Albert Place building. These contributions have been deferred and are being amortized with the building additions over 40 years.

In December 2018, BC Housing provided a mortgage forgivable over a ten year period beginning in the first year of the mortgage. Monies were advanced in the March 31, 2019 fiscal year totaling \$19,348. At March 31, 2020, \$16,930 of the total \$19,348 in funding received is to be forgiven in future years.

Yin Ho

Contributions were received relating to capital improvements to the Yin Ho building. These contributions have been deferred and are being amortized with the building additions over 40 years.

In January 2019, BC Housing provided a mortgage forgivable over a ten year period beginning in the first year of the mortgage. Monies were advanced in the March 31, 2019 fiscal year totaling \$205,848. In February 2020, BC Housing provided an additional forgivable Loan of up to \$4,300,000. At March 31, 2020, \$1,218,907 had been drawn, and \$1,380,425 of the total \$1,424,755 in funding received is to be forgiven in future years.

Deferred capital contributions represent the unamortized portion of contributed capital assets and restricted contributions used to purchase capital assets. The changes in the deferred capital contributions balance for the period are as follows:

	<u>2020</u>	<u>2019</u>
Beginning balance	\$ 2,616,378	\$ 1,803,590
Add: restricted contributions related to contributed capital	1,240,306	909,877
Less: Amounts amortized to revenue	<u>(145,525)</u>	<u>(97,089)</u>
Ending balance	<u>\$ 3,711,159</u>	<u>\$ 2,616,378</u>

10. Internally Restricted Funds

The Association has reserved \$329,468 (2019 - \$324,075) for purposes of funding future purchases or replacement of equipment, furniture and other expenditures deemed necessary by management.

**Canadian Mental Health Association
Vernon and District Branch
Notes to Financial Statements**

March 31, 2020

11. Financial Instruments

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Association is exposed to credit risk resulting from the possibility that a customer or counterparty to a financial instrument defaults on their financial obligations; if there is a concentration of transactions carried out with the same counterparty; or of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions. The Association's financial instruments that are exposed to concentrations of credit risk relate primarily to its accounts and contributions receivable. The majority of the Association's receivables are from government sources and the Association works to ensure it meets all eligibility criteria in order to qualify to receive the funding.

Liquidity risk

Liquidity risk is the risk that the Association will encounter difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the Association will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value, which is less than what they are worth; or may be unable to settle or recover a financial asset. The Association is exposed to this risk mainly in respect of its accounts payable, short term debt and long term debt.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Association is exposed to interest rate risk on its fixed and floating interest rate financial instruments. Fixed interest instruments subject the Association to a fair value risk while the floating rate instruments subject it to a cash flow risk.

The Association mitigates interest rate risk on investments by diversifying the durations of the fixed-income investments that are held at a given time.

There have not been any changes in the risk from the prior year.

Canadian Mental Health Association Vernon and District Branch Notes to Financial Statements

March 31, 2020

12. Employee Pension Plan

The Association and its employees contribute to the Municipal Pension Plan (the "Plan"), a jointly trustee pension plan. The board of trustees, representing plan members and employers, is responsible for administering the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer defined benefit pension plan. Basic pension benefits provided are based on a formula. As at December 31, 2018, the Plan has about 205,000 active members and approximately 101,000 retired members. Active members include approximately 39,000 contributors from local government.

The most recent actuarial valuation as at December 31, 2018, indicated a \$2,870 million funding surplus for basic pension benefits. The next valuation will be December 31, 2021, with results available in 2020.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

The Association paid \$183,275 (2019 - \$186,476) for employer contributions to the Plan in fiscal 2020.

13. Economic Dependence

The Association receives 54% (2019 - 54%) of its funding from the Province of British Columbia through the Interior Health Authority and BC Housing. The ability of the Association to continue operations is dependent upon continued funding from these sources.

14. Salaries, Honoraria and Benefits

During the year, the Association paid three employees (2019 - three) in excess of \$75,000. Total salaries, honoraria and benefits paid was \$279,302 (2019 - \$261,267). The Association does not provide remuneration to its Board of Directors.

15. Comparative Figures

Certain comparative figures have been reclassified to conform with the current year's financial statements presentation.

**Canadian Mental Health Association
Vernon and District Branch**

Schedule 1 - Statement of Changes in Replacement Reserve Fund

Under the terms of the operating agreements with BC Housing, the Replacement Reserve Funds are to be credited by the budget provision per annum plus interest earned. These funds along with accumulated interest must be held in a separate bank or investment savings accounts and can only hold instruments insured by the Canadian Deposit Insurance Corporation, the Credit Union Deposit Insurance Corporation, guaranteed by a Canadian government or in other investment instruments as agreed upon by BC Housing. The funds are to be used to replace major items that periodically wear out to ensure the building continues to be functional over its useful life.

	53rd Avenue	Albert Place	Belvedere Apartments	Group Home	Melrose Apartments	Yin Ho Gardens	2020	2019
Replacement Reserve, beginning of year	\$ 89,987	\$ 145,359	\$ 92,352	\$ 36,779	\$ 41,751	\$ 77,910	\$ 484,138	\$ 472,797
Replacement Reserve provision	36,288	15,552	14,688	6,048	5,184	37,152	114,912	114,912
Interest on replacement reserve	2,352	3,314	2,070	829	946	1,926	11,437	3,020
Repair and maintenance expenditures	(43,530)	(55,763)	(29,747)	(1,893)	(4,225)	(38,231)	(173,389)	(125,984)
Transfers to (from)	-	-	-	-	-	-	-	19,393
Replacement Reserve, end of year	\$ 85,097	\$ 108,462	\$ 79,363	\$ 41,763	\$ 43,656	\$ 78,757	\$ 437,098	\$ 484,138

**Canadian Mental Health Association
Vernon and District Branch
Schedule 2 - Statement of Revenues and Expenses - Programs**

For the year ended March 31	Main Operations	Housing Projects	2020	2019
Revenue				
Interior Health Authority	\$ 2,355,233	\$ -	\$ 2,355,233	\$ 2,180,183
Rent and user fees	366,051	779,409	1,145,460	1,068,780
BC Housing	-	687,932	687,932	726,012
Canadian Mental Health Association - BC				
Division	541,343	-	541,343	493,070
Donations and fundraising	238,199	-	238,199	223,552
Store sales	163,639	-	163,639	174,226
Grants	218,742	-	218,742	144,489
Sundry	46,544	43,013	89,557	100,032
BC Gaming	89,458	-	89,458	99,116
Workshop sales	99,790	-	99,790	97,508
United Way	6,450	-	6,450	5,535
BC Housing - Prior Year Subsidy Adjustment	-	-	-	(22,179)
Amortization of deferred contributions	35,657	109,868	145,525	97,089
	<u>4,161,106</u>	<u>1,620,222</u>	<u>5,781,328</u>	<u>5,387,413</u>
Expenses				
Advertising and promotion	11,615	-	11,615	24,500
Amortization	82,851	358,432	441,283	413,995
Insurance	15,043	26,017	41,060	31,002
Interest and bank charges	8,105	1,814	9,919	8,414
Interest on long term debt	2,585	197,159	199,744	212,945
Memberships and licenses	23,734	2,487	26,221	17,419
Office	48,558	11,526	60,085	63,837
Professional development	15,288	-	15,288	42,858
Professional fees	10,353	17,965	28,318	28,567
Program expenses	273,604	-	273,604	237,717
Property taxes	-	3,089	3,089	2,351
Rent	32,512	-	32,512	15,832
Repairs and maintenance	121,669	175,258	296,927	329,425
Subcontracts	15,159	1,459	16,617	44,123
Supplies	104,383	-	104,383	94,190
Telephone	-	5,076	5,076	4,240
Travel	18,345	4,760	23,105	24,300
Utilities	97,846	250,546	348,392	342,172
Vehicle	30,242	-	30,242	28,309
Volunteer and honorariums	63,720	-	63,720	79,741
Salaries, wages and benefits	3,230,572	276,159	3,506,731	3,164,565
	<u>4,206,184</u>	<u>1,331,747</u>	<u>5,537,931</u>	<u>5,210,502</u>
Excess (deficiency) of revenues over expenses	\$ (45,078)	\$ 288,475	\$ 243,397	\$ 176,911