

**Canadian Mental Health Association
Vernon and District Branch
Financial Statements
For the Year Ended March 31, 2023**

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

**Financial Statements
For the Year Ended March 31, 2023**

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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, 2023, 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, 2023, 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.

BDO Canada LLP

Chartered Professional Accountants

Vernon, British Columbia
June 27, 2023

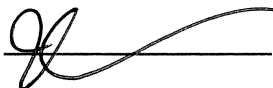
**Canadian Mental Health Association
Vernon and District Branch
Statement of Financial Position**


March 31	2023	2022
Assets		
Current		
Cash and cash equivalents	\$ 126,632	\$ 623,358
Investments (Note 2)	905,966	324,092
Accounts receivable	983,587	958,212
Prepaid expenses	-	27,795
	2,016,185	1,933,457
Investments (Note 2)	1,155,121	1,420,737
Restricted cash (Note 3)	117,628	133,692
Property, plant and equipment (Note 4)	27,105,241	24,319,936
	\$30,394,175	\$ 27,807,822

Liabilities and Net Assets

Current		
Accounts payable and accrued liabilities (Note 5)	\$ 1,027,465	\$ 1,220,837
Deposits received	80,775	58,377
Deferred revenues (Note 6)	915,092	934,162
Short term debt (Note 7)	331,191	331,191
Current portion of long term debt (Note 8)	803,773	513,479
	3,158,296	3,058,046
Long term debt (Note 8)	4,276,713	5,086,992
Deferred capital contributions (Note 9)	17,749,909	14,764,915
	25,184,918	22,909,953
Net Assets		
Restricted	2,907,462	2,277,424
Unrestricted	2,301,795	2,620,445
	5,209,257	4,897,869
	\$30,394,175	\$ 27,807,822

On behalf of the Board:

 Director

 Director

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

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

For the year ended March 31	RESTRICTED			2023 Total	2022 Total
	Invested in Property, Plant and Equipment	Replacement Reserve	Operations		
	(Schedule 1)				
Balance, beginning of the year	\$ 2,272,111	\$ 215,227	\$ (209,914)	\$ 2,277,424	\$ 2,295,471
Excess of revenues over expenses	(412,385)	-	1,064,684	652,299	(18,047)
Contributions received	(2,593,939)	-	2,593,939	-	-
Long term debt principal repayments	513,905	-	(513,905)	-	-
Purchase of property, plant and equipment	2,652,057	-	(2,652,057)	-	-
Replacement reserve provision	-	419,958	(419,958)	-	-
Interest on replacement reserve	-	9,415	(9,415)	-	-
Replacement reserve expenditures	-	(240,356)	240,356	-	-
Interfund transfers	-	(22,261)	-	(22,261)	-
Balance, end of the year	\$ 2,431,749	\$ 381,983	\$ 93,730	\$ 2,907,462	\$ 2,277,424

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	2023	2022
	(Schedule 2)	
Revenue		
Interior Health Authority	\$ 2,610,933	\$ 2,672,067
Rent and user fees	1,462,175	1,155,237
Canadian Mental Health Association - BC Division	1,157,407	832,164
BC Housing	1,107,551	671,911
Grants - Other	990,207	750,372
Workshop sales	267,005	298,258
Donations and fundraising	298,490	183,595
Store and kitchen sales	187,301	168,791
BC Gaming	99,926	116,200
Sundry	205,666	101,854
United Way	-	9,160
Amortization of deferred contributions (Note 9)	314,881	228,491
	8,701,542	7,188,100
Expenses		
Advertising and promotion	66,190	28,644
Amortization	756,179	559,039
Insurance	71,492	68,743
Interest and bank charges	11,349	8,562
Interest on long term debt	94,512	116,490
Memberships and licences	12,417	21,844
Office and miscellaneous	209,294	214,745
Professional development	49,579	18,125
Professional fees	36,626	29,179
Program expenses	291,315	377,655
Rent	46,987	33,079
Repairs and maintenance	642,043	815,678
Subcontracts	41,227	17,483
Supplies	96,933	97,733
Telephone and utilities	529,847	414,257
Travel	22,102	3,069
Vehicle	44,000	22,411
Volunteer and honorariums	47,309	44,810
Wages and benefits	5,320,753	4,366,999
	8,390,154	7,258,545
Excess (deficiency) of revenues over expenses	\$ 311,388	\$ (70,445)

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	2023	2022
Cash flows from operating activities		
Cash receipts from federal and provincial funding and grants	\$ 6,077,968	\$ 5,354,200
Cash receipts from rent and user fees	1,484,572	1,159,297
Cash received from other revenue	762,264	531,254
Cash paid to suppliers and employees	(7,705,038)	(6,249,524)
Interest received	39,809	21,784
Interest paid	(94,512)	(116,490)
	565,063	700,521
Cash flows from investing activities		
Purchase of investments	(316,258)	(671,621)
Capital contributions received	3,299,875	6,927,658
Purchase of property, plant and equipment	(3,541,485)	(6,995,966)
	(557,868)	(739,929)
Cash flows from financing activities		
Proceeds from long term debt	-	90,989
Repayment of short term debt	-	(52,036)
Repayment of long term debt	(519,985)	(590,801)
	(519,985)	(551,848)
Net decrease in cash and cash equivalents	(512,790)	(591,256)
Cash and cash equivalents, beginning of the year	757,050	1,348,306
Cash and cash equivalents, end of the year	\$ 244,260	\$ 757,050
Represented by:		
Cash and cash equivalents	\$ 126,632	\$ 623,358
Restricted cash (Note 3)	117,628	133,692
	\$ 244,260	\$ 757,050

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, 2023

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, 2023

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
Computer software	Straight-line	2 years
Fencing	Straight-line	10 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, 2023

1. Significant Accounting Policies (continued)

Government Assistance	The Association makes periodic applications for financial assistance under government incentive programs. Government assistance received during the year is included in the determination of net income for the year.
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.

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

March 31, 2023

2. Investments

The carrying amount of investments are comprised of the following:

	2023	2022
At amortized cost:		
Canadian corporate bonds and term notes, bearing interest between 1.128% and 5.260% and maturing between May 2023 and September 2026	\$ 1,598,714	\$ 1,432,439
Foreign corporate bonds, bearing interest between 2.509% to 3.874% and maturing between July 2023 and May 2025	335,804	169,825
At fair value:		
Cash and savings accounts	126,569	142,565
	\$ 2,061,087	\$ 1,744,829
Investments are allocated as follows:		
Current	\$ 905,966	\$ 324,092
Long term	1,155,121	1,420,737
	\$ 2,061,087	\$ 1,744,829
Investments are allocated as follows:		
Restricted	\$ 771,437	\$ 577,062
Unrestricted	1,289,650	1,167,767
	\$ 2,061,087	\$ 1,744,829

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

March 31, 2023

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>2023</u>	<u>2022</u>
Cash	\$ 117,628	\$ 133,692
Investments	771,437	577,062
	<u>\$ 889,065</u>	<u>\$ 710,754</u>

Restricted cash and investments is allocated for the following purposes:

	<u>2023</u>	<u>2022</u>
Internally restricted funds (Note 10)	\$ 348,191	\$ 342,322
Replacement reserve funds (Schedule 1)	381,983	215,227
Gaming	86,466	84,003
Damage deposits	72,425	69,202
	<u>\$ 889,065</u>	<u>\$ 710,754</u>

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

March 31, 2023

4. Property, Plant and Equipment

	2023		2022	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Land	\$ 3,004,293	\$ -	\$ 2,782,085	\$ -
Buildings	31,844,581	7,977,642	20,186,906	7,335,089
Vehicles	275,155	210,994	237,841	211,716
Computer equipment	199,530	163,857	168,522	103,805
Computer software	19,557	19,557	19,557	19,557
Furniture and equipment	548,479	429,504	448,823	397,811
Leasehold improvements	61,370	61,370	61,370	61,370
Fencing	16,000	800	-	-
Construction in progress	-	-	8,544,180	-
	35,968,965	8,863,724	32,449,284	8,129,348
		\$27,105,241		\$ 24,319,936

5. Accounts Payable and Accrued Liabilities

Included in accounts payable and accrued liabilities are government remittances payable of \$36,286 (2022 - \$15,375).

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

March 31, 2023

6. Deferred Revenues

	Opening	Grants received	Amounts recognized	Ending
BounceBack	\$ 39,863	\$ 757,025	\$ (514,934)	\$ 281,954
BC Gaming	84,000	77,000	(84,000)	77,000
Crisis Line + ICLN	425,875	274,580	(291,239)	409,216
Peer	15,484	10,000	(4,425)	21,059
Wellness	79,149	48,410	(43,381)	84,178
IT	15,522	-	-	15,522
Mental Health Education	5,714	-	-	5,714
Other*	268,555	207,664	(455,770)	20,449
	<u>\$ 934,162</u>	<u>\$ 1,374,679</u>	<u>\$ (1,393,749)</u>	<u>\$ 915,092</u>

*Other includes Hub, General, Fund Development, Restorative Justice.

7. Short Term Debt

	2023	2022
BC Housing Loan, non-interest bearing, repayable on demand.	<u>\$ 331,191</u>	<u>\$ 331,191</u>

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

March 31, 2023

8. Long Term Debt

	2023	2022
MCAP Financial Corporation mortgages, with monthly principal and interest payments of \$25,364, with interest calculated at rates ranging between 2.20% and 2.95%, maturing between October 2026 and June 2031, secured by specific property.	\$ 3,043,091	\$ 3,275,769
Canada Mortgage and Housing Corporation mortgage, with monthly principal and interest payments of \$24,276, with interest calculated at rates ranging between 0.67% and 0.74%, maturing between August 2025 and February 2026, secured by specific property.	1,744,496	2,021,956
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.	292,899	302,746
	5,080,486	5,600,471
Current portion	(803,773)	(513,479)
Long-term portion of debt	\$ 4,276,713	\$ 5,086,992

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

2024	\$	803,773
2025		518,254
2026		1,425,826
2027		2,291,596
2028		9,352
Thereafter		31,685
		\$ 5,080,486

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

March 31, 2023

9. Deferred Capital Contributions

Albert Place 2

In October 2020, BC Housing provided two construction loans with a maximum loan value of \$10,929,616 for the purpose of constructing a new 29 unit supported housing development. During the construction period, the final amounts related to a forgivable loan and non-forgivable loan were not known. Subsequent to the year end (see Note 15), both the mortgaged value of the construction loans were increased by \$604,015 to a total of \$11,536,631. Although the project has been completed, the first loan has not yet been converted by BC Housing into a repayable mortgage, and as such the interest rate and payment terms are unknown. The second loan has been recognized as a forgivable loan, with forgiveness occurring over a 25 year period beginning in 2032.

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.

During the year, the Association completed the building envelope replacement project at the Yin Ho housing development with a total cost of \$4,595,801. This project was funded by a forgivable loan, which will be forgiven over a 25 year period beginning after the 10th year from the initial advance. As at March 31, 2023, the unforgiven value of the mortgage is \$3,251,111.

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:

	2023	2022
Beginning balance	\$14,764,915	\$ 8,065,748
Add: Restricted contributions related to contributed capital	3,299,875	6,927,658
Less: Amounts amortized to revenue	(314,881)	(228,491)
Ending balance	\$17,749,909	\$ 14,764,915

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

March 31, 2023

10. Internally Restricted Funds

The Association has reserved \$348,191 (2022 - \$342,322) for purposes of funding future purchases or replacement of equipment, furniture and other expenditures deemed necessary by management.

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, 2023

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, 2021, the Plan has about 227,000 active members and approximately 118,000 retired members. Active members include approximately 42,000 contributors from local government.

The most recent actuarial valuation as at December 31, 2021, indicated a \$3,761 million funding surplus for basic pension benefits. The next valuation will be December 31, 2024, with results available in 2025.

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 \$301,898 (2022 - \$255,040) for employer contributions to the Plan in fiscal 2023.

13. Economic Dependence

The Association receives 43% (2022 - 48%) of its funding from the Province of British Columbia through the Interior Health Authority (30%) and BC Housing (13%). 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 16 employees (2022 - three) in excess of \$75,000. Total salaries, honoraria and benefits paid was \$1,500,604 (2022 - \$307,082). The Association does not provide remuneration to its Board of Directors.

15. Commitments

During the year, the Association entered into a revolving demand facility with RBC up to a maximum of \$500,000. Interest is charged on the facility at a rate of Prime + 0.25%. As at March 31, 2023 no amount had been drawn upon.

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

March 31, 2023

16. Subsequent Event

Subsequent to the year end, the Association received signed agreements from BC Housing relating to the Albert Place 2 project construction loans, converting \$8,210,021 to a non-forgivable mortgage and \$3,326,610 to a forgivable loan. The repayment terms of the mortgage are still to be determined.

**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	Albert Place 2	Belvedere Apartments	Group Home	Melrose Apartments	Veridian	Yin Ho	2023	2022
Replacement Reserve, beginning of year	\$ 6,005	\$ 70,824	\$ -	\$ 70,681	\$ 22,261	\$ 31,734	\$ -	\$ 13,722	\$ 215,227	\$ 435,268
Replacement Reserve provision	36,288	15,552	13,860	14,688	-	5,184	12,000	37,152	134,724	114,912
Interest on replacement reserve	1,874	3,149	-	2,090	-	855	-	1,447	9,415	15,252
Additional provisions	40,000	6,500	-	5,000	-	5,000	159,734	69,000	285,234	-
Repair and maintenance expenditures	(27,035)	(78,061)	(1,760)	(28,732)	-	(16,694)	(11,775)	(76,299)	(240,356)	(353,813)
Transfers to (from) reserve	-	-	-	-	(22,261)	-	-	-	(22,261)	3,608
Replacement Reserve, end of year	\$ 57,132	\$ 17,964	\$ 12,100	\$ 63,727	\$ -	\$ 26,079	\$ 159,959	\$ 45,022	\$ 381,983	\$ 215,227

**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	2023	2022
Revenue				
Interior Health Authority	\$ 2,610,933	\$ -	\$ 2,610,933	\$ 2,672,067
Rent and user fees	475,510	986,665	1,462,175	1,155,237
Canadian Mental Health Association - BC Division	1,157,407	-	1,157,407	832,164
BC Housing	-	1,107,551	1,107,551	687,776
Grants - Other	976,999	13,208	990,207	750,372
Workshop sales	267,005	-	267,005	317,959
Store and kitchen sales	187,301	-	187,301	149,091
Donations and fundraising	298,490	-	298,490	183,595
BC Gaming	99,926	-	99,926	116,200
Sundry	165,350	40,316	205,666	85,988
United Way	-	-	-	9,160
Amortization of deferred contributions	40,416	274,465	314,881	228,491
	6,279,337	2,422,205	8,701,542	7,188,100
Expenses				
Advertising and promotion	66,037	153	66,190	28,644
Amortization	163,842	592,337	756,179	559,039
Insurance	21,397	50,095	71,492	68,742
Interest and bank charges	11,223	126	11,349	8,562
Interest on long term debt	-	94,512	94,512	116,490
Memberships and licenses	12,416	1	12,417	21,844
Office	194,193	15,101	209,294	218,157
Professional development	49,579	-	49,579	18,125
Professional fees	(3,716)	40,342	36,626	29,179
Program expenses	290,608	707	291,315	377,655
Rent	46,987	-	46,987	33,079
Repairs and maintenance	250,960	391,083	642,043	815,678
Subcontracts	26,952	14,275	41,227	17,483
Supplies	96,933	-	96,933	94,222
Telephone and utilities	221,986	307,861	529,847	414,257
Travel	18,999	3,103	22,102	3,069
Vehicle	41,623	2,377	44,000	22,411
Volunteer and honorariums	47,309	-	47,309	44,910
Salaries, wages and benefits	5,062,920	257,833	5,320,753	4,366,999
	6,620,248	1,769,906	8,390,154	7,258,545
Excess (deficiency) of revenues over expenses	\$ (340,911)	\$ 652,299	\$ 311,388	\$ (70,445)