

**CANADIAN MENTAL HEALTH ASSOCIATION
NORTH AND WEST VANCOUVER BRANCH**

CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2015

(Expressed in Canadian dollars)

TOGETHER WITH THE AUDITOR'S REPORT

**Canadian Mental Health Association
North and West Vancouver Branch**

March 31, 2015

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charlton & company
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of **Canadian Mental Health Association, North and West Vancouver Branch**

We have audited the accompanying consolidated financial statements of Canadian Mental Health Association, North and West Vancouver Branch, which comprise the consolidated statements of financial position as at March 31, 2015 and 2014, and the consolidated statements of revenue and expenditures (including schedule of revenue and expenditures), changes in consolidated net assets and consolidated cash flows for the years ended March 31, 2015 and 2014, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Canadian Mental Health Association, North and West Vancouver Branch as at March 31, 2015 and 2014 and the results of its operations and its cash flows for the years ended March 31, 2015 and 2014 in accordance with Canadian accounting standards for not-for-profit organizations.

Report on Other Legal and Regulatory Requirements

As required by the Society Act of 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.

“Charlton & Company”

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, British Columbia
July 20, 2015

**CANADIAN MENTAL HEALTH ASSOCIATION
NORTH AND WEST VANCOUVER BRANCH**

STATEMENTS OF CONSOLIDATED FINANCIAL POSITION

	<u>March 31,</u> <u>2015</u>	<u>March 31,</u> <u>2014</u>
ASSETS		
Current		
Cash and cash equivalent (Note 2(d) & 3)	\$ 329,575	\$ 301,646
Accounts receivable (GST: \$10,433; 2014: \$4,754)	266,230	355,200
Inventory	5,396	-
Prepaid expenditures	71,233	12,162
	<hr/>	<hr/>
	672,434	669,008
Property and equipment (Notes 2(h) & 4)	1,985,684	1,992,306
	<hr/>	<hr/>
	\$ 2,658,118	\$ 2,661,314
	<hr/>	<hr/>
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 72,053	\$ 62,250
Deferred revenue (Note 5)	47,643	63,186
Current portion of long-term debt (Note 7)	28,987	27,691
	<hr/>	<hr/>
	148,683	153,127
Mortgages payable (Note 7)	1,207,327	1,236,601
	<hr/>	<hr/>
	1,356,010	1,389,728
	<hr/>	<hr/>
NET ASSETS		
Net assets invested in capital assets (Note 4)	745,200	728,014
Internally restricted net assets (Note 3)	128,809	127,511
Unrestricted net assets	428,099	416,061
	<hr/>	<hr/>
	1,302,108	1,271,586
	<hr/>	<hr/>
	\$ 2,658,118	\$ 2,661,314
	<hr/>	<hr/>

**Incorporation and nature of operation (Note 1)
Commitments (Note 9)**

Approved on Behalf of the Board:

"Gillian Rhodes"

Director

"Justin Rangi"

Director

The accompanying notes are an integral part of the consolidated financial statements.

**CANADIAN MENTAL HEALTH ASSOCIATION
NORTH AND WEST VANCOUVER BRANCH**

STATEMENTS OF CONSOLIDATED REVENUE AND EXPENDITURES

Years Ended March 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
CONTRIBUTIONS, per Schedule	\$ 1,948,318	\$ 1,886,980
EXPENDITURES, per Schedule	(1,885,796)	(1,720,545)
NET REVENUE, CMHA	62,522	166,435
HOpe Centre Café, Loss per Schedule	(32,000)	-
NET REVENUE, after HOpe Centre Café	\$ 30,522	\$ 166,435

The accompanying notes are an integral part of the consolidated financial statements.

**CANADIAN MENTAL HEALTH ASSOCIATION
NORTH AND WEST VANCOUVER BRANCH**

SCHEDULE OF REVENUE

Years Ended March 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
CONTRIBUTIONS		
BC Housing (Note 6)	88,690	83,060
CMHA BC	405,583	316,155
Donations	55,138	25,136
Fundraising	31,735	20,999
Grants – BC Gaming	500	43,000
Grants – Municipal Government	82,834	20,786
Interest	1,298	1,700
Kelty Dennehy Mental Health Centre	28,743	-
Memberships	880	515
Ministry of Housing and Social Development	169,794	163,023
Other	24,054	28,786
Residential Rental (clients)	47,564	47,962
Vancouver Coastal Health	648,115	650,233
YWCA	363,390	485,625
	\$ 1,948,318	\$ 1,886,980

The accompanying notes are an integral part of the consolidated financial statements.

**CANADIAN MENTAL HEALTH ASSOCIATION
NORTH AND WEST VANCOUVER BRANCH**

SCHEDULE OF EXPENDITURES

Years Ended March 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
EXPENDITURES		
Advertising and promotion	9,017	10,426
Amortization	10,792	11,951
Bank charges and mortgage interest	39,012	91,321
Contracted direct services	68,118	19,247
Food and groceries	47,965	39,778
Forgiveness of accounts payable	-	(12,006)
Insurance	10,290	10,898
Legal, audit and other dues and fees	20,342	20,594
Maintenance and repairs	14,209	31,490
Medical and other services	1,485	2,563
Office supplies, moving and miscellaneous	20,699	18,062
Program supplies	84,475	54,344
Rent – Office and meeting rooms	65,624	71,310
Rent subsidies – Supported Independent Living units	12,999	-
Salaries and benefits	1,441,536	1,317,848
Telephone	11,284	13,260
Training and professional development	6,336	1,289
Travel	9,346	5,467
Utilities	12,267	12,703
	\$ 1,885,796	\$ 1,720,545

The accompanying notes are an integral part of the consolidated financial statements.

1013915 B.C. LTD. (HOPE CENTRE CAFÉ)

SCHEDULE OF OPERATIONS

Year Ended March 31, 2015

	From the incorporation date of September 18, 2014 to March 31, 2015
REVENUE	\$
Sales	57,285
COST OF GOODS SOLD	<u>30,434</u>
GROSS PROFIT	<u>26,851</u>
EXPENDITURES	
Advertising and promotion	1,675
Amortization	463
Bank charges and interest	568
Contracted direct services	2,275
Insurance	1,361
Legal, audit and other dues and fees	7,552
Maintenance and repairs	991
Office supplies, moving and miscellaneous	1,619
Salaries and benefits	42,747
Telephone	478
Uniforms	634
	<u>60,363</u>
LOSS FROM OPERATIONS	(33,512)
OTHER INCOME	
Miscellaneous income	<u>1,512</u>
LOSS FOR THE PERIOD	<u>(32,000)</u>

The accompanying notes are an integral part of the consolidated financial statements.

**CANADIAN MENTAL HEALTH ASSOCIATION
NORTH AND WEST VANCOUVER BRANCH**

STATEMENTS OF CONSOLIDATED CHANGES IN NET ASSETS

Years Ended March 31, 2015 and 2014

NET ASSETS	March 31, 2015					March 31, 2014
	Capital Assets	Internally Restricted	Unrestricted	HOpe Centre Café	Total	Total
Balance, beginning of year	\$ 728,014	\$ 127,511	\$ 416,061	\$ -	\$ 1,271,586	\$ 1,105,151
Net revenue (expenditures)	(10,792)	1,298	72,016	(32,000)	30,522	166,435
Net investment in capital assets	27,978	-	(27,978)	-	-	-
Balance, end of year	\$ 745,200	128,809	460,099	(32,000)	1,302,108	\$ 1,271,586

The accompanying notes are an integral part of the consolidated financial statements.

**CANADIAN MENTAL HEALTH ASSOCIATION
NORTH AND WEST VANCOUVER BRANCH**

STATEMENTS OF CASH FLOWS

Years Ended March 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
OPERATING ACTIVITIES		
Net revenue	\$ 30,522	\$ 166,435
Items not involving cash resources:		
Amortization	11,255	11,951
	41,777	178,386
Net changes in non-cash current accounts		
Accounts receivable	88,970	(192,377)
Accounts payable and accrued liabilities	9,803	(16,470)
Deferred revenue	(15,543)	54,819
Inventory	(5,396)	-
Prepaid expenses	(59,071)	(213)
	18,763	(154,241)
	60,540	24,145
INVESTING ACTIVITIES		
Investment in equipment	(4,633)	-
FINANCING ACTIVITIES		
Net borrowing (mortgage payable)	(27,978)	32,582
NET CASH INFLOW	27,929	56,727
CASH AND CASH EQUIVALENT, beginning of year	301,646	244,919
CASH AND CASH EQUIVALENT, end of year	\$ 329,575	\$ 301,646
UNRESTRICTED CASH	\$ 200,766	\$ 174,135
RESTRICTED CASH (Note 3)	128,809	127,511
	\$ 329,575	\$ 301,646

The accompanying notes are an integral part of the consolidated financial statements.

**CANADIAN MENTAL HEALTH ASSOCIATION
NORTH AND WEST VANCOUVER BRANCH**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Years Ended March 31, 2015 and 2014

1. INCORPORATION AND NATURE OF OPERATIONS

The Association is a registered charity and it is incorporated under the Society Act of the Province of British Columbia.

Revenues are derived primarily from Vancouver Coastal Health funding, YWCA Metro Vancouver, CMHA BC, subcontract work and donations. These are used to cover the costs of providing and administering programs designed to promote mental health and to support the resilience and recovery of people experiencing mental illnesses.

The Association owns three houses in North Vancouver (Goodman House, Arborlynn House and Harold House), and operates a fourth house in North Vancouver (Lillian House), which are being used as group homes for individuals with mental illnesses.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Consolidation

These consolidated financial statements include the accounts of the Association and its wholly owned subsidiary: 1013915 B.C. Ltd (HOpe Centre Café). The results of the subsidiary will continue to be included in the consolidated financial statements of the Association until the date that the Association's control over the subsidiary ceases. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Inter-company balances and transactions, including unrealized income and expenses arising from intercompany transactions, are eliminated on consolidation.

Non-consolidated financial statements have been prepared for taxation purposes.

(b) Basis of Compliance

These consolidated financial statements have been prepared in accordance with accounting standards for not-for-profit organizations (ASNPO) as issued by Canadian Institute of Chartered Accountants (CICA) Handbook.

These consolidated financial statements were approved by the board of directors for use on August 14, 2015.

(c) Revenue Recognition

The Association follows the deferral method of accounting for contributions to non-profit organizations. Externally restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Contributions and investment income which are not externally restricted are recognized as revenue in the year received or receivable if future collection is reasonably assured.

(d) Cash and Cash Equivalents

Cash and cash equivalents consist of cash and term deposits, which are cashable any time on the Association's demand. The term deposit is an internally restricted asset as per Note 3.

**CANADIAN MENTAL HEALTH ASSOCIATION
NORTH AND WEST VANCOUVER BRANCH**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Years Ended March 31, 2015 and 2014

2. SIGNIFICANT ACCOUNTING POLICIES – continued

(e) Inventory

Inventory is carried at lower of cost and net realizable value. Inventory is determined on an average cost basis.

(f) Financial Instruments

The Association has various financial instruments including cash and cash equivalents, accounts receivables, accounts payable and accrued liabilities, and mortgage payable. The estimated fair values of these financial instruments approximate their book values due to their short-term nature.

Measurement of financial instruments

The Association initially measures its financial assets and financial liabilities at fair value, except for certain non-arm's length transactions.

The Association subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net income.

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

Financial liabilities measured at amortized cost include the accounts payable and accrued liabilities, and mortgage payable.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

(g) Contributed Materials and Services

Contributed materials and services are carried at no cost. Furniture and equipment donated to the Association are therefore not reflected in the consolidated financial statements.

**CANADIAN MENTAL HEALTH ASSOCIATION
NORTH AND WEST VANCOUVER BRANCH**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Years Ended March 31, 2015 and 2014

2. SIGNIFICANT ACCOUNTING POLICIES – continued

(h) Property and Equipment

Property and equipment which are purchased are recorded at cost and amortization is provided for at the following annual rates:

Computer equipment Computer software Furniture and equipment Leasehold improvements
Building

Computer equipment	- 40% declining balance
Computer software	- 100% declining balance
Furniture and equipment	- 20% declining balance
Leasehold improvements	- 20% straight line
Building	- 4% declining balance

Amortization is calculated at half of the applicable rates in the year assets are acquired. Full amortization is claimed in subsequent years.

(i) Income taxes

The Association is a non-profit organization and, as such, its revenue is not subject to income tax.

The HOpe Centre Café is a private corporation subject to Canadian corporation income taxes. Therefore, the HOpe Centre Café is in conformity with ASPE principles for income taxation.

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Association operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(j) Revenue recognition

The Association recognizes revenue when the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity, the stage of completion of the transaction at the end of the reporting period can be measured reliably, and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably. The Association does not have multiple element arrangements. No right of return or exchange privileges are granted, and accordingly, no provision for sales allowances or returns are recognized.

**CANADIAN MENTAL HEALTH ASSOCIATION
NORTH AND WEST VANCOUVER BRANCH**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Years Ended March 31, 2015 and 2014

2. SIGNIFICANT ACCOUNTING POLICIES – continued

(k) Use of Estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the year.

Significant items subject to such estimates and assumptions include valuation of accounts receivable, the estimated useful life of equipment, accrued liabilities and deferred revenue. It is reasonably possible that circumstances may arise which cause actual results to differ from management estimates. Management, however, does not believe it is likely that such differences will materially affect the Association's consolidated financial position.

3. INTERNALLY RESTRICTED NET ASSETS

	<u>March 31, 2015</u>	<u>March 31, 2014</u>
Internally restricted funds	\$ 128,809	\$ 127,511

On October 22, 2012, the board of the Association passed a resolution on reserving \$125,000 fund for contingency purpose. The purpose of this reserve is to utilise the funds for expenditures arising as a result of

- a) The Association ceasing to be a going concern and closing all operations
- b) Circumstances beyond the Association's control such as natural disasters, legislative requirements etc.
- c) Any other extraordinary circumstances as determined by the Board.

As at March 31, 2015, \$128,809 (2014: \$127,511) internally restricted funds, held in term deposits, are included in cash and cash equivalent. For the year ended March 31, 2015, interest earned on the term deposit was \$1,298 (2014: \$1,700).

4. PROPERTY AND EQUIPMENT

	<u>March 31, 2015</u>	<u>March 31, 2014</u>
Total net book value of property and equipment:	\$ 1,985,684	\$ 1,992,306
Less loans payable used for the purchase of:		
Goodman House	\$ (164,292)	\$ (164,292)
Aborlynn House	(571,676)	(586,600)
Harold House	(500,346)	(513,400)
Less property and equipment in HOpe Centre Café	\$ (4,170)	-
Net assets invested in capital assets	\$ 745,200	\$ 728,014

**CANADIAN MENTAL HEALTH ASSOCIATION
NORTH AND WEST VANCOUVER BRANCH**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Years Ended March 31, 2015 and 2014

4. PROPERTY AND EQUIPMENT – continued

	Cost	Accumulated Amortization	Net March 31, 2015	Net March 31, 2014
Office:				
Computer equipment	\$ 25,363	\$ 24,997	\$ 366	\$ 610
Computer software	3,071	3,071	-	-
Furniture & equipment	49,187	40,056	9,131	11,414
	<u>\$ 77,621</u>	<u>\$ 68,124</u>	<u>\$ 9,497</u>	<u>\$ 12,024</u>
Goodman House:				
Furniture & equipment	\$ 10,060	\$ 8,434	\$ 1,626	\$ 2,033
Building	70,876	19,791	51,085	53,214
Land	442,000	-	442,000	442,000
	<u>\$ 522,936</u>	<u>\$ 28,225</u>	<u>\$ 494,711</u>	<u>\$ 497,247</u>
Aborlynn House:				
Building	\$ 98,210	\$ 16,464	\$ 81,746	\$ 85,152
Land	706,790	-	706,790	706,790
	<u>\$ 805,000</u>	<u>\$ 16,464</u>	<u>\$ 788,536</u>	<u>\$ 791,942</u>
Harold House:				
Building	\$ 66,990	\$ 11,230	\$ 55,760	\$ 58,083
Land	633,010	-	633,010	633,010
	<u>\$ 700,000</u>	<u>\$ 11,230</u>	<u>\$ 688,770</u>	<u>\$ 691,093</u>
HOpE Centre Café				
Leasehold Improvements	\$ 4,633	\$ 463	\$ 4,170	\$ -
Total	<u>\$ 2,110,190</u>	<u>\$ 124,506</u>	<u>\$ 1,985,684</u>	<u>\$ 1,992,306</u>

**CANADIAN MENTAL HEALTH ASSOCIATION
NORTH AND WEST VANCOUVER BRANCH**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Years Ended March 31, 2015 and 2014

5. DEFERRED REVENUE

	<u>March 31,</u> <u>2015</u>	<u>March 31,</u> <u>2014</u>
Bounce Back program	\$ 283	\$ 1,000
BRIDGES program	-	18,000
Coffee Shop	-	5,000
Hoarding Disorder program	-	14,321
Income Outreach program	7,696	6,617
Isolated Seniors program	3,032	-
Community Service	-	11,248
Talk @ the Top	6,632	-
VCH maintenance fund	-	7,000
VCH IPCC fund	30,000	-
	<u>\$ 47,643</u>	<u>\$ 63,186</u>

6. BC HOUSING SUBSIDIES

BC Housing subsidies received by the Association in the current year may be subject to adjustments in the following year, after BC Housing has reviewed the Association's current year consolidated financial statements.

7. LONG-TERM DEBT

As part of the acquisition of its three houses in North Vancouver, the Association assumed the following debt:

- a) A loan of \$164,292 from Marineview Housing Society is secured by Goodman House, bearing no interest and without specific repayment terms. This loan becomes due and payable in the event that the Association sells the property or defaults on any loan with a prior claim on the mortgaged property.
- b) A loan of \$1,072,022 (2014: \$1,100,000) from Vancity Credit Union is secured by Arborlynn House and Harold House, repayable in blended monthly payments of \$5,525 with interest at 3.55% per annum. The loan has a fixed term of five years and it will be matured on March 10, 2019.

**CANADIAN MENTAL HEALTH ASSOCIATION
NORTH AND WEST VANCOUVER BRANCH**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Years Ended March 31, 2015 and 2014

7. LONG-TERM DEBT - continued

		<u>March 31, 2015</u>		<u>March 31, 2014</u>
Current portion				
Arborlynn House loan	\$	15,458	\$	14,767
Harold House loan		13,529		12,924
Total	\$	28,987	\$	27,691
Long-term portion				
Marineview Housing Society loan	\$	164,292	\$	164,292
Arborlynn House loan		556,218		571,833
Harold House loan		486,817		500,476
Total	\$	1,207,327	\$	1,236,601

Principal repayments required on long term debt are as follows under the assumption that the Association can renegotiate a debt renewal on similar terms upon maturity:

2016	\$	28,987
2017		30,025
2018		31,100
2019		32,215
thereafter		1,113,987
	\$	1,236,314

8. FINANCIAL ASSETS AND LIABILITIES

The Association has a comprehensive risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. The risks that arise from transacting financial instruments include inherent risk, liquidity risk, and market (other price) risk. Price risk arises from changes in interest rates, foreign currency exchange rates and market prices.

(i) Credit risk

The Association is exposed to credit risk in the event of non-performance by counterparties in connection with its accounts receivable. The Association does not obtain collateral or other security to support the accounts receivable subject to credit risk but mitigates this risk by dealing only with what management believes to be financially sound counterparties and, accordingly, does not anticipate significant loss for non-performance. The Association has a large number of diverse funders which minimizes the concentration of credit risk.

**CANADIAN MENTAL HEALTH ASSOCIATION
NORTH AND WEST VANCOUVER BRANCH**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Years Ended March 31, 2015 and 2014

8. FINANCIAL ASSETS AND LIABILITIES - continued

(ii) Liquidity risk:

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Association is exposed to this risk mainly in respect of its monthly mortgage payments and accounts payable and accrued liabilities. The management has set aside internally restricted fund which is sufficient for three months operations in order to minimize the risk.

(iii) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Association is exposed to this risk mainly in respect of its mortgage payable. The management has set aside internally restricted fund which is sufficient for three months operations in order to minimize the risk.

It is management's opinion that the Association is not exposed to significant liquidity, credit or interest rate risks arising from these financial instruments.

9. COMMITMENTS

The Association is committed to the following minimum payments (before applicable taxes) for the leased premises located on 1835 Lonsdale Avenue, North Vancouver, over the next ten years. The lease on the premise commenced on July 1, 2015 and the terms of the lease are as follows:

Year		Premises
2016	\$	93,496
2017		93,496
2018		93,496
2019		97,092
2020		100,688
2021		100,688
2022		100,688
2023		107,880
2024		107,880
2025		107,880

10. ECONOMIC DEPENDENCE

The Association is economically dependent on Vancouver Coastal Health. The Association receives funding from Vancouver Coastal Health for its operations at Arborlynn House, Harold House and Lillian House.

**CANADIAN MENTAL HEALTH ASSOCIATION
NORTH AND WEST VANCOUVER BRANCH**

HOMELESS OUTREACH PROGRAM

SCHEDULE OF REVENUE AND EXPENDITURES

Years Ended March 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
REVENUE		
B.C. Housing	\$ 84,796	\$ 79,400
EXPENDITURES		
Insurance	648	672
Legal, audit & other dues & fees	189	179
Maintenance & repairs	255	228
Medical & other services	243	77
Office supplies	191	319
Program supplies	2,825	1,599
Rent	18,302	20,072
Salaries & benefits	56,788	58,116
Telephone & cable	1,219	1,850
Training & professional development	317	-
Travel	1,704	941
	<u>82,681</u>	<u>84,053</u>
NET REVENUE (LOSS)	\$ <u>2,115</u>	\$ <u>(4,653)</u>