

CONSOLIDATED FINANCIAL STATEMENTS
CANADIAN MENTAL HEALTH
ASSOCIATION, NORTH AND WEST
VANCOUVER BRANCH

March 31, 2020

INDEPENDENT AUDITOR'S REPORT

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

Opinion

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

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Association as at March 31, 2020, and the results of its operations and its 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 Consolidated Financial Statements* section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audits of the consolidated 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 audit opinion.

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

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

In preparing the consolidated 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 Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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:

INDEPENDENT AUDITOR'S REPORT

- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated 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 accounting principles used in these consolidated financial statements, Canadian accounting standards for not-for-profit organizations, have been applied on a basis consistent with that of the preceding year.

The comparative figures for the year ended March 31, 2019 were reported on by another firm of chartered professional accountants who expressed an unqualified opinion thereon in their report dated July 22, 2019.

Vancouver, Canada
Date of board approval

Chartered Professional Accountants

Canadian Mental Health Association, North and West Vancouver Branch

STATEMENTS OF CONSOLIDATED FINANCIAL POSITION

As at March 31

	2020 \$	2019 \$
ASSETS		
Current		
Cash and cash equivalents <i>[note 3]</i>	284,145	115,356
Accounts receivable <i>[note 4]</i>	123,514	77,042
Inventory	4,966	6,290
Prepaid expenses and deposits	38,099	35,158
Deferred rental inducement <i>[note 5]</i>	15,550	18,285
Total current assets	466,274	252,131
Capital assets <i>[note 6]</i>	1,552,032	1,992,384
	2,018,306	2,244,515
LIABILITIES		
Current		
Accounts payable and accrued liabilities <i>[note 7]</i>	131,237	132,463
Deferred revenue <i>[note 8]</i>	158,199	66,488
Current portion of mortgage <i>[note 9]</i>	33,394	32,473
Total current liabilities	322,830	231,424
Deferred contributions related to capital assets <i>[note 10]</i>	49,000	—
Loan <i>[note 11]</i>	—	164,292
Mortgage <i>[note 9]</i>	883,902	917,266
	1,255,732	1,312,982
NET ASSETS		
Invested in capital assets	585,736	877,891
Unrestricted	174,838	51,642
Endowment fund	2,000	2,000
	762,574	931,533
	2,018,306	2,244,515

Commitments *[note 12]*
 Operating loan *[note 13]*
 Economic dependence *[note 15]*
 Other - COVID-19 *[note 18]*

See accompanying notes to the consolidated financial statements

Approved by the Board:

 Director

 Director

Canadian Mental Health Association, North and West Vancouver Branch

STATEMENTS OF CONSOLIDATED CHANGES IN NET ASSETS

Year ended March 31

	Invested in Capital Assets \$	Internally Restricted \$	Unrestricted \$	Endowment \$	Total \$
2020					
Excess of revenue (expenses) for the year	(20,766)	—	(148,193)	—	(168,959)
Mortgage principal payments	32,443	—	(32,443)	—	—
Loan repayment	164,292	—	(164,292)	—	—
Capital asset purchases	67,861	—	(67,861)	—	—
Capital asset disposals	(485,985)	—	485,985	—	—
Contributions received for capital asset purchases	(50,000)	—	50,000	—	—
	(292,155)	—	123,196	—	(168,959)
Balance, beginning of year	877,891	—	51,642	2,000	931,533
Balance, end of year	585,736	—	174,838	2,000	762,574
2019					
Excess of revenue (expenses) for the year	(17,670)	113	4,541	—	(13,016)
Transfer to unrestricted	—	(37,314)	37,314	—	—
Mortgage principal payments	32,207	—	(32,207)	—	—
Capital asset purchases	28,951	—	(28,951)	—	—
Capital asset disposals	(935)	—	935	—	—
	42,553	(37,201)	(18,368)	—	(13,016)
Balance, beginning of year	835,338	37,201	70,010	2,000	944,549
Balance, end of year	877,891	—	51,642	2,000	931,533

See accompanying notes to the consolidated financial statements

STATEMENTS OF CONSOLIDATED OPERATIONS

Year ended March 31

	2020	2019
	\$	\$
EXCESS OF EXPENSES FOR THE YEAR		
CMHA - North and West Vancouver, per schedule of operations	(153,101)	(8,412)
HOpE Centre Café, per schedule of operations	(15,858)	(4,605)
Net excess of expenses for the year	(168,959)	(13,017)

See accompanying notes to the consolidated financial statements

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Canadian Mental Health Association, North and West Vancouver Branch

SCHEDULE OF OPERATIONS

Year ended March 31

	2020	2019
	\$	\$
REVENUE		
Program funding <i>[note 8]</i>	1,507,508	1,419,457
Donations and fundraising	580,330	143,054
Fee for service	116,623	104,032
Tenant rent contributions	115,200	91,988
Commercial rent	85,402	43,205
Interest	1,876	183
Amortization of deferred contributions related to capital assets <i>[note 10]</i>	1,000	—
Memberships	450	350
	2,408,389	1,802,269
EXPENSES		
Wages and benefits <i>[note 16]</i>	1,468,251	1,323,590
Rent - office and meeting rooms	154,791	123,984
Program activities and purchased services	103,959	96,925
Contracted direct services	58,469	34,062
Office and other	47,403	41,997
Repairs and maintenance	36,297	50,192
Interest on mortgage	35,189	34,094
Amortization	21,303	17,670
Telephone and internet	19,504	18,694
Utilities	14,745	14,990
Rent subsidies	14,050	14,392
Travel and mileage	10,485	13,228
Insurance	9,540	9,598
Professional fees	9,124	13,711
Advertising and promotion	1,011	3,554
	2,004,121	1,810,681
Excess of revenue (expenses) for the year before other items:	404,268	(8,412)
Gain on sale of capital assets <i>[note 11]</i>	576,526	—
Contribution to endowment fund <i>[note 17]</i>	(1,133,895)	—
Excess of expenses for the year	(153,101)	(8,412)

See accompanying notes to the consolidated financial statements

SCHEDULE OF OPERATIONS

Year ended March 31

	2020	2019
	\$	\$
REVENUE	193,265	214,282
Cost of sales	(76,180)	(86,191)
	117,085	128,091
EXPENSES		
Salaries and benefits	103,338	103,661
Royalty fees	14,194	15,519
Insurance	2,915	3,150
Professional fees	2,669	2,037
Bank charges and interest	2,625	2,903
Office supplies and other	2,445	2,855
Repairs and maintenance	2,002	1,008
Telephone	807	106
Bad debts	633	—
Travel and entertainment	571	244
Amortization	463	926
Donations	281	287
	132,943	132,696
Excess of expenses for the year	(15,858)	(4,605)

See accompanying notes to the consolidated financial statements

Canadian Mental Health Association, North and West Vancouver Branch

STATEMENTS OF CONSOLIDATED CASH FLOWS

Year ended March 31

	2020	2019
	\$	\$
OPERATING ACTIVITIES		
Excess of expenses for the year	(168,959)	(13,017)
Items not affecting cash:		
Amortization of deferred contributions related to capital assets	(1,000)	—
Amortization of capital assets	21,766	18,597
Gain on disposal of capital assets	(576,526)	604
	(724,719)	6,184
Changes in other non-cash working capital items:		
Accounts receivable	(46,472)	27,759
Inventory	1,324	(2,224)
Prepaid expenses and deposits	(2,941)	(15,244)
Deferred rental inducement	2,735	(18,285)
Accounts payable and accrued liabilities	(1,226)	4,322
Deferred revenue	91,711	2,028
Cash provided by (used in) operating activities	(679,588)	4,540
INVESTING ACTIVITIES		
Purchase of capital assets	(67,861)	(28,951)
Net proceeds on disposal of capital assets	1,062,973	330
Contributions received for capital asset purchases	50,000	—
Cash provided by (used in) investing activities	1,045,112	(28,621)
FINANCING ACTIVITIES		
Repayment of mortgage	(32,443)	(32,207)
Repayment of loan	(164,292)	—
Cash used in financing activities	(196,735)	(32,207)
Increase (decrease) in cash during the year	168,789	(56,288)
Cash, beginning of year	115,356	171,644
Cash, end of year	284,145	115,356

See accompanying notes to the consolidated financial statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2020

1. NATURE OF OPERATIONS

The Canadian Mental Health Association, North and West Vancouver Branch (the "Association") is registered under the British Columbia Societies Act and is a tax-exempt charitable organization as defined by the Canadian Income Tax Act.

Revenues are derived primarily from Vancouver Coastal Health funding, YWCA Metro Vancouver, 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 two houses in North Vancouver (Arborlynn House and Harold House) and operates two other houses in North Vancouver (Lillian House and Circle of Care House), which are being used as group homes for individuals with mental illnesses.

2. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") and include the following significant accounting policies:

Consolidation

These consolidated financial statements include the accounts of the Association and its wholly owned subsidiary: 1013915 BC 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.

Use of Estimates

The preparation of consolidated financial statements in conformity with Canadian ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the amounts of revenues and expenses reported during the year. Significant areas requiring the use of management estimates relate to the determination of net recoverable value of assets, in particular as it relates to useful lives of capital assets and the determination of the deferred portion of grants. Actual results could differ from these estimates.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2020

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Revenue Recognition

The Association follows the deferral method of accounting for contributions. 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. Donations in-kind are only recognized when the fair value is reasonably determinable and significant, with such items recorded at the fair value on the date of contribution.

Fee for service and other revenues are recognized as the related services are performed, or when the product has been delivered and the amount to be received can be reasonably estimated and collection is reasonably assured.

Interest income is recognized as revenue when earned.

Contributed Materials and Services

Contributed materials and services are carried at no cost unless valuation is determinable. Furniture and equipment donated to the Association therefore may not be reflected in the consolidated financial statements. Groceries donated to the Association are reflected in the consolidated financial statements.

Measurement of Financial Instruments

The Association initially measures its financial assets and financial liabilities at fair value. The Association subsequently measures all its financial assets and financial liabilities at amortized cost.

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

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

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.

Cash

Cash is defined as cash on hand and cash on deposit, net of cheques issued and outstanding at the year-end and highly liquid term deposits. The statement of cash flows is prepared on a net cash basis and cash flows from operating activities are presented using the indirect method.

Endowment Fund

In accordance with the provisions of the VanCity Community Foundation (VCF), the endowment principal [note 17] is held permanently by the VCF. As the Association has only the right to receive grants disbursed on investment income on these funds and has no access to the contributed principal, the Society's financial statements do not reflect this amount as an asset and any contribution to the endowment is expensed as incurred.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2020

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Inventory

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

Capital Assets

Capital assets are initially valued at cost and are amortized over their estimated useful lives at the following annual rates (one half of the annual rate is used in the year of acquisition):

- Buildings 4% declining balance
- Furniture and equipment 20% declining balance
- Computer hardware 40% declining balance
- Computer software 100% declining balance
- Leasehold improvements 5 years straight-line

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 in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2020

3. CASH AND CASH EQUIVALENTS

	2020	2019
	\$	\$
Cash	179,445	110,410
Term deposit	100,000	2,046
Petty cash	4,700	2,900
	284,145	115,356
Operating	284,108	115,323
Gaming	37	33
	284,145	115,356

Term deposit has an interest rate of 1.95% with a maturity date of October 31, 2020.

4. ACCOUNTS RECEIVABLE

	2020	2019
	\$	\$
Operations and other	118,263	75,529
Government - GST	5,251	1,513
Allowance for doubtful accounts	—	—
	123,514	77,042

5. DEFERRED RENTAL INDUCEMENT

On May 18, 2018, the Association entered into a sublease agreement with Southern and Associates Ltd. (the "Subtenant") to sublease 2,223 square feet of their office space. The term of the sublease commenced on September 1, 2018 and expires on June 29, 2025. The sublease was assigned to 1209522 BC Ltd. during the March 31, 2020 fiscal year.

The Association had granted the Subtenant three months of free rent from September 1, 2018 to November 30, 2018. The lease incentive is being amortized over the life of the lease on a straight line basis. The balance remaining to be amortized at March 31, 2020 is \$15,550 [2019 - \$18,285].

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2020

6. CAPITAL ASSETS

Capital assets are comprised of the following:

	Cost	Accumulated Amortization	Net Book Value
	\$	\$	\$
2020			
Land - Arborlynn House	706,790	—	706,790
Land - Harold House	633,010	—	633,010
Buildings - Arborlynn House	125,694	32,106	93,588
Buildings - Harold House	90,615	21,997	68,618
Furniture and equipment	85,303	60,753	24,550
Computer hardware	44,249	30,092	14,157
Leasehold improvements	27,619	16,300	11,319
	1,713,280	161,248	1,552,032

	Cost	Accumulated Amortization	Net Book Value
	\$	\$	\$
2019			
Land - Arborlynn House	706,790	—	706,790
Land - Harold House	633,010	—	633,010
Land - Goodman House	442,000	—	442,000
Buildings - Arborlynn House	98,210	28,779	69,431
Buildings - Harold House	66,990	19,630	47,360
Buildings - Goodman House	70,876	27,487	43,389
Furniture and equipment	93,915	64,416	29,499
Computer hardware	31,768	27,242	4,526
Leasehold improvements	27,619	11,240	16,379
	2,171,178	178,794	1,992,384

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2020	2019
	\$	\$
Operations and other	42,297	64,513
Vacation and wages payable	86,252	65,285
Government remittances - WorkSafeBC	2,688	2,665
	131,237	132,463

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2020

8. PROGRAM FUNDING AND DEFERRED REVENUE

	Deferred, Beginning of Year \$	Received or Receivable \$	Earned During the Year \$	Deferred, End of Year \$
PROGRAM FUNDING				
Vancouver Coastal Health Authority	28,250	930,520	867,459	91,311
YWCA	—	178,845	178,845	—
Ministry of Housing and Social Development	—	147,670	147,670	—
BC Housing	8,655	124,088	119,396	13,347
Tsleil Watauth Nation	6,000	75,000	43,064	37,936
Other	—	38,651	38,651	—
Government of Canada - CEWS	—	38,000	38,000	—
Province of BC - Gaming revenue	—	32,500	32,500	—
Lions Gate Hospital Foundation	—	20,000	20,000	—
Municipal - North Vancouver	—	13,923	13,923	—
Municipal - West Vancouver	—	16,000	8,000	8,000
	42,905	1,615,197	1,507,508	150,594
DONATIONS, SPONSORSHIPS AND OTHER				
	23,583	15,000	30,978	7,605
	66,488	1,630,197	1,538,486	158,199

9. MORTGAGE

	2020 \$	2019 \$
VanCity mortgage bearing fixed interest at 3.79% per annum, repayable in monthly blended payments of \$5,636. The mortgage matures on April 10, 2024 and is secured by a registered mortgage over the lands and buildings located at the Arborlynn House and Harold House. An assignment of rents are pledged as collateral.	917,296	949,739
Current portion of mortgage	(33,394)	(32,473)
Long-term portion of mortgage	883,902	917,266

The expected principal repayments over the next 5 years:

	\$
2021	33,394
2022	34,731
2023	36,071
2024 (renewal)	813,100
2025	—
	917,296

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2020

10. DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS

	2020	2019
	\$	\$
Balance, beginning of year	—	—
Contributions received, spent on capital items	50,000	—
Amortized to revenue	(1,000)	—
Balance, end of year	49,000	—

11. SALE OF GOODMAN HOUSE

On July 18, 2019 the Association sold the Goodman House for a Sale Price of \$1,064,292 which was reduced by the existing loan on the property by the buyer in the amount of \$164,292. The proceeds from the sale were invested in an endowment fund with VanCity Community Foundation [note 17].

	\$
Proceeds	1,064,292
Net book value	487,766
Accounting gain on sale of property	576,526

12. COMMITMENTS

The Association's minimum lease commitments for the next six years, for base rent only on the premises located on 1835 Lonsdale Avenue, North Vancouver, are as follows:

	\$
2021	100,688
2022	100,688
2023	106,082
2024	107,880
2025	107,880
2026	26,970
	550,188

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2020

13. OPERATING LOAN

The Association has an operating loan with maximum availability of \$250,000 [2019 - \$250,000]. The operating loan bears interest at 3.95% per annum, any funds advanced are due on demand and is secured by the Arborlynn House and Harold House. At March 31, 2020, there is no balance outstanding on the operating line of credit [2019 - \$Nil].

14. FINANCIAL INSTRUMENTS

The Association is exposed to various risks through its financial instruments. The following analysis presents the Association's exposures to significant risk as at March 31, 2020.

Credit Risk

The Association is exposed to credit risk with respect to its cash and accounts receivable. The Association assesses, on a continuous basis, accounts receivable on the basis of amounts it is virtually certain to receive and cash balances are held with a large Canadian credit union.

Liquidity Risk

Liquidity risk is the risk of being unable to meet cash requirements or fund obligations as they become due. It stems from the possibility of a delay in realizing the fair value of financial instruments.

The Association manages its liquidity risk by constantly monitoring forecasted and actual cash flows and financial liability maturities, and by holding assets that can be readily converted into cash.

Interest Rate Risk

The Association is exposed to interest rate risk on its callable mortgage. Such instruments are subject to periodic interest rate review on maturity and renewal and cash flows could change with an increase in interest rates and interest expense payable.

There has been no change in the Association's risk exposure in the above noted risks since the previous period.

15. ECONOMIC DEPENDENCE

The Association is dependent on grants from governments and governmental agencies to meet its obligations and to finance its continued operations.

16. WAGES AND BENEFITS

Pursuant to the British Columbia Societies Act, the Association is required to disclose wages and benefits paid to employees and contractors who are paid \$75,000 or more during the fiscal year. Wages and benefits expense includes \$106,924 [2019 - \$97,813] paid to one [2019 - one] employee during the year. No contractors were paid more than \$75,000 during the year. No remuneration was paid to any members of the board.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2020

17. ENDOWMENT FUND

The Association contributed \$1,133,895 to the VanCity Community Foundation to establish the Canadian Mental Health Association North and West Vancouver Branch Endowment Fund. As at March 31, 2020, the Fund has a market value of \$1,060,679. The Association does not have access to any of the capital in this fund and therefore is not reflected as an asset of the Association. The capital endowment is invested and earns income to make operating grants to the Association. In 2020, \$11,651 in operating grants were paid to the Association.

	2020	2019
	\$	\$
Balance, beginning of year, at fair market value	—	—
Contributions	1,133,895	—
Grants disbursed	(11,651)	—
Net realized and unrealized investment loss	(55,981)	—
Administration fees	(5,584)	—
Balance, end of year, at fair market value	1,060,679	—

The endowment fund is managed in a consolidated community foundation portfolio by the VanCity Community Foundation with the approximate mix of investments at March 31, 2020:

	2020
	%
Cash and equivalents	1.30
Fixed income	35.50
Balanced income	13.60
Equity	49.60
	100.00

18. OTHER - COVID-19

The recent outbreak of the coronavirus, also known as COVID-19, has spread across the globe and is impacting worldwide economic activity. The extent of the impact of this outbreak and related containment measures on the Association's operations cannot be reliably estimated at this time.

HOpe Centre Café has been temporarily closed and preparations are being made to increase protection for staff and clients. The Association has moved many services to online platforms only. However, due to social distancing limitations some programs and fundraising have temporarily delayed.

19. COMPARATIVE FIGURES

The comparative figures for the year ended March 31, 2019 were reported on by another firm of chartered professional accountants who expressed an unqualified opinion thereon in their report dated July 22, 2019.

Certain prior year's comparative figures have been reclassified where necessary to conform to the current year's presentation.

Canadian Mental Health Association, North and West Vancouver Branch

SCHEDULE OF REVENUES AND EXPENSES - HOMELESS OUTREACH PROGRAM

Year ended March 31

	2020	2019
	\$	\$
REVENUE		
B.C. Housing	103,859	101,760
	103,859	101,760
EXPENSES		
Salaries and benefits	73,305	68,280
Rent	21,250	22,372
Groceries	1,662	—
Computer expenses	1,438	1,000
Telephone and cable	1,435	1,477
Program supplies	1,365	863
Travel	1,239	1,652
Maintenance and repairs	1,065	1,399
Training and professional development	682	256
Professional fees	576	504
Office supplies and other	111	623
	104,128	98,426
Excess of revenue (expenses) for the year	(269)	3,334

See accompanying notes to the consolidated financial statements