

CANADIAN MENTAL HEALTH ASSOCIATION - KELOWNA BRANCH

Financial Statements

Year Ended March 31, 2016

CANADIAN MENTAL HEALTH ASSOCIATION - KELOWNA BRANCH

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Year Ended March 31, 2016

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INDEPENDENT AUDITOR'S REPORT

To the Members of Canadian Mental Health Association - Kelowna Branch

We have audited the accompanying financial statements of Canadian Mental Health Association - Kelowna Branch, which comprise the statement of financial position as at March 31, 2016, the statements of revenues and expenditures, changes in net assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 financial statements.

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

(continues)

Independent Auditor's Report to the Members of Canadian Mental Health Association - Kelowna Branch

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Canadian Mental Health Association - Kelowna Branch as at March 31, 2016 and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Report on Other Legal and Regulatory Requirements

As required by the Society Act (British Columbia), we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

A handwritten signature in black ink, reading "Adams Heyman Owen". The signature is written in a cursive, flowing style.

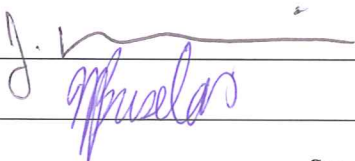
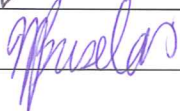
Kelowna, British Columbia
June 15, 2016

CHARTERED PROFESSIONAL ACCOUNTANTS

CANADIAN MENTAL HEALTH ASSOCIATION - KELOWNA BRANCH**Statement of Financial Position****March 31, 2016**

	2016	2015
ASSETS		
CURRENT		
Cash and cash equivalents - Unrestricted Funds	\$ 640,409	\$ 577,229
Cash - Restricted Funds (Note 4)	66,004	35,408
Accounts receivable	34,537	28,899
Goods and services tax recoverable	12,813	10,744
Prepays and deposits	21,542	12,411
	775,305	664,691
REPLACEMENT RESERVE FUNDS (Note 5)	299,046	294,790
TANGIBLE CAPITAL ASSETS (Note 6)	1,784,737	1,812,833
	\$ 2,859,088	\$ 2,772,314
LIABILITIES		
CURRENT		
Accounts payable	\$ 59,099	\$ 60,833
Source deductions payable	16,982	15,868
Wages payable	53,262	43,652
Deferred revenue	142,254	111,546
Rent security deposits	17,174	8,241
Current portion of mortgage payable (Note 7)	69,595	67,491
	358,366	307,631
MORTGAGE PAYABLE (Note 7)	1,384,439	1,455,228
	1,742,805	1,762,859
NET ASSETS		
Restricted net assets (Page 6)	273,841	178,852
Unrestricted net assets (Page 7)	842,442	830,603
	1,116,283	1,009,455
	\$ 2,859,088	\$ 2,772,314

ON BEHALF OF THE BOARD

 Director
 Director

See accompanying notes to the financial statements.

CANADIAN MENTAL HEALTH ASSOCIATION - KELOWNA BRANCH

Statement of Revenues and Expenditures - Restricted Funds

Year Ended March 31, 2016

	Rosemead Apartments			Willowbridge		Total 2016	Total 2015
	Gaming Fund & Other	Building Operations	Tangible Capital Assets	Building Operations	Tangible Capital Assets		
Revenues							
BC Gaming	\$ 81,000	\$ -	\$ -	\$ -	\$ -	\$ 81,000	\$ 73,000
BC Housing	-	160,850	-	498,773	-	659,623	658,573
Donations	40,774	-	-	5,800	-	46,574	43,637
Grants	3,900	-	-	-	-	3,900	-
Interest	-	981	-	1,650	-	2,631	3,540
Other income	8,799	207	-	15,734	-	24,740	18,471
Sales	23,463	10,150	-	1,005	-	34,618	29,972
Tenants' rents	-	89,346	-	167,431	-	256,777	256,329
	157,936	261,534	-	690,393	-	1,109,863	1,083,522
Expenditures							
Administration fee (Note 3)	15,500	15,063	-	27,393	-	57,956	54,956
Amortization	-	-	46,437	-	2,262	48,699	47,285
Advertising and promotion	71	-	-	-	-	71	1,287
Bad debt	-	-	-	300	-	300	137
Bank charges	346	513	-	727	-	1,586	1,119
Conference and education	-	-	-	2,946	-	2,946	590
Contract fees and honorarium	4,900	-	-	81,909	-	86,809	90,274
Dues and memberships	150	-	-	880	-	1,030	1,050
Insurance	-	7,295	-	3,199	-	10,494	9,335
Interest on long term debt	-	35,876	-	-	-	35,876	50,121
Office	328	124	-	3,955	-	4,407	5,103
Professional fees	-	7,871	-	5,726	-	13,597	10,000
Program supplies & activities	17,349	101	-	20,440	-	37,890	36,358
Property tax	-	11,916	-	-	-	11,916	18,074
Rent (Note 3)	4,800	-	-	-	-	4,800	9,600
Repairs and maintenance	65	19,769	-	30,342	-	50,176	54,836
Salaries and wages	83,281	40,744	-	425,180	-	549,205	543,103
Telephone	-	1,728	-	5,468	-	7,196	7,983
Travel	552	-	-	1,133	-	1,685	1,857
Utilities	-	37,136	-	50,673	-	87,809	88,276
Vehicle	-	-	-	-	-	-	235
	127,342	178,136	46,437	660,271	2,262	1,014,448	1,031,579
Excess (deficiency) of revenue over expenditures before the undernoted	30,594	83,398	(46,437)	30,122	(2,262)	95,415	51,943
Loss on disposal of equipment	-	(239)	-	(187)	-	(426)	-
Rent subsidy adjustments	-	-	-	-	-	-	6,476
Excess (deficiency) of revenues over expenditures	\$ 30,594	\$ 83,159	\$(46,437)	\$ 29,935	\$(2,262)	\$ 94,989	\$ 58,419

See accompanying notes to the financial statements.

CANADIAN MENTAL HEALTH ASSOCIATION - KELOWNA BRANCH

Statement of Revenues and Expenditures - Unrestricted Funds

Year Ended March 31, 2016

	Operations (a)	Tangible Capital Assets	Total 2016	Total 2015
Revenues				
Administration fee (Note 3)	\$ 57,956	\$ -	\$ 57,956	\$ 54,956
BC Housing and Interior Health Authority	811,623	-	811,623	694,569
Donations	330,372	-	330,372	147,096
Grants	345,012	-	345,012	341,461
Other income	82,459	-	82,459	134,363
Rent (Note 3)	4,800	-	4,800	9,600
Sales	37,129	-	37,129	30,571
United Way	25,200	-	25,200	21,600
	1,694,551	-	1,694,551	1,434,216
Expenditures				
Advertising	4,630	-	4,630	3,206
Amortization	-	19,969	19,969	20,332
Bank charges	5,995	-	5,995	3,499
Conference and education	10,608	-	10,608	8,928
Contract fees and honorarium	90,104	-	90,104	42,096
Dues and memberships	15,081	-	15,081	7,290
Insurance	6,393	-	6,393	5,874
Office	22,441	-	22,441	16,789
Professional fees	337	-	337	-
Programs and activities	128,328	-	128,328	132,922
Property tax	50	-	50	50
Rent	12,600	-	12,600	2,800
Rent subsidies	192,351	-	192,351	90,018
Repairs and maintenance	26,327	-	26,327	21,432
Salaries and wages	1,106,885	-	1,106,885	1,013,505
Telephone	12,375	-	12,375	11,329
Travel	13,248	-	13,248	15,904
Utilities	12,340	-	12,340	11,542
Vehicle	2,295	-	2,295	3,122
	1,662,388	19,969	1,682,357	1,410,638
Excess (deficiency) of revenue				
over expenditures before the undernoted	32,163	(19,969)	12,194	23,578
Loss on disposal of equipment	(355)	-	(355)	-
Excess (deficiency) of revenues				
over expenditures	\$ 31,808	\$ (19,969)	\$ 11,839	\$ 23,578

(a) Unrestricted Funds - Operations comprise revenues and expenditures for General program and several self-funded and government-funded programs. Among these programs are Homeless Outreach & Rent Subsidy and Homeless Prevention & Rent Subsidy Youth funded by BC Housing. Revenues and expenditures pertaining to these two programs are disclosed in Schedule 1 & 2 on page 15 & 16 as per BC Housing's request.

See accompanying notes to the financial statements.

CANADIAN MENTAL HEALTH ASSOCIATION - KELOWNA BRANCH

Statement of Changes in Net Assets - Restricted Funds

Year Ended March 31, 2016

	Rosemead Apartments				Willowbridge				Total 2016	Total 2015
	Gaming Fund & Other	Replacement Reserve	Restricted for Building Operations	Invested in Tangible Capital Assets	Replacement Reserve	Restricted for Building Operations	Invested in Tangible Capital Assets			
Net assets (deficiency), beginning of year	\$ 35,408	\$ 155,844	\$ 177	\$ (159,753)	\$ 138,946	\$ 216	\$ 8,014	\$178,852	\$ 120,433	
Revenues (expenditures), net for the year	30,594	-	83,159	(46,437)	-	29,935	(2,262)	94,989	58,419	
Replacement reserve provision	-	17,238	(17,238)	-	28,800	(28,800)	-	-	-	
Mortgage principal repayments	-	-	(68,685)	68,685	-	-	-	-	-	
Interest on replacement reserve	-	981	(981)	-	1,650	(1,650)	-	-	-	
Purchase of equipment	-	(35,247)	-	35,247	-	-	-	-	-	
Repairs and maintenance	-	(2,500)	2,500	-	-	-	-	-	-	
Net book value of equipment disposed	-	-	239	(239)	-	187	(187)	-	-	
Adjustment required by BC Housing (Note 5)	-	-	-	-	(6,666)	6,666	-	-	-	
Net assets (deficiency), end of year	\$ 66,002	\$ 136,316	\$ (829)	\$ (102,497)	\$ 162,730	\$ 6,554	\$ 5,565	\$273,841	\$ 178,852	

See accompanying notes to the financial statements.

CANADIAN MENTAL HEALTH ASSOCIATION - KELOWNA BRANCH**Statement of Changes in Net Assets - Unrestricted Funds****Year Ended March 31, 2016**

	Operations	Invested in Tangible Capital Assets	Total 2016	Total 2015
Net assets, beginning of year	\$ 385,974	\$ 444,629	\$ 830,603	\$ 807,025
Revenues (expenditures), net for the year	31,808	(19,969)	11,839	23,578
Purchase of equipment	(6,106)	6,106	-	-
Net book value of equipment disposed	355	(355)	-	-
Net assets, end of year	\$ 412,031	\$ 430,411	\$ 842,442	\$ 830,603

See accompanying notes to the financial statements.

CANADIAN MENTAL HEALTH ASSOCIATION - KELOWNA BRANCH

Statement of Cash Flows

Year Ended March 31, 2016

	2016	2015
OPERATING ACTIVITIES		
Excess of revenues over expenditures - Restricted Funds	\$ 94,989	\$ 58,419
Excess of revenues over expenditures - Unrestricted Funds	11,839	23,578
	106,828	81,997
Items not affecting cash:		
Loss on disposal of equipment - Restricted Funds	426	-
Loss on disposal of equipment - Unrestricted Funds	355	-
Amortization - Restricted Funds	48,699	47,285
Amortization - Unrestricted Funds	19,969	20,332
	69,449	67,617
Changes in non-cash working capital		
Accounts receivable	(5,638)	(8,870)
Goods and services tax	(2,069)	(2)
Prepaid expenses	(9,131)	(6)
Accounts payable	(1,734)	13,120
Source deductions payable	1,114	953
Wages payable	9,610	10,828
Deferred revenue	30,708	(9,053)
Rent security deposits	8,933	(705)
	31,793	6,265
Cash flows from operating activities	208,070	155,879
INVESTING ACTIVITIES		
Purchase of equipment - Restricted Funds	(35,247)	(5,580)
Purchase of equipment - Unrestricted Funds	(6,106)	(23,175)
Cash flows used in investing activities	(41,353)	(28,755)
FINANCING ACTIVITIES		
Mortgage principal repayments	(68,685)	(60,797)
Cash flow used in financing activities	(68,685)	(60,797)
INCREASE IN CASH FLOW	98,032	66,327
Cash - beginning of year	907,427	841,100
CASH - END OF YEAR	\$ 1,005,459	\$ 907,427
CASH CONSISTS OF:		
Cash and cash equivalents - Unrestricted Funds	\$ 640,409	\$ 577,229
Cash - Restricted Funds	66,004	35,408
Replacement Reserve Funds	299,046	294,790
	\$ 1,005,459	\$ 907,427

See accompanying notes to the financial statements.

CANADIAN MENTAL HEALTH ASSOCIATION - KELOWNA BRANCH

Notes to Financial Statements

Year Ended March 31, 2016

1. DESCRIPTION OF BUSINESS

The Canadian Mental Health Association - Kelowna Branch (the Association) is a branch of the Canadian Mental Health Association and is incorporated under the Society Act of British Columbia. The Association promotes the mental health of all and supports the resilience and recovery of people in the Central Okanagan experiencing mental illness through community education, influencing public policy, research and service.

2. BASIS OF PRESENTATION

The financial statements have been prepared by the Association in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook - Accounting.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fund accounting

The Kelowna Branch of the Association has adopted the use of fund accounting which is an accepted method of accounting for non-profit organizations. The funds are segregated into restricted and unrestricted funds depending on financing requirements.

Restricted Funds consist of the Rosemead Apartments Fund, the Willowbridge Fund, Gaming Fund and Replacement Reserve Funds.

The Rosemead Apartments Fund and the Willowbridge Fund receive funding from the British Columbia Housing Management Commission (BC Housing) which may only be used for the operations of the related housing projects.

The Gaming Fund receives grants from the BC Gaming Commission. Expenditures of this fund must comply with the policies and procedures of the BC Gaming Commission.

The Replacement Reserve Funds report details of funds reserved for tangible capital assets purchases and repairs and maintenance activities for Rosemead Apartments and Willowbridge housing projects.

Unrestricted Funds consist of General program and several self-funded and government-funded programs. Funded programs receive funding and grants from BC Housing, Interior Health Authority, CMHA BC Division, and other federal and provincial organizations. Grants and donations are also received from other organizations and private donors.

The Tangible Capital Assets Fund reports assets, liabilities, revenues, and expenditures related to tangible capital assets pertaining to Restricted Funds and Unrestricted Funds.

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CANADIAN MENTAL HEALTH ASSOCIATION - KELOWNA BRANCH

Notes to Financial Statements

Year Ended March 31, 2016

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Revenue recognition

The Association follows the deferral method of accounting for contributions.

Government funding and grants

Revenue from contracts from BC Housing, Interior Health Authority, CMHA BC Division, BC Gaming and other federal and provincial organizations are recognized in the corresponding restricted programs in the year in which the related expenses are incurred and/or the services are provided in accordance with the terms of the applicable agreement.

Tenant rent contributions

Revenue from tenant rent contributions is recognized when cash is collected or reasonably collectible. The Association has verification of the income of all tenants on-file, as required by the operating agreement with BC Housing. The Tenant Rent Contributions, as approved by BC Housing, are being charged to the Rent-Geared-To Income Tenants.

Deferred capital contributions

Externally restricted contributions for depreciable capital assets are deferred and recognized as revenue at a rate corresponding with the amortization rate for the related capital asset. In respect of funds used for repairs or other insignificant purchases or improvements charged to expense, the contributions are recognized in revenue in the year the expense is incurred.

Other revenue

Fundraising and miscellaneous revenue are recognized in the respective programs in the current period when cash is received and the services or goods are provided.

Unrestricted income is recognized as revenue when earned in the general fund. Restricted interest income is recognized as revenue in the corresponding restricted funds.

Restricted donations are recognized as revenue in the corresponding restricted funds when cash is received and the related expenses are incurred. Unrestricted donations are recognized as revenue in the general fund when cash is received.

Replacement Reserve Funds from BC Housing

Contributions received from BC Housing for the Replacement Reserve Funds have been reported as an interfund transfer from the Housing Operations Funds to the Replacement Reserve Funds.

Contributed services

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

Cash and cash equivalents

Cash and cash equivalents consist primarily of cash on hand, GIC's, and term deposits readily convertible into cash.

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CANADIAN MENTAL HEALTH ASSOCIATION - KELOWNA BRANCH

Notes to Financial Statements

Year Ended March 31, 2016

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Tangible capital assets

Tangible capital assets are recorded at cost less accumulated amortization. Tangible capital assets are amortized over their estimated useful lives at the following rates and methods:

Buildings	4%	declining balance method
Motor vehicles	30%	declining balance method
Computer equipment	4 years	straight-line method
Furniture and fixtures	20%	declining balance method

When the Association's management determines that certain tangible capital assets no longer contribute to the Association's ability to provide services, their carrying amount is written down to its residual value.

Deferred revenue

Deferred revenue includes restricted contributions received in the current year or prior periods that are related to the subsequent periods.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs are added to the carrying amount unless the financial instruments are subsequently measured at fair value.

Measurement uncertainty

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

Inter-department charges

Administration fees and rents were charged by the General program to individual program according to annual operating budget as approved by management and the Board of Directors, and as agreed between the Association and funding agencies.

Administration fees and rents charged to each program in Unrestricted Funds were recorded as revenue in the General program and have been eliminated in the Statement of Revenues and Expenditures - Unrestricted Funds.

Administration fees were charged by the General program to Gaming Fund and Other, Rosemead Apartments, and Willowbridge in Restricted Funds in the amount of \$15,500, \$15,063, and \$27,393 (2015 - \$12,500, \$15,063, and \$27,393) respectively for administrative services. Rent was charged to Gaming Fund and Other by the General program in the amount of \$4,800 (2015 - \$9,600).

CANADIAN MENTAL HEALTH ASSOCIATION - KELOWNA BRANCH

Notes to Financial Statements

Year Ended March 31, 2016

4. RESTRICTED CASH

	2016	2015
BC Gaming account	\$ 66,004	\$ 35,408

Restricted cash is made up of grants received from the BC Gaming Commission and is restricted for use toward the Artwork Studio Program and the Mental Health Promotion Program.

5. REPLACEMENT RESERVE FUNDS

Under the terms of an agreement with B.C. Housing, the Replacement Reserve Funds are to be credited in an amount determined by the budget provision per annum plus interest earned. These funds along with accumulated interest must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation, the Credit Union Deposit Insurance Corporation, in investments guaranteed by a Canadian government or in other investment instruments as agreed upon with B.C. Housing. The funds are to be used for tangible capital asset purchases or other repairs and maintenance needs to ensure that the buildings continue to be functional over their useful life. As of March 31, 2016, the Replacement Reserve Funds are fully funded and consist of:

	2016	2015
Rosemead Apartments		
Savings account	\$ 51,273	\$ 79,763
BMO GIC - maturing April 2019	8,073	8,000
Interior Savings term investment - maturing April 2015	-	22,298
Interior Savings term investment - maturing October 2015	-	23,113
Interior Savings term investment - maturing November 2016	23,124	22,670
Interior Savings term investment - maturing March 2018	53,846	-
	136,316	155,844
Willowbridge		
BMO GIC - cashed out January 2016	\$ -	\$ 58,276
BMO GIC - maturing August 2017	81,027	-
BMO GIC - maturing April 2019	29,449	29,186
Interior Savings term investment - maturing February 2016	-	30,671
Interior Savings term investment - maturing March 2018	21,066	20,813
Interior Savings term investment - maturing March 2018	31,188	-
	162,730	138,946
	\$ 299,046	\$ 294,790

During the year, the Rosemead Apartments' Replacement Reserve Fund earned interest of \$981 (2015 - \$1,712), and incurred expenditures of \$37,747 (2015 - \$9,095). The Willowbridge's Replacement Reserve Fund earned interest of \$1,650 (2015 - \$1,579) and incurred no expenditure.

During the year, BC Housing requested a transfer of \$6,666 from Willowbridge's Replacement Reserve Fund to Operations Fund to reflect BC Housing's approval for the use of Replacement Reserve Fund for repairs and maintenance incurred in 2015 year-end.

CANADIAN MENTAL HEALTH ASSOCIATION - KELOWNA BRANCH

Notes to Financial Statements

Year Ended March 31, 2016

6. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2016 Net book value	2015 Net book value
Land	\$ 483,019	\$ -	\$ 483,019	\$ 483,019
Buildings	2,431,983	1,199,986	1,231,997	1,283,331
Motor vehicles	40,950	39,545	1,405	2,007
Computer equipment	54,973	43,697	11,276	16,014
Furniture and fixtures	121,486	64,446	57,040	28,462
	\$ 3,132,411	\$ 1,347,674	\$ 1,784,737	\$ 1,812,833

7. MORTGAGE PAYABLE

	2016	2015
Peoples Trust Company mortgage for Rosemead Apartments bearing interest at 2.43% per annum, repayable in monthly blended payments of \$8,665. The mortgage matures on April 1, 2025 and is secured by specific property.	\$ 1,454,034	\$ -
Royal Bank mortgage for Rosemead Apartments, repaid in full during the year.	-	1,522,719
	1,454,034	1,522,719
Amounts payable within one year	(69,595)	(67,491)
	\$ 1,384,439	\$ 1,455,228

Principal repayment terms are approximately:

2017	\$ 69,595
2018	71,126
2019	72,873
2020	74,664
2021	76,499
Thereafter	1,089,277
	\$ 1,454,034

CANADIAN MENTAL HEALTH ASSOCIATION - KELOWNA BRANCH

Notes to Financial Statements

Year Ended March 31, 2016

8. FINANCIAL RISK AND CONCENTRATION OF RISKS

The Association is exposed to interest rate risks with respect to its cash equivalents investments. Unless otherwise noted, it is management's opinion that the Association is not exposed to significant currency or credit risks. The maximum credit risk exposure of the Association's financial assets is the carrying value of the assets.

9. COMPARATIVE FIGURES

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

CANADIAN MENTAL HEALTH ASSOCIATION - KELOWNA BRANCH
Statement of Revenues and Expenditures - Homeless Outreach & Rent Subsidy
(Schedule 1)
For the Year Ended March 31, 2016

	2016	2015
Revenues		
BC Housing	314,064	\$ 313,060
Expenditures		
Administration fee (a)	42,967	42,967
Advertising	-	14
Conference and education	2,473	341
Dues and memberships	64	191
Insurance	558	-
Office	1,270	1,180
Programs and activities	10,569	13,221
Rent (a)	9,600	12,000
Rent subsidies	62,246	61,643
Repairs and maintenance	-	94
Salaries and wages	171,767	174,756
Telephone	2,986	2,216
Travel	1,901	3,750
	306,401	312,373
Excess of revenues over expenditures	\$ 7,663	\$ 687
Purchase of equipment (b)	1,106	-
Net surplus for BC Housing operational review	6,557	687

(a) Administration fee and rent are charged to the program according to annual operating budget as approved by management and the Board of Directors, and as agreed between the Association and BC Housing. Administration fee and rent were recorded as revenue in General program and have been eliminated in the Statement of Revenues and Expenditures - Unrestricted Funds on page 5.

(b) Equipment purchased during the year is presented on this statement for operational review purposes as requested by BC Housing.

See accompanying notes to the financial statements.

CANADIAN MENTAL HEALTH ASSOCIATION - KELOWNA BRANCH**Statement of Revenues and Expenditures - Homeless Prevention & Rent Subsidy Youth
(Schedule 2)****Year Ended March 31, 2016**

	2016	2015
	<i>12 months</i>	<i>6 months</i>
Revenue		
BC Housing	\$ 178,000	\$ 89,000
Sales	195	-
	178,195	89,000
Expenditures		
Administration fee (a)	17,800	8,900
Conference and education	199	-
Dues and memberships	875	389
Office	222	43
Programs and activities	3,952	611
Rent (a)	2,400	-
Rent subsidies	130,105	15,030
Repairs and maintenance	-	157
Salaries and wages	54,982	24,756
Telephone	811	398
Travel	2,406	321
	213,752	50,605
Excess (deficiency) of revenues over expenditures	\$ (35,557)	\$ 38,395

(a) Administration fee and rent are charged to the program according to annual operating budget as approved by management and the Board of Directors, and as agreed between the Association and BC Housing. Administration fee was recorded as revenue in General program and has been eliminated in the Statement of Revenues and Expenditures - Unrestricted Funds on page 5.

See accompanying notes to the financial statements.