
FINANCIAL STATEMENTS

**CANADIAN MENTAL HEALTH
ASSOCIATION, BC DIVISION**

March 31, 2015

***TOM* TOMPKINS, WOZNY, MILLER & CO.**
Chartered Accountants

A partnership of incorporated professionals.

INDEPENDENT AUDITOR'S REPORT

To the Members of
Canadian Mental Health Association, BC Division

Report on the Financial Statements

We have audited the accompanying financial statements of Canadian Mental Health Association, BC Division, which comprise the statement of financial position as at March 31, 2015, and the statements of changes in net assets, operations 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 Society'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 Society'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 qualified audit opinion.

Basis for Qualified Opinion

In common with many charitable organizations, the Society derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of this revenue was limited to the amounts recorded in the records of the Society and we were not able to determine whether any adjustments for unrecorded revenue might be necessary to donations revenue, excess of revenue for the year, assets and net assets.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Canadian Mental Health Association, BC Division as at March 31, 2015 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.

Report on Other Legal and Regulatory Requirements

As required by the British Columbia Society Act, we report that the accounting principles used in these financial statements have been applied on a basis consistent with that of the preceding year.

Tompkins, Wozny, Miller & Co.

Vancouver, Canada
June 13, 2015

Chartered Accountants

Canadian Mental Health Association, BC Division

STATEMENT OF FINANCIAL POSITION

As at March 31

	2015 \$	2014 \$
ASSETS		
Current		
Cash and short-term investments <i>[note 3]</i>		
Unrestricted	1,994,922	1,769,897
Restricted for branch fundraising	24,118	24,645
Restricted for deferred revenue	4,858,793	4,836,517
Restricted for gaming account	—	3,479
	6,877,833	6,634,538
Accounts receivable <i>[note 4]</i>	799,997	685,554
Prepaid expenses	76,426	67,517
Total current assets	7,754,256	7,387,609
Cash and investments restricted for endowment funds <i>[note 3]</i>	462,960	388,640
Capital assets <i>[note 5]</i>	61,120	38,231
	8,278,336	7,814,480
LIABILITIES		
Current		
Accounts payable and accrued liabilities <i>[note 6]</i>	729,714	573,761
Branch fundraising liability <i>[note 7]</i>	24,118	24,645
Deferred revenue <i>[note 8]</i>	4,858,793	4,836,517
Deferred gaming revenue	—	3,479
Total current liabilities	5,612,625	5,438,402
Blue Wave Youth Fund <i>[note 8]</i>	143,605	140,691
Lorne Fraser Educational Endowment Fund <i>[note 9]</i>	214,212	201,146
Dr. Jean Moore Endowment Fund <i>[note 9]</i>	77,640	58,232
Dr. Nancy Hall Speaking Up Speaking Out Endowment Fund <i>[note 9]</i>	171,108	129,262
	6,219,190	5,967,733
NET ASSETS		
Invested in capital assets	61,120	38,231
Internally restricted <i>[note 11]</i>	600,000	600,000
Unrestricted	1,398,026	1,208,516
	2,059,146	1,846,747
	8,278,336	7,814,480

Commitments *[note 14]*

Subsequent event *[note 20]*

See accompanying notes to the financial statements

Approved by the Board:



Director



Director

STATEMENT OF CHANGES IN NET ASSETS

Year ended March 31

	Invested in Capital Assets \$	Internally Restricted \$	Un-restricted \$	Total \$
		[note 11]		
2015				
Excess of revenue for the year	—	—	212,399	212,399
Amortization of capital assets	(29,444)	—	29,444	—
Investment in capital assets	52,333	—	(52,333)	—
Increase for the year	22,889	—	189,510	212,399
Balance, beginning of year	38,231	600,000	1,208,516	1,846,747
Balance, end of year	61,120	600,000	1,398,026	2,059,146
2014				
Excess of revenue for the year	—	—	266,650	266,650
Amortization of capital assets	(13,168)	—	13,168	—
Investment in capital assets	13,319	—	(13,319)	—
Increase for the year	151	—	266,499	266,650
Balance, beginning of year	38,080	600,000	942,017	1,580,097
Balance, end of year	38,231	600,000	1,208,516	1,846,747

See accompanying notes to the financial statements

STATEMENT OF OPERATIONS

Year ended March 31

	2015	2014
	\$	\$
REVENUE		
Grants - Ministry of Child and Family Development	1,410,406	803,207
- Provincial Health Services Authority	752,874	747,066
- Public Health Agency of Canada	503,553	643,388
- Other Grants	205,519	113,839
- B.C. Ministry of Health	158,327	221,954
Total grants earned <i>[note 8]</i>	3,030,679	2,529,454
Fees for service - Bounce Back program (B.C. Ministry of Health) <i>[note 8]</i>	2,370,059	2,166,331
- Other Programs and Administrative Fees for Service	426,786	235,888
Registration fees	238,353	290,433
Sponsorships	235,875	203,175
Foundations <i>[note 8]</i>	217,307	56,867
Donations	209,148	228,955
Publications and resource materials	164,701	139,761
Bequests	137,730	—
Gaming	3,534	91,650
Blue Wave Youth Fund <i>[note 8]</i>	—	33,369
	7,034,172	5,975,883
EXPENSES		
Wages and benefits	2,558,031	2,022,266
Project/branch support <i>[note 13]</i>	1,984,282	1,928,802
Other program non-staffing costs <i>[note 18]</i>	974,501	851,145
Contract and consulting services <i>[note 19]</i>	900,757	657,446
Other administrative non-staffing costs <i>[note 18]</i>	133,113	136,277
Rent and occupancy costs	199,873	201,888
Travel	140,955	104,496
Advertising and promotion	50,375	28,778
Amortization	29,444	13,168
	6,971,331	5,944,266
Excess of revenue before investment income and endowment contributions	62,841	31,617
Investment income - net realized gain	166,566	144,612
Investment income - net unrealized gain <i>[note 12]</i>	65,488	100,112
Contributions to endowment funds <i>[notes 9 & 10]</i>	(82,496)	(9,691)
Excess of revenue for the year	212,399	266,650

See accompanying notes to the financial statements

STATEMENT OF CASH FLOWS

Year ended March 31

	2015	2014
	\$	\$
OPERATING ACTIVITIES		
Excess of revenue for the year	212,399	266,650
Item not affecting cash:		
Amortization of capital assets	29,444	13,168
	241,843	279,818
Changes in other non-cash working capital items:		
Accounts receivable	(114,443)	807,659
Prepaid expenses	(8,909)	(30,055)
Accounts payable	155,953	(77,646)
Branch fund raising liability	(527)	(24)
Deferred revenue	22,276	(230,740)
Deferred gaming revenue	(3,479)	(90,718)
Blue Wave Youth Fund	2,914	140,691
Cash provided by operating activities	295,628	798,985
INVESTING ACTIVITIES		
Acquisition of capital assets	(52,333)	(13,319)
Change in endowment fund investments	(74,320)	(59,487)
Lorne Fraser endowment, net of disbursements	13,066	20,931
Jean Moore endowment, net of earnings	19,408	22,866
Nancy Hall endowment, net of earnings	41,846	18,606
Cash used in investing activities	(52,333)	(10,403)
Increase in cash and short-term investments during the year	243,295	788,582
Cash and short-term investments, beginning of year	6,634,538	5,845,956
Cash and short-term investments, end of year	6,877,833	6,634,538

See accompanying notes to the financial statements

NOTES TO FINANCIAL STATEMENTS

March 31, 2015

1. NATURE OF OPERATIONS

Structure, Mandate and Operations

The Canadian Mental Health Association, BC Division (the "Society") is registered under the Society Act of British Columbia and is a tax-exempt charitable organization as defined by the Canadian Income Tax Act.

The Society's objectives include the provision of community services and the involvement of volunteer help in the area of mental health and addiction. The Society's operations are dependent upon British Columbia and Government of Canada funding, individual and corporate donations.

The Society operates under authority granted by a National/Division agreement with the Canadian Mental Health Association. Under Division/Branch agreements, branches may operate in B.C. either as incorporated or unincorporated entities. There are a total of 14 [2014 - 18] branches in B.C., of which all were incorporated at year end.

The Society's activities include the following:

"Core" Programs

Those programs are supported by provincial grants and other income as being the integral, strategic areas related to the Society's mandate.

- Public Policy and Community-Based Research
 - Priorities:
 - Child & Youth Mental Health
 - Disabilities Without Poverty (housing and income)
 - Justice - Police/Corrections
 - Privacy
 - Addictions as a Health Issue
 - Access to Timely Care
- Mental Health Promotion and Communication Services
 - BC Partners for Mental Health and Addiction Projects:
 - Beyond the Blues and Risky Drinking Screening
 - Visions: BC's Mental Health & Addictions Journal
 - Website project: www.heretohelp.bc.ca
 - Healthy Minds, Healthy Campuses
 - Publications/Displays/Events
- CMHA BC Division Website
- Mind Matters (newsletter)

NOTES TO FINANCIAL STATEMENTS

March 31, 2015

1. NATURE OF OPERATIONS (CONT'D)

"Core" Programs (Cont'd)

- Blue Wave (Youth Living Life to the Full)
- Bounce Back: Reclaim Your Health™
- Strongest Families
- Confident Parents: Thriving Kids (new program launch)
- Living Life to the Full (National Project Lead)
- Connecting the Dots – Partnership with BC Association of Aboriginal Friendship Centres
- Mental Health Works
- Bottom Line Conference (National Project Lead)
- For My Health
- Ride-Don't-Hide (National Project Lead)
- Branch Development and Support
 - Monitoring Division/Branch agreements
 - CMHA Kamloops Branch
 - CMHA Victoria Branch
 - Branch Board Conference
 - Supporting branches applying for Imagine Canada Accreditation

"Administered" Programs

Those programs handled by the Society acting as agent under client contracts.

- BC Alliance on Mental Health/Illness and Addiction
- BC Patient Satisfaction Steering Committee Project
 - Patient centered performance measurement and improvement for BC Ministry of Health Services
- Community Action Initiative
 - Collaboration to address mental health and substance use. Funded through grants from the Province of BC, CAI provides grants for sound and leading-edge projects that are planned, led and implemented through community partnerships. CMHA BC Division acts as fiscal agent as well as agent under client contracts.

2. SIGNIFICANT ACCOUNTING POLICIES

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

NOTES TO FINANCIAL STATEMENTS

March 31, 2015

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Use of Estimates

The preparation of 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 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.

Revenue Recognition

The Society 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.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Grant, publication and other revenue is 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.

Gaming funding received from the Government of B.C. are taken into income as expended. Unexpended amounts are reflected as deferred gaming revenue.

Contributed Services

The Society relies, in part, on volunteers in carrying out its services. Because of the difficulty of determining the fair value of these services, the value of these services is not recognized in these financial statements.

Measurement of Financial Instruments

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

NOTES TO FINANCIAL STATEMENTS

March 31, 2015

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Financial assets measured at amortized cost include cash, term deposits and accounts receivable. Financial assets measured at fair value include mutual funds and Vancouver Foundation funds in other short-term investments.

Financial liabilities measured at amortized cost include accounts payable and branch fundraising liabilities.

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.

The statement of cash flows is prepared on a net cash basis and cash flows from operating activities are presented using the indirect method.

Short-Term Investments

Term deposits are recorded at cost. Mutual funds and other short-term investments are recorded at market value.

Capital Assets

Capital assets are initially valued at cost and are amortized over their estimated useful lives on the declining balance method at the following annual rates.

- Furniture and fixtures 20%
- Computer equipment 30%

Leasehold improvements are amortized straight-line to the end of the lease.

One half of the annual amortization rate is used in the year of acquisition.

NOTES TO FINANCIAL STATEMENTS

March 31, 2015

3. CASH AND SHORT-TERM INVESTMENTS

	2015	2014
	\$	\$
Current accounts	1,227,314	6,010,189
Term deposits	5,000,000	—
Mutual funds (cost - \$140,649 [2014 - \$140,649])	179,267	170,331
Funds held by the Vancouver Foundation (cost - \$779,425 [2014 - \$737,295])	934,212	842,658
	<u>7,340,793</u>	<u>7,023,178</u>
Less: Portion allocated to Lorne Fraser educational endowment fund [note 9]	(214,212)	(201,146)
Portion allocated to Dr. Jean Moore endowment fund [note 9]	(77,640)	(58,232)
Portion allocated to Dr. Nancy Hall endowment fund [note 9]	(171,108)	(129,262)
	<u>(462,960)</u>	<u>(388,640)</u>
	<u>6,877,833</u>	<u>6,634,538</u>

The term deposits earn interest at rates which range from 1.75% to 2.10% and mature within two months of the year-end.

The funds held by the Vancouver Foundation can be accessed by providing four months notice.

4. ACCOUNTS RECEIVABLE

	2015	2014
	\$	\$
Operations and other	678,235	652,819
Accrued interest	101,613	13,731
Canadian Mental Health Association BC branches	6,856	14,570
Allowance for doubtful accounts	—	—
	<u>786,704</u>	<u>681,120</u>
Government - GST	13,293	4,434
	<u>799,997</u>	<u>685,554</u>

5. CAPITAL ASSETS

Capital assets are comprised of the following:

	Cost	Accumulated Amortization	Net Book Value
	\$	\$	\$
2015			
Computer and office equipment	199,350	148,698	50,652
Leasehold improvements	28,442	17,974	10,468
	<u>227,792</u>	<u>166,672</u>	<u>61,120</u>

NOTES TO FINANCIAL STATEMENTS

March 31, 2015

5. CAPITAL ASSETS (CONT'D)

	Cost \$	Accumulated Amortization \$	Net Book Value \$
2014			
Computer and office equipment	147,017	121,581	25,436
Leasehold improvements	28,442	15,647	12,795
	175,459	137,228	38,231

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2015 \$	2014 \$
Operations and other	411,528	267,432
Canadian Mental Health Association BC branches	318,186	306,329
	729,714	573,761

7. BRANCH FUNDRAISING LIABILITY

The Society has been the administrator for joint fundraising activities on its own behalf and for nine branches within BC. All joint fundraising activities were discontinued on September 30, 2007 with the exception of monthly giving donations which continue to be collected and shared with participating branches, net of fund raising costs. The branch fund raising liability is offset by an equal amount of restricted cash.

8. DEFERRED REVENUE

	Deferred, Beginning of Year \$	Received or Receivable \$	Earned During the Year \$	Deferred, End of Year \$
GRANT REVENUES				
Providence Health Care Society				
Provincial Consumer Survey	353,990	—	51,807	302,183
Provincial Health Service Authority				
BC Partners	219,053	644,454	680,321	183,186
Beyond the Blues	—	8,000	8,000	—
Corrections Online	66,667	—	7,000	59,667
Policy Alliance	18,800	5,295	18,800	5,295
Privacy	76,106	—	38,753	37,353
Project Unite	99,788	—	—	99,788

NOTES TO FINANCIAL STATEMENTS

March 31, 2015

8. DEFERRED REVENUE (CONT'D)

	Deferred, Beginning of Year \$	Received or Receivable \$	Earned During the Year \$	Deferred, End of Year \$
Public Health Agency of Canada				
Connecting the Dots	36,451	467,102	503,553	—
B.C. Ministry of Health				
Campus - Substance Use	160,734	80,000	133,327	107,407
Primary Health Care Initiatives	1,188,082	—	25,000	1,163,082
Ministry of Child and Family Development				
Strongest Families/Confident Parents	1,073,176	1,450,000	1,410,405	1,112,771
Vancouver Coastal Health				
Police Interactions	100,000	—	47,167	52,833
Community Action Initiative (CAI)				
Skills within Reach	—	98,000	96,840	1,160
CMHA - Victoria				
Victoria Program Support	—	183,184	9,706	173,478
	3,392,847	2,936,035	3,030,679	3,298,203
FOUNDATION REVENUE				
B.C. Mental Health Foundation				
Justice	272,137	—	178,916	93,221
Workplace Training	99,431	—	31,639	67,792
Vancouver Foundation				
Blue Wave	—	29,492	6,752	22,740
Victoria Foundation				
Victoria Program Support	—	4,592	—	4,592
	371,568	34,084	217,307	188,345
FEEES FOR SERVICE				
Bounce Back	1,051,202	2,500,000	2,370,059	1,181,143
Bounce Back - National Roll Out	—	19,640	2,333	17,307
For My Health	5,600	7,630	13,230	—
Mental Health Works	10,300	17,500	10,300	17,500
Living Life to the Full	5,000	17,200	5,000	17,200
Working on Wellness	—	29,040	200	28,840
	1,072,102	2,591,010	2,401,122	1,261,990
OTHER				
Ride Don't Hide	—	100,255	—	100,255
Fundraising	—	10,000	—	10,000
	—	110,255	—	110,255
Sub-total	4,836,517	5,671,384	5,649,108	4,858,793
Blue Wave Youth Fund [note 17]	140,691	2,914	—	143,605
	4,977,208	5,674,298	5,649,108	5,002,398

NOTES TO FINANCIAL STATEMENTS

March 31, 2015

9. ENDOWMENT FUNDS

Contributions to the endowment funds are summarized as follows:

	2015	2014
	\$	\$
Vancouver Foundation permanent endowment fund <i>[note 10]</i>	47,496	9,691

Lorne Fraser Educational Endowment Fund

The Lorne Fraser Educational Fund was established in 1982 and consists of funds primarily invested at the Vancouver Foundation. The Fund is used to provide bursaries and training to people with mental illness and related costs.

	2015	2014
	\$	\$
Balance, beginning of year	201,146	180,215
Add:		
Donations	—	657
Investment income - realized gain	7,063	6,753
Investment income - unrealized gain	13,473	21,170
	221,682	208,795
Less:		
Miscellaneous	(970)	(649)
Scholarships	(6,500)	(7,000)
	(7,470)	(7,649)
Balance, end of year	214,212	201,146

Dr. Jean Moore Endowment Fund

The Dr. Jean Moore Fund was established in April 2006 to support future child and youth initiatives and consists of funds primarily invested at the Vancouver Foundation. In 2012, a \$10,000 contribution to the Fund was approved by the Society with a further \$10,000 approved and contributed in 2015.

	2015	2014
	\$	\$
Balance, beginning of year	58,232	35,366
Add:		
Donations	3,282	17,240
CMHA - B.C. Division contributions	10,000	—
Investment income - realized gain	2,058	1,353
Investment income - unrealized gain	4,097	4,313
Less:		
Miscellaneous	(29)	(40)
Balance, end of year	77,640	58,232

NOTES TO FINANCIAL STATEMENTS

March 31, 2015

9. ENDOWMENT FUNDS (CONT'D)

Dr. Nancy Hall Speaking Up Speaking Out Endowment Fund

On March 26, 2011 the Society approved an initial contribution of \$50,000 to this endowment fund to be invested at the Vancouver Foundation and invested in a retractable fund. In 2012, an additional \$50,000 contribution was approved to this endowment fund with a further \$25,000 approved and contributed in 2015. These funds will be used to fund policy work and the Society commits to growing the endowment to \$1 million.

	2015	2014
	\$	\$
Balance, beginning of year	129,262	110,656
Add:		
Donations	1,985	631
CMHA - B.C. Division contributions	25,000	—
Investment income - realized gain	5,065	4,292
Investment income - unrealized gain	9,798	13,683
Less:		
Miscellaneous	(2)	—
Balance, end of year	171,108	129,262

10. PERMANENT ENDOWMENT

The Society holds \$348,816 [2014 - \$301,319] of aggregate contributed principal with the Vancouver Foundation. The market value of these funds at March 31, 2015 is \$427,824 [2014 - \$353,793]. In accordance with the provisions of the Vancouver Foundation Act, the amounts are held permanently by the Vancouver Foundation. As the Society has the right to receive only the 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.

On December 31, 2002, the Society transferred \$100,000 to the Vancouver Foundation to establish a permanent endowment fund. The goal of the Society is to contribute to, and seek donations for, the endowment fund until it reaches \$5,000,000, an amount that is expected to earn sufficient investment income annually to help ensure the long-term sustainability of the Society.

The Society made further contributions of \$47,496 [2014 - \$9,691] to the permanent endowment fund during the year. The investment income earned by the endowment fund during the year was \$13,646 [2014 - \$11,856], these amounts are included in investment income. The Society has elected to reinvest this investment income in the permanent endowment fund upon receipt of the distributions from the Vancouver Foundation. This reinvestment is reflected as an expense.

NOTES TO FINANCIAL STATEMENTS

March 31, 2015

11. INTERNALLY RESTRICTED FUNDS

The Society has internally restricted \$600,000 as a contract cancellation contingency. Contracts received by the Society have cancellation clauses with notice periods of 10 – 30 days. This internally restricted amount is not available for other purposes without the approval of the Society's board of directors.

12. NET UNREALIZED GAIN

The net unrealized gain represents the difference between the cost and the quoted market value of the Society's investments at the date of the financial statements. These market values fluctuate on a daily basis.

13. PROJECT/BRANCH SUPPORT

Project/branch support expenses for the year comprise of the following:

	2015	2014
	\$	\$
Bounce Back	1,519,736	1,412,400
Connecting the Dots	353,519	488,832
Various Projects	111,027	27,570
	<u>1,984,282</u>	<u>1,928,802</u>

14. COMMITMENTS

Operations are conducted from leased premises, currently rented at a base rent plus operating expenses and property taxes. The lease expires on January 31, 2016.

The future lease commitment for the next year, for base rent only, is:

	\$
2016 (April 1, 2015 to January 31, 2016)	<u>59,533</u>

NOTES TO FINANCIAL STATEMENTS

March 31, 2015

15. OTHER INFORMATION

The Society conducts transactions with the National Association and with its B.C. branches in the normal course of operations. Accounts receivable include costs recoverable from the National Association of \$94,981 [2014 - \$30,292] and from the branches of \$6,856 [2014 - \$14,570]. The branches were owed \$318,186 [2014 - \$306,329] at the end of the year and there was a national membership fee contingency reserve balance of \$18,475 [2014 - \$21,421].

16. FINANCIAL INSTRUMENTS

The Society is exposed to various risks through its financial instruments. The following analysis presents the Society's exposures to significant risk as at March 31, 2015.

Credit Risk

The Society is exposed to credit risk with respect to its bank deposits, accounts receivable and short-term investments. The Society assesses, on a continuous basis, accounts receivable on the basis of amounts it is virtually certain to receive and short-term investments are invested 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 Society 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 Society is exposed to interest rate risk on its fixed and floating interest rate financial instruments. Fixed-rate instruments are subject to periodic interest rate review on maturity and renewal and the floating rate instruments subject the Society to cash flow risks.

17. BLUE WAVE YOUTH FUND

The Blue Wave Youth Fund was initiated by a gift from Blue Wave Foundation, a private foundation founded by Jack and Margaret Lee. The fund is designated specifically to support youth mental health.

NOTES TO FINANCIAL STATEMENTS

March 31, 2015

18. OTHER NON-STAFFING COSTS

Expenses included in other non-staffing costs are:

	2015	2014
	\$	\$
Bank and credit card charges	18,868	22,890
Courier	3,086	7,028
Equipment maintenance	45,203	59,743
Evaluation	40,171	23,250
GST recovery	(41,097)	(35,517)
Honoraria	46,761	7,925
Insurance, legal and audit	67,232	42,627
License fees	56,097	39,902
Meetings, conferences and events	185,793	154,775
National membership fees	5,278	3,922
Office and administration	273,862	273,729
Publication and resource materials	290,265	262,587
Royalties	36,377	41,436
Telephone	64,633	70,454
Website design	15,085	12,671
	1,107,614	987,422
Expenses related to:		
Administrative	133,113	136,277
Programs	974,501	851,145
	1,107,614	987,422

19. CONTRACT AND CONSULTING SERVICES

The increase in contract and consulting services this year is due to the new program Confident Parents: Thriving Kids.

20. SUBSEQUENT EVENT

On April 10, 2015, a \$3 million grant was received by the Association towards a three year mental health promotion initiative.

NOTES TO FINANCIAL STATEMENTS

March 31, 2015

21. COMPARATIVE FIGURES

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