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FINANCIAL STATEMENTS

CANADIAN MENTAL HEALTH ASSOCIATION, BC DIVISION

March 31, 2023

Limited Liability Partnership _____



Tompkins Wozny
Chartered Professional Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of
Canadian Mental Health Association, BC Division

Opinion

We have audited the financial statements of Canadian Mental Health Association, BC Division (the Society), which comprise the statement of financial position as at March 31, 2023, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at March 31, 2023 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 Financial Statements* section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Society'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 Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society'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 Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

As required by the British Columbia Societies 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 LLP

Vancouver, Canada
September 23, 2023

Chartered Professional Accountants



Canadian Mental Health Association, BC Division

STATEMENT OF FINANCIAL POSITION

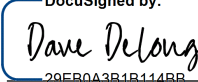
As at March 31

	2023 \$	2022 \$
ASSETS		
Current		
Cash and short-term investments <i>[note 3]</i>		
Unrestricted	284,752	3,587,986
Restricted for national membership fees - contingency reserve	32,529	30,852
Restricted for branch fundraising	18,480	—
Restricted for deferred revenue	34,481,344	17,029,021
	34,817,105	20,647,859
Accounts receivable <i>[note 4]</i>	4,615,950	1,514,662
Prepaid expenses	194,920	451,908
Total current assets	39,627,975	22,614,429
Cash and investments - restricted funds <i>[note 3]</i>	653,867	662,452
Capital assets <i>[note 5]</i>	214,251	222,561
	40,496,093	23,499,442
LIABILITIES		
Current		
Accounts payable and accrued liabilities <i>[note 6]</i>	2,272,479	2,753,082
National membership fees - contingency reserve <i>[note 7]</i>	32,529	30,852
Branch fundraising liability <i>[note 8]</i>	18,480	—
Deferred revenue <i>[note 9]</i>	34,481,344	17,029,021
Deferred contribution - restricted donation <i>[note 23]</i>	451,027	—
Total current liabilities	37,255,859	19,812,955
Lorne Fraser Educational Restricted Fund <i>[note 10(i)]</i>	255,856	267,549
Dr. Jean Moore Restricted Fund <i>[note 10(ii)]</i>	143,679	141,602
Dr. Nancy Hall Speaking Up Speaking Out Restricted Fund <i>[note 10(iii)]</i>	254,332	253,301
Deferred rent	97,228	138,358
Deferred contributions related to capital assets <i>[note 11]</i>	82,354	115,526
	38,089,308	20,729,291
NET ASSETS		
Invested in capital assets	131,897	107,035
Internally restricted - contract cancellation <i>[note 13]</i>	1,500,000	1,500,000
Unrestricted	774,888	1,163,116
	2,406,785	2,770,151
	40,496,093	23,499,442

Commitments *[note 16]*Subsequent event *[note 24]*

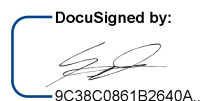
See accompanying notes to the financial statements

Approved by the Board:



Director

DocuSigned by:



Director



Tompkins Wozny
Chartered Professional Accountants

Canadian Mental Health Association, BC Division

STATEMENT OF CHANGES IN NET ASSETS

Year ended March 31

	Invested in Capital Assets \$	Internally Restricted \$	Unrestricted \$	Total \$
2023	<i>[note 13]</i>			
Excess of expenses for the year	—	—	(363,366)	(363,366)
Amortization of capital assets	(79,931)	—	79,931	—
Amortization of deferred contributions	33,172	—	(33,172)	—
Investment in capital assets	71,621	—	(71,621)	—
Increase (decrease) for the year	24,862	—	(388,228)	(363,366)
Balance, beginning of year	107,035	1,500,000	1,163,116	2,770,151
Balance, end of year	131,897	1,500,000	774,888	2,406,785
2022				
Excess of revenue for the year	—	—	169,133	169,133
Amortization of capital assets	(79,136)	—	79,136	—
Amortization of deferred contributions	38,161	—	(38,161)	—
Investment in capital assets	40,014	—	(40,014)	—
Transfer to internally restricted	—	500,000	(500,000)	—
Increase (decrease) for the year	(961)	500,000	(329,906)	169,133
Balance, beginning of year	107,996	1,000,000	1,493,022	2,601,018
Balance, end of year	107,035	1,500,000	1,163,116	2,770,151

See accompanying notes to the financial statements



Canadian Mental Health Association, BC Division

STATEMENT OF OPERATIONS

Year ended March 31

	2023	2022
	\$	\$
REVENUE		
Grants - Ministry of Child and Family Development	5,787,440	5,860,493
- Provincial Health Services Authority / B.C. Ministry of Health	6,278,419	4,932,667
- Ministry of Mental Health & Addiction	6,964,319	6,292,365
- Other Grants	1,739,630	1,211,093
Total grants earned <i>[note 9]</i>	20,769,808	18,296,618
Fees for service	993,214	832,867
Donations	480,798	498,429
Registration fees	317,549	252,094
Publications and resource materials	123,651	129,476
Sponsorships	106,500	25,000
Foundations <i>[note 9]</i>	57,273	104,630
Amortization of deferred contributions <i>[note 11]</i>	33,172	38,161
Bequests	27,007	167,417
	22,908,972	20,344,692
EXPENSES		
Wages and benefits <i>[note 19]</i>	9,289,550	8,381,583
Other program non-staffing costs <i>[note 20]</i>	6,322,626	6,258,040
Flow through branch delivery funds <i>[note 15]</i>	4,780,018	3,500,541
Contract and consulting services	2,481,148	1,526,131
Rent and occupancy costs	413,806	437,190
Other administrative non-staffing costs <i>[note 20]</i>	376,235	303,933
Advertising and promotion	100,347	83,350
Amortization	79,931	79,136
Grants approved	—	45,000
	23,843,661	20,614,904
Excess of expenses before other items:	(934,689)	(270,212)
Investment income	546,325	391,752
Net unrealized gain <i>[note 14]</i>	24,998	47,593
Excess of revenue (expenses) for the year	(363,366)	169,133

See accompanying notes to the financial statements



Canadian Mental Health Association, BC Division

STATEMENT OF CASH FLOWS

Year ended March 31

	2023	2022
	\$	\$
OPERATING ACTIVITIES		
Excess of revenue (expenses) for the year	(363,366)	169,133
Items not affecting cash:		
Amortization of capital assets	79,931	79,136
Amortization of deferred contributions	(33,172)	(38,161)
	(316,607)	210,108
Changes in other non-cash working capital items:		
Accounts receivable	(3,101,288)	143,526
Prepaid expenses	256,988	(347,048)
Accounts payable and accrued liabilities	(480,603)	1,033,079
National membership fees - contingency reserve	1,677	1,676
Branch fund raising liability	18,480	(22,104)
Deferred rent	(41,130)	(19,691)
Deferred revenue	17,452,323	(4,544,365)
Deferred contribution - restricted donation	451,027	—
Cash provided by (used in) operating activities	14,240,867	(3,544,819)
INVESTING ACTIVITIES		
Acquisition of capital assets	(71,621)	(40,014)
Change in restricted fund investments	8,585	(21,514)
Lorne Fraser Educational Restricted Fund, net of disbursements	(11,693)	575
Dr. Jean Moore Restricted Fund, net of earnings	2,077	8,578
Dr. Nancy Hall Speaking Up Speaking Out Restricted Fund, net of earnings	1,031	12,361
Cash used in investing activities	(71,621)	(40,014)
Increase (decrease) in cash and short-term investments during the year	14,169,246	(3,584,833)
Cash and short-term investments, beginning of year	20,647,859	24,232,692
Cash and short-term investments, end of year	34,817,105	20,647,859

See accompanying notes to the financial statements



Canadian Mental Health Association, BC Division

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

1. NATURE OF OPERATIONS

Structure, Mandate and Operations

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

The Society champions a vision for Canada: mentally healthy people in a healthy society. We strive for all people to get the resources they need to maintain and improve their mental health and wellbeing. Our objectives include: informing public policy, providing quality services and informing and promoting mental health. The Society's operations are dependent upon funding from the Province of British Columbia, health authorities, foundations, fee for service revenue, individual and corporate donations, and sponsorships.

The Society operates under authority granted by a National/Division Agreement (2004) with the Canadian Mental Health Association. The Society has signed a new agreement with CMHA National which will come into force in the 2023/24 fiscal year. Under Division/Branch agreements, branches may operate in B.C. as incorporated societies. There are a total of 14 [2022 - 14] licensed branches in B.C., of which all were incorporated at year end.

The Society's activities include the following:

Core Programs

Core programs are integral to the Society and are in strategic alignment with the Society's mandate. These programs are supported by provincial grants, foundations, donations, sponsorships and other income.

Core programs include:

1. Public Policy and Community-Based Activities such as:

- Targeted research projects focused on equitable access to services for people with mental health and substance use problems
- Submissions to CMHA National to inform federal mental health and substance use policy
- Submissions to the Province of BC standing committees, elected officials, and public servants to inform provincial mental health and substance use policy
- Continued policy work to influence the strengthening of the mental health and substance use systems of care with an emphasis on:
 - o Prevention and early intervention
 - o Building an accessible addictions health care system
 - o Strengthening recovery closer to home in communities



Canadian Mental Health Association, BC Division

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

1. NATURE OF OPERATIONS (CONT'D)

Core Programs (Cont'd)

- o Crisis Care Reform, with a focus on reducing reliance on police responses
- o Suicide Prevention - leading change in suicide prevention and life promotion
- o Links to Employment - connecting individuals to skillful employment
- o Recovery Beds - administering recovery beds and treatment grants
- o Leading change in mental health and addictions
- Promotion and advocacy through media interviews and speaking engagements

2. Mental Health Promotion - BC Partners for Mental Health and Substance Use Information

Initiatives including:

- Beyond the Blues
- Visions: BC's Mental Health & Addictions Journal
- Heretohelp.bc.ca
- Healthy Minds, Healthy Campuses
- Information, Outreach, and Referral - publications, displays and events
- CMHA BC division website
- Mind Matters newsletter
- Living Life to the Full – Adults
 - o Living Life to the Full national project lead; training in support of CMHA divisions and branches across Canada
- Blue Wave (Living Life to the Full - Youth)
- Bounce Back®: Reclaim Your Health Youth and Adults
- Confident Parents: Thriving Kids (CPTK); telephone-based positive parenting coaching program including the We Are Indigenous: Big Worries Program
- Administering grants-based funding for campus suicide prevention and community-based substance use treatment and recovery resources
- Workplace Mental Health Education and Training including the development of a new provincial digital hub and training program focused on tourism, hospitality, community social services, and continuing care sectors
- Provincial oversight and quality assurance for a primary care integrated employment services program operated in partnership with a Lower Mainland branch and an Interior Branch.



Canadian Mental Health Association, BC Division**NOTES TO FINANCIAL STATEMENTS**

March 31, 2023

1. NATURE OF OPERATIONS (CONT'D)**Core Programs (Cont'd)****3. Bursaries and Scholarships**

- Lorne Fraser Scholarship and Educational Bursary
- Janice Lee Blue Wave Youth Bursary
- Mental Health Fine Arts Bursary
- Indigenous Mental Health Fine Arts Bursary

4. Branch Relations

- Business continuity
- Responding to branch requests for support and advice
- Talk Today (partnership with the BC Hockey League and Western Hockey League)
- Media messaging, communications, and marketing support

5. Victoria Services

- Employment services
- Youth Summit in partnership with the Mental Health Commission of Canada
- Mental health promotion
- Ride Don't Hide
- Operation of Confident Parents, Thriving Kids-Anxiety program
- Navigation of the Greater Victoria mental health system
- Development of a regional suicide prevention program in the Westshore and Sooke communities
- Administration of resources to develop and launch a peer assisted crisis team in Victoria and New Westminster.

Administered Programs

Administered Programs are handled by the Society acting as agent under client contracts. These include:

- BC Patient Satisfaction Steering Committee Project
- Community Action Initiative

Administered Programs are reported under fees for services.

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:



Canadian Mental Health Association, BC Division**NOTES TO FINANCIAL STATEMENTS**

March 31, 2023

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 or the services delivered. 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. Contributions include grants, donations, foundations, and bequests.

Investment income is recognized as revenue when received or earned. The change in market value in investments is recognized as income as an unrealized gain or loss.

Fee for service, registration fees, publications and resource materials 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.

Contributed Services and Materials

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. Donated advertising and materials that would have not otherwise been purchased by the Society are 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 of its financial assets and financial liabilities at amortized cost, except for its short-term investments 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, term deposit and accounts receivable. Financial assets measured at fair value include marketable securities, fixed income and Vancouver Foundation funds in other short-term investments.

Financial liabilities measured at amortized cost include accounts payable.

Canadian Mental Health Association, BC Division**NOTES TO FINANCIAL STATEMENTS**

March 31, 2023

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Measurement of Financial Instruments (Cont'd)**

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 any 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.

Short-Term Investments

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.

- | | |
|----------------------|-----|
| • Office equipment | 20% |
| • Computer equipment | 30% |

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

Deferred Rent Liability

Total rent expense is recorded on a straight-line basis over the lease term including any free rent periods which have been granted at the beginning of the lease. The deferred rent liability will be drawn down as lease payments are made in future periods.

Pension Plan

The Society participates in a multi-employer defined benefit pension plan ("Pension Plan"). Defined contribution plan accounting is applied to multi-employer defined benefit plans and, accordingly, pension contributions are expensed as the actuary does not attribute portions of the unfunded liability, if any, to individual employers.



Canadian Mental Health Association, BC Division

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

3. CASH AND SHORT-TERM INVESTMENTS

	2023	2022
	\$	\$
Cash and cash equivalents	21,535,302	9,554,731
Mutual funds and other securities (cost - \$12,290,375 [2022 - \$10,109,568])	12,789,987	10,562,245
Funds held by the Vancouver Foundation (cost - \$886,275 [2022 - \$886,275])	1,145,683	1,193,335
	35,470,972	21,310,311
Less: Portion allocated to Lorne Fraser Educational Restricted Fund [note 10]	(255,856)	(267,549)
Portion allocated to Dr. Jean Moore Restricted Fund [note 10]	(143,679)	(141,602)
Portion allocated to Dr. Nancy Hall Restricted Fund [note 10]	(254,332)	(253,301)
	(653,867)	(662,452)
	34,817,105	20,647,859

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

4. ACCOUNTS RECEIVABLE

	2023	2022
	\$	\$
Operations - fees for service and other	1,211,723	691,467
- grants	3,327,182	720,891
Canadian Mental Health Association BC branches	9,848	36,536
Allowance for doubtful accounts	—	—
	4,548,753	1,448,894
Government - GST	67,197	65,768
	4,615,950	1,514,662

5. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net Book Value
	\$	\$	\$
2023			
Computer and office equipment	507,615	310,994	196,621
Leasehold improvements	114,521	96,891	17,630
	622,136	407,885	214,251
2022			
Computer and office equipment	435,994	251,389	184,605
Leasehold improvements	114,521	76,565	37,956
	550,515	327,954	222,561

Canadian Mental Health Association, BC Division

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2023	2022
	\$	\$
Operations	1,690,291	1,925,061
Municipal pension plan - employees [note 22]	21,094	56,150
Canadian Mental Health Association - BC branches	561,094	771,871
	2,272,479	2,753,082

7. NATIONAL MEMBERSHIP FEES - CONTINGENCY RESERVE

A 5% contingency is added to the Annual National Membership fee and is retained by the Society as a reserve to assist branches who are going through significant negative changes in their revenue. As at March 31, 2023, the contingency balance totaled \$32,529 [2022 - \$30,852].

8. 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.

9. DEFERRED REVENUE

	Deferred, Beginning of Year \$	Received or Receivable \$	Earned During the Year \$	Deferred, End of Year \$
GRANT REVENUES				
Provincial Health Service Authority / BC Ministry of Health				
BC Partners	132,360	626,883	627,977	131,266
BC Partners Strategic Planning	5,711	—	—	5,711
Bounce Back (Youth)	173,688	750,000	813,004	110,684
Bounce Back (Adult)	846,037	2,500,000	3,173,096	172,941
Project Unite	32,230	—	15,000	17,230
Community Gatekeeper	134,507	—	—	134,507
Peer Assisted Crisis Teams	—	11,531,418	1,124,342	10,407,076
Counselling Supports for Refugees	—	1,000,000	525,000	475,000
	1,324,533	16,408,301	6,278,419	11,454,415

Canadian Mental Health Association, BC Division

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

9. DEFERRED REVENUE (CONT'D)

	Deferred, Beginning of Year \$	Received or Receivable \$	Earned During the Year \$	Deferred, End of Year \$
Balance forward from previous page	1,324,533	16,408,301	6,278,419	11,454,415
Ministry of Child and Family Development				
CPTK - Behavioral	501,545	2,248,454	2,838,422	(88,423)
CPTK - Anxiety	92,465	2,907,534	2,949,018	50,981
Integrated Child and Youth Family Support	—	248,622	—	248,622
	594,010	5,404,610	5,787,440	211,180
Ministry of Mental Health & Addiction				
Community Sector Early Intervention Response to the Mental Health Impacts of COVID-19	254,284	—	34,187	220,097
Care for Caregivers and Care to Speak	40,980	735,000	493,267	282,713
Substance Use Treatment and Recovery Beds	9,228,126	—	3,989,489	5,238,637
Cognitive Remediation and Recovery Colleges	10,500	421,000	378,900	52,600
Workplace Mental Health Initiatives	1,877,970	—	979,059	898,911
Living Life to the Full	285,016	—	198,675	86,341
Provincial Suicide Prevention	1,539,871	—	890,742	649,129
	13,236,747	1,156,000	6,964,319	7,428,428
Ministry of Social Development and Poverty Reduction				
People with Complex Barriers to Employment	—	8,179,972	311,177	7,868,795
Workplace Mental Health Initiatives	—	700,000	—	700,000
Bed-Based Treatment and Recovery	—	4,900,339	—	4,900,339
	—	13,780,311	311,177	13,469,134
Providence Health Care Society				
Provincial Consumer Survey	366,647	—	15,000	351,647
Bounce Back - National				
Bounce Back - National Roll Out	451,232	932,400	819,406	564,226
Others	—	594,047	594,047	—
	817,879	1,526,447	1,428,453	915,873
	15,973,169	38,275,669	20,769,808	33,479,030
FOUNDATION REVENUE				
B.C. Mental Health Foundation				
Justice	70,341	—	—	70,341
Vancouver Foundation				
Policy Peer Employment	—	30,000	—	30,000
Others	—	57,273	57,273	—
	70,341	87,273	57,273	100,341

Canadian Mental Health Association, BC Division

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

9. DEFERRED REVENUE (CONT'D)

	Deferred, Beginning of Year \$	Received or Receivable \$	Earned During the Year \$	Deferred, End of Year \$
Balance forward from previous page	16,043,510	38,362,942	20,827,081	33,579,371
FEES FOR SERVICE				
Living Life to the Full	10,684	—	3,640	7,044
Primary Health Care Initiatives	550,464	—	300,000	250,464
	561,148	—	303,640	257,508
OTHER				
Community Gatekeeper - Sustainability Fund	198,148	—	—	198,148
CMHA - South Okanagan Similkameen				
Branch/division Strategic Planning	1,500	—	—	1,500
Others	96,765	230,102	—	326,867
	296,413	230,102	—	526,515
Subtotal	16,901,071	38,593,044	21,130,721	34,363,394
Blue Wave Youth Fund <i>[note 18]</i>	127,950	—	10,000	117,950
	17,029,021	38,593,044	21,140,721	34,481,344

10. RESTRICTED FUNDS

(i) Lorne Fraser Educational Restricted Fund

Each year, the Lorne Fraser Educational Fund awards bursaries and scholarships to people who live with a mental illness and/or addiction and wish to further their pursuit of post-secondary education. Bursaries are awarded in the amount of \$700 each. In addition, the scholarship program annually awards \$1,000 or \$2,000 to two post-secondary students living with mental illness and/or addiction whose educational and career goals are related to mental health promotion.

	2023 \$	2022 \$
Balance, beginning of year	267,549	266,974
Add:		
Donations	—	3,310
Investment income	10,862	9,758
Unrealized gain (loss)	(10,489)	3,411
	267,922	283,453
Less:		
Miscellaneous	(166)	(4,004)
Scholarships	(11,900)	(11,900)
	(12,066)	(15,904)
Balance, end of year	255,856	267,549

Canadian Mental Health Association, BC Division

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

10. RESTRICTED FUNDS (CONT'D)

(ii) Dr. Jean Moore Restricted 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.

	2023	2022
	\$	\$
Balance, beginning of year	141,602	133,024
Add:		
Donations	100	100
Investment income	5,434	4,882
Unrealized gain (loss)	(3,457)	3,596
Balance, end of year	143,679	141,602

(iii) Dr. Nancy Hall Speaking Up Speaking Out Restricted Fund

The Dr. Nancy Hall Speaking Up Speaking Out Fund was established in March 2011 to fund policy work and consists of funds primarily invested at the Vancouver Foundation. The Society commits to growing the restricted fund to \$1 million.

	2023	2022
	\$	\$
Balance, beginning of year	253,301	240,940
Add:		
Investment income	11,768	10,572
Unrealized gain (loss)	(10,737)	1,789
Balance, end of year	254,332	253,301

11. DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS

	2023	2022
	\$	\$
Balance, beginning of year	115,526	153,687
Transfer to revenue	(33,172)	(38,161)
Balance, end of year	82,354	115,526

In 2019, the total funding received from the Ministry of Child and Family Development that was designated for the CPTK-Anxiety program was \$1,500,000. The deferred contribution represents amounts required for the start up of the program that was spent on capital assets for the Society's Victoria office. The contribution has been deferred and will be amortized to income over the estimated useful life of the capital assets and the term of the Victoria office lease.



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March 31, 2023

12. PERMANENT ENDOWMENT

The Society holds \$409,942 [2022 - \$409,942] of aggregate contributed principal with the Vancouver Foundation. The market value of these funds at March 31, 2023 is \$548,415 [2022 - \$572,376]. 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.

13. INTERNALLY RESTRICTED FUNDS

The Society has internally restricted \$1,500,000 [2022 - \$1,500,000] 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.

For the year ending March 31, 2023, \$Nil [2022 - \$500,000] of the \$1,500,000 was internally restricted.

14. NET UNREALIZED GAIN

The net unrealized gain represents the difference between the cost and the quoted market value of the Society's investments as at March 31, 2023. These market values fluctuate on a daily basis.

15. FLOW THROUGH BRANCH DELIVERY FUNDS

	2023	2022
	\$	\$
Bounce Back	2,788,270	2,801,440
Peer Assisted Crisis Teams	690,685	273,639
Persons with Persistent and Multiple Barriers	869,683	343,488
Recovery Colleges and Cognitive Remediation	378,900	39,500
COVID-19 Surge	34,000	36,000
Donation sharing	18,480	6,474
	4,780,018	3,500,541

Canadian Mental Health Association, BC Division**NOTES TO FINANCIAL STATEMENTS**

March 31, 2023

16. COMMITMENTS

The future premise lease commitment for the next four fiscal years, for base rent only, is as follows:

	\$
2024	195,122
2025	148,953
2026	152,248
2027	69,204
	565,527

17. 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, 2023.

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 and a professional investment manager.

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.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Society is exposed to market risk through its investment in equity-based investments.

18. BLUE WAVE YOUTH FUND

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



Canadian Mental Health Association, BC Division

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

19. WAGES AND BENEFITS AND CONTRACT AND CONSULTING SERVICES

Pursuant to the British Columbia Societies Act, the Society is required to disclose wages and benefits paid to employees and fees paid to contractors, in excess of \$75,000 during the fiscal year.

No contractor was paid in excess of \$75,000 for the fiscal year [2022 - contract and consulting services expense includes \$118,941 for services provided by one contractor].

Wages and benefits expense includes \$7,464,645 [2022 - \$6,359,706] paid to sixty-nine [2022 - sixty-six] employees during the year.

20. OTHER PROGRAM NON-STAFFING COSTS

Other program non-staffing costs include:

	2023 \$	2022 \$
Expenses related to:		
Administrative	376,235	303,933
Programs	6,322,626	6,258,040
	6,698,861	6,561,973
Bank, credit card charges, payroll and pension processing	19,307	25,040
Equipment	17,020	7,881
Honoraria	25,017	4,016
Insurance	59,872	49,196
License fees	197,386	157,414
Membership fees and dues	67,318	47,114
National membership fees	7,776	5,585
Office and administration	184,984	49,025
Shipping & handling	39,824	57,044
Printing and resource materials	175,550	162,281
Professional fees	253,904	133,029
Program conferences and events	174,621	26,731
Project support	4,695,680	4,914,551
Royalties	74,897	93,906
Scholarships and awards	14,300	12,600
Staff development	42,361	53,741
Technology and website	397,403	567,484
Telephone	129,270	152,401
Travel	122,371	42,934
	6,698,861	6,561,973

Canadian Mental Health Association, BC Division**NOTES TO FINANCIAL STATEMENTS**

March 31, 2023

21. RELATED PARTY TRANSACTIONS

No board member was remunerated during the current fiscal year [2022 - \$47,928 paid to a company at which one Board member was an executive-level employee, following full disclosure and management of the conflict of interest by both the Society and the executive's company].

Amounts paid to related parties were incurred in the normal course of business and are measured at the exchange amount, which is the amount agreed upon by the transacting parties on terms and conditions similar to non-related parties.

22. PENSION PLAN*(a) Municipal Pension Plan of British Columbia*

The Society and its employees contribute to the Municipal Pension Plan of British Columbia ("MPP"), a multi-employer defined benefit pension plan.

Employer contributions to the MPP of \$613,457 [2022 - \$577,369] were expensed during the year. Every three years an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. The most recent actuarial valuation for the plan at December 31, 2021 indicated the plan is fully funded. The plan covers approximately 405,000 active employees, of which approximately 97 are employees of the Society.

When the Society's application for membership in the MPP was approved in 2020, existing employees were given 90 days to decide whether or not they wanted to join the plan. Those who opted out of the MPP have provided a Waiver of Pension Coverage. After this period, enrolment for regular full time employees is mandatory after 3 months of continuous employment.

(b) Pension Plan for Employees of The Canadian Mental Health Association

A portion of the Society's employees, who originally opted out of enrolment with the MPP when the Society's application for membership in the MPP was approved, remain on the Pension Plan for Employees of The Canadian Mental Health Association. This plan is administered by a national board of trustees and is a defined contribution pension plan.

23. DEFERRED CONTRIBUTION - RESTRICTED DONATION

During the year, the Society received an estate bequest in the amount of \$479,816 [2022 - \$Nil]. The estate has restricted the donation to be spent on programs and services in Greater Victoria. For the year ending March 31, 2023, \$451,027 [2022 - \$Nil] of the restricted donation has been unspent and will be utilized in future periods.

Canadian Mental Health Association, BC Division

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

24. SUBSEQUENT EVENT

Subsequent to the year-end, the Society received from the Ministry of Mental Health and Addictions an amount of \$73,174,000 in grant funding for the expansion of the Substance Use Treatment and Recovery Beds program over the next four years (fiscal 2024 to 2027).

25. COMPARATIVE FIGURES

Certain 2022 comparative figure have been reclassified where necessary to conform to the current year's presentation.

