

Pathways Clubhouse Society of Richmond
Financial Statements
For the year ended March 31, 2020

Pathways Clubhouse Society of Richmond

Table of Contents

For the year ended March 31, 2020

	<i>Page</i>
Independent Auditor's Report	
Financial Statements	
Statement of Financial Position	1
Statement of Operations	2
Statement of Changes in Fund Balances.....	3
Statement of Cash Flows.....	4
Notes to the Financial Statements.....	5
Schedules	
Schedule 1 – Schedule of Expenses.....	11
Schedule 2 – Schedule of Statement of Changes in Replacement Reserve Fund.....	12
Schedule 3 – Schedule of Shelter Operations (Housing Fund).....	13



DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Pathways Clubhouse Society of Richmond:

Opinion

We have audited the financial statements of Pathways Clubhouse Society of Richmond (the "Society"), which comprise the statement of financial position as at March 31, 2020, and the statement of operations, changes in fund balances and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis of Qualified Opinion paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at March 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

Basis of Qualified Opinion

In common with many not-for-profit organizations, the Society derives a part of its revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Society, and we were not able to determine whether any adjustments might be necessary to revenues, excess of revenues over expenses, assets and net assets.

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 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.
- 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 Society Act of British Columbia, we report that, in our opinion, these principles have been applied on a basis consistent with that of the previous year.

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS
 Vancouver, BC

July, 2020

Pathways Clubhouse Society of Richmond

Statement of Financial Position

As at March 31, 2020

	Operating Fund \$	Capital Asset Fund \$	2020 \$	2019 \$
CURRENT ASSETS				
Cash	383,648	200	383,848	362,936
Accounts receivable	5,964	-	5,964	12,295
Short-term investments	182,782	93,000	275,782	208,975
Restricted cash	131,100	-	131,100	157,310
Prepaid expenses and deposits	103,901	-	103,901	99,611
	807,395	93,200	900,595	841,127
CAPITAL ASSETS (Note 3)	-	2,461,250	2,461,250	2,578,156
TOTAL ASSETS	807,395	2,554,450	3,361,845	3,419,283
CURRENT LIABILITIES				
Accounts payable and accrued liabilities	43,412	-	43,412	42,267
Deferred contributions (Note 4)	515,131	93,200	608,331	553,550
Security deposits	10,605	-	10,605	11,205
Current portion of long-term debt (Note 5)	-	133,898	133,898	132,710
	569,148	227,098	796,246	739,732
LONG-TERM DEBT (Note 5)	-	1,897,514	1,897,514	2,031,813
REPLACEMENT RESERVE (Note 6)	131,100	-	131,100	157,310
TOTAL LIABILITIES	700,248	2,124,612	2,824,860	2,928,855
FUND BALANCES (DEFICIENCY)				
Unrestricted	(74,160)	-	(74,160)	(104,512)
Surplus invested in capital assets	-	429,838	429,838	413,633
Internally restricted (Note 7)	181,307	-	181,307	181,307
TOTAL FUND BALANCES	107,147	429,838	536,985	490,428
TOTAL LIABILITIES AND FUND BALANCES	807,395	2,554,450	3,361,845	3,419,283
Commitments (Note 10)				

Approved by Board of Directors: _____

Pathways Clubhouse Society of Richmond
Statement of Operations
For the year ended March 31, 2020

	Operating Fund \$	Capital Asset Fund \$	2020 \$	2019 \$
Revenue:				
Provincial grants	1,778,245	-	1,778,245	1,727,250
BC Housing rental subsidies	141,739	-	141,739	153,364
Donations and fundraising	107,305	-	107,305	146,848
Tenant rent contributions	106,920	-	106,920	106,804
Lunch unit revenue	42,122	-	42,122	48,726
Municipal grants	35,027	-	35,027	35,027
Community grants	58,237	-	58,237	33,842
Other revenue	10,316	-	10,316	17,043
Administration fees	13,683	-	13,683	13,683
Interest income	5,230	-	5,230	13,073
Amortization of deferred contributions	24,657	-	24,657	-
	<u>2,323,481</u>	<u>-</u>	<u>2,323,481</u>	<u>2,295,660</u>
Expenses (Schedule 1)				
Labour (Note 8)	1,261,733	-	1,261,733	1,148,546
Services	247,015	-	247,015	270,536
Occupancy costs	378,380	-	378,380	358,282
Administrative	233,916	-	233,916	237,507
Replacement reserve expenses (Schedule 2)	53,011	-	53,011	14,159
Amortization	-	130,053	130,053	123,201
	<u>2,174,055</u>	<u>130,053</u>	<u>2,304,108</u>	<u>2,152,231</u>
Excess (deficiency) of revenue over expenses before other items	<u>149,426</u>	<u>(130,053)</u>	<u>19,373</u>	<u>143,429</u>
Other items				
Rent subsidy adjustments	974	-	974	-
BC Housing extraordinary expense subsidy	4,250	-	4,250	-
BC Housing extraordinary maintenance expense	(4,250)	-	(4,250)	-
	<u>974</u>	<u>-</u>	<u>974</u>	<u>-</u>
Excess (deficiency) of revenue over expenses	<u>150,400</u>	<u>(130,053)</u>	<u>20,347</u>	<u>143,429</u>

The accompanying notes are an integral part of these financial statements

Pathways Clubhouse Society of Richmond
Statement of Changes in Fund Balances

For the year ended March 31, 2020

	Operating Fund	Capital Asset Fund	2020	2019
	\$	\$	\$	\$
Fund balances, beginning of year	76,795	413,633	490,428	375,578
Adjustment to interfund receivable from prior period	-	-	-	(23,764)
Excess (deficiency) of revenue over expenses	150,400	(130,053)	20,347	143,429
	227,195	283,580	510,775	495,243
Replacement reserve	26,210	-	26,210	(4,815)
Mortgage principal repayments	(133,111)	133,111	-	-
Acquisition of capital assets	(13,147)	13,147	-	-
Fund balances, end of year	107,147	429,838	536,985	490,428

Pathways Clubhouse Society of Richmond
Statement of Cash Flows
For the year ended March 31, 2020

	2020	2019
Cash provided by (used for) the following activities	\$	\$
Operating		
Excess of revenue over expenses	20,347	143,429
Adjustment to interfund receivable from prior period	-	(23,764)
Amortization	130,053	123,201
	150,400	242,866
Changes in non-cash working capital accounts:		
Accounts receivable	6,331	13,133
Restricted cash	26,210	(4,815)
Prepaid expenses and deposits	(4,290)	(18,392)
Accounts payable and accrued liabilities	1,145	(22,412)
Deferred contributions	54,781	(7,539)
Government agencies payable	-	(3,293)
Security deposits	(600)	8
	233,977	199,556
Financing		
Repayment of long-term debt	(133,111)	(130,647)
Investing		
Purchase of short-term investments	(457,089)	(317,538)
Redemption of short-term investments	390,282	465,989
Acquisition of capital assets	(13,147)	(13,634)
	(79,954)	134,817
Increase in cash	20,912	203,726
Cash, beginning of year	362,936	159,210
Cash, end of year	383,848	362,936

The accompanying notes are an integral part of these financial statements

Pathways Clubhouse Society of Richmond

Notes to the Financial Statements

For the year ended March 31, 2020

1. Incorporation and nature of the organization

Pathways Clubhouse Society of Richmond (the "Society") was incorporated under the authority of the Society Act of British Columbia and is a registered charity and thus is exempt from income taxes under the Income Tax Act ("the Act").

The purpose of the Society is to improve the mental health of people who are living with mental illness in the City of Richmond. It administers a Clubhouse Model program which is accredited by Clubhouse International. The clubhouse program provides an opportunity for members to rebuild their lives through a supportive environment that focuses on each person's strengths and talents rather than their illness. Members are able to advance their education, gain employment, have a place to live, connect with their families, make new friends and create multiple successes. The Society also provides mental health public education to the local communities to increase the awareness and understanding of issues and concerns about mental illness and health.

2. Significant accounting policies

These financial statements have been prepared in accordance with the significant accounting policies set out below to comply with the operating agreement (the "Agreement") with BC Housing Management Commission ("BC Housing"). The Agreement stipulates the use of Canadian accounting standards for not-for-profit organizations as set out in Part III of the CPA Handbook - Accounting as issued by the Accounting Standards Board of Canada.

Fund accounting

The Society reports using fund accounting, and maintains the following funds: Operating Fund and Capital Asset Fund.

The Operating Fund reports the Society's revenues and expenses related to program delivery, housing, and administrative activities.

The Capital Asset Fund reports the Society's assets, liabilities, revenues and expenses related to the Society's capital assets.

Replacement reserve

In accordance with a funding agreement between the Society and BC Housing, a replacement reserve fund has been established. The replacement reserve is funded from the Society's operating budget through an annual charge and transfer to the reserve. The amount to be transferred is the amount set out in the agreement or another amount approved by BC Housing. The use of the funds is restricted for the replacement or repair of the Society's capital assets.

Revenue recognition

The Society uses the deferral method of accounting for contributions. Restricted contributions are recognized as revenue of the appropriate fund in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue in the Operating Fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Federal, provincial and municipal grants are recognized as revenue of the Operating Fund when they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Tenant rent contributions and BC Housing rental subsidies are recognized as revenues of the Operating Fund in accordance with the rental agreements.

Donations and fundraising revenues are recognized when received.

Interest income is recognized on the accrual basis.

All other income is recognized as revenue when it is received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Pathways Clubhouse Society of Richmond

Notes to the Financial Statements

For the year ended March 31, 2020

2. Significant accounting policies (Continued from previous page)

Contributed services

Volunteers contribute an indeterminate amount of hours per year to assist the Society in carrying out its service delivery activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less from the date of the balance sheet. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution if fair value can be reasonably determined.

Amortization is provided at rates intended to amortize the cost of assets over their estimated useful lives. On April 1, 2018, the Society changed the amortization method for amortizing the buildings and furniture funded by BC Housing from the rate equal to the annual principal reduction of the associated mortgages to straight-line over an estimated life of 40 years (since inception).

	Method	Rate/Term
Automotive	straight-line	5 years
Furniture and fixtures	declining balance	20%
Computer equipment	straight-line	5 years
Building – Granville	straight-line	50 years
Buildings – Alexandra Court and Swinton Court	straight-line	40 years

Measurement uncertainty (use of estimates)

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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess (deficiency) of revenues and expenses in the periods in which they become known.

Financial instruments

The Society recognizes its financial instruments when the Society becomes a party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management.

At initial recognition, the Society may irrevocably elect to subsequently measure any financial instrument at fair value. The Society has not made such an election during the year.

All financial assets and liabilities of the Society are subsequently measured at amortized cost, with the transaction costs and financing fees added to the carrying amount of the Society's financial instrument.

Pathways Clubhouse Society of Richmond

Notes to the Financial Statements

For the year ended March 31, 2020

2. Significant accounting policies *(Continued from previous page)*

Financial asset impairment

The Society assesses impairment of all of its financial assets measured at cost or amortized cost. When there is an indication of impairment, the Society determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year. If so, the Society reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets; and the amount expected to be realized by exercising any rights to collateral held against those assets. Any impairment, which is not considered temporary, is included in current year excess (deficiency) of revenues over expenses.

The Society reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in the excess (deficiency) of revenue over expenses in the year the reversal occurs.

3. Capital assets

	Cost	Accumulated Amortization	2020 Net Book Value	2019 Net Book Value
	\$	\$	\$	\$
Building and furniture - Alexandra Court	2,233,166	1,482,609	750,557	818,791
Building and furniture - Swinton Court	71,139	50,328	20,811	23,970
Building - Granville	1,696,887	84,844	1,612,043	1,648,677
Furniture and fixtures	256,026	203,446	52,580	63,502
Computer equipment	96,349	71,090	25,259	23,216
	<u>4,353,567</u>	<u>1,892,317</u>	<u>2,461,250</u>	<u>2,578,156</u>

4. Deferred contributions

Deferred contributions consist of unspent contributions externally restricted for the delivery of specified programs and unamortized amount of contributions used for the purchase of capital assets. Recognition of these amounts as revenue is deferred to periods when the specified expenses are made.

	Operating Fund	Capital Asset Fund	2020	2019
	\$	\$	\$	\$
Balance, beginning of year	460,338	93,212	553,550	561,089
Amount received during the year	532,041	-	532,041	847
Less: Amount recognized as revenue during the year	(477,248)	(12)	(477,260)	(8,386)
Balance, end of year	<u>515,131</u>	<u>93,200</u>	<u>608,331</u>	<u>553,550</u>

Pathways Clubhouse Society of Richmond

Notes to the Financial Statements

For the year ended March 31, 2020

5. Long-term debt

	2020	2019
	\$	\$
Mortgage repayable with Vancouver City Savings Credit Union in monthly instalments of \$6,843, including interest at 3.70% per annum maturing on April 11, 2043, secured by 3 rd and 4 th Floor - 8111 Granville Avenue, Richmond, BC, with a net book value of \$1,612,043.	1,336,368	1,368,766
Mortgage repayable with BC Housing in monthly instalments of \$8,944, including interest at 1.31% per annum maturing on October 10, 2020, secured by 24 one bedroom social housing units located at 8911 Westminster Highway, Richmond, BC, with a net book value of \$750,557.	693,182	790,737
Mortgage repayable with BC Housing in monthly instalments of \$266, including interest at 1.01% per annum, maturing on October 1, 2020, secured by Unit 46 - 10051 Swinton Crescent, Richmond, BC, with a net book value of \$20,811.	1,862	5,020
	2,031,412	2,164,523
Less: Current portion	133,898	132,710
	1,897,514	2,031,813

The estimated principal repayments for the next five years, assuming long-term debt subject to refinancing is renewed at similar interest rates and terms are as follows:

	\$
2021	133,898
2022	134,592
2023	137,208
2024	139,890
2025	142,641
Thereafter	1,343,183
	2,031,412

6. Replacement reserve

Under the terms of the agreement with BC Housing, the Replacement Reserve account was credited with an annual amount of \$19,008 during the year (2019: \$18,974). These funds, along with the accumulated interest, must be held in a separate bank account and/or invested in accounts or instruments insured by the Canada Deposit Insurance Corporation, in other investment instruments as agreed upon or as may otherwise be approved by BC Housing from time to time. The reserve funds may only be used as approved by BC Housing. Withdrawals for BC Housing authorized expenses are charged to interest first and then principal. In accordance with this agreement, the Society has fully funded the replacement reserves and all interest accruing to the funds has been recorded for the fiscal year ended March 31, 2020 and 2019.

The balance held in the replacement reserve is as follows:

	2020	2019
	\$	\$
Balance, beginning of year	157,310	152,495
Add: Replacement provision as per BC Housing Agreement	19,008	18,974
Add: BC Housing financial review adjustment	7,793	-
	184,111	171,469
Deduct: Expenses on repairs and replacements	53,011	14,159
Balance, end of year	131,100	157,310

Pathways Clubhouse Society of Richmond

Notes to the Financial Statements

For the year ended March 31, 2020

7. Internally restricted fund

The Society's Board of Directors has internally restricted certain of its fund balances. These internally restricted fund balances are not available for other purposes without the approval of the Board of Directors.

8. Employee compensation

During the year ended March 31, 2020, the Society paid total remuneration of \$100,180 (2019: \$97,000) to one of its employees.

9. Financial instruments

The Society, as part of its operations, carries a number of financial instruments. It is management's opinion that the Society is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the market interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as other price risk.

For the year ended March 31, 2020, the Society recognized interest income from its short-term investments in the amount of \$5,230 (2019: \$13,073). It is estimated interest income will change by \$2,758 per annum for every 1% change in the prevailing interest rates.

As described in Note 5, the Society entered into a fixed term mortgage with the Vancouver City Savings Credit Union at a fixed interest rate of 3.70% per annum with 60 months renewal term, due in 25 years. This mortgage interest rate is subject to change at the time of renewal due to factors such as the prevailing Canadian prime interest rate, general economic condition and lending environment. A higher interest rate may negatively affect the cash flows of the Society.

The interest rates on the mortgages with BC Housing were at preferential rates due to the charitable nature of the Society and the services that it provides. These interest rates do not represent rates that the Society would be able to obtain from commercial financial institutions.

Liquidity risk

Liquidity risk is the risk that the Society will encounter difficulty in meeting obligations associated with financial liabilities. The Society is exposed to this risk mainly in respect of its accounts payable and accrued liabilities, and long-term debt.

10. Commitments

The Society has an operating lease for office equipment. The annual minimum payments under this operating lease is as follows:

	\$
2021	4,660
2022	4,660
2023	3,495
	<u>12,815</u>

11. Economic dependence

The Society receives a major portion of its revenues (provincial grants) pursuant to a funding arrangement with Vancouver Coastal Health Authority. The Society's ability to continue its programs is dependent on its ability to maintain this funding arrangement or find other sources of private and/or government funding. As at the date of these financial statements, the Society believes that it is in compliance with the agreements, and funding will continue.

Pathways Clubhouse Society of Richmond

Notes to the Financial Statements

For the year ended March 31, 2020

12. Subsequent event

In March 2020, the World Health Organization declared COVID-19 outbreak a global pandemic. The subsequent shutdowns and restrictions put in place by the government has had a significant impact on businesses and not-for-profit organizations. At the time of the approval of these financial statements, the Society has taken the following activities in response to the COVID-19 pandemic:

- a) Cancellation of in-person events more than 50 people, and moving events to virtual/on-line using available software and equipment;
- b) Deployed work from home protocols for the Society's employees for those who are able to work remotely;
- c) Adopted a phased approach in reopening the facility and offering services by-appointment only;
- d) Implemented safety precautions recommended by the BC Provincial Health Authority, WorkSafe BC, City of Richmond and other governmental authorities.

The impact of the pandemic on the Society's financial situation and operations is not currently determinable. Management continues to monitor and assess the situation, and will take the necessary steps to mitigate or minimize the effects.

13. Comparative figures

Certain comparative figures have been reclassified to conform with current year presentation.

Schedule 1 - Schedule of Expenses

For the year ended March 31, 2020

	2020			2019		
	BC Housing			BC Housing		
	Programs	Funding	Total	Programs	Funding	Total
	\$	\$	\$	\$	\$	\$
Labour:						
Administration BCH	-	26,721	26,721	-	26,214	26,214
Salaries and benefits	1,235,012	-	1,235,012	1,122,332	-	1,122,332
	1,235,012	26,721	1,261,733	1,122,332	26,214	1,148,546
Services:						
Automobile	29,640	-	29,640	31,016	-	31,016
Housing units	102,592	-	102,592	114,823	-	114,823
Lunch unit	66,427	-	66,427	69,153	-	69,153
Member honorariums	30,771	-	30,771	29,643	-	29,643
Resource materials	249	-	249	421	-	421
Social activities	9,631	-	9,631	12,332	-	12,332
Special projects	7,705	-	7,705	13,148	-	13,148
	247,015	-	247,015	270,536	-	270,536
Occupancy cost:						
Insurance	2,065	16,278	18,343	8,028	7,786	15,814
Property taxes	-	1,611	1,611	-	1,428	1,428
Rent and occupancy costs	206,279	-	206,279	212,748	-	212,748
Repair and maintenance	43,535	43,881	87,416	9,674	50,487	60,161
Utilities	15,584	49,147	64,731	22,590	45,541	68,131
	267,463	110,917	378,380	253,040	105,242	358,282
Administrative:						
Advertising and promotion	7,532	-	7,532	5,849	-	5,849
Bank charges	8,452	-	8,452	3,306	-	3,306
Conferences	22,688	-	22,688	5,524	-	5,524
Due and subscriptions	10,587	787	11,374	5,347	-	5,347
Fundraising	29,100	-	29,100	32,194	-	32,194
Information and technology	35,156	-	35,156	34,314	-	34,314
Mortgage interest	49,717	9,813	59,530	50,884	11,110	61,994
Office and general	39,747	1,574	41,321	40,838	-	40,838
Professional fees	13,397	1,890	15,287	25,233	2,928	28,161
Professional development	3,476	-	3,476	19,980	-	19,980
	219,852	14,064	233,916	223,469	14,038	237,507
	1,969,342	151,702	2,121,044	1,869,377	145,494	2,014,871

Schedule 2 - Schedule of Statement of Changes in Replacement Reserve Fund

For the year ended March 31, 2020

	Alexandra Court \$	Swinton Crescent \$	2020 Total \$	2019 Total \$
Balance, beginning of year	154,279	3,031	157,310	152,495
Add:				
Replacement reserve provision transferred from operating fund	17,280	1,728	19,008	18,974
BC Housing financial review adjustment	6,239	1,554	7,793	-
Less:				
Funds used for asset replacement and repairs	(53,011)	-	(53,011)	(14,159)
Balance, end of year	124,787	6,313	131,100	157,310

Schedule 3 - Schedule of Shelter Operations (Housing Fund)

For the year ended March 31, 2020

	Alexandra Court \$	Swinton Crescent \$	2020 Total \$	2019 Total \$
Revenue				
Tenant rent contributions	100,308	6,612	106,920	106,804
BC Housing rental subsidies	133,896	7,843	141,739	153,364
Other	1,134	-	1,134	691
	<u>235,338</u>	<u>14,455</u>	<u>249,793</u>	<u>260,859</u>
Expenses				
Administration				
Office overhead	18,384	1,496	19,880	20,698
Due and subscriptions	688	99	787	-
Professional fees	1,654	236	1,890	2,928
Telephone	1,574	-	1,574	-
General maintenance	40,545	3,336	43,881	42,320
Insurance	16,153	125	16,278	7,786
Mortgage interest	9,774	39	9,813	11,110
Property taxes/licenses	-	1,611	1,611	1,428
Utilities				
Heating and electricity	23,811	-	23,811	21,657
Waste removal	3,880	279	4,159	3,412
Water and sewer	20,091	1,086	21,177	20,472
	<u>136,554</u>	<u>8,307</u>	<u>144,861</u>	<u>131,811</u>
Excess of revenue over expenses	<u>98,784</u>	<u>6,148</u>	<u>104,932</u>	<u>129,048</u>
Interfund transfers				
Mortgage principal repayments	(97,554)	(3,158)	(100,712)	(99,352)
Replacement reserve provision	(17,280)	(1,728)	(19,008)	(18,974)
Replacement reserve usage	53,011	-	53,011	14,159
	<u>(61,823)</u>	<u>(4,886)</u>	<u>(66,709)</u>	<u>(104,167)</u>
Excess of revenue over expenses before other adjustments	<u>36,961</u>	<u>1,262</u>	<u>38,223</u>	<u>24,881</u>
Rent subsidy adjustments				
Rent subsidy adjustments	2,492	(1,518)	974	-
BC Housing extraordinary expense reimbursement	4,250	-	4,250	-
BC Housing extraordinary expense	(4,250)	-	(4,250)	-
	<u>2,492</u>	<u>(1,518)</u>	<u>974</u>	<u>-</u>
Revenue surplus (deficit) for the year	<u>39,453</u>	<u>(256)</u>	<u>39,197</u>	<u>24,881</u>