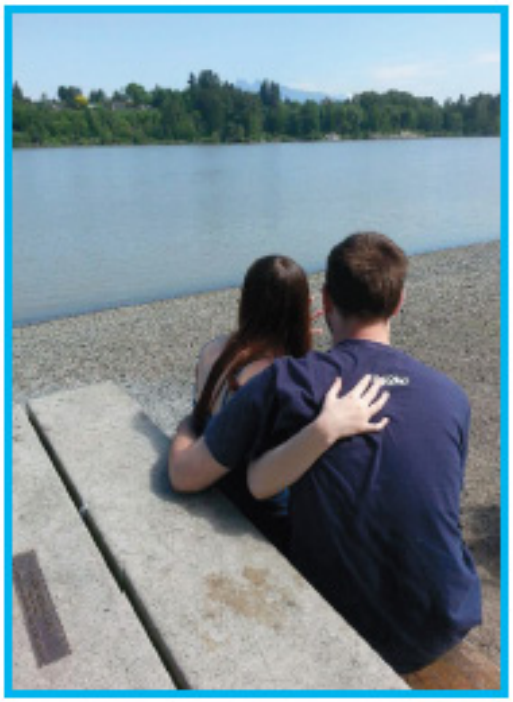
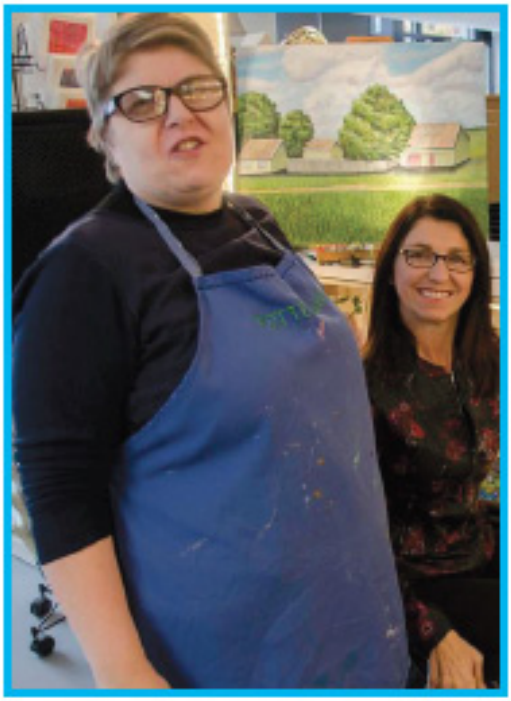
CLS | community living society





ANNUAL REPORT

2016 / 17

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Our Vision, Mission and Values

Vision

Communities where every person lives with dignity and enjoys a full life

Mission

Supporting people to live as full citizens

Values

Respect
Community
Integrity
Accountability

2016/17 Board of Directors

EXECUTIVE

Susan Powell
Chair

Dawn Palmer
Vice Chair

Tom Wong
Secretary-Treasurer

DIRECTORS

Ann Collette

Anna Fox

Arlene Schouten

Brian Salisbury

Brian Davies

Jerry Laidlaw

Shirley Moeller

Glen McKinnon

2016/17 Members of the Community Living Society

Angela Mei Chan
Bill Black
Bill Blaney
Dave Butler
Dr. Stephen Tredwell
Glen & Lynda Miller
Guy & Ann Collette
Harvey & Arlette Blondeau
Hugh McLellan
Jean Nakamura
Jo Dickey
Alice Duncan
Ann & Michael Crocker
Anna Fox
Arlene Schouten
Barry & Lucille Ayers
Boris Ziola
Brian Davies
Brian Salisbury
Clint Morrison
Dawn Palmer
Derek Stephen
Edith Cook
Elaine Asserlind
Elaine Benner
Glen McKinnon
Gordon & Irene Palmer
Grace Pearson
Jerry Laidlaw
Judy Fisher
Karen Cooper
Lucie McKiernan
Peter & Masako Stillwell
Ron Pyatt
Ross & Maureen Montgomery
Shane Thornton
Susan Howe
Sylvia Walterhouse
Tom Wong
Yutaka Takenaka
Jim Harris
Karen & Kenneth Auld
Joelle Lefaivre
Linda Parkinson
Luanne Bradshaw
Marilyn & Michael Krygier
Morgan Stewart
Nina Pickburn
Paul & Rosemaire Lith
Richard & Lois Woo
Sarah & Michael Kato
Shirley Moeller
Susan McKay
Susan Powell
Sylvia McRae
Tarah Stephen
Todd Stewart
Veronica Fox
Wayne & Cathy Liddle

Donors/Supporters
April 1, 2016 to March 31, 2017

The Community Living Society would like to thank the following individuals and organizations for their generous support this past year

Ann & Guy Collette
Ann Crocker
Cesare Maniago
Clint Morrison
Collette Parsons Laywers
David & Ming Woo
Daynk & Wollin Architects
Edith Cook
Elaine Asserlind
James MacInnes
Jim Harris
Joyce & Raymond Nadeau
Joyce Adams
Laureena Catalano
Linda King
Louis Campbell
Manning Elliott LLP
Marjorie Walters
Myrna Balbi
Nancy & Joseph Zuccolo
Norma & Barry Wong
Orrie Babiuk
Paula Boddie
Sandra Lockwood
Telus Community Affairs
The City of Burnaby
The City of Coquitlam
The City of New Westminster
The City of North Vancouver
The City of Surrey
The City of Vancouver
The District of North Vancouver
United Way
Wayne & Cathy Liddle
ZLC Foundation

REMEMBERING MEMBERS OF THE CLS COMMUNITY WHO WE LOST THIS PAST YEAR

James MacInnes
Katherine Ellingson
Babs Stewart
Shamim Mitha
Bernard (Bernie) Mills
Rita Geroux
Shannon Bromley
Isabelle Boley
Joanne Nagy
Verna Comerford

2017 Gala Celebration

Annually the CLS hosts a Gala honouring employees who have reached milestone years of employment, as well as recognizing employees/teams for outstanding achievement. This years Gala was on March 6th at the Delta Burnaby Hotel and Conference Centre. Everyone was entertained by inspirational speaker - David Roche, and moved by the story of our family speaker - Lisa Graham.

Congratulations to all award recipients and nominees.

Years of Employment Awards

5 Years

Hayley Albus
Maricel Orejudos
Vicky Pascoe
Anna Gao
Jody Dickerson
Dale Eady
Travis Goheen
Cindy Williams
Lily Marian
Matthew Cale
Danielle Holtjer
Brandie McDonald
Ron Torres
Robyn Holmes
Jacob Bridger

10 Years

Alicia Gillard
Jeff Shih
Noel Blanco
Marcia Scott
Nieves Acero
Comfort Coker
Stephen Bain

15 Years

Rachel Strobl
Dave Coughtry
Shammi Singh
Amy Saip
Parm Dhillon
Heather Goranson

20 Years

Tracy Washington
Caroline Marklund
Hassan Hussein
Dalibor Krnetic
Sue Daspe
Harsha Soni
Colin Cook
Marcela Herrera
Jean-Pierre Daspe

25 Years

David Wiegert
Evelyn Ambeault
Janice Del Valle
Teena Shaw
Doug Smith

35 Years

Isnardo Jovellanos

Achievement Awards

Woodlands Parents' Group Award

This is a perpetual award presented annually to someone who demonstrates a sincere motivation towards Vision, courage and Creativity in their approaches to support, and thinks consistently outside of the conventional mindset to get things achieved for an individual or group. The following employees were nominated by their peers:

- Curtis Galbraith
- June Sheck
- Connie Clark
- Ralph Artiza
- Bruce DeBruyn

This years' winner of the Woodlands Parents' Group Award was Curtis Galbraith

Community Inclusion and Integration Award

This is an award presented to someone who demonstrates determination, perserverance, passion and success in achieving a community inclusion and integration goal for an individual or group. The following employees were nominated by their peers:

- Graeme Weeks
- Amanda Johnson
- Jodi Leech
- Teena Shaw
- Curtis Galbratih
- June Sheck

This year's winner of the Community Inclusion and Integration Award was June Sheck

Team Award

This year we introduced an new Team Award. This is an award that recognizes a team in the CLS that deserves special recognition.

- A team that has gone above and beyond others to embrace and live the CLS values
- A team that has accomplished/achieved/reached a goal that has significantly enhanced and improved the quality of lives for individuals
- These accomplishm,ents / contributions support the CLS Mission, Vision and Values
- The impact of this team's contribution has enriched the supported individual(s), the CLS and the community
- A team that has demonstrated a true TEAM spirit

The following teams were nominated this year:

- Person Centred Active Supports (PCAS)
- Waterfront Opportunity Centre
- Surrey Access Centre
- PotteryWorks Studio

For the inaugural year of this award there was a tie. The PotteryWorks and Person Centred Active Supports teams shared this award.

2016 Summer Picnic

The CLS 5th Annual Summer Picnic was one of the best yet. On July 10th we took over Lower Hume Park for a day of food, fun, games, prizes and entertainment. The biggest attraction this year was the balloon artist !!!

A special thank you to all of our donors and volunteers who make this event a tremendous success.

On July 9, 2017 we will be hosting this event at the Scandinavian Community Centre. We are excited about this new venue and hope you can join us.

Thank you to the following donors

- NES the Door Express
- Shaw
- Bell
- Dandyk & Wollin Architects
- Langara Mechanical
- The Spaghetti Factory
- North Shore Pest Detectives
- Pointbreak
- Telus
- Save On Foods

Susan Powell

BOARD CHAIR

The 2016 year was an intense and productive year at CLS. CLS staff and the Board of Directors were busy with effecting plans and goals that focus on the strategic plan; and work towards our new Mission ***supporting people to live as full citizens.***

I want to remark about a few highlights from the year.

1. The CLS engaged in a **strategic planning process** that involved consultation with supported individuals, family members, staff, community stakeholders, and Board members. During this process we also revisited our Vision, Mission and Values to ensure they were in line with the strategic plan. On March 30, 2016 the CLS Board of Directors approved the 2016-2021 Strategic Plan. To increase access to the strategic plan a short, simplified version and a video version were created and posted on CLS's website.

2. The role of the Board of Directors is to govern by providing high-level direction for the CLS while the role of the management, led by the Chief Executive Officer, is to implement plans to optimize the services to the people supported by the CLS. As a board we meet regularly throughout the year and we have made a commitment to not only monitor the currently developed strategic plan, but to stay abreast with current ideas informing the community living sector and CLS in particular. So at every board meeting there is dedicated time given to **board development** followed by the business meeting. For example, CLS has heavily invested in employees being trained in Person Centered Active Supports. The board has also received materials and training presentations on this approach.

3. The Board of Directors not only meets regularly but **members participate on working committees** such as Aging with Dignity, Governance, Vocational Revitalization, etc. With the implementation of the Societies Act in November the Board of Directors recognized the need for a comprehensive review of the CLS Constitution and Bylaws. Under legal guidance from our lawyer, and through diligent analysis and discussion, a working group developed recommended revisions to be incorporated in a new set of bylaws. This work forms the materials that were sent to members and will be addressed in tonight's AGM.

4. CLS supports individuals in many municipalities across the Lower Mainland. As such we are very aware of the challenges related to **affordable housing**. **CLS created a new non-profit organization the Community Living Housing Society (CLHS); and partnered with the City of New Westminster to develop and build a 6-unit housing complex.** We look forward to breaking ground in the fall of 2017.

The 2017-18 year presents an exciting and continuing opportunity to enhance the services CLS provides to improve the quality of lives of supported individuals and to fulfill our mission ***supporting people to live as full citizens.***

On behalf of the Board of Directors I want to express our sincere appreciation for all the excellent work the staff at CLS do at all levels. I personally appreciate the energy, time, and expertise provided to the CLS by the volunteer Board of Director members.

This year we see the departure of Glen McKinnon who has served on the Board for a total of 23 years. He has actively been involved in recruiting new board members, and has participated on the Governance and Human Resources committees.

Susan Powell
Board Chair

EXECUTIVE SUMMARY

Ross Chilton
Chief Executive Officer

Supporting People to Live as Full Citizens

With the increased focus that the CLS Mission provides, we were able to make meaningful progress with our three strategic directions over the last year. Guided by our values of Respect, Integrity, Community and Accountability here are a few examples of what has been accomplished or is underway.

Advance Full Citizenship

With a commitment to supporting a high quality of life we invested heavily this year in providing our employees with the training, guidance, and coaching in Person Centred Active Supports (PCAS). This approach, brought to life by our employees and their families, has produced powerful and lasting changes to the lived experience of the people we support. Individuals are trying new things, engaging more meaningfully with others and life, making informed choices, and exercising their rights. The stories we have heard from families and our employees have been both emotional and inspiring. As Norm Kunc remarked “the PCAS training offers a beautiful balance in providing support workers with direction while encouraging them to use their discretion”. Individuals are blossoming and employees report feeling more engaged as their work takes on added meaning.

In partnership with the UBC Centre for Inclusion and Citizenship we were successful in securing a three year Vancouver Foundation Grant to undertake research on developmental disability and sexuality. The results of these investigations will lead to the creation of a theatre group that will perform Sex, Lies, and Citizenship in June of 2019 at the Anvil Centre theatre in New Westminster. The journey and the results will advance the rights of all individuals with disabilities. This project has already engaged the support of individuals and groups within and beyond our traditional allies.

Promote Organizational Responsiveness

To achieve success we need to ensure that our organizational structures and supports are optimally aligned with our goals. This year we have made significant progress with the revitalization of our vocational supports. We have individualized our support approaches and shifted our focus to more community embedded locations. The PotteryWorks studio was relaunched in a beautiful new location that has inspired our artists and employees to create even more beautiful works of art and to engage with the broader community. Next year we will have largely completed the transformation by focusing on our supports in the Surrey area.

Recognizing that the CLS organizational structure has not changed much over the last 20 years, despite our growth and the changed landscape, we engaged experienced consultants to undertake a review. As our support approaches evolve we need to ensure that we are organized to be nimble, responsive, and accountable. The consultants have connected with individuals we support, families, and employees. Once the review is complete we will determine our priority areas for adjustments and alignment.

This year we also strengthened our partnership with the Family Support Institute (FSI). In addition to Ross being on the Board of FSI, they now provide parent-to-parent and professional support to CLS families.

With accountability as one of our organizational values, we provided training to all Coordinators on Accountability Based Management. Gill and Ross met individually with every Coordinator to explore and understand how we can increase our accountability to the individuals we support.

Building Communities that Include Everyone

This year we spent significant energy working to build (literally) affordable, safe, and high quality community housing in New Westminster. This necessitated the creation of a new non-profit organization the Community Living Housing Society (CLHS) which can undertake projects aligned with the Mission of the CLS. While this project has not been without challenges it has been an excellent learning opportunity. The City of New Westminster has been an exceptional partner in this project and we look forward to breaking ground in the fall of 2017.

We have also been very active in our efforts to shape the issues provincially and federally to advance inclusion. Our involvement with the British Columbia Non-Profit Housing Association has elevated the dialogue on the need for inclusive and affordable housing for individuals with disabilities. We have also engaged in conversations at the Federal level on “My Home My Community” seeking to leverage the strength of various levels of government and the non-profit sector.

Appreciation

We are very grateful for the dedication and support of the CLS community including individuals we support, their extended families, our employees and partner organizations. I would like to express my appreciation for the volunteer Board of Directors who give freely of their precious time to help us advance our Mission. This year we see the departure of Glen McKinnon who has served on the Board for a total of 23 years. Glen has helped guide the organization through both good and bad times and has truly earned his retirement from this role.

While there will be many challenges ahead we are strong and wise and together we will not only survive, but truly thrive, as we build the future together. I look forward to working with all of you to be the best we can be as we create communities where every person lives with dignity and enjoys a full life.

HUMAN RESOURCES & OPERA

Gillian Rhodes
Chief Operating Officer

Transformational Shift

This past year has been extremely busy AND productive across all areas of operations and human resources and while challenging has brought significant articulated rewards to the lives of the folks that we support and to our CLS employees.

Person-Centred Active Support (PCAS)

Building on the initial soft launch of the active supports 'to the people' to the vocational centres and some pilot locations back in late 2015, this past year has seen the fine tuning and commencement of the staggered full implementation of active supports training to almost 500 employees, which will conclude in Spring 2017. This also included the alignment of all our internal practices to ensure this is fully supported. As Ross mentions, there has been great anticipation and excitement from individuals and employees across the CLS embracing this challenge and most importantly many, many examples of how this approach has fundamentally increased the quality of life for all CLS individuals.

Vocational Revitalization – Continuing to Reinvent Our Day Supports

This past year continued the transformation of our day services in Burnaby based on the recommendations coming from the Vocational Revitalization Committee. Through a very thorough planning and person – centered approach the individuals with day services at the BIC / CRC and their families, networks, employees, funders and other community partners were interviewed. This planning resulted in some very different support options for many of the individuals attending the BIC/CRC based on their desires and the move to smaller teams – which we will continue to review into the future. The process of implementation of these recommendations will continue in the same manner, as we conclude the transformation of all CLS day services in the coming year.

Relocating PotteryWorks and our Vocational Centres

In October 2016, the search for a new site for PotteryWorks culminated in the move from its previous home at the Community Resource Centre (CRC) in Burnaby to a new site on Victoria Street in New Westminster, allowing for coveted retail frontage as well as production space. This huge move has been a great success from the start, allowing PotteryWorks to develop business within the local community as well as broaden their reach and expand on many new opportunities.

Similarly, we saw the closure of site housing the Burnaby Initiatives Centre (BIC) and Community Resource Centre (CRC) and the move to four community embedded smaller team locations. While this transition has had some logistical challenges, the benefits of greater choice, respect, self-determination and control for the folk now integrated within these small teams continues to be realized.

Social Enterprise

We have continued to make great steps forward with our social entreprise initiatives. Throughout 2016, artists from PotteryWorks and Studio 73 have had many opportunities to showcase their work across Vancity branches, art shows and art crawls, conferences, markets, and a huge number of local community opportunities in Surrey, New Westminster and other locales. This has been enhanced by the growing use of their social media presence to 'spread the word'!

The Social Enterprise established in 2015 with two CLS supported individuals working with Value Village (collecting clothes) and Inclusion BC on the North Shore continues to thrive and is now considered one of the most successful operations. This learning opportunity has been extremely rewarding for the individuals involved. During 2016 there was opportunity for expansion and the establishment of a similar social enterprise in the Surrey area, which we are actively working on with two other CLS supported individuals in a similar fashion. They are currently in the process of positioning up to five clothing bins across Surrey and will be paid for the work they do which would come out of the proceeds of the sale to Value Village.

Enhanced Employee Training and Development

Human Resources have had an extremely busy year coupled with the transitioning of some newer members to cover maternity leaves within the team.

Some key areas of focus over the past year has been the continued implementation of the revised CLS Leadership Development program and specific performance review training, to more effectively meet future growing needs in an efficient and effective way. This has been very well received by all participants and all current leaders will have been fully trained by Spring 2017.

Additionally, our core CLS training was augmented with the development and implementation of a fourth day to the "Way of Thinking" training, specifically focusing on scenario-based approaches to support (including PCAS) for all new employees.

The Year Ahead

CARF Accreditation

Our three year CARF accreditation is scheduled for the end of 2017. The management team will actively be working with employees in all areas to ensure that we are 100% ready for this deadline.

A Continued Focus on Transitioning, Changing Demands and Alignment

We continue to see an increase in the number of our folk experiencing issues related to aging, and increasingly differing needs of new individuals joining the CLS, we need to proactively identify what the future needs will be and better plan for this in our processes, staffing and structural supports. This will include securing support for families and individuals to assist them with planning for their future. Organizationally as part of our strategic plan, we will continue to focus intentionally on planning for these emerging needs and ensuring alignment of active supports across the organization.

This coming year will see the continuation of the implementation of the CLS training strategy to enhance the skills of our workforce to meet the changing needs of the individuals we support, especially focusing on the piloting of some specific competency based training onto the new eLearning platform in Fall 2017.

FINANCE DEPARTMENT

Jeane Rogers
Chief Financial Officer

Finance Department – Annual Report – Fiscal 2016-2017
The Finance Department at CLS is responsible for the overall financial management of the organisation. Included in these responsibilities are: risk management, insurances, revenue and expense management, technology, maintenance of capital assets, and managing day to day business transactions. Residential Initiatives include maintenance of the fleet and properties, emergency preparedness, aging issues and accessibility.

Risk Management
A risk management plan is an essential element of strategic planning that identifies key threats, opportunities and mitigation strategies. The management of risk is necessary to protect persons-served, personnel, assets and goodwill. By managing potential threats, the CLS is in a strong position to deliver its objectives. By recognizing opportunities, CLS provides improved services and better value for money.

As part of the overall risk management of the organisation, several key areas are reviewed annually. These include computer systems, insurances and funding.

Emergency Preparedness
The overall emergency planning and readiness of CLS is being evaluated and an Emergency Management Plan is underway. This planning is in line with the CLS Strategic and Operational Plans. The overall plan is represented in the diagram below:

Step two, Preparedness was undertaken and completed in fiscal 2014-2015. This built on discussions with families and staff teams to determine risks specific to the CLS. Industry research was gathered from Federal and Provincial Emergency Management Programs. CLS is currently in step four, Response Plan.

Revenues and Expenses
Our ongoing objective is to use our financial resources optimally while avoiding a deficit. Our mandate is to be fiscally responsible and revenues are offset with operational expenses keeping the bottom line near breakeven.

Fiscal 2016-2017 resulted in 0.25% revenue to expense variance, or an operational deficit of ($69,449). This figure includes an increase of revenues from the prior year of 3.46% or $867,325. These revenues are for new services for new individuals, specifically in the Individualized Supports and Home Sharing areas and also for increased costs for employee wages and benefits.

Capital Assets

Fleet
Two vehicles were replaced in fiscal 2016-2017. CLS has in its fleet: 4 cars, 2 trucks, 17 vans, 11 wheelchair accessible vans and 1 commercial vehicle. A Fleet Management Plan is maintained to save on repairs, provide information required to make vehicle replacement decisions and monitor vehicle performance and safety. Each year the Emergency Roadside Assistance program is evaluated for cost effectiveness and staff satisfaction. The current provider continues to deliver good service for low cost. Vehicle service companies are evaluated semi-annually to ensure low cost, consistency and quality of service, convenience for staff and soundness in business practice (through the Better Business Bureau).

Residences/Facilities
CLS owns 34 homes, 22 apartments and 1 administration centre located throughout the lower mainland. CLS also maintains 1 rental home, 4 homes owned by BC Housing, and runs 8 Vocational facilities.

A Property Management Plan is maintained that outlines the care and maintenance of homes, apartments and facilities. The goal of the Property Management Plan is to ensure CLS has an organized, systematic and controlled approach to maintenance planning. The plan includes, but is not limited to, the following components: internal inspections, external inspections, roof management, energy efficiency, electrical inspections, emergency equipment inspections, fireplace inspections, gutter and drainage inspections, exterior house painting, furnace/hot water tank servicing, septic system servicing, plumbing inspections, long-term maintenance and contractor integrity.

Accessibility
Annually each location is reviewed with an eye to accessibility to determine if new barriers have been identified and to ensure previously identified barriers have been mitigated. Examples of improvement to physical accessibility during the year include installing ramps and railings and increasing the percentage of wheelchair accessible vehicles.

Reserves
CLS reserves funds to maintain homes and vehicles. Each year funds are set aside to ensure proper maintenance. The CLS continues its commitment to safe and excellent housing and vehicles through prudent use of its reserves.

Social Enterprise
This year a new social enterprise was begun in Surrey. This provides employment for two men who are collecting used clothing from donation bins and delivering the goods to Value Village who pay for the items by the pound. Last year a similar enterprise was begun in North Vancouver and continues to provide employment for two men there.

Aging with Dignity Committee
The Aging with Dignity Committee exists to develop a proposal to support individualized planning for people served in their senior years enabling them to age according to their wishes. The committee will also identify and work to implement support strategies to help people with age related interests and issues.

During the year ended 31 March 2017 the committee worked on the following initiatives:

- Developed a plain language resource to explain grief to those we support
- Completed and presented a presentation on aging
- Completed and rolled out the Aging Screening tool
    - This tool collects information on the experience of aging by those we support and identifies key issues and areas in which CLS can provide training and information to more fully support individuals and staff.
    - The tool also monitors changes experienced by each individual and supports planning.
- The Alzheimer's Society presented to 10 staff members with positive feedback
- The committee polled staff in 2016 in order to learn more about the challenges that they are facing and understand the kinds of training and resources that they feel would be most useful.
- Plain language circulars on topical information were distributed

Development Committee

The CLS secures and maintains homes for individuals to live in their communities. It is important that these homes provide stability, optimize independence, are respectful of the needs and preferences of individuals, and support good lives. The CLS is committed to ensuring that we engage in proactive planning to ensure these homes meet present and emerging needs in a cost effective manner.

The CLS also provides daytime community inclusion experiences for individuals out of day centres and in the community. The CLS is charged with aligning person-centred support approaches and facilities to achieve true community inclusion.

The CLS operates an administrative office which acts as the centre for agency-wide functions such as administration, operations, finance and human resources.

A Housing Inventory is maintained which provides the basis for short and long term asset strategy. Zoning and planning context are included as well as physical descriptions and financial statistics.

In the upcoming year the CLS will be working on an exciting opportunity to develop units of accessible and affordable housing in New Westminster.

Tom Wong

SECRETARY - TREASURER

Fiscal Year Ending 31 March 2017

The financial statements of the Community Living Society (CLS) for the year ended 31 March 2017 are on the following pages.

In summary:

- Total operational revenues have increased from $25,120,017 to $25,987,342, an increase of $867,325 or 3.46% over the prior year. This increase has come primarily from Community Living British Columbia (CLBC) and the Fraser Health Authority (FHA) for increased contracts for the support of new individuals and for increased costs for employee benefits.

- Total expenditures have increased from $25,040,126 to $26,054,664, an increase of $1,014,538 or 4.05% over the prior year. This increase is due to corresponding expenses for increased contracts.

- Total operational expenditures exceeded total operational revenues for the year resulting in a deficit of ($69,449) or 0.25% of total operational revenue.

- During the year, changes in capital assets are as follows:
  Two vehicles were replaced

CLS continues to pursue operational efficiencies and systems improvements for ongoing cost savings and to direct as much of our funding as possible to support individuals.

COMMUNITY LIVING BRITISH COLUMBIA

fraserhealth Better health. Best in health care.

BC HOUSING

CITY OF SURREY the future lives here.

NORTH VANCOUVER DISTRICT

City of Burnaby

the city of north vancouver

Coquitlam

CITY OF VANCOUVER

Community Living Society
Financial Statements

Year Ended March 31, 2017

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APEGBC

INDEPENDENT AUDITOR'S REPORT

DALE MATHESON CARR-HILTON LABONTE LLP
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INDEPENDENT AUDITOR'S REPORT

To the Members of Community Living Society

We have audited the accompanying non-consolidated financial statements of Community Living Society, which comprise the non-consolidated statement of financial position as at March 31, 2017 and the non-consolidated statements of revenues and expenditures, changes in net assets and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Non-consolidated Financial Statements

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

(continues)

PARTNERSHIP OF:
VANCOUVER Bradley G. Allen Inc. Robert J. Burkart, Inc. Kenneth P. Cheng Inc. Alvin F. Dale Ltd. Donald L. Furney, Ltd. David J. Goertz, Inc.
Matthew G. Gordon, Inc. Barry S. Hartley, Inc. Reginald J. LaBonte Ltd. Robert J. Matheson, Inc. Rakush I. Patel Inc. Lorraine W. Rinfret, Inc. Brad A. Robin Inc.
SURREY Michael K. Braun Inc. Peter J. Donaldson, Inc. Harjit S. Sandhu, Inc. TRI-CITIES Isomura Services Corp. Fraser G. Ross, Ltd. Brian A. Shaw Inc.

INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report to the Members of Community Living Society *(continued)*

Auditor's Responsibility

Our responsibility is to express an opinion on these non-consolidated 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 non-consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the non-consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the non-consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the non-consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the non-consolidated financial statements.

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

Opinion

In our opinion, the non-consolidated financial statements present fairly, in all material respects, the financial position of Community Living Society as at March 31, 2017 and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Report on Other Legal and Regulatory Requirements

As required by the Society Act of British Columbia, we report that in our opinion, the accounting policies applied in preparing and presenting the non-consolidated financial statements in accordance with Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding year.

DMCL

Port Coquitlam, BC
June 6, 2017

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

STATEMENT OF FINANCIAL POSITION

COMMUNITY LIVING SOCIETY
Non-Consolidated Statement of Financial Position
March 31, 2017

	2017	2016
ASSETS		
CURRENT		
Cash and cash equivalents	$ 53,948	$ 338,257
Accounts receivable	222,213	468,498
Prepaid expenses and deposits	222,702	67,956
Advances to related party *(Note 3)*	106,739	-
	605,602	874,711
PROPERTY AND EQUIPMENT *(Note 4)*	12,211,705	12,447,620
RESTRICTED CASH *(Note 5)*	1,145,906	1,134,117
	$ 13,963,213	$ 14,456,448
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities *(Note 6)*	$ 2,118,708	$ 1,994,112
Deferred revenue	74,559	216,451
Current portion of long term debt *(Note 8)*	397,765	380,377
	2,591,032	2,590,940
DEFERRED GRANTS *(Note 7)*	74,189	97,109
LONG-TERM DEBT *(Note 8)*	4,938,085	5,339,043
	7,603,306	8,027,092
NET ASSETS		
Operating reserve	(1,590,006)	(1,338,193)
Capital asset reserve	6,804,007	6,633,432
Replacement reserve	944,633	935,795
Designated donations reserve	201,273	198,322
	6,359,907	6,429,356
	$ 13,963,213	$ 14,456,448

ON BEHALF OF THE BOARD

Director

Director

See notes to financial statements
Dale Matheson Carr-Hilton LaBonte 3

STATEMENT OF REVENUES AND EXPENDITURES

COMMUNITY LIVING SOCIETY
Non-Consolidated Statement of Revenues and Expenditures
For the Year Ended March 31, 2017

	2017	2016
REVENUE		
Community Living British Columbia	**$ 23,799,907**	$ 22,942,327
Fraser Health Authority	**621,491**	630,036
Individual user fees	**1,265,086**	1,272,286
British Columbia Housing Management Corporation	**172,161**	171,268
Canada Mortgage and Housing Corporation	**5,214**	5,371
Interest income	**12,961**	16,379
Donations	**28,923**	24,096
Other income	**81,599**	58,254
	25,987,342	25,120,017
EXPENDITURES		
Administrative expenses	**1,988,609**	1,997,075
Residential programs	**16,290,016**	15,741,847
Vocational and other client services	**7,230,054**	6,750,460
Interest on mortgages	**171,291**	189,016
Amortization	**374,694**	361,728
	26,054,664	25,040,126
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES FROM OPERATIONS	**(67,322)**	79,891
OTHER INCOME		
Gain (loss) on disposal of property and equipment	**(2,127)**	2,341
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	**$ (69,449)**	$ 82,232

See notes to financial statements

STATEMENT OF CHANGES IN NET ASSETS

COMMUNITY LIVING SOCIETY

Non-Consolidated Statement of Changes in Net Assets

Year Ended March 31, 2017

	Operating Reserve	Capital Asset Reserve	Replacement Reserve	Designated Donations Reserve	Total 2017	Total 2016
BALANCE - BEGINNING OF YEAR	$ (1,338,193)	$ 6,633,432	$ 935,795	$ 198,322	**$ 6,429,356**	$ 6,347,124
Excess (deficiency) of revenue over expenditures	338,164	(353,901)	(56,663)	2,951	**(69,449)**	82,232
Mortgage principal repayments	(383,569)	383,569	-	-	-	-
Replacement reserve provision	(149,955)	-	149,955	-	-	-
Capital asset purchases funded	(56,453)	140,907	(84,454)	-	-	-
BALANCE - END OF YEAR	$ (1,590,006)	$ 6,804,007	$ 944,633	$ 201,273	**$ 6,359,907**	$ 6,429,356
Invested in capital assets	$ -	6,804,007	$ -	$ -	**$ 6,804,007**	$ 6,633,432
Externally restricted	-	-	114,557	201,273	**315,830**	$ 340,057
Internally restricted	-	-	830,076	-	**830,076**	$ 794,060
Unrestricted	(1,590,006)	-	-	-	**(1,590,006)**	$ (1,338,193)
	$ (1,590,006)	$ 6,804,007	$ 944,633	$ 201,273	**$ 6,359,907**	$ 6,429,356

See notes to financial statements

STATEMENT OF CASH FLOW

COMMUNITY LIVING SOCIETY
Non-Consolidated Statement of Cash Flow
Year Ended March 31, 2017

	2017	2016
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenditures	$ (69,449)	$ 82,232
Items not affecting cash:		
Amortization	374,694	361,728
Amortization of deferred grants	(22,920)	(22,920)
Loss (gain) on disposal of property and equipment	2,127	(2,341)
	284,452	418,699
Changes in non-cash working capital:		
Accounts receivable	246,285	282,074
Accounts payable and accrued liabilities	124,596	(589,893)
Deferred revenue	(141,892)	153,608
Prepaid expenses and deposits	(154,746)	(13,553)
	74,243	(167,764)
Cash flow from operating activities	358,695	250,935
INVESTING ACTIVITIES		
Property and equipment additions	(140,907)	(252,339)
Proceeds on disposal of property and equipment	-	2,341
Cash flow used by investing activities	(140,907)	(249,998)
FINANCING ACTIVITIES		
Principal repayment of long-term debt	(383,569)	(369,981)
Advances to related parties	(106,739)	-
Cash flow used by financing activities	(490,308)	(369,981)
DECREASE IN CASH FLOW	(272,520)	(369,044)
Cash - beginning of year	1,472,374	1,841,418
CASH - END OF YEAR	$ 1,199,854	$ 1,472,374
CASH CONSISTS OF:		
Cash and cash equivalents	$ 53,948	$ 338,257
Restricted cash	1,145,906	1,134,117
	$ 1,199,854	$ 1,472,374

See notes to financial statements

COMMUNITY LIVING SOCIETY
Notes to Non-Consolidated Financial Statements
Year Ended March 31, 2017

1. PURPOSE OF THE SOCIETY

Community Living Society (The Society) is incorporated under the laws of the Society Act of British Columbia as a not-for-profit organization. The Community Living Society works collaboratively to offer personalized, flexible home and community opportunities, respecting the uniqueness of the person with a disability, their families and networks. The Society is required to file for transition to the new Societies Act (British Columbia) by November 28, 2018.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Society conforms to Canadian Accounting Standards for Not-For-Profit Organizations (ASNFPO). The most significant of these policies are as follows:

Cash and Cash Equivalents

The Society classifies cash, redeemable investments and short-term investments with original maturities of less than or equal to three months as cash and cash equivalents.

Funding

The Society follows the deferral method of accounting for contributions. Restricted funding is included in the the statement of operations in the year in which the corresponding expenditures are incurred. Unrestricted funding is recognized as revenue when received or receivable when the amount can be reasonably estimated and collection is reasonably assured.

Operating Reserve

This reserve accounts for the direct, supervisory and monitoring costs of the residential and day service programs. In addition, this reserve accounts for the administrative activities of the Society, which include support services for residential community living, day programs and ongoing office functions.

Capital Asset Reserve

This reserve accounts for the property and equipment, related liabilities and the amortization of the Society's property and equipment and deferred grants.

Replacement Reserve

This reserve account contains both internally and externally reserve amounts for the ongoing repair and maintenance of residential properties and the replacement of vehicles. The annual externally restricted reserve amounts to be set aside are determined by guidelines set forth by the Canada Mortgage and Housing Corporation and the British Columbia Housing Management Commission. The annual internally restricted reserve amounts to be set aside are determined by the Society's management and approved by the Board.

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

Designated Donations Reserve

This externally restricted reserve accounts for designated donations received by the Society and any specific trust funds held.

Revenue Recognition

Unrestricted contributions are recognized as revenue of the appropriate fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted contributions are recognized as revenue of the appropriate fund in the year in which the related expenses are incurred. Donation contributions are recognized as direct increases in the fund account to which the donation related. Investment income is recognized as revenue of the appropriate fund in the year in which the revenue is earned.

Use of Estimates

The preparation of financial statements in conformity with ASNFPO requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Amortization

Amortization is provided for using the straight-line method over the estimated useful lives as follows for the major classes of assets:

Land	non-amortizable
Residential properties	30 years
Office building	30 years
Computer equipment	3 years
Office furniture and equipment	5 - 10 years
Vehicles	8 years
Leasehold improvements	term of lease

The Society's policy is to amortize only capital assets that are in use.

Financial Instruments Policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost and tested for impairment at each reporting date. Transaction costs and financial fees associated with financial instruments carried at amortized cost are recorded as adjustments to the initial fair value recognized and amortized over the life of the financial instrument or shorter, dependent upon the expected period of cash flow. The financial instruments that are at amortized cost for the Society are accounts receivable and long-term debt.

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COMMUNITY LIVING SOCIETY
Notes to Non-Consolidated Financial Statements
Year Ended March 31, 2017

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

Controlled Organizations

The Society has chosen not to consolidate the organizations it controls but to instead disclose information about the resources of the controlled organizations.

Tax Status

The Society is a non-for-profit organization as described in paragraph 149(1)(l) of the Income Tax Act which allows the Society to be tax exempt as they exclusively provide social welfare services. No income earned by the Society can be available for the benefit of its members.

3. COMMUNITY LIVING HOUSING SOCIETY

The Society and Community Living Housing Society (CLHS) share common objectives and management towards the operation of the Society. CLHS was formed in 2016 under the Societies Act of British Columbia. The purpose of CLHS is to relieve conditions associated with disability by constructing, maintaining, owning, leasing and operating specially adapted residentiall accommodations for adults with disabilities. Two members of CLHS's Board of Directors are also directors of the Society.

At the discretion of the Society's directors, the Society can transfer unrestricted operating surpluses to CLHS. In the current year, the Society advanced $106,739 (2016 - nil) to CLHS. Advances are non-interest bearing with no set repayment terms.

CLHS has not been consolidated in the Society's financial statements. Financial statements of CLHS are available on request. A financial summary of CLHS at March 31, 2017 for the year then ended is as follows:

	2017	2016
Total assets	$ 102,641	$ -
Total liabilities	108,739	-
Total net assets	(6,098)	-
	102,641	-
	$ -	$ -

	2017	2016
Expenses	$ (6,098)	$ -

4. PROPERTY AND EQUIPMENT

	Cost	Accumulated amortization	**2017 Net book value**	2016 Net book value
Land	$ 7,922,481	$ -	**$ 7,922,480**	$ 7,922,480
Residential properties	6,135,219	3,557,684	**2,577,535**	2,757,212
Office building	1,318,786	113,562	**1,205,224**	1,249,183
Computer equipment	235,147	179,166	**55,981**	74,523
Office furniture and equipment	249,657	94,450	**155,207**	174,018
Vehicles	1,287,326	1,045,147	**242,179**	196,237
Leasehold improvements	169,368	116,269	**53,099**	73,967
	$ 17,317,984	$ 5,106,278	**$ 12,211,705**	$ 12,447,620

The following assets included above are held under capital lease :

	Cost	Accumulated amortization	**2017 Net book value**	2016 Net book value
Office furniture and equipment	$ 71,929	$ 37,191	**$ 34,738**	$ 49,134

5. RESTRICTED CASH

Restricted cash represents the cash held for specific purpose reserves as follows:

	2017	2016
Replacement reserve	**$ 944,633**	$ 935,795
Designated donations reserve	**201,273**	198,322
	$ 1,145,906	$ 1,134,117

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities include government remittances (other than income taxes) such as federal and provincial sales taxes, payroll taxes, health taxes, and workers' safety insurance premiums. The following were payable at year end:

	2017	2016
Accrued vacation	**$ 1,249,097**	$ 1,119,251
Accounts payable and accrued liabilities-payroll	**581,729**	585,487
Accounts payable and accrued liabilities-general	**203,704**	185,707
Work Safe BC	**84,178**	103,667
	$ 2,118,708	$ 1,994,112

COMMUNITY LIVING SOCIETY
Notes to Non-Consolidated Financial Statements
Year Ended March 31, 2017

7. DEFERRED GRANTS

Funding for the acquisition of property and equipment may be obtained in the form of grants and donations. The funds received since April 1, 1996 have been recorded as deferred grants and are being amortized over the remaining life of the assets.

	2017	2016
Balance, beginning of year	$ 97,109	$ 120,029
Less: Amortization	(22,920)	(22,920)
Balance, end of year	$ 74,189	$ 97,109

8. LONG TERM DEBT

	2017	2016
Mortgages payable - see details below	$ 5,299,387	$ 5,669,052
Capital lease bearing interest at 4.79% per annum, repayable in quarterly blended payments of $4,017.57. The lease matures on August 31, 2019 and is secured by the leased office equipment.	36,463	50,368
	5,335,850	5,719,420
Amounts payable within one year	(397,765)	(380,377)
	$ 4,938,085	$ 5,339,043

The mortgages payable amount includes twenty-six mortgages which bear interest ranging from 0.93% to 4.55% per annum and mature between July 2017 and May 2025. Monthly payments total $45,295 including principal and interest.

The Society received government subsidies which, in effect, reduced the interest rate on certain mortgages by a rate of 2% per annum over the amortization period of the mortgage. During the year the Society received subsidies of $5,214 (2016 - $5,371) from Canada Mortgage and Housing Corporation and $1,274 (2016 - $1,274) from British Columbia Housing Management Commission.

The mortgages are secured by a fixed charge on the specific land and building to which they relate. The carrying value of the land and buildings pledged as collateral is $9,379,557. The following principal repayment schedule is based on the Society refinancing its mortgages at their maturity with debts having similar terms and conditions.

The Society has met its financial covenants of tangible net worth to be greater than $2,000,000 at all times, tangible net worth means assets less liabilities. The Society has not met its financial covenants of debt service coverage of 1.0 times. Debt service coverage means earnings before interest, taxes and amortization, divided by the current portion of long term debt and interest

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8. LONG TERM DEBT *(continued)*

expense.

Principal repayment terms are approximately:

2018	$ 397,765
2019	400,552
2020	1,813,885
2021	716,519
2022	1,089,936
Thereafter	917,193
	$ 5,335,850

9. MANAGEMENT REMUNERATION

During the year ended March 31, 2017, the Society paid a total of $1,047,083 for its ten most highly remunerated employees and persons under contract for services.

10. FINANCIAL INSTRUMENTS

Unless otherwise noted, it is management's opinion that the Society is not exposed to significant currency or credit risks arising from its financial instruments. The fair value of its financial instruments approximate their carrying values, unless otherwise noted.

The Society is however subject to interest rate risk as they have twenty-six mortgages which bear interest ranging from 0.93% to 4.55%. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

11. LEASE COMMITMENTS

The Society leases premises for residential and vocational purposes under long-term leases that expire between July 31, 2017 and September 30, 2022. The Society is also responsible to provide for utilities, property taxes, maintenance costs and common area costs. The Society also leases equipment under long-term leases that expire on September 30, 2019. Future minimum lease payments as at year-end are as follows:

2018	$ 168,203
2019	155,169
2020	109,100
2021	30,056
2022	13,302
	$ 475,830

12. ECONOMIC DEPENDENCE

The Society receives approximately 92% (2016 - 91%) of its revenue from Community Living British Columbia.

13. PENSION LIABILITY

Community Living Society and its employees contribute to the Municipal Pension Plan (the plan), a jointly trusted pension plan. The board of trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and administration of benefits. The pension plan is a multi-employer contributory pension plan. Basic pension benefits are defined. The plan has more than 309,000 active, inactive and retired members.

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 valuation as at December 31, 2015 indicated the plan had an unfunded liability for basic pension benefits of approximately $2.224 billion. The actuary does not attribute portions of the unfunded liability to individual employers. Community Living Society paid $1,238,330 (2016 - $1,202,096) for employer contributions to the plan in fiscal 2017.

14. CONTINGENT LIABILITY

Certain of the Society's properties are subject to charges, as per the Human Resources Facilities Act, whereby the facility may only be used for human resources purposes. If the properties are disposed of or not used for these purposes, the greater of $184,500 or a proportion of the fair value of the land based on the amount of the grant and fair value of land at project completion date is repayable to the province of British Columbia.

15. COMPARATIVE FIGURES

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