

CREATIVE CENTRE SOCIETY FOR MENTAL WELLNESS



ANNUAL GENERAL REPORT 2024 - 2025

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CREATIVE CENTRE SOCIETY

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June 24th 2025

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2025-2026 Board of Director's Nominations

Special Resolutions

CREATIVE CENTRE SOCIETY FOR MENTAL WELLNESS
ANNUAL GENERAL MEETING
June 24th 2025

AGENDA

4:30 p.m.

Welcome

- Executive Director and Staff
- Board of Directors
- Members of the Society

Review Minutes of the 2024 AGM

- Acceptance

Finance Report

- Auditor's Report – Amir Masood
- Appointment of Auditor for 2025-2026

Reports

- President – Brian Grootendorst
- Executive Director– Jennifer Ridgeway
- Comptroller – Harvey Knotts
- Nominations – Jim Callaghan

New Business Arising

- Special Resolutions

BOARD MEMBERS

2024-2025

Jim Callaghan	Secretary
Brian Grootendorst	President
Jeannette Poulin	Vice- President
Lia Bishop	Director
Steve Kendzierski	Treasurer

CREATIVE CENTRE SOCIETY FOR MENTAL WELLNESS
ZOOM ANNUAL GENERAL MEETING

June 25th 2024

MINUTES

*Board of Directors: Brian Grootendorst, Jeanette Poulin, Steven Kendzierski,
Lia Bishop, Jim Callaghan
Executive Director- Jennifer Ridgeway*

Call AGM to Order: Brian Grootendorst 4:31 pm

Welcome

The AGM began with President Brian Grootendorst welcoming all attendees participating in this afternoon's video meeting via Zoom.

- **Executive Director and Staff**
- **Board of Directors**
- **Members of the Society**

Review Minutes of June 27th AGM, 2023

Motion to Accept. Moved Lia Seconded Jeanette Carried

Agatha Cluff and Amir Masood, auditors, were introduced next and invited to proceed with the written Independent Practitioner's Review Engagement Report provided below in its entirety.

Finance Report

Auditor's Report – Agatha Cluff and Amir Masood

•INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

We have reviewed the accompanying financial statements of Creative Centre Society that comprise the statement of financial position as at March 31, 2024 and the 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 Financial Statements

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

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of Creative Centre Society as at March 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with the Canadian accounting standards for not-for-profit organizations.

Other Matter

The financial statements of Creative Centre Society for the year ended March 31, 2023 were reviewed by another practitioner who expressed an unmodified conclusion on those financial statements on June 8, 2023.

Langley, British Columbia

June 11, 2024

Following a presentation of the Review Engagement Report, Amir Masood and Agatha Cluff noted and highlighted a few areas of the Society's Financial Position as of March 31, 2024.

• Statements of Financial Position as of March 31, 2024

Assets Current	\$
Cash	632,393.00
Restricted Cash term deposits	92,779.00
Accounts Receivable	401.00
Recoverable Sales Taxes	21,961.00
Prepaid Expenses	28,908.00
Total	776,442.00

	\$
Capital Assets	1,287,097.000
Intangible Assets	21,186.00
Total	2,084,725.00
• Revenues and Expenditures as of March 31, 2024	
Revenues	1,735,784.00
Expenses	1,598,322.00
Excess Revenue Over Expenses (Operations)	137,462.00
Other Income Expenses	123,108.00
• Net Assets As of March 31, 2024	
	\$
Replacement Reserve (Nelson Place)	92,483.00
Invested Capital	1,023,422.00
Unrestricted	221,071.00
Total	1,336,976.00
Nelson Place Operations as of March 31, 2024	\$
Revenue	108,859.00
Expenses	107,457.00
Excess of revenue over expenses	1,402.00

Motion to Accept Auditor's Report/Financial Statements Review
Moved Steve Seconded Brian Carried

• Appointment of Auditor for 2024-2025
Motion to appoint Amir Mahood as Auditor for 2024-2025
Moved Jim Seconded Steve Carried

Reports

• President-Brian Grootendorst
It was another year of uncertainty dealing with the restoration of Abby House and dealing with the insurance company regarding that claim. Through these past few years of uncertainty and improvisation, Jennifer and our staff have continued to provide excellent service to the communities which we serve. The board commends them for those amazing efforts. Abby House restorations should be complete close to the time that this AGM is held. We have a more condensed board this year but i believe I can speak for the board when I say that we are looking forward to closing out the Abby House restoration and moving on to new projects thank you everyone for attending this year's AGM!

• ***Executive Director-Jennifer Ridgeway***

We are all so blessed to be part of this wonderful organization which continues to do such great work! During this last year staff provided service to 253 people through our clubhouse programs. We worked with 82 Young Adults. The ACLS staff provided community support to a case load of 158 clients. The BC Housing Rent Supplement was distributed to 22 people. 121 of the ACLS clients were given a Semi-Independent Living Subsidy financial benefit as an incentive for them to participate in their own wellness. 25 people were able to receive a monthly stipend for being part of the Therapeutic Volunteer Program. Thanks to our permanent and affordable housing, we provided 35 mental health clients with a safe and stable home.

With the help of grants and additional funding, we have made Abby House accessible by adding a handicap washroom, widening doorways and a building a wheelchair ramp. Grants also enabled us to develop a new website, and add air conditioning to Cheamview.

My hope is that we secure additional funding opportunities to grow and expand our services over the next 5 years.

Renovations of Abby House are near completion. We can all look forward to an in- person AGM next year!

• ***Comptroller-Harvey Knotts (Squire and Company Business Advisors Inc.)***

The Society's financial statements were prepared by Squire and Company. Agatha Cluff Inc. Chartered Professional Accountants performed a review on the financial statements as well as an audit on the accompanying schedules of Supplementary Financial Information.

The refurbishment of Abby House has continued. The insurance proceeds were not sufficient to cover the work required resulting in the society dipping into cash reserves. This explains the significant drop in cash year on year. Costs of renovations as at the year end were \$608,160, while the insurance proceeds only covered \$269,784, resulting in a shortfall of \$338,376.

However, funding has been obtained for upgrades to the property such as the wheelchair access and bathroom improvements.

Funding for programs has also increased as the costs of delivery have risen such as wages, utilities, travel and repairs and maintenance. Provincial grants have risen from \$1,374,727 to \$1,567,733 to help with these costs.

At the end of the year cash balances have decreased substantially by \$432,875 but the society's financial position remains strong as cash reserves exceed current liabilities.

Net assets have increased significantly, due to the surpluses mentioned above, as the Society continues to meet its financial obligations. The debt load has been reduced by \$37,544 in accordance with repayment terms.

Finally we would like to thank Robbie Madden, for her assistance and hard work in maintaining the accounting records. Without her contribution our task would be very difficult. She continues to be an invaluable resource of the management team.

- *Two further notes: the comptroller pointed out that the Society had to pay money back in 2023 and is showing a surplus of \$14,196 in the rent supplement program at year end 2024. A refund of surplus to the rent supplemental program was returned showing \$8,352. The actual amount returned to the rent supplemental program for fiscal year end March 31, 2024 is \$5,844.00.*
- *New accounting standard is coming into effect by 2026 involving some new rules for reviews. It will have an impact on revenue recognition for restricted funds and other funding sources. Not 100% clear on the total impact as it hasn't come into effect yet, but there will be changes to recognize and prepare for.*

- ***Personnel-Jennifer Ridgeway***

Creative Centre Society is contracted by Fraser Health to provide Rehab programs and services in 2 clubhouses. The contract budget includes funding for 6 full time staff Clubhouse staff. Fraser Health also contracts us to provide Assisted Community Living Support (ACLS) services. The budget for ACLS contract includes funding for 5 full time and 2 part time ACLS staff.

Administrative staff currently include the Executive Director, a part time Bookkeeper and a Grant Writer/Funding Development Officer.

Having not had an organization wide event since before the Covid 19 pandemic, the Executive Director awarded the staff with "Christmas in July" as an Employee Appreciation Day. All staff gathered on 2 other occasions to have in person meetings around a campfire and barbeque by the river.

Employee satisfaction is high and there is very little turn over. This past year 1 ACLS staff went on Long Term Disability. The temporary position is filled. Recently, 2 staff went on short term medical leave. As they are anticipated to return relatively quickly, the vacancies have not been posted.

- ***Housing-Jennifer Ridgeway***

The Village

In 2023-2024, 27 mental health clients were provided safe and affordable housing at the Village. The Village was built by BC Housing in 2011 as part of the governments 3rd phase initiative to end homelessness by increasing the availability of affordable housing throughout the province. The building operations and maintenance are the responsibility of Community Service as they have the Operating Agreement with BC Housing. Creative Centre Society and Chillwack Community Services are partners in the project, bound by a Joint Venture Agreement. Creative Centre Society is the landlord of the 22 units on the 3rd and 4th floors. All tenants Creative Centre Society selects are homeless or at risk of homelessness, live with a severe and persistent mental illness, have experience living independently and are currently and actively connected with mental health services.

Chilliwack Community Services manages 11 Youth in Transition Program units on the 2nd floor. The Village has on site staff 24 hours a day to provide support to the tenants. Of the 22 units we are responsible for, tenancy turns over in an average of 3 units each year.

Nelson Place

Creative Centre Society owns Nelson Place, an 8-unit apartment building in Abbotsford. This building provides affordable housing to mental health clients. As there is no funding for staff to be on site, tenants must be able to live independently without requiring regular support or interventions. Vacancies are infrequent but sadly this past year 2 of our long-term tenants passed away. We completed major renovations on both units prior to the new tenants moving in. Our Society currently has an Operating Agreement with BC Housing for Nelson Place. The agreement provides funding for operational and maintenance costs. This Agreement is due to expire in 2025. After this time, the only revenue our Society will receive to manage the property will come exclusively from rent income.

• Programs and Services-Jennifer Ridgeway

Jennifer reminded us that a review of Creative Centre Society For Mental Wellness programs and services for 2023-2024 has been made available to the Board and all membership. The descriptions and activities of the following programs and services may be accessed in the Annual General Report for 2023-2024 attached to the AGM invitation distributed by email on June 18th, 2024. The programs and services reports highlighted are:

- ASSISTED COMMUNITY LIVING SUPPORT (ACLS) p.36*
- SEMI INDEPENDENT LIVING SUBSIDY PROGRAM (SIL) p. 37*
- BC HOUSING RENT SUPPLEMENT PROGRAM (BCH) p. 38*
- THERAPEUTIC VOLUNTEER PROGRAM (TVP) p.39*
- YOUNG ADULTS PROGRAM (YA) p. 40*
- CLUB HOUSE REPORTS-ABBY HOUSE & CHEAMVIEW (leisure/recreation, basic living, pre-employment/employment readiness, etcetera) p.41-45*

Motion to accept reports

Moved Jeanette

Seconded Lia

Carried

• **Nominations-Jim Callaghan**

The following members have allowed their names to stand for nomination as Directors for the Creative Centre Society For Mental Wellness “Board” serving until the next Annual General Meeting in June 2025.

*Jim Callaghan- Secretary
Jeanette Poulin- Vice President
Brian Grootendorst- President
Steven Kęndzierski - Treasurer
Lia Bishop- Director*

Jim asked three times if there are any further nominations from those assembled. Hearing none, nominees as identified, are acclaimed as the “Board” for Creative Centre Society in 2024-25.

The Board reserves the right to appoint additional directors to satisfy any additional needs yet to be determined.

Motion to Accept Nominations

Moved Brian Seconded Steve Carried

• **New Business**

Participants who are not directors were excused from participating in a board discussion about fencing for Abby House as a culmination to property restoration prior to occupancy.

\$50,000 in funds are available from the Quality Safety and Improvement Grant.

Executive Director Jennifer will take board questions about city fencing bylaws, height, best cut-proof fencing materials, warranty, timeline, as well as a firm quote, and get answers to these from contractor, Terry Gray, of Foremost Fencing. Jennifer will gather information and inform the board prior to proceeding further.

AGM Adjourned 5:20 pm

Next Creative Centre Society Board Meeting is Tuesday, September 24th, 4:30 pm.

**Respectfully submitted,
Jim Callaghan
Secretary,
Creative Centre Society for Mental Wellness
June 27, 2024**

CREATIVE CENTRE SOCIETY
Financial Statements
Year Ended March 31, 2025

(Unaudited)

CREATIVE CENTRE SOCIETY
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Year Ended March 31, 2025
(Unaudited)

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Creative Centre Society

We have reviewed the accompanying financial statements of Creative Centre Society (the organization) that comprise the statement of financial position as at March 31, 2025, and the 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 Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO), 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of Creative Centre Society as at March 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

Surrey, British Columbia


June 6, 2025

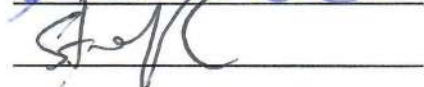
Chartered Professional Accountants

CREATIVE CENTRE SOCIETY
Statement of Financial Position
March 31, 2025

	2025	2024
ASSETS		
CURRENT		
Cash	\$ 485,762	\$ 632,393
Restricted cash and term deposits (Note 3)	100,573	92,779
Accounts receivable	59,163	401
Sales taxes recoverable	11,811	21,961
Prepaid expenses	26,450	28,908
	683,759	776,442
PROPERTY, PLANT AND EQUIPMENT (Note 4)	1,526,257	1,287,097
INTANGIBLE ASSETS (Net of accumulated amortization)	16,877	21,186
	\$ 2,226,893	\$ 2,084,725
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 47,919	\$ 81,735
Unused rent subsidies	606	606
Current portion of long term debt (Note 5)	12,637	33,780
Wages and benefits payable	112,021	128,859
Deferred income (Note 6)	287,902	251,688
	461,085	496,668
LONG TERM DEBT (Note 5)	74,427	87,067
DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS (Note 7)	261,175	164,014
	796,687	747,749
NET ASSETS		
Replacement reserve	100,573	92,483
Invested in capital	1,194,896	1,023,422
Unrestricted	134,737	221,071
	1,430,206	1,336,976
	\$ 2,226,893	\$ 2,084,725

ON BEHALF OF THE BOARD


 _____ Director


 _____ Director (Treasurer)

See notes to financial statements

CREATIVE CENTRE SOCIETY
Statement of Revenues and Expenditures
Year Ended March 31, 2025

	2025	2024
REVENUES		
Provincial program contracts	\$ 1,574,781	\$ 1,557,733
Provincial rent subsidies	63,650	69,386
Provincial gaming grant	14,933	11,714
Tenant rent contributions	47,495	43,889
Program fees and revenue	9,990	12,222
Other grants and contracts	26,091	28,325
Fundraising, interest and other	3,238	1,157
Donations and memberships	-	10
Amortization of deferred contributions related to property plant and equipment	14,839	11,348
	<u>1,755,017</u>	<u>1,735,784</u>
EXPENSES		
Advertising and promotion	1,251	3,253
Amortization	24,576	26,392
Amortization of intangible assets	4,309	359
Employee benefits, administration	2,324	559
Employee benefits, programs	199,301	188,115
Employee benefits, excluded	21,282	20,390
Employee wages, administration	45,222	39,718
Employee wages, programs	771,397	728,540
Employee wages, excluded	96,224	86,067
Interest on long term debt	1,893	2,155
General and administrative	31,190	16,436
Occupancy costs	102,034	147,580
Program materials and expenses	73,875	66,512
Rent subsidies	212,855	209,286
Telephone	15,138	11,638
Travel	55,234	51,322
	<u>1,658,105</u>	<u>1,598,322</u>
EXCESS OF REVENUES OVER EXPENSES FROM OPERATIONS	<u>96,912</u>	<u>137,462</u>
OTHER INCOME (EXPENSES)		
Refund of surplus funding	(3,682)	4,929
Nelson Place renovations	-	(19,283)
	<u>(3,682)</u>	<u>(14,354)</u>
EXCESS OF REVENUES OVER EXPENSES	<u>\$ 93,230</u>	<u>\$ 123,108</u>

See notes to financial statements

CREATIVE CENTRE SOCIETY
Statement of Changes in Net Assets
For the Year Ended March 31, 2025

	Replacement reserve	Invested in capital	Unrestricted	2025	2024
NET ASSETS - BEGINNING OF YEAR	\$ 92,483	\$ 1,023,422	\$ 221,071	\$ 1,336,976	\$ 1,213,868
Excess of revenue over expenses	882	-	92,348	93,230	123,108
Net investment in assets	-	171,474	(171,474)	-	-
Transfer	7,208	-	(7,208)	-	-
NET ASSETS - END OF YEAR	\$ 100,573	\$ 1,194,896	\$ 134,737	\$ 1,430,206	\$ 1,336,976

See notes to financial statements

CREATIVE CENTRE SOCIETY
Statement of Cash Flow
For the Year Ended March 31, 2025
(Unaudited)

	2025	2024
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 93,230	\$ 123,108
Items not affecting cash:		
Amortization of property, plant and equipment	24,576	26,392
Amortization of intangible assets	4,309	359
Amortization of deferred contributions related to capital assets	<u>(14,839)</u>	<u>(11,348)</u>
	<u>107,276</u>	<u>138,511</u>
Changes in non-cash working capital:		
Accounts receivable	(58,762)	18,843
Accounts payable	(33,816)	(46,017)
Deferred income	36,214	(147,500)
Prepaid expenses	2,458	(2,639)
Tax rebates receivable	10,150	(12,615)
Wages payable	<u>(16,838)</u>	<u>(7,187)</u>
	<u>(60,594)</u>	<u>(197,115)</u>
Cash flow from (used by) operating activities	<u>46,682</u>	<u>(58,604)</u>
INVESTING ACTIVITIES		
Purchase of property, plant and equipment, net	(263,736)	(435,138)
Purchase of intangible assets	-	(21,545)
Decrease (increase) in term deposits	(7,794)	(16,064)
Increase in deferred contributions related to capital assets	<u>112,000</u>	<u>119,957</u>
Cash flow used by investing activities	<u>(159,530)</u>	<u>(352,790)</u>
FINANCING ACTIVITY		
Repayment of long term debt	<u>(33,783)</u>	<u>(37,545)</u>
DECREASE IN CASH FLOW	(146,631)	(448,939)
Cash - beginning of year	<u>632,393</u>	<u>1,081,332</u>
CASH - END OF YEAR	\$ 485,762	\$ 632,393

See notes to financial statements

CREATIVE CENTRE SOCIETY
Notes to Financial Statements
For the Year Ended March 31, 2025

1. DESCRIPTION OF BUSINESS

Creative Centre Society for Mental Wellness is a non-profit organization incorporated under the Society Act of British Columbia and operates as Creative Centre Society. It is a regional organization operating programs aimed at helping mentally disordered persons integrate into the community and develop an increased feeling of self-worth.

Programs include:

- providing psychosocial rehabilitation programs for personal life, education, pre-employment and leisure;
- helping increase a person's ability to manage their personal life activities through the provision of rehabilitation, education, training and support;
- providing participants with individualized mental health support;
- providing permanent affordable housing to mental health clients who are homeless or at risk of homelessness;
- providing money to a limited number of mental health clients in the communities we serve - Hope, Agassiz, Mission, Chilliwack, and Abbotsford - to supplement income to go towards their monthly rent.

The Society is a registered charity and, as such, is exempt from income tax and may issue income tax receipts to donors.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

These financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO). Canadian accounting standards for not-for-profit organizations are part of Canadian GAAP.

Property, plant and equipment

Property, plant and equipment is stated at cost or deemed cost less accumulated amortization. Contributed assets are recorded at fair value at the date of contribution. Property, plant and equipment is amortized over its estimated useful life on a declining balance basis at the following rates and methods:

Buildings - club houses	5%	diminishing balance method
Buildings - apartment	4%	diminishing balance method
Furniture and equipment	20%	diminishing balance method
Automobiles	30%	diminishing balance method

(continues)

CREATIVE CENTRE SOCIETY
Notes to Financial Statements
For the Year Ended March 31, 2025

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

Revenue recognition

The society follows the deferral method of accounting for contributions.

Contributions are recorded as revenue when received or receivable except when the contributor has specified that they are intended for a specific use or for use in a future period, in which case they are deferred and recognized in the period the related expenditures are incurred.

Deferred capital contributions are amortized to revenue on a basis consistent with the amortization of the capital assets acquired.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that could affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Significant areas requiring the use of management estimates relate to the determination of useful lives of capital assets for calculating amortization and the determination of accrued sick pay payable, which is recorded based upon 50% of the employees' entitlement of their regular pay in the event of illness or injury to a maximum of 156 days each as per the B.C. Government and Service Employees Union collective agreement. Actual results could differ from those estimates.

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 on the acquisition, sale, or issue of financial instruments are expensed when incurred.

CREATIVE CENTRE SOCIETY
Notes to Financial Statements
For the Year Ended March 31, 2025

3. RESTRICTED CASH AND SHORT TERM INVESTMENT

	2025	2024
Nelson Place, reserve account	\$ 78,343	\$ 71,431
Restricted investment	22,230	21,348
	\$ 100,573	\$ 92,779

The restricted investment is a fully redeemable short-term Canadian Money Market Fund investment held with Phillips, Hager & North under the Affordable Housing Investment Program and experiences an average annualised return of 4.1% (2024 - 4.8%). This investment, together with the restricted cash, is restricted to the Capital Replacement Reserve Fund as required under the terms of the contract with the BC Housing Management Commission, and may only be used as approved by the Commission. As at March 31, 2025, the Capital Replacement Reserve Fund is \$100,573 (2024 - \$92,483). Funds to cover any additional outstanding amounts are transferred annually subsequent to the year end.

4. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2025 Net book value	2024 Net book value
Land	\$ 433,415	\$ -	\$ 433,415	\$ 433,415
Buildings	1,483,747	522,656	961,091	720,732
Equipment	239,047	114,666	124,381	122,422
Motor vehicles	167,008	159,638	7,370	10,528
	\$ 2,323,217	\$ 796,960	\$ 1,526,257	\$ 1,287,097

CREATIVE CENTRE SOCIETY
Notes to Financial Statements
For the Year Ended March 31, 2025

5. LONG TERM DEBT

	2025	2024
Canadian Mortgage and Housing Corporation loan bearing interest at 0.68% per annum, repayable in monthly blended payments of \$2,565. The loan matures on July 1, 2025 and is secured by Abbotsford apartments which has a carrying value of \$464,423 (2024 - \$472,359).	\$ 10,252	\$ 40,846
MCAP Financial Corporation loan bearing interest at 2.2% per annum, repayable in monthly blended payments of \$339. The loan matures on October 1, 2026 and is secured by Abbotsford property which has a carrying value of \$620,570 (2024 - \$482,277).	76,812	79,157
RBC Automotive Finance loan bearing interest at 6.987% per annum, repayable in monthly blended payments of \$427. The loan matured on May 15, 2024 and was secured by Nissan NV 3500 Van which had a carrying value of \$6,858 (2024 - \$9,798).	-	844
	87,064	120,847
Amounts payable within one year	(12,637)	(33,780)
	\$ 74,427	\$ 87,067

Principal repayment terms are approximately:

2026		\$ 12,637
2027		74,427
		\$ 87,064

6. DEFERRED INCOME

Deferred income represents unspent funds held at March 31, 2025 as follows:

	2025	2024
Fraser Health Authority	\$ 287,902	\$ 244,133
Gaming	-	6,233
United way	-	1,322
	\$ 287,902	\$ 251,688

CREATIVE CENTRE SOCIETY
Notes to Financial Statements
For the Year Ended March 31, 2025

7. DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS

Deferred contributions related to capital assets represent the unamortized amount of donations and grants received for the purchase of depreciable capital assets.

	2025	2024
Balance, beginning of year	\$ 164,014	\$ 55,405
Additional funding	112,000	119,957
Amounts amortized to revenue	(14,839)	(11,348)
Balance, end of year	\$ 261,175	\$ 164,014

8. EMPLOYEE FUTURE BENEFIT PLANS

The Society and its employees contribute to the Municipal Pension Plan (the Plan), a jointly trustee pension plan. The Plan's Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of assets and administration of benefits.

The Plan is a multi-employer contributory pension plan. Basic pension benefits are based on a formula. The Plan has about 217,000 active members, and approximately 118,000 retired members. Active members include approximately 12 contributors from the Society.

The most recent actuarial valuation as at December 31, 2021, indicates that the required basic funding rate is equal to the current rate of salaries and no contribution increase is required. The plan has a surplus of assets over future liabilities of \$3.76 billion.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate, with the result that there is no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the Plan.

The Society paid \$71,072 for employer contributions to the Plan in fiscal 2025 (2024 - \$67,349).

CREATIVE CENTRE SOCIETY
Notes to Financial Statements
For the Year Ended March 31, 2025

9. FINANCIAL INSTRUMENTS

The Society is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Society's risk exposure and concentration as of March 31, 2025.

(a) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Society is exposed to this risk mainly in respect of its receipt of funds from its funding providers and other related sources, long-term debt, obligations under capital leases, contributions to the pension plan, and accounts payable.

(b) 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 interest rates. In seeking to minimize the risks from interest rate fluctuations, the Society manages exposure through its normal operating and financing activities. The Society is exposed to interest rate risk primarily through its floating interest rate bank indebtedness and credit facilities.

10. ECONOMIC DEPENDENCE

The Society receives substantially all of its funding from contracts with the Fraser Health Authority, a division of the Ministry of Health of the Province of British Columbia, and is economically dependent on these contracts, which are renewed annually.

The Society's employees comprise a bargaining unit and are part of the B.C. Government and Service Employees' Union. The Society is a member of the Health Employers Association of British Columbia which negotiates all contracts with employees.

11. MANAGEMENT COMPENSATION

As required by the BC Society Act effective November 28, 2016; we report that management compensation was \$106,984 (2024 - \$100,305).

Supplementary Financial Information: Summary of Operations - 2024-2025 Contracts
(Schedule 1)

For the Year Ended March 31, 2025

	Transfer from 2024	Contract revenue	Defer to 2026	Net revenue	Direct service	Admin & Occupancy costs	Return of surplus	Surplus (deficit)
Fraser Health Programs								
Community Rehabilitation Program - Clubhouse	\$ -	\$ 657,736	\$ -	\$ 657,736	\$ (565,965)	\$ (91,509)	\$ -	\$ (262)
Assisted Community Living Support	-	672,650	-	672,650	(585,464)	(68,879)	-	18,307
Supported Independent Living Rent Subsidy	-	186,997	-	186,997	(179,879)	(7,248)	-	(130)
Rent Supplement Program	606	36,000	(606)	36,000	(32,976)	(1,374)	(1,650)	-
Janitorial and Moving Program	-	15,383	-	15,383	(11,334)	(1,483)	(2,566)	-
Therapeutic Volunteer Program	-	6,015	-	6,015	(5,573)	(547)	105	-
Total Fraser Health Programs	\$ 606	\$ 1,574,781	\$ (606)	\$ 1,574,781	\$ (1,381,191)	\$ (171,040)	\$ (4,111)	\$ 17,915

CREATIVE CENTRE SOCIETY
Supplementary Financial Information: Community Rehabilitation Program - Clubhouse
(Schedule 2)
Year Ended March 31, 2025
(Unaudited)

	2025	2024
REVENUES		
	\$ 657,736	\$ 693,100
DIRECT SERVICE COSTS		
Salaries and wages	348,603	353,562
Employee benefits	91,532	98,614
Excluded staff	76,719	76,719
Program supplies	18,757	20,000
Travel	6,158	7,000
Telephone	4,618	6,216
Other (vehicle operating)	19,578	13,066
	565,965	575,177
Administration costs	49,073	58,666
Occupancy costs	42,436	42,436
	657,474	676,279
(DEFICIENCY) EXCESS OF REVENUES OVER EXPENSES	\$ 262	\$ 16,821

CREATIVE CENTRE SOCIETY
Supplementary Financial Information: Assisted Community Living Support Program
(Schedule 3)
Year Ended March 31, 2025
(Unaudited)

	2025	2024
REVENUES		
	\$ 672,650	\$ 618,341
DIRECT SERVICE COSTS		
Salaries and wages	412,123	355,678
Employee benefits	85,893	94,578
Excluded staff	31,883	29,738
Program supplies	17,831	9,736
Travel	29,498	31,256
Telephone	5,939	5,422
Other	2,011	4,874
Surplus returned	286	-
	585,464	531,282
Administration costs	59,615	53,059
Occupancy costs	9,264	8,249
	654,343	592,590
(DEFICIENCY) EXCESS OF REVENUES OVER EXPENSES	\$ 18,307	\$ 25,751

CREATIVE CENTRE SOCIETY
AUDITORS' REPORT ON SUPPLEMENTARY FINANCIAL INFORMATION
Year Ended March 31, 2025

To the Members of Creative Centre Society

Report on the Supplementary Financial Information

Opinion

We have audited the accompanying Schedules of Supplementary Financial Information for Nelson Place, a segment of Creative Centre Society, for the year ended March 31, 2025. These schedules have been prepared by Management based on financial reporting provisions established by the British Columbia Housing Management Commission.

In our opinion, the accompanying schedules present fairly, in all material respects, the financial position of the Society as at March 31, 2025, and the results of its operations 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 Information* 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 those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for my opinion.

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

Management is responsible for the preparation and fair presentation of the financial information 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 information that are free from material misstatement, whether due to fraud or error.

In preparing the financial information, management is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters relating 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 Information

Our objectives are to obtain reasonable assurance about whether the financial information 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 my opinion. The risk of

(continues)

CREATIVE CENTRE SOCIETY
AUDITORS' REPORT ON SUPPLEMENTARY FINANCIAL INFORMATION *(continued)*
Year Ended March 31, 2025

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 auditors 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 information, and whether the financial information represents 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.

Langley, British Columbia
June 06, 2025

CHARTERED PROFESSIONAL ACCOUNTANTS

CREATIVE CENTRE SOCIETY
Supplementary Financial Information: Statement of Operations - Nelson Place

Year ended March 31, 2025

(Unaudited)

	<u>2025</u>	<u>2024</u>
Revenue		
BCHMC cost-shared subsidies	\$ 63,650	\$ 62,510
Tenant rent contribution	47,495	43,889
Interest and other	715	2,460
	111,860	108,859
Expenses		
Maintenance (Non-recurring)	-	24,526
Provision for replacement reserve	6,912	6,912
Utilities (Cable)	373	373
Utilities (Gas & electricity)	4,102	3,630
Utilities; Nelson Place (Water & sewer)	2,375	3,123
Amortization	9,771	9,719
Insurance	10,239	9,822
Mortgage interest	1,893	2,155
Utilities (Waste Removal)	17,435	14,372
Property Taxes	1,370	1,662
Non-controllable expenses	54,470	76,294
Administration charges (Salaries)	13,775	12,500
Maintenance (Miscellaneous Grounds)	6,522	5,552
Maintenance (Interior Bldg)	6,307	6,699
Maintenance (Service contracts)	2,253	3,539
Audit	5,500	2,563
Office supplies (General administration)	1,577	134
Memberships, Dues & Fees	181	176
Controllable expenses	36,115	31,163
	90,585	107,457
Excess of revenue over expenses for the year	21,275	1,402
Mortgage principal payments	(32,939)	(34,828)
Fiscal 2022 surplus returned	-	(3,423)
Net funding (deficit), end of year	\$ (11,664)	\$ (36,849)

Note 1. BCHMC cost-shared subsidies received included \$32,939 (2024 - \$34,828) to cover principal mortgage payments.

CREATIVE CENTRE SOCIETY
Supplementary Financial Information: Replacement Reserve - Nelson Place

Year Ended March 31, 2025

(Unaudited)

	<u>2025</u>	<u>2024</u>
Revenue		
Provision for replacement reserve	\$ 6,912	\$ 6,912
Interest	882	999
	<u>7,794</u>	<u>7,911</u>
 Expenses		
Excess of revenue over expenses for the year	7,794	7,911
Replacement reserve, beginning of year	92,483	76,497
Cash deposits	296	8,075
	<u>100,573</u>	<u>92,483</u>
Replacement reserve, end of year	<u>\$ 100,573</u>	<u>\$ 92,483</u>
 Represented by:		
Restricted cash	\$ 78,343	\$ 71,431
Restricted short-term investment	22,230	21,348
Accounts payable and accrued liabilities	-	\$ (296)
	<u>\$ 100,573</u>	<u>\$ 92,483</u>

President's Report – 2025 Annual General Meeting

Dear Members,

It is my pleasure to present the President's Report for this year's Annual General Meeting.

This past year has been a time of continued progress and steady leadership for our society. I would like to begin by recognizing and thanking our Executive Director, whose outstanding leadership and unwavering commitment have been instrumental in advancing our mission. Their support to both the society and its employees has ensured that we remain resilient, focused, and effective in our work.

A highlight of the year has been the ongoing restoration of Abby House. This important project is a cornerstone of our shared vision, and we are looking forward to its completion with great anticipation. Once restored, Abby House will stand as a symbol of our dedication to assisting those living with persistent and limiting mental illness.

We are also pleased to be expanding our leadership team. The addition of a new board member reflects our commitment to strong governance and diverse perspectives as we look ahead to the future.

As we move forward, we do so with gratitude for all those who contribute to our work—our staff, volunteers, members, and supporters. Together, we are building on a strong foundation and shaping a future we can all be proud of.

Thank you for your continued support.

Sincerely,
Brian Grootendorst
President

Executive Director's Report

June 2025

This is a summary of our impact over the last year:

We provided mental health rehab and recovery service to 245 people through our clubhouse programs.

We worked with 93 Young Adults.

The ACLS staff provided one-on-one community support to a case load of 217 clients.

The BC Housing Rent Supplement was distributed to 25 people.

138 of the ACLS clients were given a Semi-Independent Living Subsidy financial benefit as an incentive for them to participate in their own wellness.

32 people were able to receive a monthly stipend for being part of the Therapeutic Volunteer Program.

Thanks to our permanent and affordable housing, we provided 32 mental health clients with a safe and stable home. Our Joint Venture with Chilliwack Community Services in the management of The Village continues successfully. With the commitment of amending our by-laws, BC Housing has agreed to extend our Operator's Agreement for Nelson Place for another 2 years to 2027.

There were some changes in staff. 3 long term employees retired over the last year and 2 others went on medical leave. 11 jobs were posted. There were a few challenges in turnover of new hires and multiple various lateral movement of internal staff. Finally (thankfully) staff are settled in their new assignments and we found 4 new people with exceptional education and experience who are a perfect addition to our talented and dedicated front-line team! Effective this year, our renewed contracts from Fraser Health reflect an increase in operating hours. Staff now work 8:30 am to 4:30 pm with an unpaid 30-minute meal break (as opposed to 9 am to 4 pm with a paid rest period). This change is a benefit to all stakeholders.

Jennifer Ridgeway,
Executive Director

Comptroller's Report

For the Year Ended March 31, 2025

The Society's financial statements were prepared by Squire and Company. Aterna Advisors Inc. Chartered Professional Accountants performed a review on the financial statements as well as an audit on the accompanying schedules of Supplementary Financial Information.

This year a further \$250,000 was spent on the final stages of refurbishing Abby House. Of this \$112,000 was funded by two Fraser Health Quality and Safety Improvement Grants. The remaining \$138,000 has been funded through operating surplus and cash reserves accounting for most of the drop in cash year on year. The completion of the refurbishment is imminent, with the main remaining stumbling block being approval of occupancy permits.

Funding for programs has increased only slightly with Provincial grants rising from \$1,557,733 to \$1,574,781. While the costs of delivery such as wages, security for Abby House, utilities, travel and repairs and maintenance continue to rise, the impact of these increases has been offset by reducing administrative costs.

Although the society had an excess of revenues over expenses, all of the excess plus cash reserves was used to finance the final stages of the restoration of Abby house. As a result, net assets have increased from \$1,336,976 to \$1,430,206. The society's financial position remains strong as cash reserves exceed current liabilities and can continue to meet its financial obligations. The debt load has been reduced by \$33,783 in accordance with repayment terms.

Finally, we would once again like to thank Robbie Madden, for her dedication and hard work in maintaining the accounting records. Her contribution makes our job significantly easier. She is an invaluable resource of the management team.

Squire and Company Business Advisors Inc

Board of Director's Nominations 2025-2026

Jim Callaghan

Jeannette Poulin

Brian Grootendorst

Steven Kendzierski

Lia Bishop

Cara Mason

New Directors may be added throughout the year with the approval of Board.

SPECIAL RESOLUTIONS

To vote on the following special resolutions

WHEREAS:

A. BC Housing requires certain changes to be made to the bylaws of Creative Centre Society for Mental Wellness (the “Society”) pursuant to its policies and for the Society to continue to be eligible for funding from BC Housing; and

B. The Societies Act requires a special resolution of the members of the Society to amend the Society’s bylaws, and it is considered to be in the best interest of the Society to do so;

BE IT RESOLVED BY SPECIAL RESOLUTION THAT:

1. The existing bylaws of the Society as filed with the Registrar of Companies on July 21, 2017 be cancelled and the form of bylaws presented to the members at the annual general meeting on June 24, 2025 be adopted as the bylaws of the Society in substitution for, and to the exclusion of the existing bylaws of the Society to be effective as of the date of filing with the Registrar of Companies; and

2. Any one of directors of the Society and the Executive Director of the Society is authorized to take all such actions and execute and deliver all such documentation that are necessary or desirable for the implementation of this resolution, the filing of the amended bylaws, and the subsequent reporting to BC Housing.