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FINANCIAL STATEMENTS

COMMUNITY ACTION INITIATIVE SOCIETY OF BC

March 31, 2025

Limited Liability Partnership _____



Tompkins Wozny
Chartered Professional Accountants

INDEPENDENT AUDITORS' REPORT

To the Members of
Community Action Initiative Society of BC

Opinion

We have audited the financial statements of Community Action Initiative Society of BC (the Society), which comprise the statement of financial position as at March 31, 2025, and the statements of operations, changes in restricted funds and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at March 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

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

In preparing the financial statements, management is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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



INDEPENDENT AUDITORS' REPORT (CONT'D)

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

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

Report on Other Legal and Regulatory Requirements

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

Tompkins Wozny LLP

Vancouver, Canada
September 18, 2025

Chartered Professional Accountants



Community Action Initiative Society of BC

STATEMENT OF FINANCIAL POSITION

As at March 31

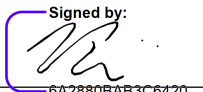
	2025										2024
	General Fund	Support Recovery Funding	Youth Wellness Grants	Community Action Teams	Community Counselling Funding	Provincial Peer Network	Local Leadership United Project	Episodic OPS Project	Strategic Initiatives	Total	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
ASSETS											
Current											
Cash <i>[note 3]</i>	3,795,655	5,205,877	2,959,983	3,711,449	1,161,102	6,404,606	112,962	—	3,003,394	26,355,028	24,431,894
Accounts receivable	—	—	—	—	—	—	—	—	—	—	807,814
GST rebate receivable	16,275	—	—	—	—	—	—	—	—	16,275	—
Prepaid expenses	14,613	—	383	—	383	—	—	—	—	15,379	10,198
	3,826,543	5,205,877	2,960,366	3,711,449	1,161,485	6,404,606	112,962	—	3,003,394	26,386,682	25,249,906
LIABILITIES											
Current											
Accounts payable	159,843	—	—	—	—	—	—	—	—	159,843	160,627
Due to fiscal agent <i>[note 7]</i>	—	—	—	—	—	—	—	—	—	—	401,081
Approved grants payable <i>[note 4]</i>	—	75,000	792,000	3,426,000	20,983	2,446,028	—	—	982,982	7,742,993	14,371,534
	159,843	75,000	792,000	3,426,000	20,983	2,446,028	—	—	982,982	7,902,836	14,933,242
FUND BALANCES											
	3,666,700	5,130,877	2,168,366	285,449	1,140,502	3,958,578	112,962	—	2,020,412	18,483,846	10,316,664
	3,826,543	5,205,877	2,960,366	3,711,449	1,161,485	6,404,606	112,962	—	3,003,394	26,386,682	25,249,906

Lease commitment [note 8]

See accompanying notes to the financial statements

Approved by the Board of Directors

Signed by:



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Director

DocuSigned by:



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Director



Community Action Initiative Society of BC

STATEMENT OF OPERATIONS AND CHANGES IN RESTRICTED FUNDS

Year ended March 31

	2025									2024	
	General Fund \$	Support Recovery Funding \$	Youth Wellness Grants \$	Community Action Teams \$	Community Counselling Funding \$	Provincial Peer Network \$	Local Leadership United Project \$	Episodic OPS Project \$	Strategic Initiatives \$	Total \$	Total \$
REVENUE											
Grants [note 5]	—	5,130,000	—	3,334,188	—	2,393,188	—	—	—	10,857,376	5,955,974
Investment income	1,027,932	—	—	—	—	—	—	—	—	1,027,932	1,166,452
Administrative fee	627,474	95,666	—	130,940	—	165,564	—	—	—	1,019,644	—
	1,655,406	5,225,666	—	3,465,128	—	2,558,752	—	—	—	12,904,952	7,122,426
EXPENSES											
Operating costs											
Personnel costs [note 9]	373,515	89,016	86,907	116,826	120,707	145,839	146,508	33,381	—	1,112,699	1,371,256
Professional fees [note 9]	529,891	—	—	12,662	19,739	13,788	66,728	—	44,588	687,396	302,443
Office and other	81,518	4,218	3,644	722	817	12,079	11,396	—	—	114,394	170,570
Travel	6,387	5,395	2,615	13,392	1,352	15,764	25,607	—	—	70,512	213,359
Evaluation	—	—	—	—	66,297	—	—	—	—	66,297	12,300
Occupancy costs	52,800	—	—	—	—	—	—	—	—	52,800	55,500
Fiscal agent costs [note 7]	25,000	—	—	—	—	—	—	—	—	25,000	100,000
	1,069,111	98,629	93,166	143,602	208,912	187,470	250,239	33,381	44,588	2,129,098	2,225,428
Other (recovery of overhead and staffing costs)	—	—	—	—	—	—	—	—	—	—	(129,859)
	1,069,111	98,629	93,166	143,602	208,912	187,470	250,239	33,381	44,588	2,129,098	2,095,569
Grants and program costs											
Community action teams grants, net of grants returned	—	—	—	1,516,680	—	—	—	—	—	1,516,680	9,067,549
Youth wellness grants	—	—	960,000	—	—	—	—	—	—	960,000	—
SuRHP Project	—	425,000	—	—	—	—	—	—	—	425,000	90,000
Community counselling grants, net of grants returned	—	—	—	—	221,150	—	—	—	—	221,150	12,196,019
Provincial peer network grants (returned)	—	—	—	—	—	(514,158)	—	—	—	(514,158)	7,338,900
Strategic grants	—	—	—	—	—	—	—	—	—	—	1,642,000
Child and youth counselling services	—	—	—	—	—	—	—	—	—	—	245,000
Training/capacity building grants	—	—	—	—	—	—	—	—	—	—	54,760
	—	425,000	960,000	1,516,680	221,150	(514,158)	—	—	—	2,608,672	30,634,228
Total expenses	1,069,111	523,629	1,053,166	1,660,282	430,062	(326,688)	250,239	33,381	44,588	4,737,770	32,729,797
Revenue over (under) expenses for the year	586,295	4,702,037	(1,053,166)	1,804,846	(430,062)	2,885,440	(250,239)	(33,381)	(44,588)	8,167,182	(25,607,371)
Fund balances (deficit), beginning of year	883,018	2,428,840	3,420,496	(1,373,097)	2,947,687	1,548,138	363,201	33,381	65,000	10,316,664	35,924,035
Fund transfers	2,197,387	(2,000,000)	(198,964)	(146,300)	(1,377,123)	(475,000)	—	—	2,000,000	—	—
Fund balances, end of year	3,666,700	5,130,877	2,168,366	285,449	1,140,502	3,958,578	112,962	—	2,020,412	18,483,846	10,316,664

See accompanying notes to the financial statements

Community Action Initiative Society of BC**STATEMENT OF CASH FLOWS**

Year ended March 31

	2025 \$	2024 \$
OPERATING ACTIVITIES		
Revenue over (under) expenses for the year	8,167,182	(25,607,371)
Changes in other non-cash working capital items		
Accounts receivable	807,814	24,091,500
GST rebate receivable	(16,275)	—
Prepaid expenses	(5,181)	(2,838)
Accounts payable	(784)	34,164
Due to fiscal agent	(401,081)	(339,907)
Grants payable	(6,628,541)	13,486,950
Increase in cash for the year	1,923,134	11,662,498
Cash, beginning of year	24,431,894	12,769,396
Cash, end of year	26,355,028	24,431,894

See accompanying notes to the financial statements

Community Action Initiative Society of BC**NOTES TO FINANCIAL STATEMENTS**

March 31, 2025

1. NATURE OF OPERATIONS

The Community Action Initiative Society of BC (the "Society") was established, through a grant from the Province of British Columbia, to promote and support community-based, collaborative and culturally safe approaches to mental health and substance use. The Society is directed by a volunteer Board of Directors which is responsible for the allocation and stewardship of the Society's funds. Through a series of funding opportunities, the Society will contribute to sound and innovative projects that are planned, led and implemented through community partnerships.

2. SIGNIFICANT ACCOUNTING POLICIES

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

Use of Estimates

The preparation of financial statements in conformity with Canadian ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of revenues and expenses reported during the year. Actual results could differ from these estimates.

Revenue Recognition

The Society follows the restricted fund method of accounting for contributions (grants). Restricted contributions are recognized as revenue in the year in which the contributions are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

An administrative fee is charged on most externally funded grant revenue to recover indirect costs associated with managing and administering the project.

Investment income is recognized as revenue when earned on the accrual basis.

Fund Accounting

The Society follows fund accounting using the restricted fund method of accounting for contributions (grants). The Society manages several program funds that support various initiatives in mental health, substance use recovery, and community-based services across British Columbia. The following summarizes the key programs and the restriction(s) of their funding:

General Fund

This fund supports administrative functions, governance, program oversight, and unfunded program development. These funds are not externally restricted and may be used at the discretion of the Society's management and board for operations or internally designated projects.



Community Action Initiative Society of BC

NOTES TO FINANCIAL STATEMENTS

March 31, 2025

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Fund Accounting (Cont'd)

Support Recovery Funding

This fund supports granting and capacity-building for supportive recovery service providers across BC, particularly those led by First Nations, Métis, Inuit, and Urban Indigenous organizations. This includes Indigenous-led bed-based treatment and recovery providers to enhance programming, staffing, and service quality in alignment with provincial standards. The funds are externally restricted and must be used to enhance Indigenous Aftercare service delivery through granting, capacity building and through the development of curriculum.

Youth Wellness Grant

This fund supports bereavement care for youth and families affected by toxic drug-related deaths and supports culturally appropriate, community-based bereavement care including counselling, land-based activities, and peer support. The funds are externally restricted and must be used to support youth-focused friend and loss initiatives, through granting and capacity building.

Community Action Teams ("CAT")

CATs convene multi-sectoral stakeholders at the local level to promote civic engagement and coordinated responses to the drug poisoning crisis. Priority areas include collective action planning, barrier identification, and community collaboration, especially centering people with lived/living experience. The funds are externally restricted and must be used to support community convening, planning and engagement activities through either granting, capacity building, or other applicable services.

Community Counselling Funds

This fund supports low-barrier access to mental health and substance use counselling services for underserved populations. Priority areas include adult counselling services, supporting training, and supervision. The funds are externally restricted and must be used to support the delivery and improvement of counselling services through granting, capacity building, or other applicable services.

Provincial Peer Network

This fund supports provincial collaboration among drug user-led groups to ensure their voices are central to the overdose response. Grants support regional engagement, network development, and long-term sustainability planning for peer-led harm reduction, treatment, and recovery initiatives. The funds are externally restricted and must be used to support the coordination, representation, and influence of overdose response systems, with a focus on equity across geographic regions and demographic groups either through granting, capacity building, or other applicable services.



Community Action Initiative Society of BC

NOTES TO FINANCIAL STATEMENTS

March 31, 2025

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Fund Accounting (Cont'd)

Strategic Initiatives

This fund supports other strategic initiatives that are not limited to one specific sector. The funds held in the Strategic initiatives program are internally restricted to support community initiatives, through granting, capacity building, or other applicable services. However, the organization holds discretionary power over the sector(s) and initiatives these funds are utilized for, as long as ensure continued alignment with the intended outcomes of the original funding.

Grants Approved

Grants approved are expensed in the year in which the commitment is made. Those grants that are not yet paid are reflected as grants payable.

Contributed Services

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

Measurement of Financial Instruments

The Society initially measures its financial assets and financial liabilities at fair value. The Society subsequently measures all its financial assets and financial liabilities at amortized cost. Financial assets measured at amortized cost include cash and accounts receivable. Financial liabilities measured at amortized cost include accounts payable.

3. CASH

Cash is restricted for the following purposes:

	Restricted to Granting	Restricted to Capacity Building	Purpose- Restricted with Partial Allocation Discretion	Total Restricted Funding
	\$	\$	\$	\$
Program				
Support Recovery Funding	4,710,000	750,000	—	5,460,000
Youth Wellness Grants	2,880,000	142,186	—	3,022,186
Community Action Teams	3,070,000	392,665	510,235	3,972,900
Community Counselling Funds	—	—	923,720	923,720
Provincial Peer Network	510,235	—	6,858,560	7,368,795
Strategic Initiatives	982,982	65,000	—	1,047,982
No specific program	—	—	540,830	540,830
Total restricted cash	12,153,217	1,349,851	8,833,344	22,336,413

Community Action Initiative Society of BC

NOTES TO FINANCIAL STATEMENTS

March 31, 2025

3. CASH (CONT'D)

	Restricted to Granting \$	Restricted to Capacity Building \$	Purpose- Restricted with Partial Allocation Discretion \$	Total Restricted Funding \$
Program				
Balance forward from previous page				
Total restricted cash	12,153,217	1,349,851	8,833,344	22,336,413
Uncommitted cash				4,018,615
Total cash				26,355,028

The carryforward fund balances for each program include amounts that are externally restricted for specific purposes such as granting and/or capacity building. These restrictions are defined through the terms of the original funding agreements and vary by program area in alignment with government funding contracts.

In certain programs, such as the Provincial Peer Network, the Society retains limited discretion in determining whether funds are allocated toward non-operationally focused grants (e.g., microgrants, capacity grants, training/wellness grants etc.) or capacity building activities. In other cases, such as the Community Counselling initiative, the repurposing of remaining funds is subject to approval through formal proposals or discussions with the funder (e.g., the Province), ensuring continued alignment with intended outcomes.

In addition to externally restricted funds, the Society holds a small amount of discretionary funds that are not currently committed to specific programs. These funds originate from historical funding contributions or interest income and may be used at the organization's discretion to support general operations or emerging needs.



Community Action Initiative Society of BC

NOTES TO FINANCIAL STATEMENTS

March 31, 2025

4. APPROVED GRANTS PAYABLE

	2025		
	Total Grant	Disbursed	Remaining
	\$	\$	\$
Support Recovery Funding Grants - Approved 2025*	425,000	350,000	75,000
Youth Wellness Grants - Approved 2025*	960,000	168,000	792,000
Community Action Teams Grants - Approved 2024*	8,106,250	5,576,250	2,530,000
Community Action Teams Grants - Approved 2025*	1,933,908	1,037,908	896,000
Community Action Teams	10,040,158	6,614,158	3,426,000
Community Counselling Grants - Approved 2020*	224,480	224,480	—
Surge Funding Grants - Approved 2022*	240,000	240,000	—
Community Counselling Grants - Approved 2023*	420,000	420,000	—
Surge Funding Grants - Approved 2023*	360,000	360,000	—
Community Counselling Grants - Approved 2024*	5,955,590	5,955,590	—
Community Counselling Grants - Approved 2025*	431,266	410,283	20,983
Community Counselling Funds	7,631,336	7,610,353	20,983
Provincial Peer Network Grants - Approved 2024*	6,147,960	3,917,960	2,230,000
Provincial Peer Network Grants - Approved 2025*	428,059	212,030	216,028
Provincial Peer Network	6,576,019	4,129,990	2,446,028
Learning Projects to support OUD	773,000	—	773,000
BC Patient Safety Quality Council	869,000	659,018	209,982
Strategic Initiatives	1,642,000	659,018	982,982
	27,274,513	19,531,519	7,742,993

*Includes total grants approved and paid during the year.

Disbursed grants is a cumulative total of grants disbursed in the current year and prior years.

During the current year, the Society received an amount of \$2,926,000 as the second of three expected tranches receivable from the Ministry of Mental Health and Addictions for the Community Action Teams program. These funds were expensed in the prior year as part of a three year commitment to the grantees.

Community Action Initiative Society of BC

NOTES TO FINANCIAL STATEMENTS

March 31, 2025

5. SOURCES OF FUNDING

Certain funders continue to provide a substantial amount of the Society's revenues. As a result, the Society is economically dependent on this funding, in particular from MMHA, to deliver its services and programs.

	2025 \$	2024 \$
Ministry of Mental Health & Addictions (MMHA)	10,041,000	5,714,814
Vancouver Foundation	816,376	50,000
Urban Matters	—	100,000
Fraser Health	—	60,000
City of Nanaimo	—	21,160
British Columbia's Office of the Human Rights Commissioner	—	10,000
Total grant revenue for the year	10,857,376	5,955,974

6. FINANCIAL INSTRUMENTS

The Society is exposed to various risks through its financial instruments. The following analysis presents the Society's exposures to significant risk as at March 31, 2025.

Credit Risk

The Society is exposed to credit risk with respect to its bank deposits. The Society's bank accounts are invested with a large Canadian credit union.

Interest Rate Risk

The Society is exposed to interest rate risk on its bank accounts in the event of changes in prime interest rates which subject the Society to cash flow risks.

Liquidity Risk

Liquidity risk is the risk of being unable to meet cash requirements or fund obligations as they become due. It stems from the possibility of a delay in realizing the fair value of financial instruments.

The Society manages its liquidity risk by monitoring forecasted and actual cash flows and financial liability maturities, and by holding assets that can be readily converted into cash.

There has been no change in the Society's risk exposure in the above noted risks since the previous year.

Community Action Initiative Society of BC

NOTES TO FINANCIAL STATEMENTS

March 31, 2025

7. FISCAL AGENT

On July 28, 2024, the Society formally concluded its legal relationship with Canadian Mental Health Association, BC Division ("CMHA-BC"), which had previously provided financial, payroll, labor relations, and other human resource services to the Society. As of this date, the Society assumed the role of successor employer for both union and non-union employees who were engaged on the Society's projects but were previously employed by CMHA-BC. This transition was executed in accordance with the BC Labour Code.

During the year, the Society incurred fiscal agent costs of \$25,000 [2024 - \$100,000] to CMHA-BC. At March 31, 2025, there is no payable to CMHA-BC [2024 - \$401,429]. The transactions are recorded at their exchange amount. The appointment of CMHA-BC as the fiscal agent was pursuant to a competitive bidding process and a vote by the Board of Directors that excluded the CMHA-BC representative.

Following the approval of relevant governmental authorities, the legal assignment of contracted roles and responsibilities and a board-approved separation agreement, CMHA-BC transferred to the Society the financial assets associated with the Society's projects. The Society is now responsible for the management and distribution of these assets.

Grantees and the public were notified of this transition through the Society's newsletter, its website, and direct email communications.

This transition represents a significant evolution in the Society's growth as a nonprofit organization dedicated to fulfilling its mandate to support and enhance the capacity of the mental health and substance use sector.

8. LEASE COMMITMENT

The Society's lease for office premises expires on December 31, 2025. The annual rental charge under the lease includes base rent, taxes, utilities, maintenance and common area costs. Estimated annual rental charges of \$39,600 apply under the remaining term of the lease to December 31, 2025.

9. DISCLOSURE OF REMUNERATION

Pursuant to the British Columbia Societies Act, the Society is required to disclose remuneration paid to employees and contractors who are paid \$75,000 or more during the fiscal year. Wages and benefits expense includes \$719,069 [2024 - \$1,260,674] paid to seven employees [2024 - ten] during the year. Professional fees expense includes \$332,933 [2024 - \$Nil] paid to two contractors [2024 - none] during the year.

