



7030 Trans-Canada Highway  
Duncan, BC V9L 6A1 Canada  
www.northcowichan.ca  
T 250.746.3101  
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**Permissive Tax Exemption Application  
(2024-2027)**

**NOTE: Applicants may be requested to attend a Committee of the Whole meeting in September as part of the application process**

**Please submit application to the Finance Department**

Director of Finance  
Municipality of North Cowichan  
Duncan, BC V9L 6A1  
Fax. 250.746.3133  
Email: [finance@northcowichan.ca](mailto:finance@northcowichan.ca)

**APPLICATION DEADLINE: AUGUST 1**

The following information must be provided to Municipal Hall, either in person or by email, by the application deadline for Council's consideration. **Late applications will not be considered.**

**SECTION 1: GENERAL INFORMATION**

APPLICATION DATE: July 28, 2025  
FULL NAME OF ORGANIZATION: Clements Centre Society  
MAILING ADDRESS OF PROPERTY: 5855 Clements St., Duncan BC  
LEGAL DESCRIPTION:  
Lot: 1 Block: Section 18, Range 6 Quamichan Plan: 21676  
TAX ROLL NUMBER: 01791-020 PID: 003-445-208  
CIVIC ADDRESS OF PROPERTY (if different than mailing address): 5855 Clements St., Duncan BC, V9L

In what ways is your organization registered? (*Applications will not be considered from societies who are not in good standing and may be asked to provide proof of good standing and compliance.*)

- Not for profit (registered under Societies Act of BC)
- Not for profit (CRA registered)
- Registered Charity
- Other, please specify.

SOCIETY NUMBER: S-0005241 BUSINESS NUMBER: 107269466  
REGISTERED CHARITY OR NON-PROFIT ORGANIZATION NUMBER: 107269466RR0001

Organization Executive:

Title	Name	Phone No.
President	Leslie Welin, Board Chair	FIPPA s. 22(1)
Secretary	Carreen Unguran	FIPPA s. 22(1)
Treasurer	Richard Calverley	FIPPA s. 22(1)

CONTACT DETAILS:

Contact Person & Title: Zoe Dalton, Chief Operating Officer

Mailing Address: 5856 Clements St., Duncan BC, V9L 3W3

Phone Number: 250-746-4135, x 225

Email: zdalton@clementscentre.org

Did this property receive a Permissive Tax Exemption in previous years?

YES                      YEAR(S) \_\_\_\_\_  
NO

**SECTION 2: ORGANIZATIONAL INFORMATION**

1. What is the nature of your organization?

- Non-profit organization
- Charitable/philanthropic organization
- Athletic or Service Club/Associations (including golf course)
- Care facility/registered assisted living residence
- Partner of the municipality by agreement under s. 225 of the Community Charter
- Other local authority
- Place of public worship (and land surrounding exempt building)
- Senior's home

2. To the best of your knowledge, is your organization in compliance with all municipal policies, bylaws and other applicable regulations (i.e., business licencing, zoning)?

YES   
NO

If no, please explain:

3. Describe the goals and objectives of your organization:

Clements Centre Society envisions a community in which all individuals are accepted, valued and celebrated. We bring hope, belonging and independence to children and youth with support needs and their families, and to adults with intellectual and developmental disabilities, by offering programs and services that promote participation and engagement.

We have been an integral part of North Cowichan since 1957. For 68 years, we have contributed to the community's well-being as a champion of diversity and inclusivity; a major employer; and by providing critical services for residents of North Cowichan, free of charge.

Our work embodies values of inclusivity and accessibility, and our initiatives include addressing evolving complex challenges, including homelessness, mental health issues, and substance use. Our organization is guided and driven by the volunteers at the head of our governance structure: our nine volunteer Board of Directors members.

4. Do the objectives/goals of your organization align with any or all of North Cowichan's Strategic priorities?

YES

NO

If yes, please explain:

Clements Centre's work aligns directly with North Cowichan's Strategic priorities:

Economy: Clements Centre Society is a major employer in North Cowichan, with over 180 employees. As a unionized organization, we pay competitive wages, and offer excellent pension and benefits to our staff. Our role as an employer helps to address issues such as income disparity, and offsets resource job loss in North Cowichan, all of which supports an economically thriving community. Our organization is also a significant, active supporter of local businesses, including restaurants, auto shops, rental venues, office supply stores and more, and we have ongoing relationships with multiple local contractors in HVAC, plumbing, janitorial, electrical, and more. We give to our community at every opportunity, and our procurement policy ensures that we buy local whenever possible, circulating dollars within our community. Our social enterprise, the Mindful Mouthful, provides critical employment opportunities for neurodivergent residents of North Cowichan. Our Describe the activities your organization carries out that contribute to the well-being of the community?

The above section details the crucial role Clements Centre plays in contributing to the well-being of our community as a service provider, employer, purchaser, community collaborator, and provider of vital housing options. Clements Centre delivers programs and services in the Cowichan Valley for children and youth with support needs, and adults with intellectual and developmental disabilities. Our work contributes to the well-being of the community by supporting some of our most vulnerable community members to live rich, satisfying lives of dignity and independence. Our work also serves to model what inclusive communities can be.

5. Does your organization provide life essentials (food and shelter) and/or skills to a vulnerable population – caregivers, youth, indigenous, low income, immigrants and refugees, people experiencing homelessness, people experiencing domestic violence, people living with mental illness, persons with disabilities, pets, etc.?

YES

NO


If yes, please explain:

Clements Centre provides life essentials and skills to multiple vulnerable populations. Our mission is to serve children and youth with support needs, and adults with intellectual and developmental disabilities. Many of the families and individuals we serve identify as Indigenous. A large number of those we serve are also low-income, particularly given employment barriers for people with disabilities, employment challenges for families with children and youth with support needs, and monthly Persons with Disability payments being significantly below the current cost of living.

We provide employment skills and life skills as part of our work, and seek to secure housing for those who need it, whenever possible. In our Supported Independent Living Program, we support some of the most vulnerable of our community members. These include individuals with multiple, overlapping complex needs.

6. How does your organization foster diversity, promote inclusivity, and/or champion conservation?

As outlined in the above sections, Clements Centre Society's core mission is to help build a community that is healthy, diverse and inclusive. Since 1957, we have been champions of inclusivity, and our work is a foundation for modeling the thriving nature of a diverse, equitable and inclusive community. We champion community inclusion in all of our adult programming (day programs, supported independent living, supported employment, social enterprises, staffed living, and home sharing). Our children's services, providing support from infancy through youth, enable young community members to reach their full potential in the community through therapeutic and recreational support services.

7. We work to ensure that everyone has a sense of belonging in our facilities for example by having  Identify the number of persons served by the organization within the Municipality of North Cowichan annually.

Over 2,200 directly served

8. Is membership or enrolment restricted in any way? YES  NO


If yes, please explain:

Clements Centre Society is focussed on helping children and youth with support needs, and adults with intellectual and developmental disabilities. Access to our children's services is barrier-free: referrals for our children's therapy services can come to us via families themselves, health professionals, schools, or other community resources. Youth are typically referred by CYSN workers. To enter our adult programs, individuals are referred to Clements Centre by Community Living BC, one of our funders.

Provide examples of programs or services aimed at reducing disparities and/or barriers to access, if applicable?

Our supported employment program helps those facing barriers to employment with the help they need to achieve employment goals. Employers include many local North Cowichan businesses.

Our well-established social enterprise, The Mindful Mouthful bakery, provides employment opportunities based at Clements Centre, a structure that enables those facing more severe employment barriers to earn employment income, while carrying out valuable and satisfying work that benefits the community.

Our Supported Independent Living program supports individuals who live with multiple barriers to find housing, learn life skills (e.g. budgeting, hygiene, food preparation) and access community resources. 

**SECTION 3: PROPERTY INFORMATION**

1. Is the organization the registered owner of the property for which the exemption is being requested?  
YES   
NO

2. If no, is the organization a lessee under a lease which requires direct payment of the property taxes to the Municipality of North Cowichan?  
YES   
NO

If yes, please attach a copy of the lease.

3. Does anyone live in the building, or do you have any 3<sup>rd</sup> party agreements including rental or use of the building, parking lot or services rendered?


YES  NO

If yes, please attach agreement(s) and indicate the following:

Leased to	Sq. Footage leased	Rate Charged

4. How is your organization accessible to the public?

Our 5856 Clements St. location is open 8:30am to 4:00pm, Monday to Friday, year-round, for services including adult day programs, the Mindful Mouthful social enterprise, and early intervention therapies for children (physiotherapy, occupational therapy, speech and language therapy, and a clinical counsellor). Those served by Clements Centre make use of the building daily, and members of the public can access our site during these times to learn about our programming, request information, or purchase products from our social enterprise.

The location for which we are applying for a permissive tax exemption, 5855 Clements St., is open for programming during the same operating hours. 5 days a week. year-round. serving adults with 

**SECTION 4: FINANCIAL INFORMATION**

1. Does your organization have revenue generating activities on your property (i.e., hall rentals, catering, daycares, preschools, parking lots, etc.)?

YES  NO

If yes, please attach a Fee Schedule and indicate the following:

Activity	Organization/Operator	Annual Income

2. Is your organization run by volunteers, paid staff, or a combination of both?

Number of employees: Full-time: 61 Part-time: 120 Number of Volunteers: 16 and gr

3. Have you received grants from the Municipality of North Cowichan, Federal or Provincial government, regional government, Crown Agencies or other funding agencies in the last 3 years?

YES  NO

If yes, please indicate the following:

Date Received Grant	Amount Received	From	Purpose
June, 2025	\$2,000	Our Cowichan Communities Health Network	Mental health support lending library
April, 2025	\$5,000	DDBIA	Facade Improvement, 149 Canada Ave.
April, 2025	\$50,432	Enabling Accessibility Fund, Government of Canada	Accessible doors and bathroom+
February, 2025	\$33,593.22	BCACDI	Responsive feeding and pre- and post-natal development prevention program
February, 2024	\$75,750	Inclusion BC	Inclusive Employment+

4. Please list other sources of revenue not covered, such as membership fees charged or fundraising, etc.

We receive approximately 97% of our funding from contract revenue. Clements Centre Society's funders include Community Living BC, Ministry of Child and Family Development, and the Ministry of Education. Additional revenue comes from social enterprise sales, grants and donations, and other (e.g. GIC interest).

5. Prior year actual operating expenses	\$ 12,119,905
6. Prior year actual operating revenues	\$ 12,387,273
7. Current year annual operating budget of organization (attach a copy)	\$ 13,753,436
8. Projected annual operating budget of the organization for the year of requested exemption	\$ 14,000,000

**A copy of the organizations most recent financial statements must be included with the application, along with a copy of the projected income and expenses.**

#### **4. Do the objectives/goals of your organization align with any or all of North Cowichan's Strategic priorities?**

Clements Centre's work aligns directly with North Cowichan's Strategic priorities:

**Economy:** Clements Centre Society is a major employer in North Cowichan, with over 180 employees. As a unionized organization, we pay competitive wages, and offer excellent pension and benefits to our staff. Our role as an employer helps to address issues such as income disparity, and offsets resource job loss in North Cowichan, all of which supports an economically thriving community. Our organization is also a significant, active supporter of local businesses, including restaurants, auto shops, rental venues, office supply stores and more, and we have ongoing relationships with multiple local contractors in HVAC, plumbing, janitorial, electrical, and more. We give to our community at every opportunity, and our procurement policy ensures that we buy local whenever possible, circulating dollars within our community. Our social enterprise, the Mindful Mouthful, provides critical employment opportunities for neurodivergent residents of North Cowichan. Our supported employment program supports those we serve to contribute in meaningful ways as successful and productive employees at many local businesses.

**Service:** Clements Centre Society is a major service provider in the Municipality of North Cowichan, with an excellent reputation for serving some of our most vulnerable community members, and making North Cowichan a more inclusive community, since 1957. We provide free-of-charge services for community members "from twinkle to twilight" - i.e. infancy through adulthood, and through end-of-life care. We deliver Child Development services for families in our community including paediatric therapies, infant development, children and family support, specialized after-school care and summer camps, and child care resource and referral services. For adults with intellectual and developmental disabilities, Clements Centre offers staffed group homes, an established social enterprise, community inclusion opportunities, supported employment, outreach services, and home sharing. Over 2,200 people are served directly by Clements Centre Society every year, and that number continues to grow. Many more North Cowichan residents derive benefit from Clements Centre's championing of inclusivity, diversity and equity.

**Engagement:** to amplify our impact and achieve the greatest community good with maximum efficiency, we strive to collaborate and engage wherever possible with other actors, including local First Nations, private businesses, local non-profits, educational institutions, and local and provincial government to support those we serve and build an inclusive community. Current examples include working with Parhar Group and M'akola Development Services on a new proposed affordable housing initiative; holding meetings with Cowichan Tribes and Penelakut Island regarding how to work together to improve the

provision of services for children and youth; and offering shared professional development opportunities to staff from other local organizations, including Vitals, Glenora Farm, Providence Farm, CTRA, and Volunteer Cowichan. This year, we are hosting a UVIC Co-Op student, and have hosted VIU's WEST program participants and a VIU practicum student in past years. We are also exploring partnerships with School District 79 for youth-to-adult transition programming, and Community Support Worker training. In addition, we rent out space at affordable rates to support community groups, including Volunteer Cowichan, Shawnigan Players, and more.

**Housing:** In our Supported Independent Living Program, we support individuals facing multiple intersecting barriers (e.g. developmental disability, mental illness, substance use, and poverty) to secure housing of their choice, in their community, whenever possible. As mentioned above, Clements Centre is also working with Parhar Group and M'akola Development Services in an effort to develop and operate our own affordable housing building. This operation would provide housing for people throughout the socio-economic spectrum in our community, including some of those most at-risk of homelessness. The project would provide new housing options for many in North Cowichan, right in the heart of the community, ensuring compact development and multi-modal transportation options - real accessibility. Our three staffed living residences provide enriching homes for adults with developmental disabilities in our community who require round-the clock support. The second storey of our 2-6124 Marchmont St. property provides two two-bedroom apartments well below market rent for North Cowichan residents. In addition, Clements Centre contracts with numerous Home Sharing Providers, and oversees customized living arrangements for over forty adults with disabilities.

**Community:** The core work of Clements Centre is to build an inclusive, vibrant and welcoming community in which people of diverse abilities can thrive and succeed. Our work supports individuals facing barriers to live rich, satisfying lives. Clements Centre's work supports the Municipality of North Cowichan's aim to be a community that welcomes and celebrates all individuals, and is a model of diversity, equity and inclusion.

***Describe the activities your organization carries out that contribute to the well-being of the community?***

The above section details the crucial role Clements Centre plays in contributing to the well-being of our community as a service provider, employer, purchaser, community collaborator, and provider of vital housing options. Clements Centre delivers programs and services in the Cowichan Valley for children and youth with support needs, and adults with intellectual and developmental disabilities. Our work contributes to the well-being of the community by supporting some of our most vulnerable community members to live rich,

satisfying lives of dignity and independence. Our work also serves to model what inclusive communities can be.

Part of Clements Centre's mission, via our community inclusion activities, communication, advocacy, and public education, is to promote the building of an inclusive society. Our reach extends well beyond the 2,200 families, children and adults we serve directly: our community benefits from diversity, and the full and equitable inclusion of all individuals in all facets of life.

Clements Centre also contributes to the well-being of our community by providing a variety of valuable volunteer opportunities. Nine volunteer board members devote countless hours to guiding the direction of our organization. Other volunteers choose to spend time supporting the Mindful Mouthful or the Children and Family Support Program. More still help out at community events, work in our gardens, or help with Administrative and building maintenance tasks. People who choose to volunteer for us do good work, build relationships and connections, develop new skills, and make a difference in their community.

***5. Does your organization provide life essentials (food and shelter) and/or skills to a vulnerable population –caregivers, youth, indigenous, low income, immigrants and refugees, people experiencing homelessness, people experiencing domestic violence, people living with mental illness, persons with disabilities, pets, etc.?***

Clements Centre provides life essentials and skills to multiple vulnerable populations. Our mission is to serve children and youth with support needs, and adults with intellectual and developmental disabilities. Many of the families and individuals we serve identify as Indigenous. A large number of those we serve are also low-income, particularly given employment barriers for people with disabilities, employment challenges for families with children and youth with support needs, and monthly Persons with Disability payments being significantly below the current cost of living.

We provide employment skills and life skills as part of our work, and seek to secure housing for those who need it, whenever possible. In our Supported Independent Living Program, we support some of the most vulnerable of our community members. These include individuals with multiple, overlapping complex needs, including persons living with intersecting challenges of disability, mental illness, substance use, homelessness and poverty. We assist with budgeting, shopping, food preparation skills, and seeking and securing housing; in appropriate cases, we provide emergency food resources as well.

**6. How does your organization foster diversity, promote inclusivity, and/or champion conservation?**

As outlined in the above sections, Clements Centre Society's core mission is to help build a community that is healthy, diverse and inclusive. Since 1957, we have been champions of inclusivity, and our work is a foundation for modeling the thriving nature of a diverse, equitable and inclusive community. We champion community inclusion in all of our adult programming (day programs, supported independent living, supported employment, social enterprises, staffed living, and home sharing). Our children's services, providing support from infancy through youth, enable young community members to reach their full potential in the community through therapeutic and recreational support services.

We work to ensure that everyone has a sense of belonging in our facilities, for example, by having signed universal washroom facilities and using Hul'qumi'num terms and phrases on our signs. We are committed to increasing cultural competency, working with Culturally Committed and running The Village workshop again this year for our staff; we have invited staff from other local organizations to join these trainings, as part of our partnership-building work. We are also committed to ensuring effective DEI work, and are becoming accredited with Rainbow Registered.

**8. Provide examples of programs or services aimed at reducing disparities and/or barriers to access, if applicable?**

Our supported employment program helps those facing barriers to employment with the help they need to achieve employment goals. Employers include many local North Cowichan businesses.

Our well-established social enterprise, The Mindful Mouthful bakery, provides employment opportunities based at Clements Centre, a structure that enables those facing more severe employment barriers to earn employment income, while carrying out valuable and satisfying work that benefits the community.

Our Supported Independent Living program supports individuals who live with multiple barriers to find housing, learn life skills (e.g. budgeting, hygiene, food preparation) and access community resources.

All of our programming is free to users, ensuring the inclusion of all community members, regardless of socio-economic status. In addition, we have locations throughout the community, many with high walkability scores, on bus routes, and which are easy to access by bike, so that transportation barriers are reduced. Our physical spaces are accessible, ensuring that we are barrier-free for those who need our services.

***How is your organization accessible to the public?***

Our 5856 Clements St. location is open 8:30am to 4:00pm, Monday to Friday, year-round, for services including adult day programs, the Mindful Mouthful social enterprise, and early intervention therapies for children (physiotherapy, occupational therapy, speech and language therapy, and a clinical counsellor). Those served by Clements Centre make use of the building daily, and members of the public can access our site during these times to learn about our programming, request information, or purchase products from our social enterprise.

The location for which we are applying for a permissive tax exemption, 5855 Clements St., is open for programming during the same operating hours, 5 days a week, year-round, serving adults with intellectual and developmental disabilities, many of whom who require one-on-one support.

5848 Clements St. is accessed during these same business hours by families and child care providers needing support from our Child Care Resource and Referral team.

Some of our sites, for example our Ryall Rd. group homes, are private homes for residents and aren't open to the general public. However, family members, friends and local health professionals visit regularly.

Another of our locations, 5814 Banks Rd., houses our Supported Child Development Program, our Infant Development program, our Behaviour Consultant, and our Children and Family Services program. The location is not open to the public at large, but hundreds of families, children and youth are served every year from this site, and Hiiye'yu Lelum holds a weekly playgroup here.

# Clements Centre Society

## Budget for 2025 - 2026

<b>Community Living Programs</b>				
	per ytd	Budget revenue	Budget expenses	surplus(loss)
<b>Residential Programs</b>				
6 Campbell R		1,058,828	1,059,304	-476
7 Marchmont R		1,075,184	1,083,491	-8,307
16 Ryall Rd R		1,058,020	1,059,758	-1,738
72 Homesharing		1,374,658	1,377,308	-2,650
		4,566,690	4,579,862	-13,172
<b>Day Programs</b>				
9 SIL		671,291	671,291	0
10 Southend		691,926	691,924	2
12 LOCAL		1,004,315	995,075	9,240
13 Seniors		200,244	218,088	-17,844
15 Sup Emp		552,146	552,146	-0
18 PIC Day		86,000	86,016	-16
60 Next Steps		390,000	389,998	2
		3,595,922	3,604,538	-8,616
<b>Total Community Living Pro:</b>		<b>8,162,612</b>	<b>8,184,400</b>	<b>-21,788</b>
<b>Children's Programs</b>				
5 Sundrops		1,736,672	1,736,657	15
4 Behaviour Therapy		241,331	241,330	1
14 CFS		393,000	393,000	-0
19 SCD		1,989,321	1,989,321	1
21 CCRR		387,645	387,645	0
22 CCRR reg		142,099	142,099	0
		4,890,068	4,890,050	17
<b>Total Ministry Contracts</b>		<b>4,890,068</b>	<b>4,890,050</b>	<b>17</b>
				<b>-21,771</b>
<b>Non Funded Program</b>				
33 Mindful Mouthful		174,800	227,026	-52,226
34 Employment Proj		15,550	15,516	34
		190,350	242,542	-52,192
<b>Administration \ Buildings \ Gaming</b>				
<b>Administration</b>		105,333	203,905	-98,572
3 Family Resource		80,000	80,000	0
11 Season's for Living		0	0	0
25 Fund Development		291,400	262,507	28,893
<b>Clements Buildings</b>		40,936	80,525	-39,589
		517,669	639,447	-109,268
<b>Totals of all programs and departments</b>		<b>13,753,436</b>	<b>13,936,666</b>	<b>-183,231</b>

\* Inclusion BC

*Passed Budget April 28.2025 Board Meeting*



Grant Thornton

Financial Statements

Clements Centre Society

March 31, 2024

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# Independent Auditors' Report

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Grant Thornton LLP  
Unit 201  
225 Canada Avenue  
Duncan, BC  
V9L 1T6

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F +1 250 381 4623

To the members of the Clements Centre Society

## Qualified Opinion

We have audited the accompanying financial statements of Clements Centre Society ("the Society"), which comprise the statement of financial position as at March 31, 2024, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis of Qualified Opinion

paragraph, these financial statements present fairly, in all material respects, the financial position of the Clements 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 Canadian Accounting Standards for Not-for-Profit Organizations.

## Basis for Qualified Opinion

In common with many charitable organizations, the Society derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of donations was limited to the amounts recorded in the records of the Society, and we were not able to determine whether any adjustments might be necessary to donation revenue, excess of revenue over expenses, assets and fund balances.

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

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

Management is responsible for the preparation and fair presentation of 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.

In preparing the financial statements, management is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going

concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Society's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

### **Report on other legal and regulatory requirements**

As required by the Societies Act of British Columbia, we report that, in our opinion, the accounting principles in the Canadian accounting standards for not-for-profit organizations have been applied on a consistent basis.

Duncan, Canada  
September 11, 2024



Chartered Professional Accountants

# Clements Centre Society

## Statement of Financial Position

As at March 31 (Audited)

2024

2023

	Operating Fund	Capital Asset Fund	Total	Total
<b>Assets</b>				
Current				
Cash and cash equivalents	\$ 2,799,927	\$ -	\$ 2,799,927	\$ 2,540,404
Term deposits (Note 3)	182,191	-	182,191	288,400
Accounts receivable	50,027	-	50,027	572,375
Goods and services tax receivable	26,133	-	26,133	21,802
Inventory	7,377	-	7,377	5,050
Prepaid expenses and deposits (Note 13)	513,351	-	513,351	74,911
	<u>3,579,007</u>	<u>-</u>	<u>3,579,007</u>	<u>3,502,942</u>
Restricted cash (Note 3 & 12)	357,126	498,660	855,786	712,487
Capital assets (Note 4)	-	3,986,497	3,986,497	4,028,942
	<u>\$ 3,936,133</u>	<u>\$ 4,485,157</u>	<u>\$ 8,421,290</u>	<u>\$ 8,244,372</u>
<b>Liabilities</b>				
Current				
Accounts payables and accrued liabilities (Note 5)	\$ 1,132,786	\$ -	\$ 1,132,786	\$ 1,425,414
Government remittances - Worksafe BC	51,089	-	51,089	42,797
Demand bank loan (Note 7)	-	-	-	68,060
Deferred contributions (Note 8)	1,205,935	-	1,205,935	973,536
	<u>2,389,810</u>	<u>-</u>	<u>2,389,810</u>	<u>2,509,807</u>
Long term				
Accrued sick leave (Note 2)	298,372	-	298,372	284,787
Accrued severance (Note 2)	77,567	-	77,567	56,720
Obligations under capital lease	-	3,596	3,596	7,643
	<u>375,939</u>	<u>3,596</u>	<u>379,535</u>	<u>349,150</u>
<b>Fund Balances</b>				
Invested in capital assets	-	3,982,901	3,982,901	3,953,240
Internally & externally restricted (Note 12)	357,126	498,660	855,786	712,487
Unrestricted	813,258	-	813,258	719,688
	<u>1,170,384</u>	<u>4,481,561</u>	<u>5,651,945</u>	<u>5,385,415</u>
	<u>\$ 3,936,133</u>	<u>\$ 4,485,157</u>	<u>\$ 8,421,290</u>	<u>\$ 8,244,372</u>

FIPPA s. 22(1)

Director

FIPPA s. 22(1)

Director

See accompanying notes to the financial statements.

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**Clements Centre Society**  
**Statement of Changes in Net Assets**

For the year ended March 31 (Audited)

**2024**

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	<u>Operating Fund</u>	<u>Capital Asset Fund</u>	<u>Total</u>
Fund Balances, beginning of year	\$ 952,338	\$ 4,433,077	<b>5,385,415</b>
Excess (deficiency) of revenue over expenditures	515,974	(249,445)	<b>266,529</b>
Interfund Transfers			
Repayment of long term debt & capital lease	(4,047)	4,047	-
Repayment of demand loan	(68,060)	68,060	-
Capital assets purchased	<u>(225,822)</u>	<u>225,822</u>	<u>-</u>
Fund Balances, end of year	<u>\$ 1,170,384</u>	<u>\$ 4,481,561</u>	<u>\$ 5,651,944</u>

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See accompanying notes to the financial statements.

# Clements Centre Society

## Statement of Operations

For the year ended March 31 (Audited)

	Operating Fund	Capital Asset Fund	Total	
			2024	2023
<b>Revenue</b>				
Government contracts and grants (Note 10)	\$ 11,796,599	\$ -	\$ 11,796,599	\$ 10,851,022
Fees for services	23,917	-	23,917	27,590
Contract and product sales	174,211	-	174,211	148,807
Gaming grant	51,000	-	51,000	51,000
Donations	212,771	-	212,771	182,525
Interest	25,768	18,823	44,591	19,434
Fund raising	408	-	408	657
Other income	39,260	-	39,260	44,275
Rental	44,516	-	44,516	42,179
	<u>12,368,450</u>	<u>18,823</u>	<u>12,387,273</u>	<u>11,367,489</u>
<b>Expenditures</b>				
Salaries and benefits	8,634,518	-	8,634,518	7,674,989
Program	2,540,721	-	2,540,721	2,392,116
Occupancy	332,051	-	332,051	322,464
Amortization	-	267,429	267,429	274,744
Office	182,240	-	182,240	166,739
Transportation	160,097	-	160,097	123,949
Interest on long term debt & demand loan	2,849	-	2,849	6,270
	<u>11,852,476</u>	<u>267,429</u>	<u>12,119,905</u>	<u>10,961,271</u>
Excess (deficiency) of revenue over expenses before other income	<u>515,974</u>	<u>(248,606)</u>	<u>267,368</u>	<u>406,218</u>
<b>Other Income</b>				
Loss on disposition of capital assets	-	(839)	(839)	8,652
Excess (deficiency) of revenue over expenses	<u>\$ 515,974</u>	<u>\$ (249,445)</u>	<u>\$ 266,529</u>	<u>\$ 414,870</u>

See accompanying notes to the financial statements

# Clements Centre Society

## Statement of Cash Flows

For the year ended March 31 (Audited)

2024

2023

### Operating Activities

#### Cash received from:

Provincial government for operations	\$ 13,135,778	\$ 10,451,455
Services, contracts and product sales	198,129	176,395
Gaming funds	51,000	51,000
Donations	212,771	182,525
Interest	44,591	19,434
Miscellaneous, rentals and memberships	84,184	87,111
	<u>13,726,453</u>	<u>10,967,920</u>

#### Cash paid for:

Salaries and benefits	(9,622,530)	(7,152,795)
Programs	(2,393,703)	(2,366,119)
Occupancy	(770,492)	(258,175)
Transportation and office	(312,314)	(257,178)
Interest	(32,872)	(39,779)
	<u>(13,831,911)</u>	<u>(10,073,986)</u>

Net cash generated through operating activities

594,542

893,874

### Financing and investing activities

Proceeds from the sale of capital assets	\$ -	\$ 8,789
Proceeds from/(purchase of) term deposits, net	106,209	(280,941)
Purchase of capital assets	(225,822)	(134,645)
Repayment of demand loan	(68,060)	(64,064)
Repayment of capital lease	(4,047)	(3,901)
Transfer (to)/from restricted cash to/(from) cash and cash equivalents	(143,299)	265,277
	<u>(335,019)</u>	<u>(209,485)</u>

Net cash used by financing and investing activities

(335,019)

(209,485)

Increase in cash and cash equivalents

259,523

684,389

Cash and cash equivalents, beginning of year

2,540,404

1,856,015

Cash and cash equivalents, end of year

\$ 2,799,927

\$ 2,540,404

See accompanying notes to the financial statements

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# Clements Centre Society

## Notes to the Financial Statements

March 31, 2024

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### 1. Status and purpose of the Society

The Clements Centre Society (the "Society") is a registered non-profit charitable organization incorporated in 1957 under the Society Act of British Columbia. The Society envisions a community in which all individuals are included, accepted and valued. The Society offers programs and services to individuals with developmental needs and their families to promote participation and engagement.

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### 2. Summary of significant accounting policies

The financial statements have been prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations ("ASNPO"). As a result, these financial statements are in accordance with Canadian generally accepted accounting principles ("Canadian GAAP") and include the following significant accounting policies:

#### **Fund accounting**

The Society follows the restricted fund method of accounting for contributions.

The Operating Fund reports internally restricted and unrestricted assets, liabilities, revenues and expenses related to the Society's operating activities.

The Capital Asset Fund reports the ownership and equity related to the Society's capital assets. The Capital Asset Fund also includes the Replacement Reserve Fund which reports the externally restricted assets, liabilities, revenues, and expenses related to capital asset replacement activities for certain housing operations.

#### **Revenue recognition**

Restricted contributions related to general operations are recognized as revenue of the Operating Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund. Unrestricted contributions are recognized as revenue of the Operating Fund in the year received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Contract and product sales are recognized in the period which they are earned.

#### **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 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. These estimates include, but are not limited to, collectability of accounts receivable, valuation of inventory, useful life of capital assets, amounts of accrued liabilities, sick leave and severance, and amount of deferred contributions.

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# Clements Centre Society

## Notes to the Financial Statements

March 31, 2024

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### 2. Summary of significant accounting policies (continued)

#### Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances with banks and term deposits with a maturity period of three months or less at the date of acquisition. There are no term deposits included in cash and cash equivalents at year end.

#### Inventory

Inventory is valued at the lower of cost and net realizable value. The determination of cost is on a first in first out basis. Net realizable value is the estimated selling price in the ordinary course of business less any applicable variable costs.

#### Capital assets and amortization

Capital assets are stated at cost or deemed cost less accumulated amortization and impairment loss.

Capital assets are amortized over their estimated useful lives at the following methods and rates:

Building	5% declining balance
Furniture and equipment	20% declining balance
Computers	3 years, straight-line
Paving and fencing	5% declining balance
Automotive	30% declining balance

#### Leases

Leases that substantially transfer all the benefits of and risks of ownership of property to the Society are accounted for as capital leases. At the time a capital lease is entered into, an asset is recorded along with its related long-term obligations. Equipment recorded under capital lease is being amortized on the same basis as described in the capital assets note above. Rental payments under operating leases are expensed as incurred.

#### Impairment of long-lived assets

The Society tests long-lived assets for impairment whenever events or changes in circumstances indicate its carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value.

#### Donated materials, equipment and services

Donated materials, equipment and services that normally would have been purchased by the Society, are recorded at its estimated fair market value if such a value is readily determinable.

#### Allocation of expenses

The Society engages in various programs that meet their internal mandate. The costs of each program includes personnel, premises and other expenses that are directly related to providing the program. In addition, the Society incurs a number of general support expenses that are common to the administration of the organization and each of its programs. It is the policy of the Society to allocate the administrative costs to the various programs based on either the programs usage of administration or at the level required by the organization that provides the program funding to the Society. During the year ended March 31, 2024 the Society allocated administration expenses at a rate of 8% to 10% of the programs revenues.

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# Clements Centre Society

## Notes to the Financial Statements

March 31, 2024

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### 2. Summary of significant accounting policies (continued)

#### Accrued sick leave

Accrued sick leave represents the funding for sick days provided by Government funding that has not been used as of March 31, 2024. Under the terms of employment, unionized employees are allocated one sick day per month of employment and any sick leave not taken in a year is carried forward to a maximum accumulation of 156 days for each employee.

#### Financial instruments

##### Financial instruments in arm's length transactions

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 assessed for indicators of impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred, except for financial instruments that will not be subsequently measured at fair value where transaction costs will be directly attributed to their original measure.

Financial assets measured at amortized cost include cash and cash equivalents, term deposits, accounts receivable, and restricted cash.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, demand bank loan, and obligations under capital lease.

##### Financial instruments in related party transactions

Financial assets and financial liabilities in related party transactions are initially measured at cost, with the exception of certain instruments which are initially measured at fair value. The Society does not have any financial assets or financial liabilities in related party transactions which are initially measured at fair value. Gains or losses arising on initial measurement differences are generally recognized in net income when the transaction is in the normal course of operations, and in equity when the transaction is not in the normal course of operations, subject to certain exceptions.

Financial assets and financial liabilities recognized in related party transactions are subsequently measured based on how the Society initially measured the instrument. Financial instruments initially measured at cost are subsequently measured at cost, less any impairment for financial assets. Financial instruments initially measured at fair value, of which the Society has none, would be subsequently measured at amortized cost or fair value based on certain conditions.

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### 3. Term Deposits

Included in term deposits and restricted cash is the following:

- Term deposit of \$250,000 maturing December 18, 2024, with an interest rate of 5.40%
  - Term deposit of \$122,261 maturing October 28, 2024, with an interest rate of 5.50%
  - Term deposit of \$659,158 maturing October 6, 2025, with an interest rate of 5.05%
  - Accrued interest of \$6,558
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# Clements Centre Society

## Notes to the Financial Statements

March 31, 2024

<b>4. Capital assets</b>		<u>2024</u>	<u>2023</u>	
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Net book value</u>	<u>Net book value</u>
Building	\$ 4,583,430	\$ 2,094,196	\$ 2,489,234	\$ 2,596,553
Land	846,990	-	846,990	846,990
Furniture and equipment	1,434,607	1,124,356	310,251	227,885
Paving and fencing	271,198	62,183	209,015	207,482
Automotive	629,567	498,560	131,007	150,032
	<u>\$ 7,765,792</u>	<u>\$ 3,779,295</u>	<u>\$ 3,986,497</u>	<u>\$ 4,028,942</u>

<b>5. Accounts payable</b>	<u>2024</u>	<u>2023</u>
Accounts payable and accrued liabilities	\$ 734,641	\$ 580,965
Accrued wages payable	174,561	682,119
Accrued vacation payable	223,584	162,330
	<u>\$ 1,132,786</u>	<u>\$ 1,425,414</u>

Included in accounts payable and accrued liabilities is an estimated \$514,117 (2023 - \$339,056) due back to government agencies for under delivered service hours under the government contract.

### 6. Bank Indebtedness

The Society has an overdraft agreement to a maximum of \$75,000 (2023 - \$75,000) which bears interest at the Bank's prime lending rate plus 0.75% per annum. As at March 31, 2024 the balance utilized was \$nil (2023 - \$nil).

### 7. Demand Bank Loan

During the prior year the Society had a demand loan held with the Bank of Montreal. This demand loan bore interest at prime plus 1% per annum and was repayable in monthly blended payments of \$1,449. This loan was secured by certain term deposits held at the bank by the Society and certain property included in Capital assets.

During the year, this demand loan was paid off in full.

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# Clements Centre Society

## Notes to the Financial Statements

March 31, 2024

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### 8. Deferred Contributions

Deferred contributions reported in the Operating Fund represent amounts received that are externally restricted for subsequent years. Changes in the deferred contributions balance are as follows:

	<u>2024</u>	<u>2023</u>
Balance, beginning of year	\$ 973,536	\$ 801,244
Amount recognized as revenue in the year	(391,619)	(270,719)
Amounts received for next years operations	<u>624,019</u>	<u>443,011</u>
Balance, end of year	<u>\$ 1,205,935</u>	<u>\$ 973,536</u>

Included in amount recognized as revenue in the year is \$96,751 from CLBC (2023 - \$54,476) and \$29,680 from MCFD (2023 - \$56,275).

Included in amounts received in the year to be used for next year's operations is \$87,536 from CLBC (2023 - \$176,612) and \$nil from MCFD (2023 - \$104,697).

Included in the balance at end of year is \$262,149 from CLBC (2023 - \$271,363) and \$453,522 from MCFD (2023 - \$483,202).

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### 9. Pension Liability

The Society and certain employees contribute to the Municipal Pension Plan (the plan), a jointly trustee pension plan. The Public Service Pension Board of Trustees, representing plan members and employers, is responsible for administering the plan, including investment of the assets and administration of benefits. The plan is a multiemployer defined benefit pension plan. Basic pension benefits are based on a formula. The plan has approximately 330,000 active, inactive, and retired members.

The most recent valuation as at December 31, 2021 indicated a surplus of \$3.76 billion basic pension benefits. The actuary does not attribute portions of the unfunded liability to individual employers. The Society paid \$471,087 (2023 - \$385,768) for employer contributions to the plan for the year ended March 31, 2024.

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### 10. Economic Dependence

The Society has a significant amount of revenues derived from government contracts. Revenues from government contracts represents 94% (2023 - 95%) of total revenues.

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# Clements Centre Society

## Notes to the Financial Statements

March 31, 2024

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### 11. Employee Remuneration

As required by the Societies Act of British Columbia, the Society paid \$1,463,256 (2023 - \$259,987) in employment remuneration to seventeen (2023 - three) staff whose remuneration was at least \$75,000 during the fiscal year.

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### 12. Restricted Assets

#### Internally Restricted

During the 2009 fiscal year, the Society's board of directors approved the implementation of internally restricted reserve funds, where the maximum target as of March 31, 2024, was \$836,963 (2023 - \$712,487) based on the following:

- Building, furnishings and equipment: 5% of insured value
- Automotive: 10% of the replacement cost of all vehicles owned, excluding vehicles purchased via external funding.
- Contingency: 0.5 months of non-subcontract revenue

The purpose of the reserve is to provide sufficient funds for the future replacement of certain capital assets and for future contingencies. The Society's board of directors has internally restricted \$836,963 (2023 - \$712,487) related to these reserve funds.

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### 13. Subsequent Events

After year end the Society purchased real estate located at 951 Canada Avenue, Duncan BC. The total purchase price was \$400,000 plus GST and closing costs. This will be allocated amongst land and buildings and amortized in line with the Society's capital asset policy. This property will be used for offices to support the regular operations of the Society.

This amount was paid in full by March 31, 2024, with the balance being included in prepaid expenses and deposits.

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# Clements Centre Society

## Notes to the Financial Statements

March 31, 2024

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### 14. Financial instruments

The Society's main financial instrument risk exposure is detailed below and has not changed significantly from the prior year:

#### **Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Society's main credit risk relates to accounts receivable. The accounts receivable balance consists substantially of government receivables, reducing credit risk as government organizations are generally reliable.

#### **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to the changes in market interest rates.

- I. To the extent that prevailing market interest rates differ from the interest rate on the Society's monetary assets and liabilities
- II. To the extent that payments made or received on the Society's monetary assets or liabilities are affected by changes in the prevailing market interest rates.

The Society is not exposed to interest rate cash flow risk with respect to its term deposits. The Society is exposed to interest rate price risk with respect to its term deposits. The risk is mitigated by the term deposits being shorter term.

#### **Liquidity risk**

Liquidity risk is the risk that the Society will encounter difficulty in meeting the obligations associated with its financial liabilities. The Society is exposed to this risk mainly in respect of its demand loan, accrued sick leave, accrued severance, and accounts payable and accrued liabilities. A substantial portion of cash flow requirements comes from operations, reducing liquidity risk. Additionally, the Society has an overdraft arrangement, which also reduces liquidity risk.

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