
Independent Auditor's Report

To the Directors of Lookout Housing and Health Society

We have audited the accompanying financial statements of Lookout Housing and Health Society (the "Society"), which comprise the statement of financial position as at March 31, 2018 and the statements of operations, changes in net assets, and cash flows 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 presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Lookout Housing and Health Society as at March 31, 2018, 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.



Report on Other Legal and Regulatory Requirements

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

BDO Canada LLP

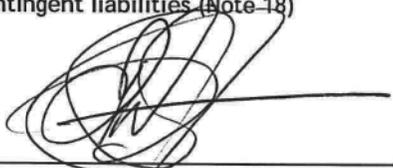
Chartered Professional Accountants

Vancouver, British Columbia
June 25, 2018

Lookout Housing and Health Society
Statement of Financial Position

March 31	2018	2017
Assets		
Current		
Cash	\$ 5,487,072	\$ 4,463,703
Investments (Note 4)	3,777,471	1,683,411
Accounts receivable	519,603	489,093
Goods and sales tax recoverable	43,752	52,842
Prepaid expenses and deposits	121,782	117,541
Due from Foundation	88,236	-
	10,037,916	6,806,590
Investments (Note 4)	1,145,502	3,146,473
Cash held in trust by B.C. Housing (Note 5)	290,132	286,260
Capital assets (Note 6)	38,697,904	37,205,239
	\$ 50,171,454	\$ 47,444,562
Liabilities		
Current		
Accounts payable and accrued liabilities (Note 7)	\$ 3,076,020	\$ 2,326,920
Security deposits	172,746	146,772
Deferred contributions	3,036,812	3,180,935
Due to Foundation (Note 8)	-	327,489
Current portion of mortgages payable (Note 10)	648,866	606,221
Current portion of forgivable loans payable (Note 11)	87,171	94,791
Current portion of long-term deferred capital contributions (Note 12)	771,283	685,204
	7,792,898	7,368,332
Replacement and renovation reserves (Note 9)	1,666,017	2,289,052
Mortgages payable (Note 10)	16,582,430	15,610,725
Forgivable loans payable (Note 11)	2,245,594	2,332,765
Long-term deferred capital contributions (Note 12)	14,072,582	13,293,410
	42,359,521	40,894,284
Net Assets		
Invested in capital assets	4,580,110	4,868,382
Internally restricted (Note 14)	2,417,254	1,656,171
Unrestricted	814,569	25,725
	7,811,933	6,550,278
	\$ 50,171,454	\$ 47,444,562

Commitments (Note 17)
Contingent liabilities (Note 18)



Director



Director

Lookout Housing and Health Society
Statement of Operations

For the year ended March 31	2018	2017
Revenues		
British Columbia Housing Management Commission	\$ 18,997,594	\$ 17,018,913
Vancouver Coastal Health Authority	4,874,909	4,287,584
Rental income	3,111,639	2,479,287
Fraser Health Authority	2,811,709	1,029,828
Reserve recovery (Note 9)	767,553	-
Client user fees	774,109	525,561
Not-for-profit grants	710,925	455,830
Amortization of deferred contributions	470,790	687,183
Other provincial grants	317,112	6,402
Federal Grants	272,675	214,439
Donations (Note 15)	240,391	353,282
Other revenues (Note 16)	293,078	229,165
Tenant expense recoveries	108,637	103,392
Municipal grants	132,150	17,054
Recognition of forgivable loans	94,791	70,484
MDABC contribution (Note 1)	57,735	-
	34,035,797	27,478,404
Expenses		
Salaries and benefits	20,989,293	17,068,611
Foundation services fee (Note 8)	1,961,702	1,469,257
Amortization of capital assets	1,502,872	1,359,112
Program supplies	1,679,721	1,394,330
Food	1,576,254	1,225,692
Renovations, repairs and maintenance	1,084,818	926,696
Utilities	994,507	920,453
Rent supplements	763,484	553,072
Office and general	698,140	492,554
Interest on long-term debt	517,575	594,803
Service contracts	290,028	329,414
Telephone and internet	185,392	148,990
Transportation and travel	175,814	148,805
Professional fees	140,835	281,289
Insurance	102,988	97,798
Property taxes	67,275	77,586
Staff training	43,444	84,065
	32,774,142	27,172,527
Excess of revenues over expenses	\$ 1,261,655	\$ 305,877