

**British Columbia Housing
Management Commission
Quarter One Financial Statements
June 30, 2018**

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British Columbia Housing Management Commission

Statement of Financial Position

	June 30 2018 (\$000's)	March 31 2018 (\$000's)	June 30 2017 (\$000's)
Financial Assets			
Cash	\$ 518,467	\$ 561,647	\$ 545,158
Portfolio investments (Note 3)	92,031	91,023	89,112
Receivables (Note 4)	12,172	12,582	7,127
Due from Province of British Columbia (Note 15)	-	900	-
Due from Canada Mortgage and Housing Corporation	27,753	49,985	20,354
Construction loans to housing projects (Note 4)	266,527	241,523	244,549
Mortgages receivable (Note 5)	35,316	58,399	22,397
	<u>952,266</u>	<u>1,016,059</u>	<u>928,697</u>
Liabilities			
Accounts payable and accrued liabilities	39,132	42,809	29,456
Deferred revenue (Note 6)	226,522	226,967	120,369
Due to Provincial Rental Housing Corporation (Note 15)	175,610	200,431	210,128
Tenants' prepaid rent	1,387	1,397	1,068
Due to Provincial Treasury (Note 7)	14,993	25,028	5,068
Society funds held on deposit (Note 8)	22,530	24,350	19,313
Grants received in advance of construction (Note 9)	318,336	346,184	388,341
Social Housing Agreement Reserves (Note 10)	3,606	3,530	3,466
	<u>802,116</u>	<u>870,696</u>	<u>777,209</u>
Net financial assets / (debt)	<u>150,150</u>	<u>145,363</u>	<u>151,488</u>
Non-financial assets			
Prepaid expenses and housing subsidies	35,021	38,420	34,065
Tangible capital assets (Note 11)	12,897	12,822	11,875
	<u>47,918</u>	<u>51,242</u>	<u>45,940</u>
Accumulated surplus / (deficit)	<u>198,068</u>	<u>196,605</u>	<u>197,428</u>
Accumulated surplus / (deficit) comprises:			
Accumulated surplus from operations	201,235	201,235	199,576
Accumulated remeasurement loss	(3,167)	(3,167)	(2,148)
	<u>\$ 198,068</u>	<u>198,068</u>	<u>\$ 197,428</u>

Commitments (Note 14)

Contingencies (Note 17)

See accompanying notes to the financial statements

British Columbia Housing Management Commission

Statement of Operations

	18/19 Budget (Note 12) (\$000's)	18/19 Actuals (\$000's)	17/18 Actuals (\$000's)
For the Three Months Ended June 30			
Revenue			
Provincial contributions	\$ 277,790	\$ 181,142	\$ 118,420
Federal contributions	33,342	29,199	31,664
Tenant rent	7,851	7,973	7,950
Other	3,212	6,696	5,353
Portfolio investment income	300	428	(489)
	<u>322,495</u>	<u>225,438</u>	<u>162,898</u>
Expenses			
Housing subsidies and grants	259,696	163,640	107,009
Rental assistance	30,451	28,993	28,648
Salaries and labour	16,860	14,678	14,170
Operating expenses	5,751	5,823	4,506
Building maintenance	3,077	4,757	3,394
Office and overhead	2,711	2,431	2,329
Building modernization and improvement	-	1,305	1,062
Utilities	1,704	1,658	1,573
Grants in lieu of property taxes (Note 13)	1,775	1,966	1,770
Research and education	314	167	58
Interest expense	156	20	3
	<u>322,495</u>	<u>225,438</u>	<u>164,522</u>
Annual surplus from operations		<u>-</u>	<u>(1,624)</u>
Accumulated surplus from operations at beginning of year		<u>201,235</u>	<u>201,200</u>
Accumulated surplus from operations at end of year		<u>\$ 201,235</u>	<u>\$ 199,576</u>

See accompanying notes to the financial statements

British Columbia Housing Management Commission

Statement of Cash Flows

For the Three Months Ended June 30	18/19 (\$000's)	17/18 (\$000's)
Cash flows provided by (used in)		
Operating transactions		
Annual surplus from operations	\$ -	\$ (1,624)
Adjustments to determine cash flows:		
Change in non-cash working capital	22,809	43,229
Investment Income	(428)	489
Amortization	936	737
	<u>23,317</u>	<u>42,831</u>
Capital transactions		
Tangible capital asset additions & disposal	<u>(1,011)</u>	<u>(694)</u>
Investing transactions		
Construction loans provided to housing projects	(25,004)	33,328
Portfolio investments	959	10,157
Mortgages receivable	<u>23,083</u>	<u>(15,515)</u>
	<u>(962)</u>	<u>27,970</u>
Financing transactions		
Grants received in advance of construction	(27,848)	(48,189)
Due to Provincial Treasury	(10,035)	68
Due to Provincial Rental Housing Corporation	(24,821)	(26,269)
Social Housing Agreement Reserves	-	(1)
Society funds held on deposit	<u>(1,820)</u>	<u>(602)</u>
	<u>(64,524)</u>	<u>(74,993)</u>
Increase in cash	(43,180)	(4,886)
Cash, beginning of year	<u>561,647</u>	<u>550,044</u>
Cash, end of year	<u>\$ 518,467</u>	<u>\$ 545,158</u>

See accompanying notes to the financial statements

British Columbia Housing Management Commission

Statement of Remeasurement Gains and Losses

For the Three Months Ended June 30	18/19 (\$000's)	17/18 (\$000's)
Accumulated remeasurement gains, beginning of year	\$ (4,630)	\$ (3,125)
Amount released to income statement	60	1,010
Unrealized gain / (loss) attributable to portfolio investments	1,403	(33)
Net remeasurement changes for the year	1,463	977
Accumulated remeasurement loss, end of year	\$ (3,167)	\$ (2,148)

Statement of Changes in Net Financial Assets / (Debt)

For the Three Months Ended June 30	Budget (\$000's) (Note 12)	18/19 (\$000's)	17/18 (\$000's)
Annual surplus from operations		\$ -	\$ (1,624)
Net remeasurement changes for the year		1,463	977
		1,463	(647)
Depreciation of tangible capital assets		936	737
Acquisition of tangible capital assets	(5,000)	(1,011)	(694)
		(75)	43
Acquisition of prepaid expenses and housing subsidies		(98,474)	(97,069)
Use of prepaid expenses and housing subsidies		101,873	95,740
		3,399	(1,329)
Changes in net financial assets / (debt) for the year		4,787	(1,933)
Net financial assets / (debt), beginning of year		145,363	153,421
Net financial assets / (debt), end of year		\$ 150,150	\$ 151,488

See accompanying notes to the financial statements

British Columbia Housing Management Commission

Notes to the Financial Statements

June 30, 2018

1. General

The British Columbia Housing Management Commission (the Commission) is a Crown agency, established in 1967 to deliver on the provincial government's commitment to the development, management and administration of subsidized housing throughout the Province of British Columbia (the Province). This includes developing and facilitating new social housing, administering rental assistance programs, and a variety of other federal and/or provincial housing programs. The Provincial Rental Housing Corporation (the Corporation) holds property for social housing for the Province. The subsidized rental housing units of the Corporation are managed and operated by the Commission. The Commission administers agreements relating to operation of social housing units owned and/or managed by non-profit housing providers. Through the Licensing and Consumer Services Branch, the Commission also has responsibilities related to licencing of builders, home warranty insurance, and research and education to improve the quality of residential construction and consumer protection.

The Commission is exempt from federal and provincial income taxes.

2. Significant Accounting Policies

a) Basis of Presentation

These financial statements have been prepared in accordance with Province of British Columbia, Ministry of Finance regulation 688-2010 that requires taxpayer-supported organizations to adopt Canadian Public Sector Accounting Standards established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada (CPA).

b) Use of Estimates

In preparing these financial statements, management has made 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 reported amounts of revenues and expenses during the reporting period. Estimating the useful life of tangible capital assets and the collectability of receivables, construction loans to housing projects and mortgages receivable requires the greatest degree of estimation. Actual results could differ from those estimates.

c) Revenue Recognition

The Commission is funded primarily by the Province and the Canada Mortgage Housing Corporation (CMHC).

Revenues are recognized on an accrual basis in the period in which the transactions or events occurred that gave rise to the revenues, the amounts are considered to be collectible and can be reasonably estimated.

Contributions received or where eligibility criteria have been met are recognized as revenue except where the contribution meets the criteria for deferral. Eligibility criteria are the criteria that the Commission has to meet in order to receive the contributions including authorization by the transferring entity.

For contributions subject to a legislative or contractual stipulation or restriction as to their use, revenue is recognized in the year related expenses are incurred.

British Columbia Housing Management Commission

Notes to the Financial Statements

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d) Tenant Rent Revenue

Tenant rent revenue represents rent charged to residents, and is determined as the lesser of market rent and a percentage of each resident's income.

e) Tangible Capital Assets

Tangible capital assets are recorded at cost and depreciated over their estimated useful life. Desktop applications and computer hardware are depreciated on a three-year amortization period. Server applications and communications hardware and components are depreciated on a five-year amortization period. Enterprise applications are depreciated on a ten-year amortization period. All other capital assets are depreciated over a five-year amortization period.

Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the Commission to provide services or when the value of future economic benefits are less than their net book value. The write-downs are accounted for as expenses in the statement of operations.

f) Employee Benefit Plans

The employees and employers of the public service contribute to the Public Service Pension Plan (the Plan), a jointly trustee pension plan. The Public Service Pension Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory defined benefits pension plan and pension benefits are expensed as incurred. The Plan has approximately 57,000 active plan members and approximately 46,200 retired plan members.

Every three years an actuarial valuation is performed to assess the financial position of the Plan and the adequacy of plan funding. The latest valuation as at March 31, 2017, indicated an actuarial surplus of \$1.9 billion for basic pension benefits. The next valuation will be as at March 31, 2020 with results available in early 2021. The actuary does not attribute portions of the unfunded liability or surplus to individual employers. The Commission paid \$4,485,809 for employer contributions to the Plan in fiscal 2018 (2017: \$4,174,568).

g) Financial Instruments

The Commission's financial instruments consist of cash, portfolio investments, receivables, due from the Province of British Columbia, due from Canada Mortgage and Housing Corporation, construction loans to housing projects, mortgages receivable, accounts payable and accrued liabilities, due to Provincial Rental Housing Corporation, due to Provincial Treasury, and Society funds held on deposit.

Upon inception and subsequent to initial recognition, equity instruments quoted in an active market (portfolio investments) are measured at fair value. These financial instruments are identified in this note by financial asset and financial liability classification and are not reclassified into another measurement category for the duration of the period they are held.

All other financial assets and financial liabilities are measured at cost or amortized cost upon their inception and subsequent to initial recognition. Cash and cash equivalents are measured at cost. Receivables, due from the Province of British Columbia, due from Canada Mortgage and Housing Corporation, loan receivables and mortgages receivable are recorded at amortized cost less any amount for valuation allowance. All debt and other financial liabilities are recorded using cost or amortized cost.

British Columbia Housing Management Commission

Notes to the Financial Statements

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The classification of financial instruments is determined upon their initial recognition. Financial instruments are classified as level 1, 2 or 3 for the purposes of describing the basis of the inputs used to measure the fair values of financial instruments in the fair value measurement category as described below:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Market-based inputs other than quoted prices that are observable for the asset or liability either directly or indirectly.
- Level 3 - Inputs for the asset or liability that are not based on observable market data; assumptions are based on the best internal and external information available and are most suitable and appropriate based on the type of financial instrument being valued in order to establish what the transaction price would have been on the measurement date in an arm's length transaction.

Portfolio investments are recognized at their fair value, determined by published price quotations in an active market. Transactions to purchase or sell these items are recorded on the settlement date, and transaction costs are immediately recognized in income. Realized gains and losses are recognized in the operating statement and unrealized gains/losses from changes in fair value are recorded in the statement of remeasurement gains and losses. All other financial instruments are recorded at cost or amortized cost basis using the effective interest rate method where appropriate.

All financial assets are assessed annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations. A write-down of a portfolio investment to reflect a loss in value is not reversed for a subsequent increase in value.

Transaction costs for financial instruments measured at fair value are expensed when incurred.

A financial liability or its part is derecognized when it is extinguished.

h) Newly Adopted Accounting Standards

Effective April 1, 2017, the Commission adopted the following new accounting standards:

- i. PS 2200, Related Party Disclosures: PS 2200 defines a related party and establishes disclosures required for related party transactions. Disclosure of information about related party transactions and the relationship underlying them is required when the transactions have occurred at a value different from that which would have been arrived at if the parties were unrelated, and the transactions have, or could have, a material financial effect on the financial statements.
- ii. PS 3420, Inter-entity Transactions: PS 3420 establishes standards of how to account for and report transactions between public sector entities that comprise a government reporting entity from both a provider and a recipient perspective. Requirements of this standard are considered in conjunction with requirements of PS 2200.
- iii. PS 3210, Assets: PS 3210 provides guidance for applying the definition of assets set out in PS 1000, Financial Statement Concepts, and establishes general disclosure standards for assets. Disclosure of information about the major categories of assets that are not recognized is required. When an asset is not recognized because a reasonable estimate of the amount involved cannot be made, a disclosure should be provided.

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- iv. PS 3320, Contingent Assets: PS 3320 defines and establishes disclosure standards for contingent assets. Contingent assets are possible assets arising from existing conditions or situations involving uncertainty. Disclosure of information about contingent assets is required when the occurrence of the confirming future event is likely.
- v. PS 3380, Contractual Rights: PS 3380 defines and establishes disclosure standards for contractual rights. Contractual rights are rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future. Disclosure of information about contractual rights is required including description of their nature and extent, and the timing.

Except for disclosure changes resulting from the adoption of PS 2200 and PS 3380, there was no impact to the financial statements upon transition to the other standards.

3. Portfolio Investments

BC Housing invests funds held on behalf of non-profit housing providers, funds for specific reserves and funds provided by ministries for specific housing projects. These investments are held in pooled investments and managed by four investment management firms. Income derived under the investments is reinvested into the portfolio. An investment committee meets periodically to review the performance of the fund managers and ensure compliance with the BC Housing investment policy. Quarterly reports are provided to the BC Housing Board of Commissioners. The investment policy has the following asset target components: 30% Fixed Income, 15% Canadian Equity, 20% Canadian real estate and 35% Global Equity. The market yield during fiscal 2017/18 was 3.16% (2016/17: 10.21%).

4. Receivables and Construction Loans to Housing Projects

a) Receivables

Receivables are recorded at cost less an amount for allowance of doubtful accounts. The allowance is determined on the basis of past collection experience. In fiscal 2017/18, the allowance totalled \$4,045,000 (2016/17: \$4,292,000). Changes in the valuation allowance are recognized in the statement of operations.

b) Construction Loans to Housing Projects

In its capacity as a National Housing Act approved lender, the Commission funds construction draws for societies who are building approved projects under social housing programs. These advances are repaid at substantial completion of each project from financing arranged with private lenders. The average period of construction financing can range from eighteen months to over two years. Societies are charged interest at the Province's weighted average borrowing rate for short-term funds, plus administration costs. The current average yield for the portfolio is 1.24% (2016/17: 0.89%). The allowance for construction loans to housing projects for fiscal 2017/18 totalled \$8,713,000 (2016/17: \$7,109,000).

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Notes to the Financial Statements

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5. Mortgages receivable

a) Non-profit Housing Provider Mortgages receivable

The Commission periodically continues to hold construction financing mortgages receivable after construction completes. In all but rare situations, these mortgages are tendered for take-out financing provided by private sector financial institutions within twelve months of the construction completion date. As of March 31, 2018, the total value of construction financing mortgages receivable was \$32,868,000 (2017: \$4,100,000). These mortgages are secured by property.

b) BC HOME Partnership Loans Receivable

Through the BC Home Owner Mortgage and Equity Partnership (BC HOME Partnership), the Commission assists eligible first-time homebuyers by providing repayable down payment assistance loans. The loans, secured as a second mortgage by property, are interest and payment free for the first five years after which interest at prime plus 0.5% will begin to accrue and principal and interest payments will be amortized over twenty years. The initial interest rate is set when the loan is conditionally approved, and will be reset at the Royal Bank of Canada Prime Rate plus 0.5% at each of the 10th, 15th and 20th anniversary dates.

As the first five years of the loans are concessionary, the loans have been recorded at the present value, discounted at prime plus 0.5% in 2017/18. The loan discount will be amortized into revenue and the loan receivable using the effective interest rate approach over the five-year concessionary term. The related concessionary loan expense is recorded at the time of issue and is included in housing subsidies expense. The program stopped accepting new applications on March 31, 2018. As of March 31, 2018, the total value of the loan receivables was \$25,487,000 (2016/17: \$2,882,000).

6. Deferred Revenue

These funds are restricted contributions received in advance of related expenditures that are incurred in the following fiscal year.

	2018 March 31 (\$000's)	Contributions Received (\$000's)	Revenue Recognized (\$000's)	2018 June 30 (\$000's)
Provincial Contributions	\$ 178,899	\$ 159,501	\$ (177,876)	160,524
Canada Mortgage and Housing Corporation	47,504	45,645	(27,866)	65,283
Other Agencies	564	151		715
	\$ 226,967	\$ 205,297	\$ (205,742)	\$ 226,522

The Social Housing Agreement Reserves (see Note 10) represent further restricted contributions from CMHC of a long-term nature.

7. Due to Provincial Treasury

Amounts represent short-term funds borrowed from the Province for the purpose of facilitating the construction or renovation of affordable housing. The maximum amount is not to exceed \$165 million bearing interest at a variable rate charged by the provincial Ministry of Finance.

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Notes to the Financial Statements

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8. Society Funds Held on Deposit

These funds represent the balance of mortgage advances held to cover various non-profit society construction and soft costs required to complete their projects. Interest accrues on the society funds at the prime minus 1.75%.

9. Grants Received in Advance of Construction

The Commission receives funds from the Province and CMHC, the use of which is restricted to the construction of specific social housing projects.

	2018 March 31 (\$000's)	Grants received (\$000's)	Construction costs incurred (\$000's)	2018 June 30 (\$000's)
Project Grants	\$ 8,476	\$ 607	\$ (2,360)	\$ 6,723
Provincial - Building Capital Renewal Funding	-	1,122	(1,122)	-
Provincial - Housing Priority Initiative	261,952	12,977	(24,841)	250,088
Provincial - Modular Supportive Housing	-	23,474	(23,474)	-
Provincial - Affordable Rental Housing	-	77	(77)	-
Provincial - Permanent Supportive Housing	-	16,267	(16,267)	-
Provincial - Transition Housing	-	864	(864)	-
CMHC - Investment in Affordable Housing (Phase I and Phase II)	1,307	-	(10)	1,297
CMHC - Social Housing Agreement	117	-	(83)	34
CMHC - Social Infrastructure Fund	74,043	59	(14,197)	59,905
Ministry - Other	289	-	-	289
	\$ 346,184	\$ 55,447	\$ (83,295)	\$ 318,336

10. Social Housing Agreement Reserves

The funds are available to offset future cost increases in the federal social housing portfolio due to inflation and changes in interest rates, or losses on loans owing by third parties. The funds are restricted under the Social Housing Agreement (SHA) and may only be used for housing within the SHA portfolio.

	2018 30-Jun (\$000's)	2017 30-Jun (\$000's)
Balance, beginning of year	\$ 3,530	\$ 3,449
Funds applied	-	-
Investment income	76	17
Balance, end of year	\$ 3,606	\$ 3,466

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Notes to the Financial Statements

June 30, 2018

11. Tangible Capital Assets

	2018 March 31 (\$000's) Cost	Additions	Disposals	2018 June 30 (\$000's) Cost
Computer software	\$ 43,411	839		\$ 44,250
Computer hardware	2,745			2,745
Tenant improvements	11,319	57		11,376
Office furniture	3,175	115		3,290
Office equipment	153			153
Vehicles	1,596			1,596
Grounds equipment	543			543
	\$ 62,942	1,011	-	\$ 63,953

	Accumulated Depreciation	Amortization	Disposals	Accumulated Depreciation
Computer software	\$ 32,776	748		\$ 33,524
Computer hardware	2,681	16		2,697
Tenant improvements	10,022	103		10,125
Office furniture	2,750	26		2,776
Office equipment	153			153
Vehicles	1,243	39		1,282
Grounds equipment	495	4		499
	\$ 50,120	936	-	\$ 51,056

Net Book Value	\$ 12,822			\$ 12,897
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12. Budget Figures

Budgeted figures are provided for comparative purposes, and are consistent with the budget presented in the 2017/18 Service Plan Update that was released in September 2017.

13. Grants in Lieu of Property Taxes

The Commission, on behalf of the Province, pays each municipality a grant equivalent to gross property taxes due for all residential properties and projects managed.

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Notes to the Financial Statements

June 30, 2018

14. Commitments

a) Rental Obligations

The Commission has minimum rental obligations under operating leases for office space over the next five fiscal years as follows:

		(\$000's)
2019	\$	5,243
2020		5,816
2021		5,982
2022		6,132
2023		6,278
Total	\$	29,451

b) Contractual Obligations

The Commission has significant contractual obligations with non-profit housing societies for the provision of annual subsidies. These contracts are reviewed annually to evaluate the level of commitment. The current annual subsidy is \$398,760,000 with a forecasted amount over five years as follows.

		(\$000's)
2019	\$	407,441
2020		241,919
2021		204,987
2022		197,327
2023		190,985
Total	\$	1,242,659

c) Public-Private Partnership Commitments

The Commission has entered into a public-private partnership project (P3) with Habitat Housing Initiative (HHI) to renovate thirteen Single Room Occupancy Hotels in Vancouver's Downtown Eastside. The information provided below shows the anticipated cash outflow, net of federal contributions provided during construction, for future obligations under the contract with HHI for the capital cost and financing, the facility maintenance and lifecycle costs as defined in the Project Agreement. Payments to the private partner are contingent on specified performance criteria and include an estimation of inflation where applicable.

As construction progresses, the asset values are recorded as capital assets and the obligation is recorded as a liability and included in long-term debt in the Corporation (see Note 15). Upon construction completion, the obligation will be met through the capital component of the monthly service payments over the term of the Project Agreement that is provided by the Commission. The capital portion of the payments due to HHI are recorded under Housing subsidies and grants and are expensed to the Corporation.

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		Capital (\$000's)	Facility Maintenance and Lifecycle (\$000's)		Total Payments (\$000's)
2019	\$	9,461	\$	2,731	\$ 12,192
2020		9,461		2,444	11,905
2021		9,461		2,735	12,196
2022		9,461		2,228	11,689
2023		9,461		2,165	11,626
Thereafter		74,105		17,075	91,180
Total	\$	121,410	\$	29,378	\$ 150,788

d) Loan Insurance Agreement

CMHC provides loan insurance under the *National Housing Act*, to assist the Commission in securing mortgages for the Corporation and not for profit housing providers. In the event of a loan default, the Commission is required to rectify the default and fully reimburse CMHC for claims paid to approved lenders. Since the establishment of this agreement in January 1993, there has never been a claim made under this agreement. The Commission underwrites these mortgages in accordance with CMHC guidelines for multi-unit properties, places charges on title to ensure access to property and requires housing providers to have an operating agreement with the Commission ensuring ongoing access to financial information.

The maximum value of mortgages that can be insured under this agreement is \$3.5 billion. As of March 31, 2018, the total value of outstanding CMHC insured mortgages was \$2,241,937,129 (2017: \$2,119,062,248). There is no claim expected on this portfolio and the Commission has not recorded a provision for loss.

15. Related Party Transactions

a) BC Government Reporting Entities

The Commission is related through common control to all Province of BC ministries, agencies, Crown corporations, school districts, health authorities, hospital societies, universities and colleges that are included in the provincial government reporting entity. Transactions with these entities, unless disclosed otherwise, are considered to be in the normal course of operations and are recorded at the exchanged amount, which is the amount of consideration established and agreed to by the related parties. Funds are due on receipt of the invoice and bear no interest.

b) Provincial Rental Housing Corporation (the Corporation)

The Corporation was created in 1961 as a landholding corporation for social and other low-cost housing for the Province. The Corporation is a separate legal entity that was incorporated under the *Company Act* of the Province and has a separate governance structure. The rental housing units of the Corporation are managed and operated by the Commission. The assets and liabilities, including the capital cost of projects owned by the Corporation, and results from operations of the Corporation are not included in the statements of the Commission. Separate financial statements are prepared for the Corporation.

During the year, the Commission provided \$71,979,000 (2017: \$71,084,000) to the Corporation for capital grants, self-insurance, mortgage subsidies, etc. As at March 31, 2018, amounts due to the Corporation totalled \$200,430,000 (2017: \$236,397,000) and represent funds advanced for the

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acquisition and development of properties under social housing programs. The advances are non-interest bearing with no set terms of repayment.

16. Contractual Rights

Contractual rights are rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future. The Commission has contractual rights to receive payment under a share cost agreement or to receive lease payments as follows:

Contractual right with:	Description	2019 (\$000's)	2020 (\$000's)	2021 (\$000's)	2022 (\$000's)	2023 (\$000's)	Thereafter (\$000's)
CMHC	Annual funding under the Social Housing Agreement (SHA)	102,388	97,442	85,710	80,179	71,976	202,798
CMHC	Annual funding under the Extension to the Investment in Affordable Housing (IAH) Agreement	30,020	-	-	-	-	-
Non-profit housing providers	Land/and or building lease payments on properties owned by the Corporation	1,244	1,244	1,244	1,244	1,244	25,088
Total		\$ 133,652	\$ 98,686	\$ 86,954	\$ 81,423	\$ 73,220	\$ 227,886

17. Contingencies

a) Letters of Credit

As at March 31, 2018, the Commission was contingently liable with respect to letters of credit totalling \$3,748,206 (2017: \$2,638,522) for municipal development cost charges.

b) Legal Claims

The nature of the Commission's activities is such that there will be litigation pending or in progress at any time. With respect to claims at March 31, 2018, management is of the opinion that it has valid defenses and appropriate insurance coverage in place, or if there is unfunded risk, such claims are not expected to have a material effect on the Commission's financial position. Outstanding contingencies are reviewed on an ongoing basis and are provided for based on management's best estimate of the ultimate settlement.

British Columbia Housing Management Commission

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18. Financial Instrument Risks

The Commission, through its financial assets and liabilities, is exposed to credit risk, interest rate risk, market risk and liquidity risk. The following analysis provides a measurement of those risks at March 31, 2018:

a) Credit Risk

Credit risk is the risk that the Commission will incur a loss due to the failure by its debtors to meet their contractual obligations. Financial instruments that potentially subject the Commission to credit risk consist primarily of cash and short-term investments, receivables, mortgages receivable and construction loans.

The Commission is not exposed to significant credit risk as the majority of receivables are due from CMHC and the Province. The development phase of a project bears some credit risk as a result of municipal zoning uncertainty, the capacity of non-profit housing providers, and funding availability. During this phase, credit risk is mitigated by an assessment of collectability. During the construction phase of a project, credit risk is low with respect to construction loans to housing projects owned by non-profit housing providers as the loans are secured by property and repaid at substantial completion of project (see Note 4). In addition, credit risk is low with respect to mortgages receivable from non-profit housing providers and BC HOME Partnership loans as these receivables are also secured by property (see Note 5).

b) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Construction loans bear interest at the Province's weighted average borrowing rate, but these loans are short term. Investments bear some interest rate risk but these risks are mitigated through the diversification of the portfolio.

c) Market Risk

Market risk is the risk that the value of an investment will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual investment, or factors affecting all securities traded in the market. The Commission has an investment policy to ensure investments are managed appropriately to secure the preservation of capital and the availability of liquid funds. The Commission has also retained two qualified investment firms to invest surplus funds in accordance with its investment policy.

British Columbia Housing Management Commission

Notes to the Financial Statements

June 30, 2018

d) Liquidity Risk

Liquidity risk is the risk that the Commission will not be able to meet its obligations as they fall due. The Commission maintains adequate levels of working capital to ensure all its obligations can be met as they become due. If the current funding, and cash on hand was insufficient to satisfy its current obligations, the Commission has the option to sell its portfolio investments.

The majority of the Commission's financial assets and liabilities are current, maturing within 0 to 1 year. The table below shows the various financial assets and liabilities that mature after 1 year.

2018

Financial assets	Up to 1 year	1 to 5 years	Over 5 years	Total
Construction loans to housing projects	154,868	111,659	-	266,527
Mortgages receivable	7,953	1,906	25,457	35,316
Total	\$ 162,821	\$ 113,565	\$ 25,457	\$ 301,843

Financial liabilities	Up to 1 year	1 to 5 years	Over 5 years	Total
Society funds held on deposit	\$ 1,105	\$ 4,601	\$ 16,824	\$ 22,530

2017

Financial assets	Up to 1 year	1 to 5 years	Over 5 years	Total
Construction loans to housing projects	147,378	97,171	-	244,549
Mortgages receivable	234	3,772	18,391	22,397
Total	\$ 147,612	\$ 100,943	\$ 18,391	\$ 266,946

Financial liabilities	Up to 1 year	1 to 5 years	Over 5 years	Total
Society funds held on deposit	\$ 1,607	\$ 4,728	\$ 12,978	\$ 19,313

e) Foreign Exchange Risk or Other Price Risk

The Commission is not exposed to foreign exchange risk or other price risk.

Changes to Supplementary Schedules, effective as of June 30, 2018 reporting period

(I) Sch 1-Inter-entity

> BC Innovation Council is renamed to Innovation BC on line 37.

(II) Sch 1a-Inter-entity

> Northwest Community College is renamed to Coast Mountain College on line 15

Changes to Supplementary Schedules, effective as of March 31, 2018 reporting period

(I) Checklist-Must Complete

> A link to a practice guidance is added to note 24, note 25 and note 26 for disclosure of unrecognized assets, contingent assets and contractual rights.

Significant changes to Supplementary Schedules, effective as of December 31, 2017 reporting period

(I) Sch 1-Inter-entity

> New entities "Forest Enhancement Society of BC" and "Real Estate Foundation of British Columbia" are added to the schedule.

> Private Career Training Institutions Agency was wound up and removed from the schedule

(II) Sch 1a-Inter-entity

Wrinch Memorial Hospital was wound up and removed from the schedule.

Detailed Financial Statements and other Schedules

Version Update: June 30, 2018

Entity's Information

Name of entity: BC Housing Management Commission

Entity's website address: www.bchousing.org

Period covered: April 1, 2018 - June 30, 2018

Date completed: July 12th, 2018

Is your entity's physical address same as mailing address? (please mark in the box)

Yes ☒

No ☐

Entity's mailing address: 1701-4555 Kingsway
City: Burnaby
Province: BC
Postal Code: V5H4V8

Entity's physical address: 1701-4555 Kingsway
City: Burnaby
Province: BC
Postal Code: V5H4V8

App C Preparer's Contact Information

Name: Daphne Yin
Position: Comptroller
Email: dyin@bchousing.org
Phone number: 604-439-4797
Fax number: 604-439-4722

CFO or VP Finance's Contact Information

Name: Dan Maxwell

Please complete period covered

Official position:	CFO
Email:	dmaxwell@bchousing.org

The CFO or VP Finance of the organization must review and approve this report before submission to the Office of the Comptroller General. The submission of this report to the Office of the Comptroller General will be taken as an evidence that the CFO has approved this report.

Auditor's Contact Information

Audit firm's name:		Information not Required for Quarterly reports
Auditor's name:		
Auditor's phone number:		
Auditor's email:		

Government Accounting policies and definitions can be found under Note 1 of the latest provincial Public Accounts.

Once completed please email to Summary@gov.bc.ca

Balanced to SFP?	Yes
Surplus (Deficit) matched?	Yes
Debt schedules reconciled? (for year end only)	No

Contents and Instructions

Purpose of Report

- The information contained in this report is used by the Office of the Comptroller General (OCG) to prepare the province's financial reports, such as the Public Accounts and the quarterly actual results. The financial information you input on the various statements and schedules is linked to a worksheet containing our chart of accounts. The data is then imported into our accounting working paper program, for consolidation into the government reporting entity (GRE). A description of the consolidation methods can be found in the *Definitions* contained in the Public Accounts.

Before Starting to Prepare the Schedules and Statements

- Please ensure that you complete the Cover Sheet.
 - The Cover Sheet is linked to all the Schedules and Statements and will ensure your organization's name and the period covered is shown on each of the pages of the report.
- The audit firm information is only required at year end.

Input of data

- OCG will create a file to import the information contained in this report directly into its accounting working paper consolidation program.
 - The information you complete on the Statements and Schedules is linked to the OCG Use Only worksheet, which in turn is linked to OCG's Chart of Accounts.
 - To ensure that data is imported correctly, please:
 - Report all debits as positive numbers and credits as negative numbers. Fields in blue are normally a debit (positive) balance and fields in red are normally a credit (negative) balance. Fields in grey are protected and the data comes from formulas or from the indicated schedule.
 - Report all items in **thousands** of dollars.
 - Report all figures on a gross basis.
- It is also important that the statements be **balanced**, and that equity on the Statement of Financial Position **matches** equity reported on the Statement of Operations; and the debt schedule is reconciled to the debt maturity schedule at year end.
 - The Cover Sheet includes formulas which will indicate either "Yes" or "No". After completion of the report, you should check the Cover Sheet to ensure that "Yes" is indicated to the criteria. If "No" is indicated, you will need to review and revise your data input.
- Please do not use decimal points or input amounts by calculating as a percentage. This will result in an out-of-balance notification on the Cover sheet, even though the statements or schedules may appear balanced. We cannot import your information if there is an out-of-balance notification.

Completion of Supplementary Schedules

- Complete all the Supplementary Schedules prior to preparing the Statement of Financial Position and the Statement of Operations.
 - Most of the Schedules are linked to these two statements and this will allow you to easily identify those areas of the Statements where you will be directly entering financial information.

Checklist of additional reporting requirements

- This checklist must be completed.
 - Some information previously contained in schedules to this report is now included in this checklist, together with additional reporting requirements.
 - Certain of the reporting requirements are only needed at the province's fiscal year-end (March 31) and this has been indicated. All other information is required for quarterly reporting purposes.
- The information requested in this checklist is required for note disclosure purposes, or to complete debt and other schedules in the province's financial reports.
 - If applicable, your organization might also need most of this information for your own note disclosure.
 - The Office of the Comptroller General may not obtain complete notes until your organization's year-end audited statements are received, which does not provide us with the information we need on a timely basis for provincial note disclosure.
- This report is normally submitted on a quarterly basis, and with your draft financial statements. We do not require re-submission with your audited statements.
 - For Public Accounts purposes, if the information contained in this checklist changes materially after the date you submit your draft reports (usually third week in April), and prior to completion of the Public Accounts (usually May 30), please revise the checklist and re-submit this report to OCG with a note that you have revised the checklist only.

Statement of Financial Position

- This statement includes information required to consolidate your organization's Statement of Financial Position (or Balance Sheet) with the province's for inclusion in the Public Accounts and quarterly reports.
 - It will enable OCG to identify balances that will be eliminated in the consolidation of the GRE and provide detail required for any accounting policy adjustment.
 - Accounting policy adjustments are journal entries entered into the province's books to conform your organization's accounting policies with those of the province. Differences may arise as a result of differences in accounting policies between your organization and the province, based on the application of the general guideline(s) from the Public Sector Accounting Board Handbook GAAP and Treasury Board's directive.
- Where a schedule number is indicated in the "Schedule" column, the information for that particular item will link automatically from the indicated schedule.
- Refer to the "OCG Comments" column for additional instructions or definitions regarding specific line items.

Contents and Instructions

Statement of Operations

- As with the Statement of Financial Position, this statement will be consolidated with the province's operating results, and provides OCG with the information required to properly complete this consolidation.
- This statement also includes a section "Explanation of adjustments to Equity" which must be completed if there have been Prior Period Adjustments or Other Adjustments to equity reported on the Statement of Operations.
 - Explanations are necessary, as OCG must disclose these items in notes to the province's financial statements.
 - As well, there may be differences in accounting policies between your organization and the province due to the different application of the PSAB Handbook GAAP, and these equity adjustments may require that OCG enter an accounting policy adjustment in the province's statements.
- This statement also includes an expense section "Expense due to valuation allowance".
 - The OCG Comments column provides a short description of the type of valuation allowance to be reported.
 - This information is required for note disclosure in the Public Accounts in accordance with GAAP requirements.
- Refer to the "OCG Comments" column for additional instructions or definitions regarding specific line items.

Schedule 1 - Inter-Entity accounts

- This schedule allows you to report inter-entity asset, liability, revenue and expense transactions (excluding transactions directly with the province).
 - Data input into this schedule will automatically link to the relevant statement. The materiality level for transactions to be reported is noted on the schedule.
- A complete listing of Crown corporations that are included in the GRE is provided.
 - This listing is subject to change as entities are added and removed. If you are in any doubt as to whether or not to report a transaction, please contact OCG at the email address noted below.
- Transactions with the province should be reported directly on the Statement of Financial Position or Statement of Operations, as applicable.
- Transactions with the colleges, universities, school districts and hospital societies are summarized on this schedule.
 - The summarized information is linked from Schedule 1a. If you have transactions with any of these organizations, please complete Schedule 1a.

Schedule 1a - Inter-Entity accounts with Colleges, Universities, School Districts and Hospital Societies

- This schedule provides a listing of the colleges and institutes, universities and hospital societies.
- If you have transactions with school districts to report, please complete the School District name or # where indicated.
 - Due to the number of school districts, we have not listed them individually to keep the schedule as short as possible.

Schedule 2 - Capital Assets

- Capital Assets must be reported in the categories shown on Schedule 2.
- Please ensure any information regarding additions, disposals and valuation adjustments is entered in the applicable columns. The total of the valuation adjustments will automatically link to the Expense due to valuation allowance section of the Statement of Operations.
- Transfers to(from) WIP must equal zero - an ERROR message will show if they do not.
- Work-in-progress and capital leases must be reported separately on this Schedule.
 - This information is required to complete note disclosure in the Public Accounts, as included in the footnotes on the Statement of Tangible Capital Assets.

Schedule 3 - Debt

- This schedule allows you to report your organization's debt in the categories required by Provincial Treasury. OCG will forward this report to Provincial Treasury for their use in preparing their debt reports.
- Direct debt with the province is reported as a separate category.
 - Please complete this category as accurately as possible, as OCG must reconcile this information with the province's reported loan to you.
 - On consolidation, direct debt to the province reported by your organization must be eliminated against the province's loan to your organization, therefore the amounts must match.
- Closing net debt will automatically link to the Statement of Financial Position.
- Earnings on sinking funds and premiums on debt issues amortized will automatically link to the revenue section of the Statement of Operations.
- Interest expense for the year and Other Adjustments to interest expense will automatically link to the expense section of the Statement of Operations.
 - Other Adjustments to interest expense are infrequent, and a description of the adjustment should be included on the schedule.
- The final section of this report calculates debt servicing costs as reported according to provincial debt accounting policies.
 - Provincial debt servicing cost is calculated as interest expense plus debt discount amortization, less debt premium amortization and less sinking fund earnings.
 - Other Adjustments to interest, if any, will be reviewed to determine how they should be included in the province's financial statements.

Contents and Instructions

Schedule 4 - Deferred Contributions

- This schedule provides the breakdown of Deferred Contributions from the province, and Deferred Contributions from non-provincial sources.
- When consolidating your report with the province's statements, OCG must eliminate Deferred Contributions from the province against the related transactions in the province's books.
 - It is important that information provided be accurate and complete to allow a reconciliation of the province's transactions with your records.
 - It is also important that this section contain ONLY deferred contributions from the province.
- As indicated on the schedule in the Deferred Contributions - Non-provincial sources section, if you have included any funds whose use was not restricted by the provider of the funds, please provide a short description of the source, purpose and amounts of these funds.
 - A policy adjustment may need to be done by OCG, as GAAP only allows the reporting of externally restricted deferred contributions.
- Unearned lease revenue and other miscellaneous deferred revenue should be reported directly on the Statement of Financial Position in the Deferred revenue section.
 - We do not need a breakdown of the Contributions Received and Transfers to revenue for these categories. You should include the transfers to revenue in the appropriate revenue category of the Statement of Operations.

Schedule 5 - Variance Analysis

- Please provide a brief description of any material variances. Detailed analysis is not required.
 - Materiality should be assessed in relation to your organization's reported financial information.

Schedule 6 - Transactions with Self-supported Crown Corporations and Agencies

- This schedule is used to capture information relating to transactions with Self-supported Crown Corporations and Agencies that are reported in various notes to the Public Accounts. It does not link to any of the statements.

Submission of Report

- Once completed, please submit this report to OCG at the email address provided.
 - A calendar of due dates is provided to all Crown corporations each year.
 - If you are uncertain as to reporting dates, or have not received a copy of the calendar, please contact OCG.
- In order for OCG to meet the statutory requirements for release of quarterly reports and the Public Accounts, it is important that this report be submitted, as completely and accurately as possible, on or before the due date.
 - If you have experienced unusual circumstances which might result in a **delay in submission** of this report, please contact OCG in advance of the due date.
- As the Cover sheet indicates, submission of this report to OCG will be taken as evidence that the senior financial officer of your organization has approved the report.
- Prior to submission, please check the Cover Sheet to ensure that "Yes" is indicated to both the "balanced to SFP" and "equity matched" criteria, and to the "debt reconciled" criteria at year end. If "No" is indicated, you will need to review and revise your data input prior to submission.

Questions? Comments? Suggestions?

Please contact OCG at Summary@gov.bc.ca.

BC Housing Management Commission

Checklist - Additional Reporting Requirements

You must indicate yes or no to all questions with an "x" .
Please complete information in the boxes provided.

1. Full time Equivalent (FTE) Employment

FTE employment provides information on your organization's annual staff utilization, as defined by the *Budget Transparency and Accountability Act* , and is included in the province's financial reports, including the Estimates and the Public Accounts.

- The term "fulltime equivalent" is defined as the employment of one person for one full year or the equivalent thereof (for example, the employment of two persons for six months each).
- FTEs are calculated by dividing the total hours of permanent, auxiliary, temporary, seasonal and overtime employment paid for the fiscal year by the normal paid working hours for one fulltime equivalent employee for one year.
- Employees whose salaries are included in the cost of capital projects are not counted as FTEs in order to maintain consistency between salary expense and FTEs.

In the boxes provided, please state the number of:

756	- Actual FTEs
746	- Budgeted FTEs as submitted to Treasury Board Staff

2. Changes in Accounting Policies

Has your organization made any accounting policy changes since your last report to OCG?

	Yes. If yes, please provide a brief description and impact on your financial information.
x	No

Description and impact of change on both current year and prior year

3. Contingent Liabilities

A contingent liability arises from an existing condition or situation from which, upon the occurrence or non-occurrence of one or more future events, a loss may arise. This applies to circumstances where the existence of a loss is uncertain, not merely where the amount of a loss is uncertain. Contingent liabilities may arise from, for example, pending or threatened litigation, threat of expropriation of assets, arbitration, responsibility for environmental clean-up, and guarantees of the indebtedness of others.

Does your organization have any contingent liabilities?

x	Yes. If yes, please provide the information requested below.
	No

Description and amount of contingent liability. Include details of any amounts accrued in your financial statements, and/or details required for note disclosure of unrecognized amounts.

See notes to financial statements

BC Housing Management Commission

Checklist - Additional Reporting Requirements

You must indicate yes or no to all questions with an "x" .

Please complete information in the boxes provided.

<i>Probability of occurrence</i>	
	highly likely that loss will occur (greater than 70% probability)
x	not likely that loss will occur (less than 70% probability)
	likelihood of loss not determinable

Note disclosure of the contingent liability will be included in the Public Accounts where applicable. If the probability of occurrence is (a) highly likely, but the amount of the loss cannot be reasonably estimated; or (b) highly likely and an accrual has been made, but there exists an exposure to loss in excess of the amount accrued; or (c) not determinable, then note disclosure is likely to be made. Materiality and confidentiality of the contingent liability will be assessed in determining whether to disclose.

BC Housing Management Commission

Checklist - Additional Reporting Requirements

You must indicate yes or no to all questions with an "x" .
Please complete information in the boxes provided.

4. Guaranteed Debt

Disclosure of any debt of external third parties guaranteed by your organization is required for the province's financial reporting purposes. The Public Accounts includes a Statement of Guaranteed Debt in its note disclosure section. In addition, although guaranteed debt is not reported as a liability in the Summary Financial Statements, Provincial Treasury includes guaranteed debt in its calculation of provincial net debt.

Does your organization guarantee the debt of any external third parties?

	Yes. If yes, please provide a brief description.
x	No

Description of guaranteed debt. Please include program guarantee issued under, amount and date of initial guarantee, amount outstanding, maximum guarantee, and any provision for probable payout recorded.

5. Endowments

If you report endowment fund assets in your financial statements, please confirm the closing balance at the end of the period in \$ thousands.

(a)

	Fiscal 2017/18		Fiscal 2018/19	
	Original Cost	FMV	Original Cost	FMV
Endowment Fund ("Available to Spend" portion)				
	0	0	0	0

(b)

	Fiscal 2017/18		Fiscal 2018/19	
	Original Cost	FMV	Original Cost	FMV
Endowment fund (only include restricted assets which are not available for operation and capital purchases)				

BC Housing Management Commission

Checklist - Additional Reporting Requirements

You must indicate yes or no to all questions with an "x" .
Please complete information in the boxes provided.

	0	0	0	0
Total Endowment Fund	-	-	-	-

BC Housing Management Commission

Checklist - Additional Reporting Requirements
You must indicate yes or no to all questions with an "x" .
Please complete information in the boxes provided.

6. Financial Instruments - Continuity Schedule

Implemented CICA - Accounting Handbook Section PS 3450 , Financial Instruments, and Section PS 3041, Portfolio Investments.

Note: please only include information for the fiscal years after these sections were adopted. In \$ thousands

Financial Instrument - Description of Asset, Liability, Hedge or Derivative	Fiscal 2017/18				Fiscal 2018/19			
	Post here the information from the March 31, 2018							
	Appendix C							
	Original Cost	FMV	Cumulative Unrealized Gain/Loss	Curr Yr Gain/Loss	Original Cost	FMV	Cumulative Unrealized Gain/Loss	Curr Yr Gain/Loss
BCH Portfolio Investment	95,841	91,023	-4,818	-1,579	95,327	92,031	-3,296	1,522
							0	0
							0	0
							0	0
							0	0
							0	0
							0	0
	95,841	91,023	-4,818	-1,579	95,327	92,031	-3,296	1,522

In \$ thousands

Financial Instruments - Journal Entries

Use Account Description from the App C SFP & SO	2017/18	2018/19
Temporary Investments	4,818	3,296
Other Deferred Revenue	-188	-129
Unearned Investment Revenue	-4,630	-3,167
Make sure journal entry balances	0	0

BC Housing Management Commission

Checklist - Additional Reporting Requirements

You must indicate yes or no to all questions with an "x" .
Please complete information in the boxes provided.
If the notes to your financial statements do not provide information about the financial instrument, how the fair values have been determined and how they are used in risk management; please provide the details below.

Indicate the accounting treatment of fees and costs incurred in the exchange or modification of a financial liability.
Did your organization expense the fees and costs?

	Yes. If yes, please provide the additional information in the above journal table
x	No

Did your organization defer and amortize fees and costs incurred in the exchange or modification of a financial liability?

	Yes
x	No

Financial Instruments - Derivatives Disclosure

If your organization has derivatives please complete this table for each derivative. If more room is required please use the Notes and Comments page.

Financial Instrument - Description of Derivative	Maturity Date	Counterparty	Counter-party Credit Rating	Fixed Rate Payer	Floating Rate Payer	Fixed Interest Rate	Floating Interest Rate	Current Notional Amount	Market Value	Currency	Other comments

Example of how to complete this table:

Interest Rate Swap	Feb 2019	Any Bank	AA-/Aaa	Your Organization	Any Bank	0.0453	3 mo CAD BA - .35%	\$ 4,000,000	\$ 40,000	CAD	Notional Amt is declining balance to match LT Debt outstanding
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BC Housing Management Commission

Checklist - Additional Reporting Requirements

You must indicate yes or no to all questions with an "x" .
Please complete information in the boxes provided.

7. Sale Leaseback Transactions

Has your organization entered into any sale-leaseback transactions since April 1, 2018?

	Yes. If yes, please provide the information requested below.
x	No.

In \$ thousands

Sale-Lease Back Asset	Name of purchaser/ lessor	Capital or Operating Lease	% of asset leased back	Pre-transaction asset carrying value	Fair Value of Asset	Sale transfer price	Lease value	Post-transaction asset carrying value (for capital lease)	Gains/ (Losses) Recognized	Gains/ (Losses) Deferred

8. Temporary Investments

If you have reported temporary investments on line 18 of the Statement of Financial Position, the following breakdown of the amount reported is required:
Report in \$ thousands.

Investment Description	Cost	Market Value	Maturity Date
BCH Portfolio Investment	95,327	92,031	
Total	95,327	92,031	

BC Housing Management Commission

Checklist - Additional Reporting Requirements

You must indicate yes or no to all questions with an "x" .
Please complete information in the boxes provided.

9. Long Term Investments

If you have reported investments on lines 45-49 of the Statement of Financial Position, the following breakdown of the amount reported is required: **Report in \$ thousands.**

		Cost	Market Value	Earliest Maturity Date (dd-mmm- yyyy)	Latest Maturity Date (dd-mmm- yyyy)	Minimum Yield (%)	Maximum Yield (%)
Bonds	federal						
	provincial						
	municipal						
	corporate						
	other						
Commercial loans							
Equity Investments							
Pooled Investment Portfolios							
Other (please provide details below)							
Total		-	-				

Details of Other Long Term Investments

If you have reported investments above for which there was a write-down that would be considered permanent under Public Sector Accounting Standards, please list the investment and the amount of the write down.PSAB guidance is included on the Change worksheet. If you run out of space in this area please include the rest of the information in the notes and comments tab.

Name of investment	Type of investment	Amount of write-down	Notes

BC Housing Management Commission

Checklist - Additional Reporting Requirements

You must indicate yes or no to all questions with an "x" .
Please complete information in the boxes provided.
Please list any long-term investments presented above that have a maturity date that meets the definition of "temporary investment" as defined by the Public Sector Accounting Standards (investments that are transitional or current in nature).

		Maturity Date			
		Cost	Market Value	(range)	Yield (range)
Bonds	federal				
	provincial				
	municipal				
	corporate				
	other				
Commercial loans					
Equity Investments					
Pooled Investment Portfolios					
Other (please provide details below)					
Total		-	-		

10. Sinking Fund Investments

If you have reported sinking fund debt on lines 18-23 of Schedule 3 - Debt, the following breakdown of the amount invested is required: **Report in \$ thousands.**

		Maturity Date			
		Cost	Market Value	(range)	Yield (range)
Bonds	federal				
	provincial				
	municipal				
	corporate				
	other				
Pooled Investment Portfolios					
Miscellaneous					
Total (cost equals line I23 on Sch 3 - Debt)		-	-		

BC Housing Management Commission

Checklist - Additional Reporting Requirements

You must indicate yes or no to all questions with an "x" .
Please complete information in the boxes provided.

11. Accrued Employee Leave Entitlements

Please provide a breakdown of the amount reported for accrued leave liability.

Enter as negative if credit balance

	Balance (in \$ thousands)	
	2018/19**	2017/18***
Accrued Long-Term Disability Liability		
Accrued Retirement Allowance Liability		
Post-retirement Benefits		
Accrued Sick Bank Liability		
Accrued Vacation Entitlement	-2,055	-2,055
Accrued WCB liability		
Other Accrued Compensatory time off, liability*	-417	-424
Total Accrued Employee Leave entitlements	-2,472	-2,479

*Other Accrued Compensatory time off liability includes CTO, unused overtime, earned time off, shift & standby overtime, overtime in lieu of stats, that has been accrued.
** Current year balance linked to SOFP C57 "Accrued Employee Leave Entitlements"
*** The amount for Fiscal year 2017/18 is based on the information from the March 31, 2018 Appendix C.

12. Liability for Contaminated Sites

Does your organization have contaminated sites?

	Yes
x	No

If yes, has the liability for remediation of all contaminated sites been recognized?

	Yes. If yes, please provide the information and balances as requested below.
	No. If no, please provide information on why specific contaminated site liabilities have not been recognized as requested below.

GAAP requires your organization to provide the nature and source of the liability; the basis for the estimate of the liability; the estimated total undiscounted expenditures and discount rate when a net present value technique has been used; and the estimated recoveries (if any).

Detailed Description of Liabilities for Contaminated Sites					Fiscal 2018/19 Balances (in \$ thousands)					
Description of Contaminated	Nature and	Basis for	Information if Net Present Value Technique used for Estimate	Anticipated Timing of	Opening	Additional Liability	Liability Settled	Change in	Estimated	Ending

BC Housing Management Commission

Checklist - Additional Reporting Requirements

You must indicate yes or no to all questions with an "x" .

Please complete information in the boxes provided.

Description of Contaminated Site	Source of Liability	Estimate of the Liability	Estimated Total Undiscounted Expenditures	Discount Rate	Timing of Future Expenditures	Opening Liability	Incurred During the Year	During the Year	Estimate of the Liability	Estimated Recoveries	Closing Liability
											0
											0
											0
											0
											0
											0
											0
											0
											0
						0	0	0	0	0	0

BC Housing Management Commission

Checklist - Additional Reporting Requirements

You must indicate yes or no to all questions with an "x" .
Please complete information in the boxes provided.

Balance at March 31st
(in \$ thousands)
2019

Opening liability for contaminated sites	0
- additional liability incurred during the year (+)	0
- liability settled during the year (-)	0
- change in estimate (+)(-)	0
- estimated recoveries	0
Ending liability for contaminated sites	<u>0</u>

If the liability for the remediation of contaminated sites has not been recognized, GAAP requires the reason why a reasonable estimate of the amount involved cannot be made or why it is expected that economic benefits will not be given up.

Information on Contaminated Sites Not Recognized as Liabilities		
Description of Contaminated Site	Nature and Source of Liability	Reasons for Not Recognizing a Liability

BC Housing Management Commission

April 1, 2018 - June 30, 2018

Please report all debits as positive numbers and credits as negative numbers.

Please report all items in 000s of dollars.

All figures should be on a GROSS basis.

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Boxes in red are normally in a credit (negative) balance, those in blue normally in a debit (positive) balance.

Statement of Financial Position
Report in 000s

		Schedule	OCG Comments
Financial Assets			
Cash	518,467		
Cash Equivalents			Includes demand deposits and short-term highly liquid investments that are readily convertible to cash and that are subject to an insignificant risk of changes in value.
Temporary investments:	92,031		Write downs or write-offs should be reported on Statement of Operations under Expense due to Valuation Allowance
		610,498	
Accounts receivable:			
from the province			
trade receivables other	16,285		
taxes receivable (not included elsewhere)			
accrued interest			
from Crown corps, gov't orgs, trusts, etc	0	1	
from the federal government (current)	27,753		includes GST credit
from the federal government (long term)			
from local governments (current)			municipal units established by provincial government, including municipalities, cities, towns, townships, districts and villages
from local governments (long term)			
from other provincial governments (current)			
from other provincial governments (long term)			
less: provision for doubtful accounts	-4,113		Report current year bad debt expense on Statement of Operations under Expense due to Valuation Allowance
		39,925	
Inventory for resale:			
properties for resale			land and buildings for resale

Please report all debits as positive numbers and credits as negative numbers.
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Statement of Financial Position			Schedule	OCG Comments
Report in 000s				
Loans and Advances	other inventories for resale			See Other Assets for inventories that are not for resale.
			0	
	Loans and advances	266,527		includes repayable advances, accountable advances and employee accountable advances
	less: provision for doubtful loans/advances			Report current year write downs/-offs on Statement of Operations under Expense due to Valuation Allowance
	Mortgages receivable	35,316		
	less: provision for doubtful mortgages		301,843	Report current year write downs/-offs on Statement of Operations under Expense due to Valuation Allowance
Investments	Investment in corporations on a cost basis			use cost method when no significant influence, control or joint control exists
	Investment in corporations on an equity basis			use equity method when significant influence exists without control or joint control
	Other investments			
	less: provision for doubtful payout		0	Report write downs/-offs on Statement of Operations under Expense due to Valuation Allowance
Total Financial Assets			952,266	

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Please report all items in 000s of dollars.

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Statement of Financial Position Report in 000s

			Schedule	OCG Comments
Liabilities				
Payables and accruals	to the province			
	trade payables other	-38,045		
	accrued employee leave entitlements	-2,472		see checklist Note 11
	other accrued liabilities (not included elsewhere)	-340,866		
	to Crown corps or govenment orgs	-175,610	1	
	to federal government (current)			
	to federal government (long term)			
	to local governments (current)			municipal units established by provincial government, including municipalities, cities, towns, townships, districts and villages
	to local governments (long term)			
	to other provincial governments (current)			
	to other provincial governments (long term)			
		-556,993		
Accrued interest:	on direct debt to province	0	3	
	on mortgages	-2	3	
	on other debt	0	3	
		-2		
Deferred revenue:	deferred capital contributions - provincial	-130,365	4	
	deferred capital contributions - non-provincial other	0	4	
	deferred capital contributions - Federal	0	4	
	deferred contributions - provincial	-30,159	4	
	deferred contributions - non-provincial other	0	4	
	deferred contributions - Federal	-65,283	4	
	unearned lease revenue			
	federal & municipal infrastructure projects	0	4	BCTFA use only.
	other deferred revenue	-4,321		

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Statement of Financial Position
Report in 000s

		Schedule		OCG Comments
		-230,128		
Unfunded pension liability		0		
Public debt:	direct debt to province	0	3	
	mortgages	-14,993	3	
	other debt	0	3	
		-14,993		
Total Liabilities		-802,116		
Net Financial Assets (Debts)		150,150		
Non-financial Assets				
Other assets:	inventories - not for resale			e.g., inventories of supplies
				Restricted assets represent the portion of endowment funds that are to be held in perpetuity, and are not available to be used for operations or capital purchases. This cell is linked to "Checklist-Must Complete" tab (Note 5b - Endowments)
	restricted assets (e.g. endowment funds)	0		
	prepaid program costs	35,021		
	deferred charges			
	unamortized issue cost of public debt			
		35,021		
Capital assets:	historical cost of tangible capital assets	63,953	2	Report current year write downs/offs on Statement of Operations
	accumulated amortization	-51,056	2	under Expense due to Valuation Allowance
		12,897		

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Please report all items in 000s of dollars.
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Statement of Financial Position
Report in 000s

	Schedule	OCG Comments
Total Non-financial Assets	47,918	

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Statement of Financial Position
Report in 000s

		Schedule	OCG Comments
Accumulated Surplus or Deficit			
Accumulated Operating Surplus or Deficit:			
Capital stock			
Contributed surplus			
Accumulated Surplus	-201,235		
Accumulated Remeasurement Gains and (Losses)	3,167		
Total Accumulated Surplus or Deficit	Note: Total must match Closing Accumulated Surplus or Deficit from Statement of Operations	-198,068	Accumulated Surplus or Deficit from Statement of Operations -198,068

Notes and Comments:

BC Housing Management Commission

April 1, 2018 - June 30, 2018

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Statement of Operations
Report in '000s

			Schedule	OCG Comments
Revenue				
Grants	Direct transfers from the province			
	Direct transfers from Crown corps or gov't orgs	-3,430	1	
	Transfers from the federal government			
		-3,430		
Sales of goods and services	Sales of goods or services to the province			
	Sales of goods or services to Crown corp or gov't orgs	0	1	
	Sales of goods or services to non-related entities			
		0		
Deferred contributions	Recognition of Deferred Capital Contributions provincial	-56,886	4	
	Recognition of Deferred Capital Contributions non provincial other	0	4	
	Recognition of Deferred Capital Contributions Federal	0	4	
	Recognition of Deferred Contributions provincial	-120,989	4	
	Recognition of Deferred Contributions Federal	-27,866	4	
	Recognition of Deferred Contributions non provincial other	0	4	
		-205,741		
Taxation	Taxation - Property			Use at OCG request only
	Taxation - Fuel			Use at OCG request only
	Taxation - Provincial Sales			Use at OCG request only
	Taxation - Other			Use at OCG request only
		0		
Natural resources	Natural gas royalties			
	Petroleum royalties			
	Permits and fees			
	Minerals			
			1	

BC Housing Management Commission

April 1, 2018 - June 30, 2018

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Statement of Operations
Report in '000s

		Schedule	OCG Comments
	Forests		
	Water resources		
	Other natural resources		
			0
Other revenues	Fees and licences		
	Sinking fund earnings	3	
	Recognition of debt premium	3	
	Investment earnings		Sinking fund earnings reported separately (see above)
	Gain (loss) on sale of tangible capital assets		
	Miscellaneous		
			-16,267
	Total Revenue		-225,438

BC Housing Management Commission

April 1, 2018 - June 30, 2018

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Statement of Operations
Report in '000s

Expense		Schedule		OCG Comments
Purchases	Purchases from Crown corps or gov't orgs	0	1	
	Purchases from the province			
			0	
Grants	Transfers to Crown corps or gov't orgs	50,522	1	
	Grants to third parties	142,111		
			192,633	
Debt expenses	Debt service costs (gross of sinking fund investment)	20	3	Interest expense less other adjustments from Schedule 3
	Recognition of debt discount	0	3	
			20	
Expense due to valuation allowance				
	Accounts receivable			Bad debt expense
				Write down to lower of cost or net realizable value
	Inventory			
	Tangible capital assets	0	2	Write downs or write-offs
	Loans, advances and mortgages receivable			Write downs or write-offs
	Investments			Write downs or write-offs
	Other assets			Write downs or write-offs
			0	
Other expenses	Salaries and benefits	14,678		
	Operating expense	17,171		
	Asset amortization expense	936	2	Report asset amortization separately
	Cost of goods sold			
	Restructuring exit expenses	0	3	Incremental costs that do not provide future benefit and are a direct result of restructuring

BC Housing Management Commission

April 1, 2018 - June 30, 2018

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Please report all items in 000s of dollars.

All figures should be on a GROSS basis.

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Statement of Operations
Report in '000s

		Schedule	OCG Comments
Other miscellaneous expenses		5	Expenses which cannot be reasonably allocated to a specific category
	32,785		
Total Expense	225,438		
Operating Deficit for the Year Before Endowment Contributions	0		
Endowment Contributions			New endowment contributions received in the year
Operating Deficit for the Year	0		

BC Housing Management Commission

April 1, 2018 - June 30, 2018

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Please report all items in 000s of dollars.

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Statement of Operations
Report in '000s

Accumulated Surplus or Deficit

Schedule	OCG Comments
	Prior year closing Accumulated Operating Surplus or Deficit as reported on your audited statements
	Capital Stock + Contributed Surplus + Retained earnings from Statement of Financial Position (should match Closing Accumulated Operating Surplus or Deficit at cell C91)
	-201,235
	Total Accumulated Surplus or Deficit from Statement of Financial Position (should match Closing Accumulated Surplus or Deficit at cell C97)
	-198,068

Opening Accumulated Operating Surplus or Deficit (excl. Remeasurement Gains or Losses)	-201,235
Operating Surplus or Deficit for the Year	0
Prior Period Adjustments (see below)	0
Other Adjustments to Accumulated Operating Surplus or Deficit (see below)	0
Closing Accumulated Operating Surplus or Deficit (excl. Remeasurement Gains or Losses)	-201,235
Opening Accumulated Remeasurement Gains or Losses	4,630
Net Remeasurement Gains or Losses for the year	-1,463
Closing Accumulated Remeasurement Gains or Losses	3,167
Closing Accumulated Surplus or Deficit	-198,068

Explanation of adjustments to Accumulated Operating Surplus or Deficit	Amount	Verification must equal \$0	Notes and Comments:
Prior Period Adjustments			

BC Housing Management Commission

April 1, 2018 - June 30, 2018

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Please report all items in 000s of dollars.

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Statement of Operations
Report in '000s

		Schedule	OCG Comments
Total Prior Period Adjustments Explained	0	\$0	
Other Adjustments to Accumulated Operating Surplus or Deficit			
Total Other Adjustments to Accumulated Operating Surplus or Deficit	0	\$0	

BC Housing Management Commission

April 1, 2018 - June 30, 2018

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Boxes in blue can be entered as debit or credit balance.

Statement of Remeasurement Gains & Losses
Report in '000s

	Current Year			Prior year			
	Investment	Other Comprehensiv e Income	Total	Investment	Other Comprehensiv e Income	Total	
Balance, beginning of the year	4,630	-	4,630	3,125		3,125	Beginning balance must equal prior year ending as reported on your audited financial statements.
Unrealized (gains) / losses	-60		(60)	-1,010		(1,010)	
Amounts realized to Statement of Operations	-1,403		(1,403)	2,515		2,515	
	(1,463)	-	(1,463)	1,505	-	1,505	
Balance, End of the Period	3,167	-	3,167	4,630	-	4,630	3,167

Notes and Comments:

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MATERIALITY LEVEL: \$100,000 is the materiality level for recognizing inter-entity transactions on Schedule 1 and Schedule 1a. If a particular transaction type with an individual entity is below \$100,000 you do not need to report the transaction. For example, if Accounts Receivable from a related entity are \$50,000, you do not need to report them; however, if Accounts Payable from a related entity are over \$100,000 you must report them.

Schedule 1 Inter-entity accounts

REPORT IN 000s

	Accounts Receivable from Entity	Accounts Payable to Entity	Revenue - Direct Transfers from Entity	Revenue - Sales to Entity	Expenses - Purchases from Entity	Expenses - Transfers to Entity
BC Clinical and Support Services Society						
BC Games Society						
BC Immigrant Investment Fund Ltd.						
BCNET						
BC Pavilion Corporation						
BC Public School Employers' Association						
BC Transportation Financing Authority						
British Columbia Assessment Authority						
British Columbia Enterprise Corporation						
British Columbia Housing Management Commission						
British Columbia Securities Commission						
British Columbia Transit						
Canadian Blood Services						
Columbia Basin Trust						
Community Living British Columbia			-1,422			
Community Social Services Employers' Association						
Creston Valley Wildlife Management Authority Trust Fund						
Crown Corporations Employers' Association						
Destination BC Corp.						
First Peoples' Heritage, Language and Culture Council						
Forest Enhancement Society of BC						
Forestry Innovation Investment Ltd.						
Health Employers Association of BC						
Industry Training Authority						
Innovation BC (formerly BC Innovation Council)						
Knowledge Network Corporation						
Legal Services Society						
Nechako-Kitimaat Development Fund Society						
Oil and Gas Commission						
Organized Crime Agency of British Columbia Society						
Partnerships British Columbia						
Post Secondary Employers' Association						
Provincial Rental Housing Corporation		-175,610	-285			49,236
Real Estate Council of British Columbia						
Real Estate Foundation of British Columbia						
The British Columbia Council for International Education						
The Royal British Columbia Museum Corporation						
Fraser Health Authority			-805			393
Interior Health Authority			-69			22
Northern Health Authority			-34			383
Vancouver Coastal Health Authority			-281			454
Vancouver Island Health Authority			-270			34
Provincial Health Services Authority			-264			
Hospital Societies	Note 1	0	0	0	0	0
School Districts	Note 1	0	0	0	0	0
Universities	Note 1	0	0	0	0	0
Colleges and Institutes	Note 1	0	0	0	0	0
		0	-175,610	-3,430	0	50,522

Note 1: This information is transposed from Schedule 1a. Please complete that Schedule if you have transactions with these entities.

Notes and Comments:

BC Housing Management Commission
April 1, 2018 - June 30, 2018

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MATERIALITY LEVEL: \$100,000 is the materiality level for recognizing inter-entity transactions on Schedule 1 and Schedule 1a. If a particular transaction type with an **individual** entity is below \$100,000 you do not need to report the transaction. For example, if Accounts Receivable from a related entity are \$50,000, you do not need to report them; however, if Accounts Payable to a related entity are over \$100,000 you must report them.

Schedule 1a

REPORT IN 000s

Additional detail - Inter-entity accounts

	Accounts Receivable from Entity	Accounts Payable to Entity	Revenue - Direct Transfers from Entity	Revenue - Sales to Entity	Expenses - Purchases from Entity	Expenses - Transfers to Entity
Colleges and Institutes						
British Columbia Institute of Technology						
Camosun College						
Coast Mountain College (formerly Northwest Community College)						
College of New Caledonia						
College of the Rockies						
Douglas College						
Justice Institute of British Columbia						
Langara College						
Nicola Valley Institute of Technology						
North Island College						
Northern Lights College						
Okanagan College						
Selkirk College						
Vancouver Community College						
Total Colleges	0	0	0	0	0	0
Universities						
Capilano University						
Emily Carr University of Art & Design						
Kwantlen Polytechnic University						
Royal Roads University						
Simon Fraser University						
Thompson Rivers University						
University of British Columbia						
University of Northern British Columbia						
University of the Fraser Valley						
University of Victoria						
Vancouver Island University						
Total Universities	0	0	0	0	0	0
School Districts						
Insert School District name here						
Insert School District name here						
Insert School District name here						
Insert School District name here						
Insert School District name here						
Total School Districts	0	0	0	0	0	0
Hospital Societies						
Louis Brier Home and Hospital						
Menno Hospital (Mennonite Benevolent Society)						
Mount St. Mary Hospital (The Marie Esther Society)						
Nisga'a Valley Health Centre						
Providence Health Care (incl St. Paul's, Chara, Holy Family)						
St. Joseph's General Hospital (Bishop of Victoria)						
St. Michael's Centre						
Total Hospital Societies	0	0	0	0	0	0

Notes and Comments:

BC Housing Management Commission

April 1, 2018 - June 30, 2018

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Opening balances must equal last year's reported closing balance.

Schedule 2
Capital Assets
REPORT IN 000s

	Transposed to Statement of Operations							Transposed to Statement of Operations							Net book value
	Opening cost	Additions	Disposals	Valuation Adjustments	Transfers to (from) WIP/CL	Transfers to (from) GRE	Ending cost	Opening amortization	Amortization expense	Effect of disposals	Valuation Adjustments	Transfers to (from) GRE	Ending amortisation		
Land							-						-	-	
Land Improvements							-						-	-	
Land Improvements WIP							-						-	-	
Total Land	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Buildings							-						-	-	
Building WIP							-						-	-	
Buildings under Capital Lease							-						-	-	
Buildings under Capital Lease WIP							-						-	-	
Leasehold Improvements	11,319	57					11,376	(10,022)	(103)				(10,125)	1,251	
Leasehold Improvements WIP							-						-	-	
Total Buildings	11,319	57	-	-	-	-	11,376	(10,022)	(103)	-	-	-	(10,125)	1,251	
Ferries							-						-	-	
Ferries WIP							-						-	-	
Ferries under capital lease							-						-	-	
Total Ferries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transit vehicles and equipment							-						-	-	
Transit WIP							-						-	-	
Transit under capital lease							-						-	-	
Total Transportation Eqpt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Highway Infrastructure							-						-	-	
Highways WIP							-						-	-	
Highways under capital lease							-						-	-	
Total Hwy Infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Computer Hardware	2,745						2,745	(2,681)	(16)				(2,697)	48	
Computer Hardware WIP							-						-	-	
Computer Hardware under capital lease							-						-	-	
Computer Software	43,411	839					44,250	(32,776)	(748)				(33,524)	10,726	
Computer Software WIP							-						-	-	
Computer Software under capital lease							-						-	-	
Total Computers	46,156	839	-	-	-	-	46,995	(35,457)	(764)	-	-	-	(36,221)	10,774	
Vehicles	1,596						1,596	(1,243)	(39)				(1,282)	314	
Vehicles under capital lease							-						-	-	
Office furniture & equipment	3,328	115					3,443	(2,903)	(26)				(2,929)	514	
Office F & E under capital lease							-						-	-	
Heavy machinery & equipment							-						-	-	
Heavy M & E WIP							-						-	-	
Heavy M & E under capital lease							-						-	-	
Miscellaneous	543						543	(495)	(4)				(499)	44	
Total Other	5,467	115	-	-	-	-	5,582	(4,641)	(69)	-	-	-	(4,710)	872	
Total Tangible Capital Assets	62,942	1,011	-	-	-	-	63,953	(50,120)	(936)	-	-	-	(51,056)	12,897	

NOTE: Transfers to/from WIP must equal zero

Notes and Comments:

RAEG - Sale of Surplus Properties and Assets (PSAB Section PS 1201.050)

Sale of Assets Held as Tangible Capital Assets

Legal Description	Asset Type (i.e. Land or Building)	Physical Address of Assets Sold	Sale Price (in 000's)	Net Book Value (in 000's)	Cost of Sales - excluding RAEG fee (in 000's)	Revenue: Gains/Losses on Disposal of Assets - Before RAEG Fee (in 000's)	RAEG Program Costs - 1% Program Fee	Net Gains/Losses on Disposal of Assets (in 000's)
						0		0
						0		0
						0		0
						0		0
						0		0

Sale of Assets Held as Inventory

Legal Description	Asset Type (i.e. Land or Building)	Physical Address of Assets Sold	Sale Price (in 000's)	Net Book Value (in 000's)	Cost of Sales - excluding RAEG fee (in 000's)	Revenue: Gains/Losses on Disposal of Assets - Before RAEG Fee (in 000's)	RAEG Program Costs - 1% Program Fee	Net Gains/Losses on Disposal of Assets (in 000's)
						0		0
						0		0
						0		0
						0		0
						0		0

NBV of all TCA's Reclassed to Inventory During the Year for RAEG Program

(Note: Includes both inventory sold and unsold)

Amount Reclassed (in 000's)

BC Housing Management Commission

April 1, 2018 - June 30, 2018

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Opening balances must equal last year's reported closing balance. If not provide an explanation below.

Schedule 3

Debt Report

Report in 000s

	Borrowing direct from the province	Mortgages	Borrowed from related organization	Borrowed from non-related, guaranteed by the province	Capital leases, guaranteed by the province	Capital leases, not guaranteed by the province	Borrowed from non-related, not guaranteed by the province	Public-Private Partnership	Total
Opening Gross Debt		-25,028							-25,028
Add: Additional Borrowing		-25,139							-25,139
Less: Repayment of Principal		35,174							35,174
Less: Debt Defeasance									0
Less: Debt Forgiveness									0
Closing Gross Debt	0	-14,993	0	0	0	0	0	0	-14,993
Opening sinking fund balance									0
Add: Additional principal payments									0
Add: Earnings on sinking funds									0
Less: Amount transferred to Defeasance or for repayment									0
Less: Debt Forgiveness									0
Closing sinking fund balance	0	0	0	0	0	0	0	0	0
Opening premium on debt issue									0
Add: Premium on newly issued debt									0
Less: Amount amortized to Statement of Operations									0
Less: Debt Forgiveness									0
Closing premium	0	0	0	0	0	0	0	0	0
Opening debt discount									0

OCG COMMENTS

Transposed to Statement of Operations

Transposed to Statement of Operations

Add: Discount on newly issued debt
Less: Amount amortized to Statement of Operations
Less: Debt Forgiveness
Closing discount

								0
								0
								0
0	0	0	0	0	0	0	0	0

Transposed to Statement of Operations

Closing Gross Debt
Add: Closing premium
Less: Closing Sinking Fund
Less: Closing Debt Discount
Closing Net Debt

0	-14,993	0	0	0	0	0	0	-14,993
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	-14,993	0	0	0	0	0	0	-14,993

Opening accrued interest
Add: Interest expense for the year
Less: Interest payments made
Closing accrued interest

	-3							-3
	-20							-20
	21							21
0	-2	0	0	0	0	0	0	-2

Transposed to Statement of Operations

Interest expense for the year
Add: Amortization of debt discount
Less: Amortization of debt premiums
Other adjustments (please list below)
Less: Earnings on sinking funds
Total net debt servicing expense

0	20	0	0	0	0	0	0	20
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
								0
0	0	0	0	0	0	0	0	0
0	20	0	0	0	0	0	0	20

Notes and Comments:

BC Housing Management Commission

April 1, 2018 - June 30, 2018

Please report all debits as positive numbers and credits as negative numbers.

Boxes marked in grey are formulas.

Boxes in red are normally in a credit (negative) balance, those in blue normally in a debit (positive) balance.

Schedule 4

Report in 000s

Deferred Contributions - Provincial sources only

	Deferred Capital	Deferred Operating	Other
Opening balance	-140,568	-38,330	
Contributions received during the year	-46,683	-112,818	
Transfers between deferred contributions			
Transfers to revenue	56,886	120,989	
Ending balance	-130,365	-30,159	0

OCG Comments

Must equal prior year reported closing balance.

This is transposed on the Statement of Operations

Please provide a brief description of the source and purpose of deferred non-capital operating contributions and Other.

Primarily for subsidies to non profit housing societies and low income individuals (eg. rent subsidies)

Please provide an explanation for the transfers to and from deferred contributions accounts.

Transfers due to timing of monthly appropriation and the payment of subsidies.

Deferred Contributions - Non-Provincial sources, other

	Deferred Capital	Deferred Operating	Deferred Municipal Infrastructure Project (BCTFA only)	Note:
Opening balance				The following should now be reported directly on the Statement of Financial Position:
Contributions received during the year				- Unearned lease revenue,
Transfers between deferred contributions				- Other miscellaneous deferred revenues,
Transfers to revenue				- Deferred federal & municipal highway project revenues.
Ending balance	0	0	0	

OCG Comments

Must equal prior year reported closing balance.

This is transposed on the Statement of Operations

Deferred Contributions - Federal

	Deferred Capital	Deferred Operating	Deferred Federal Infrastructure Project (BCTFA only)	Note:
Opening balance		-47,504		The following should now be reported directly on the Statement of Financial Position:
Contributions for Federal infrastructure programs		-45,645		- Unearned lease revenue,
Other Federal contributions received				- Other miscellaneous deferred revenues,
Transfers between deferred contributions				- Deferred federal & municipal highway project revenues.
Transfers to revenue		27,866		
Ending balance	0	-65,283	0	

OCG Comments

Must equal prior year reported closing balance.

This is transposed on the Statement of Operations

Please provide a brief description of the source and purpose of any deferred non-provincial contributions which were not externally restricted by the provider of the funds.

Federal funding from CMHC for subsidies to social housing providers and low income individuals.

Please provide an explanation for the transfers to and from deferred contributions accounts.

Transfers relate to timing of cash received from CMHC and the payment of grants to non profit housing providers and rent supplements to low income individuals.

BC Housing Management Commission

April 1, 2018 - June 30, 2018

Please report all debits as positive numbers and credits as negative numbers.

Boxes marked in grey are formulas or come from another schedule.

Boxes in red are normally in a credit (negative) balance, those in blue normally in a debit (positive) balance.

Schedule 5**Variance Analyses to original budget and prior year's actuals****REPORT IN 000s**

	Current Period		Prior Year	Budget to Actual	Prior to Current
	budget	actual	actual	Variance	Variance
Revenue	(322,495)	-225,438	(162,898)	97,057	-62,540
Expenditures	322,495	225,438	164,522	-97,057	60,916
Operating Surplus or Deficit for the Year	-	-	1,624	0	-1,624
Assets		1,000,184	974,637	1,000,184	25,547
Liabilities		-802,116	(777,209)	-802,116	-24,907
Total Accumulated Surplus or Deficit		(198,068)	(197,428)	-198,068	-640

Please provide brief description of any variances that are material to your financial results. Also, regardless of materiality, any changes greater than \$10 million must be explained including those for individual accounts that are offset when rolled up to totals above.

Explanation of material variances from original budget (as submitted to Treasury Board).

Actual to Budget variance is due to slower than anticipated projects development

Explanation of material variances from prior year's actuals.

Variance primarily due to the new capital funding received in the 3rd QTR 2017 /18 and 18/19

BC Housing Management Commission

April 1, 2018 - June 30, 2018

Please report all debits as positive numbers and credits as negative numbers.

Boxes marked in grey are protected and are formulas.

Boxes in **red** are normally in a credit (negative) balance, those in **blue** normally in a debit (positive) balance.

Schedule 6 Inter-company accounts with self-supported Crown corporations and agencies

This information does **NOT** flow to the balance sheet or income statement.

REPORT IN 000s

	Accounts Receivable from Crown Corps	Accounts Payable to Crown Corps	Direct Transfers from Crown Corps (revenue)	Sales to Crown Corps (revenue)	Purchases from Crown Corps (expenses)	Direct Transfers to Crown Corps (expenses)
B.C. Hydro and Power Authority						
B.C. Liquor Distribution Branch						
B.C. Lottery Corporation						
B.C. Railway Company						
Columbia Power Corporation						
Insurance Corporation of British Columbia						
	0	0	0	0	0	0

Notes and Comments:

UNBALANCED

DO NOT DELETE THIS SHEET PLEASE

Acct #	Acct Name	CY Cost	CY FMV	Min Date	Max Date	Min Yield	Max Yield	Stmt Type
Z1531000	Bonds federal	-	-			0.00%	0.00%	P
Z1531100	Bonds provincial	-	-			0.00%	0.00%	P
Z1531200	Bonds municipal	-	-			0.00%	0.00%	P
Z1531300	Bonds corporate	-	-			0.00%	0.00%	P
Z1531400	Bonds other	-	-			0.00%	0.00%	P
Z1531500	Commercial loans	-	-			0.00%	0.00%	P
Z1531600	Equity Investments	-	-			0.00%	0.00%	P
Z1531700	Pooled Investment Portfolios	-	-			0.00%	0.00%	P
Z1531800	Other	-	-			0.00%	0.00%	P
Z4590000	Endowment Fund Contributions	-						P

**British Columbia Housing
Management Commission
Quarter Two Financial Statements
September 30, 2018**

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British Columbia Housing Management Commission

Statement of Financial Position

	September 30 2018 (\$000's)	March 31 2018 (\$000's)	September 30 2017 (\$000's)
Financial Assets			
Cash	\$ 434,760	\$ 561,647	\$ 517,199
Portfolio investments (Note 3)	92,358	91,023	88,677
Receivables (Note 4)	12,798	12,582	10,345
Due from Province of British Columbia (Note 15)	-	900	15,265
Due from Canada Mortgage and Housing Corporation	2,258	49,985	-
Construction loans to housing projects (Note 4)	282,159	241,523	236,925
Mortgages receivable (Note 5)	38,792	58,399	34,451
	<u>863,125</u>	<u>1,016,059</u>	<u>902,862</u>
Liabilities			
Accounts payable and accrued liabilities	48,717	42,809	26,932
Deferred revenue (Note 6)	182,846	226,967	110,403
Due to Provincial Rental Housing Corporation (Note 15)	140,300	200,431	205,232
Tenants' prepaid rent	920	1,397	1,037
Due to Provincial Treasury (Note 7)	8,029	25,028	4,946
Society funds held on deposit (Note 8)	22,419	24,350	19,487
Grants received in advance of construction (Note 9)	306,776	346,184	379,313
Social Housing Agreement Reserves (Note 10)	3,618	3,530	3,446
	<u>713,625</u>	<u>870,696</u>	<u>750,796</u>
Net financial assets / (debt)	<u>149,500</u>	<u>145,363</u>	<u>152,066</u>
Non-financial assets			
Prepaid expenses and housing subsidies	35,575	38,420	33,943
Tangible capital assets (Note 11)	13,000	12,822	12,545
	<u>48,575</u>	<u>51,242</u>	<u>46,488</u>
Accumulated surplus / (deficit)	<u>198,075</u>	<u>196,605</u>	<u>198,554</u>
Accumulated surplus / (deficit) comprises:			
Accumulated surplus from operations	201,235	201,235	201,200
Accumulated remeasurement loss	(3,160)	(3,160)	(2,646)
	<u>\$ 198,075</u>	<u>198,075</u>	<u>\$ 198,554</u>

Commitments (Note 14)

Contingencies (Note 17)

See accompanying notes to the financial statements

British Columbia Housing Management Commission

Statement of Operations

	18/19 Budget (Note 12) (\$000's)	18/19 Actuals (\$000's)	17/18 Actuals (\$000's)
For the Six Months Ended September 30			
Revenue			
Provincial contributions	\$ 525,118	\$ 375,256	\$ 252,524
Federal contributions	66,677	71,377	67,563
Tenant rent	15,702	16,035	15,844
Other	6,441	13,626	11,717
Portfolio investment income	600	796	(251)
	<u>614,538</u>	<u>477,090</u>	<u>347,397</u>
Expenses			
Housing subsidies and grants	485,554	352,087	231,048
Rental assistance	64,628	59,053	57,597
Salaries and labour	32,414	28,939	27,461
Operating expenses	11,601	12,055	9,517
Building maintenance	6,413	9,854	7,712
Office and overhead	5,935	5,324	4,623
Building modernization and improvement	-	2,138	2,318
Utilities	3,503	3,375	3,388
Grants in lieu of property taxes (Note 13)	3,550	3,756	3,510
Research and education	628	469	215
Interest expense	312	40	8
	<u>614,538</u>	<u>477,090</u>	<u>347,397</u>
Annual surplus from operations		<u>-</u>	<u>-</u>
Accumulated surplus from operations at beginning of year		<u>201,235</u>	<u>201,200</u>
Accumulated surplus from operations at end of year		<u>\$ 201,235</u>	<u>\$ 201,200</u>

See accompanying notes to the financial statements

British Columbia Housing Management Commission

Statement of Cash Flows

For the Six Months Ended September 30	18/19 (\$000's)	17/18 (\$000's)
Cash flows provided by (used in)		
Operating transactions		
Annual surplus from operations	\$ -	\$ -
Adjustments to determine cash flows:		
Change in non-cash working capital	12,566	32,702
Investment Income	(796)	251
Amortization	1,939	1,579
	<u>13,709</u>	<u>34,532</u>
Capital transactions		
Tangible capital asset additions & disposal	<u>(2,117)</u>	<u>(2,206)</u>
Investing transactions		
Construction loans provided to housing projects	(40,636)	40,952
Portfolio investments	1,019	10,313
Mortgages receivable	<u>19,607</u>	<u>(27,569)</u>
	<u>(20,010)</u>	<u>23,696</u>
Financing transactions		
Grants received in advance of construction	(39,408)	(57,217)
Due to Provincial Treasury	(16,999)	(54)
Due to Provincial Rental Housing Corporation	(60,131)	(31,165)
Social Housing Agreement Reserves	-	(3)
Society funds held on deposit	<u>(1,931)</u>	<u>(428)</u>
	<u>(118,469)</u>	<u>(88,867)</u>
Increase in cash	(126,887)	(32,845)
Cash, beginning of year	<u>561,647</u>	<u>550,044</u>
Cash, end of year	<u>\$ 434,760</u>	<u>\$ 517,199</u>

See accompanying notes to the financial statements

British Columbia Housing Management Commission

Statement of Remeasurement Gains and Losses

For the Six Months Ended September 30	18/19 (\$000's)	17/18 (\$000's)
Accumulated remeasurement gains, beginning of year	\$ (4,630)	\$ (3,125)
Amount released to income statement	60	1,010
Unrealized gain / (loss) attributable to portfolio investments	1,410	(531)
Net remeasurement changes for the year	1,470	479
Accumulated remeasurement loss, end of year	\$ (3,160)	\$ (2,646)

Statement of Changes in Net Financial Assets / (Debt)

For the Six Months Ended September 30	Budget (\$000's) (Note 12)	18/19 (\$000's)	17/18 (\$000's)
Annual surplus from operations		\$ -	\$ -
Net remeasurement changes for the year		1,470	479
		1,470	479
Depreciation of tangible capital assets		1,939	1,579
Acquisition of tangible capital assets	(5,000)	(2,117)	(2,206)
		(178)	(627)
Acquisition of prepaid expenses and housing subsidies		(199,675)	(194,285)
Use of prepaid expenses and housing subsidies		202,520	193,078
		2,845	(1,207)
Changes in net financial assets / (debt) for the year		4,137	(1,355)
Net financial assets / (debt), beginning of year		145,363	153,421
Net financial assets / (debt), end of year		\$ 149,500	\$ 152,066

See accompanying notes to the financial statements

British Columbia Housing Management Commission

Notes to the Financial Statements

September 30, 2018

1. General

The British Columbia Housing Management Commission (the Commission) is a Crown agency, established in 1967 to deliver on the provincial government's commitment to the development, management and administration of subsidized housing throughout the Province of British Columbia (the Province). This includes developing and facilitating new social housing, administering rental assistance programs, and a variety of other federal and/or provincial housing programs. The Provincial Rental Housing Corporation (the Corporation) holds property for social housing for the Province. The subsidized rental housing units of the Corporation are managed and operated by the Commission. The Commission administers agreements relating to operation of social housing units owned and/or managed by non-profit housing providers. Through the Licensing and Consumer Services Branch, the Commission also has responsibilities related to licencing of builders, home warranty insurance, and research and education to improve the quality of residential construction and consumer protection.

The Commission is exempt from federal and provincial income taxes.

2. Significant Accounting Policies

a) Basis of Presentation

These financial statements have been prepared in accordance with Province of British Columbia, Ministry of Finance regulation 688-2010 that requires taxpayer-supported organizations to adopt Canadian Public Sector Accounting Standards established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada (CPA).

b) Use of Estimates

In preparing these financial statements, management has made 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 reported amounts of revenues and expenses during the reporting period. Estimating the useful life of tangible capital assets and the collectability of receivables, construction loans to housing projects and mortgages receivable requires the greatest degree of estimation. Actual results could differ from those estimates.

c) Revenue Recognition

The Commission is funded primarily by the Province and the Canada Mortgage Housing Corporation (CMHC).

Revenues are recognized on an accrual basis in the period in which the transactions or events occurred that gave rise to the revenues, the amounts are considered to be collectible and can be reasonably estimated.

Contributions received or where eligibility criteria have been met are recognized as revenue except where the contribution meets the criteria for deferral. Eligibility criteria are the criteria that the Commission has to meet in order to receive the contributions including authorization by the transferring entity.

For contributions subject to a legislative or contractual stipulation or restriction as to their use, revenue is recognized in the year related expenses are incurred.

British Columbia Housing Management Commission

Notes to the Financial Statements

September 30, 2018

d) Tenant Rent Revenue

Tenant rent revenue represents rent charged to residents, and is determined as the lesser of market rent and a percentage of each resident's income.

e) Tangible Capital Assets

Tangible capital assets are recorded at cost and depreciated over their estimated useful life. Desktop applications and computer hardware are depreciated on a three-year amortization period. Server applications and communications hardware and components are depreciated on a five-year amortization period. Enterprise applications are depreciated on a ten-year amortization period. All other capital assets are depreciated over a five-year amortization period.

Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the Commission to provide services or when the value of future economic benefits are less than their net book value. The write-downs are accounted for as expenses in the statement of operations.

f) Employee Benefit Plans

The employees and employers of the public service contribute to the Public Service Pension Plan (the Plan), a jointly trustee pension plan. The Public Service Pension Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory defined benefits pension plan and pension benefits are expensed as incurred. The Plan has approximately 57,000 active plan members and approximately 46,200 retired plan members.

Every three years an actuarial valuation is performed to assess the financial position of the Plan and the adequacy of plan funding. The latest valuation as at March 31, 2017, indicated an actuarial surplus of \$1.9 billion for basic pension benefits. The next valuation will be as at March 31, 2020 with results available in early 2021. The actuary does not attribute portions of the unfunded liability or surplus to individual employers. The Commission paid \$4,485,809 for employer contributions to the Plan in fiscal 2018 (2017: \$4,174,568).

g) Financial Instruments

The Commission's financial instruments consist of cash, portfolio investments, receivables, due from the Province of British Columbia, due from Canada Mortgage and Housing Corporation, construction loans to housing projects, mortgages receivable, accounts payable and accrued liabilities, due to Provincial Rental Housing Corporation, due to Provincial Treasury, and Society funds held on deposit.

Upon inception and subsequent to initial recognition, equity instruments quoted in an active market (portfolio investments) are measured at fair value. These financial instruments are identified in this note by financial asset and financial liability classification and are not reclassified into another measurement category for the duration of the period they are held.

All other financial assets and financial liabilities are measured at cost or amortized cost upon their inception and subsequent to initial recognition. Cash and cash equivalents are measured at cost. Receivables, due from the Province of British Columbia, due from Canada Mortgage and Housing Corporation, loan receivables and mortgages receivable are recorded at amortized cost less any amount for valuation allowance. All debt and other financial liabilities are recorded using cost or amortized cost.

British Columbia Housing Management Commission

Notes to the Financial Statements

September 30, 2018

The classification of financial instruments is determined upon their initial recognition. Financial instruments are classified as level 1, 2 or 3 for the purposes of describing the basis of the inputs used to measure the fair values of financial instruments in the fair value measurement category as described below:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Market-based inputs other than quoted prices that are observable for the asset or liability either directly or indirectly.
- Level 3 - Inputs for the asset or liability that are not based on observable market data; assumptions are based on the best internal and external information available and are most suitable and appropriate based on the type of financial instrument being valued in order to establish what the transaction price would have been on the measurement date in an arm's length transaction.

Portfolio investments are recognized at their fair value, determined by published price quotations in an active market. Transactions to purchase or sell these items are recorded on the settlement date, and transaction costs are immediately recognized in income. Realized gains and losses are recognized in the operating statement and unrealized gains/losses from changes in fair value are recorded in the statement of remeasurement gains and losses. All other financial instruments are recorded at cost or amortized cost basis using the effective interest rate method where appropriate.

All financial assets are assessed annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations. A write-down of a portfolio investment to reflect a loss in value is not reversed for a subsequent increase in value.

Transaction costs for financial instruments measured at fair value are expensed when incurred.

A financial liability or its part is derecognized when it is extinguished.

h) Newly Adopted Accounting Standards

Effective April 1, 2017, the Commission adopted the following new accounting standards:

- i. PS 2200, Related Party Disclosures: PS 2200 defines a related party and establishes disclosures required for related party transactions. Disclosure of information about related party transactions and the relationship underlying them is required when the transactions have occurred at a value different from that which would have been arrived at if the parties were unrelated, and the transactions have, or could have, a material financial effect on the financial statements.
- ii. PS 3420, Inter-entity Transactions: PS 3420 establishes standards of how to account for and report transactions between public sector entities that comprise a government reporting entity from both a provider and a recipient perspective. Requirements of this standard are considered in conjunction with requirements of PS 2200.
- iii. PS 3210, Assets: PS 3210 provides guidance for applying the definition of assets set out in PS 1000, Financial Statement Concepts, and establishes general disclosure standards for assets. Disclosure of information about the major categories of assets that are not recognized is required. When an asset is not recognized because a reasonable estimate of the amount involved cannot be made, a disclosure should be provided.

British Columbia Housing Management Commission

Notes to the Financial Statements

September 30, 2018

- iv. PS 3320, Contingent Assets: PS 3320 defines and establishes disclosure standards for contingent assets. Contingent assets are possible assets arising from existing conditions or situations involving uncertainty. Disclosure of information about contingent assets is required when the occurrence of the confirming future event is likely.
- v. PS 3380, Contractual Rights: PS 3380 defines and establishes disclosure standards for contractual rights. Contractual rights are rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future. Disclosure of information about contractual rights is required including description of their nature and extent, and the timing.

Except for disclosure changes resulting from the adoption of PS 2200 and PS 3380, there was no impact to the financial statements upon transition to the other standards.

3. Portfolio Investments

BC Housing invests funds held on behalf of non-profit housing providers, funds for specific reserves and funds provided by ministries for specific housing projects. These investments are held in pooled investments and managed by four investment management firms. Income derived under the investments is reinvested into the portfolio. An investment committee meets periodically to review the performance of the fund managers and ensure compliance with the BC Housing investment policy. Quarterly reports are provided to the BC Housing Board of Commissioners. The investment policy has the following asset target components: 30% Fixed Income, 15% Canadian Equity, 20% Canadian real estate and 35% Global Equity. The market yield during fiscal 2017/18 was 3.16% (2016/17: 10.21%).

4. Receivables and Construction Loans to Housing Projects

a) Receivables

Receivables are recorded at cost less an amount for allowance of doubtful accounts. The allowance is determined on the basis of past collection experience. In fiscal 2017/18, the allowance totalled \$4,045,000 (2016/17: \$4,292,000). Changes in the valuation allowance are recognized in the statement of operations.

b) Construction Loans to Housing Projects

In its capacity as a National Housing Act approved lender, the Commission funds construction draws for societies who are building approved projects under social housing programs. These advances are repaid at substantial completion of each project from financing arranged with private lenders. The average period of construction financing can range from eighteen months to over two years. Societies are charged interest at the Province's weighted average borrowing rate for short-term funds, plus administration costs. The current average yield for the portfolio is 1.24% (2016/17: 0.89%). The allowance for construction loans to housing projects for fiscal 2017/18 totalled \$8,713,000 (2016/17: \$7,109,000).

British Columbia Housing Management Commission

Notes to the Financial Statements

September 30, 2018

5. Mortgages receivable

a) Non-profit Housing Provider Mortgages receivable

The Commission periodically continues to hold construction financing mortgages receivable after construction completes. In all but rare situations, these mortgages are tendered for take-out financing provided by private sector financial institutions within twelve months of the construction completion date. As of March 31, 2018, the total value of construction financing mortgages receivable was \$32,868,000 (2017: \$4,100,000). These mortgages are secured by property.

b) BC HOME Partnership Loans Receivable

Through the BC Home Owner Mortgage and Equity Partnership (BC HOME Partnership), the Commission assists eligible first-time homebuyers by providing repayable down payment assistance loans. The loans, secured as a second mortgage by property, are interest and payment free for the first five years after which interest at prime plus 0.5% will begin to accrue and principal and interest payments will be amortized over twenty years. The initial interest rate is set when the loan is conditionally approved, and will be reset at the Royal Bank of Canada Prime Rate plus 0.5% at each of the 10th, 15th and 20th anniversary dates.

As the first five years of the loans are concessionary, the loans have been recorded at the present value, discounted at prime plus 0.5% in 2017/18. The loan discount will be amortized into revenue and the loan receivable using the effective interest rate approach over the five-year concessionary term. The related concessionary loan expense is recorded at the time of issue and is included in housing subsidies expense. The program stopped accepting new applications on March 31, 2018. As of March 31, 2018, the total value of the loan receivables was \$25,487,000 (2016/17: \$2,882,000).

6. Deferred Revenue

These funds are restricted contributions received in advance of related expenditures that are incurred in the following fiscal year.

	2018 March 31 (\$000's)	Contributions Received (\$000's)	Revenue Recognized (\$000's)	2018 Sept 30 (\$000's)
Provincial Contributions	\$ 178,899	\$ 320,420	\$ (368,219)	\$ 131,100
Canada Mortgage and Housing Corporation	47,504	74,832	(71,317)	51,019
Other Agencies	564	252	(89)	727
	\$ 226,967	\$ 395,504	\$ (439,625)	\$ 182,846

The Social Housing Agreement Reserves (see Note 10) represent further restricted contributions from CMHC of a long-term nature.

7. Due to Provincial Treasury

Amounts represent short-term funds borrowed from the Province for the purpose of facilitating the construction or renovation of affordable housing. The maximum amount is not to exceed \$165 million bearing interest at a variable rate charged by the provincial Ministry of Finance.

British Columbia Housing Management Commission

Notes to the Financial Statements

September 30, 2018

8. Society Funds Held on Deposit

These funds represent the balance of mortgage advances held to cover various non-profit society construction and soft costs required to complete their projects. Interest accrues on the society funds at the prime minus 1.75%.

9. Grants Received in Advance of Construction

The Commission receives funds from the Province and CMHC, the use of which is restricted to the construction of specific social housing projects.

	2018 March 31 (\$000's)	Grants received (\$000's)	Construction costs incurred (\$000's)	2018 Sept 30 (\$000's)
Project Grants	\$ 8,476	\$ 609	\$ (944)	\$ 8,141
Provincial - Building Capital Renewal Funding	-	4,747	(4,747)	-
Provincial - Housing Priority Initiative	261,952	41,963	(49,590)	254,325
Provincial - Modular Supportive Housing	-	65,655	(65,655)	-
Provincial - Affordable Rental Housing	-	1,169	(1,169)	-
Provincial - Permanent Supportive Housing	-	17,438	(17,438)	-
Provincial - Transition Housing	-	1,635	(1,635)	-
CMHC - Investment in Affordable Housing (Phase I and Phase II)	1,307		(39)	1,268
CMHC - Social Housing Agreement	117		(88)	29
CMHC - Social Infrastructure Fund	74,043	284	(31,603)	42,724
Ministry - Other	289			289
	\$ 346,184	\$ 133,500	\$ (172,908)	\$ 306,776

10. Social Housing Agreement Reserves

The funds are available to offset future cost increases in the federal social housing portfolio due to inflation and changes in interest rates, or losses on loans owing by third parties. The funds are restricted under the Social Housing Agreement (SHA) and may only be used for housing within the SHA portfolio.

	18/19 Sept 30 (\$000's)	17/18 Sept 30 (\$000's)
Balance, beginning of year	\$ 3,530	\$ 3,449
Funds applied	-	(3)
Investment income	88	-
Balance, end of year	\$ 3,618	\$ 3,446

British Columbia Housing Management Commission

Notes to the Financial Statements

September 30, 2018

11. Tangible Capital Assets

	2018 March 31 (\$000's) Cost	Additions	Disposals	2018 Sept 30 (\$000's) Cost
Computer software	\$ 43,411	1,888		\$ 45,299
Computer hardware	2,745			2,745
Tenant improvements	11,319	104		11,423
Office furniture	3,175	125		3,300
Office equipment	153			153
Vehicles	1,596			1,596
Grounds equipment	543			543
	\$ 62,942	2,117	-	\$ 65,059

	Accumulated Depreciation	Amortization	Disposals	Accumulated Depreciation
Computer software	\$ 32,776	1,552		\$ 34,328
Computer hardware	2,681	32		2,713
Tenant improvements	10,022	206		10,228
Office furniture	2,750	64		2,814
Office equipment	153			153
Vehicles	1,243	77		1,320
Grounds equipment	495	8		503
	\$ 50,120	1,939	-	\$ 52,059

Net Book Value	\$ 12,822			\$ 13,000
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12. Budget Figures

Budgeted figures are provided for comparative purposes, and are consistent with the budget presented in the 2017/18 Service Plan Update that was released in September 2017.

13. Grants in Lieu of Property Taxes

The Commission, on behalf of the Province, pays each municipality a grant equivalent to gross property taxes due for all residential properties and projects managed.

British Columbia Housing Management Commission

Notes to the Financial Statements

September 30, 2018

14. Commitments

a) Rental Obligations

The Commission has minimum rental obligations under operating leases for office space over the next five fiscal years as follows:

		(\$000's)
2019	\$	5,243
2020		5,816
2021		5,982
2022		6,132
2023		6,278
Total	\$	29,451

b) Contractual Obligations

The Commission has significant contractual obligations with non-profit housing societies for the provision of annual subsidies. These contracts are reviewed annually to evaluate the level of commitment. The current annual subsidy is \$398,760,000 with a forecasted amount over five years as follows.

		(\$000's)
2019	\$	407,441
2020		241,919
2021		204,987
2022		197,327
2023		190,985
Total	\$	1,242,659

c) Public-Private Partnership Commitments

The Commission has entered into a public-private partnership project (P3) with Habitat Housing Initiative (HHI) to renovate thirteen Single Room Occupancy Hotels in Vancouver's Downtown Eastside. The information provided below shows the anticipated cash outflow, net of federal contributions provided during construction, for future obligations under the contract with HHI for the capital cost and financing, the facility maintenance and lifecycle costs as defined in the Project Agreement. Payments to the private partner are contingent on specified performance criteria and include an estimation of inflation where applicable.

As construction progresses, the asset values are recorded as capital assets and the obligation is recorded as a liability and included in long-term debt in the Corporation (see Note 15). Upon construction completion, the obligation will be met through the capital component of the monthly service payments over the term of the Project Agreement that is provided by the Commission. The capital portion of the payments due to HHI are recorded under Housing subsidies and grants and are expensed to the Corporation.

British Columbia Housing Management Commission

Notes to the Financial Statements

September 30, 2018

		Capital (\$000's)	Facility Maintenance and Lifecycle (\$000's)	Total Payments (\$000's)
2019	\$	9,461	\$ 2,731	\$ 12,192
2020		9,461	2,444	11,905
2021		9,461	2,735	12,196
2022		9,461	2,228	11,689
2023		9,461	2,165	11,626
Thereafter		74,105	17,075	91,180
Total	\$	121,410	\$ 29,378	\$ 150,788

d) Loan Insurance Agreement

CMHC provides loan insurance under the *National Housing Act*, to assist the Commission in securing mortgages for the Corporation and not for profit housing providers. In the event of a loan default, the Commission is required to rectify the default and fully reimburse CMHC for claims paid to approved lenders. Since the establishment of this agreement in January 1993, there has never been a claim made under this agreement. The Commission underwrites these mortgages in accordance with CMHC guidelines for multi-unit properties, places charges on title to ensure access to property and requires housing providers to have an operating agreement with the Commission ensuring ongoing access to financial information.

The maximum value of mortgages that can be insured under this agreement is \$3.5 billion. As of March 31, 2018, the total value of outstanding CMHC insured mortgages was \$2,241,937,129 (2017: \$2,119,062,248). There is no claim expected on this portfolio and the Commission has not recorded a provision for loss.

15. Related Party Transactions

a) BC Government Reporting Entities

The Commission is related through common control to all Province of BC ministries, agencies, Crown corporations, school districts, health authorities, hospital societies, universities and colleges that are included in the provincial government reporting entity. Transactions with these entities, unless disclosed otherwise, are considered to be in the normal course of operations and are recorded at the exchanged amount, which is the amount of consideration established and agreed to by the related parties. Funds are due on receipt of the invoice and bear no interest.

b) Provincial Rental Housing Corporation (the Corporation)

The Corporation was created in 1961 as a landholding corporation for social and other low-cost housing for the Province. The Corporation is a separate legal entity that was incorporated under the *Company Act* of the Province and has a separate governance structure. The rental housing units of the Corporation are managed and operated by the Commission. The assets and liabilities, including the capital cost of projects owned by the Corporation, and results from operations of the Corporation are not included in the statements of the Commission. Separate financial statements are prepared for the Corporation.

During the year, the Commission provided \$71,979,000 (2017: \$71,084,000) to the Corporation for capital grants, self-insurance, mortgage subsidies, etc. As at March 31, 2018, amounts due to the Corporation totalled \$200,430,000 (2017: \$236,397,000) and represent funds advanced for the

British Columbia Housing Management Commission

Notes to the Financial Statements

September 30, 2018

acquisition and development of properties under social housing programs. The advances are non-interest bearing with no set terms of repayment.

16. Contractual Rights

Contractual rights are rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future. The Commission has contractual rights to receive payment under a share cost agreement or to receive lease payments as follows:

Contractual right with:	Description	2019 (\$000's)	2020 (\$000's)	2021 (\$000's)	2022 (\$000's)	2023 (\$000's)	Thereafter (\$000's)
CMHC	Annual funding under the Social Housing Agreement (SHA)	102,388	97,442	85,710	80,179	71,976	202,798
CMHC	Annual funding under the Extension to the Investment in Affordable Housing (IAH) Agreement	30,020	-	-	-	-	-
Non-profit housing providers	Land/and or building lease payments on properties owned by the Corporation	1,244	1,244	1,244	1,244	1,244	25,088
Total		\$ 133,652	\$ 98,686	\$ 86,954	\$ 81,423	\$ 73,220	\$ 227,886

17. Contingencies

a) Letters of Credit

As at March 31, 2018, the Commission was contingently liable with respect to letters of credit totalling \$3,748,206 (2017: \$2,638,522) for municipal development cost charges.

b) Legal Claims

The nature of the Commission's activities is such that there will be litigation pending or in progress at any time. With respect to claims at March 31, 2018, management is of the opinion that it has valid defenses and appropriate insurance coverage in place, or if there is unfunded risk, such claims are not expected to have a material effect on the Commission's financial position. Outstanding contingencies are reviewed on an ongoing basis and are provided for based on management's best estimate of the ultimate settlement.

British Columbia Housing Management Commission

Notes to the Financial Statements

September 30, 2018

18. Financial Instrument Risks

The Commission, through its financial assets and liabilities, is exposed to credit risk, interest rate risk, market risk and liquidity risk. The following analysis provides a measurement of those risks at March 31, 2018:

a) Credit Risk

Credit risk is the risk that the Commission will incur a loss due to the failure by its debtors to meet their contractual obligations. Financial instruments that potentially subject the Commission to credit risk consist primarily of cash and short-term investments, receivables, mortgages receivable and construction loans.

The Commission is not exposed to significant credit risk as the majority of receivables are due from CMHC and the Province. The development phase of a project bears some credit risk as a result of municipal zoning uncertainty, the capacity of non-profit housing providers, and funding availability. During this phase, credit risk is mitigated by an assessment of collectability. During the construction phase of a project, credit risk is low with respect to construction loans to housing projects owned by non-profit housing providers as the loans are secured by property and repaid at substantial completion of project (see Note 4). In addition, credit risk is low with respect to mortgages receivable from non-profit housing providers and BC HOME Partnership loans as these receivables are also secured by property (see Note 5).

b) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Construction loans bear interest at the Province's weighted average borrowing rate, but these loans are short term. Investments bear some interest rate risk but these risks are mitigated through the diversification of the portfolio.

c) Market Risk

Market risk is the risk that the value of an investment will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual investment, or factors affecting all securities traded in the market. The Commission has an investment policy to ensure investments are managed appropriately to secure the preservation of capital and the availability of liquid funds. The Commission has also retained two qualified investment firms to invest surplus funds in accordance with its investment policy.

British Columbia Housing Management Commission

Notes to the Financial Statements

September 30, 2018

d) Liquidity Risk

Liquidity risk is the risk that the Commission will not be able to meet its obligations as they fall due. The Commission maintains adequate levels of working capital to ensure all its obligations can be met as they become due. If the current funding, and cash on hand was insufficient to satisfy its current obligations, the Commission has the option to sell its portfolio investments.

The majority of the Commission's financial assets and liabilities are current, maturing within 0 to 1 year. The table below shows the various financial assets and liabilities that mature after 1 year.

2018

Financial assets	Up to 1 year	1 to 5 years	Over 5 years	Total
Construction loans to housing projects	154,868	127,291	-	282,159
Mortgages receivable	11,429	1,906	25,457	38,792
Total	\$ 166,297	\$ 129,197	\$ 25,457	\$ 320,951

Financial liabilities	Up to 1 year	1 to 5 years	Over 5 years	Total
Society funds held on deposit	\$ 1,105	\$ 4,601	\$ 16,713	\$ 22,419

2017

Financial assets	Up to 1 year	1 to 5 years	Over 5 years	Total
Construction loans to housing projects	147,378	89,547	-	236,925
Mortgages receivable	234	3,772	30,445	34,451
Total	\$ 147,612	\$ 93,319	\$ 30,445	\$ 271,376

Financial liabilities	Up to 1 year	1 to 5 years	Over 5 years	Total
Society funds held on deposit	\$ 1,607	\$ 4,728	\$ 13,152	\$ 19,487

e) Foreign Exchange Risk or Other Price Risk

The Commission is not exposed to foreign exchange risk or other price risk.

Changes to Supplementary Schedules, effective as of September 30, 2018 reporting period

(I) Sch 1-Inter-entity

- > A new entity - BC Infrastructure Benefits Inc. is added to the schedule on line 16.

Changes to Supplementary Schedules, effective as of June 30, 2018 reporting period

(I) Sch 1-Inter-entity

- > BC Innovation Council is renamed to Innovation BC on line 37.

(II) Sch 1a-Inter-entity

- > Northwest Community College is renamed to Coast Mountain College on line 15

Changes to Supplementary Schedules, effective as of March 31, 2018 reporting period

(I) Checklist-Must Complete

- > A link to a practice guidance is added to note 24, note 25 and note 26 for disclosure of unrecognized assets, contingent assets and contractual rights.

Detailed Financial Statements and other Schedules

Version Update: September 30, 2018

Entity's Information

Name of entity: BC Housing Management Commission

Entity's website address: www.bchousing.org

Period covered: April 1, 2018 - September 30, 2018

Date completed: October 11th, 2018

Is your entity's physical address same as mailing address? (please mark in the box)

Yes ☒ No ☐

Entity's mailing address: 1701-4555 Kingsway
City: Burnaby
Province: BC
Postal Code: V5H4V8

Entity's physical address: 1701-4555 Kingsway
City: Burnaby
Province: BC
Postal Code: V5H4V8

App C Preparer's Contact Information

Name: Daphne Yin
Position: Comptroller
Email: dyin@bchousing.org
Phone number: 604-439-4797
Fax number: 604-439-4722

CFO or VP Finance's Contact Information

Name: Dan Maxwell
Official position: CFO
Email: dmaxwell@bchousing.org

The CFO or VP Finance of the organization must review and approve this report before submission to the Office of the Comptroller General. The submission of this report to the Office of the Comptroller General will be taken as an evidence that the CFO has approved this report.

Auditor's Contact Information

Audit firm's name:
Auditor's name:
Auditor's phone number:
Auditor's email:

Information not
Required for
Quarterly reports

Government Accounting policies and definitions can be found under Note 1 of the latest provincial Public Accounts.

Once completed please email to Summary@gov.bc.ca

Balanced to SFP? Yes
Surplus (Deficit) matched? Yes
Debt schedules
reconciled?
(for year end only) No

Contents and Instructions

Purpose of Report

- The information contained in this report is used by the Office of the Comptroller General (OCG) to prepare the province's financial reports, such as the Public Accounts and the quarterly actual results. The financial information you input on the various statements and schedules is linked to a worksheet containing our chart of accounts. The data is then imported into our accounting working paper program, for consolidation into the government reporting entity (GRE). A description of the consolidation methods can be found in the *Definitions* contained in the Public Accounts.

Before Starting to Prepare the Schedules and Statements

- Please ensure that you complete the Cover Sheet.
 - The Cover Sheet is linked to all the Schedules and Statements and will ensure your organization's name and the period covered is shown on each of the pages of the report.
- The audit firm information is only required at year end.

Input of data

- OCG will create a file to import the information contained in this report directly into its accounting working paper consolidation program.
 - The information you complete on the Statements and Schedules is linked to the OCG Use Only worksheet, which in turn is linked to OCG's Chart of Accounts.
 - To ensure that data is imported correctly, please:
 - Report all debits as positive numbers and credits as negative numbers. Fields in blue are normally a debit (positive) balance and fields in red are normally a credit (negative) balance. Fields in grey are protected and the data comes from formulas or from the indicated schedule.
 - Report all items in **thousands** of dollars.
 - Report all figures on a gross basis.
- It is also important that the statements be **balanced**, and that equity on the Statement of Financial Position **matches** equity reported on the Statement of Operations; and the debt schedule is reconciled to the debt maturity schedule at year end.
 - The Cover Sheet includes formulas which will indicate either "Yes" or "No". After completion of the report, you should check the Cover Sheet to ensure that "Yes" is indicated to the criteria. If "No" is indicated, you will need to review and revise your data input.
- Please do not use decimal points or input amounts by calculating as a percentage. This will result in an out-of-balance notification on the Cover sheet, even though the statements or schedules may appear balanced. We cannot import your information if there is an out-of-balance notification.

Completion of Supplementary Schedules

- Complete all the Supplementary Schedules prior to preparing the Statement of Financial Position and the Statement of Operations.
 - Most of the Schedules are linked to these two statements and this will allow you to easily identify those areas of the Statements where you will be directly entering financial information.

Checklist of additional reporting requirements

- This checklist must be completed.
 - Some information previously contained in schedules to this report is now included in this checklist, together with additional reporting requirements.
 - Certain of the reporting requirements are only needed at the province's fiscal year-end (March 31) and this has been indicated. All other information is required for quarterly reporting purposes.
- The information requested in this checklist is required for note disclosure purposes, or to complete debt and other schedules in the province's financial reports.
 - If applicable, your organization might also need most of this information for your own note disclosure.
 - The Office of the Comptroller General may not obtain complete notes until your organization's year-end audited statements are received, which does not provide us with the information we need on a timely basis for provincial note disclosure.
- This report is normally submitted on a quarterly basis, and with your draft financial statements. We do not require re-submission with your audited statements.
 - For Public Accounts purposes, if the information contained in this checklist changes materially after the date you submit your draft reports (usually third week in April), and prior to completion of the Public Accounts (usually May 30), please revise the checklist and re-submit this report to OCG with a note that you have revised the checklist only.

Statement of Financial Position

- This statement includes information required to consolidate your organization's Statement of Financial Position (or Balance Sheet) with the province's for inclusion in the Public Accounts and quarterly reports.
 - It will enable OCG to identify balances that will be eliminated in the consolidation of the GRE and provide detail required for any accounting policy adjustment.
 - Accounting policy adjustments are journal entries entered into the province's books to conform your organization's accounting policies with those of the province. Differences may arise as a result of differences in accounting policies between your organization and the province, based on the application of the general guideline(s) from the Public Sector Accounting Board Handbook GAAP and Treasury Board's directive.
- Where a schedule number is indicated in the "Schedule" column, the information for that particular item will link automatically from the indicated schedule.
- Refer to the "OCG Comments" column for additional instructions or definitions regarding specific line items.

Contents and Instructions

Statement of Operations

- As with the Statement of Financial Position, this statement will be consolidated with the province's operating results, and provides OCG with the information required to properly complete this consolidation.
- This statement also includes a section "Explanation of adjustments to Equity" which must be completed if there have been Prior Period Adjustments or Other Adjustments to equity reported on the Statement of Operations.
 - Explanations are necessary, as OCG must disclose these items in notes to the province's financial statements.
 - As well, there may be differences in accounting policies between your organization and the province due to the different application of the PSAB Handbook GAAP, and these equity adjustments may require that OCG enter an accounting policy adjustment in the province's statements.
- This statement also includes an expense section "Expense due to valuation allowance".
 - The OCG Comments column provides a short description of the type of valuation allowance to be reported.
 - This information is required for note disclosure in the Public Accounts in accordance with GAAP requirements.
- Refer to the "OCG Comments" column for additional instructions or definitions regarding specific line items.

Schedule 1 - Inter-Entity accounts

- This schedule allows you to report inter-entity asset, liability, revenue and expense transactions (excluding transactions directly with the province).
 - Data input into this schedule will automatically link to the relevant statement. The materiality level for transactions to be reported is noted on the schedule.
- A complete listing of Crown corporations that are included in the GRE is provided.
 - This listing is subject to change as entities are added and removed. If you are in any doubt as to whether or not to report a transaction, please contact OCG at the email address noted below.
- Transactions with the province should be reported directly on the Statement of Financial Position or Statement of Operations, as applicable.
- Transactions with the colleges, universities, school districts and hospital societies are summarized on this schedule.
 - The summarized information is linked from Schedule 1a. If you have transactions with any of these organizations, please complete Schedule 1a.

Schedule 1a - Inter-Entity accounts with Colleges, Universities, School Districts and Hospital Societies

- This schedule provides a listing of the colleges and institutes, universities and hospital societies.
- If you have transactions with school districts to report, please complete the School District name or # where indicated.
 - Due to the number of school districts, we have not listed them individually to keep the schedule as short as possible.

Schedule 2 - Capital Assets

- Capital Assets must be reported in the categories shown on Schedule 2.
- Please ensure any information regarding additions, disposals and valuation adjustments is entered in the applicable columns. The total of the valuation adjustments will automatically link to the Expense due to valuation allowance section of the Statement of Operations.
- Transfers to(from) WIP must equal zero - an ERROR message will show if they do not.
- Work-in-progress and capital leases must be reported separately on this Schedule.
 - This information is required to complete note disclosure in the Public Accounts, as included in the footnotes on the Statement of Tangible Capital Assets.

Schedule 3 - Debt

- This schedule allows you to report your organization's debt in the categories required by Provincial Treasury. OCG will forward this report to Provincial Treasury for their use in preparing their debt reports.
- Direct debt with the province is reported as a separate category.
 - Please complete this category as accurately as possible, as OCG must reconcile this information with the province's reported loan to you.
 - On consolidation, direct debt to the province reported by your organization must be eliminated against the province's loan to your organization, therefore the amounts must match.
- Closing net debt will automatically link to the Statement of Financial Position.
- Earnings on sinking funds and premiums on debt issues amortized will automatically link to the revenue section of the Statement of Operations.
- Interest expense for the year and Other Adjustments to interest expense will automatically link to the expense section of the Statement of Operations.
 - Other Adjustments to interest expense are infrequent, and a description of the adjustment should be included on the schedule.
- The final section of this report calculates debt servicing costs as reported according to provincial debt accounting policies.
 - Provincial debt servicing cost is calculated as interest expense plus debt discount amortization, less debt premium amortization and less sinking fund earnings.
 - Other Adjustments to interest, if any, will be reviewed to determine how they should be included in the province's financial statements.

Contents and Instructions

Schedule 4 - Deferred Contributions

- This schedule provides the breakdown of Deferred Contributions from the province, and Deferred Contributions from non-provincial sources.
- When consolidating your report with the province's statements, OCG must eliminate Deferred Contributions from the province against the related transactions in the province's books.
 - It is important that information provided be accurate and complete to allow a reconciliation of the province's transactions with your records.
 - It is also important that this section contain ONLY deferred contributions from the province.
- As indicated on the schedule in the Deferred Contributions - Non-provincial sources section, if you have included any funds whose use was not restricted by the provider of the funds, please provide a short description of the source, purpose and amounts of these funds.
 - A policy adjustment may need to be done by OCG, as GAAP only allows the reporting of externally restricted deferred contributions.
- Unearned lease revenue and other miscellaneous deferred revenue should be reported directly on the Statement of Financial Position in the Deferred revenue section.
 - We do not need a breakdown of the Contributions Received and Transfers to revenue for these categories. You should include the transfers to revenue in the appropriate revenue category of the Statement of Operations.

Schedule 5 - Variance Analysis

- Please provide a brief description of any material variances. Detailed analysis is not required.
 - Materiality should be assessed in relation to your organization's reported financial information.

Schedule 6 - Transactions with Self-supported Crown Corporations and Agencies

- This schedule is used to capture information relating to transactions with Self-supported Crown Corporations and Agencies that are reported in various notes to the Public Accounts. It does not link to any of the statements.

Submission of Report

- Once completed, please submit this report to OCG at the email address provided.
 - A calendar of due dates is provided to all Crown corporations each year.
 - If you are uncertain as to reporting dates, or have not received a copy of the calendar, please contact OCG.
- In order for OCG to meet the statutory requirements for release of quarterly reports and the Public Accounts, it is important that this report be submitted, as completely and accurately as possible, on or before the due date.
 - If you have experienced unusual circumstances which might result in a **delay in submission** of this report, please contact OCG in advance of the due date.
- As the Cover sheet indicates, submission of this report to OCG will be taken as evidence that the senior financial officer of your organization has approved the report.
- Prior to submission, please check the Cover Sheet to ensure that "Yes" is indicated to both the "balanced to SFP" and "equity matched" criteria, and to the "debt reconciled" criteria at year end. If "No" is indicated, you will need to review and revise your data input prior to submission.

Questions? Comments? Suggestions?

Please contact OCG at Summary@gov.bc.ca.

BC Housing Management Commission

Checklist - Additional Reporting Requirements

You must indicate yes or no to all questions with an "x" .
Please complete information in the boxes provided.

1. Full time Equivalent (FTE) Employment

FTE employment provides information on your organization's annual staff utilization, as defined by the *Budget Transparency and Accountability Act* , and is included in the province's financial reports, including the Estimates and the Public Accounts.

- The term "fulltime equivalent" is defined as the employment of one person for one full year or the equivalent thereof (for example, the employment of two persons for six months each).
- FTEs are calculated by dividing the total hours of permanent, auxiliary, temporary, seasonal and overtime employment paid for the fiscal year by the normal paid working hours for one fulltime equivalent employee for one year.
- Employees whose salaries are included in the cost of capital projects are not counted as FTEs in order to maintain consistency between salary expense and FTEs.

In the boxes provided, please state the number of:

766	- Actual FTEs
746	- Budgeted FTEs as submitted to Treasury Board Staff

2. Changes in Accounting Policies

Has your organization made any accounting policy changes since your last report to OCG?

	Yes. If yes, please provide a brief description and impact on your financial information.
x	No

Description and impact of change on both current year and prior year

3. Contingent Liabilities

A contingent liability arises from an existing condition or situation from which, upon the occurrence or non-occurrence of one or more future events, a loss may arise. This applies to circumstances where the existence of a loss is uncertain, not merely where the amount of a loss is uncertain. Contingent liabilities may arise from, for example, pending or threatened litigation, threat of expropriation of assets, arbitration, responsibility for environmental clean-up, and guarantees of the indebtedness of others.

Does your organization have any contingent liabilities?

x	Yes. If yes, please provide the information requested below.
	No

Description and amount of contingent liability. Include details of any amounts accrued in your financial statements, and/or details required for note disclosure of unrecognized amounts.

Please see notes to financial statements

BC Housing Management Commission

Checklist - Additional Reporting Requirements

You must indicate yes or no to all questions with an "x" .
Please complete information in the boxes provided.

<i>Probability of occurrence</i>	
	highly likely that loss will occur (greater than 70% probability)
x	not likely that loss will occur (less than 70% probability)
	likelihood of loss not determinable

Note disclosure of the contingent liability will be included in the Public Accounts where applicable. If the probability of occurrence is (a) highly likely, but the amount of the loss cannot be reasonably estimated; or (b) highly likely and an accrual has been made, but there exists an exposure to loss in excess of the amount accrued; or (c) not determinable, then note disclosure is likely to be made. Materiality and confidentiality of the contingent liability will be assessed in determining whether to disclose.

BC Housing Management Commission

Checklist - Additional Reporting Requirements

You must indicate yes or no to all questions with an "x" .
Please complete information in the boxes provided.

4. Guaranteed Debt

Disclosure of any debt of external third parties guaranteed by your organization is required for the province's financial reporting purposes. The Public Accounts includes a Statement of Guaranteed Debt in its note disclosure section. In addition, although guaranteed debt is not reported as a liability in the Summary Financial Statements, Provincial Treasury includes guaranteed debt in its calculation of provincial net debt.

Does your organization guarantee the debt of any external third parties?

	Yes. If yes, please provide a brief description.
x	No

Description of guaranteed debt. Please include program guarantee issued under, amount and date of initial guarantee, amount outstanding, maximum guarantee, and any provision for probable payout recorded.

5. Endowments

If you report endowment fund assets in your financial statements, please confirm the closing balance at the end of the period in \$ thousands.

(a)

	Fiscal 2017/18		Fiscal 2018/19	
	Original Cost	FMV	Original Cost	FMV
Endowment Fund ("Available to Spend" portion)				
	0	0	0	0

(b)

	Fiscal 2017/18		Fiscal 2018/19	
	Original Cost	FMV	Original Cost	FMV
Endowment fund (only include restricted assets which are not available for operation and capital purchases)				

BC Housing Management Commission

Checklist - Additional Reporting Requirements

You must indicate yes or no to all questions with an "x" .

Please complete information in the boxes provided.

	0	0	0	0
Total Endowment Fund	-	-	-	-

BC Housing Management Commission

Checklist - Additional Reporting Requirements

You must indicate yes or no to all questions with an "x" .

Please complete information in the boxes provided.

6. Financial Instruments - Continuity Schedule

Implemented CICA - Accounting Handbook Section PS 3450 , Financial Instruments, and Section PS 3041, Portfolio Investments.

Note: please only include information for the fiscal years after these sections were adopted. In \$ thousands

Financial Instrument - Description of Asset, Liability, Hedge or Derivative	Fiscal 2017/18				Fiscal 2018/19			
	Post here the information from the March 31, 2018 Appendix C							
	Original Cost	FMV	Cumulative Unrealized Gain/Loss	Curr Yr Gain/Loss	Original Cost	FMV	Cumulative Unrealized Gain/Loss	Curr Yr Gain/Loss
BCH Portfolio Investment	95,841	91,023	-4,818	-1,579	95,648	92,358	-3,290	1,528
							0	0
							0	0
							0	0
							0	0
							0	0
							0	0
	95,841	91,023	-4,818	-1,579	95,648	92,358	-3,290	1,528

In \$ thousands

Financial Instruments - Journal Entries

Use Account Description from the App C SFP & SO	2017/18	2018/19
Temporary Investments	4,818	3,290
Other Deferred Revenue	-188	-130
Unearned Investment Revenue	-4,630	-3,160
Make sure journal entry balances	0	0

BC Housing Management Commission

Checklist - Additional Reporting Requirements

You must indicate yes or no to all questions with an "x" .

Please complete information in the boxes provided.

If the notes to your financial statements do not provide information about the financial instrument, how the fair values have been determined and how they are used in risk management; please provide the details below.

Indicate the accounting treatment of fees and costs incurred in the exchange or modification of a financial liability.

Did your organization expense the fees and costs?

	Yes. If yes, please provide the additional information in the above journal table
x	No

Did your organization defer and amortize fees and costs incurred in the exchange or modification of a financial liability?

	Yes
x	No

Financial Instruments - Derivatives Disclosure

If your organization has derivatives please complete this table for each derivative. If more room is required please use the Notes and Comments page.

Financial Instrument - Description of Derivative	Maturity Date	Counterparty	Counter-party Credit Rating	Fixed Rate Payer	Floating Rate Payer	Fixed Interest Rate	Floating Interest Rate	Current Notional Amount	Market Value	Currency	Other comments

Example of how to complete this table:

Interest Rate Swap	Feb 2019	Any Bank	AA-/Aaa	Your Organization	Any Bank	0.0453	3 mo CAD BA - .35%	\$ 4,000,000	\$ 40,000	CAD	Notional Amt is declining balance to match LT Debt outstanding
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BC Housing Management Commission

Checklist - Additional Reporting Requirements

You must indicate yes or no to all questions with an "x" .

Please complete information in the boxes provided.

7. Sale Leaseback Transactions

Has your organization entered into any sale-leaseback transactions since April 1, 2018?

	Yes. If yes, please provide the information requested below.
x	No.

In \$ thousands

Sale-Lease Back Asset	Name of purchaser/ lessor	Capital or Operating Lease	% of asset leased back	Pre-transaction asset carrying value	Fair Value of Asset	Sale transfer price	Lease value	Post-transaction asset carrying value (for capital lease)	Gains/ (Losses) Recognized	Gains/ (Losses) Deferred

8. Temporary Investments

If you have reported temporary investments on line 18 of the Statement of Financial Position, the following breakdown of the amount reported is required:

Report in \$ thousands.

Investment Description	Cost	Market Value	Maturity Date
BCH Portfolio Investment	95,648	92,358	
Total	95,648	92,358	

BC Housing Management Commission

Checklist - Additional Reporting Requirements

You must indicate yes or no to all questions with an "x" .
Please complete information in the boxes provided.

9. Long Term Investments

If you have reported investments on lines 45-49 of the Statement of Financial Position, the following breakdown of the amount reported is required: **Report in \$ thousands.**

		Cost	Market Value	Earliest Maturity Date (dd-mmm- yyyy)	Latest Maturity Date (dd-mmm- yyyy)	Minimum Yield (%)	Maximum Yield (%)
Bonds	federal						
	provincial						
	municipal						
	corporate						
	other						
Commercial loans							
Equity Investments							
Pooled Investment Portfolios							
Other (please provide details below)							
Total		-	-				

Details of Other Long Term Investments

If you have reported investments above for which there was a write-down that would be considered permanent under Public Sector Accounting Standards, please list the investment and the amount of the write down.PSAB guidance is included on the Change worksheet. If you run out of space in this area please include the rest of the information in the notes and comments tab.

Name of investment	Type of investment	Amount of write-down	Notes

BC Housing Management Commission

Checklist - Additional Reporting Requirements

You must indicate yes or no to all questions with an "x" .
Please complete information in the boxes provided.
Please list any long-term investments presented above that have a maturity date that meets the definition of "temporary investment" as defined by the Public Sector Accounting Standards (investments that are transitional or current in nature).

		Maturity Date			
		Cost	Market Value	(range)	Yield (range)
Bonds	federal				
	provincial				
	municipal				
	corporate				
	other				
Commercial loans					
Equity Investments					
Pooled Investment Portfolios					
Other (please provide details below)					
Total		-	-		

10. Sinking Fund Investments

If you have reported sinking fund debt on lines 18-23 of Schedule 3 - Debt, the following breakdown of the amount invested is required: Report in \$ thousands.

		Maturity Date			
		Cost	Market Value	(range)	Yield (range)
Bonds	federal				
	provincial				
	municipal				
	corporate				
	other				
Pooled Investment Portfolios					
Miscellaneous					
Total (cost equals line I23 on Sch 3 - Debt)		-	-		

BC Housing Management Commission

Checklist - Additional Reporting Requirements

You must indicate yes or no to all questions with an "x" .
Please complete information in the boxes provided.

11. Accrued Employee Leave Entitlements

Please provide a breakdown of the amount reported for accrued leave liability.

Enter as negative if credit balance

	Balance (in \$ thousands)	
	2018/19**	2017/18***
Accrued Long-Term Disability Liability		
Accrued Retirement Allowance Liability		
Post-retirement Benefits		
Accrued Sick Bank Liability		
Accrued Vacation Entitlement	-2,055	-2,055
Accrued WCB liability		
Other Accrued Compensatory time off, liability*	-417	-424
Total Accrued Employee Leave entitlements	-2,472	-2,479

*Other Accrued Compensatory time off liability includes CTO, unused overtime, earned time off, shift & standby overtime, overtime in lieu of stats, that has been accrued.
** Current year balance linked to SOFP C57 "Accrued Employee Leave Entitlements"
*** The amount for Fiscal year 2017/18 is based on the information from the March 31, 2018 Appendix C.

12. Liability for Contaminated Sites

Does your organization have contaminated sites?

	Yes
x	No

If yes, has the liability for remediation of all contaminated sites been recognized?

	Yes. If yes, please provide the information and balances as requested below.
	No. If no, please provide information on why specific contaminated site liabilities have not been recognized as requested below.

GAAP requires your organization to provide the nature and source of the liability; the basis for the estimate of the liability; the estimated total undiscounted expenditures and discount rate when a net present value technique has been used; and the estimated recoveries (if any).

Detailed Description of Liabilities for Contaminated Sites					Fiscal 2018/19 Balances (in \$ thousands)					
	Nature and	Basis for	Information if Net Present Value Technique used for Estimate	Anticipated Timing of	Opening	Additional Liability	Liability Settled	Change in	Estimated	Ending

BC Housing Management Commission

Checklist - Additional Reporting Requirements

You must indicate yes or no to all questions with an "x" .

Please complete information in the boxes provided.

Description of Contaminated Site	Source of Liability	Estimate of the Liability	Estimated Total Undiscounted Expenditures	Discount Rate	Timing of Future Expenditures	Opening Liability	Incurred During the Year	During the Year	Estimate of the Liability	Estimated Recoveries	Closing Liability
											0
											0
											0
											0
											0
											0
											0
											0
											0
						0	0	0	0	0	0

BC Housing Management Commission

Checklist - Additional Reporting Requirements

You must indicate yes or no to all questions with an "x" .
Please complete information in the boxes provided.

Balance at March 31st
(in \$ thousands)
2019

Opening liability for contaminated sites	0
- additional liability incurred during the year (+)	0
- liability settled during the year (-)	0
- change in estimate (+)(-)	0
- estimated recoveries	0
Ending liability for contaminated sites	<u>0</u>

If the liability for the remediation of contaminated sites has not been recognized, GAAP requires the reason why a reasonable estimate of the amount involved cannot be made or why it is expected that economic benefits will not be given up.

Information on Contaminated Sites Not Recognized as Liabilities		
Description of Contaminated Site	Nature and Source of Liability	Reasons for Not Recognizing a Liability

Please report all debits as positive numbers and credits as negative numbers.

Please report all items in 000s of dollars.

All figures should be on a GROSS basis.

Boxes marked in grey are protected and the numbers come from formulas or the indicated schedule.

Boxes in red are normally in a credit (negative) balance, those in blue normally in a debit (positive) balance.

Statement of Financial Position
Report in 000s

		Schedule	OCG Comments
Financial Assets			
Cash	434,760		
Cash Equivalents			Includes demand deposits and short-term highly liquid investments that are readily convertible to cash and that are subject to an insignificant risk of changes in value.
Temporary investments:	92,358		Write downs or write-offs should be reported on Statement of Operations under Expense due to Valuation Allowance
	527,118		
Accounts receivable:			
from the province			
trade receivables other	16,945		
taxes receivable (not included elsewhere)			
accrued interest			
from Crown corps, gov't orgs, trusts, etc	0	1	
from the federal government (current)	2,258		includes GST credit
from the federal government (long term)			
from local governments (current)			municipal units established by provincial government, including municipalities, cities, towns, townships, districts and villages
from local governments (long term)			
from other provincial governments (current)			
from other provincial governments (long term)			
less: provision for doubtful accounts	-4,147		Report current year bad debt expense on Statement of Operations under Expense due to Valuation Allowance
	15,056		
Inventory for resale:			
properties for resale			land and buildings for resale

Please report all debits as positive numbers and credits as negative numbers.
Please report all items in 000s of dollars.
All figures should be on a GROSS basis.
Boxes marked in grey are protected and the numbers come from formulas or the indicated schedule.
Boxes in red are normally in a credit (negative) balance, those in blue normally in a debit (positive) balance.

Statement of Financial Position			Schedule	OCG Comments
Report in 000s				
Loans and Advances	other inventories for resale			See Other Assets for inventories that are not for resale.
			0	
	Loans and advances	282,159		includes repayable advances, accountable advances and employee accountable advances
	less: provision for doubtful loans/advances			Report current year write downs/-offs on Statement of Operations under Expense due to Valuation Allowance
	Mortgages receivable	38,792		
Investments	less: provision for doubtful mortgages		320,951	Report current year write downs/-offs on Statement of Operations under Expense due to Valuation Allowance
	Investment in corporations on a cost basis			use cost method when no significant influence, control or joint control exists
	Investment in corporations on an equity basis			use equity method when significant influence exists without control or joint control
	Other investments			
	less: provision for doubtful payout		0	Report write downs/-offs on Statement of Operations under Expense due to Valuation Allowance
Total Financial Assets			863,125	

Please report all debits as positive numbers and credits as negative numbers.

Please report all items in 000s of dollars.

All figures should be on a GROSS basis.

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Statement of Financial Position Report in 000s

			Schedule	OCG Comments
Liabilities				
Payables and accruals	to the province			
	trade payables other	-47,165		
	accrued employee leave entitlements	-2,472		
	other accrued liabilities (not included elsewhere)	-329,195		
	to Crown corps or govenment orgs	-140,300	1	
	to federal government (current)			
	to federal government (long term)			
	to local governments (current)			
	to local governments (long term)			
	to other provincial governments (current)			
	to other provincial governments (long term)			
		-519,132		
Accrued interest:	on direct debt to province	0	3	
	on mortgages	0	3	
	on other debt	0	3	
		0		
Deferred revenue:	deferred capital contributions - provincial	-52,170	4	
	deferred capital contributions - non-provincial other	0	4	
	deferred capital contributions - Federal	0	4	
	deferred contributions - provincial	-78,576	4	
	deferred contributions - non-provincial other	0	4	
	deferred contributions - Federal	-51,019	4	
	unearned lease revenue			
	federal & municipal infrastructure projects	0	4	BCTFA use only.
	other deferred revenue	-4,699		

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Please report all items in 000s of dollars.
All figures should be on a GROSS basis.
Boxes marked in grey are protected and the numbers come from formulas or the indicated schedule.
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Statement of Financial Position
Report in 000s

			Schedule	OCG Comments
			-186,464	
Unfunded pension liability		0		
Public debt:	direct debt to province	-8,029	3	
	mortgages	0	3	
	other debt	0	3	
			-8,029	
Total Liabilities		-713,625		
Net Financial Assets (Debts)		149,500		
Non-financial Assets				
Other assets:	inventories - not for resale			e.g., inventories of supplies
				Restricted assets represent the portion of endowment funds that are to be held in perpetuity, and are not available to be used for operations or capital purchases. This cell is linked to "Checklist-Must Complete" tab (Note 5b - Endowments)
	restricted assets (e.g. endowment funds)	0		
	prepaid program costs	35,575		
	deferred charges			
	unamortized issue cost of public debt			
			35,575	
Capital assets:	historical cost of tangible capital assets	65,059	2	Report current year write downs/offs on Statement of Operations
	accumulated amortization	-52,059	2	under Expense due to Valuation Allowance
			13,000	

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All figures should be on a GROSS basis.
Boxes marked in grey are protected and the numbers come from formulas or the indicated schedule.
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Statement of Financial Position
Report in 000s

	Schedule	OCG Comments
Total Non-financial Assets	48,575	

Please report all debits as positive numbers and credits as negative numbers.
Please report all items in 000s of dollars.
All figures should be on a GROSS basis.
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Statement of Financial Position
Report in 000s

		Schedule	OCG Comments
Accumulated Surplus or Deficit			
Accumulated Operating Surplus or Deficit:			
Capital stock			
Contributed surplus			
Accumulated Surplus	-201,235		
Accumulated Remeasurement Gains and (Losses)	3,160		
Total Accumulated Surplus or Deficit	Note: Total must match Closing Accumulated Surplus or Deficit from Statement of Operations	-198,075	Accumulated Surplus or Deficit from Statement of Operations -198,075

Notes and Comments:

BC Housing Management Commission

April 1, 2018 - September 30, 2018

Please report all debits as positive numbers and credits as negative numbers.

Please report all items in '000s of dollars.

All figures should be on a GROSS basis.

Boxes marked in grey are protected and the numbers come from formulas or the indicated schedule.

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Statement of Operations Report in '000s

		Schedule		OCG Comments
Revenue				
Grants	Direct transfers from the province			
	Direct transfers from Crown corps or gov't orgs	-7,380	1	
	Transfers from the federal government			
		-7,380		
Sales of goods and services	Sales of goods or services to the province			
	Sales of goods or services to Crown corp or gov't orgs	0	1	
	Sales of goods or services to non-related entities			
		0		
Deferred contributions	Recognition of Deferred Capital Contributions provincial	-132,150	4	
	Recognition of Deferred Capital Contributions non provincial other	0	4	
	Recognition of Deferred Capital Contributions Federal	0	4	
	Recognition of Deferred Contributions provincial	-236,422	4	
	Recognition of Deferred Contributions Federal	-71,317	4	
	Recognition of Deferred Contributions non provincial other	0	4	
		-439,889		
Taxation	Taxation - Property			Use at OCG request only
	Taxation - Fuel			Use at OCG request only
	Taxation - Provincial Sales			Use at OCG request only
	Taxation - Other			Use at OCG request only
		0		
Natural resources	Natural gas royalties			
	Petroleum royalties			
	Permits and fees			
	Minerals			

BC Housing Management Commission

April 1, 2018 - September 30, 2018

Please report all debits as positive numbers and credits as negative numbers.**Please report all items in '000s of dollars.****All figures should be on a GROSS basis.**

Boxes marked in grey are protected and the numbers come from formulas or the indicated schedule.

Boxes in red are normally in a credit (negative) balance, those in blue normally in a debit (positive) balance.

Statement of Operations
Report in '000s

		Schedule	OCG Comments
	Forests		
	Water resources		
	Other natural resources		
			0
Other revenues	Fees and licences	-3,009	
	Sinking fund earnings	0	3
	Recognition of debt premium	0	3
	Investment earnings	-796	Sinking fund earnings reported separately (see above)
	Gain (loss) on sale of tangible capital assets		
	Miscellaneous	-26,016	
			-29,821
Total Revenue			-477,090

BC Housing Management Commission

April 1, 2018 - September 30, 2018

Please report all debits as positive numbers and credits as negative numbers.

Please report all items in 000s of dollars.

All figures should be on a GROSS basis.

Boxes marked in grey are protected and the numbers come from formulas or the indicated schedule.

Boxes in **red** are normally in a credit (negative) balance, those in **blue** normally in a debit (positive) balance.

Statement of Operations Report in '000s

Expense		Schedule	OCG Comments
Purchases	Purchases from Crown corps or gov't orgs	1	
	Purchases from the province		
Grants	Transfers to Crown corps or gov't orgs	1	
	Grants to third parties		
Debt expenses	Debt service costs (gross of sinking fund investment)	3	Interest expense less other adjustments from Schedule 3
	Recognition of debt discount	3	
Expense due to valuation allowance			
	Accounts receivable		Bad debt expense
			Write down to lower of cost or net realizable value
	Inventory		
	Tangible capital assets	2	Write downs or write-offs
	Loans, advances and mortgages receivable		Write downs or write-offs
	Investments		Write downs or write-offs
	Other assets		Write downs or write-offs
Other expenses	Salaries and benefits		
	Operating expense		
	Asset amortization expense	2	Report asset amortization separately
	Cost of goods sold		
	Restructuring exit expenses	3	Incremental costs that do not provide future benefit and are a direct result of restructuring

BC Housing Management Commission

April 1, 2018 - September 30, 2018

Please report all debits as positive numbers and credits as negative numbers.**Please report all items in 000s of dollars.****All figures should be on a GROSS basis.**

Boxes marked in grey are protected and the numbers come from formulas or the indicated schedule.

Boxes in red are normally in a credit (negative) balance, those in blue normally in a debit (positive) balance.

Statement of Operations
Report in '000s

		Schedule	OCG Comments
Other miscellaneous expenses		5	Expenses which cannot be reasonably allocated to a specific category
	65,910		
Total Expense	477,090		
Operating Deficit for the Year Before Endowment Contributions	0		
Endowment Contributions			New endowment contributions received in the year
Operating Deficit for the Year	0		

BC Housing Management Commission

April 1, 2018 - September 30, 2018

Please report all debits as positive numbers and credits as negative numbers.

Please report all items in 000s of dollars.

All figures should be on a GROSS basis.

Boxes marked in grey are protected and the numbers come from formulas or the indicated schedule.

Boxes in red are normally in a credit (negative) balance, those in blue normally in a debit (positive) balance.

Statement of Operations Report in '000s

Accumulated Surplus or Deficit

Schedule

OCG Comments

Opening Accumulated Operating Surplus or Deficit (excl.
Remeasurement Gains or Losses)

-201,235

Prior year closing Accumulated
Operating Surplus or Deficit as reported
on your audited statements

Operating Surplus or Deficit for the Year

0

Prior Period Adjustments (see below)

0

Other Adjustments to Accumulated Operating Surplus or Deficit (see
below)

0

Capital Stock + Contributed Surplus +
Retained earnings from Statement of
Financial Position (should match
Closing Accumulated Operating Surplus
or Deficit at cell C91)

**Closing Accumulated Operating Surplus or Deficit (excl.
Remeasurement Gains or Losses)**

-201,235

-201,235

Opening Accumulated Remeasurement Gains or Losses

4,630

Net Remeasurement Gains or Losses for the year

-1,470

Closing Accumulated Remeasurement Gains or Losses

3,160

Total Accumulated Surplus or Deficit
from Statement of Financial Position
(should match Closing Accumulated
Surplus or Deficit at cell C97)

Closing Accumulated Surplus or Deficit

-198,075

-198,075

Explanation of adjustments to Accumulated Operating Surplus or Deficit	Amount	Verification must equal \$0	Notes and Comments:
Prior Period Adjustments			

BC Housing Management Commission

April 1, 2018 - September 30, 2018

Please report all debits as positive numbers and credits as negative numbers.**Please report all items in 000s of dollars.****All figures should be on a GROSS basis.**

Boxes marked in grey are protected and the numbers come from formulas or the indicated schedule.

Boxes in red are normally in a credit (negative) balance, those in blue normally in a debit (positive) balance.

Statement of Operations
Report in '000s

		Schedule	OCG Comments
Total Prior Period Adjustments Explained	0	\$0	
Other Adjustments to Accumulated Operating Surplus or Deficit			
Total Other Adjustments to Accumulated Operating Surplus or Deficit	0	\$0	

BC Housing Management Commission

April 1, 2018 - September 30, 2018

Please report all debits as positive numbers and credits as negative numbers.

Please report all items in 000s of dollars.

Boxes marked in grey are protected and the numbers come from formulas or the indicated schedule.

Boxes in blue can be entered as **debit** or **credit** balance.

Statement of Remeasurement Gains & Losses
Report in '000s

	Current Year			Prior year			
	Investment	Other Comprehensiv e Income	Total	Investment	Other Comprehensiv e Income	Total	
Balance, beginning of the year	4,630	-	4,630	3,125		3,125	Beginning balance must equal prior year ending as reported on your audited financial statements.
Unrealized (gains) / losses	-60		(60)	-1,010		(1,010)	
Amounts realized to Statement of Operations	-1,410		(1,410)	2,515		2,515	
	(1,470)	-	(1,470)	1,505	-	1,505	
Balance, End of the Period	3,160	-	3,160	4,630	-	4,630	The total balance at cell D21 should match the balance reported on the statement of financial position (cell C115)

Notes and Comments:

Please report all debits as positive numbers and credits as negative numbers.

Boxes marked in grey are protected and the numbers come from formulas or the indicated schedule.

Boxes in red are normally in a credit (negative) balance, those in blue normally in a debit (positive) balance.

MATERIALITY LEVEL: \$100,000 is the materiality level for recognizing inter-entity transactions on Schedule 1 and Schedule 1a. If a particular transaction type with an individual entity is below \$100,000 you do not need to report the transaction. For example, if Accounts Receivable from a related entity are \$50,000, you do not need to report them; however, if Accounts Payable from a related entity are over \$100,000 you must report them.

Schedule 1 Inter-entity accounts

REPORT IN 000s

	Accounts Receivable from Entity	Accounts Payable to Entity	Revenue - Direct Transfers from Entity	Revenue - Sales to Entity	Expenses - Purchases from Entity	Expenses - Transfers to Entity
BC Clinical and Support Services Society						
BC Games Society						
BC Immigrant Investment Fund Ltd.						
BC Infrastructure Benefits Inc.						
BCNET						
BC Pavilion Corporation						
BC Public School Employers' Association						
BC Transportation Financing Authority						
British Columbia Assessment Authority						
British Columbia Enterprise Corporation						
British Columbia Housing Management Commission						
British Columbia Securities Commission						
British Columbia Transit						
Canadian Blood Services						
Columbia Basin Trust						
Community Living British Columbia			-2,895			
Community Social Services Employers' Association						
Creston Valley Wildlife Management Authority Trust Fund						
Crown Corporations Employers' Association						
Destination BC Corp.						
First Peoples' Heritage, Language and Culture Council						
Forest Enhancement Society of BC						
Forestry Innovation Investment Ltd.						
Health Employers Association of BC						
Industry Training Authority						
Innovation BC (formerly BC Innovation Council)						
Knowledge Network Corporation						
Legal Services Society						
Nechako-Kitimaat Development Fund Society						
Oil and Gas Commission						
Organized Crime Agency of British Columbia Society						
Partnerships British Columbia						
Post Secondary Employers' Association						
Provincial Rental Housing Corporation		-140,300	-965			105,399
Real Estate Council of British Columbia						
Real Estate Foundation of British Columbia						
The British Columbia Council for International Education						
The Royal British Columbia Museum Corporation						
Fraser Health Authority			-1,636			786
Interior Health Authority			-144			46
Northern Health Authority			-67			736
Vancouver Coastal Health Authority			-561			615
Vancouver Island Health Authority			-562			67
Provincial Health Services Authority			-550			
Hospital Societies	Note 1	0	0	0	0	0
School Districts	Note 1	0	0	0	0	0
Universities	Note 1	0	0	0	0	0
Colleges and Institutes	Note 1	0	0	0	0	0
		0	-140,300	-7,380	0	107,649

Note 1: This information is transposed from Schedule 1a. Please complete that Schedule if you have transactions with these entities.

Notes and Comments:

BC Housing Management Commission
April 1, 2018 - September 30, 2018

Please report all debits as positive numbers and credits as negative numbers.

Boxes marked in grey are protected and the numbers come from formulas.

Boxes in red are normally in a credit (negative) balance, those in blue normally in a debit (positive) balance.

MATERIALITY LEVEL: \$100,000 is the materiality level for recognizing inter-entity transactions on Schedule 1 and Schedule 1a. If a particular transaction type with an **individual** entity is below \$100,000 you do not need to report the transaction. For example, if Accounts Receivable from a related entity are \$50,000, you do not need to report them; however, if Accounts Payable to a related entity are over \$100,000 you must report them.

Schedule 1a

REPORT IN 000s

Additional detail - Inter-entity accounts

	Accounts Receivable from Entity	Accounts Payable to Entity	Revenue - Direct Transfers from Entity	Revenue - Sales to Entity	Expenses - Purchases from Entity	Expenses - Transfers to Entity
Colleges and Institutes						
British Columbia Institute of Technology						
Camosun College						
Coast Mountain College (formerly Northwest Community College)						
College of New Caledonia						
College of the Rockies						
Douglas College						
Justice Institute of British Columbia						
Langara College						
Nicola Valley Institute of Technology						
North Island College						
Northern Lights College						
Okanagan College						
Selkirk College						
Vancouver Community College						
Total Colleges	0	0	0	0	0	0
Universities						
Capilano University						
Emily Carr University of Art & Design						
Kwantlen Polytechnic University						
Royal Roads University						
Simon Fraser University						
Thompson Rivers University						
University of British Columbia						
University of Northern British Columbia						
University of the Fraser Valley						
University of Victoria						
Vancouver Island University						
Total Universities	0	0	0	0	0	0
School Districts						
Insert School District name here						
Insert School District name here						
Insert School District name here						
Insert School District name here						
Insert School District name here						
Insert School District name here						
Total School Districts	0	0	0	0	0	0
Hospital Societies						
Louis Brier Home and Hospital						
Menno Hospital (Mennonite Benevolent Society)						
Mount St. Mary Hospital (The Marie Esther Society)						
Nisga'a Valley Health Centre						
Providence Health Care (incl St. Paul's, Chara, Holy Family)						
St. Joseph's General Hospital (Bishop of Victoria)						
St. Michael's Centre						
Total Hospital Societies	0	0	0	0	0	0

Notes and Comments:

BC Housing Management Commission

April 1, 2018 - September 30, 2018

Please report all debits as positive numbers and credits as negative numbers.

Boxes in grey are protected and are formulas. Boxes in red are normally in a credit (negative) balance, those in blue normally in a debit (positive) balance.

Opening balances must equal last year's reported closing balance.

Schedule 2

Capital Assets

REPORT IN 000s

	Transposed to Statement of Operations							Transposed to Statement of Operations						Net book value
	Opening cost	Additions	Disposals	Valuation Adjustments	Transfers to (from) WIP/CL	Transfers to (from) GRE	Ending cost	Opening amortization	Amortization expense	Effect of disposals	Valuation Adjustments	Transfers to (from) GRE	Ending amortisation	
Land							-						-	-
Land Improvements							-						-	-
Land Improvements WIP							-						-	-
Total Land	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Buildings							-						-	-
Building WIP							-						-	-
Buildings under Capital Lease							-						-	-
Buildings under Capital Lease WIP							-						-	-
Leasehold Improvements	11,319	104					11,423	(10,022)	(206)				(10,228)	1,195
Leasehold Improvements WIP							-						-	-
Total Buildings	11,319	104	-	-	-	-	11,423	(10,022)	(206)	-	-	-	(10,228)	1,195
Ferries							-						-	-
Ferries WIP							-						-	-
Ferries under capital lease							-						-	-
Total Ferries	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transit vehicles and equipment							-						-	-
Transit WIP							-						-	-
Transit under capital lease							-						-	-
Total Transportation Eqpt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Highway Infrastructure							-						-	-
Highways WIP							-						-	-
Highways under capital lease							-						-	-
Total Hwy Infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Computer Hardware	2,745	-					2,745	(2,681)	(32)				(2,713)	32
Computer Hardware WIP							-						-	-
Computer Hardware under capital lease							-						-	-
Computer Software	43,411	1,888					45,299	(32,776)	(1,552)				(34,328)	10,971
Computer Software WIP							-						-	-
Computer Software under capital lease							-						-	-
Total Computers	46,156	1,888	-	-	-	-	48,044	(35,457)	(1,584)	-	-	-	(37,041)	11,003
Vehicles	1,596	-					1,596	(1,243)	(77)				(1,320)	276
Vehicles under capital lease							-						-	-
Office furniture & equipment	3,328	125					3,453	(2,903)	(64)				(2,967)	486
Office F & E under capital lease							-						-	-
Heavy machinery & equipment							-						-	-
Heavy M & E WIP							-						-	-
Heavy M & E under capital lease							-						-	-
Miscellaneous	543						543	(495)	(8)				(503)	40
Total Other	5,467	125	-	-	-	-	5,592	(4,641)	(149)	-	-	-	(4,790)	802
Total Tangible Capital Assets	62,942	2,117	-	-	-	-	65,059	(50,120)	(1,939)	-	-	-	(52,059)	13,000

NOTE: Transfers to/from WIP must equal zero

Notes and Comments:

RAEG - Sale of Surplus Properties and Assets (PSAB Section PS 1201.050)

Sale of Assets Held as Tangible Capital Assets

Legal Description	Asset Type (i.e. Land or Building)	Physical Address of Assets Sold	Sale Price (in 000's)	Net Book Value (in 000's)	Cost of Sales - excluding RAEG fee (in 000's)	Revenue: Gains/Losses on Disposal of Assets - Before RAEG Fee (in 000's)	RAEG Program Costs - 1% Program Fee	Net Gains/Losses on Disposal of Assets (in 000's)
						0		0
						0		0
						0		0
						0		0
						0		0

Sale of Assets Held as Inventory

Legal Description	Asset Type (i.e. Land or Building)	Physical Address of Assets Sold	Sale Price (in 000's)	Net Book Value (in 000's)	Cost of Sales - excluding RAEG fee (in 000's)	Revenue: Gains/Losses on Disposal of Assets - Before RAEG Fee (in 000's)	RAEG Program Costs - 1% Program Fee	Net Gains/Losses on Disposal of Assets (in 000's)
						0		0
						0		0
						0		0
						0		0
						0		0

NBV of all TCA's Reclassed to Inventory During the Year for RAEG Program

(Note: Includes both inventory sold and unsold)

Amount Reclassed (in 000's)

BC Housing Management Commission

April 1, 2018 - September 30, 2018

Please report all debits as positive numbers and credits as negative numbers.

Boxes marked in grey are protected and the numbers come from formulas.

Boxes in red are normally in a credit (negative) balance, those in blue normally in a debit (positive) balance.

Opening balances must equal last year's reported closing balance. If not provide an explanation below.

Schedule 3

Debt Report

Report in 000s

	Borrowing direct from the province	Mortgages	Borrowed from related organization	Borrowed from non-related, guaranteed by the province	Capital leases, guaranteed by the province	Capital leases, not guaranteed by the province	Borrowed from non-related, not guaranteed by the province	Public-Private Partnership	Total	OCG COMMENTS
Opening Gross Debt	-25,028								-25,028	
Add: Additional Borrowing	-38,116								-38,116	
Less: Repayment of Principal	55,115								55,115	
Less: Debt Defeasance									0	
Less: Debt Forgiveness									0	
Closing Gross Debt	-8,029	0	0	0	0	0	0	0	-8,029	
Opening sinking fund balance									0	
Add: Additional principal payments									0	
Add: Earnings on sinking funds									0	Transposed to Statement of Operations
Less: Amount transferred to Defeasance or for repayment									0	
Less: Debt Forgiveness									0	
Closing sinking fund balance	0	0	0	0	0	0	0	0	0	
Opening premium on debt issue									0	
Add: Premium on newly issued debt									0	
Less: Amount amortized to Statement of Operations									0	Transposed to Statement of Operations
Less: Debt Forgiveness									0	
Closing premium	0	0	0	0	0	0	0	0	0	
Opening debt discount									0	
Add: Discount on newly issued debt									0	
Less: Amount amortized to Statement of Operations									0	Transposed to Statement of Operations
Less: Debt Forgiveness									0	
Closing discount	0	0	0	0	0	0	0	0	0	
Closing Gross Debt	-8,029	0	0	0	0	0	0	0	-8,029	
Add: Closing premium	0	0	0	0	0	0	0	0	0	
Less: Closing Sinking Fund	0	0	0	0	0	0	0	0	0	
Less: Closing Debt Discount	0	0	0	0	0	0	0	0	0	

Closing Net Debt	-8,029	0	0	0	0	0	0	0	-8,029	
Opening accrued interest	-3								-3	
Add: Interest expense for the year	-40								-40	Transposed to Statement of Operations
Less: Interest payments made	43								43	
Closing accrued interest	0	0	0	0	0	0	0	0	0	
Interest expense for the year	40	0	0	0	0	0	0	0	40	
Add: Amortization of debt discount	0	0	0	0	0	0	0	0	0	
Less: Amortization of debt premiums	0	0	0	0	0	0	0	0	0	
Other adjustments (please list below)									0	
Less: Earnings on sinking funds	0	0	0	0	0	0	0	0	0	
Total net debt servicing expense	40	0	0	0	0	0	0	0	40	

Notes and Comments:

Please report all debits as positive numbers and credits as negative numbers.

Boxes marked in grey are formulas.

Boxes in red are normally in a credit (negative) balance, those in blue normally in a debit (positive) balance.

Schedule 4

Report in 000s

Deferred Contributions - Provincial sources only

	Deferred Capital	Deferred Operating	Other
Opening balance	-140,568	-38,330	
Contributions received during the year	-43,752	-276,668	
Transfers between deferred contributions			
Transfers to revenue	132,150	236,422	
Ending balance	-52,170	-78,576	0

OCG Comments

Must equal prior year reported closing balance.

This is transposed on the Statement of Operations

Please provide a brief description of the source and purpose of deferred non-capital operating contributions and Other.

Primarily for subsidies to non profit housing societies and low income individuals (eg. rent subsidies)

Please provide an explanation for the transfers to and from deferred contributions accounts.

Transfers due to timing of monthly appropriation and the payment of subsidies.

Deferred Contributions - Non-Provincial sources, other

	Deferred Capital	Deferred Operating	Deferred Municipal Infrastructure Project (BCTFA only)	
Opening balance				Note:
Contributions received during the year				The following should now be reported directly on the Statement of Financial Position:
Transfers between deferred contributions				- Unearned lease revenue,
Transfers to revenue				- Other miscellaneous deferred revenues,
Ending balance	0	0	0	- Deferred federal & municipal highway project revenues.

OCG Comments

Must equal prior year reported closing balance.

This is transposed on the Statement of Operations

Deferred Contributions - Federal

	Deferred Capital	Deferred Operating	Deferred Federal Infrastructure Project (BCTFA only)	
Opening balance		-47,504		Note:
Contributions for Federal infrastructure programs		-74,832		The following should now be reported directly on the Statement of Financial Position:
Other Federal contributions received				- Unearned lease revenue,
Transfers between deferred contributions				- Other miscellaneous deferred revenues,
Transfers to revenue		71,317		- Deferred federal & municipal highway project revenues.
Ending balance	0	-51,019	0	

OCG Comments

Must equal prior year reported closing balance.

This is transposed on the Statement of Operations

Please provide a brief description of the source and purpose of any deferred non-provincial contributions which were not externally restricted by the provider of the funds.

Federal funding from CMHC for subsidies to social housing providers and low income individuals.

Please provide an explanation for the transfers to and from deferred contributions accounts.

Transfers relate to timing of cash received from CMHC and the payment of grants to non profit housing providers and rent supplements to low income individuals.

BC Housing Management Commission

April 1, 2018 - September 30, 2018

Please report all debits as positive numbers and credits as negative numbers.

Boxes marked in grey are formulas or come from another schedule.

Boxes in red are normally in a credit (negative) balance, those in blue normally in a debit (positive) balance.

Schedule 5**Variance Analyses to original budget and prior year's actuals****REPORT IN 000s**

	Current Period		Prior Year	Budget to Actual	Prior to Current
	budget	actual	actual	Variance	Variance
Revenue	(614,538)	-477,090	(347,397)	137,448	-129,693
Expenditures	614,538	477,090	347,397	-137,448	129,693
Operating Surplus or Deficit for the Year	-	-	-	0	0
Assets		911,700	949,350	911,700	-37,650
Liabilities		-713,625	(750,796)	-713,625	37,171
Total Accumulated Surplus or Deficit		(198,075)	(198,554)	-198,075	479

Please provide brief description of any variances that are material to your financial results. Also, regardless of materiality, any changes greater than \$10 million must be explained including those for individual accounts that are offset when rolled up to totals above.

Explanation of material variances from original budget (as submitted to Treasury Board).

|Actual to Budget variance is due to slower than anticipated projects development

Explanation of material variances from prior year's actuals.

Variance primarily due to the new capital funding received in the 3rd QTR 2017 /18 and 18/19

BC Housing Management Commission
April 1, 2018 - September 30, 2018

Please report all debits as positive numbers and credits as negative numbers.

Boxes marked in grey are protected and are formulas.

Boxes in **red** are normally in a credit (negative) balance, those in **blue** normally in a debit (positive) balance.

Schedule 6 Inter-company accounts with self-supported Crown corporations and agencies

This information does **NOT** flow to the balance sheet or income statement.

REPORT IN 000s

	Accounts Receivable from Crown Corps	Accounts Payable to Crown Corps	Direct Transfers from Crown Corps (revenue)	Sales to Crown Corps (revenue)	Purchases from Crown Corps (expenses)	Direct Transfers to Crown Corps (expenses)
B.C. Hydro and Power Authority						
B.C. Liquor Distribution Branch						
B.C. Lottery Corporation						
B.C. Railway Company						
Columbia Power Corporation						
Insurance Corporation of British Columbia						
	0	0	0	0	0	0

Notes and Comments:

DO NOT DELETE THIS SHEET PLEASE

Acct #	Acct Name	CY Cost	CY FMV	Min Date	Max Date	Min Yield	Max Yield	Stmt Type
Z1531000	Bonds federal	-	-			0.00%	0.00%	P
Z1531100	Bonds provincial	-	-			0.00%	0.00%	P
Z1531200	Bonds municipal	-	-			0.00%	0.00%	P
Z1531300	Bonds corporate	-	-			0.00%	0.00%	P
Z1531400	Bonds other	-	-			0.00%	0.00%	P
Z1531500	Commercial loans	-	-			0.00%	0.00%	P
Z1531600	Equity Investments	-	-			0.00%	0.00%	P
Z1531700	Pooled Investment Portfolios	-	-			0.00%	0.00%	P
Z1531800	Other	-	-			0.00%	0.00%	P
Z4590000	Endowment Fund Contributions	-						P

**British Columbia Housing
Management Commission
Quarter Three Financial Statements
December 31, 2018**

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British Columbia Housing Management Commission

Statement of Financial Position

	December 31 2018 (\$000's)	March 31 2018 (\$000's)	December 31 2017 (\$000's)
Financial Assets			
Cash	\$ 299,624	\$ 561,647	\$ 640,364
Portfolio investments (Note 3)	90,128	91,023	91,470
Receivables (Note 4)	15,389	12,582	11,329
Due from Province of British Columbia (Note 15)	52,247	900	-
Due from Canada Mortgage and Housing Corporation	-	49,985	8,872
Construction loans to housing projects (Note 4)	308,870	241,523	213,303
Mortgages receivable (Note 5)	39,691	58,399	54,429
	<u>805,949</u>	<u>1,016,059</u>	<u>1,019,767</u>
Liabilities			
Accounts payable and accrued liabilities	50,023	42,809	26,225
Deferred revenue (Note 6)	135,236	226,967	260,744
Due to Provincial Rental Housing Corporation (Note 15)	122,855	200,431	195,449
Tenants' prepaid rent	1,317	1,397	971
Due to Provincial Treasury (Note 7)	10,000	25,028	5,000
Society funds held on deposit (Note 8)	24,108	24,350	25,802
Grants received in advance of construction (Note 9)	318,212	346,184	350,702
Social Housing Agreement Reserves (Note 10)	3,534	3,530	3,556
	<u>665,285</u>	<u>870,696</u>	<u>868,449</u>
Net financial assets / (debt)	<u>140,664</u>	<u>145,363</u>	<u>151,318</u>
Non-financial assets			
Prepaid expenses and housing subsidies	36,423	38,420	33,176
Tangible capital assets (Note 11)	14,314	12,822	12,714
	<u>50,737</u>	<u>51,242</u>	<u>45,890</u>
Accumulated surplus / (deficit)	<u>191,401</u>	<u>196,605</u>	<u>197,208</u>
Accumulated surplus / (deficit) comprises:			
Accumulated surplus from operations	201,235	201,235	201,200
Accumulated remeasurement loss	(9,834)	(9,834)	(3,992)
	<u>\$ 191,401</u>	<u>191,401</u>	<u>\$ 197,208</u>

Commitments (Note 14)

Contingencies (Note 17)

See accompanying notes to the financial statements

British Columbia Housing Management Commission

Statement of Operations

	18/19 Budget (Note 12) (\$000's)	18/19 Actuals (\$000's)	17/18 Actuals (\$000's)
For the Nine Months Ended December 31			
Revenue			
Provincial contributions	\$ 794,005	\$ 657,527	\$ 375,125
Federal contributions	101,345	108,378	113,333
Tenant rent	23,553	24,103	23,756
Other	9,670	21,180	17,771
Portfolio investment income	3,700	5,489	3,946
	<u>932,273</u>	<u>816,677</u>	<u>533,931</u>
Expenses			
Housing subsidies and grants	726,299	624,837	357,786
Rental assistance	105,745	92,013	87,586
Salaries and labour	50,580	45,694	42,793
Operating expenses	17,739	18,389	15,324
Building maintenance	10,769	15,293	11,993
Office and overhead	8,731	8,443	7,365
Utilities	5,665	5,413	5,525
Grants in lieu of property taxes (Note 13)	5,334	5,717	5,214
Research and education	942	801	329
Interest expense	469	77	16
	<u>932,273</u>	<u>816,677</u>	<u>533,931</u>
Annual surplus from operations		<u>-</u>	<u>-</u>
Accumulated surplus from operations at beginning of year		<u>201,235</u>	<u>201,200</u>
Accumulated surplus from operations at end of year		<u>\$ 201,235</u>	<u>\$ 201,200</u>

See accompanying notes to the financial statements

British Columbia Housing Management Commission

Statement of Cash Flows

For the Nine Months Ended December31	18/19 (\$000's)	17/18 (\$000's)
Cash flows provided by (used in)		
Operating transactions		
Annual surplus from operations	\$ -	\$ -
Adjustments to determine cash flows:		
Change in non-cash working capital	(86,767)	188,446
Investment Income	(5,489)	(3,946)
Amortization	2,684	2,544
	<u>(89,572)</u>	<u>187,044</u>
Capital transactions		
Tangible capital asset additions & disposal	<u>(4,176)</u>	<u>(3,340)</u>
Investing transactions		
Construction loans provided to housing projects	(67,347)	64,574
Portfolio investments	1,187	10,484
Mortgages receivable	18,708	(47,547)
	<u>(47,452)</u>	<u>27,511</u>
Financing transactions		
Grants received in advance of construction	(27,972)	(85,828)
Due to Provincial Treasury	(15,028)	-
Due to Provincial Rental Housing Corporation	(77,576)	(40,948)
Social Housing Agreement Reserves	(5)	(6)
Society funds held on deposit	(242)	5,887
	<u>(120,823)</u>	<u>(120,895)</u>
Increase in cash	(262,023)	90,320
Cash, beginning of year	<u>561,647</u>	<u>550,044</u>
Cash, end of year	<u>\$ 299,624</u>	<u>\$ 640,364</u>

See accompanying notes to the financial statements

British Columbia Housing Management Commission

Statement of Remeasurement Gains and Losses

For the Nine Months Ended December31	18/19 (\$000's)	17/18 (\$000's)
Accumulated remeasurement gains, beginning of year	\$ (4,630)	\$ (3,125)
Amount released to income statement	60	1,010
Unrealized gain / (loss) attributable to portfolio investments	(5,264)	(1,877)
Net remeasurement changes for the year	(5,204)	(867)
Accumulated remeasurement loss, end of year	\$ (9,834)	\$ (3,992)

Statement of Changes in Net Financial Assets / (Debt)

For the Nine Months Ended December31	Budget (\$000's) (Note 12)	18/19 (\$000's)	17/18 (\$000's)
Annual surplus from operations		\$ -	\$ -
Net remeasurement changes for the year		(5,204)	(867)
		(5,204)	(867)
Depreciation of tangible capital assets		2,684	2,544
Acquisition of tangible capital assets	(5,000)	(4,176)	(3,347)
		(1,492)	(803)
Acquisition of prepaid expenses and housing subsidies		(301,980)	(289,996)
Use of prepaid expenses and housing subsidies		303,977	289,556
		1,997	(440)
Changes in net financial assets / (debt) for the year		(4,699)	(2,110)
Net financial assets / (debt), beginning of year		145,363	153,421
Net financial assets / (debt), end of year		\$ 140,664	\$ 151,311

See accompanying notes to the financial statements

British Columbia Housing Management Commission

Notes to the Financial Statements

December 31, 2018

1. General

The British Columbia Housing Management Commission (the Commission) is a Crown agency, established in 1967 to deliver on the provincial government's commitment to the development, management and administration of subsidized housing throughout the Province of British Columbia (the Province). This includes developing and facilitating new social housing, administering rental assistance programs, and a variety of other federal and/or provincial housing programs. The Provincial Rental Housing Corporation (the Corporation) holds property for social housing for the Province. The subsidized rental housing units of the Corporation are managed and operated by the Commission. The Commission administers agreements relating to operation of social housing units owned and/or managed by non-profit housing providers. Through the Licensing and Consumer Services Branch, the Commission also has responsibilities related to licencing of builders, home warranty insurance, and research and education to improve the quality of residential construction and consumer protection.

The Commission is exempt from federal and provincial income taxes.

2. Significant Accounting Policies

a) Basis of Presentation

These financial statements have been prepared in accordance with Province of British Columbia, Ministry of Finance regulation 688-2010 that requires taxpayer-supported organizations to adopt Canadian Public Sector Accounting Standards established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada (CPA).

b) Use of Estimates

In preparing these financial statements, management has made 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 reported amounts of revenues and expenses during the reporting period. Estimating the useful life of tangible capital assets and the collectability of receivables, construction loans to housing projects and mortgages receivable requires the greatest degree of estimation. Actual results could differ from those estimates.

c) Revenue Recognition

The Commission is funded primarily by the Province and the Canada Mortgage Housing Corporation (CMHC).

Revenues are recognized on an accrual basis in the period in which the transactions or events occurred that gave rise to the revenues, the amounts are considered to be collectible and can be reasonably estimated.

Contributions received or where eligibility criteria have been met are recognized as revenue except where the contribution meets the criteria for deferral. Eligibility criteria are the criteria that the Commission has to meet in order to receive the contributions including authorization by the transferring entity.

For contributions subject to a legislative or contractual stipulation or restriction as to their use, revenue is recognized in the year related expenses are incurred.

British Columbia Housing Management Commission

Notes to the Financial Statements

December 31, 2018

d) Tenant Rent Revenue

Tenant rent revenue represents rent charged to residents, and is determined as the lesser of market rent and a percentage of each resident's income.

e) Tangible Capital Assets

Tangible capital assets are recorded at cost and depreciated over their estimated useful life. Desktop applications and computer hardware are depreciated on a three-year amortization period. Server applications and communications hardware and components are depreciated on a five-year amortization period. Enterprise applications are depreciated on a ten-year amortization period. All other capital assets are depreciated over a five-year amortization period.

Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the Commission to provide services or when the value of future economic benefits are less than their net book value. The write-downs are accounted for as expenses in the statement of operations.

f) Employee Benefit Plans

The employees and employers of the public service contribute to the Public Service Pension Plan (the Plan), a jointly trustee pension plan. The Public Service Pension Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory defined benefits pension plan and pension benefits are expensed as incurred. The Plan has approximately 57,000 active plan members and approximately 46,200 retired plan members.

Every three years an actuarial valuation is performed to assess the financial position of the Plan and the adequacy of plan funding. The latest valuation as at March 31, 2017, indicated an actuarial surplus of \$1.9 billion for basic pension benefits. The next valuation will be as at March 31, 2020 with results available in early 2021. The actuary does not attribute portions of the unfunded liability or surplus to individual employers. The Commission paid \$4,485,809 for employer contributions to the Plan in fiscal 2018 (2017: \$4,174,568).

g) Financial Instruments

The Commission's financial instruments consist of cash, portfolio investments, receivables, due from the Province of British Columbia, due from Canada Mortgage and Housing Corporation, construction loans to housing projects, mortgages receivable, accounts payable and accrued liabilities, due to Provincial Rental Housing Corporation, due to Provincial Treasury, and Society funds held on deposit.

Upon inception and subsequent to initial recognition, equity instruments quoted in an active market (portfolio investments) are measured at fair value. These financial instruments are identified in this note by financial asset and financial liability classification and are not reclassified into another measurement category for the duration of the period they are held.

All other financial assets and financial liabilities are measured at cost or amortized cost upon their inception and subsequent to initial recognition. Cash and cash equivalents are measured at cost. Receivables, due from the Province of British Columbia, due from Canada Mortgage and Housing Corporation, loan receivables and mortgages receivable are recorded at amortized cost less any amount for valuation allowance. All debt and other financial liabilities are recorded using cost or amortized cost.

British Columbia Housing Management Commission

Notes to the Financial Statements

December 31, 2018

The classification of financial instruments is determined upon their initial recognition. Financial instruments are classified as level 1, 2 or 3 for the purposes of describing the basis of the inputs used to measure the fair values of financial instruments in the fair value measurement category as described below:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Market-based inputs other than quoted prices that are observable for the asset or liability either directly or indirectly.
- Level 3 - Inputs for the asset or liability that are not based on observable market data; assumptions are based on the best internal and external information available and are most suitable and appropriate based on the type of financial instrument being valued in order to establish what the transaction price would have been on the measurement date in an arm's length transaction.

Portfolio investments are recognized at their fair value, determined by published price quotations in an active market. Transactions to purchase or sell these items are recorded on the settlement date, and transaction costs are immediately recognized in income. Realized gains and losses are recognized in the operating statement and unrealized gains/losses from changes in fair value are recorded in the statement of remeasurement gains and losses. All other financial instruments are recorded at cost or amortized cost basis using the effective interest rate method where appropriate.

All financial assets are assessed annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations. A write-down of a portfolio investment to reflect a loss in value is not reversed for a subsequent increase in value.

Transaction costs for financial instruments measured at fair value are expensed when incurred.

A financial liability or its part is derecognized when it is extinguished.

h) Newly Adopted Accounting Standards

Effective April 1, 2017, the Commission adopted the following new accounting standards:

- i. PS 2200, Related Party Disclosures: PS 2200 defines a related party and establishes disclosures required for related party transactions. Disclosure of information about related party transactions and the relationship underlying them is required when the transactions have occurred at a value different from that which would have been arrived at if the parties were unrelated, and the transactions have, or could have, a material financial effect on the financial statements.
- ii. PS 3420, Inter-entity Transactions: PS 3420 establishes standards of how to account for and report transactions between public sector entities that comprise a government reporting entity from both a provider and a recipient perspective. Requirements of this standard are considered in conjunction with requirements of PS 2200.
- iii. PS 3210, Assets: PS 3210 provides guidance for applying the definition of assets set out in PS 1000, Financial Statement Concepts, and establishes general disclosure standards for assets. Disclosure of information about the major categories of assets that are not recognized is required. When an asset is not recognized because a reasonable estimate of the amount involved cannot be made, a disclosure should be provided.

British Columbia Housing Management Commission

Notes to the Financial Statements

December 31, 2018

- iv. PS 3320, Contingent Assets: PS 3320 defines and establishes disclosure standards for contingent assets. Contingent assets are possible assets arising from existing conditions or situations involving uncertainty. Disclosure of information about contingent assets is required when the occurrence of the confirming future event is likely.
- v. PS 3380, Contractual Rights: PS 3380 defines and establishes disclosure standards for contractual rights. Contractual rights are rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future. Disclosure of information about contractual rights is required including description of their nature and extent, and the timing.

Except for disclosure changes resulting from the adoption of PS 2200 and PS 3380, there was no impact to the financial statements upon transition to the other standards.

3. Portfolio Investments

BC Housing invests funds held on behalf of non-profit housing providers, funds for specific reserves and funds provided by ministries for specific housing projects. These investments are held in pooled investments and managed by four investment management firms. Income derived under the investments is reinvested into the portfolio. An investment committee meets periodically to review the performance of the fund managers and ensure compliance with the BC Housing investment policy. Quarterly reports are provided to the BC Housing Board of Commissioners. The investment policy has the following asset target components: 30% Fixed Income, 15% Canadian Equity, 20% Canadian real estate and 35% Global Equity. The market yield during fiscal 2017/18 was 3.16% (2016/17: 10.21%).

4. Receivables and Construction Loans to Housing Projects

a) Receivables

Receivables are recorded at cost less an amount for allowance of doubtful accounts. The allowance is determined on the basis of past collection experience. In fiscal 2017/18, the allowance totalled \$4,045,000 (2016/17: \$4,292,000). Changes in the valuation allowance are recognized in the statement of operations.

b) Construction Loans to Housing Projects

In its capacity as a National Housing Act approved lender, the Commission funds construction draws for societies who are building approved projects under social housing programs. These advances are repaid at substantial completion of each project from financing arranged with private lenders. The average period of construction financing can range from eighteen months to over two years. Societies are charged interest at the Province's weighted average borrowing rate for short-term funds, plus administration costs. The current average yield for the portfolio is 1.24% (2016/17: 0.89%). The allowance for construction loans to housing projects for fiscal 2017/18 totalled \$8,713,000 (2016/17: \$7,109,000).

British Columbia Housing Management Commission

Notes to the Financial Statements

December 31, 2018

5. Mortgages receivable

a) Non-profit Housing Provider Mortgages receivable

The Commission periodically continues to hold construction financing mortgages receivable after construction completes. In all but rare situations, these mortgages are tendered for take-out financing provided by private sector financial institutions within twelve months of the construction completion date. As of March 31, 2018, the total value of construction financing mortgages receivable was \$32,868,000 (2017: \$4,100,000). These mortgages are secured by property.

b) BC HOME Partnership Loans Receivable

Through the BC Home Owner Mortgage and Equity Partnership (BC HOME Partnership), the Commission assists eligible first-time homebuyers by providing repayable down payment assistance loans. The loans, secured as a second mortgage by property, are interest and payment free for the first five years after which interest at prime plus 0.5% will begin to accrue and principal and interest payments will be amortized over twenty years. The initial interest rate is set when the loan is conditionally approved, and will be reset at the Royal Bank of Canada Prime Rate plus 0.5% at each of the 10th, 15th and 20th anniversary dates.

As the first five years of the loans are concessionary, the loans have been recorded at the present value, discounted at prime plus 0.5% in 2017/18. The loan discount will be amortized into revenue and the loan receivable using the effective interest rate approach over the five-year concessionary term. The related concessionary loan expense is recorded at the time of issue and is included in housing subsidies expense. The program stopped accepting new applications on March 31, 2018. As of March 31, 2018, the total value of the loan receivables was \$25,487,000 (2016/17: \$2,882,000).

6. Deferred Revenue

These funds are restricted contributions received in advance of related expenditures that are incurred in the following fiscal year.

	2018 March 31 (\$000's)	Contributions Received (\$000's)	Revenue Recognized (\$000's)	2018 Dec 31 (\$000's)
Provincial Contributions	\$ 178,899	\$ 563,459	\$ (647,094)	\$ 95,264
Canada Mortgage and Housing Corporation	47,504	100,429	(108,319)	39,614
Other Agencies	564	252	(458)	358
	\$ 226,967	\$ 664,140	\$ (755,871)	\$ 135,236

The Social Housing Agreement Reserves (see Note 10) represent further restricted contributions from CMHC of a long-term nature.

7. Due to Provincial Treasury

Amounts represent short-term funds borrowed from the Province for the purpose of facilitating the construction or renovation of affordable housing. The maximum amount is not to exceed \$165 million bearing interest at a variable rate charged by the provincial Ministry of Finance.

British Columbia Housing Management Commission

Notes to the Financial Statements

December 31, 2018

8. Society Funds Held on Deposit

These funds represent the balance of mortgage advances held to cover various non-profit society construction and soft costs required to complete their projects. Interest accrues on the society funds at the prime minus 1.75%.

9. Grants Received in Advance of Construction

The Commission receives funds from the Province and CMHC, the use of which is restricted to the construction of specific social housing projects.

	2018 March 31 (\$000's)	Grants received (\$000's)	Construction costs incurred (\$000's)	2018 Dec 31 (\$000's)
Project Grants	\$ 8,476	\$ 511	\$ (1,455)	\$ 7,532
Provincial - Building Capital Renewal Funding	-	18,239	(18,239)	-
Provincial - Housing Priority Initiative	261,952	105,111	(81,267)	285,796
Provincial - Modular Supportive Housing	-	125,404	(125,404)	-
Provincial - Affordable Rental Housing	-	11,115	(11,115)	-
Provincial - Permanent Supportive Housing	-	23,450	(23,450)	-
Provincial - Transition Housing	-	1,799	(1,799)	-
CMHC - Investment in Affordable Housing (Phase I and Phase II)	1,307		(78)	1,229
CMHC - Social Housing Agreement	117		(90)	27
CMHC - Social Infrastructure Fund	74,043	549	(51,253)	23,339
Ministry - Other	289			289
	\$ 346,184	\$ 286,178	\$ (314,150)	\$ 318,212

10. Social Housing Agreement Reserves

The funds are available to offset future cost increases in the federal social housing portfolio due to inflation and changes in interest rates, or losses on loans owing by third parties. The funds are restricted under the Social Housing Agreement (SHA) and may only be used for housing within the SHA portfolio.

	18/19 31-Dec (\$000's)	17/18 31-Dec (\$000's)
Balance, beginning of year	\$ 3,530	\$ 3,449
Funds applied	(5)	(6)
Investment income	9	113
Balance, end of year	\$ 3,534	\$ 3,556

British Columbia Housing Management Commission

Notes to the Financial Statements

December 31, 2018

11. Tangible Capital Assets

	2018 March 31 (\$000's) Cost	Additions	Disposals	2018 December 31 (\$000's) Cost
Computer software	\$ 43,411	3,025		\$ 46,436
Computer hardware	2,745	-		2,745
Tenant improvements	11,319	617		11,936
Office furniture	3,175	478		3,653
Office equipment	153	40		193
Vehicles	1,596	16		1,612
Grounds equipment	543	-		543
	\$ 62,942	4,176	-	\$ 67,118

	Accumulated Depreciation	Amortization	Disposals	Accumulated Depreciation
Computer software	\$ 32,776	2,050		\$ 34,826
Computer hardware	2,681	49		2,730
Tenant improvements	10,022	309		10,331
Office furniture	2,750	148		2,898
Office equipment	153	-		153
Vehicles	1,243	115		1,358
Grounds equipment	495	13		508
	\$ 50,120	2,684	-	\$ 52,804

Net Book Value	\$ 12,822			\$ 14,314
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12. Budget Figures

Budgeted figures are provided for comparative purposes, and are consistent with the budget presented in the 2017/18 Service Plan Update that was released in September 2017.

13. Grants in Lieu of Property Taxes

The Commission, on behalf of the Province, pays each municipality a grant equivalent to gross property taxes due for all residential properties and projects managed.

British Columbia Housing Management Commission

Notes to the Financial Statements

December 31, 2018

14. Commitments

a) Rental Obligations

The Commission has minimum rental obligations under operating leases for office space over the next five fiscal years as follows:

		(\$000's)
2019	\$	5,243
2020		5,816
2021		5,982
2022		6,132
2023		6,278
Total	\$	29,451

b) Contractual Obligations

The Commission has significant contractual obligations with non-profit housing societies for the provision of annual subsidies. These contracts are reviewed annually to evaluate the level of commitment. The current annual subsidy is \$398,760,000 with a forecasted amount over five years as follows.

		(\$000's)
2019	\$	407,441
2020		241,919
2021		204,987
2022		197,327
2023		190,985
Total	\$	1,242,659

c) Public-Private Partnership Commitments

The Commission has entered into a public-private partnership project (P3) with Habitat Housing Initiative (HHI) to renovate thirteen Single Room Occupancy Hotels in Vancouver's Downtown Eastside. The information provided below shows the anticipated cash outflow, net of federal contributions provided during construction, for future obligations under the contract with HHI for the capital cost and financing, the facility maintenance and lifecycle costs as defined in the Project Agreement. Payments to the private partner are contingent on specified performance criteria and include an estimation of inflation where applicable.

As construction progresses, the asset values are recorded as capital assets and the obligation is recorded as a liability and included in long-term debt in the Corporation (see Note 15). Upon construction completion, the obligation will be met through the capital component of the monthly service payments over the term of the Project Agreement that is provided by the Commission. The capital portion of the payments due to HHI are recorded under Housing subsidies and grants and are expensed to the Corporation.

British Columbia Housing Management Commission

Notes to the Financial Statements

December 31, 2018

		Capital (\$000's)	Facility Maintenance and Lifecycle (\$000's)	Total Payments (\$000's)
2019	\$	9,461	\$ 2,731	\$ 12,192
2020		9,461	2,444	11,905
2021		9,461	2,735	12,196
2022		9,461	2,228	11,689
2023		9,461	2,165	11,626
Thereafter		74,105	17,075	91,180
Total	\$	121,410	\$ 29,378	\$ 150,788

d) Loan Insurance Agreement

CMHC provides loan insurance under the *National Housing Act*, to assist the Commission in securing mortgages for the Corporation and not for profit housing providers. In the event of a loan default, the Commission is required to rectify the default and fully reimburse CMHC for claims paid to approved lenders. Since the establishment of this agreement in January 1993, there has never been a claim made under this agreement. The Commission underwrites these mortgages in accordance with CMHC guidelines for multi-unit properties, places charges on title to ensure access to property and requires housing providers to have an operating agreement with the Commission ensuring ongoing access to financial information.

The maximum value of mortgages that can be insured under this agreement is \$3.5 billion. As of March 31, 2018, the total value of outstanding CMHC insured mortgages was \$2,241,937,129 (2017: \$2,119,062,248). There is no claim expected on this portfolio and the Commission has not recorded a provision for loss.

15. Related Party Transactions

a) BC Government Reporting Entities

The Commission is related through common control to all Province of BC ministries, agencies, Crown corporations, school districts, health authorities, hospital societies, universities and colleges that are included in the provincial government reporting entity. Transactions with these entities, unless disclosed otherwise, are considered to be in the normal course of operations and are recorded at the exchanged amount, which is the amount of consideration established and agreed to by the related parties. Funds are due on receipt of the invoice and bear no interest.

b) Provincial Rental Housing Corporation (the Corporation)

The Corporation was created in 1961 as a landholding corporation for social and other low-cost housing for the Province. The Corporation is a separate legal entity that was incorporated under the *Company Act* of the Province and has a separate governance structure. The rental housing units of the Corporation are managed and operated by the Commission. The assets and liabilities, including the capital cost of projects owned by the Corporation, and results from operations of the Corporation are not included in the statements of the Commission. Separate financial statements are prepared for the Corporation.

During the year, the Commission provided \$71,979,000 (2017: \$71,084,000) to the Corporation for capital grants, self-insurance, mortgage subsidies, etc. As at March 31, 2018, amounts due to the Corporation totalled \$200,430,000 (2017: \$236,397,000) and represent funds advanced for the

British Columbia Housing Management Commission

Notes to the Financial Statements

December 31, 2018

acquisition and development of properties under social housing programs. The advances are non-interest bearing with no set terms of repayment.

16. Contractual Rights

Contractual rights are rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future. The Commission has contractual rights to receive payment under a share cost agreement or to receive lease payments as follows:

Contractual right with:	Description	2019 (\$000's)	2020 (\$000's)	2021 (\$000's)	2022 (\$000's)	2023 (\$000's)	Thereafter (\$000's)
CMHC	Annual funding under the Social Housing Agreement (SHA)	102,388	97,442	85,710	80,179	71,976	202,798
CMHC	Annual funding under the Extension to the Investment in Affordable Housing (IAH) Agreement	30,020	-	-	-	-	-
Non-profit housing providers	Land/and or building lease payments on properties owned by the Corporation	1,244	1,244	1,244	1,244	1,244	25,088
Total		\$ 133,652	\$ 98,686	\$ 86,954	\$ 81,423	\$ 73,220	\$ 227,886

17. Contingencies

a) Letters of Credit

As at March 31, 2018, the Commission was contingently liable with respect to letters of credit totalling \$3,748,206 (2017: \$2,638,522) for municipal development cost charges.

b) Legal Claims

The nature of the Commission's activities is such that there will be litigation pending or in progress at any time. With respect to claims at March 31, 2018, management is of the opinion that it has valid defenses and appropriate insurance coverage in place, or if there is unfunded risk, such claims are not expected to have a material effect on the Commission's financial position. Outstanding contingencies are reviewed on an ongoing basis and are provided for based on management's best estimate of the ultimate settlement.

British Columbia Housing Management Commission

Notes to the Financial Statements

December 31, 2018

18. Financial Instrument Risks

The Commission, through its financial assets and liabilities, is exposed to credit risk, interest rate risk, market risk and liquidity risk. The following analysis provides a measurement of those risks at March 31, 2018:

a) Credit Risk

Credit risk is the risk that the Commission will incur a loss due to the failure by its debtors to meet their contractual obligations. Financial instruments that potentially subject the Commission to credit risk consist primarily of cash and short-term investments, receivables, mortgages receivable and construction loans.

The Commission is not exposed to significant credit risk as the majority of receivables are due from CMHC and the Province. The development phase of a project bears some credit risk as a result of municipal zoning uncertainty, the capacity of non-profit housing providers, and funding availability. During this phase, credit risk is mitigated by an assessment of collectability. During the construction phase of a project, credit risk is low with respect to construction loans to housing projects owned by non-profit housing providers as the loans are secured by property and repaid at substantial completion of project (see Note 4). In addition, credit risk is low with respect to mortgages receivable from non-profit housing providers and BC HOME Partnership loans as these receivables are also secured by property (see Note 5).

b) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Construction loans bear interest at the Province's weighted average borrowing rate, but these loans are short term. Investments bear some interest rate risk but these risks are mitigated through the diversification of the portfolio.

c) Market Risk

Market risk is the risk that the value of an investment will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual investment, or factors affecting all securities traded in the market. The Commission has an investment policy to ensure investments are managed appropriately to secure the preservation of capital and the availability of liquid funds. The Commission has also retained two qualified investment firms to invest surplus funds in accordance with its investment policy.

British Columbia Housing Management Commission

Notes to the Financial Statements

December 31, 2018

d) Liquidity Risk

Liquidity risk is the risk that the Commission will not be able to meet its obligations as they fall due. The Commission maintains adequate levels of working capital to ensure all its obligations can be met as they become due. If the current funding, and cash on hand was insufficient to satisfy its current obligations, the Commission has the option to sell its portfolio investments.

The majority of the Commission's financial assets and liabilities are current, maturing within 0 to 1 year. The table below shows the various financial assets and liabilities that mature after 1 year.

2018						
Financial assets	Up to 1 year		1 to 5 years	Over 5 years		Total
Construction loans to housing projects	154,868		154,002	-		308,870
Mortgages receivable	11,429		1,906	26,356		39,691
Total	\$	166,297	\$	155,908	\$ 26,356	\$ 348,561
Financial liabilities	Up to 1 year		1 to 5 years	Over 5 years		Total
Society funds held on deposit	\$	1,105	\$	4,601	\$ 18,402	\$ 24,108
2017						
Financial assets	Up to 1 year		1 to 5 years	Over 5 years		Total
Construction loans to housing projects	147,378		65,925	-		213,303
Mortgages receivable	234		3,772	50,423		54,429
Total	\$	147,612	\$	69,697	\$ 50,423	\$ 267,732
Financial liabilities	Up to 1 year		1 to 5 years	Over 5 years		Total
Society funds held on deposit	\$	1,607	\$	4,728	\$ 19,467	\$ 25,802

e) Foreign Exchange Risk or Other Price Risk

The Commission is not exposed to foreign exchange risk or other price risk.

19. Prior Year Adjustments

To better reflect the nature of the transactions, the Commission decided to group "Building mortgage cost" and "Building modernization and improvement" into "Housing subsidies and grants". The prior year number has been adjusted accordingly. As at December 31, 2018, the subsidy and grant account includes \$6,303 from Building Mortgage cost and \$2,650 from Building modernization and improvement (2017 - \$6,374 from Building Mortgage cost and \$5,105 from Building modernization and improvement).

No Changes to Supplementary Schedules, effective as of December 31, 2018 reporting period

Changes to Supplementary Schedules, effective as of September 30, 2018 reporting period

(I) Sch 1-Inter-entity

> A new entity - BC Infrastructure Benefits Inc. is added to the schedule on line 16.

Changes to Supplementary Schedules, effective as of June 30, 2018 reporting period

(I) Sch 1-Inter-entity

> BC Innovation Council is renamed to Innovation BC on line 37.

(II) Sch 1a-Inter-entity

> Northwest Community College is renamed to Coast Mountain College on line 15

Detailed Financial Statements and other Schedules

Version Update: December 31, 2018

Entity's Information

Name of entity: BC Housing Management Commission

Entity's website address: www.bchousing.org

Period covered: April 1, 2018 - December 31, 2018

Date completed: January 9th, 2019

Is your entity's physical address same as mailing address? (please mark in the box)

Yes ☒ No ☐

Entity's mailing address: 1701-4555 Kingsway
City: Burnaby
Province: BC
Postal Code: V5H4V8

Entity's physical address: 1701-4555 Kingsway
City: Burnaby
Province: BC
Postal Code: V5H4V8

App C Preparer's Contact Information

Name: Daphne Yin
Position: Comptroller
Email: dyin@bchousing.org
Phone number: 604-439-4797
Fax number: 604-439-4722

CFO or VP Finance's Contact Information

Name: Dan Maxwell
Official position: CFO
Email: dmaxwell@bchousing.org

The CFO or VP Finance of the organization must review and approve this report before submission to the Office of the Comptroller General. The submission of this report to the Office of the Comptroller General will be taken as an evidence that the CFO has approved this report.

Auditor's Contact Information

Audit firm's name:
Auditor's name:
Auditor's phone number:
Auditor's email:

Information not
Required for
Quarterly reports

Government Accounting policies and definitions can be found under Note 1 of the latest provincial Public Accounts.

Once completed please email to Summary@gov.bc.ca

Balanced to SFP? Yes
Surplus (Deficit) matched? Yes
Debt schedules
reconciled?
(for year end only) No

Contents and Instructions

Purpose of Report

- The information contained in this report is used by the Office of the Comptroller General (OCG) to prepare the province's financial reports, such as the Public Accounts and the quarterly actual results. The financial information you input on the various statements and schedules is linked to a worksheet containing our chart of accounts. The data is then imported into our accounting working paper program, for consolidation into the government reporting entity (GRE). A description of the consolidation methods can be found in the *Definitions* contained in the Public Accounts.

Before Starting to Prepare the Schedules and Statements

- Please ensure that you complete the Cover Sheet.
 - The Cover Sheet is linked to all the Schedules and Statements and will ensure your organization's name and the period covered is shown on each of the pages of the report.
- The audit firm information is only required at year end.

Input of data

- OCG will create a file to import the information contained in this report directly into its accounting working paper consolidation program.
 - The information you complete on the Statements and Schedules is linked to the OCG Use Only worksheet, which in turn is linked to OCG's Chart of Accounts.
 - To ensure that data is imported correctly, please:
 - Report all debits as positive numbers and credits as negative numbers. Fields in blue are normally a debit (positive) balance and fields in red are normally a credit (negative) balance. Fields in grey are protected and the data comes from formulas or from the indicated schedule.
 - Report all items in **thousands** of dollars.
 - Report all figures on a gross basis.
- It is also important that the statements be **balanced**, and that equity on the Statement of Financial Position **matches** equity reported on the Statement of Operations; and the debt schedule is reconciled to the debt maturity schedule at year end.
 - The Cover Sheet includes formulas which will indicate either "Yes" or "No". After completion of the report, you should check the Cover Sheet to ensure that "Yes" is indicated to the criteria. If "No" is indicated, you will need to review and revise your data input.
- Please do not use decimal points or input amounts by calculating as a percentage. This will result in an out-of-balance notification on the Cover sheet, even though the statements or schedules may appear balanced. We cannot import your information if there is an out-of-balance notification.

Completion of Supplementary Schedules

- Complete all the Supplementary Schedules prior to preparing the Statement of Financial Position and the Statement of Operations.
 - Most of the Schedules are linked to these two statements and this will allow you to easily identify those areas of the Statements where you will be directly entering financial information.

Checklist of additional reporting requirements

- This checklist must be completed.
 - Some information previously contained in schedules to this report is now included in this checklist, together with additional reporting requirements.
 - Certain of the reporting requirements are only needed at the province's fiscal year-end (March 31) and this has been indicated. All other information is required for quarterly reporting purposes.
- The information requested in this checklist is required for note disclosure purposes, or to complete debt and other schedules in the province's financial reports.
 - If applicable, your organization might also need most of this information for your own note disclosure.
 - The Office of the Comptroller General may not obtain complete notes until your organization's year-end audited statements are received, which does not provide us with the information we need on a timely basis for provincial note disclosure.
- This report is normally submitted on a quarterly basis, and with your draft financial statements. We do not require re-submission with your audited statements.
 - For Public Accounts purposes, if the information contained in this checklist changes materially after the date you submit your draft reports (usually third week in April), and prior to completion of the Public Accounts (usually May 30), please revise the checklist and re-submit this report to OCG with a note that you have revised the checklist only.

Statement of Financial Position

- This statement includes information required to consolidate your organization's Statement of Financial Position (or Balance Sheet) with the province's for inclusion in the Public Accounts and quarterly reports.
 - It will enable OCG to identify balances that will be eliminated in the consolidation of the GRE and provide detail required for any accounting policy adjustment.
 - Accounting policy adjustments are journal entries entered into the province's books to conform your organization's accounting policies with those of the province. Differences may arise as a result of differences in accounting policies between your organization and the province, based on the application of the general guideline(s) from the Public Sector Accounting Board Handbook GAAP and Treasury Board's directive.
- Where a schedule number is indicated in the "Schedule" column, the information for that particular item will link automatically from the indicated schedule.
- Refer to the "OCG Comments" column for additional instructions or definitions regarding specific line items.

Contents and Instructions

Statement of Operations

- As with the Statement of Financial Position, this statement will be consolidated with the province's operating results, and provides OCG with the information required to properly complete this consolidation.
- This statement also includes a section "Explanation of adjustments to Equity" which must be completed if there have been Prior Period Adjustments or Other Adjustments to equity reported on the Statement of Operations.
 - Explanations are necessary, as OCG must disclose these items in notes to the province's financial statements.
 - As well, there may be differences in accounting policies between your organization and the province due to the different application of the PSAB Handbook GAAP, and these equity adjustments may require that OCG enter an accounting policy adjustment in the province's statements.
- This statement also includes an expense section "Expense due to valuation allowance".
 - The OCG Comments column provides a short description of the type of valuation allowance to be reported.
 - This information is required for note disclosure in the Public Accounts in accordance with GAAP requirements.
- Refer to the "OCG Comments" column for additional instructions or definitions regarding specific line items.

Schedule 1 - Inter-Entity accounts

- This schedule allows you to report inter-entity asset, liability, revenue and expense transactions (excluding transactions directly with the province).
 - Data input into this schedule will automatically link to the relevant statement. The materiality level for transactions to be reported is noted on the schedule.
- A complete listing of Crown corporations that are included in the GRE is provided.
 - This listing is subject to change as entities are added and removed. If you are in any doubt as to whether or not to report a transaction, please contact OCG at the email address noted below.
- Transactions with the province should be reported directly on the Statement of Financial Position or Statement of Operations, as applicable.
- Transactions with the colleges, universities, school districts and hospital societies are summarized on this schedule.
 - The summarized information is linked from Schedule 1a. If you have transactions with any of these organizations, please complete Schedule 1a.

Schedule 1a - Inter-Entity accounts with Colleges, Universities, School Districts and Hospital Societies

- This schedule provides a listing of the colleges and institutes, universities and hospital societies.
- If you have transactions with school districts to report, please complete the School District name or # where indicated.
 - Due to the number of school districts, we have not listed them individually to keep the schedule as short as possible.

Schedule 2 - Capital Assets

- Capital Assets must be reported in the categories shown on Schedule 2.
- Please ensure any information regarding additions, disposals and valuation adjustments is entered in the applicable columns. The total of the valuation adjustments will automatically link to the Expense due to valuation allowance section of the Statement of Operations.
- Transfers to(from) WIP must equal zero - an ERROR message will show if they do not.
- Work-in-progress and capital leases must be reported separately on this Schedule.
 - This information is required to complete note disclosure in the Public Accounts, as included in the footnotes on the Statement of Tangible Capital Assets.

Schedule 3 - Debt

- This schedule allows you to report your organization's debt in the categories required by Provincial Treasury. OCG will forward this report to Provincial Treasury for their use in preparing their debt reports.
- Direct debt with the province is reported as a separate category.
 - Please complete this category as accurately as possible, as OCG must reconcile this information with the province's reported loan to you.
 - On consolidation, direct debt to the province reported by your organization must be eliminated against the province's loan to your organization, therefore the amounts must match.
- Closing net debt will automatically link to the Statement of Financial Position.
- Earnings on sinking funds and premiums on debt issues amortized will automatically link to the revenue section of the Statement of Operations.
- Interest expense for the year and Other Adjustments to interest expense will automatically link to the expense section of the Statement of Operations.
 - Other Adjustments to interest expense are infrequent, and a description of the adjustment should be included on the schedule.
- The final section of this report calculates debt servicing costs as reported according to provincial debt accounting policies.
 - Provincial debt servicing cost is calculated as interest expense plus debt discount amortization, less debt premium amortization and less sinking fund earnings.
 - Other Adjustments to interest, if any, will be reviewed to determine how they should be included in the province's financial statements.

Contents and Instructions

Schedule 4 - Deferred Contributions

- This schedule provides the breakdown of Deferred Contributions from the province, and Deferred Contributions from non-provincial sources.
- When consolidating your report with the province's statements, OCG must eliminate Deferred Contributions from the province against the related transactions in the province's books.
 - It is important that information provided be accurate and complete to allow a reconciliation of the province's transactions with your records.
 - It is also important that this section contain ONLY deferred contributions from the province.
- As indicated on the schedule in the Deferred Contributions - Non-provincial sources section, if you have included any funds whose use was not restricted by the provider of the funds, please provide a short description of the source, purpose and amounts of these funds.
 - A policy adjustment may need to be done by OCG, as GAAP only allows the reporting of externally restricted deferred contributions.
- Unearned lease revenue and other miscellaneous deferred revenue should be reported directly on the Statement of Financial Position in the Deferred revenue section.
 - We do not need a breakdown of the Contributions Received and Transfers to revenue for these categories. You should include the transfers to revenue in the appropriate revenue category of the Statement of Operations.

Schedule 5 - Variance Analysis

- Please provide a brief description of any material variances. Detailed analysis is not required.
 - Materiality should be assessed in relation to your organization's reported financial information.

Schedule 6 - Transactions with Self-supported Crown Corporations and Agencies

- This schedule is used to capture information relating to transactions with Self-supported Crown Corporations and Agencies that are reported in various notes to the Public Accounts. It does not link to any of the statements.

Submission of Report

- Once completed, please submit this report to OCG at the email address provided.
 - A calendar of due dates is provided to all Crown corporations each year.
 - If you are uncertain as to reporting dates, or have not received a copy of the calendar, please contact OCG.
- In order for OCG to meet the statutory requirements for release of quarterly reports and the Public Accounts, it is important that this report be submitted, as completely and accurately as possible, on or before the due date.
 - If you have experienced unusual circumstances which might result in a **delay in submission** of this report, please contact OCG in advance of the due date.
- As the Cover sheet indicates, submission of this report to OCG will be taken as evidence that the senior financial officer of your organization has approved the report.
- Prior to submission, please check the Cover Sheet to ensure that "Yes" is indicated to both the "balanced to SFP" and "equity matched" criteria, and to the "debt reconciled" criteria at year end. If "No" is indicated, you will need to review and revise your data input prior to submission.

Questions? Comments? Suggestions?

Please contact OCG at Summary@gov.bc.ca.

BC Housing Management Commission

Checklist - Additional Reporting Requirements

You must indicate yes or no to all questions with an "x" .

Please complete information in the boxes provided.

1. Full time Equivalent (FTE) Employment

FTE employment provides information on your organization's annual staff utilization, as defined by the *Budget Transparency and Accountability Act*, and is included in the province's financial reports, including the Estimates and the Public Accounts.

- The term "fulltime equivalent" is defined as the employment of one person for one full year or the equivalent thereof (for example, the employment of two persons for six months each).
- FTEs are calculated by dividing the total hours of permanent, auxiliary, temporary, seasonal and overtime employment paid for the fiscal year by the normal paid working hours for one fulltime equivalent employee for one year.
- Employees whose salaries are included in the cost of capital projects are not counted as FTEs in order to maintain consistency between salary expense and FTEs.

In the boxes provided, please state the number of:

802	- Actual FTEs
746	- Budgeted FTEs as submitted to Treasury Board Staff

2. Changes in Accounting Policies

Has your organization made any accounting policy changes since your last report to OCG?

	Yes. If yes, please provide a brief description and impact on your financial information.
x	No

Description and impact of change on both current year and prior year

--

3. Contingent Liabilities

A contingent liability arises from an existing condition or situation from which, upon the occurrence or non-occurrence of one or more future events, a loss may arise. This applies to circumstances where the existence of a loss is uncertain, not merely where the amount of a loss is uncertain. Contingent liabilities may arise from, for example, pending or threatened litigation, threat of expropriation of assets, arbitration, responsibility for environmental clean-up, and guarantees of the indebtedness of others.

Does your organization have any contingent liabilities?

x	Yes. If yes, please provide the information requested below.
	No

Description and amount of contingent liability. Include details of any amounts accrued in your financial statements, and/or details required for note disclosure of unrecognized amounts.

--

Probability of occurrence

	highly likely that loss will occur (greater than 70% probability)
x	not likely that loss will occur (less than 70% probability)
	likelihood of loss not determinable

Note disclosure of the contingent liability will be included in the Public Accounts where applicable. If the probability of occurrence is (a) highly likely, but the amount of the loss cannot be reasonably estimated; or (b) highly likely and an accrual has been made, but there exists an exposure to loss in excess of the amount accrued; or (c) not determinable, then note disclosure is likely to be made. Materiality and confidentiality of the contingent liability will be assessed in determining whether to disclose.

BC Housing Management Commission

Checklist - Additional Reporting Requirements

You must indicate yes or no to all questions with an "x" .
Please complete information in the boxes provided.

4. Guaranteed Debt

Disclosure of any debt of external third parties guaranteed by your organization is required for the province's financial reporting purposes. The Public Accounts includes a Statement of Guaranteed Debt in its note disclosure section. In addition, although guaranteed debt is not reported as a liability in the Summary Financial Statements, Provincial Treasury includes guaranteed debt in its calculation of provincial net debt.

Does your organization guarantee the debt of any external third parties?

	Yes. If yes, please provide a brief description.
x	No

Description of guaranteed debt. Please include program guarantee issued under, amount and date of initial guarantee, amount outstanding, maximum guarantee, and any provision for probable payout recorded.

5. Endowments

If you report endowment fund assets in your financial statements, please confirm the closing balance at the end of the period in \$ thousands.

(a)	Fiscal 2017/18		Fiscal 2018/19	
	Original Cost	FMV	Original Cost	FMV
Endowment Fund ("Available to Spend" portion)				
	0	0	0	0

(b)	Fiscal 2017/18		Fiscal 2018/19	
	Original Cost	FMV	Original Cost	FMV
Endowment fund (only include restricted assets which are not available for operation and capital purchases)				
	0	0	0	0

Total Endowment Fund	-	-	-	-
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BC Housing Management Commission

Checklist - Additional Reporting Requirements

You must indicate yes or no to all questions with an "x" .

Please complete information in the boxes provided.

6. Financial Instruments - Continuity Schedule

Implemented CICA - Accounting Handbook Section PS 3450 , Financial Instruments, and Section PS 3041, Portfolio Investments.

Note: please only include information for the fiscal years after these sections were adopted. *In \$ thousands*

Financial Instrument - Description of Asset, Liability, Hedge or Derivative	Fiscal 2017/18				Fiscal 2018/19			
	Post here the information from the March 31, 2018 Appendix C							
	Original Cost	FMV	Cumulative Unrealized Gain/Loss	Curr Yr Gain/Loss	Original Cost	FMV	Cumulative Unrealized Gain/Loss	Curr Yr Gain/Loss
BCH Portfolio Investment	95,841	91,023	-4,818	-1,579	100,364	90,128	-10,236	-5,418
							0	0
							0	0
							0	0
							0	0
							0	0
							0	0
	95,841	91,023	-4,818	-1,579	100,364	90,128	-10,236	-5,418

In \$ thousands

Financial Instruments - Journal Entries

Use Account Description from the App C SFP & SO	2017/18	2018/19
Temporary Investments	4,818	10,236
Other Deferred Revenue	-188	-402
Unearned Investment Revenue	-4,630	-9,834

Make sure journal entry balances **0** **0**

BC Housing Management Commission

Checklist - Additional Reporting Requirements

You must indicate yes or no to all questions with an "x" .

Please complete information in the boxes provided.

If the notes to your financial statements do not provide information about the financial instrument, how the fair values have been determined and how they are used in risk management; please provide the details below.

Indicate the accounting treatment of fees and costs incurred in the exchange or modification of a financial liability.

Did your organization expense the fees and costs?

Yes. If yes, please provide the additional information in the above journal table

xNo

Did your organization defer and amortize fees and costs incurred in the exchange or modification of a financial liability?

Yes

xNo

Financial Instruments - Derivatives Disclosure

If your organization has derivatives please complete this table for each derivative. If more room is required please use the Notes and Comments page.

Financial Instrument - Description of Derivative	Maturity Date	Counterparty	Counter-party Credit Rating	Fixed Rate Payer	Floating Rate Payer	Fixed Interest Rate	Floating Interest Rate	Current Notional Amount	Market Value	Currency	Other comments

Example of how to complete this table:

Interest Rate Swap	Feb 2019	Any Bank	AA-/Aaa	Your Organization	Any Bank	0.0453	3 mo CAD BA - .35%	\$ 4,000,000	\$ 40,000	CAD	Notional Amt is declining balance to match LT Debt outstanding
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BC Housing Management Commission

Checklist - Additional Reporting Requirements

You must indicate yes or no to all questions with an "x" .
Please complete information in the boxes provided.

7. Sale Leaseback Transactions

Has your organization entered into any sale-leaseback transactions since April 1, 2018?

	Yes. If yes, please provide the information requested below.
x	No.

In \$ thousands

Sale-Lease Back Asset	Name of purchaser/ lessor	Capital or Operating Lease	% of asset leased back	Pre-transaction asset carrying value	Fair Value of Asset	Sale transfer price	Lease value	Post-transaction asset carrying value (for capital lease)	Gains/ (Losses) Recognized	Gains/ (Losses) Deferred

8. Temporary Investments

If you have reported temporary investments on line 18 of the Statement of Financial Position, the following breakdown of the amount reported is required: **Report in \$ thousands.**

Investment Description	Cost	Market Value	Maturity Date
BCH Portfolio Investment	100,364	90,128	
Total	100,364	90,128	

BC Housing Management Commission

Checklist - Additional Reporting Requirements

You must indicate yes or no to all questions with an "x" .
Please complete information in the boxes provided.

9. Long Term Investments

If you have reported investments on lines 45-49 of the Statement of Financial Position, the following breakdown of the amount reported is required: Report in \$ thousands.

		Cost	Market Value	Earliest Maturity Date (dd-mmm- yyyy)	Latest Maturity Date (dd-mmm- yyyy)	Minimum Yield (%)	Maximum Yield (%)
Bonds	federal						
	provincial						
	municipal						
	corporate						
	other						
Commercial loans							
Equity Investments							
Pooled Investment Portfolios							
Other (please provide details below)							
Total		-	-				

Details of Other Long Term Investments

If you have reported investments above for which there was a write-down that would be considered permanent under Public Sector Accounting Standards, please list the investment and the amount of the write down.PSAB guidance is included on the Change worksheet. If you run out of space in this area please include the rest of the information in the notes and comments tab.

Name of investment	Type of investment	Amount of write-down	Notes

BC Housing Management Commission

Checklist - Additional Reporting Requirements

You must indicate yes or no to all questions with an "x" .

Please complete information in the boxes provided.

Please list any long-term investments presented above that have a maturity date that meets the definition of "temporary investment" as defined by the Public Sector Accounting Standards (investments that are transitional or current in nature).

		Cost	Market Value	Maturity Date (range)	Yield (range)
Bonds	federal				
	provincial				
	municipal				
	corporate				
	other				
Commercial loans					
Equity Investments					
Pooled Investment Portfolios					
Other (please provide details below)					
Total		-	-		

10. Sinking Fund Investments

If you have reported sinking fund debt on lines 18-23 of Schedule 3 - Debt, the following breakdown of the amount invested is required: Report in \$ thousands.

		Cost	Market Value	Maturity Date (range)	Yield (range)
Bonds	federal				
	provincial				
	municipal				
	corporate				
	other				
Pooled Investment Portfolios					
Miscellaneous					
Total (cost equals line I23 on Sch 3 - Debt)		-	-		

BC Housing Management Commission

Checklist - Additional Reporting Requirements

You must indicate yes or no to all questions with an "x" .

Please complete information in the boxes provided.

11. Accrued Employee Leave Entitlements

Please provide a breakdown of the amount reported for accrued leave liability.

Enter as negative if credit balance

	Balance (in \$ thousands)	
	2018/19**	2017/18***
Accrued Long-Term Disability Liability		
Accrued Retirement Allowance Liability		
Post-retirement Benefits		
Accrued Sick Bank Liability		
Accrued Vacation Entitlement	-2,055	-2,055
Accrued WCB liability		
Other Accrued Compensatory time off, liability*	-417	-424
Total Accrued Employee Leave entitlements	-2,472	-2,479

*Other Accrued Compensatory time off liability includes CTO, unused overtime, earned time off, shift & standby overtime, overtime in lieu of stats, that has been accrued.

** Current year balance linked to SOFP C57 "Accrued Employee Leave Entitlements"

*** The amount for Fiscal year 2017/18 is based on the information from the March 31, 2018 Appendix C.

12. Liability for Contaminated Sites

Does your organization have contaminated sites?

	Yes
x	No

If yes, has the liability for remediation of all contaminated sites been recognized?

	Yes. If yes, please provide the information and balances as requested below.
	No. If no, please provide information on why specific contaminated site liabilities have not been recognized as requested below.

GAAP requires your organization to provide the nature and source of the liability; the basis for the estimate of the liability; the estimated total undiscounted expenditures and discount rate when a net present value technique has been used; and the estimated recoveries (if any).

Detailed Description of Liabilities for Contaminated Sites						Fiscal 2018/19 Balances (in \$ thousands)					
Description of Contaminated Site	Nature and Source of Liability	Basis for Estimate of the Liability	Information if Net Present Value Technique used for Estimate		Anticipated Timing of Future Expenditures	Opening Liability	Additional Liability Incurred During the Year	Liability Settled During the Year	Change in Estimate of the Liability	Estimated Recoveries	Ending Liability
			Estimated Total Undiscounted Expenditures	Discount Rate							
											0
											0
											0
											0
											0
											0
											0
											0

BC Housing Management Commission

Checklist - Additional Reporting Requirements

You must indicate yes or no to all questions with an "x" .
Please complete information in the boxes provided.

0	0	0	0	0	0
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BC Housing Management Commission

Checklist - Additional Reporting Requirements

You must indicate yes or no to all questions with an "x" .
Please complete information in the boxes provided.

	Balance at March 31st (in \$ thousands) 2019
Opening liability for contaminated sites	0
- additional liability incurred during the year (+)	0
- liability settled during the year (-)	0
- change in estimate (+)(-)	0
- estimated recoveries	0
Ending liability for contaminated sites	<u>0</u>

If the liability for the remediation of contaminated sites has not been recognized, GAAP requires the reason why a reasonable estimate of the amount involved cannot be made or why it is expected that economic benefits will not be given up.

Information on Contaminated Sites Not Recognized as Liabilities		
Description of Contaminated Site	Nature and Source of Liability	Reasons for Not Recognizing a Liability

Please report all debits as positive numbers and credits as negative numbers.

Please report all items in 000s of dollars.

All figures should be on a GROSS basis.

Boxes marked in grey are protected and the numbers come from formulas or the indicated schedule.

Boxes in red are normally in a credit (negative) balance, those in blue normally in a debit (positive) balance.

Statement of Financial Position
Report in 000s

		Schedule	OCG Comments
Financial Assets			
Cash	299,624		
Cash Equivalents			Includes demand deposits and short-term highly liquid investments that are readily convertible to cash and that are subject to an insignificant risk of changes in value.
Temporary investments:	90,128		Write downs or write-offs should be reported on Statement of Operations under Expense due to Valuation Allowance
	389,752		
Accounts receivable:	52,247		
from the province	19,451		
trade receivables other			
taxes receivable (not included elsewhere)			
accrued interest			
from Crown corps, gov't orgs, trusts, etc	0	1	includes GST credit
from the federal government (current)			
from the federal government (long term)			
from local governments (current)			municipal units established by provincial government, including municipalities, cities, towns, townships, districts and villages
from local governments (long term)			
from other provincial governments (current)			
from other provincial governments (long term)			
less: provision for doubtful accounts	-4,062		Report current year bad debt expense on Statement of Operations under Expense due to Valuation Allowance
	67,636		
Inventory for resale:			
properties for resale			land and buildings for resale

Please report all debits as positive numbers and credits as negative numbers.
Please report all items in 000s of dollars.
All figures should be on a GROSS basis.
Boxes marked in grey are protected and the numbers come from formulas or the indicated schedule.
Boxes in red are normally in a credit (negative) balance, those in blue normally in a debit (positive) balance.

Statement of Financial Position			Schedule	OCG Comments
Report in 000s				
Loans and Advances	other inventories for resale			See Other Assets for inventories that are not for resale.
			0	
	Loans and advances	308,870		includes repayable advances, accountable advances and employee accountable advances
	less: provision for doubtful loans/advances			Report current year write downs/-offs on Statement of Operations under Expense due to Valuation Allowance
	Mortgages receivable	39,691		
Investments	less: provision for doubtful mortgages		348,561	Report current year write downs/-offs on Statement of Operations under Expense due to Valuation Allowance
	Investment in corporations on a cost basis			use cost method when no significant influence, control or joint control exists
	Investment in corporations on an equity basis			use equity method when significant influence exists without control or joint control
	Other investments			
	less: provision for doubtful payout		0	Report write downs/-offs on Statement of Operations under Expense due to Valuation Allowance
Total Financial Assets			805,949	

Please report all debits as positive numbers and credits as negative numbers.

Please report all items in 000s of dollars.

All figures should be on a GROSS basis.

Boxes marked in grey are protected and the numbers come from formulas or the indicated schedule.

Boxes in red are normally in a credit (negative) balance, those in blue normally in a debit (positive) balance.

Statement of Financial Position Report in 000s

			Schedule	OCG Comments
Liabilities				
Payables and accruals	to the province			
	trade payables other	-48,851		
	accrued employee leave entitlements	-2,472		
	other accrued liabilities (not included elsewhere)	-342,320		
	to Crown corps or govenment orgs	-122,855	1	
	to federal government (current)			
	to federal government (long term)			
	to local governments (current)			
	to local governments (long term)			
	to other provincial governments (current)			
	to other provincial governments (long term)			
		-516,498		
Accrued interest:	on direct debt to province	-17	3	
	on mortgages	0	3	
	on other debt	0	3	
		-17		
Deferred revenue:	deferred capital contributions - provincial	-12,807	4	
	deferred capital contributions - non-provincial other	0	4	
	deferred capital contributions - Federal	0	4	
	deferred contributions - provincial	-82,457	4	
	deferred contributions - non-provincial other	0	4	
	deferred contributions - Federal	-39,614	4	
	unearned lease revenue			
	federal & municipal infrastructure projects	0	4	BCTFA use only.
	other deferred revenue	-3,892		

Please report all debits as positive numbers and credits as negative numbers.
Please report all items in 000s of dollars.
All figures should be on a GROSS basis.
Boxes marked in grey are protected and the numbers come from formulas or the indicated schedule.
Boxes in red are normally in a credit (negative) balance, those in blue normally in a debit (positive) balance.

Statement of Financial Position
Report in 000s

		Schedule		OCG Comments
		-138,770		
Unfunded pension liability		0		
Public debt:	direct debt to province	-10,000	3	
	mortgages	0	3	
	other debt	0	3	
		-10,000		
Total Liabilities		-665,285		
Net Financial Assets (Debts)		140,664		
Non-financial Assets				
Other assets:	inventories - not for resale			e.g., inventories of supplies
				Restricted assets represent the portion of endowment funds that are to be held in perpetuity, and are not available to be used for operations or capital purchases. This cell is linked to "Checklist-Must Complete" tab (Note 5b - Endowments)
	restricted assets (e.g. endowment funds)	0		
	prepaid program costs	36,423		
	deferred charges			
	unamortized issue cost of public debt			
		36,423		
Capital assets:	historical cost of tangible capital assets	67,118	2	Report current year write downs/offs on Statement of Operations
	accumulated amortization	-52,804	2	under Expense due to Valuation Allowance
		14,314		

Please report all debits as positive numbers and credits as negative numbers.
Please report all items in 000s of dollars.
All figures should be on a GROSS basis.
Boxes marked in grey are protected and the numbers come from formulas or the indicated schedule.
Boxes in red are normally in a credit (negative) balance, those in blue normally in a debit (positive) balance.

Statement of Financial Position
Report in 000s

	Schedule	OCG Comments
Total Non-financial Assets	50,737	

Please report all debits as positive numbers and credits as negative numbers.
Please report all items in 000s of dollars.
All figures should be on a GROSS basis.
Boxes marked in grey are protected and the numbers come from formulas or the indicated schedule.
Boxes in red are normally in a credit (negative) balance, those in blue normally in a debit (positive) balance.

Statement of Financial Position
Report in 000s

		Schedule	OCG Comments
Accumulated Surplus or Deficit			
Accumulated Operating Surplus or Deficit:			
Capital stock			
Contributed surplus			
Accumulated Surplus	-201,235		
Accumulated Remeasurement Gains and (Losses)	9,834		
Total Accumulated Surplus or Deficit	Note: Total must match Closing Accumulated Surplus or Deficit from Statement of Operations	-191,401	Accumulated Surplus or Deficit from Statement of Operations -191,401

Notes and Comments:

BC Housing Management Commission

April 1, 2018 - December 31, 2018

Please report all debits as positive numbers and credits as negative numbers.

Please report all items in 000s of dollars.

All figures should be on a GROSS basis.

Boxes marked in grey are protected and the numbers come from formulas or the indicated schedule.

Boxes in red are normally in a credit (negative) balance, those in blue normally in a debit (positive) balance.

Statement of Operations Report in '000s

		Schedule		OCG Comments
Revenue				
Grants	Direct transfers from the province			
	Direct transfers from Crown corps or gov't orgs	-10,921	1	
	Transfers from the federal government			
			-10,921	
Sales of goods and services	Sales of goods or services to the province			
	Sales of goods or services to Crown corp or gov't orgs	0	1	
	Sales of goods or services to non-related entities			
			0	
Deferred contributions	Recognition of Deferred Capital Contributions provincial	-180,008	4	
	Recognition of Deferred Capital Contributions non provincial other	0	4	
	Recognition of Deferred Capital Contributions Federal	0	4	
	Recognition of Deferred Contributions provincial	-467,085	4	
	Recognition of Deferred Contributions Federal	-108,319	4	
	Recognition of Deferred Contributions non provincial other	0	4	
			-755,412	
Taxation	Taxation - Property			Use at OCG request only
	Taxation - Fuel			Use at OCG request only
	Taxation - Provincial Sales			Use at OCG request only
	Taxation - Other			Use at OCG request only
			0	
Natural resources	Natural gas royalties			
	Petroleum royalties			
	Permits and fees			
	Minerals			

BC Housing Management Commission

April 1, 2018 - December 31, 2018

Please report all debits as positive numbers and credits as negative numbers.**Please report all items in '000s of dollars.****All figures should be on a GROSS basis.**

Boxes marked in grey are protected and the numbers come from formulas or the indicated schedule.

Boxes in red are normally in a credit (negative) balance, those in blue normally in a debit (positive) balance.

**Statement of Operations
Report in '000s**

		Schedule	OCG Comments
	Forests		
	Water resources		
	Other natural resources		
			0
Other revenues	Fees and licences		
	Sinking fund earnings	3	
	Recognition of debt premium	3	
	Investment earnings		Sinking fund earnings reported separately (see above)
	Gain (loss) on sale of tangible capital assets		
	Miscellaneous		
			-50,344
Total Revenue			-816,677

BC Housing Management Commission

April 1, 2018 - December 31, 2018

Please report all debits as positive numbers and credits as negative numbers.

Please report all items in '000s of dollars.

All figures should be on a GROSS basis.

Boxes marked in grey are protected and the numbers come from formulas or the indicated schedule.

Boxes in red are normally in a credit (negative) balance, those in blue normally in a debit (positive) balance.

Statement of Operations Report in '000s

Expense		Schedule	OCG Comments
Purchases	Purchases from Crown corps or gov't orgs	1	
	Purchases from the province		
Grants	Transfers to Crown corps or gov't orgs	1	
	Grants to third parties		
Debt expenses	Debt service costs (gross of sinking fund investment)	3	Interest expense less other adjustments from Schedule 3
	Recognition of debt discount	3	
Expense due to valuation allowance			
	Accounts receivable		Bad debt expense
			Write down to lower of cost or net realizable value
	Inventory		
	Tangible capital assets	2	Write downs or write-offs
	Loans, advances and mortgages receivable		Write downs or write-offs
	Investments		Write downs or write-offs
	Other assets		Write downs or write-offs
Other expenses	Salaries and benefits		
	Operating expense		
	Asset amortization expense	2	Report asset amortization separately
	Cost of goods sold		
	Restructuring exit expenses	3	Incremental costs that do not provide future benefit and are a direct result of restructuring

BC Housing Management Commission

April 1, 2018 - December 31, 2018

Please report all debits as positive numbers and credits as negative numbers.**Please report all items in 000s of dollars.****All figures should be on a GROSS basis.**

Boxes marked in grey are protected and the numbers come from formulas or the indicated schedule.

Boxes in red are normally in a credit (negative) balance, those in blue normally in a debit (positive) balance.

Statement of Operations
Report in '000s

		Schedule	OCG Comments
Other miscellaneous expenses		5	Expenses which cannot be reasonably allocated to a specific category
	102,400		
Total Expense	816,677		
Operating Deficit for the Year Before Endowment Contributions	0		
Endowment Contributions			New endowment contributions received in the year
Operating Deficit for the Year	0		

BC Housing Management Commission

April 1, 2018 - December 31, 2018

Please report all debits as positive numbers and credits as negative numbers.

Please report all items in 000s of dollars.

All figures should be on a GROSS basis.

Boxes marked in grey are protected and the numbers come from formulas or the indicated schedule.

Boxes in red are normally in a credit (negative) balance, those in blue normally in a debit (positive) balance.

Statement of Operations Report in '000s

Accumulated Surplus or Deficit

Schedule

OCG Comments

Opening Accumulated Operating Surplus or Deficit (excl.
Remeasurement Gains or Losses)

-201,235

Prior year closing Accumulated
Operating Surplus or Deficit as reported
on your audited statements

Operating Surplus or Deficit for the Year

0

Prior Period Adjustments (see below)

0

Other Adjustments to Accumulated Operating Surplus or Deficit (see
below)

0

Capital Stock + Contributed Surplus +
Retained earnings from Statement of
Financial Position (should match
Closing Accumulated Operating Surplus
or Deficit at cell C91)

**Closing Accumulated Operating Surplus or Deficit (excl.
Remeasurement Gains or Losses)**

-201,235

-201,235

Opening Accumulated Remeasurement Gains or Losses

4,630

Net Remeasurement Gains or Losses for the year

5,204

Closing Accumulated Remeasurement Gains or Losses

9,834

Total Accumulated Surplus or Deficit
from Statement of Financial Position
(should match Closing Accumulated
Surplus or Deficit at cell C97)

Closing Accumulated Surplus or Deficit

-191,401

-191,401

Explanation of adjustments to Accumulated Operating Surplus or Deficit	Amount	Verification must equal \$0	Notes and Comments:
Prior Period Adjustments			

BC Housing Management Commission

April 1, 2018 - December 31, 2018

Please report all debits as positive numbers and credits as negative numbers.**Please report all items in 000s of dollars.****All figures should be on a GROSS basis.**

Boxes marked in grey are protected and the numbers come from formulas or the indicated schedule.

Boxes in red are normally in a credit (negative) balance, those in blue normally in a debit (positive) balance.

Statement of Operations
Report in '000s

		Schedule	OCG Comments
Total Prior Period Adjustments Explained	0	\$0	
Other Adjustments to Accumulated Operating Surplus or Deficit			
Total Other Adjustments to Accumulated Operating Surplus or Deficit	0	\$0	

BC Housing Management Commission

April 1, 2018 - December 31, 2018

Please report all debits as positive numbers and credits as negative numbers.

Please report all items in 000s of dollars.

Boxes marked in grey are protected and the numbers come from formulas or the indicated schedule.

Boxes in blue can be entered as debit or credit balance.

Statement of Remeasurement Gains & Losses
Report in '000s

	Current Year			Prior year			
	Investment	Other Comprehensiv e Income	Total	Investment	Other Comprehensiv e Income	Total	
Balance, beginning of the year	4,630	-	4,630	3,125		3,125	Beginning balance must equal prior year ending as reported on your audited financial statements.
Unrealized (gains) / losses	-60		(60)	-1,010		(1,010)	
Amounts realized to Statement of Operations	5,264		5,264	2,515		2,515	
	5,204	-	5,204	1,505	-	1,505	
Balance, End of the Period	9,834	-	9,834	4,630	-	4,630	The total balance at cell D21 should match the balance reported on the statement of financial position (cell C115) 9,834

Notes and Comments:

Please report all debits as positive numbers and credits as negative numbers.

Boxes marked in grey are protected and the numbers come from formulas or the indicated schedule.

Boxes in red are normally in a credit (negative) balance, those in blue normally in a debit (positive) balance.

MATERIALITY LEVEL: \$100,000 is the materiality level for recognizing inter-entity transactions on Schedule 1 and Schedule 1a. If a particular transaction type with an individual entity is below \$100,000 you do not need to report the transaction. For example, if Accounts Receivable from a related entity are \$50,000, you do not need to report them; however, if Accounts Payable from a related entity are over \$100,000 you must report them.

Schedule 1 Inter-entity accounts

REPORT IN 000s

	Accounts Receivable from Entity	Accounts Payable to Entity	Revenue - Direct Transfers from Entity	Revenue - Sales to Entity	Expenses - Purchases from Entity	Expenses - Transfers to Entity
BC Clinical and Support Services Society						
BC Games Society						
BC Immigrant Investment Fund Ltd.						
BC Infrastructure Benefits Inc.						
BCNET						
BC Pavilion Corporation						
BC Public School Employers' Association						
BC Transportation Financing Authority						
British Columbia Assessment Authority						
British Columbia Enterprise Corporation						
British Columbia Housing Management Commission						
British Columbia Securities Commission						
British Columbia Transit						
Canadian Blood Services						
Columbia Basin Trust						
Community Living British Columbia			-4,435			
Community Social Services Employers' Association						
Creston Valley Wildlife Management Authority Trust Fund						
Crown Corporations Employers' Association						
Destination BC Corp.						
First Peoples' Heritage, Language and Culture Council						
Forest Enhancement Society of BC						
Forestry Innovation Investment Ltd.						
Health Employers Association of BC						
Industry Training Authority						
Innovation BC (formerly BC Innovation Council)						
Knowledge Network Corporation						
Legal Services Society						
Nechako-Kitimaat Development Fund Society						
Oil and Gas Commission						
Organized Crime Agency of British Columbia Society						
Partnerships British Columbia						
Post Secondary Employers' Association						
Provincial Rental Housing Corporation		-122,855	-1,202			202,908
Real Estate Council of British Columbia						
Real Estate Foundation of British Columbia						
The British Columbia Council for International Education						
The Royal British Columbia Museum Corporation						
Fraser Health Authority			-2,457			1,179
Interior Health Authority			-211			72
Northern Health Authority			-101			1,043
Vancouver Coastal Health Authority			-842			775
Vancouver Island Health Authority			-864			99
Provincial Health Services Authority			-809			0
Hospital Societies	Note 1	0	0	0	0	0
School Districts	Note 1	0	0	0	0	0
Universities	Note 1	0	0	0	0	0
Colleges and Institutes	Note 1	0	0	0	0	0
		0	-122,855	-10,921	0	206,076

Note 1: This information is transposed from Schedule 1a. Please complete that Schedule if you have transactions with these entities.

Notes and Comments:

BC Housing Management Commission
April 1, 2018 - December 31, 2018

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MATERIALITY LEVEL: \$100,000 is the materiality level for recognizing inter-entity transactions on Schedule 1 and Schedule 1a. If a particular transaction type with an **individual** entity is below \$100,000 you do not need to report the transaction. For example, if Accounts Receivable from a related entity are \$50,000, you do not need to report them; however, if Accounts Payable to a related entity are over \$100,000 you must report them.

Schedule 1a

REPORT IN 000s

Additional detail - Inter-entity accounts

	Accounts Receivable from Entity	Accounts Payable to Entity	Revenue - Direct Transfers from Entity	Revenue - Sales to Entity	Expenses - Purchases from Entity	Expenses - Transfers to Entity
Colleges and Institutes						
British Columbia Institute of Technology						
Camosun College						
Coast Mountain College (formerly Northwest Community College)						
College of New Caledonia						
College of the Rockies						
Douglas College						
Justice Institute of British Columbia						
Langara College						
Nicola Valley Institute of Technology						
North Island College						
Northern Lights College						
Okanagan College						
Selkirk College						
Vancouver Community College						
Total Colleges	0	0	0	0	0	0
Universities						
Capilano University						
Emily Carr University of Art & Design						
Kwantlen Polytechnic University						
Royal Roads University						
Simon Fraser University						
Thompson Rivers University						
University of British Columbia						
University of Northern British Columbia						
University of the Fraser Valley						
University of Victoria						
Vancouver Island University						
Total Universities	0	0	0	0	0	0
School Districts						
Insert School District name here						
Insert School District name here						
Insert School District name here						
Insert School District name here						
Insert School District name here						
Total School Districts	0	0	0	0	0	0
Hospital Societies						
Louis Brier Home and Hospital						
Menno Hospital (Mennonite Benevolent Society)						
Mount St. Mary Hospital (The Marie Esther Society)						
Nisga'a Valley Health Centre						
Providence Health Care (incl St. Paul's, Chara, Holy Family)						
St. Joseph's General Hospital (Bishop of Victoria)						
St. Michael's Centre						
Total Hospital Societies	0	0	0	0	0	0

Notes and Comments:

BC Housing Management Commission

April 1, 2018 - December 31, 2018

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Opening balances must equal last year's reported closing balance.

Schedule 2
Capital Assets
REPORT IN 000s

	Transposed to Statement of Operations							Transposed to Statement of Operations						
	Opening cost	Additions	Disposals	Valuation Adjustments	Transfers to (from) WIP/CL	Transfers to (from) GRE	Ending cost	Opening amortization	Amortization expense	Effect of disposals	Valuation Adjustments	Transfers to (from) GRE	Ending amortisation	Net book value
Land							-						-	-
Land Improvements							-						-	-
Land Improvements WIP							-						-	-
Total Land	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Buildings							-						-	-
Building WIP							-						-	-
Buildings under Capital Lease							-						-	-
Buildings under Capital Lease WIP							-						-	-
Leasehold Improvements	11,319	617					11,936	(10,022)	(309)				(10,331)	1,605
Leasehold Improvements WIP							-						-	-
Total Buildings	11,319	617	-	-	-	-	11,936	(10,022)	(309)	-	-	-	(10,331)	1,605
Ferries							-						-	-
Ferries WIP							-						-	-
Ferries under capital lease							-						-	-
Total Ferries	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transit vehicles and equipment							-						-	-
Transit WIP							-						-	-
Transit under capital lease							-						-	-
Total Transportation Eqpt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Highway Infrastructure							-						-	-
Highways WIP							-						-	-
Highways under capital lease							-						-	-
Total Hwy Infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Computer Hardware	2,745						2,745	(2,681)	(49)				(2,730)	15
Computer Hardware WIP							-						-	-
Computer Hardware under capital lease							-						-	-
Computer Software	43,411	3,025					46,436	(32,776)	(2,050)				(34,826)	11,610
Computer Software WIP							-						-	-
Computer Software under capital lease							-						-	-
Total Computers	46,156	3,025	-	-	-	-	49,181	(35,457)	(2,099)	-	-	-	(37,556)	11,625
Vehicles	1,596	16					1,612	(1,243)	(115)				(1,358)	254
Vehicles under capital lease							-						-	-
Office furniture & equipment	3,328	518					3,846	(2,903)	(148)				(3,051)	795
Office F & E under capital lease							-						-	-
Heavy machinery & equipment							-						-	-
Heavy M & E WIP							-						-	-
Heavy M & E under capital lease							-						-	-
Miscellaneous	543						543	(495)	(13)				(508)	35
Total Other	5,467	534	-	-	-	-	6,001	(4,641)	(276)	-	-	-	(4,917)	1,084
Total Tangible Capital Assets	62,942	4,176	-	-	-	-	67,118	(50,120)	(2,684)	-	-	-	(52,804)	14,314

NOTE: Transfers to/from WIP must equal zero

Notes and Comments:

RAEG - Sale of Surplus Properties and Assets (PSAB Section PS 1201.050)

Sale of Assets Held as Tangible Capital Assets

Legal Description	Asset Type (i.e. Land or Building)	Physical Address of Assets Sold	Sale Price (in 000's)	Net Book Value (in 000's)	Cost of Sales - excluding RAEG fee (in 000's)	Revenue: Gains/Losses on Disposal of Assets - Before RAEG Fee (in 000's)	RAEG Program Costs - 1% Program Fee	Net Gains/Losses on Disposal of Assets (in 000's)
						0		0
						0		0
						0		0
						0		0
						0		0

Sale of Assets Held as Inventory

Legal Description	Asset Type (i.e. Land or Building)	Physical Address of Assets Sold	Sale Price (in 000's)	Net Book Value (in 000's)	Cost of Sales - excluding RAEG fee (in 000's)	Revenue: Gains/Losses on Disposal of Assets - Before RAEG Fee (in 000's)	RAEG Program Costs - 1% Program Fee	Net Gains/Losses on Disposal of Assets (in 000's)
						0		0
						0		0
						0		0
						0		0
						0		0

NBV of all TCA's Reclassed to Inventory During the Year for RAEG Program

(Note: Includes both inventory sold and unsold)

Amount Reclassed (in 000's)

BC Housing Management Commission

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Opening balances must equal last year's reported closing balance. If not provide an explanation below.

Schedule 3

Debt Report

Report in 000s

	Borrowing direct from the province	Mortgages	Borrowed from related organization	Borrowed from non-related, guaranteed by the province	Capital leases, guaranteed by the province	Capital leases, not guaranteed by the province	Borrowed from non-related, not guaranteed by the province	Public-Private Partnership	Total	OCG COMMENTS
Opening Gross Debt	-25,028								-25,028	
Add: Additional Borrowing	-58,102								-58,102	
Less: Repayment of Principal	73,130								73,130	
Less: Debt Defeasance									0	
Less: Debt Forgiveness									0	
Closing Gross Debt	-10,000	0	0	0	0	0	0	0	-10,000	
Opening sinking fund balance									0	
Add: Additional principal payments									0	
Add: Earnings on sinking funds									0	Transposed to Statement of Operations
Less: Amount transferred to Defeasance or for repayment									0	
Less: Debt Forgiveness									0	
Closing sinking fund balance	0	0	0	0	0	0	0	0	0	
Opening premium on debt issue									0	
Add: Premium on newly issued debt									0	
Less: Amount amortized to Statement of Operations									0	Transposed to Statement of Operations
Less: Debt Forgiveness									0	
Closing premium	0	0	0	0	0	0	0	0	0	
Opening debt discount									0	
Add: Discount on newly issued debt									0	
Less: Amount amortized to Statement of Operations									0	Transposed to Statement of Operations
Less: Debt Forgiveness									0	
Closing discount	0	0	0	0	0	0	0	0	0	
Closing Gross Debt	-10,000	0	0	0	0	0	0	0	-10,000	
Add: Closing premium	0	0	0	0	0	0	0	0	0	
Less: Closing Sinking Fund	0	0	0	0	0	0	0	0	0	
Less: Closing Debt Discount	0	0	0	0	0	0	0	0	0	

Closing Net Debt	-10,000	0	0	0	0	0	0	0	-10,000
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Opening accrued interest	-3								-3
Add: Interest expense for the year	-77								-77
Less: Interest payments made	63								63
Closing accrued interest	-17	0	0	0	0	0	0	0	-17

Transposed to Statement of Operations

Interest expense for the year	77	0	0	0	0	0	0	0	77
Add: Amortization of debt discount	0	0	0	0	0	0	0	0	0
Less: Amortization of debt premiums	0	0	0	0	0	0	0	0	0
Other adjustments (please list below)									0
Less: Earnings on sinking funds	0	0	0	0	0	0	0	0	0
Total net debt servicing expense	77	0	0	0	0	0	0	0	77

Notes and Comments:

BC Housing Management Commission
April 1, 2018 - December 31, 2018

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Schedule 4

Report in 000s

Deferred Contributions - Provincial sources only

	Deferred Capital	Deferred Operating	Other
Opening balance	-140,568	-38,330	
Contributions received during the year	-52,247	-511,212	
Transfers between deferred contributions			
Transfers to revenue	180,008	467,085	
Ending balance	-12,807	-82,457	0

OCG Comments

Must equal prior year reported closing balance.

This is transposed on the Statement of Operations

Please provide a brief description of the source and purpose of deferred non-capital operating contributions and Other.

Primarily for grant and subsidies to non profit housing societies and low income individuals (eg. rent subsidies)

Please provide an explanation for the transfers to and from deferred contributions accounts.

Transfers due to timing of monthly appropriation and the payment of subsidies.

Deferred Contributions - Non-Provincial sources, other

	Deferred Capital	Deferred Operating	Deferred Municipal Infrastructure Project (BCTFA only)	Note:
Opening balance				The following should now be reported directly on the Statement of Financial Position:
Contributions received during the year				- Unearned lease revenue,
Transfers between deferred contributions				- Other miscellaneous deferred revenues,
Transfers to revenue				- Deferred federal & municipal highway project revenues.
Ending balance	0	0	0	

OCG Comments

Must equal prior year reported closing balance.

This is transposed on the Statement of Operations

Deferred Contributions - Federal

	Deferred Capital	Deferred Operating	Deferred Federal Infrastructure Project (BCTFA only)	Note:
Opening balance		-47,504		The following should now be reported directly on the Statement of Financial Position:
Contributions for Federal infrastructure programs		-100,429		- Unearned lease revenue,
Other Federal contributions received				- Other miscellaneous deferred revenues,
Transfers between deferred contributions				- Deferred federal & municipal highway project revenues.
Transfers to revenue		108,319		
Ending balance	0	-39,614	0	

OCG Comments

Must equal prior year reported closing balance.

This is transposed on the Statement of Operations

Please provide a brief description of the source and purpose of any deferred non-provincial contributions which were not externally restricted by the provider of the funds.

Federal funding from CMHC for subsidies to social housing providers and low income individuals.

Please provide an explanation for the transfers to and from deferred contributions accounts.

Transfers relate to timing of cash received from CMHC and the payment of grants to non profit housing providers and rent supplements to low income individuals.

BC Housing Management Commission

April 1, 2018 - December 31, 2018

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Schedule 5**Variance Analyses to original budget and prior year's actuals****REPORT IN 000s**

	Current Period		Prior Year	Budget to Actual	Prior to Current
	budget	actual	actual	Variance	Variance
Revenue	(932,273)	-816,677	(533,931)	115,596	-282,746
Expenditures	932,273	816,677	533,931	-115,596	282,746
Operating Surplus or Deficit for the Year	-	-	-	0	0
Assets		856,686	1,065,657	856,686	-208,971
Liabilities		-665,285	(868,449)	-665,285	203,164
Total Accumulated Surplus or Deficit		(191,401)	(197,208)	-191,401	5,807

Please provide brief description of any variances that are material to your financial results. Also, regardless of materiality, any changes greater than \$10 million must be explained including those for individual accounts that are offset when rolled up to totals above.

Explanation of material variances from original budget (as submitted to Treasury Board).

|Actual to Budget variance is due to slower than anticipated projects development

Explanation of material variances from prior year's actuals.

Variance primarily due to the new capital funding received in 2017 /18 and 18/19

BC Housing Management Commission

April 1, 2018 - December 31, 2018

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	Accounts Receivable from Crown Corps	Accounts Payable to Crown Corps	Direct Transfers from Crown Corps (revenue)	Sales to Crown Corps (revenue)	Purchases from Crown Corps (expenses)	Direct Transfers to Crown Corps (expenses)
B.C. Hydro and Power Authority						
B.C. Liquor Distribution Branch						
B.C. Lottery Corporation						
B.C. Railway Company						
Columbia Power Corporation						
Insurance Corporation of British Columbia						
	0	0	0	0	0	0

Notes and Comments:

DO NOT DELETE THIS SHEET PLEASE

Acct #	Acct Name	CY Cost	CY FMV	Min Date	Max Date	Min Yield	Max Yield	Stmt Type
Z1531000	Bonds federal	-	-			0.00%	0.00%	P
Z1531100	Bonds provincial	-	-			0.00%	0.00%	P
Z1531200	Bonds municipal	-	-			0.00%	0.00%	P
Z1531300	Bonds corporate	-	-			0.00%	0.00%	P
Z1531400	Bonds other	-	-			0.00%	0.00%	P
Z1531500	Commercial loans	-	-			0.00%	0.00%	P
Z1531600	Equity Investments	-	-			0.00%	0.00%	P
Z1531700	Pooled Investment Portfolios	-	-			0.00%	0.00%	P
Z1531800	Other	-	-			0.00%	0.00%	P
Z4590000	Endowment Fund Contributions	-						P