

***CANADIAN MENTAL HEALTH ASSOCIATION,  
HALIBURTON, KAWARTHA, PINE RIDGE BRANCH***

**AUDITED FINANCIAL STATEMENTS**

**AT MARCH 31, 2021**

***CANADIAN MENTAL HEALTH ASSOCIATION,  
HALIBURTON, KAWARTHA, PINE RIDGE BRANCH***

**AUDITED FINANCIAL STATEMENTS**

**AT MARCH 31, 2021**

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of the Canadian Mental  
Health Association, Haliburton, Kawartha, Pine Ridge Branch

### **Qualified Opinion**

I have audited the accompanying financial statements of Canadian Mental Health Association, Haliburton, Kawartha, Pine Ridge Branch, which comprise the statement of financial position as at March 31, 2021 and the statements of operations, changes in fund balances and cash flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

In my opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of my report, the accompanying financial statements present fairly, in all material respects, the financial position of Canadian Mental Health Association, Haliburton, Kawartha, Pine Ridge Branch as at March 31, 2021, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### **Basis for Qualified Opinion**

In common with many not-for-profit organizations, the organization derives revenue from donations and fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, my verification of these revenues was limited to the amounts recorded in the records of the organization and I was not able to determine whether any adjustments might be necessary to donations and fundraising revenue, excess of revenue over expenditures, and cash flows for the years ended March 31, 2021 and 2020, current assets as at March 31, 2021 and 2020, and net assets for the years then ended. My audit opinion on the financial statements for the year ended March 31, 2020 was modified accordingly because of the possible effects of this limitation in scope.

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of Canadian Mental Health Association, Haliburton, Kawartha, Pine Ridge Branch in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## **Other Matter**

Note 2 describes the amortization policy with respect to the organization's capital assets for the Housing program. The note also indicates that the organization is amortizing these assets in accordance with the Ministry of Health accounting policies which is not in accordance with Canadian generally accepted accounting principles. The estimated useful life of similar buildings is considered to be 20 years. If amortization had been provided on a straight-line basis, amortization expense, government grant revenue and accumulated amortization for the current year would have decreased by \$52,242, while the accounts receivable would have decreased by \$12,658 and the equity in capital assets would have increased by \$39,584. The cumulative increase would have been \$1,379,831 for the accounts receivable and \$1,135,610 for the accumulated amortization. The closing fund balance for the equity in capital assets would have been \$709,621.

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

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

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

Those charged with governance are responsible for overseeing Canadian Mental Health Association, Haliburton, Kawartha, Pine Ridge Branch's financial reporting process.

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

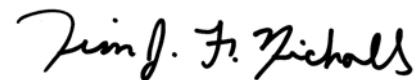
My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee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

*Tim J.F. Nicholls*  
Chartered Accountant

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

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

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



Peterborough, Ontario  
June 16, 2021

Tim J.F. Nicholls CPA, CA  
Licensed Public Accountant

Tim J.F. Nicholls  
Chartered Accountant

**CANADIAN MENTAL HEALTH ASSOCIATION,  
HALIBURTON, KAWARTHA, PINE RIDGE BRANCH**

**STATEMENT OF FINANCIAL POSITION  
As at March 31, 2021**

|   | Operating<br>Fund<br>\$ | Reserve<br>Fund<br>\$ | Total<br>2021<br>\$ | Total<br>2020<br>\$ |
|---|-------------------------|-----------------------|---------------------|---------------------|
| <b>ASSETS</b>                                   |                         |                       |                     |                     |
| <b>Current</b>                                  |                         |                       |                     |                     |
| Cash  | 4,237,889               | 847,794               | 5,085,683           | 4,055,207           |
| Accounts receivable - Note 3                    | 288,272                 | 648                   | 288,920             | 68,908              |
| Prepaid expenses                                | 31,651                  | -                     | 31,651              | 11,704              |
| Due from (to) other funds                       | 75,506                  | (75,506)              | -                   | -                   |
|   | 4,633,318               | 772,936               | 5,406,254           | 4,135,819           |
| <b>Capital - Note 4</b>                         | 1,972,071               | -                     | 1,972,071           | 2,158,273           |
| <b>Total Assets</b>                             | 6,605,389               | 772,936               | 7,378,325           | 6,294,092           |
| <b>LIABILITIES AND FUND BALANCES</b>            |                         |                       |                     |                     |
| <b>Current Liabilities</b>                      |                         |                       |                     |                     |
| Accounts payable - Note 5                       | 1,682,341               | -                     | 1,682,341           | 1,265,698           |
| Payable to Province of Ontario                  | 762,588                 | -                     | 762,588             | 156,437             |
| Deferred contributions - Note 7                 | 577,488                 | -                     | 577,488             | 569,309             |
| Current portion of long-term debt - Note 6      | 191,096                 | -                     | 191,096             | 183,807             |
| <b>Current Liabilities Before Callable Debt</b> | 3,213,513               | -                     | 3,213,513           | 2,175,251           |
| <b>Callable Debt - Note 6</b>                   | 720,587                 | -                     | 720,587             | 748,668             |
|   | 3,934,100               | -                     | 3,934,100           | 2,923,919           |
| <b>Long-Term Debt - Note 6</b>                  | 604,782                 | -                     | 604,782             | 767,478             |
|   | 4,538,882               | -                     | 4,538,882           | 3,691,397           |
| <b>Fund Balances</b>                            |                         |                       |                     |                     |
| Unrestricted                                    | 450,051                 | -                     | 450,051             | 459,087             |
| Externally restricted                           | -                       | 772,936               | 772,936             | 747,381             |
| Equity in capital assets                        | 125,000                 | -                     | 125,000             | 125,000             |
| Internally restricted - Note 8                  | 1,491,456               | -                     | 1,491,456           | 1,271,227           |
|   | 2,066,507               | 772,936               | 2,839,443           | 2,602,695           |
| <b>Total Liabilities and Fund Balances</b>      | 6,605,389               | 772,936               | 7,378,325           | 6,294,092           |

*The accompanying notes are an integral part of the financial statements.*

**CANADIAN MENTAL HEALTH ASSOCIATION,  
HALIBURTON, KAWARTHA, PINE RIDGE BRANCH**

**STATEMENT OF CHANGES IN FUND BALANCES  
For The Year Ended March 31, 2021**

|   | Unrestricted<br>Operating<br>Fund<br>\$ | Reserve<br>Fund<br>\$ | Equity In<br>Capital<br>Assets<br>\$ | Internally<br>Restricted<br>Reserves<br>\$ | 2021<br>\$ | 2020<br>\$ |
|---|---|-----------------------|--------------------------------------|--|------------|------------|
| <b>Balance, beginning of year</b>                   | 459,087                                 | 747,381               | 125,000                              | 1,271,227                                  | 2,602,695  | 2,613,278  |
| Excess of revenue over<br>expenditures for the year | 211,193                                 | 25,555                | -                                    | -  | 236,748    | (10,583)   |
| Inter-fund transfer - Note 8                        | (220,229)                               | -                     | -                                    | 220,229                                    | -          | -          |
| <b>Balance, end of year</b>                         | 450,051                                 | 772,936               | 125,000                              | 1,491,456                                  | 2,839,443  | 2,602,695  |

*The accompanying notes are an integral part of the financial statements.*

**CANADIAN MENTAL HEALTH ASSOCIATION,  
HALIBURTON, KAWARTHA, PINE RIDGE BRANCH**

**STATEMENT OF OPERATIONS  
For The Year Ended March 31, 2021**

|   | Operating<br>Fund<br>\$ | Reserve<br>Fund<br>\$ | Total<br>2021<br>\$ | Total<br>2020<br>\$ |
|---|-------------------------|-----------------------|---------------------|---------------------|
| <b>Revenue</b>  |                         |                       |                     |                     |
| Grants  |                         |                       |                     |                     |
| Ontario Health East                                     | 10,163,414              | -                     | 10,163,414          | 9,085,939           |
| Ministry of Health - Housing                            | 1,653,305               | 18,048                | 1,671,353           | 1,704,077           |
| Ministry of Children, Community<br>and Social Services  | 1,309,378               | -                     | 1,309,378           | 1,402,913           |
| Ministry of Labour, Training and<br>Skills Development  | -                       | -                     | -                   | 166,805             |
| City of Peterborough                                    | -                       | -                     | -                   | 24,623              |
| City of Kawartha Lakes                                  | 16,808                  | -                     | 16,808              | 16,208              |
| United Way of Peterborough and District                 | 36,434                  | -                     | 36,434              | 39,937              |
| United Way for the City of Kawartha Lakes               | 8,066                   | -                     | 8,066               | 7,128               |
| Ontario Trillium Foundation                             | 180,172                 | -                     | 180,172             | 211,300             |
| Other   | 397,199                 | -                     | 397,199             | 56,458              |
| Rental income   | 141,897                 | -                     | 141,897             | 127,872             |
| Donations and fundraising                               | 455,854                 | -                     | 455,854             | 195,240             |
| Interest  | 21,659                  | 7,507                 | 29,166              | 73,049              |
| Sales   | 193                     | -                     | 193                 | 84,946              |
| Training  | 25,350                  | -                     | 25,350              | 65,415              |
| Miscellaneous   | 357,605                 | -                     | 357,605             | 245,292             |
|   | 14,767,334              | 25,555                | 14,792,889          | 13,507,202          |
| <b>Expenditures</b>                                     |                         |                       |                     |                     |
| Salary and benefits                                     | 10,031,648              | -                     | 10,031,648          | 9,736,315           |
| Staff training and travel                               | 252,466                 | -                     | 252,466             | 372,179             |
| Program costs   | 418,937                 | -                     | 418,937             | 485,440             |
| General office expense                                  | 404,359                 | -                     | 404,359             | 167,764             |
| Professional fees                                       | 93,881                  | -                     | 93,881              | 42,999              |
| Professional fees - psychiatry                          | 331,784                 | -                     | 331,784             | 312,312             |
| Repairs and maintenance                                 | 184,479                 | -                     | 184,479             | 334,659             |
| Occupancy costs - all facilities                        | 495,485                 | -                     | 495,485             | 518,614             |
| Interest on long-term debt                              | 61,883                  | -                     | 61,883              | 67,696              |
| Amortization  | 298,517                 | -                     | 298,517             | 277,397             |
| Fundraising   | 45,270                  | -                     | 45,270              | 74,400              |
| Rent supplement   | 1,045,774               | -                     | 1,045,774           | 1,090,374           |
| Purchases   | 864                     | -                     | 864                 | 44,983              |
| COVID-19 emergency expenses                             | 221,749                 | -                     | 221,749             | -                   |
| COVID-19 emergency payments to others                   | 666,561                 | -                     | 666,561             | -                   |
| Bad debt expense (recovery)                             | 7,800                   | -                     | 7,800               | (7,347)             |
|   | 14,561,457              | -                     | 14,561,457          | 13,517,785          |
| <b>Excess of Revenue Over Expenditures Before</b>       |                         |                       |                     |                     |
| <b>Other Item</b>                                       | 205,877                 | 25,555                | 231,432             | (10,583)            |
| <b>Other Item - Note 10</b>                             | 5,316                   | -                     | 5,316               | -                   |
| <b>Excess of Revenue Over Expenditures For The Year</b> | 211,193                 | 25,555                | 236,748             | (10,583)            |

*The accompanying notes are an integral part of the financial statements.*



**CANADIAN MENTAL HEALTH ASSOCIATION,  
HALIBURTON, KAWARTHA, PINE RIDGE BRANCH**

**STATEMENT OF CASH FLOWS  
For The Year Ended March 31, 2021**

|  | <b>2021</b>      | <b>2020</b>      |
|--|------------------|------------------|
|  | <b>\$</b>        | <b>\$</b>        |
| <b>CASH PROVIDED BY (USED IN)</b>                |                  |                  |
| <b>Operating Activities</b>                      |                  |                  |
| Excess of revenue over expenditures for the year | 236,748          | (10,583)         |
| Transfers to reserves                            | 220,229          | 39,449           |
| Amortization                                     | 298,517          | 277,397          |
| Changes in non-cash working capital accounts     |                  |                  |
| Accounts receivable                              | (220,012)        | 272,695          |
| Prepaid expenses                                 | (19,947)         | (254)            |
| Accounts payable and accrued liabilities         | 416,643          | 277,640          |
| Payable to the Province of Ontario               | 606,151          | (79,156)         |
| Deferred contributions                           | 8,179            | 21,237           |
|  | 1,546,508        | 798,425          |
| <b>Financing Activities</b>                      |                  |                  |
| Repayment of long-term debt                      | (183,488)        | (177,666)        |
| <b>Investing Activities</b>                      |                  |                  |
| Increase in reserves                             | (220,229)        | (39,449)         |
| Purchase of capital assets                       | (112,315)        | (78,455)         |
|  | (332,544)        | (117,904)        |
| <b>Increase In Cash During The Year</b>          | <b>1,030,476</b> | <b>502,855</b>   |
| <b>Cash, Beginning of Year</b>                   | <b>4,055,207</b> | <b>3,552,352</b> |
| <b>Cash, End of Year</b>                         | <b>5,085,683</b> | <b>4,055,207</b> |

*The accompanying notes are an integral part of the financial statements.*

**CANADIAN MENTAL HEALTH ASSOCIATION,  
HALIBURTON, KAWARTHA, PINE RIDGE BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS  
For The Year Ended March 31, 2021**

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**NOTE 1: PURPOSE OF ORGANIZATION**

The Canadian Mental Health Association, Haliburton, Kawartha, Pine Ridge Branch is a non-profit organization, with a mission to work towards and foster a community in which all persons can obtain the best possible services and preventative resources for their mental health. The Association was incorporated under the Corporations Act (Ontario) as a corporation without share capital on April 1, 2013 and as such is prohibited from distributing any of its funds to, or for the personal benefit of, its members. The Association is the resulting organization after the amalgamation/merger of the former Kawartha Lakes Branch and the Peterborough Branch.

Upon dissolution of the corporation, any remaining assets are to be distributed to the Canadian Mental Health Association, Ontario Division.

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Basis of Presentation***

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNFP").

***Fund Accounting***

The Association uses the deferral method of accounting and reports on a fund accounting basis. The two funds maintained are the operating fund and the reserve fund.

In order to ensure observance of limitations and restrictions placed on the use of the resources available to the Association, the accounts are maintained in accordance with the principles of fund accounting. Under these principles, resources are classified for accounting purposes into funds that are in accordance with particular activities or objectives specified. These funds are classified as follows:

- (i) Operating fund - includes results of day-to-day administrative and operating transactions and specific internally restricted reserves established by the Board;
- (ii) Reserve fund - includes contributions for special purposes which are externally restricted.

***Realization of Revenues and Expenses***

Restricted contributions are recognized as revenue of the operating fund in the year in which the related expenses are incurred. Restricted contributions of the reserve fund are recorded as revenue when received in accordance with the Ministry of Health - Housing Program accounting policies.

Restricted and unrestricted investment income is recognized as revenue when earned in the appropriate fund.

**CANADIAN MENTAL HEALTH ASSOCIATION,  
HALIBURTON, KAWARTHA, PINE RIDGE BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS  
For The Year Ended March 31, 2021**

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**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

***Operating Grants***

The Association receives provincial government subsidies for allowable operating costs for several programs. The subsidies are recorded as revenue in the current year. The reimbursement for allowable operating costs is ultimately dependent upon their acceptance by the various Ministries which fund the programs.

***Donated Materials and Services***

No amounts have been recorded in the current year financial statements for donated materials and services.

***Capital Assets***

Buildings, automotive and office equipment are recorded at cost and amortized in the operating fund. For the capital assets not funded by the Ministry of Health - Housing Program, amortization is provided on a straight-line basis over the assets' estimated useful lives, which is 5 years with the exception of the building which is being amortized over 20 years. Land is not being amortized.

Capital assets valued at less than \$750 are expensed in the year of acquisition.

For the capital assets funded by the Ministry of Health - Housing Program, an amount equal to the mortgage principal repayment is recorded as amortization in the operating fund, in accordance with Ministry of Health - Housing Program accounting policies.

***Income Taxes***

The Association qualifies as a non-profit, charitable organization as defined by the Federal and Ontario Income Tax Acts, and, as such, is not subject to Federal and Provincial income taxes.

***Use of Accounting Estimates***

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting periods. Actual results could differ from those estimates.

**NOTE 3: ACCOUNTS RECEIVABLE**

The accounts receivable is shown net of an allowance for doubtful accounts of \$10,301 (2020 - \$nil).

**CANADIAN MENTAL HEALTH ASSOCIATION,  
HALIBURTON, KAWARTHA, PINE RIDGE BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS  
For The Year Ended March 31, 2021**

**NOTE 4: CAPITAL ASSETS**

The major categories are comprised of the following:

|  | Cost<br>\$ | Accumulated<br>Amortization<br>\$ | Net Book Value |            |
|--|------------|-----------------------------------|----------------|------------|
|  |            |                                   | 2021<br>\$     | 2020<br>\$ |
| <b>Housing program:</b>                    |            |                                   |                |            |
| Land, buildings and equipment:             |            |                                   |                |            |
| 648 George Street, Peterborough            | 194,390    | 149,426                           | 44,964         | 54,254     |
| 174-176 Rubidge Street, Peterborough       | 275,670    | 191,646                           | 84,024         | 98,168     |
| 767 Water Street, Peterborough             | 159,385    | 107,965                           | 51,420         | 59,690     |
| 568 Charlotte Street, Peterborough         | 269,040    | 205,447                           | 63,593         | 76,596     |
| 267 Park Street, Peterborough              | 172,530    | 116,876                           | 55,654         | 64,606     |
| 548 Barker Avenue, Peterborough            | 378,041    | 268,077                           | 109,964        | 127,760    |
| 311 Stewart Street, Peterborough           | 267,542    | 209,166                           | 58,376         | 71,615     |
| 564 Sherbrooke Street, Peterborough        | 185,803    | 131,940                           | 53,863         | 62,609     |
| 60 McDonnel Street, Peterborough           | 434,917    | 308,996                           | 125,921        | 146,394    |
| 524 Charlotte Street, Peterborough         | 158,941    | 112,964                           | 45,977         | 53,459     |
| 604 Stewart Street, Peterborough           | 184,160    | 144,115                           | 40,045         | 49,221     |
| 51 Adelaide Street, Lindsay                | 557,495    | 442,159                           | 115,336        | 141,400    |
|  | 3,237,914  | 2,388,777                         | 849,137        | 1,005,772  |
| <b>Other programs:</b>                     |            |                                   |                |            |
| Land - 466 George Street, Peterborough     | 125,000    | -                                 | 125,000        | 125,000    |
| Land - 415 Water Street, Peterborough      | 200,000    | -                                 | 200,000        | 200,000    |
| Building - 466 George Street, Peterborough | 780,180    | 686,534                           | 93,646         | 132,656    |
| Building - 415 Water Street, Peterborough  | 943,993    | 393,515                           | 550,478        | 597,678    |
| Automotive equipment                       | 206,207    | 170,939                           | 35,268         | 47,024     |
| Office furniture and fixtures              | 1,359,205  | 1,242,027                         | 117,178        | 48,779     |
| Property improvements                      | 97,409     | 96,045                            | 1,364          | 1,364      |
| Equipment                                  | 34,485     | 34,485                            | -              | -          |
|  | 3,746,479  | 2,623,545                         | 1,122,934      | 1,152,501  |
|  | 6,984,393  | 5,012,322                         | 1,972,071      | 2,158,273  |

**CANADIAN MENTAL HEALTH ASSOCIATION,  
HALIBURTON, KAWARTHA, PINE RIDGE BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS  
For The Year Ended March 31, 2021**

**NOTE 5: ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

The accounts payable and accrued liabilities includes payroll and sales tax remittances of \$115,327 (2020 - \$132,259).

**NOTE 6: LONG-TERM DEBT**

|  | 2021<br>\$ | 2020<br>\$ |
|--|------------|------------|
| Mortgage loans payable to TD Canada Trust  |            |            |
| Interest calculated at 5.3967%, repayable in blended monthly payments of \$1,600, due November 1, 2023 | 78,074     | 92,218     |
| Mortgage loans payable to Scotiabank   |            |            |
| Interest calculated at 1.85%, repayable in blended monthly payments of \$814, due May 1, 2021          | 20,725     | 30,016     |
| Interest calculated at 1.85%, repayable in blended monthly payments of \$5,045, due May 1, 2021        | 298,130    | 352,628    |
| Interest calculated at 2.62%, repayable in blended monthly payments of \$862, due October 1, 2022      | 40,045     | 49,221     |
| Mortgage loan payable to MCAP Financial  |            |            |
| Interest calculated at 3.385%, repayable in blended monthly payments of \$2,537, due March 1, 2024     | 115,995    | 142,060    |
| Mortgage loan payable to the Great-West Life Assurance Company   |            |            |
| Interest calculated at 6.49%, repayable in blended monthly payments of \$2,023, due January 1, 2026    | 100,667    | 117,889    |
| Mortgage loan payable to the People's Trust Company  |            |            |
| Interest calculated at 2.375%, repayable in blended monthly payments of \$1,209, due July 1, 2024      | 56,403     | 69,406     |
| Interest calculated at 2.375%, repayable in blended monthly payments of \$1,231, due July 1, 2024      | 57,424     | 70,663     |
| Demand loans payable to the Royal Bank of Canada   |            |            |
| Interest calculated at 4.54%, repayable in blended monthly payments of \$3,594                         | 525,006    | 543,826    |
| Interest calculated at 4.54%, repayable in blended monthly payments of \$1,533                         | 223,996    | 232,026    |
|  | 1,516,465  | 1,699,953  |
| <b>Scheduled repayments of long-term debt</b>  | 191,096    | 183,807    |
| <b>Callable debt</b>   | 720,587    | 748,668    |
| <b>Long-term</b>   | 604,782    | 767,478    |

**CANADIAN MENTAL HEALTH ASSOCIATION,  
HALIBURTON, KAWARTHA, PINE RIDGE BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS  
For The Year Ended March 31, 2021**

**NOTE 6: LONG-TERM DEBT (cont.)**

The loans payable are secured by specific charges on the land and buildings of the Association.

Two of the mortgages with ScotiaBank matured on May 1, 2021. Both of the mortgages were renewed on their maturity dates. One mortgage was renewed with ScotiaBank at 1.718% payable in blended monthly payments of \$5,028, while the other was renewed with Peoples Trust Company at 4.05% payable in blended monthly payments of \$831.

Although the demand instalment loans are of a demand nature, management does not believe the demand feature will be exercised, accordingly the scheduled principal repayments are anticipated to be:

|      |   |    |         |
|------|---|----|---------|
| 2022 | - | \$ | 191,096 |
| 2023 | - |    | 196,748 |
| 2024 | - |    | 193,614 |
| 2025 | - |    | 200,060 |
| 2026 | - |    | 96,649  |

**NOTE 7: DEFERRED CONTRIBUTIONS**

Deferred contributions reported in the operating fund are restricted operating funding that is related to a subsequent period. Changes in deferred contributions balances in the operating fund are as follows:

|  | 2021<br>\$     | 2020<br>\$     |
|--|----------------|----------------|
| Balance, beginning of year                               | 569,309        | 548,072        |
| Funding received in the year related to capital assets   | 112,315        | 78,455         |
| Funding received in the year related to operations       | 214,415        | 324,947        |
| Revenue recognized in the year related to capital assets | (104,040)      | (87,658)       |
| Revenue recognized in the year related to operations     | (214,511)      | (294,507)      |
|  | <b>577,488</b> | <b>569,309</b> |
| Comprised of:  |                |                |
| Deferred contributions related to capital assets         | 296,420        | 288,145        |
| Deferred contributions related to operating activities   | 281,068        | 281,164        |
|  | <b>577,488</b> | <b>569,309</b> |

**CANADIAN MENTAL HEALTH ASSOCIATION,  
HALIBURTON, KAWARTHA, PINE RIDGE BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS  
For The Year Ended March 31, 2021**

**NOTE 8: INTERNALLY RESTRICTED FUNDS**

|                                       | April 1,<br>2020<br>\$ | Transfers<br>\$ | March 31,<br>2021<br>\$ |
|---------------------------------------|------------------------|-----------------|-------------------------|
| Suicide prevention                    | 149,253                | -               | 149,253                 |
| Suicide prevention - Donor specific   | 100,000                | -               | 100,000                 |
| Cleaning services                     | 2,624                  | -               | 2,624                   |
| Making It Work                        | 179,218                | -               | 179,218                 |
| EPI training                          | 16,308                 | -               | 16,308                  |
| Educational Bursary (Tam grant)       | 38,405                 | (275)           | 38,130                  |
| Capital                               | 11,770                 | -               | 11,770                  |
| Individualized Specialized Supports   | 12,131                 | -               | 12,131                  |
| Youth Mental Health                   | 74,506                 | -               | 74,506                  |
| Alternative Businesses                | 29,998                 | 17,037          | 47,035                  |
| City of Peterborough Outreach         | 3,192                  | -               | 3,192                   |
| Fundraising                           | 48,371                 | 80,726          | 129,097                 |
| Team 55                               | 67,004                 | (4,148)         | 62,856                  |
| OTN Equipment                         | 2,805                  | -               | 2,805                   |
| Peer Support Donations                | 10,769                 | 200             | 10,969                  |
| EPI Donations                         | 29,234                 | 6,020           | 35,254                  |
| Four County Crisis Donations          | 44,945                 | 35,725          | 80,670                  |
| Release From Custody                  | 500                    | 5,000           | 5,500                   |
| Community Training                    | 91,153                 | 10,038          | 101,191                 |
| Consumer Initiative Advisory Group    | 2,255                  | -               | 2,255                   |
| Trustee Services CKL                  | 975                    | 944             | 1,919                   |
| Transgender Services                  | 5,000                  | 620             | 5,620                   |
| Health Promotion revenue              | -                      | 31,484          | 31,484                  |
| Assertive Outreach Suicide Prevention | 178,206                | (54,801)        | 123,405                 |
| AOSP -Survivors of Suicide            | 52,464                 | -               | 52,464                  |
| DDCCP Clinics                         | 14,790                 | 21,722          | 36,512                  |
| Family Support                        | 30,103                 | 10,175          | 40,278                  |
| Housing Bricks and Mortar Maintenance | 19,629                 | 23,279          | 42,908                  |
| Urgent Response                       | 40,768                 | 4,684           | 45,452                  |
| EPI KL Donations                      | 5,980                  | -               | 5,980                   |
| First Responders Cup                  | 7,605                  | -               | 7,605                   |
| Community Participation Supports      | 1,266                  | (998)           | 268                     |
| Mobile Crisis Intervention Team       | -                      | 17,522          | 17,522                  |
| AOSP - CKL                            | -                      | 15,275          | 15,275                  |
|                                       | 1,271,227              | 220,229         | 1,491,456               |

**CANADIAN MENTAL HEALTH ASSOCIATION,  
HALIBURTON, KAWARTHA, PINE RIDGE BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS  
For The Year Ended March 31, 2021**

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**NOTE 9: ECONOMIC DEPENDENCE**

The Association receives a significant amount of funding from the Province of Ontario and as such is economically dependent on this source of revenue.

**NOTE 10: PROVINCIAL GOVERNMENT SETTLEMENT**

The balance represents the reconciling of multiple fiscal years for several provincial ministries outstanding payable balances.

**NOTE 11: FINANCIAL ASSETS AND FINANCIAL LIABILITIES**

***Liquidity Risk***

Liquidity risk is the risk that the organization will not be able to meet its obligations associated with financial liabilities. Cash flow from operations provides a substantial portion of the organization's cash requirements. Additional cash requirements are met with the use of the cash and short-term investments.

**NOTE 12: SUBSEQUENT EVENT**

On March 11, 2020 the World Health Organization declared the COVID-19 virus outbreak a pandemic and since then over 200 countries have reported cases including Canada. In many countries, organizations have been impacted in a variety of ways ranging from an impairment in the ability to conduct their operations to total business shutdowns.

At present, there have been minimal impacts on the Association's financial position while its operations have been modified to endure the safety of both staff and clients. Due to the unknown resolution of the pandemic on the local area as well as on the broader community, the long-term impacts on the Association cannot be accurately determined at this point in time. As such, the future effects will be recognized in the period when there is more certainty to both the extent and magnitude of the impact.