

**CANADIAN MENTAL HEALTH ASSOCIATION
BRANT HALDIMAND NORFOLK BRANCH**

For the year ended March 31, 2021

INDEX

	Page
INDEPENDENT AUDITORS' REPORT	1 - 2
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Operations and Net Assets	4
Schedule of Expenditures - Administration and Support Services	5
- Case Management - Mental Health	5
- Counselling & Treatment	6
- Primary Care - Mental Health - Vocational/Employment	6
- Primary Care - Mental Health - Diversion & Court Support	6
- Primary Care - Mental Health - Social Rehabilitation/Recreation	6
- Consumer/Survivor/Family Initiatives - H.O.P.E.	7
- Consumer/Survivor/Family Initiatives - Family	7
- Crisis Support Beds	7
- Addictions Treatment	7
- Residential Services - Mental Health - Non-Profit Housing	8
- Residential Services - Mental Health - Rent Supplement	8
Statement of Operations and Changes in Fund Balance - Other Funding	9
Statement of Operations and Changes in Fund Balance - QuicKlean	10
Statement of Cash Flows	11
Notes to the Financial Statements	12 - 17

**CANADIAN MENTAL HEALTH ASSOCIATION
- BRANT HALDIMAND NORFOLK BRANCH**

STATEMENT OF FINANCIAL POSITION

As at March 31	2021	2020
ASSETS		
Current Assets		
Cash	1,750	1,650
Bank - Ministry of Health	1,917,514	1,507,235
- QuicKlean	102,549	88,200
Accounts receivable - general	35,948	16,598
Government remittances receivable	74,123	84,899
Prepaid expenses	17,900	-
Investments (GICs) - ENSH at Market Value	141,227	114,852
	2,291,011	1,813,434
Capital Assets (Note 3)	336,871	374,525
Assets of the Replacement Reserve (Note 5)		
Investments (GICs) at Market Value	439,311	422,187
	3,067,193	2,610,146
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	716,369	702,835
Deferred revenue (Note 6)	187,776	151,919
Due to Ministry of Health (Note 7)	206,603	89,046
Due to Local Health Integration Network (Note 8)	517,177	271,317
Current portion of mortgage payable (Note 4)	39,013	38,171
	1,666,938	1,253,288
Mortgage Payable (Note 4)	297,857	336,355
Replacement Reserve (Note 5)	439,311	422,187
	737,168	758,542
NET ASSETS - Page 4	2,404,106	2,011,830
	663,087	598,316
	3,067,193	2,610,146

Approved on behalf of the Board of Directors

..... *Mark Solomon, President*

..... *Eric Harrop, Treasurer*

See accompanying notes

**CANADIAN MENTAL HEALTH ASSOCIATION
- BRANT HALDIMAND NORFOLK BRANCH**

STATEMENT OF OPERATIONS AND NET ASSETS

For the year ended March 31	2021	2020
Revenues		
Local Health Integration Network		
- Undistributed	6,141,929	5,815,934
- Helping Ourselves Through Peer Support & Employment	286,608	238,496
- Pandemic funding	43,807	-
- Interest and cost recoveries	35,648	69,962
- Helping Ourselves Through Peer Support & Employment - other	6,891	40,648
	6,514,883	6,165,040
Ministry of Health		
- Non-Profit Housing	153,739	154,119
- Rent Supplements	830,585	708,185
	984,324	862,304
Community Infrastructure Renewal Fund (CIRF)	15,771	4,781
Rental Income - Non-Profit Housing	37,352	36,600
Non-profit housing - other	-	5,065
Rental Income - Phoenix Place and Rent Supplements	349,081	347,178
Phoenix Place - other	18,076	12,329
	420,280	405,953
	7,919,487	7,433,297
Expenditures		
Administration and Support Services - Page 5	1,462,876	1,336,549
Case Management - Mental Health - Page 5	1,988,822	1,913,841
Counselling & Treatment - Page 6	78,243	82,325
Primary Care - Mental Health - Vocational/Employment - Page 6	47,878	48,293
Primary Care - Mental Health - Diversion & Court Support - Page 6	656,269	613,118
Primary Care - Mental Health - Social Rehabilitation/Recreation - Page 6	133,298	136,400
Consumer/Survivor/Family Initiatives - H.O.P.E. - Page 7	298,091	281,734
Consumer/Survivor/Family Initiatives - Family - Page 7	58,400	68,057
Crisis Support Beds - Page 7	1,483,036	1,464,989
Addictions Treatment - Page 7	60,081	2,018
Community Infrastructure Renewal Fund (CIRF)	15,771	4,781
Residential Services - Mental Health - Non-Profit Housing - Page 8	177,536	169,977
Residential Services - Mental Health - Rent Supplement - Page 8	1,080,185	989,346
	7,540,486	7,111,428
Excess of Revenues over Expenditures	379,001	321,869
Net Assets - Beginning of Year	598,316	529,151
Excess of Revenues over Expenditures - Other Funding - Page 9	42,340	31,509
Excess of Revenues over Expenditures - QuicKlean - Page 10	8,876	7,509
Payable to Local Health Integration Network	(247,889)	(218,500)
Payable to Ministry of Health and Long - Term care	(117,557)	(73,222)
Net Assets - End of Year	663,087	598,316

See accompanying notes

**CANADIAN MENTAL HEALTH ASSOCIATION
- BRANT HALDIMAND NORFOLK BRANCH**

SCHEDULE OF EXPENDITURES

For the year ended March 31	2021	2020
Administration and Support Services		
Salaries	542,670	503,468
Benefits	81,601	70,333
Supplies	2,658	4,203
Staff travel and education	20,504	45,349
General	137,003	118,493
Equipment - general administration	51,409	75,063
Equipment - information systems support	89,930	81,630
Building occupancy	284,264	279,402
Contracted out - general administration	41,982	31,413
Contracted out - information systems support	152,373	86,876
Utilities	9,873	12,175
Insurance	34,859	28,144
Pandemic supplies	13,750	-
	1,462,876	1,336,549
Case Management - Mental Health		
Salaries	1,565,262	1,448,359
Benefits	340,129	364,567
Supplies	2,702	2,154
Staff travel	35,272	57,146
General	8,955	11,833
Equipment	20,908	25,558
RACE	94	4,224
Rent	10,000	-
Pandemic Supplies	5,500	-
	1,988,822	1,913,841

**CANADIAN MENTAL HEALTH ASSOCIATION
- BRANT HALDIMAND NORFOLK BRANCH**

SCHEDULE OF EXPENDITURES

For the year ended March 31	2021	2020
Counselling & Treatment		
Salaries	61,337	61,426
Benefits	12,643	12,954
Supplies	40	473
Staff travel	833	2,359
General	2,214	5,113
Equipment	1,176	-
	78,243	82,325
Primary Care - Mental Health - Vocational/Employment		
Salaries	38,419	38,233
Benefits	9,216	9,491
Supplies	-	97
Staff travel and client education	-	23
General	243	449
	47,878	48,293
Primary Care - Mental Health - Diversion & Court Support		
Salaries	511,057	462,780
Benefits	109,350	90,260
Supplies	90	4,693
Staff travel	5,681	14,223
General	21,914	12,508
Equipment	8,177	28,654
	656,269	613,118
Primary Care - Mental Health - Social Rehabilitation/Recreation		
Salaries	100,881	102,479
Benefits	22,951	22,651
Supplies	5,738	5,821
Staff travel	1,570	4,249
General	298	310
Equipment	1,860	890
	133,298	136,400

See accompanying notes

**CANADIAN MENTAL HEALTH ASSOCIATION
- BRANT HALDIMAND NORFOLK BRANCH**

SCHEDULE OF EXPENDITURES

For the year ended March 31	2021	2020
Consumer/Survivor/Family Initiatives - H.O.P.E.		
Salaries	193,725	183,949
Benefits	38,765	36,889
Supplies	3,551	9,152
Staff travel and education	733	11,880
General	12,325	9,290
Equipment	16,080	8,016
Building occupancy	32,912	22,558
	298,091	281,734
Consumer/Survivor/Family Initiatives - Family		
Salaries	47,546	54,474
Benefits	8,832	8,458
Supplies	83	2,525
Staff travel and education	717	1,021
General	475	1,060
Equipment	747	519
	58,400	68,057
Crisis Support Beds		
Salaries	928,883	677,976
Benefits	152,502	114,399
Supplies - utilities	13,752	8,879
- general	17,113	9,347
Staff travel and education	3,769	2,212
General	12,235	19,505
Equipment	278,779	572,550
Catering	30,730	24,307
Rent	41,488	35,814
Insurance	3,785	-
	1,483,036	1,464,989
Addictions Treatment		
Equipment	-	2,018
Contracted out compensation	50,081	-
Rent	10,000	-
	60,081	2,018

See accompanying notes

**CANADIAN MENTAL HEALTH ASSOCIATION
- BRANT HALDIMAND NORFOLK BRANCH**

SCHEDULE OF EXPENDITURES

For the year ended March 31	2021	2020
Residential Services - Mental Health - Non-Profit Housing		
Salaries	50,516	45,774
Benefits	11,312	9,064
Supplies - utilities	20,370	16,187
General - insurance	3,560	4,187
- other	5,207	4,315
Equipment	5,662	9,925
Building occupancy - general	19,333	17,824
- bad debts	-	145
- replacement reserve	6,660	6,660
- building amortization	37,655	37,725
- mortgage interest	7,300	8,740
- municipal taxes	9,961	9,431
	177,536	169,977
Residential Services - Mental Health - Rent Supplement		
Supplies - utilities	176,078	151,702
COVID-19	-	18,527
Building occupancy - market rent	872,866	787,876
- additions	31,241	31,241
	1,080,185	989,346

**CANADIAN MENTAL HEALTH ASSOCIATION
- BRANT HALDIMAND NORFOLK BRANCH**

STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE - OTHER FUNDING

For the year ended March 31	2021	2020
Revenues		
Fundraising	26,487	61,026
Community Homes for Opportunity	59,152	6,754
ENSH	78,480	116,144
MRS	102,154	97,421
MTCU - Sustainable Employment Initiative	64,156	64,156
- Interest Income	4	267
City of Brantford - Investment in Affordable Housing	51,383	53,630
	381,816	399,398
Expenditures		
Mental Health Promotion	13,344	39,305
Community Homes for Opportunity	52,244	6,754
ENSH	51,469	91,321
MRS	97,355	96,431
Fundraising	5,401	16,025
MTCU - Sustainable Employment Initiative	63,773	64,423
City of Brantford - Investment in Affordable Housing	55,890	53,630
	339,476	367,889
Excess of Revenues over Expenditures	42,340	31,509
Net Assets - Beginning of Year	209,993	178,484
Net Assets - End of Year	252,333	209,993

**CANADIAN MENTAL HEALTH ASSOCIATION
- BRANT HALDIMAND NORFOLK BRANCH**

STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE - QUICKLEAN

For the year ended March 31	2021	2020
Revenues		
Business revenue	37,768	52,215
Interest	379	484
Donations	4,649	-
Brantford Drug Outreach	8,531	-
	51,327	52,699
Expenditures		
General expenses	8,723	7,216
Cleaning supplies	11,153	18,873
Wages	13,361	18,037
Employee benefits	683	1,064
Brantford Drug Outreach	8,531	-
	42,451	45,190
Excess of Revenues over Expenditures	8,876	7,509
Net Assets - Beginning of Year	50,009	42,500
Net Assets - End of Year	58,885	50,009

**CANADIAN MENTAL HEALTH ASSOCIATION
- BRANT HALDIMAND NORFOLK BRANCH**

STATEMENT OF CASH FLOWS

For the year ended March 31	2021	2020
Cash Flows From Operating Activities		
Revenues over Expenditures	379,001	321,869
Revenues over Expenditures - Other Funding	42,340	31,509
Excess of Revenues over Expenditures - QuicKlean	8,876	7,509
LHIN/MOH recoveries	(365,446)	(291,722)
Charge (credit) to income not involving cash Amortization	37,655	37,725
	102,426	106,890
Net change in non-cash working capital balances related to operations (Note 13)	403,457	522,987
	505,883	629,877
Cash Flows From Financing Activities		
Mortgage payable	(37,656)	(37,724)
Cash Flows From Investing Activities		
Investments - restricted	(17,124)	(16,277)
Investments - unrestricted	(26,375)	(91,409)
	(43,499)	(107,686)
Net Increase in Cash and Bank	424,728	484,467
Opening Cash and Bank	1,597,085	1,112,618
Closing Cash and Bank	2,021,813	1,597,085
Cash and Bank Comprised of:		
Cash	1,750	1,650
Bank - Ministry of Health	1,917,514	1,507,235
- QuicKlean	102,549	88,200
	2,021,813	1,597,085

See accompanying notes

CANADIAN MENTAL HEALTH ASSOCIATION - BRANT HALDIMAND NORFOLK BRANCH

NOTES TO THE FINANCIAL STATEMENTS For the year ended March 31, 2021

1. PURPOSE OF THE ORGANIZATION

The purpose of the Canadian Mental Health Association - Brant Haldimand Norfolk Branch is to promote a positive approach towards mental health and to enhance the quality of life of individuals through leadership, education, partnership, advocacy, empowerment and support. The Branch is incorporated under the Companies Act of the Province of Ontario as a not-for-profit organization and is a registered charity under the Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

These financial statements have been prepared in accordance with the significant accounting policies set out below to comply with the requirements of the Service Accountability Agreement with the Hamilton Niagara Haldimand Brant Local Health Integration Network. The basis of accounting used in these financial statements materially differs from Canadian accounting standards for not-for-profit organizations because:

- i) amortization is being provided on the land, building and building improvements equal to a rate of the annual principal reduction of the mortgage;
- ii) approved capital expenditures are charged against operations in the year of acquisition;
- iii) funding for the replacement reserve is charged to operations as determined by the Ministry
- iv) return of excess of revenue over expense is reported in net assets in the year of recovery

(b) Revenue Recognition

The Association follows the deferral method of accounting. Under the deferral method of accounting, restricted revenues are recognized as revenue in the year in which the related expenses are incurred. Unrestricted revenues are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

(c) Capital Assets

Capital assets, except for land, building and building improvements, are treated as any other type of current year expenditure or disbursement and are charged to operations in the year of acquisition. Land, buildings and improvements are amortized based on the amount of principal repaid annually on the related mortgage. These policies are in accordance with Ministry of Health and Long-Term Care guidelines for reporting of Capital Assets.

(d) Excess of Revenue over Expenditure

Any Ministry of Health and Long-Term Care approved excess of revenue over expenditure or expenditure over revenue for the year is returned to or paid by the Province in the year following the variations. The programs are 100% funded by the Province of Ontario.

**CANADIAN MENTAL HEALTH ASSOCIATION
- BRANT HALDIMAND NORFOLK BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2021**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. These estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known.

(f) Contributed Materials and Services

Materials and services contributed by volunteers during the year to assist the organization in carrying out its activities are not recognized in the financial statements because of the difficulty in determining their fair value.

(g) Financial Instruments

The Association initially measures its financial assets and financial liabilities at fair value. It subsequently measures all financial assets and financial liabilities at amortized cost.

The financial assets subsequently measured at amortized cost include cash, GIC investments and accounts receivable. The financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

3. CAPITAL ASSETS	Cost	Accumulated Amortization	2021	2020
Land and buildings	897,241	560,370	336,871	374,525

The Association accounts for capital assets as noted in note 2(c) above.

**CANADIAN MENTAL HEALTH ASSOCIATION
- BRANT HALDIMAND NORFOLK BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2021**

4. MORTGAGE PAYABLE	2021	2020
1.43% mortgage payable to the Canada Mortgage and Housing Corporation, due in monthly installments of \$1,758 on account of principal and interest, due April 1, 2022	122,989	142,209
2.418% mortgage payable to the First National Financial LP, due in monthly installments of \$2,135 on account of principal and interest, due October 1, 2022	213,881	232,317
	336,870	374,526
Less: current portion	39,013	38,171
	297,857	336,355

The mortgage payable to the Canada Mortgage and Housing Corporation is for the purchase of and renovations to 20 Lyons Avenue in Brantford, Ontario. The mortgage payable to the First National Financial LP is for the purchase of 87 King, 35 West Cherry and 37 Woodhouse Streets in Simcoe, Ontario. The mortgages are secured by the Association's land and buildings.

Estimated annual principal repayment requirements, based on renewal at current terms, are as follows:

2022 - 39,013 2023 - 39,879 2024 - 40,722 2025 - 41,663 2026 - 42,590

5. REPLACEMENT RESERVES	Homeless	RGI	2021	2020
Balance - Beginning of Year	146,929	275,258	422,187	405,910
Transfer to operations	-	-	-	-
Transfer from operations	1,600	6,660	8,260	8,260
Interest income for the year	2,298	6,566	8,864	8,017
One time reserve funding	-	-	-	-
Balance - End of Year	150,827	288,484	439,311	422,187

The Ministry of Health and Long-Term Care requires the Association to fund contributions to the replacement reserve from operations. During the year the Association charged operations an amount of \$8,260 (2020 - \$8,260) to fund the replacement reserve.

**CANADIAN MENTAL HEALTH ASSOCIATION
- BRANT HALDIMAND NORFOLK BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2021**

6. DEFERRED REVENUE	2021	2020
Suicide Prevention Fund	9,933	10,073
Alternatives Program	16,747	11,989
Consumer Resources Fund HN	7,644	5,791
H.O.P.E. Revenue	10,696	10,466
Consumer Resources Fund Brant	25,134	23,802
Court Program Brant	12	12
Family Initiative	2,480	2,480
R.A.C.E. Brant	96	96
R.A.C.E. HN	403	403
Lyons Ave Cable & Cleaning Fund	-	596
HPE - Mental Health Week	28,483	2,390
Christmas Party	5,721	6,652
Family Resources Fund Brant	31,922	31,922
Court Program HN	672	672
ENSH CM Program	450	450
Tenant Rent	12,825	14,025
Norfolk Housing Subsidy	11,050	20,400
HOPE Donations After Hours	-	500
Community Homes for Opportunity	-	53
CIRF Carryover due to COVID-19	-	9,147
Campus Mental Health Project	20,000	-
Mental Health Week 2021	3,508	-
	187,776	151,919
7. DUE TO MINISTRY OF HEALTH	2021	2020
Year ended March 31, 2019 repayable	10,700	10,700
Year ended March 31, 2020 repayable	78,346	78,346
Year ended March 31, 2021 repayable	117,557	-
	206,603	89,046

**CANADIAN MENTAL HEALTH ASSOCIATION
- BRANT HALDIMAND NORFOLK BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2021**

8. DUE TO LOCAL HEALTH INTEGRATION NETWORK	2021	2020
Year ended March 31, 2018 repayable	1,847	3,876
Year ended March 31, 2019 repayable	49,724	49,724
Year ended March 31, 2020 repayable	217,717	217,717
Year ended March 31, 2021 repayable	247,889	-
	517,177	271,317

9. LEASE COMMITMENTS

The Association is committed to the lease of office premises in Brantford expiring on April 30, 2024. The lease requires annual rental payments of \$165,804.

The Association is committed to the lease of office and building premises in Brantford for H.O.P.E. expiring on March 31, 2023. The lease requires monthly rental payments of \$1,500 plus a proportionate share of municipal taxes and insurance.

The Association is committed to the lease of office premises and residential apartments in Brantford for Phoenix Place expiring on December 31, 2028. The lease requires minimum annual rental payments of \$303,981.

The Association is committed to the lease of office premises in Simcoe expiring on September 30, 2023. The lease requires annual rental payment of \$78,000 plus a proportionate share of municipal taxes.

The Association is committed to the lease of office premises in Dunnville on a month to month basis. The lease requires monthly rental payments of \$505.

10. ECONOMIC DEPENDENCE

The Canadian Mental Health Association - Brant Haldimand Norfolk Branch is primarily funded by the Local Health Integration Network (LHIN) and the Ministry of Health and Long-Term Care and its ongoing existence is dependent upon continued funding by the Local Health Integration Network and Ministry of Health and Long-Term Care. The Association received 81.03% of its revenue for the year ended March 31, 2021 (2020 - 81.39%) from the Local Health Integration Network and 12.61% of its revenue for the year ended March 31, 2021 (2020 - 11.59%) from the Ministry of Health and Long-Term Care.

CANADIAN MENTAL HEALTH ASSOCIATION - BRANT HALDIMAND NORFOLK BRANCH

NOTES TO THE FINANCIAL STATEMENTS For the year ended March 31, 2021

11. FINANCIAL INSTRUMENTS

The Association has identified the following financial risks:

Credit Risk

The Association's exposure to credit risk relates to its accounts receivable. The risk of significant credit loss is considered remote.

Liquidity Risk

Liquidity risk is the risk that the organization will encounter difficulty in meeting obligations associated with financial liabilities. Accounts payable and accrued liabilities are generally paid within 30 days.

12. COVID-19 PANDEMIC

During and subsequent to year end, the Association has been negatively impacted by the effects of the world-wide coronavirus pandemic. The Association is closely monitoring its operations, liquidity, and capital resources and is actively working to minimize the current and future impact of this unprecedented situation. As of the date of issuance of these financial statements, the full impact to the Association's financial position is not known.

On March 17, 2020, the Government of Ontario declared an emergency in response to the corona virus pandemic and prohibited organized public events of over 50 people. As a result, the Association was required to cancel its fundraising events for the foreseeable future. This represents a significant portion of the annual budget and expected cash flow. In response, the Association has adjusted its operations to reduce costs and cash flow requirements.

13. CASH FLOW FROM OPERATIONS	2021	2020
Accounts Receivable	(19,350)	56,132
Government Remittances Receivable	10,776	(30,431)
Prepaid expenses	(17,900)	-
Accounts Payable and Accrued Liabilities	13,533	135,429
Government Remittances Payable	-	(2,823)
Deferred Revenue	35,857	57,949
Due to Ministry of Health	117,557	72,737
Due to Local Health Integration Network	245,860	217,717
Replacement Reserve	17,124	16,277
	403,457	522,987

14. COMPARATIVE FIGURES

Certain of the prior year's figures, provided for purposes of comparison, have been reclassified to conform with current year's presentation.