

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

CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2023

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

For the year ended March 31, 2023

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INDEPENDENT AUDITORS' REPORT

**To the Board of Directors of
Canadian Mental Health Association, Brant-Haldimand-Norfolk Branch**

Qualified Opinion

We have audited the consolidated financial statements of Canadian Mental Health Association, Brant-Haldimand-Norfolk Branch (the 'Association'), which comprise the consolidated statement of financial position as at March 31, 2023, the consolidated statements of operations and net assets, schedule of expenditures, statement of operations and changes in fund balance - other funding, statement of operations and changes in fund balance - QuicKlean, and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at March 31, 2023, and for the year then ended in accordance with the financial provisions of Article 8 of the Service Accountability Agreement between the Canadian Mental Health Association Brant-Haldimand-Norfolk Branch and Ontario Health.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Association derives revenue from the general public in the form of donations and grants from government and other agencies, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Association. Therefore, we were not able to determine whether any adjustments might be necessary to donation and grant revenue, net income, and cash flows from operations for the years ended March 31, 2023 and 2022, current assets as at March 31, 2023 and 2022, and net assets as at April 1 and March 31 for both the 2023 and 2022 years. Our audit opinion on the financial statements for the year ended March 31, 2022 was modified accordingly because of the possible effects of this limitation in scope.

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

Emphasis of Matter - Basis of Accounting and Restriction on Use

We draw attention to Note 3 to the consolidated financial statements, which describes the basis of accounting. The consolidated financial statements are prepared to assist Canadian Mental Health Association, Brant-Haldimand-Norfolk Branch to comply with the reporting provisions of the funding agreement referred to above. As a result, the consolidated financial statements may not be suitable for another purpose. Our report is intended solely for the directors of Canadian Mental Health Association, Brant-Haldimand-Norfolk Branch and Ontario Health and should not be used by parties other than the Canadian Mental Health Association, Brant-Haldimand-Norfolk Branch or Ontario Health. Our opinion is not modified in respect of this matter.

Emphasis of Matter - Restated Comparative Information

We draw attention to Note 17 of the financial statements, which explains that certain comparative information presented for the year ended March 31, 2022 has been restated. Our opinion is not modified in respect of this matter.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of Article 8 of the Service Accountability Agreement between Canadian

Mental Health Association, Brant-Haldimand-Norfolk Branch and Ontario Health, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

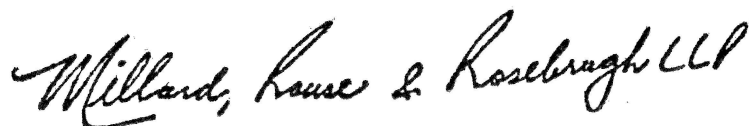
Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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



June 26, 2023
Brantford, Ontario

CHARTERED PROFESSIONAL ACCOUNTANTS
Licensed Public Accountants

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at March 31	2023	2022
	<i>Restated (Note 17)</i>	
ASSETS		
Current Assets		
Cash and bank	1,582,324	2,061,647
Accounts receivable - general	69,320	21,903
Government remittances receivable	60,357	57,972
Prepaid expenses	8,227	16,892
Investments (GICs) at Market Value	703,680	167,297
	2,423,908	2,325,711
Capital Assets (Note 4)	726,993	775,711
Assets of the Replacement Reserve (Note 6)		
Investments (GICs) at Market Value	489,535	458,288
	3,640,436	3,559,710
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	632,944	634,464
Deferred capital funding (Note 7)	273,330	284,719
Deferred revenue (Note 8)	180,868	230,322
Due to Ministry of Health Housing (Note 9)	263,480	262,505
Due to Ontario Health (Note 10)	529,832	482,678
Current portion of mortgage payable (Note 5)	40,539	39,582
	1,920,993	1,934,270
Mortgage Payable (Note 5)	217,049	257,585
Replacement Reserve (Note 6)	485,018	449,424
	702,067	707,009
	2,623,060	2,641,279
NET ASSETS - Page 5	1,017,376	918,431
	3,640,436	3,559,710

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

CONSOLIDATED STATEMENT OF OPERATIONS

For the year ended March 31	2023	2022
		<i>Restated (Note 17)</i>
Revenues		
Ontario Health		
Base program funding	6,310,121	6,226,775
Helping Ourselves Through Peer Support & Employment	288,612	288,612
Interest and cost recoveries	75,703	49,701
Helping Ourselves Through Peer Support & Employment - other	30,388	27,221
	6,704,824	6,592,309
Ministry of Health Housing		
Non-Profit Housing	181,680	154,500
Revenue dedicated to replacement reserve	(25,500)	-
Rent Supplements	898,476	898,484
Community Infrastructure Renewal Fund (CIRF)	13,759	17,098
Rental Income - Non-Profit Housing	24,093	30,208
Rental Income - Phoenix Place and Rent Supplements	337,303	333,096
Phoenix Place - other	33,255	27,992
	1,463,066	1,461,378
Other Funding and Activities		
Other Funding - Page 10	454,002	362,393
QuickKlean - Page 11	51,667	44,238
	505,669	406,631
Total Revenues	8,673,559	8,460,318
Expenditures		
Ontario Health		
Administration and Support Services - Page 6	1,419,209	1,380,204
Case Management - Mental Health - Page 6	2,063,324	2,103,805
Counselling and Treatment - Page 7	39,303	54,002
Primary Care - Mental Health - Vocational/Employment - Page 7	40,280	54,374
Primary Care - Mental Health - Diversion & Court Support - Page 7	728,234	661,394
Primary Care - Mental Health - Social Rehabilitation/Recreation - Page 7	128,987	129,378
Consumer/Survivor/Family Initiatives - H.O.P.E. - Page 7	284,446	306,632
Consumer/Survivor/Family Initiatives - Family - Page 8	57,393	64,411
Crisis Support and Safe Beds - Page 8	1,800,265	1,730,996
Addictions Treatment - Page 8	97,158	92,761
	6,658,599	6,577,957
Ministry of Health Housing		
Community Infrastructure Renewal Fund (CIRF)	12,826	17,098
Residential Services - Mental Health - Non-Profit Housing - Page 9	180,266	169,743
Residential Services - Mental Health - Rent Supplement - Page 9	1,268,059	1,195,959
	1,461,151	1,382,800
Other Funding and Activities Expenditures		
Other Funding - Page 10	367,139	325,074
QuickKlean - Page 11	39,596	30,960
	406,735	356,034
Total Expenditures	8,526,485	8,316,791
Excess of Revenues over Expenditures	147,074	143,527

See accompanying notes

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

CONSOLIDATED STATEMENT OF NET ASSETS

For the year ended March 31	2023	2022
		<i>Restated (Note 17)</i>
Net Assets - Beginning of Year	918,431	855,177
Excess of Revenues over Expenditures	147,074	143,527
Payable to Ontario Health	(47,154)	(14,354)
Payable to Ministry of Health Housing	(975)	(63,612)
Payable to FEDCAP Canada	-	(3,255)
Transfer from Replacement Reserve (Note 6)	-	948
Net Assets - End of Year	1,017,376	918,431

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

SCHEDULE OF EXPENDITURES

For the year ended March 31	2023	2022
Administration and Support Services		
Salaries	500,557	498,824
Benefits	78,275	78,113
Supplies	5,940	3,497
Staff travel and education	61,667	38,234
General	147,760	103,761
Equipment - general administration	38,593	32,268
Equipment - information systems support	63,400	41,897
Building occupancy	294,659	280,389
Contracted out - general administration	86,142	84,343
Contracted out - information systems support	66,987	161,603
Utilities	13,549	9,868
Insurance	61,680	47,407
	1,419,209	1,380,204
Case Management - Mental Health		
Salaries	1,588,022	1,629,605
Benefits	375,575	397,821
Supplies	1,899	(4,605)
Staff travel	55,912	42,310
General	25,536	20,102
Equipment	16,380	5,833
Rent	-	7,239
Pandemic supplies	-	5,500
	2,063,324	2,103,805

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

SCHEDULE OF EXPENDITURES

For the year ended March 31	2023	2022
Counselling and Treatment		
Salaries	28,698	40,241
Benefits	8,602	8,510
Staff travel	873	1,167
General	1,130	4,084
	39,303	54,002
Primary Care - Mental Health - Vocational/Employment		
Salaries	31,252	43,457
Benefits	8,253	9,971
Supplies	-	82
Staff travel and client education	-	358
General	775	506
	40,280	54,374
Primary Care - Mental Health - Diversion & Court Support		
Salaries	561,260	524,719
Benefits	127,666	111,496
Supplies	1,284	54
Staff travel	10,140	9,126
General	23,151	15,366
Equipment	4,733	633
	728,234	661,394
Primary Care - Mental Health - Social Rehabilitation/Recreation		
Salaries	95,006	99,724
Benefits	17,866	15,305
Supplies	7,711	3,465
Staff travel	3,998	2,532
General	1,506	990
Equipment	2,900	7,362
	128,987	129,378

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

SCHEDULE OF EXPENDITURES

For the year ended March 31	2023	2022
Consumer/Survivor/Family Initiatives - H.O.P.E.		
Salaries	181,591	203,085
Benefits	37,658	41,227
Supplies	8,574	9,799
Staff travel and education	10,136	3,353
General	23,285	14,137
Equipment	3,468	12,888
Building occupancy	18,709	22,143
Contracted IT	1,025	-
	284,446	306,632
Consumer/Survivor/Family Initiatives - Family		
Salaries	47,457	49,561
Benefits	8,115	8,245
Supplies	225	126
Staff travel and education	873	1,249
General	723	559
Equipment	-	4,671
	57,393	64,411
Crisis Support and Safe Beds		
Salaries	1,244,675	1,213,148
Benefits	204,604	207,198
Supplies - utilities	18,597	16,631
- general	15,374	16,413
Staff travel and education	5,699	17,431
General	40,479	21,881
Equipment	132,342	112,428
Catering	61,505	50,581
Rent	73,278	72,193
Insurance	3,712	3,092
	1,800,265	1,730,996
Addictions Treatment		
Contracted out compensation	97,158	92,761

See accompanying notes

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

SCHEDULE OF EXPENDITURES

For the year ended March 31	2023	2022
Residential Services - Mental Health - Non-Profit Housing		
Salaries	43,754	42,148
Benefits	10,594	9,278
Supplies - utilities	22,774	20,999
General - insurance	5,783	4,367
- other	5,774	4,888
Equipment	10,062	4,070
Building occupancy - general	18,972	21,353
- bad debts	-	145
- replacement reserve	6,660	6,660
- building amortization	37,913	38,573
- mortgage interest	7,541	7,011
- municipal taxes	10,439	10,251
	180,266	169,743
Residential Services - Mental Health - Rent Supplement		
Supplies - utilities	160,807	150,871
Building occupancy - market rent	1,057,982	1,013,888
- addictions (ASH units)	49,270	31,200
	1,268,059	1,195,959

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

STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE - OTHER FUNDING

For the year ended March 31	2023	2022
		<i>Restated (Note 17)</i>
Revenues		
Fundraising	122,790	39,919
ENSH	108,196	96,571
MRS	98,388	100,393
MTCU - Sustainable Employment Initiative	69,075	71,506
- Interest Income	2	4
City of Brantford - Investment in Affordable Housing	55,551	54,000
	454,002	362,393
Expenditures		
Mental Health Promotion	89,283	29,204
Community Homes for Opportunity	-	243
ENSH	65,483	56,442
MRS	81,623	105,538
Fundraising	7,722	10,716
MTCU - Sustainable Employment Initiative	70,801	68,637
City of Brantford - Investment in Affordable Housing	52,227	53,830
Brantford Drug Outreach	-	464
	367,139	325,074
Excess of Revenues over Expenditures	86,863	37,319
Net Assets - Beginning of Year	289,652	252,333
Net Assets - End of Year	376,515	289,652

See accompanying notes

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

STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE - QUICKLEAN

For the year ended March 31	2023	2022
Revenues		
Business revenue	44,954	42,021
Interest	2,517	202
Donations	4,196	2,015
	51,667	44,238
Expenditures		
General expenses	10,443	7,165
Cleaning supplies	15,651	11,185
Wages	12,867	12,047
Employee benefits	635	563
	39,596	30,960
Excess of Revenues over Expenditures	12,071	13,278
Net Assets - Beginning of Year	72,163	58,885
Net Assets - End of Year	84,234	72,163

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended March 31	2023	2022
		<i>Restated (Note 17)</i>
Cash Flows From Operating Activities		
Revenues over Expenditures	147,074	143,527
Ontario Health/Ministry of Health/FEDCAP recoveries	(48,129)	(81,221)
Transfer from Replacement Reserve	-	948
Charge (credit) to income not involving cash		
Amortization	48,718	49,828
	147,663	113,082
Net change in non-cash working capital balances related to operations (Note 14)	(19,777)	11,502
	127,886	124,584
Cash Flows From Financing Activities		
Mortgage payable	(39,579)	(39,703)
Cash Flows From Investing Activities		
Investments - restricted	(31,247)	(18,977)
Investments - unrestricted	(536,383)	(26,070)
	(567,630)	(45,047)
Net Decrease in Cash and Bank	(479,323)	39,834
Opening Cash and Bank	2,061,647	2,021,813
Closing Cash and Bank	1,582,324	2,061,647
Cash and Bank Comprised of:		
Cash	1,582,324	2,061,647

See accompanying notes

CANADIAN MENTAL HEALTH ASSOCIATION, BRANT-HALDIMAND-NORFOLK BRANCH

NOTES TO THE FINANCIAL STATEMENTS For the year ended March 31, 2023

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. BASIS FOR CONSOLIDATION

The Canadian Mental Health Association, Brant-Haldimand-Norfolk Branch internally reserves a portion of their Ontario Health funded budget for Helping Ourselves Through Peer Support and Employment (H.O.P.E.), as a separate legal, not-for-profit entity. In the current year \$288,612 (2022 - \$288,612) was internally committed. Additionally, H.O.P.E. supplements its activities through its QuickKlean operations which are presented as a separate statement included in these consolidated financial statements. The combined surplus of H.O.P.E. and QuickKlean in the year was \$47,650 (2022 - \$22,476). QuickKlean surpluses are rolled into the operating reserve.

3. 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 Ontario Health. 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.

Funding received in relation to the purchase of land and buildings are recognized as deferred liabilities and recognized as revenue along with the corresponding amortization.

(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 under the Ministry of Health Housing program are amortized based on the amount of principal repaid annually on the related mortgage. These policies are in accordance with Ministry of Health Housing guidelines for reporting Capital Assets.

All land and properties under the Erie North Shore Housing program [ENSH] are amortized at a rate of 4%.

CANADIAN MENTAL HEALTH ASSOCIATION, BRANT-HALDIMAND-NORFOLK BRANCH

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2023

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Excess of Revenue over Expenditure

Any Ministry of Health Housing 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.

(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

Financial assets and liabilities are recognized when the Society becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are derecognized when the rights and obligations to receive or repay cash flows from the assets and liabilities have expired or have transferred and the Society has transferred substantially all the risks and rewards of ownership.

The Society initially recognizes all its financial assets and liabilities originated or exchanged in arm's length transactions at fair value and subsequently at amortized cost, except for investments in equity instruments, which are recorded at fair value. Changes in fair value are recognized in the statement of operations and changes in fund balances. Financial assets, at amortized cost, are tested for impairment at the end of each reporting period when there are indicators the assets may be impaired.

Transactions are recorded on a trade date basis and transaction costs are expensed as incurred.

4. CAPITAL ASSETS	Cost	Accumulated Amortization	2023	2022
				<i>Restated (Note 17)</i>
Land and buildings - MOH	897,241	636,857	260,384	298,297
Land and buildings - ENSH	829,211	362,602	466,609	477,414
	1,726,452	999,459	726,993	775,711

The Association accounts for capital assets as noted in note 3(c).

CANADIAN MENTAL HEALTH ASSOCIATION, BRANT-HALDIMAND-NORFOLK BRANCH

NOTES TO THE FINANCIAL STATEMENTS For the year ended March 31, 2023

5.	MORTGAGE PAYABLE	2023	2022
	2.27% mortgage payable to the Canada Mortgage and Housing Corporation, due in monthly installments of \$1,795 on account of principal and interest, due April 1, 2027	83,934	103,381
	2.99% mortgage payable to the First National Financial LP, due in monthly installments of \$2,135 on account of principal and interest, due October 1, 2024	173,654	193,786
		257,588	297,167
	Less: current portion	40,539	39,582
		217,049	257,585

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:

2024 - 39,583 2025 - 40,538 2026 - 41,646 2027 - 42,743 2028 - 43,884

6.	REPLACEMENT RESERVES	Homeless	RGI	2023	2022
	Balance - Beginning of Year	153,185	296,239	449,424	439,311
	Transfer to operations	-	-	-	-
	Transfer from operations	1,600	6,660	8,260	8,260
	Interest income for the year	-	2,031	2,031	2,801
	Transfer to Surplus	(197)	25,500	25,303	(948)
	Balance - End of Year	154,588	330,430	485,018	449,424

The Ministry of Health Housing requires the Association to fund contributions to the replacement reserve from operations. In the prior year, the Organization began consolidating its investment approach and invested an additional \$8,864 into the GIC replacement reserve investment. The excess invested amount remains at \$4,517 at the current year end.

CANADIAN MENTAL HEALTH ASSOCIATION, BRANT-HALDIMAND-NORFOLK BRANCH

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2023

7. DEFERRED CAPITAL FUNDING

Capital funding for the initial purchase of the Erie Shore North Housing [ENSH] properties was provided in the amount of 667,143. This funding has been deferred and is being recognized into revenue at a rate of 4%, in conjunction with the amortization rates on the initial purchase. As of March 31, 2023, the amount of undeferred capital funding was \$273,330 (2022 - \$284,719).

8. DEFERRED REVENUE

	2023	2022
		<i>Restated (Note 17)</i>
Suicide Prevention Fund	9,933	9,933
Alternatives Program	24,612	20,710
Consumer Resources Fund HN	3,660	6,461
H.O.P.E. Revenue	24,154	17,946
Consumer Resources Fund Brant	20,645	23,440
Court Program Brant	-	12
Imperial Oil donation for spring conference	-	20,000
Family Initiative	2,480	2,480
R.A.C.E. Brant	-	96
R.A.C.E. HN	499	403
Lyons Ave Cable & Cleaning Fund	202	407
HPE - Mental Health Week	34,970	50,964
Christmas Party	4,130	3,941
Family Resources Fund Brant	32,022	31,922
Court Program HN	683	672
Tenant Rent	12,328	11,977
Norfolk Housing Subsidy	9,350	9,350
Campus Mental Health Project	-	16,100
Mental Health Week	1,200	3,508
	180,868	230,322

9. DUE TO MINISTRY OF HEALTH HOUSING

	2023	2022
Year ended March 31, 2019 repayable	8,114	8,114
Year ended March 31, 2020 repayable	73,222	73,222
Year ended March 31, 2021 repayable	117,557	117,557
Year ended March 31, 2022 repayable	63,612	63,612
Year ended March 31, 2023 repayable	975	-
	263,480	262,505

CANADIAN MENTAL HEALTH ASSOCIATION, BRANT-HALDIMAND-NORFOLK BRANCH

NOTES TO THE FINANCIAL STATEMENTS For the year ended March 31, 2023

10. DUE TO ONTARIO HEALTH	2023	2022
Year ended March 31, 2019 repayable	1,935	1,935
Year ended March 31, 2020 repayable	218,500	218,500
Year ended March 31, 2021 repayable	247,889	247,889
Year ended March 31, 2022 repayable	14,354	14,354
Year ended March 31, 2023 repayable	47,154	-
	529,832	482,678

11. 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.

12. ECONOMIC DEPENDENCE

The Canadian Mental Health Association, Brant-Haldimand-Norfolk Branch is primarily funded by Ontario Health and the Ministry of Health Housing and its ongoing existence is dependent upon continued funding by Ontario Health and Ministry of Health Housing. The Association received 76.18% of its revenue for the year ended March 31, 2023 (2022 - 77.12%) from Ontario Health and 12.33% of its revenue for the year ended March 31, 2023 (2022 - 12.67%) from the Ministry of Health Housing.

CANADIAN MENTAL HEALTH ASSOCIATION, BRANT-HALDIMAND-NORFOLK BRANCH

NOTES TO THE FINANCIAL STATEMENTS For the year ended March 31, 2023

13. 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.

14. CASH FLOW FROM OPERATIONS	2023	2022
		<i>Restated (Note 17)</i>
Accounts receivable	(47,417)	14,045
Government remittances receivable	(2,385)	16,151
Prepaid expenses	8,665	1,008
Accounts payable and accrued liabilities	(1,520)	(81,901)
Deferred capital funding	(11,389)	-
Deferred revenue	(49,454)	30,683
Due to Ministry of Health Housing	975	55,902
Due to Ontario Health	47,154	(34,499)
Replacement reserve	35,594	10,113
	(19,777)	11,502

15. COMPARATIVE FIGURES

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

16. PUBLIC SECTOR SALARY DISCLOSURE ACT

The *Public Sector Salary Disclosure Act*, 1996, requires organizations to disclose annually the names, positions, salaries, and taxable benefits of employees paid \$100,000 or more in 2022. In 2022, Canadian Mental Health Association, Brant-Haldimand-Norfolk Branch had one employee paid \$100,000 or more in the calendar year. This information can be found on the Ministry of Finance website at:

<https://www.ontario.ca/public-sector-salary-disclosure/2022/all-sectors-and-seconded-employees/>

CANADIAN MENTAL HEALTH ASSOCIATION, BRANT-HALDIMAND-NORFOLK BRANCH

NOTES TO THE FINANCIAL STATEMENTS For the year ended March 31, 2023

17. RESTATEMENT OF COMPARATIVE FIGURES

The prior year's figures, provided for comparison, have been restated or reclassified as follows:

	Original Balance	Adjustments	Adjusted Balance
Assets			
Capital Assets	298,297	477,414	775,711
Liabilities			
Deferred Revenue	230,322	284,719	515,041
Statement of Operations			
Other funding - revenue	350,530	11,863	362,393
Other funding - expenditures	313,819	11,255	325,074
Excess of Revenues over Expenditures	142,919	608	143,527
Net Assets			
Net Assets - Beginning of Year	663,087	192,090	855,177
Net Assets - End of Year	725,733	192,698	918,431

During the year, it was determined that there were capital assets in the form of land and buildings that were not recorded in the financial statements that were part of the amalgamation in the March 31, 2017 fiscal year. The properties were owned by the former Canadian Mental Health Association of Haldimand-Norfolk and were cleared out during amalgamation with the former Canadian Mental Health Association of Brant.

The land and building had been purchased through a funded grant and had been presented as deferred funding on the former Haldimand-Norfolk organizations statement of financial position.

The misstatement resulted in an understatement in capital assets, deferred revenue and net assets.