

CANADIAN MENTAL HEALTH ASSOCIATION MANITOBA AND WINNIPEG INC
Financial Statements
Year Ended March 31, 2025

CANADIAN MENTAL HEALTH ASSOCIATION MANITOBA AND WINNIPEG INC

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INDEPENDENT AUDITOR'S REPORT

To the Members of Canadian Mental Health Association Manitoba and Winnipeg Inc

Opinion

We have audited the financial statements of Canadian Mental Health Association Manitoba and Winnipeg Inc (the "organization"), which comprise the statement of financial position as at March 31, 2025, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2025, 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 (ASNPO).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the organization in accordance with 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 opinion.

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 ASNPO, 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 organization'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 the organization or to cease operations, or has no realistic alternative but to do so.

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

Auditor's 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 auditor's 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.

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Independent Auditor's Report to the Members of Canadian Mental Health Association Manitoba and Winnipeg Inc (*continued*)

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 organization'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 organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the organization 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.



Winnipeg, MB
May 27, 2025

CHARTERED PROFESSIONAL ACCOUNTANTS

CANADIAN MENTAL HEALTH ASSOCIATION MANITOBA AND WINNIPEG INC

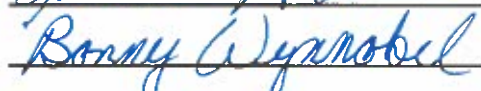
Statement of Financial Position

March 31, 2025

	2025	2024
ASSETS		
CURRENT		
Cash	\$ 3,239,153	\$ 2,150,388
Term deposits	400,000	400,000
Accounts receivable	419,204	262,981
Interest receivable	13,598	-
Goods and services tax recoverable	30,738	67,199
Prepaid expenses	124,405	75,600
	4,227,098	2,956,168
CAPITAL ASSETS (Note 6)	2,290,781	2,392,217
LONG TERM INVESTMENTS (Note 7)	1,332,131	1,345,299
	\$ 7,850,010	\$ 6,693,684
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 681,677	\$ 470,188
Current portion of long term debt (Note 9)	67,000	87,486
Deferred contributions	2,755,577	2,190,296
	3,504,254	2,747,970
LONG TERM DEBT (Note 9)	1,272,094	1,318,044
OPERATING RESERVE FUND	70,000	70,000
DEFERRED CAPITAL CONTRIBUTIONS	470,793	502,909
	5,317,141	4,638,923
NET ASSETS		
Unrestricted surplus	912,350	431,356
Restricted surplus	1,139,625	1,139,625
Invested in capital assets	480,894	483,780
	2,532,869	2,054,761
	\$ 7,850,010	\$ 6,693,684

ON BEHALF OF THE BOARD

 Director

 Director

See notes to financial statements

CANADIAN MENTAL HEALTH ASSOCIATION MANITOBA AND WINNIPEG INC

Statement of Revenues and Expenditures

Year Ended March 31, 2025

	2025	2024
REVENUES		
Province of Manitoba	\$ 2,988,935	\$ 2,667,369
Winnipeg Regional Health Authority	1,874,081	1,890,856
United Way	987,593	979,690
Donations and fundraising	453,041	485,653
CMHA Grants	389,235	364,342
Interlake East Regional Health Authority	320,364	320,352
Revenue recognized from deferred	313,710	4,159
End Homelessness Winnipeg	277,079	237,561
Projects and other miscellaneous revenue	239,933	167,154
Training revenue	76,812	132,505
Interest income	68,390	699
Unrealized gain/loss on investments	45,695	131,620
Revenue from deferred capital contributions	32,117	37,435
RBC Foundation	22,934	98,446
Province of Manitoba Department of Families	20,351	-
Expense recoveries	16,941	10,197
Winnipeg Foundation	400	376
	8,127,611	7,528,414
EXPENSES		
Amortization	101,437	111,853
Fundraising expense	20,639	8,166
Meeting and conferences	36,686	44,920
Occupancy	414,207	349,688
Office	517,934	566,265
Operating expense	462	7,973
Programming expenses	700,443	485,697
Public education	11,909	167,389
Purchased services	354,862	325,469
Staff recruitment and development	40,508	19,181
Wages and benefits	5,450,416	5,130,488
	7,649,503	7,217,089
EXCESS OF REVENUES OVER EXPENSES	\$ 478,108	\$ 311,325

See notes to financial statements

CANADIAN MENTAL HEALTH ASSOCIATION MANITOBA AND WINNIPEG INC

Statement of Changes in Net Assets

Year Ended March 31, 2025

	Unrestricted Surplus	Restricted Surplus	Invested in Capital Assets	2025	2024
NET ASSETS - BEGINNING OF YEAR	\$ 431,356	\$ 1,139,625	\$ 483,780	\$ 2,054,761	\$ 1,743,436
EXCESS OF REVENUES OVER EXPENSES	480,994	-	(2,886)	478,108	311,325
NET ASSETS - END OF YEAR	\$ 912,350	\$ 1,139,625	\$ 480,894	\$ 2,532,869	\$ 2,054,761

See notes to financial statements

CANADIAN MENTAL HEALTH ASSOCIATION MANITOBA AND WINNIPEG INC

**Statement of Cash Flows
Year Ended March 31, 2025**

	2025	2024
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 478,108	\$ 311,325
Item not affecting cash:		
Amortization of capital assets	101,437	111,853
	<u>579,545</u>	<u>423,178</u>
Changes in non-cash working capital:		
Accounts receivable	(156,223)	371,529
Interest receivable	(13,598)	-
Accounts payable	211,488	(335,791)
Deferred contributions	565,281	949,765
Prepaid expenses	(48,805)	51,703
Goods and services tax payable	36,461	(27,753)
Deferred capital contributions	(32,116)	(37,435)
	<u>562,488</u>	<u>972,018</u>
Cash flow from operating activities	<u>1,142,033</u>	<u>1,395,196</u>
INVESTING ACTIVITIES		
Long term Investments	13,168	(131,620)
Amalgamation	-	4,735
Cash flow from (used by) investing activities	<u>13,168</u>	<u>(126,885)</u>
FINANCING ACTIVITY		
Repayment of long term debt	(66,436)	(62,863)
INCREASE IN CASH FLOW	1,088,765	1,205,448
Cash - beginning of year	<u>2,550,388</u>	<u>1,344,940</u>
CASH - END OF YEAR	<u>\$ 3,639,153</u>	<u>\$ 2,550,388</u>

See notes to financial statements

CANADIAN MENTAL HEALTH ASSOCIATION MANITOBA AND WINNIPEG INC

Notes to Financial Statements

Year Ended March 31, 2025

1. PURPOSE OF THE ASSOCIATION

Canadian Mental Health Association, Manitoba and Winnipeg Inc. (the Association) is organized with the mission that people with mental illness are full participants in society. The Association is incorporated under the Corporations Act of Manitoba and is a registered charity under the Income Tax Act.

2. BASIS OF PRESENTATION

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Net assets

- a) Net assets invested in capital assets represents the organization's net investment in capital assets which is comprised of the unamortized amount of capital assets purchased with restricted funds.
- b) Internally restricted net assets are funds which have been designated for a specific purpose by the organization's Board of Directors.
- c) Unrestricted net assets comprise the excess of revenue over expenses accumulated by the organization each year, not of transfers, and are available for general purposes.

Revenue recognition

Canadian Mental Health Association Manitoba and Winnipeg Inc follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

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CANADIAN MENTAL HEALTH ASSOCIATION MANITOBA AND WINNIPEG INC

Notes to Financial Statements

Year Ended March 31, 2025

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital assets

Capital assets are stated at cost less accumulated amortization. Capital assets are amortized over their estimated useful lives at the following rates and methods:

Buildings	4%	declining balance method
Furniture and equipment	20%	declining balance method
Computer equipment	30%	declining balance method

4. CASH

	<u>2025</u>	<u>2024</u>
Cash	\$ 3,239,153	\$ 2,150,388

5. PREPAID EXPENSES

	<u>2025</u>	<u>2024</u>
Prepaid insurance	\$ 12,688	\$ 11,572
Prepaid expenses - other	111,717	64,028
	\$ 124,405	\$ 75,600

6. CAPITAL ASSETS

	Cost	Accumulated amortization	<u>2025 Net book value</u>	<u>2024 Net book value</u>
Land	\$ 300,000	\$ -	\$ 300,000	\$ 300,000
Buildings	3,223,168	1,302,683	1,920,485	2,000,505
Furniture and equipment	358,580	310,118	48,462	60,521
Computer equipment	201,066	188,975	12,091	17,272
Computer software	63,036	53,293	9,743	13,919
	\$ 4,145,850	\$ 1,855,069	\$ 2,290,781	\$ 2,392,217

7. LONG TERM INVESTMENTS

	<u>2025</u>	<u>2024</u>
RBC Dominion - Cash Holding Portfolio	\$ 115,000	\$ 115,000
RBC Dominion - Advisor Alternative Portfolio	425,000	425,000
RBC Dominion - Managed Equity Portfolio	660,000	660,000
	\$ 1,200,000	\$ 1,200,000
Market value	\$ 1,332,131	\$ 1,345,299

CANADIAN MENTAL HEALTH ASSOCIATION MANITOBA AND WINNIPEG INC

Notes to Financial Statements

Year Ended March 31, 2025

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2025</u>	<u>2024</u>
Accounts payable	\$ 214,301	\$ 18,253
Accrued liabilities	28,186	32,257
Accrued wages	<u>439,192</u>	<u>419,678</u>
	\$ 681,679	\$ 470,188

9. LONG TERM DEBT

	<u>2025</u>	<u>2024</u>
Caisse Groupe Financier Ltee loan bearing interest at 5.75% per annum, repayable in monthly blended payments of \$12,100. The loan matures on April 30, 2028 and is secured by a general security agreement, a first ranked multi-purpose mortgage on the building, assignment of rent and leases, and fire insurance.	\$ 1,339,094	\$ 1,405,530
Amounts payable within one year	<u>(67,000)</u>	<u>(87,486)</u>
	\$ 1,272,094	\$ 1,318,044

Principal repayment terms are approximately:

2026	\$ 67,000
2027	69,000
2028	71,500
2029	73,500
2030	76,000
Thereafter	<u>982,094</u>
	\$ 1,339,094

10. DEFERRED CAPITAL CONTRIBUTIONS

	<u>2025</u>	<u>2024</u>
Balance, beginning of year	\$ 502,909	\$ 540,344
Contributions received during year	-	-
Less: amortized to revenue	<u>(32,116)</u>	<u>(37,435)</u>
	\$ 470,793	\$ 502,909

CANADIAN MENTAL HEALTH ASSOCIATION MANITOBA AND WINNIPEG INC

Notes to Financial Statements

Year Ended March 31, 2025

11. RESTRICTED NET ASSETS

In 2015, management established two internally restricted funds, one for special projects and a reserve fund per EL 1.3.1 using excess donations received from various fundraisers. The special project fund is established to address programming priorities. The reserve fund is to be used for unforeseen circumstances not covered through normal revenue streams and upon dissolution to fund severances and pay outstanding obligations. During 2018, the board restricted a \$1,000,000 donation received and any revenues earned from donation during the year and transferred that to the reserve fund. Annually the interest earned on the restricted funds is transferred into the restricted fund.

	<u>2025</u>	<u>2024</u>
Special projects fund	\$ 82,237	\$ 82,237
Reserve fund	1,057,388	1,057,388
	-	-
	<u>\$ 1,139,625</u>	<u>\$ 1,139,625</u>

12. EMPLOYEE BENEFIT PLAN

All employees of the Association are members of the United Way Agencies' Employee Benefits Plan, a multi-employer defined benefits plan, which will provide employee pension benefits based on a calculation of gross basic earnings and contributing services.

The employees and the Association each contribute 7% (2024 - 7%) of their monthly gross basic earnings, up to the Yearly Maximum Pensionable Earnings (YMPE) as set annually by the Canada Pension Plan (2025 - \$71,300) (2024-\$68,500) and 8.75% (2024 - 8.75%) of their earnings above the YMPE. This plan, to which contributions for the Association during the year totalled \$276,861 (2024 - \$259,366) is accounted for as a defined contribution plan.

13. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of March 31, 2025.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, long term debt, obligations under capital leases, contributions to the pension plan, and accounts payable.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The organization is mainly exposed to currency risk and interest rate risk.

Currency risk

(continues)

CANADIAN MENTAL HEALTH ASSOCIATION MANITOBA AND WINNIPEG INC

Notes to Financial Statements

Year Ended March 31, 2025

13. FINANCIAL INSTRUMENTS (continued)

Currency risk is the risk to the organization's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The organization is exposed to foreign currency exchange risk on its US dollar investment portfolio. The organization does not use derivative instruments to reduce its exposure to foreign currency risk.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the organization manages exposure through its normal operating and financing activities. The organization is exposed to interest rate risk primarily through its floating interest rate bank indebtedness and credit facilities.

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant other price risks arising from these financial instruments.

14. INDEMNIFICATION

The Association has indemnified its present and future directors, officers and employees against expenses, judgments and any amount actually or reasonably incurred by them in connection with any action, suit or proceeding in which the directors are sued as a result of their service, if they acted honestly and in good faith with a view to the best interest of the Association. The nature of the indemnity prevents the Association from reasonably estimating the maximum exposure. The Association has purchased directors' and officers' insurance with respect to this indemnification.

15. PROVINCE OF MANITOBA DEPARTMENT OF FAMILIES FUNDING RECONCILIATION

	<u>2025</u>
Association reporting	
Total funding per Association	\$ 20,351
Add amount deferred to 25/26 fiscal	24,649
 Province of Manitoba Department of Families	
Per Department of Families Funding Confirmation	<u>45,000</u>
 Difference	<u>\$ -</u>

16. STATEMENT OF REVENUES AND EXPENDITURES SUMMARY

	<u>Revenues</u>	<u>Expenses</u>	<u>Net total</u>
Agency	\$ 1,724,204	\$ 1,274,149	\$ 450,055
Bounce Back - CMHA National	200,000	200,704	(704)
Bounce Back - RBC	22,934	22,934	-
Bounce Back - WRHA	150,000	150,035	(35)
Care for All in Education	299,144	299,144	-
CMHA Projects	169,790	115,570	54,220
Community Housing Support	658,732	660,779	(2,047)
Divisional Support	151,900	154,247	(2,347)
Employment with Support -CMHA Toronto	189,235	189,235	-
Employment with Support - Province of Manitoba	208,000	208,551	(551)
Employment with Support - Youth	46,197	46,197	-

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CANADIAN MENTAL HEALTH ASSOCIATION MANITOBA AND WINNIPEG INC

Notes to Financial Statements

Year Ended March 31, 2025

16. STATEMENT OF REVENUES AND EXPENDITURES SUMMARY *(continued)*

	Revenues	Expenses	Net total
Futures Forward	239,305	241,264	(1,959)
Housing Expansion	1,340,817	1,340,817	-
OCD Centre	200,813	201,795	(982)
OSI - Can	15,470	15,470	-
Portable Housing Benefit	135,520	135,979	(459)
Reaching Home	106,366	106,436	(70)
Recovery College	148,645	148,645	-
Rehabilitation Services - Selkirk	320,364	321,283	(919)
Rehabilitation Services - WRHA	1,058,568	1,064,533	(5,965)
Rise	61,791	61,769	22
Selkirk Portable Rehab	101,640	102,520	(880)
Thrival Kits	123,543	123,543	-
United Way Older Adult	139,769	139,769	-
Wellness Skills Support	288,100	297,253	(9,153)
Youth Hub Initiative	531,071	531,071	-
Youth Mental Health Education	106,491	106,609	(118)
	\$ 8,738,409	\$ 8,260,301	\$ 478,108
