EveryMind Mental Health Services

Financial Statements

March 31, 2025

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Independent Auditor's Report

To the Board of Directors of EveryMind Mental Health Services

Opinion

We have audited the financial statements of EveryMind Mental Health Services (the "Organization"), which comprise the statement of financial position as at March 31, 2025, and the statements of operations, 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 its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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 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 opinion.

Responsibility 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 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 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.

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.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Oakville, Ontario
June 9, 2025

EveryMind Mental Health Services

Statement of Financial Position

As at March 31

	2025 $	2024 $
Assets		
Current assets		
Cash	2,284,286	1,591,889
Short-term investment (note 13)	6,500,000	5,500,000
Accounts receivable	171,015	268,920
GST/HST recoverable	226,932	176,374
Prepaid expenses	210,640	74,962
	9,392,873	7,612,145
Capital assets (note 3)	926,813	1,484,436
	10,319,686	9,096,581
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 11)	752,678	625,936
Deferred contribution grants (note 6)	4,525,088	4,417,054
Mortgages payable (note 4)	-	12,337
	5,277,766	5,055,327
Mortgages payable (note 4)	-	210,627
Deferred contributions related to capital assets (note 5)	115,495	307,051
	5,393,261	5,573,005
Net assets		
Internally restricted	4,926,425	3,523,576
	10,319,686	9,096,581

Commitments (note 8)

Approved by the Board of Directors

Director

Director

The accompanying notes are an integral part of these financial statements.

EveryMind Mental Health Services

Statement of Operations

For the year ended March 31

	2025 $	2024 $
Revenue		
Province of Ontario	21,876,958	19,764,945
Service fees	113,111	437,425
Region of Peel	3,107,405	2,870,667
Fundraising, grants and interest income (note 9)	499,640	550,476
	25,597,114	23,623,513
Operating costs		
Salaries and benefits	20,409,292	19,012,044
Purchased services	1,495,205	1,321,210
Building occupancy (note 4)	1,699,151	1,609,410
Program and operating	2,116,336	1,838,067
HST/GST recoveries	(365,477)	(295,160)
	25,354,507	23,485,571
Excess of revenue over operating costs before the undernoted items	242,607	137,942
Amortization of deferred contributions related to capital assets (note 5)	191,556	80,047
Amortization of capital assets	(277,113)	(296,231)
Excess (deficiency) of revenue over operating costs before gain on sale of capital assets	157,050	(78,242)
Gain on sale of capital assets (note 3)	1,245,799	-
Excess (deficiency) of revenue over operating costs for the year	1,402,849	(78,242)

EveryMind Mental Health Services

Statement of Changes in Net Assets

For the year ended March 31

	2025		
	Unrestricted $	Internally restricted $	Total $
Balance - Beginning of year	-	3,523,576	3,523,576
Transfer from internally restricted (note 7)	675,000	(675,000)	-
Excess of revenue over operating costs	1,402,849	-	1,402,849
Transfer of internally restricted (note 7)	(2,077,849)	2,077,849	-
Balance - End of year	-	4,926,425	4,926,425

	2024		
	Unrestricted $	Internally restricted $	Total $
Balance - Beginning of year	-	3,601,818	3,601,818
Transfer from internally restricted (note 7)	675,000	(675,000)	-
Deficiency of revenue over operating costs	(78,242)	-	(78,242)
Transfer to internally restricted (note 7)	(596,758)	596,758	-
Balance - End of year	-	3,523,576	3,523,576

EveryMind Mental Health Services

Statement of Cash Flows

For the year ended March 31

	2025 $	2024 $
Cash provided by (used in)		
Operating activities		
Excess (deficiency) of revenue over operating costs for the year	1,402,849	(78,242)
Adjustments of non-cash items		
Amortization of capital assets	277,113	296,231
Amortization of deferred contributions related to capital assets	(191,556)	(80,047)
Gain on sale of capital assets	(1,245,799)	-
Net changes in working capital items		
Accounts receivable	97,905	(248,446)
GST/HST recoverable	(50,558)	23,417
Prepaid expenses	(135,678)	(10,974)
Accounts payable and accrued liabilities	126,742	(421,981)
Deferred contribution grants	108,034	1,333,607
	389,052	813,565
Investing activities		
Purchase of capital assets	(355,306)	(125,275)
Net proceeds on sale of capital assets	1,881,615	-
Purchase of short-term investments	(6,500,000)	(5,500,000)
Proceeds from sale of short-term investments	5,500,000	6,000,000
	526,309	374,725
Financing activity		
Repayments of mortgages payable	(222,964)	(11,436)
Change in cash during the year	692,397	1,176,854
Cash - Beginning of year	1,591,889	415,035
Cash - End of year	2,284,286	1,591,889

EveryMind Mental Health Services

Notes to Financial Statements

March 31, 2025

1. Nature of activities

On April 1, 2020, EveryMind Mental Health Services (the Organization or EveryMind) was incorporated under the laws of the Province of Ontario as a non-share capital corporation.

Its purpose is to maintain a children's mental health centre under the Child Family Services Act, 1984.

The Organization is designated as a registered charity and accordingly is not subject to income tax and is entitled to issue official income tax receipts in respect of contributions.

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 (ASNPO) supplied within the framework of the accounting policies summarized below.

Revenue recognition

The Organization follows the deferral method of accounting for contributions, which include donations from fundraising and government grants from the Province of Ontario and the Region of Peel.

The Organization is funded by the Province of Ontario in accordance with budget arrangements by the Ministry of Health and Ministry of Children, Community and Social Services (the Ministry). Operating grants are recorded as revenue in the period to which they relate. For grants approved and services provided, but for which funds were not received at the end of an accounting period, a receivable is accrued and recorded as revenue. Where a grant has been received and a portion of it relates to a future period or is provided for a specific use, it is deferred and recognized in a subsequent period or when the related expenses are incurred.

Revenue earned from service fees is recognized when the service is performed in accordance with a predetermined arrangement.

Contributions restricted for the purchase of capital assets are deferred and amortized into revenue on a straight-line basis, at a rate corresponding with the amortization rate for the related capital assets. Contributions restricted for the purchase of land are recognized as direct increases in net assets.

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.

Contributed services and materials

The work of the Organization is supported by contributions of services and materials. The Organization does not record the value of contributed services unless the fair value can be reasonably estimated, and the services are normally purchased by the Organization and would be paid for if not contributed.

The value of the services contributed by volunteers is not reflected in these financial statements.

Financial instruments

Financial instruments are recorded at fair value on initial recognition. Financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instrument at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized on a straight-line basis. Interest expense on financial liabilities is recorded in program and operating costs in the statement of operations.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Organization determines whether there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of, (i) the present value of the expected cash flows; (ii) the amount that could be realized from selling the financial asset; or (iii) the amount the Organization expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value. Impairments are recognized through the use of an allowance account, with a corresponding charge in the statement of operations.

It is management's opinion that the Organization is not exposed to significant market rate risk, credit risk and foreign currency risk.

Credit risk

Credit risk refers to the risk a counterparty may default on its contractual obligations, resulting in a financial loss. Financial instruments that potentially subject the Organization to credit risk consist principally of cash. The Organization's cash is maintained at a major financial institution; therefore, the Organization considers the risk of non-performance of this instrument to be remote.

Liquidity risk

Liquidity risk is the risk EveryMind will not be able to meet its financial obligations as they fall due. EveryMind manages its liquidity risk by forecasting cash flows from operations and anticipating activities to ensure it has sufficient available funds to meet current and foreseeable financial requirements.

Interest rate risk

Interest on EveryMind's mortgages is variable based on the lender's prime rates. This exposes EveryMind to the risk of changing interest rates that may have an effect on earnings in future years. EveryMind does not use derivative instruments to reduce its exposure to interest rate risk. The mortgage was paid in full during the year therefore the interest rate risk is nil at year end.

Internally restricted amounts

The internally restricted amounts have been restricted by a motion of the Board of Directors (the Board) to be used to fund future period operations and other special projects. Use of the amount is at the discretion of the Board.

On an annual basis, the Board approves the use of the internally restricted amount to fund the operations up to a maximum amount based on the annual budget. Any amount required in excess of this approved amount or for additional special projects are approved by the Board on an ad hoc basis.

Capital assets

Capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expenses. Betterments that extend the estimated life of an asset are capitalized. When a capital asset no longer contributes to the Organization's ability to provide services, its carrying amount is written down to its net realizable value. Amortization is based on a straight-line basis as follows:

Buildings	20 years
Buildings - Kitchen, roof	15 years
Buildings - Bathroom, driveway, flooring, furnace	10 years
Furniture and equipment	5 years
Computer hardware and software	3 years
Automobile	5 years
Leasehold improvements	over the lease term

Use of Estimates

The preparation of financial statements in accordance with ASNPO requires management to make estimates and assumptions that may affect the reported amounts of certain assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and operating costs during the reporting period. Actual results could differ from those estimates.

3. Capital assets

			2025	2024
	Cost $	Accumulated amortization $	Net $	Net $
Land	112,683	-	112,683	472,763
Building	2,900,030	2,563,010	337,020	582,518
Furniture and equipment	1,280,235	1,233,791	46,444	97,496
Computer hardware and software	1,653,726	1,534,125	119,601	69,724
Automobile	213,615	147,192	66,423	39,081
Leasehold improvements	1,168,581	923,939	244,642	222,854
	7,328,870	6,402,057	926,813	1,484,436

During the year, the Organization sold its property located at 1751 Queen Street for total proceeds of $3,100,000. The sale resulted in a gain of $1,245,799, which has been recognized in the statement of operations. In accordance with the agreement dated April 19, 2010, with the Minister of Children, Community and Social Services (the Ministry), the Ministry held a 39% proportionate interest in the property. Accordingly, upon sale, $1,062,253 of the net proceeds were remitted to the Minister in recognition of their ownership share.

4. Mortgage payable

	2025 $	2024 $
Mortgage payable on property in Brampton, Ontario, repayable in monthly instalments of $2,102 principal and interest combined, bearing a variable interest rate of prime (2024 - prime), due April 2025; total interest paid on the mortgage during fiscal 2025 was $10,889 (2024 - $16,309)	-	222,964
Less: Current portion	-	12,337
	-	210,627

The mortgage was secured by related property. Interest expense has been included in building occupancy costs.

The mortgage related to the property was paid and discharged in full upon completion of the sale of the property (note 3).

5. Deferred contributions related to capital assets

Deferred contributions related to capital assets represent the unamortized amount of grants received for the purchase of capital assets. The amortization of capital contributions is recorded as revenue in the statement of operations.

	2025 $	2024 $
Balance - Beginning of year	307,051	387,098
Amounts amortized to revenue	(191,556)	(80,047)
Balance - End of year	115,495	307,051

6. Deferred contribution grants

Changes in deferred contribution grants are as follows:

	2025 $	2024 $
Balance - Beginning of year	4,417,054	3,083,447
Less: Amounts recognized as revenue in the year	(257,210)	(440,985)
Add: Amounts received	365,244	1,684,592
Add: Ministry of Attorney General Grant Amount	-	90,000
Balance - End of year	4,525,088	4,417,054

7. Transfers

The Organization's Board approved a transfer from internally restricted net assets to unrestricted net assets in the amount of $675,000 (2024 - $675,000) and a transfer from unrestricted net assets to internally restricted net assets in the amount of $2,077,849 (2024 - $596,758).

8. Commitments

a) Operating Leases

	Real Property $	Other $	Total $
2026	586,795	22,036	608,831
2027	586,795	13,329	600,124
2028	647,643	8,975	656,618
2029	653,175	8,975	662,150
2030	653,175	8,227	661,402
Thereafter	1,360,781	-	1,360,781
	4,488,364	61,542	4,549,906

The above-stated amounts represent operating lease obligations currently in existence. As termination dates for various leases occur, it is anticipated the Organization will enter into new lease arrangements.

b) Line of Credit

The Organization has access to a line of credit with the Royal Bank of Canada in the amount of $500,000 (2024 - $500,000). It bears interest at the prime rate. As at March 31, 2025, $Nil, (2024 - $Nil) of this line was utilized. All assets of the Organization are pledged as security.

9. Brampton Bingo

Included in fundraising, grants and interest income is $26,301 (2024 - $18,240) from Brampton Bingo.

10. Pension plan

The Organization maintains a defined contribution pension plan for its employees.

During the year, the Organization made required contributions under this plan of $960,344 (2024 - $907,378).

11. Government remittances

Government remittances consist of payroll withholding taxes required to be paid to government authorities and are recognized when the amounts come due. In respect of government remittances, $23,644 (2024 - $18,710) is included in accounts payable and accrued liabilities. There are no statutory remittances in arrears.

12. Public sector salary disclosure

As required by the Public Sector Salary Disclosure Act, the Organization filed salary disclosure forms with the Ministry on March 3, 2025 (2024 - March 4, 2024).

13. Short-term investments

Short-term investments consist of a prime-linked cashable GIC maturing October 2025 (2024 - non-redeemable GIC that earned interest at 5.42%, matured October 2024 and a prime linked cashable GIC, matured October 2024).