

Family Association for Mental Health Everywhere

Financial Statements
For the year ended March 31, 2016

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To the Members of
Family Association for Mental Health Everywhere

Independent Auditors' Report

Report on the Financial Statements

We have audited the accompanying financial statements of Family Association for Mental Health Everywhere, which comprise the statement of financial position as at March 31, 2016 and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

In common with many not-for-profit organizations, Family Association for Mental Health Everywhere derives revenue from fundraising activities and donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of Family Association for Mental Health Everywhere, and we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenditures, assets and net assets for the year ended March 31, 2016.



Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Family Association for Mental Health Everywhere as at March 31, 2016 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

May 17, 2016
Burlington, Ontario

SB Partners LLP
Chartered Professional Accountants
Licensed Public Accountants

Family Association for Mental Health Everywhere

Statement of Financial Position

March 31, 2016

Assets		
	2016	2015
Current assets		
Cash and bank	\$ 186,456	\$ 181,470
Short-term investments	27,642	27,642
H.S.T. recoverable	15,201	14,135
Accounts receivable	-	1,341
Prepays and deposits	3,893	3,893
	<hr/> 233,192	<hr/> 228,481
Capital assets (Note 3)	34,574	40,526
Intangible assets	1,000	3,000
	<hr/> \$ 268,766	<hr/> \$ 272,007

Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (Note 5)	\$ 25,416	\$ 26,733
Deferred revenue	68,849	73,396
	<hr/> \$ 94,265	<hr/> \$ 100,129

Net Assets		
Unrestricted net assets	\$ 174,501	\$ 171,878
	<hr/> \$ 268,766	<hr/> \$ 272,007

Approved on Behalf of the Board

Members

Members

Family Association for Mental Health Everywhere

Statement of Operations

Year Ended March 31, 2016

	2016	2015
Revenue		
Local Health Integration Network (LHIN)	435,795	435,795
CMHA Peel	166,156	44,156
Regional Municipality of Peel	80,013	77,795
United Way of Peel	60,164	59,568
Center for Addiction & Mental Health	50,000	50,000
Donations	29,742	23,152
Fundraising	11,624	9,262
Services Income	-	10,350
	833,494	710,078
Expenditures		
Amortization	10,581	9,445
Employee benefits	24,927	18,862
Fundraising	-	7,582
Honoraria	250	282
Insurance	3,416	3,146
Interest and bank charges	907	726
Meetings	5,902	3,119
Memberships and dues	50	486
Office and postage	35,349	16,441
Professional fees	11,866	9,156
Programs	14,011	23,786
Publicity and advertising	10,707	10,996
Rent	74,752	60,837
Repairs and maintenance	5,325	4,801
Salaries	569,438	473,717
Subcontract	27,517	26,503
Supplies	2,731	1,030
Telephone	15,001	14,269
Travel	22,358	10,095
	835,088	695,279
Excess (deficiency) of revenue over expenditures before other revenue	(1,594)	14,799
Other income	4,217	9,261
Excess of revenue over expenditures for the year	2,623	24,060
Net assets, beginning of year	171,878	147,818
Net assets, end of year	174,501	171,878

Family Association for Mental Health Everywhere

Statement of Cash Flows

Year Ended March 31, 2016

	2016	2015
Cash flows from operating activities		
Excess (deficiency) of revenue over expenditures for the year	\$ 2,623	\$ 24,060
Charges not involving cash		
Amortization	10,581	9,445
	13,204	33,505
Net change in H.S.T. recoverable	(1,066)	(1,141)
Net change in accounts receivable	1,341	8,231
Net change in accounts payable and accrued liabilities	(1,317)	1,039
Net change in other operating working capital balances	(4,547)	(1,000)
	7,615	40,634
Cash flows from investing activities		
Purchase of capital assets	(2,629)	(12,873)
	(2,629)	(12,873)
Net increase in cash and cash equivalents	4,986	27,761
Cash and cash equivalents, beginning of year	181,470	153,709
Cash and cash equivalents, end of year	\$ 186,456	\$ 181,470

Family Association for Mental Health Everywhere

Notes to Financial Statements

Year Ended March 31, 2016

1. Nature of operations

The Family Association for Mental Health Everywhere ("FAME" or "the Association") was incorporated under the Corporations Act of Ontario as a not-for-profit organization without share capital and is registered as a charitable organization under the Income Tax Act and accordingly is exempt from taxes.

The purpose of FAME is to provide help to reduce the stress of coping with mental illness by strengthening and supporting family members in their role as caregivers.

2. Significant accounting policies

Cash and cash equivalents

Cash and cash equivalents consists of cash on hand and balances with banks. Bank borrowings to finance capital and operating expenditures are considered to be financing activities.

Financial instruments

The Association's financial instruments consist of cash, accounts receivable, short-term investments, and accounts payable and accrued liabilities. All financial instruments are initially recognized at fair value and subsequently measured at amortized cost. Transaction costs and financing fees associated with financial instruments carried at amortized cost are recorded as adjustments to the initial fair value recognized and amortized over the life of the financial instrument.

Capital assets

Capital assets are recorded at cost. Amortization is provided as follows:

Computer equipment	20% declining balance
Computer software	100% declining balance
Furniture and fixtures	20% declining balance
Leasehold improvements	10 year straight-line

One-half the normal rate of amortization is provided for in the year of acquisition.

Intangible assets

Intangible assets are recorded at acquisition cost and are amortized over their useful life as determined by management. Intangible assets with an indefinite useful life are not amortized. Amortization for the intangible assets is provided as follows:

Website	5 year straight-line
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One-half the normal rate of amortization is provided for in the year of acquisition.

Revenue recognition

The Association 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 reasonable assured.

Family Association for Mental Health Everywhere

Notes to Financial Statements

Year Ended March 31, 2016

2. Significant accounting policies (cont'd.)

Contributed services

Volunteers contribute some of their time each year to assist the Association in carrying out its activities. In addition, rent on one of the Association's facilities is donated. Because of the difficulty of determining its fair value, contributed services are not recognized in the financial statements.

Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expense during the period. Actual results could differ from those estimates.

3. Capital assets

	Cost	Accumulated Amortization	2016	2015
Computer equipment	\$ 81,385	\$ 66,696	\$ 14,689	\$ 18,361
Computer software	8,737	8,089	648	220
Furniture and fixtures	24,301	18,633	5,668	5,586
Leasehold improvements	29,146	15,577	13,569	16,359
	<u>\$ 143,569</u>	<u>\$ 108,995</u>	<u>\$ 34,574</u>	<u>\$ 40,526</u>

4. Intangible assets

	Cost	Accumulated Amortization	2016	2015
Website	\$ 10,000	\$ 9,000	\$ 1,000	\$ 3,000

5. Accounts payable and accrued liabilities

	2016	2015
Accounts payable and accrued liabilities	\$ 7,575	\$ 7,148
Payroll deductions payable	17,841	19,585
	<u>\$ 25,416</u>	<u>\$ 26,733</u>

Family Association for Mental Health Everywhere

Notes to Financial Statements

Year Ended March 31, 2016

6. Operating lease commitments

Future minimum payments for operating leases that have initial or remaining terms of one year or more consist of the following amounts:

	2017	\$	68,347
	2018		49,152
	2019		19,152
	2020		19,152
	2021		17,399
	Thereafter		6,071
<hr/>			
Total minimum lease payments		\$	179,273

7. Economic dependence

The Association is dependent on the Local Health Integration Network (LHIN) for approximately 50% of its funding for its operations. Funding is provided each fiscal year based on an operating budget approved by the Ministry. The Ministry requires any surplus to be repaid in the subsequent year.

8. Financial instruments

The Association's financial instruments consist of cash and cash equivalents, accounts receivable, short term investments, accounts payable and accrued liabilities.

Unless otherwise noted, it is management's opinion that the Association is not exposed to significant credit, liquidity, interest, market, or currency risks.

To the Members of
Family Association for Mental Health Everywhere

Additional Comments of Auditors for the Year Ended March 31, 2016

The accompanying statement of operations by fund is presented as supplementary information only. In this respect, it does not form part of the financial statements of Family Association for Mental Health Everywhere for the year ended March 31, 2016 and hence is excluded from the opinion expressed in our report dated May 17, 2016 to the Members on such financial statements. The information in this schedule has been subject to audit procedures only to the extent necessary to express an opinion on the financial statements of the Association and, in our opinion, is fairly presented in all respects material to those financial statements.

May 17, 2016
Burlington, Ontario

SB Partners LLP

Chartered Professional Accountants
Licensed Public Accountants

Family Association for Mental Health Everywhere

Statement of Operations by Fund

Year Ended March 31, 2016

	Ministry of Health Fund \$	Corporate Fund \$	Total 2016
Revenue			
Local Health Integration Network (LHIN)	435,795	-	435,795
Centre for Addiction & Mental Health	50,000	-	50,000
Donations	-	29,742	29,742
Fundraising	-	11,624	11,624
CMHA Peel	-	166,156	166,156
Regional Municipality of Peel	-	80,013	80,013
United Way of Peel	-	60,164	60,164
	485,795	347,699	833,494
Expenditures			
Amortization	10,581	-	10,581
Employee benefits	17,000	7,927	24,927
Honoraria	-	250	250
Insurance	3,416	-	3,416
Interest and bank charges	907	-	907
Meetings	5,902	-	5,902
Memberships and dues	50	-	50
Office	17,874	17,475	35,349
Professional fees	11,866	-	11,866
Programs	-	14,011	14,011
Publicity and advertising	-	10,707	10,707
Rent	34,903	39,849	74,752
Repairs and maintenance	-	5,325	5,325
Salaries	388,521	180,917	569,438
Subcontract	27,517	-	27,517
Supplies	-	2,731	2,731
Telephone	12,289	2,712	15,001
Travel and conferences	-	22,358	22,358
	530,826	304,262	835,088
Excess (deficiency) of revenue over expenditures before other income			
	(45,031)	43,437	(1,594)
Other income			
	-	4,217	4,217
Excess (deficiency) of revenue over expenditures for the year			
	(45,031)	47,654	2,623