
**FAMILY ASSOCIATION FOR MENTAL
HEALTH EVERYWHERE (FAME)**

FINANCIAL STATEMENTS

MARCH 31, 2018

INDEPENDENT AUDITOR'S REPORT

To the Members,
Family Association for Mental Health Everywhere (FAME)

We have audited the accompanying financial statements of Family Association for Mental Health Everywhere (FAME) which comprise the statement of financial position as at March 31, 2018, and the statements of operations and 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.

Auditor's 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 (FAME) derives revenue from fundraising and donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of this revenue was limited to the amounts recorded in the records of Family Association for Mental Health Everywhere (FAME), and we were not able to determine whether any adjustments might be necessary to fundraising and donation revenue, excess of revenue over expenses for the year, assets and net assets for the year ended March 31, 2018.

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 (FAME) as at March 31, 2018, 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.



Chartered Professional Accountants
Licensed Public Accountants

May 15, 2018
Toronto, Ontario

FAMILY ASSOCIATION FOR MENTAL HEALTH EVERYWHERE (FAME)

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2018

	2018	2017
ASSETS		
Current assets		
Cash	\$ 186,032	\$ 163,110
Short-term investments	73,232	72,567
Accounts receivable	4,167	8,333
HST recoverable	6,272	6,506
Prepaid expenses	<u>4,208</u>	<u>3,893</u>
	273,911	254,409
Capital assets (note 3)	<u>29,517</u>	<u>28,816</u>
	<u>\$ 303,428</u>	<u>\$ 283,225</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued liabilities	\$ 16,913	\$ 18,987
Government remittances payable	13,999	9,757
Deferred contributions (note 4)	<u>69,713</u>	<u>63,086</u>
	<u>100,625</u>	<u>91,830</u>
Net assets		
Unrestricted	<u>202,803</u>	<u>191,395</u>
	<u>\$ 303,428</u>	<u>\$ 283,225</u>

Approved on behalf of the Board:

_____, Director

_____, Director

see accompanying notes

FAMILY ASSOCIATION FOR MENTAL HEALTH EVERYWHERE (FAME)

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED MARCH 31, 2018

	2018	2017
REVENUE		
Grants		
Toronto Central Local Health Integration Network (TC-LHIN)	\$ 435,797	\$ 435,851
Canadian Mental Health Association - Peel	173,656	172,959
Ontario Trillium Foundation	89,277	-
Regional Municipality of Peel	74,016	89,877
United Way of Peel	60,164	60,164
Centre for Addiction & Mental Health	50,000	50,000
Donations and fundraising	11,667	36,236
Other (note 5)	<u>12,907</u>	<u>11,091</u>
Total revenue	<u>907,484</u>	<u>856,178</u>
EXPENSES		
Salaries	575,819	574,968
Rent	82,274	76,389
Administrative	46,313	49,196
Employee benefits	29,517	25,209
Professional fees	27,020	29,536
Travel	12,732	12,314
Repairs and maintenance	6,610	5,434
Programs	4,628	8,167
Community programming	4,500	17,550
Insurance	3,617	3,689
Publicity and advertising	2,026	6,847
Meetings	1,625	2,981
Interest and bank charges	1,447	1,007
Honoraria	300	525
Subcontract	-	14,818
Fundraising	-	100
Membership and dues	-	1,411
Amortization	<u>8,371</u>	<u>9,143</u>
	<u>806,799</u>	<u>839,284</u>
Trillium grant expenses		
Salaries	73,539	-
Meeting and workshops	7,426	-
Programs	5,327	-
Professional services	<u>2,985</u>	<u>-</u>
	<u>89,277</u>	<u>-</u>
Total expenses	<u>896,076</u>	<u>839,284</u>
EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR	11,408	16,894
Net assets, beginning of year	<u>191,395</u>	<u>174,501</u>
NET ASSETS, END OF YEAR	<u>\$ 202,803</u>	<u>\$ 191,395</u>

see accompanying notes

FAMILY ASSOCIATION FOR MENTAL HEALTH EVERYWHERE (FAME)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2018

	2018	2017
OPERATING ACTIVITIES		
Excess of revenue over expenses for the year	\$ 11,408	\$ 16,894
Add back (deduct) non-cash items-		
Amortization of capital assets	8,371	9,143
Change in unrealized gains	(665)	(4,455)
Net change in non-cash working capital items (see below)	<u>12,880</u>	<u>(2,073)</u>
Net cash generated from operating activities	<u>31,994</u>	<u>19,509</u>
INVESTING ACTIVITIES		
Purchase of short-term investments	-	(40,470)
Purchase of capital assets	<u>(9,072)</u>	<u>(2,385)</u>
Net cash used for investing activities	<u>(9,072)</u>	<u>(42,855)</u>
NET CASH INCREASE (DECREASE) IN THE YEAR	22,922	(23,346)
Cash, beginning of year	<u>163,110</u>	<u>186,456</u>
CASH, END OF YEAR	<u>\$ 186,032</u>	<u>\$ 163,110</u>

Net change in non-cash working capital items:

Decrease (increase) in current assets-		
Accounts receivable	\$ 4,167	\$ (8,333)
HST recoverable	234	8,695
Prepaid expenses	(315)	
Increase (decrease) in current liabilities-		
Accounts payable and accrued liabilities	(2,074)	11,412
Government remittances payable	4,241	(8,084)
Deferred contributions	<u>6,627</u>	<u>(5,763)</u>
	<u>\$ 12,880</u>	<u>\$ (2,073)</u>

see accompanying notes

FAMILY ASSOCIATION FOR MENTAL HEALTH EVERYWHERE (FAME)

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2018

Family Association for Mental Health Everywhere (FAME) (the Association) is incorporated in the Province of Ontario without share capital. The Association is exempt from income tax in Canada as a registered charitable organization under the Income Tax Act (Canada).

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Management is responsible for preparation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations. Accounting principles used include the following significant policies:

Revenue recognition

The principal sources of revenue and recognition of these revenues for financial statement purposes are as follows:

- i) The Association follows the deferral method of revenue recognition for contributions, which includes grants and donations. Restricted contributions are initially recorded as deferred contributions and then recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recorded in revenue in the year received. Contributions related to the purchase of capital assets are recorded as revenue in the same period the related assets are charged to operations. Donated materials and services which are purchased on behalf of the Association are not recorded in the accounts.
- ii) Fundraising and donation revenue is recorded when funds are received.
- iii) Investment income comprises interest from cash and mutual funds, dividends, realized gains and losses on the disposal of mutual funds, and unrealized gains and losses on mutual funds. Interest income is recognized as revenue when earned. Transaction costs associated with the acquisition and disposal of mutual funds are expensed as incurred.

Capital assets

Capital assets are recorded at cost. Amortization is provided annually at rates calculated to write-off the assets over their estimated useful lives as follows:

Computer equipment	- 20 % declining balance
Furniture and fixtures	- 20 % declining balance
Leasehold improvements	- straight line basis over the life of the leases

2. FINANCIAL INSTRUMENTS AND FINANCIAL INSTRUMENT RISK

The Association records financial instruments, which include cash, short-term investments, accounts receivable, accounts payable and accrued liabilities, initially at fair value. Short-term investments are subsequently measured at fair value and all other financial instruments are subsequently recorded net of any provisions for impairment in value.

The Association's mutual funds are exposed to other price risk through changes in market prices (other than changes arising from interest rate risks). This risk can be caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments trading in the market.

FAMILY ASSOCIATION FOR MENTAL HEALTH EVERYWHERE (FAME)

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2018

3. CAPITAL ASSETS

Capital assets consist of the following:

	Cost	Accumulated Amortization	2018 Net	2017 Net
Computer equipment	\$ 81,386	\$ (71,991)	\$ 9,395	\$ 11,748
Furniture and fixtures	35,756	(23,346)	12,410	6,442
Leasehold improvements	<u>29,146</u>	<u>(21,434)</u>	<u>7,712</u>	<u>10,626</u>
	<u>\$ 146,288</u>	<u>\$ (116,771)</u>	<u>\$ 29,517</u>	<u>\$ 28,816</u>

4. DEFERRED CONTRIBUTIONS

The following amounts have been deferred at year end:

	2018	2017
Regional Municipality of Peel	<u>\$ 69,713</u>	<u>\$ 63,086</u>

Continuity of deferred contributions for the year is as follows:

Deferred contributions, beginning of year	\$ 63,086	\$ 68,849
Add cash received from restricted contributions	889,537	317,237
Less restricted contributions recognized	<u>(882,910)</u>	<u>(323,000)</u>
Deferred contributions, end of year	<u>\$ 69,713</u>	<u>\$ 63,086</u>

5. OTHER REVENUE

Included in other revenue is an unrealized gain of \$665 earned during the year (2017 - \$4,455 unrealized gain).

6. COMMITMENTS

The Association leases several spaces for programming and administration. Minimum annual payments under the terms of the leases are as follows:

2019	\$ 23,295
2020	19,541
2021	17,737
2022	12,324
2023	2,054