

# **Canadian Institute for Advancements in Mental Health**

Financial Statements

March 31, 2025

## INDEPENDENT AUDITOR'S REPORT

### TO THE DIRECTORS OF CANADIAN INSTITUTE FOR ADVANCEMENTS IN MENTAL HEALTH

#### Qualified Opinion

I have audited the accompanying financial statements of Canadian Institute for Advancements in Mental Health, which comprise the statement of financial position as at March 31, 2025 and statement of operations and 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 my opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of my report the accompanying financial statements present fairly, in all material respects, the financial position of Canadian Institute for Advancements in Mental Health, as at March 31, 2025, 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.

#### Basis for Qualified Opinion

In common with many charitable organizations, Canadian Institute for Advancements in Mental Health derives revenue from contributions and fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, my verification of revenue from contributions and fundraising activities was limited to the amounts recorded in the records of the organization and I was not able to determine whether any adjustments might be necessary to revenue from contributions and events and gaming activities, net expense for the year, cash flows from operations for the years ended March 31, 2025 and 2024, current assets as at March 31, 2025 and 2024 and net assets as at April 1 and March 31 for both the 2025 and 2024 years. My audit opinion on the financial statements for the year ended March 31, 2024 was modified accordingly because of the possible effects of this scope limitation.

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Organization in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 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.

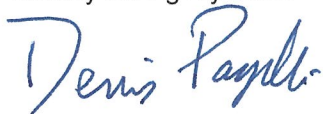
## Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

I 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 I identify during my audit.



Denis Paganelli, CPA  
Licensed Public Accountant

June 24, 2025  
Toronto, Canada

# Canadian Institute for Advancements in Mental Health


## Statement of Financial Position

March 31, 2025

	2025	2024
<b>Assets</b>		
Current assets		
Cash (note 11)	\$ 72,648	\$ 107,060
Amounts receivable	66,982	105,675
HST rebate receivable	33,841	16,674
Prepaid expense	42,759	35,366
Investments (note 4)	204,323	288,777
	420,553	553,552
Capital assets (note 3)	17,360	22,560
Investments (note 4)	392,308	360,897
	\$ 830,221	\$ 937,009
<b>Liabilities</b>		
Current liabilities		
Accounts payable and accrued liabilities	\$ 96,692	\$ 116,496
Government remittances payable	11,320	40,641
Deferred contributions (note 7)	86,434	113,908
	194,446	271,045
<b>Net assets</b>		
Externally restricted (schedule 2)	25,000	25,000
Internally restricted (schedule 2)	565,540	565,540
Unrestricted Operating Fund	45,235	75,424
	635,755	665,964
Commitment (note 8)		
	\$ 830,221	\$ 937,009

See accompanying notes to financial statements.

Approved on behalf of the board:

  
CEO

  
Chair, Board of Directors

# Canadian Institute for Advancements in Mental Health

## Statement of Operations and Changes in Net Assets

Year ended March 31, 2025

	Operating Fund	Designated Fund	Total 2025	Total 2024
Revenue				
Contributions				
Donations – individuals	\$ 141,809	\$ –	\$ 141,809	\$ 161,592
Donations – major gifts	117,600	–	117,600	165,828
Donations – third party and other	89,503	–	89,503	79,656
Bequests	21,353	–	21,353	10,465
Events	102,067	–	102,067	129,276
Gaming	108,172	–	108,172	96,774
Grants				
Provincial government (note 5)	641,562	–	641,562	589,562
Corporate	152,012	–	152,012	68,804
Foundations and other agencies	227,238	–	227,238	370,062
Fees for services	16,129	–	16,129	34,566
Investment income	55,378	–	55,378	44,065
Sundry	3,391	–	3,391	5,642
CEBA loan forgiveness	–	–	–	10,000
	1,676,214	–	1,676,214	1,766,292
Expense				
Program – (schedule 1)	929,360	–	929,360	1,139,044
Fundraising and gaming – (schedule 1)	420,017	–	420,017	488,076
Administration – (schedule 1)	357,026	–	357,026	314,842
	1,706,403	–	1,706,403	1,941,962
Net revenue (expense) for the year	(30,189)	–	(30,189)	(175,670)
Net assets, beginning of year	75,424	590,540	665,694	841,634
Net assets, end of year	\$ 45,235	\$ 590,540	\$ 635,775	\$ 665,694

See accompanying notes to financial statements.

# Canadian Institute for Advancements in Mental Health

## Statement of Cash Flows

Year Ended March 31, 2025

	2025	2024
Cash provided by (used in):		
Operating activities		
Net revenue (expense) for the year	\$ (30,189)	\$ (175,670)
Adjustment for items not affecting cash		
Net Investment income/expense maintained/paid in investments	(46,957)	(34,953)
CEBA loan forgiveness	–	(10,000)
Amortization of capital assets	5,200	5,200
	(71,946)	(215,423)
Net change in non-cash working capital balances related to operations	(62,466)	(79,214)
	(134,412)	(294,637)
Investing activities		
Transfers from investment accounts	100,000	50,000
Transfers to Investment accounts	–	(35,881)
Purchase of capital assets	–	–
	100,000	14,119
Financing activities		
Canada Emergency Business Account loan paid	–	(30,000)
	–	(30,000)
Increase (decrease) in cash during the year	(34,412)	(310,518)
Cash, beginning of year	107,060	417,578
Cash, end of year	\$ 72,648	\$ 107,060

See accompanying notes to financial statements.

# Canadian Institute for Advancements in Mental Health

## Notes to Financial Statements

March 31, 2025

---

### 1. Purpose of the organization

On April 26, 2022 the Organization through a Certificate of Continuance under the Canada Not-For-Profit Corporations Act received from Innovation, Science and Economic Development Canada changed its name to Canadian Institute for Advancements in Mental Health. The purpose and objects of the organization remain unchanged.

Previously on January 13, 2020 through Ontario Supplementary Letters Patent the organization changed its name from Schizophrenia Society of Ontario to Institute for Advancements in Mental Health ("IAM"). The new name reflects the evolution of our understanding of mental illness and schizophrenia and the recommendation of individuals, families and communities to move away from a diagnosis-based organization, to one that can better serve their needs with a focus on social inclusion. IAM will also expand our research to embrace innovation which contributes solutions to mental health challenges faced by those impacted by mental illness.

The organization was founded in 1979 under the following objects of incorporation;

- a) Generally, to provide assistance to and to alleviate the hardships of the mentally ill, in particular those suffering from the disease of schizophrenia and their families;
- b) For the objects aforesaid, but not so as to limit their generality, to facilitate communication among the mentally ill and among the families of the mentally ill, to assist in educating the public in general and the mentally ill and their families in particular, in the nature of mental illness, and to assist the professions in the search for and application of cures for mental illness;
- c) For the objects aforesaid, to accept donations, gifts, legacies and bequests.

### 2. Summary of significant accounting policies

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook and include the following significant accounting policies:

#### (a) Fund accounting

The organization follows the restricted fund method of accounting for contributions.

The Operating Fund accounts for the organization's program delivery and administrative activities. This fund reports unrestricted resources and restricted operating grants.

The Designated Fund reports revenues that are externally restricted by the donor and resources internally restricted by the Board of Directors and consist of the following funds:

- The Thomas Gabriel McGowan Biomedical Research Fund was established in fiscal 2017. It must be used for supporting biomedical research for schizophrenia. Previous donations were also made to the Society for \$50,000 in both fiscal 2016 and 2015 for general research.
- The Development Fund reports internally restricted resources that are to be used for projects and activities of the organization as approved by the Board of Directors.



# Canadian Institute for Advancements in Mental Health

## Notes to Financial Statements

March 31, 2025

---

### 2. Summary of significant accounting policies (continued)

#### (b) Capital assets and amortization

Purchased capital assets are recorded at cost less accumulated amortization. Contributed capital assets are recorded at fair value at the date of contribution. Furniture and equipment are amortized over their estimated useful lives using the straight-line method at 20% per annum while leasehold improvements are amortized over the term of the lease.

#### (c) Revenue Recognition

##### Contributions

Restricted contributions including grants, donations and membership dues related to general operations are recognized as revenue of the Operating Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate Designated Fund.

Unrestricted contributions are recognized as revenue of the Operating Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Endowment contributions are reported as revenue in the appropriate Designated Fund when received.

##### Investment Income

Investment income is recognized as revenue of the Operating Fund when earned.

##### Events and gaming

Events and gaming revenues are recognized in the year that the event and gaming take place.

#### (d) Financial instruments

The organization initially measures its financial assets and financial liabilities at fair value. The Society subsequently measures all its financial assets and financial liabilities at amortized cost except for marketable securities quoted in an active market and bonds, which it chose to measure at fair value. Changes in fair value are recognized in the statement of operations.

Financial assets measured at amortized cost include cash and amounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

#### (e) Contributed services

Volunteers contribute significant time each year to assist the organization in carrying out its activities. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

#### (f) Cash and cash equivalents

The organization's policy is to present bank balances and bank overdrafts under cash and cash equivalents.



# Canadian Institute for Advancements in Mental Health

## Notes to Financial Statements

March 31, 2025

### 3. Capital assets

Details of capital assets are as follows:

	2025		2024	
	Cost	Accumulated Amortization	Net	Net
Leasehold improvements	\$ 42,291	\$ 24,931	\$ 17,360	\$ 22,560
	\$ 42,291	\$ 24,931	\$ 17,360	\$ 22,560

### 4. Investments

Investments are maintained with Connor Clark & Lunn Private Capital (CCL) they were previously maintained in four separate investment accounts with RBC Dominion Securities Inc., are reported at market value and consist of the following:

	2025		2024	
CCL Private Client Fixed Income Funds	\$ 393,238	\$ 467,266		
CCL Private Client Canadian Equity Funds	92,355	85,109		
CCL Private Client Global Equity Funds	113,215	99,653		
Cash on hand to be invested	(2,177)	(2,354)		
	596,631	649,674		
Less: investments maturing in next fiscal year consisting of CCL Private Client Short Term Bond Funds	(204,323)	(288,777)		
Investments maturing after next fiscal year	\$ 392,308	\$ 360,897		

### 5. Grants – Provincial Government

Details of the organization's funding are as follows:

	2025		2024	
Ontario Health	\$ 273,505	\$ 273,505		
Ontario Health Toronto	270,535	218,535		
Ontario Health West	97,522	97,522		
	\$ 641,562	\$ 589,562		

### 6. Bank line of credit

The organization has a business line of credit with its bank for an amount up to \$41,500 at an annual interest rate of Scotiabank prime plus 3.5%. The line of credit was not in use at March 31, 2025.

# Canadian Institute for Advancements in Mental Health

## Notes to Financial Statements

March 31, 2025

### 7. Deferred contributions

Funding for operating activities.

	2025	2024
Balance, beginning of year	\$ 113,908	\$ 230,531
Less: amounts recognized as revenue in the year	(315,073)	(328,082)
Add: amounts received in the year	287,599	211,459
Balance, end of year	\$ 86,434	\$ 113,908

### 8. Lease commitment

The organization has leased office space to March 31, 2028. A lease amending agreement has also been signed with the landlord to reduce the square footage for the period from May 1, 2023 to April 30, 2025. The minimum rent payments required over the next five years are:

Fiscal Year	Amount
2026	\$ 81,638
2027	83,512
2028	83,512
2029	62,634
	\$ 311,296

### 9. Pension plan contributions

The organization contributes to individual pension plans that are all defined contribution plans. The pension expense under these plans is equal to the organization's contribution. The 2025 pension expense was \$40,681 (2024-\$37,699).

### 10. Allocation of expenses

The organization allocates expenses between program, administration and fundraising expenses. Salaries and benefits are allocated by assessing the percentage of work done by each employee in each category. Building occupancy is allocated based on the space occupied by the employees and their work in each of the categories. Other expenses are allocated directly into one of the categories or by a percentage determined by the organization.

### 11. Cash - restricted

The organization maintains separate trust bank accounts in order to satisfy the requirements of the licences granted to it for Nevada and Bingo gaming by the Alcohol and Gaming Commission of Ontario. These funds are restricted as they must be spent on the activities listed on the licence applications. The balances maintained in these accounts at March 31, 2025 was \$15,059 (2024-\$55,023).

# Canadian Institute for Advancements in Mental Health

## Notes to Financial Statements

March 31, 2025

---

### 12. Financial risks

The organization is exposed to various risks through its financial instruments.

#### **Credit Risk**

The organization is exposed to credit risk on its amounts receivable and investments. The organization assesses on a continuous basis, amounts receivable on the basis of amounts it is virtually certain to receive based on their estimated realizable value.

For investments, the organization has established a conservative investment policy which requires investments to be invested in Canadian and provincial government bonds and major Canadian banks and corporations with a debt rating of A or better.

#### **Interest Rate Risk**

The organization is exposed to interest rate risk on its investments which consist of fixed rate bonds. Fixed rate bonds subject the organization to a fair value risk; however, the risk associated with these investments is reduced to a minimum since these assets are invested in safe government and corporate securities.

#### **Liquidity Risk**

The organization is subject to liquidity risk which is the risk of being unable to meet cash requirements or to fund obligations as they become due.

# Canadian Institute for Advancements in Mental Health

## Schedule of Expenses

SCHEDULE 1

For the year ended March 31, 2025

2025		Program	Fundraising	Administration	2025 Total
Salaries and benefits	\$	602,971	\$ 223,911	\$ 261,852	\$ 1,088,734
Occupancy costs		97,844	23,772	—	121,616
Office and administration		14,803	3,506	3,789	22,098
Insurance		—	—	32,239	32,239
Investment, interest and bank charges		—	—	19,812	19,812
Computer and web costs		37,310	23,490	7,322	68,122
Education and recruitment costs		246	719	1,016	1,981
Contracted services		72,395	17,072	23,680	113,147
Program and communications		31,391	1,079	1,722	34,192
Travel		400	152	394	946
Events and gaming		—	126,316	—	126,316
Scholarships		54,000	—	—	54,000
Miscellaneous		18,000	—	—	18,000
Mental Health Innovation Prize		—	—	—	—
Amortization of capital assets		—	—	5,200	5,200
	\$	929,360	\$ 420,017	\$ 357,026	\$ 1,706,403

2024		Program	Fundraising	Administration	2024 Total
Salaries and benefits	\$	829,545	\$ 258,283	\$ 219,451	\$ 1,307,279
Occupancy costs		78,867	27,710	110	106,687
Office and administration		14,775	7,996	4,091	26,862
Insurance		—	—	30,574	30,574
Investment, interest and bank charges		150	—	20,873	21,023
Computer and web costs		53,294	27,523	6,606	87,423
Education and recruitment costs		390	862	414	1,666
Contracted services		40,634	25,485	23,265	89,384
Program and communications		18,826	2,866	3,732	25,424
Travel		563	339	526	1,428
Events and gaming		—	136,512	—	136,512
Scholarships		44,000	—	—	44,000
Miscellaneous		18,000	500	—	18,500
Mental Health Innovation Prize		40,000	—	—	40,000
Amortization of capital assets		—	—	5,200	5,200
	\$	1,139,044	\$ 488,076	\$ 314,842	\$ 1,941,962

See accompanying notes to financial statements

Denis Paganelli, CPA, CA

# Canadian Institute for Advancements in Mental Health

## Schedule of Designated Fund Revenues and Expenses

SCHEDULE 2

For the year ended March 31, 2025

	Balance, Beginning of year	Donations received	Events and gaming	Investment Income	Expenses	Interfund transfers	Balance, End of year
<b>Externally Restricted Funds</b>							
Thomas Gabriel McGowan Biomedical Research Fund	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000
	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000
<b>Internally Restricted Funds</b>							
Development Fund	\$ 565,540	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 565,540

See accompanying notes to financial statements.