

**THE NATIONAL NETWORK FOR MENTAL HEALTH**

**FINANCIAL STATEMENTS**

**YEAR ENDED MARCH 31, 2017**

**PARTRIDGE IGGULDEN**



PARTRIDGE IGGULDEN LLP  
CHARTERED PROFESSIONAL ACCOUNTANTS

WALLACE PARTRIDGE, CPA, CA  
LAWRENCE IGGULDEN, Hons. B.A., FCPA, FCA  
ALAN SIMPSON, B.B.A., CPA, CA  
ELISEO SINOPOLI, Hons. B. Admin., CPA, CA  
TIMOTHY NELLES, B.Acc., CPA, CA

September 18, 2017

To the Directors of  
The National Network For Mental Health

We have completed the audit of The National Network For Mental Health for the year ended March 31, 2017 and attached the following:

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We shall be pleased to provide any further information you may require.

Lawrence A. Iggulden, Hons. B.A., FCPA, FCA, for  
**PARTRIDGE IGGULDEN LLP**  
Chartered Professional Accountants  
Licensed Public Accountants

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**PARTRIDGE IGGULDEN**


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## INDEPENDENT AUDITOR'S REPORT

To the Directors of  
 The National Network For Mental Health

We have audited the accompanying financial statements of The National Network For Mental Health, which comprise the statement of financial position as at March 31, 2017, and the statements of revenue, expenses and 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 audit opinion.

### **Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of The National Network For Mental Health as at March 31, 2017, and its financial performance and its cash flows for the year then ended, in accordance with Canadian accounting standards for not-for-profit organizations.

St. Catharines, Ontario  
 September 18, 2017

A handwritten signature in black ink that reads "Partridge Iggulden LLP".

**PARTRIDGE IGGULDEN LLP**  
 Chartered Professional Accountants  
 Licensed Public Accountants

THE NATIONAL NETWORK FOR MENTAL HEALTHSTATEMENT OF FINANCIAL POSITIONMARCH 31, 2017

	<u>2017</u>	<u>2016</u>
<b><u>ASSETS</u></b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 15,923	\$ 28,433
Accounts receivable	-	3,100
Sales tax recoverable	5,518	4,330
Prepaid expenses	463	437
	<u>\$ 21,904</u>	<u>\$ 36,300</u>
<b><u>LIABILITIES</u></b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued charges (Note 3)	\$ 6,174	\$ 3,295
Sales tax payable	6,755	6,755
	<u>12,929</u>	<u>10,050</u>
<b><u>NET ASSETS</u></b>		
<b>UNRESTRICTED SURPLUS</b>	<u>8,975</u>	<u>26,250</u>
	<u>\$ 21,904</u>	<u>\$ 36,300</u>

Approved on behalf of the Board:

 Director  
 Director

St. Catharines, Ontario  
September 18, 2017

**THE NATIONAL NETWORK FOR MENTAL HEALTH**  
**STATEMENT OF REVENUE, EXPENSES AND NET ASSETS**

**YEAR ENDED MARCH 31, 2017**

	<u>2017</u>	<u>2016</u>
<b>REVENUE</b>		
Human Resources and Skills Development Canada		
Social Development Partnership's Program	\$ 60,000	\$ 57,341
Membership fees	20	95
	<u>60,020</u>	<u>57,436</u>
<b>OPERATING EXPENSES</b>		
Bank charges	1,432	1,427
Contracted services	16,815	34,755
Insurance	1,341	1,440
Memberships	1,500	1,662
Office rent	3,983	2,685
Office supplies	2,835	2,617
Postage and courier	2,251	1,745
Professional fees	2,391	2,780
Salaries and benefits	32,491	8,008
Telephone	1,810	1,031
Travel, training, and meetings	5,741	1,887
Webservice contract	5,610	1,160
	<u>78,200</u>	<u>61,197</u>
Expense recoveries	(905)	(4,350)
	<u>77,295</u>	<u>56,847</u>
<b>OPERATING SURPLUS (DEFICIT)</b>	<b>(17,275)</b>	<b>589</b>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u><b>26,250</b></u>	<u><b>25,661</b></u>
<b>NET ASSETS, END OF YEAR</b>	<u><u><b>\$ 8,975</b></u></u>	<u><u><b>\$ 26,250</b></u></u>

**THE NATIONAL NETWORK FOR MENTAL HEALTH****STATEMENT OF CASH FLOWS****YEAR ENDED MARCH 31, 2017**

	<u>2017</u>	<u>2016</u>
<b>CASH FLOWS DERIVED FROM (USED IN) OPERATING ACTIVITIES</b>		
Operating surplus (deficit) for the year	\$ (17,275)	\$ 589
Effects on cash from changes in operating assets and liabilities		
Accounts receivable	3,100	8,250
Sales tax recoverable	(1,188)	(982)
Prepaid expenses	(26)	(437)
Accounts payable and accrued charges	<u>2,879</u>	<u>(2,127)</u>
<b>INCREASE (DECREASE) IN CASH FOR YEAR</b>	<b>(12,510)</b>	<b>5,293</b>
<b>CASH, BEGINNING OF YEAR</b>	<u>28,433</u>	<u>23,140</u>
<b>CASH, END OF YEAR</b>	<u><u>\$ 15,923</u></u>	<u><u>\$ 28,433</u></u>

**THE NATIONAL NETWORK FOR MENTAL HEALTH****NOTES TO THE FINANCIAL STATEMENTS****MARCH 31, 2017****GENERAL INFORMATION**

The National Network for Mental Health is a registered charity and was incorporated without share capital on October 1, 1992.

The project "Social Development Partnership's Program" is funded by HRSDC in the amount of \$ 60,000 for the current year. The current contract was renewed for a 3 year period on April 1, 2015. The contract provides total funding of \$177,341.

The funding from HRSDC for each, the 2017 and 2018 fiscal year's is \$60,000.

**1. SIGNIFICANT ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations, and reflect the following policies:

**Revenue Recognition**

Funding is recognized in the year to which the approved funding budget relates.

**Estimates**

The preparation of financial statements in conformity with Canadian accounting standards for private enterprises 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

**2. ECONOMIC DEPENDENCE**

The Organization receives a significant portion of its revenue for operations pursuant to a funding contract with the HRSDC. Should these contributions cease, the Organization would need to assess its ability to continue its current operations.

**3. ACCOUNTS PAYABLE AND ACCRUED CHARGES**

	<u>2017</u>	<u>2016</u>
Trade payables	\$ 1,916	\$ 295
Withholding taxes payable	1,258	-
Accrued charges	<u>3,000</u>	<u>3,000</u>
	<u>\$ 6,174</u>	<u>\$ 3,295</u>

**THE NATIONAL NETWORK FOR MENTAL HEALTH**

**NOTES TO THE FINANCIAL STATEMENTS**

**MARCH 31, 2017**

**4. OPERATING LINE OF CREDIT**

The Organization has a line of credit up to \$ 200,000 with Scotia Bank bearing interest at prime plus 1.5% and is secured by Social Development Canada funding contract.

**5. FINANCIAL INSTRUMENTS AND RISKS**

The Organization is not exposed to significant liquidity, interest, credit or currency risks on its financial instruments.



**THE NATIONAL NETWORK FOR MENTAL HEALTH****SUPPLEMENTARY CORPORATE INFORMATION****MARCH 31, 2017**

The National Network For Mental Health is a registered charity, incorporated without share capital on October 1, 1992.

**NATURE OF ORGANIZATION:**

To develop and provide programs, services and position papers on behalf of its membership which is comprised primarily of persons with mental health problems.

**HEAD OFFICE:**

2 Ridgewood Road  
St. Catharines, Ontario  
L2R 3S3

**DIRECTORS AND OFFICERS:**

May Recollet-Goulais -Chairperson  
Lise Giroux-Beattie -Co-Chairperson  
Clarence Grear -Treasurer  
Sarah Bell  
Kenneth Matoush  
Marilyn McGurran  
William Pringle  
Steven Torresan

**AUDITORS:**

Partridge Iggulden LLP  
Chartered Professional Accountants  
Licensed Public Accountants  
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L2W 1A4

**BANKER:**

Bank of Nova Scotia  
P.O. Box 247  
St. Catharines, Ontario  
L2R 6T3