

**MOOD DISORDERS ASSOCIATION OF ONTARIO & TORONTO
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
MARCH 31, 2025**

MOOD DISORDERS ASSOCIATION OF ONTARIO & TORONTO
Financial Statements
March 31, 2025

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AKLER BROWNING LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Mood Disorders Association of Ontario & Toronto

Qualified Opinion

We have audited the financial statements of Mood Disorders Association of Ontario & Toronto, which comprise the statement of financial position as at March 31, 2025, and the statements 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 our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the organization 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 not-for-profit organizations, the organization derives revenue from fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the organization. Therefore, we were not able to determine whether any adjustments might be necessary to donation revenue, excess of revenues over expenditures, and 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 and Board of Directors for both the 2025 and 2024 years. Our audit opinion on the financial statements for the year ended March 31, 2024 was modified accordingly because of the possible effects of this limitation in scope.

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, matter 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.

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.

INDEPENDENT AUDITOR'S REPORT, continued

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.

Akler Browning LLP

Chartered Professional Accountants
Licensed Public Accountants
Toronto, Canada
June 26, 2025

MOOD DISORDERS ASSOCIATION OF ONTARIO & TORONTO
Statement of Financial Position
March 31, 2025

	2025	2024
Assets		
Current		
Cash and cash equivalents	\$ 173,729	\$ 138,213
Short term investment (note 2)	28,044	-
Accounts receivable	6,821	-
HST rebate receivable	4,497	3,010
Prepays	8,804	3,947
Total Current	221,895	145,170
Capital assets (note 3)	7,755	9,691
Intangible assets (note 4)	22,880	27,134
Total Assets	\$ 252,530	\$ 181,995
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 51,328	\$ 34,173
Deferred contributions (note 6)	43,634	6,806
Total Liabilities	94,962	40,979
Fund Balances		
Net assets	157,568	141,016
Total Liabilities and Fund Balances	\$ 252,530	\$ 181,995

Approved on behalf of the Board:

Michael Deane Director
June 26, 2025 Date

 Director

MOOD DISORDERS ASSOCIATION OF ONTARIO & TORONTO
Statement of Operations and Changes in Net Assets
Year ended March 31, 2025

	2025	2024
Revenues		
Ontario Health (note 9)	\$ 771,069	\$ 782,662
Corporate donations and sponsorships	101,366	34,693
Donations	49,841	47,966
City of Toronto	22,016	21,128
Other (note 7)	18,912	9,661
Federal	-	220,000
Total revenues	963,204	1,116,110
Expenditures		
Program Expenses		
Salaries and benefits	712,469	941,945
General purchases	67,992	71,540
Communications and marketing	10,285	5,497
Total program expenses	790,746	1,018,982
Other Expenses		
Online resources	40,522	43,075
Office and general (note 8)	38,894	33,775
Professional fees	22,501	19,122
Telephone	21,585	20,238
Rent	15,987	27,835
Amortization	11,647	11,684
Events	2,442	-
Travel	2,328	1,296
Total other expenses	155,906	157,025
	946,652	1,176,007
Excess (deficiency) of revenues over expenditures for the year	16,552	(59,897)
Net assets, beginning of year	141,016	200,913
Net assets, end of year	\$ 157,568	\$ 141,016

MOOD DISORDERS ASSOCIATION OF ONTARIO & TORONTO
Statement of Cash Flows
Year ended March 31, 2025

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenditures for the year	\$ 16,552	\$ (59,897)
Adjustment for non-cash item		
Amortization	11,647	11,684
	28,199	(48,213)
Net change in non-cash working capital items		
Accounts receivable	(6,821)	38,576
HST rebate receivable	(1,487)	88
Prepays	(4,857)	(310)
Accounts payable and accrued liabilities	17,155	(549)
Deferred contributions	36,828	(224,800)
	40,818	(186,995)
Cash Provided by (Used in) Operating Activities	69,017	(235,208)
CASH FLOWS FROM INVESTING ACTIVITIES		
Short term investment	(28,044)	-
Purchase of capital assets	-	(1,247)
Purchase of intangible assets	(5,457)	(23,214)
Cash Used in Investing Activities	(33,501)	(24,461)
Net increase (decrease) in cash and cash equivalents	35,516	(259,669)
Cash and cash equivalents, beginning of year	138,213	397,882
Cash and cash equivalents, end of year	\$ 173,729	\$ 138,213
Cash and cash equivalents consist of:		
Cash equivalents	\$ 110,729	\$ 133,064
Cash	63,000	5,149
	\$ 173,729	\$ 138,213

MOOD DISORDERS ASSOCIATION OF ONTARIO & TORONTO

Notes to the Financial Statements

March 31, 2025

NATURE OF OPERATIONS

Mood Disorders Association of Ontario & Toronto ("the Association") is a non-profit organization that operates under the name Hope + Me. The Association helps people living with depression, anxiety or bipolar disorder, and their families, recover and heal. The association provides drop-in peer support groups across Ontario, recovery programs, family and youth clinical support, early intervention for mood disorders and psychosis, awareness and education, and online tools focused on wellness and recovery. The Association is a registered charity incorporated in Ontario without share capital.

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are detailed as follows:

(a) Cash and cash equivalents

Bank balances, including bank overdrafts with balances that fluctuate from positive to overdrawn, are presented under cash and cash equivalents. Cash equivalents include highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value. An investment normally qualifies as a cash equivalent when it has a short maturity of approximately three months or less from the date of acquisition.

(b) Capital assets

Capital assets are accounted for at cost and amortized over their estimated useful life using the straight-line method at the following duration.

Computer equipment	5 years
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(c) Intangible assets

Intangible assets are accounted for at cost and amortized over their estimated useful life using the straight-line method at the following durations:

Website	5 years
Trademarks	5 years

(d) Impairment of long-lived assets

Capital assets and intangible assets subject to amortization are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value.

MOOD DISORDERS ASSOCIATION OF ONTARIO & TORONTO

Notes to the Financial Statements

March 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(e) Revenue recognition

The Association uses the deferral method of accounting for its revenue contributions, in which restricted contributions related to expenditures of future periods are deferred and recognized as revenue in the period in which the related expenditures are incurred. The annual subsidy is subject to revision upon filing of the Annual Reconciliation Return with the Ministry of Health and Long-term Care.

Sponsorships and other revenues are recorded on an accrual basis as earned.

(f) Cloud computing arrangements

The organization applies the simplification approach to account for expenditures in cloud computing arrangements and will be treated as the supply of services. The expenditures in the arrangements are expensed as incurred in office and general.

(g) Contributed services

Volunteers contribute time and the use of their vehicles in support of programs. The Association would not be able to carry out its activities without the services of the many volunteers who donate a considerable number of hours. Due to the difficulty of compiling these hours, contributed services are not recognized in the financial statements.

(h) Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and the reported amounts of revenues and expenditures for the period covered. The main estimates relate to the impairment of financial assets, estimated useful life of capital assets and accrued expenses.

(i) Financial Instruments

Measurement of financial instruments

The Association initially measures its financial assets and liabilities at fair value.

The Association subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in excess of revenues over expenditures in the period incurred.

Financial assets measured at amortized cost include cash and cash equivalents and accounts receivable.

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

Financial assets measured at fair value include short term investments.

MOOD DISORDERS ASSOCIATION OF ONTARIO & TORONTO
Notes to the Financial Statements
March 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(i) Financial instruments, continued

Impairment

For financial assets measured at amortized cost, the Association determines whether there are indications of possible impairment. When there is an indication of impairment, and the Association determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in excess of revenues over expenditures. A previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may not be greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in excess of revenues over expenditures.

2. SHORT TERM INVESTMENT

	2025	2024
Guaranteed investment certificate, 2.75%, maturing May 7, 2025	\$ 28,044	\$ -

3. CAPITAL ASSETS

					2025	2024
	Cost	Accumulated amortization			Net	Net
Computer equipment	\$ 41,197	\$ 33,442	\$ 7,755	\$ 9,691		

4. INTANGIBLE ASSETS

					2025	2024		
		Cost	Accumulated amortization		Net	Net		
Website and trademark	\$	58,463	\$	35,583	\$	22,880	\$	27,134

5. BANK INDEBTEDNESS

A credit facility to a maximum of \$50,000 is available to the Association. The line of credit bears interest at the bank's prime lending rate plus 2.50%. As at March 31, 2025, the line of credit balance amounted to \$Nil (2024 - \$Nil).

MOOD DISORDERS ASSOCIATION OF ONTARIO & TORONTO

Notes to the Financial Statements

March 31, 2025

6. DEFERRED CONTRIBUTIONS

Deferred contributions are intended for the following purposes:

Peter Gilgan Foundation - Amounts restricted to period of use.

Canada Post - Amounts to fund the improvement of mental health for Canadian children.

Echo Foundation - Amounts to fund wellness recovery action plan, peer support for youth and their families and dialectical behavioural therapy skills training for youth.

City of Toronto - Amounts restricted to period of use.

	2025	2024
Peter Gilgan Foundation	\$ 18,634	\$ -
Canada Post	15,000	-
Echo Foundation	10,000	-
City of Toronto	-	6,806
Closing balance	\$ 43,634	\$ 6,806
	2025	2024
Balance, beginning of year	\$ 6,806	\$ 231,606
Contributions received	160,210	8,806
Amount recognized as revenue	(123,382)	(233,606)
Balance, end of year	\$ 43,634	\$ 6,806

7. OTHER REVENUE

	2025	2024
Fees for service	\$ 12,500	\$ 2,350
Interest	6,311	6,597
Miscellaneous	101	714
	\$ 18,912	\$ 9,661

8. CLOUD COMPUTING ARRANGEMENTS

During the year, the Association expensed \$18,335 (2024 - \$7,428) with respect to cloud computing arrangements which is included in office and general expense.

MOOD DISORDERS ASSOCIATION OF ONTARIO & TORONTO

Notes to the Financial Statements

March 31, 2025

9. ECONOMIC DEPENDENCE

The Association is dependent on the Ontario Ministry of Health and Long-Term Care (the "Ministry") for funding of a significant portion of operations. Funding is provided each fiscal year based on an operating budget for the year approved by the Ministry. The Ministry approved funding of \$771,069 (2024 - \$782,662) with respect to the operating budget for the fiscal year ending March 31, 2025. The funding agreement expires on March 31, 2026.

10. FINANCIAL INSTRUMENTS

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

(a) Credit risk

Credit risk is the risk that one party to a financial transaction will cause a financial loss for the other party by failing to discharge an obligation. The Association's credit risk is mainly relates to its accounts receivables. There has been no change to the risk exposure from the prior year.

(b) Liquidity risk

Liquidity risk is the risk that the Association will encounter difficulty in meeting obligations associated with financial liabilities. The Association's exposure to this risk mainly is in respect to its trade accounts payable and accrued liabilities. The Association expects to meet these obligations as they come due by generating sufficient cash flow from operations. There has been no change to the risk exposure from the prior year.

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Association is mainly exposed to interest rate risk.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market interest rates. Fixed rate instruments subject the association to a fair value risk while floating rate instruments subject the association to cash flow risk. The Association is exposed to this type of risk as a result of its variable rate line of credit and investments in guarantee investment certificates. The exposure to these risks also fluctuates as the debt changes from year to year.

11. COMPARATIVE FIGURES

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year earnings.
