Doane Grant Thornton

Financial Statements

Canadian Mental Health Association, Muskoka-Parry Sound Branch

March 31, 2026

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Canadian Mental Health Association, Muskoka-Parry Sound Branch

Statement of Financial Position

Year ended March 31

	2026	2025
Assets		
Current		
Cash	**$ 5,263,771**	$ 4,972,412
Short term deposits (Note 3)	**1,355,573**	1,325,738
Accounts receivable	**474,194**	583,355
Prepaid expenses	**187,499**	173,198
	7,281,037	7,054,703
Capital assets (Note 4)	**1,123,526**	1,218,788
	$ 8,404,563	$ 8,273,491
Liabilities		
Current		
Accounts payable and accrued liabilities (Note 5)	**$ 907,858**	$ 1,454,660
Due to funders (Note 6)	**3,611,438**	3,709,848
Deferred contributions (Note 7)	**1,053,729**	604,719
	5,573,025	5,769,227
Deferred contributions – capital assets (Note 8)	**1,071,177**	1,161,298
	6,644,202	6,930,525
Net assets		
Unrestricted	**1,760,361**	1,342,966
	$ 8,404,563	$ 8,273,491

Commitments (Note 10)

On behalf of the Board:

Director

Max Ascenzi

Director

The accompanying notes are an integral part of these financial statements.

Canadian Mental Health Association, Muskoka-Parry Sound Branch

Statement of Operations and Changes in Net Assets

March 31	2026	2025
Revenue		
Ontario Health global base allocation	**$ 11,186,603**	$ 10,889,923
Ontario Health one-time funding	**92,176**	66,093
Ministry of Health base allocation	**2,733,845**	2,543,746
Ministry of Children, Community and Social Services base allocation	**356,439**	374,669
Ministry of the Attorney General	**97,794**	117,645
Recoveries from external sources	**813,465**	770,670
Rental income	**1,193,768**	1,095,363
Other funding sources and other revenue	**1,606,517**	1,493,163
	18,080,607	17,351,272
Expenses		
Compensation		
Salaries and benefits	**11,660,804**	10,818,663
Sessional fees	**333,761**	392,684
Physician compensation	**23,004**	33,442
Service costs		
Buildings and grounds expenses	**3,274,305**	3,179,480
Supplies and sundry expenses	**2,098,447**	2,154,707
Contracted-out expenses	**424,131**	409,802
Equipment expenses	**198,760**	256,900
	18,013,212	17,245,678
Excess of revenue over expenses before other item	**67,395**	105,594
Gain on sale of capital asset	**350,000**	-
Excess of revenue over expenses	**417,395**	105,594
Net assets, beginning of year	**1,342,966**	1,237,372
Net assets, end of year	**$ 1,760,361**	$ 1,342,966

The accompanying notes are an integral part of these financial statements.

Canadian Mental Health Association, Muskoka-Parry Sound Branch

Statement of Cash Flows

Year ended March 31

	2026	2025
Operating activities		
Excess of revenue over expenses	**$ 417,395**	$ 105,594
Amortization of capital assets	**95,262**	92,256
Amortization of deferred contributions - capital assets	**(90,121)**	(87,118)
Gain on sale of capital asset	**(350,000)**	-
	72,536	110,732
Changes in non-cash working capital balances		
Accounts receivable	**109,161**	(208,266)
Prepaid expenses	**(14,301)**	42,070
Accounts payable and accrued liabilities	**(546,802)**	51,415
Due to funders	**(98,410)**	561,607
Deferred contributions	**449,010**	104,803
	(28,806)	662,361
Investing activities		
Purchase of short term deposits	**(29,835)**	(41,997)
Proceeds on sale of capital asset	**350,000**	-
	320,165	(41,997)
Increase in cash during the year	**291,359**	620,364
Cash, beginning of year	**4,972,412**	4,352,048
Cash, end of year	**$ 5,263,771**	$ 4,972,412

The accompanying notes are an integral part of these financial statements.

1. Nature and purpose of the Association

Canadian Mental Health Association, Muskoka-Parry Sound Branch ("the Association") is a not-for-profit organization incorporated without share capital under the laws of Ontario. The business of the Association is carried on without the purpose of gain for its members and any profits or other accretions to the Association shall be used in promoting its objects.

The Association is committed to hope and recovery through integrated mental health and addiction services provided through high quality treatment, support, education and advocacy programs and partnerships as outlined in the financial statements, for the people of Muskoka Parry Sound.

The Association is a registered charity and, as such, is exempt from income tax and may issue income tax receipts to donors.

2. Summary of significant accounting policies

Basis of accounting

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO"), the more significant policies of which are as follows:

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 reasonably assured. Restricted contributions relating to capital assets are deferred and amortized into revenue on the same basis of the related capital asset.

Restricted net investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted net investment income is recognized as revenue when earned. Rental income and occupancy charges are recognized as revenue on a monthly basis.

Contributed materials and services

A substantial number of volunteers contribute a significant amount of their time to the Association each year. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

Contributed materials which are used in the normal course of the Association's operations, and would otherwise have been purchased, are recorded at their fair value at the date of contribution, if fair value can be reasonably estimated.

2. Summary of significant accounting policies (continued)

Capital assets

Purchased capital assets are stated at cost less accumulated amortization. Contributed capital assets are recorded at fair value at the date of contribution and are amortized, unless fair value is not determinable in which case contributed capital assets are recorded at nominal value at the date of contribution.

Amortization based on the estimated useful life of the asset is calculated as follows:

Leasehold improvements - straight-line basis over the term of the lease
Furniture and Fixture - straight-line basis, 5 years

An impairment loss on capital assets is recognized when conditions indicate that the asset no longer contributes to the Association's ability to provide services, or that the value of the future economic benefit associated with the capital asset is less than its net book value.

Financial instruments

The Association's financial instruments consist of cash, short term deposits, accounts receivable, accounts payable, and due to funders. The Association initially measures its financial assets and financial liabilities acquired, originated, issued or assumed in an arm's length transaction at fair value. The Association subsequently measures all its financial assets and financial liabilities from arm's length transactions at amortized cost, except for investments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statement of operations and changes in net assets.

Financial assets and financial liabilities in related party transactions are initially measured at cost, with the exception of certain instruments which are initially measured at fair value. The Association does not have any financial assets or financial liabilities in related party transactions which are initially measured at fair value.

Financial assets and financial liabilities recognized in related party transactions are subsequently measured based on how the Association initially measured the instrument. Financial instruments initially measured at cost are subsequently measured at cost, less any impairment for financial assets. Financial instruments initially measured at fair value, of which the Association has none, would be subsequently measured at amortized cost or fair value based on certain conditions.

Use of estimates

The preparation of the Association's financial statements in accordance ASNPO requires management to make estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. Due to inherent uncertainty in making estimates, actual results could differ from those estimates. Balances which require some degree of estimation are:

- Accounts receivable (allowance for doubtful accounts);
- Accounts payable and accrued liabilities (accrual estimates);
- Capital assets (amortization rates); and
- Deferred contributions and funding (recognition performance)

3. Short-term deposits

The Association's short-term deposits consist of guaranteed investment certificates that currently earn 2.90% (2025 – 4.69%) and mature July 2026 (2025 – July 2025).

4. Capital assets

			2026	2025
	Cost	Accumulated Amortization	**Net Book Value**	Net Book Value
Leasehold improvements	$ 1,617,055	$ 515,409	**$ 1,101,646**	$ 1,191,216
Furniture & fixtures	36,489	14,609	**21,880**	27,572
	$ 1,653,544	$ 530,018	**$ 1,123,526**	$ 1,218,788

5. Accounts payable and accrued liabilities

Included in accounts payable and accrued liabilities is $Nil in government remittances payable (2025 - $ Nil).

6. Due to funders

In accordance with their respective funding agreements, any excess of revenue over expenses is repayable to the funder. The balance repayable is as follows:

	2026	2025
Due to Ontario Health	**$ 1,310,436**	$ 1,664,090
Due to Ministry of Health	**2,222,828**	2,017,514
Due to Ministry of Children, Community and Social Services (MCCSS)	**23,701**	28,244
Due to Waypoint Centre for Mental Health	**54,473**	-
	$ 3,611,438	$ 3,709,848

7. Deferred contributions

	2026	2025
Balance, beginning of year	**$ 604,719**	$ 499,916
Less amounts recognized as revenue in the year	**(71,667)**	(232,114)
Add amounts received related to subsequent year	**520,677**	336,074
Add interest earned in the year	**-**	843
Balance, end of year	**$ 1,053,729**	$ 604,719

7. Deferred contributions (continued)

Deferred contributions are comprised of the following:

	2026	2025
MOH – Transformation Housing Capital Reserve	$ **51,935**	$ 51,935
Deferred contributions – OH	**366,830**	-
Deferred rent and donations	**9,367**	180,016
Deferred contributions – MOH	**243,907**	161,135
Future capital replacements	**18,556**	18,556
Current year surplus approved to carry forward (Schedule 12)	**11,056**	-
Current year surplus approved to carry forward (Schedule 4)	**19,232**	22,884
Other	**332,846**	170,193
	$ **1,053,729**	$ 604,719

8. Deferred contributions – capital assets

Deferred contributions represent the unamortized portion of capital assets purchased using funds received from the Provincial grants and the unamortized portion of contributed capital assets.

The changes for the year in the deferred contributions balance are as follows:

	2026	2025
Balance, beginning of year	$ **1,161,298**	$1,248,416
Amortization of deferred contributions	**(90,121)**	(87,118)
Balance, end of year	$ **1,071,177**	$1,161,298

9. Healthcare of Ontario Pension Plan ("HOOPP")

HOOPP provides pension services to more than 475,000 active and retired members and approximately 700 employers. Substantially all of the full-time employees and some of the part-time employees are members of HOOPP. The plan is a multi-employer plan and therefore the Association's contributions are accounted for as if the plan were a defined contribution plan with the Association's contributions being expensed in the period they come due. Each year, an independent actuary determines the funding status of HOOPP by comparing the actuarial value of invested assets to the estimated present value of all pension benefits that members have earned to date.

Contributions to the plan during the year by the Association and employees amounted to $723,861 (2025 - $638,402) and are included in salaries and benefits in the statement of operations and changes in net assets.

10. Commitments

The Association's total obligations for the next five years, under various operating leases expiring up to December 31, 2039, for occupied premises, exclusive of realty taxes and other occupancy charges, are as follows:

Year	Amount
2027	$ 436,391
2028	445,983
2029	455,877
2030	459,120
2031	334,475
Thereafter	1,712,469
	$ 3,844,315

11. Economic dependence

The Association derives approximately 82% of its revenue from programs funded by the Ontario Health, the Ministry of Health, the Ministry of the Attorney General and the Ministry of Children, Community and Social Services. The continuation of the operations of the Association are dependant on the ongoing approval of this funding.

12. Financial instruments

The investments held by the Association are exposed to a variety of financial risks. The Association seeks to minimize the potential adverse effects of these risks by regularly monitoring the investment's position, market events and diversifying of the investment portfolio within the constraints of the Association's investment policies.

Significant risks that are relevant to the Association are as follows:

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect the value of fixed income securities held by the Association. The short-term interest-bearing instruments held by the Association have a limited exposure to interest rate risk due to their short-term maturity. The Association has formal policies and procedure that establish target asset mix, minimum credit ratings and varying terms of the securities held.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Association is exposed to credit risk arising from all of its bank accounts and short-term deposits being held at one financial institution and deposits are only insured up to $100,000.

12. Financial instruments (continued)

Market risk

Market risk arises as a result of trading in equity securities and fixed income securities. Fluctuations in the market expose the Association to a risk of loss. The Association mitigates this risk through controls to monitor and limit concentration levels.

Liquidity risk

The Association's objective is to have sufficient liquidity to meet its obligations when due. The Association monitors its cash balances and cash flows generated from operations to meet its requirements. As at March 31, 2026, the most significant financial liabilities are accounts payable and accrued liabilities and amounts due to funders.

There has been no significant change in risks from the prior year.

13. Comparative information

Certain comparative information has been reclassified to conform with the financial statement presentation adopted in the current year.

Canadian Mental Health Association
Muskoka-Parry Sound Branch
Schedule 1 Statement of Operations - OH Funding Programs 1072 & 1083 (Unaudited)

March 31	2026	2025
Revenue		
Ontario Health global base allocation	**$ 9,249,714**	$8,730,090
Ontario Health one-time funding	**92,176**	88,048
Recoveries from external/internal sources	**152,567**	93,854
Other funding sources and other revenue	**204,604**	245,265
	9,699,061	9,157,257
Expenses		
Compensation		
Salaries and benefits	**7,139,256**	6,689,121
Physician compensation	**99,465**	104,999
Sessional fees	**257,300**	321,127
Service costs		
Supplies and sundry expenses	**931,157**	945,854
Equipment expenses	**102,758**	202,948
Contracted out expenses	**223,915**	217,406
Buildings and grounds expenses	**542,205**	495,632
	9,296,056	8,977,087
Excess of revenue over expenses before other items	**403,005**	180,170
Less surplus deferred (Note 7)	**(274,612)**	-
Repayable to Ontario Health (Note 6)	**(128,393)**	(180,170)
Excess of revenue over expenses	**$ -**	$ -

Canadian Mental Health Association
Muskoka-Parry Sound Branch
Schedule 2 Statement of Operations Housing-Rent Supplement – Homelessness – Phase II, Addictions Supportive Housing Mental Health & Addictions Strategy, Mental Health & Justice, Capital Reserve and Service Enhancement Phase II (Unaudited)

March 31,	2026	2025
Revenue		
Ministry of Health base allocation	**$ 658,435**	$ 600,811
Other funding sources and other revenue	**518,176**	477,238
	1,176,611	1,078,049
Expenses		
Service costs		
Rent	**1,091,740**	1,032,382
Other	**16,943**	1,811
Utilities	**4,151**	37,693
Last month rent	**(95)**	6,163
	1,112,739	1,078,049
Excess of revenue over expenses before other items	**63,872**	-
Less surplus deferred (Note 7)	**(25,324)**	-
Repayable to Ministry of Health (Note 6)	**(38,548)**	-
Excess of revenue over expenses	**$ -**	$ -

Canadian Mental Health Association
Muskoka-Parry Sound Branch
Schedule 3 - Statement of Operations - Housing - Operational (Unaudited)

March 31,	2026	2025
Revenue		
Rental income	$ **26,530**	$ 38,164
Recoveries	**-**	59
Interest	**6,257**	5,534
	32,787	43,757
Expenses		
Insurance	**1,285**	1,803
Property maintenance	**10,536**	14,069
Utilities	**7,788**	12,105
Other costs	**250**	-
	19,859	27,977
Excess of revenue over expenses	$ **12,928**	$ 15,780

Canadian Mental Health Association
Muskoka-Parry Sound Branch
Schedule 4 Statement of Operations - Partner Assault Response Program – Muskoka and Parry Sound (Unaudited)

March 31,	2026	2025
Revenue		
Ministry of Attorney General general funding	$ **115,868**	$ 115,911
Client fees	**10,400**	8,020
Deferred revenue carried forward	**22,884**	19,232
Other revenue (interest)	**1,158**	1,734
	150,310	144,897
Expenses		
Salaries and benefits	**113,227**	113,465
Other operating expenditures:		
Rent/lease	**2,400**	2,400
Telecommunications	**1,858**	2,090
Office supplies, equipment, and accessories	**2,491**	765
Advertising, promotional goods, and translation	**-**	398
Staff, governing body, and volunteer expenditures	**3,402**	2,444
Client expenses	**-**	-
Administration/administration costs	**7,700**	192
Other expenses	**-**	22
Total of program costs	**131,078**	122,013
Net revenue	**19,232**	22,884
Less surplus deferred to 2026/2027 (Approved by Ministry) (Note 7)	**(19,232)**	(22,884)
Surplus repayable to Ministry of Attorney General	$ **-**	$ -

Canadian Mental Health Association
Muskoka-Parry Sound Branch
Schedule 5 Statement of Operations – Adult Protective Service (Unaudited)

March 31,	2026	2025
Revenue		
Ministry of Children, Community and Social Services (MCCSS)	**$ 376,977**	$ 376,977
Other funding	**244**	336
Interest	**3,767**	5,565
	380,988	382,878
Expenses		
Allocated central administration	**49,125**	44,730
Office supplies and postage	**-**	1,311
Other program costs	**-**	6,369
Rent and property tax	**-**	5,228
Salaries and benefits	**271,934**	300,599
Staff training	**575**	136
Staff travel	**12,652**	16,819
Telephone	**4,618**	4,731
GRP/Meeting EXP/CRC	**-**	161
Utilities	**475**	486
Building & Grounds	**5,361**	-
Other Benefits	**15,710**	-
	360,450	380,570
Excess of revenue over expenses before other item	**20,538**	2,308
Repayable to MCCSS (Note 6)	**(20,538)**	(2,308)
Excess of revenue over expenses	**$ -**	$ -

Canadian Mental Health Association
Muskoka-Parry Sound Branch
Schedule 6 Statement of Operations – Dual Diagnosis Case Manager (Unaudited)

March 31,	2026	2025
Revenue		
The Hands Family Network	**$ 47,020**	$ 47,020
Other funding sources and other revenue	**470**	700
	47,490	47,720
Expenses		
Compensation		
Salaries and benefits	**43,310**	44,106
Service costs		
Supplies and sundry expenses	**1,045**	744
Contracted out expenses	**-**	-
Rent expense	**-**	2,870
Admin Fees	**3,135**	-
	47,490	47,720
Excess of revenue over expenses	**$ -**	$ -

Canadian Mental Health Association
Muskoka-Parry Sound Branch
Schedule 7 Statement of Operations – Other Programs (Unaudited)

March 31,	2026	2025
Revenue		
Other funding sources and other revenue	**$ 1,760,326**	$ 1,755,711
Expenses		
Compensation		
Salaries and benefits	**1,289,949**	1,122,718
Service costs		
Supplies and sundry expenses	**204,511**	249,048
	1,494,460	1,371,766
Excess of revenue over expenses before other item	**265,866**	383,945
Repayable to Waypoint Centre for Mental Health (Note 6)	**(54,473)**	-
Less surplus deferred	**-**	(295,133)
Excess of revenue over expenses	**$ 211,393**	$ 88,812

Canadian Mental Health Association
Muskoka-Parry Sound Branch
Schedule 8 Statement of Operations – Substance Abuse Program (Unaudited)

March 31,	2026	2025
Revenue		
Ontario Health global base allocation	**$ 2,376,798**	$ 2,241,452
Recoveries from external sources	**2,607**	2,914
Other funding sources and other revenue	**22,789**	33,758
	2,402,194	2,278,124
Expenses		
Compensation		
Salaries and benefits	**1,846,498**	1,853,465
Service costs		
Supplies and sundry and amortization expenses	**172,750**	164,320
Equipment expenses	**31,863**	41,370
Contracted out expenses	**157,926**	148,519
Buildings and grounds expenses	**78,845**	70,450
	2,287,882	2,278,124
Excess of revenue over expenses before other items	**114,312**	-
Less surplus deferred (Note 7)	**(75,190)**	-
Repayable to Ontario Health (Note 6)	**(39,122)**	-
Excess of revenue over expenses	**$ -**	$ -

Canadian Mental Health Association
Muskoka-Parry Sound Branch
Schedule 9 Statement of Operations – Problem Gambling Services (Unaudited)

March 31,	2026	2025
Revenue		
Ontario Health global base allocation	**$ 79,696**	$ 76,596
Recoveries from external sources	**843**	1,167
	80,539	77,763
Expenses		
Compensation		
Salaries and benefits	**72,107**	68,167
Service costs		
Supplies and sundry expenses	**2,929**	6,211
Equipment expenses	**402**	748
Contracted out expenses	**156**	156
Buildings and grounds expenses	**2,658**	2,481
	78,252	77,763
Excess of revenue over expenses before other item	**2,287**	-
Less surplus deferred (Note 7)	**(2,287)**	-
Excess of revenue over expenses	**$ -**	$ -

Canadian Mental Health Association
Muskoka-Parry Sound Branch
Schedule 10 Statement of Operations - Child and Youth Mental Health (Unaudited)

March 31,	2026	2025
Revenue		
Child and Youth Mental Health funding	**$ 57,027**	$ 54,827
Other funding	**548**	816
	57,575	55,643
Expenses		
Office supplies and postage	**-**	6,764
Other program costs	**-**	5,483
Rent and property tax	**-**	480
Salaries and benefits	**43,137**	40,638
Staff travel	**2,786**	1,920
Telephone	**254**	298
Utilities	**60**	60
Allocated Central Admin	**5,703**	-
Other Benefits	**3,425**	-
Building & Grounds	**480**	-
	55,845	55,643
Excess of revenue over expenses before other items	**1,730**	-
Less surplus deferred	**(1,730)**	-
Excess of revenue over expenses	**$ -**	$ -

Canadian Mental Health Association
Muskoka-Parry Sound Branch
Schedule 11 Statement of Operations - Community Counselling Centre of Nipissing (Unaudited)

March 31,	2026	2025
Revenue		
Community Counselling Centre of Nipissing (CCCNIP)	**$ 383,269**	$ 368,528
External recoveries	**397**	326
Other funding sources and other revenues	**2,237**	3,332
	385,903	372,186
Expenses		
Compensation		
Salaries and benefits	**212,440**	231,152
Service costs		
Supplies and sundry expenses	**45,497**	35,784
Equipment expenses	**1,702**	3,367
Contracted out expenses	**7,732**	4,831
Buildings and grounds expenses	**6,925**	6,202
	274,296	281,336
Excess of revenue over expenses before other item	**111,607**	90,850
Less surplus deferred	**(14,741)**	-
Repayable to Ontario Health (CCCNIP)	**(96,866)**	(90,850)
Excess of revenue over expenses	**$ -**	$ -

Canadian Mental Health Association
Muskoka-Parry Sound Branch
Schedule 12 Statement of Operations – Transformation Housing (Unaudited)

March 31,	2026	2025
Revenue		
Ministry of Health base allocation	**$ 287,452**	$ 276,396
Other funding sources and other revenue	**40,997**	40,171
Rent revenue	**41,570**	39,948
	370,019	356,515
Expenses		
Compensation		
Salaries and benefits	**200,617**	80,586
Service costs		
Administration fees, supplies and sundry expenses	**100,997**	79,360
Contracted out expenses	**12,550**	14,016
Buildings and grounds expenses	**44,799**	50,027
	358,963	223,989
Excess of revenue over expenses before other items	**11,056**	132,526
Repayable to Ministry of Health (Note 6)	**-**	(132,526)
Less surplus deferred for Transformation Housing (Note 7)	**(11,056)**	-
Excess of revenue over expenses	**$ -**	$ -

Canadian Mental Health Association
Muskoka-Parry Sound Branch
Schedule 13 Statement of Operations – Community Housing Opportunity (Unaudited)

March 31,	2026	2025
Revenue		
Ministry of Health base allocation	**$ 2,005,700**	$ 1,912,836
One-time funding	**-**	166,100
Other funding sources and other revenue	**634,022**	578,177
Deferred revenue carried forward	**3,592**	3,592
	2,643,314	2,660,705
Expenses		
Compensation		
Salaries and benefits	**488,742**	410,531
Service costs		
Supplies and sundry expenses	**323,124**	327,433
Equipment expenses	**51,296**	2,745
Buildings and grounds expenses	**1,582,040**	1,584,207
	2,445,202	2,324,916
Excess of revenue over expenses before other items	**198,112**	335,789
Less surplus deferred	**(31,346)**	-
Repayable to Ministry of Health (Note 6)	**(166,766)**	(335,789)
Excess of revenue over expenses	**$ -**	$ -

Those charged with governance are responsible for overseeing the Association's financial reporting process.

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 Association'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 Association'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 Association 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.

Doane Grant Thornton LLP

Barrie, Canada
June 17, 2026

Chartered Professional Accountants
Licensed Public Accountants

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Doane Grant Thornton

Independent auditor's report

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To the Board of Directors of
Canadian Mental Health Association, Muskoka-Parry Sound Branch

Opinion

We have audited the financial statements of the Canadian Mental Health Association, Muskoka-Parry Sound Branch (the "Association"), which comprise the statement of financial position as at March 31, 2026, 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, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at March 31, 2026, 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 ("ASNPO").

Basis for opinion

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. We are independent of the Association 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.

Other Matter - Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The supplementary information included in Schedules 1 to 13 are presented for purposes of additional information and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied only to the extent necessary to express an opinion in the audit of the financial statements taken as a whole.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with ASNPO, 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 Association's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative to do so.

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