

**Converge Mental Health Coalition Inc.**  
**Financial Statements**  
**December 31, 2024**

## Independent Auditor's Report

To: The Directors of **Converge Mental Health Coalition Inc.**

### Opinion

We have audited the financial statements of **Converge Mental Health Coalition Inc.** (the "Corporation"), which comprise the statement of financial position as at December 31, 2024, and the statements of operations, changes in net assets, 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 Corporation as at December 31, 2024, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### 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 Corporation 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 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.

In preparing the financial statements, management is responsible for assessing the Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation'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 auditors' 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 judgement 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.

## Independent Auditors' Report (continued)

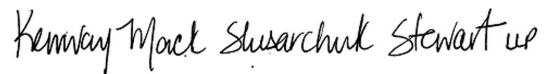
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting 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 Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Corporation 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.

### Emphasis of Matter

We draw attention to Note 2 to the financial statements which describes that the Corporation adopted Canadian accounting standards for not-for-profit organizations on January 1, 2024 with a transition date of January 1, 2023. These standards were applied retrospectively by management to the comparative information in these financial statements, including the statements of financial position as at December 31, 2023 and January 1, 2023, and the statements of operations, changes in net assets and cash flows for the year ended December 31, 2023 and related disclosures. Our conclusion is not modified in respect of this matter.

We were not engaged to report on the comparative information, and as such, it is unaudited.



Chartered Professional Accountants

March 27, 2025  
Calgary, Alberta

# Converge Mental Health Coalition Inc.

## Statement of Financial Position

As at	December 31, 2024	December 31, 2023	January 1, 2023
<b>Assets</b>			
Current assets			
Cash	\$ 189,541	\$ 174,972	\$ -
Contributions receivable (note 7)	17,033	41,408	-
Prepaid expenses	1,394	1,394	-
	<u>\$ 207,968</u>	<u>\$ 217,774</u>	<u>\$ -</u>
<b>Liabilities and Net Assets</b>			
Current liabilities			
Accounts payable and accrued liabilities	\$ 24,998	\$ 26,861	\$ 7,602
Deferred contributions (note 4)	-	145,331	-
	<u>24,998</u>	<u>172,192</u>	<u>7,602</u>
<b>Net assets (deficiency)</b>			
Unrestricted	182,970	45,582	(7,602)
	<u>\$ 207,968</u>	<u>\$ 217,774</u>	<u>\$ -</u>

Approved on behalf of the Board of Directors:



 Director

## Converge Mental Health Coalition Inc.

### Statement of Operations and Changes in Net Assets

Year ended December 31,	2024	2023
<b>Revenues</b>		
Donations (note 7)	\$ 509,681	\$ 250,000
Municipal grants	145,331	50,000
Interest income	85	15
	<u>655,097</u>	<u>300,015</u>
<b>Expenses</b>		
Consulting fees	389,187	180,515
Office and administrative	47,418	15,881
Marketing and communication	40,651	29,129
Professional fees	27,953	8,806
Fund administration fees (note 7)	12,500	12,500
	<u>517,709</u>	<u>246,831</u>
<b>Excess of revenue over expenses</b>	<u>\$ 137,388</u>	<u>\$ 53,184</u>
<b>Unrestricted net assets, beginning of year</b>	<u>\$ 45,582</u>	<u>\$ (7,602)</u>
<b>Unrestricted net assets, end of year</b>	<u>\$ 182,970</u>	<u>\$ 45,582</u>

*See accompanying notes to the financial statements*

## Converge Mental Health Coalition Inc.

### Statement of Cash Flows

Year ended December 31,	2024	2023
<b>Operating activities</b>		
Excess of revenue over expenses	\$ 137,388	\$ 53,184
Changes in non-cash working capital items		
Contributions receivable (note 7)	24,375	(41,408)
Prepaid expenses	-	(1,394)
Accounts payable and accrued liabilities	(1,863)	19,259
Deferred contributions (note 4)	(145,331)	145,331
<b>Increase (decrease) in cash</b>	<u>14,569</u>	<u>174,972</u>
<b>Cash, beginning of year</b>	174,972	-
<b>Cash, end of year</b>	<u>\$ 189,541</u>	<u>\$ 174,972</u>

*See accompanying notes to the financial statements*

# Converge Mental Health Coalition Inc.

Notes to Financial Statements

December 31, 2024

---

## 1. Nature of operations

Converge Mental Health Coalition Inc. (the “Corporation”) was incorporated under the Canada Not-for-profit Corporations Act on March 30, 2022. The Corporation provides a national platform for Mental Health providers and agencies operating within, and adjacent to, the Mental Health sector to share their ideas and catalyze large-scale, system-level change across the country. The Corporation is actively seeking new funding from donors however currently the Corporation’s operations are dependent on funding received from the Hunter Family Foundation.

The Corporation is a not-for-profit organization under the Income Tax Act and as such is exempt from income taxes.

## 2. Impact of the change in the basis of accounting

These are the Corporation’s first financial statements prepared in accordance with Canadian generally accepted accounting principles, specifically Canadian accounting standards for not-for-profit organizations (“ASNFP”). The Corporation’s accounting policies presented below have been applied retrospectively. There were no adjustments to net assets and (deficiency) excess of revenue over expenses at December 31, 2023 or January 1, 2023.

## 3. Significant accounting policies

### (a) Financial instruments

Financial assets and financial liabilities are initially measured at fair value and subsequently at amortized cost.

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

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

#### Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in the statement of operations. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no 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 the statement of operations.

### (b) Cash equivalents

The Corporation considers all investments with maturities of three months or less and restricted cash to be cash equivalents.

# Converge Mental Health Coalition Inc.

Notes to Financial Statements

December 31, 2024

---

## 3. Significant accounting policies continued

### (c) Revenue recognition

The Corporation follows the deferral method of accounting for contributions.

Restricted contributions are initially deferred and 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.

### (d) Contributions receivable

Contributions that have been pledged to the Corporation in the year are recognized as contributions receivable if the amount to be received can be reasonably estimated and ultimate collection is reasonably assured. In addition, contributions that have been received by Place2Give Foundation on behalf of the Corporation are recognized as contributions receivable.

### (e) Contributed services and materials

The Corporation records the value of contributed services when the fair value can be reasonably estimated, when the services are used in the normal course of the Corporation's operations and would otherwise have been purchased. Due to the difficulty of determining their fair value, volunteer services are not recognized in the financial statements.

## 4. Deferred contributions

Deferred contributions are recognized as income when related expenses are incurred.

	<u>Dec 31, 2024</u>	<u>Dec 31, 2023</u>	<u>Jan 1, 2023</u>
Balance, beginning of year	\$ 145,331	\$ -	\$ -
Contributions received during the year	-	195,331	-
Amounts recognized as revenue	(145,331)	(50,000)	-
Balance, end of year	<u>\$ -</u>	<u>\$ 145,331</u>	<u>\$ -</u>

The deferred revenue as at December 31, 2023 of \$145,331 consists of a grant received from the City of Calgary for the development of a universal framework for standardized support services for children and youth. The grant was fully recognized as revenue in the current year.

## 5. Economic dependence

The Corporation earned \$649,331(2023 - \$300,000), which represents 99% (2023 – 100%) of its revenue, from two donors.

# Converge Mental Health Coalition Inc.

Notes to Financial Statements

December 31, 2024

---

## 6. Related party transactions

The following transactions are in the normal course of operations and have been measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties:

The Corporation received donations of \$500,000 (2023 - \$250,000) from Place2Give Foundation as directed by the Hunter Family Foundation. The Hunter Family Foundation is a foundation with common directors.

## 7. The Converge Flow-through Fund with Place2Give Foundation

The Place2Give Foundation holds a flow-through fund (the “Fund”) for the Corporation. The Fund was established in 2023 to support general operations of the Corporation. In the current year, \$509,681 (2023 - \$250,000) in revenue was received from Place2Give Foundation. The value of the fund at December 31, 2024 was \$nil (2023 - \$nil).

In accordance with the service agreement entered into January 2024 with Place2Give Foundation, the Corporation paid fund administration fees of \$12,500 (2023 - \$12,500). Included in contributions receivable is \$17,033 (2023 - \$41,408) due from Place2Give Foundation and included in accounts payable and accrued liabilities is \$nil (2023 - \$7,848). The Place2Give Foundation has common management.

## 8. Financial instruments

The Corporation’s use of financial instruments and its exposure to risks associated with such instruments arises out of its normal course of operations and investing activities. Operations are located in Calgary.

The Corporation is not exposed to any significant credit, market or liquidity risk.

### *Financial assets*

All financial assets are carried at amortized cost.

## 9. Comparative figures

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