

MADISON COMMUNITY SERVICES

FINANCIAL STATEMENTS

MARCH 31, 2013

HILBORN_{LLP}



Independent Auditor's Report

To the Board of
Madison Community Services

We have audited the accompanying financial statements of Madison Community Services, which comprise the statement of financial position as at March 31, 2013, and the statement of revenue and expenses, statement of changes in fund balances and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information. The financial statements have been prepared by management based on the financial reporting requirements of the Ministry of Health.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting requirements of the Ministry of Health, 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.

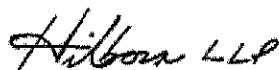
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements of Madison Community Services for the year ended March 31, 2013 are prepared, in all material respects, in accordance with the financial reporting requirements of the Ministry of Health.

Basis of Accounting

Without further modifying our opinion, we draw attention to note 2 to the financial statements, which describes the basis of accounting. The financial statements are prepared for the information and use of the Board of Madison Community Services to comply with Ministry of Health reporting requirements. As a result, the financial statements may not be suitable for another purpose.



Toronto, Ontario
June 27, 2013

Chartered Accountants
Licensed Public Accountants

MADISON COMMUNITY SERVICES

Statement of Financial Position

March 31, 2013

	Ministry of Health Fund \$	Rent Supplement Program Fund \$
ASSETS		
Current Assets		
Cash and short-term investments	16,166	31,423
Accounts receivable	8,886	-
HST receivable	32,889	-
Prepaid expenses	47,259	-
	<u>105,200</u>	<u>31,423</u>
Capital assets (note 3)	-	-
	<u>105,200</u>	<u>31,423</u>
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	105,200	1,741
Current portion of mortgage payable (note 5)	-	-
	<u>105,200</u>	<u>1,741</u>
Mortgage payable (note 5)	-	-
FUNDS BALANCES		
Unrestricted	-	-
Restricted, invested in capital assets	-	-
Restricted	-	29,682
	<u>-</u>	<u>29,682</u>
	<u>105,200</u>	<u>31,423</u>

Approved on behalf of the Board:

Director

Director

MADISON COMMUNITY SERVICES

Craigleigh Project Fund \$	Craigleigh Replacement Reserve Fund \$	Program Fund \$	2013 Total \$
73,464	92,439	108,514	322,006
-	-	53,357	62,243
-	-	-	32,889
-	-	-	47,259
73,464	92,439	161,871	464,397
631,761	-	280,663	912,424
705,225	92,439	442,534	1,376,821
4,967	-	14,598	126,506
42,501	-	-	42,501
47,468	-	14,598	169,007
585,046	-	-	585,046
-	-	147,273	147,273
4,214	-	280,663	284,877
68,497	92,439	-	190,618
72,711	92,439	427,936	622,768
705,225	92,439	442,534	1,376,821

MADISON COMMUNITY SERVICES

Statement of Financial Position

March 31, 2012

	Ministry of Health Fund \$	Rent Supplement Program Fund \$
ASSETS		
Current Assets		
Cash and short-term investments	5,130	31,564
Accounts receivable	36,469	8,801
Prepaid expenses	24,509	-
	<u>66,108</u>	<u>40,365</u>
Capital assets <i>(note 3)</i>	-	-
	<u>66,108</u>	<u>40,365</u>
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	66,108	10,253
Current portion of mortgage payable <i>(note 5)</i>	-	-
	<u>66,108</u>	<u>10,253</u>
Mortgage payable <i>(note 5)</i>	-	-
FUNDS BALANCES		
Unrestricted	-	-
Restricted, invested in capital assets	-	-
Restricted	-	30,112
	<u>-</u>	<u>30,112</u>
	<u>66,108</u>	<u>40,365</u>

Approved on behalf of the Board:

Director

Director

MADISON COMMUNITY SERVICES

Craigleigh Project Fund \$	Craigleigh Replacement Reserve Fund \$	Program Fund \$	2012 Total \$
79,954	85,982	61,354	263,984
-	-	89,015	134,285
-	-	-	24,509
79,954	85,982	150,369	422,778
673,084	-	295,122	968,206
753,038	85,982	445,491	1,390,984
4,967	-	12,855	94,183
41,324	-	-	41,324
46,291	-	12,855	135,507
627,547	-	-	627,547
-	-	137,514	137,514
4,214	-	295,122	299,336
74,986	85,982	-	191,080
79,200	85,982	432,636	627,930
753,038	85,982	445,491	1,390,984

MADISON COMMUNITY SERVICES

Statement of Financial Position

March 31, 2011

	Ministry of Health Fund \$	Rent Supplement Program Fund \$
ASSETS		
Current Assets		
Cash and short-term investments	28,651	-
Accounts receivable	34,523	36,370
Prepaid expenses	30,645	14,710
	<u>93,819</u>	<u>51,080</u>
Capital assets <i>(note 3)</i>	-	-
	<u>93,819</u>	<u>51,080</u>
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	93,819	28,443
Current portion of mortgage payable <i>(note 5)</i>	-	-
	<u>93,819</u>	<u>28,443</u>
Mortgage payable <i>(note 5)</i>	-	-
FUNDS BALANCES		
Unrestricted	-	-
Restricted, invested in capital assets	-	-
Restricted	-	22,637
	<u>-</u>	<u>22,637</u>
	<u>93,819</u>	<u>51,080</u>

Approved on behalf of the Board:

Director

Director

MADISON COMMUNITY SERVICES

Craigleigh Project Fund \$	Craigleigh Replacement Reserve Fund \$	Program Fund \$	2011 Total \$
99,139	72,999	24,857	225,646
-	-	70,503	141,396
-	-	-	45,355
99,139	72,999	95,360	412,397
713,264	-	309,581	1,022,845
812,403	72,999	404,941	1,435,242
16,180	-	-	138,442
40,180	-	-	40,180
56,360	-	-	178,622
668,871	-	-	668,871
-	-	95,360	95,360
4,213	-	309,581	313,794
82,959	72,999	-	178,595
87,172	72,999	404,941	587,749
812,403	72,999	404,941	1,435,242

MADISON COMMUNITY SERVICES

Statement of Revenues and Expenses

Years ended March 31

	Ministry of Health Fund		Rent Supplement Program Fund	
	2013	2012	2013	2012
	\$	\$	\$	\$
Revenues				
Ministry of Health and Long-Term Care				
- base	1,347,231	1,355,124	129,927	111,302
- current year subsidy adjustment	-	-	-	-
- prior year subsidy adjustment	-	-	(3,680)	(7,918)
- prior year sessional adjustment	333	-	-	-
- replacement reserve	-	-	-	-
- sessional fees	10,619	3,041	-	-
- one time funding	-	-	-	-
- legal fees	-	-	-	-
Rents	168,458	186,279	(673)	66,725
Ministry of Municipal Affairs	-	-	-	-
The Toronto District School Board	-	-	-	-
University Health Network	5,630	-	-	-
CAMH	-	-	-	-
Citizenship and Immigration Canada	-	-	-	-
NCCT	-	-	-	-
Fundraising and donations	-	-	-	-
Cleaning	-	-	-	-
Rental administration fee	-	-	-	-
Interest	498	1	-	-
Other	-	-	-	14,710
	1,532,769	1,544,445	125,574	184,819
Expenses				
Salaries and benefits	1,132,146	1,112,620	-	-
Building	168,458	158,299	126,004	173,638
Outside services	48,191	50,441	-	3,706
Supplies and equipment	9,205	51,688	-	-
Administrative	69,467	68,571	-	-
Travel	27,346	27,012	-	-
Office rent	72,216	72,114	-	-
Mortgage interest	-	-	-	-
Amortization	-	-	-	-
	1,527,029	1,540,745	126,004	177,344
Excess or revenues over expenses (expenses over revenues) before the undernoted	5,740	3,700	(430)	7,475
Amount refundable to Toronto Central LHIN	(8,443)	(3,700)	-	-
Excess of revenues over expenses (expenses over revenues) for year	(2,703)	-	(430)	7,475

MADISON COMMUNITY SERVICES

Craigleigh Program Fund		Craigleigh Replacement Reserve Fund		----- Program Fund -----		----- Total -----	
2013	2012	2013	2012	2013	2012	2013	2012
\$	\$	\$	\$	\$	\$	\$	\$
109,311	107,614	-	-	-	-	1,586,469	1,574,040
-	-	-	-	-	-	-	-
(2,293)	1,229	-	-	-	-	(5,973)	(6,689)
-	-	-	-	-	-	333	-
-	-	6,457	6,657	-	-	6,457	6,657
-	-	-	-	-	-	10,619	3,041
-	-	-	-	-	-	-	-
21,408	19,943	-	-	-	-	189,193	272,947
-	-	-	-	-	-	-	-
-	-	-	-	-	23,000	-	23,000
-	-	-	-	-	8,974	5,630	8,974
-	-	-	-	284,200	280,000	284,200	280,000
-	-	-	-	240,627	229,722	240,627	229,722
-	-	-	-	37,368	38,581	37,368	38,581
-	-	-	-	40,817	-	40,817	-
-	-	-	-	-	-	-	-
-	-	-	-	-	4,669	-	4,669
-	-	-	411	-	-	498	412
-	-	-	-	25,667	6,674	25,667	49,384
128,426	128,786	6,457	7,068	628,679	619,620	2,421,905	2,484,738
19,495	18,927	-	-	436,495	375,958	1,588,136	1,507,505
41,474	37,264	-	-	-	-	335,936	369,201
-	-	-	-	-	-	48,191	54,147
-	-	-	-	179,722	201,508	188,927	253,196
14,347	15,053	-	-	-	-	83,814	83,624
-	-	-	-	-	-	27,346	27,012
-	-	-	-	-	-	72,216	72,114
18,275	19,419	-	-	-	-	18,275	19,419
41,324	40,180	-	-	14,459	14,459	55,783	54,639
134,915	130,843	-	-	630,676	591,925	2,418,624	2,440,857
(6,489)	(2,057)	6,457	7,068	(1,997)	27,695	3,281	43,881
-	-	-	-	-	-	(8,443)	(3,700)
(6,489)	(2,057)	6,457	7,068	(1,997)	27,695	(5,162)	40,181

MADISON COMMUNITY SERVICES

Statement of Changes in Fund Balances

Year ended March 31, 2013

	Ministry of Health Fund \$	Rent Supplement Program \$
Funds balance, beginning of year	-	30,112
Excess of revenues over expenses (expenses over revenues) for year	(2,703)	(430)
Funds transferred from Program Fund to cover shortfall	2,703	-
Funds balance, end of year	-	29,682

Year ended March 31, 2012

	Ministry of Health Fund \$	Rent Supplement Program \$
Funds balance, beginning of year	-	22,637
Excess of revenues over expenses (expenses over revenues) for year	-	7,475
Funds transferred from Program Fund to cover shortfall	-	-
Funds balance, end of year	-	30,112

MADISON COMMUNITY SERVICES

Craigleigh Project Fund \$	Craigleigh Replacement Reserve Fund \$	Program Fund \$	2013 Total \$
79,200	85,982	432,636	627,930
(6,489)	6,457	(1,997)	(5,162)
-	-	(2,703)	-
72,711	92,439	427,936	622,768

Craigleigh Project Fund \$	Craigleigh Replacement Reserve Fund \$	Program Fund \$	2012 Total \$
87,172	72,999	404,941	587,749
(2,057)	7,068	27,695	40,181
(5,915)	5,915	-	-
79,200	85,982	432,636	627,930

MADISON COMMUNITY SERVICES

Statement of Cash Flows

Year ended March 31, 2013	2013 \$	2012 \$
Cash flows from operating activities		
Excess of revenues over expenses (expenses over revenues) for year	(5,162)	40,181
Item not requiring a current cash outlay		
Amortization	55,783	54,639
	<u>50,621</u>	<u>94,820</u>
Changes in non-cash working capital		
Decrease in accounts receivable	72,042	7,111
Increase in HST receivable	(32,889)	-
Decrease (increase) in prepaid expenses	(22,750)	20,846
Increase (decrease) in accounts payable and accrued liabilities	32,322	(44,259)
	<u>99,346</u>	<u>78,518</u>
Cash flows from financing activities		
Decrease in mortgage payable	(41,324)	(40,180)
Cash flows from investing activities		
Purchase of capital assets	-	-
Increase in cash during year	58,022	38,338
Cash, beginning of year	263,984	225,646
Cash, end of year	<u>322,006</u>	<u>263,984</u>

March 31, 2013

1. Purpose of the Organization

Madison Avenue Housing and Support Services Inc. was incorporated October 13, 1981 under the laws of Ontario as a corporation without share capital. The organization is registered as a charitable organization under the Income Tax Act.

On August 6, 2010 the organization filed an application for Supplementary Letter Patent to change the name of the organization to Madison Community Services

Madison Community Services is a community-based supportive housing organization. The objectives of the organization are to promote the health, well-being and community integration of people (16 years of age and over) with serious mental health issues through advocacy, education and the provision of a broad range of high quality community based support services.

2. Significant Accounting Policies and General

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations, except as described below, and include the following significant accounting policies:

a) Fund accounting

The organization follows the restricted fund method of accounting for contributions whereby all contributions are recognized as revenue when received or receivable. These financial statements have been prepared using accounting principles required by the Ministry of Health and Long-Term Care to record capital assets and reserves (note 2(a)(iii) and 2(c)). In this regard, these financial statements are not in accordance with Canadian generally accepted accounting principles.

i) Ministry of Health Fund and Rent Supplement Program Fund

The Ministry of Health Fund and Rent Supplement Program Fund are externally restricted funds and account for all contributions and expenses towards the operation of supportive housing. All unexpended funds are repayable to the Ministry of Health and Long-Term Care.

ii) Craighigh Project Fund

The Craighigh Project Fund, funded by Ministry of Health and Long-Term Care, is an externally restricted fund and accounts for all contributions and expenses towards the operation of an 11 unit non-profit housing complex.

iii) Craighigh Replacement Reserve Fund

The Replacement Reserve Fund is an externally restricted fund established to provide for major repairs on the Craighigh Project Fund housing complex. Purchases of a capital nature, other than building, are expensed in the year of acquisition from the Replacement Reserve Fund.

iv) Program Fund

The Program Fund is a fund where donation and other program revenue is managed by the organization.

MADISON COMMUNITY SERVICES

Notes to Financial Statements (continued)

March 31, 2013

2. Significant Accounting Policies and General (continued)

b) Financial instruments

i) Measurement of financial instruments

The organization initially measures its financial assets and financial liabilities at fair value adjusted by transaction costs in the case where a financial asset or financial liability is subsequently measured at amortized cost.

The organization subsequently measures all its financial assets and financial liabilities at amortized cost.

Transaction costs associated with the acquisition and disposal of investments are capitalized to the acquisition costs or reduce proceeds on disposal.

Financial assets measured at amortized cost include cash, short-term investments and receivables.

Financial liabilities measured at amortized cost include accounts payable.

ii) Impairment

At the end of each reporting period, the organization assesses whether there are any indications that a financial asset measured at amortized cost may be impaired. Objective evidence of impairment includes observable data that comes to the attention of the organization, including but not limited to the following events: significant financial difficulty of the issuer; a breach of contract, such as a default or delinquency in interest or principal payments; or bankruptcy or other financial reorganization proceedings.

When there is an indication of impairment, the organization determines whether a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset.

When the organization identifies a significant adverse change in the expected timing or amount of future cash flows from a financial asset, it reduces the carrying amount of the asset to the highest of the following:

- the present value of the cash flows expected to be generated by holding the asset discounted using a current market rate of interest appropriate to the asset;
- the amount that could be realized by selling the asset at the statement of financial position date; and
- the amount the Organization expects to realize by exercising its rights to any collateral held to secure repayment of the asset net of all costs necessary to exercise those rights.

Notes to Financial Statements (continued)

March 31, 2013.

2. **Significant Accounting Policies and General** (continued)

b) **Financial Instruments** (continued)

The carrying amount of the asset is reduced directly or through the use of an allowance account. The amount of the reduction is recognized as an impairment loss in the statements of revenues and expenses.

When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent of the improvement, directly or by adjusting the allowance account. The amount of the reversal is recognized in the statements of operations in the period the reversal occurs.

c) **Capital assets**

Buildings are recorded at acquisition cost. Amortization of the Craigeigh Project Fund building is equivalent to the annual principal repayments on the mortgage. Amortization of the Program Fund building is 5% per annum on a straight-line basis. Capital asset purchases in the Ministry of Health Fund are expensed in the period incurred.

d) **Management estimates**

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the current period. Actual results could differ from those estimates, the impact of which would be recorded in future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

MADISON COMMUNITY SERVICES

Notes to Financial Statements (continued)

March 31, 2013

3. Adoption of Accounting Standards For Not-For-Profit Organizations

These financial statements were prepared in accordance with Part III of the CICA Handbook - Accounting ("Part III").

The organization's first reporting period using Part III is for the year ended March 31, 2013. As a result, the date of transition to Part III is April 1, 2011. The organization presented financial statements under its previous Canadian generally accepted accounting principles ("CGAAP") annually to March 31st of each fiscal year up to, and including, March 31, 2012.

As these financial statements are the first financial statements for which the Organization has applied Part III, the financial statements have been prepared in accordance with the provisions set out in Section 1501 of Part III, First-time Adoption by Not-for-profit Organizations.

The Organization is required to apply Part III effective for periods ending on March 31, 2013 in:

- a) preparing and presenting its opening statement of financial position at April 1, 2011; and
- b) preparing and presenting its statement of financial position for March 31, 2013 (including comparative amounts for 2012), statement of operations, statement of changes in net assets, and statement of cash flows for the year ended March 31, 2013 (including comparative amounts for 2012) and disclosures (including comparative information for 2012).

The adoption of accounting standards for not-for-profit entities had no impact on the previously reported assets, liabilities and funds balances of the organization, and accordingly, no adjustments have been recorded in the comparative statement of financial position, statement of revenues and expenses and the statement of cash flows. Certain of the organization's presentation and disclosures included in these financial statements reflect the new presentation and disclosure requirements of accounting standards for not-for-profit entities.

4. Capital Assets

	Cost \$	Accumulated Amortization \$	2013 Net \$
Craigleigh Project Fund			
Building	1,054,275	422,514	631,761
Program Fund			
Land	170,000	-	170,000
Building	233,195	128,150	105,045
Computer equipment	14,045	8,427	5,618
	417,240	136,577	280,663

MADISON COMMUNITY SERVICES

Notes to Financial Statements (continued)

March 31, 2013

4. **Capital Assets** (continued)

	Cost \$	Accumulated Amortization \$	2012 Net \$
Craleigh Project Fund			
Building	1,054,275	381,191	673,084
Program Fund			
Land	170,000	-	170,000
Building	233,195	116,500	116,695
Computer equipment	14,045	5,618	8,427
	417,240	122,118	295,122

	Cost \$	Accumulated Amortization \$	2011 Net \$
Craleigh Project Fund			
Building	1,054,275	381,191	673,084
Program Fund			
Land	170,000	-	170,000
Building	233,195	116,500	116,695
Computer equipment	14,045	5,618	8,427
	417,240	122,118	295,122

5. **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 following disclosures provide information to assist users of the financial statements in assessing the extent of risk related to the organization's financial instruments.

The organization manages its exposure to the risks associated with financial instruments that have the potential to affect its operating and financial performance in accordance with its risk management policy. The objective of the policy is to reduce volatility in cash flow and earnings. The organization monitors compliance with risk management policies and reviews risk management policies and procedures on an annual basis.

The organization does not use derivative financial instruments to manage its risks.

MADISON COMMUNITY SERVICES

Notes to Financial Statements (continued)

March 31, 2013

5. Financial Instruments (continued)

Credit risk

The organization is exposed to credit risk resulting from the possibility is the risk that parties may default on their financial obligations, or if there is a concentration of transactions carried out with the same party, or if there is a concentration of financial obligations which have similar economic characteristics that could be similarly affected by changes in economic conditions, such that the organization could incur a financial loss. The organization does not hold directly any collateral as security for financial obligations of counterparties.

The maximum exposures of the organization to credit risk at March 31, 2013, March 31, 2012 and at April 1, 2011 are as follows:

	March 31, 2013 \$	March 31, 2012 \$	April 1, 2011 \$
Cash and short-term investments	322,006	263,984	225,646
Accounts receivable	71,044	134,285	141,396
	<u>393,050</u>	<u>398,269</u>	<u>367,042</u>

Cash and short-term investments: Credit risk associated with cash and investments is minimized substantially by ensuring that these assets are invested in financial obligations of: governments; major financial institutions that have been accorded investment grade ratings by a primary rating agency; and/or other credit-worthy parties.

Receivables: In management's opinion the organization is not exposed to significant credit risk on its receivables as they are primarily from government funders.

Liquidity risk

Liquidity risk is the risk that the organization will not be able to meet a demand for cash or fund its obligations as they come due. Liquidity risk also includes the risk of the organization not being able to liquidate assets in a timely manner at a reasonable price.

The organization meets its liquidity requirements by preparing and monitoring detailed forecasts of cash flows from operations, anticipating investing and financing activities and holding assets that can be readily converted into cash.

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 is comprised of currency risk, interest rate risk and other price risk.

Notes to Financial Statements (continued)

March 31, 2013

5. **Financial Instruments** (continued)

Currency risk

Currency risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate relative to the Canadian dollar due to changes in foreign exchange rates.

The functional currency of the organization is the Canadian dollar. The organization does not enter into transactions in foreign currencies.

Interest rate risk

Interest rate risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in market interest rates.

The exposure of the organization to interest rate risk arises from its interest bearing assets.

The organization's cash includes amounts on deposit with financial institutions that earn interest at market rates.

Fluctuations in market rates of interest on cash do not have a significant impact on the organization's results of operations.

Other price risk

Other price risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all similar instruments traded in the market.

The organization is not exposed to other price risk.

Changes in risk

There have been no changes in the organization's risk exposures from the prior year.

MADISON COMMUNITY SERVICES

Notes to Financial Statements (continued)

March 31, 2013

6. Mortgage Payable

The mortgage bears interest at 2.828%, is repayable in blended monthly payments of \$4,967 and matures September 1, 2015. The mortgage is secured by property with a book value of \$631,761.

Principal repayments are due as follows:

2014	42,501
2015	43,711
2016	<u>541,335</u>
	627,547
Less current portion	<u>42,501</u>
	<u><u>585,046</u></u>

7. CAMH

Included in the program fund is restricted funding received from CAMH as follows:

	2013	2012
	\$	\$
Grant received	<u>284,200</u>	<u>280,000</u>
Wages and benefits	237,479	209,212
Administrative and program	48,437	86,041
Communications	<u>140</u>	<u>1,312</u>
	<u>286,056</u>	<u>296,565</u>
Excess of expenses over revenues for year	(1,856)	(16,565)
Funds balance, beginning of year	<u>-</u>	<u>16,565</u>
Funds balance (deficit), end of year	<u><u>(1,856)</u></u>	<u>-</u>

8. Commitments

The organization is committed to lease its office premises until May 31, 2013. Minimum lease payments plus estimated operating costs are as follows:

2014	<u>\$ 13,000</u>
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HILBORN

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