

CASA Mental Health

Financial statements

March 31, 2026



**Shape the future
with confidence**

Independent auditor's report

To the Members of
CASA Mental Health

Opinion

We have audited the financial statements of **CASA Mental Health** [the "Organization"], which comprise the statement of financial position as at March 31, 2026, statement of operations, statement of changes in net assets and statement of 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 Organization as at March 31, 2026, 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 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.

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.



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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.

Edmonton, Canada
September 16, 2026

Ernst & Young LLP

Chartered Professional Accountants



CASA Mental Health

Statement of financial position

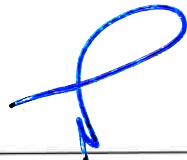
As at March 31

	2026	2025
	\$	\$
Assets		
Current		
Cash and cash equivalents <i>[note 3]</i>	32,626,127	44,377,755
Short-term investments <i>[note 3]</i>	11,843,124	7,616,199
Accounts receivable <i>[notes 4 and 12]</i>	2,284,085	1,237,833
Prepaid expenses <i>[note 5]</i>	470,675	222,998
Total current assets	47,224,011	53,454,785
Investments <i>[note 3]</i>	5,696,346	8,958,492
Capital assets, net <i>[note 5]</i>	18,694,140	3,976,639
Prepaid office lease <i>[note 5]</i>	692,000	740,000
	72,306,497	67,129,916
Liabilities and net assets		
Current		
Accounts payable and accrued liabilities <i>[note 6]</i>	3,602,585	3,060,996
Deferred contributions <i>[note 7]</i>	18,136,058	18,272,626
Total current liabilities	21,738,643	21,333,622
Deferred contributions <i>[note 7]</i>	27,286,664	37,286,664
Deferred capital contributions <i>[note 8]</i>	5,498,124	2,274,171
Total liabilities	54,523,431	60,894,457
Net assets		
Internally funded capital assets	1,920,134	1,702,467
Internally restricted – specific initiatives <i>[note 10]</i>	3,778,376	3,778,376
Internally restricted – prepaid occupancy <i>[note 9b]</i>	740,000	788,000
Externally restricted capital asset – Land	11,545,882	—
Research endowment fund <i>[note 15]</i>	115,703	115,703
Unrestricted	(317,029)	(149,087)
Total net assets	17,783,066	6,235,459
	72,306,497	67,129,916

See accompanying notes

On behalf of the Board:


Director


Director

CASA Mental Health

Statement of operations

Year ended March 31

	2026	2025
	\$	\$
Revenue		
Alberta Health Services grants <i>[note 7]</i>	6,617,511	6,362,991
Alberta government grants <i>[note 7]</i>	39,470,734	31,583,458
Contributed facilities <i>[note 11]</i>	1,478,333	1,355,792
Other foundations and community support <i>[note 7]</i>	22,403	157,891
Amortization of deferred capital contributions <i>[note 8]</i>	196,516	161,545
Investment income, net	1,275,361	2,191,145
Donations <i>[notes 7 and 12]</i>	5,333,164	2,111,753
	54,394,022	43,924,575
Expenses		
Salaries and employee benefits <i>[note 13]</i>	42,945,259	33,571,807
General and administrative	4,569,957	4,142,306
Facility leases <i>[note 11]</i>	2,231,095	2,025,288
Client related costs	1,491,336	1,258,502
Professional fees	1,269,446	1,125,300
Facility operations	727,865	630,640
Amortization of capital assets	707,339	563,932
Research expenses <i>[note 9(c)]</i>	450,000	450,000
	54,392,297	43,767,775
Excess of revenue over expenses	1,725	156,800

See accompanying notes

CASA Mental Health

Statement of cash flows

Year ended March 31

	2026	2025
	\$	\$
Operating activities		
Excess of revenue over expenses for the year	1,725	156,800
Add (deduct) items not affecting cash		
Accrued interest	(492,931)	(220,603)
Amortization of capital assets	707,339	563,932
	<u>216,133</u>	<u>500,129</u>
Changes in non-cash working capital balances related to operations		
Accounts receivable	(1,046,252)	19,405,068
Prepaid expenses	(199,677)	384,703
Accounts payable and accrued liabilities	541,589	1,156,371
Deferred contributions - received	41,316,466	48,655,729
Deferred contributions - utilized	(51,453,034)	(40,486,261)
Deferred capital contributions	3,223,953	844,636
Cash (used in)/provided by operating activities	<u>(7,400,822)</u>	<u>30,460,375</u>
Financing activities		
Deferred contributions - received for capital asset acquisition	11,545,882	—
Cash provided by financing activities	<u>11,545,882</u>	<u>—</u>
Investing activities		
Purchases of investments	(3,574,055)	(3,083,588)
Proceeds from sale of investments	3,102,207	2,602,000
Capital expenditures	(15,424,840)	(1,657,584)
Cash used in investing activities	<u>(15,896,688)</u>	<u>(2,139,172)</u>
Net (decrease)/increase in cash during the year	<u>(11,751,628)</u>	<u>28,321,203</u>
Cash and cash equivalents, beginning of year	44,377,755	16,056,552
Cash and cash equivalents, end of year	<u>32,626,127</u>	<u>44,377,755</u>

See accompanying notes

CASA Mental Health

Notes to financial statements

March 31, 2026

1. Nature of operations

The purpose of CASA Mental Health ["CASA" or the "Organization"] is to advance the mental health of children and adolescents within Alberta by way of assessment and treatment, research, and education.

CASA is incorporated under Part 9 of the *Companies Act* of Alberta. As a federally registered charity, under the provisions of the *Income Tax Act* (Canada), CASA is exempt from income taxes.

As at April 1, 2021, all the rights, title and interest pertaining to the assets and liabilities of CASA Foundation [the "Foundation"] were transferred to CASA through an asset transfer agreement, and the resulting balance was recorded as grant receivables from the Foundation [notes 4 and 12]. As at March 31, 2026, the Foundation is in the process of being dissolved.

2. Summary of significant accounting policies

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations and reflect the following significant accounting policies.

Revenue recognition

The Organization follows the deferral method of accounting for contributions, which include grants and donations. Grants are recognized in the accounts when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Other donations are recorded when received, since pledges are not legally enforceable claims. Unrestricted contributions are recognized as revenue when initially recorded in the accounts. Externally restricted contributions are deferred when initially recorded in the accounts and recognized as revenue in the year in which the related expenses are incurred.

Externally restricted contributions for the acquisition of capital assets are recorded as deferred capital contributions and recognized as revenue as the related assets are amortized over their useful lives. Restricted contributions for the purchase of capital assets or donated capital assets that will not be amortized are recognized as a direct increase in net assets.

Interest income is recorded in the statement of operations when earned.

Cash and cash equivalents

Cash and cash equivalents consist of cash on deposit and fixed income deposits with a term to maturity of 90 days or less from the date of purchase which together, along with certain investments, may be subject to certain restrictions as described in notes 10 and 15.

CASA Mental Health

Notes to financial statements

March 31, 2026

Capital assets

Purchased capital assets are recorded at acquisition cost. Contributed capital assets are recorded at fair value at the date of the contribution. Rates and bases of amortization applied to write off the cost less estimated salvage value of the capital assets over their estimated lives are as follows:

Audio-visual equipment	30% declining balance
Automobiles	30% declining balance
Computer equipment	30% declining balance
Furniture and office equipment	20% declining balance
Software	30% declining balance
Leasehold improvements	Lesser of remaining lease term or useful life

Costs capitalized in respect of assets under development include all expenditures incurred in connection with acquisition, development and construction.

Financial instruments

Investments are recorded at fair value. Transactions are recorded on a trade date basis and transaction costs are expensed as incurred.

Other financial instruments, including accounts receivable and accounts payable and accrued liabilities, are initially recorded at their fair value and subsequently measured at amortized cost, net of any provisions for impairment.

Impairment

Long-lived amortizing assets

The Organization tests for impairment when events or changes in circumstances indicate the carrying amount of an item or class of capital assets may not be recoverable. The recoverability of long-lived assets is based on the net recoverable amounts determined on an undiscounted cash flow basis. If the carrying amount of an asset exceeds its net recoverable amount, an impairment loss is recognized to the extent that fair value is below the asset's carrying amount. An impairment loss is not reversed if the fair value of the related asset subsequently increases.

Financial assets measured at cost and amortized cost

For financial assets measured at cost or amortized cost, the Organization regularly assesses whether there are any indications of impairment. If there is an indication of impairment, and the Organization determines that there is a significant adverse change in the expected timing or amount of future cash flows from the financial asset, it recognizes an impairment loss in the statement of operations. Any reversals of previously recognized impairment losses are recognized in operations in the year the reversal occurs.

Donated materials and contributed services

Donated materials and contributed services are recorded at fair value when the fair value can be reasonably estimated and when the materials and services are normally purchased by the Organization.

CASA Mental Health

Notes to financial statements

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The Organization is dependent upon the services provided by its volunteers. Volunteers contribute numerous hours in carrying out the activities of the Organization. Due to the difficulty in determining their fair value, services contributed by volunteers are not recognized in the financial statements.

Use of estimates

In preparing the Organization's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, related amounts of revenue and expenses, and the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

3. Cash and cash equivalents, short-term investments and investments

To earn optimal financial returns while maintaining the investment capital, the Board of Directors has established a policy of investing funds not required for immediate operating or capital needs in fixed-income investments.

Short-term investments held as at March 31, 2026 have an average effective yield of 3.64% [2025 – 4.22%]. Long-term investments held as at March 31, 2026 have an average effective yield of 3.71% [2025 – 3.75%] with maturity dates ranging from April 2027 to December 2030.

Included in cash, cash equivalents, short-term investments and investments is \$35,785,476 [2025 – \$27,286,664] which was received via certain contributions disclosed in note 7, the use of which is restricted by the terms of those grants.

4. Accounts receivable

	2026 \$	2025 \$
Trade receivables	1,482,502	946,108
Goods and Services Tax receivable	801,583	291,725
	<u>2,284,085</u>	<u>1,237,833</u>

Trade receivables include \$1,473,134 [2025 – \$851,623] owing from the Foundation as at March 31, 2026.

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Notes to financial statements

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5. Capital assets

	2026		2025	
	Cost	Accumulated amortization	Net book value	Net book value
	\$	\$	\$	\$
Art	130,815	—	130,815	125,096
Audio-visual equipment	476,727	328,430	148,297	9,173
Automobiles	23,656	20,691	2,965	4,236
Computer equipment	3,402,655	2,576,200	826,455	850,008
Furniture and office equipment	2,111,852	1,553,101	558,751	380,977
Land	11,275,882	—	11,275,882	—
Leasehold improvements	3,467,837	2,022,708	1,445,129	1,590,671
Software	87,528	80,320	7,208	10,297
Construction-in-progress	4,298,638	—	4,298,638	1,006,181
	25,275,590	6,581,450	18,694,140	3,976,639

Construction-in-progress relates to construction of new CASA House facilities across the Province. Initial funding was received through a Government of Alberta grant with the remainder being fundraised through a capital campaign.

6. Accounts payable and accrued liabilities

	2026	2025
	\$	\$
Trade and employee payables	2,241,859	1,507,917
Accrued vacation payable	1,372,786	1,115,862
Government remittances payable	(12,061)	437,217
	3,602,584	3,060,996

CASA Mental Health

Notes to financial statements

March 31, 2026

7. Deferred contributions

Details of the changes in deferred contributions are as follows:

	2026					
	Beginning balance \$	Received/ Receivable during the year \$	Recognized to revenue \$	Deferred to capital \$	Transfer to net assets \$	Ending balance \$
Alberta Health Services	—	6,617,511	6,617,511	—	—	—
Alberta government	55,494,165	43,030,207	39,470,734	3,420,468	11,545,882	44,087,288
CASA Foundation [note 12]	32,229	—	31,625	—	—	604
Other foundations and community support	(22,104)	—	—	—	—	(22,104)
Fort McMurray and Calgary capital expansion	—	2,757,038	1,400,104	—	—	1,356,934
Donations	55,000	3,878,060	3,933,060	—	—	—
	55,559,290	56,282,816	51,453,034	3,420,468	11,545,882	45,422,722

Of the \$44,087,288 [2025 – \$55,494,165] of Alberta Government related deferred revenue, \$27,286,664 [2025 – \$37,286,664] has been classified as non-current.

	2025					
	Beginning balance \$	Received/ Receivable during the year \$	Recognized to revenue \$	Deferred to capital \$	Fundingre turned \$	Ending balance \$
Alberta Health Services	—	6,362,991	6,362,991	—	—	—
Alberta government	47,121,837	40,961,967	31,583,458	1,006,181	—	55,494,165
CASA Foundation [note 12]	39,729	—	7,500	—	—	32,229
Other foundations and community support	228,256	177,697	157,891	—	270,166	(22,104)
Donations	—	2,159,253	2,104,253	—	—	55,000
	47,389,822	49,661,908	40,216,093	1,006,181	270,166	55,559,290

CASA Mental Health

Notes to financial statements

March 31, 2026

8. Deferred capital contributions

Details of the changes in deferred capital contributions are as follows:

	2026 \$	2025 \$
Balance, beginning of year	2,274,171	1,429,535
Contributions received during the year	3,420,468	1,006,181
Amounts amortized to revenue	(196,516)	(161,545)
Balance, end of year	5,498,124	2,274,171

9. Commitments and contingencies

Commitments

[a] As at March 31, 2026, the Organization has entered into commitments for office equipment and office space:

[i] Future annual lease payments in respect of office equipment are as follows:

	\$
2027	37,525
2028	21,889

[ii] Future annual lease payments in respect of office space are as follows:

	\$
2027	480,057
2028	363,269
2029	164,616
2030	183,764
2031	30,866

[b] During the year ended March 31, 2015, CASA entered into an agreement with Infrastructure to redevelop its CASA Centre property. Under the terms of the agreement, CASA transferred land with a net book value of \$1,200,000 to Infrastructure and entered into a 25-year lease for CASA Centre for \$1 plus annual operating costs. The lease commenced in August 2016 on completion of the redevelopment. As at March 31, 2026, \$48,000 [2025 – \$48,000] has been recorded in prepaid expenses as a current asset, representing the amortization that will be incurred in fiscal 2027 with remaining long term asset balance of \$692,000 [2025 – \$740,000] at March 31, 2026.

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- [c] During the year ended March 31, 2023, CASA has entered into a donation agreement pledging a total of \$4,500,000 to the University of Alberta to fund a Research Chair in Child and Adolescent Mental Health and to fund the Research Chair Support Fund to ensure the Research Chair has the necessary resources and funding for success. The agreement is on uninterrupted basis for a 10 year period with annual payments of \$250,000 for the Research Chair and \$200,000 for the Research Chair Support Fund starting in October 2022 and ending in June 2031. \$Nil [2025 – \$Nil] in deferred revenue was recognized to revenue to offset the funding agreement expenses.
- [d] As at March 31, 2026, the expected future costs for capital projects underway are approximately \$44,000,000, including projects in Fort McMurray and Calgary.

Contingencies

From time to time, various legal claims may be pending against the Organization. Management believes that the Organization has recognized adequate provisions for probable and reasonably estimable liabilities associated with such claims, and that their ultimate resolution will not have a material adverse effect on the Organization's financial position or its financial activities.

10. Internally restricted net assets

For the year ended March 31, 2026, the Board has authorized \$728,490 [2025 – \$651,403] to be internally restricted to the internally funded capital asset fund. At March 31, 2026, \$3,778,376 [2025 – \$3,778,376] of net assets are internally restricted for purposes of furthering specific initiatives of the Organization, including but not limited to covering expenses of programs, losses arising from significant disruption in operations, and/or discontinuation of operations that may result in liabilities.

11. Contributed materials and facilities

The Province of Alberta, through the Department of Infrastructure and Alberta Health Services, contributes to the operations of the Organization by providing and maintaining certain owned and leased facilities at no charge. The fair value of the contributed facilities is reflected as contributed facilities revenue of \$1,478,333 [2025 – \$1,355,792], and facility leases expense includes contributed facilities of \$1,478,333 [2025 – \$1,355,792].

12. Additional information

In compliance with the Ethical Fundraising and Financial Accountability Code, the Organization reports that donations were the sole sources of fundraising revenue that occurred during the year.

Total donations receipted for income tax purposes in fiscal 2026 were \$2,122,925 [2025 – \$572,341]. An additional \$3,210,239 [2025 – \$1,539,412] in donations was not receipted for income tax purposes. \$5,333,164 [2025 – \$2,111,753] was recognized to revenue during the year and \$1,356,934 [2025 – \$55,000] was added to deferred contributions.

During the year, \$31,625 [2025 – \$7,500] of previously deferred contributions from the Foundation were recognized in the statement of operations, and included in donations total donations received from the Foundation during the year were \$621,511 [2025 – \$738,698]

CASA Mental Health

Notes to financial statements

March 31, 2026

In compliance with the *Alberta Charitable Fundraising Act*, the Organization reports that the total amount paid to employees involved in fund development was \$1,485,822 [2025 – \$1,075,019].

13. Employee future benefits

The Organization sponsors a defined contribution pension plan for employees. The cost of the defined contribution plan [contributions in accordance with the plan agreement] is expensed in the period during which the services are rendered. The cost of the defined contribution plan for the year ended March 31, 2026 was \$1,043,735 [2025 – \$792,768].

14. Financial instruments and risk management

CASA is exposed to various financial risks through transactions in financial instruments.

Interest rate risk

The Organization holds guaranteed investment certificates, which are subject to interest rate and market fluctuation risks. These risks are mitigated by restricting both the type and term of securities eligible for investment. It is management's opinion that the risks arising from these financial instruments are not significant.

Credit risk

The Organization's exposure to credit risk relates to accounts receivable and arises from the possibility that counterparties will not fulfill their obligations. Management mitigates this risk through evaluations of creditors and the recording of allowances for doubtful accounts as required.

Liquidity risk

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly with respect to its accounts payable and accrued liabilities.

15. Research endowment fund

As part of the asset transfer agreement [note 1], a research endowment fund was transferred from the Foundation to CASA effective April 1, 2021.

In 2002, the "Kids Come First" Endowment Fund for Research in Children's Mental Health was created. Of cash balances held, \$115,703 [2025 – \$115,703] is restricted for research purposes. Contributions are subject to externally imposed restrictions stipulating that the resources be maintained permanently. The cumulative interest income earned on the endowment fund contributions, which totals \$44,388 [2025 – \$39,539] as at March 31, 2026, the current amount is included in interest revenue on the statement of operations and is restricted to support clinical and evaluative research in child and adolescent mental health at CASA and applied against research expenses.

16. Comparative figures

Certain figures presented in the comparative year have been reclassified to be consistent with the presentation of the current year.