

Brain Canada Foundation

Financial Statements

March 31, 2024



Independent auditor's report

To the Board of Directors of
Brain Canada Foundation

Opinion

We have audited the financial statements of **Brain Canada Foundation** [the "Foundation"], which comprise the statement of financial position as at March 31, 2024 and statement of changes in net assets, statement of operations 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 Foundation as at March 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 Foundation 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 Foundation'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 Foundation or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibility 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 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.
- 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 Foundation'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 Foundation'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 Foundation 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.

*Ernst & Young LLP*¹

Montreal, Canada
July 10, 2024

¹ CPA auditor, public accountancy permit no. A124456

Brain Canada Foundation

Statement of financial position

As at March 31

	2024	2023
	\$	\$
Assets		
Current		
Cash and cash equivalents	3,123,758	8,950,609
Cash - restricted [note 3]	89,722	200,000
Short - term investment [note 4]	5,000,000	-
Accrued interest receivable	18,465	9,554
Other receivables	60,621	73,535
Contribution receivable from the Government [note 5]	1,849,666	4,270,592
Prepays and deposits	54,883	72,311
Total current assets	10,197,115	13,576,601
Tangible capital assets [note 6]	96,748	104,734
	10,293,863	13,681,335
Liabilities and net assets		
Current		
Accounts payable and accrued liabilities [note 7]	116,998	138,220
Salaries and benefits payable [note 7]	362,083	310,079
Current portion of deferred contributions [note 8]	5,682,007	7,420,350
Total current liabilities	6,161,088	7,868,649
Deferred contributions [note 8]	2,398,513	3,721,668
Total liabilities	8,559,601	11,590,317
Commitments [note 9]		
Net assets		
Unrestricted net assets	1,637,514	1,986,284
Invested in tangible capital assets	96,748	104,734
	1,734,262	2,091,018
	10,293,863	13,681,335

See accompanying notes

Approved on behalf of the Board:

_____, Director

Brain Canada Foundation

Statement of changes in net assets

Period ending March 31

	Unrestricted	Invested in tangible capital assets	Total 2024	Total 2023
	\$	\$	\$	\$
			[12 months]	[3 months]
Balance, beginning of period	1,986,284	104,734	2,091,018	2,802,650
Deficiency of revenues over expenditures	(341,352)	(15,404)	(356,756)	(711,632)
Acquisition of tangible capital assets	(7,418)	7,418	-	-
Balance, end of period	1,637,514	96,748	1,734,262	2,091,018

See accompanying notes

Brain Canada Foundation

Statement of operations

Period ending March 31

	2024 \$ [12 months]	2023 \$ [3 months]
Revenues		
Restricted contributions <i>[schedule 1]</i>	31,884,151	12,203,158
Unrestricted contributions from donors	212,253	28,445
Interest Income	685,232	153,479
	32,781,636	12,385,082
Expenditures		
Grants and awards <i>[schedule 2]</i>	28,630,714	11,994,482
Operating expenses <i>[schedule 2]</i>	4,492,274	1,098,215
Amortization of tangible capital assets	15,404	4,017
	33,138,392	13,096,714
Deficiency of revenues over expenditures	(356,756)	(711,632)

See accompanying notes

Brain Canada Foundation

Statement of cash flows

Period ending March 31

	2024 \$ [12 months]	2023 \$ [3 months]
Operating activities		
Deficiency of revenues over expenditures	(356,756)	(711,632)
Items not involving cash:		
Amortization of tangible capital assets	15,404	4,017
Changes in non-cash components of operating working capital:		
Accrued interest receivable	(8,911)	(343)
Other receivables	24,952	45,140
Prepays and deposits	17,428	(3,687)
Accounts payable and accrued liabilities	(21,222)	(55,260)
Salaries and benefits payable	52,004	(79,208)
Cash used in operating activities	(277,101)	(800,973)
Financing activities		
Contributions received	31,231,541	4,918,157
Contributions recognized in revenues, before reversal related to grants and awards reimbursements	(31,884,151)	(12,203,158)
Cash used in financing activities	(652,610)	(7,285,001)
Investing activities		
Acquisition of tangible capital assets	(7,418)	-
Cash used in investing activities	(7,418)	-
Net decrease in cash and cash equivalents	(937,129)	(8,085,974)
Cash and cash equivalents, beginning of period	9,150,609	17,236,583
Cash and cash equivalents, end of period	8,213,480	9,150,609
Cash and cash equivalents consist of:		
Bank balances	3,123,758	8,950,609
Restricted cash	89,722	200,000
Guaranteed investments certificates	5,000,000	-
	8,213,480	9,150,609
Supplemental non-cash information:		
Other Receivables	12,038	-
Contribution receivable from the Government	(2,420,926)	4,270,592
Reimbursement included in deferred contributions	(2,408,888)	4,270,592

See accompanying notes

Brain Canada Foundation

Notes to financial information

March 31, 2024

1. Incorporation and purpose of the Foundation

Brain Canada Foundation (the "Foundation") is a registered charity incorporated on August 30, 1997 under Part II of the *Canada Corporations Act*. It is a public foundation for tax purposes and is not subject to income taxes. On October 7, 2014, the Foundation obtained its articles of continuance under section 211 of the *Canada Not-for-Profit Corporations Act*.

The purpose and goals of the Foundation are to raise funds to foster advances in neuroscience discovery research to open the way to better health care for those affected by neurological injury and disease. The objective of the Foundation is to use the funds raised to fund scientists affiliated with Canadian universities, hospitals or other academic institutions involved in research and development programs in world competitive neuroscience of nationwide scope.

In 2022, the Foundation applied to the Canada Revenue Agency to change its fiscal year. Effective April 1, 2023, the Foundation's fiscal year ended on March 31.

2. Significant accounting policies

These financial statements were prepared in accordance with Part III of the *Chartered Professional Accountants of Canada Handbook – Accounting*, "Accounting Standards for Not-for-Profit Organizations", which sets out generally accepted accounting principles for not-for-profit organizations, hereafter referred to "ASNFPO", and include the following significant policies:

Revenue recognition

The Foundation follows the deferral method of accounting for contributions. Externally restricted contributions relating to future period expenses are recognized as revenue in the year in which the related expenses are incurred. All contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

As per the Contribution Agreement with the Government, the Foundation may allocate up to 12% of contributions received from Health Canada during the year to fund operating expenses. The contributions from donors and partners are not limited to the percentage provided for in the agreement with the government.

Unrestricted investment income is recognized as unrestricted revenue when earned.

Cash and cash equivalents

Cash and cash equivalents include cash in bank and highly liquid investments with an original maturity of three months or less at the date of acquisition.

Investments

Investments consist of guaranteed investment certificates. According to the multi-year contribution agreement with Health Canada, the Foundation can only invest any excess cash from the Government of Canada in interest-bearing certificates of deposit or Treasury bills issued by the government.

Tangible capital assets

Tangible capital assets are recorded at cost less accumulated amortization. Amortization is calculated on their respective estimated useful life using the declining balance method at the following rates:

Computers	30%
Furniture and equipment	30%

Artwork consists of paintings and are not amortized due to their nature and virtually unlimited life.

Notes to financial information

March 31, 2024

Impairment of long-lived assets

Long-lived assets, which comprise tangible capital assets, are reviewed for impairment when certain events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. An impairment is recognized when the carrying amount of an asset to be held and used exceeds the undiscounted future net cash flows expected from its use and disposal. If there is an impairment, the impairment loss is measured as the amount by which the carrying amount of the asset exceeds its fair value, calculated using discounted cash flows when quoted market prices are not available. Any impairment results in a write-down of the asset and a charge to excess (deficiency) of revenues over expenditures during the period. An impairment loss is not reversed if the fair value of the related asset subsequently increases.

Contributed goods and services

The Foundation benefits from services from volunteers as well as services, materials and other goods provided without monetary compensation. Because of the difficulty in determining their fair value, contributed services, materials and other goods are only reflected in the financial statements when the fair value is readily available and can be determined, and the goods or services would have otherwise been purchased.

Financial instruments

Measurement of financial instruments

The Foundation initially records a financial instrument that was originated, issued or assumed in an arm's length transaction at fair value.

Related party debt or equity instruments that are quoted in an active market, debt instruments with observable inputs that are significant to the determination of their fair value, and derivative instruments are also initially recorded at fair value.

The Foundation recognizes its transaction costs in excess (deficiency) of revenues over expenditures in the period incurred. However, arm's length financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption; these transaction costs, as well as any financing fees, are amortized on a straight-line basis.

Subsequently, the Foundation measures financial instruments as follows:

- [i] Investments in equity instruments that are quoted in an active market at fair value;
- [ii] All other financial assets, which include cash and cash equivalents, contributions receivables, prepaid and deposits, short-term investments and accounts receivable [excluding sales taxes receivable] at amortized cost; and
- [iii] Financial liabilities, which include the accounts payable and accrued liabilities and salaries and benefits payable at amortized cost.

Impairment

When there are indications of possible impairment, the Foundation determines if there has been a significant adverse change to the expected timing or amounts of future cash flows expected from the financial asset. The amount of any impairment loss is determined by comparing the carrying amount of the financial asset with the highest of three amounts:

- [i] For an arm's length financial asset, 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 that asset, and for a related party debt instrument, the undiscounted cash flows expected to be generated by holding the asset, excluding interest and dividend payments;
- [ii] The amount that could be realized by selling the asset at the balance sheet date; and

Brain Canada Foundation

Notes to financial information

March 31, 2024

[iii] The amount the Foundation expects to realize by exercising its right to any collateral held to secure repayment of the asset, net of all costs necessary to exercise those rights.

A previously recognized impairment loss is reversed to the extent that the improvement can be related to an event occurring after the impairment was recognized, but the adjusted carrying amount of the financial asset shall be no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized.

3. Restricted cash

On February 4, 2023, the Foundation's Board of Directors designated an amount of \$200,000 to be used for specific operating expenses by March 2025 as restricted cash to fund certain specific activities. This internally restricted cash is not available for use by the Foundation for any purpose's other than the designated activities without prior approval by the Board of Directors. As at March 31, 2024, the restricted cash amounted to \$89,722.

4. Short-term Investment

The short-term investment consists of a guaranteed investment certificate which bears interest at a rate of 5.03% with a maturity date of April 17, 2024.

5. Contribution agreement and pledges

On March 28, 2022, the Foundation signed a four-year contribution agreement replacing the multi-year contribution agreement and amendments previously signed with Health Canada effective March 12, 2020. The purpose of the new agreement is to continue supporting the Canada Brain Research Fund, which will fund the very best Canadian neuroscience researchers, in order to improve the health and quality of life of Canadians who suffer from brain disorders. Health Canada has agreed to match, dollar for dollar, the funding received from non-governmental sources for research up to a maximum of \$80,000,000. Any funding that the Foundation fails to match, as defined in the agreement, shall be repayable to Health Canada. In addition, Health Canada acknowledges and agrees that up to 12% of the funding for each year without matching may be used by the Foundation for operating expenses and for the design of the research program, as defined in the agreement.

As at March 31, 2024, the Foundation received an amount totalling \$181,433,214 [2023 - \$158,074,050] from Health Canada of which \$169,334,838 [2023 - \$150,796,599] that matches, dollar for dollar, the funding received from non-governmental sources since the beginning of the agreement in April 2011. As of March 31, 2024, the total amount of government funds used to match donors and partners funds exceeded the amount received to date by \$1,849,666 [2023 - \$4,720,592]. An unmatched amount of nil [2023 - \$146,646] has been included in the deferred contribution balance at year-end.

In addition to the amounts received from the Health Canada, the Foundation also received contributions from non-governmental sources. Since the beginning of the agreement of April 1, 2011, a total of \$136,055,433 [2023 - \$128,286,035] has been collected.

In 2024, \$10,551,239 [2023 - \$3,315,516] of donors and partners funds were sent directly to the host institutions instead of being forwarded to Brain Canada. These funds are an integral part of agreements signed with donors and partners to support research. Note 9 to the financial statements details the amount paid in 2024.

Brain Canada Foundation

Notes to financial information

March 31, 2024

6. Tangible capital assets

	Cost \$	Accumulated amortization \$	2024 Net book value \$	2023 Net book value \$
Computers	94,683	58,920	35,763	41,265
Furniture and equipment	88,791	82,996	5,795	8,279
Artwork	55,190	-	55,190	55,190
	238,664	141,916	96,748	104,734

7. Accounts payable, accrued liabilities and salaries and benefits payable

Included in salaries and benefits payable are government remittance payable of \$4,464 [2023 - \$4,091].

8. Deferred contributions

Deferred contributions represent unspent externally restricted grants and donations for specific programs, which relate to future years. The details are as follows:

	2024 \$	2023 \$
Balance, beginning of period	6,871,426	14,156,427
Contributions received from Health Canada	23,359,164	-
Contributions received from non-governmental sources	7,872,377	4,918,157
	31,231,541	4,918,157
Less amount recognized as revenues:		
Contributions from Federal Government	(23,193,969)	(9,354,076)
Contributions from partners	(6,474,385)	(967,109)
Contributions from donors	(2,215,797)	(1,881,973)
Contribution receivable from a donor	12,038	
Contribution receivable from the Government [note 5]	1,849,666	4,270,592
Less current portion of deferred contributions	(5,682,007)	(7,420,350)
Balance, end of period	2,398,513	3,721,668

The details of the deferred contributions for 2023 represents a 3-month period from January 1, 2023 to March 31, 2023 whereas the contributions for 2024 represents the period from April 1, 2023 to March 31 2024.

Notes to financial statements

Period ended March 31, 2024

9. Programs and commitments:

The Canada Brain Research Fund was developed with the purpose of supporting excellent Canadian neuroscience researchers based at universities, hospitals and institutes across the country.

	Research Funding committed by the Partner	Research Funding committed by Brain Canada Foundation	Funds disbursed in prior years	Funds disbursed in 2024	Partners funds sent directly to the Host Institution	Balance to be disbursed	2025	2026	2027	2028	2029	TOTAL
Basics of Better Mental Health	1,650,000 \$	1,650,000 \$	- \$	1,089,000 \$	- \$	2,211,000 \$	1,106,000 \$	994,500 \$	110,500 \$	- \$	- \$	2,211,000 \$
Consortium québécois sur la découverte du médicament (CQDM) Reseach Programs	2,351,500 \$	2,224,625 \$	772,125 \$	924,705 \$	203,891 \$	2,675,404 \$	1,326,139 \$	892,598 \$	456,667 \$	- \$	- \$	2,675,404 \$
Platform Support Grants	27,887,715 \$	27,887,715 \$	26,133,028 \$	13,827,936 \$	6,448,415 \$	9,366,050 \$	7,447,964 \$	1,488,056 \$	430,028 \$	- \$	- \$	9,366,048 \$
Chagnon Family and Centre for Addiction and Mental Health (CAMH) – MIRI	5,598,044 \$	5,598,044 \$	11,166,087 \$	30,000 \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$
Future Leaders in Canadian Brain Research Program	4,511,635 \$	5,281,468 \$	4,871,437 \$	2,284,964 \$	- \$	2,636,702 \$	1,225,855 \$	1,410,847 \$	- \$	- \$	- \$	2,636,702 \$
ALS Canada - Brain Canada Research Programs	3,169,975 \$	3,169,975 \$	2,551,832 \$	1,594,886 \$	- \$	2,193,232 \$	1,380,348 \$	703,884 \$	109,000 \$	- \$	- \$	2,193,232 \$
Martin family Initiative (MFI) - The Early Years	100,000 \$	35,000 \$	- \$	35,000 \$	100,000 \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$
Canadian Cancer Society Research Program	3,849,947 \$	2,714,953 \$	- \$	2,675,024 \$	101,500 \$	3,788,377 \$	1,513,949 \$	1,220,728 \$	1,053,700 \$	- \$	- \$	3,788,377 \$
Canadian Stroke Consortium-Brain Canada-Heart and Stroke Foundation of Canada Stroke Clinical Research Catalyst Grants	499,419 \$	499,419 \$	330,714 \$	288,674 \$	- \$	379,450 \$	379,450 \$	- \$	- \$	- \$	- \$	379,450 \$
Addressing Mental Health in Paediatric Rheumatic Diseases Team Grants	240,000 \$	240,000 \$	- \$	117,383 \$	- \$	362,617 \$	340,113 \$	22,504 \$	- \$	- \$	- \$	362,617 \$
Alzheimer's Association Research Programs	2,395,904 \$	2,002,296 \$	1,060,071 \$	692,980 \$	666,262 \$	1,978,887 \$	1,286,864 \$	692,025 \$	- \$	- \$	- \$	1,978,889 \$
Alzheimer Society of Canada Research Programs	1,917,500 \$	1,917,500 \$	- \$	647,919 \$	29,500 \$	3,157,581 \$	1,411,821 \$	1,018,443 \$	595,767 \$	131,550 \$	- \$	3,157,581 \$
Kids Brain Health Network Research Programs	923,942 \$	447,742 \$	1,209,184 \$	62,500 \$	50,000 \$	50,000 \$	50,000 \$	- \$	- \$	- \$	- \$	50,000 \$
National Institutes of Health – BRAIN Initiative	203,963 \$	203,963 \$	255,926 \$	152,000 \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$
Canadian Parkinson Network and Registry	1,000,000 \$	1,000,000 \$	1,834,000 \$	- \$	- \$	166,000 \$	166,000 \$	- \$	- \$	- \$	- \$	166,000 \$
Women's Brain Health Initiative (WBHI)	1,030,099 \$	1,030,099 \$	378,662 \$	1,546,142 \$	- \$	135,394 \$	135,394 \$	- \$	- \$	- \$	- \$	135,394 \$
Canadian Prospective Cohort Study to Understand Progression in Multiple Sclerosis	6,502,600 \$	2,850,000 \$	5,678,350 \$	337,950 \$	2,571,525 \$	764,775 \$	764,775 \$	- \$	- \$	- \$	- \$	764,775 \$
Canadian Consortium on Neurodegeneration in Aging (CCNA) - Phase II	3,910,000 \$	2,500,000 \$	5,570,000 \$	- \$	- \$	840,000 \$	840,000 \$	- \$	- \$	- \$	- \$	840,000 \$
Turnbull-Tator Award in Spinal Cord Injury and Concussion Research	125,000 \$	125,000 \$	145,000 \$	50,000 \$	- \$	55,000 \$	50,000 \$	5,000 \$	- \$	- \$	- \$	55,000 \$
Bell Let's Talk - Brain Canada Mental Health Research Program	2,095,000 \$	2,095,000 \$	2,470,237 \$	265,000 \$	- \$	1,454,763 \$	1,053,687 \$	401,076 \$	- \$	- \$	- \$	1,454,763 \$
JDRF Canada - Brain Canada Addressing Mental Health in Type 1 Diabetes Team Grants	375,000 \$	375,000 \$	375,000 \$	- \$	- \$	375,000 \$	337,500 \$	37,500 \$	- \$	- \$	- \$	375,000 \$
Canadian Open Parkinson Network (C-OPN)	500,000 \$	500,000 \$	600,000 \$	150,000 \$	150,000 \$	100,000 \$	100,000 \$	- \$	- \$	- \$	- \$	100,000 \$
Heart & Stroke - Brain Canada: Heart-Brain Connection IMPACT Award	2,925,000 \$	2,925,000 \$	1,604,078 \$	500,000 \$	230,147 \$	3,515,775 \$	1,095,189 \$	1,126,312 \$	1,294,274 \$	- \$	- \$	3,515,775 \$
Brain Canada Youth Mental Health Platform, powered by RBC Future Launch, with support from Power Corporation of Canada	2,565,000 \$	2,565,000 \$	2,013,586 \$	791,656 \$	- \$	2,324,758 \$	791,657 \$	642,801 \$	755,300 \$	135,000 \$	- \$	2,324,758 \$
Brain Canada Rising Stars Trainee Awards	193,864 \$	193,864 \$	- \$	139,033 \$	- \$	248,694 \$	233,000 \$	15,694 \$	- \$	- \$	- \$	248,694 \$
Personnel Awards for Black Scholars	257,500 \$	232,500 \$	- \$	127,500 \$	- \$	362,500 \$	362,500 \$	- \$	- \$	- \$	- \$	362,500 \$
Personnel Awards for Indigenous Scholars	247,917 \$	237,709 \$	- \$	188,750 \$	- \$	296,876 \$	296,876 \$	- \$	- \$	- \$	- \$	296,876 \$
EU Joint Programme - Neurodegenerative Disease Research (JPND)	- \$	333,333 \$	- \$	111,712 \$	- \$	221,621 \$	110,644 \$	110,977 \$	- \$	- \$	- \$	221,621 \$
Brain Changes Initiative	716,000 \$	716,000 \$	- \$	- \$	- \$	1,432,000 \$	550,000 \$	522,000 \$	360,000 \$	- \$	- \$	1,432,000 \$
	77,742,523 \$	71,551,204 \$	69,019,317 \$	28,630,714 \$	10,551,239 \$	41,092,457 \$	24,355,725 \$	11,304,945 \$	5,165,236 \$	266,550 \$	- \$	41,092,457 \$

Brain Canada Foundation

Notes to financial information

March 31, 2024

9. Programs and commitments

Commitments:

The Foundation is committed under an operating lease for the rental of its business premises. The minimum payments required over the three years and in total are as follows:

	\$
2025	197,217
2026	202,032
2027	171,363
	<hr/> 570,612

10. Financial instruments and risk management

The Foundation is exposed to various risks through transactions in financial instruments. The following provides information in assessing the extent of the Foundation's exposure to these risks.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Foundation is exposed to interest rate risk on its fixed-interest rate investments because the fair value will fluctuate due to changes in market interest rates. However, this risk is considered low by the fact that the short-term investment matures in the short term.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to currency risk through its cash, accounts receivable and accounts payable and accrued liabilities. The Company does not currently hedge the foreign exchange risk associated with these transactions and accounts.

Liquidity risk

Liquidity risk is the risk that the Foundation will encounter difficulty in meeting obligations associated with financial liabilities. The Foundation is exposed to this risk mainly in respect of its accounts payable and accrued liabilities and salaries and wages payable. The Foundation manages its liquidity risk by monitoring its operating requirements. The Foundation prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. As at March 31, 2024, the Foundation has met its objective of having sufficient liquidity to meet its current obligations.

11. Subsequent event

The 2024 federal budget that was tabled on April 16, 2024 committed to provide an additional \$80 million to the Foundation over four years, starting in 2024. This funding is to support brain research through the Canada Brain Research Fund and must be matched by funds raised from non-federal governmental sources.

Brain Canada Foundation

Schedules to financial statements

Period ending March 31

	2024	2023
	\$	\$
	<u>[12 months]</u>	<u>[3 months]</u>
Schedule 1 - Restricted Contributions		
Revenues		
Restricted contributions from Federal Government	23,193,969	9,354,076
Restricted contributions from partners	6,474,385	967,109
Restricted contributions from donors	2,215,797	1,881,973
	<u>31,884,151</u>	<u>12,203,158</u>

See accompanying notes

Brain Canada Foundation

Schedules to financial statements

Period ending March 31

	2024	2023
	\$	\$
	[12 months]	[3 months]
Schedule 2 - Grants and Awards and Operating Expenses		
Grants and awards		
Platform Support Grants	13,827,936	6,513,785
Canadian Cancer Society Research Programs	2,675,024	368,047
Future Leaders in Canadian Brain Research Program	2,284,964	249,050
ALS Canada - Brain Canada Research Programs	1,594,886	846,465
Women's Brain Health Initiative (WBHI)	1,546,142	555,600
Basics of Better Mental Health	1,089,000	-
CQDM Research Programs	924,705	-
Brain Canada Youth Mental Health Platform, powered by RBC Future Launch, with support from Power Corporation of Canada	791,656	1,006,793
Alzheimer's Association Research Programs	692,980	206,322
Alzheimer Society of Canada Research Programs	647,919	-
Heart & Stroke - Brain Canada: Heart-Brain Connection IMPACT Award	500,000	777,007
Canadian Prospective Cohort to Understand Progression in People Living with MS (CanProCo) Pediatric-onset Multiple Sclerosis (POMS) Subcohort	337,950	-
Canadian Stroke Consortium-Brain Canada-Heart and Stroke Foundation of Canada Stroke Clinical Research Catalyst Grants	288,674	-
Bell Let's Talk - Brain Canada Mental Health Research Program	265,000	1,259,553
Personnel Awards for Indigenous Scholars	188,750	-
National Institutes of Health – BRAIN Initiative	152,000	-
Canadian Open Parkinson Network (C-OPN)	150,000	-
Brain Canada Rising Stars Trainee Awards	139,033	3,269
Personnel Awards for Black Scholars	127,500	-
Addressing Mental Health in Paediatric Rheumatic Diseases Team Grants	117,383	-
EU Joint Programme - Neurodegenerative Disease Research (JPND)	111,712	-
Kids Brain Health Network Research Programs	62,500	165,587
Turnbull-Tator Award in Spinal Cord Injury and Concussion Research	50,000	-
Martin Family Initiative (MFI) – The Early Years	35,000	-
Chagnon Family and Centre for Addiction and Mental Health (CAMH) – MIRI	30,000	-
Multi-Investigator Research Initiative (MIRI)	-	43,004
	28,630,714	11,994,482
Operating expenses		
Salaries and wages	2,749,246	674,891
Communications	423,711	139,153
Professional fees	369,236	100,945
Programs	234,726	30,367
Fundraising	228,047	35,179
Office space	181,195	38,543
Board meeting	75,253	1,913
Administration	88,365	37,953
Travel	45,030	3,789
Insurance	43,148	10,427
Website	40,285	21,870
Office expenses	14,032	3,185
	4,492,274	1,098,215

See accompanying notes