

Brain Canada Foundation

Financial Statements

December 31, 2021

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 December 31, 2021 and the 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 Foundation as at December 31, 2021 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
April 19, 2022

¹ CPA auditor, CA, public accountancy permit no. A124456

BRAIN CANADA FOUNDATION
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2021

	2021	2020
	\$	\$
Assets		
Current		
Cash and cash equivalents	8,010,971	5,554,149
Short-term investments (note 4)	2,600,000	3,455,000
Accrued interest receivable	2,369	15,089
Other receivables (note 8)	70,238	226,563
Grants and awards reimbursement receivable	-	1,875
Prepays and deposits	70,155	48,278
	10,753,733	9,300,954
Tangible capital assets (note 5)	105,928	104,052
	10,859,661	9,405,006
Liabilities and net assets		
Current		
Accounts payable and accrued liabilities (note 6)	299,153	49,905
Salaries and benefits payable (note 6)	403,309	561,296
Current portion of deferred contributions (note 7)	5,957,165	4,899,332
	6,659,627	5,510,533
Deferred contributions (note 7)	1,758,896	974,412
	8,418,523	6,484,945
Net assets:		
Unrestricted net assets	2,335,210	2,816,009
Invested in capital assets	105,928	104,052
	2,441,138	2,920,061
	10,859,661	9,405,006

Commitments (note 9)

Subsequent event (note 12)

The accompanying notes are an integral part of these financial statements

Approved on behalf of the Board:

Director

BRAIN CANADA FOUNDATION
STATEMENT OF CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2021

	Unrestricted \$	Invested in capital assets \$	Total 2021 \$	Total 2020 \$
Balance, beginning of year	2,816,009	104,052	2,920,061	2,405,102
Excess (deficiency) of revenues over expenditures	(461,328)	(17,595)	(478,923)	514,959
Write-off of tangible capital assets	2,549	(2,549)	-	-
Acquisition of tangible capital assets	(22,020)	22,020	-	-
Balance, end of year	2,335,210	105,928	2,441,138	2,920,061

The accompanying notes are an integral part of these financial statements

BRAIN CANADA FOUNDATION
STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2021

	2021	2020
	\$	\$
Revenues:		
Restricted contributions (schedule 1)	23,634,829	13,510,723
Unrestricted contributions from donors	315,899	690,528
Government wage subsidy (note 8)	112,047	257,746
Interest Income	33,920	67,492
	24,096,695	14,526,489
Fundraising events:		
Revenues	-	35,634
Direct costs	-	13,710
	-	21,924
	24,096,695	14,548,413
Expenditures:		
Grants and awards (schedule 2)	21,167,198	10,496,563
Operating expenses (schedule 2)	3,390,825	3,519,297
Amortization of tangible capital assets	17,595	17,594
	24,575,618	14,033,454
Excess (deficiency) of revenues over expenditures	(478,923)	514,959

The accompanying notes are an integral part of these financial statements

BRAIN CANADA FOUNDATION
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2021

	2021 \$	2020 \$
Operating activities		
Excess (deficiency) of revenues over expenditures	(478,923)	514,959
Items not involving cash:		
Amortization of tangible capital assets	17,595	17,594
Write-off of tangible capital assets	2,549	-
Changes in non-cash components of operating working capital:		
Accrued interest receivable	12,720	(5,441)
Other receivables	156,325	(146,863)
Grants and awards reimbursement receivable	1,875	45,484
Prepays and deposits	(21,877)	392
Accounts payable and accrued liabilities	249,248	(1,031)
Salaries and benefits payable	(157,987)	218,976
Cash provided (used in) operating activities	(218,475)	644,070
Financing activities		
Contributions received	25,390,432	14,144,120
Contributions recognized into revenues, before reversal related to grants and awards reimbursements	(23,634,829)	-
Refund of research funds from research institutions	221,975	-
Reimbursements of research funds to donors and partners	(135,261)	(13,523,097)
Cash provided by financing activities	1,842,317	621,023
Investing activities		
Net (increase) decrease in investments	855,000	(2,630,000)
Acquisition of tangible capital assets	(22,020)	(21,247)
Cash provided by (used in) investing activities	832,980	(2,651,247)
Net increase (decrease) in cash and cash equivalents	2,456,822	(1,386,154)
Cash and cash equivalents, beginning of year	5,554,149	6,940,303
Cash and cash equivalents, end of year	8,010,971	5,554,149
Cash and cash equivalents consist of:		
Bank balances	2,510,971	5,554,149
Guaranteed investments certificates	5,500,000	-
	8,010,971	5,554,149
Supplemental non-cash information:		
Reversal of revenues related to grant and awards reimbursement included in deferred contributions	-	1,875

The accompanying notes are an integral part of these financial statements

BRAIN CANADA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

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.

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.

The Foundation may allocate, based on contribution agreements, with donors, partners and the Government of Canada up to 10% of contributions received during the year to fund operating expenses.

Revenue from fundraising events are recognized when the event takes place.

Restricted investment income is recognized as restricted revenue in the year in which the related expenses are recognized. 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.

BRAIN CANADA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

2. **Significant accounting policies (continued)**

Investments

Investments consist of guaranteed investment certificates. According to the multi-year contribution agreement with the Minister of Health, 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 following methods, rates and periods:

Computers	Declining balance	30%
Furniture and equipment	Declining balance	30%

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

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.

BRAIN CANADA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

2. **Significant accounting policies (continued)**

Financial instruments

Measurement of financial instruments

The Foundation initially measures its financial assets and financial liabilities at fair value.

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

Financial assets measured at amortized cost include cash and cash equivalents, short-term investments, accrued interest receivable, other receivables (excluding sales taxes receivable), and grants and awards reimbursement receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and salaries and benefits payable (excluding government remittances payable).

Impairment

Financial assets measured at amortized costs are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in the excess (deficiency) of revenues over expenditures for the year. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is not 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 excess (deficiency) of revenues over expenditures for the year.

3. **Contribution agreement and pledges**

On March 12, 2020, the Foundation signed a two-year contribution agreement replacing the multi-year contribution agreement and amendments previously signed with the Minister of Health effective March 17, 2017. 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. The Minister of Health has agreed to match, dollar for dollar, the funding received from non-governmental sources for research up to a maximum of \$44,676,683. Any funding that the Foundation fails to match, as defined in the agreement, shall be repayable to the Minister of Health. In addition, the Minister of Health acknowledges and agrees that up to 10% 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.

BRAIN CANADA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

3. Contribution agreement and pledges (continued)

As at December 31, 2021, the Foundation received an amount totalling \$137,791,263 (2020 - \$123,347,720) from the Minister of Health of which \$127,347,161 (2020 - \$115,043,364) that matches, dollar for dollar, the funding received from non-governmental sources since the beginning of the agreement in April 2011. As at December 31, 2021, an unmatched amount totalling \$1,441,811 (2020 - \$1,301,786) and has been included in the deferred contribution balance at year-end.

In addition to the amounts received from the Minister of Health, the Foundation also received contributions from non-governmental sources. Since the beginning of the agreement of April 1, 2011, a total of \$114,246,073 (2020 - \$103,299,359) has been collected, of which \$10,946,714 was collected during 2021 (2020 - \$6,105,776).

In 2021, \$6,426,690 (\$3,083,537 in 2020) 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 2021.

4. Short-term and long-term investments

Short-term investments consist of a guaranteed investment certificate which bears interest at a rate ranging from 0.41% to 0.86% (2020 - 0.55% to 1.60%) with a maturity date ranging from March 14, 2021 to December 16, 2022 (2020 - January 20, 2021).

5. Tangible capital assets

	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
	\$	\$	\$	\$
Computers	88,790	76,005	12,785	30,598
Furniture and equipment	67,821	29,868	37,953	18,264
Artwork	55,190	-	55,190	55,190
	211,801	105,873	105,928	104,052

6. Accounts payable and salaries and benefits payable

Included in accounts payable and salaries and benefits are government remittance payable of \$7,759 (2020 - \$17,112), which include amounts payable for GST and payroll-related taxes.

BRAIN CANADA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

7. Deferred contributions

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

	2021	2020
	\$	\$
Balance, beginning of year	5,873,744	5,263,787
Contributions received from Minister of Health	14,443,543	8,025,403
Contributions received from non-governmental sources	10,946,714	6,105,776
Refund of research funds from institutions	221,975	-
Investment income on contributions	175	-
	25,612,407	14,131,179
Less amount recognized as revenues:		
Contributions from Federal Government	(12,607,826)	(8,281,769)
Contributions from partners	(8,582,365)	(3,222,412)
Contributions from donors	(2,444,638)	(2,006,542)
Less reversal of deferred interest income	-	(12,374)
Less refund of research funds to non-governmental sources	(135,261)	-
Less reversal of revenues related to grants and awards reimbursement	-	1,875
Less current portion of deferred contributions	(5,957,165)	(4,899,332)
Balance, end of year	1,758,896	974,412

8. Government Assistance

During the year, the Foundation received or accrued a net amount of \$112,047 related to the Canada Emergency Wage Subsidy program. There is an amount of \$257,746 recorded in the December 31, 2020 financial statements.

**BRAIN CANADA FOUNDATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021**

9. Programs and commitments

(a) Programs

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		Research Funding		Partners funds		Balance to be disbursed	2022	2023	2024	2025	2026	TOTAL
	Research Funding committed by the Partner	committed by Brain Canada Foundation	Funds disbursed in prior years	Funds disbursed in 2021	sent directly to the Host Institution	Funds re-allocated to another project							
Multi-Investigator Research Initiative ("MIRI")	3,429,508 \$	3,287,215 \$	3,218,121 \$	2,176,273 \$	999,916 \$	- \$	322,412 \$	322,412 \$	- \$	- \$	- \$	- \$	322,412 \$
Consortium québécois sur la découverte du médicament (CQDM)- Focus on Brain	3,256,504 \$	2,096,629 \$	4,171,928 \$	135,390 \$	346,075 \$	- \$	699,740 \$	699,740 \$	- \$	- \$	- \$	- \$	699,740 \$
Platform Support Grants	12,641,656 \$	12,641,656 \$	- \$	8,238,970 \$	- \$	- \$	17,044,341 \$	8,941,447 \$	8,102,894 \$	- \$	- \$	- \$	17,044,341 \$
Canadian Open Neuroscience Platform	5,261,275 \$	4,946,802 \$	9,727,999 \$	259,321 \$	- \$	- \$	220,757 \$	220,757 \$	- \$	- \$	- \$	- \$	220,757 \$
Chagnon Family and Centre for Addiction Mental Health (CAMH)	5,598,044 \$	5,598,044 \$	9,604,239 \$	991,848 \$	- \$	- \$	600,000 \$	600,000 \$	- \$	- \$	- \$	- \$	600,000 \$
Azrieli Foundation-Brain Canada Early-Career Capacity Building	750,000 \$	250,000 \$	905,450 \$	94,550 \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$
Future Leaders in Canadian Brain Research Program	1,814,885 \$	2,184,859 \$	965,060 \$	1,419,880 \$	- \$	- \$	1,614,804 \$	1,465,233 \$	144,421 \$	5,150 \$	- \$	- \$	1,614,804 \$
ALS Society of Canada Research Programs	9,393,230 \$	9,213,547 \$	13,481,193 \$	3,310,722 \$	- \$	55,163 \$	1,870,026 \$	1,335,943 \$	464,213 \$	69,870 \$	- \$	- \$	1,870,026 \$
Canadian Cancer Society-Impact Grants	4,271,636 \$	4,271,636 \$	6,928,857 \$	672,716 \$	449,819 \$	- \$	491,880 \$	491,880 \$	- \$	- \$	- \$	- \$	491,880 \$
Alzheimer's Association Research Programs	1,235,191 \$	1,107,780 \$	496,113 \$	45,762 \$	75,747 \$	13,000 \$	1,712,349 \$	712,349 \$	500,000 \$	500,000 \$	- \$	- \$	1,712,349 \$
Kids Brain Health Network	656,736 \$	656,736 \$	1,283,918 \$	12,333 \$	- \$	17,221 \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$
National Institutes of Health-BRAIN Initiative	799,761 \$	655,668 \$	887,402 \$	189,096 \$	225,216 \$	- \$	153,715 \$	153,715 \$	- \$	- \$	- \$	- \$	153,715 \$
Canadian Parkinson Network and Registry	1,000,000 \$	1,000,000 \$	1,502,000 \$	- \$	332,000 \$	- \$	166,000 \$	166,000 \$	- \$	- \$	- \$	- \$	166,000 \$
Women's Brain Health Initiative	895,099 \$	895,099 \$	- \$	818,500 \$	- \$	- \$	971,698 \$	459,878 \$	376,475 \$	135,345 \$	- \$	- \$	971,698 \$
Multiple Sclerosis Progression Cohort	6,130,000 \$	2,500,000 \$	2,569,551 \$	382,008 \$	1,477,918 \$	- \$	4,200,524 \$	886,574 \$	1,293,500 \$	1,315,250 \$	705,200 \$	- \$	4,200,524 \$
MFI – Early Years Intervention on a First Nations Reserve	1,730,550 \$	1,730,550 \$	2,482,100 \$	804,000 \$	- \$	- \$	175,000 \$	175,000 \$	- \$	- \$	- \$	- \$	175,000 \$
Canadian Consortium on Neurodegeneration in Aging (CCNA) - Phase I	4,200,000 \$	2,500,000 \$	- \$	1,530,766 \$	2,520,000 \$	- \$	2,649,234 \$	1,809,234 \$	840,000 \$	- \$	- \$	- \$	2,649,234 \$
Turnbull-Tator Awards	75,000 \$	75,000 \$	50,000 \$	45,000 \$	- \$	- \$	55,000 \$	50,000 \$	5,000 \$	- \$	- \$	- \$	55,000 \$
The Henry and Berenice Kaufmann Foundation	25,000 \$	25,000 \$	25,000 \$	23,750 \$	- \$	- \$	1,250 \$	1,250 \$	- \$	- \$	- \$	- \$	1,250 \$
Bell Let's Talk-Brain Canada Mental Health Research Program	2,095,000 \$	2,095,000 \$	- \$	- \$	- \$	- \$	4,190,000 \$	1,335,608 \$	1,601,121 \$	1,110,387 \$	142,884 \$	- \$	4,190,000 \$
Juvenile Diabetes Research Foundation Canada	375,000 \$	375,000 \$	- \$	- \$	- \$	- \$	750,000 \$	375,000 \$	375,000 \$	- \$	- \$	- \$	750,000 \$
The Growing Beaver Brevet	386,907 \$	- \$	10,500 \$	- \$	- \$	- \$	376,407 \$	250,000 \$	126,407 \$	- \$	- \$	- \$	376,407 \$
Shireen and Edna Marcus Excellence Award	13,500 \$	- \$	- \$	13,500 \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$
Dr. Hubert van Tol Travel Fellowship	38,023 \$	- \$	- \$	2,815 \$	- \$	- \$	35,208 \$	10,000 \$	10,000 \$	10,000 \$	5,208 \$	- \$	35,208 \$
	66,072,504 \$	58,106,219 \$	58,309,431 \$	21,167,198 \$	6,426,690 \$	85,384 \$	38,300,347 \$	20,462,021 \$	13,839,032 \$	3,146,002 \$	853,292 \$	- \$	38,300,347 \$

BRAIN CANADA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

9. Programs and commitments

Commitments:

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

	\$
2022	183,437
2023	196,904
2024	202,434
2025	206,423
2026	210,139
Thereafter	17,537
	<hr/> 1,016,874 <hr/>

10. Financial instruments

Financial risks

The Foundation is exposed to various financial 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 investments mature in the short term.

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 December 31, 2021, the Foundation has met its objective of having sufficient liquidity to meet its current obligations.

11. Comparative information

Certain comparative information has been reclassified to conform with the current year's presentation.

BRAIN CANADA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

12. Subsequent event

On March 28, 2022, the Foundation signed an amended agreement to the March 12, 2020, Contribution Agreement with the Minister of Health for an additional \$40 million to support brain research through the Canadian Brain Research Fund. The funds will be disbursed over four years, starting April 1, 2022, and are required to be matched by funds raised from non-federal governmental sources.

BRAIN CANADA FOUNDATION

SCHEDULES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

Schedule 1 - Restricted Contributions

	2021	2020
	\$	\$
Revenues:		
Restricted contributions from Federal Government	12,607,826	8,281,769
Restricted contributions from partners	8,582,365	3,222,412
Restricted contributions from donors	2,444,638	2,006,542
	23,634,829	13,510,723

Schedule 2 - Grants and Awards and Operating Expenses

	2021	2020
	\$	\$
Grants and awards:		
Platform Support Grants	8,238,970	576,250
ALS Society of Canada Research Programs	3,310,722	1,186,739
Multi-Investigator Research Initiative ("MIRI")	2,176,273	819,907
Canadian Consortium on Neurodegeneration in Aging (CCNA) - Phase II	1,530,766	-
Future Leaders in Canadian Brain Research Program	1,514,430	965,060
Chagnon Family and Centre for Addiction Mental Health (CAMH) – ADRD MIRI	991,848	391,849
Women's Brain Health Initiative (WBHI)	818,500	606,000
Martin Family Initiative (MFI) – Early Years Intervention on a First Nations Reserve	804,000	674,000
Canadian Cancer Society Research Programs	672,716	763,714
Multiple Sclerosis Progression Cohort	382,008	844,168
Canadian Open Neuroscience Platform	259,321	2,174,484
National Institutes of Health – BRAIN Initiative	189,096	78,316
Consortium québécois sur la découverte du médicament (CQDM)- Focus on Brain	135,390	257,115
Alzheimer's Association Research Programs	45,762	-
Turnbull-Tator Award	45,000	-
The Henry and Berenice Kaufmann Foundation Initiative	23,750	25,000
Shireen and Edna Marcus Excellence Award	13,500	-
Kids Brain Health Network training awards	12,333	32,000
Dr. Hubert van Tol Travel Fellowship	2,815	-
Canadian Parkinson Network and Registry	-	498,000
Azrieli Foundation-Brain Canada Early-Career Capacity Building Grants	-	382,950
Huntington Society of Canada Research Programs	-	158,500
Mental Health Commission of Canada (MHCC)/Rossy Foundation	-	36,638
Azrieli Neurodevelopmental Research Program – MIRI	-	25,873
	21,167,198	10,496,563
Operating expenses:		
Salaries and wage levies	2,090,584	2,142,144
Communications	521,121	352,035
Professional fees	236,576	448,411
Rent	190,734	245,295
Program expenses	124,684	130,175
Fundraising and partnership activities	99,146	74,122
Administration	47,080	42,980
Insurance	30,670	26,777
Website	16,478	20,723
Board	15,545	12,722
Office expenses	13,049	21,868
Travel	5,158	2,045
	3,390,825	3,519,297