

**SCHIZOPHRENIA SOCIETY OF CANADA -
SOCIÉTÉ CANADIENNE DE LA SCHIZOPHRÉNIE**

Non-consolidated Financial Statements
For the year ended March 31, 2024

SCHIZOPHRENIA SOCIETY OF CANADA - SOCIÉTÉ CANADIENNE DE LA SCHIZOPHRÉNIE

Non-consolidated Financial Statements For the year ended March 31, 2024

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Independent Auditor's Report

To the Board of Directors of the Schizophrenia Society of Canada - Société canadienne de la schizophrénie

Opinion

We have audited the non-consolidated financial statements of **Schizophrenia Society of Canada - Société canadienne de la schizophrénie** (the Society), which comprise the non-consolidated statement of financial position as at March 31, 2024, and the non-consolidated statement of operations and changes in net assets, and the non-consolidated statement of cash flows for the year then ended, and notes to the non-consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying non-consolidated financial statements present fairly, in all material respects, the financial position of **Schizophrenia Society of Canada - Société canadienne de la schizophrénie** 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 Society in accordance with the ethical requirements that are relevant to our audit of the non-consolidated 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 Non-consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these non-consolidated 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 non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the non-consolidated 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 non-consolidated financial statements.



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 non-consolidated 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 Society'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 Society'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 non-consolidated 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 Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the non-consolidated financial statements, including the disclosures, and whether the non-consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the non-consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

BDO Canada LLP

Chartered Professional Accountants

Winnipeg, Manitoba
December 10, 2024

**SCHIZOPHRENIA SOCIETY OF CANADA -
SOCIÉTÉ CANADIENNE DE LA SCHIZOPHRÉNIE**
Non-consolidated Statement of Financial Position

March 31 **2024** **2023**

Assets

Current Assets

Cash and bank	\$	208,317	\$	340,578
Grant and accounts receivable (Note 3)		344,413		81,474
Due from related party (Note 8)		-		3,011
Prepaid expenses		13,670		2,993
		566,400		428,056

Investments (Note 4) **2,193,015** 1,959,564

Capital assets (Note 5) **3,900** 4,343

\$ 2,763,315 **\$ 2,391,963**

Liabilities and Net Assets

Current Liabilities

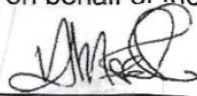
Accounts payable and accrued liabilities	\$	78,097	\$	19,380
Due to related party (Note 8)		50		-
Deferred contributions (Note 6)		110,754		70,513
		188,901		89,893

Net Assets

Unrestricted **2,574,414** 2,302,070

\$ 2,763,315 **\$ 2,391,963**

Approved on behalf of the Board of Directors:



_____ Director



_____ Director

**SCHIZOPHRENIA SOCIETY OF CANADA -
SOCIÉTÉ CANADIENNE DE LA SCHIZOPHRÉNIE**
**Non-consolidated Statement of Operations
and Changes in Net Assets**

For the year ended March 31	2024	2023
Revenue		
Bequests	\$ 217,157	\$ 798,411
Contributions (Note 6)	54,759	106,165
Donations	123,790	471,468
Grant		
Government of Canada - Health	491,482	91,522
Investment Income		
Realized	66,671	25,753
Unrealized gain	166,061	15,734
Management fee and other	17,692	18,154
	1,137,612	1,527,207
Expenses		
Administration	102,151	100,333
Fundraising	59,583	58,217
Public awareness and education	662,383	320,497
Research and advocacy	41,151	62,388
	865,268	541,435
Excess of revenue over expenses for the year	272,344	985,772
Net assets, beginning of year	2,302,070	1,316,298
Net assets, end of year	\$ 2,574,414	\$ 2,302,070

**SCHIZOPHRENIA SOCIETY OF CANADA -
SOCIÉTÉ CANADIENNE DE LA SCHIZOPHRÉNIE**
Non-consolidated Statement of Cash Flows

For the year ended March 31	2024	2023
Cash flows provided by (applied to) the following:		
Operating Activities		
Excess of revenue over expenses for the year	\$ 272,344	\$ 985,772
Adjustments for items not affecting cash		
Unrealized gain on investment	(166,061)	(15,734)
Amortization of capital assets	443	580
	106,726	970,618
Changes in non-cash working capital		
Grant and accounts receivable	(262,939)	71,264
Prepaid expenses	(10,677)	6,315
Accounts payable and accrued liabilities	58,717	5,551
Due from/to related party	3,061	(3,038)
Deferred contributions	40,241	40,335
	(64,871)	1,091,045
Investing and Financing Activities		
Purchase of investments	(596,200)	(1,410,000)
Proceeds from disposal of investments	528,810	204,931
Loan repayment	-	(40,000)
	(67,390)	(1,245,069)
Net decrease in cash and bank	(132,261)	(154,024)
Cash and bank, beginning of year	340,578	494,602
Cash and bank, end of year	\$ 208,317	\$ 340,578

SCHIZOPHRENIA SOCIETY OF CANADA - SOCIÉTÉ CANADIENNE DE LA SCHIZOPHRÉNIE

Notes to Non-consolidated Financial Statements

For the year ended March 31, 2024

1. Nature of the Organization

The Schizophrenia Society of Canada - Société canadienne de la schizophrénie (the "Society") is a national organization that provides information and support to families and individuals living and coping with schizophrenia. The Society continues to work towards its mission: to improve the quality of life for those affected by schizophrenia and psychosis through education, support programs, public policy and research.

The Society is incorporated under the *Canada Not-for-profit Corporations Act* as a not-for-profit organization without share capital. The Society is a registered charitable organization under the *Income Tax Act* (Canada).

2. Summary of Significant Accounting Policies

a. Basis of Accounting

The non-consolidated financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.

b. Basis of Accounting for Controlled Entity

The Society has not consolidated the financial statements of its controlled entity, Schizophrenia Society of Canada Foundation - Fondation de la société canadienne de la schizophrénie (the Foundation). The summary financial statements of the controlled entity are disclosed at Note 8.

c. Revenue Recognition

The Society follows the deferral method of accounting for contributions.

Operating grants are recorded as revenue in the period to which they relate. Restricted contributions are recognized as revenue when the related expense has been incurred. Unrestricted contributions including donations are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income is recognized as revenue in the period it is earned.

Management fees are recognized as revenue in the period earned.

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Notes to Non-consolidated Financial Statements

For the year ended March 31, 2024

2. Summary of Significant Accounting Policies (continued)

d. Contributed Services

Volunteers contributed many hours per year to assist the Society in carrying out its service delivery activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the non-consolidated financial statements.

e. Capital Assets

Purchased capital assets are recorded at cost less accumulated amortization. Contributed capital assets are recorded at fair value at the date of contribution less accumulated amortization. Capital assets are amortized over their estimated useful life using the declining balance method at the following rates:

Computer equipment	30%
Furniture and fixtures	20%

f. Allocation of Expenses

Certain administrative expenses are allocated to programs based on an estimate of the time expended on the program (Note 9).

g. Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets in actively traded markets and all other investments are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs are the acquisition, sale or issue of financial instruments are expensed for those items remeasured at fair value at each statement of financial position date and charged to the financial instrument for those measured at amortized cost.

h. Use of Estimates

The preparation of these non-consolidated financial statements in accordance with accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported assets, liabilities, revenue and expenses during the reporting period, as well as the disclosure of contingencies at the date of the non-consolidated financial statements. Actual results could differ from those estimates.

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Notes to Non-consolidated Financial Statements

For the year ended March 31, 2024

3. Grant and Accounts Receivable

	2024	2023
Grant Receivable		
Government of Canada - Health	\$ 309,148	\$ 64,781
GST and HST rebate	10,493	4,469
Interest	24,772	12,224
	\$ 344,413	\$ 81,474

4. Investments

	2024	2023
Equity	\$ 878,286	\$ 860,871
Fixed income	1,269,894	1,072,320
Cash and cash equivalents	44,835	26,373
	\$ 2,193,015	\$ 1,959,564

5. Capital Assets

	2024		2023	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Office equipment	\$ 258	\$ 126	\$ 258	\$ 93
Computer equipment	7,030	6,683	7,030	6,534
Furniture and fixtures	10,715	7,294	10,715	7,033
	\$ 18,003	\$ 14,103	\$ 18,003	\$ 13,660
Net book value		\$ 3,900		\$ 4,343

Amortization of expenses for the year of \$443 (\$580 in 2023) has been included in the administration expenses.

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Notes to Non-consolidated Financial Statements

For the year ended March 31, 2024

6. Deferred Contributions

Deferred contributions represent restricted contributions received for which funds are unspent at year end. A summary of the transactions for the year and balances at year end are as follows:

	<u>2024</u>	<u>2023</u>
Balance, beginning of year	\$ 70,513	\$ 30,178
Received during the year	95,000	146,500
Recognized as revenue during the year	<u>(54,759)</u>	<u>(106,165)</u>
Balance, end of year	<u>\$ 110,754</u>	<u>\$ 70,513</u>

7. Credit Facility

The Society has available as at March 31, 2024 a line of credit of \$60,000 with interest at the financial institution's prime rate plus 2.70% and effective rate of 9.90%, and a credit card facility of \$15,000. The credit facility is due on demand and is secured by a general security agreement.

8. Controlled Entity and Related Party Transactions

The Foundation is a national foundation that supports research and other activities to alleviate the suffering caused by schizophrenia. The Society is incorporated under the *Canada Not-for-profit Corporations Act* as a not-for-profit organization without share capital. The Society is a public foundation under the *Income Tax Act* (Canada).

The Foundation operates as a separate entity to the Society. The Board of Directors of the Foundation is comprised of five members who must also be Board Members of the Society. As a consequence, the Society controls the strategic operating, investing and financing policies of the Foundation.

**SCHIZOPHRENIA SOCIETY OF CANADA -
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Notes to Non-consolidated Financial Statements

For the year ended March 31, 2024

8. Controlled Entity and Related Party Transactions (continued)

The Foundation's financial statements have not been consolidated in the Society's non-consolidated financial statements. Financial statements of the Foundation are available on request. The summary financial statements of the Foundation for the year ended March 31, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
<u>Statement of Financial Position</u>		
Total assets	\$ 1,672,599	\$ 1,509,657
Total liabilities	\$ 11,768	\$ 9,811
Fund balances	1,660,831	1,499,846
	\$ 1,672,599	\$ 1,509,657
	<u>2024</u>	<u>2023</u>
<u>Statement of Operations</u>		
Revenue	\$ 216,511	\$ (54,407)
Expenses	55,526	151,386
Excess (deficiency) of revenue over expenses for the year	\$ 160,985	\$ (205,793)
<u>Statement of Cash Flows</u>		
Cash flows provided by (applied to) the following:		
Operating activities	\$ 53,052	\$ (113,077)
Investing and financing activities	(57,988)	120,715
Net increase (decrease) in cash and bank	\$ (4,936)	\$ 7,638

During the year, the Society charged management fees of \$17,100 (\$17,100 in 2023) to the Foundation for management and accounting services provided by the Society. These transactions are in the normal course of operations and are measured at the exchange value, which approximates the arm's length equivalent value for services.

A balance of \$50 is due to the Society by the Foundation (\$3,011 due from the Society to the Foundation in 2023) which is non-interest bearing, has no specific terms of repayment, is unsecured and arose in the normal course of operations.

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9. Allocated Expenses

Salaries and benefits of \$204,173 (\$215,996 in 2023) have been allocated as follows based on estimate of time spent for each function:

	2024	2023
Administration	\$ 40,835	\$ 43,199
Fundraising	51,043	53,999
Public awareness and education	91,878	97,198
Research and advocacy	20,417	21,600
	\$ 204,173	\$ 215,996

10. Financial Risk Management

The Society, through its financial assets and liabilities, is exposed to various types of risk in the normal course of operations. The Society's objective in risk management is to optimize the risk return trade-off, within set limits, by applying integrated risk management and control strategies, policies and procedures throughout the Society's activities. The following analysis provides a measurement of those risks at year end. There have not been any changes in the risks from the prior year.

Credit Risk

Credit risk is the risk that the Society will incur a loss due to the failure by its debtors to meet their contractual obligations. Financial instruments that potentially subject the Society to significant concentrations of credit risk consist primarily of cash, grants and accounts receivable and investments. The Society is not exposed to significant credit risk as the accounts receivable have typically been paid when due, and investments are diversified.

Liquidity Risk

Liquidity risk is the risk that the Society will encounter difficulty in meeting financial obligations as they become due, and arises from the Society's management of working capital. Financial instruments that potentially subject the Society to significant concentrations of liquidity risk consist of accounts payable. The Society manages its cash flow to ensure that it will have sufficient cash to allow it to meet its liabilities when they become due.

Interest Rate and Market Risks

The Society is not exposed to significant interest rate and market risks as investments are diversified, and the Society follows its Investment Policy to mitigate interest rate and market risks.