

# **KIDS BRAIN HEALTH FOUNDATION**

Financial Statements

For the Year Ended March 31, 2025

## INDEPENDENT AUDITOR'S REPORT

To the Directors of Kids Brain Health Foundation:

### Opinion

We have audited the financial statements of Kids Brain Health Foundation (the "Foundation"), which comprise the statement of financial position as at March 31, 2025, the statement of operations and changes in net assets and the 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, 2025, and its financial performance 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.

### Other Matter

The financial statements of the Foundation for the year ended March 31, 2024 are unaudited.

### 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 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.

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 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.

A handwritten signature in dark ink that reads "Viola CPA Inc." with a horizontal line underneath.

Chartered Professional Accountant  
Vancouver, BC  
August 25, 2025

# KIDS BRAIN HEALTH FOUNDATION

## Statement of Financial Position As at March 31, 2025

	Notes	March 31 2025 \$	March 31 2024 (Unaudited) \$
<b>Assets</b>			
<b>Current assets</b>			
Cash		187,222	20,034
Contributions receivable		-	5,775
		187,222	25,809
<b>Liabilities</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities		8,000	-
Deferred contributions	4	107,000	-
		115,000	-
<b>Net assets</b>			
Unrestricted		72,222	25,809
		187,222	25,809

*The accompanying notes are an integral part of these financial statements.*

Approved by the Board of Directors



Sheila Laredo, Chair, Board of Directors



David Kuik, Vice Chair, Board of Directors

# KIDS BRAIN HEALTH FOUNDATION

## Statements of Operations and Changes in Net Assets For the year ended March 31, 2025

	Notes	2025 \$	2024 (Unaudited) \$
<b>Revenues</b>			
Contributions from other organizations		253,900	160,000
Contributions from individual donors	5a	87,868	33,715
Contributions from Kids Brian Health Network	5b	19,414	33,205
		361,182	226,920
<b>Charitable program expenditures</b>			
Research grants		243,448	206,150
<b>Administrative expenditures</b>			
Communications		559	1,725
Insurance		1,317	1,279
Professional and consulting fees	5b	39,398	28,141
Salaries and benefits	5b	28,863	-
Supplies and office costs		763	35
Travel, meetings and network		421	2,060
		71,321	33,240
<b>Excess (deficiency) of revenues over expenditures</b>		46,413	(12,470)
<b>Net assets, beginning of year</b>		25,809	38,279
<b>Net assets, end of year</b>		72,222	25,809

*The accompanying notes are an integral part of these financial statements.*

## KIDS BRAIN HEALTH FOUNDATION

### Statement of Cash Flows For the year ended March 31, 2025

	2025	2024
		(Unaudited)
	\$	\$
<b>Cash flows from (used in) operating activities</b>		
Excess (deficiency) of revenues over expenditures	46,413	(12,470)
Changes in non-cash working capital items		
Contributions receivable	5,775	7,271
Accounts payable and accrued liabilities	8,000	-
Deferred contributions	107,000	-
	167,188	(5,199)
<b>Increase (decrease) in cash</b>	167,188	(5,199)
<b>Cash, beginning of year</b>	20,034	25,233
<b>Cash, end of year</b>	187,222	20,034

*The accompanying notes are an integral part of these financial statements.*

# KIDS BRAIN HEALTH FOUNDATION

Notes to the Financial Statements  
For the year ended March 31, 2025

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## 1. Nature of operations

Kids Brain Health Foundation (the "Foundation") is a not-for-profit organization incorporated under the Canada Not-for-profit Corporations Act and is a registered charity under the Income Tax Act. The Foundation was established to raise awareness of and raise funds to support research into neurodevelopmental disabilities in children.

## 2. Basis of presentation

These financial statements have been prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations ("ASNPO") effective as of March 31, 2025. The comparative figures as at and for the year ended March 31, 2024 are unaudited.

## 3. Significant accounting policies

### *(a) Use of estimates*

The preparation of these financial statements in accordance with ASNPO requires management to make estimates and judgments and to form assumptions that affect the reported amounts and other disclosures in these financial statements. Actual results may differ under different assumptions and conditions.

### *(b) Financial instruments*

Financial instruments are initially measured at fair value, adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument. The Foundation's financial instruments consist of cash, contributions receivable, and accounts payable and accrued liabilities, and are subsequently measured at amortized cost.

Financial assets measured at amortized cost are tested for impairment when a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. The amount of the impairment is recognized in excess of revenues over expenditures when incurred and may be reversed in future periods if the assessment of impairment is revised.

### *(c) Recognition of revenues*

The Foundation follows the deferral method of accounting for contributions. Contributions which are restricted by the contributor for use in specific programs are deferred and recognized as revenues in the period in which the eligible expenditures are incurred. Unrestricted contributions are recognized as revenues in the current period when the amount receivable can be reasonably estimated and collection is reasonably assured.

### *(d) In-kind contributions*

In-kind contributions of materials and services are recognized as revenues when a fair value can be reasonably estimated and when the materials and services would otherwise have been purchased by the Foundation.

## KIDS BRAIN HEALTH FOUNDATION

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For the year ended March 31, 2025

### 4. Deferred contributions

Deferred contributions consist of contributions restricted to research grants which are expected to be incurred in the next fiscal year. Changes in deferred contributions are as follows:

	2025	2024
Balance, beginning of year	\$ -	\$ -
Amounts recognized as revenues	-	-
Restricted contributions deferred	107,000	-
<b>Balance, end of year</b>	<b>\$ 107,000</b>	<b>\$ -</b>

The Foundation determined subsequent to the year end that \$15,000 will be returned to the grantor.

### 5. Related party transactions

#### *(a) Contributions from directors*

During the year ended March 31, 2025, the Foundation received donations from directors of \$52,027 (2024 - \$26,000) which have been included in contributions from individual donors on the statement of operations and changes in net assets.

#### *(b) Kids Brain Health Network*

Kids Brain Health Network (the "Network") is a non-profit organization dedicated to developing and harnessing scientific advances in technologies, interventions and supports with the goal of helping children with neurodevelopmental disabilities and their families. The Network is the Founding Member of the Foundation and has the right to appoint the majority of the Foundation's directors.

During the year ended March 31, 2025, the Foundation received in-kind contributions from the Network of \$19,414 (2024 - \$33,205) consisting of administrative expenses for communication, insurance, professional fees, office supplies and travel and networking. The Foundation also receives other in-kind contributions of staff time and services from the Network which are not readily measurable and have not been recognized in these financial statements.

During the year ended March 31, 2025, the Foundation reimbursed the Network for professional and consulting fees of \$15,043 and termination benefits of \$28,863 incurred on behalf of the Foundation related to the departure of an employee.

The Foundation has entered into a services agreement with the Network under which the Network will provide services to the Foundation in connection with the provision of grants to qualified donees and grant administration. The Network may retain a fee for the services, calculated as a percentage of each grant, provided that such fee is contemplated by the applicable grant agreement. No fee has been charged by the Network for the years ended March 31, 2025 and 2024.



## KIDS BRAIN HEALTH FOUNDATION

Notes to the Financial Statements  
For the year ended March 31, 2025

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### **6. Financial instrument risks**

The Foundation's financial instruments consisting of cash, contributions receivable, and accounts payable and accrued liabilities are exposed to certain risks, including credit risk and liquidity risk.

#### ***(a) Credit Risk***

Credit risk is the risk of financial loss to the Foundation if a counterparty to a financial instrument fails to meet its contractual obligations. The Foundation is exposed to credit risk from its cash deposits and contributions receivable. The Foundation mitigates this risk by depositing cash with an insured financial institution and regularly assessing contributions receivable for collectability.

#### ***(b) Liquidity Risk***

Liquidity risk is the risk that the Foundation will encounter difficulty in meeting obligations associated with financial liabilities as they come due. The Foundation's financial liabilities consist of accounts payable and accrued liabilities, which are due within one year. The Foundation manages liquidity risk through regular budgeting and monitoring of cash flows.