

MOOD DISORDERS SOCIETY OF CANADA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023

MOOD DISORDERS SOCIETY OF CANADA

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YEAR ENDED MARCH 31, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Members of: Mood Disorders Society of Canada

Qualified Opinion

We have audited the accompanying financial statements of Mood Disorders Society of Canada, which comprise the statement of financial position as at March 31, 2023 and the statements of operations and changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, these financial statements present fairly, in all material respects, the financial position of Mood Disorders Society of Canada as at March 31, 2023 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not for profit organizations.

Basis for Qualified Opinion

In common with many not for profit organizations, the Society derives some of its revenues from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Society and we were not able to determine whether any adjustments might be necessary to revenues, (deficit) excess of revenue over expenses and cash flows from operations for the years ended March 31, 2023 and 2022, current assets as at March 31, 2023 and 2022, and net assets as at April 1 and March 31 for both the 2023 and 2022 years. Our audit opinion on the financial statements for the year ended March 31, 2022 was modified accordingly because of the possible effects of this limitation in scope.

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 Mood Disorders Society of Canada 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 qualified audit 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 Society's ability to continue as a going concern, disclosing, as applicable, matters related to a 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 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 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 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 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.



Guelph, Ontario
November 27, 2023

Chartered Professional Accountants
Licensed Public Accountants

MOOD DISORDERS SOCIETY OF CANADA
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2023

	2023	2022 (note 6)
ASSETS		
CURRENT		
Cash	\$ 808,685	\$ 405,852
Accounts receivable (note 4)	<u>29,788</u>	<u>18,585</u>
	<u>\$ 838,473</u>	<u>\$ 424,437</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 74,338	\$ 35,425
Government remittances payable	12,696	12,316
Deferred revenue (note 5)	<u>437,113</u>	<u>32,500</u>
	<u>524,147</u>	<u>80,241</u>
NET ASSETS		
UNRESTRICTED NET ASSETS	<u>314,326</u>	<u>344,196</u>
	<u>\$ 838,473</u>	<u>\$ 424,437</u>

APPROVED ON BEHALF OF THE BOARD:


 _____ Director


 _____ Director

MOOD DISORDERS SOCIETY OF CANADA**STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS****FOR THE YEAR ENDED MARCH 31, 2023**

	2023	2022
REVENUE		
Grants and contributions	\$ 628,528	\$ 508,003
Donations	239,874	268,964
Other income	113,340	7,029
Grants - IVW	118,454	124,143
Grants - HR	30,143	0
Conference registration fees	2,360	16,018
Grants - PTS	0	55,186
	<u>1,132,699</u>	<u>998,813</u>
EXPENSES		
Salaries	513,809	461,233
Project management and consulting costs	179,419	219,445
Advocacy and fundraising	127,637	110,856
IVW - project delivery	117,316	56,107
Fundraising	55,127	31,708
IVW - office	45,062	21,971
Phone, facsimile and website	30,917	27,068
Travel and meeting expenses	28,682	1,361
Office and meeting expenses	26,075	30,030
Legal and accounting fees	17,867	17,217
HR - program delivery	9,504	0
Rent	6,000	6,000
Interest and bank charges	5,154	6,405
PTS - research expenses	0	14,301
PTS - project delivery	0	234
	<u>1,162,569</u>	<u>1,003,936</u>
(DEFICIT) OF REVENUE OVER EXPENSES for the year	(29,870)	(5,123)
UNRESTRICTED NET ASSETS, beginning of year	<u>344,196</u>	<u>349,319</u>
UNRESTRICTED NET ASSETS, end of year	<u><u>\$ 314,326</u></u>	<u><u>\$ 344,196</u></u>

MOOD DISORDERS SOCIETY OF CANADA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2023

	2023	2022 (note 6)
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
(Deficit) of revenue over expenses	\$ (29,870)	\$ (5,123)
Changes in non-cash working capital		
Accounts receivable	(11,203)	(4,507)
Prepaid expenses	0	4,095
Accounts payable and accrued liabilities	38,913	(8,832)
Government remittances payable	380	12,198
Deferred revenue	<u>404,613</u>	<u>(376,829)</u>
NET INCREASE (DECREASE) IN CASH	402,833	(378,998)
NET CASH, beginning of year	<u>405,852</u>	<u>784,850</u>
NET CASH, end of year	<u><u>\$ 808,685</u></u>	<u><u>\$ 405,852</u></u>

MOOD DISORDERS SOCIETY OF CANADA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE ENDED MARCH 31, 2023

1. NATURE AND PURPOSE OF THE ORGANIZATION

Mood Disorders Society of Canada (the "Society") is a federal not-for-profit organization incorporated under the Canada Not For Profit Corporations Act without share capital and is a registered charity under the Income Tax Act. The Society was incorporated on January 16, 2001. The Society assists Canadians affected by depression, bipolar disorder and other related disorders through advocacy at all levels of Government, public awareness and research into causes and cures.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian accounting standards for not for profit organizations and reflect the following policies:

(a) REVENUE RECOGNITION

The Society follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions including donations are recognized as revenue when they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Other income is recognized when earned.

(b) CAPITAL ASSETS

Capital assets in excess of \$10,000 are recorded at cost and amortized on the basis of their estimated useful life.

(c) USE OF ESTIMATES

The preparation of financial statements in conformity with Canadian generally accepted accounting principles for not for profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Significant areas requiring management's estimates include accrued liabilities. Actual results could differ from those estimates.

(d) CONTRIBUTED MATERIALS AND SERVICES

During the year, a number of organizations and individuals donate materials to the Society and a number of volunteers contribute a significant amount of their time. Because of the difficulty in determining the fair value, contributed materials and services are not recorded in the financial statements.

MOOD DISORDERS SOCIETY OF CANADA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE ENDED MARCH 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) **FINANCIAL INSTRUMENTS**

Measurement of financial instruments

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

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

Impairment

For financial assets measured at cost or amortized cost, the Society determines whether there are indications of possible impairment. When there are, and the Society determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in income. If the indicators of impairment have decreased or no longer exist, the previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may be no 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 income.

Transaction costs

Transaction costs attributable to financial instruments subsequently measured at fair value are recognized in income in the period incurred. Transaction costs related to financial instruments originated or exchanged in an arm's length transaction that are subsequently measured at cost or amortized cost are recognized in the original cost of the instrument. When the instrument is measured at amortized cost, transaction costs are recognized in income over the life of the instrument using the straight-line method.

3. FINANCIAL INSTRUMENTS

Unless otherwise noted, it is management's opinion that the Society is not exposed to significant interest, credit, currency, liquidity, or other price risks arising from its financial instruments.

The extent of the Society's exposure to these risks did not change in 2023 compared to the previous period.

The Society does not have a significant exposure to any individual customer or counterpart.

4. ACCOUNTS RECEIVABLE

At the year end, the Society had the following receivables:

	2023	2022
Receiver General	\$ <u>29,788</u>	\$ <u>18,585</u>

MOOD DISORDERS SOCIETY OF CANADA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE ENDED MARCH 31, 2023

5. DEFERRED REVENUE

The deferred revenue relates to grants, registration fees and sponsorships received for events to be held subsequent to the year end.

	2023	2022
Balance, beginning of the year	\$ 32,500	\$ 409,329
Less amount recognized as revenue in the year	(32,500)	(409,329)
Plus amount received related to the following year	<u>437,113</u>	<u>32,500</u>
Balance, end of year	<u>\$ 437,113</u>	<u>\$ 32,500</u>

6. CORRESPONDING FIGURES

Certain figures presented for corresponding purposes have been reclassified to conform to the current year's presentation.