



**SCHIZOPHRENIA RESEARCH**

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**SCHIZOPHRENIA RESEARCH INSTITUTE  
(A COMPANY LIMITED BY GUARANTEE)**

**ABN 31 068 846 319**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**SCHIZOPHRENIA RESEARCH INSTITUTE**

**ABN 31 068 846 319**

**FINANCIAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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This annual report is for Schizophrenia Research Institute ("the Company"), its registered office and principal place of business is:

Neuroscience Research Australia  
Margarete Ainsworth Building  
139 Barker Street  
Randwick, NSW 2031

The principal activities of the entity during the financial year were research and fundraising for the purpose of the discovery of the means to prevent and cure schizophrenia and other allied disorders. The Entity is a not-for-profit organization.

**SCHIZOPHRENIA RESEARCH INSTITUTE  
DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2021**

The directors present their report together with the financial statements of Schizophrenia Research Institute, for the year ended 31 December 2021 and the auditor's report thereon.

**DIRECTORS**

The names and details of directors of the Company in office at any time during or since the end of the financial period are:

***Norbert Schweizer OAM - Chairman and Non-Executive Director***

Norbert is the founder and partner of Schweizer Kobras, Lawyers and Notaries and an accredited specialist in business law. Former chairman of the Silver Committee of the Royal NSW Institute for Deaf and Blind Children (of which he is a life member). Norbert is a former president of Emanuel Synagogue in Woollahra (of which he is a life governor) and a Deputy Chairman of B'nai B'rith Retirement Villages. Former member of the Dean's Board of Advice of the Sydney Conservatorium of Music and a foundation director of the Swiss-Australia Chamber of Commerce and Industry. Norbert is also a non-executive director of a number of companies in the electrical transmission, distribution and building services industries. Norbert joined the board in 2011 and became Chairman in October 2013.

***Peter Schofield AO - CEO***

Professor Peter Schofield is CEO of Neuroscience Research Australia and Professor of Medicine at UNSW. He has worked in the biotechnology industry and in academic medical research institutes in the US, Germany and Australia. In 2004, he commenced his current role at NeuRA. Peter's research interests focus on understanding how signaling in the brain occurs and identifying genes that lead to neurodegenerative and psychiatric disorders such as Alzheimer's disease and bipolar disorder. His research has been recognised by many awards including the Gottschalk Medal by the Australian Academy of Science. He has published over 350 scientific papers. Peter joined the Board of Directors in May 2015.

***Kate Johnston - Company Secretary***

Dr Kate Johnston is Chief Operating Officer of Neuroscience Research Australia. She has led the operations for healthcare and biomedical research start-ups and has led a multi-faceted career as a business leader, researcher and academic. Before joining NeuRA, Kate was a healthcare and biomedical research operations consultant working out of Brisbane, Australia and prior to that the COO for the Translational Research Institute (TRI) in Brisbane. Kate joined the Board of Directors in April 2018.

The number of directors' meetings (including meetings of committees of directors) and number of meetings attended by each of the directors of the Company during the financial period are:

<b>DIRECTOR</b>	<b>BOARD MEETINGS</b>	
	<b>A</b>	<b>B</b>
N Schweizer	2	2
P Schofield	2	2
K Johnston	2	2

**A** - Number of meetings held during the time the director held office during the period

**B** - Number of meetings attended

**SCHIZOPHRENIA RESEARCH INSTITUTE  
DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

**COMPANY SECRETARY**

Kate Johnston was appointed Company Secretary in April 2018.

**NON-EXECUTIVE DIRECTORS**

Non-executive directors were not paid any compensation during the period.

**PRINCIPAL ACTIVITY**

The principal activity of the Company during the course of the financial year was researching for the purpose of the discovery of the means to prevent and cure schizophrenia and other allied disorders. The Entity is a not-for-profit organisation. There were no significant changes in the nature of the activities of the Company during the year.

**PERFORMANCE**

The deficit of the Company for the year ended 31 December 2021 was \$299,126 (2020: deficit of \$1,917,284).

**MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR**

There have been no events subsequent to balance date, which would have a material effect on the Company's financial statements at 31 December 2021.

**LIKELY DEVELOPMENTS AND EXPECTED OPERATING RESULTS**

The Company will continue to pursue the principal activity during the course of the financial period being researching for the purpose of the discovery of the means to prevent and cure schizophrenia and other allied disorders.

**COVID-19 PANDEMIC**

The COVID-19 pandemic affected most operations of the Group during the course of the financial period. In particular there was volatility in donation and financial income. Particularly affected by Covid -19 were research areas involving clinical trials and clinical research with a number of such studies being postponed. Working from home arrangements were put in place for a majority of staff. No staff were stood down although some varied work arrangements were put in place.

**SCHIZOPHRENIA RESEARCH INSTITUTE  
DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

**ENVIRONMENTAL REGULATION**

The Company's operations are not subject to any particular and significant environmental regulation under a Commonwealth, or State law.

**INDEMNIFICATION & INSURANCE OF OFFICERS & AUDITORS**

The Company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith. During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001.

**PROCEEDINGS ON BEHALF OF THE ENTITY**

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

**MEMBERS LIABILITY**

The Company is a company limited by guarantee and without share capital. In accordance with the constitution of the Company, every member of the Company undertakes to contribute an amount limited to \$100 per member to the assets of the Company in the event of it being wound up while he or she is a member or within one year afterwards for payment of the debts and liabilities of the Company contracted before he or she ceases to be a member and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves.

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SUBDIVISION 60-C SECTION 60-40 OF AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012**

The Lead auditor's independence declaration is set out on page 6 and forms part of the directors' report for the year ended 31 December 2021.

Signed in accordance with a resolution of the directors:



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**NORBERT SCHWEIZER OAM**  
Chairman



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**PETER SCHOFIELD AO**  
Chief Executive Officer

Dated at Sydney this 12<sup>th</sup> day of April 2022



# Auditor's Independence Declaration under subdivision 60-C section 60-40 of Australian Charities and Not-for-profits Commission Act 2012

To: the members of Schizophrenia Research Institute

I declare that, to the best of my knowledge and belief, in relation to the review for the financial year ended 31 December 2021 there have been:

- i. no contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-profits Commission Act 2012 in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

*KPMG*

KPMG

Warwick Shanks

Partner

Sydney

12 April 2022

**SCHIZOPHRENIA RESEARCH INSTITUTE  
STATEMENT OF TOTAL COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 \$	2020 \$
<b>REVENUE</b>			
Fundraising Donations		-	-
<b>TOTAL REVENUE FROM ORDINARY ACTIVITIES</b>		<b>-</b>	<b>-</b>
<b>EXPENSES</b>			
Administration Expenses		(14,623)	(24,577)
Research Expenses		(424,931)	(596,820)
Donations to Neuroscience Research Australia		-	(1,400,000)
<b>TOTAL EXPENSES FROM ORDINARY ACTIVITIES</b>		<b>(439,554)</b>	<b>(2,021,397)</b>
<b>FINANCE INCOME</b>			
Dividend income		70,947	70,025
Interest income		312	3,407
Gains on investment		69,169	30,681
<b>NET FINANCE INCOME</b>		<b>140,428</b>	<b>104,113</b>
<b>DEFICIT FOR THE YEAR</b>		<b>(299,126)</b>	<b>(1,917,284)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>(299,126)</b>	<b>(1,917,284)</b>

*The statement of total comprehensive income is to be read in conjunction with the notes to the financial statements set out on pages 11 to 17.*

**SCHIZOPHRENIA RESEARCH INSTITUTE  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	<b>Retained Surplus</b>	<b>Total Equity</b>
	<b>\$</b>	<b>\$</b>
<b>OPENING BALANCE AT 1 JANUARY 2020</b>	<b>3,425,195</b>	<b>3,425,195</b>
Deficit for the year	(1,917,284)	(1,917,284)
<b>TOTAL COMPREHENSIVE INCOME FOR YEAR</b>	<b>(1,507,911)</b>	<b>(1,507,911)</b>
<b>CLOSING BALANCE AT 31 DECEMBER 2020</b>	<b>1,507,911</b>	<b>1,507,911</b>
<b>OPENING BALANCE AT 1 JANUARY 2021</b>	1,507,911	1,507,911
Deficit for the year	(299,126)	(299,126)
<b>TOTAL COMPREHENSIVE INCOME FOR YEAR</b>	<b>1,208,785</b>	<b>1,208,785</b>
<b>CLOSING BALANCE AT 31 DECEMBER 2021</b>	<b>1,208,785</b>	<b>1,208,785</b>

*The statement of changes in equity is to be read in conjunction with the notes to the financial statements set out on pages 11 to 17.*



**SCHIZOPHRENIA RESEARCH INSTITUTE  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2021**

	Note	2021 \$	2020 \$
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	4	2,423	3,200
Other financial Assets	5	1,223,908	1,515,771
<b>TOTAL CURRENT ASSETS</b>		<b>1,226,331</b>	<b>1,518,971</b>
<b>TOTAL ASSETS</b>		<b>1,226,331</b>	<b>1,518,971</b>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	6	17,546	11,060
<b>TOTAL CURRENT LIABILITIES</b>		<b>17,546</b>	<b>11,060</b>
<b>TOTAL LIABILITIES</b>		<b>17,546</b>	<b>11,060</b>
<b>NET ASSETS</b>		<b>1,208,785</b>	<b>1,507,911</b>
<b>EQUITY</b>			
Retained Surplus		1,208,785	1,507,911
<b>TOTAL EQUITY</b>		<b>1,208,785</b>	<b>1,507,911</b>

*The statement of financial position is to be read in conjunction with the notes to the financial statements set out on pages 11 to 17.*

**SCHIZOPHRENIA RESEARCH INSTITUTE  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 \$	2020 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from supporters and funding sources		-	-
Payments to suppliers and employees		(777)	(439)
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	7	<b>(777)</b>	<b>(439)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payments to related parties		-	(80,318)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>		<b>-</b>	<b>(80,318)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		(777)	(80,757)
Cash and cash equivalents at the beginning of the financial year		3,200	83,957
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	4	<b>2,423</b>	<b>3,200</b>

*The statement of cash flows is to be read in conjunction with the notes to the financial statements set out on pages 11 to 17.*

**SCHIZOPHRENIA RESEARCH INSTITUTE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**1 REPORTING ENTITY**

Schizophrenia Research Institute (the "Company") is a company incorporated and domiciled in Australia as a Company Limited by Guarantee. The financial statements of the Company are as at and for the year ended 31 December 2021.

**Registered Office and Principal Place of Business**

Neuroscience Research Australia  
Margarete Ainsworth Building  
139 Barker St  
Randwick NSW 2031

**2 BASIS OF PREPARATION**

**(a) Statement of Compliance**

The financial statements are Tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements adopted by the Australia Accounting Standards Board and the Australian Charities and Not-for-profits Commission Act 2012. These financial statements comply with Australian Accounting Standards - Reduced Disclosure Requirements.

**(b) Basis of measurement**

The financial statements have been prepared on the historical cost basis, except for financial assets recognised through profit or loss which have been measured at fair value.

**(c) Functional and presentation currency**

These financial statements are presented in Australian dollars, which is the Company's functional currency.

**(d) Use of estimates and judgements**

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

**(e) Going Concern**

The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activities and realisation of assets and settlement of liabilities in the ordinary course of business.

**SCHIZOPHRENIA RESEARCH INSTITUTE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

**3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies set out below, have been applied consistently to all periods presented in these financial statements.

**(a) Financial Instruments**

*(i) Recognition and derecognition*

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of a financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

*(ii) Classification and initial measurement of financial assets*

Financial assets are classified according to their business model and the characteristics of their contractual cash flows. Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

*(iii) Subsequent measurement of financial assets*

For the purposes of subsequent measurement, financial assets, other than those designated and effective as hedging instruments, are classified into the following four categories:

- Financial assets at amortised cost;
- Financial assets at fair value through profit or loss (FVTPL);
- Debt instruments at fair value through other comprehensive income (FVTOCI); and
- Equity instruments at FVTOCI

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

*(a) Financial assets at amortised cost*

Financial assets with contractual cash flows representing solely payments of principal and interest and held within a business model of 'hold to collect' contractual cash flows are accounted for at amortised cost using the effective interest method. The Company's receivables fall into this category of financial instruments.

Receivables comprise cash and cash equivalents, term deposits and trade and other receivables.

*(b) Financial assets at fair value through profit or loss (FVTPL)*

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

**SCHIZOPHRENIA RESEARCH INSTITUTE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(a) Financial Instruments (continued)**

*(iv) Impairment of financial assets*

AASB 9's forward-looking impairment model applies to the Company's assets valued at amortised cost. The application of the impairment model depends on whether there has been a significant increase in credit risk.

*(a) Trade and other receivables and contract assets*

Trade and other receivables and contract assets are impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired includes default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not consider otherwise, indicators that a debtor or issuer will enter bankruptcy.

As most of these instruments have a high credit rating, the likelihood of default is deemed to be small. However, at each reporting date the Company assesses whether there has been a significant increase in the credit risk of the instrument. In assessing these risks, the Company relies on readily available information such as the credit ratings issued by the major credit rating agencies for the respective asset. The Company only holds simple financial instruments for which specific credit ratings are usually available. In the unlikely event that there is no or only little information on factors influencing the ratings of the asset available, the Company would aggregate similar instruments into a portfolio to assess on this basis whether there has been a significant increase in credit risk. In addition, the Company considers other indicators such as adverse changes in business, economic or financial conditions that could affect the borrower's ability to meet its debt obligation or unexpected changes in the borrowers operating results. Should any of these indicators imply a significant increase in the instrument's credit risk, the Company recognises for this instrument or class of instruments the lifetime expected credit losses.

*(v) Classification and measurement of financial liabilities*

The Company's financial liabilities include, trade and other payables.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Company designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

**SCHIZOPHRENIA RESEARCH INSTITUTE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

**3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(b) Impairment**

*(i) Non-derivative financial assets*

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, or economic conditions that correlate with defaults.

The Company considers evidence of impairment for receivables at both a specific asset and collective level. All individually significant receivables are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Receivables that are not individually significant are collectively assessed for impairment by grouping together receivables with similar risk characteristics.

In assessing collective impairment, the Company uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

*(ii) Non-financial assets*

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Depreciated replacement cost is used to determine value in use. Depreciated replacement cost is the current replacement cost of the item less, where applicable, accumulated depreciation to date, calculated on the basis of such cost. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

**SCHIZOPHRENIA RESEARCH INSTITUTE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

**3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(b) Impairment (continued)**

*(ii) Non-financial assets (continued)*

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated to reduce the carrying amounts of the assets in the unit (group of units) on a pro rata basis. Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**(c) Revenue**

*(i) Donations and fundraising*

Revenue from donations and fundraising is recognised in profit or loss when the Company gains control of the contribution or the right to receive the contribution.

**(d) Research expenses**

Research expenses are taken on an accrual basis and measured at their fair value of the consideration paid or payable.

**(e) Finance Income & Costs**

Finance income comprises interest income on funds invested, dividend income and changes in the fair value of financial assets at fair value through profit or loss. Interest income is recognised as it accrues in profit or loss using the effective interest method. Dividend income is recognised in profit or loss on the date on which the Company right to receive payment is established.

**(f) Income Tax**

The company is a registered charity and is exempt from income tax under s50-5 of the Income Tax Assessment Act 1997.

**(g) Goods & Services Tax**

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities, which are recoverable from, or payable to, the ATO are classified as operating cash flows.

**(h) New standards and interpretations not yet adopted**

A number of new standards are effective for annual periods beginning after 1 January 2021 and earlier application is permitted, however, the Company has not early adopted the new or amended standards in preparing these financial statements.

Of those standards that are not yet effective there are none which are expected to have a significant impact on the Company's financial statements in the period of initial application.

**SCHIZOPHRENIA RESEARCH INSTITUTE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

**4 CASH AND CASH EQUIVALENTS**

	<b>2021</b>	<b>2020</b>
	\$	\$
Cash at Bank and on Hand	2,423	3,200
<b>CASH AND CASH EQUIVALENTS IN THE STATEMENT OF CASH FLOWS</b>	<b>2,423</b>	<b>3,200</b>
	<b>2,423</b>	<b>3,200</b>

Cash at bank earns interest at the current variable rate and is repayable on demand. The amount recognised in the balance sheet approximates its fair value.

**5 OTHER FINANCIAL ASSETS**

	<b>2021</b>	<b>2020</b>
	\$	\$
<b>Current</b>		
Financial assets - fair value through profit or loss	1,223,908	1,515,771
	<b>1,223,908</b>	<b>1,515,771</b>
	<b>1,223,908</b>	<b>1,515,771</b>

**6 TRADE AND OTHER PAYABLES**

	<b>2021</b>	<b>2020</b>
	\$	\$
Related party payable - Neuroscience Research Australia	17,546	11,060
	<b>17,546</b>	<b>11,060</b>
	<b>17,546</b>	<b>11,060</b>

**7 RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES**

	<b>2021</b>	<b>2020</b>
	\$	\$
<b>Cash flows from operating activities</b>		
Operating deficit	(299,126)	(1,917,284)
Interest received	(312)	(3,407)
Gain on investment	(69,169)	(30,681)
Dividend received	(70,947)	(70,025)
Net cash used in operating activities before changes in assets and liabilities	<b>(439,554)</b>	<b>(2,021,397)</b>
<b>Changes in assets and liabilities</b>		
Decrease in Other Financial Assets *	438,760	2,020,235
Increase in Trade and Other Payables	17	723
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>(777)</b>	<b>(439)</b>

\* Non-cash transaction

A non-cash donation to Neuroscience Research Australia in the prior year, specifically donated to the Mindgardens business unit to support the Tertiary Referral Service for Psychosis (TRSP), was funded through a transfer of other financial assets.



**SCHIZOPHRENIA RESEARCH INSTITUTE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

**8 RELATED PARTIES**

**Key management services**

The Company has a related party relationship with its ultimate parent entity (Neuroscience Research Australia), and with its key management personnel.

All key management personnel are compensated by Neuroscience Research Australia, and services performed in relation to the Company are re-charged by Neuroscience Research Australia to the Company. All non-executive directors provide their services to the Board on a voluntary basis. None of the non-executive directors are remunerated.

**Other related party transactions**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Related party payable - Neuroscience Research Australia (see note 6)	17,546	11,060
Donations transfer - Neuroscience Research Australia	-	1,400,000

The Company meets commitments for schizophrenia research from both fundraising and existing reserves. Schizophrenia research is performed by Neuroscience Research Australia and the Company reimburses the costs incurred by Neuroscience Research Australia in meeting those commitments, less the value of donations income. Amounts paid during the year were:

Research Expenses	424,931	596,820
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Apart from the details disclosed in this note, no director has entered into a material contract with the entity since the end of the previous financial year and there were no material contracts involving directors' interests subsisting at year end.

**9 EQUITY**

The Company is limited by guarantee. If the Company is wound up, the constitution states that each member, while they are a member, or within one year of them ceasing to be a member, is required to contribute a maximum of \$100 towards meeting any outstanding obligations of the Entity. At 31 December 2021 the total number of members was 1 (2020: 1). Retained earnings reflect surplus of revenue received less expenditure up to the reporting date. The balance may be allocated to existing projects for which expenditure has not yet been contracted or incurred.

**10 SUBSEQUENT EVENTS**

There have been no events subsequent to balance date, which would have a material effect on the Company's financial statements at 31 December 2021.

**SCHIZOPHRENIA RESEARCH INSTITUTE  
DIRECTORS' DECLARATION**

In the opinion of the directors of Schizophrenia Research Institute ("the Company"):

- (a) the financial statements and notes, set out on pages 7 to 17 are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:
  - (i) giving a true and fair view of the Company's financial position as at 31 December 2021 and of its performance, for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards and the Australian Charities and Not-for-profits Commission Regulation 2013; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors.



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**NORBERT SCHWEIZER OAM**

Chairman



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**PETER SCHOFIELD AO**

Chief Executive Officer

Dated at Sydney this 12<sup>th</sup> day of April 2022



# Independent Auditor's Review Report

To the members of Schizophrenia Research Institute

## Conclusion

We have reviewed the **Financial Report**, of the Schizophrenia Research Institute (the Company).

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the **Financial Report** of the Company is not in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, including:

- i. giving a true and fair view of the Company's financial position as at 31 December 2021, and of its financial performance and its cash flows for the year ended on that date; and
- ii. complying with *Australian Accounting Standards - Reduced Disclosure Requirements / Australian Accounting Standards* to the extent described in Note 2 and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013 (ACNCR)*.

The **Financial Report** comprises:

- i. Statement of financial position as at 31 December 2021.
- ii. Statement of total comprehensive income, Statement of changes in equity, and Statement of cash flows for the year then ended.
- iii. Notes including a summary of significant accounting policies.
- iv. Directors' declaration of the Company.

## Basis for conclusion

We are independent of the Company in accordance with the auditor independence requirements of the ACNC Act 2012 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our review of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.



### Emphasis of matter – basis of preparation and restriction on use

We draw attention to Note 2 to the financial statements, which describes the basis of preparation.

The Financial Report has been prepared for the purpose of fulfilling the Directors' financial reporting responsibilities under the ACNC Act 2012. As a result, the Financial Report and this Auditor's Report may not be suitable for another purpose.

Our report is intended solely for the members of the Company and should not be used by any other party. We disclaim any assumption of responsibility for any reliance on this Auditor's Report, or on the Financial Report to which it relates to any person other than the members of the Company. Our conclusion is not modified in respect of this matter.

### Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- i. the preparation of the Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* to the extent described in Note 2 and the ACNC and ACNCR
- ii. for such internal control as the Directors determine is necessary to enable the preparation of a Financial Report that is free from material misstatement, whether due to fraud or error.

### Auditor's responsibilities for the review of the Financial Report

Our responsibility is to express a conclusion on the financial report based on our review. We conducted our review in accordance with *Auditing Standard on Review Engagements ASRE 2415 Review of a Financial Report: Company Limited by Guarantee or an Entity Reporting under the ACNC Act or Other Applicable Legislation or Regulation*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the ACNC, including: giving a true and fair view of the Company's financial position as at 31 December 2021, and its financial performance and its cash flows for the year ended on that date; and complying with the *Australian Accounting Standards – Reduced Disclosure Requirements* to the extent described in Note 2 and the ACNC and ACNCR. *ASRE 2415* requires that we comply with the ethical requirements relevant to the review of the financial report.

A review of a financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

KPMG

KPMG

Warwick Shanks

Partner

Sydney

12 April 2022