

Financial Statements of

**BRITISH COLUMBIA
LUNG ASSOCIATION**

And Independent Auditors' Report thereon

Year ended March 31, 2019



KPMG LLP
PO Box 10426 777 Dunsmuir Street
Vancouver BC V7Y 1K3
Canada
Telephone (604) 691-3000
Fax (604) 691-3031

INDEPENDENT AUDITORS' REPORT

To the Members of the British Columbia Lung Association

Report on the Financial Statements

Qualified Opinion

We have audited the accompanying financial statements of British Columbia Lung Association ("the "Entity"), which comprise:

- the statement of financial position as at March 31, 2019
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes and schedules to the financial statements, including a summary of significant accounting policies (hereinafter referred to as the "financial statements").

In our opinion, except for the possible effects of the matter described in the "**Basis for Qualified Opinion**" section of our auditors' report, the financial statements present fairly, in all material respects, the financial position of British Columbia Lung Association as at March 31, 2019, and its results of operations, and 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 charitable organizations, the Entity derives revenue 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 Entity. Therefore, we are not able to determine whether any adjustments might be necessary to donation revenues and deficiency of revenue over expenses reported in the statement of operations and changes in net assets and statement of cash flows for the years ended March 31, 2019 and March 31, 2018, current assets in the statement of financial position as at March 31, 2019 and March 31, 2018 and net assets reported in the statement of changes in net assets, both at the beginning and end of the year, for the years ending March 31, 2019 and March 31, 2018. Our opinion on the financial statements for the year ended March 31, 2018 was qualified 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 "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' report.

We are independent of the Entity 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 these 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditors' 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 auditors' report and 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 the 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosure 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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Entity 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.
- 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.

Report on Other Legal and Regulatory Requirements

As required by the Societies Act (British Columbia), we report that, in our opinion, the accounting policies applied in preparing and presenting the financial statements in accordance with Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding period.

Chartered Professional Accountants

Vancouver, Canada
June 21, 2019

BRITISH COLUMBIA LUNG ASSOCIATION

Financial Statements Index

Year ended March 31, 2019

	Page
Statement of Financial Position	1
Statement of Operations	2
Statement of Changes in Net Assets	3
Statement of Cash Flows	4
Notes to Financial Statements	5

	Schedules
Fundraising Expenses	1
Grants and Awards Expenses	2
Health Services Expenses	3
Operating and Administrative Expenses	4

BRITISH COLUMBIA LUNG ASSOCIATION

Statement of Financial Position

March 31, 2019, with comparative information for 2018

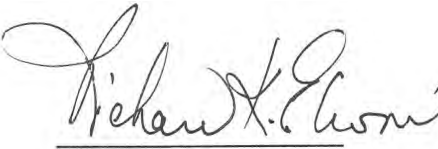
	2019	2018
Assets		
Current assets:		
Cash	\$ 143,575	\$ 399,728
Investments (note 3)	6,107,391	6,089,671
Accounts receivable	525,362	681,903
Prepaid expenses	10,075	20,428
	<u>6,786,403</u>	<u>7,191,730</u>
Investments (note 3)	1,518,607	1,518,782
Other assets (note 4)	31,260	29,791
Capital assets (note 5)	1,682,317	1,719,836
	<u>\$ 10,018,587</u>	<u>\$ 10,460,139</u>
Liabilities and Net Assets		
Current liabilities:		
Bank indebtedness (note 6)	\$ 377,704	\$ -
Accounts payable and accrued liabilities	637,970	419,577
Deferred contributions (note 7)	332,793	824,404
	<u>1,348,467</u>	<u>1,243,981</u>
Net assets:		
Unrestricted	6,987,803	7,496,322
Invested in capital assets	1,682,317	1,719,836
	<u>8,670,120</u>	<u>9,216,158</u>
Commitments (note 10)		
	<u>\$ 10,018,587</u>	<u>\$ 10,460,139</u>

See accompanying notes to financial statements.

Approved on behalf of the Board:



Director and Chairperson



Director and Honorary Treasurer

BRITISH COLUMBIA LUNG ASSOCIATION

Statement of Operations

Year ended March 31, 2019, with comparative information for 2018

	2019	2018
Revenue:		
Contributions from fundraising campaigns:		
Direct Mail	\$ 1,129,309	\$ 1,084,088
Bike Trek	161,960	210,508
Climb the Wall	84,300	75,282
Golf Cards	38,060	43,187
Lung Month Celebration	47,620	-
Race and Urban Scavenger Hunt	-	37,592
SuperTeam	4,725	14,769
Gaming	1,650	500
Vehicle Donation Program	3,260	1,395
	<hr/>	<hr/>
	1,470,884	1,467,321
Government grants	2,657,139	2,727,903
Bequests and memorials	550,095	424,164
Investment income	183,424	142,159
Donations	245,372	305,760
Other	212,501	246,008
	<hr/>	<hr/>
	5,319,415	5,313,315
Expenses:		
Fundraising (schedule 1)	990,799	958,112
Grants and awards (schedule 2)	842,310	807,016
Health services (schedule 3)	3,666,192	3,644,016
Operating and administrative (schedule 4)	546,308	554,718
	<hr/>	<hr/>
	6,045,609	5,963,862
Deficiency of revenue over expenses before undernoted	(726,194)	(650,547)
Change in fair value of investments	154,171	75,053
Unrealized foreign exchange gain (loss)	25,985	(20,253)
	<hr/>	<hr/>
	180,156	54,800
Deficiency of revenue over expenses	<hr/>	<hr/>
	\$ (546,038)	\$ (595,747)

See accompanying notes to financial statements.

BRITISH COLUMBIA LUNG ASSOCIATION

Statement of Changes in Net Assets

Year ended March 31, 2019, with comparative information for 2018

	Unrestricted	Invested in capital assets	2019	2018
Balance, beginning of year	\$ 7,496,322	\$ 1,719,836	\$ 9,216,158	\$ 9,811,905
Deficiency of revenue over expenses	(486,203)	(59,835)	(546,038)	(595,747)
Purchase of capital assets	(22,316)	22,316	-	-
Balance, end of year	\$ 6,987,803	\$ 1,682,317	\$ 8,670,120	\$ 9,216,158

See accompanying notes to financial statements.

BRITISH COLUMBIA LUNG ASSOCIATION

Statement of Cash Flows

Year ended March 31, 2019, with comparative information for 2018

	2019	2018
Cash provided by (used in):		
Operating:		
Deficiency of revenue over expenses	\$ (546,038)	\$ (595,747)
Items not involving cash:		
Amortization of capital assets	58,927	60,638
Fair value change of investments	(154,171)	(75,053)
Unrealized foreign exchange loss (gain)	(25,985)	20,253
Loss on disposal of capital assets	908	719
Change in non-cash operating working capital:		
Accounts receivable	156,541	217,654
Prepaid expenses	10,353	(2,339)
Other assets	(1,469)	(1,521)
Accounts payable and accrued liabilities	218,393	100,412
Deferred contributions	(491,611)	(87,167)
	(774,152)	(362,151)
Investments:		
Purchase of investments	(3,709,900)	(3,864,346)
Proceeds from sale of investments	3,872,511	4,191,640
Purchase of capital assets	(22,316)	(56,557)
	140,295	270,737
Financing:		
Bank indebtedness	377,704	-
Decrease in cash	(256,153)	(91,414)
Cash, beginning of year	399,728	491,142
Cash, end of year	\$ 143,575	\$ 399,728

See accompanying notes to financial statements.

BRITISH COLUMBIA LUNG ASSOCIATION

Notes to Financial Statements

Year ended March 31, 2019

1. Operations:

British Columbia Lung Association (the "Association") is incorporated under the Society Act (British Columbia). The purpose of the Association is to support medical research and education programs aimed at respiratory disease and to conduct fundraising activities to provide financial support for such programs. On March 28, 2018, the Association transitioned to the new Societies Act (British Columbia).

The Association is a registered charity under the Income Tax Act (Canada) and is exempt from Canadian federal and provincial income taxes. The Association is able to issue donation receipts for income tax purposes.

2. Significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian Accounting Standards for Not-For-Profit Organizations in Part III of the Chartered Professional Accountants of Canada Handbook and include the following accounting policies:

(a) Revenue recognition:

The Association follows the deferral method of accounting for contributions which include donations and government grants. Donations are recorded when received or receivable when a realizable value can be reasonably estimated. Externally restricted contributions are initially deferred and recognized as revenue in the period in which the related expenses are incurred or the restrictions met.

Amounts received related to fundraising events to be held after the fiscal year end are deferred and recognized upon completion of the fundraising event.

Contributions of irrevocable charitable remainder trusts or life insurance policies are recorded as revenue upon receipt of funds at the net present value or cash surrender value, respectively.

Investment income is recognized as revenue when earned.

Donated gifts in-kind are recorded at fair value, when fair value can be reasonably estimated provided the goods or services would normally be required for operations. Fair value is determined to be the value of the donation at the date of the contribution. Due to the difficulty of determining the fair value, donated services of this nature are not recognized in the financial statements.

BRITISH COLUMBIA LUNG ASSOCIATION

Notes to Financial Statements (continued)

Year ended March 31, 2019

2. Significant accounting policies (continued):

(b) Capital assets:

Capital assets are stated at cost less accumulated amortization and are amortized on the declining-balance basis using the following rates:

Asset	Rate
Building	5%
Office furniture and fixtures	20%
Computer equipment	30%
Vehicles	30%
Computer software	30%

When capital assets no longer contribute to the Association's ability to provide services, its carrying amount is written down to its net realizable value.

(c) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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 the use of management estimates relate to the determination of useful lives of capital assets for amortization and provisions for contingencies. Actual results could differ from those estimates.

(d) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost. The Association accounts for guaranteed investment certificates at amortized cost and quoted shares at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets recorded at amortized cost are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Association determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset.

BRITISH COLUMBIA LUNG ASSOCIATION

Notes to Financial Statements (continued)

Year ended March 31, 2019

2. Significant accounting policies (continued):

(d) Financial instruments (continued):

If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Association expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

The Association does not hold any financial derivatives as at March 31, 2019.

3. Investments:

	2019	2018
Guaranteed investment certificates, measured at amortized cost	\$ 5,054,806	\$ 5,225,484
Quoted shares, measured at fair value	2,571,192	2,382,969
	<u>\$ 7,625,998</u>	<u>\$ 7,608,453</u>

The Guaranteed investment certificates have an effective interest rate of 1.90% to 2.35% (2018 - 1.05% to 2.20%) with maturities of 2019 to 2020.

The total investments balance is classified as follows on the statement of financial position:

	2019	2018
Current	\$ 6,107,391	\$ 6,089,671
Long-term	1,518,607	1,518,782
	<u>\$ 7,625,998</u>	<u>\$ 7,608,453</u>

4. Other assets:

The Association has been named the irrevocable beneficiary of one (2018 - one) life insurance policy with coverage totaling \$52,449 (2018 - \$52,449). At March 31, 2019, the insurance policy has a cash surrender value, representing fair value, totaling \$31,260 (2018 - \$29,791), which is recorded as an asset. In the event that the donor discontinues paying the premiums, the Association will receive proceeds equal to the cash surrender value. Upon the death of the donor, the total coverage will be payable to the Association.

BRITISH COLUMBIA LUNG ASSOCIATION

Notes to Financial Statements (continued)

Year ended March 31, 2019

5. Capital assets:

2019	Cost	Accumulated depreciation	Net book value
Land	\$ 987,043	\$ -	\$ 987,043
Building	2,148,191	1,536,198	611,993
Office furniture and fixtures	532,914	511,816	21,098
Computer equipment	315,838	287,002	28,836
Vehicles	75,568	47,820	27,748
Computer software	49,135	43,536	5,599
	<u>\$ 4,108,689</u>	<u>\$ 2,426,372</u>	<u>\$ 1,682,317</u>

2018	Cost	Accumulated depreciation	Net book value
Land	\$ 987,043	\$ -	\$ 987,043
Building	2,148,191	1,503,988	644,203
Office furniture and fixtures	524,465	508,226	16,239
Computer equipment	304,471	278,166	26,305
Vehicles	99,562	61,514	38,048
Computer software	49,135	41,137	7,998
	<u>\$ 4,112,867</u>	<u>\$ 2,393,031</u>	<u>\$ 1,719,836</u>

6. Bank indebtedness:

Bank indebtedness represents an advance drawn on the investments held by the Association. The bank indebtedness is due on demand, secured by the investments and bears interest at the bank's prime rate. Subsequent to year-end, the Association repaid the bank indebtedness using the guaranteed investment certificates that matured.

7. Deferred contributions:

Changes in deferred contributions are as follows:

	2019	2018
Balance, beginning of year	\$ 824,404	\$ 911,571
Contributions received	2,169,108	2,945,785
Amount recognized as revenue	(2,660,719)	(3,032,952)
Balance, end of year	<u>\$ 332,793</u>	<u>\$ 824,404</u>

BRITISH COLUMBIA LUNG ASSOCIATION

Notes to Financial Statements (continued)

Year ended March 31, 2019

8. Pension plan:

The Association provides a defined contribution pension plan to its employees which vests after two years of service. The Association is required to pay a contribution of 5% of the employee's gross pay. For the year ended March 31, 2019, the Association contributed \$75,185 (2018 - \$96,801) in pension plan payments for its employees.

9. Lung Foundation of British Columbia:

The Association is related to the Lung Foundation of British Columbia (the "Foundation") as all of the directors of the Foundation are also directors of the Association. The Foundation is a registered charity formed to provide funds to support research and studies into the prevention and control of lung and related diseases.

The net assets and results from operations of the Foundation have not been included in these financial statements. A financial summary of the Foundation as at and for its year ended March 31, 2019 is as follows:

	2019	2018
Financial Position:		
Total assets	\$ 782,125	\$ 830,497
Total liabilities	-	-
Total net assets	\$ 782,125	\$ 830,497
Results of Operations:		
Total revenue and other income	\$ 30,886	\$ 17,968
Total expenses	(79,258)	(29,400)
	\$ (48,372)	\$ (11,432)
Cash Flows:		
Operating activities	\$ (62,763)	\$ (19,065)
Investing activities	64,459	10,684

BRITISH COLUMBIA LUNG ASSOCIATION

Notes to Financial Statements (continued)

Year ended March 31, 2019

10. Commitments:

The Association is committed to expenses for grants, awards and health services. The Association is also committed to payments under an operating lease for a vehicle. The minimum annual payments under the funding and operating lease commitments are as follows:

2020	\$	512,500
2021		250,000
2022		125,000
2023		31,250
		<hr/>
		\$ 918,750

11. Financial risks and concentration of credit risk:

(a) Liquidity risk:

Liquidity risk is the risk that the Association will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Association manages its liquidity risk by monitoring its operating requirements. The Association prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations.

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Association is exposed to credit risk with respect to the accounts receivable. The Association assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts.

(c) Interest rate risk:

The Association is exposed to fair value risk on its fixed interest rate financial instruments. Further details about the fixed rate investments are included in note 3.

There have been no changes to these risk exposures from the prior year.

12. Trust funds:

Certain assets have been conveyed or assigned to the Association to be administered as directed by agreement. The Association holds these assets for the benefit of, and stands in a fiduciary relationship to, the beneficiaries. The Better Pharmacare Coalition and STOP TB funds of \$156,611 (2018 - \$38,797) and \$5,469 (2018 - \$5,469), respectively, which are administered by the Association, have not been included within the Association's accounts.

BRITISH COLUMBIA LUNG ASSOCIATION

Notes to Financial Statements (continued)

Year ended March 31, 2019

13. Employee remuneration:

For the fiscal year ending March 31, 2019, the Association paid total remuneration of \$626,488 (2018 - \$721,645) to six (2018 - six) employees, each of whom received total annual remuneration of \$75,000 or greater. No remuneration was paid to members of the board of directors.

BRITISH COLUMBIA LUNG ASSOCIATION

Fundraising expenses

Schedule 1

Year ended March 31, 2019, with comparative information for 2018

	2019	2018
Administrative:		
Credit card and online fees	\$ 7,137	\$ 8,569
Data processing and mechanical inserting	54,513	43,443
Education and training	2,331	273
Licenses and memberships	-	420
Publicity	4,004	17,367
Programs	74,816	76,813
Salaries and employee benefits	401,884	485,849
Telephone	4,946	4,158
Travel and meetings	11,492	19,417
Volunteers	1,765	2,784
	562,888	659,093
Materials	202,086	113,099
Postage	225,825	185,920
	\$ 990,799	\$ 958,112

BRITISH COLUMBIA LUNG ASSOCIATION

Grants and Awards expenses

Schedule 2

Year ended March 31, 2019, with comparative information for 2018

	2019	2018
Fellowships:		
Respiratory Medicine:		
Dr. S. Grzybowski Memorial	\$ 25,000	\$ 25,000
Dr. W. Thurlbeck Memorial	25,000	25,000
Pulmonary Radiology - Dr. R. Miller Memorial	-	6,250
Pulmonary Pathology - Dr. K. Pump Memorial	25,000	25,000
Rehabilitation Medicine	25,000	25,000
	<u>100,000</u>	<u>106,250</u>
Ongoing grants:		
UBC Continuing Professional Dev. & Knowledge Translation	10,250	18,000
Nursing Bursaries - Community Colleges	6,000	9,000
Canadian Lung Association - Research	76,132	76,679
Canadian Lung Association - Annual	124,602	125,742
Respiratory Technology Bursary - TRU	3,000	3,000
International Union Against TB and Lung Disease	9,548	8,060
Hidalgo Lung Association Project	1,150	2,497
Helen H. Findlay Nursing Bursary - BCIT	1,000	1,000
Justice Institute of BC - First Responder Award	-	1,000
S. McDonald President Emeritus Travel Grant	5,178	-
	<u>236,860</u>	<u>244,978</u>
Community service projects:		
Healthy Living Alliance	10,000	10,000
Direct Patient Support	4,200	8,100
Community respiratory programs	10,000	15,000
	<u>24,200</u>	<u>33,100</u>
Project and equipment grants - Approved June 2018:		
Dr. Delbert Dorscheid – IgE-mediated inflammation generated by the airway epithelium is antigen independent – a cause of a novel asthma phenotype	12,500	-
Dr. Lindsay Eltis – Improved inhibitors of cholesterol catabolism in mycobacterium tuberculosis	12,500	-
Dr. Neil Eves – Can micro-doses of physical activity offset the negative cardiovascular consequences of being sedentary in patients with COPD?	12,500	-
Dr. Zakaria Hmama – Tuberculosis prevention: Novel vaccine approaches	12,500	-
Dr. Rachel Jen – Inflammatory and oxidative stress profile of patients with COPD and OSA overlap syndrome	12,500	-
Dr. Honglin Luo – Engineering coxsackievirus B3 for KRAS-driven lung cancer therapy	12,500	-
Dr. Ma'en Obeidat – The interaction of genes and sex in chronic obstructive pulmonary disease	12,500	-
Dr. Bradley Quon – TH2 Inflammation during cystic fibrosis pulmonary exacerbations	12,500	-
Dr. Steven Reynolds – Reducing atelectasis with transvenous phrenic nerve stimulation will mitigate ventilator induced lung injury	12,500	-
Dr. Christopher Ryerson – Quantitative computed tomography in hypersensitivity pneumonitis	12,500	-
	<u>125,000</u>	<u>-</u>
Carried forward	486,060	384,328

BRITISH COLUMBIA LUNG ASSOCIATION

Grants and Awards expenses

Schedule 2
(continued)

Year ended March 31, 2019, with comparative information for 2018

	2019	2018
Brought forward	486,060	384,328
Project and equipment grants - Approved June 2017:		
Dr. Najib Ayas – Assessing the impact of maternal sleep apnea on fetal and placental health	25,000	12,500
Dr. Pat Camp – A community-based research project to improve lung health in remote and rural first nations communities in BC	25,000	12,500
Dr. Harvey Coxson – Development and validation of novel non-invasive imaging tools to enhance our understanding of airways in asthma	25,000	12,500
Dr. Nancy Ford – In vivo and ex vivo assessment of COPD progression in preclinical models	25,000	12,500
Drs. J. Johnston & W. Hsiao – Genomic epidemiology of non-TB mycobacteria infection in Cystic Fibrosis	25,000	12,500
Dr. Jordan Guenette – A double-blind placebo-controlled crossover study to assess the effect of bronchodilation on CF patients	25,000	12,500
Dr. Janice Leung – The role of gut-lung axis in the aging HIV lung	25,000	12,500
Dr. Manish Sadarangani – Molecular epidemiology of streptococcus pneumoniae in children and vaccine design	25,000	12,500
Dr. Andrew Sandford – Genetic variants of TSLP in asthma	25,000	12,500
Dr. Scott Tebbutt – Novel diagnosis of Western Red Cedar Asthma	25,000	12,500
Dr. Lu Wang – Cytoskeletal stiffness of airway smooth muscle – A new target for asthma strategy	25,000	12,500
	275,000	137,500
Project and equipment grants - Approved June 2016:		
Dr. Lindsay Eltis - Inhibitors of cholesterol catabolism in mycobacterium tuberculosis	10,000	20,000
Dr. Sarah Henderson - Distance to oil and gas drilling and its association with acute respiratory and cardiovascular health outcomes in northeastern BC from 1996-2015	12,500	25,000
Dr. Jeremy Hirota - Identification and functional characterization of a novel antiviral sensor relevant in chronic airway diseases - ATP Binding Cassette Transporter F1	12,500	25,000
Dr. Pascal Lavoie - Genetics of neonatal chronic lung disease: A replication study	12,500	25,000
Dr. Honglin Luo - Development of a novel coxsackievirus B3-based oncolytic virus for lung cancer therapy	12,500	25,000
Dr. Bradley Quon - Discovery of blood protein biomarkers to monitor treatment responses during CF pulmonary exacerbations	11,250	22,500
Dr. Fernando Studart Leitao - Serum immunoglobulins and risk of exacerbations in COPD	10,000	20,000
	81,250	162,500
Carried forward	842,310	684,328

BRITISH COLUMBIA LUNG ASSOCIATION

Grants and Awards expenses

Schedule 2
(continued)

Year ended March 31, 2019, with comparative information for 2018

	2019	2018
Brought forward	842,310	684,328
Project and equipment grants - Approved June 2015:		
Dr. Yossef Av-Gay - Intracellular growth of mycobacterium tuberculosis: prospects for drug discovery	-	7,688
Dr. Delbert Dorscheid - Conjugated Linoleic Acid ("CLA"): A Novel and natural anti-viral and anti-inflammatory molecule in asthma	-	12,500
Dr. David Granville Extracellular Granzyme B and pulmonary epithelial barrier disruption	-	12,500
Dr. Sarah Henderson - The respiratory and cardiovascular risks associated with sub-daily exposure to forest fire smoke	-	12,500
Dr. Zakaria Hmama - Attenuated proapoptotic BCG strains as novel TB vaccines	-	12,500
Dr. Janice Leung - Accelerated aging and oxidative stress: Mechanisms of lung disease in HIV	-	12,500
Dr. Ma'En Obeidat - Integrative genomics approach to unravel the molecular mechanisms underlying lung function measures and lung cancer	-	12,500
Dr. Christopher Ryerson - Researching frailty, sarcopenia and healthcare costs in fibrotic interstitial lung disease	-	12,500
Dr. Andrew Sandford Genetic determinants of obstructive sleep apnea	-	12,500
Dr. William Sheel - The aging lung: Sex differences in the sensation of breathlessness during exercise	-	12,500
	-	120,188
Other grants:		
Miscellaneous grants	-	2,500
	\$ 842,310	\$ 807,016

BRITISH COLUMBIA LUNG ASSOCIATION

Health services expense

Schedule 3

Year ended March 31, 2019, with comparative information for 2018

	2019	2018
Data processing	\$ 14,263	\$ 13,093
Education and training	898	1,482
Health education material	-	1,222
Licenses and memberships	1,236	667
Medical equipment	716	1,090
Online and Educational Engagement	7,723	1,575
Postage	95,339	59,125
Printing and supplies	62,693	32,891
Programs	2,838,528	2,846,137
Publicity	3,714	13,118
Salaries and employee benefits	592,908	603,134
Telephone	6,428	4,269
Travel and meetings	26,431	47,423
Volunteers	258	1,513
"Your Health" magazine	15,057	17,277
	<u>\$ 3,666,192</u>	<u>\$ 3,644,016</u>

BRITISH COLUMBIA LUNG ASSOCIATION

Operating and administrative expenses

Schedule 4

Year ended March 31, 2019, with comparative information for 2018

	2019	2018
Amortization	\$ 58,927	\$ 60,638
Audit and legal	28,411	42,498
Building maintenance	17,245	33,556
Data processing	13,799	10,745
Directors' meetings and travel	39,877	39,581
Education and training	738	134
Equipment maintenance	15,578	7,238
General insurance	22,925	20,658
Interest and bank charges	30,454	25,495
Janitorial services	7,478	7,333
Licenses and memberships	1,668	876
Light, heat and water	22,823	18,997
Postage	906	980
Salaries and employee benefits	264,032	256,834
Stationery and office supplies	5,083	5,733
Telephone	6,451	6,179
Travel and meetings - staff	9,913	17,243
	<u>\$ 546,308</u>	<u>\$ 554,718</u>