

Financial Statements of

**BRITISH COLUMBIA
LUNG ASSOCIATION**

And Independent Auditors' Report thereon

Year ended March 31, 2020

BRITISH COLUMBIA LUNG ASSOCIATION

Financial Statements Index

Year ended March 31, 2020

Independent Auditors' Report

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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, 2020
- 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, 2020, 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, 2020 and March 31, 2019, current assets in the statement of financial position as at March 31, 2020 and March 31, 2019 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, 2020 and March 31, 2019. Our opinion on the financial statements for the year ended March 31, 2019 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 matter 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 19, 2020

BRITISH COLUMBIA LUNG ASSOCIATION

Statement of Financial Position

March 31, 2020, with comparative information for 2019

	2020	2019
Assets		
Current assets:		
Cash	\$ 417,910	\$ 143,575
Investments (note 3)	6,013,175	6,107,391
Accounts receivable	817,326	525,362
Prepaid expenses	7,842	10,075
	<u>7,256,253</u>	<u>6,786,403</u>
Investments (note 3)	-	1,518,607
Other assets (note 4)	32,781	31,260
Capital assets (note 5)	1,638,328	1,682,317
	<u>\$ 8,927,362</u>	<u>\$ 10,018,587</u>

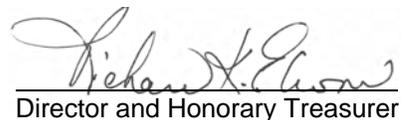
Liabilities and Net Assets

Current liabilities:		
Bank indebtedness (note 6)	\$ -	\$ 377,704
Accounts payable and accrued liabilities	762,086	637,970
Deferred contributions (note 7)	338,859	332,793
	<u>1,100,945</u>	<u>1,348,467</u>
Net assets:		
Unrestricted	6,188,089	6,987,803
Invested in capital assets	1,638,328	1,682,317
	<u>7,826,417</u>	<u>8,670,120</u>
Commitments (note 10)		
COVID-19 and impact on operations (note 14)		
	<u>\$ 8,927,362</u>	<u>\$ 10,018,587</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, 2020, with comparative information for 2019

	2020	2019
Revenue:		
Contributions from fundraising campaigns:		
Direct Mail	\$ 1,013,493	\$ 1,129,309
Bike Trek	212,051	161,960
Climb the Wall	136,162	84,300
Golf Cards	41,108	38,060
Lung Month Celebration	15,178	47,620
SuperTeam	942	4,725
Gaming	850	1,650
Vehicle Donation Program	1,080	3,260
	<hr/>	<hr/>
	1,420,864	1,470,884
Government grants	2,398,377	2,657,139
Bequests and memorials	461,971	550,095
Investment income	191,239	183,424
Donations	253,508	245,372
Other	218,968	212,501
	<hr/>	<hr/>
	4,944,927	5,319,415
Expenses:		
Fundraising (schedule 1)	926,320	990,799
Grants and awards (schedule 2)	808,723	842,310
Health services (schedule 3)	3,295,257	3,666,192
Operating and administrative (schedule 4)	566,135	546,308
	<hr/>	<hr/>
	5,596,435	6,045,609
Deficiency of revenue over expenses before undernoted	(651,508)	(726,194)
Unrealized gain (loss) on investments measured at fair value	(254,272)	154,171
Unrealized foreign exchange gain	62,077	25,985
	<hr/>	<hr/>
	(192,195)	180,156
Deficiency of revenue over expenses	<hr/>	<hr/>
	\$ (843,703)	\$ (546,038)

See accompanying notes to financial statements.

BRITISH COLUMBIA LUNG ASSOCIATION

Statement of Changes in Net Assets

Year ended March 31, 2020, with comparative information for 2019

	Unrestricted	Invested in capital assets	2020	2019
Balance, beginning of year	\$ 6,987,803	\$ 1,682,317	\$ 8,670,120	\$ 9,216,158
Deficiency of revenue over expenses	(789,678)	(54,025)	(843,703)	(546,038)
Purchase of capital assets	(10,036)	10,036	-	-
Balance, end of year	\$ 6,188,089	\$ 1,638,328	\$ 7,826,417	\$ 8,670,120

See accompanying notes to financial statements.

BRITISH COLUMBIA LUNG ASSOCIATION

Statement of Cash Flows

Year ended March 31, 2020, with comparative information for 2019

	2020	2019
Cash provided by (used in):		
Operating:		
Deficiency of revenue over expenses	\$ (843,703)	\$ (546,038)
Items not involving cash:		
Amortization of capital assets	54,025	58,927
Unrealized loss (gain) on investments measured at fair value	254,272	(154,171)
Unrealized foreign exchange loss (gain)	(62,077)	(25,985)
Loss on disposal of capital assets	-	908
Changes in non-cash operating working capital:		
Accounts receivable	(291,964)	156,541
Prepaid expenses	2,233	10,353
Other assets	(1,521)	(1,469)
Accounts payable and accrued liabilities	124,116	218,393
Deferred contributions	6,066	(491,611)
	(758,553)	(774,152)
Investments:		
Purchase of investments	(3,809,509)	(3,709,900)
Proceeds from sale of investments	5,230,137	3,872,511
Purchase of capital assets	(10,036)	(22,316)
	1,410,592	140,295
Financing:		
Proceeds from (repayment of) bank indebtedness	(377,704)	377,704
Increase (decrease) in cash	274,335	(256,153)
Cash, beginning of year	143,575	399,728
Cash, end of year	\$ 417,910	\$ 143,575

See accompanying notes to financial statements.

BRITISH COLUMBIA LUNG ASSOCIATION

Notes to Financial Statements

Year ended March 31, 2020

1. Operations:

British Columbia Lung Association (the "Association") is incorporated under the Societies 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.

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 these financial statements.

BRITISH COLUMBIA LUNG ASSOCIATION

Notes to Financial Statements (continued)

Year ended March 31, 2020

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, 2020

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, 2020.

(e) New accounting standards

In March 2018, the Accounting Standards Board issued "Basis for Conclusions - Accounting Standards Improvements for Not-for-Profit Organizations" resulting in the introduction of three new handbook sections in Canadian accounting standards for not-for-profit organizations; Section 4433 Tangible capital assets held by not-for-profit organizations, Section 4434 Intangible assets held by not-for-profit organizations and Section 4441 Collections held by not-for-profit organizations.

The amendments are effective for financial statements with fiscal years beginning on or after January 1, 2019. Management has considered the application of the aforementioned new accounting standards and the implementation of these changes had no material impact on the Association's financial statements.

3. Investments:

	2020	2019
Guaranteed investment certificates, measured at amortized cost	\$ 3,599,011	\$ 5,054,806
Quoted shares, measured at fair value	2,414,164	2,571,192
	<u>\$ 6,013,175</u>	<u>\$ 7,625,998</u>

The Guaranteed investment certificates have an effective interest rate of 1.65% to 2.33% (2019 - 1.90% to 2.35%) and maturity dates during the next fiscal year.

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

	2020	2019
Current	\$ 6,013,175	\$ 6,107,391
Long-term	-	1,518,607
	<u>\$ 6,013,175</u>	<u>\$ 7,625,998</u>

BRITISH COLUMBIA LUNG ASSOCIATION

Notes to Financial Statements (continued)

Year ended March 31, 2020

4. Other assets:

The Association has been named the irrevocable beneficiary of one (2019 - one) life insurance policy with coverage totaling \$52,449 (2019 - \$52,449). At March 31, 2020, the insurance policy has a cash surrender value, representing fair value, totaling \$32,781 (2019 - \$31,260), 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.

5. Capital assets:

2020	Cost	Accumulated depreciation	Net book value
Land	\$ 987,043	-	987,043
Building	2,153,880	1,566,911	586,969
Office furniture and fixtures	532,914	516,036	16,878
Computer equipment	320,185	296,089	24,096
Vehicles	75,568	56,145	19,423
Computer software	49,135	45,216	3,919
	<u>\$ 4,118,725</u>	<u>\$ 2,480,397</u>	<u>\$ 1,638,328</u>

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>

6. Bank indebtedness:

At March 31, 2019, Bank indebtedness represented an advance drawn on the investments held by the Association. The bank indebtedness was due on demand, secured by the investments and bore interest at the bank's prime rate. The Association repaid the bank indebtedness during fiscal year 2020 using the guaranteed investment certificates that matured.

BRITISH COLUMBIA LUNG ASSOCIATION

Notes to Financial Statements (continued)

Year ended March 31, 2020

7. Deferred contributions:

Changes in deferred contributions are as follows:

	2020	2019
Balance, beginning of year	\$ 332,793	\$ 824,404
Contributions received	2,433,543	2,169,108
Amount recognized as revenue	(2,427,477)	(2,660,719)
Balance, end of year	\$ 338,859	\$ 332,793

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, 2020, the Association contributed \$49,507 (2019 - \$43,757) 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, 2020 is as follows:

	2020	2019
Financial position:		
Total assets	\$ 753,657	\$ 782,125
Total liabilities	-	-
Total net assets	\$ 753,657	\$ 782,125
Results of operations:		
Total revenue	\$ 20,497	\$ 17,993
Total expenses	(17,746)	(79,258)
Total unrealized gains (losses)	(31,219)	12,893
	\$ (28,468)	\$ (48,372)
Cash flows:		
Operating activities	\$ 3,763	\$ (62,763)
Investing activities	552	64,459

BRITISH COLUMBIA LUNG ASSOCIATION

Notes to Financial Statements (continued)

Year ended March 31, 2020

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:

2021	\$	515,000
2022		250,000
2023		31,250
		<hr/>
		\$ 796,250

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.

(d) Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Foundation has investments in equity investments (note 3) which are subject to risks arising from changes in market conditions and general market fluctuations (see note 14).

Except as otherwise noted above, there have been no changes to these risk exposures from the prior year.

BRITISH COLUMBIA LUNG ASSOCIATION

Notes to Financial Statements (continued)

Year ended March 31, 2020

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 \$143,648 (2019 - \$156,611) and \$5,340 (2019 - \$5,469), respectively, which are administered by the Association, and activities thereon have not been included within the Association's accounts.

13. Employee remuneration:

For the fiscal year ending March 31, 2020, the Association paid total remuneration of \$637,098 (2019 - \$626,488) to six (2019 - 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.

14. COVID-19 and impact on operations:

In March of 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization and has had significant financial, market and social dislocating impact.

At the time of the approval of these financial statements, the Association has experienced the following indicators of financial implications and undertaken the following activities in regard to the COVID-19 pandemic.

- Reduction in revenues related to fundraising events, and unrealized losses on investments measured at fair value;
- Cancelling or postponing charitable events to be held in the first 6-months of the 2021 fiscal year; and
- Implementing efforts to reduce discretionary costs.

Management will continue to monitor the on-going financial impact on its cash and budget forecasts and adjusts its operations as required to ensure its ability to fulfill its obligations and continue operations. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on the Association's operations is not known at this time.

BRITISH COLUMBIA LUNG ASSOCIATION

Fundraising Expenses

Schedule 1

Year ended March 31, 2020, with comparative information for 2019

	2020	2019
Administrative:		
Credit card and online fees	\$ 9,425	\$ 7,137
Data processing and mechanical inserting	62,235	54,513
Education and training	491	2,331
Publicity	11,792	4,004
Programs	93,748	74,816
Salaries and employee benefits	385,130	401,884
Telephone	4,591	4,946
Travel and meetings	8,963	11,492
Volunteers	958	1,765
	<u>577,333</u>	<u>562,888</u>
Materials	167,864	202,086
Postage	181,123	225,825
	<u>\$ 926,320</u>	<u>\$ 990,799</u>

BRITISH COLUMBIA LUNG ASSOCIATION

Grants and Awards Expenses

Schedule 2

Year ended March 31, 2020, with comparative information for 2019

	2020	2019
Fellowships:		
Respiratory Medicine:		
Dr. S. Grzybowski Memorial	\$ -	\$ 25,000
Dr. W. Thurlbeck Memorial	-	25,000
Pulmonary Pathology - Dr. K. Pump Memorial	25,000	25,000
Rehabilitation Medicine	18,750	25,000
	<u>43,750</u>	<u>100,000</u>
Ongoing grants:		
UBC Continuing Professional Dev. & Knowledge Translation	10,125	10,250
Nursing Bursaries - Community Colleges	-	6,000
Canadian Lung Association - Research	76,132	76,132
Canadian Lung Association - Annual	124,602	124,602
Respiratory Technology Bursary - TRU	3,000	3,000
International Union Against TB and Lung Disease	9,293	9,548
Hidalgo Lung Association Project	-	1,150
Helen H. Findlay Nursing Bursary - BCIT	-	1,000
TB Healthcare Provider Grant	2,665	-
Pulmonary Rehabilitation Training Grant	10,000	-
Justice Institute of BC - First Responder Award	1,000	-
S. McDonald President Emeritus Travel Grant	3,621	5,178
	<u>240,438</u>	<u>236,860</u>
Community service projects:		
Healthy Living Alliance	10,000	10,000
Direct Patient Support	2,035	4,200
Community respiratory programs	-	10,000
	<u>12,035</u>	<u>24,200</u>
Project and equipment grants - Approved June 2019:		
Dr. Najib Ayas - The Predictive Value of Inflammatory Biomarkers for Incident Cardiovascular and Cerebrovascular Events in Patients with Obstructive Sleep Apnea	12,500	-
Dr. Horacio Bach - A new platform to target intracellular mycobacteria	12,500	-
Dr. Fernando Sergio Leitao Filho - Effects of Inhaled Corticosteroids on Airway Bacterial Microbiome and Host Responses in Patients with COPD	12,500	-
Dr. Janice Leung - Primed for Damage: Interactions Between Human Immunodeficiency Virus and the Small Airway Epithelium	12,500	-
Dr. William Lockwood - Defining mechanisms of lineage transformation in lung adenocarcinoma to combat resistance to targeted therapies	12,500	-
Dr. Yannick Molgat-Seon - Investigating the role of skeletal muscle dysfunction on dyspnoea and exercise intolerance in interstitial lung disease	12,500	-
Dr. Christopher Rider - Does air pollution reduce inhaled corticosteroid effectiveness through modulating epigenetics?	12,500	-
Dr. Andrew Sandford - Epigenetic markers in the Prediction of Long-term Adverse Complications in Patients with Sleep Apnea	12,500	-
Dr. Anthony Tam - Mechanistic insight and therapeutic intervention against hedgehog signaling-mediated mucous expression in patients with COPD	12,500	-
Dr. Scott Tebbutt - Identification of diagnostic biomarkers to differentiate subtypes of interstitial lung disease	12,500	-
	<u>125,000</u>	<u>-</u>
Carried forward	<u>421,223</u>	<u>361,060</u>

BRITISH COLUMBIA LUNG ASSOCIATION

Grants and Awards Expenses

Schedule 2

Year ended March 31, 2020, with comparative information for 2019

	2020	2019
Brought forward	421,223	361,060
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	25,000	12,500
Dr. Lindsay Eltis - Improved inhibitors of cholesterol catabolism in mycobacterium tuberculosis	25,000	12,500
Dr. Neil Eves - Can micro-doses of physical activity offset the negative cardiovascular consequences of being sedentary in patients with COPD?	25,000	12,500
Dr. Zakaria Hmama - Tuberculosis prevention: Novel vaccine approaches	25,000	12,500
Dr. Rachel Jen - Inflammatory and oxidative stress profile of patients with COPD and OSA overlap syndrome	25,000	12,500
Dr. Honglin Luo - Engineering coxsackievirus B3 for KRAS-driven lung cancer therapy	25,000	12,500
Dr. Ma'en Obeidat - The interaction of genes and sex in chronic obstructive pulmonary disease	25,000	12,500
Dr. Bradley Quon - TH2 Inflammation during cystic fibrosis pulmonary exacerbations	25,000	12,500
Dr. Steven Reynolds - Reducing atelectasis with transvenous phrenic nerve stimulation will mitigate ventilator induced lung injury	25,000	12,500
Dr. Christopher Ryerson - Quantitative computed tomography in hypersensitivity pneumonitis	25,000	12,500
	250,000	125,000
Project and equipment grants - Approved June 2017:		
Dr. Najib Ayas - Assessing the impact of maternal sleep apnea on fetal and placental health	12,500	25,000
Dr. Pat Camp - A community-based research project to improve lung health in remote and rural first nations communities in BC	12,500	25,000
Dr. Harvey Coxson - Development and validation of novel non-invasive imaging tools to enhance our understanding of airways in asthma	12,500	25,000
Dr. Nancy Ford - In vivo and ex vivo assessment of COPD progression in preclinical models	12,500	25,000
Drs. J. Johnston & W. Hsiao - Genomic epidemiology of non-TB mycobacteria infection in Cystic Fibrosis	12,500	25,000
Dr. Jordan Guenette - A double-blind placebo-controlled crossover study to assess the effect of bronchodilation on CF patients	12,500	25,000
Dr. Janice Leung - The role of gut-lung axis in the aging HIV lung	12,500	25,000
Dr. Manish Sadarangani - Molecular epidemiology of streptococcus pneumoniae in children and vaccine design	12,500	25,000
Dr. Andrew Sandford - Genetic variants of TSLP in asthma	12,500	25,000
Dr. Scott Tebbutt - Novel diagnosis of Western Red Cedar Asthma	12,500	25,000
Dr. Lu Wang - Cytoskeletal stiffness of airway smooth muscle - A new target for asthma strategy	12,500	25,000
	137,500	275,000
Carried forward	808,723	761,060

BRITISH COLUMBIA LUNG ASSOCIATION

Grants and Awards Expenses

Schedule 2

Year ended March 31, 2020, with comparative information for 2019

	2020	2019
Brought forward	808,723	761,060
Project and equipment grants - Approved June 2016:		
Dr. Lindsay Eltis - Inhibitors of cholesterol catabolism in mycobacterium tuberculosis	-	10,000
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
Dr. Jeremy Hirota - Identification and functional characterization of a novel antiviral sensor relevant in chronic airway diseases - ATP Binding Cassette Transporter F1	-	12,500
Dr. Pascal Lavoie - Genetics of neonatal chronic lung disease: A replication study	-	12,500
Dr. Honglin Luo - Development of a novel coxsackievirus B3-based oncolytic virus for lung cancer therapy	-	12,500
Dr. Bradley Quon - Discovery of blood protein biomarkers to monitor treatment responses during CF pulmonary exacerbations	-	11,250
Dr. Fernando Studart Leitao - Serum immunoglobulins and risk of exacerbations in COPD	-	10,000
	-	81,250
	\$ 808,723	\$ 842,310

BRITISH COLUMBIA LUNG ASSOCIATION

Health services expense

Schedule 3

Year ended March 31, 2020, with comparative information for 2019

	2020	2019
Data processing	\$ 10,630	\$ 14,263
Education and training	207	898
Licenses and memberships	1,124	1,236
Medical equipment	1,063	716
Online and Educational Engagement	6,612	7,723
Postage	65,117	95,339
Printing and supplies	52,856	62,693
Programs	2,583,877	2,838,528
Publicity	2,365	3,714
Salaries and employee benefits	523,902	592,908
Telephone	7,291	6,428
Travel and meetings	19,275	26,431
Volunteers	4,617	258
"Your Health" magazine	16,321	15,057
	\$ 3,295,257	\$ 3,666,192

BRITISH COLUMBIA LUNG ASSOCIATION

Operating and administrative expenses

Schedule 4

Year ended March 31, 2020, with comparative information for 2019

	2020	2019
Amortization	\$ 54,025	\$ 58,927
Audit and legal	25,342	28,411
Building maintenance	34,773	17,245
Data processing	11,930	13,799
Directors' meetings and travel	48,993	39,877
Education and training	679	738
Equipment maintenance	9,412	15,578
General insurance	22,432	22,925
Interest and bank charges	32,056	30,454
Janitorial services	7,322	7,478
Licenses and memberships	1,585	1,668
Light, heat and water	19,866	22,823
Postage	953	906
Salaries and employee benefits	273,626	264,032
Stationery and office supplies	3,938	5,083
Telephone	4,989	6,451
Travel and meetings - staff	14,214	9,913
	<u>\$ 566,135</u>	<u>\$ 546,308</u>