

Financial Statements of

**BRITISH COLUMBIA
LUNG ASSOCIATION**

Year ended March 31, 2017



KPMG LLP
Metro Tower I
4710 Kingsway, Suite 2400
Burnaby BC V5H 4M2
Canada
Telephone (604) 527-3600
Fax (604) 527-3636

INDEPENDENT AUDITORS' REPORT

To the Members of the British Columbia Lung Association

Report on the Financial Statements

We have audited the accompanying financial statements of British Columbia Lung Association, which comprise the statement of financial position as at March 31, 2017, the statements of operations, changes in net assets and cash flows for the year then ended, notes, and schedules, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis of Qualified Opinion

In common with many charitable organizations, British Columbia Lung Association 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 British Columbia Lung Association. Therefore, we were not able to determine whether, as at or for the years ended March 31, 2017 and 2016, any adjustments might be necessary to donations revenues and excess of revenues over expenses reported in the statement of operations, excess of revenues over expenses in the statement of cash flows and current assets and unrestricted net assets recorded in the statement of financial position. This caused us to qualify our audit opinion on the financial statements as at and for the year ended March 31, 2016.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis of Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of British Columbia Lung Association as at March 31, 2017, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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 year.

KPMG LLP

Chartered Professional Accountants

June 23, 2017
Burnaby, Canada

BRITISH COLUMBIA LUNG ASSOCIATION

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BRITISH COLUMBIA LUNG ASSOCIATION

Statement of Financial Position

March 31, 2017, with comparative information for 2016

	2017	2016
Assets		
Current assets:		
Cash	\$ 491,142	\$ 37,390
Investments (note 3)	6,362,165	7,311,500
Accounts receivable	899,557	851,843
Prepaid expenses	18,089	15,667
	<u>7,770,953</u>	<u>8,216,400</u>
Investments (note 3)	1,518,782	1,518,869
Other assets (note 4)	28,270	26,697
Capital assets (note 5)	1,724,636	1,728,709
	<u>\$ 11,042,641</u>	<u>\$ 11,490,675</u>

Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities	\$ 319,165	\$ 497,993
Deferred contributions (note 6)	911,571	697,802
	<u>1,230,736</u>	<u>1,195,795</u>
Net assets:		
Unrestricted	8,087,269	8,566,171
Invested in capital assets	1,724,636	1,728,709
	<u>9,811,905</u>	<u>10,294,880</u>
Commitments (note 9)		
	<u>\$ 11,042,641</u>	<u>\$ 11,490,675</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, 2017, with comparative information for 2016

	2017	2016
Revenue:		
Contributions from fundraising campaigns:		
Christmas Seal Appeal	\$ 796,722	\$ 821,351
Bike Trek	240,285	194,773
Country Hearts Campaign	110,502	142,211
Spring Appeal	148,869	152,540
Summer Campaign	117,867	102,019
Climb the Wall	80,789	88,955
Golf Cards	48,657	53,533
Race and Urban Scavenger Hunt	50,864	77,796
SuperTeam	14,398	11,070
Gaming	-	850
Vehicle Donation Program	1,000	2,419
	<hr/>	<hr/>
	1,609,953	1,647,517
Government grants	2,699,675	3,272,008
Bequests and memorials	608,961	361,463
Investment income	191,581	197,048
Donations	301,185	309,305
Other	236,567	178,280
	<hr/>	<hr/>
	5,647,922	5,965,621
Expenses:		
Fundraising expenses (schedule 1)	1,233,835	1,310,417
Grants and awards (schedule 2)	1,119,902	1,010,394
Health services (schedule 3)	3,516,780	4,179,366
Operating and administrative (schedule 4)	530,862	475,596
	<hr/>	<hr/>
	6,401,379	6,975,773
Deficiency of revenue over expenses before undernoted	(753,457)	(1,010,152)
Change in fair value of investments	255,918	(46,414)
Foreign exchange gain	14,564	5,096
	<hr/>	<hr/>
	270,482	(41,318)
Deficiency of revenue over expenses	<hr/>	<hr/>
	\$ (482,975)	\$ (1,051,470)

See accompanying notes to financial statements.

BRITISH COLUMBIA LUNG ASSOCIATION

Statement of Changes in Net Assets

Year ended March 31, 2017, with comparative information for 2016

	Unrestricted	Invested in capital assets	2017	2016
Balance, beginning of year	\$ 8,566,171	\$ 1,728,709	\$ 10,294,880	\$ 11,346,350
Deficiency of revenue over expenses	(431,477)	(51,498)	(482,975)	(1,051,470)
Additions to capital assets	(47,425)	47,425	-	-
Balance, end of year	\$ 8,087,269	\$ 1,724,636	\$ 9,811,905	\$ 10,294,880

See accompanying notes to financial statements.

BRITISH COLUMBIA LUNG ASSOCIATION

Statement of Cash Flows

Year ended March 31, 2017, with comparative information for 2016

	2017	2016
Cash provided by (used in):		
Operating:		
Deficiency of revenue over expenses	\$ (482,975)	\$ (1,051,470)
Items not involving cash:		
Amortization of capital assets	51,498	50,010
Fair value change of investments	(255,918)	46,414
Foreign exchange gain	(14,564)	(5,096)
Change in non-cash operating working capital:		
Increase in accounts receivable	(47,714)	(101,472)
Decrease (increase) in prepaid expenses	(2,422)	543
Increase in other assets	(1,573)	(1,262)
Decrease in accounts payable and accrued liabilities	(178,828)	(207,172)
Increase (decrease) in deferred contributions	213,769	(1,411,534)
	(718,727)	(2,681,039)
Investments:		
Purchase of investments	(3,989,800)	(6,311,665)
Proceeds from sale of investments	5,209,704	8,869,370
Purchase of capital assets	(47,425)	(32,634)
	1,172,479	2,525,071
Increase (decrease) in cash	453,752	(155,968)
Cash, beginning of year	37,390	193,358
Cash, end of year	\$ 491,142	\$ 37,390

See accompanying notes to financial statements.

BRITISH COLUMBIA LUNG ASSOCIATION

Notes to Financial Statements

Year ended March 31, 2017

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 November 28, 2016, the new Societies Act (British Columbia) became effective. The Association has until November 28, 2018 to transition to the new Act.

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 on 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, 2017

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	100%

(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 has elected to carry 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, 2017

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, 2017.

3. Investments:

	2017	2016
Guaranteed investment certificates, measured at amortized cost	\$ 5,554,022	\$ 6,382,689
Quoted shares, measured at fair value	2,326,925	2,447,680
	<u>\$ 7,880,947</u>	<u>\$ 8,830,369</u>

The Guaranteed investment certificates have an effective interest rate of 1.40% to 2.20% (2016 - 1.45 % to 2.25%) with maturities of 2017 to 2020.

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

	2017	2016
Current	\$ 6,362,165	\$ 7,311,500
Long-term	1,518,782	1,518,869
	<u>\$ 7,880,947</u>	<u>\$ 8,830,369</u>

4. Other assets:

	2017	2016
Life insurance policies	\$ 28,270	\$ 26,697

BRITISH COLUMBIA LUNG ASSOCIATION

Notes to Financial Statements (continued)

Year ended March 31, 2017

4. Other assets (continued):

The Association has been named the irrevocable beneficiary of one (2016 - one) life insurance policy with coverage totaling \$52,449 (2016 - \$52,449). At March 31, 2017, the insurance policy has a cash surrender value, representing fair value, totaling \$28,270 (2016 - \$26,697), 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:

2017	Cost	Accumulated depreciation	Net book value
Land	\$ 987,043	\$ -	\$ 987,043
Building	2,138,948	1,470,265	668,683
Office furniture and fixtures	523,260	504,407	18,853
Computer equipment	301,976	267,789	34,187
Vehicles	71,059	66,615	4,444
Computer software	49,135	37,709	11,426
	\$ 4,071,421	\$ 2,346,785	\$ 1,724,636

2016	Cost	Accumulated depreciation	Net book value
Land	\$ 987,043	\$ -	\$ 987,043
Building	2,138,948	1,435,071	703,877
Office furniture and fixtures	511,746	502,493	9,253
Computer equipment	274,776	258,093	16,683
Vehicles	71,059	64,711	6,348
Computer software	40,424	34,919	5,505
	\$ 4,023,996	\$ 2,295,287	\$ 1,728,709

6. Deferred contributions:

Changes in deferred contributions are as follows:

	2017	2016
Balance, beginning of year	\$ 697,802	\$ 2,109,336
Contributions received	2,922,409	1,979,944
Amount recognized as revenue	(2,708,640)	(3,391,478)
Balance, end of year	\$ 911,571	\$ 697,802

BRITISH COLUMBIA LUNG ASSOCIATION

Notes to Financial Statements (continued)

Year ended March 31, 2017

7. 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 ranging from 5% to 10% of the employee's gross pay. For the year ended March 31, 2017, the Association contributed \$101,192 (2016 - \$92,328) in pension plan payments for its employees. This amount is included in expenses.

8. Related entity:

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 and neither entity is considered to control the other. 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, 2017 is as follows:

	2017	2016
Financial Position:		
Total assets	\$ 848,179	\$ 832,682
Total liabilities	6,250	-
Total net assets	\$ 841,929	\$ 832,682
Results of Operations:		
Total revenue	\$ 41,265	\$ 16,500
Total expenses	(32,018)	(16,865)
	\$ 9,247	\$ (365)
Cash Flows:		
Operating activities	\$ (6,906)	\$ 1,759
Investing activities	35,000	(24,260)

BRITISH COLUMBIA LUNG ASSOCIATION

Notes to Financial Statements (continued)

Year ended March 31, 2017

9. 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:

2018	\$	415,375
2019		206,250
2020		31,250
		<hr/>
		\$ 652,875

10. 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.

11. 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 \$28,034 (2016 - \$59,302) and \$5,778 (2016 - \$5,360), respectively, which are administered by the Association, have not been included within the Association's accounts.

12. Employee remuneration

For the fiscal year ending March 31, 2017, the British Columbia Lung Association paid total remuneration of \$780,058 to six employees and one contractor for services, each of whom received total annual remuneration of \$75,000 or greater.

BRITISH COLUMBIA LUNG ASSOCIATION

Fundraising Expenses

Schedule 1

Year ended March 31, 2017, with comparative information for 2016

	2017	2016
Administrative:		
Credit card and online fees	\$ 11,343	\$ 13,730
Data processing and mechanical inserting	43,705	25,253
Education and training	1,615	1,920
Licenses and memberships	1,085	1,441
Publicity	36,021	63,520
Programs	94,549	91,142
Salaries and employee benefits	502,435	506,532
Telephone	7,038	10,409
Travel and meetings	20,718	18,407
Volunteers	4,469	5,647
	<u>722,978</u>	<u>738,001</u>
Materials	156,615	192,365
Postage	354,242	380,051
	<u>\$ 1,233,835</u>	<u>\$ 1,310,417</u>

BRITISH COLUMBIA LUNG ASSOCIATION

Grants and Awards

Schedule 2

Year ended March 31, 2017, with comparative information for 2016

	2017	2016
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	25,000	25,000
Pulmonary Pathology - Dr. K. Pump Memorial	25,000	25,000
Rehabilitation Medicine	18,750	31,250
Transitional TB Research	50,000	50,000
	<u>168,750</u>	<u>181,250</u>
Ongoing grants:		
UBC Continuing Professional Dev. & Knowledge Translation	18,000	28,000
Nursing Bursaries - Community Colleges	7,000	8,000
Canadian Lung Association - Research	74,747	79,898
Canadian Lung Association - Annual	125,055	147,093
Respiratory Technology Bursary - TRU	3,000	3,000
International Union Against TB and Lung Disease	7,113	9,754
Hidalgo Lung Association Project	-	3,803
Professional Grants	-	5,500
Helen H. Findlay Nursing Bursary - BCIT	1,000	1,000
Justice Institute of BC - First Responder Award	1,000	-
Canadian Respiratory Network Investigator Award	50,000	50,000
UBC Academic Enhancement Fund - Respiratory Division	200,000	-
	<u>486,915</u>	<u>336,048</u>
Community service projects:		
Healthy Living Alliance	10,000	10,000
Direct Patient Support	8,800	7,500
Community respiratory programs	16,000	30,000
Educational Internet Website	-	24,846
	<u>34,800</u>	<u>72,346</u>
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	-
	<u>81,250</u>	<u>-</u>
Carried forward	771,715	589,644

BRITISH COLUMBIA LUNG ASSOCIATION

Grants and Awards

Schedule 2
(continued)

Year ended March 31, 2017, with comparative information for 2016

	2017	2016
Brought forward	771,715	589,644
Project and equipment grants - Approved June 2015:		
Dr. Yossef Av-Gay - Intracellular growth of mycobacterium tuberculosis: prospects for drug discovery	23,062	15,375
Dr. Delbert Dorscheid - Conjugated Linoleic Acid ("CLA"): A Novel and natural anti-viral and anti-inflammatory molecule in asthma	25,000	12,500
Dr. David Granville Extracellular Granzyme B and pulmonary epithelial barrier disruption	25,000	12,500
Dr. Sarah Henderson - The respiratory and cardiovascular risks associated with sub-daily exposure to forest fire smoke	25,000	12,500
Dr. Zakaria Hmama - Attenuated proapoptotic BCG strains as novel TB vaccines	25,000	12,500
Dr. Janice Leung - Accelerated aging and oxidative stress: Mechanisms of lung disease in HIV	25,000	12,500
Dr. Ma'En Obeidat - Integrative genomics approach to unravel the molecular mechanisms underlying lung function measures and lung cancer	25,000	12,500
Dr. Christopher Ryerson - Researching frailty, sarcopenia and healthcare costs in fibrotic interstitial lung disease	25,000	12,500
Dr. Andrew Sandford Genetic determinants of obstructive sleep apnea	25,000	12,500
Dr. William Sheel - The aging lung: Sex differences in the sensation of breathlessness during exercise	25,000	12,500
Dr. Scott J. Tebbutt - Validation of predictive biomarkers of the late phase asthmatic response	-	15,375
	248,062	143,250
Project and equipment grants - Approved June 2014:		
Dr. Michael Brauer - Has AirCare led to lower mortality in BC Lower Mainland?	-	12,500
Dr. Christopher Carlsten - A novel approach to characterizing the human airway responses to complex environmental exposures	12,500	25,000
Dr. Vincent Duronio - Aberrant p53-mediated signaling in the pathogenesis of idiopathic pulmonary fibrosis	12,500	25,000
Dr. Lindsay Eltis - Inhibitors of cholesterol catabolism in <i>Mycobacterium tuberculosis</i>	12,500	25,000
Dr. Jeremy Hirota - The role of uric acid in airway health and disease	12,500	25,000
Dr. Bradley Quon - Identification of novel blood biomarkers to predict pulmonary exacerbations in cystic fibrosis	12,500	25,000
Dr. Santiago Ramon-Garcia - Repurposing veterinary anti-parasitic drugs to treat tuberculosis	12,500	25,000
Dr. Nico Marr - Immunological determinants of severe respiratory syncytial virus infection in early life	12,500	25,000
	87,500	187,500
Carried forward	1,107,277	920,394

BRITISH COLUMBIA LUNG ASSOCIATION

Grants and Awards

Schedule 2
(continued)

Year ended March 31, 2017, with comparative information for 2016

	2017	2016
Brought forward	1,107,277	920,394
Project and equipment grants - Approved June 2013:		
Dr. Yossef Av-Gay - Elucidating the role of ergothioneine in the physiology and pathogenesis of <i>Mycobacterium tuberculosis</i>	-	15,000
Dr. Nick Bansback - Testing whether a patient decision aid improve adherence to treatment in patients with obstructive sleep apnea: A pilot study	-	15,000
Dr. Jordan Guenette - Mechanisms of exertional dyspnea in fibrotic interstitial lung disease	-	15,000
Dr. Tillie-Louise Hackett - Molecular determinants of small airway obstruction in COPD	-	15,000
Dr. Charles Thompson - The synergistic activities of cephalosporins and rifampicins against <i>Mycobacterium tuberculosis</i>	-	15,000
Dr. Stephan van Eeden - The impact of HMG-CoA reductase inhibitors on lung inflammation in COPD	-	15,000
	-	90,000
Other grants:		
Miscellaneous grants	12,625	-
	\$ 1,119,902	\$ 1,010,394

BRITISH COLUMBIA LUNG ASSOCIATION

Health Services Expense

Schedule 3

Year ended March 31, 2017, with comparative information for 2016

	2017	2016
Data processing	\$ 11,028	\$ 2,877
Education and training	2,111	2,530
Health education material	2,255	4,906
Licenses and memberships	782	546
Medical equipment	1,321	1,018
Online and Educational Engagement	6,281	-
Postage	20,219	66,467
Printing and supplies	12,037	19,920
Programs	2,805,348	3,395,121
Publicity	4,685	4,057
Salaries and employee benefits	584,290	611,300
Telephone	7,375	11,349
Travel	29,588	29,351
Volunteers	1,277	335
"Your Health" magazine	28,183	29,588
	\$ 3,516,780	\$ 4,179,365

BRITISH COLUMBIA LUNG ASSOCIATION

Operating and Administrative Expenses

Schedule 4

Year ended March 31, 2017, with comparative information for 2016

	2017	2016
Amortization	\$ 51,498	\$ 50,010
Audit and legal	24,862	24,735
Building maintenance	36,164	27,295
Data processing	15,482	2,843
Directors' meetings and travel	45,356	38,294
Education and training	1,113	627
Equipment maintenance	2,240	6,367
General insurance	19,960	22,972
Interest and bank charges	24,692	17,405
Janitorial services	7,521	7,302
Licenses and memberships	1,091	665
Light, heat and water	20,121	17,444
Postage	1,171	971
Salaries and employee benefits	249,888	227,959
Stationery and office supplies	4,632	4,774
Telephone	7,914	9,915
Travel and meetings - staff	17,157	16,018
	<u>\$ 530,862</u>	<u>\$ 475,596</u>