

LYMPHOMA FOUNDATION CANADA

2009 Financial Statements

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Auditors' Report

To the Members of Lymphoma Foundation Canada

We have audited the balance sheet of Lymphoma Foundation Canada as at December 31, 2009 and the statements of revenue and expenses, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as noted in the following paragraph, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many charitable organizations, the Foundation derives revenue from contributions, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these contributions was limited to the amounts recorded in the records of the Foundation and we were not able to determine whether any adjustments might be necessary to contribution revenue, excess (deficiency) of revenue over expenses, and net assets.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Foundation as at December 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

PKF Hill LLP

Chartered Accountants, Licensed Public Accountants
May 15, 2010

LYMPHOMA FOUNDATION CANADA

Balance Sheet

As at December 31

	2009	2008
ASSETS		
Current assets		
Cash and cash equivalents	\$ 216,280	\$ 142,051
GST recoverable	7,243	9,423
	223,523	151,474
Equipment (note 3)	393	8,078
	\$ 223,916	\$ 159,552
LIABILITY AND NET ASSETS		
Current liability		
Accounts payable and accrued liabilities	\$ 14,655	\$ 25,775
Net assets		
Unrestricted	183,868	100,699
Internally restricted	25,000	25,000
Invested in equipment	393	8,078
	209,261	133,777
	\$ 223,916	\$ 159,552

See accompanying notes

On behalf of the Board

Director

Director

LYMPHOMA FOUNDATION CANADA

Statement of Revenue and Expenses

Year ended December 31

	2009	2008
Revenue		
Contributions	\$ 543,416	\$ 454,820
Interest income	1,665	5,467
	<hr/>	<hr/>
	545,081	460,287
	<hr/>	<hr/>
Expenses		
Research fellowships (note 4)	150,000	210,000
Support and awareness	111,497	71,992
Patient education	76,684	120,755
Fundraising events	25,738	45,737
Research	15,827	18,243
Administration	15,688	18,729
Chapter development	13,916	22,604
Advocacy	13,374	18,470
Website	11,729	16,442
Office supplies	8,987	7,927
Amortization of equipment	7,685	27,414
GST and PST	6,891	11,851
Professional fees	4,440	2,385
Insurance	3,998	3,957
Bank charges and interest	3,533	3,106
Unrealized investment (gain) loss	(390)	1,083
	<hr/>	<hr/>
	469,597	600,695
	<hr/>	<hr/>
Excess (deficiency) of revenue over expenses	\$ 75,484	\$ (140,408)

See accompanying notes

LYMPHOMA FOUNDATION CANADA

Statement of Changes in Net Assets

Year ended December 31

	Unrestricted	Internally restricted	Invested in equipment	Total 2009	Total 2008
Balance, beginning of year	\$ 100,699	\$ 25,000	\$ 8,078	\$ 133,777	\$ 274,185
Excess (deficiency) of revenue over expenses	83,169	-	(7,685)	75,484	(140,408)
Balance, end of year	\$ 183,868	\$ 25,000	\$ 393	\$ 209,261	\$ 133,777

See accompanying notes

LYMPHOMA FOUNDATION CANADA

Statement of Cash Flows

Year ended December 31

	2009	2008
Operating activities		
Excess (deficiency) of revenue over expenses	\$ 75,484	\$ (140,408)
Item not involving cash		
Amortization of equipment	7,685	27,414
	83,169	(112,994)
Net change in non-cash working capital items		
Amounts receivable	-	51,000
GST recoverable	2,180	3,260
Accounts payable and accrued liabilities	(11,120)	(1,807)
Deferred revenue	-	(20,000)
	(8,940)	32,453
Cash flows from operating activities	74,229	(80,541)
Investing activity		
Purchase of equipment and cash flows from investing activity	-	(14,727)
Net change in cash during the year	74,229	(95,268)
Cash and cash equivalents, beginning of year	142,051	237,319
Cash and cash equivalents, end of year	\$ 216,280	\$ 142,051
Cash and cash equivalents consists of:		
Cash held in banks	\$ 185,480	\$ 26,251
Short-term deposit made up of GICs bearing interest at prime less 2.25% to prime less 2.55%	5,800	90,800
Deposit held for memorial research fellowship	25,000	25,000
	\$ 216,280	\$ 142,051

See accompanying notes

LYMPHOMA FOUNDATION CANADA

Notes to Financial Statements

Year ended December 31

1. Nature of operations

Lymphoma Foundation Canada was incorporated on February 6, 1998, by Letters Patent under the Canadian Corporations Act. The Foundation's mission is to advance knowledge, raise awareness, and support research in relation to the subject of lymphoma. The Foundation is incorporated without share capital and is a registered charity under the Income Tax Act.

2. Summary of significant accounting policies

The financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles, the more significant of which are outlined below.

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from these estimates.

Internally restricted net assets

A memorial research fellowship in the amount of \$25,000 was established in 2008. This includes all donations received and designated by donors to this fellowship. The amount will be distributed when there is a balance sufficient to fund a full fellowship.

Revenue recognition

Contributions are recognized as revenue in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Deferred revenue represents contributions received in one year to fund fellowship commitments in a subsequent year.

It is the policy of the Foundation to report the results of the Gala event on a net basis. In 2009, total gala revenues of \$22,565 (2008 - \$41,500) have been netted with gala expenses which are included with fundraising on the Statement of Revenue and Expenses.

Donated goods and services

Donated goods and capital donations are recorded in the accounts at fair market value.

Donated services are not recognized in these financial statements due to the difficulty in determining their fair value.

Equipment

Equipment is recorded at cost and is being amortized over its estimated useful life on a declining balance basis. The annual amortization rates are as follows:

Computer equipment	45%
Computer software	100%

In the year of acquisition, the amortization rates are one half those listed above.

LYMPHOMA FOUNDATION CANADA

Notes to Financial Statements
Year ended December 31

2. Summary of significant accounting policies — continued

Financial instruments

The Foundation's financial instruments consists of cash, short-term investments, amounts receivable, GST recoverable and accounts payable.

The carrying value of the Foundation's cash, amounts receivable, GST recoverable and accounts payable approximate fair value due to their short-term maturities.

Short-term investments are carried at fair value with fair value determined based on market quoted rates. Unrealized gains and losses arising from the change in fair value of the investments are recorded in excess of revenue over expenses for the year.

It is management's opinion that the Foundation is not exposed to significant interest, currency or credit risks arising from its financial instruments.

Management of capital

The Foundation defines capital as total unrestricted surplus. The Foundation manages its capital so that it will be able to continue as a going concern and to promote and advance its charitable objects. For the 2009 fiscal period, the Foundation achieved its overall operational objectives.

The Foundation is subject to the disbursement requirements set by the Income Tax Act for Canadian charities and, as at the end of fiscal 2009, was in compliance with these requirements.

Allocation of contractor fees

During 2009, the Foundation allocated \$174,885 of contractor payments based on the details of contractor invoices in combination with management's estimate of actual time spent in each area as follows:

Administration	8.5%
Chapter Development	7.5%
Research	8.5%
Education support	32.9%
Advocacy	7.2%
Awareness	19.2%
Fundraising	10.2%
Website	6.0%

3. Equipment

	2009		2008	
	Cost	Accumulated amortization	Net	Net
Computer equipment	\$ 4,257	\$ 3,864	\$ 393	\$ 715
Computer software	49,659	49,659	-	7,363
	<u>\$ 53,916</u>	<u>\$ 53,523</u>	<u>\$ 393</u>	<u>\$ 8,078</u>

LYMPHOMA FOUNDATION CANADA

Notes to Financial Statements

Year ended December 31

4. Research fellowships

The following research fellowships were paid during the year:

	2009	2008
2008 LFC/Toronto General Research Institute	\$ 52,500	\$ 30,000
2008 LFC Research Fellowship	52,500	30,000
2007 LFC/Terry Fox Lab Fellowship	22,500	52,500
2007 LFC Research Fellowship	22,500	52,500
2006 LFC/RBC Dominion Securities Research Fellowship	-	22,500
2006 LFC Research Fellowship	-	22,500
	<u>\$ 150,000</u>	<u>\$ 210,000</u>

The 2008 LFC/Toronto General Research Institute is administered by the University Health Network. The total commitment for this research grant is \$105,000 and the first payment of \$30,000 was made in 2008.

The 2008 LFC Research Fellowship is administered by the University of British Columbia. The total commitment for this research grant is \$105,000 and the first payment of \$30,000 was made in 2008.

The 2007 LFC/Terry Fox Lab Fellowship is administered by the BC Cancer Agency. The total commitment for this research grant is \$105,000 and the final payment of \$22,500 was made in 2009.

The 2007 LFC Research Fellowship is administered by the University of Toronto. The total commitment for this research grant is \$105,000 and the final payment of \$22,500 was made in 2009.

The 2006 LFC/RBC Dominion Securities Research Fellowship is administered by the University of British Columbia. The total commitment for this research grant was \$105,000 and the final payment of \$22,500 was made in 2008.

The 2006 LFC Research Fellowship is administered by the University of Alberta. The total commitment for this research grant was \$105,000 and the final payment of \$22,500 was made in 2008.