



Financial Statements

Lymphoma Foundation Canada

December 31, 2010

LYMPHOMA FOUNDATION CANADA
2010 Financial Statements

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Independent Auditor's Report

To the Members of
Lymphoma Foundation Canada

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We have audited the accompanying financial statements of Lymphoma Foundation Canada, which comprise the balance sheet as at December 31, 2010, and the statements of revenue and expenses and changes in net assets and cash flows for the year then ended, and 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 generally accepted accounting principles, 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.

Auditor's 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 the 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 the auditor's 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, the auditor considers 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 audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Lymphoma Foundation Canada as at December 31, 2010, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



Chartered Accountants, Licensed Public Accountants
Toronto, Canada
May 12, 2011

LYMPHOMA FOUNDATION CANADA

Balance Sheet

As at December 31

	2010	2009
ASSETS		
Current assets		
Cash	\$ 411,127	\$ 216,280
Sales taxes recoverable	24,700	7,243
Prepaid expenses for website support	94,750	-
	<hr/> 530,577	<hr/> 223,523
Equipment (note 3)	33,424	393
	<hr/> \$ 564,001	<hr/> \$ 223,916
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued liabilities	\$ 53,788	\$ 14,655
Deferred revenue (note 4)	172,750	-
	<hr/> 226,538	<hr/> 14,655
Net assets		
Unrestricted	307,039	183,868
Internally restricted	25,000	25,000
Invested in equipment	5,424	393
	<hr/> 337,463	<hr/> 209,261
	<hr/> \$ 564,001	<hr/> \$ 223,916

See accompanying notes

On behalf of the Board

Director

Director

LYMPHOMA FOUNDATION CANADA
Statement of Revenue and Expenses
Year ended December 31

	2010	2009
Revenue		
Contributions	\$ 532,320	\$ 543,416
Fundraising events	20,997	22,565
Grants for website software and support	24,550	-
Educational events and grants	13,450	-
Fundraising sales	6,044	-
Investment income	19	2,054
	<hr/> 597,380	<hr/> 568,035
Expenses		
Patient education	96,464	76,684
Website support and development	75,901	11,729
Support and awareness	58,734	111,497
Research fellowships (note 5)	45,000	150,000
Donor development	36,384	30,465
Advocacy	26,562	13,374
Administration	22,625	15,687
Sales taxes	18,829	6,891
Fundraising sales and events	17,172	17,838
Research	17,033	15,827
Office supplies	16,715	8,987
Chapter development	15,565	13,916
Professional fees	7,420	4,440
Amortization of equipment	6,819	7,685
Insurance	4,185	3,998
Bank charges and interest	3,770	3,533
	<hr/> 469,178	<hr/> 492,551
Excess of revenue over expenses	<hr/> \$ 128,202	<hr/> \$ 75,484

See accompanying notes

LYMPHOMA FOUNDATION CANADA

Statement of Changes in Net Assets

Year ended December 31

	Unrestricted	Internally restricted	Invested in equipment	Total 2010	Total 2009
Balance, beginning of year	\$ 183,868	\$ 25,000	\$ 393	\$ 209,261	\$ 133,777
Excess (deficiency) of revenue over expenses	135,021	-	(6,819)	128,202	75,484
Purchase of equipment	(39,850)	-	39,850	-	-
Deferred contributions for equipment	28,000	-	(28,000)	-	-
Balance, end of year	\$ 307,039	\$ 25,000	\$ 5,424	\$ 337,463	\$ 209,261

See accompanying notes

LYMPHOMA FOUNDATION CANADA

Statement of Cash Flows

Year ended December 31

	2010	2009
Operating activities		
Excess of revenue over expenses	\$ 128,202	\$ 75,484
Item not involving cash		
Amortization of equipment	6,819	7,685
	135,021	83,169
Net change in non-cash working capital items		
Sales taxes recoverable	(17,457)	2,180
Prepaid expenses for website support	(94,750)	-
Accounts payable and accrued liabilities	39,133	(11,120)
Deferred revenue	172,750	-
	99,676	(8,940)
Cash flows from operating activities	234,697	74,229
Investing activity		
Purchase of equipment and cash flows from investing activity	(39,850)	-
Net change in cash during the year	194,847	74,229
Cash, beginning of year	216,280	142,051
Cash, end of year	\$ 411,127	\$ 216,280

See accompanying notes

LYMPHOMA FOUNDATION CANADA

Notes to Financial Statements
Year ended December 31, 2010

1. Nature of operations

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

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 contributions designated by donors to this fellowship. The amount will be distributed when there is a balance sufficient to fund a full fellowship.

Revenue recognition

The Foundation follows the deferral method of accounting for contributions. Unrestricted contributions and proceeds from fundraising and educational sales and events are recognized as earned and collectability is reasonably assured. Designated grants are recognized as revenue in the year in which the related expenses are incurred. Contributions designated for equipment are deferred and recognized as revenue on the same basis as the amortization expense related to the acquired equipment. Investment income is recognized on an accrual basis.

Donated services

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 at the following rates and methods:

Computer equipment	45 % declining balance basis
Website software	Straight line over 3 years

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

LYMPHOMA FOUNDATION CANADA
Notes to Financial Statements
Year ended December 31, 2010

2. Summary of significant accounting policies — continued

Financial instruments

As permitted for not for profit organizations, the Foundation has decided to apply Section 3861, Financial Instruments Disclosure and Presentation, in place of Section 3862, Financial Instruments Disclosure, and Section 3863, Financial Instruments Presentation.

The Foundation's financial instruments consists of cash, sales tax recoverable and accounts payable. The carrying value of the Foundation's financial instruments approximate fair value due to their short-term maturities.

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's capital is comprised of the net unrestricted and internally restricted net assets, and amounts invested in equipment.

The Board of Directors (the "Board") objective is to maintain an unrestricted fund balance sufficient to meet both the annual working capital requirements and the annual maintenance of equipment.

Internally restricted funds are maintained in accordance with resolutions approved by the Board.

The Foundation is not subject to any external capital requirements.

Allocation of support costs

Contractor support costs are allocated to program, fundraising and administrative activities based on the time and efforts dedicated by staff to support those activities (refer to note 6).

Future change in accounting standards

The Canadian Accounting Standards Board has issued new accounting standards effective for not-for-profit organizations for fiscal years beginning on or after January 1, 2012, with earlier adoption permitted. The Foundation does not expect any significant changes as a result of the new standards.

LYMPHOMA FOUNDATION CANADA

Notes to Financial Statements
Year ended December 31, 2010

3. Equipment

	Cost	2010 Accumulated amortization	Net	2009 Net
Computer equipment	\$ 4,257	\$ 4,041	\$ 216	\$ 393
Website software	39,850	6,642	33,208	-
	<u>\$ 44,107</u>	<u>\$ 10,683</u>	<u>\$ 33,424</u>	<u>\$ 393</u>

4. Deferred revenue

Deferred revenue includes designated contributions received in the current year to be recognized in the accounts when disbursed.

	2010	2009
Deferred revenue for research	\$ 50,000	\$ -
Deferred revenue for website support	94,750	-
Deferred revenue for website software	28,000	-
	<u>\$ 172,750</u>	<u>\$ -</u>

5. Research fellowships

The following research fellowships were paid during the year:

	2010	2009
2008 LFC/Toronto General Research Institute	\$ 22,500	\$ 52,500
2008 LFC Research Fellowship	22,500	52,500
2007 LFC/Terry Fox Lab Fellowship	-	22,500
2007 LFC Research Fellowship	-	22,500
	<u>\$ 45,000</u>	<u>\$ 150,000</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 final payment of \$22,500 was made in 2010.

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 final payment of \$22,500 was made in 2010.

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.

LYMPHOMA FOUNDATION CANADA

Notes to Financial Statements
Year ended December 31, 2010

6. Allocation of support costs

During the year, contractor support costs were allocated to various activities as follows:

	2010	2009
Patient Education	\$ 78,281	\$ 57,602
Support and awareness	45,110	33,547
Advocacy	24,750	12,543
Administration	21,081	14,785
Donor development	19,727	17,838
Research	15,872	14,844
Chapter development	14,407	13,162
Website support and development	5,818	10,564
	<u>\$ 225,046</u>	<u>\$ 174,885</u>

7. Comparative amounts

Certain comparative amounts have been reclassified from those previously presented to conform to the presentation of the 2010 financial statements.