

Canadian Lung Association

Financial Statements

For the year ended March 31, 2012

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Financial Statements
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Independent Auditor's Report

To the Members of Canadian Lung Association

We have audited the accompanying financial statements of the Canadian Lung Association (the "Association") which comprise the statement of financial position as at March 31, 2012 and the statements of operations, changes in fund balances 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 of these financial statements in accordance with Canadian generally accepted accounting principles and for such internal controls 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 of 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 controls 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 the Canadian Lung Association as at March 31, 2012 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Report on Other Legal and Regulatory Requirements

As required by the Canada Corporations Act, we report that in our opinion, these principles have been applied on a basis consistent with that of the preceding year.



Chartered Accountants, Licensed Public Accountants
June 16, 2012
Ottawa, Ontario

Canadian Lung Association Statement of Financial Position

March 31 **2012** **2011**

	General Fund	Research Fund	International Project	Total	Total
Assets					
Current					
Cash and short-term investments (Note 1)	\$ 765,510	\$ 478,725	\$ -	\$ 1,244,235	\$ 1,430,057
Accounts receivable	250,078	34,622	98,758	383,458	316,167
Prepaid expenses	91,677	1,000	-	92,677	117,989
	1,107,265	514,347	98,758	1,720,370	1,864,213
Investments (Note 2)	1,461,415	2,018,145	-	3,479,560	3,345,810
Long-term receivables (Note 3)	228,568	-	-	228,568	290,474
Capital assets (Note 4)	8,933	-	-	8,933	11,918
	\$ 2,806,181	\$ 2,532,492	\$ 98,758	\$ 5,437,431	\$ 5,512,415

Liabilities and Fund Balances

Current					
Bank indebtedness	\$ -	\$ -	\$ 69,300	\$ 69,300	\$ 4,911
Accounts payable and accrued liabilities	169,444	27,681	12,593	209,718	247,305
Deferred revenue (Note 5)	709,188	235,157	-	944,345	1,114,029
	878,632	262,838	81,893	1,223,363	1,366,245
Fund Balances					
Unrestricted	1,468,617	2,269,654	16,865	3,755,136	3,667,925
Internally restricted - CTS	425,569	-	-	425,569	442,682
Internally restricted - Respiratory conference	33,363	-	-	33,363	35,563
	1,927,549	2,269,654	16,865	4,214,068	4,146,170
	\$ 2,806,181	\$ 2,532,492	\$ 98,758	\$ 5,437,431	\$ 5,512,415

On behalf of the Board:

_____ Director

_____ Director

Canadian Lung Association Statement of Operations

For the year ended March 31

2012

2011

	General Fund	Research Fund	International Project	Total	Total
Revenue					
Provincial assessments	\$ 785,734	\$ 648,937	\$ -	\$ 1,434,671	\$ 1,261,482
Programs and projects	1,202,153	-	111,684	1,313,837	754,623
Sponsorship	1,229,970	60,967	-	1,290,937	1,333,509
Corporate donations	28,104	-	-	28,104	15,738
Bequests and memorials (Note 6)	147,985	-	-	147,985	65,711
Membership	116,341	-	-	116,341	84,351
Sale of materials	-	-	-	-	-
Recovery of prior year grants	-	5,000	-	5,000	7,869
Interest and investment income	48,054	58,579	-	106,633	185,117
Miscellaneous and other income	128,150	291	-	128,441	148,619
Conference registration	137,940	-	-	137,940	160,088
	3,824,431	773,774	111,684	4,709,889	4,017,107
Expenses (schedules)					
Committees	105,868	113,191	-	219,059	208,286
Programs and projects	1,946,348	612,221	106,809	2,665,378	2,433,928
Working groups	4,901	-	-	4,901	26,393
Societies	894,163	-	-	894,163	806,094
General administration	789,937	126,977	-	916,914	896,136
	3,741,217	852,389	106,809	4,700,415	4,370,837
Excess (deficiency) of revenue over expenses before unrealized items	83,214	(78,615)	4,875	9,474	(353,730)
Unrealized gain (loss) on investments	24,538	33,886	-	58,424	(28,298)
Excess (deficiency) of revenue over expenses for the year	\$ 107,752	\$ (44,729)	\$ 4,875	\$ 67,898	\$ (382,028)

Canadian Lung Association Statement of Changes in Fund Balances

For the year ended March 31

2012 2011

	General Fund			Research Fund	International Project		
	Unrestricted	Internally Restricted CTS	Internally Restricted Respiratory Conference	Unrestricted	Unrestricted	Total	Total
Balance, beginning of year	\$ 1,341,552	\$ 442,682	\$ 35,563	\$ 2,314,383	\$ 11,990	\$ 4,146,170	\$ 4,528,198
Excess (deficiency) of revenue over expenses	127,065	(17,113)	(2,200)	(44,729)	4,875	67,898	(382,028)
Balance, end of year	\$ 1,468,617	\$ 425,569	\$ 33,363	\$ 2,269,654	\$ 16,865	\$ 4,214,068	\$ 4,146,170

Canadian Lung Association Statement of Cash Flows

For the year ended March 31	2012	2011
Cash flows from operating activities		
Excess (deficiency) of revenue over expenses for the year	\$ 67,898	\$ (382,028)
Adjustments for:		
Amortization of capital assets	11,603	29,430
Bond discount/premium amortization	22,042	13,537
Loss on sale of investments	(21,430)	(65,610)
Unrealized (gain) loss on investments	(58,424)	28,298
	21,689	(376,373)
Changes in non-cash working capital items		
Accounts receivable	(67,291)	11,386
Prepaid expenses	25,312	(6,586)
Accounts payable and accrued liabilities	(37,588)	11,059
Deferred revenue	(169,684)	(471,236)
	(227,562)	(831,750)
Cash flows from investing activities		
Purchase of investments	(923,142)	(2,708,289)
Sale of investments	309,398	3,577,225
Long-term receivables	61,906	52,382
Capital asset additions	(8,618)	(8,560)
	(560,456)	912,758
Increase (decrease) in cash during the year	(788,018)	81,008
Cash and short-term investments, beginning of year	2,655,675	2,574,667
Cash and short-term investments, end of year	\$ 1,867,657	\$ 2,655,675
Represented by:		
Cash and short-term investments (Note 1)	\$ 1,174,935	\$ 1,425,146
Cash component of investments (Note 2)	692,722	1,230,529
	\$ 1,867,657	\$ 2,655,675

Canadian Lung Association Summary of Significant Accounting Policies

March 31, 2012

Nature and Purpose of Organization	The association is a registered charity incorporated in Canada, whose mission is to improve respiratory health. The association is exempt from income taxes.
Basis of Presentation	<p>The association has established funds in accordance with the principles of fund accounting:</p> <p>General Fund The General fund accounts for the ongoing operating activities of the association and the following Societies; the Canadian Thoracic Society (CTS) and the Canadian Respiratory Health Professionals (CRHP). The funds of CTS are internally restricted.</p> <p>Research Fund Revenues and expenses related to research activities are reported in the Research Fund. A significant portion of the expenses relate to grants and fellowships. Restricted funds have been restricted by donors and are to be used for research and education in the prevention of various lung diseases.</p> <p>International Project The International Project Fund was established to describe the financial results of the National Tuberculosis Strengthening Program in Ecuador, which is funded by the Canadian International Development Agency (CIDA) and the Cooperative for Assistance and Relief Everywhere Inc. (CARE). Currently, the association is working on a new international project with the United States Agency for International Development (USAID).</p>
Use of Estimates	The preparation of financial statements in accordance 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 reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in the periods in which they become known.
Foreign Currency Translation	At the transaction date, each asset, liability, revenue and expense in a foreign currency is translated into Canadian dollars by the use of the exchange rate in effect at that date. At the year-end date, monetary assets and liabilities are translated into Canadian dollars by using the exchange rate in effect at that date. The resulting foreign exchange gains and losses are included as a credit or charge to operations in the current period.

Canadian Lung Association

Summary of Significant Accounting Policies

March 31, 2012

Financial Instruments	<p>The association has opted to disclose and present financial instruments under the Canadian Institute of Chartered Accountants (CICA) Handbook Section 3861, Financial Instruments - Disclosure and Presentation in these financial statements. The accounting standards for financial instruments require that all financial assets and financial liabilities be classified according to their characteristics, management's intentions, or the choice of category in certain circumstances. Financial assets must be classified as either held-for-trading, held-to-maturity, available-for-sale or loans and receivables. Financial liabilities must be classified as held-for-trading or other liabilities. When initially recognized, financial assets and financial liabilities are recorded at fair value. In subsequent periods, financial assets and financial liabilities classified as held-for-trading and financial assets classified as available-for-sale will be measured at fair value. Gains or losses arising from a change in the fair value of a financial asset and financial liabilities classified as held-for-trading are recognized in operations as they occur.</p> <p>Changes in the fair value of available-for-sale financial assets are recorded as a direct increase or decrease in net assets until realized or there has been a decline in value that is considered other than temporary in which case the loss will be recognized in operations. Items that are classified in the following categories will be measured at amortized cost using the effective interest method with gains or losses recognized in operations when realized or there has been a decline in value that is other than temporary. These categories are loans and receivables, investments held-to-maturity and other liabilities.</p> <p>The association's financial instruments consist of cash and short-term investments, accounts receivable, investments, bank indebtedness, and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the association is not exposed to significant interest, currency or credit risks arising from these financial instruments.</p> <p>Cash and short-term investments, investments and bank indebtedness are classified as held-for-trading and carried at fair value. Accounts receivable is classified as loans and receivables. Accounts payables and accrued liabilities are classified as other liabilities. They are carried at amortized cost which is equivalent to their fair values given their short-term maturities, unless otherwise noted.</p>
Financial Risk Management	<p>The association manages its investment portfolio to earn investment income and invests only in low risk investments. The association is not involved in any hedging relationships through its operations and does not hold or use any derivative financial instruments for trading purposes.</p>
Revenue Recognition	<p>The association follows the deferral method of accounting for contributions. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.</p>

Canadian Lung Association Summary of Significant Accounting Policies

March 31, 2012

Revenue Recognition (continued)	The association receives conditional contributions from certain organizations for projects. Terms of the projects and contribution agreements specify that the unexpended amounts remaining at completion of the projects must be returned. Amounts contributed and received are deferred until they are expended in accordance with the terms of the contribution agreements. Project contributions are recognized as revenue as the related expenses are incurred, and unexpended amounts at year end are reflected in current liabilities as deferred revenue.
Investments	Investments are recorded at market value, determined directly by reference to published price quotations in an active market. Interest on investments is accrued as earned. Dividends are recorded when received. Gains and losses on the sale of investments are recognized in the year of disposal. Fair value changes of investments are recorded as unrealized gains or losses and recognized in the statement of operations.
Capital Assets	Capital assets are stated at cost. Amortization is provided using the straight-line method over three years.
Allocation of Expenses	<p>The association provides several programs as part of their initiative to improve respiratory health. The costs of each program include amounts directly related to providing the program. The association also incurs general support expenses that are common to the administration of the association and each of its programs.</p> <p>The association allocates an allowance for general support expenses to individual projects proportionately based on sponsorship revenues expected to be received in this programs, at a rate of between 5 - 12% of budgeted revenue.</p>
Future Changes in Accounting Standards	<p>The CICA has announced that all Canadian reporting entities, subject to certain exceptions which include not-for-profit organizations, will adopt International Financial Reporting Standards (IFRS) as Canadian generally accepted accounting principles for years beginning on or after January 1, 2011. The association, at its option, may adopt IFRS if it so chooses.</p> <p>The CICA has also announced that effective January 1, 2012 Canadian private sector not-for-profit organizations (i.e. those not controlled by government entities) will have a new financial reporting framework and that early adoption will be permitted</p>

Canadian Lung Association Summary of Significant Accounting Policies

March 31, 2012

**Future Changes in
Accounting Standards**
(continued)

For organizations that do not adopt IFRS but rather adopt the new not-for-profit accounting standards the existing not-for-profit standards will remain, supplemented by the new private enterprise standards. The new private enterprise standards include recognition, measurement and presentation simplification in many areas as well as reduced required disclosures in the financial statements whereas IFRS would require to some extent different and expanded recognition, measurement, presentation and disclosure standards.

The association expects to adopt the new not-for profit standards and further expects that there will be no material impact on the association's financial statements by doing so.

Canadian Lung Association Notes to Financial Statements

March 31, 2012

1. Cash and Short-Term Investments

The association's bank accounts are held at one chartered bank and earn interest between 0% and prime less 3%. Short-term investments include a guaranteed investment certificate in the amount of \$589,751 which matures July 30, 2012 and earns interest at 1.60%.

2. Investments

The cost of the investments are as follows:

	2012			2011
	General Fund	Research Fund	Total	Total
Cash and short term	\$ 290,943	\$ 401,779	\$ 692,722	\$ 1,230,529
Common equities	222,385	307,104	529,489	502,643
Fixed income	922,515	1,273,950	2,196,465	1,640,936
	\$ 1,435,843	\$ 1,982,833	\$ 3,418,676	\$ 3,374,108

The carrying values of the investments are as follows:

	2012			2011
	General Fund	Research Fund	Total	Total
Cash and short term	\$ 291,063	\$ 401,944	\$ 693,007	\$ 1,230,529
Common equities	222,047	306,637	528,684	508,153
Fixed income	948,305	1,309,564	2,257,869	1,607,128
	\$ 1,461,415	\$ 2,018,145	\$ 3,479,560	\$ 3,345,810

The investments in fixed income securities are with the Government of Canada and its Provinces and senior Canadian financial institutions and companies. Interest rates on the bonds range from 2.00% to 6.10% per annum and mature between April 2012 and June 2022.

Investments in common equities include amounts denominated in U.S. dollars of \$125,592 at carrying value (\$107,642 at cost).

Canadian Lung Association Notes to Financial Statements

March 31, 2012

3. Long-Term Receivables

The Canadian Lung Association and the Ontario Lung Association have signed an agreement for the payment of the Ontario Lung Association's outstanding assessments. According to the terms of this agreement, the Ontario Lung Association will repay the outstanding assessments in monthly instalments of \$4,762 over a 7 year period commencing April 1, 2010, reduced by any balloon payments, without interest. The portion relating to instalments receivable after March 31, 2013 has been classified as long-term.

4. Capital Assets

	2012			2011		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Furniture and fixtures	\$ 24,243	\$ 24,243	\$ -	\$ 24,243	\$ 23,870	\$ 373
Computer equipment	40,155	31,222	8,933	31,537	21,169	10,368
Computer software	68,276	68,276	-	68,276	67,099	1,177
Leasehold improvements	7,887	7,887	-	7,887	7,887	-
	\$ 140,561	\$ 131,628	\$ 8,933	\$ 131,943	\$ 120,025	\$ 11,918

During the year, property and equipment was purchased for \$8,618 (2011 - \$8,560).

During the year, the association incurred amortization expense of \$11,591 (2011 - \$29,430) which was charged to the departments for which the related equipment was purchased.

Canadian Lung Association Notes to Financial Statements

March 31, 2012

5. **Deferred Revenue**

	Balance at Beginning of Year	Contributions	Expenses Incurred and Revenue Recognized	Balance at End of Year
General Fund				
COPD Alliance	\$ 51,501	\$ 11,850	\$ 20,232	\$ 43,119
Stop TB conference	9,788	1,600	11,388	-
Breathworks	24,248	50,000	26,155	48,093
Asthma Program	-	-	-	-
Special Projects	4,795	-	4,795	-
Marketing	40,549	210,000	151,502	99,047
LHF Secretariat Phase 2	49,725	655,159	637,779	67,105
Respiratory Conference 2011	142,800	265,480	408,280	-
Respiratory Conference 2012	-	295,152	126,580	168,572
Tobacco Strategic Plan	8,997	-	3,088	5,909
Lung Cancer Project	9,672	500	1,907	8,265
Chronic Disease	561	-	561	-
CTS Programs	348,681	692,495	836,370	204,806
Unearned memberships	64,018	71,300	71,046	64,272
	<u>755,335</u>	<u>2,253,536</u>	<u>2,299,683</u>	<u>709,188</u>
Research Fund				
Research Grants	355,500	179,657	300,000	235,157
International Project				
USAID grant agreement (Note 8)	3,194	75,920	79,114	-
	<u>\$ 1,114,029</u>	<u>\$ 2,509,113</u>	<u>\$ 2,678,797</u>	<u>\$ 944,345</u>

Canadian Lung Association Notes to Financial Statements

March 31, 2012

6. Bequests and Memorials

	<u>2012</u>	<u>2011</u>
Received during the year	\$ 591,940	\$ 262,842
Less: Provincial allocation	(443,955)	(197,131)
	<u>\$ 147,985</u>	<u>\$ 65,711</u>

7. Commitments

The association is committed to monthly premises lease payments of \$8,430 ending October 31, 2017 and an equipment lease of \$1,670 per quarter ending February 28, 2016. Minimum payments over the next five years to meet the above commitments is as follows:

2013	\$ 107,841
2014	107,841
2015	107,841
2016	107,841
2017	<u>107,285</u>
	<u>\$ 538,649</u>

8. Contribution Agreements

Contributions received from government agencies may be subject to audit under the terms and conditions of the contribution agreement. Should an audit reveal that any of the expenses of the project are not in accordance with funding guidelines or should any unspent funds remain at the end of the project, the funder may require the association to reimburse a portion of the funds advanced. No claim for reimbursement has been made to date and management is of the opinion that the amount of any possible claim cannot be anticipated at this time. No provision for reimbursement of funds has been made in the financial statements. In the event any sum has to be reimbursed, it will be treated as a current period expense.

Canadian Lung Association Notes to Financial Statements

March 31, 2012

9. Studentships, Fellowships, Research Grants and Honorariums:

Included in the departmental societies' expenses of the research fund are the following studentships, fellowships, grants and honorariums:

	2012	2011
Studentships:		
C. Bauer, McMaster University	\$ -	\$ 21,000
D. Jensen, Queen's University	-	22,500
J. Johnstone, McMaster University	-	45,833
D. Leary, Dalhousie University	10,500	21,000
D. Ling, McGill University	21,000	-
T. McGovern, McGill University	21,000	-
M. Morissette, McMaster University	-	45,000
M. Ospina, University of Alberta	21,000	-
N.S. Redhu, University of Manitoba	-	21,000
M.L. Specq, Université de Sherbrooke	31,500	-
Fellowships:		
M. Bilodeau, The Hospital for Sick Children (Toronto)	33,750	33,750
J. Chen, Ecole Polytechnique Federale de Lausanne	22,500	45,000
L. Desveaux, University of Toronto	10,000	-
B.H. Ghanbari, University of British Columbia	10,000	-
S. Ghavami, University of Manitoba	-	(10,252)
M.N. Ghayur, McMaster University	45,000	22,500
J. Guenette, Queen's University	45,000	-
A. Guyot, McGill University	-	8,750
T.L. Hackett, University of British Columbia	-	33,750
K. Keilty, University of Toronto	10,000	7,500
N. Marr, University of British Columbia	28,125	-
T. McGovern, McGill University	-	21,000
G. Montandon, University of Toronto	-	71,250
M. Morissette, McMaster University	22,500	-
M. Nonoyama, University of Toronto	45,000	-
P. Pouliot, State University of Ghent	31,250	-
K. Shalaby, McGill University	-	10,500
E. Simons, The Hospital for Sick Children (Toronto)	45,000	45,000
M.L. Specq, Université de Sherbrooke	-	10,500
B. Walder, University of Calgary	-	28,750
A. West, Dalhousie University	33,750	33,750
L. Wickerson, University of Toronto	-	3,750
Honoraria:		
Intersol Group	-	10,865
National Grant Peer Review Meetings	6,400	6,700
University of Calgary	-	850

Canadian Lung Association Notes to Financial Statements

March 31, 2012

9. **Studentships, Fellowships, Research Grants and Honorariums (continued)**

	2012	2011
Grants:		
Alberta Lung Association	-	2,500
M.K. Beauchamp, University of Toronto	-	2,955
E. Borycki, University of Victoria	-	3,000
D. Brooks, West Park Healthcare Centre	20,740	8,990
P. Camp, University of British Columbia	24,391	-
D. Goodridge, University of Saskatchewan	-	20,032
T. Janaudis-Ferreira, West Park Healthcare Centre	1,557	-
R. Kimoff, McGill University	-	50,000
S. Mathur, University of Toronto	24,931	22,910
D.W. Reid, University of British Columbia	25,000	9,277
D. Rennie, University of Saskatchewan	-	2,610
E. Rohrs, Royal Columbian Hospital	-	3,000
D. Saey, University of Laval	-	19,950
N. Stephen, University of Laval	-	1,195
Awards:		
L. Angle, Niagara Region	2,400	-
B. Fournier, IUCPQ	3,000	-
N. Garvey, Institute for Clinical Evaluative Sciences	3,000	-
D. Goodridge, University of Saskatchewan	2,630	-
T. Janaudis-Ferreira, West Park Healthcare Centre	2,626	-
M. Nonoyama, University of Toronto	2,223	-
D. Saey, University of Laval	2,613	-
S. Small, Memorial University of Newfoundland	2,630	-
L. Woon, West Park Healthcare Centre	1,200	-
	\$ 612,216	\$ 706,665

Canadian Lung Association Notes to Financial Statements

March 31, 2012

10. Allocation of Expenses

General support expenses of \$127,214 (2011 - \$205,141) have been allocated to programs, funds, working groups and societies as follows:

	<u>2012</u>	<u>2011</u>
Breathworks	\$ -	\$ 20,000
Canadian Respiratory Conference	55,000	15,000
Canadian Thoracic Society	(9,856)	45,883
Canadian Respiratory Health Professionals	(10,414)	8,558
International Projects	16,474	-
Leadership conference	223	-
Lung Cancer Project	-	2,000
Lung Health Framework	36,676	13,500
Lung Health Framework Needs Survey	-	14,950
Lung Health Framework Secretariat	-	34,600
Marketing	-	7,500
Research	38,876	39,700
STOP TB Conference	235	3,450
	<u>\$ 127,214</u>	<u>\$ 205,141</u>

11. Capital Disclosures

The association defines capital as its fund balances and the association's objectives when managing capital are to maintain flexibility between:

- a) enabling it to operate efficiently;
- b) providing liquidity and access to fund balances for growth opportunities; and
- c) generating predictable cash flows for the continuing operations of the association.

The association manages the capital structure and makes adjustments to it in light of changes in the economic conditions and the risk characteristics of the underlying assets. The Board of Directors does not establish quantitative return on capital criteria; but rather promotes year over year sustainable surpluses in order to maintain operations. The association is not subject to any externally imposed capital requirements.

Canadian Lung Association Notes to Financial Statements

March 31, 2012

12. Office Rent Expense

Significant decrease in rent expense relates to a new allocation method adopted by the Association in 2012. Rent was allocated across five projects in addition to general administration in the current year, whereas in 2011 it was allocated entirely to general administration. Cost allocation was based on headcount, and has been allocated as follows:

Lung Health Framework Secretariat	\$	24,240
COUGH Campaign		8,000
Canadian Thoracic Society		24,981
Canadian Respiratory Health Professionals		1,092
Research		10,917
General administration		45,635

Canadian Lung Association Schedule 1 - Departmental Expenses of the General Fund

March 31	2012	2011
Committees		
Board of Directors	\$ 59,941	\$ 53,307
Executive Committee	2,658	1,042
Finance Committee	1,014	1,090
Governance Review	1,847	-
National Awards Committee	3,458	5,154
Official Language	12	-
Partnership Council	36,938	25,627
	105,868	86,220
Programs and Projects		
Breathworks	26,155	144,418
COPD Alliance/conference	20,232	14,505
Canada Health Network	-	-
Corporate Funds Development	8,060	74,657
COUGH Campaign	534,728	-
Special Projects	4,795	24,900
Canadian Respiratory Conference 2010	-	443,036
Canadian Respiratory Conference 2011	390,780	110,567
Canadian Respiratory Conference 2012	109,080	-
Canadian Respiratory Conference 2014	2,200	-
Communication and Government affairs	58,069	59,692
Leadership Conference	296	8,142
Lung Cancer Project	1,907	10,328
Lung Health Framework	-	-
Lung Health Framework Needs Survey	-	74,252
Lung Health Framework Phase II	-	-
Lung Health Framework Secretariat	-	-
Lung Health Framework Secretariat Phase II	637,781	634,781
Marketing	150,524	104,634
STOP TB conference	1,741	6,701
	1,946,348	1,710,613
Working Groups		
Chronic Disease	769	9,438
Environmental	117	287
Fundraising and Marketing	927	15,688
Tobacco	3,088	980
	4,901	26,393

Canadian Lung Association
Schedule 1 - Departmental Expenses of the General Fund
(continued)

March 31	2012	2011
Societies		
Canadian Thoracic Society	840,867	734,866
Canadian Respiratory Health Professionals	53,296	71,228
	<u>894,163</u>	<u>806,094</u>
General Administration		
Administration allocation to programs (Note 10)	(127,214)	(205,141)
Advertising	215	1,126
Amortization	20,849	35,117
Audit fees	18,000	18,000
Bad debt expense	11,123	13,185
Equipment leases and repairs	(6,743)	9,710
General office	41,982	57,631
Insurance	19,781	22,731
Legal fees	11,865	5,849
Memberships	18,556	5,121
Office rent (Note 12)	45,635	92,811
Professional fees	10,008	-
Salaries and benefits	695,904	702,662
Staff development, training and recruitment	3,178	4,169
Translation	161	627
Volunteer and committee expense	1,563	(4,779)
Website and internet maintenance	25,074	23,091
	<u>789,937</u>	<u>781,910</u>
	\$ 3,741,217	\$ 3,411,230

Canadian Lung Association
Schedule 2 - Departmental Expenses of the Research Fund

March 31	2012	2011
Committees		
National Grant Review	\$ 3	\$ 213
Research Committee	<u>113,188</u>	<u>121,853</u>
	<u>113,191</u>	<u>122,066</u>
Programs and Projects		
CIHR Grants	5	-
CLA Scholarships, Fellowships and Research Grants (Note 9)	<u>612,216</u>	<u>706,665</u>
	<u>612,221</u>	<u>706,665</u>
General Administration		
Bad debt expense	8,868	2,771
Program costs	13,867	9,147
Salaries and benefits	<u>104,242</u>	<u>102,308</u>
	<u>126,977</u>	<u>114,226</u>
	<u>\$ 852,389</u>	<u>\$ 942,957</u>

**Canadian Lung Association
Schedule 3 - USAID Project Summary of Expenses**

March 31	2012	2011
USAID Project - TB CARE II		
Consultant	\$ 62,439	\$ -
Direct program expense	-	52
Foreign exchange loss (gain)	1,147	(228)
Meeting expense	-	73
Office	33,017	6,372
Salaries and wages	10,079	10,297
Telecommunications	43	11
	<hr/>	<hr/>
	\$ 106,725	\$ 16,577

Canadian Lung Association
Schedule 4 - International Development Projects
Summary of Expenses

March 31	2012	2011
International Development Projects		
Office	\$ 11	\$ -
Telecommunications	<u>73</u>	<u>73</u>
	\$ 84	\$ 73
