

Financial Statements of

**AMYOTROPHIC LATERAL SCLEROSIS  
SOCIETY OF BRITISH COLUMBIA**

Year ended December 31, 2017



KPMG LLP  
PO Box 10426 777 Dunsmuir Street  
Vancouver BC V7Y 1K3  
Canada  
Telephone (604) 691-3000  
Fax (604) 691-3031

## INDEPENDENT AUDITORS' REPORT

To the Members of Amyotrophic Lateral Sclerosis Society of British Columbia

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the Amyotrophic Lateral Sclerosis Society of British Columbia, which comprise the statement of financial position as at December 31, 2017, the statements of operations, changes in fund balances and cash flows for the year then ended, and 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 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 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 in our audit is sufficient and appropriate to provide a basis for our qualified audit opinion.



*Basis for Qualified Opinion*

In common with other 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 and we were not able to determine whether, as at or for the years ended December 31, 2017 and December 31, 2016, any adjustments might be necessary to donations and other fundraising revenue and excess of revenue over expenses reported in statement of operations and current assets and fund balances reported 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 December 31, 2016.

*Qualified Opinion*

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Amyotrophic Lateral Sclerosis Society of British Columbia as at December 31, 2017, and the results of its operations, changes in fund balances and 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

April 3, 2018  
Vancouver, Canada

# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

Statement of Financial Position

December 31, 2017, with comparative information for 2016

	General fund	Reserve and endowed funds (note 8)	Property and equipment fund	2017	2016
<b>Assets</b>					
Current assets:					
Cash and cash equivalents	\$ 538,622	\$ 458,215	\$ -	\$ 996,837	\$ 716,500
Investments (note 3)	-	1,526,340	-	1,526,340	1,325,663
Accounts receivable	16,840	-	-	16,840	21,130
GST receivable	14,479	-	-	14,479	12,461
Prepaid expenses	36,896	-	-	36,896	14,853
	606,837	1,984,555	-	2,591,392	2,090,607
Property and equipment (notes 4 and 5)	-	-	1,966,896	1,966,896	1,808,002
	\$ 606,837	\$ 1,984,555	\$ 1,966,896	\$ 4,558,288	\$ 3,898,609

## Liabilities and Fund Balances

Current liabilities:					
Accounts payable and accrued liabilities	\$ 17,635	\$ -	\$ -	\$ 17,635	\$ 10,605
Deferred revenue (note 6)	328,849	-	-	328,849	208,039
	346,484	-	-	346,484	218,644
Deferred capital contributions (note 7)	-	-	1,270,332	1,270,332	1,016,084
Fund balances:					
General fund	260,353	-	-	260,353	94,090
Reserve and endowed funds	-	1,984,555	-	1,984,555	1,777,873
Property and equipment fund	-	-	696,564	696,564	791,918
	260,353	1,984,555	696,564	2,941,472	2,663,881
Commitments and contingencies (note 11)					
	\$ 606,837	\$ 1,984,555	\$ 1,966,896	\$ 4,558,288	\$ 3,898,609

See accompanying notes to financial statements.

Approved on behalf of the Board:

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

Statement of Operations

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

	General fund	Reserve and endowed funds (note 8)	Property and equipment fund	2017	2016
<b>Revenue:</b>					
Victoria chapter revenue (Schedule 1)	\$ 104,140	\$ -	\$ -	\$ 104,140	\$ 97,098
NCI chapter revenue (Schedule 2)	45,523	-	-	45,523	73,624
Fundraising and special events (Schedule 3)	833,553	-	-	833,553	853,019
Gaming revenue	183,000	-	-	183,000	166,500
Gifts-in-Kind, including amortization of deferred capital contributions (note 7)	3,095	-	309,153	312,248	207,128
Memoriams	89,121	-	-	89,121	69,832
Donations – individual	196,772	-	-	196,772	141,742
Donations – employees groups	45,823	-	-	45,823	20,059
Donations – corporate groups and clubs	82,612	-	-	82,612	83,309
Donations – foundations	127,236	-	-	127,236	150,335
Planned giving	236,004	-	-	236,004	26,542
Investment income	2,175	108,559	-	110,734	118,766
Research donations	-	-	-	-	10,100
Caregiver days registrations	850	-	-	850	1,180
Memberships	1,885	-	-	1,885	1,530
<b>Total revenue</b>	<b>1,951,789</b>	<b>108,559</b>	<b>309,153</b>	<b>2,369,501</b>	<b>2,020,764</b>
<b>Expenses:</b>					
Victoria chapter expenses (Schedule 1)	52,148	-	-	52,148	46,153
NCI chapter expenses (Schedule 2)	17,879	-	-	17,879	25,589
Fundraising and special events (Schedule 3)	355,691	-	-	355,691	288,910
Research – ALS Canada (note 9)	2,625	-	-	2,625	10,100
<b>Administration:</b>					
Bank charges and interest	15,243	8,773	-	24,016	24,357
Insurance	16,046	-	-	16,046	16,119
Office supplies and equipment	22,951	-	-	22,951	25,809
Postage	8,599	-	-	8,599	8,629
Professional fees	11,173	-	-	11,173	36,183
Rent	54,941	-	-	54,941	50,428
Telephone, internet and website	18,449	-	-	18,449	19,077
Wages and benefits - Administration (note 12)	171,281	-	-	171,281	177,600
<b>Patient services:</b>					
Equipment loan program maintenance	471,703	-	45,839	517,542	525,938
Newsletter	44,070	-	-	44,070	46,348
Outreach and public awareness	1,500	-	-	1,500	828
Patient services	108,486	-	-	108,486	133,627
Travel	17,194	-	-	17,194	15,268
Volunteers	14,614	-	-	14,614	15,405
Wages and benefit – Patient services (note 12)	321,133	-	-	321,133	344,595
<b>Other:</b>					
Board expenses	11,797	-	-	11,797	14,586
Membership administration	5,079	-	-	5,079	4,472
Strategic planning	449	-	-	449	2,090
<b>Total expenses</b>	<b>1,743,051</b>	<b>8,773</b>	<b>45,839</b>	<b>1,797,663</b>	<b>1,832,111</b>
<b>Excess of revenue over expenses from operations before other items</b>	<b>\$ 208,738</b>	<b>\$ 99,786</b>	<b>\$ 263,314</b>	<b>\$ 571,838</b>	<b>\$ 188,653</b>

See accompanying notes to financial statements.

# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

Statement of Operations (continued)

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

	General fund	Reserve and endowed funds (note 8)	Property and equipment fund	2017	2016
Excess of revenue over expenses from operations before other items (carried forward)	\$ 208,738	\$ 99,786	\$ 263,314	\$ 571,838	\$ 188,653
Amortization	-	-	(380,648)	(380,648)	(341,562)
Loss on write-down of property and equipment (note 5)	-	-	(11,240)	(11,240)	(11,524)
<b>Excess (deficiency) of revenue over expenses</b>	<b>\$ 208,738</b>	<b>\$ 99,786</b>	<b>\$ (128,574)</b>	<b>\$ 179,950</b>	<b>\$ (164,433)</b>

See accompanying notes to financial statements.

# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

## Statement of Changes in Fund Balances

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

	General fund	Reserve and endowed funds (note 8)	Property and equipment fund	2017	2016
Balance, beginning of year	\$ 94,090	\$ 1,777,873	\$ 791,918	\$ 2,663,881	\$ 2,715,627
Excess (deficiency) of revenue over expenses	208,738	99,786	(128,574)	179,950	(164,433)
Endowed funds contributions (note 8)	-	97,641	-	97,641	112,687
Interfund transfers (note 8)	(9,255)	9,255	-	-	-
Purchase of property and equipment	(33,220)	-	33,220	-	-
<b>Balance, end of year</b>	<b>\$ 260,353</b>	<b>\$ 1,984,555</b>	<b>\$ 696,564</b>	<b>\$ 2,941,472</b>	<b>\$ 2,663,881</b>

See accompanying notes to financial statements.

# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

## Statement of Cash Flows

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

	General fund	Reserve and endowed funds (note 8)	Property and equipment fund	2017	2016
Cash provided by (used in):					
Operating:					
Excess (deficiency) of revenue over expenses for the year	\$ 208,738	\$ 99,786	\$ (128,574)	\$ 179,950	\$ (164,433)
Adjustments for changes in non-cash items:					
Amortization of property and equipment	-	-	380,648	380,648	341,562
Amortization of deferred capital contributions	-	-	(263,314)	(263,314)	(183,614)
Loss on write down of property and equipment (note 5)	-	-	138,412	138,412	50,878
Deferred capital contributions related to impaired capital assets (note 7)	-	-	(127,172)	(127,172)	(39,354)
Unrealized loss on fair value adjustment on investments	-	14,861	-	14,861	7,528
Changes in non-cash operating working capital:					
Accounts receivable	4,290	-	-	4,290	(392)
GST receivable	(2,018)	-	-	(2,018)	1,272
Interfund balances	(5,000)	5,000	-	-	-
Prepaid expenses	(22,043)	-	-	(22,043)	8,440
Accounts payable and accrued liabilities	7,030	-	-	7,030	(7,931)
Deferred revenue	120,810	-	-	120,810	182,909
Cash flows from operating activities	311,807	119,647	-	431,454	196,865
Investing:					
Purchase of investments	-	(215,538)	-	(215,538)	(461,985)
Purchase of property and equipment	-	-	(33,220)	(33,220)	(134,180)
Cash flows used in investing activities	-	(215,538)	(33,220)	(248,758)	(596,165)
Increase (decrease) in cash and cash equivalents	311,807	(95,891)	(33,220)	182,696	(399,300)
Investment in capital assets	(33,220)	-	33,220	-	-
Endowed funds contributions	-	97,641	-	97,641	112,687
Interfund transfers	(9,255)	9,255	-	-	-
Cash and cash equivalents, beginning of year	269,290	447,210	-	716,500	1,003,113
Cash and cash equivalents, end of year	\$ 538,622	\$ 458,215	\$ -	\$ 996,837	\$ 716,500
Non-cash transactions:					
Contributed equipment recorded as deferred capital contributions received (note 7)				\$ 644,734	\$ 438,426

See accompanying notes to financial statements.



# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

Notes to Financial Statements

Year ended December 31, 2017

---

## 1. Purpose of the Society:

The Amyotrophic Lateral Sclerosis (“ALS”) Society of British Columbia (the “Society”) is a registered charity under the Income Tax Act and is incorporated under the Societies Act (British Columbia) as a non-profit organization without share capital. The Society’s mission is to find the cause of and a cure for ALS, and to provide support to ALS patients, their families, and caregivers.

The Society is one of eight independent charities that belong to the ALS Societies of Canada Federation and has equal representation on the Federation Council. As a result of its registered charity status under the Income Tax Act, the Society is not subject to income taxes.

## 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) Basis of presentation:

These financial statements include the volunteer chapters located in Victoria and the North Central Island region.

### (b) Fund accounting and revenue recognition:

The Society follows the deferral method of accounting for contributions. The Society maintains its accounts in accordance with the restrictions on the use of resources as designated by donors or the board of directors.

Contributions are recorded as revenue when received or receivable except when the donor has specified that they are intended for a specific use or for use in a future period, in which case they are deferred and recognized in the period the related expenses are incurred. Contributions are recognized when receivable if the amount can be reasonably estimated and collection is reasonably assured. Donations are recognized when received, pledges receivable are not recorded.

Contributions restricted for the purchase of capital assets and the fair value of contributed capital assets are deferred and amortized to revenue on a basis consistent with the amortization of the capital assets acquired.

The Society is the named beneficiary under various wills, life insurance policies and trust agreements. Proceeds are recorded as revenue when the amounts are received.

# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

Notes to Financial Statements

Year ended December 31, 2017

---

## 2. Significant accounting policies (continued):

### (b) Fund accounting and revenue recognition (continued):

For financial reporting purposes, the accounts have been classified into the following funds:

#### (i) General Fund:

The General Fund comprises revenues and expenses relating to program delivery, administration and special projects.

#### (ii) Reserve and Endowed Funds:

The Reserve and Endowed Funds comprise of donations and investment income specifically designated by donors and the board of directors. Reserve and endowed contributions are recognized as direct increases in net assets. Investment income earned by the funds is recorded on an accrual basis. Investments are recorded at fair value at each financial statement date with unrealized gains and losses recorded in investment income.

#### (iii) Property and Equipment Fund:

The Property and Equipment Fund recognizes resources that the Society has invested in capital assets. The amortization of capital assets and deferred capital contributions is recorded in this fund.

### (c) Contributed services:

The Society receives a significant amount of time from volunteers each year to assist the Society in carrying out its programs and services. Due to the difficulty in determining their fair value, these contributed services are not recognized in these financial statements.

### (d) Non-cash donations:

Contributions of assets or gifts-in-kind, including patient equipment, supplies and services that would otherwise have been purchased are recorded at fair value at the date of contribution, provided a fair value can be reasonably determined.

### (e) Cash and cash equivalents:

Cash and cash equivalents include restricted and unrestricted cash on hand and short-term deposits which are highly liquid with original maturities of less than three months at the date of acquisition.

# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

Notes to Financial Statements

Year ended December 31, 2017

---

## 2. Significant accounting policies (continued):

(f) Property and equipment:

Property and equipment are recorded at cost less accumulated amortization. Contributed assets are recorded at fair value at the date of contribution. Amortization is provided on a declining balance at the following annual rates:

Asset	Rate
Bathroom equipment	10%
Beds and mattresses	20%
Communication aids	30%
Miscellaneous equipment	20%
Patient lift equipment	20%
Wheelchairs and walkers	20%
Office equipment	20%

Amortization is calculated monthly using the declining balance method. The Society regularly reviews for impairment of its property and equipment whenever events or changes in circumstances indicate that the asset no longer has long-term service potential to the Society. If such conditions exist, an impairment loss is measured at the amount by which the carrying amount of the asset exceeds its residual value.

(g) 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 revenue and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the determination of fair value of non-cash donations and the determination of useful lives of property and equipment for calculating amortization. Actual results could differ from those estimates.

(h) Allocation of expenses:

Expenses are recorded and reported by programs and services. Other administrative costs, including office rent and utilities, postage and courier, and information technology are not allocated. Certain employees perform a combination of program, fundraising and administrative functions; as a result, salaries and benefits are allocated based on time dedicated to the functional activities. Such allocations are reviewed regularly by management (note 12).

# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

Notes to Financial Statements

Year ended December 31, 2017

---

## 2. Significant accounting policies (continued):

### (i) Financial instruments:

The Society's financial instruments consist of cash, investments, accounts receivable, and accounts payable and accrued liabilities.

Financial instruments are recorded at fair value on initial recognition. 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, unless management has elected to carry the instruments at fair value. The Society has elected to carry all investments at fair value.

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 Society determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. 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 Society 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.

## 3. Investments:

Investments on endowed funds are managed by an independent investment manager in accordance with an Investment Policy Statement approved by the Board of Directors. Included in investment income is an unrealized loss on fair value adjustments on investments of \$14,861 (2016 – \$7,528).

Investment income and realized and unrealized gains and losses are allocated to the funds based on the actual return earned by the assets allocated to or held by each fund during the year. Depending on the terms of the individual endowed funds, this income is retained by the funds or transferred to the unrestricted funds for specific purpose.

# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

Notes to Financial Statements

Year ended December 31, 2017

## 4. Property and equipment:

			2017	2016
	Cost	Accumulated amortization	Net book value	Net book value
Patient equipment:				
Bathroom equipment	\$ 161,598	\$ 35,209	\$ 126,389	\$ 123,635
Beds and mattresses	361,726	175,974	185,752	166,714
Communication aids	15,852	-	15,852	21,211
Miscellaneous equipment	136,780	56,909	79,871	72,424
Patient lift equipment	380,159	168,610	211,549	208,984
Wheelchairs and walkers	2,113,756	778,361	1,335,395	1,204,853
	3,169,871	1,215,063	1,954,808	1,797,821
Office equipment	38,338	26,250	12,088	10,181
	\$ 3,208,209	\$ 1,241,313	\$ 1,966,896	\$ 1,808,002

## 5. Loss on write-down of property and equipment:

During 2016, a review of property and equipment took place. This review resulted in the retirement and write-down of significantly amortized, impaired, and obsolete assets. The net loss on this write-down for 2017 is \$11,240 (2016 - \$11,524).

	2017	2016
Capital assets written-off	\$ 441,857	\$ 367,526
Accumulated amortization	(303,445)	(316,648)
	138,412	50,878
Deferred capital contributions related to impaired capital assets (see note 7)	(127,172)	(39,354)
Loss on write-down	\$ 11,240	\$ 11,524

# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

Notes to Financial Statements

Year ended December 31, 2017

## 6. Deferred revenue:

Deferred revenue represents restricted contributions (other than endowed funds) received and required to be spent by the Society on future eligible expenses. These contributions are deferred and recognized as revenue in the year in which related expenses are incurred.

	2017	2016
Deferred revenue, beginning of year	\$ 208,039	\$ 25,130
Less amount recognized as revenue in the year:		
Golf and Walk revenues	(1,440)	(3,180)
Grants	(185,400)	-
Camp	(200)	(300)
Equipment Loan and Patient Services	(13,806)	(2,000)
Add amounts received for future periods:		
BC Gaming Grant	196,500	183,000
Government Grant (CIRCA)	120,000	-
Golf and Walk revenues	1,165	1,440
Camp Alohi Lani	550	200
Fundraising	3,441	3,749
Deferred revenue, end of year	\$ 328,849	\$ 208,039

## 7. Deferred capital contributions:

Deferred capital contributions represents donations of property and equipment and are amortized on the same basis as the capital assets to which they relate. Changes in the deferred capital contributions balances during the year are as follows:

	2017	2016
Deferred capital contributions, beginning of year	\$ 1,016,084	\$ 800,626
Add capital contributions received	644,734	438,426
Less amortization of capital contributions to revenue	(263,314)	(183,614)
Less deferred capital contributions related to impaired capital assets (note 5)	(127,172)	(39,354)
Deferred capital contributions, end of year	\$ 1,270,332	\$ 1,016,084

Included in gifts-in-kind revenue is \$263,314 (2016 - \$183,614) of amortized deferred capital contributions.

# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

Notes to Financial Statements

Year ended December 31, 2017

## 8. Reserve and endowed funds:

Endowed funds are externally restricted donations received by the Society where the endowed principal is invested. The investment income generated from these endowed funds remains in the fund. A spending rule is applied to calculate payouts to be used in accordance with the various purposes established by the donors. The Society ensures that all funds received with a restricted purpose are expended for the purposes for which they were provided.

The Operating Reserve Fund represents funds that have been allocated internally for the purpose of supporting the Society's activities in the event of a cash flow decline.

	Balance January 1, 2017	Regular additions	Net inter-fund transfers	Net investment income	Balance December 31, 2017
<b>Funds managed under the Investment Policy Statement:</b>					
George "Sonny" Williams	\$ 470,633	\$ 2,641	\$ -	\$ 32,725	\$ 505,999
David Pendray Memorial	221,388	-	2,240	15,591	239,219
Pearmain Fund	216,919	-	-	14,687	231,606
Dr. Andrew and Kathleen Eisen	427,628	90,000	-	32,752	550,380
<b>Reserve funds:</b>					
Operating Reserve Fund	162,000	-	-	-	162,000
ALS Adventure Challenge	82,654	-	-	413	83,067
Kamloops Endowed Fund	4,631	-	7,015	24	11,670
Victoria Endowed Fund	165,373	5,000	-	3,488	173,861
Karl Watt Endowed Fund	12,926	-	-	39	12,965
Cycle of Hope Lemonade Education Fund	13,721	-	-	67	13,788
	\$ 1,777,873	\$ 97,641	\$ 9,255	\$ 99,786	\$ 1,984,555

### (a) Funds managed under the Investment Policy Statement:

The endowed funds of George "Sonny" Williams, David Pendray Memorial, Pearmain and Dr. Andrew and Kathleen Eisen are invested in medium-term and long-term investment funds, managed by an independent, professional investment manager. The funds invest in a diversified portfolio of investments in accordance with the Investment Policy Statement.

The annual disbursement from the Endowed Funds is calculated as 4% of the respective fund's average at the end of the fiscal year. The average of each endowed fund is calculated by summing and averaging the ending market values of the portfolio in each of the preceding 36 months. No payout can occur when the average as calculated is less than the opening balance for the current fiscal year.

# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

Notes to Financial Statements

Year ended December 31, 2017

---

## 8. Reserve and endowed funds (continued):

(a) Funds managed under the Investment Policy Statement (continued):

- (i) The George “Sonny” Williams Endowed Fund was created in 2003 to support caregivers of people living with ALS in B.C. Contributions to the fund are generated from the Annual ALS Golf Tournament, as well as, from individual donations from Williams Transportation and Logistics Group employees. The Williams family oversees the Fund.

George “Sonny” Williams died on Tuesday, January 30, 1996 at 12:20AM. The game of golf and the entire province lost a true friend. Mr. Williams, the well-respected owner of Williams Moving & Storage, dealt with the debilitating effects of ALS for over 6 years before succumbing to it. Mr. Williams left his mark on many aspects of business, as well as the game of golf, within British Columbia. He had been adamant in his pursuit of integrity within the moving industry. He was one of the first principal patrons for the B.C. Golf Museum. To add to his other contributions, Mr. Williams single handedly saved the B.C. Open from sure demise in 1982. In 1988, George Williams was named a CPGA honorary director for his contributions.

The opening balance of the George “Sonny” Williams Endowed Fund at January 1, 2017 was \$470,633 and the average monthly value of the fund for the 36 preceding months was \$442,101. Therefore the fund is not permitted to disburse in 2017.

The Endowed Fund is primarily composed of 30% proceeds raised from the ALS Memorial Golf Tournament over a 30 year period with 2017 being the final year of the tournament. During the year, the Society received endowment donations of \$2,641 towards this fund. In the prior year, the Society allocated \$17,322 to the Endowed Fund, representing 30% of the ALS Memorial Golf Tournament proceeds (NET).

- (ii) The David Pendray Memorial Endowed Fund was established to support patient services.

David (Dave) Pendray passed away from the effects of ALS at 57 years of age. Dave was a third generation dairy farmer. The 225-acre Pendray dairy farm is currently located off West Saanich Road, in North Saanich on Vancouver Island B.C. The farm is now operated by David's family. Milk from the Pendray farm has been shipped to Island Farms Dairy since 1960. The Pendray family and Island Farms Dairy have had strong connections for almost 50 years.

The opening balance of the David Pendray Memorial Endowed Fund at January 1, 2017 was \$221,388 and the average monthly value of the fund for the 36 preceding months was \$215,646. Therefore the fund is not permitted to disburse funds in 2017.



# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

Notes to Financial Statements

Year ended December 31, 2017

---

## 8. Reserve and endowed funds (continued):

(a) Funds managed under "Investment Policy Statement" (continued):

(iii) The Pearmain Endowed Fund was established to fund the purchase of equipment for ALS patients.

Prior to retirement, Jean Pearmain was a Neurological Nurse. She worked with Neurologists that specialized in ALS including Dr. Andrew Eisen. Since that time, she served as director on the ALS Society Board of Directors and volunteered with her husband Gord tirelessly for over 9 years. At any given time, Jean provided support to up to 30 ALS patients living in the North Central Vancouver Island region. She maintained an equipment storage locker and in many cases she and her husband Gord delivered the equipment themselves. Jean also conducted home visits and coordinated the Nanaimo monthly ALS Support Group.

The Pearmain family participated in the Walk for ALS and Jean has acted as an escort for the "On a Roll for ALS". Gord drove the support vehicle and Jean rode her bike next to the ALS roller.

The Executive of the North Central Island Chapter has worked to achieve a significant revenue surplus and decided to honor the dedication of the Pearmain family by establishing an Endowed Fund in their name.

The opening balance of the Pearmain Endowed Fund at January 1, 2017 was \$216,919 and the average monthly value of the fund for the 36 preceding months was \$205,065. Therefore the fund is not permitted to disburse funds in 2017.

(iv) The Dr. Andrew and Kathleen Eisen Endowed Fund was established on April 9, 2013 to support ALS patient services. Revenue for the fund is generated from donations from Dr. Andrew and Mrs. Kathleen Eisen, and from donations, other gifts or bequests that other persons may designate to the fund for its purpose.

Dr. Eisen is a founding director of the Society. He has been an active volunteer on the board since 1981, and has been named as a honorary life director. Dr. Eisen is a physician and neurologist, and a pioneer in the field of neurophysiology, having worked and taught at the University of British Columbia's Neuromuscular Diseases Unit and the ALS Clinic. Dr. Eisen's influence and legacy as a teacher and mentor in the practice of neurology, clinical neurophysiology, and neuromuscular disease research can be traced all over the world through his many books, hundreds of scientific papers, and international lectures.

Prior to retirement, Kathleen was a Neurological Nurse. She worked at the Allergy Clinic in Montreal's Royal Victoria Hospital from 1963 until 1980. With Dr. Donald Paty, Kathleen established the Multiple Sclerosis Clinic at the University of British Columbia in 1980, and worked as its Nurse Co-Ordinator until her retirement in 1998.

The opening balance of the Dr. Andrew and Kathleen Eisen Endowed Fund at January 1, 2017 was \$427,628 and the average monthly value of the fund for the 36 preceding months was \$377,219. Therefore the fund is not permitted to disburse funds in 2017.

# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

Notes to Financial Statements

Year ended December 31, 2017

---

## 8. Reserve and endowed funds (continued):

(a) Funds managed under "Investment Policy Statement" (continued):

(v) Reserve and endowed funds:

The following Reserve and Endowed funds were established to ensure immediate access should the need arise. The Reserve and Endowed Funds operate with a much higher degree of liquidity/accessibility than the funds managed under the investment policy statement, as per the Endowed Agreements with the Funds' settlers.

- (1) The General Operating Reserve Fund has been established to support future Society activities in the event of a cash flow decline.
- (2) The ALS Adventure Challenge Endowed Fund was created by the Board of Directors in 2006 at the request of the Nilsson Foundation in order to support improved research, technology and services for ALS patients that will improve their quality of life and to support new initiatives to enhance patient care as proposed by the ALS Society of B.C.; this would include training to support the Psychological Support Program. Monies raised by the Nilsson Foundation by hosting the ALS Adventure Challenge and donated to the ALS Society of B.C. are allocated to this Endowed Fund. During the year, \$nil (2016 - \$13,619) was paid to fund new initiatives to enhance patient care.
- (3) The Kamloops Endowed Fund was initiated with 30% of the net proceeds from the ALS Golf Tournament of Hope. This annual tournament is heavily supported by the families of Clayton Smailes, Giovanni (John) Caferra and Brian Rintoul. The purpose of the fund is to provide advanced communication equipment to people living with ALS in B.C. In 2017, \$7,015 (2016 - \$3,620) was contributed to the fund, representing 30% of the net proceeds from the ALS Golf Tournament of Hope. During 2017, \$nil (2016 - \$18,677) was disbursed to purchase advanced communication equipment.
- (4) The Victoria Endowed Fund was established by the Victoria Chapter of the ALS Society of BC. The purpose of the fund is to provide financial support to people living with ALS.
- (5) The Karl Watt Endowed Fund was established by Norm and Misty Alexander in honor of their late son Karl Stefano Watt. The purpose of the fund is to financially assist ALS family homecare caregivers in providing respite care for themselves. During the year, \$nil (2016 - \$1,970) was paid to fund extraordinary patient services, respite and homecare services.
- (6) The Cycle of Hope Lemonade Education fund was established by the Cycle of Hope Society. The purpose of the fund is to provide financial aid to B.C. students who have a parent that is living with or has passed away from ALS.

# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

Notes to Financial Statements

Year ended December 31, 2017

## 8. Reserve and endowed funds (continued):

(a) Funds managed under "Investment Policy Statement" (continued):

(vi) Externally Managed Endowment Funds:

Externally managed endowment funds are not included in the assets of the Society as they are held in perpetuity by the external foundations.

(1) Vancouver Foundation Endowment Fund:

The Society maintains a permanent endowment fund with the Vancouver Foundation, established in memory of Mrs. Jeannette Heinrich, known as the ALS Society of British Columbia Endowment Fund. The fund is administered by the Vancouver Foundation. 100% of the distributions from this fund are for the benefit of the Society. The contributed principal is \$1,110,279 (2016 - \$1,071,492). During the year, the Society received \$45,709 (2016 - \$40,423) of investment income earned from this fund. The market value of the fund at December 31, 2017 was \$1,367,623 (2016 - \$1,282,561).

(2) Victoria Foundation Endowment Fund:

The Society maintains a permanent endowment fund with the Victoria Foundation called United Commercial Travellers' Fund. The ALS Society of BC - Victoria Chapter receives 16% of the distributions from this fund. The market value of the fund at December 31, 2017 was \$128,082 (2016 - \$123,334). During the year, the Society received \$758 (2016 - \$719) of investment income earned from this fund.

(3) Central Okanagan Foundation Endowed Fund:

The Society maintains a permanent endowment fund with the Central Okanagan Foundation. The fund is administered by the Central Okanagan Foundation. During the year, the Society received \$256 (2016 - \$330) of investment income earned from this fund 100% of the distributions from this fund are for the benefit of the Society. The contributed principal is \$7,322 (2016 - \$7,322).

## 9. Donations for research:

	British Columbia	Victoria	North Central Island	Total 2017	Total 2016
Donations for research	\$ 2,625	\$ -	\$ -	\$ 2,625	\$ 10,100
Walk for ALS	99,679	32,753	11,812	144,244	136,256
Flower Day	-	10,797	-	10,797	8,502
<b>Total</b>	<b>\$ 102,304</b>	<b>\$ 43,550</b>	<b>\$ 11,812</b>	<b>\$ 157,666</b>	<b>\$ 154,858</b>

# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

Notes to Financial Statements

Year ended December 31, 2017

---

## 10. Related party transactions:

The ALS Society of Canada oversees the distribution of research contributions. The relationship between the Society and the ALS Society of Canada is governed by the Partnership Agreement. During the year, the Society contributed \$146,869 (2016 - \$144,758) for research to the ALS Society of Canada.

## 11. Commitments and contingencies:

### (a) Premises:

The Society is committed to annual premise lease payments of \$52,080 until 2021.

### (b) Communication Assistance for Youth and Adults ("CAYA"):

The Society has entered into an agreement to contribute \$25,000 to CAYA until December 31, 2019. The commitment also includes providing CAYA with access to the communication equipment owned by the Society. The communication equipment loaned to CAYA remains the property of the Society.

## 12. Allocation of expenses:

Wages and benefits - Administration reported on the statement of operations of \$171,281 (2016 - \$177,600) are reported after an allocation of \$126,391 (2016 - \$122,089) to Wages and Benefits - Patient Services representing estimated executive time spent supporting patient services.

## 13. Service club gaming revenues:

The Society received donations of gaming revenues from various community service clubs of \$31,078 (2016 - \$26,925). These amounts are included in general fund revenues.

## 14. Financial risks and concentration of risk:

### (a) Credit risk:

Credit risk is the risk associated with holding cash and cash equivalents. The Society limits its credit risk by holding its cash and cash equivalents investments with federally regulated, credit worthy financial institutions.

### (b) Liquidity Risk:

Liquidity risk is the risk that the Society will be unable to fulfill its obligations on a timely basis at a reasonable cost. The Society manages its liquidity risk by monitoring its operating requirements, and makes adjustments based on available funding and economic conditions.

# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

Notes to Financial Statements

Year ended December 31, 2017

---

## **14. Financial risks and concentration of risk (continued):**

### (c) Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as market prices change. The Society invests its funds according to its Investment Policy Statement. The Investment Policy Statement applies to all investments in marketable securities and it includes restrictions regarding the minimum and maximum amount of Canadian equities, global equities, fixed income, real estate, mortgages, multi-strategy funds and short-term investments. The diversification across various asset classes is designed to decrease the volatility of portfolio returns.

## **15. Remuneration:**

For the fiscal year ending December 31, 2017, the Society paid remuneration of \$137,000 (2016 - \$134,500) to one employee and \$107,000 (2016 - \$114,600) to one contractor for services related to patient equipment loan program maintenance.

No remuneration was paid to any members of the board of directors.

# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

Statement of Operations – Victoria Chapter

Schedule 1

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

	2017	2016
<b>Revenue:</b>		
Victoria Walk for ALS	\$ 79,457	\$ 75,272
Flower Day	10,797	8,502
Donations - individual	20	1,101
General Fundraising	11,216	9,923
Donations - employee groups	2,650	1,050
Memoriams and bequests	-	1,250
	<u>104,140</u>	<u>97,098</u>
<b>Expenses:</b>		
Bank charges and interest	49	35
Fundraising and special events	16,040	15,016
Office supplies and equipment	395	298
Patient services and support group	960	2,013
Rent (storage)	1,619	1,438
Research (note 9)	32,753	26,821
Volunteers	332	532
	<u>52,148</u>	<u>46,153</u>
<b>Excess of revenue over expenses for the year</b>	<b>\$ 51,992</b>	<b>\$ 50,945</b>

# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

Statement of Operations – North Central Island Chapter

Schedule 2

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

	2017	2016
<b>Revenue:</b>		
Mid Island Walk for ALS	\$ 41,613	\$ 60,513
Donations - individual	-	2,500
Donations - employee groups	3,910	5,656
Memoriams and bequests	-	350
General fundraising	-	4,605
	<u>45,523</u>	<u>73,624</u>
<b>Expenses:</b>		
Bank charges and interest	84	13
Fundraising and special events	5,546	6,776
Patient services and support group	437	1,372
Research (note 9)	11,812	17,428
	<u>17,879</u>	<u>25,589</u>
<b>Excess of revenue over expenses for the year</b>	<b>\$ 27,644</b>	<b>\$ 48,035</b>

# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

Fundraising Revenues and Expenses

Schedule 3

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

	2017	2016
Revenue:		
ALS BC Events:		
Walk for ALS	\$ 358,824	\$ 357,826
ALS Golf Tournaments - Vancouver and Kamloops	121,713	157,098
ALS BC Raffle	20,000	9,860
Patient Symposium	-	400
Third Party Events:		
General 3rd Party Fundraising Events	134,824	117,470
PGA of BC Golf A Thon for ALS	154,908	143,365
Provincial Walk Sponsor	15,000	25,000
Abbotsford Police John Goyer Memorial Golf Tournament	11,500	15,000
Shoot for ALS	16,784	27,000
	833,553	853,019
Expenses:		
Walk for ALS	69,223	56,911
Walk for ALS 40% to ALS Canada for Research (note 9)	99,679	100,509
ALS Golf Tournaments - Vancouver & Kamloops	70,153	81,525
General Fundraising	76,628	15,805
PGA of BC Golf A Thon for ALS	40,008	34,160
	355,691	288,910
<b>Excess of revenue over expenses for the year</b>	<b>\$ 477,862</b>	<b>\$ 564,109</b>



# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

General 3<sup>rd</sup> Party Fundraising Events  
(unaudited)

Schedule 3(A)

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

	2017	2016
ALS BC 3rd Party:		
3rd Annual Fundraiser Dance	\$ 6,468	\$ 8,683
3 <sup>rd</sup> Annual Cavalier Jewellers Cup	-	1,500
ALS Triple Cup – Phi Delta Theta	255	2,440
Ardmore Golf Tournament	890	-
BC Tree Fruits Growers Co-op Golf Tournament	2,000	2,000
Blueridge Elementary School Fundraiser	-	306
BMO Vancouver Marathon	23,191	8,796
Bob Heinrich Calendar Sale	2,067	506
BrrrBQ & Ice Bucket Challenge in Honor of Catherine Little Wood	-	1,320
Chairman Tom's Grouse Grind	2,300	11,840
Coast Hotels Shuhachi Naito Golf Classic	52,000	24,000
Cormac's Birthday Fundraising	-	310
Cruisin Canada for ALS	-	4,517
Dallas Elementary School	-	750
Flow Yoga for ALS	-	778
General Fundraising	699	167
Get Buckets for ALS Challenge – Langley Christian School	2,009	-
Grade 5 Westcot Elementary Fundraiser	-	298
Halloween Night in Strathcona Neighborhood	215	225
Human Resources Development Canada Jeans Day	100	-
I Would Rather Be Fishing	-	4,881
Island Farms Mooman Charity Golf Tourney for ALS	1,350	1,115
Jamie Laycock Cycling Trip	-	246
Jim Betteridge Memorial Bonspiel 3 <sup>rd</sup> Party	4,606	-
Joan Cunningham	20	-
John O'Groats @Land End Cycle – Margaret & Tony Baker	250	-
Josie De Baat – Aloha Polynesian Dinner	975	1,200
Judith Colin	140	-
Let's Beat ALS Concert – Dave's Special Night	3,064	-
Margaret Thomson Line Dancing for Seniors	-	401
Maya & Ana Athwal	1,710	-
Michael Wall Card Sale	410	1,422
Nanaimo Seniors Village – 3 <sup>rd</sup> Annual Ice Bucket Challenge	440	1,360
Nature's Fare Natural Foods (Kamloops) Ltd.	40	-
Nolan Smailes 4-H Marketland	447	-
Ocean Floor Party Fundraising	674	269
Pub Night for ALS Society of BC	-	7,645
Race for Ron	1,400	1,625
RBC Got Talent	-	24
Rick Whittaker Sunset Golf and Massive Men's Day	-	5,401
Sage Golf Day	-	883
Scotiabank Marathon	-	645
Set It Up for ALS	1,174	160
Southridge Secondary School	1,652	-
Spring Honda Run	7,700	14,000
Sukhpal Gill	75	-
Summer Flower Arranging "Hand-on" Fundraising Evening	-	3,190
Team Clarke Fundraiser	2,641	3,832
Team Katie – Beat ALS	11,972	-
Tribute for Dr. Rod Andrew Fundraiser	290	615
Tuesdays with Morrie	1,200	-
Vancouver Mini Club	400	-
Windsor Secondary School	-	120
	134,824	117,470

# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

General 3<sup>rd</sup> Party Fundraising Events (continued)

Schedule 3(A)

Year ended December 31, 2017

North Central Island Chapter 3rd Party Fundraising:		
Ocean Idlers Club	-	1,000
Ol' Hustler's Hockey Club Fundraiser	-	3,605
	-	4,605
Victoria Chapter 3rd Party Fundraising:		
100 Women Who Care	-	650
Charellis Cheese Shop and Deli Fundraising	1,690	1,855
Marion Denton's Tea in Victoria	1,300	1,340
Peter Grant Fundraising	6,840	4,220
Country Grocer	110	-
Sobey's "Thrifty Foods"	876	1,858
Christmas Carriage House Athletics	400	-
	11,216	9,923
	\$ 146,040	\$ 131,998