

Financial Statements of

**AMYOTROPHIC LATERAL SCLEROSIS  
SOCIETY OF BRITISH COLUMBIA**

And Independent Auditor's Report thereon

Year ended December 31, 2023

# INDEPENDENT AUDITOR'S REPORT

To the Members of Amyotrophic Lateral Sclerosis Society of British Columbia

## Report on the Audit of Financial Statements

### *Qualified Opinion*

We have audited the financial statements of Amyotrophic Lateral Sclerosis Society of British Columbia (the "Society"), which comprise:

- the statement of financial position as at December 31, 2023
- the statement of operations for the year then ended
- the statement of changes in fund balances for the year then ended
- the statement of cash flows for the year then ended
- and notes and schedules to the financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, except for the possible effects of the matter described in the "**Basis for Qualified Opinion**" section of our auditor's report, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at December 31, 2023, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### **Basis for Qualified Opinion**

In common with many not-for-profit organizations, the Society derives revenue from fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Society.

Therefore, we were not able to determine whether any adjustments might be necessary to:

- the current assets reported in the statements of financial position as at December 31, 2023 and December 31, 2022
- the third party fundraising revenue, individual donation and other revenues, and excess (deficiency) of revenues over expenses reported in the statements of operations for the years ended December 31, 2023 and December 31, 2022
- the general fund balances, at the beginning and end of the year, reported in the statements of changes in fund balances, and excess (deficiency) of revenues over expenses reported in the statement of operations for the years ended December 31, 2023 and December 31, 2022
- the excess of revenues over expenses reported in the statements of cash flows for the years ended December 31, 2023 and December 31, 2022.

Our opinion on the financial statements for the year ended December 31, 2022 was qualified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the **“Auditor’s Responsibilities for the Audit of the Financial Statements”** section of our auditor’s report.

We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

### ***Responsibilities of Management and Those Charged with Governance for the Financial Statements***

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Society’s ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society’s financial reporting process.

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **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 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.

Chartered Professional Accountants

Vancouver, Canada  
DATE

# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

## Statement of Financial Position

December 31, 2023, with comparative information for 2022

	General fund	Endowed and restricted funds (note 8)	Capital asset fund	2023	2022
<b>Assets</b>					
Current assets:					
Cash and cash equivalents	\$ 4,680,228	\$ 3,193,763	\$ -	\$ 7,873,991	\$ 3,596,099
Investments (note 3)	-	2,914,322	-	2,914,322	5,794,513
Accounts receivable	4,700	-	-	4,700	2,450
GST receivable	23,615	-	-	23,615	24,240
Prepaid expenses	48,955	-	-	48,955	76,236
	4,757,498	6,108,085	-	10,865,583	9,493,538
Tangible capital assets (notes 4 and 5)	-	-	2,107,668	2,107,668	2,063,312
	\$ 4,757,498	\$ 6,108,085	\$ 2,107,668	\$ 12,973,251	\$ 11,556,850
<b>Liabilities and Fund Balances</b>					
Current liabilities:					
Accounts payable and accrued liabilities	\$ 41,910	\$ -	\$ -	\$ 41,910	\$ 53,566
Deferred revenue (note 6)	3,830,975	-	-	3,830,975	3,189,097
	3,872,885	-	-	3,872,885	3,242,663
Deferred capital contributions (note 7)	-	-	1,127,333	1,127,333	1,125,683
	3,872,885	-	1,127,333	5,000,218	4,368,346
Fund balances:					
General fund	884,613	-	-	884,613	780,897
Endowed and restricted funds	-	6,108,085	-	6,108,085	5,469,978
Capital asset fund	-	-	980,335	980,335	937,629
	884,613	6,108,085	980,335	7,973,033	7,188,504
Commitments (note 9)					
	\$ 4,757,498	\$ 6,108,085	\$ 2,107,668	\$ 12,973,251	\$ 11,556,850

See accompanying notes and schedules 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, 2023, with comparative information for 2022

	General fund	Endowed and restricted funds (note 8)	Capital asset fund	2023	2022
<b>Revenue:</b>					
Move to Cure ALS	\$ 346,351	\$ -	\$ -	\$ 346,351	\$ 419,809
Third party fundraising revenue	467,365	-	-	467,365	404,120
Events	95,024	-	-	95,024	82,055
Grants and corporate donations (note 11)	720,766	-	-	720,766	670,388
Individual donations and other revenue	1,004,762	-	-	1,004,762	1,029,578
Investment income (loss), including fair value adjustment on investments (note 3)	177,486	527,202	-	704,688	(118,523)
Gifts in kind, including amortization of deferred capital contributions (note 7)	-	-	205,128	205,128	220,985
<b>Total revenue</b>	<b>2,811,754</b>	<b>527,202</b>	<b>205,128</b>	<b>3,544,084</b>	<b>2,708,412</b>
<b>Expenses:</b>					
Patient services and quality of life	1,471,616	-	4,900	1,476,516	1,178,320
Volunteer program	14,916	-	-	14,916	22,298
Outreach and public awareness program	183,460	-	-	183,460	148,637
Administration (note 10)	423,861	16,626	-	440,487	404,853
Fundraising	235,193	-	-	235,193	325,899
Travel and meetings	34,065	-	-	34,065	28,674
<b>Total expenses</b>	<b>2,363,111</b>	<b>16,626</b>	<b>4,900</b>	<b>2,384,637</b>	<b>2,108,681</b>
Excess of revenue over expenses from operations before other items	448,643	510,576	200,228	1,159,447	599,731
Amortization	-	-	(383,034)	(383,034)	(376,197)
Loss on write-down of capital assets (note 5)	-	-	(4,055)	(4,055)	(18,471)
<b>Excess (deficiency) of revenue over expenses</b>	<b>\$ 448,643</b>	<b>\$ 510,576</b>	<b>\$ (186,861)</b>	<b>\$ 772,358</b>	<b>\$ 205,063</b>

See accompanying notes and schedules to financial statements.

# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

## Statement of Changes in Fund Balances

Year ended December 31, 2023, with comparative information for 2022

	General fund	Endowed and restricted funds (note 8)	Capital asset fund	2023	2022
Balance, beginning of year	\$ 780,897	\$ 5,469,978	\$ 937,629	\$ 7,188,504	\$ 6,311,391
Excess (deficiency) of revenue over expenses	448,643	510,576	(186,861)	772,358	205,063
Endowed funds contributions (note 8)	-	12,171	-	12,171	672,050
Interfund transfers (note 8)	(115,360)	115,360	-	-	-
Purchase of capital assets	(229,567)	-	229,567	-	-
<b>Balance, end of year</b>	<b>\$ 884,613</b>	<b>\$ 6,108,085</b>	<b>\$ 980,335</b>	<b>\$ 7,973,033</b>	<b>\$ 7,188,504</b>

See accompanying notes and schedules to financial statements.



# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

## Statement of Cash Flows

Year ended December 31, 2023, with comparative information for 2022

	2023	2022
Cash provided by (used in):		
Operating:		
Excess of revenue over expenses for the year	\$ 772,358	\$ 205,063
Adjustments for changes in non-cash items:		
Amortization of capital assets	383,034	376,197
Amortization of deferred capital contributions (note 7)	(200,228)	(213,486)
Loss on write down of capital assets (note 5)	4,055	18,471
Unrealized (gain) loss on fair value adjustment on investments (note 3)	(282,114)	370,458
Changes in non-cash operating working capital:		
Accounts receivable	(2,250)	11,260
GST receivable	625	(2,766)
Prepaid expenses	27,281	(27,516)
Accounts payable and accrued liabilities	(11,656)	13,463
Deferred revenue	641,878	2,694,098
Cash flows from operating activities	1,332,983	3,445,242
Financing:		
Endowed funds contributions	12,171	672,050
Investing:		
Redemption (purchase) of investments, net	3,162,305	(4,019,018)
Purchase of tangible capital assets, net of proceeds from disposal	(229,567)	(255,707)
Cash flows from investing activities	2,932,738	(4,274,725)
Increase (decrease) in cash and cash equivalents	4,277,892	(157,433)
Cash and cash equivalents, beginning of year	3,596,099	3,753,532
Cash and cash equivalents, end of year	\$ 7,873,991	\$ 3,596,099
Non-cash transactions:		
Contributed equipment recorded as deferred capital contributions received (note 7)	\$ 299,199	\$ 279,649

See accompanying notes and schedules to financial statements.

# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

Notes to Financial Statements

Year ended December 31, 2023

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## 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 cure ALS through funding research, while advocating for and supporting people living with ALS.

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 - *Accounting* and include the following significant accounting policies:

### (a) Basis of presentation:

These financial statements include the volunteer chapters located in Victoria and the North Central Island region (Schedules 1 and 2).

### (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 tangible 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.

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.

# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended December 31, 2023

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## 2. Significant accounting policies (continued):

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

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

The Endowed and Restricted Funds comprise of donations and investment income specifically designated by donors and the Board of Directors. Externally 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) Capital Asset Fund:

The Capital Asset Fund recognizes resources that the Society has invested in capital assets. The amortization of capital assets and deferred capital contributions are recorded in this Fund.

### (c) Contributed services:

The Society received 15,492 hours (2022 – 9,004 hours) from volunteers 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, short-term deposits, and money market funds which are highly liquid with original maturities of less than three months at the date of acquisition.

### (f) Tangible capital assets:

Tangible capital assets are recorded at cost less accumulated amortization. Contributed assets are recorded at fair value at the date of contribution. Amortization is calculated monthly using the declining balance method for all of the equipment at the below rates. Warehouse leasehold improvements are amortized on a straight-line basis over the lease term of eight years.

# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended December 31, 2023

## 2. Significant accounting policies (continued):

(f) Tangible capital assets (continued):

Asset	Rate
Assistive technology	20%
Bathroom equipment	10%
Beds and mattresses	20%
Miscellaneous equipment	20%
Patient lift equipment	20%
Wheelchairs and walkers	20% - 33%
Office equipment	20%
Warehouse equipment	20%

The Society reviews for impairment of its tangible capital assets whenever events or changes in circumstances indicate that the asset no longer has long-term service potential to the Society or that the value of future economic benefits or service potential associated with the asset is less than its carrying amount. If such conditions exist, an impairment loss is measured and recorded in the statement operations at the amount by which the carrying amount of the net asset exceeds its fair value or replacement cost.

(g) Measurement uncertainty:

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. 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 capital assets 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 10).

(i) Financial instruments:

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

# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended December 31, 2023

## 2. Significant accounting policies (continued):

### (i) Financial instruments (continued):

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, other than guaranteed investment certificates which are carried at amortized cost.

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:

The Society's investments are managed by an independent investment manager in accordance an Investment Policy Statement approved by the Board of Directors. The investments consist of the following:

	2023	2022
Guaranteed Investment Certificates ("GIC"), at amortized cost	\$ -	\$ 3,278,029
Jarislowsky Fraser Funds, at fair value:		
Global Balanced Fund	2,914,322	2,516,484
<b>Total Investments</b>	<b>\$ 2,914,322</b>	<b>\$ 5,794,513</b>

- (a) The Guaranteed Investment Certificates held within investments by the Society in the prior year had interest rates of 0.95% to 3.6% and maturing dates during the fiscal year. \$7,731,788 (2022 – \$2,951,905) of in cashable GICs are included within cash and cash equivalents with interest rates of 4.00% to 5.20% (2022 – 3.00% to 4.20%).

# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended December 31, 2023

### 3. Investments (continued):

Investment income (loss) consists of the following:

	2023	2022
Interest	\$ 422,123	\$ 247,651
Realized gain on investments	451	4,284
Unrealized gain (loss) on fair value adjustments on investments	282,114	(370,458)
	<b>\$ 704,688</b>	<b>\$ (118,523)</b>

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 restricted funds for specific purpose.

### 4. Tangible capital assets:

	2023		2022	
	Cost	Accumulated amortization	Net book value	Net book value
Patient equipment:				
Assistive technology	\$ 114,121	\$ 44,495	\$ 69,626	\$ 79,554
Bathroom equipment	170,403	10,808	159,595	157,643
Beds and mattresses	214,827	82,933	131,894	134,635
Miscellaneous equipment	216,230	48,124	168,106	115,198
Patient lift equipment	336,179	142,622	193,557	220,156
Wheelchairs and walkers	1,956,381	771,302	1,185,079	1,178,255
	<b>3,008,141</b>	<b>1,100,284</b>	<b>1,907,857</b>	<b>1,885,441</b>
Office equipment	73,886	34,233	39,653	46,662
Warehouse leasehold improvements	132,706	23,152	109,554	69,297
Warehouse equipment	73,917	23,313	50,604	61,912
	<b>\$ 3,288,650</b>	<b>\$ 1,180,982</b>	<b>\$ 2,107,668</b>	<b>\$ 2,063,312</b>

# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended December 31, 2023

## 5. Loss on write-down of tangible capital assets:

During the year, the Society reviewed its tangible capital assets for impairment. This review resulted in the retirement and write-down of significantly amortized, impaired, and obsolete assets with associated net book value of \$101,376 (2022 - \$142,969) and deferred capital contributions of \$97,321 (2022 - \$119,498). This resulted in a loss recorded to the statement of operations of \$4,055 (2022 - \$18,471).

	2023	2022
Capital assets written-off	\$ 398,881	\$ 620,991
Accumulated amortization	(297,505)	(478,022)
	101,376	142,969
Less:		
Deferred capital contributions related to impaired capital assets (note 7)	(97,321)	(119,498)
Sale proceeds from disposal of asset	-	(5,000)
Loss on write-down	\$ 4,055	\$ 18,471

## 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.

	PROJECT HOPE (note 8 (b)(vi))	BC Gaming Grant	Patient Services	Other	Total 2023	Total 2022
Balance, beginning of year	\$ 2,796,095	\$ -	\$ 306,295	\$ 86,707	\$ 3,189,097	\$ 494,999
Amounts received during the year and interest income	728,489	250,000	252,653	83,711	1,314,853	3,267,642
Amounts recognized as revenue in the year	-	(250,000)	(306,295)	(116,680)	(672,975)	(573,544)
Balance, end of year	\$ 3,524,584	\$ -	\$ 252,653	\$ 53,738	\$ 3,830,975	\$ 3,189,097

Included in the amounts received during the year for PROJECT HOPE is \$nil (2022 - \$2,000,000) funding received from the Province of British Columbia ("B.C.").

# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended December 31, 2023

## 7. Deferred capital contributions:

Deferred capital contributions represent donations of capital assets 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:

	2023	2022
Balance, beginning of year	\$ 1,125,683	\$ 1,179,018
Capital contributions received during the year	299,199	279,649
Amortization of capital contributions to revenue	(200,228)	(213,486)
Deferred capital contributions related to impaired capital assets (note 5)	(97,321)	(119,498)
Balance, end of year	\$ 1,127,333	\$ 1,125,683

Included in gifts-in-kind revenue in the statement of operations is \$200,228 (2022 - \$213,486) of amortized deferred capital contributions.

## 8. Endowed and other restricted 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 and with the Board approved Endowment Funds Terms of Reference which was amended on May 15, 2018. The Society ensures that all funds received with a restricted purpose are expended for the purposes for which they were provided.

Board approved contributions from the General Fund to Endowed and Restricted Funds and disbursements from Endowed and Restricted Funds are recorded as inter-fund transfers. Investment income allocated to the funds are shown net of fair value adjustments on investments held as at year end.

The Society's Board finance committee meets at a minimum of once per year with the Financial Manager, Jarislowsky Fraser, to review the spending rule and the performance of the funds.



# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended December 31, 2023

## 8. Endowed and other restricted funds (continued):

	Balance, January 1, 2023	Fund contributions/ withdrawals	Net inter-fund transfers	Net investment income	Balance, December 31, 2023
<b>Endowed funds managed under the Investment Policy Statement:</b>					
George & Verna Williams	\$ 598,564	\$ 5,500	\$ (90)	\$ 88,699	\$ 692,673
David Pendray Memorial	289,540	4,380	6,800	46,192	346,912
Pearmain Fund	252,817	-	(4,997)	38,902	286,722
Dr. Andrew and Kathleen Eisen	1,375,050	50	(196)	215,499	1,590,403
<b>Other Restricted Funds:</b>					
ALS Society of BC PROJECT					
HOPE Fund	67,707	-	(67,707)	-	-
Kamloops Fund	14,207	-	(3,056)	151	11,302
Victoria Fund	98,618	241	(74,920)	4,046	27,985
Cycle of Hope Lemonaid Education Fund	8,483	2,000	(3,974)	471	6,980
Operating Reserve Fund	2,764,992	-	263,500	116,616	3,145,108
	\$ 5,469,978	\$ 12,171	\$ 115,360	\$ 510,576	\$ 6,108,085

### (a) Endowed funds managed under the Investment Policy Statement:

The endowed funds of George & Verna Williams, David Pendray Memorial, Pearmain and Dr. Andrew and Kathleen Eisen are invested in a global balanced investment fund, managed by an independent, professional investment manager. The fund invests in a diversified portfolio of investments in accordance with the Investment Policy Statement.

The annual disbursement from the Endowed Funds is 4% of the average ending principal balance if the investment income earned over the preceding 36-months exceeds the required annual CPI plus 4% growth of the preceding 36-months. No payout can occur if the investment income earned does not exceed the required growth as stated in the Endowment Funds Terms of Reference.

(i) The George & Verna Williams Endowed Fund was created in 2003 to support caregivers of people living with ALS in British Columbia. 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 British Columbia Golf Museum. To add to his other contributions, Mr. Williams single handedly saved the British Columbia Open from sure demise in 1982. In 1988, George Williams was named a CPGA honorary director for his contributions.

# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended December 31, 2023

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## 8. Endowed and other restricted funds (continued):

(a) Endowed funds managed under the Investment Policy Statement (continued):

(i) (continued):

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.

(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, British Columbia. 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.

(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's 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's by establishing an Endowed Fund in their name.

(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.

# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended December 31, 2023

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## 8. Endowed and other restricted funds (continued):

(a) Endowed funds managed under the Investment Policy Statement (continued):

(iv) (continued):

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.

(b) Other Restricted Funds:

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

- (i) The Kamloops 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 British Columbia.
- (ii) The Victoria 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.
- (iii) The Cycle of Hope Lemonaid Education Fund was established by the Cycle of Hope Society. The purpose of the fund is to provide financial aid to British Columbia students who have a parent that is living with or has passed away from ALS.
- (iv) The objective of PROJECT HOPE is to establish an ALS Research Professorship at the University of British Columbia ("UBC") which will be held by a Clinician/Scientist to champion and run the program. The ALS Professorship will strive to create an optimal environment integrating research and clinical care. This is to be funded by an endowment investment of \$5.3 million. The endowed position will exist in perpetuity.

# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended December 31, 2023

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## 8. Endowed and other restricted funds (continued):

### (b) Other Restricted Funds (continued):

#### (iv) (continued):

In April 2021, the \$5.3 million goal was achieved. Of this, the Province of B.C. contributed \$3 million with the remaining \$2.3 million donated by British Columbians (note 6). Dr Erik Pioro was recruited by UBC and will start his professorship and will lead PROJECT HOPE on March 1, 2024 at the Djavad Mowafaghian Centre for Brain Health at UBC. In conjunction with this, the ALS Clinic currently at GF Strong Rehab Hospital is relocation the Centre for Brain Health.

On November 3, 2021, the Society signed a Memorandum of Understanding with UBC to raise an additional \$20 million to support ALS research through PROJECT HOPE.

During the year, the Society raised \$728,489 (2022- \$2,623,458) for research designated to PROJECT HOPE. All funds raised in British Columbia now remain in British Columbia. These funds are being held in deferred revenue until the clinician/scientist to champion PROJECT HOPE is recruited. The ALS Clinic is relocating to the Djavad Mowafaghian Centre for Brain Health in early 2024. Some funds will be expended to equip the clinic as per the PROJECT HOPE terms of reference.

### (c) Operating Reserve Fund:

The Operating Reserve Fund is intended to provide an internal source of funds for situations such one-time or unbudgeted expenses, unanticipated loss in funding, or other contingencies. The operating reserve may also be used for expenses that will build long-term capacity, such as staff development, research and development, or investment in infrastructure. The funds are managed under the Board approved Operating Reserve Policy which is implemented in concert with the other governance and financial policies of the Society and is intended to support the goals and strategies contained in these related policies and in strategic and operational plans.

### (d) 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.

#### (i) 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 \$2,776,963 (2022 - \$2,776,813). During the year, the Society received \$146,480 (2022 - \$100,496) of investment income earned from this fund. The market value of the fund at December 31, 2023 was \$3,008,981(2022 - \$3,006,479).

# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended December 31, 2023

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## 8. Endowed and other restricted funds (continued):

### (d) Externally Managed Endowment Funds (continued):

#### (ii) 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. During the year, the Society received \$1,082 (2022 - \$1,006) of investment income earned from this fund. The market value of the fund at December 31, 2023 was \$137,655 (2022 - \$128,647).

#### (iii) 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 \$311 (2022 - nil) of investment income earned from this fund. 100% of the distributions from this fund are for the benefit of the Society. The market value of the fund is \$8,153 (2022 - \$8,030).

## 9. Commitments:

### (a) Operating leases:

The Society is committed to annual operating lease payments related to its office and warehouse premises:

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2024	\$	73,840
2025		81,353
2026		82,440
2027		83,527
2028		83,527
Thereafter		141,943
	\$	546,630

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

The Society has entered into an agreement to contribute \$25,000 to CAYA until December 31, 2024. 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.

# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended December 31, 2023

## 10. Administration expenses:

	2023	2022
Bank charges and interest	\$ 17,967	\$ 15,286
Insurance	11,402	10,978
Office supplies and equipment	38,567	33,002
Postage	5,753	6,233
Professional fees	40,046	23,452
Rent	74,116	72,488
Telephone, internet and website	4,686	5,413
Strategic plan	-	8,624
Membership admin	20,205	11,300
Wages and benefits	227,745	218,077
	<b>\$ 440,487</b>	<b>\$ 404,853</b>

Wages and benefits are reported after an allocation of \$152,867 (2022 - \$147,235) to Patient Services representing estimated executive time spent supporting patient services.

## 11. Grants and corporate donations:

Grants and corporate donations are comprised of the following:

	2023	2022
BC Gaming	\$ 250,000	\$ 276,230
Donations:		
Corporate groups	140,404	95,742
Foundations	288,218	267,433
Clubs	42,144	30,983
	<b>470,766</b>	<b>394,158</b>
	<b>\$ 720,766</b>	<b>\$ 670,388</b>

## 12. Financial risks and concentration of risk:

### (a) Credit risk:

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

# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended December 31, 2023

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

### (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.

### (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.

There has been no change to the financial risk exposures from the prior year.

## 13. Disclosure of remuneration under the Societies Act (British Columbia):

The Societies Act of British Columbia requires disclosure of remuneration paid to all Board directors and to employees and contracts who are paid at least \$75,000 annually.

For the fiscal year ending December 31, 2023, the Society paid remuneration of \$283,812 to two employees (2022 - \$235,204 to two employees), each of whom received total annual remuneration of \$75,000 or greater.

No remuneration was paid to any members of the Board of Directors.

## 14. Comparative information:

Certain comparative information has been reclassified to provide presentation consistency.

# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

Statement of Operations - Victoria Chapter

Schedule 1

Year ended December 31, 2023, with comparative information for 2022

	2023	2022
<b>Revenue:</b>		
Victoria Move to Cure ALS	\$ 59,678	\$ 29,017
Donations - individual	500	-
General 3 <sup>rd</sup> party fundraising events	8,140	10,995
Grants/donations - Clubs	3,300	1,600
Grants/donations - Foundations	1,200	1,000
Memoriams and bequests	731	150
Interest on investment income	1,082	1,257
	<u>74,631</u>	<u>44,019</u>
<b>Expenses:</b>		
Bank charges and interest	98	101
Fundraising and special events	8,716	11,636
Office supplies and equipment	33	310
Patient services and support group	672	664
Rent and storage	2,317	2,188
	<u>11,836</u>	<u>14,899</u>
<b>Excess of revenue over expenses for the year</b>	<b>\$ 62,795</b>	<b>\$ 29,120</b>



# AMYOTROPHIC LATERAL SCLEROSIS SOCIETY OF BRITISH COLUMBIA

Statement of Operations - North Central Island Chapter

Schedule 2

Year ended December 31, 2023, with comparative information for 2022

	2023	2022
Revenue:		
Mid Island Move to Cure ALS	\$ 47,256	\$ 35,824
Grants/donations – Clubs	4,300	-
General Fundraising	5,000	-
	<u>56,556</u>	<u>37,338</u>
Expenses:		
Bank charges and interest	1	22
Fundraising and special events	5,102	9,159
Patient services and support group	-	264
	<u>5,103</u>	<u>9,445</u>
Excess of revenue over expenses for the year	<u>\$ 51,453</u>	<u>\$ 27,893</u>