# Lymphoma Coalition
## Financial Statements
*March 31, 2021*

## Independent Auditor's Report

To the Members of Lymphoma Coalition:

**Opinion**

We have audited the financial statements of Lymphoma Coalition (the "Organization"), which comprise the statement of financial position as at March 31, 2021, and the statements of operations and changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

**Basis for Opinion**

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 report. We are independent of the Organization 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 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 Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization'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 these 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 Organization'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 Organization’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 Organization 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.

We 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.

MNP LLP

Mississauga, Ontario | Chartered Professional Accountants

July 27, 2021 | Licensed Public Accountants

# Lymphoma Coalition
## Statement of Financial Position
*As at March 31, 2021*

| | **2021** | *2020* |
|---|---|---|
| **Assets** | | |
| **Current** | | |
| Cash | **1,864,170** | 1,914,555 |
| Accounts receivable | **155,434** | 80,330 |
| Prepaid expenses and deposits | **5,171** | 4,762 |
| | **2,024,775** | 1,999,647 |
| **Intangible asset** *(Note 3)* | **36,014** | - |
| | **2,060,789** | 1,999,647 |
| **Liabilities** | | |
| **Current** | | |
| Accounts payable and accrued liabilities | **61,362** | 76,709 |
| Deferred revenue | **50,070** | 94,720 |
| | **111,432** | 171,429 |
| **Net Assets** | **1,949,357** | 1,828,218 |
| | **2,060,789** | 1,999,647 |

**Approved on behalf of the Board**

susan thornton
**Director**

Rosmarie Pfau
**Director**

*The accompanying notes are an integral part of these financial statements*

# Lymphoma Coalition
## Statement of Operations and Changes in Net Assets
*For the year ended March 31, 2021*

| | **2021** | 2020 |
|---|---|---|
| **Revenue** | **1,204,827** | 1,849,174 |
| **Expenses** | | |
| Lymphoma eInformation Project | **239,876** | 340,567 |
| Programs | **191,554** | 308,188 |
| Members annual meeting | **165,185** | 170,473 |
| Finance | **165,144** | 155,151 |
| Lymphoma Coalition Europe | **136,425** | 325,756 |
| Website services | **56,689** | 41,624 |
| Operations | **55,817** | 56,939 |
| Knowledge Exchange | **53,467** | 69,939 |
| Alliances | **13,176** | 12,684 |
| Amortization of intangible asset | **6,355** | - |
| | **1,083,688** | 1,481,321 |
| **Excess of revenue over expenses** | **121,139** | 367,853 |
| **Net assets, beginning of year** | **1,828,218** | 1,460,365 |
| **Net assets, end of year** | **1,949,357** | 1,828,218 |

*The accompanying notes are an integral part of these financial statements*

## Statement of Cash Flows

*For the year ended March 31, 2021*

| | ***2021*** | *2020* |
|---|---|---|
| **Cash provided by (used for) the following activities** | | |
| **Operating** | | |
| Excess of revenue over expenses | **121,139** | 367,853 |
| Amortization of intangible asset | **6,355** | - |
| | **127,494** | 367,853 |
| Changes in working capital accounts | | |
| Accounts receivable | **(75,104)** | (71,066) |
| Prepaid expenses and deposits | **(409)** | 57,609 |
| Accounts payable and accrued liabilities | **(15,347)** | (11,770) |
| Deferred revenue | **(44,650)** | (119,088) |
| | **(8,016)** | 223,538 |
| **Investing** | | |
| Purchase of intangible asset | **(42,369)** | - |
| **(Decrease) increase in cash** | **(50,385)** | 223,538 |
| **Cash, beginning of year** | **1,914,555** | 1,691,017 |
| **Cash, end of year** | **1,864,170** | 1,914,555 |

*The accompanying notes are an integral part of these financial statements*

## 1. Incorporation and nature of the organization

Lymphoma Coalition (the "Organization") was incorporated on June 11, 2010, without share capital, by Letters Patent under the Canada Corporations Act and continued under the Canada Not-for-Profit Corporation Act effective January 8, 2015. The Organization is registered as a not-for-profit organization under the provisions of the Income Tax Act (Canada) and is not subject to income taxes.

The Organization's purpose is to create a level playing field of information around the world and to facilitate a community of lymphoma patient organisations to support one another's efforts in helping patients with lymphoma receive the care and support needed.

## 2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada and include the following significant accounting policies:

***Revenue recognition***

The Organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Unrestricted contributions are recognized as revenue in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Sponsorship revenue is recognized as revenue when the event occurs and the amount to be received can be reasonably estimated and collection is reasonably assured.

***Contributed services***

Contributed services are recognized both as contributions and expenses in the statement of operations when a fair value can be reasonably estimated and when the services are used in the normal course of the Organization's operations and would otherwise have been purchased.

Volunteers contribute time and services to assist the organization in achieving its mandate. Due to the difficulty in determining the fair value of these services, these contributions are not recognized in the financial statements.

***Financial instruments***

The Organization recognizes its financial instruments when the Organization becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management. Financial assets and liabilities originated and issued in all other related party transactions are initially measured at their carrying or exchange amount in accordance with Section 3840 *Related Party Transactions*.

At initial recognition, the Organization may irrevocably elect to subsequently measure any financial instrument at fair value. The Organization has not made such an election.

The Organization measures all of its financial instruments which consist of cash, accounts receivable and accounts payable and accrued liabilities at amortized cost.

The Organization recognized its transaction costs in net earnings in the period incurred except for financial instruments that will not be subsequently measured at fair value. The carrying amounts of these instruments are adjusted by the transaction costs that are directly attributable to their issuance.

## 2. Significant accounting policies *(Continued from previous page)*

**Financial asset impairment**

The Organization assesses impairment of all of its financial assets measured at cost or amortized cost. When there is an indication of impairment, the Organization determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year. If so, the Organization reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets; and the amount expected to be realized by exercising any rights to collateral held against those assets. Any impairment, which is not considered temporary, is included in current year statement of operations.

The Organization reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in the year the reversal occurs.

***Intangible asset***

Intangible assets comprise of web platform and software costs, and are recorded at cost less accumulated amortization. Amortization is provided using 30% declining balance method, which is intended to amortize the cost of the assets over their estimated useful lives.

***Use of estimates***

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations 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 revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful life of intangible assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues and expenses in the periods in which they become known.

***Foreign currency translation***

These financial statements have been presented in Canadian dollars, the principal currency of the Organization's operations.

Transaction amounts denominated in foreign currencies are translated into their Canadian dollar equivalents at exchange rates prevailing at the transaction dates. Carrying values of monetary assets and monetary liabilities reflect the exchange rates at the statement of financial position date. Gains and losses on translation or settlement are included in the determination of excess of revenue over expenses for the current period.

## 3. Intangible asset

| | ***2021*** | *2020* |
|---|---|---|
| Web platform | **42,369** | - |
| Less: accumulated amortization | **(6,355)** | - |
| | **36,014** | - |

## 4. Commitments

The Organization has entered into a lease agreement for premises. The lease contains future minimum lease payments with estimated minimum annual payments as follows:

| | |
|---|---|
| 2022 | 38,652 |
| 2023 | 42,048 |
| 2024 | 42,048 |
| 2025 | 42,048 |
| 2026 & Thereafter | 21,024 |
| | 185,820 |

## 5. Financial instruments

The Organization, as part of its operations, carries a number of financial instruments. It is management's opinion that the Organization is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

***Interest rate risk***

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk.

The Organization is exposed to interest rate cash flow risk related to earnings on excess cash balances.

***Foreign currency risk***

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Organization is exposed to foreign currency risk on cash, accounts receivable and accounts payable held in U.S. dollars, New Zealand dollars and Euro's. The Organization does not use derivative instruments to reduce its exposure to foreign currency risk. The Canadian dollar equivalent of balances held in foreign currency are as follows:

| | ***2021*** ***CAD$*** | *2020* *CAD$* |
|---|---|---|
| Cash - Euro | **416,278** | 455,013 |
| Accounts receivable - US Dollar | **-** | 24,827 |
| Accounts receivable - Euro | **155,434** | 55,502 |
| Accounts payable - Euro | **20,731** | 7,795 |
| Accounts payable - New Zealand Dollar | **11,089** | 10,538 |
| Total foreign currency | **603,532** | 553,675 |

***Credit concentration***

As at March 31, 2021, two customers (2020 - two customers) accounted for 100% (2020 - 100%) of accounts receivable. The Organization believes that there is no unusual exposure associated with the collection of these receivables. The Organization performs regular credit assessments of its customers and provides allowances for potentially uncollectible accounts receivable.

**6. Environmental risk**

In March 2020, there was a global outbreak of COVID-19 which has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Organization as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.