

BC Cancer Foundation Audited Financial Statements

For year ended March 31, 2014

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A Message from the BC Cancer Foundation Chairman of the Board and the President & CEO

To our Partners in Discovery,

The BC Cancer Agency is leading the world in new cancer research discoveries through a strategic investment in teams of brilliant researchers and clinicians, and the application of cutting edge technology.

This investment is yielding incredible results that bring international attention to research happening in B.C., expanding the global understanding of cancer and dramatically improving the lives of cancer patients.

This year, more than 115,000 donors partnered with the BC Cancer Foundation to raise \$36.3 million for innovative research and enhancements to patient care at the BC Cancer Agency.

This support will ensure that priority cancer research projects result in clinical advancements for people most in need. From lymphoid cancer and immunotherapy to rare and hard-to-treat cancers, the BC Cancer Agency is leading the world in groundbreaking research that improves the lives of British Columbians affected by cancer.

In November, our commitment to our donors was reaffirmed when the BC Cancer Foundation received accreditation from Imagine Canada's Standards Program for nonprofit organizations based on the strength of our governance processes, fundraising excellence and our financial accountability and transparency.

As our donors share their lives and stories with us, their losses and triumphs, they remind us daily of the importance of our cause.

Together we're changing how the world thinks about cancer. On behalf of everyone at the BC Cancer Foundation, thank you for advancing cancer research and care in British Columbia.

Thank you for being our partners in discovery.



Jess Ketchum
Board Chair



Douglas Nelson
President & CEO

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and the information contained in the report to donors are the responsibility of the management of the BC Cancer Foundation (the "Foundation").

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include, where appropriate, estimates based on the best judgment of management. Financial and operating data elsewhere in the report to donors is consistent with that contained in the accompanying financial statements.

As part of its responsibilities, the Foundation maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate, and that the Foundation's assets are appropriately accounted for and adequately safeguarded.

The Board of the Foundation carries out its responsibilities with regard to the financial statements mainly through its Finance and Audit Committee (the "Committee"). The Committee reviews the annual financial statements and other information contained in the report to donors and recommends them to the Board for approval. The Committee meets periodically with management and the external auditors. Following these meetings, the Committee meets privately with the auditors to ensure free and open discussion of any subject the Committee or the auditors wish to pursue. The Committee also recommends the engagement or re-appointment of the external auditors, reviews the scope of the audit and approves the fees of the external auditors for audit and non-audit services.

The financial statements, audited by KPMG LLP, have been approved by the Board, on the recommendation of the Audit Committee.

June 19, 2014



Douglas Nelson
President & CEO



Luigi Del Gobbo, CA
Vice President & CFO

Financial Statements of

BC CANCER FOUNDATION

Year ended March 31, 2014



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INDEPENDENT AUDITORS' REPORT

To the Members of BC Cancer Foundation

Report on the Financial Statements

We have audited the accompanying financial statements of BC Cancer Foundation, which comprise the statement of financial position as at March 31, 2014, the statements of operations, changes in net assets and cash flows for the year then ended, and notes, 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 an 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 audit opinion.



Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the BC Cancer Foundation as at March 31, 2014 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.

Report on Other Legal and Regulatory Requirements

As required by the Society Act (British Columbia), we report that, in our opinion, the accounting principles in the Canadian accounting standards for not-for-profit organizations have been applied on a consistent basis with that of the preceding year.

KPMG LLP

Chartered Accountants

June 4, 2014

Vancouver, Canada

BC CANCER FOUNDATION

Statement of Financial Position
(amounts in thousands of dollars)

March 31, 2014, with comparative information for 2013

	Unrestricted Fund	Restricted Fund	Endowment Fund	Total 2014	Total 2013
Assets					
Current assets:					
Cash and cash equivalents	\$ 1,252	\$ 28,928	\$ 186	\$ 30,366	\$ 33,580
Amounts receivable and prepaids (note 4)	192	247	-	439	857
	1,444	29,175	186	30,805	34,437
Investments (note 5)	207	27,171	47,624	75,002	65,393
Funds held at the Vancouver Foundation (note 6)	1,309	-	-	1,309	1,179
Other assets (note 7)	2,859	331	-	3,190	3,061
Capital assets (note 8)	85	-	-	85	101
	\$ 5,904	\$ 56,677	\$ 47,810	\$ 110,391	\$ 104,171

Liabilities and Net Assets

Current liabilities:

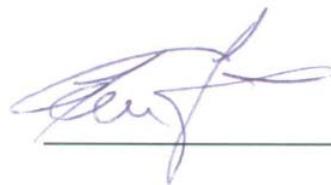
Accounts payable and accrued liabilities (note 9)	\$ 876	\$ 421	\$ 90	\$ 1,387	\$ 1,027
Accounts payable - BC Cancer Agency	24	2,715	-	2,739	3,157
	900	3,136	90	4,126	4,184
Interfund payable (receivable)	(2,191)	(1,027)	3,218	-	-
Net assets:					
Unrestricted fund	7,195	-	-	7,195	6,555
Restricted fund	-	54,568	-	54,568	56,131
Endowment fund	-	-	44,502	44,502	37,301
	7,195	54,568	44,502	106,265	99,987
	\$ 5,904	\$ 56,677	\$ 47,810	\$ 110,391	\$ 104,171

See accompanying notes to financial statements.

Approved on behalf of the Board:



Director



Director

BC CANCER FOUNDATION

Statement of Operations
(amounts in thousands of dollars)

Year ended March 31, 2014, with comparative information for 2013

	Unrestricted Fund	Restricted Fund	Endowment Fund	Total 2014	Total 2013
Revenue:					
Individual philanthropy	\$ 6,921	\$ 9,573	\$ 1,707	\$ 18,201	\$ 27,040
Charitable events (note 11)	4,977	8,096	-	13,073	13,390
Government grants (note 15)	-	-	-	-	13,950
Investment income (note 5)	1,527	-	2,168	3,695	2,240
Other income	41	1,309	-	1,350	1,366
Total revenues	13,466	18,978	3,875	36,319	57,986
Direct fundraising costs (note 12)					
	9,019	3,416	131	12,566	11,460
			-		
Net fundraising	4,447	15,562	3,744	23,753	46,526
General and administration expenses:					
Foundation Administration	2,767	-	-	2,767	2,677
Community Awareness & Public Engagement	1,406	-	-	1,406	1,566
	4,173	-	-	4,173	4,243
Excess of revenue over expenses before fair value adjustment on assets					
	274	15,562	3,744	19,580	42,283
Fair value adjustment on assets	150	(495)	4,721	4,376	2,519
Excess of revenue over expenses before support of research and other initiatives					
	424	15,067	8,465	23,956	44,802
Support provided to BC Cancer Agency	-	17,678	-	17,678	19,156
Excess of revenue over expenses	\$ 424	\$ (2,611)	\$ 8,465	\$ 6,278	\$ 25,646

See accompanying notes to financial statements.

BC CANCER FOUNDATION

Statement of Changes in Net Assets
(amounts in thousands of dollars)

Year ended March 31, 2014, with comparative information for 2013

	Unrestricted	Restricted	Endowment	Total	Total
	Fund	Fund	Fund	2014	2013
Balance, beginning of year	\$ 6,555	\$ 56,131	\$ 37,301	\$ 99,987	\$ 74,341
Excess of revenue over expenses	424	(2,611)	8,465	6,278	25,646
Interfund transfers	216	1,048	(1,264)	-	-
Balance, end of year	\$ 7,195	\$ 54,568	\$ 44,502	\$ 106,265	\$ 99,987

See accompanying notes to financial statements.

BC CANCER FOUNDATION

Statement of Cash Flows
(amounts in thousands of dollars)

Year ended March 31, 2014, with comparative information for 2013

	2014	2013
Cash provided from (used in):		
Operating:		
Excess of revenue over expenses	\$ 6,278	\$ 25,646
Items not involving cash:		
Gain on sale of investments	(45)	-
Amortization	30	35
Change in fair value of assets	(4,376)	(2,519)
Donated asset held-for-sale (note 7(a))	-	(1,500)
Accretion of other assets	(379)	(243)
Change in non-cash working capital:		
Amounts receivable and prepaids	418	(396)
Accounts payable and accrued liabilities	360	45
Accounts payable - BC Cancer Agency	(418)	(69)
	1,868	20,999
Investments:		
Purchase of investments	(6,134)	(30,620)
Proceeds from sale of investments	1,066	700
Proceeds from other assets	-	300
Purchase of capital assets	(14)	(9)
	(5,082)	(29,629)
Decrease in cash and cash equivalents	(3,214)	(8,630)
Cash and cash equivalents, beginning of year	33,580	42,210
Cash and cash equivalents, end of year	\$ 30,366	\$ 33,580

See accompanying notes to financial statements.

BC CANCER FOUNDATION

Notes to Financial Statements
(amounts in thousands of dollars)

Year ended March 31, 2014, with comparative information for 2013

1. Purpose of the Organization:

BC Cancer Foundation (the “Foundation”) is incorporated under the Society Act (British Columbia). The Foundation is an independent charitable organization that raises and stewards resources to support breakthrough research and enhancements to patient care through the British Columbia Cancer Agency Branch (the “Agency”), a branch society of the Provincial Health Services Authority (the “Authority”).

The Foundation is a charitable organization registered under the Income Tax Act (Canada) (the “Act”) and, as such, is exempt from income taxes and able to issue donation receipts for income tax purposes, under Registration Number 11881 8434 RR 0001. In order to maintain its status as a charitable organization registered under the Act, the Foundation must meet certain requirements within the Act. The Foundation and the Agency have “associated charity status” from Canada Revenue Agency.

2. Operations:

The Foundation is responsible for fundraising activities and supporting ongoing research for the Agency, which includes the BC Cancer Agency Research Centre, the Trev & Joyce Deeley Research Centre (at the BC Cancer Agency Vancouver Island) and the BC Cancer Agency’s Genome Sciences Centre, as well as clinical, translational and outcomes research at all six BC Cancer Agency Centre’s.

3. Significant accounting policies:

The financial statements of the Foundation have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

(a) Fund accounting:

In order to ensure observance of the limitations and restrictions placed on the use of resources available to the Foundation, the accounts of the Foundation are maintained in accordance with the principles of fund accounting following the restricted fund method of accounting. Accordingly, resources are classified for accounting and reporting purposes into funds. These funds are held in accordance with the objectives specified by the donors or in accordance with directives issued by the Board of Directors (the “Board”).

Transfers between the funds are made when it is considered appropriate and authorized by the Board. To meet these objectives of financial reporting and stewardship over assets, certain interfund transfers are necessary to ensure the appropriate allocation of assets and liabilities to the respective funds. These interfund transfers are recorded in the statement of changes in net assets.

BC CANCER FOUNDATION

Notes to Financial Statements (continued)
(amounts in thousands of dollars)

Year ended March 31, 2014, with comparative information for 2013

3. Significant accounting policies (continued):

(a) Fund accounting (continued):

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

(i) Unrestricted:

The Unrestricted Fund accounts for the Foundation's general fundraising and administrative activities. The Unrestricted Fund reports unrestricted resources available for immediate purposes. The Foundation's investments in capital assets are also included in the Unrestricted Fund.

(ii) Restricted:

The Restricted Fund includes those funds where resources are to be used for an identified purpose as specified by the donor, as stipulated by the fundraising appeal or as determined by the Board. These funds include those which are restricted for use in research, enhancements to patient care and other designated areas of the Foundation's support grant activities.

(iii) Endowment:

The Endowment Fund includes those funds where either donor or internal restrictions require that the principal be maintained by the Foundation on a permanent basis. A distribution of income earned is made annually on the recommendation of the Foundation's Board for spending purposes.

(b) Cash and cash equivalents:

Cash and cash equivalents consists of cash and highly liquid investments with terms to maturity of three months or less at the date of acquisition.

(c) Capital assets:

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution.

Amortization is recorded on a straight-line basis over the estimated useful lives of the asset as follows:

Asset	Period
Office furniture and equipment	5 years

BC CANCER FOUNDATION

Notes to Financial Statements (continued)
(amounts in thousands of dollars)

Year ended March 31, 2014, with comparative information for 2013

3. Significant accounting policies (continued):

(d) Revenue recognition:

Donations and bequests are recorded when received.

Endowment donations are recognized as revenue in the Endowment Fund. Other restricted donations are recognized as revenue of the Restricted Fund. Unrestricted donations are recognized as revenue of the Unrestricted Fund.

Investment income earned on the Endowment Fund is recognized as revenue of the Endowment Fund. Investment income earned on the Unrestricted and Restricted Funds is recognized as revenue of the Unrestricted Fund.

(e) Support provided to BC Cancer Agency:

Support provided to BC Cancer Agency is recognized when a legal obligation is created.

(f) Contributed goods and services:

Contributed assets, which are transferred to the Foundation, are recognized at their fair market value in the financial statements at the time of acceptance by the Foundation, if determinable.

Volunteers contribute a significant amount of time each year to assist the Foundation in carrying out its programs and services. Because of the difficulty of determining their fair value, contributed services are not recognized in these financial statements.

(g) Employee future benefits:

The employees of the Foundation are members of a multi-employer defined benefit plan and, accordingly, contributions are expensed as incurred.

(h) Allocation of expenses:

(i) Direct fundraising costs:

Direct fundraising costs include all third party fundraising program costs, event expenses and internal costs directly attributable to fundraising activities.

(ii) Foundation administration expenses and community awareness and public engagement expenses:

All expenses related to general management and administrative activities are expensed in the unrestricted fund in the period in which they are incurred. All expenses related to marketing and communication activities of the Foundation are expensed in the unrestricted fund in the period in which they are incurred as community awareness and public engagement expenses.

Foundation administrative and community awareness and public engagement expenses are not allocated to direct fundraising costs.

BC CANCER FOUNDATION

Notes to Financial Statements (continued)
(amounts in thousands of dollars)

Year ended March 31, 2014, with comparative information for 2013

3. Significant accounting policies (continued):

(i) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and 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 Foundation elected to carry all investments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the effective interest rate method.

Financial assets 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 Foundation 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 Foundation 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.

(j) 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 reported amounts of revenue and expenses during the reporting period. Significant areas requiring the use of management estimates include the valuation of assets held under other assets. Actual results could differ from those estimates.

4. Amounts receivable and prepaids:

	2014	2013
Amounts receivable	\$ 281	\$ 780
Prepaid expenses and deposits	158	77
	<u>\$ 439</u>	<u>\$ 857</u>

BC CANCER FOUNDATION

Notes to Financial Statements (continued)
(amounts in thousands of dollars)

Year ended March 31, 2014, with comparative information for 2013

5. Investments:

	2014	2013
Money market funds, measured at fair value	\$ 2,416	\$ 1,827
Fixed income investments, measured at fair value	40,947	39,250
Equity investments, measured at fair value	31,639	24,316
	<u>\$ 75,002</u>	<u>\$ 65,393</u>

Under the Foundation's Investment Policy the investments are managed on a discretionary basis by the appointed external investment manager. The asset allocations as at year end are as follows:

	2014	2013
Money market funds	3%	3%
Fixed income investments	55%	60%
Equity investments	42%	37%
	<u>100%</u>	<u>100%</u>

The total return on the Endowment Fund portfolio for the fiscal year ended March 31, 2014 was approximately 17.1% (2013 - 10.5%).

The total return on the Restricted Fund portfolio for the year ended March 31, 2014 was approximately 1.95% (2013 - 2.89%).

Investment income earned during the year is comprised of the following:

	2014	2013
Interest and dividends	\$ 3,650	\$ 2,087
Realized net capital gains	45	153
	<u>\$ 3,695</u>	<u>\$ 2,240</u>

The fair value adjustment on assets recorded on the statement of operations includes unrealized gain (loss) on investments.

BC CANCER FOUNDATION

Notes to Financial Statements (continued)
(amounts in thousands of dollars)

Year ended March 31, 2014, with comparative information for 2013

6. Funds held at the Vancouver Foundation:

One of the Foundation's funds is administered by the Vancouver Foundation. The Foundation receives the net income generated after deduction of administrative costs. The contributed capital in the fund amounted to \$1,162 at March 31, 2014 (2013 - \$1,162), of which \$747 was contributed by the Foundation and \$415 by the Vancouver Foundation. Under the terms of the agreement, the Foundation is entitled to withdraw its contributions and proportionate earnings, with the exception of \$10 initially contributed which was expensed in 1981. The fair value of the capital in the fund amounted to \$2,062 at March 31, 2014 (2013 - \$1,855); however only, \$1,309 (2013 - \$1,179) in fair value, relating to the amount of the fund contributed by the Foundation which can be withdrawn, is presented as an asset on the statement of financial position in the unrestricted fund.

7. Other assets:

	2014	2013
Donated assets held-for-sale (a)	\$ 1,250	\$ 1,500
Life insurance policies (b)	1,130	770
Loans receivable (c)	672	653
Charitable Remainder Trust	138	138
	\$ 3,190	\$ 3,061

- (a) Donated assets held-for-sale consist of a residential property which is recorded at the estimated fair value of \$1,250.
- (b) The Foundation is named beneficiary for various life insurance policies for which the respective donors have agreed to pay the life insurance premiums on behalf of the Foundation. These policies are irrevocable and are recorded at their estimated present value of the expected ultimate benefits as determined by management using a discounted cash flow approach and valuation assumptions, including mortality and discount rate. Any difference between the carrying value and actual cash received upon the realization of the policy is recognized as revenue and expense in the period of receipt.
- (c) Loans receivable is related to loans for properties currently occupied by senior scientists of the Agency. With the exception of a \$150 loan bearing interest at 4% per annum, the loans receivable are interest free and repayable over terms of maturity up to 5 years. The loans are initially recorded at their net present value and accreted to the ultimate loan repayment amount.

BC CANCER FOUNDATION

Notes to Financial Statements (continued)
(amounts in thousands of dollars)

Year ended March 31, 2014, with comparative information for 2013

8. Capital assets:

	Cost	Accumulated amortization	2014 Net book value	2013 Net book value
Office furniture and equipment	\$ 1,580	\$ 1,495	\$ 85	\$ 101

9. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are government remittances payable of \$72 (2013 - \$199), which includes amounts payable for payroll related taxes.

10. Credit facilities:

As at March 31, 2014, the Foundation has three credit facilities available with the HSBC Bank of Canada as follows:

- (i) an operating line of credit for \$1,000, bearing interest at HSBC's prime rate plus 0.5% per annum;
- (ii) a foreign exchange line of credit for \$413 to allow the Foundation to purchase forward exchange contracts up to an aggregate of USD \$1,500 with a maximum maturity of 12 months; and
- (iii) an electronic funds transfer facility of \$100.

No amounts were drawn on these facilities at March 31, 2014 (2013 - nil).

11. Charitable events:

	2014	2013
Charitable events revenue	\$ 13,073	\$ 13,390
Charitable event costs (note 12)	(5,590)	(5,396)
	\$ 7,483	\$ 7,994

Included in the above amounts are revenues of \$3,295 (2013 - \$3,767) and expenses of \$1,844 (2013 - \$1,813), which have been received and incurred associated with events being held subsequent to year end. The remaining revenues and expenses from these events will be recorded in the financial statements in the year ending March 31, 2015.

BC CANCER FOUNDATION

Notes to Financial Statements (continued)
(amounts in thousands of dollars)

Year ended March 31, 2014, with comparative information for 2013

12. Direct fundraising costs:

	2014	2013
Charitable event costs (note 11)	\$ 5,590	\$ 5,396
External fundraising costs	2,360	2,011
Internal direct fundraising costs	4,616	4,053
	<u>\$ 12,566</u>	<u>\$ 11,460</u>

13. Financial risks and concentration of credit risk:

(a) Liquidity risk:

Liquidity risk is the risk that the Foundation will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Foundation manages its liquidity risk by monitoring its operating requirements. The Foundation prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no change to the risk exposures from 2013.

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Foundation is exposed to credit risk with respect to the accounts receivable. The Foundation assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts. It is management's opinion that the Foundation is not exposed to significant credit risks. There has been no change to the risk exposures from 2013.

(c) Interest rate risk:

The Foundation is exposed to interest rate risk on its fixed and floating interest rate financial instruments. Fixed-rate instruments subject the Foundation to a fair value risk while the floating rate instruments subject it to a cash flow risk. The Foundation is exposed to this type of risk as a result of investments in bonds and money market funds. The risk associated with investments is managed through the Foundation's established Investment Policy.

It is management's opinion that the Foundation is not exposed to significant currency risks.

BC CANCER FOUNDATION

Notes to Financial Statements (continued)
(amounts in thousands of dollars)

Year ended March 31, 2014, with comparative information for 2013

14. Employee Pension Plan:

The Foundation and its employees contribute to the Municipal Pension Plan ("Plan"), a jointly trusteesd pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are based on a formula. The Plan has approximately 179,000 active members and approximately 71,000 retired members. Active members include approximately 64 employees of the Foundation.

The most recent actuarial valuation as at December 31, 2012 indicated a \$1,370 million funding deficit for basic pension benefits. The next valuation will be as at December 31, 2015 with results available in 2016. Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate with the result that there is no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the Plan.

The Foundation paid \$413 (2013 - \$351) for employer contributions to the Plan in fiscal 2014.

15. Affiliated organizations:

- (a) The Foundation receives certain administrative services from the Authority, primarily information technology support. Because of the difficulty in determining their fair value, these contributed services are not recognized in the financial statements.
- (b) The Foundation has established in Washington State, USA, a non profit corporation, Friends of the British Columbia Cancer Foundation, US ("Friends"), which is recognized as a charitable organization under section 501(c)(3) of the U.S. Internal Revenue Service code. Friends are able to provide written substantiation of gifts in order to allow donors to Friends to deduct their donations for U.S. federal income tax purposes. Donated funds raised by Friends are contributed to the Foundation. The Foundation does not account for Friends in these financial statements. As at March 31, 2014, Friends had no significant assets or liabilities.
- (c) Amounts owing to the Agency arise from unpaid grants as at year end and are non-interest bearing.

During the year, the Foundation received grants of \$23 (2013 - \$13,982) from the above affiliated organizations.

16. Related party transactions:

The Foundation from time to time receives donation contributions from its employees and board members which are recognized in accordance with the Foundation's accounting policies over donations and contributions.