GENOME BC 2009 | 10 ANNUAL REPORT

in 10 years we have changed...

Genome BritishColumbia

10 a decade of innovation

Dr. David Dolphin
Board Chair

CELEBRATING 10 YEARS OF INNOVATION

From our beginnings as a small but ambitious genomics research organization, Genome BC has kept its eye on what is truly important: bringing the benefits of genomics to British Columbians.

Ten years ago, we were just getting started. We were a fledgling group preparing for Genome Canada's first major funding competition for genomics research in Canada.

As it turns out, Genome BC scientists and researchers were very successful in that initial competition. Since then, I am happy to report, Genome BC has gone from success to success.

Ten years later, our research portfolio has topped $430 million and we are now poised to invest a further $340 million in the next five.

Besides essential support from Genome Canada, we've been awarded significant funding from the Province of British Columbia and Western Economic Diversification Canada. We've worked hard to leverage this funding with significant investments from other sources, both private and public. This additional investment has allowed us to begin developing our own applied and translational research programs, focused on solving problems specific to BC and attracting further investment to the province.

Ten years ago, our goal was to be a catalyst for a successful life sciences cluster in the province.

Ten years later, we've successfully brought together research organizations, industry, and government to deliver discovery, applied and translational research programs in a broad range of key sectors—human health, environment, agriculture, fisheries, forestry, bioenergy, and mining. Our researchers now collaborate with colleagues all over the world, from Norway to Chile to New Zealand. All told, the life sciences sector is thriving in BC.

Thanks to our world-class research collaborations, we've begun making in-roads in key areas: infection and immunity, adverse drug reactions, cancer, cardiovascular disease, organ failure, forest insects and pathogens, fisheries management, environmental bioremediation, and biofuels. At the same time, we are exploring the impacts of genome sciences research on society.

It's amazing to see how far we've come as an organization.

This year, after completing two terms, I'm stepping down as Board Chair, but I will continue to contribute as a member of Genome BC's Board. You can well imagine that it has taken a monumental team effort to get Genome BC to where it is today. I would like to sincerely thank our dedicated board members, management team, employees, and researchers for helping us achieve this incredible milestone.

I urge you to read this year's annual report and get a glimpse of Genome BC's first decade of impressive achievements. Because, as this special 10th anniversary-themed report suggests: In 10 years, we have dramatically changed life sciences in BC.

Dr. David Dolphin
Board Chair

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WE HAVE CHANGED...

from a life sciences research group into a world-class leader, bringing the social and economic benefits of genome sciences to BC, Canada and beyond.

At Genome BC, we've funded more than 30 collaborative health projects. Many are focused on developing new genomics-enabled diagnostic, prognostic and therapeutic tools—the foundation for personalized medicine. Tailored to the individual, genomic-based medical technologies will ensure that patients receive the right treatment at the right time, saving lives and contributing to the economic sustainability of the health care system.

WE HAVE CHANGED...

the future of personalized medicine.

Sixty-five research groups around the world are using genome-based tools generated by the Genome BC-funded GRASP and cGRASP projects to perform research on the health and management of the salmonid family. Ultimately, this research will contribute to sustainable production practices in BC fisheries and beyond.

WE HAVE CHANGED...

our approach to fisheries management.

We're working on ways to create clean and plentiful energy using new sources of cellulose, like the sunflower. Genomics can help develop wood-producing sunflower varieties that will deliver cost-effective, environmentally friendly biofuel—plus seeds for edible oil.

WE HAVE CHANGED...

the options for new sources of energy.

Changing weather patterns may signal the effects of climate change. Genome BC researchers are finding new, more effective ways to identify and assess potential environmental problems on land and water. Projects range from a decade long forest health research program to studies on how shellfish populations are changing in response to their environment.

WE HAVE CHANGED...

the way we monitor climate change.

Today, we are beginning to see the potential promise of genomics-based solutions. At Genome BC, we believe that the human context is an essential component of these solutions. We look at the big picture and integrate studies on the ethical, environmental, economic, legal and social issues into our research projects. As a result, Genome BC has become a recognized world leader on the social impact of genomics research.

WE HAVE CHANGED...

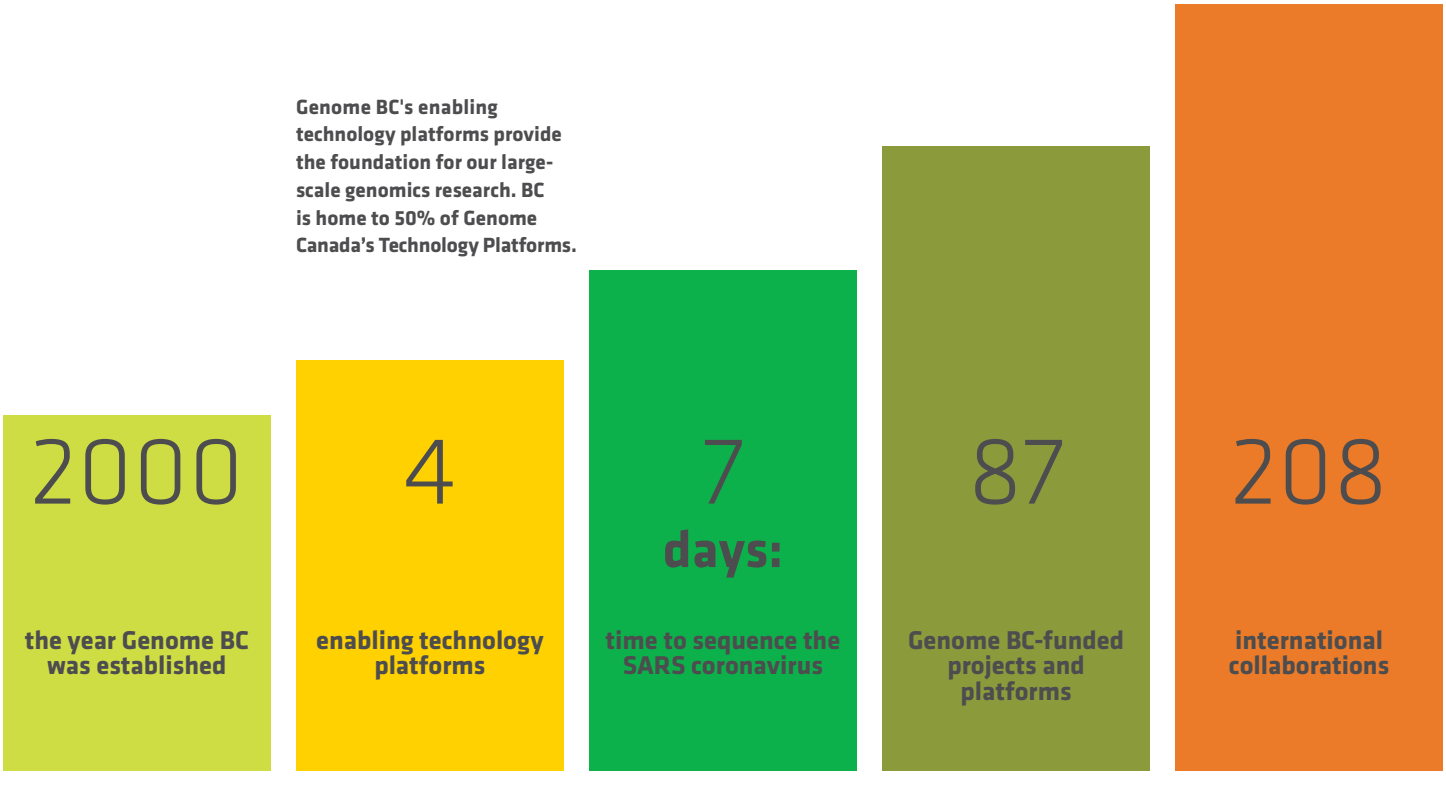
the way we view genomics.

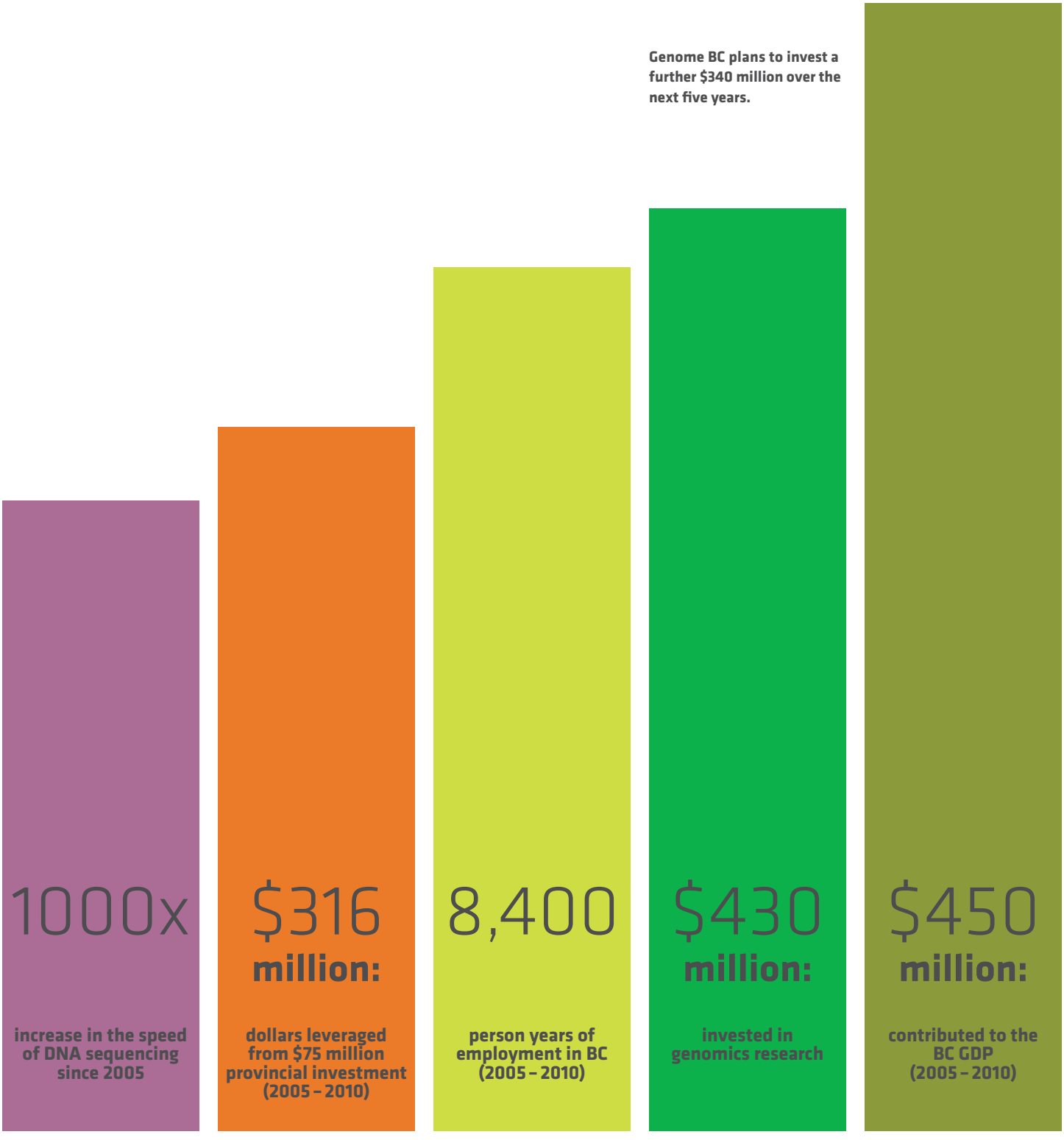
WE HAVE CHANGED...

the way we measure success.

In 10 years, our $430 million investment in genomics research has delivered breakthroughs that have the potential to revolutionize many aspects of our lives and provide solutions to global challenges. These 10 numbers represent just a few of the milestones, achievements and the economic impact of the work Genome BC has funded and managed since being founded.

Genome BC's enabling technology platforms provide the foundation for our large-scale genomics research. BC is home to 50% of Genome Canada's Technology Platforms.





Genome BC plans to invest a further $340 million over the next five years.

this is what 10 years of commitment looks like.

IT STARTS WITH THE RIGHT PEOPLE

At Genome BC, we invest in the best people. They are life's 'detectives'—people who devote their time to learning and asking questions about life's deepest mysteries.

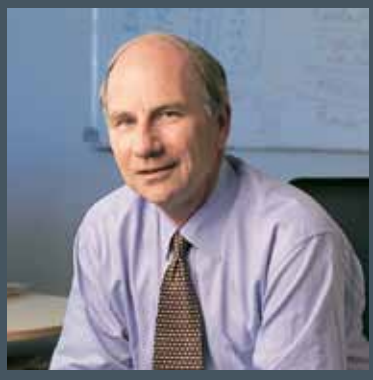
They understand that genomics is not an end, but a set of powerful tools for enabling discovery and innovation for the future. Tools that can be used to deliver critical benefits to British Columbians, Canadians, and other citizens of the world.

Their investigations are confronting some of the biggest challenges facing us today: ensuring the health of our growing and ageing population; ensuring the safety of our food supply and our waterways; ensuring we have sustainable energy sources; and ensuring the protection of our precious resources, such as our forests and fisheries, as they adapt to a changing climate.

Their research ranges far and wide, but it's their passion to solve problems that connects each and every one of them. Sequencing the Mountain Pine Beetle, the rice-sized bug now ravaging our forests, to bolster forest management practices. Using frogs to detect sub-lethal effects of dangerous chemicals released into waterways from municipal effluents. Understanding why bees, the pollinators of much of our food sources, are disappearing. And many more innovative research projects simply too numerous to mention.

To date, they have contributed to 636 peer-reviewed publications, 101 patent applications and 272 international scientific collaborations. They are the faces behind 879 full-time jobs and 943 trainee positions created in BC, a major contributor to BC's bio-economy. And these numbers continue to grow.

They are…scientists, researchers, technicians, administrators, engineers, and managers…and Genome BC's greatest strength.



Dr. Alan E. Winter
President and CEO

GENOMICS IS THE FUTURE

I joined Genome BC as President and CEO nine years ago because I was convinced genomics was the future and that an organization like Genome BC could be a prime moving force in making the promise of genomics a reality. Like solid-state physics in the 20th century, which provided the basis for so many things we now take for granted—automobiles, airplanes, computers, the Internet—genomics is profoundly changing the world in the 21st.

What makes genomics so promising is that so many of the world's 'big' challenges—finding sustainable sources of energy, adapting to climate change, protecting our food supply, and keeping our population healthy—can be addressed with the help of molecular biology, the foundation of genomics.

During our first 10 years, Genome BC strategically established a strong foundation of enabling technologies and genomics-based research, targeting sectors of importance to BC. Our scientific teams are now collaborating with colleagues around the world.

We're thrilled to be launching our third, five-year strategic plan. While discovery science will continue to be a cornerstone, this new strategy represents a fundamental shift towards applications-driven research.

We will be seeking new industry partnerships, along with private and venture capital, to help us develop genomics-based applications to benefit British Columbians. A closer interface with end-users in key sectors—human health, agriculture, environment, forestry, fisheries, mining and bioenergy—will ensure their priorities are addressed through solutions-oriented research. We will also expand our focus to include industrial applications, such as biomanufacturing using non-toxic chemicals and microbial enzymes.

It has been an absolute privilege to help steer Genome BC for the past nine years of its decade long existence—with the help of a superb board of directors, management team, and staff—and to witness its growth and success firsthand.

On a personal note, I would like to thank Dr. David Dolphin for his leadership, wisdom and guidance over the past four years as Board Chair—Genome BC is stronger as a result!

Dr. Alan E. Winter
President and CEO

Dr. Pierre Meulien
Chief Scientific Officer

BUILDING CAPACITY FOR THE PROVINCE

When Genome BC was launched 10 years ago, the sequencing of the first single human genome was soon to be announced, at a total cost of about $3 billion. A single decade has passed and the sequencing now costs a few thousand dollars. It won't be long before it will cost only a few hundred.

This is a monumental technological achievement, one that will impact each and every one of us. We can now imagine a day when we'll each have access to our own personal genotype— to predict which medicines work better for us, which diseases we might be susceptible to, and which foods we would most benefit from.

The entire field of genomics is driven by this sort of rapid technological change. This is why genomics simply cannot be done without the proper 'capacity': a combination of highly skilled expertise and highly advanced facilities.

Genome BC has spent the past decade helping to build world-class capacity for the Province. We now have a solid base of cutting-edge enabling technologies: four powerhouse enabling technology platforms constantly pushing the envelope to embrace what's coming next. It's this capacity that allows us to tackle such a broad range of research which extends well beyond human health to other sectors vital to BC.

It's also allowing us to begin facilitating the translation of genome sciences research into practical applications in areas of strategic importance to the province, such as personalized medicine tests to prevent adverse drug reactions and predict which cancer treatment will work best for individuals; improved environmental remediation in the mining sector; optimized industrial enzymes to convert wood to ethanol; new tools to monitor both wild finfish management and finfish and shellfish aquaculture operations; the list goes on...

I invite you to keep reading to hear about how we've used our capacity to make a positive impact—an impact on how genomics research is conducted; an impact on the future of forestry, fisheries and mining in the Province; and an impact on people's lives.

Welcome to the next decade of innovative genomics research in BC.

Dr. Pierre Meulien
Chief Scientific Officer

WE HAVE CHANGED
lives.

Fast-tracking vaccine development. Identifying susceptibility to diseases like cancer, heart disease and diabetes. Combating infectious diseases.

Advances in genomics in the last decade have given us the tools to better understand diseases at the molecular level. Genomics-based medical technologies can be tailored to the individual, ensuring patients receive the right treatment at the right time—the foundation for personalized medicine and an evidence-based medical practice. And these technologies can help pinpoint who is most at risk for certain diseases.

At Genome BC, we've funded more than 30 collaborative health projects tackling an array of health care challenges. Many of these programs are focused on developing new ways to diagnose disease, new ways to provide a more definite prognosis, and new therapies for health care delivery.

We're now beginning to translate many of these promising applications into practice.

THE WAY WE DIAGNOSE CANCER

Genomics is fundamentally shifting the way scientists think about cancer.

Right from the beginning, Genome BC made a significant investment in cancer genomics research, with the goal of developing new 'tailored' personalized medical treatments to improve cancer patient outcomes.

One Genome BC-supported team delved into a deeper understanding about Follicular Lymphoma (FL), a cancer of the immune systems cells. The team discovered several new genomic aberrations in FL and mutations in other key genes. Some of these are already showing strong promise as predictors of disease outcome, which may help guide clinical decision making and benefit FL cancer patients.

Another team is applying the newest and most cutting-edge sequencing technology available in BC to develop a strategy for rapidly identifying mutations in hereditary cancers—breast, ovarian, colorectal—with the goal of developing new therapeutic strategies.

Currently, sequencing a cancer patient's genome takes up to one year. The team's goal is to reduce that time to one month, a critical time reduction that will help clinicians detect these cancers at an earlier stage—which will have a positive impact on long-term survival.

As genomics and proteomics become more sophisticated and knowledge of tumour biology becomes more advanced, Genome BC-funded researchers are beginning to find answers. This knowledge is already leading to new strategies for studying cancer and new interventions to help save lives.

In late 2008, as a direct outcome of this ADR project, a worldwide warning was issued about the serious side effect to nursing infants whose mothers take codeine.

THE OUTLOOK FOR TRANSPLANT PATIENTS

A simple test that's been years in the making will make a huge impact in the lives of transplant patients.

A collaborative team of Genome BC-funded researchers has been developing a simple blood test which would identify organ transplant patients who are rejecting their transplanted organ. Right now, if a patient's transplanted organ is suspected of failing, doctors must perform multiple biopsies: tiny shears are inserted into a vein near the patient's neck and threaded through blood vessels to the transplanted organ, a piece of which is then clipped off for evaluation under a microscope.

Such procedures are not only painfully invasive for the patient, as well as costly and time consuming for the health care system, they're sometimes inconclusive.

To halt a suspected organ rejection, patients are also prescribed powerful drugs to suppress their immune systems. Although often organ-saving, these drugs can provoke infection, cancer, diabetes, heart disease and even kidney failure.

The new genomics-based diagnostic blood test aims to diagnose organ rejection before or when it happens, allowing doctors to intervene much earlier and to personalize the patient's immunosuppressive therapy. It will help eliminate the need for expensive, painful post-surgery biopsies, allowing evidence-based treatment to positively impact patient quality of care.

The team's dream of a new test is now one step closer to reality: they're now in the process of validating the test, in preparation for Health Canada and US Food and Drug Administration approval processes.

PRODUCT LABELLING TO SAVE LIVES

It was a bitter pill to swallow, but it will save thousands of newborn babies every year.

For the past six years, a Genome BC-funded team has been monitoring adverse drug reactions (ADRs) in children. Such reactions cause trips to emergency wards, extended hospital stays, and even death for thousands of infants each year. These ADRs also cost the Canadian health care system millions of dollars annually.

After developing a hospital-based surveillance network across Canada, the research team identified a gene capable of transforming codeine into morphine. Tragically, a mother who was prescribed a routine combination of acetaminophen with codeine after childbirth unknowingly produced toxic breast milk, killing her 13-day old baby boy. As an 'ultra-rapid metabolizer' of codeine, this nursing mother changed codeine to morphine more rapidly and completely than other people. The team believes the reaction may currently be mistaken for sudden infant death syndrome (SIDS), and estimates over 1,800 newborns may be at risk each year in Canada.

In late 2008, as a direct outcome of this ADR project, a worldwide warning was issued about the serious side effect to nursing infants whose mothers take codeine.

The team has also identified genes implicated in deafness and heart muscle damage induced by paediatric chemotherapy drugs. They're now refining the identity of genetic factors that contribute to all three ADRs. Once these factors are identified, a clinical study will be conducted to evaluate diagnostic tools for predicting ADR risk.

This team's dedicated research will save the lives of countless children across the world every year.

WE HAVE CHANGED

the way we work.

When Genome BC first started, our founders wanted to support research a little differently.

We implemented a 'co-funding' investment model, a unique approach that allows us to significantly leverage our funding to make more of an impact. To date, our projects have attracted over 200 national and international groups to co-fund the research, including major research institutions, multinational pharmaceutical, biotechnology and equipment companies, and philanthropic organizations such as the Bill and Melinda Gates Foundation.

To ensure our research is applied in useful ways that benefit the people of BC, we've begun shifting to a 'portfolio' management model—sector-specific investments to guide the projects we fund towards useful applications.

We're working hard to develop closer relationships with end-users from economic sectors important to the Province, so we know which problems are most pressing. And we're exploring the societal aspects of our research programs, by working more closely with communities who might be impacted by a genomics-based application developed by our funded researchers.

To help translate our research knowledge into practice, we've also started working with industry decision makers and government regulators and, in the health sector, physicians, medical students and administrators, about the benefits genomics can bring.

We believe it's a winning formula.

THE WAY WE FUND RESEARCH

Our unique co-funding approach has enabled us to *quadruple* provincial government contributions and continue to attract world-class researchers and international partners.

This funding model has evolved since our first plan. From 2001 – 2005, the model comprised 50% federal government and 50% provincial government contributions.

From 2005 – 2010, we successfully implemented a funding model of 25% provincial and 50% federal contributions. The remaining 25% – $75M – was raised in collaboration with Genome BC-funded researchers through national and international partners.

Through our co-funding approach, we have been able to leverage the $75M provincial investment to create over $316M in valuable and innovative research programs.

The Vancouver Board of Trade has also estimated that the $75M provincial investment resulted directly in 8,400 person years of employment, a $450M contribution to provincial GDP, and provincial tax revenues of $54M. The scientific results of our research projects are estimated to generate an equal or greater return beyond 2010.

Known for pushing the limits of technology, the Genome BC-funded Michael Smith Genome Sciences Centre is always among the first access sites for the most advanced sequencing technology, and among the first to apply the new technology to research projects.

THE WAY WE COLLABORATE

A collaborative approach contributes to some of the highest impact research at Genome BC.

For the past 10 years, Genome BC has worked with the world's leading institutions to harness the potential of genomics. Our shared aim is to develop user-driven applications that help solve global challenges in many sectors, ranging from new techniques for biofuel development to new tools for combating infectious diseases.

For instance, working with international partners in California, Germany, Sweden and the UK, Genome BC's forestry genomics team has created tools for identifying genetic traits linked to environmental adaptability and pest resistance—critical information that's helping the forest industry cope with climate change.

With more than 7.4 million hectares planted in vineyards, the grapevine is the most economically important fruit species worldwide. A unique international wine genomics R&D program is bringing together experts from three "New World" wine-producing countries: Canada, New Zealand, and the US. Building on knowledge gained from a previous collaboration between Genome BC and Genoma España, this applied research project aims to improve winemaking processes and wine quality, benefits that we can all raise a glass to.

To help protect our precious fisheries resource, an international collaboration with Chile and Norway is now underway to coordinate the sequencing of the complete Atlantic salmon genome. Building on a decade of Genome BC fisheries research, the new knowledge will support fisheries management decisions and the long-term sustainability of aquaculture in BC and beyond.

Genome BC simply can't undertake this kind of large-scale genomics research on its own. However, when global partners come together with a common purpose, sharing their skills, capacity and know-how, there's no telling what we can collectively accomplish.

HOW WE DO GENOMICS

The way genomes are sequenced is improving at such a rapid pace—it's now outstripping advances made in the IT industry. The speed of DNA sequencing—used to sequence the first human genome, and model organism genomes like the fruit fly, the nematode worm, the mouse and the rat—has increased *1000-fold* since 2005.

Thanks to this exponential progress, genomics researchers can now answer scientific questions previously out of reach because existing technology was too costly and time consuming to use.

Known for pushing the limits of technology, the Genome BC-funded Michael Smith Genome Sciences Centre at the BC Cancer Agency (GSC) is always among the first access sites for the most advanced sequencing technology, and among the first to apply new technologies to research projects. The team uses the world's fastest machines for genetic analysis and functional genomics—so fast they've been described as a 'disruptive' technology—which employ an entirely new method to sequence DNA that's faster and cheaper than ever before.

The new sequencing technology is making new kinds of research possible. For instance, in cancer genomics, these new machines can screen all of the genes expressed in a single tumour—something that was impossible before. It's now paving the way for scientists to screen hundreds of tumours to find common mutations that could be targets for new drugs, diagnostics and vaccines.

Along with the GSC, Genome BC supports many more enabling technologies to benefit human health and other sectors, including highly specialized machines capable of analyzing thousands of proteins at a time ('proteomics'), technologies that can simultaneously analyze thousands of cell metabolites with high resolution ('metabolomics'), and new methodologies for analyzing and imaging cell functionality in a variety of environments ('cellomics').

These new technology advances are transforming the life sciences in BC.

WE HAVE CHANGED

the provincial outlook.

BC is benefiting from a new engine of innovation: the life sciences sector. As a strong catalyst for genomics in BC, Genome BC has played a key role in making this happen.

Genome BC has won over 25% of all federal funding through Genome Canada competitions. Our projects operate across the Province, including at five universities and four teaching hospitals. Together with our provincial partners, we're harnessing the potential of genomics by focussing on user-driven applications that will impact key economic sectors in BC—human health, agriculture, environment, fisheries, forestry, bioenergy and mining.

Genomics investment in BC is helping to change the provincial outlook. It's enabling us to attract new investment to the Province, recruit new talent—a reverse 'brain-drain' effect—and advance life sciences research for the benefit of British Columbians.

THE WAY WE CONSERVE OUR FORESTS

The climate is changing, and it's having an impact on our forestry industry.

For the past decade, Genome BC has made a substantial investment in forestry genomics, seeding a strong 'sector franchise'. Several of these large-scale Genome BC projects are devoted to improving the health and sustainability of conifers—economically and ecologically important trees such as spruce, pine and poplar.

The research has given us a much better understanding of how conifers are interacting with their changing environments, particularly their defence and resistance against pests like the Spruce Weevil and the Mountain Pine Beetle. It has also explored how trees contribute to carbon sequestration, an important element in the mitigation of climate change.

Genome BC-funded scientists are now working with colleagues from different parts of the world to pinpoint genetic markers associated with desirable traits such as insect resistance, tolerance to various environmental stressors, and wood formation. From this research, the team is developing evidence-based genomics tools for early detection and control of pests and diseases, enabling more vigilant conservation and improved forest management.

If managed responsibly, some of BC's forests could also become a sustainable source of biomass to produce biofuels. A Genome BC-funded project is developing genomics tools for forecasting biomass supply. This international-scale research will form the basis of improved environmental risk assessment tools—tools which will help predict available sources of feedstock so investments in bioenergy are made in the right place and at the right time.

Improving risk management tools and mitigation strategies will not only help the forestry industry cope with climate change, it will help ensure a healthy and profitable industry.

A Genome BC project is analyzing how complex microbial communities work together in the bioremediation of mining wastewater.

THE WAY WE MANAGE OUR FISHERIES

BC's total annual salmon harvest is valued at hundreds of millions of dollars—from both commercial capture and aquaculture fisheries. To help protect our precious fisheries resource, Genome BC has made a substantial, decade long investment in fisheries genomics.

A Genome BC-supported international salmon genomics consortium has spent the last several years developing a set of evidence-based genomic resources for salmonids, which also include trout and charr. These tools are helping industry, government, academia and environmental conservationists confront challenges ranging from amoebic gill disease in Australia to municipal waste monitoring in Europe and Canada.

Considered the gold standard by the international research community, this 'sector franchise' in fisheries has spawned several new projects.

As part of a recent initiative, scientists from Canada, Chile and Norway are collaborating on a project that will lead to the sequencing of the Atlantic salmon genome. Other research teams are developing a tool for predicting how well salmon adapt to changing environmental conditions as they migrate, and using genomics to understand and combat sea lice.

The research now includes projects on mussels and sablefish. To enable better decision making, a Genome BC-funded research team has initiated a pilot project to develop genomic resources for understanding sablefish—both as a new aquaculture species as well as a valuable, existing natural fishery. The team is developing basic genomics resources to enable identification, conservation and management of wild stocks and broodstock selection in aquaculture.

Our ultimate goal is to encourage sustainable production practices in an industry BC depends on.

THE WAY WE CLEAN UP MINING SITES

Nobody wants toxic compounds from mining operations to flow into our waterways. To combat this, mining companies use chemicals to treat metal leaching and acid rock drainage. But these treatments are expensive and produce their own waste, which must be carefully contained for years to come.

As an alternative, some mining companies have started using bioremediation techniques to naturally decontaminate mining wastewater. This technique uses microbes, which 'digest' the toxic compounds and 'detoxify' the contaminated water.

Although extremely promising, bioremediation is still in its infancy. Not enough is known about how these toxin digesting microbes work, or how to make them work better.

A Genome BC project is analyzing how complex microbial communities work together in the bioremediation of mining wastewater. The research team—genomics scientists, mining experts and environmental remediation specialists—is tracking existing populations of micro-organisms, over time and in changing environmental conditions, to monitor the effect on the microbial community's composition.

The team is marshalling a new field of genomics, called 'metagenomics.' A field in which Genome BC has made significant technology investments, metagenomics enables the study of genetic material recovered directly from environmental samples to understand communities of microorganisms, and how to optimize them for use in specific industries.

Harnessing naturally occurring biological processes will not only save the mining industry time and money, it will help keep our environment clean.

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YEAR IN REVIEW HIGHLIGHTS


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APRIL 2009
The 7th Annual Genomics Forum featured keynote speaker Dr. Fergus Shanahan from University College Cork, National University of Ireland **[1]**.

Dr. Ben Koop and Dr. Willie Davidson received the Genome BC Award for Scientific Excellence at the LifeSciences BC Awards **[2]**.

The Honourable Gary Goodyear, Minister of State (Science and Technology) announced 12 new genomics and proteomics research projects funded through Genome Canada's Applied Genomics Research in Bioproducts and Crops (ABC) Competition. Three of these projects are managed by Genome BC **[3]**.

MAY 2009
Genome BC and the PROOF Centre of Excellence launched the second phase of the Biomarkers in Transplantation project **[4]**.

Natalie Dakers, co-founder and CEO of the Centre for Drug Research and Development and Genome BC Board member, received the BIOTECanada Industry Leadership Gold Leaf Award.

JUNE 2009
Ten BC-based research teams were awarded over $2.7 million through the Science Opportunities Fund.

At the AGM, Dr. Don Rix warmly thanked Bruce Schmidt, one of Genome BC's founding Directors, for his contributions **[5]**.

Dr. Ian de la Roche was appointed to the Genome BC Board of Directors.

A new joint fund between Genome BC and the Centre for Drug Research and Development was announced to offer BC researchers another avenue to move promising research along the commercialization path **[6]**.

WED announced over $620K in federal support for the University of Victoria-Genome BC Proteomics Centre.

AUGUST 2009
Dr. Michael Hayden and Dr. Robert Hancock received the Order of British Columbia.

Dr. Jack Saddler announced his $1.1 million project, *Optimizing Ethanol Fermination from Mountain Pine Beetle Killed Lodgepole Pine*. Dr. Carl Douglas and Dr. Shawn Mansfield announced their $7.7 million project, *Optimized Populus Feedstocks and Novel Enzyme Systems for a BC Bioenergy Sector* at the IEA Bioenergy Conference **[7]**.
PHOTO BY DAVID NIDDRIE

SEPTEMBER 2009
Dr. Hennie van Vuuren and Dr. Steven Lund announced their $3.4 million project *Grape and Wine Genomics* at the UBC Wine Research Centre's 10th Anniversary celebration **[8]**.
PHOTO BY MARTIN DEE

Dr. Paul Goldberg and Dr. Simon Pimstone of Xenon Pharmaceuticals announced their Genome BC-funded $7.5 million project, *Enabling Studies for a DMT1 Inhibitor—A Novel Therapeutic Approach for Treatment of Iron Overload Disorders*.

OCTOBER 2009
Minister Moira Stillwell opened the GEEE! in Genome exhibition at TELUS World of Science **[9]**.

DECEMBER 2009
Genome BC, along with partners from Chile and Norway, announced the International Cooperation to Sequence the Atlantic Salmon Genome.

JANUARY 2010
Genomics of Sunflower, a research project led by Dr. Loren Rieseberg, was announced at the Plant and Animal Genome Conference in San Diego **[10]**.

The Genome BC Winter Symposium hosted keynote speaker Dr. Ron King from *BioAccel*, USA.

The BC Centre for Disease Control, with funding from Genome BC, launched an influenza genome sequencing project to better understand how the pandemic H1N1 flu virus has evolved in British Columbia.

MARCH 2010
Genome BC and the BC Clinical Genomics Network launched a new film competition *Gene Screen BC*.


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PUBLIC OUTREACH HIGHLIGHTS

Genome BC is committed to providing curious minds with unbiased and up-to-date information about the rapidly changing field of genomics; its relevance to society, the benefits and risks of genomics research, and the impact it's having on our health, our environment, our food supply and our energy sources.

To meet this commitment, Genome BC's outreach and education programs travel to communities small and large throughout the Province to engage with high school students, their parents and their science teachers.

A big highlight of this past year was the return of the GEEE! in Genome exhibition at TELUS World of Science. From October 2009 to January 2010 more than 115,000 visitors interacted with this innovative and highly engaging exhibition. Students were provided with the opportunity to learn about topics ranging from DNA and the human genome to GMOs and the impact of genomics on society, agriculture, the environment and human health **[1–5]**.

Over the past year, the Geneskool program visited all regions of BC, bringing genomics education to more than 2000 students in 12 communities including: Nanaimo, Nelson, Mackenzie, Kamloops, McBride, Fort Nelson, Quesnel, Fraser Lake, Fort St. James, Chetwynd, Prince George and Vancouver **[6]**.

Our education program participated in community science days in Castlegar, Chemainus, Abbotsford, Terrace, Kelowna, Invermere, Campbell River, Richmond and Vancouver. We also provided teacher training workshops to 53 BC teachers during the "Aiming for Excellence" conference in Dawson Creek.

FINANCIAL REPORT

AUDITORS' REPORT

To the Directors

We have audited the statement of financial position of Genome British Columbia (the "Corporation") as at March 31, 2010 and the statements of operations, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Corporation's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

KPMG LLP

Chartered Accountants
Vancouver, Canada
May 17, 2010

STATEMENT OF FINANCIAL POSITION *(Expressed In Canadian Dollars)*

March 31, 2010 and 2009		**2010**		2009
Assets				
Current assets:				
Cash	**$**	**1,471,580**	$	2,572,516
Short-term investments (note 3)		**94,827,804**		106,672,306
Funding receivable		**349,078**		1,083,472
Other receivables (note 4)		**31,319**		41,624
Project advances		**3,079,474**		2,759,460
Prepaid expenses		**126,086**		110,714
		99,885,341		113,240,092
Loan receivable (note 5)		**186,916**		174,688
Capital assets (note 6)		**2,163,610**		3,400,927
Other long-term asset (note 7)		**162,807**		134,701
	$	**102,398,674**	$	116,950,408
Liabilities and Net Assets				
Current liabilities:				
Accounts payable and accrued liabilities (note 8)	**$**	**2,939,220**	$	3,264,496
Deferred lease inducement		**18,075**		54,226
Deferred contributions:				
Future expenses (note 9)		**97,277,769**		110,230,759
Capital assets (note 10)		**2,163,610**		3,400,927
	$	**102,398,674**	$	116,950,408

Commitments (note 12)
See accompanying notes to financial statements.
Approved on behalf of the Board:

Dr. Alan Pelman
Director

Mr. Frank Holler
Director

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS *(Expressed In Canadian Dollars)*

Years ended March 31, 2010 and 2009		**2010**		2009
Revenues:				
Amortization of deferred contributions related to future expenses (note 9)	**$**	**29,875,227**	$	26,689,987
Amortization of deferred contributions related to capital assets (note 10)		**1,392,405**		1,566,364
Investment income		**3,173,593**		6,675,576
		34,441,225		34,931,927
Expenses:				
General and administrative		**4,497,341**		4,672,755
Project expenditures		**28,551,479**		28,692,808
Depreciation		**1,392,405**		1,566,364
		34,441,225		34,931,927
Excess of revenues over expenses, being net assets, end of year	**$**	**–**	$	–

See accompanying notes to financial statements.

STATEMENT OF CASH FLOWS *(Expressed In Canadian Dollars)*

Years ended March 31, 2010 and 2009		**2010**		2009
Cash provided by (used in)				
Operations:				
Excess of revenues over expenses	**$**	**–**	$	–
Items not involving cash:				
Depreciation		**1,392,405**		1,566,364
Amortization of deferred contributions related to future expenses (note 9)		**(29,875,227)**		(26,689,987)
Amortization of deferred contributions related to capital assets (note 10)		**(1,392,405)**		(1,566,364)
Accretion of loan receivable		**(12,228)**		(11,428)
Unrealized (gain) loss on short-term investments		**(51,288)**		(2,068,954)
		(29,938,743)		(28,770,369)
Funding (note 9)		**17,049,219**		21,485,485
Change in assets and liabilities:				
Funding receivable		**734,394**		(719,236)
Other receivables		**10,305**		(6,017)
Project advances		**(320,014)**		(372,717)
Prepaid expenses		**(15,372)**		(1,063)
Accounts payable and accrued liabilities		**(325,276)**		983,988
Deferred lease inducement		**(36,151)**		(36,150)
		(12,841,638)		(7,436,079)
Investments:				
Change in short-term investments		**11,895,790**		10,464,253
Purchase of capital assets		**(155,088)**		(1,706,253)
		11,740,702		8,758,000
Increase (decrease) in cash		**(1,100,936)**		1,321,921
Cash, beginning of year		**2,572,516**		1,250,595
Cash, end of year	**$**	**1,471,580**	$	2,572,516

Supplemental cash flow information (note 11)
See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

(Expressed In Canadian Dollars) Years ended March 31, 2010 and 2009

1. Operations:

Genome British Columbia (the "Corporation") was incorporated on July 31, 2000 under the Canada Corporations Act as a not-for-profit organization and is exempt from income and capital taxes. The Corporation has the following objectives:

a. develop and establish a coordinated approach and integrated strategy in British Columbia to enable British Columbia to become a world leader in selected areas of genomic and proteomic research, including agriculture, aquaculture, environment, forestry and human health, among others, by bringing together universities, research hospitals, other research centres and industry, as well as government and private agencies for the benefit of British Columbia;

b. participate in national approaches and strategies to strengthen genomics research capabilities in Canada for the benefit of all Canadians;

c. create a genome centre in British Columbia to ensure that researchers can undertake research and development projects offering significant socio-economic benefits to British Columbia and Canada, to provide access to necessary equipment and facilities, and to provide opportunities for training of scientists and technologies;

d. establish a contractual relationship with Genome Canada, and contractual and collaborative relationships with others (including private and voluntary sectors and federal and provincial governments) in order to provide financial and personnel resources for the Corporation;

e. address public concerns about genomics research through the organization of intellectual resources regarding ethical, environmental, legal and societal issues related to genomics; and

f. increase public awareness of the need for genomics research and of the uses and implications of the results of such research, thereby helping Canadians understand the relative risks and rewards of genomics.

2. Significant accounting policies:

a. Short-term investments:
Short-term investments which are held for trading are recorded at fair value with gains and losses recorded in the statement of operations and changes in net assets in the period in which they arise. Short-term investments are comprised of a portfolio of funds managed by investment professionals.

b. Project advances:
The advances are comprised of amounts provided by the Corporation to approved research projects and platforms which have not yet been spent.

c. Capital assets:

Capital assets are recorded at cost. Depreciation is provided using the straight-line method as follows:

Asset	Years
Furniture and fixtures	5
Computers and software	3
Telecommunications equipment	5
Project equipment	4
Leasehold improvements	remaining lease term

d. Revenue recognition:

The Corporation follows the deferral method of accounting for contributions.

Externally restricted contributions:

Deferred contributions related to expenses of future periods represent unspent externally restricted funding and related investment income, which are for the purposes of providing funding to eligible recipients and the payment of operating and capital expenditures in future periods. Externally restricted contributions for expenses of a future period and related investment income are deferred and recognized as revenue in the year in which the related expenses are incurred. Deferred contributions related to capital assets represent the unamortized amount of contributions received for the purpose of purchasing capital assets. The amortization of such contributions is recorded as revenue in the statement of operations and change in net assets. Restricted contributions related to the purchase of capital assets are deferred to and recognized as revenue using the same methods and amortization rates of the related capital assets.

Unrestricted contributions:

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

e. Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities and the reported amounts of revenues and expenses. Significant areas requiring the use of management's estimates relate to the determination of the useful life of capital assets, accruals for project expenditures and the determination of the fair value of the other long-term asset. Accordingly, actual results could differ from these estimates.

f. Measurement and fair value of financial instruments:

Cash is designated as held for trading and is recorded at fair market value. Funding receivable, other receivables, and loan receivable are designated as loans and receivables and are recorded at amortized cost. Accounts payable and accrued liabilities are designated as other financial liabilities and are recorded at the amortized cost.

Carrying amounts of certain of the Corporation's financial instruments, including funding and other receivables, accounts payable and accrued liabilities, approximate their fair value due to their short maturities.

2. Significant accounting policies (continued):

g. Long-term asset:

The Corporation's long-term asset is available for sale and is recorded at cost which represents the determined fair market value at the date the instrument is issued. Subsequent declines in fair value will be recorded in the period they are occurred.

h. Valuation of long-lived assets:

If management determines that a capital asset no longer has any long-term service potential to the Corporation, such assets and related deferred contribution balances are written down to their fair values.

i. Deferred lease inducement:

Tenant inducement received associated with leased premises is deferred and amortized on a straight-line basis over the term of the lease.

j. Related Foundation:

The financial information of Genome British Columbia Foundation, a not-for-profit entity that is commonly controlled by the Corporation, is not consolidated but disclosed in these financial statements.

k. Financial Instruments:

The Corporation has elected to defer applying the Canadian Institute of Chartered Accountants (CICA) Handbook Sections 3862, *Financial Instruments–Disclosure* and 3863, *Financial Instruments–Presentation*. Section 3862 and 3863 place increased emphasis on disclosures about the nature and extent of risks arising from financial instruments and how an entity manages those risks. The Corporation has elected to continue to apply the financial instruments disclosure and presentation standards in accordance with Section 3861.

l. Foreign Exchange:

The Corporation's monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars using exchange rates in effect at the balance sheet date. Revenue and expense items are translated at the rate of exchange prevailing on the date of the transaction. Foreign exchange gains and losses are included in the statement of operations and changes in net assets.

m. Recent accounting pronouncement:

(i) Revisions to not-for-profit accounting standards:

Effective April 1, 2009, the Corporation adopted the amendments to CICA Handbook Sections 4400, *Financial Statement Presentation by Not-for-Profit Organizations*, 4460, *Disclosure of Related Party Transactions by Not-for-Profit Organizations*, and 4470, *Disclosure of Allocated Expenses by Not-for-Profit Organizations*. The amendments remove the requirement to disclose net assets invested in capital assets, clarify capital asset recognition criteria and amortization, expand interim financial statement requirements to not-for-profit organizations that prepare interim financial statements, require disclosure of allocated fundraising and general support expenses by not-for-profit organizations, and include the requirement to follow Handbook Section 1540, *Cash Flow Statements*. The implementation of these amendments did not have any significant impact on the Corporation's financial statements.

(ii) Amendments to Section 1000, *Financial Statement Concepts*:

Effective April 1, 2009 the Corporation adopted the amendments in CICA Handbook Section 1000, *Financial Statement Concepts*. The amendments clarify the relationship between incurring expenditures and creating assets, and clarify that items which did not meet the definition of assets or liabilities are not eligible for recognition. The implementation of the amendments did not have any significant impact on the Corporation's financial statements.

n. Future accounting framework:

The Accounting Standards Board has decided to transition Canadian generally accepted accounting principles for publicly accountable entities to International Financial Reporting Standards effective January 1, 2011. The Corporation is currently classified as a not-for-profit organization. The AcSB and Public Sector Accounting Board have issued Exposure Drafts to invite feedback on the proposals for future financial reporting standards for not-for-profit organizations. The Corporation is in the process of reviewing the impact of these documents on its reporting framework and financial statements.

3. Short-term investments:

The Board of Directors has overall responsibility for the establishment and oversight of the Corporation's short-term investments. The Board has established an Investment Committee, which is responsible for developing and monitoring the Corporation's investment policy. The overall objectives of the Corporation's investment policy are to achieve security of principal that ensures a return of the capital invested, to maintain the liquidity necessary to meet the cash flow requirements of the Corporation and to maximize the rate of return without affecting liquidity or incurring undue risk.

The Corporation's short-term investments are comprised of a portfolio of funds. The portfolio consists of investments in a Canadian money market fund and a bank guaranteed Canadian mortgage fund. The portfolio is managed by independent investment professionals in accordance with the Corporation's investment policy. All investments are recorded at fair value. The Corporation's short-term investments are subject to interest rate, market and liquidity risks.

Both the risk of significant changes in interest rates and the risk of significant changes in market prices are mitigated by the Corporation's policy that permits the portfolio manager to change the level of investment in either fund at short notice and the fact that interest earned on the portfolio is reinvested monthly at prevailing rates. The Corporation limits exposure to liquid asset credit risk through maintaining its short-term investments with a high-credit quality financial institution.

The Corporation's short-term investments are as follows:

	2010	2009
Canadian Money Market Fund	**$ 28,911,264**	$ 35,388,829
Canadian Mortgage Fund	**65,916,540**	71,283,477
	$ 94,827,804	$ 106,672,306

The Canadian Money Market Fund invests in a mixture of Treasury Bills, Bankers' Acceptances, Commercial Paper (minimum R-1 low rating) and bonds (minimum BBB rating) with maturities averaging 60-120 days and a minimum Government of Canada, Provincial or cash holding of 25%.

3. Short-term investments (continued):

The Canadian Mortgage Fund invests in first mortgages on Canadian residential real property with loan value ratios of 65% or less. The mortgages are purchased by the fund from a Canadian Chartered Bank and in the event that a mortgage is in default for more than 90 days the bank guarantees both the interest and the principal of the mortgage.

Fair values of the Corporation's portfolio investments are based on quoted bid price at the reporting date.

4. Other receivables:

	2010	2009
Goods and services taxes	**$ 28,456**	$ 41,138
Other accounts receivables	**2,863**	486
	$ 31,319	$ 41,624

5. Loan receivable:

In May 2006 the Corporation made a loan to a British Columbian academic institution. The loan is in the amount of $200,000, bears no interest, and is payable in full on May 9, 2011. It has a term of five years and is renewable for a further five years. The loan is recorded in the statement of financial position at its fair value. Its fair value is estimated using a net present value calculation with a discount rate of 7% per annum. The difference between the initial fair value and the principal amount was recorded in the statement of operations and change in net assets as a discount and the loan receivable balance is accreted over the term of the loan using the effective interest rate method.

6. Capital assets:

March 31, 2010	Cost	Accumulated amortization	Net book value
Furniture and fixtures	$ 54,977	$ 43,453	$ 11,524
Computers and software	282,620	243,738	38,882
Telecommunications equipment	27,696	14,687	13,009
Project equipment	7,596,680	5,520,289	2,076,391
Leasehold improvements	293,074	269,270	23,804
	$ 8,255,047	$ 6,091,437	$ 2,163,610

March 31, 2009	Cost	Accumulated amortization	Net book value
Furniture and fixtures	$ 52,349	$ 36,006	$ 16,343
Computers and software	270,033	196,691	73,342
Telecommunications equipment	23,552	9,555	13,997
Project equipment	7,460,951	4,248,723	3,212,228
Leasehold improvements	293,074	208,057	85,017
	$ 8,099,959	$ 4,699,032	$ 3,400,927

7. Other long-term asset:

Other long-term asset includes subscription rights and common shares in an early stage biotechnology company (Investee) issued pursuant to a continuing collaborative research agreement. Each subscription right entitles the Corporation to one common share for no additional consideration and convert to common shares of the Investee upon certain triggering events or three years from issuance. At March 31, 2010, the Corporation held 94,593 (March 31, 2009–142,126) subscription rights and 149,066 (March 31, 2009–67,670) common shares of the Investee.

	Number	Cost
Balance at March 31, 2009	209,796	$ 134,701
Additions	33,863	28,106
Balance at March 31, 2010	243,659	$ 162,807

8. Accounts payable and accrued liabilities:

	2010	2009
Accounts payable	**$ 131,842**	$ 211,515
Accrued liabilities	**2,807,378**	3,052,981
	$ 2,939,220	$ 3,264,496

9. Deferred contributions related to future expenses:

The Corporation receives funding from Genome Canada, the Province of British Columbia, Western Economic Diversification Canada and from other sources to be held, administered and distributed in accordance with the related funding agreements between Genome British Columbia and other parties (note 12).

9. Deferred contributions related to future expenses (continued):

Deferred contributions related to expenses of future periods represent these unspent externally restricted funding, which are for the purposes of providing funding to eligible recipients and the payment of operating and capital expenditures in future periods. The changes in the deferred contributions balance for the period are as follows:

		2010		2009
Balance, beginning of year	$	**110,230,759**	$	117,136,446
Funding received or receivable during the year:				
Genome Canada		**14,606,197**		20,405,415
Western Economic Diversification Canada		**375,779**		1,080,070
University of British Columbia		**150,000**		–
Innova Chile Committee		**1,065,801**		–
Chilean Economic Development Agency		**642,812**		–
Norges Forskningsrad Cooperation Project		**208,630**		–
	$	**127,279,978**	$	138,621,931
Other long-term asset		**28,106**		5,068
		127,308,084		138,626,999
Less:				
Total project and G&A expenses incurred		**(33,048,820)**		(33,365,563)
Less: Investment income earned		**3,173,593**		6,675,576
Amount amortized to revenue		**(29,875,227)**		(26,689,987)
Amount transferred to capital assets purchased during the period (note 10)		**(155,088)**		(1,706,253)
		(30,030,315)		(28,396,240)
Balance, end of year	$	**97,277,769**	$	110,230,759

10. Deferred contributions related to capital assets:

Deferred contributions related to capital assets represent the unamortized amount of contributions received for the purchase of capital assets. The amortization of such contributions is recorded as revenue in the statement of operations and changes in net assets. The changes in the deferred contributions related to capital assets balance for the period are as follows:

		2010		2009
Balance, beginning of year	$	**3,400,927**	$	3,261,038
Allocation of funding for capital asset purchases (note 9)		**155,088**		1,706,253
		3,556,015		4,967,291
Less: Amount amortized to revenue		**(1,392,405)**		(1,566,364)
Balance, end of year	$	**2,163,610**	$	3,400,927

11. Supplemental cash flow information:

		2010		2009
Cash received for:				
Interest	$	**2,875,588**	$	4,453,941
Non-cash transactions:				
Change in other long-term asset		**28,106**		5,068

12. Commitments:

a. Funding:

(i) The Corporation enters into funding agreements with Genome Canada (the agreements). In accordance with these agreements the Corporation agrees to secure on an on-going basis cash or cash equivalent commitments from other parties representing at least 50% of the total costs of the projects covered by the agreements. In addition, Genome Canada agrees to disburse an amount only up to the amount of the formal commitments from other parties. However, Genome Canada may provide funding notwithstanding the fact that formal commitments from other parties have not yet been secured. Genome Canada has also agreed that funds, provided in good faith, where commitments from other parties have not yet been secured, shall not be reimbursable to Genome Canada.

In accordance with an agreement entered into with Genome Canada with regard to a financial support commitment of up to $50,145,068 related to Competition III, the Corporation has agreed, among other things, to provide Genome Canada with a co-funding plan for each project. A co-funding plan for each project has been provided to and accepted by Genome Canada.

In accordance with an agreement entered into with Genome Canada with regard to a financial support commitment of up to $2,371,285 related to Technology Development Competition, the Corporation has agreed, among other things, to provide Genome Canada with a co-funding plan for each project. A co-funding plan for each project has been provided to and accepted by Genome Canada.

12. Commitments (continued):

In accordance with an agreement entered into with Genome Canada with regard to a financial support commitment of up to $11,431,003 related to Applied Genomics Research in Bioproducts or Crops Competition, the Corporation has agreed, among other things, to provide Genome Canada with a co-funding plan for each project. A co-funding plan for each project has been provided to and accepted by Genome Canada.

(ii) In accordance with an agreement with the Centre for Drug Research and Development (CDRD), the Corporation has agreed to contribute up to $1,000,000 to jointly fund research and development projects in commercialization of genomics-related drug discoveries at CDRD. At March 31, 2010, the Corporation has contributed $30,800.

(iii) In accordance with an International Cooperation Project Agreement entered into with four international funding partners, the Corporation has agreed to contribute up to $2,000,000 to fund research in the Sequencing of the Atlantic Salmon Genome.

b. Operating lease and management agreements:

The Corporation has entered into operating lease agreements for office premises and management contracts which expire at various dates until August, 2015. Minimum payments for the next five fiscal years are as follows:

2011	$	318,928
2012		265,636
2013		254,557
2014		263,115
2015 and thereafter		381,405
Total	$	1,483,641

13. Genome British Columbia Foundation:

Genome British Columbia Foundation (the Foundation) is a registered charity established to promote and foster life sciences research for the public benefit by coordinating, sponsoring and carrying educational conferences, seminars, workshops and symposiums. The Foundation is exempt from income and capital taxes.

The majority of the Foundation's Board of Directors are also members of the Corporation, and as such, the Corporation is presumed to control the Foundation. In accordance with the CICA Handbook Section 4450, the Corporation has chosen not to consolidate the Foundation but has followed the disclosure requirements. The Corporation has no economic interest in the Foundation.

Financial information of the Foundation for the year ended March 31, 2010 and 2009 are as follows:

		2010		2009
Cash and term deposits	**$**	**2,177,378**	$	2,107,280
Deferred contributions		**(2,177,378)**		(2,107,280)
Net assets	**$**	**–**	$	–
Revenues	**$**	**–**	$	35
Expenses		**–**		35
Excess of revenue over expenses	**$**	**–**	$	–
Cash provided by (used in):				
Operations	**$**	**70,098**	$	83,761
Investing		**(26,514)**		(6,822)

There are no significant differences in accounting policies between the Foundation and the Corporation. The majority of the assets of the Foundation are restricted by the terms of a memorandum of understanding relating to the funding of a research chair at a British Columbian academic institution.

14. Capital management:

The Corporation considers its total assets to be its capital. A significant portion of its capital is comprised of short-term investments. How the Corporation manages its short-term investments is set out in note 3. The Corporation receives funding from Genome Canada, the Province of British Columbia, Western Economic Diversification Canada and from other sources to be held, administered and distributed in accordance with the related funding agreements between the Corporation and other parties (note 9). The Corporation uses these funds to achieve its objectives (note 1). The Corporation is not subject to debt covenants or any other capital requirements with respect to operating funding. Funding received for designated purposes must be used for the purpose outlined in the funding agreements. The Corporation has complied with the external restrictions on the funding provided.

15. Comparative figures:

Certain prior year figures have been reclassified to conform to the current year's presentation.

BOARD APPOINTMENT

Ian de la Roche
Past President, FP Innovations and
Adjunct Professor—Forest Resources Management, UBC

FP Innovations is a not-for-profit world leader which specializes in the creation of scientific solutions in support of the Canadian forest sector's global competitiveness, and responds to the priority needs of its industrial and government members. Created from the merger of the three main Canadian forest sector research institutes: FERIC, Forintek Canada Corp., and Paprican, FP Innovations also provides technical direction to the Natural Resources Canada's Canadian Wood Fibre Centre. FP Innovations' staff numbers more than 600.

In his previous positions, Ian de la Roche played a key role in the establishment of programs to facilitate commercialization of new technology and the development of joint R&D ventures with industry, government, and universities. During 1990–91, he held the position of Assistant Deputy Minister of Consultation and Communications, Agriculture Canada. He headed up the Communications Branch and was a senior advisor to the Minister of Agriculture Canada. Prior to that, he held the position of Assistant Deputy Minister of the Department of Western Economic Diversification Canada, Saskatchewan.

Dr. de la Roche has published over 75 articles, 50 of which have been in the area of plant genetics, physiology, and biotechnology. He received a Bachelor of Science from McGill, a Master of Science from the University of Massachusetts and obtained his Doctorate from the University of Illinois.

CORPORATE INFORMATION

Auditors
KPMG LLP
Vancouver, BC

Legal Counsel
Richards Buell Sutton LLP
Vancouver, BC

Acknowledgements
We would like to thank the following groups and individuals who assisted with this annual report: the management and staff at Genome BC, Genome BC-funded researchers, photographer Brian Hawkes, writer Elizabeth Morse and the Signals Design Group team.

Thanks to Our Funders
Genome BC would like to acknowledge and thank its corporate funding partners including:

Genome Canada
The Province of British Columbia
Western Economic Diversification Canada

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