

CHILDHOOD CANCER FOUNDATION - CANDLELIGHTERS CANADA

2009 Financial Statements

CHILDHOOD CANCER FOUNDATION - CANDLELIGHTERS CANADA
2009 Financial Statements

Contents

	Page
Auditors' Report	1
Statement of Financial Position	2
Statement of Revenues and Expenses	3
Statement of Changes in Fund Balances	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 8

Auditors' Report

To the Board of Directors of Childhood Cancer Foundation - Candlelighters Canada

We have audited the statement of financial position of Childhood Cancer Foundation - Candlelighters Canada as at September 30, 2009 and the statements of revenues and expenses, changes in fund balances and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as noted in the following paragraph, 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 common with many charitable organizations, the Organization derives revenues from fundraising, donations and lotteries, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Organization and we were not able to determine whether any adjustments might be necessary to fundraising, donations and lottery revenues, excess of revenues over expenses, assets and fund balances.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the fundraising, donations and lottery revenue referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Organization as at September 30, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

The comparative figures were audited by another firm of chartered accountants.

PKF Hill LLP

Chartered Accountants, Licensed Public Accountants
December 3, 2009

CHILDHOOD CANCER FOUNDATION - CANDLELIGHTERS CANADA
Statement of Financial Position
As at September 30

	2009	2008
ASSETS		
Current assets		
Cash	\$ 362,690	\$ 253,464
Sundry receivables	18,923	14,987
Prepaid expenses and deposits	23,389	57,645
	<hr/> 405,002	<hr/> 326,096
Property and equipment (note 3)	1,412	4,718
	<hr/> <hr/> \$ 406,414	<hr/> <hr/> \$ 330,814

LIABILITIES AND FUND BALANCES

Current liabilities		
Accounts payable and accrued liabilities	\$ 285,552	\$ 147,813
Deferred revenue	34,760	40,140
	<hr/> 320,312	<hr/> 187,953
Commitments (note 4)		
Fund balances		
Investment in property and equipment	1,412	4,718
Unrestricted	84,690	138,143
	<hr/> 86,102	<hr/> 142,861
	<hr/> <hr/> \$ 406,414	<hr/> <hr/> \$ 330,814

See accompanying notes

On behalf of the Board

Director

Director

CHILDHOOD CANCER FOUNDATION - CANDLELIGHTERS CANADA

Statement of Revenues and Expenses

Year ended September 30

	2009	2008
Revenues		
Fundraising and donations	\$ 2,093,516	\$ 2,296,517
Lotteries	152,104	183,370
	<hr/>	<hr/>
	2,245,620	2,479,887
	<hr/>	<hr/>
Expenses		
Administration	227,119	190,907
Fundraising	765,272	1,115,455
Lotteries	98,890	107,685
Research and programs	1,207,792	1,022,414
	<hr/>	<hr/>
	2,299,073	2,436,461
	<hr/>	<hr/>
Excess (deficiency) of revenues over expenses before amortization	(53,453)	43,426
Amortization of property and equipment	3,306	3,306
	<hr/>	<hr/>
Excess (deficiency) of revenues over expenses	\$ (56,759)	\$ 40,120

See accompanying notes

CHILDHOOD CANCER FOUNDATION - CANDLELIGHTERS CANADA
Statement of Changes in Fund Balances
Year ended September 30

	Investment in property and equipment	Unrestricted	Total 2009	Total 2008
Balance, beginning of year	\$ 4,718	\$ 138,143	\$ 142,861	\$ 102,741
Excess (deficiency) of revenues over expenses	(3,306)	(53,453)	(56,759)	40,120
Balance, end of year	\$ 1,412	\$ 84,690	\$ 86,102	\$ 142,861

See accompanying notes

CHILDHOOD CANCER FOUNDATION - CANDLELIGHTERS CANADA

Statement of Cash Flows

Year ended September 30

	2009	2008
Operating activities		
Excess (deficiency) of revenues over expenses	\$ (56,759)	\$ 40,120
Item not involving cash		
Amortization of property and equipment	3,306	3,306
	(53,453)	43,426
Net change in non-cash working capital items		
Sundry receivables	(3,936)	18,574
Prepaid expenses and deposits	34,256	(49,991)
Accounts payable and accrued liabilities	137,739	61,797
Deferred revenue	(5,380)	40,140
	162,679	70,520
Cash flows from operating activities	109,226	113,946
Investing activity		
Purchase of property and equipment and cash flows from investing activity	-	(966)
Net change in cash during the year	109,226	112,980
Cash, beginning of year	253,464	140,484
Cash, end of year	\$ 362,690	\$ 253,464

See accompanying notes

CHILDHOOD CANCER FOUNDATION - CANDLELIGHTERS CANADA

Notes to Financial Statements
Year ended September 30, 2009

1. Nature of operations

Childhood Cancer Foundation - Candlelighters Canada (the "Organization") is a national charitable organization dedicated to improving the quality of life for families experiencing the effects of childhood cancer through the provision of resources, parent support and the promotion of research.

The Organization was formerly known as The Candlelighters Childhood Cancer Foundation Canada/La Fondation Des Éclaireurs Pour Le Cancer Dans L'Enfance Canada.

The Organization is incorporated under the Canada Corporations Act as a non-profit organization without share capital, is a registered charity under the provisions of the Income Tax Act and, as such, is exempt from income tax.

There are other volunteer organizations, mainly parent support groups, that use the Candlelighters name regionally throughout Canada. These parent support groups may from time to time request information and support from the Organization; however, there is no economic affiliation between these support groups and the Organization. These financial statements do not in any way attempt to incorporate the transactions of these support groups.

2. Summary of significant accounting policies

These financial statements are prepared in accordance with Canadian generally accepted accounting principles. The significant policies are detailed as follows:

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles 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 balance sheet date and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

Financial instruments

The Canadian Institute of Chartered Accountants ("CICA") provides a temporary choice for financial instruments disclosure and the Organization has chosen to continue to apply Financial Instruments - Disclosure and Presentation, Section 3861 in place of Financial Instruments - Disclosure, Section 3862 and Financial Instruments - Presentation, Section 3863. Had the Organization adopted the new standards, there would have been increased emphasis on risk disclosures including both qualitative and quantitative information about the exposures to the Organization.

The Organization's financial instruments are comprised of cash, sundry receivable, and accounts payable. The carrying values of the cash, sundry receivable and account payable approximate their fair value due to their short-term maturities.

Property and equipment

Property and equipment are recorded at cost and are being amortized over their estimated useful lives on a straight-line basis. The annual amortization rates are as follows:

Computer equipment	5 years
Leasehold improvements	3 years

Property and equipment are assessed for impairment when events or changes in circumstance indicate that the Organization may not be able to recover its carrying value. The Organization calculates impairment by deducting the fair value, based on discounted cash flows expected from its use and disposition, from its carrying value. Any excess is a charge against the excess of revenues over expenses.

CHILDHOOD CANCER FOUNDATION - CANDLELIGHTERS CANADA

Notes to Financial Statements
Year ended September 30, 2009

2. Summary of significant accounting policies — continued

Revenue recognition

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

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.

Contributed services

The work of the Organization benefits from voluntary services contributed to the Organization. Since these services are not normally purchased by the Organization and because of the difficulty in determining their fair value, contributed services are not recognized in these financial statements.

Objectives, policies and processes for managing capital

The Organization defines its capital as its fund balances. The Organization's objectives when managing its capital is to safeguard the Organization's ability to continue to provide programs and services consistent with its mission and vision.

Management provides to the Chair of the Board and the Treasurer an annual budget. The budget is developed to ensure the Foundation has the proper cash flow to fund operations and capital expenditures. A recommendation is made from the Treasurer to the Board for approval of the budget. Management compares actual results to the budget and reports these results to the Board monthly.

Future change in accounting policy

The CICA issued Section 4470, Disclosure of Allocated Expenses by Not-for-Profit Organizations. The new standard requires additional disclosure on the policies adopted for the allocation of fundraising and general support expenses, the nature of expenses being allocated and the basis on which such allocations have been made. The standard is effective for fiscal periods commencing on or after January 1, 2009. Management does not believe the adoption of this new Section will have a material impact on the Organization's financial statements.

3. Property and equipment

	Cost	2009 Accumulated amortization	Net	2008 Net
Computer equipment	\$ 30,249	\$ 30,249	\$ -	\$ -
Leasehold improvements	9,435	8,023	1,412	4,718
	<u>\$ 39,684</u>	<u>\$ 38,272</u>	<u>\$ 1,412</u>	<u>\$ 4,718</u>

CHILDHOOD CANCER FOUNDATION - CANDLELIGHTERS CANADA

Notes to Financial Statements

Year ended September 30, 2009

4. Commitments

The Organization has commitments for various office equipment. Subsequent to year end, the Organization entered in to a lease for new office premises. The future minimum annual payments for these commitments are as follows:

2010	\$	59,282
2011		58,647
2012		58,647
2013		59,380
2014		60,406
		<hr/>
	\$	<u>296,362</u>

5. Pension plan

The Organization is a member of the Revised Pension Plan for the Employees of the Canadian Cancer Society and Affiliated Organizations. The plan is administered by the Canadian Cancer Society and only salaried employees of the Organization are allowed to participate in the plan.

During the year, the Organization contributed \$20,342 (2008 - \$21,241) to the Canadian Cancer Society and Affiliated Organizations multi-employer defined benefit pension plan.