

**CHILDHOOD CANCER CANADA
FOUNDATION/FONDATION CANADIENNE DU
CANCER CHEZ L'ENFANT**

Financial Statements

Year ended September 30, 2015

**CHILDHOOD CANCER CANADA FOUNDATION/
FONDATION CANADIENNE DU CANCER CHEZ L'ENFANT**

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September 30, 2015

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Childhood Cancer Canada Foundation/Fondation Canadienne Du Cancer Chez L'Enfant

We have audited the accompanying financial statements of Childhood Cancer Canada Foundation/Fondation Canadienne Du Cancer Chez L'Enfant (herein referred to as "the Foundation"), which comprise the statement of financial position as at September 30, 2015, and the statements of revenue and expenses, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's and Directors' Responsibility for the Financial Statements

Management and Directors are 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 and Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's 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 the 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 Foundation'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 Foundation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and Directors, as well as evaluating the overall presentation of the financial statements.

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

Basis for Qualified Opinion

As is common with many charitable organizations, the Foundation derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of receipts from those sources was limited to the amounts recorded by the Foundation and we were unable to determine whether any adjustments might be necessary to revenue, excess of revenue over expenses, assets and net assets.

INDEPENDENT AUDITOR'S REPORT - cont'd

Qualified Opinion

Except as noted in the above paragraph, in our opinion, these financial statements present fairly, in all material respects, the financial position of Childhood Cancer Canada Foundation/Fondation Canadienne Du Cancer Chez L'Enfant as at September 30, 2015 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Other Matter

The financial statements of Childhood Cancer Canada Foundation/Fondation Canadienne Du Cancer Chez L'Enfant for the year ended September 30, 2014 were audited by another firm of Chartered Professional Accountants who issued a qualified opinion in their independent auditor's report dated January 20, 2015. The qualification related to the auditor's inability to satisfy themselves concerning the completeness of donation revenue.

Adams & Miles LLP

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Canada
January 13, 2016

**CHILDHOOD CANCER CANADA FOUNDATION/
FONDATION CANADIENNE DU CANCER CHEZ L'ENFANT**

Statement of Revenues and Expenses

Year ended September 30, 2015

	2015	2014 (Note 12)
Revenue		
Individual donations	\$ 577,093	\$ 628,791
Corporate and foundation donations	480,523	649,574
Events	700,996	907,043
Lotteries	186,120	150,667
	<hr/> 1,944,732	<hr/> 2,336,075
Expenses		
Research and programs	981,379	1,289,539
Donor development	479,837	481,957
Administration (Note 10)	239,985	269,090
Lotteries	105,253	85,477
Events (Note 8)	97,256	127,659
	<hr/> 1,903,710	<hr/> 2,253,722
Excess of revenue over expenses	<hr/> \$ 41,022	<hr/> \$ 82,353

**CHILDHOOD CANCER CANADA FOUNDATION/
FONDATION CANADIENNE DU CANCER CHEZ L'ENFANT**

Statement of Changes in Net Assets

Year ended September 30, 2015

	Investment in property and equipment	Unrestricted fund	2015 Total	2014 Total (Note 12)
Balance, beginning of year	\$ 2,199	\$ 127,211	\$ 129,410	\$ 47,057
Excess (deficiency) of revenue over expenses	(1,286)	42,308	41,022	82,353
Balance, end of year	\$ 913	\$ 169,519	\$ 170,432	\$ 129,410

**CHILDHOOD CANCER CANADA FOUNDATION/
FONDATION CANADIENNE DU CANCER CHEZ L'ENFANT**

Statement of Financial Position

September 30, 2015

	2015	2014 (Note 12)
Assets		
Current		
Cash	\$ 660,481	\$ 773,646
Pledge and sundry receivables	54,366	153,195
Prepaid expenses	16,686	14,146
	731,533	940,987
Property and equipment (Note 3)	913	2,199
	\$ 732,446	\$ 943,186
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 546,514	\$ 788,376
Deferred revenue (Note 4)	15,500	25,400
	562,014	813,776
Net assets		
Investment in property and equipment	913	2,199
Unrestricted	169,519	127,211
	170,432	129,410
	\$ 732,446	\$ 943,186

Approved on behalf of the Board:

**CHILDHOOD CANCER CANADA FOUNDATION/
FONDATION CANADIENNE DU CANCER CHEZ L'ENFANT**

Statement of Cash Flows

Year ended September 30, 2015

	2015	2014 (Note 12)
Cash provided by (used in)		
Operating activities		
Excess of revenue over expenses	\$ 41,022	\$ 82,353
Amortization of property and equipment	1,286	1,841
	42,308	84,194
Change in non-cash working capital items		
Pledge and sundry receivables	98,829	(86,367)
Prepaid expenses	(2,540)	(1,366)
Accounts payable and accrued liabilities	(241,862)	17,431
Deferred revenue	(9,900)	25,400
	(113,165)	39,292
Change in cash and position	(113,165)	39,292
Cash, beginning of year	773,646	734,354
Cash, end of year	\$ 660,481	\$ 773,646

**CHILDHOOD CANCER CANADA FOUNDATION/
FONDATION CANADIENNE DU CANCER CHEZ L'ENFANT**

Notes to Financial Statements

Year ended September 30, 2015

1. Nature of operations

Childhood Cancer Canada Foundation/Fondation Canadienne Du Cancer Chez L'Enfant (the "Foundation") 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 Foundation was incorporated under the Canada Corporations Act as a non-profit organization without share capital. It is a registered charity under the provisions of the Income Tax Act and, as such, is exempt from income tax.

2. Summary of significant accounting policies

The preparation of financial statements in accordance with Canadian generally accepted accounting standards for not-for-profit organizations requires management and Directors to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the year. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in the results of operations in the year in which they become known.

Fund accounting

The accounts of the Foundation are maintained in accordance with the principles of fund accounting and, accordingly, the resources are classified for accounting and reporting purposes into funds determined by the purpose for which those funds are held. The types of funds held are:

Unrestricted fund - This fund includes unrestricted amounts such as donation, lotteries and events revenue, together with day-to-day operating expenditures.

Investment in property and equipment - This fund represents the net book value of the property and equipment being the original cost less amortization of the property and equipment.

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:

Leasehold improvements	5 years
Computer equipment	5 years

**CHILDHOOD CANCER CANADA FOUNDATION/
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Notes to Financial Statements

Year ended September 30, 2015

2. Summary of significant accounting policies - cont'd

Property and equipment - cont'd

The Foundation tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected undiscounted future net cash flows that the property and equipment are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent carrying value exceeds its fair value.

Revenue recognition

The Foundation follows the deferral method of accounting for contributions.

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

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

Events revenue is recognized in the year in which the event occurs, if the amount to be received can be reasonably estimated and collection is reasonably assured.

Pledge receivables

The Foundation recognizes the pledges as receivable when collection is reasonably assured. As at year-end, there was \$30,500 (2014 - \$127,500) of pledge receivables.

Subsequent to year-end, \$30,500 (2014 - \$127,500) of pledge receivables were received.

Contributed goods and services

Contributed goods are recorded when a fair value can be reasonably estimated and they would otherwise be purchased by the Foundation. The fair value of the donated goods are recorded as donation revenue in the year received.

The Foundation benefits from services in the form of volunteer time. Since these invaluable services are not purchased by the Foundation and a reasonable estimate of their value cannot be made, they are not recorded in the financial statements.

CHILDHOOD CANCER CANADA FOUNDATION/
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Notes to Financial Statements

Year ended September 30, 2015

2. Summary of significant accounting policies - cont'd

Objectives, policies and processes for managing capital

The Foundation defines its capital as its net assets. The Foundation's objectives when managing its capital is to safeguard its ability to continue to provide programs and services consistent with its mission and vision.

Management provides an annual budget to the Chair of the Board of Directors (the "Board") and the Treasurer. The budget is developed to ensure the Foundation has sufficient 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.

Financial instruments

The Foundation initially measures its financial assets and financial liabilities at fair value.

The Foundation subsequently measures its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash and pledge and sundry receivables.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

3. Property and equipment

	2015			2014	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value	
Leasehold improvements	\$ 6,650	\$ 6,650	\$ -	\$ 776	
Computer equipment	2,554	1,641	913	1,423	
	\$ 9,204	\$ 8,291	\$ 913	\$ 2,199	

4. Deferred revenue

Deferred revenue consists of deposits in the amount of \$15,500 (2014 - \$25,400) received in the current fiscal year related to events to be held in the next fiscal year.

**CHILDHOOD CANCER CANADA FOUNDATION/
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Notes to Financial Statements

Year ended September 30, 2015

5. Lease commitments

As at year-end, the Foundation is committed to the following future minimum lease commitments relating to the rental of its premises and certain office equipment, expiring through August 2020.

2016	\$ 67,866
2017	67,866
2018	67,866
2019	67,866
2020	62,944
	<hr/>
	\$ 334,408

6. Allocation of administration expenses

Certain employees perform a combination of program and development activities. As a result the Foundation allocates rent, equipment lease and salary based on management's estimate of actual time spent by an employee on program and development initiatives. Expense allocations are applied on a consistent basis from year to year.

For the current year, rent, equipment lease and salary costs of \$279,458 (2014 - \$291,296) were allocated to research and programs expenses and \$180,309 (2014 - \$170,796) were allocated to donor development expenses.

7. Credit facility

The Foundation has available a line of credit of \$32,000, which bears interest at the bank's prime rate plus 2.00% per annum and which is due on demand. As at the current and prior year-ends, this line of credit was not utilized.

**CHILDHOOD CANCER CANADA FOUNDATION/
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Notes to Financial Statements

Year ended September 30, 2015

8. Related party transaction

Included in events expenses is a \$10,000 sponsorship (2014 - \$Nil) paid to a company that a member of the Board of Directors is a partner of. The sponsorship was made for an event that the related company sponsored.

This transaction is in the normal course of operations and have been valued in these financial statements at the exchange amount which is the amount of consideration established and agreed to by the related party.

9. Pension plan

As a former member of a multi-employer benefit pension plan administered by the Canadian Cancer Society, the Foundation has a pension funding obligation on the unfunded portion of benefits being paid to former employees. The obligation is not on the statement of financial position as the information is not available.

During the current year, the Foundation's pension funding expense totaled \$9,680 (2014 - \$15,448) and is included with administration expenses on the statement of revenue and expenses for the year.

10. Foreign exchange gain

Included in administration is a foreign exchange gain of \$10,180 (2014 - \$132).

11. Financial instruments

The Foundation is not exposed to significant credit, interest, currency and liquidity risks arising from financial instruments.

12. Comparative amounts

The financial statements for the year ended September 30, 2014 were audited by another firm of Chartered Professional Accountants and were subject to an independent auditor's report dated January 20, 2015.