



Financial Statements

Childhood Cancer Foundation – Candlelighters Canada

September 30, 2010

**CHILDHOOD CANCER FOUNDATION - CANDLELIGHTERS CANADA**  
**2010 Financial Statements**

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## Auditors' Report

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

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We have audited the statement of financial position of Childhood Cancer Foundation - Candlelighters Canada as at September 30, 2010 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, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

*Grant Thornton LLP*

Chartered Accountants, Licensed Public Accountants  
December 3, 2010

# CHILDHOOD CANCER FOUNDATION - CANDLELIGHTERS CANADA

## Statement of Financial Position

As at September 30

	2010	2009
<b>ASSETS</b>		
Current assets		
Cash	\$ 166,916	\$ 362,690
Sundry receivables	32,414	18,923
Prepaid expenses	12,796	23,389
	<hr/>	<hr/>
	212,126	405,002
Property and equipment (note 3)	6,095	1,412
	<hr/>	<hr/>
	\$ 218,221	\$ 406,414
	<hr/>	<hr/>
<b>LIABILITIES AND FUND BALANCES</b>		
Current liabilities		
Accounts payable and accrued liabilities	\$ 146,580	\$ 285,552
Deferred revenue	1,801	34,760
	<hr/>	<hr/>
	148,381	320,312
Commitments (note 4)		
Fund balances		
Investment in property and equipment	6,095	1,412
Unrestricted	63,745	84,690
	<hr/>	<hr/>
	69,840	86,102
	<hr/>	<hr/>
	\$ 218,221	\$ 406,414
	<hr/>	<hr/>

See accompanying notes

On behalf of the Board

Director

Director

# CHILDHOOD CANCER FOUNDATION - CANDLELIGHTERS CANADA

## Statement of Revenues and Expenses

Year ended September 30

	2010	2009
Revenues		
Fundraising events and donations	\$ 1,808,779	\$ 2,093,516
Lotteries	153,120	152,104
	<hr/>	<hr/>
	1,961,899	2,245,620
	<hr/>	<hr/>
Expenses		
Research and programs	1,060,123	1,207,792
Fundraising	620,140	765,272
Administration	199,762	227,119
Lotteries	96,170	98,890
	<hr/>	<hr/>
	1,976,195	2,299,073
	<hr/>	<hr/>
Deficiency of revenues over expenses before amortization	(14,296)	(53,453)
Amortization of property and equipment	1,966	3,306
	<hr/>	<hr/>
Deficiency of revenues over expenses	\$ (16,262)	\$ (56,759)

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 2010	Total 2009
Balance, beginning of year	\$ 1,412	\$ 84,690	\$ 86,102	\$ 142,861
Deficiency of revenues over expenses	(1,966)	(14,296)	(16,262)	(56,759)
Acquisition of property and equipment	6,649	(6,649)	-	-
<b>Balance, end of year</b>	<b>\$ 6,095</b>	<b>\$ 63,745</b>	<b>\$ 69,840</b>	<b>\$ 86,102</b>

See accompanying notes

# CHILDHOOD CANCER FOUNDATION - CANDLELIGHTERS CANADA

## Statement of Cash Flows

Year ended September 30

	2010	2009
Operating activities		
Deficiency of revenues over expenses	\$ (16,262)	\$ (56,759)
Item not involving cash		
Amortization of property and equipment	1,966	3,306
	<u>(14,296)</u>	<u>(53,453)</u>
Net change in non-cash working capital items		
Sundry receivables	(13,491)	(3,936)
Prepaid expenses	10,593	34,256
Accounts payable and accrued liabilities	(138,972)	137,739
Deferred revenue	(32,959)	(5,380)
	<u>(174,829)</u>	<u>162,679</u>
Cash flows from operating activities	<u>(189,125)</u>	<u>109,226</u>
Investing activity		
Purchase of property and equipment and cash flows from investing activity	(6,649)	-
Net change in cash during the year	(195,774)	109,226
Cash, beginning of year	362,690	253,464
Cash, end of year	<u>\$ 166,916</u>	<u>\$ 362,690</u>

See accompanying notes

# CHILDHOOD CANCER FOUNDATION - CANDLELIGHTERS CANADA

Notes to Financial Statements  
Year ended September 30, 2010

## 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

The financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles, the more significant of which are outlined below.

### 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:

Leasehold improvements	5 years
Computer equipment	5 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, 2010

## 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 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.

## 3. Property and equipment

	2010		2009	
	Cost	Accumulated amortization	Net	Net
Leasehold improvements	\$ 6,650	\$ 555	\$ 6,095	\$ 1,412
Computer equipment	30,249	30,249	-	-
	<u>\$ 36,899</u>	<u>\$ 30,804</u>	<u>\$ 6,095</u>	<u>\$ 1,412</u>

## 4. Commitments

The Organization has commitments for the lease of the premises and various office equipment. The future minimum annual payments for these commitments are as follows:

2011	\$ 62,541
2012	62,541
2013	63,433
2014	64,325
2015	34,958
	<u>\$ 287,798</u>

## **CHILDHOOD CANCER FOUNDATION - CANDLELIGHTERS CANADA**

Notes to Financial Statements

Year ended September 30, 2010

### **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 \$16,071 (2009 - \$20,342) to the Canadian Cancer Society and Affiliated Organizations multi-employer defined benefit pension plan.