



AUDITORS' REPORT

To the members of Kids Cancer Care Foundation of Alberta:

We have audited the statement of financial position of Kids Cancer Care Foundation of Alberta as at January 31, 2009 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 Kids Cancer Care Foundation of Alberta's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained 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 Foundation derives revenue from donations and other sources, 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 Foundation and we were not able to determine whether any adjustments might be necessary to revenues, excess of revenues over expenses, assets and net assets.

In our opinion, except for the effect of adjustments, if any, which might have been required had we been able to satisfy ourselves concerning the completeness of revenues referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Foundation at January 31, 2009, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

A handwritten signature in black ink, reading "Lo Portu Hétu".

Certified General Accountants

March 20, 2009
Calgary, Alberta

STATEMENT OF FINANCIAL POSITION

As At January 31, 2009

	2009	2008
ASSETS		
Current		
Cash	\$ 299,988	\$ 380,507
Short term investments (Note 4)	3,810,617	3,193,705
Accounts receivable	180,138	42,506
Prepaid expenses	47,497	24,753
	4,338,240	3,641,471
Property and equipment (Note 5)	66,861	56,103
	\$4,405,101	\$3,697,574
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 171,059	\$ 45,900
Due to the Calgary Foundation	3,905	3,905
Unearned revenue and other liabilities	74,219	32,029
	249,183	81,834
Deferred contributions related to operations (Note 6)	1,252,331	699,688
Deferred contributions related to property and equipment (Note 6)	2,663	23,441
	1,504,177	804,963
NET ASSETS		
Invested in property and equipment	64,198	32,662
Unrestricted	2,836,726	2,859,949
	2,900,924	2,892,611
	\$4,405,101	\$3,697,574

Approved on behalf of the Board:



Jack Perraton
Chair of the Board



Jackie Altvasser
Chair, Finance and Audit

STATEMENT OF OPERATIONS

For the year ended January 31, 2009

	2009	2008
REVENUE		
Fundraising		
Undirected	\$ 1,605,849	\$ 1,625,419
Camp and Community Outreach	895,470	803,891
Research	474,393	591,426
Capital Campaign	25,000	472,521
Clinical Support	23,447	20,559
Scholarship and Endowment Fund (Note 7)	91,580	119,241
Investment Income	124,808	160,127
	3,240,547	3,793,184
EXPENSES		
Foundation's fundraising activities	891,242	819,211
Camp and Community Outreach	809,287	718,083
Clinical Support	401,107	288,686
General and administrative	384,556	348,543
Research	368,646	970,500
Communications and public education	158,589	155,552
Volunteer program	110,771	108,021
Scholarship endowments, awards and costs	91,580	100,000
Amortization	16,456	21,132
	3,232,234	3,529,728
EXCESS OF REVENUE OVER EXPENSES	\$ 8,313	\$ 263,456

STATEMENT OF CHANGES IN NET ASSETS

For the year ended January 31, 2009

	Invested in Property and Equipment	Unrestricted	Total 2009	Total 2008
Balance, beginning of year	\$32,662	\$2,859,949	\$ 2,892,611	\$2,629,155
Excess of revenue over expenses	4,322	3,991	8,313	263,456
Interfund transfer	27,214	(27,214)	-	-
Balance, end of year	\$64,198	\$2,836,726	\$2,900,924	\$2,892,611

The accompanying notes form an integral part of the audited financial statements.

STATEMENT OF CASH FLOWS*For the year ended January 31, 2009*

	2009	2008
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Cash received from		
Foundation's fundraising events	\$1,902,191	\$ 1,584,384
Community fundraising events	912,219	1,014,579
Individual and corporate donations	460,088	759,042
Capital campaign revenue	75,000	472,521
Donations from other not-for-profits	307,559	206,728
Investment income	124,808	160,127
Government grants	4,911	8,194
	3,786,776	4,205,575
Cash paid for programs, activities and administration	(3,203,722)	(3,608,394)
	583,054	597,181
FINANCING ACTIVITIES		
Cash increase to deferred contributions related to property and equipment	-	15,959
INVESTING ACTIVITIES		
Increase in short term investments	(616,912)	(603,956)
Acquisition of property and equipment	(46,661)	(24,128)
	(663,573)	(628,084)
NET DECREASE IN CASH FOR THE YEAR	(80,519)	(14,944)
CASH, BEGINNING OF THE YEAR	380,507	395,451
CASH, END OF THE YEAR	\$ 299,988	\$ 380,507

The accompanying notes form an integral part of the audited financial statements.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

For the year ended January 31, 2009

I. PURPOSE OF ORGANIZATION

Kids Cancer Care Foundation of Alberta (the Foundation), is incorporated under the Alberta Societies Act as a not-for-profit organization. It is a registered charity under the Income Tax Act. Therefore, under Section 149, the Foundation is not subject to the payment of income taxes.

The Foundation dedicates fundraising efforts to four areas:

Camp and Community Outreach

The Foundation provides free, year-round support opportunities for young people and their families affected by cancer. The Foundation manages residential and day camps for children, teenagers and young adults, aged 3 to 25, in various stages of cancer treatment. During the year, the Foundation also runs youth recreational programs and hosts a variety of supportive conferences and seminars.

Research

Kids Cancer Care Foundation of Alberta provides funding for pediatric oncology research and treatment in Alberta. The results of their research directly impact the level of care that the pediatric oncology team is able to offer Alberta children with cancer, and ultimately many treatment programs around the world.

Clinical Support

Funding from Kids Cancer Care Foundation of Alberta purchases equipment, enhances programs and supports doctors, nurses, psychologists and therapists in the area of pediatric oncology-related medical care and family assistance. Practical and necessary support items aid sick children and their families during hospital stays and clinic visits throughout the entire cancer journey.

KCCFA Derek Wandzura Memorial Scholarship

The KCCFA Derek Wandzura (DW) Memorial Scholarship is designed to assist young adults with a history of childhood cancer to further their education pursuits. The scholarships may be used to upgrade and prepare for post-secondary studies or to pursue a post-secondary education program, be it a university, college or technical education. See also Note 7.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and in management's opinion, have been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below.

a) Revenue Recognition

The Foundation follows the deferral method of accounting for contributions. 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.

b) Property and Equipment

Property and equipment are recorded at cost. Amortization is reported using the following method and rates:

Furniture and fixtures	5 years	Straight line
Computer equipment	3 years	Straight line
Leasehold improvements	Term of lease	Straight line
Automobile	5 years	Straight line

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Contributed Goods and Services

Volunteers contribute many hours per year to assist the Foundation in carrying out its service and fundraising activities. Due to the difficulty of determining their fair value, contributed services are not recognized in the financial statements. Contributed goods are recognized where their fair value is readily determinable.

d) Financial Instruments

Financial assets are classified as held for trading and carried at their fair value. Unrealized gains and losses on trading assets are recognized as part of the excess of revenue over expenses. Financial liabilities are carried at cost. The fair value of these financial instruments is based on current interest rates, market values, and pricing of financial instruments with comparative terms.

e) Measurement Uncertainty

Under Canadian generally accepted accounting principles, an important concept in the preparation of financial statements is the use of estimates in the determination of assets, liabilities, revenues, expenses and excess (deficit) of revenue over expenses for the year. To the extent that these estimates may vary from actual results, there would be a corresponding effect on various elements of the financial statements.

3. ACCOUNTING STANDARDS CHANGES

a) Effective for fiscal periods beginning on or after January 1, 2009, the Accounting Standards Board will require disclosure of allocated expenses as described in Section 4470 of the CICA handbook. This will require the disclosure of the policies adopted for the allocation of expenses among functions, the nature of the expenses being allocated, and the basis on which such allocations have been made.

b) Effective for fiscal periods beginning on or after January 1, 2009, the Accounting Standards Board will require the recognition and presentation of revenues and expenses at their gross amounts when an organization is acting as a principal in transactions. The Foundation has retroactively adopted this standard effective February 1, 2008. As a result the prior year revenue and expenses were each increased by \$119,241. This retroactive policy change had no effect on assets, liabilities, or net assets.

4. SHORT TERM INVESTMENTS

Short term investments are held in a money market fund.

5. PROPERTY AND EQUIPMENT

	Cost		Accumulated Amortization		Net Book Value	
	2009	2008	2009	2008	2009	2008
Furniture and fixtures	\$ 64,962	\$ 57,668	\$44,470	\$31,477	\$20,492	\$26,191
Computers	44,196	13,771	2,263	9,221	41,933	4,550
Leasehold improvements	10,350	10,350	5,914	4,436	4,436	5,914
Automobile	-	24,309	-	4,861	-	19,448
	\$119,508	\$106,098	\$52,647	\$49,995	\$66,861	\$56,103



6. DEFERRED CONTRIBUTIONS

Deferred contributions represent unspent resources received in the current and prior periods but designated by the donor for use in specific programs or future operations as noted below. Contributions included in Research Support include amounts designated for the Kids Cancer Care Foundation Chair in Pediatric Oncology (Chair) and for the Hughes Children's Cancer Research Centre (HCCRC). Changes in the deferred contributions are as follows:

2009	Related to operations				Related to property and equipment	2009 Total
	Camp Support	Research Support	DW Scholarship Fund	Total		
Balance, beginning of the year	\$ 66,097	\$ 633,591	\$ -	\$ 699,688	\$ 23,441	\$ 723,129
Amount added during the year	1,024,214	916,878	96,665	2,037,757		2,037,757
	1,090,311	1,550,469	96,665	2,737,445	23,441	2,760,886
Amounts utilized during the year for:						
Camp support	809,287	-	-	809,287	-	809,287
Other research support	-	368,647	-	368,647	-	368,647
Amortization of equipment	-	-	-	-	1,331	1,331
Equipment disposal	-	-	-	-	19,447	19,447
Transfer to The Calgary Foundation	-	-	63,310	63,310	-	-
Scholarship Awards	-	-	25,930	25,930	-	25,930
Direct event costs	84,852	130,748	2,340	217,940	-	217,940
Balance, end of the year	\$ 196,172	\$ 1,051,074	\$ 5,085	\$ 1,252,331	\$ 2,663	\$ 1,318,304

2008	Related to operations				Related to property and equipment	2008 Total
	Camp Support	Research Support	DW Scholarship Fund	Total		
Balance, beginning of the year	\$ -	\$ 398,614	\$ -	\$ 398,614	\$ -	\$ 398,614
Amount added during the year	893,429	1,298,922	119,241	2,192,351	28,303	2,220,654
	893,429	1,697,536	119,241	2,590,965	28,303	2,619,268
Amounts utilized during the year for:						
Camp support	718,083	-	-	718,083	-	718,083
Chair and HCCRC support	-	800,000	-	800,000	-	800,000
Other research support	-	170,500	-	170,500	-	170,500
Amortization of equipment	-	-	-	-	4,862	4,862
Transfer to The Calgary Foundation	-	-	100,000	-	-	-
Transfers	28,303	-	-	28,303	-	28,303
Direct event costs	80,946	93,445	19,241	174,391	-	174,391
Balance, end of the year	\$ 66,097	\$ 633,591	\$ -	\$ 699,688	\$ 23,441	\$ 723,129

7. KCCFA DEREK WANDZURA MEMORIAL SCHOLARSHIP FUND

The KCCFA Derek Wandzura (DW) Memorial Scholarship is an endowed fund owned and managed by The Calgary Foundation. As additional funds are raised for endowment purposes, they become payable to the Calgary Foundation to add to the endowment. The current year transfer is payable at \$63,013 (2008; \$100,000). The fund was established on January 31, 2008.

The interest earned from the fund is provided to Kids Cancer Care Foundation of Alberta on a yearly basis to grant scholarships to survivors of childhood cancer. The market value of the fund held by the Calgary Foundation as of January 31, 2009 is \$82,014.

8. COMMITMENTS

The Foundation has minimum lease commitments under an office lease over the next four years as follows:

2010	\$ 123,722
2011	129,519
2012	130,412
2013	23,413

In addition, the Foundation has further commitments related to research. The committed amount for the 2010 fiscal year is \$200,000 to support research grants, projects and awards.

9. FINANCIAL INSTRUMENTS

The Foundation's financial instruments consist of cash, temporary investments, accounts receivable, and accounts payable. It is management's opinion that the Foundation is not exposed to significant interest, currency or credit risk arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

10. SUBSEQUENT EVENT

Effective February 25, 2009, the Foundation entered into an agreement to purchase an existing camp facility for \$2,200,000, of which \$220,000 has been paid by initial deposit and the remainder is due upon closing, August 28, 2009. The camp is located on a quarter section of land in Mountain View County, Alberta (10 kilometres west of Water Valley). It will become the new location of KCCFA's Camp and Community programs beginning in September 2009 and host other charities and not-for-profit groups as an anticipated means to offset costs.

11. COMPARATIVE FIGURES

Certain of the comparative figures have been reclassified to conform with the current year's presentation.

Kids Cancer Care Foundation of Alberta
609 - 14 Street N.W., Suite 302
Calgary, Alberta T2N 2A1



T 403.216.9210 or toll-free at 1.888.554.2267 (in Alberta)
F 403.216.9215 **W** kidscancercare.ab.ca