Colorectal Cancer Association of Canada
Statement of Financial Position
As at June 30, 2014

	2014	2013
Assets		
Current		
Cash	**83,156**	457,347
Accounts receivable *(Note 3)*	**75,403**	51,576
Prepaid expenses	**14,809**	21,685
	173,368	530,608
Capital assets *(Note 4)*	**26,457**	29,532
	199,825	560,140
Liabilities		
Current		
Accounts payable and accrued liabilities *(Note 6)*	**76,147**	92,728
Deferred contributions *(Note 7)*	**-**	265,333
	76,147	358,061
Long-term liability *(Note 6)*	**-**	30,000
	76,147	388,061
Net Assets		
Unrestricted net assets	**123,678**	172,079
	199,825	560,140

Approved on behalf of the Board

Director **Director**

The accompanying notes are an integral part of these financial statements

Colorectal Cancer Association of Canada
Statement of Operations
For the year ended June 30, 2014

	2014	*2013*
Revenues		
Corporate sponsorship *(Note 9)*	**647,225**	572,223
Fundraising income *(Note 9)*	**493,948**	461,156
Donations	**129,541**	165,979
Investment income	**1,099**	1,170
Other	**4,214**	7,991
	1,276,027	1,208,519
Expenses		
Salaries and wage levies	**279,174**	235,178
Programs *(Note 9)*	**497,272**	385,407
Consulting fees	**264,487**	264,487
Accounting	**34,289**	35,983
Amortization of capital assets	**7,700**	9,346
Bank charges	**10,229**	10,462
Board development *(Note 9)*	**5,963**	9,790
Computer software and supplies	**9,943**	6,605
Insurance	**8,192**	9,634
Office and general	**30,347**	41,688
Professional fees	**27,383**	28,990
Rent	**87,604**	103,084
Staff training, hiring and education	**6,057**	708
Telephone	**17,955**	20,946
Travel	**37,833**	41,578
	1,324,428	1,203,886
Excess (deficiency) of revenues over expenses	**(48,401)**	4,633

The accompanying notes are an integral part of these financial statements

Colorectal Cancer Association of Canada
Statement of Changes in Unrestricted Net Assets
For the year ended June 30, 2014

	2014	*2013*
Net assets - beginning of year	**172,079**	167,446
Excess (deficiency) of revenues over expenses	**(48,401)**	4,633
Net assets, end of year	**123,678**	172,079

The accompanying notes are an integral part of these financial statements

Colorectal Cancer Association of Canada
Statement of Cash Flows
For the year ended June 30, 2014

	2014	2013
Cash provided by (used for) the following activities		
Operating		
Excess (deficiency) of revenues over expenses	(48,401)	4,633
Amortization of capital assets	7,700	9,346
	(40,701)	13,979
Changes in working capital accounts		
Accounts receivable	(23,827)	5,151
Prepaid expenses	6,876	(3,906)
Accounts payable and accrued liabilities	(16,581)	(89,339)
Deferred contributions	(265,333)	265,333
	(339,566)	191,218
Financing		
Increase (decrease) in long-term liability	(30,000)	30,000
Investing		
Proceeds on sale of short-term investments	-	50,000
Additions to capital assets	(4,625)	-
	(4,625)	50,000
Increase (decrease) in cash resources	(374,191)	271,218
Cash resources, beginning of year	457,347	186,129
Cash resources, end of year	83,156	457,347

The accompanying notes are an integral part of these financial statements

1. Incorporation and nature of the organization

Colorectal Cancer Association of Canada (the "Association") operates as a registered charity and was continued under section 211 of the Canada Not-For-Profit Corporations Act.

The mission of the Association is to support and improve the quality of life of Canadians with colorectal cancer as well as their families and caregivers. The Association is dedicated to increasing awareness of colorectal cancer, supporting patients and advocating for population-based screening and timely access to effective treatments.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) as issued by the Accounting Standards Board in Canada using the following significant accounting policies:

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations 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 date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in excess of revenues and expenses in the periods in which they become known.

Revenue recognition

The Association 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.

Investment income is recognized as revenue when it is earned.

Pledges are recognized as revenue only when received by the Association. At June 30, 2014, the Association has pledges receivable amounting to Nil (2013 - Nil).

Contributed materials and services

Contributions of materials are recognized as both contributions and expenses in the statement of operations when a fair value can be reasonably estimated and when the materials are used in the normal course of the Association's operations and would otherwise have been purchased.

In the course of its activities, the Association uses the services of volunteers. Due to the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

Financial Instruments

The Association recognizes its financial instruments when the Association becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management. Financial assets and liabilities originated and issued in all other related party transactions are initially measured at their carrying or exchange amount in accordance with CICA 3840 *Related Party Transactions* (refer to Note 10).

At initial recognition, the Association may irrevocably elect to subsequently measure any financial instrument at fair value. The Association has not made such an election during the year.

2. Significant accounting policies *(Continued from previous page)*

Financial instruments *(Continued from previous page)*

With the exception of financial liabilities indexed to a measure of the Association's performance or value of its equity and those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in the excess of revenues over expenses for the current period. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at amortized cost or cost.

Financial asset impairment

The Association assesses impairment of all of its financial assets measured at cost or amortized cost. The Association groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group. Management considers whether the issuer is having significant financial difficulty in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Association determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year. If so, the Association reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets; and the amount expected to be realized by exercising any rights to collateral held against those assets. Any impairment, which is not considered temporary, is included in current year excess of revenues over expenses.

The Association reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in the excess of revenues over expenditures in the year the reversal occurs.

Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash. The Association has no restrictions on its cash and cash equivalents.

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution if fair value can be reasonably determined.

Amortization is provided using the declining balance method at rates intended to amortize the cost of assets over their estimated useful lives.

	Method	***Rates***
Computer equipment	declining balance	30%
Furniture and fixtures	declining balance	20%
Telephone system	declining balance	20%

Long-lived assets and discontinued operations

Long-lived assets consist of capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

When the Association determines that a long-lived asset no longer has any long-term service potential to the Association, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations. Write-downs are not reversed.

Government assistance

Claims for assistance under various government grant programs are recorded as a reduction of the cost of the related expense in the period in which eligible expenditures are incurred.

3. Accounts receivable

	2014	*2013*
Accounts receivable	**23,771**	24,096
Sales taxes receivable	**51,632**	27,480
	75,403	51,576

4. Capital assets

	Cost	*Accumulated amortization*	*2014 Net book value*	*2013 Net book value*
Computer equipment	**58,166**	**46,540**	**11,626**	10,993
Furniture and fixtures	**34,956**	**25,514**	**9,442**	11,803
Telephone system	**14,619**	**9,230**	**5,389**	6,736
	107,741	**81,284**	**26,457**	29,532

5. Credit facility

The Association's credit facility arrangement consists of an unutilized demand loan in the amount of $40,000. The loan bears interest at the Bank's prime rate plus 2.10% per annum, is secured by the assets of the Association and is reviewed on an annual basis.

6. Accounts payable and accrued liabilities

	2014	*2013*
Accounts payable and accrued liabilities	**64,408**	86,665
Payroll taxes payable	**11,739**	6,063
	76,147	92,728

Included in accounts payable and accrued liabilities is $30,000 (2013 - $40,000) related to the settlement of a claim by a supplier to be paid in the June 30, 2015 fiscal year.

7. Deferred contributions

Deferred contributions consist of unspent contributions for programs and events to be held in the following year. Recognition of these amounts as revenue is deferred to periods when the specified expenditures are made. Changes in the deferred contribution balance are as follows:

	2014	*2013*
Balance, beginning of year	**265,333**	-
Contributions received during the year	**-**	265,333
Less: Amount recognized as revenue during the year	**(265,333)**	-
Balance, end of year	**-**	265,333

8. Commitments

The Association has entered into a lease agreement with estimated minimum annual payments as follows:

2015	26,000
2016	26,000
2017	26,000
2018	19,000
	97,000

9. Contributed materials and services

Included in fundraising income and corporate sponsorships as well as programs expenses and board development expenses in the statement of operations is $8,502 (2013 - $29,570) representing the estimated fair value of contributions of gift certificates and other small gift items used at the annual gala as well as other events.

During the year, the Association received $9,693 (2013 - $10,173) in short-term investments which were sold during the year and have been included in fundraising income.

10. Related party transactions

During the year, the Association paid consulting fees of approximately $264,000 (2013 - $264,000) to a director. This transaction is in the normal course of operations and is measured at the exchange amount which is the amount established and agreed to by the related parties.

11. Financial instruments

The Association, as part of its operations, carries a number of financial instruments. It is management's opinion that the Association is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk.

The Association is exposed to interest rate cash flow risk with respect to its line of credit which is subject to a floating interest rate of prime plus 2.10% (2013 - prime plus 2.10%).

During the year, the Association's exposure to interest rate risk was constant because the Bank of Canada prime rate did not fluctuate. As a result, interest expense on the line of credit fluctuated only based on usage of the facility and not based on a change in the interest rate.

A 1% change in the prime rate will not have a significant effect on the financial position of the Association.