

WELLWOOD RESOURCE CENTRE OF HAMILTON

FINANCIAL STATEMENTS

MARCH 31, 2009



TAYLOR LEIBOW^{LLP}
ACCOUNTANTS AND ADVISORS

A MEMBER OF DFK INTERNATIONAL

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AUDITORS' REPORT

To the Directors of
Wellwood Resource Centre of Hamilton:

We have audited the statement of financial position of Wellwood Resource Centre of Hamilton as at March 31, 2009, and the statements of operations, 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.

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 our opinion, these financial statements present fairly, in all material respects, the financial position of the Organization as at March 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.

Taylor Leibow LLP

CHARTERED ACCOUNTANTS

Hamilton, Ontario
June 10, 2009

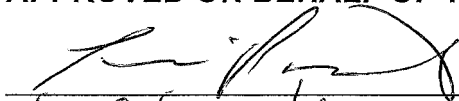
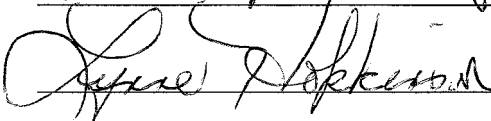
WELLWOOD RESOURCE CENTRE OF HAMILTON
STATEMENT OF FINANCIAL POSITION

As at March 31

	2009	2008
	\$	\$
ASSETS		
CURRENT		
Cash	228,484	335,053
Short-term investments	2,538,611	2,628,790
Accounts receivable	16,437	25,090
Inventories	1,399	1,693
Prepaid expenses	6,547	4,259
	2,791,478	2,994,885
CAPITAL ASSETS (Note 5)	249,086	72,554
INCORPORATION COSTS	684	684
	3,041,248	3,068,123
LIABILITIES		
CURRENT		
Accounts payable	15,332	19,045
DEFERRED CONTRIBUTIONS (Note 6)	24,851	3,300
	40,183	22,345
GENERAL FUND		
INVESTED IN CAPITAL ASSETS	249,086	72,554
EXTERNALLY RESTRICTED (Note 7)	2,592,076	2,818,430
INTERNALLY RESTRICTED FOR STABILITY PURPOSES (Note 8)	56,232	56,232
UNRESTRICTED	103,671	98,562
	3,001,065	3,045,778
	3,041,248	3,068,123

(See accompanying Notes to Financial Statements)

APPROVED ON BEHALF OF THE BOARD:

 Director
 Director

WELLWOOD RESOURCE CENTRE OF HAMILTON

STATEMENT OF CHANGES CHANGES IN FUND BALANCES

	General Fund		Building Fund	Stability Fund	Endowment Fund	Year ended March 31	
	Unrestricted	Invested in Capital Assets				Total 2009	Total 2008
	\$	\$				\$	\$
GENERAL FUND BALANCE, BEGINNING OF YEAR	98,562	72,554	397,863	476,799	2,000,000	3,045,778	2,821,344
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	5,109	(756)	121,957	(171,023)	-	(44,713)	224,434
INTERFUND TRANSFERS (Note 8)	-	177,288	(177,288)	-	-	-	-
FUND BALANCES, END OF YEAR	103,671	249,086	342,532	305,776	2,000,000	3,001,065	3,045,778

(See accompanying Notes to Financial Statements)

WELLWOOD RESOURCE CENTRE OF HAMILTON

STATEMENT OF OPERATIONS

Year ended March 31

	General Fund \$	Building Fund \$	Stability Fund \$	Endowment Fund \$	Total 2009 \$	Total 2008 \$
REVENUES						
Donations	46,963	194,923	-	-	241,886	168,877
Trillium Foundation Grant	11,449	-	-	-	11,449	16,000
Partnership funds	90,000	-	-	-	90,000	90,000
Fundraising and other income	24,720	849	-	-	25,569	21,222
Investment income (loss)	1,013	(19,965)	(171,023)	-	(189,975)	121,996
	174,145	175,807	(171,023)	-	178,929	418,095
EXPENDITURES						
Advertising, travel and promotion	2,503	-	-	-	2,503	1,376
Amortization	756	-	-	-	756	531
Fundraising expenses	30,706	-	-	-	30,706	17,520
Insurance	5,656	-	-	-	5,656	4,519
Miscellaneous	1,305	3,558	-	-	4,865	1,433
Office supplies	6,983	-	-	-	6,983	7,205
Printing, postage and courier	5,357	-	-	-	5,357	8,224
Professional fees	13,798	3,395	-	-	17,192	12,950
Volunteer expenses	4,545	-	-	-	4,545	5,428
Wages and benefits	98,183	46,897	-	-	145,079	134,475
	169,792	53,850	-	-	223,642	193,661
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	4,353	121,957	(171,023)	-	(44,713)	224,434

(See accompanying Notes to Financial Statements)

WELLWOOD RESOURCE CENTRE OF HAMILTON
STATEMENT OF CASH FLOWS

Year ended March 31

	2009	2008
	\$	\$
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Items not involving cash:		
Excess (deficiency) of revenues over expenditures	(44,713)	224,434
Amortization	756	531
Realized loss (gains) on investments	16,871	(48,433)
Unrealized loss on investments	260,731	10,409
	233,645	186,941
Changes in non-cash working capital (<i>Note 10</i>)	2,946	(7,809)
	236,591	179,132
FINANCING ACTIVITIES		
Increase (decrease) in deferred contributions	21,551	(12,700)
INVESTING ACTIVITIES		
Decrease (increase) in short-term investments	(187,423)	40,582
Purchase of capital assets	(177,288)	(71,051)
	(364,711)	(30,469)
INCREASE (DECREASE) IN CASH	(106,569)	135,963
CASH, BEGINNING OF YEAR	335,053	199,090
CASH, END OF YEAR	228,484	335,053

(See accompanying Notes to Financial Statements)

WELLWOOD RESOURCE CENTRE OF HAMILTON**NOTES TO FINANCIAL STATEMENTS**

Year ended March 31, 2009

1. PURPOSE OF ORGANIZATION

The Organization is a charitable organization which is committed to enhancing the quality of life and providing support programs for people living and affected by cancer. Wellwood Resource Centre of Hamilton is a charitable organization incorporated without share capital under the Laws of Ontario and is exempt from income taxes.

2. CHANGES IN ACCOUNTING POLICIES**CAPITAL DISCLOSURES**

On April 1, 2008, in accordance with the applicable transitional provisions, the Organization adopted the new recommendations in Section 1535, "Capital Disclosures" of the Canadian Institute of Chartered Accountants' Handbook. Section 1535 establishes standards for disclosure of an entity's objectives, policies and processes for managing capital, quantitative data about what is considered capital and whether an entity has complied with any capital requirements and consequences of non-compliance with such capital requirements. Adoption of this new recommendation resulted in additional disclosures provided in Note 12.

GOING CONCERN

During the year, the Organization was required to adopt the additional requirements of the Canadian Institute of Chartered Accountants Handbook Section 1400 – General Standards of Financial Statements. The additional requirements require management to make an assessment of the Organization's ability to continue as a going concern and to disclose any material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern. There was no impact to the financial statements arising from the adoption of the accounting pronouncement.

3. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles, applied on a basis consistent with prior years, and include the following significant accounting policies:

USE OF ESTIMATES

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses of the reporting period and disclosure of contingent assets and liabilities at the date of the financial statements. Significant areas requiring the use of management estimates include the valuation of the allowance for doubtful accounts, amortization, and impairment assessments. Actual results could differ from those estimates.

WELLWOOD RESOURCE CENTRE OF HAMILTON
NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2009

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

FINANCIAL ASSETS AND LIABILITIES

The following is a summary of the accounting model the Organization has elected to apply to each of its significant categories of financial instruments outstanding at March 31, 2009:

Cash	- Held for trading
Short-term investments	- Held for trading
Accounts receivables	- Loans and receivables
Accounts payable	- Other liabilities

On initial recognition, all financial assets and liabilities are measured and recognized at fair value. Financial assets and liabilities are then measured and recognized as follows:

Financial assets held for trading

Financial assets held for trading are measured at fair value and any changes in fair value are recognized in excess of revenues over expenses and are presented under investment income.

Loans and receivables and other financial liabilities

Loans and receivables and other financial liabilities are measured at amortized cost using the effective interest method (including any impairment for financial assets). Interest calculated using the effective interest method is presented in excess of revenues over expenses under investment income.

FUND ACCOUNTING

The Organization follows the restricted fund method of accounting for contributions.

The General Fund accounts for the Organization's program delivery and administrative activities. This fund reports unrestricted resources and restricted operating grants.

The Building Fund reports only restricted resources that are to be used for the future building expansion.

The Stability Fund reports only restricted resources that have been designated to be used for maintenance of the future building.

The Endowment Fund reports resources contributed for endowment. Investment income earned on resources of the Endowment Fund is externally restricted for stability purposes and is reported in the Stability Fund.

CAPITAL ASSETS AND AMORTIZATION

Capital assets are recorded at cost. Amortization is provided for at the following method and rates which are designed to charge the cost of capital assets to income over their estimated useful lives:

Computer equipment	30% diminishing balance
Furniture and equipment	20% diminishing balance

WELLWOOD RESOURCE CENTRE OF HAMILTON
NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2009

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

REVENUE RECOGNITION

Restricted contributions related to general operations are recognized as revenue of the General Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the General Fund as it is received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributions for endowment are recognized as revenue in the Endowment Fund.

Investment income earned on Endowment Fund resources must be held for stability purposes and is recognized as revenue of the Stability Fund. Investment income earned on the Building Fund resources that must be spent on the building expansion is recognized as revenue of the Building Fund. Unrestricted investment income earned on the Building Fund resources is recognized as revenue of the General Fund.

TRANSLATION OF FOREIGN CURRENCIES

All foreign denominated monetary assets and liabilities are translated at the exchange rate prevailing at the year end and revenue and expenses (other than amortization) at average rates of exchange during the period. Exchange gains and losses arising on the translation of the accounts are included in income. Non-monetary assets and liabilities are translated at historical rates of exchange.

4. FUTURE CHANGES TO SIGNIFICANT ACCOUNTING POLICIES

In the upcoming year, the Organization will be required to adopt the amendments to the Canadian Institute of Chartered Accountants Handbook sections 4400 - Financial Statement Presentation by Not-for-Profit Organizations, 4430 - Capital Assets Held by Not-for-Profit Organizations, 4460 - Disclosure of Related Party Transactions by Not-for-Profit Organizations, and new section 4470 - Disclosure of Allocated Expenses by Not-for-Profit Organizations. These amendments enhance the presentation of financial statements and existing disclosure requirements. Management is currently assessing the impact of these amendments on its financial statements.

5. CAPITAL ASSETS

	2009		2008	
	Cost \$	Accumulated amortization \$	Net \$	Net \$
Building under construction	247,143	-	247,143	71,049
Computer equipment	9,701	8,850	851	861
Furniture and equipment	3,312	2,220	1,092	644
	260,156	11,070	249,086	72,554

During the year the Organization continued construction on a new building at an estimated cost of \$1,275,000 which is expected to be funded by the Organization's ongoing building campaign and the Building Fund.

WELLWOOD RESOURCE CENTRE OF HAMILTON
NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2009

6. DEFERRED CONTRIBUTIONS

The deferred contributions reported in the General Fund for the current year represents unspent resources relating to restricted operating grants and sponsorships received in the current period that is related to the subsequent period. Changes in deferred contributions balance are as follows:

	2009 \$	2008 \$
Deferred contributions, beginning of year	3,300	16,000
Grants received during the year	36,300	-
Fundraising revenue received during the year for next year's event	-	3,300
Recognized as revenue during the year	(14,749)	(16,000)
Deferred contributions balance, end of year	24,851	3,300

7. EXTERNALLY RESTRICTED NET ASSETS

Major categories of externally imposed restrictions on net assets are as follows:

	2009 \$	2008 \$
Restricted related to building campaign	342,532	397,863
Restricted for stability purposes	249,544	420,567
Endowments, the income from which must be used for stability purposes	2,000,000	2,000,000
	2,592,076	2,818,430

8. INTERFUND TRANSFERS AND INTERNALLY RESTRICTED NET ASSETS

In 2009, the board of directors internally restricted \$NIL (2008 - \$15,334) to be held for stability purposes. The transfer was made from the General Fund to the Stability Fund. This internally restricted amount is not available for other purposes without approval of the board of directors. In addition, \$177,288 was transferred from the Building Fund to the General Fund in order to fund the cash outlays for capital asset acquisitions.

9. CHANGES IN NON-CASH WORKING CAPITAL

	2009 \$	2008 \$
Accounts receivable	8,653	(16,527)
Inventories	294	(365)
Prepaid expenses	(2,288)	1,795
Accounts payable	(3,713)	7,288
	2,946	(7,809)

WELLWOOD RESOURCE CENTRE OF HAMILTON
NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2009

10. CONTINGENCIES

LETTERS OF CREDIT

The Organization is contingently liable for an outstanding letter of credit in the amount of \$95,571 (2008 - \$Nil). As at March 31, 2009, the Organization has not recorded a liability with respect to this letter of credit as it does not expect to make any payments.

11. FINANCIAL INSTRUMENTS

FOREIGN EXCHANGE RISK

The Organization holds United States denominated short-term investments and is therefore subject to foreign exchange fluctuations. The Organization manages this risk by monitoring its United States dollar investments. As at March 31, 2009, the Organization has United States denominated cash and short-term investments in the amounts of \$16,517 and \$482,696 respectively.

12. CAPITAL DISCLOSURES

For its own purposes, the Organization defines capital as the sum of its fund balances. Externally imposed requirements on donations for specific purposes as directed by the donor are recognized in the restricted funds balance as described in Note 3.

The Organization's capital is calculated as follows:

	2009	2008
	\$	\$
Fund balances		
Invested in capital assets	249,086	72,554
Externally restricted	2,592,076	2,818,430
Internally restricted for stability purposes	56,232	56,232
Unrestricted	103,671	98,562
Total capital	3,001,065	3,045,778

The Organization's objectives when managing capital are to match generally the structure of its capital to the underlying nature and term of the assets being financed, and to hold sufficient cash and short-term investments to enable it to withstand negative unexpected financial events, in order to maintain stability in the financial structure. The Organization seeks to minimize the exposure to financial leverage and variable rate financial obligations and to maintain sufficient liquidity and short term borrowing capacity to enable it to meet its obligations as they become due.