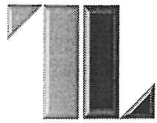


WELLWOOD RESOURCE CENTRE OF HAMILTON

FINANCIAL STATEMENTS

MARCH 31, 2010



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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, 2010, 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, 2010, 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
Licensed Public Accountants

Hamilton, Ontario
June 4, 2010

WELLWOOD RESOURCE CENTRE OF HAMILTON
STATEMENT OF FINANCIAL POSITION

As at March 31

	2010	2009
	\$	\$
ASSETS		
CURRENT		
Cash	298,928	228,484
Short-term investments	2,152,622	2,538,611
Accounts receivable	10,133	16,437
Inventories	962	1,399
Prepaid expenses and deposits	47,389	6,547
	2,510,034	2,791,478
CAPITAL ASSETS (Note 4)	922,365	249,086
INCORPORATION COSTS	684	684
	3,433,083	3,041,248
LIABILITIES		
CURRENT		
Accounts payable	11,487	15,332
DEFERRED CONTRIBUTIONS (Note 5)	5,641	24,851
	17,128	40,183
FUND BALANCES		
INVESTED IN CAPITAL ASSETS	922,365	249,086
EXTERNALLY RESTRICTED (Note 6)	2,378,202	2,592,076
INTERNALLY RESTRICTED FOR STABILITY PURPOSES (Note 7)	-	56,232
UNRESTRICTED	115,388	103,671
	3,415,955	3,001,065
	3,433,083	3,041,248

(See accompanying Notes to Financial Statements)

APPROVED ON BEHALF OF THE BOARD:

 Director

 Director

**WELLWOOD RESOURCE CENTRE OF HAMILTON
STATEMENT OF CHANGES IN FUND BALANCES**

	Year ended March 31					
	General Fund	Building Fund	Stability Fund	Endowment Fund	Total 2010	Total 2009
	\$	\$	\$	\$	\$	\$
	Unrestricted	Invested in				
	Capital Assets					
FUND BALANCES, BEGINNING OF YEAR	103,671	249,086	342,532	305,776	2,000,000	3,001,065
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	11,717	(536)	122,599	281,110	-	414,890
INTERFUND TRANSFERS (Note 7)	-	673,815	(465,131)	(208,684)	-	(44,713)
FUND BALANCES, END OF YEAR	115,388	922,365	-	378,202	2,000,000	3,415,955
						3,001,065

(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 2010 \$	Total 2009 \$
REVENUES						
Donations	36,590	110,202	-	-	146,792	223,551
Trillium Foundation grant	25,425	-	-	-	25,425	11,449
Partnership funds	90,000	-	-	-	90,000	90,000
Fundraising and other income	93,892	11,905	-	-	105,797	43,904
Investment income (loss)	174	42,292	281,110	-	323,576	(189,975)
	246,081	164,399	281,110	-	691,590	178,929
EXPENDITURES						
Advertising, travel and promotion	2,618	-	-	-	2,618	2,503
Amortization	536	-	-	-	536	756
Bad debts	7,500	-	-	-	7,500	-
Fundraising expenses	46,819	-	-	-	46,819	30,706
Insurance	6,317	-	-	-	6,317	5,656
Miscellaneous	3,865	2,683	-	-	6,548	4,865
Office supplies	10,254	-	-	-	10,254	6,983
Printing, postage and courier	9,650	-	-	-	9,650	5,357
Professional fees	14,774	6,015	-	-	20,789	17,192
Volunteer expenses	3,649	-	-	-	3,649	4,545
Wages and benefits	128,918	33,102	-	-	162,020	145,079
	234,900	41,800	-	-	276,700	223,642
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	11,181	122,599	281,110	-	414,890	(44,713)

(See accompanying Notes to Financial Statements)

WELLWOOD RESOURCE CENTRE OF HAMILTON
STATEMENT OF CASH FLOWS

Year ended March 31

	2010	2009
	\$	\$
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Items not involving cash:		
Excess (deficiency) of revenues over expenditures	414,890	(44,713)
Amortization	536	756
Realized loss on investments	2,050	16,871
Unrealized loss (gain) on investments	(245,887)	260,731
	171,589	233,645
Changes in non-cash working capital (<i>Note 8</i>)	(37,946)	2,946
	133,643	236,591
FINANCING ACTIVITIES		
Increase (decrease) in deferred contributions	(19,210)	21,551
INVESTING ACTIVITIES		
Decrease (increase) in short-term investments	629,826	(187,423)
Purchase of capital assets	(673,815)	(177,288)
	(43,989)	(364,711)
INCREASE (DECREASE) IN CASH	70,444	(106,569)
CASH, BEGINNING OF YEAR	228,484	335,053
CASH, END OF YEAR	298,928	228,484

(See accompanying Notes to Financial Statements)

WELLWOOD RESOURCE CENTRE OF HAMILTON

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2010

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 with 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. CHANGE IN ACCOUNTING POLICIES

During the year, the Organization was 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. There was no impact to the financial statements arising from the adoption of the accounting pronouncements.

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 conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Items requiring the use of significant estimates include the valuation of the allowance for doubtful accounts, amortization and impairment assessments. Actual results could differ from those estimates.

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, 2010:

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

WELLWOOD RESOURCE CENTRE OF HAMILTON
NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2010

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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.

WELLWOOD RESOURCE CENTRE OF HAMILTON
NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2010

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. CAPITAL ASSETS

	2010		2009	
	Cost \$	Accumulated amortization \$	Net \$	Net \$
Building under construction	881,759	-	881,759	247,143
Computer equipment	9,701	9,168	533	851
Furniture and equipment	3,312	2,439	873	1,092
Artwork	39,200	-	39,200	-
	933,972	11,607	922,365	249,086

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 a line of credit.

5. 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:

	2010 \$	2009 \$
Deferred contributions, beginning of year	24,851	3,300
Grants received during the year	-	36,300
Partnership funds received during the year for the next fiscal year	3,750	-
Fundraising revenue received during the year for next year's event	2,465	-
Recognized as revenue during the year	(25,425)	(14,749)
Deferred contributions, end of year	5,641	24,851

WELLWOOD RESOURCE CENTRE OF HAMILTON
NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2010

6. EXTERNALLY RESTRICTED NET ASSETS

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

	2010	2009
	\$	\$
Restricted related to building campaign	-	342,532
Restricted for stability purposes	378,202	249,544
Endowments, the income from which must be used for stability purposes	2,000,000	2,000,000
	2,378,202	2,592,076

7. INTERNALLY RESTRICTED NET ASSETS AND INTERFUND TRANSFERS

In 2010, the board of directors approved the use of the \$56,232 in the Internally Restricted for Stability Purposes Fund to be used to fund the cash outlays for capital asset acquisitions of the General Fund.

In 2010, \$465,131 and \$152,452 were transferred from the Building Fund and the Stability Fund, respectively, in order to fund the cash outlays for capital asset acquisitions of the General Fund.

8. CHANGES IN NON-CASH WORKING CAPITAL

	2010	2009
	\$	\$
Accounts receivable	6,304	8,653
Inventories	437	294
Prepaid expenses	(40,842)	(2,288)
Accounts payable	(3,845)	(3,713)
	(37,946)	2,946

9. CONTINGENCIES

LETTERS OF CREDIT

The Organization is contingently liable for an outstanding letter of credit related to the construction of the building in the amount of \$95,571 (2009 - \$95,571). As at March 31, 2010, the Organization has not recorded a liability with respect to this letter of credit as it does not expect to make any payments.

10. 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, 2010, the Organization has United States denominated cash and short-term investments in the amount of \$37,475 and \$470,420, respectively.

WELLWOOD RESOURCE CENTRE OF HAMILTON
NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2010

11. 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:

	2010	2009
	\$	\$
Fund balances		
Invested in capital assets	922,365	249,086
Externally restricted	2,378,202	2,592,076
Internally restricted for stability purposes	-	56,232
Unrestricted	115,388	103,671
Total capital	3,415,955	3,001,065

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.

12. COMPARATIVE INFORMATION

Certain financial information of the prior year has been re-stated in order to conform with the presentation adopted in the current reporting period.