

Financial statements of

Ovarian Cancer Canada

March 31, 2012

Ovarian Cancer Canada

March 31, 2012

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Independent Auditor's Report

To the Board of Directors of
Ovarian Cancer Canada

We have audited the accompanying financial statements of Ovarian Cancer Canada, which comprise the balance sheet as at March 31, 2012, and the statements of operations, changes in fund balances and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

In common with many charitable organizations, the Organization generates revenue from the general public in the form of donations and events income, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our audit of this revenue 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 donations and events income, and excess of revenue over expenses for the years ended March 31, 2012 and 2011, and assets and fund balances as at March 31, 2012, March 31, 2011, and April 1, 2010.

Qualified Opinion

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 donations and events income referred to in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2012 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Deloitte & Touche LLP

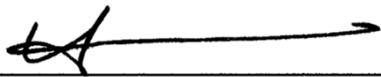
Chartered Accountants
Licensed Public Accountants
June 18, 2012

Ovarian Cancer Canada

Balance sheet
as at March 31, 2012

	2012	2011
	\$	\$
Assets		
Current assets		
Cash	98,895	112,058
Investments (Note 3)	1,627,761	1,611,220
Accounts receivable	141,860	85,545
Prepaid expenses	21,827	18,346
	1,890,343	1,827,169
Capital assets (Note 4)	12,985	20,345
	1,903,328	1,847,514
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	214,979	185,039
Deferred grants and donations (Note 5)	160,066	209,927
	375,045	394,966
Fund balances		
General	1,265,298	1,162,203
Board-restricted (Note 10)	250,000	250,000
Investment in capital assets	12,985	20,345
Endowment (Note 7)	-	20,000
	1,528,283	1,452,548
	1,903,328	1,847,514

Approved on behalf of Board



Ovarian Cancer Canada

Statement of operations year ended March 31, 2012

	2012	2011
	\$	\$
Revenue		
Foundation grant	33,473	39,908
Donations		
Individuals	332,785	345,386
Corporate	138,900	164,920
Bequests	10,000	5,481
Events income	3,153,023	3,175,028
Other income	100,259	69,079
Investment income (Note 6)	22,654	16,828
	3,791,094	3,816,630
Expenses		
Administrative	179,830	152,285
Awareness and education	1,120,486	1,133,601
Fundraising	1,297,738	1,196,242
Research	528,069	604,596
Support	569,236	561,688
	3,695,359	3,648,412
Excess of revenue over expenses for the year	95,735	168,218

Ovarian Cancer Canada

Statement of changes in fund balances year ended March 31, 2012

					2012	2011
	General fund	Board- restricted	Investment in capital assets	Endowment fund	Total	Total
	\$	\$	\$	\$	\$	\$
Fund balances, beginning of year	1,162,203	250,000	20,345	20,000	1,452,548	1,284,330
Excess (deficiency) of revenue over expenses	106,083	-	(10,348)	-	95,735	168,218
Addition to capital assets	(2,988)	-	2,988	-	-	-
Endowment donation (Note 7)	-	-	-	(20,000)	(20,000)	-
Fund balances, end of year	1,265,298	250,000	12,985	-	1,528,283	1,452,548

Ovarian Cancer Canada

Statement of cash flows year ended March 31, 2012

	2012	2011
	\$	\$
Operating activities		
Cash from operations		
Excess of revenue over expenses for the year	95,735	168,218
Items not affecting cash		
Amortization of capital assets	10,348	16,711
Donor release of Restricted Endowment Fund	(20,000)	-
	86,083	184,929
 Changes in non-cash working capital components		
Accounts receivable	(56,315)	(34,894)
Prepaid expenses	(3,481)	13,779
Accounts payable and accrued liabilities	29,940	45,855
Deferred grants and donations	(49,861)	67,773
	6,366	277,442
 Investing activities		
Purchase of investments	(2,319,387)	(1,611,220)
Purchase of capital assets	(2,988)	(534)
Proceeds from disposal of investments	2,302,846	1,255,131
	(19,529)	(356,623)
 Decrease in cash	(13,163)	(79,181)
Cash, beginning of year	112,058	191,239
Cash, end of year	98,895	112,058

Ovarian Cancer Canada

Notes to the financial statements

March 31, 2012

1. Purpose of organization

Ovarian Cancer Canada ("OCC"), formerly National Ovarian Cancer Association (the "Association"), was founded in 1997 and is dedicated to overcoming ovarian cancer and providing leadership by:

- supporting women and their families living with the disease;
- raising awareness by providing educational programs and materials to women living with ovarian cancer, the general public, and health care professionals; and
- funding research to develop reliable early detection techniques, improved treatments and, ultimately a cure.

The Association was incorporated on January 7, 1998 under the Canada Corporations Act as a Not-for-Profit Organization under the name of the Corinne Boyer Fund to continue this mission. The Association was granted registered charity status under the Income Tax Act (Canada) on March 26, 1999, effective August 1, 1998.

Effective February 28, 2007, the Association and the former Ovarian Cancer Canada ("the former OCC") joined together to form one organization and the assets, liabilities and obligations of the former OCC were transferred to, and assumed by, the Association.

The former OCC was dissolved on October 29, 2007 and the Association subsequently changed its name to Ovarian Cancer Canada.

2. Summary of significant accounting policies

Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Balances which require estimates include accrued liabilities and the useful lives of capital assets.

Revenue recognition

OCC follows the deferral method of accounting for revenue. Restricted grants and donations are recognized as revenue in the year in which the related expenses are incurred. Unrestricted grants and donations are recognized as revenue when received, or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

Endowment contributions

Endowment contributions are recognized as direct increases in the fund balance.

Contributed services

The operations of OCC are dependent on the services of many volunteers. The value of contributed services is not recognized in these financial statements.

Capital assets

Capital assets are stated at cost, less accumulated amortization. Amortization of computer and office equipment is provided on a straight-line basis over four years.

Ovarian Cancer Canada

Notes to the financial statements

March 31, 2012

2. Summary of significant accounting policies (continued)

Financial instruments - disclosure and presentation

OCC has classified each of its financial instruments into accounting categories, as follows:

	Classification	Recording
Cash	Held for trading	Fair value
Investments	Held for trading	Fair value
Accounts receivable	Loans and receivables	Amortized cost
Accounts payable and accrued liabilities	Other liabilities	Amortized cost

The category for an item determines its subsequent accounting.

- Held for trading items are carried at fair value, with changes in their fair value recognized in the Statement of operations;
- Loans and receivable are carried at amortized cost, using the effective interest method, net of any impairment;
- Other liabilities are carried at amortized cost, using the effective interest method.

The estimated fair values of accounts receivables and accounts payable approximate their carrying values in the financial statements due to their short-term nature.

Prepaid, capital assets and deferred rent and donations are not subject to the financial instrument classifications.

Future accounting changes

In December 2010, the CICA issued a new accounting framework applicable to Not-for-Profit Organizations. Effective for fiscal years beginning on or after January 1, 2012 Not-for-Profit Organizations will have to choose between International Financial Reporting Standards (IFRSs) and Canadian accounting standards for Not-for-Profit Organizations. OCC currently plans to adopt the new accounting standards for Not-for-Profit Organizations for its fiscal year beginning on April 1, 2012. The impact of transitioning to these new standards has not been determined at this time.

3. Investments

Investments represent the following:

	2012		2011	
	Cost	Fair value	Cost	Fair value
	\$	\$	\$	\$
Guaranteed investment certificates	-	-	1,000,000	1,000,000
High interest savings accounts	1,627,761	1,627,761	611,220	611,220
	1,627,761	1,627,761	1,611,220	1,611,220

Ovarian Cancer Canada

Notes to the financial statements

March 31, 2012

4. Capital assets

			2012	2011
	Cost	Accumulated amortization	Net book value	Net book value
	\$	\$	\$	\$
Computer equipment	13,581	9,461	4,120	6,886
Office equipment	26,275	17,410	8,865	13,459
	39,856	26,871	12,985	20,345

5. Deferred grants and donations

Deferred grants and donations represent unspent revenue externally restricted for research, awareness and education and support funding. Changes in the deferred grants and donations balances are as follows:

	2012	2011
	\$	\$
Balance, beginning of year	209,927	142,154
Add: amount received during the year	212,182	408,297
Less: amount recognized as revenue during the year	262,043	340,524
Balance, end of year	160,066	209,927

6. Investment income

Investment income earned is reported as follows:

	2012	2011
	\$	\$
Income earned on unrestricted resources	22,615	16,632
Income earned on resources held for endowment		
Unrestricted	39	196
Total investment income earned and recognized as revenue in the year	22,654	16,828

7. Endowment fund

The endowment donations are subject to externally imposed restrictions stipulating that the resources be maintained permanently. Investment income earned on the endowment funds is unrestricted and is recorded in the General fund. The balance of the endowment fund was recognized as donation revenue in the general fund effective May 31, 2011 as authorized by the donor, who was a member of the Board.

Ovarian Cancer Canada

Notes to the financial statements

March 31, 2012

8. Commitments

Leases

Future minimum annual lease commitments on office premises and equipment leases are as follows:

	\$
2013	253,077
2014	242,542
2015	215,425
2016	185,838
	<hr/> 896,882

9. Additional information to comply with the disclosure requirements of the Charitable Fundraising Act of Alberta

Remuneration paid to employees for activities involving fundraising, together with associated employee benefits and statutory payroll costs, amounted to \$575,239 (2011 - \$499,766).

10. Capital management

The Organization considers its capital to be its fund balances and deferred grants and donations.

Fund balances

As a not-for-profit organization, the operations of OCC are reliant on revenues generated annually. OCC has accumulated net assets over its history to March 31, 2012 of \$1,528,283 (2011 - \$1,452,548). OCC has complied with any restrictions related to its fund balances

On March 12, 2010, the Board of Directors approved a resolution to establish a board-restricted fund for use toward future research initiatives. An amount of \$250,000 of the cumulative excess of revenue over expenses was allocated this fund.

Deferred grants and donations

OCC has externally restricted deferred grants and donations to be spent on research, awareness and education, and support of \$117,951 (2011 - \$90,950). OCC has complied with all restrictions placed on these amounts.

11. Guarantees

In the normal course of business, OCC enters into agreements that meet the definition of a guarantee.

Indemnity has been provided to all directors and officers of OCC, subject to certain restrictions.

OCC has purchased directors' and officers' liability insurance to mitigate the cost of any potential future legal actions. Further, in the normal course of business, OCC has entered into agreements that include indemnities in favour of third parties, such as engagement letters with advisors and consultants, leasing contracts and rental agreements. Historically, OCC has not incurred any costs as a result of such suits, actions or agreements. The maximum amount of any potential future payment cannot be reasonably estimated and hence no amount has been recorded in the financial statements.

Ovarian Cancer Canada

Notes to the financial statements

March 31, 2012

12. Allocation of expenses

Staff costs

OCC allocates staff costs based on management's estimate of the amount of time required to fulfill the duties of each position. Total salary and benefits subject to allocation amount to \$1,819,178 (2011 - \$1,676,672) and are allocated on the Statement of operations as follows:

	2012	2011
	%	%
Administrative	14	14
Awareness and education	31	32
Fundraising	32	30
Research	6	5
Support	17	19
	100	100

Administrative expenses

The major components of administrative expenses subject to allocation are:

	2012	2011
	\$	\$
Common expenses		
Occupancy	226,783	211,672
General and office	141,777	120,423
Accounting staff cost	132,018	122,825
Professional and consulting	46,415	54,228
Total common expenses before reallocation	546,993	509,148

Common administrative expenses

Common expenses are allocated based on management's estimate of the proportion of benefit received by each of the functions. Common expenses are allocated as follows:

	2012		2011	
	\$	%	\$	%
Administrative	54,699	10	50,914	10
Awareness and education	164,098	30	152,745	30
Fundraising	82,049	15	76,372	15
Research	82,049	15	76,372	15
Support	164,098	30	152,745	30
	546,993	100	509,148	100