



Financial Statements

Bladder Cancer Canada

December 31, 2022

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# Independent Auditor's Report

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To the Members of  
Bladder Cancer Canada

## Qualified opinion

We have audited the financial statements of Bladder Cancer Canada, which comprise the statement of financial position as at December 31, 2022, and the statements of revenues and expenditures, changes in net assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for qualified opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2022, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

## Basis for qualified opinion

In common with many not-for-profit organizations, the Organization derives revenue from fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Organization. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the years ended December 31, 2022 and 2021, current assets as at December 31, 2022 and 2021, and net assets as at January 1 and December 31 for both the 2022 and 2021 years. Our audit opinion on the financial statements for the year ended December 31, 2022 was modified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

## Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the

Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script font.

Mississauga, Canada  
April 5, 2023

Chartered Professional Accountants  
Licensed Public Accountants

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## Bladder Cancer Canada Statement of Revenues and Expenditures

Year ended December 31	2022 Budget (unaudited)	2022	2021
<b>Revenues</b>			
Fundraising	\$ 665,000	\$ <b>458,597</b>	\$ 565,482
General sponsorships	135,000	<b>250,354</b>	272,269
Donations	220,000	<b>208,436</b>	367,078
Walk sponsorships	50,000	<b>75,000</b>	41,000
Restricted donations	-	<b>20,369</b>	129,199
Interest income	4,000	<b>19,720</b>	3,544
Wage subsidies	-	<b>18,488</b>	17,568
Gain on disposal of investments	-	-	1,929
	<u>1,074,000</u>	<u>1,050,964</u>	<u>1,398,069</u>
<b>Expenditures (Note 3)</b>			
Payroll	460,265	<b>415,277</b>	291,111
Awareness	212,250	<b>209,060</b>	130,936
Research	110,000	<b>114,035</b>	110,000
Fundraising	110,580	<b>113,678</b>	103,963
Administration	148,141	<b>99,016</b>	97,872
Patient Support	101,140	<b>37,671</b>	20,272
Contribution to CBCRN	-	-	112,505
	<u>1,142,376</u>	<u>988,737</u>	<u>866,659</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>\$ (68,376)</u>	<u>\$ 62,227</u>	<u>\$ 531,410</u>

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# Bladder Cancer Canada

## Statement of Changes in Net Assets

Year ended December 31

	General fund	Quality of Care fund	Contingency fund	Total 2022	Total 2021
Balance, beginning of year	\$ 783,673	\$ 596,555	\$ 150,000	\$ 1,530,228	\$ 998,818
Excess (deficiency) of revenues over expenditures	<u>162,227</u>	<u>(100,000)</u>	<u>-</u>	<u>62,227</u>	<u>531,410</u>
Balance, end of year	<u>\$ 945,900</u>	<u>\$ 496,555</u>	<u>\$ 150,000</u>	<u>\$ 1,592,455</u>	<u>\$ 1,530,228</u>

# Bladder Cancer Canada

## Statement of Financial Position

December 31

2022

2021

### Assets

#### Current

Cash	\$ 307,490	\$ 772,837
Cash held in internally restricted reserve fund	746,555	746,555
Accounts receivable	7,517	3,439
Prepaid expenses	19,853	15,831
Due from CBCIS (Note 5)	3,038	3,154
Harmonized sales tax receivable	<u>12,216</u>	<u>26,654</u>

**1,096,669**      1,568,470

Investment-general fund

597,534      -

**\$ 1,694,203**      **\$ 1,568,470**

### Liabilities

#### Current

Accounts payable and accrued liabilities	\$ 41,748	\$ 38,242
Deferred revenue	<u>60,000</u>	<u>-</u>

101,748      38,242

### Net Assets

General fund	945,900	783,673
Contingency fund (internally restricted)	150,000	150,000
Quality of Care fund (internally restricted)	<u>496,555</u>	<u>596,555</u>

1,592,455      1,530,228

**\$ 1,694,203**      **\$ 1,568,470**

On behalf of the board

*Michelle Greubler*

Director

*Glen Mund*

Director

# Bladder Cancer Canada

## Statement of Cash Flows

Year ended December 31

2022

2021

### Operating activities

Excess (deficiency) of revenues over expenditures	\$ 62,227	\$ 531,410
Change in non-cash working capital:		
Accounts receivable	(4,078)	3,113
Prepaid expenses	(4,022)	(7,285)
Harmonized sales tax receivable	14,438	(16,997)
Accounts payable and accrued liabilities	3,506	4,740
Deferred revenue	<u>60,000</u>	<u>-</u>
	<u>132,071</u>	<u>514,981</u>
<b>Investing activities</b>		
Advances to CBCIS	116	116
Net change in investments	<u>(597,534)</u>	<u>102,396</u>
	<u>(597,418)</u>	<u>102,512</u>
(Decrease) increase in cash	(465,347)	97,930
Cash		
Beginning of year	<u>1,519,392</u>	<u>901,899</u>
End of year	<u>\$ 1,054,045</u>	<u>\$ 1,519,392</u>

### Cash consists of:

Cash	\$ 307,490	\$ 772,837
Cash held in internally restricted reserve fund	<u>746,555</u>	<u>746,555</u>
	<u>\$ 1,054,045</u>	<u>\$ 1,519,392</u>

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# Bladder Cancer Canada

## Notes to the Financial Statements

December 31, 2022

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### 1. Nature of operations

Bladder Cancer Canada ("the Organization") is a national registered charity organized to help bladder cancer patients and their support teams address the day-to-day issues of the disease, increase awareness of bladder cancer among the general public and medical community and fund research which pursues the diagnosis, treatment and elimination of bladder cancer. The Organization is incorporated without share capital under the Canada Not-For-Profit Corporations Act as a not-for-profit organization and is exempt from income tax as per Section 149(1)(L) of the Income Tax Act.

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### 2. Summary of significant accounting policies

The Organization applies the Canadian accounting standards for not-for-profit organizations.

#### Revenue recognition

The Organization follows the deferral method of accounting for contributions. Restricted contribution and sponsorships are deferred until the the related expenses are incurred.

Unrestricted contributions and sponsorships are recognized as revenue when they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Interest income is recognized when it is earned.

Wage subsidies are recorded as revenue in the period to which they relate and when collection is assured.

#### Fund accounting

The general fund reports the revenue from fundraising, sponsorship and donations and expenses related to the operations and administration of the Organization. Revenue and expenditures are recorded on the accrual basis, whereby they are reflected in the accounts in the period in which they have been earned and incurred respectively, whether or not such transactions have been settled by the receipt or payment of money.

The quality of care fund represents an amount internally set aside by the Board of Directors to be used to fund research initiatives. On February 16, 2022, the Executive Committee passed a motion to change the name of the fund that was formerly know as the research fund to the quality of care fund.

The contingency fund represents an amount internally set aside by the Board of Directors to be used to help meet future obligations that may be incurred in a year that donations are lower then expected.

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# Bladder Cancer Canada

## Notes to the Financial Statements

December 31, 2022

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### 2. Summary of significant accounting policies (continued)

#### Cash held in internally restricted reserve fund

Cash held in internally restricted reserve fund consists of cash balance with banks, internally restricted as contingency fund and quality of care fund.

#### Contributed services

A substantial number of volunteers contribute a significant amount of their time each year. Due to the difficulty of determining their fair value, contributed services are not recognized or disclosed in the financial statements.

#### Capital assets

Capital assets are stated at cost less accumulated amortization. To date, the Organization does not have any material capital assets.

#### Measurement uncertainty

Management reviews the carrying amounts of items in the financial statements at each balance sheet date to assess the need for revisions. Many items in the preparation of these financial statements require management's best estimate based on assumptions that reflect the most probably set of economic conditions and planned courses of action.

These estimates are reviewed periodically and adjustments are made to excess of revenue over expenditures as appropriate in the year they become known.

#### Financial instruments

The Organization considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. The Organization accounts for the following as financial instruments:

- Cash
- Cash held in internally restricted reserve fund
- Accounts receivable
- Accounts payable

A financial asset or liability is recognized when the Organization becomes party to contractual provisions of the instrument.

The Organization initially measures its financial assets and financial liabilities at fair value, except for certain non-arm's length transactions.

Financial assets or liabilities obtained in related party transactions are measured in accordance with the accounting policy for related party transactions except for those transactions that are with a person or entity whose sole relationship with the Organization is in the capacity of management in which case they are accounted for in accordance with financial instruments.

The Organization subsequently measures its financial assets and financial liabilities at amortized cost.

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# Bladder Cancer Canada

## Notes to the Financial Statements

December 31, 2022

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### 2. Summary of significant accounting policies (continued)

#### Financial instruments (continued)

The Organization removes financial liabilities, or a portion thereof, when the obligation is discharged, cancelled or expires.

Financial assets measured at cost are tested for impairment when there are indicators of impairment. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in excess revenues over expenditures.

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### 3. Allocation of expenditures by object

The statement of revenue and expenditures presents the expenditures by function. The details of the expenditures by object are:

	<u>2022</u>	<u>2021</u>
Payroll	\$ 415,277	\$ 291,111
Awareness	209,061	130,936
Research	114,035	110,000
Fundraising	104,410	94,588
Supplies and general	29,061	44,312
Accounting and legal	27,170	23,443
Patient meetings	15,644	10,409
Board meetings	13,679	6,721
Interest and bank charges	13,656	11,827
Website	10,002	3,025
New initiatives	9,532	10,222
Patient handbook	7,217	1,783
Insurance	6,619	5,782
Telephone	5,395	4,779
Brochures	3,900	4,208
Memberships	2,288	332
Travel	1,148	676
Volunteer recognition	643	-
Contribution to CBCRN	-	112,505
	<u>\$ 988,737</u>	<u>\$ 866,659</u>

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# Bladder Cancer Canada

## Notes to the Financial Statements

December 31, 2022

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#### 4. Related party transactions

The Organization has a relationship with Canadian Bladder Cancer Research Network ("CBCRN") by virtue of a common board director and common management. Therefore the two organizations are considered to be related parties and transactions between the two organizations are considered related party transactions for accounting purposes. CBCRN is a federally incorporated not-for-profit organization.

During fiscal 2022, there were no related party transactions between the two entities.

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#### 5. CBCIS Project

The Canadian Bladder Cancer Information System ("CBCIS") project is a research endeavour between the Organization and the Research Institute of the McGill University Health Centre which involves the establishment and maintenance of a national database of bladder cancer patients through data input by 14 independent hospital research centres across Canada. The major funders for the fund are pharmaceutical companies with \$850,000 pledged for funding through 2024. The balance of funds at December 31, 2022 are predominately from those pharmaceutical companies in trust to be disbursed for the Canadian Bladder Cancer Information System expenditures under written agreements.

The contribution from Bladder Cancer Canada to the project was by way of performing administrative functions for the project and by providing the seed financing by way of an initial pledge of \$150,000 in 2014 to this project and then additional funding totaling \$400,000 in the future. During the year, Bladder Cancer Canada contributed \$Nil (2021 - \$Nil) to the CBCIS project.

Bladder Cancer Canada is performing administrative functions and providing financing for the research project between the Organization and the Research Institute of McGill University Hospital through Canadian Bladder Cancer Information System.

	<u>2022</u>	<u>2021</u>
Amounts receivable	<u>\$ 3,038</u>	<u>\$ 3,154</u>

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#### 6. Budget amounts

The budgeted figures presented for comparison purposes are unaudited. These figures are those approved by the Board of Directors and have been reclassified to conform with these financial statements.

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#### 7. Financial instruments

The Organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of December 31, 2022.

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# Bladder Cancer Canada

## Notes to the Financial Statements

December 31, 2022

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### 7. Financial instruments (continued)

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is not exposed to significant credit risk.

Market risk

Market risk is the risk that the fair value or expected future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk. The organization is mainly exposed to interest rate risk through fixed interest rates on guaranteed investment certificates held.

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The organization is exposed to interest rate risk on its fixed and floating interest rate financial instruments. Given the current composition of fixed-rate instruments subject the organization to a fair value risk while the floating-rate instruments subject it to a cash flow risk.

(c) Liquidity risk

Liquidity risk is the risk that the Organization will encounter difficulty in meeting the obligations associated with its financial liabilities. The Organization is exposed to this risk mainly in respect of its accounts payable and accrued liabilities.

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