



Bermuda Cancer and Health Centre

2014 ANNUAL REPORT

TABLE OF CONTENTS

FORWARD <i>by the Chairman</i>	1
REVIEW <i>by the Executive Director</i>	2
RELAY FOR LIFE <i>Bringing a Community Together</i>	3
ST. BALDRICK'S <i>Hope For Children</i>	5
CERTIFICATIONS <i>Evolving Structure and Standards</i>	6
DIAGNOSTIC IMAGING <i>Providing Unparalleled Services</i>	7
EDUCATION AND AWARENESS <i>Providing Community Support</i>	8
FUNDRAISING <i>Community Support</i>	9
DONATIONS <i>Thanking our Donors</i>	10
BOARD OF DIRECTORS <i>Drawing on Expertise</i>	12
AUDITOR'S REPORT <i>by KPMG Audit Limited</i>	13
FINANCIAL STATEMENTS <i>Our Financials</i>	14

Remember.

Celebrate.

Fight Back.

FORWARD

“When a community comes together, great things happen.”

Each year, in Bermuda, we work for and on behalf of everyone affected by cancer. We strive to ensure that fewer people get cancer, while supporting those that need our assistance with the best care, treatment, information and support.

In May, 2014, we held our first annual Relay For Life event, joining over 23 countries hosting the same event around the world. For 24 hours, we saw 123 teams, made up of 1700 individuals, walk the track at North Field in Pembroke for twenty-four hours. Teams walked continuously without stopping for 24 hours because cancer doesn't sleep. It works 24 hours, 365 days of the year. But so do our volunteers and donors. They support, donate, fundraise, and campaign. But above all they care. When a community comes together, great things happen.

Fundraising during a recession is challenging, but thanks to the support and selfless efforts of our volunteers and donors, Relay For Life Bermuda raised \$443,961.

BY THE CHAIRMAN

Their generosity continues to allow us to support cancer patients in Bermuda in many ways, as well as promote continued awareness regarding cancer prevention. Moreover, this generosity will



allow us to do new things for cancer patients in Bermuda. I am proud of our achievements, yet humbled by the level of support by donors and volunteers. This year we celebrate ordinary heroes.

It is not possible to carry out our mission without the amazing support of so many people across Bermuda. On behalf of the Board of Directors, I want to give a heartfelt thank you to our donors and volunteers. I am pleased to present this annual report for Bermuda Cancer and Health Centre, together with the audited financial statements for 2014.

Sincerely,

A handwritten signature in black ink that reads "Glen P. Gibbons". The signature is written in a cursive, slightly slanted style.

Glen Gibbons
Chairman of the Board of Directors
Bermuda Cancer and Health Centre

REVIEW

BY THE EXECUTIVE DIRECTOR

“The work conducted by the Centre would not be possible without the ongoing and dedicated support of many.”

The incidence of cancer is increasing and the demand for our services continues to grow. As one of Bermuda’s leading cancer support organizations we remain in a position to be able to continue to support those in need in our local community.

In 2013, we earned valuable accreditation at both a local and international level. By earning the Bermuda National Standards Certification our charity demonstrated compliance with a set of international standards and best practices. Being designated a “Breast Imaging Centre of Excellence” from the American College of Radiology, establishes the Centre’s delivery of care is provided to the highest standard.

The achievements of accreditations in 2013 have helped the charity, as a foremost priority, to create a stable, financially secure course for our future. Our fundraising, services and strategic plans were designed to ensure we remain on target to achieve world class cancer services locally.

Amidst our regularly annual fundraiser events, in May, 2014, we added an additional fundraiser, the widely embraced and truly inspiring Relay For Life of

Bermuda. The event raised a total of \$443,961 in its inaugural year.

Our total fundraising efforts were offset by the financial strain experienced by residents in 2014, resulting in increased demands on resources and financial assistance for these services. The Centre applies the majority of its revenue to support its operation through the provision of diagnostic imaging procedures which include mammograms, ultrasound, bone densitometry, and breast and prostate biopsies, as well as to support our prevention and awareness programmes. We have responded to this demand while staying focused on our overall goals. In



December 2014, we announced plans to introduce radiation therapy at our Point Finger Road facility. This available service will enable many local patients to receive comprehensive cancer treatment in Bermuda, while saving insurers several million dollars in healthcare costs annually.

The work conducted by the Centre would not be possible without the on-going and dedicated support of many. I want to thank our staff for their passion and professionalism, and our volunteers for their infinite time and expertise. I also want to thank our many partners and donors, as well as numerous agencies and organisations who continue to support us. Lastly, I want to thank the Board of Directors for their abundant dedication to advance our mission.

Sincerely,

A handwritten signature in blue ink that reads "Tara E. Soares". The signature is fluid and cursive.

Tara E. Soares
Executive Director

RELAY FOR LIFE

BRINGING A COMMUNITY TOGETHER

Bermuda Cancer and Health Centre is very proud to have joined the Global Relay family.

Each community's Relay For Life event is special, but its greatest power lies in the synergy created by all Relay For Life events taking place worldwide.

Each year, more than 4 million people in 23 countries take part in the Relay For Life movement – the world's largest fight against cancer. In April 2013, Bermuda became the 21st country to be licensed to hold a Global Relay For Life event and in May 2014, Bermuda joined 23 other countries and over 6000 Relay For Life events held worldwide.



HISTORY

No one ever dreamed that Relay For Life would become what it is today. It all began in 1985 when Dr. Gordy Klatt decided to walk for 24 hours to raise funds for the American Cancer Society. In that first year he raised \$27,000 for the fight against cancer. For 29 years, Relay For Life has provided inspiration and hope for millions of cancer survivors and caregivers and the movement has grown into a worldwide phenomenon, raising nearly \$5 billion to fight cancer.

THE EVENT

With Ironshore Limited as Presenting Sponsor, Bermuda Cancer and Health Centre held the Island's first Annual Relay for Life event on May 30th and 31st, 2014. The event was only made possible because of the dedication of 10 Committee Chairs, over 40 Committee members and hundreds of volunteers



working tirelessly to ensure our first Relay For Life event was executed at a high standard as guided by the American Cancer Society.

The Centre and committees were overwhelmed with the response from the community. We saw over 120 teams comprising of over 1700 participants come together to remember people lost to the disease, honour people who have fought or are fighting cancer and fight back against a disease that has taken so many.

Many moments created this unique Relay experience at North Field. While teams walked



laps, fundraised from their themed sites and joined in the entertainment and activities, there were three signature laps that heightened this emotional 24 hours. During the Survivors Lap, cancer survivors celebrating their victory over cancer started the first lap around the track to open the Relay For Life event. The survivors were joined by their caregivers during the second half of their lap. The other teams and participants cheered on the survivors and

caregivers during this first inspirational lap. At dusk the Luminaria Ceremony began and inspired participants to remember people lost to cancer, honour people who have fought cancer in the past, and supported those who continue to fight. Candles were lit inside of personalized bags and placed around the Relay track as glowing tributes to those who've been affected by cancer.

Finally, the Fight Back Ceremony concluded this emotional 24-hour event. This powerful ceremony inspired Relay participants to take action and symbolised the emotional commitment each of us



can make in the fight against cancer for our loved ones, and for our community.

Overall, Relay For Life of Bermuda 2014 raised a total of \$443,961. This level of support was a result



of a community coming together to Celebrate, Remember and Fight Back against this horrible disease. Our Presenting Sponsor, Ironshore, along with various corporate partners, alliances, organisations and individuals donated generously to this cause. Amidst general donations, we also received corporate matching donations, team fundraising efforts and luminaria purchases. Donations in kind included food, event supplies, entertainment, raffle prizes, lighting, and so on.

These generous donors made this event possible and an overall success.

FUNDING

As with all Relay For Life events worldwide, 5% of funds raised are provided to the American Cancer Society to support Global Relay For Life initiatives, including finding a cure for cancer. The remaining 95% of the funds raised remain in Bermuda to help us deliver important cancer prevention programmes, such as the Centre's Lung, Colorectal and Cervical Cancer awareness initiatives. Local funding also continues to allow us to improve opportunities for early cancer detection and treatment for uninsured and underinsured community members. In 2015, our goal for these funds is to support our (recently announced) local radiation therapy treatment facility.

Achieving our mission is important because each year in Bermuda we know that over 230 of our



friends and family are told "You have Cancer" and sadly 80 people a year will lose their battle to cancer in Bermuda. Many of our friends and neighbours do not have access to cancer detection and treatment due to a lack of health insurance. Other cancers we see in our small community, such as lung and skin cancer, are easily preventable through education and awareness. We know we can make a difference in the fight against cancer for our Island. [Relay For Life of Bermuda](#). [Bringing a community together](#)

ST. BALDRICK'S

HOPE FOR CHILDREN

This year, Bermuda Cancer and Health Centre became the proud recipient of the St. Baldrick's Foundation Bermuda's fundraising efforts.

Since 2005, the [St. Baldrick's Foundation](#) has funded more than \$127 million in research grants to find a cure for childhood cancers. Worldwide, a child is diagnosed with cancer every three minutes and more children are lost to cancer than any other disease. Fifty years ago, almost all children diagnosed with cancer died but because of research, approximately 85% of children with the most common types of cancer such as acute lymphoblastic leukemia will live today.



A number of organisations and individuals came together to shave for the cause that supports childhood cancer research. The St. Baldrick's Foundation kicked off its 8th annual head shaving event at Saltus Grammar School where more than 80 students, staff, and relatives participated in the event. Saltus participants raised close to \$200,000 in 2014.

Other schools including, Somersfield and BHS, also held shaving and fundraising events. Amongst the

many individuals that shaved for the cause were the Bermuda Stock Exchange President and CEO, Greg Wojciechowski, along with his teenage son.



These events were well supported by our local hair dressers who volunteered their time and expertise. Salons included Salon Visage, The Cutting Room, Salon 27, Bang Bang and TK Hair.

This year's event raised money for children's cancer research, with \$48,000 of the funds being allocated to Bermuda Cancer and Health's SunSmart Programme, a school and summer camp based programme

teaching sun protective behaviours.

Also, non-profit hairpiece maker, [Locks of Love](#), also

benefitted as several students, relatives, and teachers donated their hair to provide hair pieces for children with long-term medically related hair loss.



Once again, bringing a community together.

CERTIFICATIONS

EVOLVING STRUCTURE AND STANDARDS

With our underlying goal to support and better service our community, Bermuda Cancer and Health Centre continually strives for excellence, making improvements to our services and programmes while meeting both international and local standards.

BERMUDA NATIONAL STANDARDS CERTIFICATION

The Bermuda National Standards Committee created a set of best practice standards for Bermuda's non-profits, charities and quangos that are not eligible for accreditation but would like a process that allows them to demonstrate a high standard of practice which exceeds the basic requirements. The certification process involved a detailed review and analysis of an organisation's administrative operations against international standards of best practice for charitable organisations. Bermuda Cancer and Health Centre has successfully earned this certification and continues to fine-tune their processes for a more efficient and effective operation.



BREAST IMAGING CENTRE OF EXCELLENCE

The Centre has earned the Breast Imaging Centre of Excellence designation from the American College of Radiology (ACR). Since 1987, the ACR has accredited more than 35,000 facilities in 10 imaging modalities. Through the ACR, the Centre has earned accreditation in mammography, stereotactic breast biopsy, and breast ultrasound (including ultrasound-guided breast biopsy).

Centres designated as an ACR Breast Imaging Centre of Excellence have:

- Voluntarily gone through a rigorous review process to be sure they meet nationally accepted standards
- Employed personnel who are well qualified, through education and certification, to perform and interpret medical images and administer radiation therapy treatments
- Acquired equipment appropriate for the testing or treatment of breast cancer
- Met or exceeded quality assurance and safety guidelines



DIAGNOSTIC IMAGING

PROVIDING UNPARALLELLED SERVICES

At Bermuda Cancer and Health Centre we are committed to our mission of early detection, prevention and support. We offer a full range of clinical services and will cover the cost for those individuals who may not have health insurance nor the ability to pay.

BREAST BIOPSIES

A breast biopsy is a minimally invasive procedure to remove a small sample of breast tissue for laboratory testing. This on-site procedure is



designed to reduce the amount of time and anxiety experienced from the moment a breast abnormality is detected. Each patient will receive personal and confidential service from our dedicated team of highly experienced breast specialist professionals.

DIGITAL MAMMOGRAPHY

Digital Mammography remains the gold standard for breast cancer screening and Bermuda Cancer and Health Centre is pleased to offer this state-of-the-art service. We offer both screening and diagnostic mammograms. Female patients, over the age of 40 year may simply call the Centre and

book an appointment. Other mammograms require a physician's referral.

ULTRASOUND

Ultrasound is a diagnostic tool which is used to assist in the detection of cancer. In the Centre's Mary-Jean Mitchell Green Ultrasound Suite we offer a full range of ultrasound studies such as pelvic, gynecological, abdominal, testicular, prostate and soft tissue.

BONE DENSITOMETRY

Bone density testing is used to assess the strength of the bones and the probability of a fracture in persons at risk for osteoporosis. The bone mineral density scan is a non-invasive procedure that takes just a few minutes. The Centre offers one of the most accurate bone density tests available and assists in the diagnosis of bone mineral loss at an early stage.

PROSTATE BIOPSIES

A prostate biopsy is a procedure in which a small amount of prostate gland tissue samples are removed with a special biopsy needle to determine if cancer or other abnormal cells are present. This procedure is conducted in our dedicated ultrasound suite and the appointment requires about 30 minutes to perform. Results are provided to the patient's primary care doctor approximately ten days after the procedure.



Most services are 100% covered by insurance. However, for those who are underinsured, The Centre offers assistance with these costs.

EDUCATION AND AWARENESS

PROVIDING COMMUNITY SUPPORT

We strongly believe that by providing the highest standard of clinical services in conjunction with health education programmes, we can support our community to lead a healthy and productive lifestyle.

SUNSMART

The Centre's SunSmart Awareness Programme is delivered in schools and summer camps, providing children and camp leaders with information on the importance of sun protection, as well as parents, teachers, family and friends. Our ultimate goal is to



prevent the dangerous outcomes of sun exposure. Through awareness, we can avoid sunburn and potential skin cancers later in life.

LUNGSMART

LungSmart is also a school-based programme aimed to encourage school aged children to abstain from smoking and to encourage those who already smoke to become tobacco-free. This programme educates students on the health dangers associated with smoking, enabling them to make informed decisions when faced with peer pressure.

LECTURE AND TALK SERIES

Providing free, relevant health information to the community is an important goal of the Centre. We



offer public presentations, corporate lunch and learns and community and corporate health fairs, promoting the message that cancer is preventable, treatable, and beatable.

CANCER INFORMATION SERVICE

Residents of Bermuda have access to our free Cancer Information Service, provided through our partnership with the Canadian Cancer Society. By calling 232-2247 individuals may speak directly to knowledgeable Cancer Information Specialists on a host of cancer topics, including cancer treatments and side effects, coping with cancer and complementary therapies.

LENDING LIBRARY

Our library offers a comprehensive and complete guide to all things cancer. Located on the ground floor of the Centre, the library offers more than 800 books and DVDs covering a wide range of cancer and health topics.

MEN'S HEALTH SCREENING

During the month of November, The Centre hosts a health fair and offers free screening for many common health-related issues. We partner with local specialists including Bermuda Diabetes Association, Bermuda Heart Foundation, Open Airways and the Department of Health.

FUNDRAISING

COMMUNITY SUPPORT

As a registered charity, the Centre relies on community support. Funds raised support our charitable outreach initiatives which include our Equal Access Fund and our Education and Awareness Programmes. The Centre does not receive Government funding. Every penny you give counts.

RELAY FOR LIFE

We held our first annual Relay For Life event on May 30th through 31st, 2014. With over 120 teams and 1700 participants, it was an astounding success, raising over \$440,000.

ANNUAL RAFFLE

The Centre's annual raffle was popular this year, selling 100% of tickets issued. With the generous support of our volunteers we raised \$37,778 toward our Equal Access Fund.



ST. BALDRICK'S

Bermuda Cancer and Health Centre was the local charity partner for the St. Baldrick's Foundation

2014 events. Schools, hair salons and prominent figures rallied together to support fundraising which goes towards important childhood cancer research programmes.

BREAST CANCER ANNUAL FUN WALK

With the continued support of BF&M, our popular annual fun walk was well attended by over 1400 participants. Along with a host of other breast cancer awareness events such as the fish fry and pink denim day, this year's campaign raised over \$257,000.



GIRLS NIGHT IN

We are once again pleased to congratulate The Bosom Buddies for raising a total of \$51,950 during their 9th Annual "Girls Night In". The total raised by all Girls Night In events held across the island was \$71,249.

MOVEMBER

With the support of our sponsors, Flanagan's and The Cutting Room, our MoBros, MoSistas and MoTeams raised a total of \$28,592. These funds are specifically allocated to support our Men's Health Programme, which encourages men over the age of 40 to take control of their health.

DONATIONS

THANKING OUR DONORS

Bermuda Cancer and Health Centre is grateful for the generosity of its many donors over the past year. Donations are used to support the Centre's Equal Access Fund. This fund allows us to assist our friends who do not have insurance to get access to important cancer detection tests. The remaining funds are used to support our education and awareness programmes, and in 2015, it will also support the building and operation of our newly announced radiation therapy facility.

We would like to give our sincere thanks to the following supporters:

CORPORATE MATCHING

Corporate matching gifts are a valuable way for supporters of the Centre to maximize personal contributions to our charity and increase the impact of their gift. Many companies provide matching donations thereby doubling, tripling or quadrupling the personal donation made by their staff. Thank you to the following companies for supporting their staff donations and allowing them to maximize their contributions:

ACE Foundation	AXIS Specialty Limited	JLT Reinsurance Brokers Ltd.
Allied World Assurance Company (AWAC)	Bacardi International	Kane Bermuda Limited
Allianz Risk Transfer	Bank of Bermuda Foundation	OIL insurance Limited
AON Insurance Managers (Bermuda) Ltd.	Bermuda Executive Services	PartnerRe limited
ARCH Reinsurance	Butterfield & Vallis	Platinum Underwriters
Argo Group	Colonial Group	RenaissanceRe
Ariel Reinsurance	Endurance Specialty Insurance	XLIT Ltd
Argus Group	FIL	Zurich International (Bermuda) Ltd
Atlantic Caregiving	Ironshore	
	HSBC Private Bank	
	Jericho Capital	

UNION DUES

Many employees opt to designate their union dues to support a charity of their choice. The Centre was honoured to be one of the recipients of these donations and would like to acknowledge those employees of the following companies for their support:

Bermuda Hospitals Board	Fairmont Hamilton Princess	Newstead Belmont Hills
Bermuda Government	Fairmont Southampton	TBI International
Bermuda Telephone Co	Key Management Services	The Reefs

CHARITABLE GIVING IN MEMORY

Charitable donations can be made through gifts of life insurance, outright gifts of cash, pledges, securities, and bequests in wills. Our heartfelt thank you to all who donated in honour of a departed loved one this year.

Brian Cullimore
Calvin K Fox

Estate of Arthur Sheppard
Victor H Garcia

Janice Ingemann
Enith E Stovell

HONOURING OTHERS

Making a charitable donation in the name of a loved one is a meaningful way to give for any occasion. In 2014, the Centre received gifts in lieu of celebrating survivorship, birthdays and anniversaries. Thank you for choosing to make a donation to Bermuda Cancer and Health Centre in honour of your loved one.

Judy DeShields

Pat Richardson

Gladwin Thomas

DONOR HONOUR ROLL

Their philanthropic support helped to improve patient care, the purchase of cancer detection equipment, and funding for cancer prevention programmes. These donors contributed over \$2,000 each during the 2014 fiscal year:

A.P.Moller (Bermuda) Limited
AON Insurance Managers
(Bermuda) Ltd.
Bermuda Bridge Club
BETA foundation
The Bermuda Musical &
Dramatic Society
Bolton Charitable Foundation

Clarien Bank
Compania Minera Cordillera
(Bermuda) Ltd.
Conyers Dill & Pearman
Freemasons Fund for Bermuda
Hamilton Parish & Tuckers
Town Trust
John Deuss

Markey Corporation
Nora & R. Walter Sharpe
RenaissanceRe
Schroder Family
The Green Family
XLIT Ltd.

SPONSORS & SPECIAL SUPPORTERS

Wetherill, Chrissy & the Bosom Buddies
Bermuda Timing Systems Ltd.
BF&M Insurance Group
Butterfield & Vallis
North Village Community Club
KPMG
Relay For Life Teams and Sponsors
St. Baldrick's Foundation
XLIT Ltd.
Mrs. Margaret Weale

BOARD OF DIRECTORS

DRAWING ON EXPERTISE

Our Board Directors are dedicated to our mission and bring a wealth of knowledge and expertise to the organisation. Directors serve without compensation and annually reaffirm their commitment to Bermuda Cancer and Health Centre.



*Glen Gibbons** · **Board President since 2008 · Finance & Investment Committee**
Senior Vice President, BF&M Ltd.



*Judy White** · **Vice President since 2007 · Governance & Compliance and Finance & Investment Committees**
President, CTFS Bermuda Ltd.



Lynda Davidson-Leader · **Appointed 2011 · Corporate Secretary · Governance & Compliance Committee**
Vice President of Corporate Services, BF&M Ltd.



Denton Williams · **Appointed 2011 · Chairman of Clinical Committee**
COO, BELCO



*Gary Carr** · **Appointed 2004 · Governance & Compliance Committee**
Director, Delphi Management Limited



*Jennifer Haworth** · **Appointed 2007 · Chairman of Governance & Compliance Committee**
Litigation Attorney, MJM Ltd.



Wendy Dunne · **Appointed 2011 · Finance & Investment and Scholarship Committees**
Retired Insurance Underwriter



*Larry Dennis** · **Appointed 2007 · Chairman of Finance & Investment and Scholarship Committees**
Retired Auditor General



Dr. Henry Dowling · **Appointed 2011 · Member of Clinical Committee**
Family Practitioner, Associates in Integrated Health



Tara Soares · **Appointed 2008 · Governance & Compliance, Finance & Investment and Clinical Committees**
Executive Director, Bermuda Cancer and Health Centre

AUDITOR'S REPORT

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

We have audited the accompanying financial statements of Bermuda Cancer and Health Centre (the "Centre"), which comprise the statement of financial position as at December 31, 2014, the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and notes, comprising 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 accounting standards for not-for-profit organizations generally accepted in Bermuda and Canada 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audits in accordance with auditing standards generally accepted in Bermuda and Canada. Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our 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, we consider internal control relevant to the Centre'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 Centre'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 Centre derives a portion of its revenues from the general public in the form of donations and contributions, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of donations and deferred contributions was limited to the amounts recorded in the records of the Centre. Therefore, we were not able to determine whether any adjustments might be necessary to donations, amortization of deferred contributions and excess of revenues over expenditures reported in the statement of revenues and expenses for the year ended December 31, 2014, and deferred contributions and net assets reported in the statement of financial position as at that date.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, these financial statements present fairly, in all material respects, the financial position of the Centre as at December 31, 2014, and its results of operations and its cash flows for the year then ended in accordance with accounting standards for not-for-profit organizations generally accepted in Bermuda and Canada.

KPMG Audit Limited

Chartered Professional Accountants
Hamilton, Bermuda
July 15, 2015

BERMUDA CANCER AND HEALTH CENTRE

Statement of Financial Position

As at December 31, 2014

(Expressed in Bermuda Dollars)

	<u>2014</u>	<u>2013</u>
Assets		
Current assets		
Cash and cash equivalents	\$ 2,331,628	\$ 1,487,471
Accounts receivable	251,328	240,462
Prepaid expenses	208,858	46,907
Inventories	<u>115,795</u>	<u>50,443</u>
Total current assets	2,907,609	1,825,283
Investments (Note 3)	141,681	145,522
Term deposits (Note 3)	900,000	1,300,000
Capital assets (Note 4)	<u>3,868,084</u>	<u>4,226,002</u>
Total assets	\$ 7,817,374	\$ 7,496,807
	<u>=====</u>	<u>=====</u>
Liabilities and net assets		
Current liabilities		
Accounts payable and accrued liabilities (Notes 9 and 13)	\$ <u>312,221</u>	\$ <u>317,366</u>
Total current liabilities	312,221	317,366
Deferred contributions (Note 5)	<u>3,718,364</u>	<u>3,717,628</u>
Total liabilities	4,030,585	4,034,994
	<u>=====</u>	<u>=====</u>
Net assets		
Unrestricted net assets	2,730,904	2,437,892
Restricted net assets (Note 6)	<u>1,055,885</u>	<u>1,023,921</u>
Total net assets	3,786,789	3,461,813
	<u>=====</u>	<u>=====</u>
Total liabilities and net assets	\$ 7,817,374	\$ 7,496,807
	<u>=====</u>	<u>=====</u>

The accompanying notes are an integral part of these financial statements

On behalf of the Board of Directors:

Director_____
Director

BERMUDA CANCER AND HEALTH CENTRE

Statement of Revenues and Expenditures

For the year ended December 31, 2014

(Expressed in Bermuda Dollars)

	<u>2014</u>	<u>2013</u>
Revenues		
Mammography services	\$ 1,446,407	\$ 1,513,498
Densitometry services	689,763	748,382
Donations	453,750	259,749
Amortization of deferred contributions (Note 5)	442,335	524,516
Ultrasound services	386,702	373,314
Donations for uninsured and underinsured patients	157,110	153,143
Biopsy service - breast	109,581	166,482
Prescription sales	61,694	65,450
Interest income	39,448	34,070
Rent and other income	16,924	5,440
Dividends from investments	5,579	8,412
Biopsy service – prostate	<u>4,590</u>	<u>2,999</u>
Total revenues	<u>3,813,883</u>	<u>3,855,455</u>
Expenditures		
General and administrative (Note 7)	2,716,272	2,727,926
Mammography services	236,695	236,147
Fundraising and education	231,642	205,223
Donation to uninsured patients (Note 8)	86,232	88,523
Prescription purchases	62,305	66,665
Subsidy for underinsured patients (Note 8)	59,417	71,515
Densitometry services	32,280	27,305
Ultrasound services	30,010	32,161
Biopsy expenses - breast	28,465	40,218
Net change in fair value of investments (Note 3)	3,841	2,861
Biopsy expenses – prostate	<u>1,848</u>	<u>5,176</u>
Total expenditures	<u>3,488,907</u>	<u>3,503,720</u>
Excess of revenues over expenditures	<u>\$ 324,976</u>	<u>\$ 351,735</u>

The accompanying notes are an integral part of these financial statements

BERMUDA CANCER AND HEALTH CENTRE

Statement of Changes in Net Assets

Year ended December 31, 2014
(Expressed in Bermuda Dollars)

	<u>Restricted net assets (Note 6)</u>							
	Scholarship	Cancer Information Services	Under/Uninsured	Men's Health	Total	Unrestricted net assets	2014 Total	2013 Total
Balance beginning of year	\$ 528,546	\$ 309,481	\$ -	\$ 185,894	\$ 1,023,921	\$ 2,437,892	\$ 3,461,813	\$ 3,110,078
Excess (deficit) of revenues over expenses	2,310	(11,993)	36,595	5,052	31,964	293,012	324,976	351,735
Balance at end of year	\$ 530,856	\$ 297,488	\$ 36,595	\$ 190,946	\$ 1,055,885	\$ 2,730,904	\$ 3,786,739	\$ 3,461,813

The accompanying notes are an integral part of these financial statements

BERMUDA CANCER AND HEALTH CENTRE

Statement of Cash Flows

For the year ended December 31, 2014

(Expressed in Bermuda Dollars)

	<u>2014</u>	<u>2013</u>
Operating activities		
Excess of revenues over expenditures	\$ 324,976	\$ 351,735
Adjustments for:		
Depreciation of capital assets	477,972	479,828
Amortization of deferred contributions	(442,335)	(524,516)
Net change in fair value of investments	3,841	2,861
Loss on disposal of capital assets	740	2,996
Changes in non-cash working capital balances:		
Accounts receivable	(10,866)	229,431
Prepaid expenses	(161,951)	(11,177)
Inventories	(65,352)	5,007
Accounts payable and accrued liabilities	<u>(5,145)</u>	<u>(39,744)</u>
 Cash provided by operating activities	 <u>121,880</u>	 <u>496,421</u>
 Investing activities		
Redemption (purchase) of term deposits, net	400,000	(400,000)
Purchase of capital assets	<u>(120,794)</u>	<u>(49,242)</u>
 Cash provided by (used in) investing activities	 <u>279,206</u>	 <u>(449,242)</u>
 Financing activities		
Net cash contributions received for capital campaigns (Note 5)	<u>443,071</u>	<u>47,834</u>
 Cash provided by financing activities	 <u>443,071</u>	 <u>47,834</u>
 Net increase in cash and cash equivalents	 844,157	 95,013
 Cash and cash equivalents at beginning of year	 <u>1,487,471</u>	 <u>1,392,458</u>
 Cash and cash equivalents at end of year	 <u>\$ 2,331,628</u>	 <u>\$ 1,487,471</u>

The accompanying notes are an integral part of these financial statements

BERMUDA CANCER AND HEALTH CENTRE

Notes to Financial Statements

December 31, 2014

1. General

The Bermuda Cancer and Health Centre (the “Centre”) is a registered charity formed on July 17, 1945 for the purpose of assisting tuberculosis, cancer and diabetic patients in Bermuda. On July 2, 2007, the Centre converted from an unincorporated Association to a company limited by guarantee and changed its name from Bermuda Tuberculosis, Cancer and Health Association to Bermuda Cancer & Health Resource Centre. On August 31, 2007, the Centre changed its name to Bermuda Cancer and Health Centre.

2. Significant accounting policies

These financial statements were prepared in accordance with accounting standards for not-for-profit organizations generally accepted in Bermuda and Canada (“ASNFPO”) contained in Part III of the Chartered Professional Accountants of Canada (“CPA Canada”) Handbook – Accounting, and include the following significant accounting policies:

(a) Use of estimates

The preparation of these financial statements in conformity with ASNFPO 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 expenditures during the period. These estimates are reviewed periodically and adjustments are made to revenues and expenditures as appropriate in the year they become known.

(b) Revenue recognition

The Centre follows the deferral method of accounting for contributions. Restricted contributions that relate to expenses of future periods are deferred and recognized as revenue in the period 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.

Revenues from services are recognized when the service is provided to the client and the collectability of the related receivable from the client’s insurance provider is reasonably assured.

All other income, except for contributions, is recognized on the accrual basis when earned.

(c) Cash and cash equivalents

The Centre considers all cash on hand, deposits with financial institutions that can be withdrawn without notice or penalty, and short-term deposits with an original maturity of ninety days or less as equivalent to cash. Interest earned on cash and cash equivalents is at rates ranging between nil% and 0.50% (2013 - nil% and 0.50%) per annum.

BERMUDA CANCER AND HEALTH CENTRE

Notes to Financial Statements

December 31, 2014

2. Significant accounting policies (continued)

(d) Inventories

Inventories are carried at the lower of cost and net realizable value, and are valued on a first-in, first-out basis. Included in prescription purchases are recognized inventory expenses of \$62,305 (2013 - \$66,665). There were no inventories written off during the year (2013 - \$nil) and no provision for obsolete or slow-moving inventories at the reporting date (2013 - \$nil).

(e) Capital assets

Capital assets are recorded at cost less accumulated depreciation. Land is not depreciated. Depreciation of buildings, equipment and other assets is provided over the estimated useful lives of the assets on a straight line basis as follows:

Buildings	20 years
Building improvements	10 years
Medical equipment	5-10 years
Vehicle	5 years
Furniture and fixtures	5 years
Office equipment	3 years
Website development	5 years

Capital assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset.

(f) Donated services

Volunteer efforts and non-cash donations are reflected in the financial statements only when a fair value can be reasonably estimated.

BERMUDA CANCER AND HEALTH CENTRE

Notes to Financial Statements

December 31, 2014

2. **Significant accounting policies** (continued)

(g) *Financial instruments*

Financial instruments consist of cash and cash equivalents, term deposits, investments, accounts receivable and accounts payable and accrued liabilities.

Investments quoted in an active market are carried at fair value, with the related net change in fair value included in revenues and expenditures. The fair value of the investments is based on quoted market values. Transaction costs are recognized in revenues and expenditures in the period incurred.

Purchases and sales of investments are accounted for at the transaction date.

Accounts receivable are classified as loans and receivables and are measured at amortized cost using the effective interest method, less any adjustment for impairment.

Accounts payable and accrued liabilities are classified as other financial liabilities and are measured at amortized cost using the effective interest method.

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in the statement of revenues and expenditures. Any previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of revenues and expenditures.

BERMUDA CANCER AND HEALTH CENTRE

Notes to Financial Statements

December 31, 2014

3. Investments and term deposits

Investments include marketable securities consisting of:

Number of shares	Securities held	2014		2013	
		Cost	Fair value	Cost	Fair value
23,182	Butterfield Bank	\$ 38,871	\$ 46,364	\$ 38,871	\$ 32,588
4,000	Somers Limited (formerly Bermuda Commercial Bank Ltd.)	21,575	57,000	21,575	48,000
4,509	Ascendant Group Ltd.	70,712	24,349	70,712	46,217
3,492	KeyTech Limited	<u>49,213</u>	<u>13,968</u>	<u>49,213</u>	<u>18,717</u>
		<u>\$ 180,371</u>	<u>\$ 141,681</u>	<u>\$ 180,371</u>	<u>\$ 145,522</u>

As at December 31, 2014, the Centre has \$900,000 (2013 - \$1,300,000) of its cash in 30-48 month certificates of deposit with a Bermuda bank with annual interest rates of 2% to 2.5% payable upon maturity.

4. Capital assets

Capital assets consist of:

	2014			2013
	Cost	Accumulated depreciation	Net book value	Net book value
Land	\$ 987,428	\$ -	\$ 987,428	\$ 987,428
Building and building improvements	3,709,986	2,031,532	1,678,454	1,866,485
Medical equipment	2,613,789	1,530,522	1,083,267	1,328,272
Vehicle	17,630	6,854	10,776	12,539
Office equipment and furniture	707,713	602,527	105,186	23,848
Website development	<u>22,290</u>	<u>19,317</u>	<u>2,973</u>	<u>7,430</u>
	<u>\$ 8,058,836</u>	<u>\$ 4,190,752</u>	<u>\$ 3,868,084</u>	<u>\$ 4,226,002</u>

The cost and accumulated depreciation of capital assets at December 31, 2013 were \$7,965,623 and \$3,739,621, respectively.

BERMUDA CANCER AND HEALTH CENTRE

Notes to Financial Statements

December 31, 2014

5. Deferred contributions

Deferred contributions represent unamortized restricted contributions for capital campaigns. Changes in the deferred contributions balance are as follows:

	<u>2014</u>	<u>2013</u>
Balance, beginning of year	\$ 3,717,628	\$ 4,194,310
Net amounts received during the current year	443,071	47,834
Amounts amortized to revenue in the year	<u>(442,335)</u>	<u>(524,516)</u>
Balance, end of period	<u>\$ 3,718,364</u>	<u>\$ 3,717,628</u>

In 2000, the Centre launched a building campaign to raise \$4 million for a new Cancer Resource Centre. In May 2014, the Centre launched a new capital campaign for a Radiation Treatment Centre. The deferred contributions balance comprises amounts contributed during the current year and prior years, which is externally restricted for the building of, and new equipment for, the Centre.

6. Restricted net assets

Restricted net assets represent unspent resources internally restricted for the Scholarship Fund as well as externally restricted capital campaign funds. The externally restricted funds include the Cancer Information Services ("CIS"), Men's Health and Underinsured/Uninsured Fund.

7. General and administrative expenditures

	<u>2014</u>	<u>2013</u>
Salaries and related costs (Note 9)	\$ 1,844,403	\$ 1,952,571
Depreciation of capital assets	477,972	479,828
Professional fees	93,805	62,705
Building operation and maintenance	92,214	88,530
Insurance	61,804	59,565
Telephone and postage	37,302	46,610
Office supplies	27,923	21,667
Electricity and water	27,467	30,276
Miscellaneous	21,908	25,458
Bank charges	17,626	8,036
Office equipment maintenance	11,481	16,418
Loss on disposal of capital assets	740	2,996
System implementation expenses	-	15
Change in provision for impairment of doubtful accounts receivable	<u>-</u>	<u>(66,749)</u>
	<u>\$ 2,716,272</u>	<u>\$ 2,727,926</u>

BERMUDA CANCER AND HEALTH CENTRE

Notes to Financial Statements

December 31, 2014

8. Donation to uninsured patients and subsidy for underinsured patients

The donation to uninsured patients of \$86,232 (2013 - \$88,523) represents services donated by the Centre for patients without insurance. The subsidy for underinsured patients of \$59,417 (2013 - \$71,515) represents services not covered by other agencies.

9. Employee future benefits

The Centre has a defined contribution pension plan providing pension benefits to all of its employees. Employee pension contributions of 5% are matched by the Centre. Pension expense incurred by the Centre in the current year was \$64,868 (2013 - \$60,716) and is included in general and administrative expenditures under salaries and related costs (Note 7). The pension liability as at December 31, 2014 amounted to \$2,438 (2013 - \$11,481) and is included in accounts payable and accrued liabilities in the statement of financial position.

10. Financial instruments

The estimated fair values of financial instruments, including cash and cash equivalents, term deposits, accounts receivable and accounts payable and accrued liabilities approximate their carrying values due to their relative short-term nature or the fact that they attract market rates of interest. The estimated fair value of marketable securities based on year-end quoted market bid prices is disclosed in Note 3.

The estimates of fair values presented herein are subjective in nature and are not necessarily indicative of the amounts that the Centre would realize in a current market exchange. Certain items such as inventories, deferred contributions and capital assets are excluded from the fair value disclosure. Thus the individual fair value amounts cannot be aggregated to determine the underlying fair value of the Centre.

The Centre is not exposed to any significant interest rate risk, credit risk or liquidity risk. The Centre is exposed to market risk with respect to its marketable securities which comprise investments in Bermuda listed companies quoted on the Bermuda Stock Exchange.

The Centre holds cash and cash equivalents and term deposits with three Bermuda-based financial institutions which have credit ratings of BBB to A+. Management believes that the Centre is not exposed to any significant concentration of credit risk. The Centre monitors its accounts receivable balances and believes that a provision for impairment of accounts receivable of \$nil (2013 - \$nil) is sufficient to reflect the related credit risk.

11. Related party transactions

During the normal course of its operations, the Centre purchased employee health benefits and property contents and directors and others liability insurance of \$158,986 (2013 - \$165,431) and \$35,045 (2013 - \$33,820) respectively, from BF&M Ltd. where a Board member of the Centre is the Senior Vice President. In addition, the Centre has a defined contribution pension plan (Note 9) administered by BF&M Ltd. The Centre also paid expenses related to HR consultancy, immigration processing, accounting services and staff professional development training of \$41,300 (2013 - \$130,599) to Expertise Limited, where one of the partners is the spouse of a Board member of the Centre.

BERMUDA CANCER AND HEALTH CENTRE

Notes to Financial Statements

December 31, 2014

12. Capital management

The Centre defines capital, for its own purposes, as restricted and unrestricted fund balances. During the year the Centre's objective when managing capital, which was unchanged from previous years, was to hold sufficient unrestricted funds to enable it to withstand negative unexpected financial events and continue as a going concern. The Centre seeks to achieve this objective by holding sufficient cash and cash equivalents to maintain liquidity and enable it to meet its obligations as they become due. The Centre is not subject to any externally imposed requirements on capital.

13. Government remittances payable

Included in accounts payable and accrued liabilities are government remittances payable of \$25,670 (2013 - \$22,930).



46 POINT FINGER ROAD
PAGET DV04
BERMUDA

T: 441 236 1001 F: 441 236 0880

E: INFO@CHC.BM
W: WWW.CHC.BM