

Consolidated Financial Statements of

ONTARIO MARCH OF DIMES
(REHABILITATION FOUNDATION FOR THE DISABLED)

Year ended March 31, 2011



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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Ontario March of Dimes

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Ontario March of Dimes (Rehabilitation Foundation for the Disabled), which comprise the consolidated balance sheet as at March 31, 2011, the consolidated statements of revenue and expenses, changes in fund balances 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated 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 consolidated financial statements.

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



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Basis for Qualified Opinion

In common with many charitable organizations, Ontario March of Dimes (Rehabilitation Foundation for the Disabled) derives revenue from fundraising, the completeness of which is not susceptible to satisfactory audit verification. We were not able to determine whether, as at and for the years ended March 31, 2011 and March 31, 2010, any adjustments might be necessary to fundraising and excess of revenue over expenses reported in the consolidated statements of revenue and expenses, excess of revenue over expenses reported in the consolidated statements of cash flows and current assets and internally restricted funds reported in the consolidated balance sheets. This caused us to qualify our audit opinion on the consolidated financial statements as at and for the year ended March 31, 2010.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Ontario March of Dimes (Rehabilitation Foundation for the Disabled) as at March 31, 2011, and its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Report on Other Legal and Regulatory Requirements

As required by the Corporations Act (Ontario), we report that, in our opinion, the accounting policies applied in preparing and presenting the consolidated financial statements in accordance with Canadian generally accepted accounting principles have been applied on a basis consistent with that of the preceding period.

KPMG LLP

Chartered Accountants, Licensed Public Accountants

July 26, 2011
Toronto, Canada

ONTARIO MARCH OF DIMES

(REHABILITATION FOUNDATION FOR THE DISABLED)

Consolidated Balance Sheet

March 31, 2011, with comparative figures for 2010

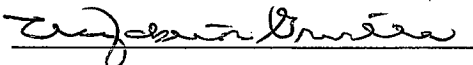
	2011	2010
Assets		
Current assets:		
Cash and restricted cash	\$ 5,750,258	\$ 5,468,072
Accounts receivable (note 3)	3,675,964	4,552,160
Due from associated organizations (note 10)	253,165	243,314
Prepaid expenses	252,307	202,607
Grants and allocations receivable	753,855	765,864
	<u>10,685,549</u>	<u>11,232,017</u>
Restricted investments (notes 2 and 7(c))	1,402,305	1,133,008
Capital assets (note 4)	3,765,603	3,870,103
Intangible asset - trademark (note 1(d))	1,413,751	1,413,751
	<u>\$ 17,267,208</u>	<u>\$ 17,648,879</u>

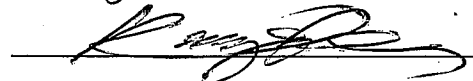
Liabilities and Fund Balances

Current liabilities:		
Accounts payable and accrued charges	\$ 5,538,521	\$ 6,010,518
Unexpended program grants and deferred revenue (note 5)	738,104	837,813
Government advances	901,890	1,254,465
	<u>7,178,515</u>	<u>8,102,796</u>
Deferred capital grants (note 6)	1,268,947	1,524,715
Fund balances:		
Invested in capital and intangible assets	3,910,407	3,759,139
Internally restricted funds:		
Capital Reserve (note 7(a))	625,000	600,000
Stabilization Reserve (note 7(b))	2,882,034	2,529,221
Board Restricted (note 7(c))	1,402,305	1,133,008
	<u>8,819,746</u>	<u>8,021,368</u>
Commitments and contingencies (note 12)		
	<u>\$ 17,267,208</u>	<u>\$ 17,648,879</u>

See accompanying notes to consolidated financial statements.

On behalf of the Board:

 Director

 Director

ONTARIO MARCH OF DIMES

(REHABILITATION FOUNDATION FOR THE DISABLED)

Consolidated Statement of Revenue and Expenses

Year ended March 31, 2011, with comparative figures for 2010

	2011	2010
Revenue:		
Government grants	\$ 61,903,895	\$ 57,055,168
Program recovery	15,755,911	20,822,764
Fees and sales	13,488,966	13,785,944
Fundraising (note 8)	5,787,895	5,456,058
Investment and other	1,052,291	424,248
	<u>97,988,958</u>	<u>97,544,182</u>
Expenses:		
Programs:		
Independent Living Services	44,223,420	41,300,421
Employment Services	34,275,325	36,390,330
AccessAbility® Services	11,645,645	11,577,420
Affirmative businesses	211,994	48,438
Recreation and Integration Services	516,403	654,086
Peer Support Services and Conductive Education®	1,073,330	888,911
Issue Advocacy	289,418	335,946
Grants and awards	33,030	28,441
	<u>92,268,565</u>	<u>91,223,993</u>
Fundraising (note 8)	1,620,441	1,728,803
Donor acquisition (note 8)	578,832	661,082
Unallocated program and administration support	2,182,797	2,832,313
Amortization (note 4)	633,743	839,920
	<u>97,284,378</u>	<u>97,286,111</u>
Excess of revenue over expenses	\$ 704,580	\$ 258,071

See accompanying notes to consolidated financial statements.

ONTARIO MARCH OF DIMES

(REHABILITATION FOUNDATION FOR THE DISABLED)

Consolidated Statement of Changes in Fund Balances

Year ended March 31, 2011, with comparative figures for 2010

	2011		2010				
	2011	2010	2011	2010			
	Invested in capital and intangible assets	Operating Fund	Internally restricted funds				
			Capital Reserve	Stabilization Reserve			
			Board Restricted	Total			
			Total	Total			
Fund balances, beginning of year	\$ 3,759,139	\$ -	\$ 600,000	\$ 2,529,221	\$ 1,133,008	\$ 8,021,368	\$ 7,498,568
Excess (deficiency) of revenue over expenses	(245,096)	949,676	-	-	-	704,580	258,071
Interfund transfers:							
Purchase of capital assets	529,243	-	-	(529,243)	-	-	-
Deferred capital grants	(132,879)	-	-	132,879	-	-	-
Transfer to Capital Reserve (note 7(a))	-	-	25,000	(25,000)	-	-	-
Transfer to Board Restricted	-	(138,242)	-	-	138,242	-	-
Transfer to Stabilization Reserve (note 7(b))	-	(774,177)	-	774,177	-	-	-
Board Restricted excess of revenue over expenses (note 7(c))	-	(37,257)	-	-	37,257	-	-
	396,364	(949,676)	25,000	352,813	175,499	-	-
Net change in unrealized gain on restricted investments (notes 2 and 7(c))	-	-	-	-	93,798	93,798	264,729
Fund balances, end of year	\$ 3,910,407	\$ -	\$ 625,000	\$ 2,882,034	\$ 1,402,305	\$ 8,819,746	\$ 8,021,368

See accompanying notes to consolidated financial statements.

ONTARIO MARCH OF DIMES

(REHABILITATION FOUNDATION FOR THE DISABLED)

Consolidated Statement of Cash Flows

Year ended March 31, 2011, with comparative figures for 2010

	2011	2010
Cash provided by (used in):		
Operating activities:		
Excess of revenue over expenses	\$ 704,580	\$ 258,071
Items not involving cash:		
Amortization	633,743	839,920
Amortization of deferred capital grants	(388,647)	(515,695)
Change in non-cash operating working capital:		
Accounts receivable	876,196	(445,013)
Due from associated organizations	(9,851)	(214,953)
Prepaid expenses	(49,700)	232,370
Grants and allocations receivable	12,009	(492,568)
Accounts payable and accrued charges	(471,997)	1,711,056
Unexpended program grants and deferred revenue	(99,709)	204,525
Government advances	(352,575)	(42,391)
	854,049	1,535,322
Financing activities:		
Receipt of deferred capital grants	132,879	841,225
Investing activities:		
Restricted investments	(175,499)	54,843
Purchase of capital assets	(529,243)	(1,254,620)
	(704,742)	(1,199,777)
Increase in cash and cash equivalents	282,186	1,176,770
Cash and cash equivalents, beginning of year	5,468,072	4,291,302
Cash and cash equivalents, end of year	\$ 5,750,258	\$ 5,468,072
Represented by:		
Cash and restricted cash:		
Unrestricted	\$ 5,379,403	\$ 5,023,868
Restricted	370,855	444,204
	\$ 5,750,258	\$ 5,468,072

See accompanying notes to consolidated financial statements.

ONTARIO MARCH OF DIMES

(REHABILITATION FOUNDATION FOR THE DISABLED)

Notes to Consolidated Financial Statements

Year ended March 31, 2011

The Canadian Foundation for Poliomyelitis was incorporated in 1951 to eliminate polio. When reconstituted as an organization with members from across Canada, the original Board of Directors from Ontario formed the Ontario Corporation, Rehabilitation Foundation for Poliomyelitics and the Orthopaedically Disabled which became known as Ontario March of Dimes (OMOD) and which was incorporated in 1957. The legal name of the corporation was subsequently changed to the Rehabilitation Foundation for the Disabled. OMOD's programs include the following:

- (a) Independent Living Services - to enable adults with physical disabilities and/or acquired brain injury to live independently in their own homes through a variety of services, such as Outreach Attendant Services, Supportive Housing and Acquired Brain Injury Services.
- (b) Employment Services - to assist adults with physical disabilities to achieve independence through establishing employment goals, training and on-the-job support. Programs offered include assessment services, Discovery® job skills training, placement and supported employment and return to work services.
- (c) AccessAbility® Services - to provide adults with physical disabilities with greater independence through improved individual mobility and better community accessibility. Services offered include the Assistive Devices Program, DesignAbility®, Home and Vehicle Modifications Program and Barrier-Free Design Consultation.
- (d) Recreation and Integration Services - to enhance the quality of life of adults with physical disabilities through recreation, leisure and social integration. Services offered include Befriending®, residential holidays, out trips and social clubs.
- (e) Other Services - include the Post Polio Program, Conductive Education®, Issue Advocacy and the Stroke Recovery Network®, including affirmative businesses and research, grants and special awards.

Rehabilitation Foundation for Disabled Persons, Canada (RFDP Canada), operating as March of Dimes Canada, is a federally incorporated charity which has a vision, mission and objectives that replicate those of OMOD. The organization was established to expand existing services for children and adults with disabilities across Canada. Currently, the following services are offered: Employment Services, Conductive Education, DesignAbility and Peer Support Services. The financial statements of RFDP Canada are included within the statements for OMOD.

ONTARIO MARCH OF DIMES

(REHABILITATION FOUNDATION FOR THE DISABLED)

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2011

Other associated organizations are outlined in note 10 and are not included in the consolidated financial statements.

OMOD is a registered charitable organization and, as such, is exempt from income taxes provided that certain disbursement criteria are met.

1. Significant accounting policies:

(a) Revenue recognition:

OMOD follows the deferral fund method of accounting for contributions.

Government and other grants, fees and sales, program recovery and investment and other revenue are recognized on an accrual basis and are deferred until earned. Government grants relating to capital assets are deferred in an amount equal to the undepreciated cost of the related capital assets.

Unexpended program grants and government advances represent funds received for specific programs that have not yet been expensed.

Fundraising revenue includes revenue from direct mail, community campaigns, charitable gaming, bequests and other donations, and is recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Donation pledges are not recognized as revenue until received.

(b) Financial instruments:

OMOD designated its cash and restricted cash as held-for-trading, which is measured at fair value. Accounts receivable, due from associated organizations, and grants and allocations receivable are classified as loans and receivables which are measured at amortized cost. Accounts payable and accrued charges and government advances are classified as other financial liabilities, which are measured at amortized cost.

ONTARIO MARCH OF DIMES

(REHABILITATION FOUNDATION FOR THE DISABLED)

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2011

1. Significant accounting policies (continued):

Restricted investments are designated as available-for-sale and are recorded at fair value, with changes in fair value recorded in the consolidated statement of changes in fund balances. Restricted investments consist of pooled funds which are valued at the unit values supplied by the pooled fund administrator, which represents OMOD's proportionate share of underlying net assets at fair values determined using closing market prices. The change in the difference between the fair value and cost of investments at the beginning and end of each year is reflected in the consolidated statement of changes in fund balances and is included as a component of the Board's restricted funds.

The carrying amounts of cash and restricted cash, accounts receivable, due from associated organizations, grants and allocations receivable, accounts payable and accrued charges and government advances approximate fair values due to the short-term nature of these financial instruments.

OMOD has adopted The Canadian Institute of Chartered Accountants' (CICA) Handbook Section 3861, Financial Instruments - Disclosure and Presentation. In accordance with the Accounting Standards Board's decision to exempt not-for-profit organizations from the disclosure requirements with respect to financial instruments contained within Section 3862, Financial Instruments - Disclosures, and Section 3863, Financial Instruments - Presentation, OMOD has elected not to adopt these standards in its consolidated financial statements.

It is management's opinion that there is no exposure to significant amounts of credit or interest rate risks.

ONTARIO MARCH OF DIMES

(REHABILITATION FOUNDATION FOR THE DISABLED)

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2011

1. Significant accounting policies (continued):

(c) Capital assets:

Capital assets are recorded at cost less accumulated amortization. Amortization is recorded at the following bases and annual rates, which are expected to amortize the net cost of these assets over their estimated useful lives:

Asset	Basis	Rate
Buildings	Declining balance	5%
Vehicles	Straight line	5 years
Machinery, equipment, computer hardware and software	Straight line	3 - 7 years
Leasehold improvements	Straight line	Term of related lease

(d) Intangible asset:

Ontario March of Dimes acquired the trademark, March of Dimes, in 2005 at a cost of \$1.8 million. The productive life of the trademark was estimated to be 20 years, and \$386,249 was expensed between 2005 and 2009, leaving the asset with a book value of \$1,413,751. At the beginning of fiscal 2011, management determined that the trademark has an indefinite life and accordingly ceased amortization.

Management reviews the carrying value of the indefinite life intangible assets for impairment, at least annually, whenever events and circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from their use and eventual disposition. In cases where undiscounted expected future cash flows are less than the carrying value of the assets, an impairment loss is recognized equal to the amount by which the carrying value of the asset exceeds the fair value of the asset.

ONTARIO MARCH OF DIMES

(REHABILITATION FOUNDATION FOR THE DISABLED)

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2011

1. Significant accounting policies (continued):

(e) Donated services:

Volunteers contribute a significant number of hours to assist OMOD in carrying out its service delivery, administration, as well as Board and advisory activities. Because of the difficulty of determining their fair values, such contributed services are not recognized in the consolidated financial statements.

(f) Allocation of fundraising and general administration expenses:

OMOD classifies expenses on the consolidated statement of revenue and expenses by program. OMOD allocates certain costs by identifying the appropriate basis of allocating and applying that basis consistently each year. Administration expenses are allocated proportionately on the same percentage as the direct salaries and benefits of the program with consideration of recoverability from funders.

(g) Use of estimates:

The preparation of financial statements 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 revenue and expenses during the year. Actual results could differ from those estimates.

2. Restricted investments:

	2011		2010	
	Cost	Fair value	Cost	Fair value
Pooled funds	\$ 1,250,339	\$ 1,402,305	\$ 1,074,840	\$ 1,133,008

ONTARIO MARCH OF DIMES

(REHABILITATION FOUNDATION FOR THE DISABLED)

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2011

2. Restricted investments (continued):

The cumulative adjustment of net unrealized gain on investments is as follows:

	2011	2010
Cumulative adjustment, beginning of year	\$ 58,168	\$ (206,561)
Net change in unrealized gain on restricted investments	93,798	264,729
Cumulative adjustment, end of year	\$ 151,966	\$ 58,168

The net unrealized gain is included in the internally restricted funds as a component of the Board Restricted funds (note 7(c)).

Investment risk management relates to the understanding and active management of risks associated with all areas of the business and the associated operating environment. Investments are primarily exposed to liquidity risk. OMOD has formal policies and procedures that establish target asset mix.

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. Pooled funds are instruments in highly liquid investments that are readily converted into known amounts of cash.

3. Accounts receivable:

	2011	2010
Trade	\$ 2,625,107	\$ 3,681,666
Fundraising and United Way	76,134	20,537
Harmonized sales tax	136,864	56,955
Other	837,859	793,002
	\$ 3,675,964	\$ 4,552,160

Included in trade accounts receivable is \$351,187 (2010 - \$460,976) in fees for services performed that have not yet been billed to customers. Billings are rendered at defined intervals as per the terms of each contract. Other accounts receivable include \$608,182 (2010 - \$451,714) of receivables for Employment Services support for veterans.

ONTARIO MARCH OF DIMES

(REHABILITATION FOUNDATION FOR THE DISABLED)

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2011

4. Capital assets:

	Cost	Accumulated amortization	2011 Net book value	2010 Net book value
Land	\$ 876,555	\$ -	\$ 876,555	\$ 876,555
Buildings and leasehold improvements	5,342,327	4,010,796	1,331,531	1,398,706
Vehicles	349,576	337,257	12,319	58,389
Machinery, equipment, computer hardware and software	13,047,051	11,501,853	1,545,198	1,536,453
	<u>\$ 19,615,509</u>	<u>\$ 15,849,906</u>	<u>\$ 3,765,603</u>	<u>\$ 3,870,103</u>

The total cost of capital assets acquired during the year was \$529,243 (2010 - \$1,254,620), and was partially financed by capital and operating grants of \$132,879 (2010 - \$841,225).

Amortization expense related to donor dollar funded programs totalled \$245,096 (2010 - \$234,225).

Amortization expense relating to grant funded programs totalled \$388,647 (2010 - \$515,695).

5. Unexpended program grants and deferred revenue:

OMOD receives funds from government and other funding sources where the use of these funds is restricted to certain projects or programs. Unexpended program grants, other than Ministry grants, represent unexpended funds relating to projects in process as at the end of the fiscal year. These programs operate on a break-even basis with any excess of expenses over revenue being funded from donations or fee-based services or being carried forward against subsequent annual operating grants. Due to their restrictive nature, any excess funds from completed programs are either returned to their originating source or taken into donor dollar funded programs after OMOD receives the appropriate approval.

ONTARIO MARCH OF DIMES

(REHABILITATION FOUNDATION FOR THE DISABLED)

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2011

6. Deferred capital grants:

Details of amounts received for capital asset purchases and amortization of the balances are as follows:

	2011	2010
Balance, beginning of year	\$ 1,524,715	\$ 1,199,185
Amounts received	132,879	841,225
Amounts amortized to revenue	(388,647)	(515,695)
Balance, end of year	\$ 1,268,947	\$ 1,524,715

7. Internally restricted funds:

(a) Capital Reserve:

In fiscal 2004, the Board of Directors established a separate Capital Reserve to build a cash reserve for major capital needs in the future, such as roof replacement, etc. The Board of Directors allocates funds at the end of each year. Since 2007, this amount has been \$25,000. The Board of Directors reviews the year-end balance each year and may, from time to time, make further allocations to other restricted funds or to the Stabilization Reserve.

(b) Stabilization Reserve:

OMOD established a stabilization reserve policy to address both short-term and long-term needs. The purpose of the Stabilization Reserve is to build working capital and to provide OMOD with the assurance that funds are available when needed due to unforeseen operating shortfalls, or for new initiatives and pilot projects.

(c) Board Restricted:

The Board of Directors internally restricts the use of the Board Restricted funds. It is intended that only the revenue earned on the fund balances will be used to fund designated activities, except where approved by OMOD's Board of Directors.

ONTARIO MARCH OF DIMES

(REHABILITATION FOUNDATION FOR THE DISABLED)

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2011

7. Internally restricted funds (continued):

An amount of \$1,402,305 (2010 - \$1,133,008) has been invested in pooled funds, which includes \$138,242 received on merging York Durham Aphasia Centre (YDAC) programs.

Details of the Board Restricted funds balance are as follows:

	2011	2010
Balance, beginning of year	\$ 1,133,008	\$ 923,122
Donations	31,161	17,936
Investment income	31,658	29,645
Transfer from Stabilization Reserve	—	25,000
Expenses - including grants and awards	(25,562)	(127,424)
Net change in unrealized gain on restricted investments (note 2)	93,798	264,729
YDAC programs	138,242	—
Balance, end of year	\$ 1,402,305	\$ 1,133,008

8. Fundraising and Charitable Gaming revenue and expenses:

OMOD derives fundraising revenue mainly from community campaigns, direct mail, corporate gifts, special events, monthly donations and charitable gaming. Donor acquisition represents costs of acquiring direct mail donor lists and costs relating to start-up activities, such as telemarketing and planned giving.

ONTARIO MARCH OF DIMES

(REHABILITATION FOUNDATION FOR THE DISABLED)

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2011

8. Fundraising and Charitable Gaming revenue and expenses (continued):

The Alcohol and Gaming Commission of Ontario requires disclosure of the following information on Nevada break-open ticketed lotteries. Revenue from these lotteries is included in fundraising revenue and expenses are included in fundraising expenses as follows:

	2011	2010
Revenue	\$ 523,041	\$ 489,790
Expenses:		
Cost of tickets sold:	68,734	67,157
Commissions:		
Retailer	95,739	91,469
Agent	58,943	56,450
Licence	30,607	29,024
Provincial government fees	72,528	72,431
	326,551	316,531
	\$ 196,490	\$ 173,259

ONTARIO MARCH OF DIMES

(REHABILITATION FOUNDATION FOR THE DISABLED)

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2011

9. Contracts with the Ministry of Community and Social Services:

OMOD has a variety of Service Contracts throughout Ontario with the Ministry. As required, a Transfer Payment Annual Reconciliation is provided to the Ministry for each of the Service Contracts listed below:

Other Ministry Grants	Project code	Revenue	Expenses	Net	Cash funding	Receivable (payable)
London:						
Home & Vehicle Modification Program	8618	\$ 1,382,400	\$ 1,382,400	\$ -	\$ 1,382,400	\$ -
Home & Vehicle Modification Program	8621	9,245,700	9,245,700	-	9,245,700	-
		10,628,100	10,628,100	-	10,628,100	-
Ottawa:						
Passport Initiative	8883	1,395,636	1,395,637	(1)	1,378,922	16,714
Thunder Bay: Rehabilitation Services	8868/8915	199,757	199,757	-	199,757	-
Niagara:						
Rehabilitation Services	8868	147,613	147,613	-	147,613	-
Thunder Bay:						
WITS Program	8612	110,184	110,184	-	110,184	-
Kingston:						
School Aged Contract	8868	15,506	15,506	-	15,506	-
		1,868,696	1,868,697	(1)	1,851,982	16,714
Total other Ministry Grants		\$ 12,496,796	\$ 12,496,797	\$ (1)	\$ 12,480,082	\$ 16,714

ONTARIO MARCH OF DIMES

(REHABILITATION FOUNDATION FOR THE DISABLED)

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2011

10. Associated organizations:

OMOD controls the following organizations that are not consolidated in these financial statements:

(a) Ontario March of Dimes Non-Profit Housing Corporation (NPHC):

NPHC was incorporated by OMOD on June 2, 1992. NPHC was formed to provide accessible and affordable housing primarily to accommodate persons with physical disabilities. NPHC is a non-profit charitable organization and, as such, is exempt from income taxes.

NPHC's financial statements are prepared in accordance with prescribed accounting policies which are applicable to federal and provincial non-profit housing programs as regulated by the guidelines established by the Regional Municipality of Halton.

OMOD provides funds from time to time to cover costs of NPHC for which there is full recovery. The amount owing by NPHC to OMOD as at March 31, 2011 is \$253,165 (2010 - \$243,314), which includes management fees of \$5,280 (2010 - \$5,280). NPHC has a promissory note payable to OMOD for use towards the purchase and development of the New Sudbury property, for up to \$251,000, which bears interest of prime plus 1% and is repayable on demand. As at March 31, 2011, \$243,402 (2010 - \$243,402) was spent to purchase the land and building for a new congregate care home in Sudbury.

ONTARIO MARCH OF DIMES

(REHABILITATION FOUNDATION FOR THE DISABLED)

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2011

10. Associated organizations (continued):

The following is a summary of financial information extracted from the financial statements of NPHC, and is not included in the consolidated financial statements of OMOD:

	2011	2010
Current assets	\$ 1,302,936	\$ 535,900
Capital assets	8,698,185	7,366,290
Total assets	\$ 10,001,121	\$ 7,902,190
Current liabilities	\$ 951,328	\$ 569,378
Mortgage payable	5,962,446	6,169,710
Deferred capital contributions	2,581,005	777,218
	9,494,779	7,516,306
Fund balances	506,342	385,884
Total liabilities and fund balances	\$ 10,001,121	\$ 7,902,190
	2011	2010
Revenue	\$ 1,150,704	\$ 1,127,745
Expenses, including amortization of \$230,624 (2010 - \$215,064) and repayment of grant subsidy of \$28,236 (2010 - \$37,198)	1,117,608	1,139,272
Excess (deficiency) of revenue over expenses	\$ 33,096	\$ (11,527)
Cash flows provided by (used in):		
Operating activities	\$ 103,735	\$ 414,756
Financing activities	1,638,152	(128,142)
Investing activities	(1,472,612)	(302,614)
Net cash outflow	\$ 269,275	\$ (16,000)

ONTARIO MARCH OF DIMES

(REHABILITATION FOUNDATION FOR THE DISABLED)

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2011

10. Associated organizations (continued):

(b) OMOD Independence Non-Profit Corporation (INPC):

INPC is a business trust incorporated federally in 1997 to enable OMOD to partner with or independently participate in commercial activities. The trust would be "owner" of such enterprise, as is deemed appropriate. INPC has been inactive for the years ended March 31, 2011 and 2010.

(c) Rehabilitation Foundation For Disabled Persons Incorporated, U.S. (RFDP, U.S.):

RFDP, U.S. is incorporated in the United States as a registered charity whose objectives parallel those of OMOD. The activities of this entity are immaterial to OMOD and are not included in these consolidated financial statements.

11. Credit facility:

OMOD entered into a credit agreement with its lenders for a line of credit of \$2,000,000 and a letter of credit facility of \$100,000, which is secured by term deposits or balances on accounts held with the bank. The line of credit facility is covered by a General Security Agreement with floating charge specific to the assets located at 10 Overlea Boulevard, Toronto that are repayable on demand. The operating line of credit bears interest at OMOD's bank prime rate on amounts drawn. At March 31, 2011, no amount has been drawn from this facility (2010 - nil).

12. Commitments and contingencies:

In the normal course of operations, OMOD enters into a variety of commitments and incurs various contingencies. These are not accounted for until the amounts are reasonably determinable.

OMOD has provided a letter of credit in the amount of \$18,150 in favour of the Corporation of the City of Toronto.

ONTARIO MARCH OF DIMES

(REHABILITATION FOUNDATION FOR THE DISABLED)

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2011

12. Commitments and contingencies (continued):

OMOD has commitments for its leased equipment and premises. The approximate future minimum annual lease payments are as follows:

	Equipment	Premises	Total
2012	\$ 84,000	\$ 1,949,000	\$ 2,033,000
2013	68,000	1,470,000	1,538,000
2014	38,000	1,256,000	1,294,000
2015	18,000	1,104,000	1,122,000
2016	7,000	669,000	676,000
Thereafter	–	1,052,000	1,052,000
	\$ 215,000	\$ 7,500,000	\$ 7,715,000

13. Pension plan:

OMOD provides pension benefits for substantially all of its permanent employees through a defined contribution plan. Mandatory contributions are required from both participating permanent employees and OMOD in accordance with established contribution rates. For the year ended March 31, 2011, OMOD incurred \$884,172 (2010 - \$878,144) as its pension contribution expense.

14. Allocation of expenses:

Administration expenses of \$5,202,505 (2010 - \$4,850,808) have been allocated as follows:

	2011	2010
Independent Living Services	\$ 4,667,877	\$ 4,370,972
Employment Services	396,388	341,596
AccessAbility® Services	138,240	138,240
Total	\$ 5,202,505	\$ 4,850,808

15. Comparative figures:

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted in the current year.