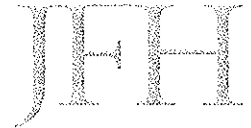


**MOTHERS AGAINST DRUNK DRIVING (MADD CANADA)
LES MÈRES CONTRE L'ALCOOL AU VOLANT (MADD CANADA)**

COMBINED FINANCIAL STATEMENTS

**FOR THE YEAR ENDED JUNE 30, 2009
(Unaudited – See Notice to Reader)**



James F Hyland

PROFESSIONAL CORPORATION
CHARTERED ACCOUNTANT

NOTICE TO READER

On the basis of information provided by management, I have compiled the combined statement of financial position of **MOTHERS AGAINST DRUNK DRIVING (MADD CANADA) LES MÈRES CONTRE L'ALCOOL AU VOLANT (MADD CANADA)** as at June 30, 2009 and the statements of operations and changes in net assets for the year then ended.

I have not performed an audit or review engagement in respect of these financial statements, and accordingly, I express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

James F Hyland Professional Corporation
Chartered Accountant

Authorized to practise public accounting by
The Institute of Chartered Accountants of Ontario

Mississauga, Ontario
August 26, 2009

MOTHERS AGAINST DRUNK DRIVING (MADD CANADA)
LES MÈRES CONTRE L'ALCOOL AU VOLANT (MADD CANADA)
COMBINED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2009
(Unaudited – See Notice to Reader)

	2009	2008
	\$	\$
ASSETS		
Current assets		
Cash	2,015,104	1,902,501
Short-term investments (note 3)	1,896,029	1,040,843
Accounts and other receivables	230,995	235,969
Prepaid expenses	306,140	170,165
	4,448,268	3,349,478
Long-term investments (note 3)	1,455,000	1,855,097
Victim bursary investments (note 4)	364,413	361,837
Property, plant and equipment (note 5)	29,649	31,546
	6,297,330	5,597,958
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable	410,224	409,792
Deferred revenue	490,598	84,400
	900,822	494,192
Net assets		
Internally restricted – victim bursary (note 4)	364,413	361,837
Internally restricted – special projects (note 4)	205,797	316,099
Unrestricted	4,826,298	4,425,830
	5,396,508	5,103,766
	6,297,330	5,597,958

See accompanying notes

On behalf of the Board:



Ms. Carolyn Swinson, Chairperson



Mr. Brian Westlake, Director

MOTHERS AGAINST DRUNK DRIVING (MADD CANADA)
LES MÈRES CONTRE L'ALCOOL AU VOLANT (MADD CANADA)
COMBINED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED JUNE 30, 2009
(Unaudited – See Notice to Reader)

	2009	2008
	\$	\$
Revenue		
Public outreach campaigns	3,713,193	4,589,709
Corporate gifts	1,414,029	1,244,116
Donations	970,299	974,205
Youth programs	284,638	304,012
Government grants	185,192	172,789
Foundation grants	177,649	49,924
Investment income	170,201	171,421
Other revenue	44,270	38,569
	6,959,471	7,544,745
Expenditures		
Programs		
Public education, public awareness and research	2,958,888	3,135,519
Youth	719,549	851,702
Victim services	641,221	847,289
	4,319,658	4,834,510
Public outreach campaigns (fundraising) (note 6)	2,030,078	2,390,215
General and administration	316,993	452,866
	2,347,071	2,843,081
	6,666,729	7,677,591
Excess (deficiency) of revenue over expenditures	292,742	(132,846)

See accompanying notes

MOTHERS AGAINST DRUNK DRIVING (MADD CANADA)
LES MÈRES CONTRE L'ALCOOL AU VOLANT (MADD CANADA)
COMBINED STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2009
(Unaudited – See Notice to Reader)

	Internally Restricted Victim Bursary \$	Internally Restricted Special Projects \$	Unrestricted \$	2009 Total \$	2008 Total \$
Net assets, beginning of year	361,837	316,099	4,425,830	5,103,766	5,236,612
Excess (deficiency) of revenue over expenditures	2,576	(110,302)	400,468	292,742	(132,846)
Net assets, end of year	364,413	205,797	4,826,298	5,396,508	5,103,766

See accompanying notes

MOTHERS AGAINST DRUNK DRIVING (MADD CANADA)
LES MÈRES CONTRE L'ALCOOL AU VOLANT (MADD CANADA)
COMBINED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2009
(Unaudited – See Notice to Reader)

	2009	2008
	\$	\$
Cash provided by (used for) operating activities		
Excess (deficiency) of revenue over expenditures	292,742	(132,846)
Charges not requiring cash:		
Amortization	41,430	37,442
Changes in non-cash working capital components:		
Accounts receivable	4,975	134,725
Prepaid expenses	(135,975)	105,056
Accounts payable	431	(317,413)
Deferred revenue	406,198	(72,475)
	609,801	(245,511)
Investing activities		
Purchase of property, plant and equipment	(39,533)	(46,327)
Short-term and long-term investments	(455,089)	585,335
Victim bursary investment	(2,576)	5,842
	(497,198)	544,850
Change in cash	112,603	299,339
Cash, beginning of year	1,902,501	1,603,162
Cash , end of year	2,015,104	1,902,501

See accompanying notes

MOTHERS AGAINST DRUNK DRIVING (MADD CANADA)
LES MÈRES CONTRE L'ALCOOL AU VOLANT (MADD CANADA)
COMBINED NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

1. ORGANIZATION

Mothers Against Drunk Driving (MADD Canada) – Les mères contre l'alcool au volant (MADD Canada) is a national grassroots organization founded in 1990, whose mission is to stop impaired driving and to support victims of this violent crime. MADD Canada's primary objectives, carried out in conjunction with its chapters across Canada, include offering support services to victims, heightening awareness of the dangers of impaired driving and to saving lives and preventing injuries on our roads and waterways.

MADD Canada is incorporated under the Canada Corporations Act as a not-for-profit organization without share capital and is a registered charity under the Income Tax Act and is able to issue donation receipts for income tax purposes.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of presentation

These financial statements, prepared in accordance with Canadian generally accepted accounting principles, represent the financial activities of the Mothers Against Drunk Driving (MADD Canada) – Les mères contre l'alcool au volant (MADD Canada) National Office and include the chapter operations and community leaders.

b) Short-term, long-term and victim bursary investments

Effective July 1, 2007, investments are classified as held to maturity and stated at their amortized value.

The organization does not enter into any derivate financial instruments arrangement for hedging or speculative purposes.

c) Property, plant and equipment

Property, plant and equipment are recorded at cost and amortized on a straight-line basis over the following periods:

Youth Multi-Media – vehicles & equipment	-	2 years
Leasehold improvements	-	5 years
Equipment	-	2 years

Donated property, plant and equipment are recorded at their fair value at acquisition date when this value can be reasonably estimated.

MOTHERS AGAINST DRUNK DRIVING (MADD CANADA)
LES MÈRES CONTRE L'ALCOOL AU VOLANT (MADD CANADA)
COMBINED NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

d) Deferred revenue

Deferred revenue represents the unexpended portion of restricted contributions and grants received for research purposes, the 2009 – 2010 Youth Multi-Media program, and the 2009 - 2010 Project Red Ribbon Campaign.

Deferred revenue is recognized as revenue when the related expenses are incurred.

e) Assets invested in property, plant and equipment

Amendments to Section 4400 of the Canadian Institute of Chartered Accountants Handbook, Financial Statement Presentation by Not-for-Profit Organizations, eliminated the requirement to treat net assets invested in property, plant and equipment as a separate component of net assets. MADD Canada has elected to eliminate this separate disclosure and previously reported net assets invested in property, plant and equipment has been respectively reallocated to unrestricted net assets.

f) Revenue recognition

MADD Canada uses the deferral method of accounting for contributions. Externally restricted contributions are recognized as revenue in the year 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.

Revenue from Youth Multi-Media programs are recognized on the date the presentation takes place.

Investment income which includes interest and gains and losses on disposal is recognized on an accrual basis.

Revenue from grants is recognized in the year in which the related expenses are incurred.

g) Expenditures

Commencing in 2008, MADD Canada elected to adopt Section 4700, Disclosure of Allocated Expenses by Non-Profit Organizations which sets out practices when an organization classifies expenses by function. The cost of each function includes its costs of personnel, premises and other expenses. Where an expenditure benefits more than one function it is attributed on a reasonable basis.

MADD Canada acquires certain materials to assist recipients in delivering MADD Canada's message. These costs have been allocated from public outreach campaigns (fundraising) to the public education, public awareness and research.

**MOTHERS AGAINST DRUNK DRIVING (MADD CANADA)
LES MÈRES CONTRE L'ALCOOL AU VOLANT (MADD CANADA)
COMBINED NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009**

i Public education, public awareness and research

MADD Canada's public education, public awareness and research programs offer a diverse range of campaigns, materials and services which support MADD Canada's mission to prevent impaired driving and support victims of this violent crime. Programs such as Campaign 911 and Project Red Ribbon raise awareness about impaired driving and educate the public on how they can help reduce the incidence of impaired driving crashes. MADD Canada produces publications which inform about the state of impaired driving in Canada, examine the effectiveness of Canadian laws and legislation and support policy positions.

ii Victim services

Thousands of Canadians are personally affected each year by impaired driving and MADD Canada provides support to the victims of this violent crime. Support includes assisting impaired driving victims and their families and friends, Victim Services Volunteer Training and the Annual National Victims' Weekend and Candlelight Vigil of Hope and Remembrance.

iii Youth programs

MADD Canada is committed to working with youth to help make our roads safer. MADD Canada supports and assists victims and volunteers across Canada, particularly high school and elementary students and their families, teachers and mentors in targeting the message to youth.

iv Public outreach campaigns (fundraising)

Public outreach campaigns include contacting the public by mail and by phone. While raising funds to further MADD Canada's mission, these campaigns inform the public of ways to prevent impaired driving and available victim services, and educate youth on the consequences of impaired driving.

vi General and administration expenses

General and administration expenses are incurred to operate MADD Canada and its programs in a cost-effective manner and maximize opportunities to further MADD Canada's mission.

MOTHERS AGAINST DRUNK DRIVING (MADD CANADA)
LES MÈRES CONTRE L'ALCOOL AU VOLANT (MADD CANADA)
COMBINED NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

h) Volunteer services

The organization benefits from the services of over 7,500 volunteers. Accomplishing the objectives of the organization would not be possible without their dedication. Due to the difficulty in determining a financial value for these services, they are not recorded in these financial statements.

i) Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting periods. Actual results could differ from those estimates.

3. SHORT-TERM AND LONG-TERM INVESTMENTS

Short-term investments are comprised of cashable guaranteed investment certificates, term deposits, savings investments and bankers acceptances maturing at various dates from September 2009 to May 2010 at yields from 5.1% to .08%.

Long-term investments are comprised of guaranteed investment certificates maturing at various dates from November 2010 to February 2011 at interest rates from 4.75% to 3.21%.

4. INTERNALLY RESTRICTED FUNDS

a) Victim bursary

The victim bursary investment is comprised of a Province of Ontario bond and premium interest. The bond matures in June 2013 and yields 4.75%.

The organization's board of directors internally restricted these funds, plus related investment income for the formation of a scholarship fund for victims whose parent or legal guardian had died as a result of an impaired driving crash. These internally restricted amounts, and investment income generated by them, are not available for other purposes without approval of the board of directors.

**MOTHERS AGAINST DRUNK DRIVING (MADD CANADA)
LES MÈRES CONTRE L'ALCOOL AU VOLANT (MADD CANADA)
COMBINED NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009**

b) Special projects

During 2006, the organization was named as a recipient of uncollected class action damages in a lawsuit in which it was not a party. The organization intends to use the funds for several special projects and accordingly, the board has internally restricted these funds for those special projects. During the 2009 fiscal year, \$110,302 (\$157,287 - 2008) of the original \$479,324 received has been spent on these projects at year end; at year end \$205,797 (\$316,099 – 2008) remains unexpended.

5. **PROPERTY, PLANT AND EQUIPMENT**

Property, plant and equipment consist of:

	Cost	Accum. Amort.	2009 Net Book Value	2008 Net Book Value
	\$	\$	\$	\$
Equipment	56,777	41,942	14,835	18,498
Youth Multi-Media vehicles and equipment	58,885	44,071	14,814	8,733
Leasehold improvement	21,572	21,572	-	4,315
	<u>137,234</u>	<u>107,585</u>	<u>29,649</u>	<u>31,546</u>

6. **ALLOCATION OF EXPENSES**

Public outreach campaigns (fundraising) reported in the statement of operations of \$2,030,078 (2008 - \$2,390,215) are reported after allocation of \$120,284 (2008 – \$97,024) to the public education, public awareness and research programs. The allocation represents the cost of certain materials distributed by various MADD Canada offices and as an inclusion in direct mail. The primary purpose of the materials is to assist recipients in accomplishing the programs' objectives.

7. **FINANCIAL INSTRUMENTS**

a) Credit risk

Credit risk arises from the potential that the other party will fail to perform its obligations. The organization's credit risk is limited to amounts due from chapters, Youth Multi-Media presentations, grants and investments. The organization believes its exposure to credit risk is minimal.

**MOTHERS AGAINST DRUNK DRIVING (MADD CANADA)
LES MÈRES CONTRE L'ALCOOL AU VOLANT (MADD CANADA)
COMBINED NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009**

b) Fair value

The organization's carrying value of cash, accounts receivable, accounts payable and chapter grants payable approximates their fair value.

The carrying value of short-term, long-term and victim bursary investments is at face amount for short-term deposits and notes which approximates fair market value, and amortized cost for investments acquired at a discount or premium.

c) Interest rate risk

The organization is exposed to interest rate risk on its investments. The organization does not believe that the exposure is significant and maintains a policy of holding a combination shorter and longer term investments.

d) Foreign currency

The organization is not exposed to any foreign currency risk.

8. CANADA REVENUE AGENCY AGREEMENT

MADD Canada and Canada Revenue Agency (CRA) have an agreement requiring that MADD Canada treat payments to third party fundraisers solely as a fundraising cost, draw down on its combined national office and chapter net assets to \$3,300,000 by June 30, 2010 by over-expending on its disbursement quota requirements, and inform CRA of any changes to its third party fundraising contracts.

9. COMPARATIVE AMOUNTS

Certain comparative amounts have been reclassified to conform to the current year's presentation.

MOTHERS AGAINST DRUNK DRIVING (MADD CANADA)
LES MÈRES CONTRE L'ALCOOL AU VOLANT (MADD CANADA)
COMBINED NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

10. TAX RECEIPTED DONATIONS

The organization is a member of Imagine Canada and has adopted its Ethical Fundraising and Financial Accountability Code (the "Code"). All of the standards of the Code are disclosed in the financial statements, except for the disclosure of donations that are received for income tax purposes.

The amount of receipted donations for the year ended June 30, 2009 was not available at the time these statements were released. For the year ended June 30, 2008, the organization issued donation receipts for income tax purposes in the amount of \$4,404,963.