

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

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2009

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The accompanying financial statements and all other information contained in this annual report are the responsibility of the management of Mothers Against Drunk Driving (MADD Canada) – Les mères contre l'alcool au volant (MADD Canada). The financial statements have been prepared by management in accordance with generally accepted accounting principles and include certain estimates that reflect management's best judgements.

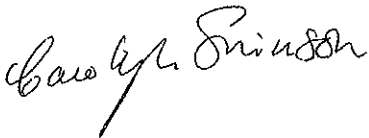
Management has established and maintains a system of internal control that provides reasonable assurance that all transactions are accurately recorded, that the financial statements realistically report the organization's operating and financial results, and that the organization's assets are safeguarded. Management reviews and evaluates the adequacy of and compliance with the organization's internal control standards. It is also the management's policy to maintain the highest standard of ethics in all its activities.

The Board of Directors approves these financial statements and carries out its responsibility in this regard principally through its Finance Committee. This committee reviews the results of the audit examination performed by the independent external auditor with respect to the organization's accounting principles, practices and systems of internal control.

James F Hyland Professional Corporation, an independent chartered accounting firm, was appointed to examine the financial statements and provide an independent professional opinion.



Andrew Murie
Chief Executive Officer



Carolyn Swinson
Chairperson

September 2, 2009



James F Hyland

PROFESSIONAL CORPORATION
CHARTERED ACCOUNTANT

AUDITOR'S REPORT

**To the Members of
MOTHERS AGAINST DRUNK DRIVING (MADD CANADA) -
LES MÈRES CONTRE L'ALCOOL AU VOLANT (MADD CANADA)**

I have audited the 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, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

Except as explained in the following paragraph, I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many charitable organizations, the organization derives revenue from the general public in the form of donations, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, my audit verification of these revenues was limited to the amounts recorded in the records of the organization and I was not able to determine whether any adjustments might be necessary to revenue, changes in net assets, assets and net assets.

In my opinion, except for the effect of adjustments, if any, which I might have determined to be necessary had I been able to satisfy myself concerning the completeness of the revenue referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the 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 results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

**James F Hyland Professional Corporation
Chartered Accountant**

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

**Mississauga, Ontario
August 12, 2009**

MOTHERS AGAINST DRUNK DRIVING (MADD CANADA)
LES MÈRES CONTRE L'ALCOOL AU VOLANT (MADD CANADA)
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2009

	2009	2008
	\$	\$
ASSETS		
Current assets		
Cash	843,887	829,845
Short-term investments (note 3)	1,723,162	813,429
Accounts and other receivables (note 10)	286,113	313,777
Prepaid expenses	306,140	170,165
	3,159,302	2,127,216
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)	14,814	13,048
	4,993,529	4,357,198
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable (note 10)	539,997	509,478
Chapter grants payable (note 10)	227,384	190,000
Deferred revenue	490,598	84,400
	1,257,979	783,878
Net assets		
Internally restricted – victim bursary (note 4)	364,413	361,837
Internally restricted – special projects (note 4)	205,797	316,099
Unrestricted	3,165,340	2,895,384
	3,735,550	3,573,320
	4,993,529	4,357,198

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)
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED JUNE 30, 2009

	2009	2008
	\$	\$
Revenue		
Public outreach campaigns	3,267,123	4,089,456
Corporate gifts	1,269,508	1,028,024
Donations	754,930	758,186
Youth programs	288,838	304,012
Government grants	170,395	172,789
Foundation grants	152,390	49,924
Investment income	143,430	165,374
Other revenue	18,233	20,511
	6,064,847	6,588,276
Expenditures		
Programs		
Chapter development and support	1,536,172	1,705,805
Public education, public awareness and research	1,074,023	1,099,409
Youth	689,800	814,392
Victim services	425,488	561,745
	3,725,483	4,181,351
Public outreach campaigns (fundraising) (note 6)	1,913,833	2,290,934
General and administration	263,301	378,976
	2,177,134	2,669,910
	5,902,617	6,851,261
Excess (deficiency) of revenue over expenditures	162,230	(262,985)

See accompanying notes

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

	Internally Restricted Victim Bursary \$	Internally Restricted Special Projects \$	Unrestricted \$	2009 Total \$	2008 Total \$
Net assets, beginning of year	361,837	316,099	2,895,384	3,573,320	3,836,305
Excess (deficiency) of revenue over expenditures	2,576	(110,302)	269,956	162,230	(262,985)
Net assets, end of year	364,413	205,797	3,165,340	3,735,550	3,573,320

See accompanying notes

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

	2009	2008
	\$	\$
Cash provided by (used for) operating activities		
Excess (deficiency) of revenue over expenditures	162,230	(262,985)
Charges not requiring cash:		
Amortization	17,986	23,012
Changes in non-cash working capital components:		
Accounts receivable	27,664	167,629
Prepaid expenses	(135,975)	105,056
Accounts payable	30,519	(295,968)
Chapter grants payable	37,384	(6,084)
Deferred revenue	406,198	(72,475)
	546,006	(341,815)
Investing activities		
Purchase of property, plant and equipment	(19,752)	(17,467)
Short-term and long-term investments	(509,636)	567,721
Victim bursary investment	(2,576)	5,842
	(531,964)	556,096
Change in cash	14,042	214,281
Cash, beginning of year	829,845	615,564
Cash , end of year	843,887	829,845

See accompanying notes

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

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

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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) Chapters and community leaders

MADD Canada is able to exercise control over a large number of chapters and community leaders which are individually immaterial. However, their financial information has been excluded because the costs of preparing combined financial statements significantly exceed the benefits of doing so.

f) 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.

g) 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.

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NOTES TO THE FINANCIAL STATEMENTS
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h) 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.

i Chapter development and support

MADD Canada has an extensive network of chapters, community leaders and their members and volunteers promoting the mission of MADD Canada. Chapters and community leaders of MADD Canada are local action committees or individuals which undertake public awareness by participating in an annual Project Red Ribbon Campaign, providing services to victims and their families within communities, educational programs, court monitoring and advocating for more appropriate legislation.

ii Public education, public awareness and research

MADD Canada's public education, public awareness and research 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.

iii 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

iv 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.

v 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.

i) 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.

j) 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, 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%.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

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.

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
	\$	\$	\$	\$
Youth Multi-Media vehicles and equipment	58,885	44,071	14,814	8,733
Leasehold improvement	21,572	21,572	-	4,315
	80,457	65,643	14,814	13,048

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6. ALLOCATION OF EXPENSES

Public outreach campaigns (fundraising) reported in the statement of operations of \$1,913,833 (2008 - \$2,290,934) 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. COMMITMENTS

The organization rents office premises for its National Office under a lease which expires in April 30, 2010. The minimum annual lease payments are as follows:

	\$
Fiscal 2010	105,534

The organization also leases office equipment. These leases expire in October 2014 at an annual rate of \$23,793.

8. 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.

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.

**MOTHERS AGAINST DRUNK DRIVING (MADD CANADA)
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009**

- d) Foreign currency

The organization is not exposed to any foreign currency risk.

9. 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.

10. RELATED PARTY TRANSACTIONS

These financial statements reflect costs incurred by the organization in supporting its chapters and community leaders. Included in these costs are direct grants to chapters and revenue sharing paid of \$621,931 (\$846,984 - 2008).

Included in accounts receivable at year end is \$72,252 (2008 - \$93,438) due from chapters and included in accounts payable and chapter grants payable is \$356,399 (2008 - \$312,053) due to chapters. The amounts are non-interest bearing and due on demand.

11. COMPARATIVE AMOUNTS

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

12. 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 receipted 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.

