

BRAIN INJURY ASSOCIATION OF LONDON AND REGION

Financial Statements

Year Ended March 31, 2010

BRAIN INJURY ASSOCIATION OF LONDON AND REGION

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Year Ended March 31, 2010

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AUDITORS' REPORT

To the Directors of Brain Injury Association of London and Region


We have audited the statement of financial position of Brain Injury Association of London and Region as at March 31, 2010 and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. 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 company derives revenue from donations and other fundraising events the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the company and we were not able to determine whether any adjustments might be necessary to revenues, excess of revenues over expenses, current assets and net assets.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the revenues referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the company as at March 31, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

London, Canada
May 21, 2010


NPT LLP
Chartered Accountants
Licensed Public Accountants

BRAIN INJURY ASSOCIATION OF LONDON AND REGION

Statement of Financial Position

March 31, 2010

	2010	2009
ASSETS		
CURRENT		
Cash	\$ 54,931	\$ 41,159
Term deposits	20,244	20,244
Accounts receivable	3,968	1,704
Inventory	1,165	633
Taxes other than income taxes recoverable	1,365	1,110
Prepaid expenses	5,693	6,921
Fundraising deposit	5,709	5,309
	\$ 93,075	\$ 77,080
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 8,128	\$ 2,001
Deferred income (Note 3)	30,237	30,264
	38,365	32,265
NET ASSETS		
Unrestricted net assets	54,710	44,815
	\$ 93,075	\$ 77,080

LEASE COMMITMENTS (Note 4)

ON BEHALF OF THE BOARD

_____ Owner

_____ Owner

See accompanying notes to the financial statements.

BRAIN INJURY ASSOCIATION OF LONDON AND REGION

Statement of Changes in Net Assets

Year Ended March 31, 2010

	2010	2009
UNRESTRICTED NET ASSETS - BEGINNING OF YEAR	\$ 44,815	\$ 38,610
Excess of revenues over expenditures for the year	9,895	6,205
UNRESTRICTED NET ASSETS - END OF YEAR	\$ 54,710	\$ 44,815

See accompanying notes to the financial statements.

BRAIN INJURY ASSOCIATION OF LONDON AND REGION**Statement of Revenues and Expenditures****Year Ended March 31, 2010**

	2010	2009
REVENUES		
Fundraising dinner revenue <i>(Note 5)</i>	\$ 65,255	\$ 60,315
Conference fees	43,546	42,980
Golf tournament <i>(Note 5)</i>	25,183	26,377
Donations	18,889	11,607
Advertising	18,527	22,111
Helmets on Kids	10,685	8,623
Peer mentor program	8,472	6,181
Services directory sponsorships	5,000	-
Affiliate revenue	4,657	-
Nevada tickets <i>(Note 5)</i>	4,120	4,626
Membership fees	1,674	580
Interest and other income	1,505	1,614
Grants	-	23,306
	207,513	208,320
EXPENSES		
Salaries and benefits	62,589	66,330
Fundraising dinner expenses <i>(Note 5)</i>	37,923	34,090
Rent	17,061	16,668
Conferences	16,355	17,949
Newsletter production	15,184	16,414
Helmets on Kids	10,685	8,623
Golf tournament expenses <i>(Note 5)</i>	10,394	10,882
Services directory expense	4,708	-
Office supplies	3,541	2,591
Professional fees	3,229	3,639
Insurance	2,336	2,336
Grant search	2,295	1,225
Telephone	2,285	2,406
Nevada licenses <i>(Note 5)</i>	2,121	4,117
Advertising and promotion	1,248	2,929
Repairs and maintenance	1,151	464
Utilities	1,138	1,282
Respite care program	1,135	161
Support groups	781	659
General	733	1,163
Equipment purchases	562	1,742
Postage and courier	104	-
Memberships and subscriptions	40	131
Office	20	-
Peer mentor program	-	930
Travel allowance	-	5,384
	197,618	202,115
EXCESS OF REVENUES OVER EXPENSES	\$ 9,895	\$ 6,205

See accompanying notes to the financial statements.

BRAIN INJURY ASSOCIATION OF LONDON AND REGION**Statement of Cash Flows****Year Ended March 31, 2010**

	2010	2009
OPERATING ACTIVITIES		
Excess of revenues over expenditures for the year	\$ 9,895	\$ 6,205
Changes in non-cash working capital:		
Accounts receivable	(2,264)	(19)
Inventory	(532)	(195)
Taxes other than income taxes recoverable	(255)	168
Prepaid expenses	1,228	1,229
Fundraising deposit	(400)	(1,135)
Accounts payable and accrued liabilities	6,127	-
Deferred income	(27)	(21,966)
	3,877	(21,918)
INCREASE (DECREASE) IN CASH	13,772	(15,713)
Cash - beginning of year	61,403	77,116
CASH - END OF YEAR	\$ 75,175	\$ 61,403
CASH CONSISTS OF:		
Cash	\$ 54,931	\$ 41,159
Term deposits	20,244	20,244
	\$ 75,175	\$ 61,403

See accompanying notes to the financial statements.

BRAIN INJURY ASSOCIATION OF LONDON AND REGION

Notes to Financial Statements

Year Ended March 31, 2010

1. DESCRIPTION OF ASSOCIATION

The Brain Injury Association of London and Region is a non-profit, registered charity which promotes measures to enhance quality care, education and the prevention of head injury.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles, the more significant of which are summarized below.

Changes in accounting policies

Effective April 1, 2009, the organization was required to adopt the new recommendations of the Canadian Institute of Chartered Accountants (CICA) under the following new sections:

Amendments to several of the existing sections in the 4400 series - Financial Statement Presentation by Not-For-Profit Organizations, which apply to fiscal years beginning on or after January 1, 2009. The amendments include: a) additional guidance in the applicability of Section 1100, Generally Accepted Accounting Principles; b) removal of the requirement to report separately net assets invested in capital assets; c) requirement to disclose revenue and expenses in accordance with EIC 123, Reporting Revenues Gross as a Principal Versus Net as an Agent; d) requirement to include a statement of cash flows in accordance with Section 1540, Cash Flow Statements; e) requirement to apply Section 1751, Interim Financial Statements, when preparing interim financial statements in accordance with GAAP; f) requirement for not-for-profit organizations that recognize capital assets to depreciate and assess these capital assets for impairment in the same manner as other entities reporting on a GAAP basis; g) requirement to disclose related party transactions in accordance with Section 3840, Related Party Transactions; and h) new disclosure requirements regarding the allocation of fundraising and general support costs.

These new standards have been adopted in accordance with the transitional provisions of the CICA Handbook. Adoption of these standards had no material impact on the opening net assets or on the association's financial statements for the year ended March 31, 2010.

Revenue recognition

The Brain Injury Association of London and Region follows the deferral method of accounting for contributions. 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 they can be reasonably estimated and collection is reasonably assured.

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BRAIN INJURY ASSOCIATION OF LONDON AND REGION

Notes to Financial Statements

Year Ended March 31, 2010

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments

Financial assets and liabilities are initially recognized at fair value and their subsequent measurement is dependent on their classification below. Their classification depends on the purpose for which the financial instruments were acquired or issued, their characteristics and the organization's designation of such instruments.

The following is a summary of the accounting model the association has elected to apply to each of its significant categories of financial instruments:

Cash	Held for trading
Term Deposits	Held for trading
Accounts receivable	Loans and Receivables
Accounts payable and accrued liabilities	Other financial liabilities
Fundraising deposit	Other financial liabilities

Subsequent measurement and treatment of any gain or loss on the financial instruments is recorded as follows:

- a) Held for trading financial assets are measured at fair value at the balance sheet date with any gain or loss recognized immediately in net income. Interest and dividends earned from held for trading assets are also included in income for the period.
- b) Loans and receivables are measured at amortized cost using the effective interest method. Any gain or loss is recognized in net income.
- c) Held to maturity financial assets are measured at amortized cost using the effective interest method. Any gain or loss is recognized in net income.
- d) Available for sale financial assets are measured at fair value at balance sheet date with any gain or loss recognized as an adjustment directly to net assets in the equity section of the balance sheet. Such accumulated gain or loss is transferred through net income to net assets on disposition of the asset.
- e) Other financial liabilities are measured at amortized cost using the effective interest method.
- f) Transaction costs that are directly attributable to the issuance of financial assets or liabilities are accounted for as part of the carrying value at inception and are recognized over the term of the assets or liabilities using the effective interest method. Any gains or losses are recognized in net income.

Cash and term deposits

Cash and cash equivalents consist primarily of cash and term deposits. Term deposits are redeemable Guaranteed Investment Certificates on deposit.

Inventory

Inventory is valued at the lower of cost and net realizable value with the cost being determined on a first-in, first-out basis.

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BRAIN INJURY ASSOCIATION OF LONDON AND REGION

Notes to Financial Statements

Year Ended March 31, 2010

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Capital assets

The purchases of capital assets are expensed through the statement of operations in the year of acquisition. The capital assets owned by the Association are comprised of office furniture and computer equipment.

Volunteer contributions

Volunteers contribute many hours per year to assist the Association in carrying out its fundraising activities. Because of the difficulty in determining fair value, contributed services are not recognized in the financial statements.

Contributed materials

The Association on occasion receives donations of materials and supplies. No revenue or expense is recorded in relation to such donations.

Income taxes

According to the provisions of the Income Tax Act (Canada), the Association is exempt from taxes on income. During the year, the Association expended sufficient amounts on charitable activities and by way of gifts to qualified donees to meet the disbursement quota requirements as defined in paragraph 149.1(1)(e) of the Income Tax Act (Canada).

Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Future changes in accounting policies

The Accounting Standards Board has issued an exposure draft entitled Financial Reporting by Not-for-Profit Organizations. Not-for-Profit Organizations will be required to report under these new Accounting Standards effective for financial statements for fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2011 may require the restatement of comparative balances for the year ended December 31, 2010, and will result in changes in disclosure requirements by the Association. The Association is currently evaluating the effect of adopting these standards on their financial statements.

BRAIN INJURY ASSOCIATION OF LONDON AND REGION

Notes to Financial Statements

Year Ended March 31, 2010

3. DEFERRED INCOME

Deferred income represents payments received for advertising, conference fees and memberships which will be earned in a future year when the Association has provided the corresponding service or as time passes. The deferred income from the Trillium grant, the Helmets on Kids program and the respite care funds are restricted for use only for those respective programs and will be recognized in income when the corresponding expenditures have been incurred.

	2010	2009
Deferred Helmets Donations	\$ 14,223	\$ 13,600
Deferred Respite Care Donation:Respite Care	8,687	9,822
Deferred advertising revenue	7,328	6,842
	\$ 30,238	\$ 30,264

4. CONTRACTUAL OBLIGATIONS

The Association has entered into a lease agreement with respect to its premises. The lease contains renewal options and provides for payment of utilities, property taxes and maintenance costs. The lease agreement expires on September 30, 2012. The minimal annual rental for the premises is \$17,053.

Contractual obligation repayment schedule:

2011	\$ 17,053
2012	8,527
	<u>\$ 25,580</u>

5. FUNDRAISING

			2010 Net Fundraising	2009 Net Fundraising
	Revenue	Expenditure		
Fundraising dinner revenue	\$ 65,255	\$ 37,923	\$ 27,332	\$ 26,225
Nevada tickets	4,120	2,121	1,999	509
Golf tournament	25,183	10,394	14,789	15,496
	\$ 94,558	\$ 50,438	\$ 44,120	\$ 42,230

6. FINANCIAL INSTRUMENTS

The Association's financial instruments consist of cash, term deposits, accounts receivable, accounts payable and accrued liabilities. The fair value of these financial instruments approximate their carrying values, due to their short term maturities. Unless otherwise noted, it is management's opinion that the Association is not exposed to significant interest, currency or credit risks arising from these financial instruments.

BRAIN INJURY ASSOCIATION OF LONDON AND REGION

Notes to Financial Statements

Year Ended March 31, 2010

7. CAPITAL MANAGEMENT POLICY

The Association defines capital as net assets. The Association's objectives when managing capital are to develop and maintain a financial model which supports the strategic directions of the Association, and safeguards the Association's ability to continue to provide services to qualified individuals.

In order to manage the capital, the Association regularly monitors and assesses its financial performance to ensure its capital is appropriately maintained. This involves the use of budgeting over the short term and long term horizon.

The Association is not subject to any externally imposed capital requirements.

8. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.