

Mothers Against Drunk Driving (MADD Canada)
Les mères contre l'alcool au volant
(MADD Canada)

Financial statements
March 31, 2021

Independent auditor's report

To the Members of
Mothers Against Drunk Driving (MADD Canada)
Les mères contre l'alcool au volant (MADD Canada)

Qualified opinion

We have audited the financial statements of **Mothers Against Drunk Driving (MADD Canada) – Les mères contre l'alcool au volant (MADD Canada)**, which comprise the statement of financial position as at March 31, 2021, and the statement of operations, statement of changes in net assets and statement of cash flows for year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for qualified opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of MADD Canada as at March 31, 2021, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for qualified opinion

In common with many charitable organizations, MADD Canada derives revenue from the general public as donations, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of this revenue was limited to the amounts recorded in the records of MADD Canada. Therefore, we were not able to determine whether any adjustments might be necessary to revenue, excess (deficiency) of revenue over expenses, and cash flows from operations for the years ended March 31, 2021 and 2020, current assets as at March 31, 2021 and 2020, and net assets as at April 1 and March 31 for both the 2021 and 2020 years. Our audit opinion on the financial statements for the year ended March 31, 2020 was modified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of MADD Canada in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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.

In preparing the financial statements, management is responsible for assessing MADD Canada's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate MADD Canada or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing MADD Canada's financial reporting process.



Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 MADD Canada's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on MADD Canada's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause MADD Canada to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Toronto, Canada
August 19, 2021

Ernst & Young LLP

Chartered Professional Accountants
Licensed Public Accountants



Mothers Against Drunk Driving (MADD Canada)
Les mères contre l'alcool au volant (MADD Canada)

Statement of financial position

As at March 31

	2021 \$	2020 \$
Assets		
Current		
Cash	3,782,919	1,789,997
Restricted cash <i>[note 7]</i>	907,774	2,237,987
Accounts receivable	419,018	406,662
Other assets <i>[note 3]</i>	457,329	686,609
Total current assets	5,567,040	5,121,255
Investments, fair value <i>[note 4]</i>	2,737,290	2,156,350
Investments, amortized cost <i>[note 4]</i>	14,285	14,214
Capital assets, net <i>[note 6]</i>	794,478	1,052,736
	9,113,093	8,344,555
Liabilities and net assets		
Current		
Accounts payable and accrued liabilities	527,798	329,599
Deferred contributions <i>[note 7]</i>	1,199,414	2,611,467
Total current liabilities	1,727,212	2,941,066
Deferred capital contributions <i>[note 8]</i>	785,504	998,360
Total liabilities	2,512,716	3,939,426
Commitments <i>[note 11]</i>		
Net assets		
Internally restricted – victim bursaries <i>[note 5]</i>	563,106	445,174
Unrestricted – National	4,486,963	2,390,019
Unrestricted – Chapters	1,550,308	1,569,936
Total net assets	6,600,377	4,405,129
	9,113,093	8,344,555

See accompanying notes

On behalf of the Board:



Director



Director

Mothers Against Drunk Driving (MADD Canada)
Les mères contre l'alcool au volant (MADD Canada)

Statement of operations

Year ended March 31

	2021	2020
	\$	\$
Revenue		
Gifts in kind <i>[note 9]</i>	14,847,780	13,110,953
Donations <i>[note 7]</i>	4,323,639	4,388,354
Corporate gifts <i>[notes 7 and 8]</i>	3,746,946	4,416,899
Government <i>[notes 7 and 13]</i>	688,905	389,825
Charitable gaming	133,045	151,448
Foundation grants <i>[note 7]</i>	119,166	118,694
School Program fees	4,100	21,050
Investment income (loss)	620,733	(154,244)
Other	7,796	1,703
	24,492,110	22,444,682
Expenses <i>[note 10]</i>		
Programs		
Public education, public awareness and research <i>[note 9]</i>	17,000,249	15,824,748
Youth	1,912,448	2,772,381
Victim services	506,556	826,679
	19,419,253	19,423,808
Public outreach campaigns [fundraising]	2,429,550	2,581,342
General and administration	448,059	460,521
	22,296,862	22,465,671
Excess (deficiency) of revenue over expenses for the year	2,195,248	(20,989)

See accompanying notes

Mothers Against Drunk Driving (MADD Canada)
Les mères contre l'alcool au volant (MADD Canada)

Statement of changes in net assets

	Internally restricted – victim bursaries \$	Unrestricted – National \$	Unrestricted – Chapters \$	Total \$
Net assets, March 31, 2020	445,174	2,390,019	1,569,936	4,405,129
Excess of revenue over expenses for the year	—	2,214,876	(19,628)	2,195,248
Transfer to internally restricted net assets <i>[note 5]</i>	117,932	(117,932)	—	—
Net assets, March 31, 2021	563,106	4,486,963	1,550,308	6,600,377

	Internally restricted – victim bursaries \$	Unrestricted – National \$	Unrestricted – Chapters \$	Total \$
Net assets, March 31, 2019	494,038	2,330,034	1,602,046	4,426,118
Excess (deficiency) of revenue over expenses for the year	—	11,121	(32,110)	(20,989)
Transfer to internally restricted net assets <i>[note 5]</i>	(48,864)	48,864	—	—
Net assets, March 31, 2020	445,174	2,390,019	1,569,936	4,405,129

See accompanying notes

Mothers Against Drunk Driving (MADD Canada)
Les mères contre l'alcool au volant (MADD Canada)

Statement of cash flows

Year ended March 31

	2021	2020
	\$	\$
Operating activities		
Excess (deficiency) of revenue over expenses for the year	2,195,248	(20,989)
Add (deduct) items not involving cash		
Amortization of capital assets	267,720	288,099
Amortization of deferred capital contributions	(212,856)	(186,291)
Reinvested investment income	(75,570)	(67,813)
Unrealized gain on investments	(505,441)	308,736
	1,669,101	321,742
Changes in non-cash working capital balances related to operations		
Accounts receivable	(12,356)	(34,814)
Other assets	229,280	49,197
Accounts payable and accrued liabilities	198,199	(223,692)
Deferred contributions	(1,412,053)	(523,818)
Cash provided by (used in) operating activities	672,171	(411,385)
Investing activities		
Net withdrawal of investments	—	9,936
Purchase of capital assets	(9,462)	(471,622)
Cash used in investing activities	(9,462)	(461,686)
Financing activities		
Contributions restricted for purchase of capital assets	—	623,650
Cash provided by financing activities	—	623,650
Net increase (decrease) in cash during the year	662,709	(249,421)
Cash, beginning of year	4,027,984	4,277,405
Cash, end of year	4,690,693	4,027,984

Mothers Against Drunk Driving (MADD Canada)
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1. Organization

Mothers Against Drunk Driving (MADD Canada) – Les mères contre l'alcool au volant (MADD Canada) ["MADD Canada"] is a national grassroots organization founded in 1990 whose mission is to stop impaired driving and to support victims/survivors of this violent crime. MADD Canada's primary objectives include offering support services to victims/survivors, heightening awareness of the dangers of impaired driving, saving lives and preventing injuries on our roads and waterways. The organization has an extensive network of Chapters, Community Leaders, members and volunteers promoting the mission of MADD Canada.

MADD Canada has continued under the *Canada Not-for-profit Corporations Act*, is registered as a charitable organization under the *Income Tax Act* (Canada) and, as such, is exempt from income taxes and is able to issue donation receipts for income tax purposes.

2. Summary of significant accounting policies

These financial statements are prepared in accordance with Part III of the *CPA Canada Handbook – Accounting*, which sets out generally accepted accounting principles for not-for-profit organizations in Canada and includes the significant accounting policies summarized below.

Basis of presentation

These financial statements represent the financial activities of MADD Canada's national office, Chapters and Community Leaders.

Financial instruments

Investments reported at fair value consist of equity instruments that are quoted in an active market as well as investments in pooled funds and any investments in fixed income securities that MADD Canada designates upon purchase to be measured at fair value. Transaction costs are recognized in the statement of operations in the year during which they are incurred.

Investments in fixed-income securities not designated to be measured at fair value are initially recorded at fair value plus transaction costs and are subsequently measured at amortized cost using the straight-line method, less any provision for impairment.

All transactions are recorded on a trade date basis.

Other assets

Costs directly related to the development of future School Program presentations are presented as other assets when MADD Canada can reliably demonstrate that there is a future economic benefit associated with these costs. These costs are expensed over their useful life, which is the period over which the presentations occur. Such costs are expensed immediately when there is insufficient evidence to support a future economic benefit.

Mothers Against Drunk Driving (MADD Canada)
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Capital assets

Purchased capital assets are recorded at acquisition cost. Donated capital assets are recorded at their fair value at the acquisition date when this value can be reasonably estimated. Capital assets are being amortized over their estimated useful lives on a straight-line basis. The annual amortization rates are as follows:

SmartWheels vehicle	7 years
Other vehicles	2 years
School Program equipment	2 years
SmartWheels equipment	2 to 3 years
Computer hardware	2 years
Furniture	2 years

The estimated useful lives of assets are reviewed by management and adjusted if necessary.

Capital assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not contribute to MADD Canada's ability to provide goods and services. Any impairment results in a write-down of the asset and an expense in the statement of operations. An impairment loss is not reversed if the fair value of the related asset subsequently increases.

Revenue recognition

MADD Canada follows the deferral method of accounting for contributions, which include grants and donations. Grants and bequests are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Other donations are recorded when received since pledges are not legally enforceable claims. Unrestricted contributions are recognized as revenue when initially recorded in the accounts. Externally restricted contributions are deferred when initially recorded in the accounts and recognized as revenue in the year in which the related expenses are recognized.

Revenue from the School Program is recognized as presentations occur.

Investment income, which includes interest, dividends, unrealized and realized gains and losses, is recognized on an accrual basis in the statement of operations.

Defined contribution pension plan

Contributions to a defined contribution plan are expensed on an accrual basis.

Allocation of expenses

MADD Canada classifies expenses by function. The cost of each function includes amounts for personnel, premises and other expenses. Where an expenditure directly benefits more than one function, it is attributed on a reasonable basis.

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The functions are as follows:

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 supporting MADD Canada's mission to stop impaired driving and to support victims/survivors 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 incidents of impaired driving crashes. MADD Canada produces publications that inform about the state of impaired driving in Canada, examine the effectiveness of Canadian laws and legislation and support policy positions.

Youth programs

MADD Canada is committed to working with youth to help make our roads safer and reaches out to high school and elementary students and their families, teachers and mentors, primarily through the School Program, SmartWheels and Weed Out the Risk, in targeting its message.

Victim services

Thousands of Canadians are personally affected each year by impaired driving, and MADD Canada reaches out to victims'/survivors. Support includes assisting impaired driving victims/survivors and their families and friends, Victim Services Volunteer Training and the Annual Conference for Victims of Impaired Driving and Candlelight Vigil of Hope and Remembrance.

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 victims'/survivors services, as well as about the programs that MADD Canada offers, including youth education.

General and administrative

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

Contributed materials and services

MADD Canada records contributed materials and services when a fair value can be reasonably estimated and when the materials and services are used in the normal course of operations and would otherwise have been purchased.

MADD Canada benefits from the services of over 7,500 volunteers. Accomplishing the objectives of the organization would not be possible without their dedication. Because of the difficulty in determining their fair value, contributed services of volunteers are not recorded in the financial statements.

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Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and revenue and expenses. Areas requiring the use of management's estimates include the estimated useful lives of capital assets and assumptions used in the valuation of gifts-in-kind revenue. Actual results could differ from those estimates.

3. Other assets

Other assets consist of the following:

	2021	2020
	\$	\$
Development costs of next year's School Program presentations	271,316	361,876
Inventory, insurance, rent and other	165,360	191,785
Conferences	20,653	29,008
Development costs of public service announcements funded by the Alcohol and Gaming Commission of Ontario	—	103,940
	457,329	686,609

4. Investments

[a] Investments consist of the following:

	2021	2020
Carrying value	\$	\$
Cash [b]	618	663
Units in balanced pooled fund [d]	2,715,652	2,134,667
Cash surrender value of life insurance policy [e]	21,020	21,020
	2,737,290	2,156,350
Guaranteed investment certificates [c]	14,285	14,214
	2,751,575	2,170,564

Since MADD Canada does not intend to use these funds in the next 12 months, they have been classified as long-term.

[b] Cash is held in a premium interest account at a Canadian chartered bank yielding prime less 2% [2020 – prime less 2%].

[c] The guaranteed investment certificates mature in February 2022 [2020 – February 2021]. The interest rate is 0.5% [2020 – 0.5%].

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[d] The asset mix of the balanced pooled fund is as follows:

	2021		2020	
	\$	%	\$	%
Fixed income				
Government	353,035	13	320,200	15
Corporate	353,035	13	320,200	15
	706,070	26	640,400	30
Equities				
Canadian	733,226	27	448,280	21
U.S.	678,913	25	469,627	22
Other international	543,130	20	469,627	22
	1,955,269	72	1,387,534	65
Cash and cash equivalents	54,313	2	106,733	5
	2,715,652	100	2,134,667	100

[e] MADD Canada is the owner and beneficiary of a life insurance policy with a face value of \$125,000 as at March 31, 2021 and 2020.

[f] Investments are held for the following purposes:

	2021	2020
	\$	\$
Internally restricted net assets – victim bursaries	563,106	445,174
Other	2,188,469	1,725,390
	2,751,575	2,170,564

5. Internally restricted net assets – victim bursaries

MADD Canada's Board of Directors has internally restricted an amount of net assets for the formation of a scholarship program for Canadian citizens who have themselves been severely injured or who have had a parent [or legal guardian] or sibling killed or severely injured as a result of an impaired driving crash. These internally restricted amounts, and investment income generated by the investments held for these amounts, are not available for other purposes without approval of the Board of Directors.

Mothers Against Drunk Driving (MADD Canada)
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6. Capital assets

Capital assets consist of the following:

	2021		
	Cost	Accumulated amortization	Net book value
	\$	\$	\$
SmartWheels vehicle	1,179,583	425,048	754,535
SmartWheels equipment	178,352	145,507	32,845
Other vehicles	284,525	284,525	—
School Program equipment	112,846	112,846	—
Computer hardware	41,889	34,791	7,098
Furniture	15,567	15,567	—
	1,812,762	1,018,284	794,478

	2020		
	Cost	Accumulated amortization	Net book value
	\$	\$	\$
SmartWheels vehicle	1,179,584	256,536	923,048
SmartWheels equipment	178,352	101,163	77,189
Other vehicles	284,526	265,305	19,221
School Program equipment	112,846	91,948	20,898
Computer hardware	32,425	22,977	9,448
Furniture	15,567	12,635	2,932
	1,803,300	750,564	1,052,736

Fully amortized assets of nil [2020 – \$109,337] have been removed from cost and accumulated amortization, as they are no longer in use.

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7. Deferred contributions

Deferred contributions represent unexpended externally restricted contributions for program expenses in future years. The continuity of deferred contributions is as follows:

	2021 \$	2020 \$
Balance, beginning of year	2,611,467	3,135,285
Amounts received during the year	645,604	2,872,188
Amounts transferred to deferred capital contributions	—	(623,650)
Amounts recognized as revenue during the year	(2,057,657)	(2,772,356)
Balance, end of year	1,199,414	2,611,467

Deferred contributions consist of funds held for the following purposes:

	2021 \$	2020 \$
Liquor Control Board of Ontario for School Program and SmartWheels		
Ontario	907,774	2,237,987
SmartWheels Saskatchewan	—	32,592
Other	291,640	340,888
	1,199,414	2,611,467

The Liquor Control Board of Ontario ["LCBO"] contribution was made on the condition that it be used in Ontario for the School Program and SmartWheels. The donation agreement with the LCBO effective April 16, 2019 requires this funding is to be placed in a separate bank account. At March 31, 2021, MADD Canada had restricted cash of \$907,774 [2020 – \$2,237,987].

Other deferred contributions represent externally restricted amounts for programs from government agencies and corporations that had not been spent by year-end.

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8. Deferred capital contributions

Deferred capital contributions represent the unamortized amount of contributions received for the purchase of the SmartWheels vehicles for the SmartWheels Elementary School Mobile Program in Ontario and Saskatchewan. The amortization of deferred capital contributions is recorded as revenue in the statement of operations.

Changes in the deferred capital contributions balance are as follows:

	2021	2020
	\$	\$
Balance, beginning of year	998,360	561,001
Contributions received for capital purposes	—	623,650
Amortization of deferred capital contributions	(212,856)	(186,291)
Balance, end of year	785,504	998,360

Deferred capital contributions consist of funds held for the following purposes:

	2021	2020
	\$	\$
SmartWheels Ontario	308,394	415,606
SmartWheels Saskatchewan	477,110	582,754
	785,504	998,360

9. Gifts in kind

Gifts in kind include the following:

	2021	2020
	\$	\$
Donated airtime for public service announcements	14,847,780	13,110,953

During 2021, MADD Canada's public service announcements aired 103,202 times [2020 – 109,094 times] and were viewed by 1,477,601,072 [2020 – 1,855,340,255] individuals.

A corresponding amount of expenses has been recorded in public education, public awareness and research in the statement of operations.

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10. Allocation of expenses

Certain common operating expenses are allocated to functions reported in the statement of operations as follows:

	2021	2020
	\$	\$
Public education, public awareness and research	140,178	153,554
Youth	132,529	116,253
Victim services	43,101	41,133
Public outreach campaigns [fundraising]	9,757	15,132
	325,565	326,072

11. Commitments

MADD Canada rents office premises and equipment for its national office under a lease that expires on September 30, 2025. The future minimum annual lease payments are as follows:

	\$
2022	176,392
2023	176,392
2024	176,392
2025	172,992
2026	43,078
	745,246

12. Financial instruments and risk management

MADD Canada manages its exposure to the risks associated with financial instruments that affect its operating and financial performance in accordance with its risk management policy. The objective of the policy is to reduce volatility in cash flows and operating results.

Credit risk

Credit risk arises from the possibility of a party defaulting on its financial obligations. MADD Canada is exposed to credit risk resulting from the possibility that parties may default on their financial obligations, which would cause it to incur a financial loss.

The total amount of cash, accounts receivable, guaranteed investment certificates and investments in a pooled fund that holds fixed income securities corresponds to MADD Canada's maximum exposure to credit risk.

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Cash, guaranteed investment certificates and fixed-income securities

Credit risk associated with cash, guaranteed investment certificates and fixed-income securities is minimized by depositing cash with Canadian chartered banks and investing in guaranteed investment certificates and a pooled fund that hold fixed-income securities issued by Canada Deposit Insurance Corporation insured financial institutions.

Accounts receivable

Credit risk associated with accounts receivable is minimal since MADD Canada holds few accounts and other receivables.

Liquidity risk

Liquidity risk is the risk of being unable to meet cash requirements or fund obligations as they come due.

MADD Canada manages its liquidity risk by monitoring forecasted and actual cash flow and financial liability maturities, and by holding sufficient assets that can be readily converted into cash. Accounts payable and accrued liabilities are normally repaid within 30 days. Obligations reported as deferred contributions must generally be fulfilled within the next fiscal year.

Market risk

MADD Canada is exposed to market risk arising from changes in the fair value of financial instruments due to market price fluctuations. Market risk consists of currency risk, interest rate risk and other price risk.

Currency risk

Currency risk is the risk that the fair value of a financial instrument or the related future cash flows will fluctuate due to changes in foreign exchange rates. MADD Canada is exposed to currency risk with respect to the underlying investments in certain pooled funds denominated in foreign currencies.

Interest rate risk

Interest rate risk is the risk that the fair value of a financial instrument or the related future cash flows will fluctuate due to changes in market interest rates.

MADD Canada is exposed to interest rate risk with regard to its cash, its guaranteed investment certificates and its investments in a pooled fund that holds fixed-income securities. MADD Canada has no interest-bearing liabilities.

MADD Canada's cash includes amounts on deposit with financial institutions that earn interest at the market rate. MADD Canada's investments also include guaranteed investment certificates and fixed-income securities that earn a fixed rate of return.

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MADD Canada manages its exposure to interest rate risk by minimizing its capital investment risks while achieving a satisfactory return and maintaining the minimum liquidity necessary to conduct operations on a day-to-day basis. Fluctuations in market interest rates on cash do not have a significant impact on MADD Canada's results of operations.

Other price risk

MADD Canada is exposed to other price risk through changes in market prices [other than changes arising from interest rate risk or currency risk] in connection with its investments in pooled funds. MADD Canada manages this risk by investing in a balanced pooled fund with an asset mix that is designed to maximize returns within reasonable risk tolerances.

13. COVID-19

On March 11, 2020, the World Health Organization characterized the outbreak of a strain of the novel coronavirus ["COVID-19"] as a pandemic, which has resulted in a series of public health and emergency measures that have been put into place to combat the spread of the virus.

These restrictions impacted the operations of MADD Canada by the closure of the national office with staff working from home, substituting the in-person youth programs to virtual presentations, and cancellation of annual conferences and domestic travel. Management considered the impact of COVID-19 in its assessment of MADD Canada's assets and liabilities and its ability to continue as a going concern. Although COVID-19 has had an impact on MADD Canada's operations, management believes MADD Canada continues to have sufficient resources to manage the operations through the next year.

During the year, MADD Canada received \$25,000 through the Temporary Wage Subsidy for Employers ["TWS"] government program and \$459,802 from the Canada Wage Subsidy ["CEWS"] government program. TWS was a three-month measure that allowed eligible employers to reduce the amount of payroll deductions needed to remit to the Canada Revenue Agency during March 18, 2020 to June 19, 2020. CEWS was introduced to prevent further job losses, encourage employers to quickly rehire workers previously laid off as a result of COVID-19, and help better position the Canadian economy. The CEWS revenue included in the fiscal year is for the period from April 1, 2020 to October 24, 2020.

14. Comparative financial statements

The comparative financial statements have been reclassified from statements previously presented to conform to the presentation of the March 31, 2021 financial statements.