



Financial Statements of  
THE CANADIAN NATIONAL INSTITUTE FOR THE BLIND  
Year ended March 31, 2010

## **AUDITORS' REPORT**

**To the National Board and Members  
of The Canadian National Institute for the Blind**

**We have audited the statement of financial position of The Canadian National Institute for the Blind as at March 31, 2010 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 Institute'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 Institute derives revenue from support from the public, 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 the Institute and we were not able to determine whether any adjustments might be necessary to revenue, deficiency of revenue over expenditures, assets and net asset balances.**

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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 revenue referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Institute 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. As required by the Canada Corporations Act, we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

A handwritten signature in black ink that reads "KPMG LLP". The letters are slanted and connected in a cursive style. A horizontal line is drawn underneath the signature.

Chartered Accountants, Licensed Public Accountants

Toronto, Canada

June 4, 2010

# THE CANADIAN NATIONAL INSTITUTE FOR THE BLIND

## Statement of Financial Position

(in thousands of dollars)

March 31, 2010, with comparative figures for 2009

	2010	2009
<b>Assets</b>		
Current assets:		
Cash	\$ 1,135	\$ 476
Accounts receivable and pre-payments	4,580	3,424
Inventories and supplies	709	1,167
	<u>6,424</u>	<u>5,067</u>
Investments (note 3)	36,693	31,219
Capital assets (note 4)	55,981	59,154
	<u>\$ 99,098</u>	<u>\$ 95,440</u>
<b>Liabilities, Deferred Contributions and Net Assets</b>		
Current liabilities:		
Bank indebtedness (note 5)	\$ 2,297	\$ 2,942
Mortgage - current portion (note 6)	667	667
Accounts payable and accrued liabilities (note 6)	6,463	7,985
	<u>9,427</u>	<u>11,594</u>
Mortgage (note 6)	6,664	7,331
Accrued pension liability (note 7)	3,682	3,999
Deferred contributions:		
Expenses of future periods (note 8(a))	11,016	8,761
Capital assets (note 8(b))	15,325	16,407
	<u>26,341</u>	<u>25,168</u>
Net assets:		
Invested in capital assets (note 10)	33,296	34,633
Endowments (note 11)	7,550	7,044
Internally restricted (note 11)	13,582	12,241
Net unrealized investment loss (note 3)	(1,444)	(6,570)
Unrestricted	-	-
	<u>52,984</u>	<u>47,348</u>
Commitments and contingencies (note 12)		
	<u>\$ 99,098</u>	<u>\$ 95,440</u>

See accompanying notes to financial statements

On behalf of the Board of Directors:

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Chair, Board of Directors

\_\_\_\_\_  
Chair, Finance and Risk Management Committee

# THE CANADIAN NATIONAL INSTITUTE FOR THE BLIND

## Statement of Operations

(in thousands of dollars)

Year ended March 31, 2010, with comparative figures for March 31, 2009

	2010	2009
<b>Revenue</b>		
Support from the public	\$ 42,415	\$ 43,273
Government support	22,966	20,136
Investment	1,704	1,749
Fees for service and miscellaneous	4,772	6,121
Consumer products and assistive technology sales	3,430	2,765
Amortization of deferred capital contributions (note 8(b))	1,780	1,314
	<u>77,067</u>	<u>75,358</u>
<b>Expenditures</b>		
Client services:		
Rehabilitation	38,397	40,099
Consumer products and assistive technology	5,793	5,775
Library services	6,796	8,653
Public education	1,990	1,546
Research	1,079	1,847
	<u>54,055</u>	<u>57,920</u>
Other:		
Administration	3,575	3,518
Fund development (note 13)	21,280	17,915
	<u>24,855</u>	<u>21,433</u>
	<u>78,910</u>	<u>79,353</u>
Gain on disposal of capital assets	1,847	-
	<u>\$ 4</u>	<u>\$ (3,995)</u>
See accompanying notes to financial statements		

## THE CANADIAN NATIONAL INSTITUTE FOR THE BLIND

### Statement of Changes in Net Assets

(in thousands of dollars)

Year ended March 31, 2010, with comparatives for March 31, 2009

	Invested in capital assets (note 10)	Endowments (note 11)	Internally restricted (note 11)	Net unrealized investment loss (note 3)	Unrestricted	Total 2010	Total 2009
Balance, beginning of year	\$ 34,633	\$ 7,044	\$ 12,241	\$ (6,570)	\$ -	\$ 47,348	\$ 57,350
Excess (deficiency) of revenue over expenditures	(3,236)	-	-	-	3,240	4	(3,995)
Endowment contributions	-	506	-	-	-	506	559
Invested in capital assets	1,899	-	-	-	(1,899)	-	-
Internally restricted	-	-	1,341	-	(1,341)	-	-
Unrealized gain (loss) on investments	-	-	-	5,126	-	5,126	(6,566)
Balance, end of year	\$ 33,296	\$ 7,550	\$ 13,582	\$ (1,444)	\$ -	\$ 52,984	\$ 47,348

See accompanying notes to financial statements

# THE CANADIAN NATIONAL INSTITUTE FOR THE BLIND

## Statement of Cash Flows

(in thousands of dollars)

Year ended March 31, 2010, with comparative figures for 2009

	2010	2009
Cash provided by (used for):		
Operating activities:		
Excess (deficiency) of revenues over expenditures	\$ 4	\$ (3,995)
Items not involving cash:		
Amortization of capital assets	5,016	4,314
Amortization of deferred contributions related to expenses of future periods	(17,491)	(14,978)
Amortization of deferred contributions related to capital assets	(1,780)	(1,314)
Gain on disposal of capital assets	(1,847)	-
Pension expense	2,021	1,888
Pension employer contributions	(2,338)	(2,271)
Change in non-cash working capital	(2,220)	(2,531)
	(18,635)	(18,887)
Financing activities:		
Deferred contributions related to expenses of future periods	19,940	13,521
Payment of mortgage	(667)	(667)
Deferred contributions related to capital assets	504	282
Endowment contributions	506	559
	20,283	13,695
Investing activities:		
Proceeds from disposal of capital assets	2,506	-
Sale of investments	60	8,710
Purchase of investments	(408)	(2,372)
Purchase of capital assets	(2,502)	(4,099)
	(344)	2,239
Change in cash and bank indebtedness	1,304	(2,953)
Cash and bank indebtedness, beginning of year	(2,466)	487
Cash and bank indebtedness, end of year	\$ (1,162)	\$ (2,466)
Cash is comprised of:		
Cash	\$ 1,135	\$ 476
Bank indebtedness	(2,297)	(2,942)
	\$ (1,162)	\$ (2,466)
Supplemental disclosure of cash transactions:		
Interest paid on mortgage	\$ 88	\$ 261

See accompanying notes to the financial statements

# THE CANADIAN NATIONAL INSTITUTE FOR THE BLIND

Notes to Financial Statements  
(in thousands of dollars except as noted)  
Year ended March 31, 2010

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The Canadian National Institute for the Blind ("CNIB") is a nationwide, community-based, volunteer agency committed to research, public education and the vision health of all Canadians. It provides vital programs and services, innovative consumer products, and one of the world's largest libraries for people with print disabilities. CNIB also focuses on protection and prevention today, as well as on treatments and cures for tomorrow.

CNIB was incorporated on March 30, 1918 by Letters Patent under the Companies Amendment Act of 1917.

CNIB is a registered charity under the Income Tax Act (Canada) (the "Act") and, as such, is exempt from income taxes and is able to issue donation receipts for income tax purposes. In order to maintain its status as a registered charity under the Act, CNIB must meet certain requirements under the Act. In the opinion of management, these requirements have been met.

## **1. Significant accounting policies:**

### **(a) Revenue recognition:**

CNIB follows the deferral method of accounting for contributions, which include support from the public and government support.

Externally restricted contributions, other than endowments, are recognized as revenue in the year in which the related expenses are incurred. Contributions for the purchase of capital assets are deferred and amortized into revenue on a straight-line basis, at a rate corresponding with the amortization rate for the related capital assets.

Endowment contributions are recognized as direct increases in net assets in the year in which they are received.

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.

Income from investments includes the realized gains or losses from the sale of units of CNIB's managed investment funds, as well as interest income. Restricted investment income is recognized as revenue in the year in which the related expenses are recognized. All other investment income is recognized as revenue when earned.

Revenue from fees for service and sale of consumer products and assistive technology is recognized when the services are provided or the goods are sold.

# THE CANADIAN NATIONAL INSTITUTE FOR THE BLIND

Notes to Financial Statements  
(in thousands of dollars except as noted)  
Year ended March 31, 2010

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## 1. Significant accounting policies (continued):

### (b) Financial instruments:

CNIB designated its cash as held-for-trading, which is measured at fair value. Accounts receivable are classified as loans and receivables which are measured at amortized cost. Accounts payable and accrued liabilities, bank indebtedness and mortgage are classified as other financial liabilities, which are measured at amortized cost.

CNIB has classified all of its investments as available for sale and carries them at fair value. Pooled funds are valued at year-end quoted market prices. The net unrealized gain or loss on investments, being the difference between book value and fair value, is included in the statement of changes in net assets. The fair value of investments is noted in note 3.

The carrying values of other financial assets and liabilities being cash, accounts receivable, bank indebtedness, and accounts payable and accrued liabilities approximate their fair values due to the relatively short-term maturity. The carrying value of the mortgage approximates its fair value due to the terms and conditions of the borrowing arrangements compared to current market terms and conditions for similar items.

CNIB has an interest rate swap which is recorded at market value under accounts payable and accrued liabilities and the change in market value is included in investment income on the Statement of Operations.

### (c) Inventories and supplies:

Inventories and supplies are recorded at the lower of cost and net realizable value.

### (d) Capital assets:

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Assets are amortized over the estimated life of the assets. Repairs and maintenance costs are charged to expense. If a capital asset no longer contributes to CNIB's ability to provide services, its carrying amount is written down to its residual value.

Capital assets are amortized on a straight-line basis using the following annual rates:

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Buildings	2.5%
Computer equipment and software	33.3%
Vehicles	25.0 - 33.3%
Furniture and office equipment	25.0%

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# THE CANADIAN NATIONAL INSTITUTE FOR THE BLIND

Notes to Financial Statements  
(in thousands of dollars except as noted)  
Year ended March 31, 2010

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## 1. Significant accounting policies (continued):

### (e) Volunteer services:

CNIB benefits from substantial services in the form of volunteer time to fulfill its mission. Since these invaluable services are not purchased by CNIB, they are not recorded in these financial statements.

### (f) Employee future benefits:

CNIB has a registered defined benefit pension plan which covers most of its employees and a non-registered defined benefit pension plan. The plans provide pension benefits based on years of service, years of contributions and final average earnings. The cost of the registered defined benefit plan is being funded currently. The cost of the non-registered plan is expensed and accrued currently and will be funded as benefits are paid. CNIB does not provide any significant non-pension, post retirement benefits.

CNIB accrues its obligations under its employee pension plans as the employee renders the service necessary to earn the pension.

CNIB has adopted the following policies:

- (i) The costs of pension benefits earned by employees is actuarially determined using the projected benefit method prorated on service and management's best estimate of expected plan investment performance, salary escalation and retirement ages of employees. The interest discount rate is determined in accordance with guidelines as set out in the Canadian Institute of Chartered Accountants (CICA) Handbook.
- (ii) For the purpose of calculating the expected return on plan assets, those assets are valued at fair value as at March 31, 2010. The most recent actuarial valuation of the pension plan for funding purposes was as of December 31, 2009. The next required evaluation will be as of December 31, 2010.
- (iii) The excess of the net actuarial gain (loss) over 10% of the greater of the benefit obligation and the market value of the plan assets is amortized over the expected average remaining service period of the active employees which, for the pension plan, is 8.0 years. Past service costs are amortized over 9.3 years.

### (g) Allocation of expenses:

CNIB classifies expenditures on the Statement of Operations by function. General support expenditures are allocated by identifying the appropriate drivers such as operational activities, square footage, employee count, and applying these bases consistently.

# THE CANADIAN NATIONAL INSTITUTE FOR THE BLIND

Notes to Financial Statements  
(in thousands of dollars except as noted)  
Year ended March 31, 2010

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## 1. Significant accounting policies (continued):

### (h) 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, expenditures and changes in net assets during the year. Actual results could differ from these estimates.

## 2. Changes in accounting policies:

(a) Effective April 1, 2009, CNIB adopted the amendments to CICA Handbook Section 4400. Adoption of these recommendations had no significant impact on the financial statements for the year ended March 31, 2010.

(b) Effective April 1, 2009 CNIB adopted the amendments to CICA Handbook Section 4470, which establish disclosure standards for organizations that choose to classify their expenses by function and allocate expenses from one function to another. The applicable disclosure is included in note 14.

(c) Effective April 1, 2009 CNIB adopted the CICA amendments to Section 1000 of the CICA Handbook. These amendments clarified the criteria for recognition of an asset or liability, removing the ability to recognize assets or liabilities solely on the basis of matching of revenue and expense items. Adoption of these recommendations had no effect on the financial statements for the year ended March 31, 2010.

## 3. Investments:

	2010		2009	
	Cost	Fair value	Cost	Fair value
Canadian fixed income securities	\$ 208	\$ 209	\$ 250	\$ 250
Investments held in pooled funds	37,929	36,484	37,539	30,969
	<u>\$ 38,137</u>	<u>\$ 36,693</u>	<u>\$ 37,789</u>	<u>\$ 31,219</u>

The Canadian fixed income securities produce a yield to maturity ranging from 0.2% to 3.8% (2009 - 1.2% to 3.8%) and have a term to maturity ranging from 0.3 to 1.8 years (2009 - 0.3 to 2.8 years).

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Notes to Financial Statements  
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Year ended March 31, 2010

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### 3. Investments (continued):

The investments held in pooled funds have the following portfolio:

	2010	2009
Canadian fixed income securities and cash	45%	49%
Canadian equities	23%	21%
U.S. and Global equities	32%	30%
<b>Total</b>	<b>100%</b>	<b>100%</b>

The Canadian fixed income securities held within the pooled funds have yields to maturity of 3.5% to 3.6% (2009 - 3.6% to 4.6%) and weighted average term to maturity in years ranging from 8.2 to 8.7 (2009 - 7.6 to 9.0 years).

Investment risk management:

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 interest rate, market and foreign currency risk and credit risk. CNIB has formal policies and procedures that establish target asset mix.

Interest rate risk:

Interest rate risk arises from the possibility that changes in interest rates will affect the value of fixed income securities held by CNIB. CNIB has formal policies and procedures that establish target asset mix, minimum credit ratings and varying terms of the securities held.

Market risk:

Market risk arises as a result of trading in equity securities and fixed income securities. Fluctuations in the market expose CNIB to a risk of loss. CNIB mitigates this risk through controls to monitor and limit concentration levels.

Foreign exchange risk:

Foreign exchange risk arises from gains and losses due to fluctuations in foreign currency exchange rates on CNIB's non-Canadian securities. Foreign currency risk is managed through construction of a diversified portfolio of instruments in various currencies.

Credit risk:

CNIB is exposed to credit-related losses in the event of non-performance by counterparties to the financial instruments. Credit exposure is minimized by dealing with only credit worthy counterparties.

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Notes to Financial Statements  
(in thousands of dollars except as noted)  
Year ended March 31, 2010

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## 4. Capital assets:

			2010	2009
	Cost	Accumulated amortization	Net book value	Net book value
Land	\$ 6,379	\$ -	\$ 6,379	\$ 6,458
Buildings	61,733	16,647	45,086	46,311
Computer equipment and software	22,752	19,709	3,043	5,723
Vehicles	1,705	1,516	189	129
Furniture and office equipment	6,768	5,484	1,284	533
	\$ 99,337	\$ 43,356	\$ 55,981	\$ 59,154

## 5. Bank indebtedness:

CNIB has a credit facility available to fund operations and capital expenditures, totalling \$5.5 million at prime plus 0.5%. This amount is due upon demand and is secured by the land and property at 1929 Bayview Ave, Toronto, Ontario (CNIB Centre) and a general security agreement.

## 6. Mortgage:

The mortgage is due on March 31, 2016, repayable at a rate of \$55.6 thousand per month for the principal. The loan is secured by a first fixed charge over the building and land located at the CNIB Centre. CNIB is responsible for principal payments of \$667 thousand per year plus interest at prime until 2016. The interest expense for the year was \$88 (2009 - \$261).

CNIB has entered into an interest rate swap for the mortgage of the CNIB Centre. At March 31, 2010 the fair value of the interest rate swap is \$516 (2009 - \$1,128) and is recorded under accounts payable and accrued liabilities in the Statement of Financial Position and in investment income in the Statement of Operations. The swap has a total notional value of \$7,387 (2009 - \$8,054) and the all inclusive interest rate for that portion of the mortgage is fixed at 5.33%.

# THE CANADIAN NATIONAL INSTITUTE FOR THE BLIND

Notes to Financial Statements  
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Year ended March 31, 2010

## 7. Accrued pension liability:

Information about CNIB's defined benefit pension plans as at March 31, is as follows:

	2010	2009
Accrued pension obligation	\$ 88,685	\$ 75,947
Plan assets	78,684	73,192
Funded status - deficit	(10,001)	(2,755)
Unamortized past service costs	2,155	2,436
Unamortized net actuarial (gain) loss	4,164	(3,680)
Accrued pension liability	\$ (3,682)	\$ (3,999)

Pension plan assets consist of:

	2010	2009
Canadian fixed income securities and cash	40%	48%
Equities	60%	52%
Total	100%	100%

The significant actuarial assumptions adopted in measuring CNIB's accrued pension liability are as follows:

	2010	2009
Accrued benefit obligation:		
Discount rate	5.50%	7.00%
Rate of compensation increase	3.50%	4.00%
Benefit costs:		
Discount rate	5.50%	7.00%
Expected long-term rate of return on plan assets	7.10%	7.10%
Rate of compensation increase	3.50%	4.00%

# THE CANADIAN NATIONAL INSTITUTE FOR THE BLIND

Notes to Financial Statements  
(in thousands of dollars except as noted)  
Year ended March 31, 2010

## 7. Accrued pension liability (continued):

CNIB's pension plan expense is as follows:

	2010	2009
Current service cost	\$ 1,811	\$ 3,064
Interest cost	5,174	4,945
Expected return on plan assets	(5,006)	(6,212)
Amortization of past service costs	281	281
Amortization of unrecognized net actuarial gain	(239)	(190)
<b>Net pension plan expense</b>	<b>\$ 2,021</b>	<b>\$ 1,888</b>

## 8. Deferred contributions:

### (a) Expenses of future periods:

Deferred contributions related to expenses of future periods represent unspent, externally restricted amounts.

	2010	2009
Balance, beginning of year	\$ 8,761	\$ 12,358
Add: amount received	19,940	13,521
Less: amount recognized as revenue in year	(17,491)	(14,978)
amount transferred to deferred capital assets	(194)	(2,140)
<b>Balance, end of year</b>	<b>\$ 11,016</b>	<b>\$ 8,761</b>

### (b) Capital assets:

Deferred contributions related to capital assets represent the unamortized amount of restricted contributions received for the purchase of capital assets.

	2010	2009
Balance, beginning of year	\$ 16,407	\$ 15,299
Add: amount received in the year	504	282
amount transferred from expenses of future periods	194	2,140
Less: amount recognized as revenue in year	(1,780)	(1,314)
<b>Balance, end of year</b>	<b>\$ 15,325</b>	<b>\$ 16,407</b>

# THE CANADIAN NATIONAL INSTITUTE FOR THE BLIND

Notes to Financial Statements  
(in thousands of dollars except as noted)  
Year ended March 31, 2010

## 9. Capital disclosures:

CNIB defines its capital as the amounts included in its net asset balances. CNIB's objective when managing its capital is to safeguard its ability to continue as a going concern so that it can continue to provide the appropriate level of benefits and services to its members and its stakeholders. A portion of CNIB's capital is restricted in that it is required to meet certain requirements. CNIB has internal control processes to ensure that the restrictions are met prior to the utilization of these resources and has been in compliance with these restrictions throughout the year. CNIB sets the amount of its internally restricted net asset balances in proportion to risk, manages the net asset structure and makes adjustments to them in light of changes in economic conditions and risk characteristics of the underlying assets.

## 10. Invested in capital assets:

CNIB has an investment in capital assets, which is calculated as follows:

	2010	2009
Capital assets:	\$ 55,981	\$ 59,154
Amounts financed by:		
Deferred capital contributions	(15,325)	(16,407)
Mortgage related to capital expenditures	(7,331)	(7,998)
Accounts payable and accrued liabilities	(29)	(116)
	<u>\$ 33,296</u>	<u>\$ 34,633</u>

The change in this balance is calculated as follows:

	2010	2009
Deficiency of revenue over expenditures:		
Amortization of deferred capital contributions	\$ 1,780	\$ 1,314
Amortization of capital assets	(5,016)	(4,314)
	<u>(3,236)</u>	<u>(3,000)</u>
Net change in invested in capital assets:		
Purchase of capital assets	2,502	4,099
Amounts funded by:		
Deferred capital contributions	(698)	(2,422)
Mortgage related to capital expenditures	667	743
Accounts payable and accrued liabilities	88	(43)
Unamortized costs of disposed capital assets	(660)	-
	<u>1,899</u>	<u>2,377</u>
	<u>\$ (1,337)</u>	<u>\$ (623)</u>

# THE CANADIAN NATIONAL INSTITUTE FOR THE BLIND

Notes to Financial Statements  
(in thousands of dollars except as noted)  
Year ended March 31, 2010

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## 11. Restricted net assets:

CNIB has received a number of externally restricted contributions established as endowments where the principal amounts are preserved and only net investment returns are used for operating and research purposes.

The Board of Directors has designated certain net assets as internally restricted for research, specific program and working capital purposes. These net assets are to be used for their designated purposes unless otherwise determined by the Board of Directors.

In 2010, the Board of Directors authorized a transfer of \$838 from unrestricted to internally restricted; \$551 from unrestricted to internally restricted-research to cover specific research costs; and \$48 from internally restricted-other to unrestricted.

	2010	2009
Endowments	\$ 6,262	\$ 6,156
Endowments - research	1,288	888
	<u>\$ 7,550</u>	<u>\$ 7,044</u>
	2010	2009
Internally restricted - research	\$ 6,097	\$ 5,546
Internally restricted - other	801	849
Internally restricted - general	6,684	5,846
	<u>\$ 13,582</u>	<u>\$ 12,241</u>

## 12. Commitments and contingencies:

### (a) Lease obligations:

CNIB has commitments with respect to operating leases for premises, vehicles and equipment. The minimum annual commitment under these leases is approximately as follows:

2011	\$ 2,758
2012	1,711
2013	918
2014	422
2015	155
Thereafter	211

In relation to these leases, CNIB has agreed to indemnify the landlords against losses occurring on the leased premises which may arise out of a breach of the lease agreement.

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Notes to Financial Statements  
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## 12. Commitments and contingencies (continued):

### (b) Letters of credit:

CNIB has various standby letters of credit with a financial institution totaling \$244 for operations and capital expenditures.

## 13. Alberta reporting requirements:

Direct fund development costs include \$504 (2009 - \$604) paid as remuneration to Alberta employees whose principal duties involve fundraising.

## 14. Allocation of expenses:

General support expenses including finance, facilities, human resources, information technology and operations have been allocated as follows:

	2010	2009
Rehabilitation	\$ 2,351	\$ 3,140
Consumer products and assistive technology	390	433
Library services	237	535
Public education	119	90
Research	81	66
Fund development	1,281	950
	\$ 4,459	\$ 5,214

Fund development expenditures are not allocated.

## 15. Indemnifications of directors and officers:

CNIB has indemnified its past, present and future directors, officers, employees and volunteers against expenses (including legal expenses), judgements and any amount actually or reasonably incurred by them in connection with any action, suit or proceeding in which the directors are sued as a result of their service, if they acted honestly and in good faith with a view to the best interests of CNIB. The nature of the indemnity prevents CNIB from reasonably estimating the maximum exposure. CNIB has purchased directors' and officers' liability insurance with respect to this indemnification.

## 16 Comparative figures:

Certain comparative figures for 2009 have been reclassified to conform to the financial statement presentation adopted in 2010.