

PLAN INSTITUTE FOR CITIZENSHIP AND DISABILITY

Financial Statements

For the Year Ended March 31, 2012

Stated in Canadian Funds

PLAN INSTITUTE FOR CITIZENSHIP AND DISABILITY
INDEX TO FINANCIAL STATEMENTS
MARCH 31, 2012

	Page
Management's Responsibility	1
Independent Auditors' Report	2
Statement of Financial Position	3
Statement of Operations and Changes in Fund Balances	4
Statement of Cash Flows	5
Notes to Financial Statements	.
1) Operations	6
2) Summary of significant accounting policies	6
3) Inventory	8
4) Financial instruments	8
5) Related party transactions	9
6) Equipment	9
7) Investment in Tyze Personal Networks Ltd.	9
8) Long-term debt	10
9) Fund management	10
10) Comparative figures	10
Schedules of Project Expenditures and Deferred Contributions	11

Management's Responsibility

To the Stakeholders of Plan Institute for Citizenship and Disability

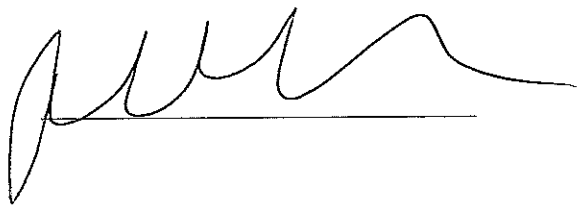
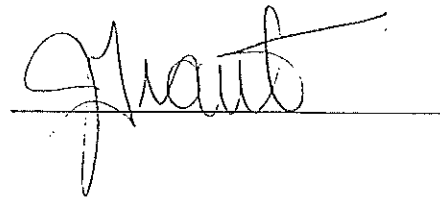
Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian generally accepted accounting principles. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors is composed primarily of Directors who are neither management nor employees of the Institute. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual financial statements. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Board is also responsible for recommending the appointment of the Institute's external auditors.

Clearline Chartered Accountants, an independent firm of Chartered Accountants, is appointed by the Board of Directors to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board of Directors and management to discuss their audit findings.

September 21, 2012

A handwritten signature in black ink, appearing to be a stylized name, written over a horizontal line.A handwritten signature in black ink, appearing to be the name 'Ghaub', written over a horizontal line.

Independent Auditors' Report

To the Directors of Plan Institute for Citizenship and Disability

We have audited the statement of financial position of Plan Institute for Citizenship and Disability as at March 31, 2012, and the statements of operations and changes in fund balances and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. Except as explained in the Emphasis of Matter, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

Qualification

In common with many not-for-profit organizations, the Institute derives revenue in the form of donations, 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 Institute and we were not able to determine whether any adjustments might be necessary to contributions, excess of revenues over expenditures, current assets and net assets.

Opinion

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 contributions referred to in the Qualification, these financial statements present fairly, in all material respects, the financial position of the Institute as at March 31, 2012 and the results of its operations and the changes in its fund balances and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

September 21, 2012
North Vancouver, BC


CHARTERED ACCOUNTANTS

PLAN INSTITUTE FOR CITIZENSHIP AND DISABILITY
 STATEMENT OF FINANCIAL POSITION
 AS AT MARCH 31

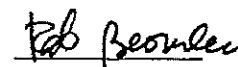
Statement 1

	Note	Operating Fund	Projects Fund	Total 2012	Total 2011
ASSETS					
Current Assets					
Cash		\$ 140,173	\$ -	\$ 140,173	\$ 107,504
Term deposit		22,090	-	22,090	46,582
Accounts receivable		26,077	104,397	130,474	114,198
Interfund transfer receivable		43,192	-	43,192	-
Inventory	(3)	5,134	-	5,134	6,388
Prepaid expenses		458	-	458	436
Due from related parties	(5)	-	-	-	9,616
		237,124	104,397	341,521	284,724
Non-current Assets					
Equipment	(6)	7,948	-	7,948	11,324
Investment in Tyze Personal Networks Ltd.	(7)	100	-	100	100
Due from related party	(5)	250,000	-	250,000	250,000
		258,048	-	258,048	261,424
		\$ 495,172	\$ 104,397	\$ 599,569	\$ 546,148
LIABILITIES					
Current Liabilities					
Accounts payable and accrued liabilities		\$ 29,066	\$ -	\$ 29,066	\$ 31,162
Due to related parties	(5)	-	29,848	29,848	-
Interfund transfer due		-	43,192	43,192	-
Deferred revenue		6,710	-	6,710	11,575
Deferred contributions (Schedule)		-	31,357	31,357	108,931
		35,776	104,397	140,173	151,668
Non-current Liabilities					
Long-term debt	(8)	250,000	-	250,000	250,000
FUND BALANCES					
Unrestricted		209,396	-	209,396	144,480
		\$ 495,172	\$ 104,397	\$ 599,569	\$ 546,148

Nature of Operations (1)

The financial statements were approved by the Board on September 21, 2012 and were signed on its behalf by:


 Director Darcy Riddell


 Director

PLAN INSTITUTE FOR CITIZENSHIP AND DISABILITY
 STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES
 YEAR ENDED MARCH 31, 2012

Statement 2

	Note	Operating Fund	Projects Fund	Total 2012	Total 2011
Receipts					
Projects (<i>Schedule</i>)		\$ -	\$ 955,104	\$ 955,104	\$ 1,149,265
Training and consulting	(5)	184,754	-	184,754	171,498
Product development		18,075	-	18,075	-
Learning products		1,650	-	1,650	4,474
Donations and contributions		1,543	-	1,543	5,353
		206,022	955,104	1,161,126	1,330,590
Expenditures					
Projects (<i>Schedule</i>)	(5)	-	751,112	751,112	932,773
Office and administration	(5)	143,819	-	143,819	135,811
Personnel		126,377	-	126,377	132,874
Contractors and consultants	(5)	56,304	-	56,304	85,384
Meetings and travel		15,224	-	15,224	4,877
Amortization		3,374	-	3,374	3,878
		345,098	751,112	1,096,210	1,295,597
Surplus (Deficiency) of Receipts over Expenditures					
		(139,076)	203,992	64,916	34,993
Fund balances – beginning of year		144,480	-	144,480	109,487
Interfund Transfers					
Project recovery transfer (<i>Schedule</i>)		203,992	(203,992)	-	-
Fund Balances – End of Year		\$ 209,396	\$ -	\$ 209,396	\$ 144,480

PLAN INSTITUTE FOR CITIZENSHIP AND DISABILITY
 STATEMENT OF CASH FLOWS
 YEAR ENDED MARCH 31, 2012

Statement 3

	Operating Fund	Projects Fund	Total 2012	Total 2011
Operative Activities				
Projects income	\$ -	\$ 884,781	\$ 884,781	\$ 944,813
Training and consulting	187,464	-	187,464	171,498
Product development	18,075	-	18,075	-
Leaning products	1,650	-	1,650	4,474
Donations and contributions	1,543	-	1,543	5,353
Project expenditures	-	(786,330)	(786,330)	(932,773)
Personnel	(116,761)	-	(116,761)	(151,573)
Office and administration	(110,717)	-	(110,717)	(55,200)
Contractors and consulting	(56,304)	-	(56,304)	(85,384)
Meetings and travel	(15,224)	-	(15,224)	(4,877)
	(90,274)	98,451	8,177	(103,669)
Financing Activities				
Investment in term deposits	(22,090)	-	(22,090)	(46,582)
Redemption of term deposits	46,582	-	46,582	263,619
	24,492	-	24,492	217,037
Investing Activities				
Purchase of equipment	-	-	-	(4,363)
	-	-	-	(4,363)
Interfund Transfers				
Project recovery transfer	160,800	(160,800)	-	-
Net increase (decrease) in cash	95,018	(62,349)	32,669	109,005
Cash, beginning of year	45,155	62,349	107,504	(1,501)
Cash, end of year	\$ 140,173	\$ -	\$ 140,173	\$ 107,504
Supplementary Disclosure				
Cash paid for interest	\$ -	\$ -	\$ -	\$ -

PLAN INSTITUTE FOR CITIZENSHIP AND DISABILITY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2012

1) Operations

Plan Institute for Citizenship and Disability (the "Institute") is incorporated under the Canada Corporations Act and is a registered charity under the Income Tax Act, which is dedicated to improving the lives of people with disabilities and enriching their communities by creating opportunities to form mutually beneficial relationships and partnerships. The Institute provides training, consultations, learning products, resource materials and strategic organization support for its constituents.

2) Summary of significant accounting policies

a) Fund accounting

The Institute follows the deferral method of accounting for contributions.

Receipts and expenditures related to program delivery and administrative activities are reported in the Operating Fund.

Receipts and expenditures related to project activities are reported in the Project Fund.

b) Revenue recognition

Donations and contributions are recognized as receipts when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Deferred contributions are recognized as revenue to the extent that corresponding expenditures have been incurred.

Deferred revenue is recognized as revenue when earned in accordance with the percentage of completion method.

c) Measurement uncertainty

The preparation of these 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 revenues and expenses during the reporting period.

Significant areas that require estimates as the basis for determining the stated amounts include assumptions related to amortization, accrued liabilities, deferred revenue and deferred contributions, and project recoveries.

Depreciation and depletion of equipment are dependent upon estimates of useful lives and reserve estimates, both of which are determined with the exercise of judgement. The assessment of any impairment of equipment is dependent upon estimates of recoverable amounts that take into account factors such as reserves, economic and market conditions and the useful lives of assets.

The Institute bases its estimates and assumptions on current facts, historical experience, and various other factors that it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the accrual of costs and expenses that are not readily apparent from other sources. These estimates require extensive judgement about the nature, cost and timing of the work to be completed, and may change with future changes to costs. The actual results experienced by the Institute may differ materially from the Institute's estimates. To the extent there are differences between the estimates and the actual results, future results of operations will be affected.

PLAN INSTITUTE FOR CITIZENSHIP AND DISABILITY
 NOTES TO FINANCIAL STATEMENTS
 YEAR ENDED MARCH 31, 2012

d) Equipment

Amortization of equipment is calculated on a declining-balance basis at the following annual rates:

Computer - 30% to 50%

Equipment - 20% to 30%

The Institute regularly reviews its equipment to eliminate obsolete items. Equipment is amortized at half the normal rate in the year of acquisition and is not amortized in the year of disposal.

Equipment acquired during the year but not placed into use is not amortized until it is placed into use.

e) Deferred contributions

Funds received for which corresponding expenditures have not been incurred are recorded as deferred contributions in accordance with the deferral method of accounting for not-for-profit organizations. In addition, when a project is completed during the fiscal year, any surplus or deficit for that project is recognized as revenue in the period. An interfund transfer to the Operating Fund is booked to transfer the surplus, if any, in the Project Fund.

f) Investments

The Institute's investment in a profit-oriented company is subject to significant influence and is accounted for using the equity method. Under this method, the Institute records its share of the earnings or loss in the statement of operations, with a corresponding adjustment to the carrying value of the investment.

g) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, deposits in banks and highly liquid investments with an original maturity of three months or less.

h) Financial instruments

The Institute has chosen to continue to follow the Canadian Institute of Chartered Accountants ("CICA") accounting standard "Financial Instruments — Disclosure and Presentation", and not adopt the revised standards, as permitted for not-for-profit organizations.

All financial instruments must be recognised, initially, at fair value on the statement of financial position. The Company has classified each financial instrument into the following categories: "held for trading," "loans and receivables," and "other liabilities." Subsequent measurement of the financial instruments is based on their respective classification. Unrealized gains and losses on held for trading instruments are recognised in earnings. The other categories of financial instruments are recognised at amortized cost using the effective interest method. The Company had made the following classifications:

Financial Asset or Liability	Category
Cash and term deposits	Held for trading
Accounts receivables	Loans and receivables
Due to related parties	Other liabilities
Interfund transfer due	Other liabilities
Accounts payable and accrued liabilities	Other liabilities
Long-term debt	Other liabilities

PLAN INSTITUTE FOR CITIZENSHIP AND DISABILITY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2012

i) Project administration and recovery

The Institute allocates staff time (e.g. Administration, project management) and operational expenses (e.g. Rent, equipment use) directly related to projects on the basis of time and usage. When a project is completed during the fiscal year, any surplus is recognized as revenue in the period. An interfund transfer to the Operating Fund is booked to transfer the surpluses, if any, in the Project Fund.

j) Future accounting policy

International Financial Reporting Standards ("IFRS") will be required for all publicly accountable enterprises for annual periods beginning on or after January 1, 2011. As a not-for-profit organization, the Institute has the option to implement these standards and has chosen not to report under IFRS.

For years beginning on or after December 21, 2011, the CICA requires not-for-profit organizations to adopt Accounting Standards for Not-for-Profit Organizations. The Institute's March 31, 2013 financial statements will require the restatement, for comparative purposes, of amounts reported by the Institute for the year ended March 31, 2012. The Institute is currently assessing the impact of this transition on its financial statements.

k) Contributed services

Volunteers contribute time each year to assist the Institute in carrying out its activities. Because of the difficulty in determining the fair value, contributed services are not recognized in these financial statements.

3) Inventory

Inventory is measured at the lower of cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Inventory includes all costs to purchase, convert, and bring the inventories to their present location and condition. Cost is determined using the weighted-average cost formula. Inventory valuation reserves are maintained for inventory that is slow moving or obsolete.

4) Financial Instruments

a) Fair value

The carrying values of cash, term deposit, accounts receivable, contributions receivable, due to/from related parties, and accounts payable and accrued liabilities approximate their fair values because of the short-term maturity of these financial instruments.

b) Interest rate risk

The Institute is not exposed to significant interest rate price risk due to the short-term maturity and nature of its monetary assets and liabilities. The Institute carries long-term debt with a maturity date of October 31, 2013. This long-term debt has a fixed interest rate of 0% and therefore the Institute is not exposed to significant interest rate risk in the current period.

c) Credit risk

The Institute is exposed to credit risk with respect to its cash and term deposit; however, this is mitigated as the cash and term deposit are placed with a major financial institution. The Institute maintains provisions for potential credit losses, and any such losses to date have been within management's expectations.

PLAN INSTITUTE FOR CITIZENSHIP AND DISABILITY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2012

The Institute is also exposed to credit risk that arises from the possibility related parties may experience financial difficulty and be unable to fulfil their obligations; however, this is not a significant risk.

5) Related party transactions

Related Party Disclosure

	Period	Tyze ⁽ⁱ⁾	PLAN ⁽ⁱⁱ⁾
Consulting income	2012	\$ -	20,000
	2011	-	-
Interest income	2012	4,767	-
	2011	1,017	-
Shared personnel, administrative, and other expenses	2012	-	81,194
	2011	-	81,711
Consulting expense	2012	76,462	338,723
	2011	166,032	341,662
Due (to)//from related party	2012	(22,564)	(7,284)
	2011	6,209	3,407

(i) The Institute holds a 35% interest in Tyze Personal Networks Ltd. ("Tyze"), qualifying Tyze as a related party.

(ii) Planned Lifetime Advocacy Network ("PLAN") is a not-for-profit charitable organization whose directors are members of the Institute.

The long-term portion of due from related party of \$250,000 is a promissory note issued to Tyze. The interest rate applicable is 1.5% per annum. The loan matures on October 31, 2013.

During the year the Institute entered into a loan agreement with PLAN for \$80,000, bearing interest at 0% per annum and required repayment by March 31, 2012. As at March 31, 2012 the loan was repaid in full.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

6) Equipment

March 31, 2012	Cost	Accumulated Amortization	Net Book Value
Computer and Equipment	\$ 23,403	\$ 15,455	\$ 7,948
March 31, 2011	Cost	Accumulated Amortization	Net Book Value
Computer and Equipment	\$ 23,403	\$ 12,079	\$ 11,324

7) Investment in Tyze Personal Networks Ltd.

Tyze is a provincially incorporated profit-oriented organization that provides secure, online personal networks of support that result in better health outcomes and full lives of people experiencing life challenges. Tyze has a separate Board of Directors.

Tyze was incorporated on December 29, 2008. On June 19, 2009, the Institute transferred intellectual property rights and web application related to the Web 2.0 project to Tyze at \$100 in exchange for 50% ownership of Tyze through the

PLAN INSTITUTE FOR CITIZENSHIP AND DISABILITY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2012

issuance of 1,000,000 Class A voting common shares. Tyze has since issued preferred voting shares to other investors, thereby decreasing the Institute's ownership of Tyze to 35% in 2011 and 2012. Tyze's year-end is December 31.

8) Long-term debt

The long-term debt is comprised of a loan for \$250,000 (2011 - \$250,000) from the JW McConnell Family Foundation, bearing interest at 0% per annum. The loan matures on October 31, 2013 and is secured by a promissory note issued to Tyze as disclosed in Note 5.

9) Fund management

The Institute's objective when managing its funds is to ensure sufficient funds are available to meet its obligation and to safeguard the Institute's ability to continue as a going concern so that it can continue to improve the lives of people with disabilities and enrich their communities to form mutually beneficial relationships and partnerships. The Institute intends to achieve this objective through continued training, consultations and cost control.

10) Comparative figures

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

PLAN INSTITUTE FOR CITIZENSHIP AND DISABILITY
SCHEDULES OF PROJECT EXPENDITURES AND DEFERRED CONTRIBUTIONS
YEAR ENDED MARCH 31, 2012

Schedules

	Networks Of Care	Social Innovation Generation	RDSP for The Future	Tyze Phase 2	Safe and Secure	NoC2	Other ⁽ⁱ⁾	Total 2012
Projects Expenditures								
Contractors & Consultants	\$ 25,099	\$ 162,932	\$ 322,279	\$ 22,880	\$ -	\$ 9,290	\$ 54,821	\$ 597,241
Project staff	79,770	-	-	-	-	-	-	79,770
Travel and accommodation	7,109	28,360	16,029	-	-	-	53	51,551
Office and administration	16,610	1,095	945	-	-	-	-	18,650
Communications	-	3,632	268	-	-	-	-	3,900
	\$ 128,528	\$ 196,019	\$ 339,521	\$ 22,880	\$ -	\$ 9,290	\$ 54,874	\$ 751,112
Project Surplus	55,471	15,686	59,783	16,228	-	-	56,824	203,992
	\$ 183,999	\$ 211,705	\$ 399,304	\$ 39,108	\$ -	\$ 9,290	\$ 111,698	\$ 955,104

i. Project expenditures recorded in Other include costs incurred on the HiG, Marketplace, Expansion, and Belonging Together projects.

During the year, management's review of projects determined that certain projects had been completed and accordingly a surplus of \$56,697 was recorded.

	Networks Of Care	Social Innovation Generation	RDSP for The Future	Tyze Phase 2	Safe and Secure	NoC2	Other	Total 2012
Deferred Contributions								
Opening balance	\$ -	\$ -	\$ -	\$ 1,588	\$ 24,370	\$ 16,275	\$ 66,698	\$ 108,931
Contributions	184,020	211,686	399,304	37,520	-	-	45,000	877,530
Disbursements	(183,999)	(211,705)	(399,304)	(39,108)	-	(9,290)	(111,698)	(955,104)
Closing Balance	\$ 21	\$ (19)	\$ -	\$ -	\$ 24,370	\$ 6,985	\$ -	\$ 31,357