

NEW DIMENSIONS FOUNDATION

Notes to Financial Statements

Year ended May 31, 2009

1. Operations:

The Foundation currently has nil assets and liabilities and there have been no operations, planned or actual, since May 15, 2009. Management does not intend for operations to be recommenced in the foreseeable future.

In June, 2008, the assets and liabilities of the Foundation were transferred to MultiSport Centre of Excellence Foundation ("MCEF"), a party related by virtue of common control and board membership, at their carrying value.

The transfer was a non-cash transaction and the net balance of the transfer value was satisfied by way of two notes receivable by the Foundation from MCEF on June 1, 2008 and June 8, 2008.

On May 15, 2009, the Foundation contributed the note receivable to Elysium Foundation ("Elysium") by way of a deed of gift. Elysium is a party related by virtue of common control and board members in common with the Foundation.

2. Basis of presentation and significant accounting policies:

These financial statements are prepared in accordance with Canadian generally accepted accounting principles for not-for-profit entities and include the following significant accounting policies:

(a) Revenue recognition and net assets:

The Foundation follows the deferral method of accounting for contributions. Restricted contributions are initially deferred and recognized as revenue in the year in which the related expenses are incurred or the restrictions are met. Unspent amounts are included in deferred contributions. 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.

(b) 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 dates of the financial statements and the reported amounts of revenue and expenses during the reporting periods. Actual results could differ from these estimates.



NOTE:
Elysium Foundation
was renamed
Imladris Foundation

NEW DIMENSIONS FOUNDATION

Notes to Financial Statements (continued)

Year ended May 31, 2009

2. Significant accounting policies (continued):

(e) Future accounting pronouncements:

(i) Revisions to Not-for-Profit accounting standards:

In September 2008, the CICA issued amendments to Handbook Sections 4400, *Financial Statement Presentation by Not-for-Profit Organizations*, and 4470, *Disclosure of Allocated Expenses by Not-for-Profit Organizations*. The amendments are effective for the Foundation's fiscal year commencing June 1, 2009 and remove the requirement to disclose net assets invested in capital assets, clarify capital asset recognition criteria and amortization, expand interim financial statement requirements to not-for-profit organizations that prepare interim financial statements, require disclosure of allocated fundraising and general support expenses by not-for-profit organizations, and include the requirement to follow Handbook Section 1540, *Cash Flow Statements*. The Foundation does not believe the adoption of these standards will have a material impact on its financial statements.

(ii) Changes in accounting framework:

The CICA has decided to transition Canadian GAAP for publicly accountable entities to International Financial Reporting Standards effective January 1, 2011. The Foundation is classified as a not-for-profit organization. The Accounting Standards Board and Public Sector Accounting Board have jointly issued an Invitation to Comment to invite feedback on the future of financial reporting by not-for-profit organizations. An exposure draft is expected in 2010. The Foundation is in the process of reviewing the potential impact of these documents on its reporting framework and financial statements.

3. Related organizations:

The Foundation is related to the MCEF and Elysium by virtue of common control and board members in common.

Interest revenue of \$3,246,633 (2008 - \$40,923) recorded by the Foundation was earned on the note receivable due from MCEF. This note receivable and all accrued interest was donated to Elysium on May 15, 2009.