



Enabling workplaces

...so Ontario workers arrive home safe every day

About Workplace Safety & Prevention Services (WSPS)

Whether you're a dairy farm or a manufacturer of office chairs, a campground or a manufacturing plant — whether you design it, grow it, pick it, can it, make it, ship it, shelve it, sell it or serve it — welcome to Workplace Safety & Prevention Services (WSPS), your trusted health and safety advisor.

WSPS helps businesses, large and small, achieve zero workplace injuries, illnesses and fatalities by providing health and safety information, products, programs and services for these industries:

- **Agriculture & Landscaping**
- **Commercial Industrial Services**
- **Durable Goods Production**
- **Food, Pharmaceuticals & Personal Products**
- **Restaurant & Food Services**
- **Tourism & Hospitality**
- **Retail, Wholesale & Office**
- **Vehicle Industrial Equipment Manufacturing**
- **Vehicle Sales & Service**

Now, Ontario businesses can get the health and safety expertise they need in one place, from one website, through one door.

Workplace Safety & Prevention Services

Designed to Serve You Better

Who We Are Today: Amalgamating Into One

In 2009, Ontario's prevention system launched a bold effort to better serve employees and employers, by amalgamating 12 Health and Safety Associations into four.

Combined, these four organizations serve more than 236,000 Ontario businesses. One of the four, Workplace Safety & Prevention Services (WSPS), has a mandate to meet the health and safety needs of 154,000 businesses in the agricultural, manufacturing and service industries, representing 3.8 million employees across Ontario.

Who We Were: Building on Our Legacy

Farm Safety Association (FSA)

Established in 1973, FSA served more than 16,600 Ontario businesses, representing over 83,000 Ontario workers in the agriculture, landscaping, horticulture and agri-business sectors.

Industrial Accident Prevention Association (IAPA)

Operating in Ontario since 1917, IAPA served more than 50,000 member firms, representing 1.3 million Ontario workers, in the manufacturing and industrial sectors.

Ontario Service Safety Alliance (OSSA)

Founded in 1997, OSSA served more than 88,000 businesses in Ontario's service sector, representing 2.4 million workers.

Ontario's Prevention System Vision

The elimination of all work-related injuries, illnesses and fatalities



WSPS Mission

To put health and safety solutions within reach of every employer and employee in Ontario

Value Proposition

We are the trusted source for health and safety solutions



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Message from the President and CEO

For all of us who survived and thrived in the tumult of 2010, Lena Horne's observation has special meaning. As a newly amalgamated organization, WSPS carried a dauntingly heavy load in 2010. We did it with courage and credibility, demonstrating a capacity for change we didn't know we had.

I'm sure you relate, as you are called upon to continually evolve to stay abreast of new technologies and a rapidly changing marketplace. For many of our member firms, implementing health and safety solutions during a lingering economic downturn and a chaotic transformation of Ontario's prevention system, can feel like a heavy burden.

Our role at WSPS is to help make your prevention mandate an easier load to carry. Our commitment is to understand your world and your hurdles so that we can provide the services and solutions you need – at whatever stage you're in with the design and execution of your health and safety program, whether you're the owner of your business, or a member of the Joint Health and Safety Committee.

Doing this well means mobilizing our all-important feedback loop. In 2011 and beyond, we will continue to place a high priority on engaging with our clients and partners, using what we learn to improve our core services, become product leaders, and plan how future services will grow.

With your help, we will also continue to support the evolution and transition of the prevention system, and to be your trusted source for health and safety solutions so that every Ontario worker arrives home safe every day.

My personal thanks to our volunteers who serve on the WSPS Board of Directors, on our advisory committees, and in the community, as well as to our resilient and hard-working staff. You were inspired in a challenging year by your commitment to providing customer value and to your passion for enabling a healthy and safe workplace in every corner of Ontario.



Elizabeth Mills
President and CEO



*"It's not the load
that breaks you
down; it's the
way you carry it."*

Lena Horne

Message from the Chair

As our member firms and clients, you spent the year grappling with continually emerging technologies, business models, and competitive pressures. And yet, many of you succeeded in improving your health and safety capabilities, as demonstrated by your record-breaking prevention outcomes (see page 4).

It was a challenging year for WSPS, as well. We worked to contribute to your success at the same time as we amalgamated three organizations into one — all while feeling the effects of a significantly changing economy and high levels of uncertainty in the prevention system. As a new Board, we navigated our mandate by putting clients and prevention outcomes at the centre of our thinking, and providing support and guidance to WSPS leadership and staff.

WSPS is unique in that it operates in two different worlds: in the not-for-profit arena as a publicly funded, membership-based organization, and in the private sector, as a company selling health and safety information products and services in a competitive marketplace. To help us move through the restrictions, expectations and complexity of these roles, we focused on prevention and service outcomes, transparency, and accountability. We demonstrated this rigour in 2010 by delivering a balanced budget through revenue management, cost containment, and efficiencies. We also passed several external audits, while meeting the Ministry of Finance standards on procurement policies — and while delivering high-quality services and products.

We are proud of our extraordinary operational success in 2010, and our track record of providing value both to our member firms and clients, and to the larger prevention system. On behalf of Board members, I extend our appreciation to President and CEO Elizabeth Mills, the WSPS executive team, and our dedicated staff for their leadership and contributions. I would like to specially thank the thousands of volunteers who donate untold hours in support of our shared goal of eliminating workplace injuries and illness.

Navigating our way through challenging times is much easier when everyone on the team is channeling their energy into making sure Ontario workers get home safely every day.



Gordon Vala-Webb
Chair



“For most organizations in Ontario, 2010 was anything but business as usual.”

Gordon Vala-Webb

Ontario Workplaces and WSPS Team Up to Make Sure Workers Arrive Home Safe Every Day

You've got one eye on an unpredictable economy and a marketplace whose rules change from one month to the next. You've got the other on boosting performance and achieving results, while finding ways to provide customer value.

You might be a multi-national organization or a small business with fewer than five employees — either way, you're looking for ways to compete for talent, jump-start innovation, control costs, accelerate growth, and engage your staff.

And you're moving fast. Today, making decisions and managing risk are marked with urgency.

Really, the only difference between you and us, is that while you're focusing on raising your game in the agriculture, manufacturing or service industries, we're focusing on you and your employees.

You're the reason we're here. Our mission at Workplace Safety & Prevention Services (WSPS): to put information, tools and solutions you need within reach to help you prevent fatalities, injuries and illnesses, so that you have everything you need to make sure your employees arrive home safe every day. Achieving profitable growth and a safe, healthy workplace can be achieved through a single vision.

Our world keeps changing, too. Last year, we participated in the transformation of Ontario's prevention system so that we could serve you better. We reorganized to improve performance, streamlined our products and services, learned from our volunteers, and aligned our systems and processes with our new business strategy.

You achieved record safety results last year

In 2010, Ontario firms in the agriculture, manufacturing and service sector exceeded rate reduction targets in two critical areas, as set out by the Workplace Safety and Insurance Board (WSIB). Many factors contributed to your success, including WSPS initiatives, but ultimately the kudos belong to you. At year end, you achieved

- 10.6% reductions in lost time injury rates per 200,000 hours worked, exceeding the target of 7%;
- 8.5% reduction in total injury rates, which addresses both lost time and no-lost time injuries reported to the WSIB, exceeding the target of 5%.

You answered the call to change behaviour around motor vehicle safety

On an average day in Ontario, motor vehicle collisions will kill two people and injure more than 170 others. When we include industrial vehicles in the workplace, motor vehicle incidents (MVIs) account for more than 45 per cent of Ontario worker traumatic fatalities — making MVIs one of the biggest risk Ontarians face each day they go to work.

More than 900 of you serve proudly as WSPS volunteers

More than 900 WSPS volunteers touch people's lives across Ontario in myriad ways, with some individuals boasting more than 40 years of service. This program amplifies the efforts of WSPS staff by engaging volunteers as

- leaders on its Board of Directors, and nine advisory committees comprising 107 firms;
- rural partners with more than 20 county associations that reach out to farmers and their families;
- facilitators of more than 200 Networking and Knowledge Exchange events;
- health and safety advocates for 28,000 high school and co-op students.



“In 2010, Ontario firms in the agriculture, manufacturing and service sector exceeded rate reduction targets.”

- That's why Health & Safety Ontario (HSO) initiated a Motor Vehicle Safety Summit, led by WSPS, on October 26, 2010, designed to explore a systematic and creative approach to changing behaviour called Positive Community Norms (PCN) — an approach credited with bringing about a transformation in the use of safety belts and designated drivers.
- Close to 100 individuals from Ontario businesses like yours, the prevention system, the Ministry of Transportation, and the Ontario Provincial Police attended the Summit to collaborate on how to change motor vehicle safety culture in Ontario.
- Eager to keep the momentum going, a number of you, representing 22 organizations, subsequently formed a Motor Vehicle Safety Action Committee to support the next phase in the journey: the three-day Motor Vehicle Safety Institute, with its ongoing focus on PCN, on June 28 to 30, 2011.

We're better equipped to deal with priority hazards

In 2010, WSPS aligned its business plan with the needs of its customers, both new and existing. We also monitored the conversations of the Expert Advisory Panel on Occupational Health and Safety, and committed to goals related to the prevention system's critical priorities. Outcomes include achieving injury reduction targets, shifting new resources to the front line, and exploring opportunities to consolidate the measures and approaches prevention partners had traditionally used with employers during training and consulting.

To address Ontario's priority hazards in a way that would reduce confusion for clients, WSPS

- led or participated on priority hazard committees for musculoskeletal disorders, slips, trips and falls, machine guarding, and motor vehicle incidents;
- began to close the gap between clients' training and product needs, and the menu of solutions WSPS offers;
- continued to identify leading practices, while rationalizing products, programs and services, to streamline delivery;
- made progress on customizing training to meet sector-specific needs.

We've boosted the power of our brand

Serving more than 236,000 Ontario businesses. The WSPS and HSO brands communicate our mandate to Ontarians, fostering trust with existing and potential clients, and building a culture of health and safety within organizations and businesses. In 2010, WSPS built brand awareness by

- releasing the WSPS and HSO brand identities and logos on all new and existing products launched in the market, including a newly launched website;

Volunteers cont'd

Providing on-the-ground insight and solutions

WSPS also draws upon the expertise of volunteers to aid in the development of its strategy, programs, services and products. In 2010, representatives from more than 107 firms formed nine advisory committees representing the agriculture, manufacturing and service industries. The committees identify issues, trends and challenges that affect their sectors' ability to eliminate workplace fatalities, injuries and illnesses. They present recommendations and solutions to the WSPS Board of Directors — also comprised of volunteers — to support the Board's decision-making and strategy-setting role.

Saving lives in rural communities

Rural volunteers serve as members of Ontario agriculture county associations, and as safety advocates and champions in their communities. These individuals touch more than 51,000 people annually through more than 120 events across the province, such as Safety Days, school visits, demonstrations and a strong presence at both community and international events.

Reaching thousands of firms

Other volunteers help to instill a health and safety culture in thousands of firms across Ontario. One way they do this is by facilitating more than 200 WSPS "Networking and Knowledge Exchange" events each year: peer-to-peer discussions that reach 1,300 businesses in many different sectors. Another way: more than 225 WSPS volunteers provide close to 1,000 information sessions to 28,000 high school students poised to enter the workforce.

“More than 225 WSPS volunteers provide close to 1,000 information sessions to 28,000 high school students poised to enter the workforce.”



- rolling out the WSPS and HSO brand identities and logos in high-impact marketing channels, such as trade show booths, business stationery and corporate brochures;
- deploying low-cost, high market reach initiatives such as industry publication advertising, mass media articles and editorials;
- planning for the launch of WSPS and HSO publications to raise awareness and meet the information needs of Ontario businesses across all sectors;
- implementing an internal brand communication plan.

You registered for the inaugural prevention conference in droves

With just five months to plan, develop and execute an event featuring a new HSO brand, a new venue, and new planning partners, the system-wide Partners in Prevention 2010 conference and trade show team achieved extraordinary results:

- The event sold out days before the conference on May 4 and 5, 2010, at the International Centre in Mississauga.
- More than 1,400 of you registered for the conference, and almost 3,100 visited the trade show.
- Overall, you attended over 50 sessions and workshops, and visited over 400 trade show exhibits (exhibitors' space sold out).

In addition, WSPS led the joint planning and implementation of ten Partners in Prevention regional conferences across the province in 2010. The conferences focused on the reorganization of the prevention system, and promoted the new HSO brand.

Your willingness to partner helps us reach thousands of employees

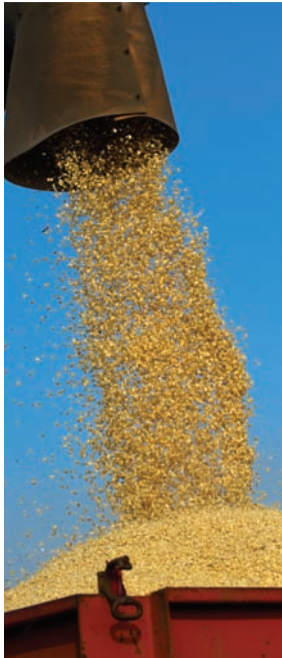
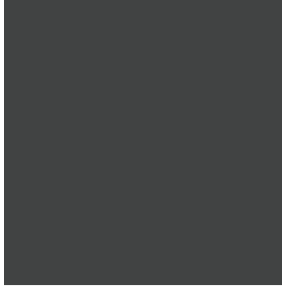
WSPS has long-standing, mutually beneficial relationships with many trade associations in Ontario: a triple-win arrangement that makes critical health and safety information and solutions more accessible to employers and employees. For example, WSPS has renewed a relationship with Canada's largest trade association, Canadian Manufacturers & Exporters (CME), which helps WSPS reach manufacturing firms that employ more than 800,000 individuals in Ontario, representing a third of the businesses covered by WSPS's mandate. WSPS and CME advanced strategic partnership by co-signing a Memorandum of Understanding in 2010 that outlines shared intent to

- explore opportunities for supporting and promoting one another's events, products and services, using respective communication channels;

WSPS excels in due diligence

WSPS takes its strategic and fiduciary obligations seriously to those who support and fund its operations. In 2010, WSPS demonstrated its ability to exceed these accountability expectations in a number of ways:

- Achieved targeted performance metrics related to four strategic themes — clients, internal processes, people and finance — within the framework of its balanced scorecard
- Balanced its budget through revenue management and cost containment in the midst of an amalgamation and a recession
- Met Ontario Ministry of Finance standards on policies related to procurement, travel, meals and hospitality, confirming compliance with both Ontario government and WSIB directives, and Management Board of Cabinet procurement requirements
- Undertook a comprehensive internal audit program in preparation for
 - the annual external financial audit in March 2011
 - a returning review by the Ontario Internal Audit Division, as required by the WSIB, in April 2011
- As part of its amalgamation, integrated three financial systems into one, and developed one chart of accounts that is in full alignment with WSIB's revised 2010 designation standards



“WSPS has long-standing, mutually beneficial relationships with many trade associations in Ontario.”



- support common interests, such as how to engage small and medium-sized enterprises, how to meet the needs of new and young workers, and how to address literacy issues;
- identify opportunities for having official status on one another's committees;
- pilot an innovative health and safety training program for workplaces designed to better support vulnerable workers with literacy and ESL challenges;
- collaborate on joint product offerings.

WSPS and CME further collaborated in 2010 to promote the only certification training program specific to manufacturers: CME developed the content and WSPS delivered the training to more than 1,800 participants.

You embraced the value of joining a Safety Group

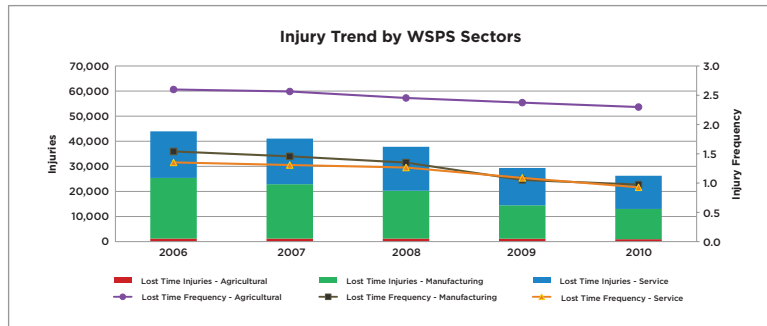
Several factors contribute to reductions in workplace injury rates. One of the most effective strategies employers can undertake to boost workplace performance is to join a WSPS Safety Group. In 2010, 917 firms participated in WSPS Safety Group programs: 54 more firms than in 2009. Statistical studies show that Safety Group programs work. Based on 2009 numbers (2010 not yet available):

- Most of the 800 firms participating in WSPS Safety Groups in 2009 shared \$7.2 million in compensation premium rebates from WSIB.
- Of the 732 firms registered with WSPS Safety Groups for the manufacturing sector, 648 eligible firms in 41 chapters earned more than \$6.8 million in compensation premium rebates from WSIB, having achieved
 - a 10.5% reduction in lost-time injury (LTI) frequency
 - an 8.9% reduction in injury severity
- Of the 135 firms registered with WSPS Safety Groups for the service sector, 126 eligible firms in five chapters earned \$329,000 in rebates, having achieved
 - 9.4% LTI frequency reduction
 - 6.0% reduction in injury severity

Diligence cont'd

- Put the beginning pieces in place to allow HSO to operate on a single information technology platform, including an Integrated Financial and Client Relationship Management systems, to be hosted by WSPS, allowing for more timely and efficient sharing of information for WSPS
- Introduced a preliminary business model and high-level organizational structure to reflect the needs of clients, and the parameters given by the WSPS Board of Directors

Agricultural, Manufacturing and Service Sectors Trend Toward Zero

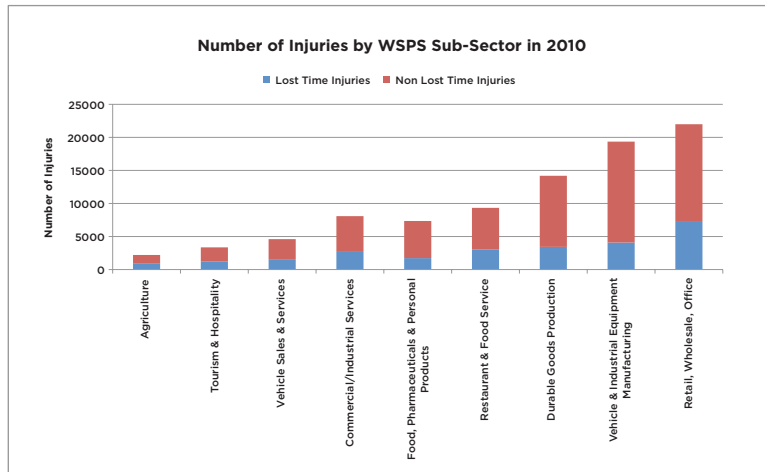


Source: WSIB Enterprise Information Warehouse as of the following March for each year shown.

Injury Trend by WSPS Sectors

WSPS members comprise 154,175 employers in Ontario's agricultural, manufacturing and service sectors, representing a workforce of 3.8 million, protected by the Occupational Health and Safety Act.

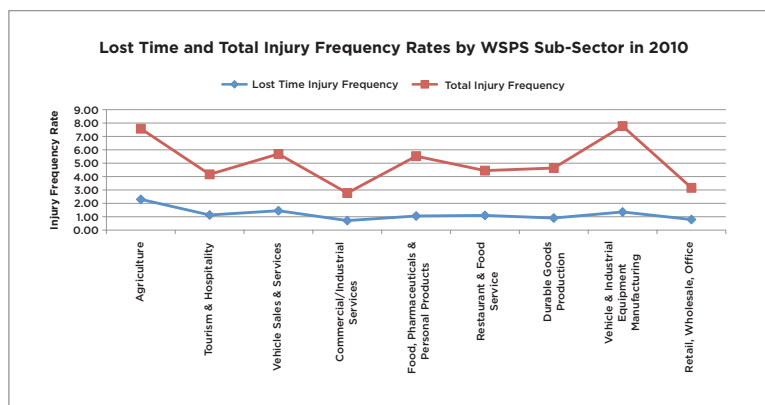
Source: Statistics Canada, Labour Force Survey, December 2010



Source: WSIB Enterprise Information Warehouse as of the following March for each year shown.

Number of Injuries by WSPS Sub-Sector in 2010

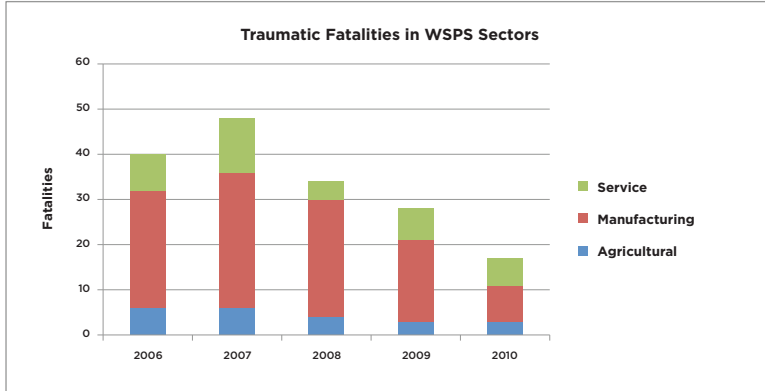
The total number of employees that experienced an incident at work that resulted in either a lost time or no lost time injury claim in 2010 are shown for each sub-sector. The number of injuries in each sub-sector generally reflects the size of the workforce. The retail, wholesale and office sub-sector had the largest number of injuries and also has the largest number of employees.



Source: WSIB Enterprise Information Warehouse as of the following March for each year shown.

Lost time and Total Injury Rates by WSPS Sub-Sector in 2010

The lost-time and total injury frequency rates are a ratio of the number of injuries reported in 2010 per 100 employees (full time equivalent). The frequency of injuries in each sub-sector generally reflects the risk in the workplace. Agriculture had the highest lost-time injury frequency while vehicle and industrial equipment manufacturing had the highest total injury frequency rates indicating the high level of risk to be controlled in these two sub-sectors.



Causes Traumatic Fatalities (2010): MVI-29.4%; Falls-23.5%; Harmful Substances-23.5%; Struck by or Caught in Object-17.6%; Contact with Machinery-5.9%
 Source: WSIB Enterprise Information Warehouse as of the following March for each year shown.

Traumatic Fatalities in WSPS Sectors

Fatalities in the agricultural, manufacturing and service sectors declined 57.5% from 2006 to 2010.



Source: WSIB Enterprise Information Warehouse as of the following March for each year shown.

WSPS Lost-Time Injuries by Priority Hazard

Musculoskeletal disorders (MSDs) and falls continue to result in a significant portion of LTIs. While motor vehicle incidents (MVIs) account for 1% of LTIs, they lead to a disproportionate number of traumatic fatalities and serious injuries.

**Workplace Safety
& Prevention Services**
(Safe Workplace Promotion Services Ontario)

Financial Statements

For the year ended December 31, 2010

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Independent Auditor's Report

To the Members of
Workplace Safety & Prevention Services
(Safe Workplace Promotion Services Ontario)

We have audited the accompanying financial statements of Workplace Safety & Prevention Services (operating as Safe Workplace Promotion Services Ontario) which comprise the balance sheet as at December 31, 2010 and the statements of operations, changes in net assets 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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 auditor's 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 is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Workplace Safety & Prevention Services as at December 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.

Other Matter

The prior year figures relating to Farm Safety Association were audited by another firm of chartered accountants.



Chartered Accountants, Licensed Public Accountants

Markham, Ontario
May 3, 2011

Workplace Safety & Prevention Services
(Safe Workplace Promotion Services Ontario)

Balance Sheet

December 31	2010	2009
Assets		(restated)
Current		
Cash and cash equivalents (Note 2)	\$ 6,086,703	\$ 5,347,237
Short-term investments (Note 3)	9,578,890	5,770,514
Accounts receivable	1,200,325	2,230,934
Inventory	38,017	257,282
Prepaid expenses	283,177	454,622
	17,187,112	14,060,589
Restricted cash (Note 4)	788,612	1,047,886
Deferred development costs (Note 5)	-	5,460
Long term investments (Note 6)	1,932,777	-
Investment in CHSI (Note 7)	1,339,227	1,117,527
Capital assets (Note 8)	2,361,949	3,185,245
	\$ 23,609,677	\$ 19,416,707
Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities	\$ 4,224,624	\$ 3,511,490
Customer deposits	613,100	1,064,222
Vacation pay	670,891	764,460
Current portion of rental incentive	3,712	3,712
	5,512,327	5,343,884
Rental incentive	34,027	37,740
Attendance credits (Note 9)	90,166	180,451
Exit benefits (Note 10)	698,446	867,435
Deferred WSIB revenue (Note 11)	1,955,464	711,841
Deferred WSIB surplus (Note 12)	1,022,955	472,955
Employee future benefits (Note 13)	11,627,900	9,872,648
	20,941,285	17,486,954
Net assets (deficiency)		
Contributed surplus (Note 14)	48,776	48,776
Invested in capital assets	1,836,294	2,571,096
Unrestricted	783,322	(690,119)
	2,668,392	1,929,753
	\$ 23,609,677	\$ 19,416,707

On behalf of the Executive Board:



Director



Director

Workplace Safety & Prevention Services
(Safe Workplace Promotion Services Ontario)

Statement of Operations

For the year ended December 31

	2010	2009
		(restated)
Revenue		
Workplace Safety & Insurance Board funding	\$ 31,325,204	\$ 30,974,567
Recoveries (Note 15)	10,979,961	11,269,952
Amortization of deferred revenue	93,954	153,944
Interest income	87,720	94,412
Income from Centre for Health & Safety Innovation (CHSI) (Note 7)	221,700	75,992
	42,708,539	42,568,867
Expenditures		
Advertising and promotion	350,208	1,129,089
Amortization of capital assets	823,296	853,675
Amortization of development costs	5,460	65,448
Board of director expenses	35,423	55,049
Employee benefits	5,580,130	5,209,577
Equipment and maintenance	186,721	34,451
Finance charges and bad debts	358,284	170,691
Insurance	289,257	259,885
IT expenses	1,360,816	387,248
Occupancy	3,192,571	3,183,296
Office and general	43,257	540,049
Other personnel costs	150,630	299,551
Postage and courier	204,936	214,462
Professional fees	1,556,305	549,821
Program delivery expenses	705,302	922,545
Research	188,838	6,090
Safety product costs	1,809,472	2,622,119
Salaries	22,949,388	23,320,305
Subscriptions	29,559	52,586
Supplies, service and equipment	374,318	583,756
Telecommunications	513,065	552,050
Travel and vehicle	1,057,465	1,522,148
Volunteer expenses	205,199	162,410
	41,969,900	42,696,301
Excess of revenue over expenditures (expenditures over revenue)	\$ 738,639	\$ (127,434)

Workplace Safety & Prevention Services
(Safe Workplace Promotion Services Ontario)

Statement of Changes in Net Assets

For the year ended December 31	2010				2009
	Contributed Surplus	Invested in Capital Assets	Unrestricted	Total	Total
Balance , beginning of year, as previously stated	\$ 48,776	\$ 2,571,096	\$ (690,119)	\$ 1,929,753	\$ 2,293,287
Change in accounting policy (Note 22)	-	-	-	-	(236,100)
Net assets (deficiency) , beginning of year, as restated	48,776	2,571,096	(690,119)	1,929,753	2,057,187
Excess (deficiency) of revenue over expenses	-	(734,802)	1,473,441	738,639	(127,434)
Net assets , end of year	\$ 48,776	\$ 1,836,294	\$ 783,322	\$ 2,668,392	\$ 1,929,753

Workplace Safety & Prevention Services
(Safe Workplace Promotion Services Ontario)

Statement of Cash Flows

For the year ended December 31	2010	2009
		(restated)
Cash provided by (used in):		
Operating activities		
Excess of revenue over expenses (expenses over revenue)	\$ 738,639	\$ (127,434)
Adjustment to reconcile excess of revenue over expenses (expenses over revenue) to net cash provided by operating activities		
Amortization of deferred revenue:		
Capital assets	(88,494)	(88,497)
Development costs	(5,460)	(65,447)
Amortization of capital assets	823,296	853,675
Amortization of development costs	5,460	65,447
Income from Centre for Health & Safety Innovation	(221,700)	(75,992)
Employee future benefits expense	2,191,652	1,523,900
Changes in noncash working capital balances		
Accounts receivable	1,030,609	(776,012)
Inventory	219,265	125,332
Prepaid expenses	171,445	356,462
Accounts payable and accrued charges	713,134	81,209
Deferred WSIB revenue	1,337,577	(85,100)
Deferred WSIB surplus	550,000	472,956
Vacation pay payable	(93,569)	(11,845)
Customer deposits	(451,122)	484,241
Exit benefits payable	(168,989)	(1,983,708)
Attendance credits	(90,285)	(120,118)
Rental incentive	(3,713)	(3,712)
	6,657,745	625,357
Investing activities		
Restricted cash	259,274	2,137,040
Purchase of capital assets	-	(215,310)
Decrease (increase) in short-term investments	(3,808,376)	70,326
Decrease (increase) in long-term investments	(1,932,777)	-
	(5,481,879)	1,992,056
Financing activities		
Employee future benefit payments	(436,400)	(393,000)
Net change in cash	739,466	2,224,413
Cash and cash equivalents, beginning of year	5,347,237	3,122,824
Cash and cash equivalents, end of year	\$ 6,086,703	\$ 5,347,237

Workplace Safety & Prevention Services
(Safe Workplace Promotion Services Ontario)

Summary of Significant Accounting Policies

December 31, 2010

Nature and Purpose of Organization

Workplace Safety & Prevention Services (Safe Workplace Promotion Services Ontario) (the "Association") is a not-for-profit health and safety organization established on April 20, 2009. On January 1, 2010, the former Farm Safety Association ("FSA"), Industrial Accident Prevention Association ("IAPA"), Ontario Service Safety Alliance ("OSSA") and Safe Workplace Promotion Services Ontario ("SWPSO") amalgamated and continued operating under the name SWPSO (operating as Workplace Safety & Prevention Services ("WSPS")). This Association, one of four newly amalgamated health and safety organizations resulting from the restructuring of Ontario's workplace health and safety system, services 150,000 firms and more than 4.2 million employees across Ontario.

The Association is exempt from tax under Section 149(1)(l) of the Income Tax Act.

Revenue Recognition

The Association follows the deferral method of accounting for funding. Restricted funding from the WSIB is deferred and recognized as revenue when the related expenses are incurred. Recoveries relating to inventory are recognized as revenue when goods are shipped and there is reasonable assurance of collection. All other recoveries are recognized as revenue when services are rendered and there is reasonable assurance of collection. Unrestricted funding is recognized as revenue when received or receivable. Funding received for capital expenditures is deferred and recognized as revenue on the same basis as amortization of the related assets.

Interest income is recognized on a time proportion basis.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, balances with the Association's bank and investments with original maturity dates of three months or less at the date of acquisition.

Short-Term Investments

Short-term investments are recorded at cost which approximate their fair value.

Deferred Development Costs

Development costs relate to the development of the Association's SafeLearn program. Development costs are expensed as incurred, except for development costs where technical feasibility has been established and management has indicated its intention to produce and market the product or process. The deferred costs are amortized over five years.

Workplace Safety & Prevention Services
(Safe Workplace Promotion Services Ontario)

Summary of Significant Accounting Policies

December 31, 2010

Capital Assets

Capital assets are stated at cost less accumulated amortization. Amortization is provided on a straight line basis over the estimated useful life of the assets as follows:

Computer software	3 years
Office equipment	5 years
Computer equipment	3 years
Furniture	5 years
Leasehold improvements	Term of the lease

Acquisitions less than \$5,000 are expensed in operations.

Inventory

Course and seminar inventory is valued at the lower of cost and net realizable value and are expensed in safety product costs. Cost is determined on a first-in, first-out basis.

Employee Future Benefits

The Association follows the CICA requirements for accounting for employee future benefits with respect to its post-retirement life and health benefits plan. Under these requirements, current service cost of post-retirement benefit plans are charged to income annually. Cost is computed on an actuarial basis using the projected benefits method and based on management's best estimates. The transitional obligation is amortized over the average remaining service period (at implementation date) of the active employees which was 12.54 years.

Financial Instruments

The Association has classified each of its financial instruments into accounting categories that determines its subsequent accounting treatment.

Asset / liability	Category	Measurement
Cash and cash equivalents	Held for trading	Fair value
Restricted cash (asset)	Held for trading	Fair value
Accounts receivable	Loans and receivables	Amortized cost
Investments	Held for trading	Fair value
Accounts payable and accrued liabilities	Other liabilities	Amortized cost

Held for trading items are carried at fair value, with changes in their fair value recognized in the statement of operations; loans and receivables are carried at amortized cost, using the effective interest method, net of any impairment; other liabilities are carried at amortized cost, using the effective interest method.

Any transaction costs are expensed as incurred.

The Association has elected to defer application of CICA S.3862 and S.3863 with respect to disclosure of financial instruments and continues to follow the disclosure requirements of S.3861.

Workplace Safety & Prevention Services
(Safe Workplace Promotion Services Ontario)

Summary of Significant Accounting Policies

December 31, 2010

Pension Plan

The Association's contributions to a multi-employer, defined contribution pension plan are expensed when contributions are due.

Investment in Centre for Health and Safety Innovation

The Association is a joint venture partner in the Centre for Health & Safety Innovation (CHSI) with a 74.36% interest and is accounted for by the equity method. Under this method, the investment is recorded at cost plus the Association's proportionate share of CHSI's excess (deficiency) of revenue over expenses since acquisition.

Asset Impairment

The Association monitors events and changes in circumstances which may require an assessment of the recoverability of its long lived assets. If required, the Company would assess recoverability using estimated undiscounted future operating cash flows. If the carrying amount of an asset is not recoverable, an impairment loss is recognized in operations, measured by comparing the carrying amount of the asset to its fair value.

Use of Estimates

The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

Workplace Safety & Prevention Services
(Safe Workplace Promotion Services Ontario)

Notes to Financial Statements

December 31, 2010

1. Amalgamation

The Workplace Safety & Insurance Board, the significant funding provider, approved a business case for Ontario's prevention system which undertook a critical assessment and restructuring of its programs and services and the way in which these programs are delivered. As a result, a new prevention system was developed and the implementation of this new system involved the restructuring of the Health and Safety Associations (HSAs) from 14 to six and the 12 safe workplace associations amalgamated into four new organizations.

On January 1, 2010, the Farm Safety Association ("FSA"), Industrial Accident Prevention Association ("IAPA"), Ontario Services Safety Alliance ("OSSA") and Safe Workplace Promotion Services Ontario ("SWPSO") amalgamated and continued operating under the name SWPSO (operating as Workplace Safety & Prevention Services ("WSPS")).

WSPS is responsible for the service, farming, industrial and manufacturing industries.

The comparative figures were derived by combining the balances of the four Associations' financial statements as at December 31, 2009 and for the year then ended.

2. Cash

	2010	2009
Cash current account	\$ 2,381,703	\$ 3,807,237
Cash treasury account	3,705,000	1,540,000
	\$ 6,086,703	\$ 5,347,237

3. Short Term Investments

	2010	2009
Guaranteed Investment Certificate maturing December 11, 2010, yielding 0.5%	\$ -	\$ 750,216
Bankers acceptance maturing January 18, 2010, yielding 0.2477%	-	5,020,298
Guaranteed Investment Certificates maturing March 18, 2011, yielding between 0.70% and 1.16%	1,300,000	-
Guaranteed Investment Certificate maturing July 15, 2011, yielding 1.62%	1,007,545	-
Guaranteed Investment Certificates maturing December 13, 2011, yielding 1.00%	4,270,057	-
Guaranteed Investment Certificate maturing December 14, 2011, yielding 1.00%	2,000,986	-
Guaranteed Investment Certificate maturing December 21, 2011, yielding 1.00%	1,000,302	-
	\$ 9,578,890	\$ 5,770,514

4. Restricted Cash and Cash Equivalents

The amount is restricted for the purpose of funding attendance credits and exit benefits.

Workplace Safety & Prevention Services
(Safe Workplace Promotion Services Ontario)

Notes to Financial Statements

December 31, 2010

5. Deferred Development Costs

	2010	2009
SafeLearn program costs	\$ -	\$ 327,250
Accumulated amortization	-	(321,790)
	\$ -	\$ 5,460

6. Long Term Investments

Included in the balance is a GIC of \$1,017,613 (2009 \$nil) maturing March 8, 2012 with interest at 2.15% and a Government of Canada coupon of \$915,164 (2009 \$nil) maturing September 15, 2012 yielding 1.73%.

7. Investment in Centre for Health and Safety Innovation

The Centre for Health & Safety Innovation (CHSI) is a not-for-profit organization, incorporated under the laws of the province of Ontario on September 8, 2004 whose purpose is to create a focal point for innovation and applied learning in the prevention of workplace injuries and illnesses and to act as a key resource for employers, employees and others seeking expertise and direction on how to make workplaces safer. The organization is exempt from income taxes under Section 149(1)(I) of the Income Tax Act.

In addition to the Association, CHSI's members include Infrastructure Health & Safety Association. The Workplace Safety & Prevention Services maintains a 74.36% share in CHSI while the Infrastructure Health & Safety Association maintains a 25.64% share.

Financial Position:

	CHSI	WSPS 74.36% share
Assets	\$ 2,332,307	\$ 1,734,303
Liabilities	531,302	395,076
Net assets	\$ 1,801,005	\$ 1,339,227

Cash Flows:

Operating	\$ 314,916	\$ 234,172
Investing	(99,888)	(74,277)
Increase in cash during year	\$ 215,028	\$ 159,895

Financial activities (from January 1 to December 31, 2010):

Revenue	\$ 4,395,519	\$ 3,268,508
Expenses	4,097,375	3,046,808
Excess of revenue over expenses	\$ 298,144	\$ 221,700

Workplace Safety & Prevention Services
(Safe Workplace Promotion Services Ontario)

Notes to Financial Statements

December 31, 2010

7. Investment in Centre for Health and Safety Innovation

Investment consists of:	2010	2009
Balance, beginning of year	\$ 1,117,527	\$ 1,041,535
Proportionate share of excess of revenue over expenses	221,700	75,992
	\$ 1,339,227	\$ 1,117,527

8. Capital Assets

	2010		2009 (restated)	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Computer software	\$ 906,749	\$ 717,742	\$ 906,749	\$ 462,705
Office equipment	1,273,268	1,156,305	1,273,268	1,019,331
Computer equipment	817,663	811,975	817,663	791,793
Furniture	1,197,383	1,044,070	1,197,383	830,082
Leasehold improvements	2,867,499	970,521	2,867,499	773,406
	\$ 7,062,562	\$ 4,700,613	\$ 7,062,562	\$ 3,877,317
Net book value		\$ 2,361,949		\$ 3,185,245

9. Attendance Credits

Prior to January 1, 1991, the former IAPA and prior to January 1, 2001, the former FSA participated in the WSIB Attendance Credits Plan under which certain employees, based upon their accumulated attendance credit days, were provided with payment on retirement or separation. Commencing January 1, 1991, the former IAPA and commencing January 1, 2001, the former FSA were required to discontinue their participation in the WSIB Attendance Credits Plan.

Due to past funding arrangements between these Associations and the WSIB, it has been agreed that the WSIB will assume the full liability for attendance credits earned by employees of the Association who commenced employment prior to January 1, 1988 (IAPA) and January 1, 1998 (FSA). The Association, however, will be liable for attendance credits earned by employees hired between those dates and December 31, 1990.

WSIB has provided funding for one of the four amalgamated Associations.

Notes to Financial Statements

December 31, 2010

10. Exit Benefits

Effective January 1, 1991, the former IAPA implemented an exit benefits plan under which all employees hired prior to July 1, 2006, were eligible to receive payment on retirement or separation equal to one week's salary for each year of service. This plan was discontinued effective January 1, 2009 and employees were given the option of being paid out or deferring payment until their termination. Payouts are based on the current salary at time of payment.

11. Deferred WSIB Revenue

Deferred revenue consists of the following:

	2010	2009
Prepaid Rent	\$ 92,232	\$ 92,232
Deferred development costs	-	5,460
Capital assets	525,655	614,149
Operating	1,337,577	-
	\$ 1,955,464	\$ 711,841

Changes in the deferred revenue balance are as follows:

	2010	2009
Deferred revenue, beginning of the year	\$ 711,841	\$ 950,886
Funding for 2011 operating expenditures received in 2010	1,337,577	-
Current year's expenditures from prior year's restricted excess funding incurred for special projects	-	(85,101)
Amortization of deferred revenue		
capital assets	(88,494)	(88,497)
development costs	(5,460)	(65,447)
	\$ 1,955,464	\$ 711,841

12. Deferred WSIB Surplus

Based on a directive from WSIB as a result of unauthorized capital asset purchases prior to the amalgamation, there is a requirement that the entire net book value as of December 31, 2009, plus the 2008 and 2009 amortization disallowed amounts be funded from within the annual allocation from the WSIB over a period of 15 years in the amount of \$250,000 annually starting in 2010. In the current year, \$550,000 (2009 \$472,955) in revenue from WSIB has been allocated to deferred WSIB surplus to address the deficiency.

Notes to Financial Statements

December 31, 2010

13. Employee Future Benefits

The Association provides extended health care, dental and life insurance benefits to all employees with the cost of these benefits recognized on an accrual basis under CICA section 3461. The most recent actuarial valuation was prepared as of January 1, 2009 with the next valuation required on January 1, 2012. The accrued benefit obligation relating to post-retirement benefit plans as at December 31 is as follows:

	2010	2009
Accrued benefit obligation, beginning of year	\$ 14,713,600	\$ 11,538,800
Addition of new members	2,871,000	-
Actuarial loss (gain)	-	2,419,800
Current service costs	386,500	278,900
Interest cost on obligation	908,400	869,100
	18,879,500	15,106,600
Benefit payments	(436,400)	(393,000)
Accrued benefit obligation, end of year	18,443,100	14,713,600
Funded status plan deficit	18,443,100	14,713,600
Unamortized transitional obligation	(402,400)	(943,200)
Unamortized prior service costs	(2,716,000)	(110,100)
Unamortized net actuarial losses	(3,696,800)	(3,787,652)
Accrued benefit liability	\$ 11,627,900	\$ 9,872,648
Benefit plan expense		
Current service cost	\$ 789,152	\$ 278,900
Interest on accrued benefit obligation	908,400	869,100
Amortization on transitional obligation	261,200	315,000
Amortization of actuarial losses	188,400	16,400
Amortization of past service costs	44,500	44,500
Net benefit plan expense	\$ 2,191,652	\$ 1,523,900

The significant actuarial assumptions adopted in measuring the company's accrued benefit obligations are as follows:

Discount rate	6.25%
Annual rates of increase:	
Supplementary hospital and prescription drugs	9.0% in 2009, decreasing by 0.50% per annum to 5.00% in 2018
Extended health care and dental care	4.0% per annum

14. Contributed Surplus

On January 1, 2001 the former FSA became self-administered and the value of assets previously recorded as expenditures and funded by the WSIB was recorded as contributed surplus.

Workplace Safety & Prevention Services
(Safe Workplace Promotion Services Ontario)

Notes to Financial Statements

December 31, 2010

15. Recoveries

	2010	2009
Certification courses	\$ 4,310,282	\$ 2,966,569
Courses and seminars	3,305,618	3,664,183
Conferences	2,135,623	2,350,824
Safety literature and information services	1,228,438	2,288,376
	\$ 10,979,961	\$ 11,269,952

16. Commitments

The Association has operating leases for various office premises with minimum annual payments as follows:

Year	Amount
2011	\$ 1,480,098
2012	1,432,404
2013	1,396,123
2014	1,421,657
2015	1,426,817
Thereafter	7,179,726
	\$ 14,336,825

17. Pension Plan

Employees belong to the WSIB Employee's Superannuation Plan, a defined contribution plan with employer contributions in the year amounting to \$1,978,763 (2009 \$2,231,149) and are included in salaries and benefits.

18. Related Party Transactions

The Association subleases its premises from Centre for Health & Safety Innovation (CHSI) and pays their proportionate rental area share of the operating costs. Any surplus (deficiency) in CHSI will be shared by the members based on their proportionate rentable areas (see also Note 7). During the year, CHSI charged rental and operating costs of \$2,776,350 (2009 \$2,735,332). These transactions are in the normal course of business, and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties, and approximates the arm's length equivalent value.

	2010	2009
Trade accounts receivable	\$ 2,403	\$ 6,132
Due to CHSI	\$ -	\$ 1,331

During the year, the Association charged CHSI bookkeeping and information technology service fees of \$34,800 (2009 \$36,200). This amount is measured at the exchange amount (the amount of consideration agreed to by the related parties).

Notes to Financial Statements

December 31, 2010

19. Funding and Net Assets

The WSIB's "Designated Entity Surplus Recovery Policy" dated July 28, 2010 was adopted by the Association and became effective immediately. The new policy states that the Association's operations are not to result in a deficit position at the end of any fiscal year. The amount of accumulated surplus that can be retained by the Association shall not exceed 6% of the current year's WSIB funding. Any amount in excess of this 6% cap will be offset through reductions of funding transfers in the following year.

Surplus funds are to be used to support the Association's commitment to enhance health and safety in Ontario workplaces and align with the Association's mission, vision and function. The Association will disclose the expected use of the surplus funds to the WSIB in advance of committing their use and will report on the use of those funds once approval to utilize the funds has been granted by the WSIB.

20. Economic Dependence

The Association is dependent on the WSIB for funding the cost of operations.

21. Capital Disclosure

The Association considers its capital to be its net assets invested in capital assets and its unrestricted net assets. The Association's objectives when managing capital are to safeguard its ability to continue as a going concern so it can continue to provide health and safety awareness, education, assistance and training within the Ontario industrial companies. Annual budgets are developed and monitored to ensure the Association's capital is maintained at an appropriate level.

22. Change in Accounting Policy

In order to be consistent with the other amalgamated associations, the former IAPA's straight line amortization policy with regards to computer equipment and furniture was changed from 5 years to 3 years and 10 years to 5 years respectively. The financial statement amounts that are presented for the 2009 fiscal year have been restated as follows:

Decrease in capital assets	\$	320,945
Decrease in invested in capital assets	\$	320,945
Increase in amortization of capital assets	\$	84,845
Increase in excess of revenue over expenditures (expenditures over revenue)	\$	(84,845)

2010 Advisory Committees and Board of Directors

WSPS ADVISORY COMMITTEES

AGRICULTURE ADVISORY COMMITTEE

4-H Ontario
Arbortvalley Urban Forestry Co Inc.
Bayview Flowers
Bruce Garlough
James Love
Ken Campbell
Landscape Ontario
Ontario Federation of Agriculture
Royal City Nursery Limited

MANUFACTURING ADVISORY COMMITTEES

COMMERCIAL INDUSTRIAL SERVICES

Brookfield Lepage Johnson
Lehder Environmental Services Inc.
Lowe, Gravelle & Associates Inc.
Lyndon Security Services Inc.
SGS Canada Inc.
Sandvik Mining & Construction
Canada Inc.

DURABLE GOODS PRODUCTION

All Colour Paints Ltd.
Celestica Inc.
Com Dev Ltd.
Eastwood Specialties Ltd.
EMS Technologies Canada Ltd.
Frendel Prefab Kitchens Ltd.
GE Home & Business Solutions
Ipex Inc.
Oxy Vinyls Canada
Spinrite LP

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Coca Cola Limited
Greenfield Johnstown Limited
Partnership
Kraft Canada Inc.
Maidstone Bakeries
Maple Leaf Consumer Foods
Novopharm Ltd.
Pepsico Canada

T&R Sargent Farms Ltd.
Taro Pharmaceuticals Inc.

VEHICLE INDUSTRIAL EQUIPMENT MANUFACTURING

ATS Automation Tooling Systems Inc.
Centra Industries Inc.
Cogent Power
Electro-Motive
General Dynamics Land Systems
Canada (GDLS-C)
Hayashi Canada Inc.
Husky Injection Molding Systems Ltd.
Lear Corporation Canada Ltd.
Magna International Inc.
Mining Technologies International Inc.
MSSC Canada
Snyder Metal Fabricating Ltd.
United Supply Group of Companies

SERVICE ADVISORY COMMITTEES

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Burger King Restaurants of
Canada Inc.
Cara Operations Ltd.
Compass Group Canada
HMS Host
McDonald's Restaurants of
Canada Ltd.
Pizza Pizza Ltd.
Priszm
Service Inspired Restaurants
(SirCorp)
Tim Hortons Inc.
Tortoise Restaurants Group Inc.
Wendy's Restaurants of Canada Inc.

TOURISM & HOSPITALITY

Camping in Ontario
ClubLink Corporation
CN Tower
Ed Mirvish Enterprises Ltd.
Molly Maid International Inc.
Ontario Accommodation Association
Ontario Lottery & Gaming

Park Hyatt Toronto
Woodbine Entertainment Group

RETAIL, WHOLESALE & OFFICE

Aveda Canada
Bell Mobility & Channels
Computershare
Costco Wholesale Canada Ltd.
Gap Inc.
Home Depot of Canada Inc.
LCBO
Michael-Angelo's Market Place Inc.
Payless Shoe Source
Pet Valu Canada Inc.
Sears Canada Inc.
Simcoe Block
Sobeys
Synnex Canada Ltd.
Tannis Food Distributors
The Beer Store & Brewers
Distributors Ltd.
The Salvation Army Canada
& Bermuda Territory
Walmart Canada Corp.
WIND Mobile
Winners Merchants International L.P.

VEHICLE SALES & SERVICE

Automotive Aftermarket Retailers
of Ontario
Automotive Industries Association
of Canada
Active Green and Ross
Avis Budget Group Inc.
Collision Industry Information
& Assistance
Drive Products
Glasvan Trailers Inc.
Maaco Systems Canada Inc.
Midas Canada Inc.
OK Tire & Auto Service
Ontario Automotive Recyclers
Association
Ontario Tire Dealers Association
Ryder Truck Rental Canada Ltd.
Toromont CAT

WSPS BOARD OF DIRECTORS

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Bank of Montreal
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