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# ANNUAL MEETING OF THE BOARD OF TRADE OF METROPOLITAN MONTREAL

November 4, 2009 - 4:30 p.m.

Amphitheatre of the Complexe des sciences Pierre-Dansereau of the UQAM | 200 Sherbrooke Street West, Montréal

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## AGENDA

1. Call to order, declaration of quorum and approval of the agenda
2. Approval of the minutes of the members annual meeting of October 29, 2008
3. Chairman's report
4. Financial report - fiscal year ended June 30, 2009
5. Appointment of auditors
6. Proposal to amend the code of bylaws
7. Election of the board of directors for fiscal year 2009-2010
8. Miscellaneous
9. Adjournment
10. Presentation of the chairman for fiscal year 2009-2010
11. Termination of annual meeting



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# ANNUAL MEETING OF THE BOARD OF TRADE OF METROPOLITAN MONTREAL

## MINUTES

Minutes of the annual meeting of members of the Board of Trade of Metropolitan Montreal, held on October 29, 2008, beginning at 4:30 p.m., at the Centre d'archives de Montréal, chaired by Hélène Desmarais, chair of the Board of Trade.

The meeting was attended by approximately 100 people.

Jacinthe Poirier, executive assistant to the president and CEO, served as recording secretary.

### 1. CALL TO ORDER, DECLARATION OF QUORUM AND APPROVAL OF THE AGENDA

Hélène Desmarais, chair of the Board of Trade, accompanied by Isabelle Hudon, president and CEO, and Roger Plamondon, treasurer, called the meeting to order, noting that the quorum of 30 members had been reached. She then submitted the agenda for approval.

On a motion by Sylvain Vincent, seconded by Rémi Racine, the agenda was unanimously approved.

### 2. APPROVAL OF THE MINUTES OF THE MEMBERS ANNUAL MEETING OF OCTOBER 11, 2007

As a reading of the minutes was not requested, on a motion by Bernard Roy, seconded by Rémi Racine, the minutes from October 11, 2007, were unanimously approved as if read.

### 3. CHAIR'S REPORT

Hélène Desmarais, retiring chair of the board, presented the report on her mandate for fiscal 2007-2008.

She reminded those present that the organization is a business institution that dates back almost 200 years, and that over the years it has maintained a passion for action and listening to the changing needs of its members. Throughout this rich history, the Board of Trade of Metropolitan Montreal has made some remarkable contributions to the evolution of Montreal – from dredging the river to redeveloping McGill College Avenue, as well as the creation of HEC Montréal. It has always counted on the contribution and personal investment of exceptional people.

In keeping with its tradition, during fiscal 2007-2008, the Board of Trade was at the heart of major metropolitan issues. As chair, Ms. Desmarais was privileged to witness the many Board of Trade achievements and the fact that the Board of Trade is not afraid to think big to live up to its members' expectations and to defend their interests and those of Montreal.

In recent years, the Board of Trade has seen sustained growth in its membership: as much as 35% in the Major Partners category. Retention is over 75% for our members and almost 100% for our Major Partners.

Crucial issues for the vitality of Montreal were at the forefront of the Board of Trade's efforts. Whether in terms of economic development, innovation, culture, urban development, social affairs or public finance, the Board of Trade was actively involved in the issues of the day. Ms. Desmarais took the opportunity to thank the presidents and the members of strategic analysis committees who provide fodder for the deliberations of the Board of Trade's employees so that position statements are always constructive, informed and sound.

The chair remarked that the Board of Trade is recognized as the most important and respected voice in the business community of the metropolitan area in large part because of the extraordinary work of its president and CEO, Isabelle Hudon. However, Ms. Hudon has decided to leave her position with the Board of Trade as of October 31 to take on new challenges as president of Marketel. The board of directors regrettably accepted her decision. Isabelle Hudon has distinguished herself at the helm

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of the Board of Trade through her impressive sense of leadership that rests on a solid understanding of the challenges, her honed sense of strategy and her management abilities. In recent years, Ms. Desmarais has had the opportunity to work closely with her and to fully appreciate her passion for Montreal and her ability to make things happen and catalyze the efforts of the entire community around this great cause that drives it.

Ms. Hudon played a key role in seeing that a number of what were generally thought to be lost causes prevail, and her time spent as president and CEO of the Board of Trade has left its mark, not only on the organization, but also on Montreal.

Ms. Desmarais added that Isabelle Hudon provided incredible inspiration and momentum to the Board of Trade in her four years at its head. For this, the board is grateful to her. The many members speaking so highly of her over the past few days is even more compelling testimony of this.

#### **4. FINANCIAL REPORT - FISCAL YEAR ENDED JUNE 30, 2008**

Roger Plamondon introduced the members of the Board of Trade's audit and finance committee, which he chairs: Erik Ryan, Martin Spalding, Rémi Racine, Sylvie Giguère and himself. Mr. Plamondon thanked them for their work throughout the year. He also expressed his appreciation for the work of Éric Meunier, the Board of Trade's vice-president, Administration, and for his close collaboration over the past five years.

This committee, whose members are appointed each year from among the board members, is charged, among other things, with validating the proposed draft budget and examining and validating all financial information that require the approval of the board of directors.

Before commenting on the highlights of the fiscal year ended June 30, 2008, Mr. Plamondon mentioned that the financial statements had been approved by the board of directors during a meeting held on September 18. The auditors' report was without reservation.

The balance sheet shows current assets of \$2,141,092, investments of \$864,737 and fixed assets of \$302,847, for total assets of \$3,308,676.

Under liabilities, there were \$2,109,704 in current liabilities, composed primarily of accounts payable and deferred membership dues of \$901,609. There was a deferred lease inducement of \$226,894 and deferred revenues of \$283,050, for total liabilities of \$2,619,648.

The surplus was \$689,028, of which \$302,847 was invested in fixed assets and \$386,181 was unappropriated.

The operations summary shows revenue for this year of \$4,289,522 minus expenses of \$1,684,844 resulting in an excess of revenue over expenses before other items of \$2,604,678. To this amount, we must add other revenue of \$1,992,757 and subtract global remuneration of \$2,674,066, operating expenses of \$1,841,874 and severance pay of \$80,769, for an operating surplus of \$726.

The details of the surplus invested in fixed assets and the unappropriated surplus are included in the financial statements.

The statement of cash flows indicates that cash increased by \$232,342. This variation was due to an increase in operating activities of \$354,415 and a loss of \$122,073 in investing activities.

The notes to the financial statements include the Board of Trade's significant accounting policies and the details of some of the previously mentioned items included in the financial statements. The notes also provide information regarding the companies controlled by the Board of Trade.

Roger Plamondon remarked that the Board of Trade has a solid foundation, a healthy financial situation, a stronger membership than ever and a solid action plan. The Board of Trade owes this to the expertise of its team and the quality of the work it does every day.

The treasurer then looked back at the strategic planning exercise conducted this year.

For the record, he recalled that in 2002, the Board of Trade launched a five-year strategic planning

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exercise that led to a new form of governance, notably by making the president and CEO position a permanent one.

This plan ended in 2007, so the exercise continued with a great deal of rigor under the leadership of Isabelle Hudon, providing the Board of Trade a new strategic plan for the next three years, until 2011.

To successfully tackle the challenges of an ever-changing world, certain issues were identified and with them new needs emerged. The range of services was analyzed to evaluate niches and to continue to meet the needs of our members and develop other services for future needs.

By keeping a close eye on changes in the world around us and the evolving needs of our members, the Board of Trade has succeeded in remaining a credible, relevant and influential organization throughout its two centuries of existence.

He ended by pointing to the exceptional contribution of Isabelle Hudon to the success of the organization, with whom he worked very closely in recent years as treasurer and more particularly as part of the strategic planning initiative. He also noted that she has always been worthy of the trust the organization has placed in her. He wished her a great deal of success in her new challenges.

## 5. APPOINTMENT OF AUDITORS

During the board meeting of September 18, the Board of Trade's board of directors unanimously recommended that the firm PricewaterhouseCoopers be appointed as external auditors for fiscal 2008-2009.

On a motion by Jan-Fryderyk Pleszczynski, seconded by Jean Laurin, the appointment of the firm of auditors for the fiscal year 2008-2009 was unanimously approved.

## 6. ELECTION OF THE BOARD OF DIRECTORS FOR FISCAL YEAR 2008-2009

In accordance with bylaw 34 of the Board of Trade's Code of bylaws, the nominating committee was formed of the following members:

- > the chair of the board, who chaired the committee: Hélène Desmarais, chair and CEO, Centre d'entreprises et d'innovation de Montréal;
- > the senior deputy chair the board: Rémi Racine, president and executive producer, A2M;
- > former chairs of the board: Marie-Claude Lalonde, manager, administration and governance, Hydro-Québec TransÉnergie; David McAusland, lawyer, consultant and corporate director;
- > individual members or delegates of member firms: Louis-François Hogue, partner, Fasken Martineau; France-Éliane Nolet, Transcontinental Media Inc., Robert Racine, partner, Kenniff & Racine Inc.;
- > the president and CEO of the Board of Trade, Isabelle Hudon, also participated as a non-voting member.

On behalf of the board of directors, Hélène Desmarais thanked the members of the nominating committee for their sound advice. She remarked that their careful deliberations throughout the election process have led to a solid, balanced board of directors for fiscal 2008-2009.

The nominating committee recommended the following people to serve on the board of directors for fiscal 2008-2009:

- > Dimitri Antonopoulos, vice-president, Marketing & hotel and restaurant development, The Antonopoulos Group
- > Marc-André Blanchard, managing partner, Quebec region, McCarthy Tétrault
- > Manon Brouillette, senior vice-president, Market and business strategic development, Videotron Ltd.
- > Charles-Mathieu Brunelle, executive director, Montréal's Nature Museums
- > Isabelle Courville, president, Hydro-Québec TransÉnergie
- > Robert Desbiens, executive vice-president, Corporate strategies, R3D Consulting Inc.
- > Hélène Desmarais, chair of the board and CEO, Centre d'entreprises et d'innovation de Montréal
- > Sylvie Giguère, vice-president, Medium Business Market, Bell Canada
- > François Giroux, president, Groupe Lacasse
- > Michael Goodman, president and founder, Michael Goodman Executive Search
- > Joseph Iannicelli, president and chief executive officer, The Standard Life Assurance Company

- 
- of Canada
  - › Luc Martin, country manufacturing industry leader - Canada, Deloitte
  - › Frédéric Michel, president, Jeune Chambre de commerce de Montréal
  - › John Parisella, president, BCP Ltd.
  - › Lorraine Pintal, artistic and general director, Théâtre du Nouveau Monde
  - › Roger Plamondon, president, Société en commandite Stationnement de Montréal
  - › Jan-Fryderyk Pleszczynski, general manager and vice-president, Corporate affairs, Digital Dimension
  - › Rémi Racine, president and executive producer, A2M
  - › Erik Ryan, vice-president, Communications and external relations, Rio Tinto Alcan Primary Metal
  - › Jérôme Silvestre, president and CEO, sanofi-aventis Canada Inc.
  - › Martin Spalding, assistant vice-president, Sales and marketing, Astral Media Radio Inc.
  - › Peter Todd, James McGill professor and dean, Desautels Faculty of Management, McGill University
  - › Sylvain Vincent, managing partner, Quebec, and member of the Canadian Executive Committee, Ernst & Young
  - › Luc Vinet, rector, Université de Montréal

On a motion by Bernard Roy, seconded by Claude Michaud, the composition of the board of directors for fiscal 2008-2009 as recommended by the nominating committee was unanimously approved.

On behalf of the Board of Trade, Hélène Desmarais thanked all the board members, particularly those who are stepping down this year. It is the generous investment of people of their calibre that has made it possible for the Board of Trade to successfully meet its many challenges. Their participation and commitment have made a major contribution to the Board of Trade's development. Our sincere thanks to Pierre Anctil, advisor to the office of the president, SNC-Lavalin Group; Anne-Marie Hubert, partner, Ernst & Young; Marc Poulin, president, Sobeys Québec; Pierre-Étienne Simard, former president, Jeune Chambre de commerce de Montréal; Helen Tyros, vice-president, Montreal Metropolitan District, BMO Bank of Montreal, and president, Hellenic Board of Trade of Metropolitan Montreal; Elliot Lifson, outgoing chair and deputy chair, Vêtements Peerless Clothing; and Isabelle Hudon, president and CEO of the Board of Trade until October 31.

Ms. Desmarais also saluted the commitment of the Board of Trade's management team and the exceptional work of the organization's employees who, through their loyalty and dedication, make it possible to implement its vision.

## **7. MISCELLANEOUS**

Luc Lacharité congratulated Isabelle Hudon and offered his best wishes in her new responsibilities. Ms. Hudon added that the fact that she had the privilege of managing an organization like the Board of Trade is in large part thanks to Mr. Lacharité, former executive vice-president of the Board of Trade, who has made a major contribution to the organization's development.

## **8. AJOURNMENT**

The meeting of the Board of Trade was recessed to allow the new board of directors to elect its executive committee. In the meantime, the annual meeting of the Foundation was held.

## **9. PRESENTATION OF THE CHAIR OF THE BOARD FOR FISCAL 2008-2009**

The chair of the board for fiscal 2008-2009 was introduced by Hélène Desmarais, who explained that tradition dictates that, after one year in office, the senior deputy chair of the board accedes to the position of chair of the board. Rémi Racine, the senior deputy chair, is therefore the new chair.

Rémi Racine is president and executive producer of A2M, a company that creates video game concepts, which he founded in 1992. Through his leadership, A2M has ranked among the Deloitte Technology Fast 50™ and Canada's 50 Best Managed Companies™ in the past two years.

A2M is Canada's largest independent game developer, employing over 450 talented people. Mr. Racine's vision is based on achieving excellence in developing games, in a creative environment where talent thrives.

Before devoting himself to new media and virtual worlds, Mr. Racine spent 10 years in real estate

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investment and management. He holds a bachelor's degree in finance from the Université du Québec à Montréal.

Mr. Racine has been a member of a number of boards of directors, including the board of CBC/Radio-Canada, and he spent three years as president of Alliance Numérique, Quebec's multimedia and interactive digital content industry association.

Rémi Racine spoke and thanked the members of the board for this nomination as chair of the board for fiscal 2008-2009 and noted this demonstration of their trust in and support for him.

He saluted the remarkable work accomplished by the retiring chair, Hélène Desmarais, who has had the interests of members of the Board of Trade and of Montrealers at heart throughout her mandate.

He pointed to the exceptional contribution of Isabelle Hudon who, after six years with the Board of Trade, including four at its helm, leaves a personal and distinguished mark on the organization.

Members were informed that the board of directors has already begun efforts to find her successor by retaining the services of an executive search firm. The next spokesperson for the Board of Trade should be announced at the beginning of 2009. During the transition period, Roger Plamondon, treasurer, will be available. He has a firm grasp of the solid strategy that guides the Board of Trade's actions, as he supported the management team during the entire strategic planning exercise.

He welcomed the new board members and thanked them for taking part in the exciting challenge of promoting Montreal's prosperity through their individual and combined expertise.

Mr. Racine also thanked the board members who are renewing their commitment to the Board of Trade for another year. Their contribution provides inestimable support to the Board of Trade's success. He added that the organization will continue to pursue its mission on the basis of a solid three-year plan, a seasoned team and a dedicated board of directors.

The members of the new executive committee for fiscal 2008-2009 were presented by Rémi Racine:

- > Rémi Racine, chairman of the board
- > Hélène Desmarais, retiring chair
- > John Parisella, senior deputy chair
- > Roger Plamondon, treasurer
- > Joseph Iannicelli
- > Lorraine Pintal
- > Erik Ryan
- > Martin Spalding

He concluded by remarking that the Board of Trade is well positioned to continue as the most important private organization in Quebec promoting the development of the Montreal's potential and that of its businesses. The Board of Trade will continue to promote Montreal's energy, vitality and diversity so that the city enjoys the reputation it deserves.

Before proposing that the meeting be adjourned, Hélène Desmarais underlined the remarkable contribution of the retiring chair, Elliot Lifson, to the pursuit of the organization's vision. She thanked Mr. Lifson for giving so generously of his time and energy to promote and define the development and success of Greater Montreal.

Tradition dictates that we offer the retiring chair a gift as a token of our appreciation. Mr. Lifson asked instead that a donation be made to the Centre Segal on behalf of the Board of Trade.

## **10. TERMINATION OF THE ANNUAL MEETING**

On a motion by Sylvie Giguère, seconded by Roger Plamondon, the annual meeting was adjourned by unanimous consent.

PRESIDENT AND CEO

CHAIR



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**BOARD OF TRADE OF METROPOLITAN MONTREAL**  
**FINANCIAL STATEMENTS JUNE 30, 2009**

September 9, 2009

## **Auditors' Report**

### **To the Members of the Board of Trade of Metropolitan Montreal**

We have audited the balance sheet of the **Board of Trade of Metropolitan Montreal** (the “organization”) as at June 30, 2009 and the statements of revenue and expenses, surplus and cash flows for the year then ended. These financial statements are the responsibility of the organization’s management. 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 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 our opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at June 30, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

*PricewaterhouseCoopers LLP<sup>1</sup>*

<sup>1</sup> Chartered accountant auditor permit No. 14707

“PricewaterhouseCoopers” refers to PricewaterhouseCoopers LLP/s.r.l./s.e.n.c.r.l., an Ontario limited liability partnership, or, as the context requires, the PricewaterhouseCoopers global network or other member firms of the network, each of which is a separate and independent legal entity.

# Board of Trade of Metropolitan Montreal

## Balance Sheet

As at June 30, 2009

	2009 \$	2008 \$
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	669,305	1,510,432
Accounts receivable (note 4)	1,216,929	559,383
Prepaid expenses	50,555	60,212
	<u>1,936,789</u>	<u>2,130,027</u>
<b>Investments</b> (note 5)	855,760	888,722
<b>Property and equipment</b> (note 6)	<u>597,766</u>	<u>302,847</u>
	<u>3,390,315</u>	<u>3,321,596</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable (note 8)	1,042,285	1,043,205
Deferred membership dues	955,515	901,609
Deferred revenue	396,492	177,810
	<u>2,394,292</u>	<u>2,122,624</u>
<b>Other long-term liability</b> (note 9)	125,000	-
<b>Deferred lease inducements</b>	150,386	226,894
<b>Deferred revenue</b>	<u>266,400</u>	<u>283,050</u>
	<u>2,936,078</u>	<u>2,632,568</u>
<b>Surplus</b>		
<b>Invested in property and equipment</b>	597,766	302,847
<b>Unappropriated (overappropriated)</b>	<u>(143,529)</u>	<u>386,181</u>
	<u>454,237</u>	<u>689,028</u>
	<u>3,390,315</u>	<u>3,321,596</u>

Approved by the Board of Directors



Director



Director

# Board of Trade of Metropolitan Montreal

## Statement of Revenue and Expenses

For the year ended June 30, 2009

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	2009 \$	2008 \$
<b>Revenue</b>		
Members' service	1,722,473	1,625,180
Activities	1,898,933	1,909,420
Communications and strategy	749,745	846,587
Other revenues (note 13)	1,642,758	1,901,092
	<hr/> 6,013,909	<hr/> 6,282,279
<b>Expenses</b>		
Members' service	142,233	142,004
Activities	1,069,512	1,119,257
Special projects	194,002	229,179
Global remuneration (note 9)	2,250,599	2,754,835
Operating expenses (note 13)	1,696,780	1,726,924
Communication	181,525	194,404
Amortization of property and equipment	124,959	114,950
	<hr/> 5,659,610	<hr/> 6,281,553
<b>Excess of revenue over expenses from operations before the following</b>	354,299	726
<b>Fees related to renegotiation of lease (note 9)</b>	<hr/> (589,090)	<hr/> -
<b>Excess of revenue over expenses (expenses over revenue) for the year</b>	<hr/> (234,791)	<hr/> 726

# Board of Trade of Metropolitan Montreal

## Statement of Surplus

For the year ended June 30, 2009

			<u>2009</u>	<u>2008</u>
	<b>Invested in property and equipment \$</b>	<b>Unappro- priated (overappro- priated) \$</b>	<b>Total \$</b>	<b>Total \$</b>
<b>Surplus – Beginning of year</b>	302,847	386,181	689,028	694,235
Changes in accounting policies – Financial instruments	-	-	-	(5,933)
Excess of revenue over expenses (expenses over revenue) for the year	(124,959)	(109,832)	(234,791)	726
Disposal of property and equipment	(66,392)	66,392	-	-
Acquisition of property and equipment	486,270	(486,270)	-	-
<b>Surplus – End of year</b>	<u>597,766</u>	<u>(143,529)</u>	<u>454,237</u>	<u>689,028</u>

# Board of Trade of Metropolitan Montreal

## Statement of Cash Flows

For the year ended June 30, 2009

	2009 \$	2008 \$
<b>Cash flows from</b>		
<b>Operating activities</b>		
Excess of revenue over expenses (expenses over revenue) for the year	(234,791)	726
Adjustments for		
Unrealized losses on investments	38,686	23,351
Loss on disposal of investments	9,172	5,624
Reinvested revenue on investments	(16,588)	(20,238)
Amortization of property and equipment	124,959	114,950
Amortization of deferred lease inducement and deferred revenue	(76,508)	(37,843)
Deferred lease cost	(16,650)	7,324
Loss on disposal of property and equipment	66,392	-
	(105,328)	93,894
Change in non-cash working capital items (note 10)	(458,692)	260,521
	(564,020)	354,415
<b>Financing activities</b>		
Other long-term liability (note 9)	125,000	-
<b>Investing activities</b>		
Acquisition of investments	(136,556)	(388,912)
Disposal of investments	138,248	345,233
Acquisition of property and equipment (note 6)	(403,799)	(78,394)
	(402,107)	(122,073)
<b>Net increase (decrease) in cash and cash equivalents during the year</b>	(841,127)	232,342
<b>Cash and cash equivalents – Beginning of year</b>	1,510,432	1,278,090
<b>Cash and cash equivalents – End of year</b>	669,305	1,510,432

# Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2009

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## 1 Incorporation and nature of activities

The Board of Trade of Metropolitan Montreal (the “organization”) was constituted under an act amalgamating the Montreal Board of Trade and the Chamber of Commerce of Metropolitan Montreal, which received Royal Assent on June 23, 1992. It is registered as a not-for-profit organization and is therefore exempt from income taxes.

The organization has some 7,000 members. Its primary mission is to represent the interests of the business community of Greater Montréal and to provide individuals, merchants, and businesses of all sizes with a variety of specialized services to help them achieve their full potential in terms of innovation, productivity and competitiveness. The organization is Quebec’s leading private economic development organization.

## 2 Significant accounting policies

### Management estimates

The preparation of 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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses in the reporting periods. Actual results may differ from those estimates.

### Credit risk

The organization performs a continual evaluation of its customers’ credit and records an allowance for doubtful accounts as required. Management considers there to be no significant credit risk as at June 30, 2009.

### Interest rate risk

Cash and cash equivalents	Fixed and variable interest rates
Accounts receivable	Non-interest bearing
Investments	Note 5
Accounts payable	Non-interest bearing

### Financial instruments

Financial assets are initially recorded at their fair value and their revaluation depends on their classification, as described hereafter. Their classification depends on the object concerned when the financial instrument was acquired or issued, their characteristics and their designation by the organization. The accounting at the date of payment is used. Financial liabilities are recorded at cost.

- Cash and cash equivalents and investments other than investments in controlled interest entities are classified as held-for-trading assets. They are presented at fair value, and the gains or losses related to the revaluation at the end of each period are included in revenue and expenses.

(1)

# Board of Trade of Metropolitan Montreal

## Notes to Financial Statements

June 30, 2009

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- Accounts receivable are classified as loans and receivables. After being initially recorded at fair value, they are evaluated at cost after amortization using the effective interest rate method. For the organization, the amortized cost is generally the cost due to the short-term maturity.
- Accounts payable are classified as other financial liabilities. They are initially evaluated at fair value, and future evaluations are done at cost after amortization using the effective interest rate method. For the organization, the amortized cost is generally the cost due to the short-term maturity.

Furthermore, the organization has elected to continue to apply Canadian Institute of Chartered Accountants (“CICA”) Handbook Section 3861, “Financial Instruments – Disclosure and Presentation”, as permitted for not-for-profit organizations under recently issued sections 3862 and 3863 on disclosures and presentation of financial instruments.

### Cash and cash equivalents

Cash and cash equivalents include bank balances and short-term liquid investments with maturities of three months or less.

### Revenue recognition

The organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. 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.

### Property and equipment

Property and equipment are accounted for at cost.

Amortization of property and equipment is based on their estimated useful lives using the straight-line method at the following rates or terms:

Computer equipment	33⅓%
Software and website	20% and 33⅓%
Office furniture and equipment	20%
Leasehold improvements	Over the balance of the lease term

### Deferred revenue

Short-term deferred revenue, comprising revenue from activities which extend over a period of two years and revenue from sponsors, is credited to revenue as the related expenses are incurred or as the services are rendered.

(2)



# Board of Trade of Metropolitan Montreal

## Notes to Financial Statements

June 30, 2009

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Long-term deferred revenue reflects the terms of the agreement reached between the City of Montréal and Parking Montreal, Limited Partnership of which the organization is the sole limited partner. The limited partnership has recorded goodwill amounting to \$499,500 in favour of the organization in recognition of its contribution to the creation of the entity as well as its know-how and its financing of the enterprise. This goodwill is capitalized as part of the cost of the investment in Parking Montreal, Limited Partnership. Offsetting deferred revenue is amortized on a straight-line basis over the life of the agreement, namely 30 years, beginning July 1, 1995.

### Deferred lease inducements

The deferred lease inducements are amortized over the balance of the terms of the leases using the straight-line method.

### Non-monetary transactions

Goods and services received free of charge are not accounted for in the financial statements.

## 3 Accounting policies adopted during the year

Section 1400, “General Standards of Financial Statement Presentation”

In June 2007, the CICA amended Section 1400 of its Handbook to include requirements to assess an entity’s ability to continue as a going concern and disclose any material uncertainties that cast doubt on its ability to continue as such. The organization adopted this new standard on July 1, 2008. It performed such an assessment, and no additional disclosures are required.

Section 1535, “Capital Disclosures”

On July 1, 2008, the organization adopted the provisions of Section 1535, which establishes standards for disclosing qualitative and quantitative information about an entity’s capital and how it is managed. The organization manages its capital with the objectives of:

- safeguarding its ability to continue to support program expenses;
- funding current and future operations; and
- ensuring that the organization is able to meet its financial obligations as they become due.

The organization’s capital structure as at June 30, 2009 consists of overappropriated surplus in the amount of \$143,529.

# Board of Trade of Metropolitan Montreal

## Notes to Financial Statements

June 30, 2009

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### 4 Accounts receivable

	2009 \$	2008 \$
Accounts receivable	378,090	395,017
Allowance for doubtful accounts	(15,000)	(15,000)
	<hr/>	<hr/>
	363,090	380,017
Board of Trade of Metropolitan Montreal Foundation	-	45,754
Centre d'affaires Info entreprises	351,144	48,674
World Trade Centre Montréal Inc.	502,695	84,920
Fonds Ville-Marie	-	18
	<hr/>	<hr/>
	1,216,929	559,383
	<hr/>	<hr/>

### 5 Investments

The organization's investments are as follows:

	2009 \$	2008 \$
Investments in monetary funds of Fiera Capital Inc., at fair value	37,594	23,985
Money market	158,167	160,875
Canadian bonds	79,083	109,125
Canadian shares	73,316	87,137
International diversified shares		
Investment in Accesum inc. and its subsidiary, Parking Montreal, Limited Partnership	500,100	500,100
Investment in World Trade Centre Montréal Inc.	7,500	7,500
	<hr/>	<hr/>
	855,760	888,722
	<hr/>	<hr/>

(4)

# Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2009

## 6 Property and equipment

			2009	2008
	Cost \$	Accumulated amortization \$	Net \$	Net \$
Computer equipment	103,711	82,507	21,204	38,454
Software and website	94,089	64,286	29,803	37,645
Office furniture and equipment	153,744	37,416	116,328	64,219
Leasehold improvements	623,402	192,971	430,431	162,529
	<u>974,946</u>	<u>377,180</u>	<u>597,766</u>	<u>302,847</u>

During the year, the organization acquired property and equipment in the amount of \$486,270, of which \$82,471 remains unpaid as at June 30, 2009.

## 7 Credit facility

As at June 30, 2009, the organization had a credit facility of \$300,000, bearing interest at prime rate and renewable on December 31, 2009. A first ranking moveable hypothec on the universality of the organization's present and future accounts receivable has been given as security for that credit facility. As at June 30, 2009, the credit facility was not used.

## 8 Accounts payable

	2009 \$	2008 \$
Trade and accrued charges	326,312	375,204
Salaries and vacation pay	264,669	392,249
Indemnity (note 9)	125,000	-
Sales taxes	6,104	36,332
	<u>722,085</u>	<u>803,785</u>
World Trade Centre Montréal Inc.	269,405	239,315
Centre d'affaires Info entreprises	50,795	105
	<u>1,042,285</u>	<u>1,043,205</u>

(5)

# Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2009

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## 9 Restructuring

As a result of a decrease in government sources funding, the organization re-examined its structure in 2008 to reduce salaries in order to increase the profitability of its operations. Layoffs were made in various departments but do not represent closing of operations. Related severance pay in the amount of \$80,769 has been included in 2008 in Global remuneration.

During the year, the organization renegotiated their lease agreement to reduce office rental areas. The costs related to the renegotiation of the lease amount to \$589,090 and include an indemnity, a writeoff of leasehold improvements and a writeoff of deferred lease inducements. As at June 30, 2009, an indemnity in the amount of \$250,000 remains unpaid, from which a portion of \$125,000, payable on December 1, 2010, is presented as Other long-term liability.

## 10 Change in non-cash working capital items

	2009	2008
	\$	\$
Decrease (increase) in accounts receivable	(657,546)	267,299
Decrease in prepaid expenses	9,657	29,920
Decrease in accounts payable (note 6)	(83,391)	(87,991)
Increase in deferred membership dues	53,906	52,077
Increase (decrease) in deferred revenue	218,682	(784)
	<u>(458,692)</u>	<u>260,521</u>

## 11 Commitments

The organization has lease commitments with a balance of \$1,648,936. Minimum payments payable over the next five years are as follows:

	\$
2010	364,296
2011	366,580
2012	372,671
2013	374,955
2014	170,434

(6)

# Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2009

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## 12 Controlled and economic interest entities

The organization controls World Trade Centre Montréal Inc., Fonds Ville-Marie, Centre d'affaires Info entreprises and Board of Trade of Metropolitan Montreal Foundation since the organization appoints the majority of the members of the boards of directors as provided by the constitutional bylaws of the entities. In addition, the organization controls its wholly owned subsidiary, Accesum inc., and Parking Montreal, Limited Partnership.

The above-mentioned entities have not been consolidated in the organization's financial statements. The condensed financial statements of the controlled entities are as follows for the fiscal year indicated.

### World Trade Centre Montréal Inc.

World Trade Centre Montréal Inc. is a not-for-profit organization whose mandate is to train, advise and support companies, sectoral associations, institutions and economic development organizations across Quebec and other provinces in Canada in their efforts to penetrate foreign markets. World Trade Centre Montréal Inc. is fully integrated into the network of World Trade Centers.

	2009 \$	2008 \$
<b>Balance sheet</b>		
Total assets	960,723	826,063
Total liabilities	795,030	669,537
Total surplus	165,693	156,526
	<u>960,723</u>	<u>826,063</u>
<b>Revenue and expenses</b>		
Total revenue	2,409,745	2,681,927
Total expenses	2,400,578	2,682,097
Excess of revenue over expenses (expenses over revenue)	<u>9,167</u>	<u>(170)</u>
<b>Cash flows</b>		
Operating activities	(8,592)	(44,952)
Investing activities	-	(4,439)
Financing activities	-	(48,010)
Net change in cash and cash equivalents	<u>(8,592)</u>	<u>(97,401)</u>

(7)

# Board of Trade of Metropolitan Montreal

## Notes to Financial Statements

June 30, 2009

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### Fonds Ville-Marie

Fonds Ville-Marie is a not-for-profit organization which promotes the socio-economic development of Montréal.

	2009 \$	2008 \$
<b>Balance sheet</b>		
Total assets	1,988,803	2,210,442
Total liabilities	82,152	132,326
Total net assets	1,906,651	2,078,116
	<u>1,988,803</u>	<u>2,210,442</u>
<b>Revenue and expenses</b>		
Total revenue	803,143	824,514
Total expenses	845,447	774,203
Excess of revenue over expenses (expenses over revenue)	(42,304)	50,311
<b>Cash flows</b>		
Operating activities	(91,058)	85,841
Investing activities	(39,783)	(161,115)
Decrease in cash and cash equivalents	(130,841)	(75,274)

# Board of Trade of Metropolitan Montreal

## Notes to Financial Statements

June 30, 2009

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### Centre d'affaires Info entreprises

Centre d'affaires Info entreprises is a not-for-profit organization whose mandate is to provide businesses in all regions of Canada with business information on provincial and federal government programs, services and regulations.

	<b>March 31, 2009</b>	<b>March 31, 2008</b>
	\$	\$
<b>Balance sheet</b>		
Total assets	330,484	171,039
Total liabilities	301,147	146,220
Total surplus	29,337	24,819
	<u>330,484</u>	<u>171,039</u>
<b>Revenue and expenses</b>		
Total revenue	1,464,295	1,334,958
Total expenses	1,459,777	1,331,071
Excess of revenue over expenses	4,518	3,887
<b>Cash flows</b>		
Net change in cash and cash equivalents	<u>(80,807)</u>	<u>25,020</u>

# Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2009

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## Accesum inc.

Accesum inc. is a business corporation incorporated with the main purpose of acting as a general partner to Parking Montreal, Limited Partnership. The latter operates and manages the activities related to tariff parking in accordance with the terms of an agreement with the City of Montréal. The combined financial statements of Accesum inc. and Parking Montreal, Limited Partnership are as follows:

	<b>December 31, 2008</b>	<b>December 31, 2007</b>
	\$	\$
<b>Balance sheet</b>		
Total assets	76,302,554	80,277,242
Total liabilities	75,802,453	79,777,141
Total capital	500,101	500,101
	<u>76,302,554</u>	<u>80,277,242</u>
<b>Revenue and expenses</b>		
Total revenue	57,874,549	57,624,090
Total expenses	57,574,549	57,324,090
Excess of revenue over expenses	<u>300,000</u>	<u>300,000</u>
<b>Cash flows</b>		
Operating activities	5,644,617	21,953,156
Investing activities	(1,521,509)	(19,181,500)
Financing activities	(3,333,333)	(3,333,333)
Net change in cash and cash equivalents	<u>789,775</u>	<u>(561,677)</u>

(10)



# Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2009

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## Board of Trade of Metropolitan Montreal Foundation

The organization has an economic interest in the Board of Trade of Metropolitan Montreal Foundation due to the fact that the Foundation manages its assets and allocates its revenue in order to secure the long-term financial viability of the organization.

	2009 \$	2008 \$
<b>Balance sheet</b>		
Total assets	3,457,194	3,907,848
Total liabilities	2,562	49,910
Total net assets	3,454,632	3,857,938
	<u>3,457,194</u>	<u>3,907,848</u>
<b>Revenue and expenses</b>		
Total revenue	481,340	207,768
Total expenses	884,646	447,804
Excess of expenses over revenue	(403,306)	(240,036)
<b>Cash flows</b>		
Operating activities	(251,424)	(138,209)
Investing activities	251,194	139,776
Net change in cash and cash equivalents in cash	(230)	1,567

# Board of Trade of Metropolitan Montreal

## Notes to Financial Statements

June 30, 2009

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### 13 Related party transactions

The principal transactions concluded between controlled entities and the organization during the year are as follows:

	2009	2008
	\$	\$
Revenue		
Management fees	537,865	675,618
Royalties	400,000	400,000
Interest	-	2,373
Contribution	175,000	175,000
Rent	419,251	423,000
Others	60,000	60,000
Expenses		
Contribution to World Trade Centre Montréal Inc.	255,217	226,500
Contribution to Centre d'affaires Info entreprises	50,000	-

Revenues from controlled entities amount to \$1,592,108 (2008 – \$1,735,991) and are included in Other revenues.

Expenses from controlled entities amount to \$305,217 (2008 – \$226,500) and are included in Operating expenses.

These transactions were recorded at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

### 14 Comparative figures

Certain comparative figures have been reclassified to conform to the financial statement presentation adopted as at and for the year ended June 30, 2009.

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## BOARD OF DIRECTORS OF THE BOARD OF TRADE OF METROPOLITAN MONTREAL PROPOSED FOR 2009-2010

According to the by-law 34 of the Code of Administrative by-laws of the Board of Trade, the nominating committee is proposing to the members the following candidates to serve on the board of directors for fiscal year 2009-2010

**Dimitri Antonopoulos**  
Vice-President, Marketing,  
Hotel and Restaurant Development  
The Antonopoulos Group

**Christiane Bergevin**  
Executive Vice-President, Strategic  
Partnerships, Office of the President  
Desjardins Group

**Marc-André Blanchard**  
Managing Partner, Quebec Region  
McCarthy Tétrault

**Stéphane Boisvert**  
President, Bell Business Markets  
Bell Canada

**Hubert Bolduc**  
Vice-president,  
Communications and Public Affairs  
Cascades Inc.

**Manon Brouillette**  
Executive Vice-President,  
Strategy and Market Development  
Videotron Ltd.

**Charles-Mathieu Brunelle**  
Executive Director  
Montréal's Nature Museums

**Isabelle Courville**  
President  
Hydro-Québec TransÉnergie

**Robert Desbiens**  
Executive Vice-President,  
Corporate Strategies  
R3D Consulting Inc.

**François Giroux**  
President and CEO  
Allianz Madvac Inc.

**Michael Goodman**  
President and Founder  
Michael Goodman Executive Search

**Joseph Iannicelli**  
President and Chief Executive Officer  
The Standard Life Assurance  
Company of Canada

**Michel Leblanc**  
President and CEO  
Board of Trade of Metropolitan  
Montreal

**Jean-Marc Léger**  
President  
Léger Marketing

**Luc Martin**  
Manufacturing Practice Leader-Canada  
Deloitte & Touche

**Caroline Ménard**  
President  
Jeune Chambre de commerce de  
Montréal

**Heather Munroe-Blum**  
Principal and Vice-Chancellor  
McGill University

**Michel Patry**  
Director  
HEC Montréal

**Daniel Peritz**  
Senior Vice-President, Montréal  
Canderel Management Inc.

**Lorraine Pintal**  
Artistic and General Director  
Théâtre du Nouveau Monde

**Rémi Racine**  
President and CEO  
A2M

**Erik Ryan**  
Senior Vice-President,  
Communications and External Relations  
Rio Tinto Alcan

**Luc Sabbatini**  
President  
Astral Media Affichage

**Javier San Juan**  
President and Chief Executive Officer  
L'Oréal Canada

**Sylvain Vincent**  
Managing Partner, Eastern Canada  
and Member of Canadian Executive  
Committee  
Ernst & Young LLP

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# ANNUAL MEETING OF THE BOARD OF TRADE OF METROPOLITAN MONTREAL FOUNDATION

November 4, 2009 - 5:15 p.m.

Amphitheatre of the Complexe des sciences Pierre-Dansereau of the UQAM | 200 Sherbrooke Street West, Montréal

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## AGENDA

1. Call to order, declaration of quorum and approval of the agenda
2. Approval of the minutes of the members annual meeting of October 29, 2008
3. Chairman's report
4. Financial report - fiscal year ended June 30, 2009
5. Appointment of auditors
6. Election of the board of directors for fiscal year 2009-2010
7. Miscellaneous
8. Termination of annual meeting



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# ANNUAL MEETING OF THE BOARD OF TRADE OF METROPOLITAN MONTREAL FOUNDATION

## MINUTES

Minutes of the annual meeting of members of the Board of Trade of Metropolitan Montreal Foundation, held on October 29, 2008, at the Centre d'archives de Montréal. Jean Laurin, Chair of the Board of the Foundation, chaired the meeting.

The meeting was attended by approximately 100 people, and Jacinthe Poirier served as recording secretary.

### 1. CALL TO ORDER, DECLARATION OF QUORUM AND APPROVAL OF THE AGENDA

Jean Laurin reminded those present that only members and proxy holders for members of the Board of Trade Foundation could address the assembly.

Moved by Marie-Claude Lalande and seconded by Luc Lacharité, the agenda was unanimously approved.

### 2. APPROVAL OF THE MINUTES OF THE MEMBERS ANNUAL MEETING OF OCTOBER 11, 2007

Moved by Marie-Claude Lalande and seconded by Bernard Roy, the minutes of the annual meeting of October 11, 2007, were unanimously approved as if read.

### 3. CHAIRMAN'S REPORT

Mr. Laurin reminded those present that the mission of the Foundation is to monitor the progress and management of its portfolio. To this end, regular meetings with the portfolio manager, Fiera Capital, are held. The Foundation also supports the Board of Trade financially during difficult periods.

Discussions should be held during the year about how to establish the main terms for the annual payment of the contribution to the Board of Trade for its budgetary transactions.

### 4. FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2008

Claude Michaud, treasurer, presented the financial report for the fiscal year ended June 30, 2008, and stated that the auditors' report was without reservation and accurately reflects the financial situation of the Foundation as at June 30, 2008.

The highlights of the financial statements approved by the board of directors on September 26 were explained.

The balance sheet shows total assets of \$3.9 million, composed mainly of investments with a market value as at June 30, 2008, of \$3.9 million. Under liabilities, there were accounts payable of \$49,910. The unappropriated surplus was \$3,857,938.

The operations summary shows interest and dividend income of \$208,000, unrealized and realized losses on investments totalling \$247,000 and expenses (mainly management fees for investments and administrative services) of \$25,000. The loss for the fiscal year is \$65,000.

This year, the Foundation made the same contribution to the Board of Trade as last year, that is, \$175,000. With this contribution, the deficit of revenues over expenses was \$240,036.

The statement of cash flows indicates an increase in cash of \$1,567. This variation was caused by funds provided by operations of \$68,000 and the sale of investments and land for \$570,000 and \$125,000 respectively, for a total of cash generated of \$763,000, less investment acquisitions of \$555,000 and reinvestment of dividends and interest of \$207,000.

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The notes to the financial statements included the Foundation's significant accounting principles. The highlight of this year, in note 5, is the application of section 3855 from the Canadian Institute of Chartered Accountants according to which financial assets (for the Foundation's purposes, investments) are now valued at their market value.

The financial statements for the fiscal year ended June 30, 2008, approved by the board of directors at its September 26 meeting, were tabled.

#### **5. APPOINTMENT OF AUDITORS**

Following its meeting on September 26, 2008, the Foundation's board of directors recommended the appointment of the firm PricewaterhouseCoopers as external auditors for fiscal 2008-2009.

Moved by Marie-Claude Lalande and seconded by Jonathan Terninck, the appointment of the auditors for fiscal 2008-2009 was unanimously approved.

#### **6. ELECTION OF THE BOARD OF DIRECTORS FOR FISCAL 2008-2009**

In accordance with article 31 of the Foundation's general by-laws, the nominating committee was formed of the following members:

**Isabelle Hudon**  
President and CEO  
Board of Trade of Metropolitan Montreal

**Pierre Laflamme**  
Partner  
McCarthy Tétrault

**Jean Laurin**  
President and CEO  
GVA Devencore

In accordance with article 31 of the general by-laws of the Board of Trade's Foundation, the nominating committee recommended the following people to serve on the Foundation's board of directors for fiscal 2008-2009:

**Hélène Desmarais**  
Chair of the board and CEO  
Centre d'entreprises et d'innovation de Montréal

**Pierre Laferrière**  
President  
Canadian Council for Research in Disease Management

**Pierre Laflamme**  
Partner  
McCarthy Tétrault

**Marie-Claude Lalande**  
Manager, Administration and Governance  
Hydro-Québec TransÉnergie

**Jean Laurin**  
President and CEO  
GVA Devencore

**Claude Michaud**  
Chief Financial Officer  
Lagassé Group

Moved by Christiane Piché and seconded by Bernard Roy, the composition of the board of directors

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for fiscal 2008-2009 was unanimously approved.

## **7. MISCELLANEOUS**

Given the economic situation, Bernard Roy requested further detail about the portfolio management strategy for the coming year.

Jean Laurin remarked that it is difficult to forecast results. Claude Michaud stated that we must maintain a positive medium and long-term outlook and ensure that the Foundation be more conservative in the leeway it always maintains.

In response to explanations requested as to the origin of sources totalling \$3,907,848, members present were reminded that the Foundation acquired land on which the building at 1080 Beaver Hall Hill is located following the merger of the Board of Trade and the Chambre. In 1999, the Foundation sold this land to Barchester. The accumulated surplus of the two entities was transferred to the Foundation at the time of the merger. Luc Lacharité added that the sale of the magazine *Commerce* also accounts for part of this amount.

## **8. TERMINATION OF ANNUAL MEETING**

Jean Laurin thanked the board members for their work throughout the year. He pointed out that Elliot Lifson and Nycol Pageau-Goyette were stepping down from the board and thanked them for their contribution of recent years.

On a motion by Marie-Claude Lalande, seconded by Bernard Roy, the annual meeting was adjourned by unanimous consent.

CHAIR

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BOARD OF TRADE OF METROPOLITAN MONTREAL  
FOUNDATION

FINANCIAL STATEMENTS JUNE 30, 2009



September 9, 2009

## Auditors' Report

### To the Members of the Board of Trade of Metropolitan Montreal

We have audited the balance sheet of the **Board of Trade of Metropolitan Montreal** (the “organization”) as at June 30, 2009 and the statements of revenue and expenses, surplus and cash flows for the year then ended. These financial statements are the responsibility of the organization’s management. 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 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 our opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at June 30, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

*PricewaterhouseCoopers LLP<sup>1</sup>*

<sup>1</sup> Chartered accountant auditor permit No. 14707

“PricewaterhouseCoopers” refers to PricewaterhouseCoopers LLP/s.r.l./s.e.n.c.r.l., an Ontario limited liability partnership, or, as the context requires, the PricewaterhouseCoopers global network or other member firms of the network, each of which is a separate and independent legal entity.

# Board of Trade of Metropolitan Montreal Foundation

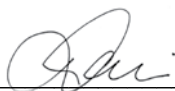
Balance Sheet

As at June 30, 2009

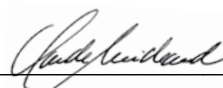
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	2009 \$	2008 \$
<b>Assets</b>		
<b>Current assets</b>		
Cash	6,954	7,184
Accounts receivable (note 4)	335	528
	<hr/>	<hr/>
	7,289	7,712
<b>Investments</b>		
Pooled funds (note 5)	3,449,905	3,900,136
	<hr/>	<hr/>
	3,457,194	3,907,848
	<hr/>	<hr/>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable (note 6)	2,562	49,910
<b>Surplus</b>		
<b>Unrestricted</b>	3,454,632	3,857,938
	<hr/>	<hr/>
	3,457,194	3,907,848
	<hr/>	<hr/>

Approved by the Board of Directors



Director



Director

# Board of Trade of Metropolitan Montreal Foundation

## Statement of Operations

For the year ended June 30, 2009

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	2009 \$	2008 \$
<b>Revenue</b>		
Interest and dividends	480,805	207,768
Unrealized loss on investments	(286,675)	(195,321)
Loss on disposal of investments	(393,167)	(52,045)
Other	535	-
	<hr/>	<hr/>
	(198,502)	(39,598)
<b>Expenses</b>		
Contribution to a related party (note 8)	175,000	175,000
Management fees (note 8)	29,649	25,322
Administrative expenses	155	116
	<hr/>	<hr/>
	204,804	200,438
<b>Excess of expenses over revenue</b>	<hr/> <b>(403,306)</b>	<hr/> <b>(240,036)</b>

# Board of Trade of Metropolitan Montreal Foundation

## Statement of Surplus

For the year ended June 30, 2009

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	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
<b>Unrestricted surplus – Beginning of year</b>	3,857,938	4,068,069
Changes in accounting policies – Financial instruments	-	29,905
Excess of expenses over revenue	(403,306)	(240,036)
<b>Unrestricted surplus – End of year</b>	<u>3,454,632</u>	<u>3,857,938</u>

# Board of Trade of Metropolitan Montreal Foundation

## Statement of Cash Flows

For the year ended June 30, 2009

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	2009 \$	2008 \$
<b>Cash flows from</b>		
<b>Operating activities</b>		
Excess of expenses over revenue	(403,306)	(240,036)
Adjustments for		
Unrealized loss on investments	286,675	195,321
Loss on disposal of investments	393,167	52,045
Investment revenue reinvested	(480,805)	(206,626)
	<u>(204,269)</u>	<u>(199,296)</u>
Change in non-cash working capital items (note 7)	(47,155)	61,087
	<u>(251,424)</u>	<u>(138,209)</u>
<b>Investing activities</b>		
Purchase of investments	(2,266,202)	(555,000)
Proceeds on disposal of investments	2,517,396	569,776
Decrease in balance of land sale	-	125,000
	<u>251,194</u>	<u>139,776</u>
<b>Net increase (decrease) in cash during the year</b>	(230)	1,567
<b>Cash – Beginning of year</b>	<u>7,184</u>	<u>5,617</u>
<b>Cash – End of year</b>	<u>6,954</u>	<u>7,184</u>

# Board of Trade of Metropolitan Montreal Foundation

Notes to Financial Statements

June 30, 2009

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## 1 Statutes of incorporation and nature of activities

The Board of Trade of Metropolitan Montreal Foundation (the “Foundation”) is incorporated under Part II of the Canada Corporations Act. The purpose of the Foundation is to administer its assets and allocate its income to best secure the long-term future of the Board of Trade of Metropolitan Montreal.

## 2 Significant accounting policies

### Management estimates

The preparation of 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 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. Actual results may differ from those estimates.

### Financial instruments

Financial assets are initially recorded at their fair value and their revaluation depends on their classification, as described hereafter. Their classification depends on the object concerned when the financial instrument was acquired or issued, their characteristics and their designation by the organization. The accounting at the date of payment is used. Financial liabilities are recorded at cost.

- Cash and investments are classified as held-for-trading assets. They are presented at fair value, and the gains or losses related to the revaluation at the end of each period are included in the statement of operations.
- Accounts receivable are classified as loans and receivables. After being initially recorded at fair value, they are evaluated at cost after amortization using the effective interest rate method. For the Foundation, the amortized cost is generally the cost due to the short-term maturity.
- Accounts payable are classified as other financial liabilities. They are initially evaluated at fair value, and subsequent evaluations are done at cost after amortization using the effective interest rate method. For the Foundation, the amortized cost is generally the cost because of the short-term maturity.

Furthermore, the Foundation has elected to continue to apply Canadian Institute of Chartered Accountants (“CICA”) Section 3861, “Financial Instruments – Disclosure and Presentation”, as permitted for not-for-profit organizations under recently issued sections 3862 and 3863 on disclosures and presentation of financial instruments.

(1)

# Board of Trade of Metropolitan Montreal Foundation

Notes to Financial Statements

June 30, 2009

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## 3 Accounting policies adopted during the year

Section 1400, “General Standards of Financial Statement Presentation”

In June 2007, the CICA amended Section 1400 of its Handbook to include requirements to assess an entity’s ability to continue as a going concern and disclose any material uncertainties that cast doubt on its ability to continue as such. The Foundation adopted this new standard on July 1, 2008. It performed such an assessment, and no additional disclosures are required.

Section 1535, “Capital Disclosures”

On July 1, 2008, the Foundation adopted the provisions of Section 1535, which establishes standards for disclosing qualitative and quantitative information about an entity’s capital and how it is managed. The Foundation manages its capital with the objectives of:

- safeguarding its ability to continue to support the long-term future of the Board of Trade of Metropolitan Montreal;
- funding current and future operations; and
- ensuring that the Foundation is able to meet its financial obligations as they become due.

The Foundation’s capital structure as at June 30, 2009 consists of unappropriated surplus in the amount of \$3,454,632.

## 4 Accounts receivable

	2009	2008
	\$	\$
Sales taxes	335	528

# Board of Trade of Metropolitan Montreal Foundation

Notes to Financial Statements

June 30, 2009

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## 5 Pooled funds

The investments in pooled funds are as follows:

	<b>Market value</b>	
	<b>2009</b>	<b>2008</b>
	\$	\$
Investments in monetary funds of Fiera Capital		
Money market	203,863	20,873
Canadian bonds	760,446	1,512,197
Canadian shares	736,075	861,411
International diversified shares	755,889	641,591
Diversified absolute returns	993,632	573,984
Tactic asset allocation	-	290,080
	<hr/>	<hr/>
	3,449,905	3,900,136
	<hr/>	<hr/>

## 6 Accounts payable

	<b>2009</b>	<b>2008</b>
	\$	\$
Trade and accrued charges	2,562	4,156
Board of Trade of Metropolitan Montreal	-	45,754
	<hr/>	<hr/>
	2,562	49,910
	<hr/>	<hr/>

## 7 Change in non-cash working capital items

	<b>2009</b>	<b>2008</b>
	\$	\$
Decrease in accounts receivable	193	15,453
Increase (decrease) in accounts payable	(47,348)	45,634
	<hr/>	<hr/>
	(47,155)	61,087
	<hr/>	<hr/>

(3)



# Board of Trade of Metropolitan Montreal Foundation

Notes to Financial Statements

June 30, 2009

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## 8 Related party transactions

The Foundation has concluded transactions with the Board of Trade of Metropolitan Montreal, an organization which has members in common with the Foundation.

	2009	2008
	\$	\$
Expenses		
Management fees	8,004	8,004
Contribution	175,000	175,000

The transactions occurred in the normal course of operations and were measured at the exchange amount, which is the amount of consideration agreed to by the related parties.

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## BOARD OF DIRECTORS OF THE BOARD OF TRADE OF METROPOLITAN MONTREAL FOUNDATION PROPOSED FOR 2009-2010

According to article 30 of the general by-laws of the Board of Trade Foundation, the nominations committee is proposing to the members the following candidates to serve on the Foundation board of directors for fiscal year 2009-2010.

**Hélène Desmarais**

Founder, Chair and CEO  
Centre d'entreprises et d'innovation  
de Montréal

**Pierre Laferrière**

President  
Canadian Council for Research  
in Disease Management

**Pierre Laflamme**

Partner  
McCarthy Tétrault

**Marie-Claude Lalande**

Manager, Marketing and Governance  
Hydro-Québec TransÉnergie

**Jean Laurin**

President and Chief Executive Officer  
Devencore Newmark Knight Frank

**Michel Leblanc**

President and CEO  
Board of Trade of Metropolitan Montreal

**Rémi Racine**

President and CEO  
A2M