

2010

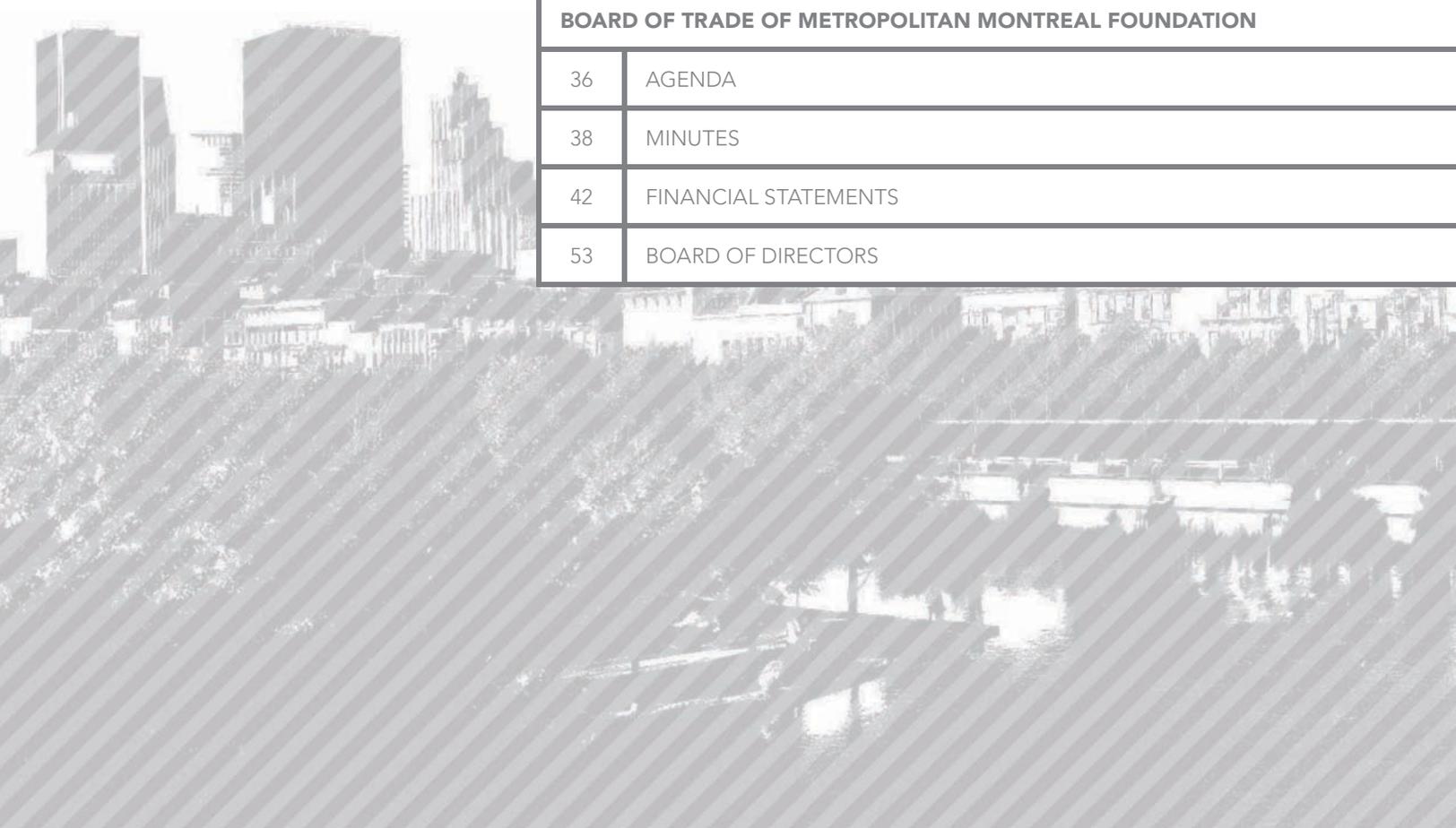
ANNUAL MEETING OF MEMBERS

BOARD OF TRADE OF METROPOLITAN MONTREAL

4	AGENDA
6	MINUTES
13	FINANCIAL STATEMENTS
33	BOARD OF DIRECTORS

BOARD OF TRADE OF METROPOLITAN MONTREAL FOUNDATION

36	AGENDA
38	MINUTES
42	FINANCIAL STATEMENTS
53	BOARD OF DIRECTORS



BOARD OF TRADE

BOARD
OF TRADE
OF METROPOLITAN MONTREAL

AGENDA

**ANNUAL MEETING
OF THE BOARD OF TRADE OF METROPOLITAN MONTREAL**
NOVEMBER 2, 2010 – 4:30 P.M.
MONTRÉAL PORT AUTHORITY AUDITORIUM
PORT OF MONTRÉAL BUILDING, 2100 PIERRE-DUPUY AVENUE, WING 1

1

CALL TO ORDER, DECLARATION OF QUORUM AND APPROVAL OF THE AGENDA

2

APPROVAL OF THE MINUTES OF THE MEMBERS ANNUAL MEETING OF NOVEMBER 4, 2009

3

CHAIRMAN'S REPORT

4

FINANCIAL REPORT – FISCAL YEAR ENDED JUNE 30, 2010

5

APPOINTMENT OF AUDITORS

6

ELECTION OF THE BOARD OF DIRECTORS FOR FISCAL YEAR 2010-2011

7

MISCELLANEOUS

8

ADJOURNMENT

9

PRESENTATION OF THE CHAIRMAN FOR FISCAL YEAR 2010-2011

10

TERMINATION OF ANNUAL MEETING

BOARD OF TRADE	<h1>MINUTES</h1>
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Minutes of the annual meeting of the Board of Trade of Metropolitan Montreal held on November 4, 2009, at 4:30 p.m. in the amphitheatre of UQAM's Complexe des sciences Pierre-Dansereau, chaired by Rémi Racine, chairman 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

Rémi Racine, chairman of the Board of Trade, accompanied by Michel Leblanc, president and CEO, and Roger Plamondon, treasurer, called the meeting to order, noting that the quorum of 30 members had been reached. He then submitted the agenda for approval.

On a motion by Hélène Desmarais, seconded by Erik Ryan, the agenda was unanimously approved.

2_APPROVAL OF THE MINUTES OF THE MEMBERS' ANNUAL MEETING OF OCTOBER 29, 2008

As a reading of the minutes was not requested, on a motion by Marie-Claude Lalonde, seconded by Sylvain Vincent, the minutes from October 29, 2008, were unanimously approved as if read.

3_CHAIRMAN'S REPORT

Rémi Racine, retiring chairman of the board, presented the report on his mandate for fiscal 2008-2009.

Fiscal 2008-2009 saw the arrival of Michel Leblanc as president and CEO of the Board of Trade. This unanimously approved decision will maximize the Board of Trade's ability to honour its commitments to members despite a difficult economic context. With a talented economist like Michel Leblanc at the helm, the Board of Trade was able to deftly meet the challenges of these times and is today more ready than ever to pursue its mission and contribute to the city's prosperity.

As usual, the 2008-2009 season was filled with activities. The Board of Trade hosted prominent leaders, executives and politicians who all chose the Board of Trade's forum to reach out to the city's broader business community.

Despite a tough economic situation, the Greater Montréal business community continued to show its confidence in and commitment to the Board of Trade, with the result that membership rose by about 6% in 2008-2009.

One of the main new initiatives this past year was the Board of Trade's involvement in the francization of businesses. To this

end, the Board of Trade hosted the Rendez-vous des gens d'affaires et des partenaires socioéconomiques in October 2008 to make the business community aware, especially companies with fewer than 50 employees, of the importance of making a concerted effort to increase the use of French as the language of work and business. As part of this initiative, the Board of Trade, in collaboration with the Office québécois de la langue française, introduced the Mérite du français dans la PME award.

Well aware of the demographic challenges facing Quebec and its metropolis in the years ahead, the Board of Trade continued its partnership with the ministère de l'Immigration et des Communautés culturelles in order to improve immigrant integration into the workplace.

As well, the Board of Trade continued to offer its members advice and training on best business practices and international trade.

The Board of Trade also helped further the growth of local companies here and abroad by way of its expert teams at World Trade Centre Montréal and Info entrepreneurs. In fact, this year marks the anniversary of both World Trade Centre Montréal (25th) and Info entrepreneurs (15th). Over the years, these two organizations have been essential resources for SMEs in their respective fields of activity.

Rémi Racine also highlighted the arrival of five pillar sponsors: Astral Media, Bell Canada, Desjardins Group, Hydro-Québec and Rio Tinto Alcan. These companies are all major players that have aligned themselves with the Board of Trade to contribute to Montréal's prosperity.

4 FINANCIAL REPORT – FISCAL YEAR ENDED JUNE 30, 2009

Roger Plamondon introduced the members of the Board of Trade's audit and finance committee, which he chairs: Sylvie Giguère, John Parisella, Erik Ryan, Sylvain Vincent and himself. He thanked them for their efforts throughout the year.

This committee, whose members are appointed each year from among the board members, is responsible for monitoring the financial information and budget released by the organization, examining the audited quarterly financial statements and recommending their approval to the board of directors.

Before commenting on the highlights of the fiscal year ended June 30, 2009, Mr. Plamondon mentioned that the financial statements were approved by the board of directors during a meeting held on September 16. The auditors' report was without reservation.

The balance sheet shows current assets of \$1,936,789, composed primarily of cash and cash equivalents of \$669,305 and accounts receivables of \$1,216,929, investments of \$855,760 and fixed assets of \$597,766 for total assets of \$3,390,315. Accounts receivables consisted of \$853,839 due from the Board of Trade's related companies. These amounts were collected at the beginning of the next fiscal year.

Under liabilities, there was \$2,394,292 in current liabilities, composed primarily of accounts payable, deferred membership dues of \$955,515 and deferred revenue of \$396,492. The long-term liability amounts to \$125,000, representing a compensatory indemnity associated with the renegotiation of the lease, a deferred lease inducement of \$150,386 and deferred revenue of \$266,400, for total liabilities of \$2,936,078.

The surplus was \$454,237, comprised of \$597,766 invested in fixed assets, and an unappropriated deficit of \$143,529. The details of the surplus invested in fixed assets and the unappropriated surplus are included in the financial statements.

The statement of operations shows revenue of \$6,013,909 for 2008-2009, minus expenses of \$5,659,610, resulting in an excess of revenue over operating expenses of \$354,299; however, deducting the cost of \$589,090 to renegotiate the lease results in an operating deficit of \$234,791. During the year, the Board of Trade renegotiated its lease agreement in order to reduce its office rental space. The cost of this renegotiation amounted to \$589,090, including the compensatory indemnity, the write-off of leasehold improvements and the write-off of the deferred lease inducement. This lease renegotiation will generate substantial savings, i.e. \$1 million over 5 years.

The statement of cash flows indicates that cash decreased by \$841,127. This change was due to an increase in non-cash working capital of \$458,692 stemming, more specifically, from the accounts receivable of related companies and fixed-asset investments of \$403,799.

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

Roger Plamondon remarked that the Board of Trade has a solid foundation, a healthy balance sheet and a record-breaking membership. The Board of Trade owes this to the expertise of its team and the quality of the work it does every day. He added that the strategic objectives set by the organization will allow the Board of Trade to reach new heights.

5 APPOINTMENT OF AUDITORS

During the board meeting of September 16, the Board of Trade's board of directors unanimously recommended that the firm PricewaterhouseCoopers be appointed as external auditors for fiscal 2009-2010.

On a motion by Robert Desbiens, seconded by Sylvain Vincent, the appointment of the firm of auditors for fiscal 2009-2010 was unanimously approved.

6 PROPOSED AMENDMENT TO THE CODE OF ADMINISTRATIVE BYLAWS

Proposed amendment:

It is proposed to amend the composition of the board of directors by adding a maximum of three non-voting observers. Hence, the board would be composed of 15 to 25 voting members, including the president and CEO, and a maximum of three non-voting observers.

Eligible board observers include any past chair of the board or of a board-appointed committee provided the individual in question is not a Member of Parliament or of the Assemblée nationale du Québec or a city councillor in the judicial districts of Montréal, Laval or Longueuil.

This amendment is recommended by the board of directors.

On a motion by Marie-Claude Lalande, seconded by Raoul Côté, the amendment to the Code of Administrative Bylaws was unanimously approved.

7 ELECTION OF THE BOARD OF DIRECTORS FOR FISCAL 2009-2010

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

- The chairman of the board, who chairs the committee: **RÉMI RACINE**, president and executive producer, A2M;
- The senior deputy chair of the board: **JOHN PARISILLA**, president, BCP Ltd.;
- Former chairs of the board: **HÉLÈNE DESMARAIS**, founder, chair and CEO, Centre d'entreprises et d'innovation de Montréal; **ELLIOT LIFSON**, deputy chair, Peerless Clothing Inc.;
- Individual members or delegates of member firms: **ALAIN DUMAS**, managing partner, SECOR-Taktik; **ROBERT DESBIENS**, executive vice-president, corporate strategies, R3D Consulting Inc.; **MARC-ANDRÉ BLANCHARD**, managing partner, Quebec region, McCarthy Tétrault;
- The president and CEO of the Board of Trade, **MICHEL LEBLANC**, also participated as a non-voting member.

On behalf of the board of directors, Rémi Racine thanked the members of the nominating committee for their sound advice. He remarked that their careful deliberations throughout the election process have led to a solid, balanced board of directors for fiscal 2009-2010.

The nominating committee recommended the following people to serve on the board of directors for fiscal 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 BOLDOC**, 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 CEO, The Standard Life Assurance Company
- **MICHEL LEBLANC**, president and CEO, Board of Trade of Metropolitan Montreal
- **JEAN-MARC LÉGER**, president, Leger Marketing
- **LUC MARTIN**, country manufacturing industry 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 executive producer, A2M
- **ERIK RYAN**, senior vice-president, Communications and External Relations, Rio Tinto Alcan
- **LUC SABBATINI**, president, Astral Media Outdoor
- **JAVIER SAN JUAN**, president and CEO, L'Oréal Canada
- **SYLVAIN VINCENT**, managing partner, Eastern Canada, and Member of the Canadian Executive Committee, Ernst & Young LLP

On a motion by Jean Laurin, seconded by Michel Pauzé, the composition of the board of directors for fiscal 2009-2010 as recommended by the nominating committee was unanimously approved.

To ensure optimal board composition, the Board of Trade has rules limiting the number of times a mandate can be renewed. As such, after loyal service to the board, several members must step down this year. Rémi Racine especially thanked three esteemed members who generously served the Board of Trade: Hélène Desmarais, outgoing chair, Roger Plamondon, treasurer, and John Parisella, senior deputy chair.

On behalf of the board members, Mr. Racine acknowledged their contributions and thanked them for their dedication. For many years, they gave generously of their time and shared their expertise with the Board of Trade. Their deep involvement helped advance major issues and further the city's development.

Rémi Racine mentioned that a board of directors relies on complementary expertise and in this regard lauded the contribution and commitment of the other members who are stepping down this year and who have also left their mark on the Board of Trade.

He added that during their respective mandates, these members showed their dedication to the Board of Trade and its membership and clearly demonstrated their passion for Montréal. Their generous involvement allowed the Board of Trade to successfully take up its challenges, and their availability and dedication greatly helped raise the Board of Trade's profile. Our sincere thanks to Sylvie Giguère, vice-president, Sales – Quebec Commercial, Bell Canada; Frédéric Michel, past president, Jeune Chambre de commerce de Montréal; Jan-Fryderyk Pleszczynski, general manager and vice-president, Corporate Affairs, Digital Dimension; Jérôme Silvestre, president and CEO, sanofi-aventis Canada; Martin Spalding, assistant vice-president, Sales and Marketing, Astral Media Radio; Peter Todd, James McGill professor and dean, Desautels Faculty of Management, McGill University; Luc Vinet, rector, Université de Montréal.

Mr. Racine also expressed his appreciation for 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.

8_MISCELLANEOUS

There was no discussion regarding this item.

9_ADJOURNMENT OF THE MEETING

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.

10_PRESENTATION OF THE CHAIRMAN OF THE BOARD FOR FISCAL 2009-2010

The chairman of the board for fiscal 2009-2010 was introduced by Rémi Racine, who explained that tradition dictates that after one year in office the senior deputy chair of the board becomes chair of the board.

However, senior deputy chair John Parisella will become Quebec's Delegate General in New York as of November 16. Mr. Racine took the opportunity to highlight Mr. Parisella's excellent work over the years at the Board of Trade, both on the board of directors and executive committee. Dedicated and impassioned, he has made an enormous contribution to the Board of Trade. We wish him the utmost success in his new endeavours.

Consequently, Erik Ryan, senior vice-president of communications and external relations at Rio Tinto Alcan, board member for the past four years and a very active member of the executive committee for the past two years, will become the chairman of the board for fiscal 2009-2010.

Erik Ryan holds a mechanical engineering degree from McGill (1987) and an MBA from Harvard Business School (1995).

Mr. Ryan joined Alcan in September 2002 as director, Strategic Management Support. He was part of the Pechiney acquisition team and was later co-leader of the Alcan-Pechiney Integration Leadership Team in Paris. In the fall of 2004, he was appointed vice-president, Strategy and Business Development for Alcan's Packaging Global Beauty sector. In January 2005, Mr. Ryan was appointed vice-president, Corporate Affairs and Communications for Alcan's Primary Metal Group. In 2007, Regional Industrial Diversification and an aerospace and nuclear alloys casting plant were added to his responsibilities when he became vice-president, Stakeholder Relations and Communications.

Erik Ryan first became involved with the Board of Trade in 2002 through the strategic analysis committee on economic development before joining the board of directors and then its executive committee.

Prior to joining Rio Tinto Alcan, Mr. Ryan was Secretary General of the Sommet de Montréal 2002, in charge of designing and conducting this founding event created to identify strategic priorities and initiatives critical to the new City of Montréal.

Between 1995 and 2001, following his studies in Boston, Mr. Ryan worked as a consultant for the Boston-based consultancy, Monitor Company, heading its Paris office from 1995 to 1997. Between 1989 and 1993, he served as political advisor to Gérald Tremblay, then Minister of Industry, Trade, and Technology. In that position, Mr. Ryan contributed to the design and deployment of the industrial cluster strategy and to negotiating the social contract.

On behalf of the members of the board, Rémi Racine wished Mr. Ryan the utmost success as chairman of the board and in fulfilling his duties. He offered his full cooperation and unwavering support.

Erik Ryan spoke and thanked the members of the board for this nomination as chairman of the board for fiscal 2009-2010 and noted this demonstration of their trust in and support for him. He promised to do his utmost to meet their expectations. He said he was proud to accept this position because it means walking in the footsteps of the impressive line of leaders before him who successfully headed this organization in its nearly 200-year history.

He hailed the remarkable work of the retiring chairman, Rémi Racine. His mandate ends at a pivotal moment for the Board of Trade: the arrival of an exceptional new president and CEO, Michel Leblanc. Erik Ryan commended this unanimous decision made in the interest of the organization and that will serve it very well indeed.

Mr. Ryan also thanked the members who are renewing their commitment to the Board of Trade for another year. Their contribution is invaluable to the Board of Trade's success. He paid a special tribute to the directors stepping down at the end of their mandates for their dedicated involvement over the years. Lastly, he welcomed the new members and thanked them for agreeing to give of their time and share their expertise.

The members of the new executive committee for fiscal 2009-2010 were introduced by Erik Ryan:

ERIK RYAN, chairman of the board
JOSEPH IANNICELLI, senior deputy chair
LUC MARTIN, treasurer
RÉMI RACINE, retiring chairman
MICHEL LEBLANC, president and CEO
MARC-ANDRÉ BLANCHARD
ISABELLE COURVILLE
LORRAINE PINTAL
SYLVAIN VINCENT

Mr. Ryan stated that their role is to continue carrying out the Board of Trade's vision to be the most relevant organization to its members, always credible and highly influential through its actions and positions, and to ensure that the city has the best possible business conditions. In the current context, this means doing everything possible to allow the Greater Montréal area to fully capitalize on the economic recovery already lurking on the horizon and emerge stronger and more prosperous than ever.

Mr. Ryan concluded by reiterating his commitment to continue pursuing the Board of Trade's mission thanks to an excellent three-year plan, a strong membership, a highly experienced permanent team backed by some 100 volunteer experts who contribute to the reflections of the strategic analysis committees, and to a dedicated board of directors on which they rely.

Before proposing that the meeting be adjourned, Rémi Racine underlined the remarkable contribution of the retiring chair, Hélène Desmarais, to the pursuit of the organization's vision. He thanked her for giving so generously of her time and energy to promote and define the development and success of Greater Montréal.

Tradition dictates that we offer the retiring chair a gift as a token of our appreciation. This year, a donation will be made on her behalf to the Montréal Symphony Orchestra Foundation. This symbolic gesture attests to her generosity and involvement in all spheres of activity in Montréal.

11_ADJOURNMENT OF THE ANNUAL MEETING

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

The meeting was adjourned at 5:40 p.m.

PRESIDENT AND CEO

CHAIRMAN



BOARD OF TRADE

FINANCIAL STATEMENTS

September 16, 2010

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, 2010 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, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

PricewaterhouseCoopers LLP¹

¹ Chartered accountant auditor permit No. 14707

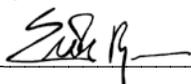
Board of Trade of Metropolitan Montreal

Balance Sheet

As at June 30, 2010

	2010 \$	2009 \$
Assets		
Current assets		
Cash and cash equivalents	1,206,721	669,305
Accounts receivable (note 5)	577,491	1,216,929
Prepaid expenses	65,682	50,555
	<u>1,849,894</u>	<u>1,936,789</u>
Investments (note 6)	886,610	855,760
Property and equipment (note 7)	496,907	567,963
Intangible assets , net of accumulated amortization of \$71,115 (2009 – \$50,800)	19,802	29,803
	<u>3,253,213</u>	<u>3,390,315</u>
Liabilities		
Current liabilities		
Accounts payable (note 9)	937,010	1,042,285
Deferred membership dues	1,000,555	955,515
Deferred revenue	388,855	396,492
	<u>2,326,420</u>	<u>2,394,292</u>
Other long-term liability (note 10)	-	125,000
Deferred lease inducements	122,404	150,386
Deferred revenue	249,750	266,400
	<u>2,698,574</u>	<u>2,936,078</u>
Surplus		
Invested in property and equipment	496,907	567,963
Invested in intangible assets	19,802	29,803
Unappropriated (overappropriated)	37,930	(143,529)
	<u>554,639</u>	<u>454,237</u>
	<u>3,253,213</u>	<u>3,390,315</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, 2010

	2010 \$	2009 \$
Revenue		
Members' service	1,864,325	1,722,474
Activities	2,567,128	1,993,933
Special projects	745,208	749,745
Other revenues (note 14)	1,500,535	1,712,140
	<hr/> 6,677,196	<hr/> 6,178,292
Expenses		
Members' service	151,166	142,233
Activities	1,550,883	1,069,512
Special projects	236,905	194,002
Operating costs	4,231,358	4,293,287
Amortization of property and equipment	186,167	112,663
Amortization of intangible assets	20,315	12,296
	<hr/> 6,376,794	<hr/> 5,823,993
Excess of revenue over expenses from operations before the following	300,402	354,299
Fees related to renegotiation of lease (note 10)	-	(589,090)
Contribution to Board of Trade of Metropolitan Montreal Foundation (note 14)	<hr/> (200,000)	<hr/> -
Excess of revenue over expenses (expenses over revenue) for the year	<hr/> <hr/> 100,402	<hr/> <hr/> (234,791)

Board of Trade of Metropolitan Montreal

Statement of Surplus

For the year ended June 30, 2010

	<hr/>			2010	2009
	Invested in property and equipment \$	Invested in intangible assets \$	Unappro- priated (overappro- priated) \$	Total \$	Total \$
Surplus – Beginning of year	567,963	29,803	(143,529)	454,237	689,028
Excess of revenue over expenses (expenses over revenue) for the year	(186,167)	(20,315)	306,884	100,402	(234,791)
Acquisition of property and equipment	115,111	-	(115,111)	-	-
Acquisition of intangible assets	-	10,314	(10,314)	-	-
Surplus – End of year	<hr/> 496,907	<hr/> 19,802	<hr/> 37,930	<hr/> 554,639	<hr/> 454,237

Board of Trade of Metropolitan Montreal

Statement of Cash Flows

For the year ended June 30, 2010

	2010 \$	2009 \$
Cash flows from		
Operating activities		
Excess of revenue over expenses (expenses over revenue) for the year	100,402	(234,791)
Adjustments for		
Unrealized losses (gains) on investments	(42,741)	38,686
Loss on disposal of investments	22,725	9,172
Reinvested revenue on investments	(12,494)	(16,588)
Amortization of property and equipment	186,167	112,663
Amortization of intangible assets	20,315	12,296
Amortization of deferred lease inducements and deferred revenue	(27,982)	(76,508)
Deferred lease cost	(16,650)	(16,650)
Loss on disposal of property and equipment	-	66,392
	<hr/>	<hr/>
	229,742	(105,328)
Change in non-cash working capital items (note 11)	556,439	(458,692)
	<hr/>	<hr/>
	786,181	(564,020)
Financing activities		
Other long-term liability (note 10)	(125,000)	125,000
	<hr/>	<hr/>
Investing activities		
Acquisition of investments	(165,045)	(136,556)
Disposal of investments	166,705	138,248
Acquisition of property and equipment	(115,111)	(403,799)
Acquisition of intangible asset	(10,314)	-
	<hr/>	<hr/>
	(123,765)	(402,107)
Net increase (decrease) in cash and cash equivalents during the year		
	537,416	(841,127)
Cash and cash equivalents – Beginning of year	669,305	1,510,432
	<hr/>	<hr/>
Cash and cash equivalents – End of year	1,206,721	669,305
	<hr/>	<hr/>

Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2010

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.

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, 2010.

Interest rate risk

Cash and cash equivalents	Fixed and variable interest rates
Accounts receivable	Non-interest bearing
Investments	Note 6
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 their intended objective when the financial instrument was acquired or issued, their characteristics and their designation by the organization. Financial instruments are accounted for as at the date of payment. 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, 2010

- 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 generally approximates cost due to their 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 as receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Sponsorship revenues received in goods or services are accounted for at fair value when this value can be reasonably estimated. The fair value of the goods or services received is usually utilized, unless the fair value of the goods or services rendered is more reliably measurable. During the year, the organization received free-of-charge advertising services as an exchange for sponsorship revenues for a total value of \$511,361 (2009 – \$95,000). These sponsorship revenues are accounted for in Activities revenue and the related expenses are included in Activities expenses.

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	33 $\frac{1}{3}$ %
Office furniture and equipment	20%
Leasehold improvements	Over balance of lease term

Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2010

Intangible assets

Intangible assets comprise software and a website which are accounted for at cost and amortized over their useful lives using the straight-line method at rates ranging from 20% to 33⅓%.

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.

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.

3 Accounting policies adopted during the year

Changes regarding not-for-profit organizations

In September 2008, several amendments were made to the existing standards of the CICA Handbook sections applicable to not-for-profit organizations. These changes affect Section 1100, “Generally Accepted Accounting Principles”; Section 1540, “Cash Flow Statements”; Section 1751, “Interim Financial Statements”; Section 4400, “Financial Statement Presentation for Not-for-Profit Organizations”; Section 4430, “Capital assets held by not-for-profit organizations”; Section 4460, “Disclosure of related party transactions by not-for-profit organizations”; and Section 4470, “Disclosure of allocated expenses by not-for-profit organizations”. The organization adopted these changes on July 1, 2009. The application of these amendments did not significantly impact its current financial position or results of operations.

Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2010

Goodwill and intangible assets

On July 1, 2009, the organization adopted CICA Handbook Section 3064, “Goodwill and Intangible Assets”, replacing Section 3062, “Goodwill and Other Intangibles Assets”, and Section 3450, “Research and Development Costs”. This new Section establishes standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to its initial recognition and of intangible assets. Standards concerning goodwill are unchanged from the standards included in the previous Section 3062. The adoption of the provisions of Section 3064 had no significant impact on the organization’s financial statements.

4 Asset management

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, 2010 consists of the unappropriated surplus.

5 Accounts receivable

	2010	2009
	\$	\$
Accounts receivable	501,852	378,090
Allowance for doubtful accounts	(15,000)	(15,000)
	<hr/>	<hr/>
	486,852	363,090
Centre d’affaires Info entreprises	41,026	351,144
World Trade Centre Montréal Inc.	49,613	502,695
	<hr/>	<hr/>
	577,491	1,216,929
	<hr/>	<hr/>

Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2010

6 Investments

The organization's investments are as follows:

	2010 \$	2009 \$
Investments in monetary funds of Fiera Capital Inc., at fair value		
Money market funds	31,174	37,594
Canadian bonds	139,176	158,167
Canadian shares	113,072	79,083
International diversified shares	95,588	73,316
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/> 886,610	<hr/> 855,760

7 Property and equipment

	<hr/> 2010		<hr/> 2009	
	Cost \$	Accumulated amortization \$	Net \$	Net \$
Computer equipment	62,526	51,933	10,593	21,204
Office furniture and equipment	119,269	37,751	81,518	116,328
Leasehold improvements	717,054	312,258	404,796	430,431
	<hr/> 898,849	<hr/> 401,942	<hr/> 496,907	<hr/> 567,963

8 Credit facility

As at June 30, 2010, the organization had a credit facility of \$300,000, bearing interest at prime rate plus 0.7% and renewable on December 31, 2010. A first ranking moveable hypothec on the universality of the organization's present and future accounts receivable has been given as security for the credit facility. As at June 30, 2010, the credit facility was unused.

Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2010

9 Accounts payable

	2010	2009
	\$	\$
Trade payable and accrued charges	119,781	326,312
Salaries and vacation pay	402,194	264,669
Indemnity (note 10)	125,000	125,000
Sales taxes	29,043	6,104
	<hr/>	<hr/>
	676,018	722,085
Board of Trade of Metropolitan Montreal Foundation	200,000	-
Centre d'affaires Info entreprises	50,319	50,795
World Trade Centre Montréal Inc.	10,673	269,405
	<hr/>	<hr/>
	937,010	1,042,285
	<hr/>	<hr/>

10 Restructuring

In 2009, the organization renegotiated its lease agreement to reduce office rental areas. The costs related to the renegotiation of the lease amounted to \$589,090 and included an indemnity, a writeoff of leasehold improvements and a writeoff of deferred lease inducements. During the year, the organization paid a portion of the indemnity for an amount of \$125,000 with regard to the renegotiation of the lease. As at June 30, 2010, a residual amount of \$125,000 remains payable. This indemnity is payable on December 1, 2010 and is therefore included in accounts payable above.

11 Change in non-cash working capital items

	2010	2009
	\$	\$
Decrease (increase) in		
Accounts receivable	639,438	(657,546)
Prepaid expenses	(15,127)	9,657
Increase (decrease) in		
Accounts payable	(105,275)	(83,391)
Deferred membership dues	45,040	53,906
Deferred revenue	(7,637)	218,682
	<hr/>	<hr/>
	556,439	(458,692)
	<hr/>	<hr/>

Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2010

12 Commitments

The organization has lease commitments with a balance of \$1,968,653. Minimum payments payable over the next five years are as follows:

	\$
2011	549,472
2012	558,417
2013	561,771
2014	295,939
2015	3,054

13 Controlled and economic interest entities

The organization controls World Trade Centre Montréal Inc. (“WTCM”), Fonds Ville-Marie (“FVM”), Centre d’affaires Info enterprises (“CAIE”) and Board of Trade of Metropolitan Montreal Foundation (the “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 (collectively “Accesum Inc.”).

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.

Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2010

World Trade Centre Montréal Inc.

WTCM 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. WTCM is fully integrated into the network of World Trade Centers.

	June 30, 2010	June 30, 2009
	\$	\$
Balance sheet		
Total assets	464,943	960,723
Total liabilities	257,267	795,030
Total surplus	212,676	165,693
	<u>469,943</u>	<u>960,723</u>
Revenue and expenses		
Total revenue	1,742,015	2,409,745
Total expenses	1,695,032	2,400,578
Excess of revenue over expenses	<u>46,983</u>	<u>9,167</u>
Cash flows		
Operating activities	15,026	(8,592)
Investing activities	(1,695)	-
Financing activities	-	-
Net change in cash and cash equivalents	<u>13,331</u>	<u>(8,592)</u>

Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2010

Fonds Ville-Marie

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

	June 30, 2010	June 30, 2009
	\$	\$
Balance sheet		
Total assets	2,233,130	1,988,803
Total liabilities	66,024	82,152
Total net assets	2,167,106	1,906,651
	<u>2,233,130</u>	<u>1,988,803</u>
Revenue and expenses		
Total revenue	681,904	803,143
Total expenses	600,038	845,447
Excess of revenue over expenses (expenses over revenue)	81,866	(42,304)
	<u>81,866</u>	<u>(42,304)</u>
Cash flows		
Operating activities	148,985	65,677
Investing activities	36,529	(196,518)
Net change in cash and cash equivalents	185,514	(130,841)
	<u>185,514</u>	<u>(130,841)</u>

Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2010

Centre d'affaires Info entreprises

CAIE 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.

	March 31, 2010	March 31, 2009
	\$	\$
Balance sheet		
Total assets	347,534	330,484
Total liabilities	321,157	301,147
Total surplus	26,377	29,337
	<u>347,534</u>	<u>330,484</u>
Revenue and expenses		
Total revenue	1,386,681	1,464,295
Total expenses	1,389,641	1,459,777
Excess of revenue over expenses (expenses over revenue)	<u>(2,960)</u>	<u>4,518</u>
Cash flows		
Net change in cash and cash equivalents	<u>241,779</u>	<u>(80,807)</u>

Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2010

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:

	December 31, 2009	December 31, 2008
	\$	\$
Balance sheet		
Total assets	96,238,007	74,600,850
Total liabilities	95,738,006	75,802,454
Total capital	500,001	(1,201,604)
	<u>96,238,007</u>	<u>74,600,850</u>
Revenue and expenses		
Total revenue	59,477,793	57,874,549
Total expenses	57,476,188	57,452,471
Excess of revenue over expenses	<u>2,001,605</u>	<u>422,078</u>
Cash flows		
Operating activities	2,213,717	5,624,995
Investing activities	(24,564,545)	(1,501,887)
Financing activities	22,416,667	(3,333,333)
Net change in cash and cash equivalents	<u>65,839</u>	<u>789,775</u>

Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2010

Board of Trade of Metropolitan Montreal Foundation

The organization has an economic interest in the 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.

	June 30, 2010	June 30, 2009
	\$	\$
Balance sheet		
Total assets	3,782,042	3,457,194
Total liabilities	3,346	2,562
Total net assets	3,778,696	3,454,632
	<u>3,782,042</u>	<u>3,457,194</u>
Revenue and expenses		
Total revenue	431,041	481,340
Total expenses	106,977	884,646
Excess of revenue over expenses (expenses over revenue)	<u>324,064</u>	<u>(403,306)</u>
Cash flows		
Operating activities	(104,634)	(251,424)
Investing activities	107,442	251,194
Net change in cash and cash equivalents	<u>2,808</u>	<u>(230)</u>

Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2010

14 Related party transactions

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

	2010	2009
	\$	\$
Revenue		
Management fees		
WTCM	249,984	407,365
CAIE	121,304	122,496
Foundation	8,004	8,004
Royalties SCSM	399,996	399,996
Contribution from Foundation	87,500	175,000
Rent		
WTCM	138,000	158,004
CAIE	235,000	246,247
FVM	22,200	15,000
Others – FVM	45,236	60,000
	<hr/>	<hr/>
	1,307,224	1,592,112
Expenses		
Contribution to WTCM	-	255,217
Contribution to CAIE	-	50,000
Contribution to Foundation	200,000	-
	<hr/>	<hr/>
	200,000	305,217
	<hr/>	<hr/>

Other revenues in the amount of \$1,500,535 (2009 – \$1,712,140) presented in the statement of revenue and expenses include related party revenue for an amount of \$1,307,224 (2009 – \$1,592,112).

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

15 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, 2010.

BOARD OF DIRECTORS

BOARD OF DIRECTORS OF THE BOARD OF TRADE OF METROPOLITAN MONTREAL PROPOSED FOR 2010-2011

According to the by-law 34 of the Code of Administrative by-laws of the Board or Trade, the nominating committee is proposing to the members the following candidates to serve on the board of directors for fiscal year 2010-2011

DIMITRI ANTONOPOULOS
Vice-President, Marketing,
Hotel and Restaurant Development
The Antonopoulos Group

YVES BEAUCHAMP
Director General
École de technologie supérieure

CHRISTIANE BERGEVIN
Executive Vice-President,
Strategic Partnerships
Office of the President
Desjardins Group

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.

ALAIN CÔTÉ, FCA, ICD.D
Managing Partner, Montréal Office
Samson Bélair/Deloitte & Touche
s.e.n.c.r.l.

ISABELLE COURVILLE
President
Hydro-Québec TransÉnergie

ROBERT DESBIENS
Executive Vice-President,
Division of Montréal,
Ottawa and Europe
R3D Consulting Inc.

ALEXANDRE DOIRE
President
Jeune Chambre de commerce
de Montréal

DIANE GIARD
Senior Vice-President,
Quebec and Eastern Ontario Region
Scotiabank

STÉPHANIE KENNAN
President
Bang Marketing

MICHEL LEBLANC
President and CEO
Board of Trade
of Metropolitan Montreal

JEAN-MARC LÉGER
President
Léger Marketing

ISABELLE MARCOUX
Vice Chair of the Board and
Vice President,
Corporate Development
Transcontinental inc.

ANDREW T. MOLSON
Vice-Chairman
Molson Coors Brewing Company

MADELEINE PAQUIN
President and CEO
Logistec Corporation

DANIEL PERITZ
Senior Vice-President, Montréal
Canderel Management Inc.

GILBERT ROZON
Chairman of the Board
Just For Laughs Group

ERIK RYAN
Senior Vice-President,
Communications and External Relations
Rio Tinto Alcan

LUC SABBATINI
President
Astral Media Outdoor

JAVIER SAN JUAN
President and Chief Executive Officer
L'Oréal Canada

KIM THOMASSIN
Managing Partner, Québec Region
McCarthy Tétraut

SYLVAIN VINCENT
Managing Partner, Eastern Canada
and Member of Canadian Executive
Committee
Ernst & Young LLP

JUDITH WOODSWORTH
President and Vice-Chancellor
Concordia University

FOUNDATION

BOARD OF TRADE
OF METROPOLITAN MONTREAL
FOUNDATION

AGENDA

**ANNUAL MEETING
OF THE BOARD OF TRADE OF METROPOLITAN MONTREAL FOUNDATION**
NOVEMBER 2, 2010 – 4:30 P.M.
MONTRÉAL PORT AUTHORITY AUDITORIUM
PORT OF MONTRÉAL BUILDING, 2100 PIERRE-DUPUY AVENUE, WING 1

1	CALL TO ORDER, DECLARATION OF QUORUM AND APPROVAL OF THE AGENDA
2	APPROVAL OF THE MINUTES OF THE MEMBERS ANNUAL MEETING OF NOVEMBER 4, 2009
3	CHAIRMAN'S REPORT
4	FINANCIAL REPORT – FISCAL YEAR ENDED JUNE 30, 2010
5	APPOINTMENT OF AUDITORS
6	ELECTION OF THE BOARD OF DIRECTORS FOR FISCAL YEAR 2010-2011
7	MISCELLANEOUS
8	TERMINATION OF ANNUAL MEETING

Minutes of the annual meeting of members of the Board of Trade of Metropolitan Montreal Foundation, held on November 4, 2009, at 5:15 p.m. in the amphitheatre of UQAM's Complexe des sciences Pierre-Dansereau. Jean Laurin, chairman of the board of the Foundation, chaired the meeting.

The meeting was attended by approximately 100 people; 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 H el ene Desmarais and seconded by Elliot Lifson, the agenda was unanimously approved.

2_APPROVAL OF THE MINUTES OF THE FOUNDATION'S ANNUAL MEETING OF OCTOBER 29, 2008

Moved by Roger Plamondon and seconded by Marie-Claude Lalande, the minutes of the annual meeting of October 29, 2008, 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.

Mr. Laurin then reminded those present that following the merger of the Montreal Board of Trade and the Chambre de commerce du Montr al m etropolitain, the Foundation became owner of the land on which the building at 1080 Beaver Hill is located. The accumulated surpluses of the two entities were transferred to the Foundation at the time of the merger.

4_FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Pierre Laflamme presented the financial report for the fiscal year ended June 30, 2009, and stated that the auditors' report was without reservation and accurately reflects the financial situation of the Foundation as at June 30, 2009.

The highlights of the financial statements approved by the board of directors on October 2 were explained.

The balance sheet shows current assets of \$7,289 and investments of \$3,449,905, for total assets of \$3,457,194.

Liabilities include accounts payable of \$2,562.

The unappropriated surplus is \$3,454,632.

The statement of operations shows interest and dividend income of \$480,805, and unrealized and realized losses on investments totalling \$679,842, resulting in a loss of \$198,502 for the fiscal year. Expenses consist of a \$175,000 contribution to an affiliated company (same amount as last year) and management fees of \$29,649 (mainly in connection with investments).

The deficit of revenues over expenses is therefore \$403,306.

For the year ended June 30, 2009, the portfolio returned -11.5%, hence its value of \$3,449,905 at that date. This decrease is explained by the difficult economic situation in 2008-2009.

The statement of surplus shows an unappropriated surplus of \$3,454,632 at year end.

As regards the statement of cash flows, cash declined by \$230. This change is explained by a decrease of \$251,424 in cash from operating activities, which was offset by the sale of investments for \$251,194.

The notes to the financial statements included the Foundation's significant accounting principles and note 5 detailing the mutual funds.

The financial statements for the fiscal year ended June 30, 2009, approved by the board of directors at its October 2 meeting, were tabled.

5_ APPOINTMENT OF AUDITORS

At its meeting of October 2, 2009, the Foundation's board of directors recommended the appointment of the firm PricewaterhouseCoopers as external auditors for fiscal 2009-2010.

Moved by Elliot Lifson and seconded by Marie-Claude Lalande, the appointment of the auditors for fiscal 2009-2010 was unanimously approved.

6_ ELECTION OF THE BOARD OF DIRECTORS FOR FISCAL 2009-2010

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

HÉLÈNE DESMARAIS

Founder, chair of the board and CEO
Centre d'entreprises et d'innovation de Montréal

PIERRE LAFLAMME

Partner
McCarthy Tétrault

JEAN LAURIN

President and CEO
Devencore Newmark Knight Frank

MICHEL LEBLANC

President and CEO
Board of Trade of Metropolitan Montreal

In accordance with article 31 of the Foundation's general by-laws, the nominating committee recommended the following people to serve on the Foundation's board of directors for fiscal 2009-2010:

HÉLÈNE DESMARAIS

Founder, 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
Devencore Newmark Knight Frank

MICHEL LEBLANC

President and CEO
Board of Trade of Metropolitan Montreal

RÉMI RACINE

President and CEO
A2M

Moved by Roger Plamondon and seconded by Elliot Lifson, the composition of the board of directors for fiscal 2009-2010 was unanimously approved.

7_MISCELLANEOUS

There was no discussion regarding this item.

8_ADJOURNMENT OF ANNUAL MEETING

Jean Laurin thanked the board members for their work throughout the year.

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

Meeting adjourned at 5:20 p.m.

CHAIRMAN

FOUNDATION

FINANCIAL STATEMENTS

September 23, 2010

Auditors' Report

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

We have audited the balance sheet of the **Board of Trade of Metropolitan Montreal Foundation** (the "Foundation") as at June 30, 2010 and the statements of operations, surplus and cash flows for the year then ended. These financial statements are the responsibility of the Foundation'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 Foundation as at June 30, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

PricewaterhouseCoopers LLP¹

¹ Chartered accountant auditor permit No. 14707

Board of Trade of Metropolitan Montreal Foundation

Balance Sheet

As at June 30, 2010

	2010 \$	2009 \$
Assets		
Current assets		
Cash	9,762	6,954
Contribution receivable (note 7)	200,000	-
Commodity taxes recoverable	-	335
	<hr/> 209,762	<hr/> 7,289
Investments		
Pooled funds (note 5)	<hr/> 3,572,280	<hr/> 3,449,905
	<hr/> 3,782,042	<hr/> 3,457,194
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	3,346	2,562
Surplus		
Unrestricted	<hr/> 3,778,696	<hr/> 3,454,632
	<hr/> 3,782,042	<hr/> 3,457,194

Approved by the Board of Directors



Director



Director

Board of Trade of Metropolitan Montreal Foundation

Statement of Operations

For the year ended June 30, 2010

	2010 \$	2009 \$
Revenue		
Interest and dividends	86,908	480,805
Unrealized gain (loss) on investments	393,874	(286,675)
Loss on disposal of investments	(250,965)	(393,167)
Contribution from the Board of Trade of Metropolitan Montreal	200,000	-
Other	1,224	535
	<hr/> 431,041	<hr/> (198,502)
Expenses		
Contribution to a related party (note 7)	87,500	175,000
Management fees (note 7)	19,365	29,649
Administrative expenses	112	155
	<hr/> 106,977	<hr/> 204,804
Excess of revenue over expenses (expenses over revenue)	<hr/> 324,064	<hr/> (403,306)

Board of Trade of Metropolitan Montreal Foundation

Statement of Surplus

For the year ended June 30, 2010

	2010 \$	2009 \$
Unrestricted surplus – Beginning of year	3,454,632	3,857,938
Excess of revenue over expenses (expenses over revenue)	324,064	(403,306)
Unrestricted surplus – End of year	<u>3,778,696</u>	<u>3,454,632</u>

Board of Trade of Metropolitan Montreal Foundation

Statement of Cash Flows

For the year ended June 30, 2010

	2010 \$	2009 \$
Cash flows from		
Operating activities		
Excess of revenue over expenses (expenses over revenue)	324,064	(403,306)
Adjustments for		
Unrealized loss (gain) on investments	(393,874)	286,675
Loss on disposal of investments	250,965	393,167
Investment revenue reinvested	(86,908)	(480,805)
	<hr/> 94,247	<hr/> (204,269)
Change in non-cash working capital items (note 6)	<hr/> (198,881)	<hr/> (47,155)
	<hr/> (104,634)	<hr/> (251,424)
Investing activities		
Purchase of investments	(2,390,919)	(2,266,202)
Proceeds on disposal of investments	2,498,361	2,517,396
	<hr/> 107,442	<hr/> 251,194
Net increase (decrease) in cash during the year	2,808	(230)
Cash – Beginning of year	<hr/> 6,954	<hr/> 7,184
Cash – End of year	<hr/> <hr/> 9,762	<hr/> <hr/> 6,954

Board of Trade of Metropolitan Montreal Foundation

Notes to Financial Statements

June 30, 2010

1 Statutes of incorporation and nature of activities

The Board of Trade of Metropolitan Montreal Foundation (the “Foundation”) is a non-profit organization exempt from income taxes and 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.
- Contributions 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.

Board of Trade of Metropolitan Montreal Foundation

Notes to Financial Statements

June 30, 2010

3 Accounting policies adopted during the year

Changes regarding not-for-profit organizations

In September 2008, several changes have been applied to the existing standards of the CICA Handbook sections applicable to not-for-profit organizations. These changes affect sections 1100, 1540, 1751, 4400, 4430, 4460 and 4470. The Foundation adopted these changes on July 1, 2009. The application of these changes has not significantly impacted the Foundation's current financial situation or operating results.

Goodwill and intangible assets

On July 1, 2009, the Foundation adopted CICA Handbook Section 3064, "Goodwill and Intangible Assets", replacing Section 3062, "Goodwill and Other Intangibles Assets", and Section 3450, "Research and Development Costs". This new Section establishes standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to its initial recognition and of intangible assets. Standards concerning goodwill are unchanged from the standards included in the previous Section 3062. The adoption of the provisions of Section 3064 had no significant impact on the Foundation's financial statements.

4 Management of capital

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, 2010 consists of unappropriated surplus.

Board of Trade of Metropolitan Montreal Foundation

Notes to Financial Statements

June 30, 2010

5 Pooled funds

The investments in pooled funds are as follows:

	Fair value	
	2010	2009
	\$	\$
Investments in monetary funds of Fiera Capital		
Money market	203,333	203,863
Canadian bonds	732,207	760,446
Canadian shares	893,254	736,075
International diversified shares	743,229	755,889
Diversified absolute returns	1,000,257	993,632
	<hr/>	<hr/>
	3,572,280	3,449,905
	<hr/>	<hr/>

6 Change in non-cash working capital items

	2010	2009
	\$	\$
Decrease (increase) in		
Contribution receivable	(200,000)	-
Commodity taxes recoverable	335	193
Increase (decrease) in		
Accounts payable	784	(47,348)
	<hr/>	<hr/>
	(198,881)	(47,155)
	<hr/>	<hr/>

Board of Trade of Metropolitan Montreal Foundation

Notes to Financial Statements

June 30, 2010

7 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.

	2010	2009
	\$	\$
Revenue		
Contribution	200,000	-
Expenses		
Contribution	87,500	175,000
Management fees	8,000	8,004

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.

BOARD OF DIRECTORS

BOARD OF DIRECTORS OF THE BOARD OF TRADE OF METROPOLITAN MONTREAL FOUNDATION PROPOSED FOR 2010-2011

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 2010-2011.

HÉLÈNE DESMARAIS

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

GUY FRÉCHETTE

Corporate Director

PIERRE LAFLAMME

Retired Partner
McCarthy Tétrault

MICHEL LEBLANC

President and CEO
Board of Trade
of Metropolitan Montreal

NORMAND A. LEGAULT

President
Legault & Company Inc.

JOHANNE M. LÉPINE

President and CEO
Aon Parizeau Inc.

ERIK RYAN

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