



Annual Report **2015-2016**

Board of Trade of Metropolitan Montreal

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A word from the chair of the board

Over the past year, the Board of Trade of Metropolitan Montreal's ongoing efforts have led to breakthroughs on strategic issues for the city's businesses. I am very proud of the work we have done during my mandate as chair of the board. It was a year filled with challenges and accomplishments. The list of achievements is long, and, of the major issues the Board of Trade championed, many were instrumental both for the organization and the business community.

Four Strategic Forums, spotlighting essential issues for the city's development: natural resources, future skills, major projects and transportation.

Internationally renowned speakers as part of the International Leaders series: David Suzuki, environmentalist and co-founder of the David Suzuki Foundation; Jimmy Wales, founder of Wikipedia; and the Tunisian National Dialogue Quartet, winners of the 2015 Nobel Peace Prize.

A new series of events in partnership with Ubisoft: InnoBahn Ubisoft – The Fast Track to Innovation, involving encounters between start-ups and large companies with the theme of innovation.

A major study on hiring immigrants to executive positions: *Immigrants: Getting Positioned for Strategic Jobs*.

Many briefs as part of consultations, including Bill 100, mainly regarding taxi services; the provincial and federal budgets; and Bill 76, on the city's public transit system.

A number of projects and initiatives working with Board of Trade partners, including the Montréal Summit on Innovation (MSI) and the third edition of RDV Relève Inc.

A day to familiarize Syrian refugees with the job market, in partnership with Intact Financial Corporation and CN.

The MONTRÉAL COMES ALIVE campaign, carried out in partnership with Montréal International, Tourisme Montréal and the Society for the Celebrations of Montréal's 375th Anniversary to celebrate the vitality of Montréal businesses.

These achievements were in addition to the Info entrepreneurs resource centre and international trade services, powered by the Board of Trade's Acclr experts, who guided companies in their local and international development efforts. During the past years, the Acclr's international trade experts organized 15 trade missions, including one to China led by Denis Coderre, which was one of the biggest in our history, and the Acclr Info entrepreneurs resource centre responded to 18,000 requests for consulting and research.

**The Acclr experts in international trade organized
15 trade missions,
including one to China led by Denis Coderre, which
was one of the biggest in our history.**

The year 2015 was also the fifth anniversary of the Interconnection program, and the results are impressive: during the past year, over 1,200 immigrants were put in touch with 345 companies, and 63% of candidates returned to the work force or studies. Through our francization programs, in 2015-2016, over 273 companies were pointed toward francization services.

Looking back at our activities and many successes, I am so grateful to the members of the board of directors, the president and CEO, Michel Leblanc, and the entire Board of Trade team, who made these accomplishments, which we are very proud of, possible. I would also like to thank our pillar sponsors: Bell, Desjardins, Hydro-Québec, Rio Tinto and SNC-Lavalin, and our new and longstanding members for their trust and support.

I hope you will read more about our accomplishments in the pages that follow. Enjoy!

Sincerely,



Martine Turcotte



A word from the president and CEO

Writing our annual report is always special. Looking back at the year gives us a chance to see all that we have accomplished. Once again, we had an extremely productive year. I am proud of the quality of the events we put on and services delivered to entrepreneurs and companies to help them take their business to the next level.

In keeping with its mission, the Board of Trade takes public positions to represent and champion the interests of the business community. The entire team works tirelessly to ensure we remain relevant and credible. We are particularly encouraged by the impact of our efforts on major public debates to promote the prosperity of the city's businesses.

The year 2016-2017 will be no exception to the rule. We will continue in our efforts to advance the public affairs issues that are top priorities for our members and the most critical for the economic future of Quebec and Montréal.

Celebrate the vitality of the city and its businesses as part of Montréal's 375th anniversary ►

In a few weeks, celebrations for Montréal's 375th anniversary, the 50th anniversary of Expo 67 and the 150th anniversary of Canadian Confederation will kick off. More than a mere program of festivities, 2017 is an opportunity to celebrate our city and particularly our entrepreneurs, who invest in and contribute to its economic vitality.

With the strength of its network, the Board of Trade will support initiatives for strategic, lasting legacies for the city's economy. We will work with the Ville de Montréal and all players involved to make 2017 a standout year, paving the way for an even more prosperous future. We encourage all members and the business community to get involved and celebrate Montréal's vitality.

Stimulate private investment and encourage local businesses to export ► Local business performance has a decisive influence on the prosperity and economic growth of Montréal and Quebec. The Board of Trade will continue its efforts to convince public decision makers to create a business environment that is more favourable to private investment. In addition to our efforts to help strengthen infrastructures, particularly public transit, we will promote the importance of reinvesting in education, from primary school to university.

With a population of barely over eight million and an aging one at that, Quebec is a market with limited outlook for growth. We will continue to work with SMEs to help them move toward export markets. The Board of Trade and its team of international trade experts will continue in their efforts of over 30 years by offering a full program of training activities, seminars and trade missions.

Encourage companies to make the shift to digital technology ▶ To remain competitive, our business base has to innovate. Too few companies have made the shift to digital, yet consumers have clearly adopted new technologies and are using them daily to meet their needs. Companies like Uber, Airbnb and Amazon are no longer outliers. They are now the norm, disrupting business models and public policy.

To ride this wave, businesses need to reinvent themselves and seize the new opportunities resulting from the advent of e-commerce, mobile technologies, big data and artificial intelligence. The Board of Trade will continue to encourage companies to make the move to digital technology. This will be a key transition to ensure their competitiveness and to position themselves favourably on the international scene.

Continue to work for taxation that promotes competitiveness ▶ Competitive taxation is essential to creating a business environment that helps businesses grow. Yet our tax burden is among the highest in North America and poorly calibrated for our economic and demographic challenges.

The Board of Trade participated in consultations leading to the Godbout Report on Quebec taxation. So far the government has failed to follow up on the report's main recommendation, which was to rebalance the fiscal framework by reducing income tax and increasing sales tax.

The Board of Trade will continue to try to convince the government to apply the Quebec Taxation Review Committee's recommendations and further encourage job creation and investment.

Support a strategic energy transition ▶ Greater Montréal, with its assets and strong potential for innovation, is called on to play a leading role in and benefit from spinoffs from the energy transition. The decision by the American giant Amazon to establish its first North American data centre outside the U.S. in Montréal is the best example of this.

Businesses need to help achieve the ambitious objectives the Government of Quebec has set for 2030. The energy transition needs to happen to strengthen the development of the city's businesses and job creation. We have to ensure that the energy transition is an opportunity for investment and improving the competitiveness of local businesses, while limiting uncertainty. This is why the Board of Trade intends to propose solutions that will allow companies to take full advantage of the energy transition.

In closing, I would like to reiterate the importance we place on education and the need to increase the pool of skilled labour in the city. We will encourage governments to make significant investments to upgrade school infrastructures. We will continue to promote technical training. We will spotlight the outstanding contribution of universities to our collective prosperity. In short, we will make education a priority for many years to come.

I would like to thank our members and partners for their unfailing support and invaluable cooperation. Working together, we will create a city that is booming economically and that is proud of its businesses and their success at home and beyond our borders.

Sincerely,



Michel Leblanc

The Board of Trade at a glance...

Our mission

The Board of Trade of Metropolitan Montreal's mission is to act as the voice of Montréal's business community and to promote the prosperity of the city and its businesses.

The Board of Trade is involved in key areas of economic development, advocating a philosophy of action based on engagement, credibility, proactivity, collaboration, and innovation.

Our vision

A strong Board of Trade, in an economically thriving city, proud of its businesses, and of their success at home and abroad.

Our values

The Board of Trade promotes five values in everything it does for members and the city's business community:

- Team spirit
- Commitment
- Vitality
- Pride
- Professionalism

Priority public affairs issues

1. Entrepreneurship and innovation
2. Taxation and economy
3. Infrastructures
4. Internationalization
5. Labour
6. Energy transition

The 2015-2016 season in numbers

1 Strategic Forum - Major Projects, March 2016 2 Philippe Couillard, Premier of Quebec, March 2016 3 Montréal Apéro, June 2016



MEMBERSHIP

Close to

7,000

members

80%

corporate
decision makers

INFO ENTREPRENEURS RESOURCE CENTRE

Over

1.5

visitors to the Info
entrepreneurs
website
infoentrepreneurs.org

Almost

16,000

personalized
interventions

2,415

market
information
searches

MEDIA/PUBLICATIONS

205

interviews
granted

12

briefs

1

study

EVENTS

Close to

200

events

Over

23,000

participants

INTERCONNECTION

The Interconnection
program celebrated its

5th

anniversary

Over

1,200

immigrants took part in the
program

345

companies registered

INTERNATIONAL TRADE

15

trade missions

14

seminars

Close to

1,200

participants in trade
missions and seminars

OPERATION BACK TO SCHOOL

Operation Back to School
celebrated its

20th

anniversary

64

speakers took part

7 x \$1,500

scholarships were awarded to
young people who showed a
desire to pursue their education

FRANCIZATION

93

companies offered their
employees French courses

More than

270

companies were
accompanied

TRAINING

60

training workshops for
over **1,400** participants

4

new workshops and
5 new webinars under
the International Trade
banner

5

new workshops and
2 new webinars under
the Best Business
Practices banner

14

new
trainers

A new brand image

A new identity will help us take things to the next level. This is why the Board of Trade of Metropolitan Montreal unveiled its new brand image in October 2016.

The new brand conveys the Board of Trade's current vision, mission and values. However, it presents a new architecture, made up of the Board of Trade and the new Acclr platform.

Acclr brings together Board of Trade services in business development, international trade, business intelligence, financing, labour and francization, all intended to accelerate the creation and growth of companies. As such, services previously headed up by the World Trade Centre Montréal, Info entrepreneurs and Interconnection are now grouped under a single name: Acclr.



The mission of the Board of Trade of Metropolitan Montreal is to be the voice of Montréal's business community.

Acts on major, decisive issues for the prosperity of businesses and the city:

- Entrepreneurship and innovation
- Taxation and economy
- Infrastructures
- Internationalization
- Labour
- Energy transition

Training and events

- Speaking forums and conferences
- Strategic forums
- International Leaders
- Major events (RDV Relève, MSI)
- Operation Back to School
- New members' breakfasts

ACCLR

Business Services

The new brand Acclr - Business Services is meant to accelerate the creation and growth of businesses.

Brings together Board of Trade services:

- International trade
- Business intelligence
- Financing
- Labour
- Francization
- Info entrepreneurs resource centre

Training and events

- Networking and business development (SME Network Mornings, Montréal Apéros)
- Financing (Funding Meet-and-Greet)
- International trade (seminars)
- Major events (Small Business Week, InnoBahn Ubisoft)
- Trade missions
- Training (international trade, best business practices, webinars)
- Recruitment (Interconnection)

Board of Trade's achievements

Strategic Forums

2015

Natural Resources

Projects, challenges and business opportunities
► DECEMBER 7

2016

Skills for Tomorrow^{1,2}

It's a changing world: let's get ready for the jobs of the future!
► FEBRUARY 12

Major Projects - 10th edition^{3,4}

The city of tomorrow
► MARCH 21

Transportation⁵

Developing innovative and sustainable infrastructures for the city
► MAY 6



Transport Canada

« Min Garneau invites Canadians to share their opinion about the future of #transportation in #Canada @chambremonreal »

Bell International Leaders

2015

David Suzuki⁶

Co-founder,
David Suzuki Foundation
► NOVEMBER 30

2016

Jimmy Wales⁸

Founder, Wikipedia
► APRIL 11

Tunisian National Dialogue Quartet, 2015 Nobel Peace Prize^{7,9}

Houcine Abassi - Secretary General, Tunisian General Labour Union (UGTT)

Ouided Bouchamaoui - President, Tunisian Confederation of Industry, Trade and Handicrafts (UTICA)

Mohamed Fadhel Mahfoudh - President of the bar, Tunisian Order of Lawyers

Abdessatar Ben Moussa - President, Tunisian Human Rights League
► MAY 16



1



2



3



5



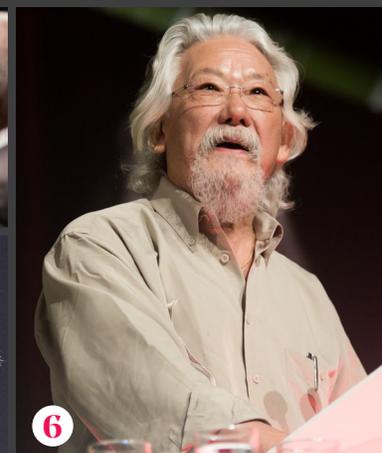
4



7



8



6



9



Montréal summit on innovation (SMI)^{1, 2, 3}

On November 30, 2015, the fifth edition of the Montréal Summit on Innovation brought together over 380 participants at the Palais des congrès de Montréal. Organized by Concordia University, in cooperation with the École de technologie supérieure (ÉTS) and McGill University, the theme of the event was “Climate (of) change: Cities, People and Prosperity.”

“Climate change concerns all of us. For future generations, there is no more urgent global challenge than climate change.”

Alan Shepard, president and vice-chancellor of Concordia University

RDV Relève inc.^{TM 4, 5, 6}

The major RDV Relève Inc. event

Business transfers: an issue for the future of Quebec

Against the backdrop of an aging population, with 30% of business leaders who will retire in the next 10 years intending to close their business rather than trying to sell it, the Board of Trade of Metropolitan Montreal and the Fonds de solidarité FTQ joined forces to launch the third edition of RDV Relève Inc.TM Some 300 people, entrepreneurs, buyers, sellers, representatives of government, business and the media gathered on May 13 to discuss the major issues surrounding business succession.

Special report: RDV Relève

Leave your mark: make sure your business survives you
Published in *La Presse* and *La Presse+*
► APRIL 2016

RDV Relève online diagnostic tool

To help sellers identify areas in which they are better prepared and where they may need a hand in preparing their business transfer.

www.reussirsontransfert.ca

Board of Trade's achievements

Operation Back to School⁴

Operation Back to School is an annual series of presentations in Greater Montréal high schools, in the public and private French-language and English-language networks. The encounters give young people a chance to understand that success requires work, perseverance and determination.

The 20th edition of Operation Back to School, which took place in March and April 2016, was a chance for 64 speakers to meet a total of 180 classes in 60 schools. The Operation ended on May 4 with the award of seven scholarships worth \$1,500 each to young people who demonstrated perseverance in school during the year.

Integrating Syrian refugees^{1,2,3}

In partnership with Intact Financial Corporation and CN, the Board of Trade organized a seminar on the job market and a networking activity for Syrian refugees. 100 representatives of 60 companies answered the Board of Trade's call. 100 Syrian refugees took part in this day of familiarization.



Kathleen Weil, member for Notre-Dame-de-Grâce and Minister of Immigration, Diversity and Inclusiveness

"Congratulations to the Interconnection team at the @chambremonreal bringing together #syrianrefugees and 60 companies #employment #polqc"

Montréal's 375th anniversary⁵

In anticipation of the 375th anniversary of Montréal, the Board of Trade, Montréal International, Tourisme Montréal and the Society for the Celebrations of Montréal's 375th Anniversary joined forces to showcase the vitality of Montréal and proclaim MONTRÉAL COMES ALIVE! More than just a signature, it is an invitation to celebrate the city and a new way to define ourselves as Montrealers.

The business community also got an overview of the festivities for the city's 375th anniversary. At a lunchtime conference, Gilbert Rozon, commissioner for celebrations for the Society for the Celebrations of Montréal's 375th Anniversary, presented projects that will enable Montréal, residents and visitors to get in the festive spirit for over a year.



Board of Trade's publications

Special report

Texas: Quebec's second leading American client

A fertile market for Montréal businesses at a time when the economy is ripe for exports south of the border.

Published in *Les Affaires*
► SEPTEMBER 2015



Recommendations on passenger transportation by automobile for remuneration

► FEBRUARY 23, 2016

Recommendations on Bill 70: An Act to allow a better match between training and jobs and to facilitate labour market entry

► FEBRUARY 17, 2016

Recommendations of the Board of Trade of Metropolitan Montreal to the Government of Quebec for the 2016-2017 federal budget

► FEBRUARY 3, 2016

Recommendations on Bill 77, An Act Respecting Immigration to Quebec

► FEBRUARY 2, 2016

Recommendations on Bill 76, An Act to modify the organization and governance of shared transportation in the Montréal metropolitan area

► NOVEMBER 26, 2015

Recommendations as part of the consultations on the report of the Quebec Taxation Review Committee conducted by Quebec's National Assembly

► SEPTEMBER 3, 2015

Study

Immigrants: Getting Positioned for Strategic Jobs

► MAY 25, 2016



Municipal Government

Recommendations on the draft Montréal Parking Policy

► MARCH 7, 2016

Brief of the Board of Trade of Metropolitan Montreal submitted to the Environment Committee of the Communauté métropolitaine de Montréal concerning the TransCanada Energy East Pipeline project

► OCTOBER 5, 2015

Briefs

Federal Government

Recommendations on the Temporary Foreign Workers Program

► JUNE 1, 2016

Recommendations of the Board of Trade of Metropolitan Montreal to the Government of Canada for the 2016-2017 federal budget

► FEBRUARY 19, 2016

Recommendations of the Board of Trade of Metropolitan Montreal to the Government of Canada for the 2016 federal budget

► JULY 29, 2015

Provincial Government

Board of Trade's proposals on Bill 100, An Act to amend various legislative provisions respecting mainly transportation services by taxi

► MAY 26, 2016

Acclr

This Board of Trade of Metropolitan Montreal business platform brings together people, ideas and markets. It offers quick access to Board of Trade services: business development, international trade, business intelligence, financing, labour, francization and our Info entrepreneurs resource centre.

It is also the umbrella for networking events for business development and financing, seminars on international trade, trade missions, training workshops, and recruitment activities for immigrants.

The Acclr's international trade services (World Trade Centre Montréal)

International trade services, delivered by the Board of Trade's Acclr experts, support, train and advise businesses, sector associations, institutions and economic development organizations in Quebec as they develop export markets.

Through the financial support of Canada Economic Development, they offer a complete range of services that include training workshops in international trade, trade missions and business meetings to increase the competitiveness of businesses on the international scene.

Since 2012, Acclr international trade services have also been receiving financial support from the Ministère de l'Économie, de l'Innovation et des Exportations to act as a regional export promotion organization (ORPEX) for the Ville-Marie borough.

The services are fully integrated with the international network of World Trade Centers. With a presence in over 330 major cities around the world, this private business network has 500,000 members in over 100 countries. In the past 30 years, it has conducted close to 400 trade missions around the world.



15 trade missions

4 international trade missions: Lyon, Paris, Hannover Messe and China^{1,2}

The trade mission to China, headed up by Montréal Mayor Denis Coderre (from October 30 to November 6, 2015), was the largest trade mission to date organized by our team of international trade experts.



Board of Trade

"Agreements entered into at the #ChinaMission: concrete benefits for the city #MTLChina15"

10 trade missions to the U.S. in different sectors: hotels, transportation, video games^{3,4,5}, construction, fashion and more



Jean-Claude Lauzon, General Delegate for Quebec in New York

"Proud to support the #QuebecPhilly trade mission @chambremontréal @ACQprovinciale @MichelLeblanc20"

And one in Canada

2016 GLOBE trade show in Vancouver – March 1 to 5, 2016 (ORPEX)

Welcoming delegations to Montréal

- Rennes and Nantes – April 4 to 7, 2016
- Winnipeg – November 2, 2015 (ORPEX)

Seminars – business opportunities

- Annual roundtable on international markets with Pierre S. Pettigrew, Pierre Marc Johnson and Jean Charest – October 8, 2015
- 14 seminars: Texas, Jordan, Thailand, Cuba, India, the Czech Republic and others

SME Passport

When businesses set off to conquer new markets, with their SME Passport in hand, they are welcoming new opportunities, establishing invaluable contacts and, ultimately, forming profitable partnerships. In the past year, 23 companies have taken this journey. With services and personalized guidance worth over \$25,000, participants in the third cohort of SME Passport discussed the main results of their experience in a special report published in *Les Affaires* in September 2016.



Statistics for the third cohort

- 28 trade missions
- 23 diagnoses
- 7 introductions to new markets
- 12 new distributors and partners
- 16 market studies and marketing plans

Acclr’s Info entrepreneurs resource centre

A member of the Canada Business Network and delivered by the Board of Trade of Metropolitan Montreal, the Info entrepreneurs resource centre, driven by the Board of Trade’s Acclr experts, is a leader in delivering integrated, quality information on government services and programs for business people. It is an important source of commercial information, contributing to the economic growth of small businesses.

The Info entrepreneurs resource centre serves a diverse business clientele at every stage of business growth, and makes the following personalized services available to small businesses:

- Consulting in person, by phone and online
- Preliminary analysis of business needs
- Being pointed toward useful support programs and services
- Access to information specialists and specialized databases for business research
- Services from guest advisors

The Acclr Interconnection program

The Interconnection program, delivered by the Board of Trade’s Acclr experts and deployed in partnership with Emploi-Québec, aims to promote the professional integration of skilled new immigrants and expand the recruitment pool of immigrants for companies.

The Interconnection program puts the city’s businesses in touch with skilled recent immigrants, through a range of activities: corporate internships, professional meetings, sector conferences, speed-jobbing sessions, networking events and more.

In the past year, Interconnection has put over 1,200 immigrants in touch with 345 companies. Sixty-three percent of immigrants who participated in the program returned to the workforce or to school.

Carrefour francisation

Carrefour francisation is the ideal tool for the francization of companies with fewer than 50 employees. Headed up by the Board of Trade, it includes three complementary services:

- a francization projects office
- a web portal
- a phone line

Thanks to its personalized, fast, free support service, Carrefour francisation gives small businesses and their employees access to practical writing tools and introduces them to government subsidies and programs for francization.

French in the Workplace

Offered in partnership with the Secrétariat à la politique linguistique and Emploi-Québec, French in the Workplace is a program for eligible businesses that are part of the Soutien régionalisé aux entreprises pour le développement de la main-d'œuvre labour development support program.

It allows participating businesses to offer their employees free French courses, customized to their sector of activity and their stage of learning, at their place of business.

This program helps businesses:

- succeed in the business community
- improve their productivity
- deliver better customer service

In 2015-2016, over 273 businesses were pointed toward francization services, and 93 offered their employees French courses.

InnoBahn Ubisoft^{1, 2, 3, 4}

In partnership with Ubisoft, the Board of Trade launched a new series of events: InnoBahn Ubisoft – The Fast Track to Innovation. It is an approach that allows start-ups to drive their business forward by responding to innovation challenges issued by large companies.

With over 350 spectators in attendance, the Board of Trade and Ubisoft held the first edition of the event June 7, 2016. Eleven start-ups took turns presenting their solution to the innovation challenges issued by Ubisoft, L'Oréal Canada and the Grand Prix de Trois-Rivières.



Navdeep Bains, Minister of Innovation, Science and Economic Development

"Terrific initiative by @chambremontréal! Congrats @netlift_me, @mycustomizer, @jitbase & Hyperbole. #CdnInnovation"



The board of directors

Chair of the board

Martine Turcotte, Ad. E., B.C.L., LL.B., MBA*
Vice Chair, Québec,
Bell

First Vice-Chair of the board

Pierre Pomerleau, Eng., MBA*
President and CEO,
Pomerleau Inc.

President and CEO

Board of Trade of Metropolitan Montreal
Michel Leblanc*

Retiring Chair of the board

Kim Thomassin*
Managing Partner, Québec Region,
McCarthy Tétrault LLP

Treasurer

Alain Côté, ICD.D, FCPA, FCA*
Partner,
Deloitte LLP

Members of the board

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Stéphane Achard

Senior Executive Vice-President and General Manager, Business, Card and Payment Services, Desjardins Group (until June 2016)

George Alexopoulos

Vice President of Sales and Marketing, Belden Canada Inc.

Nathalie Bernier, FCPA, FCA

Senior Vice President, Strategic and Business Planning and Chief Financial Officer
PSP Investments

Michèle Boisvert

Executive Vice-President, Business Outreach,
Caisse de dépôt et placement du Québec

Gabriel Bran Lopez

Founding President, Youth Fusion
Co-founder, FIRST Robotics Quebec
President, Jeune Chambre de commerce de Montréal

Eva Carissimi

President & Chief Executive Officer, Canadian Electrolytic Zinc Limited

Pierre-Luc Desgagné*

Vice President - Corporate Affairs and Secretary General, Hydro-Québec

Pierre Dion

President and CEO, Quebecor Inc.

Mélanie Dunn*

President and CEO, Cossette
Chairman, Vision7 Quebec

Sean Finn

Executive Vice-President, Corporate Services and Chief Legal Officer, CN

Éric Fournier

Partner and Executive Producer, Moment Factory

Anne-Marie Hubert, FCPA, FCA, LLD

Managing Partner, Quebec, EY

Normand Lebeau

President, Mandrake Vézina Lebeau

Tony Loffreda*

Regional Vice President - Commercial Financial Services, Western Quebec, RBC Royal Bank

Michel Patry

Director, HEC Montréal
Full Professor, HEC Montréal

Mario Rigante

Senior Vice-President, Quebec Division, Canadian Personal & Commercial Banking, BMO Bank of Montreal

Gilbert Rozon*

President Founder, Just For Laughs Group

Claude Séguin

Senior Vice-President, Corporate Development and Strategic Investments, CGI Group Inc.

Alan Shepard

President and Vice-Chancellor, Concordia University

Marie-Hélène Sicard

Senior Vice President, Corporate Services for all of Canada, Sodexo Canada Limited

Observer members of the board

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Hélène Desmarais, C.M., LL.D.

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

Elliot Lifson

Vice-Chairman, Vêtements Peerless Clothing Inc.

Erik J. Ryan

Executive Vice-President, Marketing, Strategy and External Relations, SNC-Lavalin Inc.

* *Members of the Executive Committee*

**Board of Trade of
Metropolitan Montreal**

**Financial statements
June 30, 2016**



September 13, 2016

Independent Auditor's Report

To the Members of the Board of Trade of Metropolitan Montreal

We have audited the accompanying financial statements of the Board of Trade of Metropolitan Montreal, which comprise the balance sheet as at June 30, 2016 and the statements of revenue and expenses, changes in net assets, and cash flows for the year then ended, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Board of Trade of Metropolitan Montreal as at June 30, 2016 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

PricewaterhouseCoopers LLP¹

¹ CPA auditeur, CA, permis de comptabilité publique no A110416

Financial statements 2015-2016

Board of Trade of Metropolitan Montreal

Balance Sheet

As at June 30, 2016

	2016 \$	2015 \$
Assets		
Current assets		
Cash and cash equivalents	773,397	1,625,371
Short-term investments	900,000	300,000
Accounts receivable (note 4)	1,004,648	628,883
Grant receivable	140,439	284,151
Prepaid expenses	97,583	49,751
	<u>2,916,067</u>	<u>2,888,156</u>
Investments (note 5)	821,514	811,335
Property and equipment (note 6)	249,335	221,812
Intangible assets (note 7)	<u>72,392</u>	<u>127,235</u>
	<u>4,059,308</u>	<u>4,048,538</u>
Liabilities		
Current liabilities		
Accounts payable (note 9)	1,673,941	1,749,941
Deferred membership dues	1,297,893	1,350,472
Deferred revenue	250,583	122,592
	<u>3,222,417</u>	<u>3,223,005</u>
Deferred revenue	<u>149,850</u>	<u>166,500</u>
	<u>3,372,267</u>	<u>3,389,505</u>
Net Assets		
Invested in property and equipment	249,335	221,812
Invested in intangible assets	72,392	127,235
Unrestricted	<u>365,314</u>	<u>309,986</u>
	<u>687,041</u>	<u>659,033</u>
	<u>4,059,308</u>	<u>4,048,538</u>

Commitments (note 11)

Approved by the Board of Directors



Director



Director

The accompanying notes are an integral part of these financial statements.

Board of Trade of Metropolitan Montreal

Statement of Revenue and Expenses

For the year ended June 30, 2016

	2016 \$	2015 \$
Revenue		
Members' service	2,489,885	2,321,646
Activities	4,265,000	5,180,231
Special projects	1,716,331	1,632,371
Other revenues (note 13)	1,635,040	1,551,129
	<u>10,106,256</u>	<u>10,685,377</u>
Expenses		
Members' service	147,943	197,932
Activities	2,741,168	3,924,113
Special projects	474,573	336,922
Operating costs	6,501,423	5,933,863
Amortization of property and equipment	66,030	70,891
Amortization of intangible assets	87,111	143,187
	<u>10,018,248</u>	<u>10,606,908</u>
Excess of revenue over expenses from operations before the following	88,008	78,469
Contribution to Board of Trade of Metropolitan Montreal Foundation (note 13)	<u>60,000</u>	<u>60,000</u>
Excess of revenue over expenses for the year	<u>28,008</u>	<u>18,469</u>

The accompanying notes are an integral part of these financial statements.

Financial statements 2015-2016

Board of Trade of Metropolitan Montreal

Statement of Changes in Net Assets

For the year ended June 30, 2016

	2016			
	Invested in property and equipment \$	Invested in intangible assets \$	Unrestricted \$	Total \$
Balance – Beginning of year	221,812	127,235	309,986	659,033
Excess of revenue over expenses for the year	(66,030)	(87,111)	181,149	28,008
Acquisition of property and equipment	93,553	-	(93,553)	-
Acquisition of intangible assets	-	32,268	(32,268)	-
Balance – End of year	249,335	72,392	365,314	687,041
	2015			
	Invested in property and equipment \$	Invested in intangible assets \$	Unrestricted \$	Total \$
Balance – Beginning of year	245,249	184,447	210,868	640,564
Excess of revenue over expenses for the year	(70,891)	(143,187)	232,547	18,469
Acquisition of property and equipment	47,454	-	(47,454)	-
Acquisition of intangible assets	-	85,975	(85,975)	-
Balance – End of year	221,812	127,235	309,986	659,033

The accompanying notes are an integral part of these financial statements.

Board of Trade of Metropolitan Montreal

Statement of Cash Flows

For the year ended June 30, 2016

	2016 \$	2015 \$
Cash flows from		
Operating activities		
Excess of revenue over expenses for the year	28,008	18,469
Adjustments for		
Unrealized loss on investments	13,703	2,380
Gain on disposal of investments	(314)	(1,698)
Reinvested revenue on investments	(25,078)	(18,592)
Amortization of property and equipment	66,030	70,891
Amortization of intangible assets	87,111	143,187
	<u>169,460</u>	<u>214,637</u>
Changes in non-cash working capital items (note 10)	(297,123)	307,815
	<u>(127,663)</u>	<u>522,452</u>
Investing activities		
Purchase of investments	(604,000)	(299,919)
Disposal of investments	5,510	301,448
Acquisition of property and equipment	(93,553)	(47,454)
Acquisition of intangible assets	(32,268)	(85,975)
	<u>(724,311)</u>	<u>(131,900)</u>
Net change in cash and cash equivalents during the year	(851,974)	390,552
Cash and cash equivalents – Beginning of year	<u>1,625,371</u>	<u>1,234,819</u>
Cash and cash equivalents – End of year	<u>773,397</u>	<u>1,625,371</u>

The accompanying notes are an integral part of these financial statements.

Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2016

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 (NPO) and is therefore exempt from income taxes.

The organization has some 6,800 members. Its primary mission is to represent the interests of the Greater Montréal business community 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

Basis of preparation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) as set out in Part III of the Chartered Professional Accountants of Canada (CPA Canada) Handbook – Accounting.

Management estimates

The preparation of financial statements in conformity with ASNPO 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 periods. Actual results may differ from those estimates.

Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2016

Financial instruments

Financial assets and financial liabilities are initially recorded at their fair value. Revaluation of financial assets and financial liabilities depends on their classification, which in turn depends on their intended objective when the financial instruments were acquired or issued, their characteristics and their designation by the organization. Financial instruments are accounted for as at the date of payment:

- 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 revaluation at the end of each period are included in revenue and expenses.
- Accounts receivable are classified as loans and receivables. After being initially recorded at fair value, they are evaluated at cost less amortization using the effective interest rate method. For the organization, the amortized cost of its accounts receivable generally approximates cost due to their 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 less amortization using the effective interest rate method. For the organization, the amortized cost of its accounts payable generally approximates cost due to their short-term maturity.

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, 2016.

Interest rate risk

As at June 30, 2016, the organization is exposed to interest rate risk. Non-interest-bearing financial assets and financial liabilities comprise accounts receivable and the accounts payable and accrued liabilities. Financial assets bearing interest at a fixed rate comprise cash and cash equivalents and short-term investments. Investments are also exposed to interest risk rate (note 5).

Cash and cash equivalents

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

Short-term investments

Short-term investments consist of fixed income securities with original maturities of between less than one year and more than three months.

Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2016

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 term:

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

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 33 $\frac{1}{3}$ %.

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.

Sponsorship revenues received in goods or services are accounted for at fair value when this value can be reasonably estimated. The organization usually uses the fair value of the goods or services received, unless the fair value of the goods or services rendered is more reliably measurable. During the year ended June 30, 2016, the organization received free-of-charge advertising services and other services as an exchange for sponsorship revenues for a total value of \$765,557 (2015 – \$733,352). These sponsorship revenues are accounted for in revenue under activities, and the related expenses are included in expenses under activities.

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 Ville de 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 on deferred revenue is amortized on a straight-line basis over the life of the agreement, namely 30 years, beginning on July 1, 1995.

Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2016

3 Management of capital

The organization manages its capital with the following objectives:

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

The organization's capital structure as at June 30, 2016 consists of its unrestricted net assets.

4 Accounts receivable

	2016 \$	2015 \$
Accounts receivable	378,920	186,785
Allowance for doubtful accounts	(22,480)	(31,482)
Commodity taxes recoverable	-	15,912
	<hr/>	<hr/>
	356,440	171,215
World Trade Centre Montréal Inc.	12,063	74,964
Centre d'affaires Info entreprises	12,141	10,662
Board of Trade of Metropolitan Montreal Foundation	624,004	372,042
	<hr/>	<hr/>
	1,004,648	628,883

5 Investments

The organization's investments are as follows:

	2016 \$	2015 \$
Investments in monetary funds, at fair value		
Money market funds	391	901
Canadian bonds	117,274	109,782
Canadian shares	92,444	87,682
International diversified shares	103,805	105,370
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/>
	821,514	811,335

Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2016

6 Property and equipment

	2016		
	Cost \$	Accumulated amortization \$	Net \$
Computer equipment	114,167	60,937	53,230
Office furniture and equipment	146,580	80,175	66,405
Leasehold improvements	608,922	479,222	129,700
	869,669	620,334	249,335

	2015		
	Cost \$	Accumulated amortization \$	Net \$
Computer equipment	171,964	132,921	39,043
Office furniture and equipment	112,010	76,218	35,792
Leasehold improvements	608,922	461,945	146,977
	892,896	671,084	221,812

7 Intangible assets

	2016		
	Cost \$	Accumulated amortization \$	Net \$
Software and website	387,015	314,623	72,392

	2015		
	Cost \$	Accumulated amortization \$	Net \$
Software and website	495,522	368,287	127,235

Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2016

8 Credit facility

As at June 30, 2016, the organization had a credit facility amounting to \$300,000, bearing interest at prime rate plus 0.9% and renewable on December 31, 2016. Interest is payable on a monthly basis. A first ranking movable 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, 2016 and 2015, the credit facility was unused.

9 Accounts payable

	2016 \$	2015 \$
Trade payables and accrued liabilities	854,131	769,967
Accrued salaries and accrued vacation pay	769,639	734,555
Consumption taxes	2,545	-
	<u>1,626,315</u>	<u>1,504,522</u>
Centre d'affaires Info entreprises	5,386	21,948
World Trade Centre Montréal Inc.	42,240	223,471
	<u>1,673,941</u>	<u>1,749,941</u>

10 Changes in non-cash working capital items

	2016 \$	2015 \$
Decrease (increase) in		
Accounts receivable	(375,765)	378,898
Grant receivable	143,712	(168,700)
Prepaid expenses	(47,832)	39,576
Increase (decrease) in		
Accounts payable	(76,000)	399,815
Deferred membership dues	(52,579)	132,903
Deferred revenue	111,341	(474,677)
	<u>(297,123)</u>	<u>307,815</u>

Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2016

11 Commitments

The organization is committed under leases that will expire in 2023. The lease commitments, whose minimum payments are payable over the next five years ending June 30 and thereafter, are as follows:

	\$
2017	753,029
2018	760,046
2019	764,724
2020	771,742
2021	772,051
Thereafter	<u>2,189,840</u>
	<u>6,011,432</u>

12 Controlled-interest and economic-interest entities

The organization controls World Trade Centre Montréal Inc. (WTCM), Fonds Ville-Marie (FVM), Centre d'affaires Info enterprises (CAIE) and the 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, 2016

World Trade Centre Montréal Inc.

WTCM is an NPO 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, 2016 \$	June 30, 2015 \$
Balance sheet		
Total assets	701,956	846,374
Total liabilities	379,415	537,677
Total surplus	322,541	308,697
	<u>701,956</u>	<u>846,374</u>
Revenue and expenses		
Total revenue	2,518,680	2,058,405
Total expenses	2,504,836	2,066,787
Excess of revenue over expenses (expenses over revenue)	13,844	(8,382)
Cash flows		
Operating activities	88,525	143,293
Investing activities	(3,618)	(4,776)
Net change in cash and cash equivalents	<u>84,907</u>	<u>138,517</u>

Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2016

Centre d'affaires Info entreprises

CAIE is an NPO whose mandate is to provide businesses in all regions of Canada with information on provincial and federal government programs, services and regulations.

	March 31, 2016 \$	March 31, 2015 \$
Balance sheet		
Total assets	486,078	439,654
Total liabilities	277,781	311,072
Total surplus	208,297	128,582
	<u>486,078</u>	<u>439,654</u>
Revenue and expenses		
Total revenue	1,504,796	1,473,732
Total expenses	1,425,081	1,406,115
Excess of revenue over expenses	79,715	67,617
	<u>79,715</u>	<u>67,617</u>
Cash flows		
Operating activities	185,347	14,550
Investing activities	(6,125)	(4,002)
Net change in cash and cash equivalents	179,222	10,548
	<u>179,222</u>	<u>10,548</u>

Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2016

Accesum Inc.

Accesum Inc. is a business 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 Ville de Montréal. The combined financial statements of Accesum Inc. and Parking Montreal, Limited Partnership are as follows:

	December 31, 2015 \$	December 31, 2014 \$
Balance sheet		
Total assets	68,827,744	69,373,051
Total liabilities	67,001,664	67,584,536
Total capital	1,826,080	1,788,515
	<u>68,827,744</u>	<u>69,373,051</u>
Revenue and expenses		
Total revenue	71,375,803	70,624,623
Total expenses	71,338,238	70,619,056
Excess of revenue over expenses	<u>37,565</u>	<u>5,567</u>
Cash flows		
Operating activities	5,945,223	5,891,519
Investing activities	(242,505)	(263,355)
Financing activities	(1,333,333)	(3,333,334)
Net change in cash and cash equivalents	<u>4,369,385</u>	<u>2,294,830</u>

Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2016

Accesum Inc.

Accesum Inc. is a business 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 Ville de Montréal. The combined financial statements of Accesum Inc. and Parking Montreal, Limited Partnership are as follows:

	December 31, 2015 \$	December 31, 2014 \$
Balance sheet		
Total assets	68,827,744	69,373,051
Total liabilities	67,001,664	67,584,536
Total capital	1,826,080	1,788,515
	<u>68,827,744</u>	<u>69,373,051</u>
Revenue and expenses		
Total revenue	71,375,803	70,624,623
Total expenses	71,338,238	70,619,056
Excess of revenue over expenses	<u>37,565</u>	<u>5,567</u>
Cash flows		
Operating activities	5,945,223	5,891,519
Investing activities	(242,505)	(263,355)
Financing activities	<u>(1,333,333)</u>	<u>(3,333,334)</u>
Net change in cash and cash equivalents	<u>4,369,385</u>	<u>2,294,830</u>

Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2016

Board of Trade of Metropolitan Montreal Foundation

The organization has an economic interest in the Foundation, as the Foundation manages its assets and allocates its revenue in order to secure the long-term financial viability of the organization.

	June 30, 2016 \$	June 30, 2015 \$
Balance sheet		
Total assets	5,077,736	4,892,490
Total liabilities	624,004	377,230
Total net assets	4,453,732	4,515,260
	<u>5,077,736</u>	<u>4,892,490</u>
Revenue and expenses		
Total revenue	268,579	294,598
Total expenses	330,107	193,275
Excess of revenue over expenses (expenses over revenue)	(61,528)	101,323
	<u>(61,528)</u>	<u>101,323</u>
Cash flows		
Operating activities	(23,453)	(18,922)
Investing activities	24,368	20,968
Net change in cash and cash equivalents	915	2,046
	<u>915</u>	<u>2,046</u>

Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2016

13 Related party transactions

The principal transactions concluded between controlled entities and the organization during the years ended June 30 are as follows:

	2016 \$	2015 \$
Revenue		
Management fees		
WTCM	249,984	249,984
Foundation	8,004	8,004
Royalties		
Parking Montreal, Limited Partnership	399,996	399,996
Contribution from Foundation	300,793	160,420
Rent		
WTCM	138,000	138,000
CAIE	235,000	235,000
FVM	25,524	25,200
Others – FVM	50,000	50,000
	<hr/>	<hr/>
Total revenue	1,407,301	1,266,604
	<hr/>	<hr/>
Expenses		
Contribution to Foundation	60,000	60,000
	<hr/>	<hr/>

Other revenues in the amount of \$1,635,040 (2015 – \$1,551,129) presented in the statement of revenue and expenses include related party revenue for an amount of \$1,407,301 (2015 – \$1,266,604).

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

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Board of Trade of Metropolitan Montreal