



Annual Report to Delegates

Monday, September 27, 2010

8:45 a.m. to 9 a.m.

Hilton Lac-Leamy, Beethoven and Chopin Ballroom

Treasurer's Report

To: Member chambers of commerce and boards of trade

From: John Jacobsen

Date: August 20, 2010

RE: FINANCIAL RESULTS FOR 2009

As treasurer, it is my pleasure to provide you with this summary report of the financial results for the year ending December 31, 2009. Enclosed are the Canadian Chamber of Commerce's audited financial statements for the past year. These are submitted to you in advance for your consideration. The audited financial statements were approved by the Canadian Chamber's board of directors during its meeting on June 7, 2010.

For the calendar year 2009, the board of directors approved a balanced budget with budgeted expenses of \$7M. Fiscal 2009 was very successful, financially, for the Canadian Chamber, surpassing both its targets and expectations with total revenues of \$6.8M and expenses totalling \$6.6M. This resulted in an excess of revenue over expenses of \$174K. The global recession brought with it many challenges for both business and individuals. Throughout this recession, the Canadian Chamber maintained a strong member retention rate and actually grew the overall membership. Several other factors contributed to our financial success including a well received new initiative in 2009 with our first, in a series, of energy papers, our first Economic Edge conference, sound management practices and strong oversight in managing expenses on all fronts including the cutting of budgeted expenses as required. Our excess of revenue over expenses will help build the Canadian Chamber's unrestricted net asset balance. The statement of operations in the audited financial statements provides more details on the

various categories of revenue and expenses, as well as, a comparison with the prior year.

The statement of financial position remains healthy and solid. The cash balance has increased by \$69K compared to last year. The major reason for this positive variance is the increased focus on the collection of accounts receivable. I refer you to the statement of cash flows in the audited financial statements for more detail. The cash and investment balance totals are just over \$2.8M. The security deposits for carnet holders represent our largest liability with just over \$1.3M. This amount is fully covered by an equivalent amount of restricted investments.

The net asset balance has increased by \$240K to just over \$1.7M. This increase consists of the excess of revenue over expenses amount of \$174K and the adjustment of investments to market value as required by the new CICA Handbook Section on financial instruments. The net asset balance consists of investments in capital assets of \$676K and a balance of unrestricted net assets of just over \$1.1M. I refer you to the statement of changes in net assets in the audited financial statements for more detail.

The Canadian Chamber has been consistent in the application of accounting policies, with no changes to accounting policies occurring during the year. For the year ended December 31, 2009, the recommendations included in the amendments to the Accounting Standards and Financial Statement Concepts as detailed in the notes within the financial statements had no significant impact on these financial statements. I refer you to the notes within the financial statements (i.e. note number two) in the audited financial statements for more detail.

Should you have any questions, I encourage you to contact Adèle Laronde, Vice President and Chief Financial Officer by email at alaronde@chamber.ca or by telephone at 613.238.4000 (229).