



Setting a higher standard for the
Edmonton investment community

ANNUAL REPORT 2009-2010



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1.0 President's Report

It was an eventful and rewarding year for the Edmonton CFA Society.

In what has become an entrenched annual practice we started the year off with a strategic planning session to confirm and refresh long term priorities and set goals and objectives for the year. The Society's Strategic Plan is structured around four focus areas:

- Outreach and Awareness
- Life Long Learning
- Operations/Infrastructure
- Community

We discussed a number of strategies and potential actions for each area and came away with confirmation of the long term mission and vision and an executable plan for the year. The key focus areas of the four were 'Outreach and Awareness' and 'Life Long Learning'. These areas are seen as a priority in providing value to members of the Society. This logically builds on the Society's progress over the last few years in the areas of governance, operations and infrastructure.

Critical to the successful operations and infrastructure is our collaboration with the Calgary CFA Society and working together to have excellent executive administration and bookkeeping. The key to that support is the dedication and knowledge of our Executive Administrator, Debbie Kunert. Without Debbie's support, the Edmonton CFA Society would simply not have the volunteer resources to be able to offer the programming and services that are delivered for our members. With solid governance, support and infrastructure in place, the Society is in a strong position to move forward and take our programming, education and awareness activities to a new level.

While most of our members only have exposure to the Society through the luncheon series, forecast dinner and perhaps the golf tournament, the society is actively involved in many other areas. One area that continues to be very important and a focus for the Society was awareness of the designation with undergrad university students and support for candidates enrolled in the CFA program. A huge benefit to our strategy for awareness with potential candidates going forward was the awarding by CFA Institute of an official CFA Program Partnership with the University of Alberta. This recognizes the University of Alberta School of Business for covering the CFA curriculum in the undergrad Finance program and puts Alberta School of Business with a distinctive list of partners which is approximately 125 partners globally, only five in Canada and the University of Alberta is the only CFA Program Partner in Western Canada.

The University of Alberta is very excited about the partnership and will be aggressively promoting this achievement and new recognition. The increased awareness of the designation will certainly help increase the number of local CFA candidates and the broad marketing should bring benefits to all members. To celebrate the partnership a launch event was held at the Art Gallery of Alberta on May 25th. Guests for the launch event were from the University, the CFA Society, Edmonton Economic Development Corp (EEDC) and employers of CFA charter holders within Edmonton. The launch reception was a tremendous success which raised awareness of the partnership with key stakeholders. This event was financially possible with help from EEDC for which we are very appreciative.

The Society's efforts in outreach and awareness have historically been targeted in three areas; potential candidates, employers of investment and finance professionals and at high net worth individuals who are clients or potential clients of members employed in the private wealth management field. Awareness for potential candidates and employers has an obvious and contained target audience while awareness of the designation for private wealth clients is a broader target and is clearly more challenging with limited time and



financial resources. To ensure that an appropriate and effective strategy is in place for building awareness of the designation with this target audience, a strategic objective of the Board was to develop a long term public awareness plan. The process for developing the plan began this year by securing financial assistance from CFA Institute and developing an RFP to hire a communication consultant to work with the Board to develop the plan. Executing on this strategic objective will be an important focus area for the Board going forward and I am pleased that the ground work is underway and there is momentum and financial support to see it through.

Another highlight of the year was the hosting of the CFA Institute Investment Research Challenge in Edmonton. Teams of undergraduate students from across Western Canada competed by completing a detailed company analysis and presenting their findings to a panel of judges made up of local industry professionals.

The core programs of the Society were well developed and executed by the Society and supported by our members. This includes the annual forecast dinner, luncheon program, new charter holder reception, candidate support activities, and much more. For the success of these programs and the continued strengthening of the Society, I would like to take this opportunity to recognize the dedication and commitment of the following individuals who volunteered their time and efforts for the Edmonton CFA Society this past year: Aaron Brown (Vice-President), Theresa Walton (Treasurer), Brett Kimak (Secretary), Linnea McKercher (Past President), Joe Francese and Scott Blair (Programs), Chris Turchansky (Private Wealth), Gayle McDade (Communications), Kirby Hill (Membership), Delicia Teo-Carson (University Relations), Scott Reed (Education).

In closing, it has been my honour to represent the Edmonton CFA Society as President for the past year. We have a motivated and enthusiastic team that continuously strives to improve the quality of our events and promote the merits of the CFA designation.

Best regards,

Dave Lawson, CFA
President



2.0 Activity Report

2.1 Programs

The Edmonton CFA Society is committed to provide our membership with various programs to enhance their knowledge and keep up on the issues within industry. Over this past fiscal year, there were a total of seven luncheons. Our society was privileged to have the following speakers:

Timothy J. Gramatovich, CFA

Chief Investment Officer, Peritus Asset Management, Inc.

The State of the High Yield and Leveraged Loan Markets

Myles Zyblock, CFA

Chief Institutional Strategist, RBC Capital Markets

Rounding the Turn

Scott Bandura

Senior Manager, National R&Q, Global Accounting Consulting Services, PricewaterhouseCoopers Canada

Impact of Changes to Canadian GAAP and IFRS on Financial Statement Analysis

David Wolf

Adviser to the Governor of the Bank of Canada

Canada's Housing Market in Recession and Recovery

Danielle Smith

Leader, Wildrose Alliance Party of Alberta

Economic & Energy Policy Recommendations

Larry Pollock, President & CEO

Canadian Western Bank

Ralph Young, President & CEO

Melcor Developments

Paul Verhesen, President & CEO

Clark Builders

Financial Forum 2010: Opportunities & Challenges in Alberta's financial landscape

Harry Marmer, CFA

Executive Vice President, Institutional Services, Hillsdale Investment Management Inc.

Why Is Everyone Calling It The New Normal If It Is Not Normal?

The luncheon program was a success and the events were well received. Average attendance was about 45 per lunch. We continued the theme of last year with our second Financial Forum and had another successful event with approximately 150 people in attendance. We broadened the scope of the Forum to have CEOs from the financial services sector, real estate development and construction industry. Having three CEOs from the various industries comment on the current and future economic opportunities for Alberta was extremely timely and relevant given the financial meltdown of 2008/2009. Overall the revenues brought in for these programs paid for the expenses and left a modest amount to be used for future events and programming.



Activity Report – Cont'd

2.2 Educational Programs

Boston Mock Exam

The Society partnered with the Boston Security Analysts Society to offer candidates the option to participate in the practice exam. Over that past few years the interest in holding a formal mock exam was minimal, however, this year the Society decided to hold a full day exam at the University of Alberta on May 13th for all three levels. There were 32 registered for the Saturday practice exam, with approximately 24 candidates sitting for the six hour session.

Post Exam Reception

This year's post CFA Exam reception saw approximately 35 candidates take a well-deserved time out following the exam. The event was held at the Metro Billiards Club. Refreshments and snacks were served as the candidates took some time to unwind and relax after the exam.

Society Scholarship Program

The Society continued its participation in the Society Scholarship Program. Nine candidates were awarded scholarships this year. One scholarship was donated to other societies as we did not use our full allotment. There were an additional 10 scholarships handed out by two charterholders who are teaching at the University of Alberta, which is why we did not use our full allocation. Education Chair Scott Reed and University Relations Chair Delicia Teo-Carson independently reviewed the applications with each candidate being scored based on the following criteria:

Financial need;

Charter/career goals;

Effort;

Academic; and

Other involvement

Study Notes Group Order

The Society continued its participation in the Schweser Study Note program. Candidates were able to directly order Schweser notes off the Society's website with a group order discount to receive 20% off the regular price.



Activity Report – Cont'd

2.3 University Relations

University of Alberta CFA Institute Partnership

During the Fall of 2009, the Alberta School of Business submitted an application to become a recognized CFA Program Partner with the CFA Institute at the Undergraduate Level. Attaining partnership status at this level signify that the partnering institution covers a significant portion of Level One of the CFA Program Candidate Body of Knowledge and embraces the CFA Institute Code of Ethics and Standards of Professional Conduct in their undergraduate degree program. As of January 2010, the CFA Institute accepted the Alberta School of Business as a Program Partner, thus making it the 6th school in Canada and only in Western Canada. The Alberta School of Business joins 112 other institutions worldwide as a recognized Program Partner. A Launch event was held at the Edmonton Art Gallery with representation from the University, the CFA Society, Edmonton Economic Development Corp and senior leadership from the Edmonton financial community.

Co-operative Education Students Association (CESA) Dinner

The Society sponsored the Top of Class Business Etiquette dinner which was hosted by the University of Alberta CESA organization. The goal of this dinner is to provide students both the opportunity to learn and practice networking skills in a professional environment. Board President Dave Lawson spoke on behalf of the society delivering a presentation at the dinner. This was the first year the Society has sponsored this dinner and provided corporate sponsorship at the Gold level.

University of Alberta Presentation to Students

The Society hosted an information session on the CFA Program to both undergraduate and postgraduate students which was open to all faculties. The session, which was co-arranged by the Investor's Club, was held at the School of Business and was well attended (approximately 40 people). Board members Delicia Teo-Carson and Gayle McDade spoke on behalf of the Society. After the information session, a casual Beer and Wings social was hosted after the formal presentation as an opportunity for students to chat one-on-one with participating Board members and current society members. It was the fifth year for this event, which continues to be very well received.

Rocky Mountain Business Seminar (RMBS)

RMBS continues to be a strongly anticipated student-run conference at the University of Alberta. The Society provided support as a Gold Sponsor of the event for the fifth year in a row. Board members Aaron Brown and Kirby Hill presented to approximately 50 students and staff regarding the CFA designation and the importance of perseverance in challenging job markets. The Society's presentation is a priority for most of the finance majors' attending the conference and we received a high feedback rating from all delegates.



Activity Report – Cont'd

2.4 Annual Forecast Dinner

The Society held the 32nd annual Forecast Dinner on Wednesday January 20, 2010 at the Shaw Conference Centre. The dinner continues to be the Society's signature event and drew 470 charterholders and members of the investment community. We also had some dignitaries join us, notably the Honourable Lloyd Snelgrove, President of Alberta Treasury Board.

This year's speakers were Dr. Gary Smith, CFA, Chief Economist/Strategist of the Alberta Investment Management Corporation, Gary Chapman, CFA, Managing Director, Equities, Guardian Capital LLP and Stefane Marion, Chief Economist of National Bank Financial. The audience received a forecast from the University of Alberta's PRIME program as well.

The dinner continues to be a financial success. This year, the Society raised \$25,000 in corporate sponsorship for the dinner. The Society thanks its supporters: Canadian Western Bank, PricewaterhouseCoopers, State Street, Blackrock, RBC Dexia and Laughing Stock Vineyards.

This year at the Forecast Dinner, the Society announced a \$5,000 charitable donation to the Kid's Kottage Foundation. The Society is proud to be able to continue its tradition of supporting local charities.

2.5 Society Documents

During the 2009-2010 fiscal year of the Edmonton CFA Society, Brett Kimak, Secretary, maintained all the records of the Society. These records include monthly agenda and meeting minutes, strategic planning documents and the Annual Report to Members.

2.6 Golf Tournament

The 21st annual Edmonton CFA Society golf tournament was held on June 9th at The Ranch Golf and Country Club. Despite a torrential downpour at the beginning, and a steady drizzle throughout, almost all of the 78 registered golfers came out to the event and completed their round. The Society would like to extend a special thanks to our tournament sponsor, Franklin Templeton, as well as our prize sponsors and all those who helped to contact our sponsors for prizes.

2.7 Communications

The Edmonton CFA Society produced one newsletter this year. Topics covered in the newsletter included a review of the Forecast Dinner, an outline of recent and upcoming programs and a promotion of upcoming events. The newsletter was e-mailed to the membership and received positive feedback. Additionally, throughout the year, the website was maintained and updated with information on upcoming events, speaker presentations, CFA Institute news and job postings



Activity Report – Cont'd

2.8 Membership

The Membership Chair is responsible for processing new membership requests as well as status changes for the Society. The Membership Chair is also responsible for organizing the President's Reception each November where new charters are granted.

As of June 2010, the Edmonton CFA Society has 204 members, up from 190 at this time in 2009. Of our 204 members, 183 are charterholders. The rest of the membership is comprised of affiliate members and candidates that have completed Level 2 or 3. The Edmonton CFA Society's membership is 12% female, unchanged from last year.

Edmonton has a broad range of companies who employ charterholders. The following is a list of the Top 10 employers of CFA charterholders in Edmonton:

1. Alberta Investment Management Corporation (AIMCo)
2. ATB Financial
3. RBC
4. TD
5. Canadian Western Bank
6. TELUS
7. Alberta Finance & Enterprise
8. Workers' Compensation Board - Alberta
9. Capital Power Corporation
10. Alberta Teachers' Retirement Fund

On December 8, 2010, the Society held its annual President's Reception where the Society recognizes new charterholders. Bob Johnson, CFA, Senior Managing Director of CFA Institute was on hand to help congratulate the new charterholders. The Society welcomed the following new charterholders:

Duy Diep, CFA
Mao Han, CFA
Shamez Mansur Kassem, CFA
Jason Munsch, CFA
Christopher Powell, CFA
Kristyn Power, CFA
Feng Qu, CFA
Kevin Rowand, CFA
Young Joo Shin, CFA
Michael Sieffert, CFA



Activity Report – Cont'd

2.9 Treasurer's Report

The financial position of the Society for the fiscal year ending June 30, 2009 remains very strong with net unrestricted assets of \$91,092. Net earnings improved mostly due to sponsorship of the Forecast Dinner as well as a change in funding structure from the CFA Institute..

The financial statements for the year ended June 30, 2009 were audited by an external auditor, Romanovsky & Associates. The auditor's letter, the audited statements and notes to the statements are included in this report.

The audited results for the fiscal year ended June 30, 2010 will be included for discussion at the 2011 Annual General Meeting.



3.0 AGM Agenda

3.1 To Receive the Report of the Board

3.2 To Receive the 2008/2009 Audited Financial Statements of the Society

3.3 To Elect the Officers and Directors for 2010-11

The following paragraphs describe the professional background of the slate of officers and directors for 2010-2011. According to the bylaws, they will serve for a one-year term.

Aaron Brown, CFA, President

Aaron is the Director of Portfolio Management for Alberta Finance & Enterprise. In that role he oversees the development of investment policy for all of the government's investment assets – most notably the Heritage Fund. Prior to joining the government in 2007, Aaron managed the University of Alberta's endowment fund for three years after beginning his career with RBC Royal Bank. Aaron is also a Board member of the Special Forces Pension Plan and Chair of the Judges and Masters in Chambers Pension Plans Investment Committee. Aaron obtained his Bachelor of Commerce from the School of Business at the University of Alberta in 1997 and became a CFA charterholder in 2003.

Joseph Francese, CFA, Vice President

Joe is Vice-President of PROFORMA Capital and helps manage a proprietary investment product developed by PROFORMA. Joe's expertise and experience has been sought after in the past being quoted numerous times in the Edmonton Journal and Sun, contributing many articles on financial planning to the St. Albert Gazette and was a regular guest for 5 years on "Help TV", a nationally broadcasted television show on ACCESS Television. He frequently delivers presentations to a variety of audiences. Joe has served the community on various organizations, having served as a Trustee for the Sturgeon Hospital Foundation, Director of the St. Albert Help Society, and Board Member of Edmonton Catholic Cemeteries. Joe obtained his Bachelor of Arts Specializing in Economics from the University of Alberta and has also earned the Certified Financial Planner (CFP) designation. Joe is a CFA charterholder.



Theresa Walton, CFA, Treasurer

Theresa Walton is Sr. Portfolio Manager, Equities of TELUS Pension Investments. She began her career at TELUS as a Corporate Financial Analyst in the Treasury Department, prior to joining the Pensions Investments Department in 1998. She is a Certified Management Accountant (CMA) and earned a Bachelor of Commerce from the University of Alberta.

Eric Pedde, CFA, Secretary

Eric Pedde is a Portfolio Manager, Absolute Return Strategies with the External Fund Management team at Alberta Investment Management Corporation (AIMCo), which manages approximately \$68 billion in pension and endowment assets. The External Fund Management team manages approximately \$8 billion of long-only equity mandates and hedge fund mandates. Eric is a graduate of the University of Alberta, and holds a MBA from McGill University, as well as a CFA designation.

Dave Lawson, CFA, Past President

Dave is the Chief Investment Officer at the Workers' Compensation Board – Alberta (WCB). Prior to joining the WCB in 2004, Dave held investment management positions at the City of Edmonton and the City of Regina. In addition to being a director of the Edmonton CFA Society since 2005, Dave is on the Board and Chair of the Investment Committee for the Province of Alberta Management Employees Pension Plan. Dave graduated with a Bachelor of Administration (Finance) degree from the University of Regina, and received the CFA designation in 2001.

Brett Kimak, CFA, Director

Brett is a Vice President in PwC's Edmonton Advisory Services practice who focuses on risk management, regulatory compliance and investigations as well as financial due diligence in connection with corporate transactions. He leads PwC's Edmonton Financial Services Advisory team and has worked with investment managers and other financial institutions throughout Canada and offshore in improving processes and controls and addressing regulatory needs. He is a member of PwC's Members' Pension Committee which oversees, on behalf of staff, PwC's defined contribution pension plan by reviewing the performance of external fund managers and recommending changes to managers and fund line-ups. Brett obtained his CFA charter in 2004, and has a Bachelor of Arts and Masters of Business Administration (Finance) from the University of Alberta.

Scott Reed, CFA, Director

Scott completed his Bachelors of Commerce degree at the University of Alberta with a major in accounting and a minor in finance. While at the U of A he was involved in the PRIME program (Program for Research and Investment Management Excellence) for his last two years. Scott began working on obtaining the Chartered Financial Analyst designation shortly after joining Proforma Capital in his last semester. He became a CFA charterholder in May 2006. Scott has worked at BearingPoint in a compliance and audit role, before returning to Proforma Capital. Currently his role includes investment analyst. Scott is one of the analysts that does due diligence before new products are offered through the firm. He also helps manage a propriety investment product developed by Proforma Capital.



Marshall McAlister, CFA, Director

Marshall McAlister is a Private Wealth Counsellor and the Managing Principal of the Harrow Partners office in Edmonton. Prior to joining Harrow Partners, Marshall has several years experience with a large Canadian bank owned brokerage firm where he provided advice and wealth management services to affluent and high-net-worth clients. He received his Bachelor of Commerce (major Finance) from the University of Alberta and has several related educational designations including the Chartered Financial Analyst (CFA) designation. Marshall has served on the board of the Edmonton CFA Society for four years and as was chair for the first Wealth Management Conference sponsored by the Edmonton CFA Society in the spring of 2008. Finally, among many professional works, Marshall has authored a book ~ The Brilliance of Boring Investing, an academic guide to portfolio design and investment techniques.

Rod Babineau, CFA, Director

Rod graduated from the University of Alberta in 2000 with a B.Com. upon which he started his financial services career with TD Waterhouse. In 2006, he joined the Government of Alberta as a Performance Measurement Analyst in the Investment Management Division. In 2008, Rod became Manager of Portfolio Analysis for the Treasury Management Division. He received his CFA charter in 2005.

Dr. Gary Smith, CFA, Director

Gary Smith joined the faculty of the Alberta School of Business as an Executive Professor in 2010. In this role, Gary teaches courses and liaises with the business community. He is also Program Director of the PRIME Program. Prior to joining the Alberta School, Gary was Chief Economist at Alberta Investment Management Corporation (AIMCo). Gary also has experience with Casgrain and Company Limited and Alberta Treasury.

Gary hails from Saskatoon. He completed his undergraduate and masters-level training at the University of Saskatchewan and received a Ph.D. in Finance from the University of Alberta. He is a CFA charterholder. In addition to his duties with Alberta School of Business, Gary is a member of the City of Edmonton's Investment Committee.

Chris Turchansky, CFA, Director

Chris Turchansky began his career in the financial services industry in 1996 after graduating from the University of Alberta with a Bachelor of Commerce degree. He received his CFA charter in 2003. He joined ATB Investor Services in 2005 from a large national bank. As the General Manager of ATB Investment Management he works with Portfolio Managers across the province to provide private wealth solutions to high net worth families. He currently sits on ATB Financial's Defined Contribution Committee and ATB Investor Services Investment Committee.

Chris Ozdoba, CFA, Director

Chris is a relationship manager in ATB Financial's Corporate Financial Services division, responsible for proactively managing loans through financial analysis, deal structure, risk mitigation and communication with internal partners, as well as managing client relationships and actively engaging with prospective clients. Prior to joining ATB Financial, he worked with Westwind Partners as an oil and gas research associate, as a consultant with Barretto Pacific Corporation (an institutional investor relations firm) and as an Investment Advisor with BMO Nesbitt Burns Inc. Chris also founded the UBC Swing Kids which, within one year, grew to be one of the largest and most influential on campus, resulting in substantial fundraisers for the UBC Hospital and the Vancouver General Hospital Foundation, among several other significant successes. Chris has an M.A. Economics and a B.A. Honours Economics major from UBC, and is a CFA Charterholder.



Pierre-Michel Edmond, CFA, Director

Pierre is currently an Associate, Real Estate with Alberta Investment Management Corporation (AIMCo). He has been working with AIMCo for 3 years. Pierre has an MBA from the University of Alberta and is a CFA charterholder.

Scott Blair, CFA, Director

Scott is a Senior Analyst, Equities with the TELUS Pension Fund. Prior to joining TELUS, Scott worked in Toronto for Northwood Private Counsel as Vice President, Investments and the Hudson's Bay Company Pension Fund as a Portfolio Manager. Scott's professional experience also includes several years working for major financial institutions as a Private Client Portfolio Manager. Scott obtained his charter in 1998 and holds an Honours degree in Economics from the University of Western Ontario.

Kirby Hill, CFA, Director

Kirby is currently Assistant Vice President, Investor and Public Relations for Canadian Western Bank. Kirby's experience prior to his current position was mainly involved with business lending, financial analysis and account management in both Edmonton and on Vancouver Island. Kirby holds a Bachelor of Management (Finance) degree with great distinction honours from the University of Lethbridge, as well as a Business Administration (Accounting) Diploma from Red Deer College. He has been a CFA Charterholder since 2006.

3.4 To Appoint the Auditor for the Ensuing Year

3.5 To Address Other Business as Required



4.0 2008-2009 Audited Financial Statements

**EDMONTON CHARTERED FINANCIAL
ANALYST (CFA) SOCIETY**

FINANCIAL STATEMENTS

JUNE 30, 2009

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C H A R T E R E D A C C O U N T A N T S

AUDITORS' REPORT

To the Members of:
Edmonton Chartered Financial Analyst (CFA) Society

We have audited the statement of financial position of The Edmonton Chartered Financial Analyst (CFA) Society as at June 30, 2009 and the statements of operations, changes in net assets, and cash flows for the year then ended. These financial statements are the responsibility of the society'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 common with many non-profit organizations, the Society derives revenues from activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these receipts was limited to the amounts recorded in the records of the Society and we were not able to determine whether any adjustments might be necessary to revenues, excess of revenues over expenses, and net assets.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the revenues referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Society as at June 30, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Edmonton, Alberta
January 21, 2010



Chartered Accountants

EDMONTON CHARTERED FINANCIAL ANALYST (CFA) SOCIETY

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED JUNE 30, 2009

	2009	2008
REVENUE		
Forecast dinner	\$ 45,587	\$ 52,845
Luncheon meetings	19,186	9,379
Sponsorship	15,000	-
CFA Institute reimbursements - travel	14,765	5,742
Membership dues	13,230	15,392
CFA Institute reimbursements - administrative	10,762	969
Job postings	10,196	10,402
Golf tournament	5,872	5,932
Investment income	1,210	1,357
Education seminars and exams	343	732
President's dinner	105	124
CFA Institute reimbursements - advertising	-	6,046
Conference sponsorship and registration	-	60,959
	<u>136,256</u>	<u>169,879</u>
EXPENDITURES		
Forecast dinner	49,309	48,123
Luncheon meetings	19,303	10,212
Advertising, promotion	9,869	12,144
Travel	9,424	11,811
Golf tournament	7,353	5,501
Office	7,207	5,172
Professional fees	5,100	4,000
Charitable donations	5,000	5,000
Annual and board meetings	3,161	963
Interest, bank charges	2,993	2,492
Education seminars and exams	1,885	115
Insurance	1,263	517
Student reception	1,245	1,115
Telephone	420	440
Scholarships	-	880
President's dinner	-	1,898
Conference	-	77,178
	<u>123,532</u>	<u>187,561</u>
NET EARNINGS (LOSS) FOR THE YEAR	<u>\$ 12,724</u>	<u>\$ (17,682)</u>

EDMONTON CHARTERED FINANCIAL ANALYST (CFA) SOCIETY

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED JUNE 30, 2009

	2009	2008
UNRESTRICTED NET ASSETS, beginning of year	\$ 86,386	\$ 108,201
NET EARNINGS/(LOSS) FOR THE YEAR	12,724	(17,682)
Unrealized loss on available-for-sale assets (Note 4)	(8,018)	(4,133)
UNRESTRICTED NET ASSETS, end of year	<u>\$ 91,092</u>	<u>\$ 86,386</u>

EDMONTON CHARTERED FINANCIAL ANALYST (CFA) SOCIETY

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2009

ASSETS

	2009	2008
CURRENT ASSETS		
Cash	\$ 30,327	\$ 40,585
Accounts receivable	13,678	33,118
GST recoverable	1,246	2,498
Prepaid expenses and deposits	2,352	1,851
	<u>47,603</u>	<u>78,052</u>
LONG-TERM ASSETS		
Available-for-sale portfolio investments (Note 4)	<u>51,099</u>	<u>57,907</u>
	<u>\$ 98,702</u>	<u>\$ 135,959</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable, accrued liabilities	\$ 4,723	\$ 49,573
Prepaid membership dues	2,887	-
	<u>7,610</u>	<u>49,573</u>
NET ASSETS		
Unrestricted net assets	<u>91,092</u>	<u>86,386</u>
	<u>\$ 98,702</u>	<u>\$ 135,959</u>

APPROVED ON BEHALF OF THE MEMBERS:

_____ President

_____ Treasurer

EDMONTON CHARTERED FINANCIAL ANALYST (CFA) SOCIETY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2009

	2009	2008
OPERATING ACTIVITIES		
Net earnings (loss) for the year	\$ 12,724	\$ (17,682)
Changes in non-cash working capital:		
Accounts receivable	19,440	(27,052)
Prepaid expenses and deposits	(501)	(1,097)
Accounts payable, accrued liabilities	(44,850)	40,470
GST recoverable	1,251	(964)
Prepaid membership dues	2,887	(1,912)
	<u>(9,049)</u>	<u>(8,237)</u>
INVESTING ACTIVITIES		
Purchases of portfolio investments	(1,210)	(1,357)
Non-cash change in unrealized (gain)/loss on portfolio investments	8,018	2,231
Proceeds on sale of portfolio investments	-	8,000
	<u>6,808</u>	<u>8,874</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,241)	637
CASH AND CASH EQUIVALENTS, beginning of year	<u>40,585</u>	<u>39,948</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 38,344</u>	<u>\$ 40,585</u>

EDMONTON CHARTERED FINANCIAL ANALYST (CFA) SOCIETY

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2009

1. NATURE OF OPERATIONS

The Edmonton Chartered Financial Analyst (CFA) Society was incorporated on December 5, 1983 under the Societies Act of Alberta. The Society was established to provide a professional association for individuals in the investment community. Their vision is to lead the local investment community by embracing the highest standards of professionalism and creating linkages between members, the local financial community, the global investment community and the general public.

2. ACCOUNTING POLICIES

These financial statements have been prepared by management in accordance with the accounting principles generally accepted in Canada. These financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

Revenue Recognition

The Society follows the deferral method of accounting for contributions. Externally restricted contributions are recognized as revenue in the year in which the related expenditures are incurred. Unrestricted contributions are recognized as revenue in the year when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Program revenue, job posting revenue, membership due revenue, and interest income are all recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Financial Instruments

The Society's financial instruments consist of cash and cash equivalents, portfolio investments, accounts receivable and accounts payable. Unless otherwise noted, it is management's opinion the Society is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted. The fair values of the available-for-sale investments are disclosed in note 4.

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EDMONTON CHARTERED FINANCIAL ANALYST (CFA) SOCIETY

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

No provision has been made in these financial statements for income taxes as the Society is non-profit organization for income tax purposes and is exempt under paragraph 149(1)(l) of the Income Tax Act of Canada.

Contributed Services

Volunteers contribute time each year to assist the Society in carrying out its activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

Cash and Cash Equivalents

The Society's policy is to disclose bank balances under cash and cash equivalents, including bank overdrafts with balances that may fluctuate frequently from being positive to overdrawn.

Available-For-Sale Portfolio Investments

Available-for-sale portfolio investments are stated at fair value at year-end date.

3. ACCOUNTING ESTIMATES

As the precise determination of many assets, liabilities, revenues and expenses are dependent on future events, the preparation of financial statements for a period necessarily includes the use of estimates and approximations which have been made using careful judgment by management. Consequently, actual results could differ from those estimates. Significant estimates in these financial statements include the following:

- a) Valuation of accounts receivable including the current year recognized amount of the allowance for doubtful accounts of nil (2008 - nil). Management determines the valuation of accounts receivable considering a number of factors including the length of time for past due accounts, the customer's ability to pay, the condition of the economy in general, and other pertinent factors.

EDMONTON CHARTERED FINANCIAL ANALYST (CFA) SOCIETY

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2009

4. PORTFOLIO INVESTMENTS

	2009	2008
RBC Canadian Bond Fund	\$ 25,726	\$ 24,056
RBC Canadian Index Fund	7,500	10,132
RBC O'Shaughness All-Cdn Equity Fund	2,511	3,563
RBC U.S. Index Fund	6,013	7,196
RBC O'Shaughnessy U.S. Value Fund	1,712	2,640
RBC International Index Currency Neutral	7,637	10,320
	<u>\$ 51,099</u>	<u>\$ 57,907</u>

The amounts are presented at fair value, which includes the unrealized loss on Available-For-Sale Investments of \$8,018 (2008 - \$4,133). Investment income earned during the year was \$1,210 (2008 - \$1,357).