



Setting a higher standard for the
Edmonton investment community

ANNUAL REPORT 2010-2011



TABLE OF CONTENTS

1.0 President's Report	2
2.0 Activity Report	4
2.1 Programs	4
2.2 Educational Programs	5
2.3 University Relations	6
2.4 Annual Forecast Dinner	7
2.5 Society Documents	7
2.6 Golf Tournament	7
2.7 Communications	7
2.8 Membership	8
2.9 Treasurer's Report	9
3.0 AGM Agenda	10
3.1 To Receive the Report of the Board	10
3.2 To Receive the 2009/2010 Audited Financial Statements of the Society	10
3.3 To Elect the Officers and Directors for 2010-11	10
3.4 To Appoint the Auditor for the Ensuing Year	10
3.5 To Address Other Business as Required	13
4.0 2009-2010 Audited Financial Statements	14



1.0 President's Report

It has been an outstanding year for the Edmonton CFA Society.

In May at CFA Institute's annual Strategic Leadership Retreat, the Edmonton CFA Society was recognized with a 2011 Society Excellence award for Most Outstanding Society in our size category. This caps a fantastic year for the society as we continue to try and improve our service to members, candidates and the Edmonton investment community.

We began the year by overhauling our planning process. The theme going forward is for the society's board to become more of a strategic board. In order to facilitate this, we split operational planning from strategic planning. Operational planning was done in August to set the calendar for the year while we held a dedicated strategic planning session in November to put together a 5-year plan for the Society.

In keeping with that theme, we continue to rely more and more on our Executive Administrator, Debbie Kunert who we share with the Calgary CFA Society. Debbie is instrumental in our ability to offer the programs and services that we do. Simply put, without Debbie's time and effort, we would not have the volunteer resources necessary to execute at this level. As well, we added some local help this year by contracting Lydia Mohoric. Lydia is the administrator for CFA Saskatchewan and recently relocated to Edmonton. Lydia is taking over the on-the-ground operation of our events. The Society has already seen a great benefit from Lydia's work and we look forward to integrating her more into our operations going forward.

Another of the major accomplishments of the society this year is the inking of a Strategic Partnership Agreement with the Edmonton Economic Development Corporation (EEDC). One of EEDC's main initiatives is the development of Edmonton's financial services sector and they have recognized that the Edmonton CFA Society can play a key role in that development. The partnership calls for co-branding of our annual CEO Roundtable as well as EEDC's participation in our Private Wealth seminar. Also, EEDC helped develop and publish our new **Leading Edmonton** publication that was unveiled at the Forecast Dinner. **Leading Edmonton** brings together market outlook and economic commentary and thinking from local sources as well as profiles on a number of Edmonton companies. The publication was well received and will be expanded in its second year.

Aligned with CFA Institute's strategy, the society continues to try and increase awareness of the charter amongst the private wealth practitioners and clients. This year we held **Wealth Management @ Latitude 53**, a half-day seminar aimed specifically for private wealth practitioners. The seminar covered topics such as behavioural finance, wealth management for family businesses and practice management. The event was well received and attended and we intend to put it back on the calendar for 2012.

Another new and highly successful addition to our calendar was the Edmonton CFA Society Investment Research challenge that was held at the University of Alberta School of Business. Teams of up to three undergraduate or MBA students performed a valuation of Loblaw's Companies Ltd. The groups then made a ten minute presentation to a panel of charterholders. There were three rounds of eliminations before a top three were declared. All in all the presentations were outstanding and the society felt the \$4000 in scholarship money that was awarded was well earned. Also, this event provided an excellent opportunity for charterholders to get involved in with the society by volunteering a few hours of their time on a Saturday to judge the presentations. A huge thank you to all the charterholders who helped us out with that project.

Staying with the University of Alberta, our local team won the prairie regional of the Global Investment Research Challenge. They then progressed to the final four of the Americas competition before narrowly



losing out to the University of Southern California. Congratulations to the team and their mentors for representing Edmonton so well.

While the year saw many new and exciting projects launched by the society, our core offerings remain as strong as ever. The 33rd annual Forecast Dinner in January was a huge success. Our monthly luncheon program offered a varied and interesting array of speakers. This year we increased our professional development offerings by hosting a valuations course for the first time. We supported Grant MacEwan University in offering an in-class Level I preparation course and kept up with information sessions and classroom presentations at the University of Alberta in order to reach the next generation of charterholders. And finally, we try to bring charterholders and candidates together socially through Happy Hour networking events and the golf tournament.

The award that the society received from CFA Institute was the result of many things. We continue to get outstanding support from the Edmonton investment community and top employers of CFA charterholders. Without these companies and individuals supporting our events, we could not achieve what we do. Last year we had approximately 220 members but had 470 in attendance at the Forecast Dinner. That is exceptional and shows just how supportive the investment community as a whole is of the society and its mandate.

But perhaps most importantly it is the volunteers that drive this organization. Therefore I want to take the time to thank the men and women who volunteered their time throughout the year at any of our projects or events. I want to take the opportunity to specifically recognize the 2010-11 Board of Directors and their ongoing contributions: Joe Francese (Vice-President), Theresa Walton (Treasurer), Eric Pedde (Secretary), Dave Lawson (Past-President), Chris Turchansky (Programs Chair), Chris Ozdoba (Programs Director), Pierre-Michel Edmond (Programs Director), Scott Reed (Education Chair), Rod Babineau (Student Outreach Chair), Marshall McAlister (Private Wealth Chair), Brett Kimak (Communications & Public Awareness), Kirby Hill (Membership) and Dr. Gary Smith (University Liaison).

I took great pleasure in being President of the Edmonton CFA Society this year and am honoured to have had the chance to work with the outstanding individuals on the board, our volunteers and our staff, Debbie and Lydia. I have also enjoyed the chance to represent our members and candidates and look forward to helping strengthen our society and designation within Edmonton and abroad.

Aaron Brown, CFA
President, Edmonton CFA Society



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 eight luncheons. Our society was privileged to have the following speakers:

Todd Hirsch, Senior Economist, ATB Financial - The recovery in the global economy is running out of steam, but where will that leave us in 2011? How will events in Europe, China and the US affect the Canadian economy? And what will it mean for Alberta?

Kim Redding, Chief Executive Officer and Chief Investment Officer, Brookfield Investment Management Inc. and **John Stinebaugh**, Managing Partner, Brookfield for this cage match debate "Investing in Infrastructure (Institutional & Individual). David Lawson, CFA, past president of the Edmonton CFA Society will moderate.

Al Rosen, Accountability Research Corp. - Accountability Research Corp's IFRS Valuation Impact program provides a foray into how we examine the impact of IFRS from an investor viewpoint, highlighting the sectors that will be most affected.

Jonathan Passmore, Senior VP GE Asset Management - The turmoil surrounding the crisis in the sovereign debt of several small European countries has raised questions about the survivability of the European Union and its currency, the Euro.

John Frederickson, Managing Director for Colliers International - An overview on each of the major real estate sectors - office, industrial, retail, and multi-residential.

Peter Howard, President and CEO, Canadian Energy Research Institute (CERI) As CERI's recently released "Economic Impact of the Petroleum Industry in Canada"

Marsha Manolescu, Director, Capital Markets Policy Group, Alberta Finance & Enterprise
Who has the constitutional authority to regulate securities in Canada and why should you care?

In partnership with the, The Marquee Group Tim **Benson**, CFA put on a 2-day course focused on designing and creating an interactive financial model of a company that adheres to the highest industry standards. We moved our CEO roundtable from the spring to the fall in an effort to highlight it our schedule by moving it further away from the forecast dinner as this has become a key event for the society. Overall the revenues brought in for these program paid for the expenses and left a modest amount to be used for future events and programming.

In keeping with our commitment to provide our membership with various programs to enhance their roles within the industry, the Edmonton CFA Society has introduced networking events this year. Over this past fiscal year, there were a total of two networking events, one in the fall and the other in the spring, both well attended.



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. With the success of bringing back the exam last year, the society decided to hold a full day exam again this year. The exam was held at the University of Alberta on May 14th for all three levels. There were 31 registered for the Saturday practice exam.

Post Exam Reception

This year's post CFA Exam reception saw approximately 40 candidates take a well-deserved time out following the exam. The event was held at the Metro Billiards Club again this year. Refreshments and snacks were served as the candidates took some time to unwind and relax after the exam. This was especially true as the exam finished late this year due to some administrative delays causing additional stress for the candidates.

Society Scholarship Program

The Society continued its participation in the Society Scholarship Program. Ten candidates were awarded scholarships this year. There were a number of candidates who were especially grateful for the financial support this provided. Education Chair Scott Reed 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

Mini Investment Research Competition

The Society, in conjunction with the Alberta School of Business, sponsored a Mini Investment Research Competition. This competition, a modified version of CFA Institute's Investment Research Challenge, was open to students who are involved in finance programs at the Alberta School of Business. Competing teams were charged with providing a valuation of Loblaw Companies and presenting their findings to panels of judges. The Competition was well-received, with several teams of students from undergraduate, MBA, Master of Mathematical Finance, and Master of Financial Economics programs participating. The Competition offered an excellent opportunity for the Society membership to volunteer as judges. Given the success of this year's Competition, we expect to pursue this again in the coming year.

CFA Institute Investment Research Competition

For the third consecutive year, a team of students from the Alberta School of Business, participated in CFA Institute's Investment Research Competition. The team, all members of the PRIME Program at the Alberta School of Business, won the Canadian Prairie Regional Championship and went to Omaha to compete in the Americas Regional Championship. The team did very well, finishing in the top four.

CFA Night

The Society sponsored an Information Night on the University of Alberta campus. Several charterholders volunteered to present information about the CFA Program and designation. Further, they offered their insights as to how the Program and designation have helped their careers. The event was well attended.



Activity Report – Cont'd

2.4 Annual Forecast Dinner

The Society held the 33rd annual Forecast Dinner on Wednesday January 26, 2011 at the Shaw Conference Centre. The dinner continues to be the Society's signature event and drew 450 charterholders and members of the investment community.

This year's speakers were:

John Reucassel, CFA

Managing Director, Life Insurance & Diversified Financial Analyst
BMO Capital Markets

Josef Schachter, CFA

President
Schachter Asset Management Inc.

Richard Worzel, CFA

Futurist

In keeping with tradition, the audience received a forecast from the University of Alberta's PRIME program.

The dinner continues to be a financial success. This year, the Society raised \$46,500 in corporate sponsorship for the dinner. The Society thanks its supporters: Canadian Western Bank, PricewaterhouseCoopers, State Street, RBC Capital Markets, Blackrock, RBC Dexia, Witten LLP and Laughing Stock Vineyards. We are proud to have partnered with Edmonton Economic Development Corporation for our inaugural Dinner Publication and they will continue to partner with us on other Edmonton CFA Society events.

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 2010-2011 fiscal year of the Edmonton CFA Society, Eric Pedde, 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 22nd annual Edmonton CFA Society golf tournament was held on June 8th at The Ranch Golf and Country Club. There were 65 registered golfers for the Tournament. 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 distributed a number of member updates via e-mail throughout the year. The Society website was also maintained and updated with information on upcoming events, speaker presentations, CFA Institute news and job postings. Additionally, the Edmonton CFA Society received exposure to a broader audience through sponsorship of the Financial Leadership Summit organized by the University of Alberta.

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 2011, the Edmonton CFA Society has 211 members, up from 204 at this time in 2010. Of our 211 members, 193 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 13% 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
2. ATB Financial
3. RBC
4. TD Bank Financial Group
5. TELUS Corporation
6. Adroit Investment Management, Ltd. (Canadian Western Bank Group)
7. BMO Financial Group
8. Capital Power Corporation
9. Scotiabank Group
10. The Alberta Teachers' Retirement Fund Board

The Society welcomed the following new charterholders:

Kent Alexander Akgungor, CFA

Carlos Cruz, CFA

Matt Evans, CFA

Ben Hanemaayer, CFA

Thea Victoria Jackson, CFA

Vincent S Kong, CFA

Edward Hing Pang Ng, CFA



Cezary P Niewiadomski, CFA
Philippe B. Potvin, CFA



Activity Report – Cont'd

2.9 Treasurer's Report

The financial position of the Society for the fiscal year ending June 30, 2010 remains very strong with net unrestricted assets of \$101,415. Net earnings continued to improve mostly due to sponsorship of the Forecast Dinner.

The financial statements for the year ended June 30, 2010 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, 2011 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 2009/2010 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 the Chief Investment Officer 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. 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 earned the Certified Financial Planner (CFP) designation and the CFA Charter in 2004.

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 of External Funds Management 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 Pavilion Investment House office in Edmonton. Marshall is a CFA Charterholder with several years' experience providing advice and wealth management services to affluent and high-net-worth clients. Marshall's practice within Pavilion Investment House unites financial science with the practical experience of seasoned investment management. Using research from academic leaders in the field of finance, portfolios are constructed with a strong recognition of market efficiency, a requirement for diversification, the importance of costs management along with an integrated financial planning methodology.

He received his Bachelor of Commerce (major Finance) from the University of Alberta and has completed several related educational designations including a Professional Financial Planning designation.

Marshall is also the author of *The Brilliance of Boring Investing ~ An Academic Approach to Portfolio Design* (2nd edition 2011).

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.

Kirby Hill, CFA, Director

Kirby is currently Director, Investor and Public Relations, External Communications for Canadian Western Bank. Kirby has almost ten years of progressive financial services and investment industry experience. He has 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. Kirby 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 2009-2010 Audited Financial Statements

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

FINANCIAL STATEMENTS

JUNE 30, 2010



INDEX

	Page
AUDITORS' REPORT	2
FINANCIAL STATEMENTS	
Statement of Operations	3
Statement of Changes in Net Assets	4
Statement of Financial Position	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 9



2nd Floor, 10260 - 112 Street
 Edmonton, AB T5K 1M4
 Phone: (780) 447-5830
 Fax: (780) 451-6291
 Toll-Free: 1-800-861-5830
 Web: www.romanovsky.com

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, 2010 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, 2010 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
 February 14, 2011

Romanovsky & Associates LLP
 Chartered Accountants



EDMONTON CHARTERED FINANCIAL ANALYST (CFA) SOCIETY

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED JUNE 30, 2010

	2010	2009 (Note 7)
REVENUE		
Forecast dinner	\$ 45,300	\$ 45,587
Sponsorship	27,000	15,000
WCIRC	16,466	-
Luncheon meetings	14,933	19,186
CFA Institute reimbursements - administrative	14,715	10,762
Membership dues	13,730	10,915
Job postings	13,375	10,196
Golf tournament	9,914	5,872
CFA Institute reimbursements - travel	3,438	14,765
Education seminars and exams	2,268	343
Investment income	1,248	1,210
Bush event reimbursements	488	-
Charter awards	305	105
	<u>163,180</u>	<u>133,941</u>
EXPENDITURES		
Forecast dinner	58,200	49,309
Advertising, promotion	14,229	9,869
WCIRC	13,716	-
Luncheon meetings	11,758	19,303
Professional fees	9,575	5,100
Golf tournament	7,901	7,353
Travel	7,205	9,424
Office	6,068	7,207
Charitable donations	5,000	5,000
Interest, bank charges	2,926	2,993
Charter awards	2,531	-
Education seminars and exams	2,499	1,885
Annual and board meetings	1,911	3,161
Insurance	1,260	1,263
Telephone	510	420
Student reception	-	1,245
	<u>145,289</u>	<u>123,532</u>
NET EARNINGS FOR THE YEAR	<u>\$ 17,892</u>	<u>\$ 10,409</u>



EDMONTON CHARTERED FINANCIAL ANALYST (CFA) SOCIETY

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED JUNE 30, 2010

	2010	2009 (Note 7)
UNRESTRICTED NET ASSETS, beginning of year	\$ 81,087	\$ 78,698
NET EARNINGS FOR THE YEAR	17,892	10,409
Unrealized gain (loss) on available-for-sale assets (Note 4)	2,436	(8,020)
UNRESTRICTED NET ASSETS, end of year	<u>\$ 101,415</u>	<u>\$ 81,087</u>



EDMONTON CHARTERED FINANCIAL ANALYST (CFA) SOCIETY

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2010

ASSETS

	2010	2009 <small>(Note 7)</small>
CURRENT ASSETS		
Cash	\$ 20,706	\$ 30,327
Accounts receivable	37,047	3,673
GST recoverable	1,250	1,246
Prepaid expenses and deposits	1,352	2,352
	<u>60,355</u>	<u>37,598</u>
LONG-TERM ASSETS		
Available-for-sale portfolio investments (Note 5)	<u>54,784</u>	51,099
	<u>\$ 115,139</u>	<u>\$ 88,697</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable, accrued liabilities	\$ 10,692	\$ 4,723
Prepaid membership dues	3,032	2,887
	<u>13,724</u>	<u>7,610</u>
NET ASSETS		
Unrestricted net assets	<u>101,415</u>	81,087
	<u>\$ 115,139</u>	<u>\$ 88,697</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, 2010

	2010	2009 (Note 7)
OPERATING ACTIVITIES		
Net earnings for the year	\$ 17,892	\$ 10,409
Changes in non-cash working capital:		
Accounts receivable	(33,373)	29,445
Prepaid expenses and deposits	998	(501)
Accounts payable, accrued liabilities	5,969	(44,850)
GST recoverable	(4)	1,251
Prepaid membership dues	144	(4,802)
	<u>(8,374)</u>	<u>(9,048)</u>
INVESTING ACTIVITIES		
Purchases of portfolio investments	<u>(1,248)</u>	<u>(1,210)</u>
	<u>(1,248)</u>	<u>(1,210)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(9,622)	(10,258)
CASH AND CASH EQUIVALENTS, beginning of year	<u>30,328</u>	<u>40,585</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 20,706</u>	<u>\$ 30,328</u>



EDMONTON CHARTERED FINANCIAL ANALYST (CFA) SOCIETY

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2010

1. **NATURE OF OPERATIONS**

The Edmonton Chartered Financial Analyst (CFA) Society was incorporated on December 5, 1963 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 on a going concern basis. 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.

Continued.../



EDMONTON CHARTERED FINANCIAL ANALYST (CFA) SOCIETY

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2010

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 (2009 - 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.

4. RECENTLY ADOPTED AND PENDING ACCOUNTING PRONOUNCEMENTS

Financial Instruments

The Society has elected to defer application of the CICA Handbook Sections 3862 "Disclosures" and 3863 "Presentations" and instead continue to use Section 3861 "Financial Instruments - Disclosure and Presentation" until such time as the Accounting Standards Board has implemented a final recommendation.



EDMONTON CHARTERED FINANCIAL ANALYST (CFA) SOCIETY

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2010

5. PORTFOLIO INVESTMENTS

	2010	2009
RBC Canadian Bond Fund	\$ 26,762	\$ 25,726
RBC Canadian Index Fund	8,348	7,500
RBC O'Shaughnessy All-Cdn Equity Fund	3,071	2,511
RBC U.S. Index Fund	6,232	6,013
RBC O'Shaughnessy U.S. Value Fund	2,123	1,712
RBC International Index Currency Neutral	8,248	7,637
	<u>\$ 54,784</u>	<u>\$ 51,099</u>

The amounts are presented at fair value, which includes the unrealized gain on Available-For-Sale (AFS) investments of \$2,437 (2009 - unrealized loss of \$8,018). Investment income earned during the year was \$1,248 (2009 - \$1,210). Because these AFS investments are publically traded, they are subject to price risk which is the risk that the fair value or future cash flows will fluctuate because of changes in market prices. AFS investments are initially measured at fair value with subsequent measurement at fair value except for investments in equity instruments that do not have a quoted market price in an active market. These are carried at cost. Unrealized gains and losses are recognized in the statement of changes in net assets. When sold, the realized gain or loss is transferred out of net assets and recognized in the statement of operations. Interest income on interest bearing AFS investments is calculated using the effective interest rate method. If there is a permanent impairment of an AFS investment, the impairment is recognized in the statement of operations in the period of impairment.

6. DISCLOSURE OF ALLOCATED EXPENSES

The CICA issued Section 4470, "Disclosure of allocated expenses by not-for-profit organizations" which establishes disclosure standards for not-for-profit organizations that classify their expenses by function and allocate their expenses to a number of functions to which the expenses relate. During the year, there were no allocations of expenses between functions. All expenditures by function are direct expenses of that function.

7. PRIOR PERIOD ADJUSTMENT

To reflect accrual accounting, membership dues for 2009 have been adjusted downward from \$13,230.43 to \$10,914.26 and 2008 dues have been adjusted downward from \$15,392.11 to \$9,933.00. the corresponding changes have been made to net assets and accounts receivable.