



Setting a higher standard for the  
Calgary investment community

# 2009

# Annual Report





## 2008—2009 Officers

### President

**Robert Cook, CFA**  
*ARC Financial Corporation*

### Vice President

**Vern Malcolm, CFA**  
*Echo Merchant Fund Ltd.*

### Treasurer

**Kerry Blue, CFA**  
*Connacher Oil & Gas*

### Secretary

**Jason Montemurro, CFA**  
*KERN Partners*

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Public Awareness, External  
**Robert Cooper, CFA**  
*Acumen Capital Partners*

Programs Co-Chair  
**Scott Lawritsen, CFA**  
*Meyers, Norris, Penny LLP*

Advocacy/Public Awareness, Internal  
**Ada Litvinov, CFA**  
*Mawer Investment Management*

Membership/Human Resources  
**Brian Mayhew, CFA**  
*TD Waterhouse*

Past President/Bull Initiative  
**Wes Peters, CFA**  
*Mercer*

University Relations  
**Michael Robinson, CFA**  
*University of Calgary*

Professional Development Co-Chair  
**Timothy Watson, CFA**  
*CIBC World Markets, Inc.*

Programs Co-Chair  
**Cameron Webster, CFA**  
*Sandstone Asset Management*

Professional Development Co-Chair  
**Derek Wheatley, CFA**  
*Scotia Waterous, Inc.*



## CCFAS Vision

To advance the interests of the global investment community by establishing and maintaining the highest standards of professional excellence and integrity.

## CCFAS Mission

The Calgary CFA Society (CCFAS) was established in 1976. As one of the CFA Institute member societies, our society connects members to a global network of investment professionals.

The mission of the Calgary CFA Society is:

- To be acknowledged as a distinct, leading edge CFA Institute chapter
- To advance CFA Institute's Code of Ethics and Standards of Professional Conduct within the CCFAS membership, regulatory bodies and the broader financial community
- To effectively market the CCFAS, its vision, mission and guiding principles to the investment community and the public at large
- To support CFA candidates and provide high quality programs, services and positive experiences for CCFAS members
- To encourage active participation by CCFAS members in the society
- To continue to host events such as the Annual Forecast Dinner

## Guiding Principles

CCFAS will abide by the following principles when considering and/or implementing the mission:

- We will reflect the CFA Institute vision and the CCFAS mission in our actions
- We will reinforce the CFA Institute's Code of Ethics and Standards of Professional Conduct
- We will continue to be an active volunteer-based organization
- We will be a leading provider of programs for CCFAS members
- We will offer assistance and support to those enrolled in the CFA program



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## President's Message

Dear fellow members of the CCFAS:

I hope you're enjoying our busy calendar of educational and social events. Both Forecast Breakfasts in the fall were sold out and well received by attendees. The 32nd Annual Forecast Dinner in January was our most successful one ever. We've listened to your feedback over the years requesting a Forecast Dinner that featured name brand speakers in an educational and entertaining format that finished on time. This year's program featured exceptional, high profile speakers and we managed to wrap everything up by 9 pm.

At this year's Forecast Dinner we provided an update on our "Bullish on Your Future" initiative. As you know, we are partnering with the Calgary Stampede to commission and install an iconic bronze sculpture of the Outlaw bull in the heart of the Calgary business district. Stay tuned for further news on this important and prestigious project.

We're all aware that the downturn in the global economy is now touching Calgary with mounting job losses in our financial and energy sectors. Not surprisingly the value of the Charter is being increasingly recognized by Calgary's employers and most of our members aren't worried. To further enhance our value to members, the Calgary CFA Society will be hosting several events in the year ahead that will focus on professional development. Our objective is to make our Society members even more marketable and essentially indispensable to Calgary's most desirable employers.

Finally, volunteers are an important part of our Society and without them we couldn't begin to provide the quality and quantity of programs that we've all become accustomed to. If you are interested in being a volunteer of the Society, please contact me or any of the other Board members. Our AGM will be held on June 9<sup>th</sup> this year. Like every year, we will be nominating new directors for the several openings on the Board. Previous experience volunteering for the Society is the best way to be considered as a potential new director.

As my term as President draws to an end, I welcome anyone to call me at any time with questions, comments or concerns. As is the tradition, I will continue with the Board next year in the role of Past President where I will be focusing on advising our new President and mentoring our newer directors.

Rob Cook, CFA  
President, Calgary CFA Society



## Past Presidents

Gernot Schnegelsberg	1976-77	Robert G.G. Currie, CFA	1992-93
Alistair S. Thomson	1977-78	John N. Grecu, CFA	1993-94
Thomas H. Loucks	1978-79	William R. MacLachlan, CFA	1994-95
Gerald A. Cooper-Key, CFA	1979-80	James F. Cameron, CFA	1995-96
David A. Bissett	1980-81	Debra Giles, CFA	1996-97
Leighton Frederick Pullen, CFA	1981-82	Gary J. Feltham, CFA	1997-98
Randal L. Oliver, CFA	1982-83	Elizabeth F. Lunney, CFA	1998-99
Brian L. Gallen, CFA	1983-84	Kenneth W. Rowan, CFA	1999-00
Wilfred A. Gobert, CFA	1984-85	Shondell J. Sabad, CFA	2000-01
John R. Rawlyck, CFA	1985-86	E. A. Tony Zarembo, CFA	2001-02
Nancy Jane Grant, CFA	1986-87	Elizabeth M. Hamilton-Keen, CFA	2002-03
Donald T. Ferris, CFA	1987-88	Stuart H. Parnell, CFA	2003-04
Mary E. Waterous, CFA	1988-89	Craig D. Senyk, CFA	2004-05
Ronald T. Abraham, CFA	1989-90	Blaine A. Lennox, CFA	2005-06
Mike A. Quinn, CFA	1990-91	Claudio R. Gagliardi, CFA	2006-07
Brian L. Ward, CFA	1991-92	Wes Peters, CFA	2007-08



## Forecast Dinner

Our 32<sup>nd</sup> Annual Forecast Dinner, held on January 22, 2009, was a great success with close to 1500 in attendance. The event was hosted by Kevin O’Leary, who is perhaps most well known from CBC’s *The Dragon’s Den* and BNN’s *Squeeze Play*. Those attending had the opportunity to listen to market forecasts provided by well respected investment and finance professionals including David Dodge, the former Governor of the Bank of Canada.

One of the highlights of the evening, and a new feature this year, was a question and answer session moderated by our event host Kevin O’Leary.

This year’s speaker lineup included:

**David Dodge, O.C.**

Senior Advisor, Bennett Jones LLP

**Ed Devlin, MBA**

Executive Vice President and Portfolio Manager, PIMCO

**Randy Ollenberger, MA**

Managing Director, Research, BMO Capital Markets

Three speakers from the 2008 Forecast Dinner – **Don Drummond**, **Roger Mortimer**, and **Bruce McDonald** – returned to defend their forecasts.

The **2008 Forecaster of the Year** was awarded to **Kim Bechthold, CFA**, of Research Capital. Kim’s forecast:

	<u>Actual</u>	<u>Forecast</u>
<b>WTI:</b>	\$44.60	\$55.00
<b>TSX:</b>	8987.7	10250.00
<b>Nat. Gas:</b>	\$5.62	\$6.80
<b>S &amp; P:</b>	903.25	1100.00

We would like to recognize those who came closest with their forecasts in each category:

	<u>Actual</u>	<u>Closest Forecast</u>
<b>WTI:</b>	\$44.60	<b>Saunder VanDijk</b> \$50.00
<b>TSX:</b>	8987.7	<b>Kim Bechthold</b> 10250.00
<b>Nat. Gas:</b>	\$5.62	<b>Doug Bonner</b> \$5.76
<b>S &amp; P:</b>	903.25	<b>Bob Schmidt</b> 900.00

The Calgary CFA Society also recognized **Chris Hooper, CFA** as **Volunteer of the Year**. Chris has been a dedicated and enthusiastic volunteer serving on a number of committees over the past





years including programs, where he has helped bring high profile speakers to address our membership.

2009 was the first year we sought sponsorship and we were very pleased to welcome ATB Corporate Financial Services as our inaugural Event Sponsor. Thank you to Ian Wild and the entire ATB Corporate Financial Services team for your support.

A special thank you to Bennett Jones LLP and their Managing Partner, Perry Spitznagel for both sponsoring the event and working with us to bring David Dodge to Calgary.

We are also very appreciative of all of our other corporate sponsors:

**ATB Corporate Financial Services (Event Sponsor)**

**Bennett Jones LLP (Dinner Sponsor)**

Wall Street Prep (Program Sponsor)

Stalla (Entertainment Sponsor)

Calgary Herald (Media Sponsor)

National Post (Media Sponsor)

Pattison Outdoor (Media Sponsor)

Evolution AV (AV Sponsor)

Marriott Hotel Calgary (Hotel Sponsor)

Laughing Stock Vineyards (Gift Sponsor)

Many people are involved in making an event like this successful. I would like to thank the entire board for their input and support and especially recognize Debbie Kunert, who worked tirelessly to ensure a first class event.

Vern Malcolm, CFA  
Vice President and Forecast Dinner Chair





## Professional Development Update



The Calgary CFA Society held six successful professional development programs over the past six months. The first course was a four day oil and gas financial modeling seminar instructed by Wall Street Prep. The course focused on constructing detailed financial models for the upstream oil and gas industry, including such topics as financial statements, valuation approaches, and leveraged buy-outs. The course was attended by professionals from a broad array of backgrounds, from fund management to investment banking to E&P business development. This course was again hosted in February 2009 as a five day course, with the addition of leveraged transaction analysis.

The second course was a one day real options seminar instructed by Professor Alfred Lehar of the Haskayne School of Business. The course covered Monte Carlo simulation as well as a case study on the application of real options in a practical setting. The course offered the opportunity for participants to develop their financial skill set and bring a series of valuation models back to their day-to-day activities.



The third course was a two day real estate finance modeling seminar instructed by Joshua Kahr of Kahr Real Estate Services. The course provided an introduction to real estate cash flow modeling, land / construction financing and partnership structuring. In addition, two guest speakers, Alex Tye of CareVest Capital Inc. and Mario Frison of Alberta Treasury Branches, provided insights into lending and commercial banking for real estate.

The fourth course was held in late November and focused on financial model construction. The course was instructed by Ian Schnoor of the Marquee Group and received very strong reviews from attendees. The course content included construction of a detailed corporate model including all necessary schedules (depreciation, working capital, debt / interest, shareholder's equity). In addition, participants received a series of working models to apply to their day-to-day activities. This course was offered again in April 2009.



The fifth event was an evening career discussion featuring John Roshak and Diana Gibbons of AW Fraser & Associates as well as Catherine Bell and Shahauna Siddiqui of BluEra. Topics included a review of the current job market, discussion on how to advance in your career and prepare for your next role, strategies for finding top staff and how to deal with workplace issues / politics.

Over the coming months, we are working towards several topics including mezzanine finance, midstream and downstream evaluations, job transitioning, financial modeling and distressed company evaluations. Hopefully these courses will continue to be well received as our members strive to incorporate the latest topics into their skill sets.

Derek Wheatley, CFA  
Tim Watson, CFA  
Professional Development Co-Chairs



**2008—2009 Programs  
Sub-committee**

**Co-Chairs**

Cameron Webster, CFA  
Scott Lawritsen, CFA

**Committee Members**

Kristie Allen, CFA  
Christopher JM Brown  
Dean Evans, CFA  
Jeff Fetterly, CFA  
Claudio Gagliardi, CFA  
Michael Gaudet, CFA  
Tim Gillespie, CFA  
Cheryl Grant, CFA  
Chris Hooper, CFA  
Jenny Jiang, CFA  
Evan T. Johnston, CFA  
Rob Kaczanowski, CFA  
Davin Kivisto, CFA  
Carl Landry, CFA  
Tricia Leadbeater, CFA  
Heather McOuatt, CFA  
William Mitchell, CFA  
Bryan Monchamp, CFA  
Lee Raffey, CFA  
Scott Sankey, CFA  
Patricia Szmolyan, CFA  
Ryan Tizzard, CFA  
Brad Wolfe  
Chris Woodman, CFA

## Programs Update

Calgary CFA Society’s Programs delivered a solid year. The Luncheon series spanned a broad array of topics, with a record-sized volunteer committee working toward delivering many more topics of interest. Some of the highlights so far this year have included:

- Farmland as a new entrant in the alternative asset class.
- IFRS impact on valuation techniques
- The search for alpha and how investment manager skill and investment breadth define it
- A Post-election Snapshot on U.S. Canada Relations
- Canadian Financial Markets – An Integrity Check
- Credit Crunch; A Private Equity View
- Update on Trust Conversions
- Beyond Boom to Bust
- Cause of the Financial Crisis of 2007 – 2009 and Longer-term Reform of the Financial System
- Fundamentals of Structuring and Leveraging ETF’s
- Corporate Finance – Are Corporate Acquisitions Destroying Shareholder Value?

In addition to the Luncheon series, the annual Oil and Gas Forecast Breakfast had an exciting combination of speakers – a commodity forecaster, a sell-side analyst and an investment banker. The lineup attracted media coverage from BNN and the Daily Oil Bulletin and we have received positive feedback on the format and content from the membership. The Oilfield Services Forecast Breakfast was also very popular, with an industry association president, a sell-side analyst, and a private equity manager as presenters. The inaugural Economic Forecast Breakfast provided the outlook for Canada, Alberta and Calgary.

As we look forward, the Programs committee is pursuing a balance of big picture and specific topics to deliver perspective and continuing education credits to the membership.

We would like to thank those who volunteered for the Programs Committee and look forward to establishing another keen group for next year. As always, if there is a particular subject or speaker you would like Programs to arrange, please contact us through [admin@calgarycfasociety.com](mailto:admin@calgarycfasociety.com)

Cameron Webster, CFA  
Scott Lawritsen, CFA  
Programs Co-Chairs





## New Charterholders

Congratulations and a warm welcome to the newest CFA Charterholders.

Trent W. Baker, CFA  
 Martin A. Buller, CFA  
 Robert Paul Dawson, CFA  
 Lee J. Evans, CFA  
 Brodie C.I. Fraser, CFA  
 Arthur Grayfer, CFA  
 Janet Zheng Huang, CFA  
 Arron Johnson, CFA  
 Kelsey John Kelemen, CFA  
 Conrad F.V. Kluge, CFA  
 Linus Chilun Lau, CFA  
 Qianli Ma, CFA  
 Dave Makarchuk, CFA  
 Paul J. Mckendrick, CFA  
 Brian J. Newmarch, CFA  
 Chad Michael O'Hare, CFA

Andrew Oh, CFA  
 Aaron R. Potvin, CFA  
 Gavin C. Preston, CFA  
 Queyen T.T. Quach, CFA  
 Omeed Sharif, CFA  
 John G. Shypitka, CFA  
 Alexander Tettmar, CFA  
 Adam R. Twa, CFA  
 Gregory G. Tychon, CFA  
 Carli C. Tyson, CFA  
 Don C. Walker, CFA  
 Arlene Weatherdon, CFA  
 Jamie Wilkie, CFA  
 Juan Yi, CFA  
 Jocelyn Yiu, CFA  
 Kenneth Yung, CFA



At the annual President's Dinner on December 8, 2008, eight new CFA Charterholders were presented with their Charters by past presidents of the Calgary CFA Society.



## CAC Update

The Canadian Advocacy Council for Canadian CFA Institute Societies (“CAC”) is the Pan Canadian body representing the interests of Canadian CFA Institute societies with regards to advocating CFA Institute’s Code of Ethics and Standards of Practice to Canada’s securities regulators, standard setters, self-regulatory organizations, industry groups and legislators. The CAC advocates the interests of its members through the publication of comment letters on proposed rules and notices from standard setters, legislators and securities regulators.

The CAC is an independent organization comprising approximately 16 members from across Canada who engage in a variety of activities in Canada’s capital markets. Scott Lawritsen and Ada Litvinov are two Board members for the Calgary CFA Society that are also members of the CAC. Funding for the CAC is provided by the Canadian member societies of the CFA Institute and the CFA Institute.

The CAC advocates the interests of its members through the publication of comment letters on proposed rules and notices from standard setters, legislators and securities regulators. In addition, the CAC publishes “White Papers” on issues which it deems are of national importance and participates in a number of User Advisory groups. Comments and issues engaged by the CAC are screened through a vigorous litmus test and debate from its members.

The CAC reports to the CAC Oversight Council consisting of the CFA Institute’s Canadian President’s Council Representative and representatives of three member societies, which rotates on an annual basis. The Oversight Council primarily provides feedback to the CAC members from their own societies, approves the appointment of new members to the Council and acts as the primary governance mechanism for the Council.

The CAC works closely with the CFA Institute’s Centre for Market Integrity by providing input and participants into the Centre’s two main advocacy committees, Capital Market Policy and Corporate Disclosure Policy. In addition, the CAC and the Centre co-ordinate general and specific Canadian advocacy efforts when appropriate.

Most recently, the CAC has commented on the following issues:

1. Investment Dealers Association Of Canada (IDA) - Establishment And Amendment Of IDA Rules To Implement The Core Principles Of The Client Relationship Model. Comment letter provided May 29, 2008.
2. Canadian Securities Administrators (CSA) - Proposed NI 23-102, Use of Client Brokerage Commissions as Payment for Order Execution Services or Research. Comment letter provided March 20, 2008.



3. Canadian Securities Administrators (CSA) - Proposed NI 31-103, Registration Requirements. Comment letter submitted June 20, 2008.
4. CICA's Canadian Performance Reporting Board (CPRB) - "Improved Communication with Non-GAAP Financial Measures", General Principles and Guidance for Reporting EBITDA and Free Cash Flow. Comment letter provided June 2, 2008.
5. The Expert Panel Public Consultation Paper on Canadian Securities regulation. Comment letter provided July 10, 2008.
6. Canadian Securities Administrators (CSA) Consultation Paper 11-405 regarding the securities regulatory proposals stemming from the 2007-08 credit market turmoil and its effect on the ABCP market in Canada. Comment letter provided January 23, 2009

All the comment letters provided can be read on the CAC website, [www.cfaadvocacy.ca](http://www.cfaadvocacy.ca)

Ada Litvinov, CFA  
Advocacy Chair





## Public Awareness

The Board aims to be reflective of and responsive to our membership. To that end, we undertook a membership survey to ascertain Members' thoughts and opinions on various Society programs and initiatives such as educational programs, the forecast dinner, and Society communications. We have outlined the summary results below:

- Our members hold a variety of occupations, including investment banking, asset management, private client services, and commodities trading to name a few. Calgary CFA Charterholders also span the range of positions ranging from junior analysts to CEO's;
- Over the past year, almost 50% of respondents had attended at least one Society sponsored program. The overwhelming majority of respondents indicated the quality of speaker and/or topic was the principal reason for attending;
- 66% of respondents thought program pricing was about right;
- The majority of members attended programs due to personal interest – 85% did not attend with clients;
- 70% of respondents attend the Forecast Dinner due to quality of the speaker or topic;
- The main reason for not attending the Dinner was length of program. If one item could be eliminated, Members would eliminate the previous year's forecast defense;
- Members prefer email communication - the weekly member update is widely read with particular emphasis on the job notices.

We thank those who responded to the survey as it provided valuable information on key Society initiatives. The Board is constantly evaluating new and better methods of delivering quality programs to our members and we welcome member feedback at any time.

Sincerely,  
Robert Cooper, CFA  
Public Awareness Chair





## Bullish on Your Future™ – Update

A couple of years ago we dreamed of erecting a bronze bull in the heart of the downtown Calgary business district to celebrate Calgary’s emergence as the financial capital of Western Canada. To the surprise of many, that dream is rapidly becoming a reality. After considering many artists, we chose Canadian sculptor Richard Loffler to construct the statue, a model of which was unveiled at our Forecast dinner in January. Richard’s credentials are just as impressive as the model he developed for us. Some of Richard’s accomplishments include an Award of Excellence from the Society of Animal Artists and annual participation in Prix de West, a prestigious invitational Western art exhibit at the National Cowboy & Western Heritage Museum in Oklahoma.

Our unveiling produced a flurry of media coverage, and the interest and support for this project continues to grow. We have already raised meaningful funds towards the construction the statue,\* thanks to the generous support we have received from sponsors such as the CFA Institute, Rob Laidlaw and the Posse, and the Calgary CFA Society. The Calgary CFA Society contribution was raised by holding various events throughout the year, rather than from your membership dues. There are of course additional costs related to obtaining an appropriate site, site preparation, installation, and on-going maintenance. Site selection is nearing completion and we will let you know as soon as the details have been finalized. We have developed a budget for these remaining costs and are confident that the necessary funding will soon be secured.

Construction of the statue at the foundry has begun. The construction process is expected to take about a year (it’s a big bull). Our plan is to have the statue on-site and unveiled in the mid-2010. In the meantime, your Board members will be monitoring the progress and the budget.

Wes Peters, CFA  
Past President

*\*The funds raised for the Bull project were reflected as part of the Society’s assets on the audited annual financial statements as of June 2008. These funds have now been segregated from the general assets. This change will be reflected in the audited annual financial statements as of June 2009.*





# Financial Statements

## AUDITOR'S REPORT

To the Members and Directors of Calgary Chartered Financial Analyst Society:

I have audited the balance sheet of Calgary Chartered Financial Analyst Society (the Society) as at June 30, 2008, and the statement of operations and net assets for the year then ended. These financial statements are the responsibility of the Society's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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 the management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Society as at June 30, 2008, and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles.

Calgary, Alberta  
April 22, 2009

Sylvia F. DeLauretis Professional Corporation,  
Certified Management Accountant



# Financial Statements

CALGARY CHARTERED FINANCIAL ANALYST SOCIETY  
BALANCE SHEET  
AS AT JUNE 30, 2008

	<u>2008</u>	<u>2007</u>
ASSETS		
CURRENT		
Cash and deposits	\$368,612	\$307,125
Accounts receivable	16,491	43,794
Inventory	936	2,785
Prepaid Expenses	<u>4,850</u>	<u>23,933</u>
	390,889	377,637
CAPITAL ASSETS (note 3)	<u>3,489</u>	<u>1,688</u>
	<u>\$394,378</u>	<u>\$379,325</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$4,884	\$57,680
Deferred revenue	<u>41,846</u>	<u>100,175</u>
	46,730	157,855
NET ASSETS		
UNRESTRICTED	<u>347,648</u>	<u>221,470</u>
	<u>394,378</u>	<u>379,325</u>



CALGARY CHARTERED FINANCIAL ANALYST SOCIETY  
STATEMENT OF OPERATIONS AND NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2008

	<u>2008</u>	<u>2007</u>
REVENUE		
Programs, workshops and events	\$360,798	\$187,117
Forecast dinner	186,714	183,651
Membership dues	72,483	69,118
Employment notices	78,511	47,945
Golf tournament	21,053	21,737
Interest and other income	<u>14,886</u>	<u>11,756</u>
	<u>734,445</u>	<u>521,324</u>
EXPENSES		
Programs, workshops and events	289,408	168,988
Forecast dinner	179,383	167,497
Administrative Services	60,486	78,913
Golf tournament	22,385	20,766
Bank and credit card fees	12,522	10,102
Professional fees	10,700	8,496
Calgary Portfolio Management Trust contribution (note 1)	10,000	14,640
Board expenses	7,556	7,558
Office and administration	5,363	8,301
Student scholarships and activities	4,277	1,409
Canadian Advocacy Council	3,908	-
Amortization	1,529	1,402
Insurance	750	1,572
Advertising	<u>-</u>	<u>6,173</u>
	<u>608,267</u>	<u>495,817</u>
EXCESS OF REVENUE OVER EXPENSES	126,470	25,507
NET ASSETS, beginning of year	<u>221,470</u>	<u>195,963</u>
NET ASSETS, end of year	<u>\$347,648</u>	<u>\$221,470</u>



CALGARY CHARTERED FINANCIAL ANALYST SOCIETY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2008

1. PURPOSE OF ORGANIZATION

The Calgary Chartered Financial Analyst Society (the Society) is a nonprofit organization that incorporated on January 18, 1982 under the Societies Act of the Province of Alberta. The Society has tax exempt status pursuant to the Canadian Income Tax Act, thus no provision for income taxes has been made within these financial statements. The Society is a member of CFA Institute. As a member, the Society adheres to the articles and bylaws of that organization.

The objectives of the Society are:

- (a) to provide and maintain an organization for those persons who are directly and indirectly engaged in financial analysis as related to securities investment and to advance and protect generally the status, welfare and interests of such persons;
- (b) to formulate and promote high standards of ethics in financial analysis;
- (c) to educate and inform financial analysts as to techniques, standards and developments with regard to financial analysis, securities and securities markets in order that they might serve the public more competently;
- (d) to hold or sponsor conferences, seminars, courses and workshops or otherwise disseminate information and ideas among members of the Society and to the public relating to financial analysis as related to securities investment; and
- (e) to publicize information regarding financial and security analysis in order to promote public understanding of their role and usefulness.

The Society, jointly with the CFA Institute, also sponsors student scholarships to qualifying CFA candidates.

The Society sponsors the Calgary Portfolio Management Trust (CPMT), an endowment fund managed by senior students in the Haskayne School of Business at the University of Calgary. The Society allocates a portion of sales from designated events to the CPMT. The amount allocated to this fund in 2008 was \$10,000 (2007 - \$14,640).



CALGARY CHARTERED FINANCIAL ANALYST SOCIETY  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2008

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles for nonprofit organizations and reflect the following policies:

Capital Assets

Purchased capital assets are stated at cost. These assets are depreciated on the declining balance basis at rates calculated to depreciate the cost of the capital assets over their estimated useful lives. Additions to capital assets are amortized at one-half their original rate in the year of acquisition.

Revenue Recognition

Revenue earned from Society sponsored events is recognized in the period the event takes place. Membership dues are recognized in the period the member is accepted and the related dues have been received.

Contributed and Volunteer Services

Members contribute their time to assist the Society in carrying out its operating activities by serving on the Board of Directors and by assisting at various Society functions. As it is difficult to determine the fair value of the services provided, no amounts pertaining to those services have been recorded within these financial statements.

Use of Estimates and Measurement Uncertainty

The preparation of these financial statements in conformity with Canadian generally accepted accounting principles require management to make estimates and assumptions that effect 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 revenue and expenses during the year. Actual results could differ from those estimates.



CALGARY CHARTERED FINANCIAL ANALYST SOCIETY  
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
 FOR THE YEAR ENDED JUNE 30, 2008

3. CAPITAL ASSETS

	2008			2007	
	Cost	Accumulated Depreciation	Net Value	Net Value	Rate
Office equipment	\$ 3,350	\$ 2,667	\$ 683	\$ 976	30%
Computer equipment	<u>5,517</u>	<u>2,711</u>	<u>2,806</u>	<u>712</u>	55%/45%
	<u>\$ 8,867</u>	<u>\$ 5,378</u>	<u>\$ 3,489</u>	<u>\$ 1,688</u>	

4. STATEMENT OF CASH FLOWS

The financial statements of the Society do not include a statement of cash flow as this statement would not provide additional useful information.

5. FINANCIAL INSTRUMENTS

The Society's financial instruments consist of cash, deposits, accounts receivable, and accounts payable and accrued liabilities. It is the opinion of the Society's management that it is not exposed to significant interest, currency or credit risks arising from ownership of these financial instruments. The carrying amount of these financial instruments approximates their fair value due to their short term maturity or capacity of prompt liquidation.

