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THE CANADIAN INSTITUTE *of*
**CHARTERED
BUSINESS
VALUATORS™**
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Annual Report

About CICBV

The Canadian Institute of Chartered Business Valuators (CICBV) is the largest professional business valuation organization in Canada. A self-regulating professional association, the CICBV was established in 1971 to set educational and professional standards for the practice of business and securities valuation. A member that meets these standards and agrees to comply with the Institute's Code of Ethics is designated as Chartered Business Valuator (CBV). CBVs practice in industry, accounting firms, independent valuation firms, investment dealers and government and regulatory agencies.

À propos de l'ICEEE

L'Institut canadien des experts en évaluation d'entreprises (ICEEE) est le plus grand regroupement professionnel d'experts en évaluation d'entreprises au Canada. L'ICEEE est une association autoréglementée qui a été créée en 1971 pour l'établissement de normes de formation and d'exercice professionnel en matière d'évaluation d'entreprises et de titres. Le membre qui répond à ces normes et accepte de se conformer au *Code de déontologie* de l'Institut se voit conférer le titre d'Expert en évaluation d'entreprises (EEE)". Les EEE exercent leur profession dans les entreprises, les cabinets comptables, les cabinets d'évaluation indépendants, les maisons de courtage de valeurs et les administrations publiques et organismes de réglementation.

Our Mission

To have the CBV recognized as the pre-eminent designation for business valuation and related financial expertise.

Énoncé de mission

Faire en sorte que le titre d'EEE soit reconnu comme le titre prééminent en matière d'évaluation d'entreprises et d'expertise financière connexe.

Table of Contents

Chair's Letter	2
Statement of Management's Responsibility	14
2011-2012 Officers, Directors and Staff	31
2011-2012 Contributors	32

Table des matières

Message de la présidente	8
Énoncé de responsabilité de la direction	15
2011-2012 Officers, Directors and Staff	31
2011-2012 Contributors	32

Chair's Letter



As Chair of the Board of Directors, it is my honour to present the annual report of The Canadian Institute of Chartered Business Valuators for the fiscal year ended December 31, 2011. 2011 marked the 40th anniversary for the Institute. It is very exciting to be part of a profession that has grown so much over the last four decades and to be able to celebrate such a milestone as Chair.

Your Board and Institute management are committed to focusing on Member needs, and we are continuing to move our Institute forward toward the attainment of our strategic vision: "*Chartered Business Valuators are nationally and internationally recognized as the pre-eminent professionals providing business valuation and related financial expertise.*"

I am pleased with our performance this past year. We have maintained our strong financial and operating performance, and our Institute continues to serve the interests of a growing and dynamic professional membership.

The highlights of 2011 include:

- Celebrated the Institute's 40th anniversary.
- Held regional conferences in Calgary and Halifax.
- Published a new research paper, thanks to the efforts of the CICBV Research Institute Committee.
- Admitted 84 new Members.
- Initiated a multi-media marketing campaign, along with our new CICBV logo and branding.
- Initiated a comprehensive course review for the Program of Studies.
- Continued our participation as a member and a sponsor of the *International Valuation Standards Council (IVSC)*.
- Continued our participation in the *International Institute of Business Valuators (IIBV)*.

These achievements would not have been possible without the dedication and hard work of your Board, Institute staff, and many volunteers, all of whom form the backbone of the CICBV. I thank each of them for a job very well done.

Accreditation and Membership

Congratulations to our 84 new Members. We are very proud of their accomplishment. The success of our new members has brought our membership total to 1,489; 69 of whom reside outside of Canada, in such countries as: Australia, Barbados, Bermuda, Cayman Islands, China, Egypt, Germany, Jamaica, Kenya, South Korea, Kuwait, New Zealand, Poland, Singapore, Switzerland, the United Arab Emirates, the United Kingdom and the United States.

Education

During 2011, the course content for *Introduction to Valuation for Financial Reporting* was rewritten to reflect the requirements of the International Financial Reporting Standards. In addition, a Task Force of Member volunteers diligently worked on a comprehensive review of the objectives and content of the courses in the Program of Studies. As a result of this review, a rewrite of the courses in the Program of Studies will be undertaken. This will involve: the introduction of a mandatory *Applied Business and Securities Valuation* course, the re-distribution of content for the *Law and Taxation in Business*

Valuation course to the relevant courses, a re-ordering of topics, the introduction of new topics, and the elimination of the *Public Companies* and *Restructuring* courses.

A new brochure for prospective students was developed and launched in early 2011.

Continuing Education

Continuing Education plays a key role in maintaining the “excellence” of our profession. In 2011, our Institute held over 16 webinars for our Members who could not travel to the regional conferences or attend regional workshops.

Our Institute also co-sponsored and offered *American Society of Appraisers (ASA)* and *Business Valuation Resources (BVR)* Webinars in Canada. These advanced technical webinars were offered to Members, Students and the public.

Mandatory Continuing Education

As part of the process of keeping ourselves up to date and encouraging all Members to continue with their professional development, we introduced mandatory annual Continuing Education in 2004. The Mandatory Continuing Education Policy states that all Members, unless exempted, are required to complete no less than 20 hours of Continuing Education (CE) activities per year, averaged over a consecutive three-year period.

A new reporting method has also been developed as an alternative to entering CE hours online. This method allows Members to fill in a form that confirms they've read the Policy and they've completed the requisite hours without tracking them online.

Conference and Workshops

The Institute held two regional conferences in 2011. The Western Regional Conference was held on June 16 and 17 in Calgary, Alberta and the Eastern conference was held on September 8 and 9 in Halifax, Nova Scotia. Topics covered at the conferences included various technical business and securities valuation issues, current trends in litigation, an International update, current infrastructure investment, and early-stage capital/angel investing trends.

I thank the Conference Committees who worked so hard to make these events a success. I also thank the Members and Students for your continued support.

The 2012 National Conference will be held in Vancouver on September 20 and 21. I hope to see you there!

The Workshop Committees have been busy hosting presentations and seminars across Canada. I thank all the volunteers involved in the Workshop Committees in the Atlantic region, British Columbia, Edmonton, Montreal, Quebec City and Toronto for coordinating many events throughout the year. These get-togethers are great for learning and networking.

Branding and Communications

The Institute produced a White Paper called “*Uncertain Value – The Price of Change*” in collaboration with Tenzing Communications. This became an important part of our marketing plan in 2011. The White Paper was also part of a Media Kit that was sent to all Members to promote our expertise locally, as well as build awareness nationally.

In March 2011, we introduced our new CICBV logo and launched our updated website.

In June 2011, we had a series of four inserts in the *Globe and Mail*, which were based on the content of the White Paper.

In the Fall of 2011, the Institute produced the first of a series of videos that is intended to create awareness in the media and business community.

Publications

Our Institute continues several non-structured Continuing Education opportunities through its extensive publication offerings. In the past year, regular editions of *The Business Valuator* (Newsletter), the *Valuation Law Review* (Corporate/Securities, Taxation and Family Law reviews) and the *Journal of Business Valuation* were published and sent to all Members, students and subscribers, a distribution of over 2,500. Links to all of our publications are now sent in our E-Flash to allow our Members and Students to download them from our website for faster access.

Practice Standards and Practice Bulletins

During 2011, the Institute issued a Discussion Paper on a proposed Practice Bulletin to provide guidance on the different types of valuation reports. Comment letters were received from various sources which the Professional Practice and Standards Committee, and a number of Task Forces volunteers, gave consideration to in their efforts to revise and further enhance the proposed guidance.

The Professional Practice and Standards Committee also reviewed and provided comment letters on three Exposure Drafts issued by the IVSC.

International

As the global business valuation profession has evolved quickly in the last few years, our Institute has been very active to maintain and protect our highly respected global position. This resulted in a very robust agenda for the International Committee.

The IVSC's mission is to set and maintain effective high-quality global standards for the performance of valuations, thereby serving the public interest. In September 2008 our Institute joined the IVSC to participate in the global development and harmonization of business valuation standards. Our Institute continues to participate and support the IVSC.

Today there are 64 countries represented in the IVSC through 72 different organizations. Four of our Members are currently serving on the IVSC Boards. Brad Dalgliesh, FCBV and Frank Vetesse, CBV serve on the IVSC Board of Trustees, Doug McPhee, CBV, serves on the International Valuation Professional Board and Jeff Harder, FCBV, serves on the International Valuation Standards Board. I thank each of them for the significant commitment each of them has made to the global valuation profession.

We also continue to regularly dialogue and work with our US counterparts, mainly the ASA and the *American Institute of Certified Public Accountants* (AICPA).

Our Institute believes that as a mature professional body, we have a responsibility to the global business valuation community to foster growth and development. In consideration of this, the CICBV continues to have strong involvement with the IIBV in collaboration with the ASA.

The IIBV held one business valuation course in 2011. IIBV 101: *Principles of Business Valuation* was offered in London, England in July 2011. IIBV 102: *International Cost of Capital* was developed in 2011 with an anticipated delivery in Spring in 2012.

Special thanks to all of our Board Members and volunteers who continue to work tirelessly to promote the IIBV on our behalf.

Awards

Our Institute continues to recognize key Members' initiatives that increase the profile of the Institute, our Members and the profession. This year the CICBV Recognition dinner was held on Wednesday, September 7, 2011 in Halifax.

Recognized for their top marks on the 2010 Membership Entrance Exam were Brody Speers, winner of the George Ovens Award for the highest mark, Michael Holmes, received the second highest mark and Genevieve Saraiva, who received the third highest mark.

The *Top CBV Under 40 Award*, in Memory of David Cornfield, CBV, is sponsored by Deloitte & Touche, LLP and is intended to recognize younger CBVs who have demonstrated success in a broad diversity of interests, brought distinction to the profession and given outstanding service. In 2011, the winner of the award was Daniel Hinse, CBV.

The *Scholastic Achievement Award*, sponsored by Ernst & Young LLP, in honour of Ronald W. Scott, CBV, is granted annually to recognize the CICBV Registered Student who achieved the highest average mark on all required courses in the CICBV Program of Studies. The 2011 award was presented to Sara Ford, CA, BComm.

The 2011 *Communicator Award*, which recognizes a Member who undertakes marketing activities and actions that have a beneficial impact on the promotion of the business valuation profession, was presented to Anish Chopra, CBV.

I thoroughly enjoyed hosting the evening, presenting the awards and recognizing all of the outstanding individuals noted above.

Research Institute

The Research Institute helps to fund research on key issues, while at the same time, promoting the profession across Canada. During the year, the Ian R. Campbell Research Competition sent a "Call for Papers" to CBVs, CICBV Students, Academics and students at Canadian universities. The "Best Paper" prize was awarded to Mr. Prem Lobo, CBV and Mr. Peter Henein. The paper is entitled "*Credibility under Scrutiny: A Study of Expert Evidence in Canadian Court Judgments*".

The *Gateway Database* and the *BVResearch Database* continue to be updated with valuable resources for all Members and Students to assist them in their research projects.

The Gateway Database has been designed as a practical research tool for all valuers to better perform their day-to-day work, regardless of practice area, by identifying information sources available. Developed in response to demand from our Members, we hope Members and Students will find this tool helpful as a supplemental research source.

In partnership with BVR, the *BVResearch Database* gives CICBV Members and Registered Students free, searchable, online access to a variety of articles from CICBV publications. It contains articles from publications such as the *Journal of Business Valuation* and the *Valuation Law Review*, and is a valuable research tool.

Financial Condition

Our Institute's financial position is strong, with adequate resources to fund programs such as the on-going development and update of courses in our Program of Studies, branding and public relations activities, the management of the mandatory CE requirements, protection of our brand and reputation through the CDC's initiatives and activities, as well as our international involvement.

Financial highlights:

- Net assets at year-end of \$1,446,151 compared to \$1,358,182 at the end of 2010.
- Positive cash flow.
- An unrestricted surplus fund of \$1,024,017 after segregating a separate fund of \$241,784 for Conduct and Disciplinary purposes.

The audited Financial Statements for the year ended December 31, 2011 are appended to this report.

Recognition

Having served on the CICBV Board for the past six years, I know the CICBV has a terrific pool of talent made up of both volunteers and support staff, who are very committed to ensuring the CICBV's continued success.

Your Board attends five Board meetings each year, with each Board Member also serving on at least two committees. In addition, a number of non-Board Members serve on committees, sub-committees and task forces and participate in organizing workshop and conference presentations, while others assist in our education programs as course leaders, academic coordinators, authors, developers and markers of the Membership Entrance Examination. We are extremely fortunate to have so many Members who are willing to devote their time, talents and expertise to move our Institute forward. To all of these Members, I express my sincere thanks and gratitude!

On December 31, 2011, after over eleven years with the Institute, Jeannine Brooks, MBA, CAE, FCGA, FCBV (*Hon*), retired from her position of President and Chief Executive Officer. Her dedication, commitment and vision to furthering the valuation profession, both nationally and internationally, were greatly appreciated! While we are excited for Jeannine as she moves into this new phase of her life, we will miss her greatly!

Allister Byrne, FCA became the Institute's new President and Chief Executive Officer, effective January 1, 2012. With over 30 years in the accounting profession, Allister brings extensive leadership and management experience in both private and not-for-profit sectors. I know that Allister will be a great leader and will be instrumental in helping the Institute achieve its goals. Please join me in welcoming Allister to the Institute.

Our Institute is also very fortunate to have the following excellent and dedicated staff:

- Robert Boulton, CBV, CA, Director, Education and Standards;
- Megan Kennedy, Communications Manager;
- Isabel Natale, Program Coordinator;
- Deborah Pelle, Events Manager;
- Judith Roth, IT and Member Services Manager;
- Patricia Velasco, Administrator; and
- Lauren Kirshner, External Relations Coordinator.

On behalf of the Board of Directors, I express our sincere appreciation for their loyalty, dedication and commitment.

Conclusion

While our Institute's principal responsibility is to protect the public interest through the maintenance and enforcement of high professional standards, it also exists to serve its Members. Our Institute takes these mandates seriously and welcomes the many and diverse challenges and opportunities that have been addressed over the past year as well as those that lie ahead.

In closing, it has been a great honour to serve as Chair of the Board of Directors for 2011-2012. It has been a rewarding experience for me and I am extremely proud to be a CBV! I encourage all Members to get involved in helping our Institute meet the challenges of the future.



Eleanor Joy, CBV
Chair of the Board of Directors

Message de la présidente



À titre de présidente du Conseil d'administration, j'ai l'honneur de présenter le rapport annuel de l'Institut canadien des experts en évaluation d'entreprises pour l'exercice clos le 31 décembre 2011. L'année 2011 a marqué le 40^e anniversaire de l'Institut. C'est très motivant de faire partie d'une profession qui a connu une croissance fulgurante au cours des quatre dernières décennies et de pouvoir célébrer une telle étape importante en tant que présidente.

Le Conseil et la direction de l'Institut demeurent focalisés sur les besoins des membres et sur la réalisation de notre vision stratégique : «*Les experts en évaluation d'entreprises sont reconnus, nationalement et internationalement, comme les professionnels prééminents dans la prestation de services d'évaluation d'entreprises et d'expertise financière connexe*».

Je suis très heureuse de notre performance au cours de l'année écoulée. Nous continuons d'enregistrer de solides résultats tant financiers qu'opérationnels et l'Institut continue à servir les intérêts de son effectif croissant de professionnels dynamiques.

Voici les points saillants pour 2011 :

- Célébration du 40^e anniversaire de l'Institut.
- Tenue de colloques régionaux à Calgary et Halifax.
- Publication d'un nouveau rapport de recherche, grâce aux initiatives du Comité de l'Institut de recherche de l'ICEEE.
- Admission de 84 nouveaux membres.
- Lancement d'une campagne de marketing multimédias, ainsi que de notre nouveau logo ICEEE et de notre nouvelle stratégie de marque.
- Mise en route d'une révision exhaustive des cours de notre programme de formation professionnelle.
- Poursuite de notre participation à titre de membre et de promoteur de l'*International Valuation Standards Council* (IVSC).
- Reconduction de notre participation aux activités de l'*International Institute of Business Valuers* (IIBV).

Ces réalisations n'auraient pas été possibles sans le dévouement et l'ardeur au travail du Conseil et du personnel de l'Institut ainsi que de nombreux bénévoles, qui, ensemble, constituent l'épine dorsale de l'ICEEE. Je remercie tous et chacun pour le bon travail qui a été accompli.

Agrément et effectif

Félicitations à nos 84 nouveaux membres. Nous sommes très fiers de leur réussite. Grâce au succès de nos nouveaux membres, l'effectif total de l'Institut est maintenant de 1 489 membres, dont 69 sont établis à l'étranger, notamment dans les pays suivants : Allemagne, Australie, Barbade, Bermudes, îles Caïmans, Chine, Corée du Sud, Égypte, Émirats Arabes Unis, États-Unis, Jamaïque, Kenya, Kuwait, Nouvelle-Zélande, Pologne, Royaume-Uni, Singapour et Suisse.

Formation professionnelle

Au cours de 2011, les notes du cours *Introduction to Valuation for Financial Reporting* ont été réécrites afin de refléter les exigences des Normes internationales d'information financière (IFRS). De plus, un groupe de travail composé de membres bénévoles a travaillé assidûment à une révision complète des objectifs et du contenu des cours du programme de formation professionnelle. Par suite de cette

révision, une réécriture des cours du programme sera entreprise. Ce projet se traduira par l'introduction d'un cours obligatoire, *Applied Business and Securities Valuation*, la répartition du contenu du cours *Law and Taxation in Business Valuation* entre les autres cours selon la pertinence, la réorganisation des sujets, l'ajout de nouveaux sujets et l'élimination des cours *Public Companies* et *Restructuring*.

Une nouvelle brochure à l'intention des étudiants éventuels a été élaborée et lancée au début de 2011.

Formation continue

La formation continue est un élément clé garant de l'excellence de notre profession. En 2011, notre Institut a offert 16 webinars à l'intention des membres qui ne peuvent participer aux colloques ou ateliers régionaux.

Notre Institut a également coparrainé et offert des webinars de l'*American Society of Appraisers (ASA)* et de *Business Valuation Resources (BVR)* au Canada. Ces webinars techniques et pointus ont été diffusés auprès des membres, des étudiants et du public.

Formation continue obligatoire

Dans le cadre du processus d'actualisation de nos connaissances et d'encouragement des membres à poursuivre leur développement professionnel, la formation continue annuelle obligatoire a été introduite en 2004. La Politique sur la formation continue obligatoire prévoit que tous les membres, sauf dispense, sont tenus d'effectuer un minimum de 20 heures de formation continue (FC) par an, déterminé d'après une moyenne calculée sur une durée de trois années consécutives.

Un nouveau mode de déclaration a également été mis au point comme solution de rechange à l'inscription des heures de FC en ligne. Les membres ont ainsi la possibilité de remplir un formulaire qui confirme qu'ils ont lu la Politique et qu'ils ont complété le nombre requis d'heures de formation sans avoir à en faire un suivi en ligne.

Colloques et ateliers

L'Institut a tenu deux colloques régionaux en 2011. Le colloque régional de l'Ouest a eu lieu les 16 et 17 juin à Calgary (Alberta) et le colloque de l'Est, à Halifax (Nouvelle-Écosse) les 8 et 9 septembre. Les thèmes traités comprenaient notamment divers sujets techniques concernant l'évaluation d'entreprises et de titres, les tendances actuelles en matière de litiges, les éléments nouveaux à l'échelle internationale, les investissements d'infrastructure en cours, ainsi que les tendances caractérisant les investissements en phase de démarrage et les investissements providentiels.

Je remercie les Comités des colloques qui n'ont ménagé aucun effort pour que ces événements soient des succès. Je remercie également les membres et les étudiants pour leur soutien indéfectible.

Le Congrès national 2012 sera tenu à Vancouver les 20 et 21 septembre. J'espère pouvoir vous y rencontrer.

Les comités d'ateliers ont été très occupés à organiser des présentations et des séminaires partout au Canada. Je remercie les bénévoles actifs dans les comités d'ateliers dans la région de l'Atlantique, en Colombie-Britannique, à Edmonton, à Montréal, à Québec et à Toronto pour avoir coordonné de nombreux événements au cours de l'année. Ces rencontres sont d'excellentes occasions d'apprendre et de réseauter.

Stratégie de marque et communications

L'Institut a produit un livre blanc intitulé *Uncertain Value – The Price of Change* en collaboration avec Tenzing Communications. Ce document est devenu un élément important de notre plan de marketing en 2011. Le livre blanc a également été inclus dans un dossier d'information qui a été diffusé auprès de tous les membres en vue de promouvoir notre expertise à l'échelle locale et de nous faire mieux connaître à la grandeur du pays.

En mars 2011, nous avons introduit le nouveau logo de l'ICEEE et avons lancé notre site Web actualisé.

En juin 2011, nous avons fait paraître quatre encarts dans le *Globe and Mail*, qui étaient inspirés du contenu du livre blanc.

Au cours de l'automne 2011, l'Institut a produit la première d'une série de vidéos qui vise à nous mieux faire connaître auprès du monde des affaires.

Publications

L'Institut continue d'offrir des occasions de formation continue non structurée grâce à son vaste programme de publications. Au cours de l'année écoulée, il a publié et diffusé auprès de tous ses membres, étudiants et abonnés des éditions périodiques de *The Business Valuator* (Newsletter), de *Valuation Law Review* (en particulier des comptes rendus en valeurs mobilières d'entreprises, en droit fiscal et en droit de la famille) et de *Journal of Business Valuation*, ce qui représente une diffusion de plus de 2 500 exemplaires pour chaque numéro. Des liens à toutes nos publications sont maintenant transmises dans notre *E-Flash* afin de permettre aux membres et aux étudiants de les télécharger à partir de notre site Web et d'y avoir accès plus rapidement.

Normes d'exercice et bulletins de pratique professionnelle

En 2011, l'Institut a publié un document de travail concernant un projet de bulletin de pratique professionnelle destiné à fournir des indications sur les divers types de rapports d'évaluation. Des lettres de commentaires provenant de sources diverses ont été examinées par le Comité de la pratique et des normes professionnelles et les membres bénévoles d'un certain nombre de groupes de travail dans le cadre de leurs initiatives en vue de réviser et d'améliorer encore les indications proposées.

Le Comité de la pratique et des normes professionnelles a également étudié et commenté trois exposés-sondages publiés par l'*International Valuation Standards Council*.

Sur la scène internationale

Comme la profession d'évaluateur d'entreprises a évolué rapidement à l'échelle internationale depuis quelques années, l'Institut est activement intervenu afin d'y défendre et protéger la position hautement respectable dont nous jouissons à travers le monde. Cela s'est traduit par un emploi du temps bien chargé pour le Comité international.

La mission de l'IVSC consiste à élaborer et à tenir à jour des normes internationales de haute qualité pour la réalisation d'évaluations, et de servir ainsi l'intérêt public. En septembre 2006, notre Institut est devenu membre de l'IVSC afin de participer à l'élaboration et à l'harmonisation des normes d'évaluation d'entreprises à l'échelle mondiale. L'Institut continue de soutenir l'IVSC et de participer à ses travaux.

Aujourd'hui, 64 pays sont représentés à l'IVSC par le truchement de 72 organisations. Quatre de nos membres font actuellement partie des conseils de l'IVSC : Brad Dalgliesh, FEEE, et Frank Vetesse, EEE,

siègent au Conseil d'administration (*Board of Trustees*) de l'IVSC, Doug McPhee, EEE, siège au Conseil professionnel international en évaluation (*International Valuation Professional Board*), et Jeff Harder, FEEE, siège au Conseil international de normalisation en évaluation (*International Valuation Standards Board*). Je remercie chacun d'eux pour leur engagement important envers la profession d'évaluateur à l'échelle du globe.

Nous poursuivons aussi notre dialogue et nos travaux avec nos homologues états-uniens, principalement l'ASA et l'*American Institute of Certified Public Accountants* (AICPA).

L'Institut est convaincu que, en tant que corps professionnel parvenu à maturité, nous avons le devoir d'aider les autres membres de la communauté internationale du monde de l'évaluation d'entreprises à croître et à se développer. C'est pourquoi l'ICEEE continue de jouer un rôle actif au sein de l'IIBV en collaboration avec l'ASA.

L'IIBV a tenu un cours en évaluation d'entreprises en 2011. Le cours IIBV 101, *Principles of Business Valuation*, a été offert à Londres (Angleterre) en juillet 2011. Le cours IIBV 102, *International Cost of Capital*, a été élaboré en 2011 en prévision de sa présentation au printemps 2012.

Je tiens à remercier tout particulièrement tous les membres de notre Conseil d'administration et les bénévoles qui continuent d'œuvrer inlassablement à la promotion de l'IIBV en notre nom.

Distinctions

Notre Institut continue de reconnaître la valeur des initiatives importantes de nos membres qui accroissent la visibilité de l'Institut, de ses effectifs et de la profession. En 2011, le dîner Reconnaissance de l'ICEEE a été tenu le mercredi 7 septembre à Halifax.

Se sont distingués pour leurs excellents résultats à l'examen d'admission 2010 Brody Speers, récipiendaire du prix George Oven pour l'obtention de la meilleure note, Michael Holmes, qui s'est classé en deuxième position, et Geneviève Saraiva, qui a obtenu la troisième meilleure note.

Le *Prix du meilleur EEE de moins de 40 ans*, en mémoire de David Cornfield, EEE, est parrainé par Deloitte & Touche, LLP et a pour objet de reconnaître le mérite de jeunes EEE qui ont connu du succès dans un large éventail de champs d'activité, qui ont fait honneur à la profession et qui se sont distingués comme prestataires de services de premier ordre. En 2011, Daniel Hinse, EEE, a été récipiendaire de cette récompense.

Le *Prix des meilleurs résultats au Programme de formation professionnelle*, parrainé par Ernst & Young LLP, en l'honneur de Ronald W. Scott, EEE, est attribué annuellement à l'étudiant inscrit auprès de l'ICEEE qui a obtenu la moyenne la plus élevée pour l'ensemble des cours obligatoires du Programme de formation professionnelle de l'ICEEE. Sara Ford, CA, B.Com, a reçu le prix en 2011.

Le prix du communicateur de l'année de l'ICEEE pour 2011, qui est attribué à un membre qui entreprend des activités et des actions de marketing qui contribuent à promouvoir avantageusement la profession de l'évaluation d'entreprises, a été remis à Anish Chopra, EEE.

J'ai pris très grand plaisir à animer la soirée, à remettre les récompenses et à reconnaître les mérites de toutes les personnes susmentionnées.

Institut de recherche

L'Institut de recherche aide à financer de la recherche sur des questions clés tout en participant à la promotion de la profession à la grandeur du Canada. Au cours de l'année écoulée, le Concours de recherche Ian R. Campbell a procédé à un «appel à communications» auprès des membres et étudiants

de l'ICEEE, ainsi que des professeurs et étudiants des universités canadiennes. Le prix de la «Meilleure communication» a été attribué à M. Prem Lobo, EEE et à M. Peter Henein. La communication a pour titre *Credibility under Scrutiny: A Study of Expert Evidence in Canadian Court Judgments*.

La base de données de la passerelle de recherche et la base de données *BVResearch* continuent d'être mises à jour et à offrir de précieuses ressources aux membres et aux étudiants afin de les aider dans leurs projets de recherche.

La base de données de la passerelle de recherche a été conçue comme outil de recherche pratique pour tous les évaluateurs afin de faciliter la réalisation de leurs travaux au jour le jour grâce à la présentation des sources d'information disponibles. Elle a été élaborée en réponse à la demande de nos membres, et nous espérons que les membres et les étudiants trouveront utile cet outil de recherche complémentaire.

En partenariat avec Business Valuation Resources, la base de données *BVResearch* procure aux membres et étudiants inscrits de l'Institut un accès gratuit et en ligne, avec moteur de recherche, à une variété d'articles tirés des publications de l'ICEEE. Elle contient des articles de publications telles que le *Journal of Business Valuation* et la *Valuation Law Review*, et constitue un outil de recherche précieux.

Situation financière

L'Institut jouit d'une vigoureuse santé financière, disposant de suffisamment de ressources pour financer des programmes tels que l'élaboration et la mise à jour continue des cours de notre programme de formation professionnelle ainsi que la mise en œuvre de notre stratégie de marque et les activités de relations publiques, la gestion de la formation continue obligatoire, la protection de notre marque et de notre réputation par les initiatives et interventions du comité de discipline, ainsi que nos engagements à l'échelle internationale.

Points saillants de nature financière :

- actif net de 1 446 151 \$ à la clôture de l'exercice, contre 1 358 182 \$ à la fin de 2010;
- flux de trésorerie positifs;
- surplus non affecté des membres de 1 024 017 \$ après affectation de 24 784 \$ à un fonds distinct aux fins du processus disciplinaire.

Les états financiers audités pour l'exercice terminé le 31 décembre 2010 sont annexés au présent rapport.

Remerciements

Ayant siégé au Conseil d'administration de l'ICEEE au cours des six dernières années, je sais que l'Institut peut compter sur un ensemble de bénévoles et de permanents extrêmement talentueux, qui ont très à cœur le succès permanent de l'Institut.

Les membres du Conseil participent à cinq réunions du Conseil par an, tout en siégeant chacun à au moins deux comités. En plus, de nombreux membres autres que les administrateurs siègent aux comités, sous-comités et groupes de travail de l'Institut et participent à l'organisation de nos ateliers, colloques et congrès, alors que d'autres contribuent à nos programmes de formation en tant qu'animateurs ou coordonnateurs de formation, ou en tant qu'auteurs, préparateurs ou correcteurs de l'examen d'admission. Nous avons énormément de chance de pouvoir compter sur autant de membres qui acceptent de consacrer leur temps, leur talent et leur expertise à l'avancement de l'ICEEE. J'exprime mes remerciements et ma profonde gratitude à tous ces membres.

Le 31 décembre 2011, après plus de onze ans au service de l'Institut, Jeannine Brooks, MBA, CAE, FCGA, FCBV (*Hon*), a quitté son poste de présidente-directrice générale pour prendre sa retraite. Son dévouement, son engagement et sa vision de l'avenir qui ont permis de faire progresser la profession d'évaluateur, à la fois sur les scènes nationale et internationale, ont été grandement appréciés. Tout en étant heureux pour Jeannine qui passe à une nouvelle étape de sa vie, nous savons déjà qu'elle va beaucoup nous manquer.

Allister Byrne, FCA, est devenu le nouveau président-directeur général à compter du 1^{er} janvier 2012. Après plus de 30 ans au sein de la profession comptable, Allister nous vient avec de grandes qualités de chef de file et une vaste expérience de la gestion acquises tant dans le secteur privé que dans celui des organismes sans but lucratif. Je sais qu'Allister sera un excellent dirigeant et qu'il jouera un rôle actif dans la réalisation des objectifs de l'Institut. Veuillez vous joindre à moi et souhaiter la bienvenue à Allister parmi nous.

Notre Institut a la grande chance de pouvoir compter sur un personnel compétent et dévoué :

- Robert Boulton, EEE, CA, directeur, Formation et Normes;
- Megan Kennedy, responsable des Communications;
- Isabel Natale, coordonnatrice du Programme;
- Deborah Pelle, responsable des Événements;
- Judith Roth, responsable des TI et des Services aux membres
- Patricia Velasco, gestionnaire
- Lauren Kirshner, coordonnatrice des Relations externes

Au nom du Conseil d'administration, je les remercie sincèrement pour leur loyauté, leur dévouement et leur travail soutenu.

Conclusion

Bien que la principale responsabilité de l'Institut soit de protéger le public par le maintien et la mise en application de normes professionnelles rigoureuses, l'ICEEE a aussi comme objectif de servir ses membres. L'Institut assume ces mandats avec sérieux et n'a jamais reculé devant les défis et opportunités, nombreux et variés, qui se sont présentés à lui dans le passé, ni ne reculera devant ceux de l'avenir.

Pour conclure, ce fut pour moi un grand honneur d'exercer les fonctions de présidente du Conseil d'administration en 2011-2012. L'expérience a été des plus enrichissantes, et je suis extrêmement fière d'être EEE. J'invite tous les membres à jouer un rôle actif et à tout mettre en œuvre pour aider l'Institut à relever les défis de l'avenir.

La présidente du Conseil d'administration,



Eleanor Joy, EEE

Statement of Management's Responsibility



Management is responsible for the preparation and the fair presentation of the annual financial statements and all financial and other information in this *Annual Report*.

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles appropriate in the circumstances and have been approved by the Board of Directors. Financial information contained in the *Annual Report* is consistent with that shown in the financial statements.

Management is responsible for the integrity and reliability of financial information, and has established systems of internal procedural and accounting controls designed to achieve this. These systems also reasonably ensure that assets are safeguarded from loss or unauthorized use.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The Board carries out this responsibility principally through the Audit Committee. The Audit Committee meets with the auditors without management present, to review the activities of each, as well as reviews the financial statements and reports to the Board thereafter.

Adams & Miles LLP, our independent external auditors, have been appointed by the Board of Directors on the recommendation of the Audit Committee. Their appointment was ratified at the Annual General Meeting of Members. The auditors have full and unrestricted access to the Audit Committee and management to discuss their audit and related findings. They have performed an independent audit of our financial statements and expressed an opinion without reservation. They have also prepared a report on our financial statements which is presented below. The Audit Committee annually undertakes a review of the auditors' performance and makes recommendations to the Board with respect to their reappointment for the coming year.

A handwritten signature in black ink that reads "Allister Byrne". The signature is written in a cursive, flowing style.

Allister Byrne, FCA
President & CEO

Énoncé de responsabilité de la direction



La direction est responsable de la préparation et de la présentation fidèle des états financiers annuels et de toutes les informations financières et autres qui se trouvent dans ce *Rapport annuel*.

Ces états financiers ont été préparés conformément aux principes comptables généralement reconnus du Canada appropriés dans les circonstances et ont été approuvés par le Conseil d'administration. Les informations financières contenues dans le *Rapport annuel* sont cohérentes avec les informations présentées dans les états financiers.

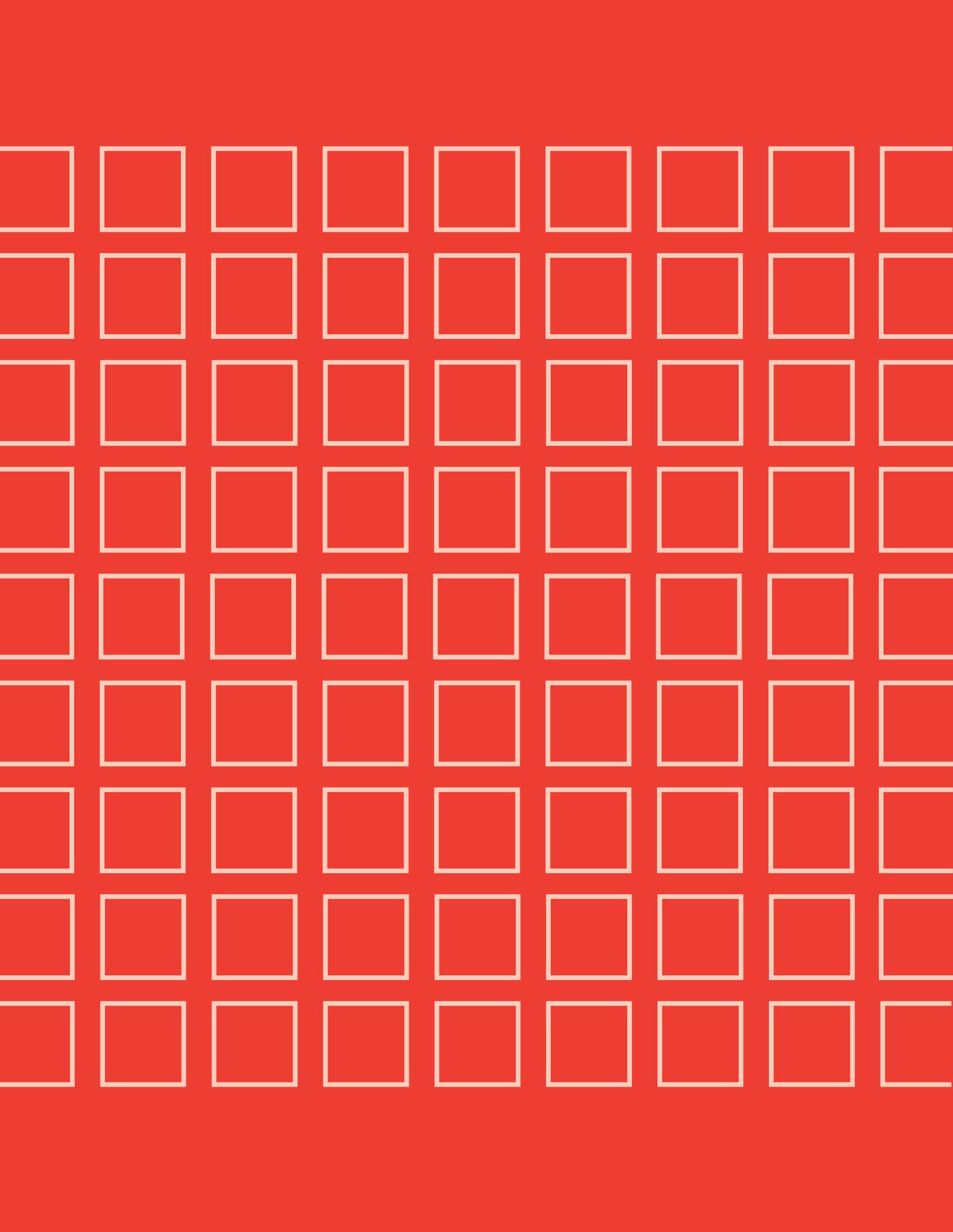
La direction est responsable de l'intégrité et de la fiabilité de l'information financière, et a mis en place des systèmes de contrôles internes procéduraux et comptables conçus pour atteindre ces objectifs d'intégrité et de fiabilité. Ces systèmes procurent aussi une assurance raisonnable que les actifs sont protégés contre les pertes et les détournements.

Le Conseil d'administration a la responsabilité de veiller à ce que la direction s'acquitte de ses responsabilités en matière d'information financière et de contrôle interne. Le Conseil s'acquitte de cette responsabilité principalement par l'intermédiaire du Comité de vérification. Le comité de vérification rencontre les vérificateurs en l'absence de la direction, afin de passer en revue les activités de chacun, en plus de passer en revue les états financiers et d'en faire rapport par la suite au Conseil.

Adams & Miles LLP, nos vérificateurs externes indépendants, ont été nommés par le Conseil d'administration sur la recommandation du Comité de vérification. Leur nomination a été ratifiée à l'Assemblée générale annuelle des membres. Les vérificateurs ont pleinement et librement accès au Comité de vérification et à la direction pour discuter de leur vérification et de leurs constatations connexes. Ils ont effectué une vérification indépendante de nos états financiers et ont exprimé une opinion sans réserve. Ils ont également préparé un rapport sur nos états financiers, qui est présenté ci-dessous. Le Comité de vérification procède annuellement à une revue de la performance des vérificateurs et formule des recommandations à l'intention du Conseil au sujet de la reconduction de leur mandat pour l'année à venir.

A handwritten signature in cursive script that reads "Allister Byrne".

La présidente-directeur générale
Allister Byrne, FCA



THE CANADIAN INSTITUTE OF CHARTERED BUSINESS VALUATORS

Financial Statements

Year ended December 31, 2011

Adams & Miles LLP
Chartered Accountants

THE CANADIAN INSTITUTE OF CHARTERED BUSINESS VALUATORS
Index to Financial Statements
December 31, 2011

	PAGE
INDEPENDENT AUDITORS' REPORT.....	1
STATEMENT OF FINANCIAL POSITION.....	2
STATEMENT OF CHANGES IN NET ASSETS.....	3
STATEMENT OF OPERATIONS.....	4
STATEMENT OF CASH FLOWS.....	5
NOTES TO FINANCIAL STATEMENTS.....	6 - 12

Adams & Miles LLP
Chartered Accountants



ADAMS & MILES LLP
Chartered Accountants

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INDEPENDENT AUDITORS' REPORT

To the Members of
The Canadian Institute of Chartered Business Valuators

We have audited the accompanying financial statements of The Canadian Institute of Chartered Business Valuators, which comprise the statement of financial position as at December 31, 2011 and the statements of changes in net assets, operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Canadian Institute of Chartered Business Valuators as at December 31, 2011 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Adams & Miles LLP

Chartered Accountants
Licensed Public Accountants

Toronto, Canada
February 28, 2012

THE CANADIAN INSTITUTE OF CHARTERED BUSINESS VALUATORS

Statement of Financial Position

December 31, 2011

	2011	2010
Assets		
Current		
Cash	\$ 200,068	\$ 144,388
Accounts receivable	10,868	64,651
Prepaid expenditures	13,984	32,763
Investments (Note 3)	1,394,020	1,060,239
Note receivable (Note 4)	13,478	17,923
	1,632,418	1,319,964
Capital assets (Note 5)	160,573	200,113
Deposits	17,189	17,189
Co-ownership interest (Note 6)	13,623	8,961
	1,823,803	1,546,227
Liabilities		
Current		
Accounts payable and accrued liabilities	351,853	157,332
Current portion of deferred inducement (Note 7)	4,914	4,914
	356,767	162,246
Deferred inducement (Note 7)	20,885	25,799
	377,652	188,045
Net assets	\$ 1,446,151	\$ 1,358,182
Net assets represented by		
Unrestricted surplus fund	\$ 1,024,017	\$ 968,417
Conduct and disciplinary fund	241,784	187,804
Capital fund	160,573	200,113
Unrealized gains on investments	19,777	1,848
	\$ 1,446,151	\$ 1,358,182

Approved on behalf of the Board:

_____ Director

_____ Director

THE CANADIAN INSTITUTE OF CHARTERED BUSINESS VALUATORS

Statement of Changes in Net Assets

Year ended December 31, 2011

	Unrestricted Surplus Fund	Conduct and Disciplinary Fund	Capital Fund	Unrealized Gains (Losses) on Investments	Total 2011	Total 2010
Balance, beginning of year	\$ 968,417	\$ 187,804	\$ 200,113	\$ 1,848	\$ 1,358,182	\$ 1,321,451
Excess of revenue over expenditures (expenditures over revenue)	101,535	53,980	(85,475)	-	70,040	4,891
Purchase of capital assets	(45,935)	-	45,935	-	-	-
Unrealized gains on investments during the year	-	-	-	19,775	19,775	6,906
(Gains) losses previously recognized on investments sold during the year	-	-	-	(1,846)	(1,846)	24,934
Balance, end of year	\$ 1,024,017	\$ 241,784	\$ 160,573	\$ 19,777	\$ 1,446,151	\$ 1,358,182

THE CANADIAN INSTITUTE OF CHARTERED BUSINESS VALUATORS

Statement of Operations

Year ended December 31, 2011

	Unrestricted Surplus Fund	Conduct and Disciplinary Fund	Capital Fund	Total 2011	Total 2010
Revenue					
Course and examination fees	\$ 1,012,050	\$ -	\$ -	\$ 1,012,050	\$ 941,182
Membership fees	996,852	-	-	996,852	893,544
Regional conferences	246,331	-	-	246,331	-
Membership entrance exam fees	137,400	-	-	137,400	142,120
International levy	134,860	-	-	134,860	152,812
Continuing education	114,494	-	-	114,494	58,182
Investment income (Note 8)	112,643	-	-	112,643	78,421
Conduct and disciplinary fees	-	54,080	-	54,080	25,600
Publications	53,818	-	-	53,818	48,302
Royalties	20,768	-	-	20,768	17,749
Sponsorships	-	-	-	-	20,000
National conference	-	-	-	-	273,629
	2,829,216	54,080	-	2,883,296	2,651,541
Expenditures					
Administrative and office	1,594,521	-	-	1,594,521	1,276,203
Course and examination costs	540,643	-	-	540,643	594,605
Regional conferences	174,378	-	-	174,378	-
Memberships entrance examination costs	120,097	-	-	120,097	123,074
International expenses	116,403	-	-	116,403	120,947
Continuing education	91,043	-	-	91,043	50,303
Amortization	-	-	85,475	85,475	50,282
Publications	49,330	-	-	49,330	116,366
Conduct and disciplinary costs	-	100	-	100	94,764
National conference	-	-	-	-	211,145
	2,686,415	100	85,475	2,771,990	2,637,689
Other expenditures					
Share of co-ownership interest loss (Note 6)	(41,266)	-	-	(41,266)	(8,961)
Excess of revenue over expenditures (expenditures over revenue)	\$ 101,535	\$ 53,980	\$ (85,475)	\$ 70,040	\$ 4,891

THE CANADIAN INSTITUTE OF CHARTERED BUSINESS VALUATORS

Statement of Cash Flows

Year ended December 31, 2011

	2011	2010
Cash provided by (used in)		
Operating activities		
Excess of revenue over expenditures	\$ 70,040	\$ 4,891
Amortization	85,475	50,282
Change in unrealized gains on investments	17,929	31,840
	173,444	87,013
Change in non-cash working capital items		
Accounts receivable	53,783	(60,451)
Prepaid expenditures	18,779	(18,245)
Investments	(333,781)	162,357
Accounts payable and accrued liabilities	194,521	(36,302)
	106,746	134,372
Financing activities		
Decrease in deferred inducement	(4,914)	(4,914)
Note receivable	4,445	(17,923)
	(469)	(22,837)
Investing activities		
Co-ownership interest	(4,662)	(8,961)
Purchase of capital assets	(45,935)	(55,534)
Deposits	-	14,540
	(50,597)	(49,955)
Change in cash position	55,680	61,580
Cash, beginning of year	144,388	82,808
Cash, end of year	\$ 200,068	\$ 144,388

THE CANADIAN INSTITUTE OF CHARTERED BUSINESS VALUATORS

Notes to Financial Statements

Year ended December 31, 2011

1. Nature of operations

The Canadian Institute of Chartered Business Valuators ("Institute") was incorporated without share capital on January 6, 1971 under the Canada Corporations Act as a non share corporation. The Institute is a not-for-profit organization exempt from taxes under the Income Tax Act.

The mission of the Institute is to have the CBV recognized as the pre-eminent designation for business valuation and related financial expertise.

2. Summary of significant accounting policies

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires the Institute's management to make estimates and assumptions that affect the reporting amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenditures during the year. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported as revenue or expenditures in the Statement of Operations in the year in which they become known.

Fund accounting

The accounts of the Institute are maintained in accordance with the principles of fund accounting and accordingly the resources are classified for accounting and reporting purposes into funds determined by the purpose for which those funds are held as follows:

Unrestricted Surplus Fund - This fund includes unrestricted revenue sources received from course and examination fees, membership fees, conference fees, continuing education fees, membership entrance examination fees, investment income, publications, royalties, and sponsorships, together with day-to-day operating expenditures.

Conduct and Disciplinary Fund - This internally restricted fund includes the annual conduct and disciplinary fees received net of expenditures associated with the conduct and disciplinary activities.

Capital Fund - This fund includes any additions or disposals of capital assets and amortization.

THE CANADIAN INSTITUTE OF CHARTERED BUSINESS VALUATORS

Notes to Financial Statements

Year ended December 31, 2011

2. Summary of significant accounting policies - cont'd

Investments

Investments consist of bonds and guaranteed investment certificates not maturing beyond 10 years. They have been classified as current since it is not the intention of the Institute to hold these bonds to maturity.

The investments are classified as available for sale and are recorded at fair value as it is not the Institute's management's primary intention to generate trading profits from short-term fluctuations in price or to hold investments to maturity. Fair values are referenced to published price quotations in an active market at year-end.

Transactions costs associated with the acquisition of investments are either capitalized and included in the acquisition costs or applied to reduce proceeds on disposal, as appropriate. Investment fees are expensed when incurred.

Capital assets

Capital assets are stated at cost. Amortization is recorded at the following annual rates:

Furniture and equipment	5 years - straight-line
Computer equipment	3 years - straight-line
Website and computer software	2 years - straight-line

Leasehold improvements are amortized over the term of the lease.

Deferred inducement

The deferred inducement is being amortized into operations on a straight-line basis over the term of the lease.

THE CANADIAN INSTITUTE OF CHARTERED BUSINESS VALUATORS

Notes to Financial Statements

Year ended December 31, 2011

2. Summary of significant accounting policies - cont'd

Revenue recognition

The Institute follows the restricted funds method of accounting for contributions. Internally restricted contributions are recognized as revenue of the conduct and disciplinary fund in the year in which they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Unrestricted contributions are recognized as revenue in the unrestricted surplus fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Membership:

Membership fees including international levy and conduct and disciplinary fees are set annually by the Board of Directors and are recognized in the fiscal year to which they relate.

Conference, course, continuing education and examination:

Conference, course, continuing education and examination fees are recognized when the related conference, course or examination is presented or held.

Publications:

Publication revenue is recognized at the time of shipment, net of estimated returns.

Royalties:

Royalties are recognized as revenue in the fiscal year that the course notes and materials are used by third parties.

Investment income:

Investment income consists of interest realized from cash and investments and realized gains and losses on sale of investments. Unrealized gains and losses on available for sale financial assets are included directly in net assets, until the assets are disposed of or a permanent decline in value has occurred.

Sponsorships:

Sponsorships are recognized as revenue in the fiscal year that they are received.

Financial instruments

The carrying amount of the Institute's financial instruments, consisting of cash, accounts receivable, investments, note receivable and accounts payable and accrued liabilities, approximates their fair value.

Co-ownership interest

The Institute accounts for its co-ownership interest in a rights agreement as a joint venture using the equity method.

THE CANADIAN INSTITUTE OF CHARTERED BUSINESS VALUATORS

Notes to Financial Statements

Year ended December 31, 2011

3. Investments

Description of Bonds	Effective Interest Rate	Maturity Date	2011 Fair Value	2010 Fair Value
TD Mortgage Corp	1.16%	Mar 2011	\$ -	\$ 100,923
Bank of Nova Scotia	1.95%	Mar 2012	103,526	101,554
Newfoundland	3.07%	Oct 2014	-	106,061
Ontario	3.23%	Jan 2015	-	159,445
Bank of Nova Scotia	2.65%	Jan 2016	162,913	-
Quebec	2.75%	Dec 2018	261,308	-
Nova Scotia	3.47%	Dec 2018	-	122,453
Quebec Hydro	4.35%	Feb 2019	-	209,436
Quebec	2.91%	Jun 2019	436,028	-
Ontario	4.25%	Dec 2019	-	260,367
Quebec Hydro	3.84%	Aug 2020	215,084	-
Nova Scotia	3.94%	Jun 2021	215,161	-
			\$ 1,394,020	\$ 1,060,239

The cost of investments plus accrued interest as at year-end was \$1,374,243 (2010 - \$1,058,397).

Interest rate price risk:

The Institute manages the interest rate price risk by restricting the type of investments and varying the terms to maturity and issuer of investments. The varying terms to maturity reduces the sensitivity of the portfolio to the impact of interest rate fluctuations.

Credit and market risk:

The Institute mitigates this risk and volatility through its investment policy, which permits investments in Federal or Provincial government securities, Provincial utilities or bank institutions; specifically bankers acceptances, guaranteed investment certificates or term deposit receipts.

THE CANADIAN INSTITUTE OF CHARTERED BUSINESS VALUATORS

Notes to Financial Statements

Year ended December 31, 2011

4. Note receivable

The Institute has advanced funds to the International Association of Professional Business Valuers, an international professional organization established in conjunction with the ASA.

As one of the founding members, it has been determined that the Institute has significant influence over the strategic operating, investing and financing policies of the entity.

The Institute has committed to loan a total of US\$35,000 to the International Association of Professional Business Valuers. The loan bears interest at 5.00% per annum, has no fixed terms of repayment and is unsecured.

During the year, the Institute paid membership fees to the International Association of Professional Business Valuers of \$22,558 (2010 - \$Nil).

5. Capital assets

	Cost	Accumulated Amortization	2011 Net	2010 Net
Furniture and equipment	\$ 124,665	\$ 104,839	\$ 19,826	\$ 39,756
Computer equipment	70,520	59,920	10,600	11,953
Website and computer software	242,960	206,661	36,299	38,915
Leasehold improvements	153,799	59,951	93,848	109,489
	<u>\$ 591,944</u>	<u>\$ 431,371</u>	<u>\$ 160,573</u>	<u>\$ 200,113</u>

THE CANADIAN INSTITUTE OF CHARTERED BUSINESS VALUATORS

Notes to Financial Statements

Year ended December 31, 2011

6. Co-ownership interest

In 2010, the Institute entered into a rights agreement expiring in December 2015 with the American Society of Appraisers to develop international courses for the International Association of Professional Business Valuers (see Note 4).

<u>Percentage interest in the co-ownership</u>	<u>Ownership interest</u>
The Canadian Institute of Chartered Business Valuators	50%
The American Society of Appraisers	50%

In 2011, the co-ownership's total revenue was \$Nil (2010 - \$Nil) and total expenditures were \$82,532 (2010 - \$17,922). The Institute's share of expenditures and net loss was \$41,266 (2010 - \$8,961).

As at December 31, 2011, the co-ownership's total assets were \$Nil (2010 - \$Nil), total liabilities were \$Nil (2010 - \$Nil) and net assets were \$Nil (2010 - \$Nil). The composition of the co-ownership's net assets was as follows:

<u>Net assets</u>	<u>2011</u>	<u>2010</u>
The Canadian Institute of Chartered Business Valuators	\$ 13,623	\$ 8,961
The American Society of Appraisers	(13,623)	(8,961)
	<u>\$ -</u>	<u>\$ -</u>

The Institute has committed to contribute a total of US\$90,000 to the co-ownership. As at December 31, 2011, total contributions made were \$63,345 (2010 - \$17,922). The American Society of Appraisers has agreed to contribute an equal amount and as at December 31, 2011 total contributions made were \$46,543 (2010 - \$Nil).

The co-ownership is committed to spend US\$105,000 on course development costs and as at December 31, 2011, \$62,240 had been spent.

THE CANADIAN INSTITUTE OF CHARTERED BUSINESS VALUATORS

Notes to Financial Statements

Year ended December 31, 2011

7. Deferred inducement

	2011	2010
Tenant inducement	\$ 25,799	\$ 30,713
Less current portion	4,914	4,914
Due beyond one year	\$ 20,885	\$ 25,799

The Institute entered into a 10 year lease (see Note 9) effective April 1, 2007. In consideration, the Institute received a total of \$50,000 in a tenant inducement from the landlord. The inducement has been deferred and is being amortized to operations over the term of the lease.

8. Investment income

	2011	2010
Interest realized (paid) on cash balance	\$ -	\$ (24)
Interest realized on investments	55,873	57,416
Realized gains on sales of investments	54,924	45,963
Prior year's unrealized gains (losses) recognized in the current year	1,846	(24,934)
	\$ 112,643	\$ 78,421

9. Commitments

The Institute operates from leased premises under a lease expiring in 2017. The minimum lease payments for each of the next five years is approximately \$30,000. The Institute is also responsible for maintenance and taxes, which are approximately \$45,000 per year.

The Institute has entered into an agreement with a university for academic advisory services relating to the program of studies for \$15,000 per year expiring in 2012.

2011-2012 Officers, Directors and Staff

Officers & Directors

Eleanor Joy, CBV, Vancouver, BC	Chair
Brian Keough, CBV, Halifax, NS	Vice-Chair
Denys Goulet, CBV, Québec, QC	Secretary/Treasurer
Farley Cohen, CBV, Toronto, ON	Past Chair
Robert Doran, CBV, Calgary, AB	Director
Richard Ginsberg, CBV, Toronto, ON	Director
Paula Frederick, CBV, Toronto, ON	Director
Mark Keuleman, CBV, Burlington, ON	Director
Michelle Levac, CBV, Ottawa, ON	Director
Sue Loomer, CBV, Toronto, ON	Director
Pierre Maillé, CBV, Montréal, QC	Director
Gordon McFarlane, CBV, Calgary, AB	Director
Barbara Morton, CBV, Halifax, NS	Director
Jay Patel, CBV, Toronto, ON	Director
Andy Shaw, CBV, Vancouver, BC	Director
John Walker, FCBV, Toronto, ON	Director

CICBV Staff

Jeannine Brooks, MBA, CAE, FCGA	President & CEO (until December 31, 2011)
Allister Byrne, FCA	President & CEO (as of January 1, 2012)
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We thank all of these individuals, as well as the many other Members and Students not listed here, who dedicate their time and provide expertise to move the Institute forward.

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