



**CHAMBRE DE COMMERCE
DU MONTRÉAL MÉTROPOLITAIN**
BOARD OF TRADE OF METROPOLITAN MONTREAL



ANNUAL REPORT

2014 | 2015



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A WORD FROM THE CHAIR OF THE BOARD

In 2014, after having served the Board of Trade as first vice-chair, I was proud to take over as chair from Jean-Marc Léger, who received high praise for his work in 2013-2014. At the end of this mandate, I am pleased to say that once again this year the Board of Trade was an exemplary leader with many successes under its belt.

In keeping with our commitment to be the voice of the business community and front and centre for the city's major issues, we organized close to 200 events, which were attended by over 27,400 people. Our organization also made its presence felt by taking firm positions on issues the business community considers important. Among the major issues the Board of Trade took on, a number were key for the organization and the business community:

- Having three prominent figures speak as part of the International Leaders series: Apple co-founder Steve Wozniak; the Right Honourable Gordon Brown, former prime minister of the U.K.; and Jack Welch, former president and CEO of General Electric (GE).
- Holding four Strategic Forums on metropolitan issues:
- Completing many projects and initiatives working with Board of Trade partners, including the Montreal Summit on Innovation (MSI) in partnership with the Quartier de l'innovation and McGill University, and the RDV Relève Inc.™, produced in cooperation with the Fonds de solidarité FTQ, which allowed for deploying an awareness-raising strategy about business transfers and a Strategic Forum.
- I see mtl, initiated by BMO in cooperation with the Board of Trade, which earned the Board of Trade and its partners public recognition, including an award of excellence from the Société québécoise des professionnels en relations publiques and four Strat awards for marketing communications strategy.
- The publication of a major study on culture: *Culture in Montréal: Numbers, Trends and Innovative Practices*, as well as the *Study on the Real Estate Economic Benefits of the Place des Arts Area of the Quartier des Spectacles*, produced in cooperation with the Quartier des spectacles Partnership and the Ville de Montréal.
- The submission of briefs as part of consultations, including Government of Québec pre-budget consultations; the new Québec policy in immigration, diversity and inclusion; Bill 38; the report of the Québec Taxation Review Committee.

In addition to these accomplishments, we should also note the indispensable services to businesses delivered

by Info entrepreneurs and the World Trade Centre Montréal (WTCM). Once again, these two teams provided many entrepreneurs and business buyers the tools and support they needed for their development efforts at home and abroad, specifically through trade missions, consulting and research services, special reports in Montréal newspapers, one-on-one meetings between entrepreneurs and financial backers and programs such as Prêt à entreprendre and SME Passport.

The Board of Trade's Interconnection program, through a wide range of activities organized in 2014-2015, put 1,000 recent immigrants in touch with 315 companies. After participating in the program, 70% of candidates resumed employment or training. The Board of Trade's francization programs provided free French courses and grants to 730 small and medium-sized businesses and enabled them to receive their francization certificate.

In light of this impressive roster of activities, I would like to express my gratitude to members of the board of directors, the president and CEO, Michel Leblanc, and Board of Trade employees. Through their talent and passion, they have all contributed to the growth of our organization and helped build its reputation.

Finally, now that the time has come to pass the torch, I would like to thank our four pillar sponsors: Bell, Desjardins, Hydro-Québec and Rio Tinto, as well as the members, new and old, for their trust and support. Their invaluable contribution has helped the Board of Trade rally the business community around decisive issues for our city's economic development.

Sincerely,

Kim Thomassin
Chair of the Board



A WORD FROM THE PRESIDENT AND CEO

We are preparing to turn the page on the 2014-2015 season, which focused on the five priorities from the strategic planning exercise for 2014-2017.

Once again,
the Board of Trade's efforts
as the voice of the Montréal
business community
produced results.

But now we must turn toward the future. In 2015-2016, we will intensify efforts to advance the same five priority issues.

MODERNIZED INFRASTRUCTURES

The city's businesses need to be able to rely on the fluid movement of people and merchandise. This requires modern, efficient transportation infrastructures. If we do not upgrade our infrastructures and expand existing systems, it will be hard to maintain a competitive business environment and ensure local businesses prosper. This is why the many infrastructure construction sites are good news in the long term, but they create tension and inefficiency in the short- and medium-term. The Board of Trade will keep a close eye on new projects to see that they are completed on time, with minimal negative repercussions on local business activity. We will also promote the development of technology infrastructures to help position Montréal as swiftly as possible as one of the world's leading intelligent cities.

LABOUR THAT MEETS THE NEEDS OF BUSINESSES

Through its flagship programs and positions, the Board of Trade will continue to respond to the challenges of the demographic crunch and rapidly growing labour requirements. We will be directly involved in discussions surrounding the immigration policy and integrating immigrants to the workplace. The Interconnection program, developed in partnership with Emploi-Québec, will continue to be a bridge between Montréal businesses and new qualified immigrants to help them become part of the workforce. The French in the Workplace program will continue to increase the level of francization among

companies in the metropolitan area. And in the coming months, the Board of Trade will take a close look at the representation of immigrants in executive positions in the private sector in Greater Montréal.

In terms of education, we are continuing in our efforts to increase funding to universities and institutions of higher learning and to enhance the profile of professional and technical training. With nine universities and the largest pool of graduates in Canada, Greater Montréal provides access to skilled labour, which is a real asset in terms of its attractiveness and business development. School retention will also be on the agenda, particularly through Operation Back to School. We must not forget that today's young students are tomorrow's skilled employees and effective business leaders.

SUPPORTING BUSINESS SUCCESSION

The Info entrepreneurs centre will continue to be the leader in delivering quality, integrated information on government services and programs for business people, supporting companies in the startup or growth phase.

As in the past two years, business succession will be a focus for 2015-2016, particularly during the third edition of RDV Relève Inc.™ We will help raise awareness in the community about the importance of introducing measures to stimulate succession and further encourage owners to plan for the transfer of their business. This is a critical issue to ensure business sustainability and prosperity for Québec and Montréal.

STIMULATING INTERNATIONALIZATION

In 2015-2016, local businesses need to position themselves to take advantage of the weak Canadian dollar and the U.S. economic recovery. They should also develop business strategies and leverage recent agreements entered into with Europe and Trans-Pacific Partnership member countries to conquer new markets and become part of new global value chains as soon as the agreements take effect. To support them, the Board of Trade and its team of international trade experts, the World Trade Centre, will continue their efforts of the past 30 years, offering a full calendar of training activities, seminars and trade missions. We already took part in a trade mission to China at the beginning of November, and others are planned in a number of markets, including Lyon, Paris, New York and Germany. We will also continue to

be part of the joint task force on direct flights to make our city a North American hub.

COMPETITIVE TAXATION

To provide Québec and Montréal businesses a competitive business environment, for a number of years the Board of Trade has been calling for a review of the tax regime to encourage work, savings and investment.

As such, the Board of Trade will continue in its efforts to encourage the government to act on the recommendations of the Québec Taxation Review Committee. We will also support the work undertaken by the Commission de révision permanente des programmes (permanent commission on program review) created by the provincial government to ensure that public programs better meet the needs of the public and businesses, taking into account our ability to pay. We will also insist that the timeline for balancing the budget be maintained and that our collective debt be gradually reduced.

I would like to assure members of the Board of Trade and the city's business community that our team will continue to proudly represent their interests and have an even greater influence in advancing major priority issues. We are confident that if we collectively make the right decisions on these five priorities, the level of private investment and quality job creation in the city will markedly increase.

Our city's recovery is well under way. It is time to pick up the pace.

Enjoy the 2015-2016 season!

Sincerely,



Michel Leblanc
President and CEO

"I would like to assure members of the Board of Trade and the city's business community that our team will continue to proudly represent their interests and have an even greater influence in advancing major priority issues."

1. THE BOARD OF TRADE AT A GLANCE...

OUR MISSION

The mission of the Board of Trade of Metropolitan Montreal is to be the voice of Montréal's business community and to promote the city's prosperity. The Board of Trade is involved in key areas of economic development, promoting a philosophy of action based on engagement, credibility, proactivity, collaboration and innovation.

OUR VISION

A strong Board of Trade, in an economically thriving city, proud of its businesses and their success at home and abroad.

OUR VALUES

The Board of Trade espouses five values in its efforts with members and the city's business community: team spirit, commitment, vitality, pride and professionalism.

THE VOICE OF THE BUSINESS COMMUNITY

Making the city's development a central priority, the Board of Trade of Metropolitan Montreal also has the mandate of identifying strategic issues to take positions that accurately represent the interests and concerns of the city's business community.

PRIORITY PUBLIC AFFAIRS ISSUES

1. Infrastructures
2. Taxation and the economy
3. Labour
4. Entrepreneurship
5. Internationalization

THE ART OF BUSINESS

THE 5 PILLARS OF THE BOARD OF TRADE:

NETWORKING

- International Leaders
- Public presentations and conferences
- Business meetings

TRAINING

- International trade
- Best business practices

ENTREPRENEURSHIP

- Create your business
- Manage and grow your business
- Cease your activities
- Plan your business
- Finance your project

INTERNATIONAL

- Business meetings
- Trade missions
- Consulting
- SME Passport
- Exporting Québec

METROPOLIS

- Major issues
- Francization
- Interconnection
- Operation Back to School
- Strategic Forums



2. THE BOARD OF TRADE'S EXPERTS



WORLD TRADE CENTRE MONTRÉAL

The team of international trade experts
from the Board of Trade of Metropolitan Montreal

WTC Montréal receives financial support from Canada Economic Development.

WORLD TRADE CENTRE MONTRÉAL

Created over 30 years ago, the World Trade Centre Montréal (WTCM) – which benefits from the Board of Trade's extensive network of boards of trade – supports, trains and advises businesses, sector associations, institutions and economic development organizations in Quebec in their efforts to develop foreign markets. Through the financial support of Canada Economic Development for Quebec Regions, it offers a complete range of services including training workshops in international trade, trade missions and business meetings to help companies compete on the international scene.

Since 2012, the WTCM also receives the financial support of the Ministère de l'Économie, de l'Innovation et des Exportations in order to act as a regional export promotion organization (ORPEX) for the borough of Ville-Marie.

The WTCM is part of the international network of World Trade Centers. With a presence in over 330 major cities worldwide, this private business network has 500,000 members in over 100 countries. In the past 30 years, it has carried out almost 400 trade missions around the world.



INFO ENTREPRENEURS

The team of experts in business
information of the Board of Trade Metropolitan Montreal

member of the
Canada Business
Network

INFO ENTREPRENEURS

A leader in integrated information about government and private services and programs for business people, Info entrepreneurs is a central resource that points entrepreneurs toward useful resources that can support them in their projects.

Its qualified team provides entrepreneurs with the information they need to start up and grow their business and supports them in their import and export activities. Thanks to its strategic information centre and expert consulting services, it is a leading source of trade information and contributes to the economic growth of SMEs.

A service of the Government of Canada delivered by the Board of Trade of Metropolitan Montreal, Info entrepreneurs responds to over 18,000 requests for information a year. It is part of the Canada Business Network, which has 13 major centres across Canada. In April 2015 Info entrepreneurs renewed its agreement with Canada Economic Development for Quebec Regions. This financial support will allow it to continue its support program for companies for a further five years.



3. THE BOARD OF TRADE'S DIVERSITY PROGRAMS

INTERCONNECTION



The Interconnection program, run in partnership with Emploi-Québec, promotes the integration of qualified new immigrants to the workforce and expands the recruiting pool to talented newcomers.

Interconnection puts the city's businesses in contact with skilled recent immigrants through a range of activities: internships in companies, professional meetings, sector conferences, speed jobbing, networking events and more.

In the past year, Interconnection helped put close to 1,000 immigrants face to face with 315 companies. Almost 70% of immigrants who took part in the program resumed employment or training.



GLOBAL EXPERTISE.
LOCAL ASSETS.



CARREFOUR FRANCISATION

Carrefour francisation is the ultimate tool for the francization of companies with under 50 employees.

Run by the Board of Trade, it offers three complementary services:

- a team of francization agents, from some ten boards of trade, merchant associations, trade development companies and other economic organizations
- a web portal
- a phone line

With its quick, free personalized support service, Carrefour francisation gives small businesses and their employees access to practical writing tools and mechanisms for finding out about francization grants and government programs.



CARREFOUR FRANCISATION
pour travailler et faire des affaires en français

FRENCH IN THE WORKPLACE

Offered in partnership with Emploi-Québec, French in the Workplace is a turnkey program for companies eligible for the Soutien régionalisé aux entreprises pour le développement de la main-d'œuvre program (Regional Labour Development Support program).

It allows participating companies to offer employees free French courses in the workplace, tailored to their sector of activity and stage of learning. This program helps companies:

- succeed in business
- increase productivity
- deliver better customer service



ADDED VALUE FOR
YOUR COMPANY





4. THE BOARD OF TRADE'S ACCOMPLISHMENTS IN 2014-2015

FOUR STRATEGIC FORUMS:

- Natural Resources (December 2014)
- Major Projects (March 2015)
- Transportation and Logistics Industry (April 2015)
- Urban Mobility and Intelligent Transportation (May 2015)

THREE PROMINENT FIGURES AS PART OF THE INTERNATIONAL LEADERS FORUM



Steve Wozniak,
co-founder of Apple



The Right Honourable **Gordon Brown**,
former Prime Minister of the U.K.



Jack Welch,
former president and CEO of
General Electric





MANY PROJECTS IN PARTNERSHIP

RDV RELÈVE INC.™



The Fonds de solidarité FTQ and the Board of Trade of Metropolitan Montreal presented the second edition of RDV Relève Inc.™, a forum that addressed the challenges of buying and transferring companies organized around activities such as the Business Transfer Challenge.



On November 6, the fourth edition of the Montreal Summit on Innovation (MSI) brought together over 475 participants at the Palais des congrès de Montréal. The theme for this Quartier de l'innovation initiative, launched under the leadership of McGill University and École de technologie supérieure (ÉTS), was *Health and Creative Industries: An Inspiring and Winning Partnership*.

JOINT TASK FORCE ON DIRECT AIR LINKS

Formed by the Board of Trade and its partners Aéroports de Montréal, Montréal International and Tourisme Montréal, the joint task force mobilized to attract and retain direct flights. Its concerted, collaborative, unified and targeted efforts provide a bigger, longer lasting and more growth-generating return on investment for the city.

In the past year already, the city's air service has improved considerably, with new flights announced between Montréal and Beijing, Lyon, Reykjavik and Budapest.



SPECIAL REPORTS

Three special reports were published in *La Presse*, and *La Presse+* on topics such as transportation and logistics in Montréal and business opportunities for Quebec companies in promising sectors in Europe and China. These special reports were produced in cooperation with CargoM, Aéroports de Montréal and Export Québec.





I SEE MTL – A LANDMARK EVENT FOR THE CITY

I see mtl took place in a dynamic, creative atmosphere on November 17, 2014 at the Place des Arts and drew over 1,500 people.

I see mtl is a movement driven by leaders from every sphere of society who want to help restore confidence and pride in the city and its economy. The goal of the November 17 event was to adopt a sustainable revitalization program for the city, structured around three priority areas: attracting and retaining talent, business vitality and reinvigorating our living environment. Each priority area was made up of concrete, measureable projects that will be carried out by leaders, companies and organizations from the city. The ambition is to help restore Greater Montréal's momentum and bring more prosperity to the region.

MEDIA COVERAGE:

- **65** media outlets on hand
- Over **100** journalists
- **3** stage crews
- Over **20** interviews with spokesmen L. Jacques Ménard and Michel Leblanc
- Over **200** instances of coverage in newspapers

SOCIAL MEDIA:

- **23,000** Facebook fans
- **2,800** Twitter subscribers
- Hashtag #jevoismtl used over **8,000** times
- **Headed** the Twitter list in Canada on November 17

I see mtl has since become **je fais mtl** and continues under the leadership of the Ville de Montréal.

A FEW NUMBERS AND PICTURES TO FIRE THE IMAGINATION:

- **1,500** participants
- **300** project leaders
- **31** workshops
- **181** commitments signed
- **8,000** webcast spectators
- **200** volunteers





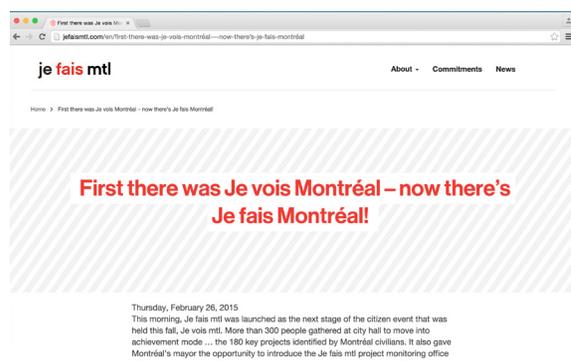
INITIATIVE REPEATEDLY RECOGNIZED

A Grand Prix Strat and three Strat awards for marcom strategy given to the Montréal digital agency TP1 and the Board of Trade by the Association des professionnels de la communication et du marketing and Infopresse:

- Grand Prix Strat in the One-Time Campaign category;
- Strat award in the Public Service category;
- Strat award in the Best Launch category;
- Strat award for the Board of Trade in the Best Use of Public Relations in a Marketing Initiative category.

Two Awards of Excellence from the Société québécoise des professionnels en relations publiques awarded to the Board of Trade and BMO Bank of Montreal:

- Gold in the Events category of the Tactical Excellence Award;
- Platinum in the Public Relations program category of the Strategic Excellence Award.



MANY PUBLICATIONS

TWO STUDIES:

January 2015

Study on the Real Estate Economic Benefits of the Place des Arts Area of the Quartier des Spectacles (conducted in partnership with the Quartier des Spectacles Partnership and the Ville de Montréal)

June 2015

Culture in Montréal: Numbers, Trends and Innovative Practices

BRIEFS AND NOTICES:

August 6, 2014

Recommendations for the 2015 federal budget : Banking on major cities to stimulate growth

October 10, 2014

Recommendations of the Board of Trade of Metropolitan Montreal to the Quebec Taxation Review Committee

October 21, 2014

Fuelling the City's Economy with Direct International Flights

November 14, 2014

Revamping Sainte-Catherine Street West: Exceptional measures for an exceptional street

December 3, 2014

Sustainably Reinforcing the Electricity Supply for Eastern Montréal

February 5, 2015

Recommendations of the Board of Trade of Metropolitan Montreal as Part of Consultations on the New Quebec Policy on Immigration, Diversity and Inclusion

February 23, 2015

Recommendations of the Board of Trade of Metropolitan Montreal as part of 2015-2016 prebudget consultations by the Government of Quebec

May 20, 2015

Recommendations of the Board of Trade of Metropolitan Montreal as Part of Consultations on Bill 38, An Act to Allow the Caisse de dépôt et placement du Québec to Carry Out Infrastructure Projects

SEVEN FOREIGN TRADE MISSIONS

- China: October 2014 (participation)
- London: November 2014
- New York: February 2015
- Japan: February 2015
- MTL@Paris: March 30 to April 3, 2015 (participation)
- Mexico: April 2015
- Florida: June 2015



Legend:

1. RDV Relève Inc. Strategic Forum, May 2015
2. International Leaders forum with Jack Welch, June 2015
3. Montréal Apéro at L'inis, June 2015
4. Montréal Apéro at the Musée d'art contemporain de Montréal (MAC), November 2014
5. RBC Headlines with Philippe Couillard, February 2015
6. Desjardins Business Luncheon with Guy Breton, May 2015
7. RBC Headlines with Justin Trudeau, February 2015
8. Strategic Forum on major projects, March 2015
9. Before Justin Trudeau's speech as part of RBC Headlines, February 2015
10. Tribute to Great Montrealers reception 2014, November 2014
11. Montréal Apéro at L'inis, June 2015
12. International Leaders forum with Steve Wozniak, February 2015

Over **7,000 members**

Decision makers constituting 80% of our membership

Close to 200 events organized

Esteemed international speakers

Close to **27,400 participants**

Over 175 interviews given to the media



5. THE BOARD OF DIRECTORS

CHAIR OF THE BOARD		
Kim Thomassin* Managing Partner, Québec Region McCarthy Tétrault	Martine Turcotte, Ad. E., B.C.L., LL.B., MBA* Vice Chair, Québec Bell	Michel Leblanc* Board of Trade of Metropolitan Montreal
VICE-CHAIR		
PRESIDENT AND CEO		
RETIRING CHAIRMAN OF THE BOARD		TREASURER
Jean-Marc Léger* President Leger – The Research Intelligence Group	Alain Côté, ICD.D, FCPA, FCA* Partner Deloitte LLP	
BOARD MEMBERS		
Stéphane Achard Senior Executive Vice-President and General Manager, Business, Card and Payment Services Desjardins Group	Mélanie Dunn President and CEO Cossette Chairman Vision7 Quebec	Pierre Pomerleau, Eng., MBA* President and CEO Pomerleau Inc.
George Alexopoulos Vice-President, Business Development Belden	Sean Finn Executive Vice-President, Corporate Services and Chief Legal Officer CN	Robert Proulx Rector Université du Québec à Montréal
Nathalie Bernier, FCPA, FCA Senior Vice-President, Strategic and Business Planning and Chief Financial Officer PSP Investments	Steve Harvey Dean John Molson School of Business Concordia University	Mario Rigante Senior Vice-President, Quebec Division, Canadian Personal and Commercial Banking BMO Bank of Montreal
David Bensadoun President, Aldo Global Retail and Aldo Product Services Aldo Group	Ryan Hillier Associate Blake, Cassels & Graydon LLP	Gilbert Rozon* President Founder Just For Laughs Group
Eva Carissimi President and Chief Executive Officer Canadian Electrolytic Zinc Limited	Normand Lebeau President Mandrake Vézina Lebeau	Claude Séguin Senior Vice-President, Corporate Development and Strategic Investments CGI Group Inc.
Pierre-Luc Desgagné* Vice President – Corporate Affairs and Secretary General Hydro-Québec	Tony Loffreda, CPA (Illinois) Regional Vice-President, Commercial Financial Services, Western Quebec RBC Royal Bank	Marie-Hélène Sicard Senior Vice President, Corporate Services for all of Canada Sodexo Canada Ltd.
Pierre Dion President and CEO Quebecor Inc.	Madeleine Paquin* President and CEO Logistec Corporation	

*Members of the executive committee



FINANCIAL STATEMENTS



September 16, 2015

Independent Auditor's Report

To the Members of the Board of Trade of Metropolitan Montreal

We have audited the accompanying financial statements of the Board of Trade of Metropolitan Montreal, which comprise the balance sheet as at June 30, 2015 and the statements of revenue and expenses, changes in net assets, and cash flows for the year then ended, and the related notes, which comprise 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 accounting standards for not-for-profit organizations, 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.

Auditor's 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 the auditor's 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, the auditor considers internal control relevant to the entity'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 entity'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.

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"PwC" refers to PricewaterhouseCoopers LLP/s.r.l./s.e.n.c.r.l., an Ontario limited liability partnership.



We believe that the audit evidence we have obtained 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 Board of Trade of Metropolitan Montreal as at June 30, 2015 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

PricewaterhouseCoopers LLP¹

¹ CPA auditor, CA, public accountancy permit No. A110416

Board of Trade of Metropolitan Montreal

Balance Sheet

As at June 30, 2015

	2015 \$	2014 \$
Assets		
Current assets		
Cash and cash equivalents	1,625,371	1,234,819
Short-term investments	300,000	300,000
Accounts receivable (note 4)	628,883	1,007,781
Grant receivable	284,151	115,451
Prepaid expenses	49,751	89,327
	<u>2,888,156</u>	<u>2,747,378</u>
Investments (note 5)	811,335	794,954
Property and equipment (note 6)	221,812	245,249
Intangible assets (note 7)	127,235	184,447
	<u>4,048,538</u>	<u>3,972,028</u>
Liabilities		
Current liabilities		
Accounts payable (note 9)	1,749,941	1,350,126
Deferred membership dues	1,350,472	1,217,569
Deferred revenue	122,592	580,619
	<u>3,223,005</u>	<u>3,148,314</u>
Deferred revenue	166,500	183,150
	<u>3,389,505</u>	<u>3,331,464</u>
Net Assets		
Invested in property and equipment	221,812	245,249
Invested in intangible assets	127,235	184,447
Unrestricted	309,986	210,868
	<u>659,033</u>	<u>640,564</u>
	<u>4,048,538</u>	<u>3,972,028</u>

Commitments (note 11)

Approved by the Board of Directors

Luigi Tomassini

Director

Ne. Gts

Director

The accompanying notes are an integral part of these financial statements.

Board of Trade of Metropolitan Montreal

Statement of Revenue and Expenses

For the year ended June 30, 2015

	2015 \$	2014 \$
Revenue		
Members' service	2,321,646	2,197,310
Activities	5,180,231	4,189,933
Special projects	1,632,371	1,911,028
Other revenues (note 13)	1,551,129	1,586,100
	<hr/> 10,685,377	<hr/> 9,884,371
Expenses		
Members' service	197,932	181,452
Activities	3,924,113	3,017,486
Special projects	336,922	726,721
Operating costs	5,933,863	5,711,197
Amortization of property and equipment	70,891	94,920
Amortization of intangible assets	143,187	134,145
	<hr/> 10,606,908	<hr/> 9,865,921
Excess of revenue over expenses from operations before the following	78,469	18,450
Contribution to Board of Trade of Metropolitan Montreal Foundation (note 13)	<hr/> 60,000	<hr/> -
Excess of revenue over expenses for the year	<hr/> <hr/> 18,469	<hr/> <hr/> 18,450

The accompanying notes are an integral part of these financial statements.

Board of Trade of Metropolitan Montreal

Statement of Changes in Net Assets

For the year ended June 30, 2015

	2015			
	Invested in property and equipment \$	Invested in intangible assets \$	Unrestricted \$	Total \$
Balance – Beginning of year	245,249	184,447	210,868	640,564
Excess of revenue over expenses for the year	(70,891)	(143,187)	232,547	18,469
Acquisition of property and equipment	47,454	-	(47,454)	-
Acquisition of intangible assets	-	85,975	(85,975)	-
Balance – End of year	221,812	127,235	309,986	659,033
	2014			
	Invested in property and equipment \$	Invested in intangible assets \$	Unrestricted \$	Total \$
Balance – Beginning of year	321,255	285,452	15,407	622,114
Excess of revenue over expenses for the year	(94,920)	(134,145)	247,515	18,450
Acquisition of property and equipment	18,914	-	(18,914)	-
Acquisition of intangible assets	-	33,140	(33,140)	-
Balance – End of year	245,249	184,447	210,868	640,564

The accompanying notes are an integral part of these financial statements.

Board of Trade of Metropolitan Montreal

Statement of Cash Flows

For the year ended June 30, 2015

	2015 \$	2014 \$
Cash flows from		
Operating activities		
Excess of revenue over expenses for the year	18,469	18,450
Adjustments for		
Unrealized loss (gain) on investments	2,380	(31,420)
Gain on disposal of investments	(1,698)	(4,449)
Reinvested revenue on investments	(18,592)	(9,455)
Amortization of property and equipment	70,891	94,920
Amortization of intangible assets	143,187	134,145
Amortization of deferred lease inducements	-	(19,528)
	<hr/> 214,637	<hr/> 182,663
Changes in non-cash working capital items (note 10)	307,815	398,904
	<hr/> 522,452	<hr/> 581,567
Investing activities		
Purchase of investments	(299,919)	(57,000)
Disposal of investments	301,448	458,169
Acquisition of property and equipment	(47,454)	(18,914)
Acquisition of intangible assets	(85,975)	(33,140)
	<hr/> (131,900)	<hr/> 349,115
Net increase in cash and cash equivalents during the year	390,552	930,682
Cash and cash equivalents – Beginning of year	<hr/> 1,234,819	<hr/> 304,137
Cash and cash equivalents – End of year	<hr/> <hr/> 1,625,371	<hr/> <hr/> 1,234,819

The accompanying notes are an integral part of these financial statements.

Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2015

1 Incorporation and nature of activities

The Board of Trade of Metropolitan Montreal (the “organization”) was constituted under an act amalgamating the Montreal Board of Trade and the Chamber of Commerce of Metropolitan Montreal, which received Royal Assent on June 23, 1992. It is registered as a not-for-profit organization (NPO) and is therefore exempt from income taxes.

The organization has some 7,000 members. Its primary mission is to represent the interests of the Greater Montréal business community and to provide individuals, merchants and businesses of all sizes with a variety of specialized services to help them achieve their full potential in terms of innovation, productivity and competitiveness.

2 Significant accounting policies

Basis of preparation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) as set out in Part III of the Chartered Professional Accountants of Canada (CPA Canada) Handbook – Accounting.

Management estimates

The preparation of financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect 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 revenues and expenses during the reporting periods. Actual results may differ from those estimates.

Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2015

Financial instruments

Financial assets and financial liabilities are initially recorded at their fair value. Revaluation of financial assets and financial liabilities depends on their classification, which in turn depends on their intended objective when the financial instruments were acquired or issued, their characteristics and their designation by the organization. Financial instruments are accounted for as at the date of payment:

- Cash and cash equivalents and investments other than investments in controlled-interest entities are classified as held-for-trading assets. They are presented at fair value, and the gains or losses related to revaluation at the end of each period are included in revenue and expenses.
- Accounts receivable are classified as loans and receivables. After being initially recorded at fair value, they are evaluated at cost less amortization using the effective interest rate method. For the organization, the amortized cost of its accounts receivable generally approximates cost due to their short-term maturity.
- Accounts payable are classified as other financial liabilities. They are initially evaluated at fair value, and future evaluations are done at cost less amortization using the effective interest rate method. For the organization, the amortized cost of its accounts payable generally approximates cost due to their short-term maturity.

Credit risk

The organization performs a continual evaluation of its customers' credit and records an allowance for doubtful accounts as required. Management considers there to be no significant credit risk as at June 30, 2015.

Interest rate risk

As at June 30, 2015, the organization is exposed to interest rate risk. Non-interest-bearing financial assets and financial liabilities comprise accounts receivable and the accounts payable and accrued liabilities. Financial assets bearing interest at a fixed rate comprise cash and cash equivalents and short-term investments. Investments are also exposed to interest risk rate (note 5).

Cash and cash equivalents

Cash and cash equivalents comprise bank balances and short-term liquid investments with maturities of three months or less.

Short-term investments

Short-term investments consist of fixed income securities with original maturities of between less than one year and more than three months.

Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2015

Property and equipment

Property and equipment are accounted for at cost. Amortization of property and equipment is based on their estimated useful lives using the straight-line method at the following rates or term:

Computer equipment	33 $\frac{1}{3}$ %
Office furniture and equipment	20%
Leasehold improvements	Over balance of lease term

Intangible assets

Intangible assets comprise software and a website which are accounted for at cost and amortized over their useful lives using the straight-line method at rates ranging from 20% to 33 $\frac{1}{3}$ %.

Revenue recognition

The organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Sponsorship revenues received in goods or services are accounted for at fair value when this value can be reasonably estimated. The organization usually uses the fair value of the goods or services received, unless the fair value of the goods or services rendered is more reliably measurable. During the year ended June 30, 2015, the organization received free-of-charge advertising services and other services as an exchange for sponsorship revenues for a total value of \$733,352 (2014 – \$734,520). These sponsorship revenues are accounted for in revenue under activities, and the related expenses are included in expenses under activities.

Deferred revenue

Short-term deferred revenue, comprising revenue from activities which extend over a period of two years and revenue from sponsors, is credited to revenue as the related expenses are incurred or as the services are rendered.

Long-term deferred revenue reflects the terms of the agreement reached between Ville de Montréal and Parking Montreal, Limited Partnership, of which the organization is the sole limited partner. The limited partnership has recorded goodwill amounting to \$499,500 in favour of the organization in recognition of its contribution to the creation of the entity as well as its know-how and its financing of the enterprise. This goodwill is capitalized as part of the cost of the investment in Parking Montreal, Limited Partnership. Offsetting on deferred revenue is amortized on a straight-line basis over the life of the agreement, namely 30 years, beginning on July 1, 1995.

Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2015

3 Management of capital

The organization manages its capital with the following objectives:

- safeguarding its ability to continue to support program expenses;
- funding current and future operations; and
- ensuring that it is able to meet its financial obligations as they become due.

The organization's capital structure as at June 30, 2015 consists of its unrestricted net assets.

4 Accounts receivable

	2015 \$	2014 \$
Accounts receivable	186,785	671,973
Allowance for doubtful accounts	(31,482)	(6,400)
Commodity taxes recoverable	15,912	33,464
	<hr/>	<hr/>
World Trade Centre Montréal Inc.	171,215	699,037
Centre d'affaires Info entreprises	74,964	43,446
Board of Trade of Metropolitan Montreal Foundation	10,662	5,441
	<hr/>	<hr/>
	372,042	259,857
	<hr/>	<hr/>
	628,883	1,007,781

Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2015

5 Investments

The organization's investments are as follows:

	2015 \$	2014 \$
Investments in monetary funds, at fair value		
Money market funds	901	1,661
Canadian bonds	109,782	101,786
Canadian shares	87,682	98,789
International diversified shares	105,370	85,118
Investment in Accesum Inc. and its subsidiary, Parking Montreal, Limited Partnership	500,100	500,100
Investment in World Trade Centre Montréal Inc.	7,500	7,500
	<hr/>	<hr/>
	811,335	794,954
	<hr/>	<hr/>

6 Property and equipment

	2015		
	Cost \$	Accumulated amortization \$	Net \$
Computer equipment	171,964	132,921	39,043
Office furniture and equipment	112,010	76,218	35,792
Leasehold improvements	608,922	461,945	146,977
	<hr/>	<hr/>	<hr/>
	892,896	671,084	221,812
	<hr/>	<hr/>	<hr/>
	2014		
	Cost \$	Accumulated amortization \$	Net \$
Computer equipment	170,055	125,282	44,773
Office furniture and equipment	182,562	130,980	51,582
Leasehold improvements	594,357	445,463	148,894
	<hr/>	<hr/>	<hr/>
	946,974	701,725	245,249
	<hr/>	<hr/>	<hr/>

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Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2015

7 Intangible assets

	2015		
	Cost \$	Accumulated amortization \$	Net \$
Software and website	495,522	368,287	127,235

	2014		
	Cost \$	Accumulated amortization \$	Net \$
Software and website	425,430	240,983	184,447

8 Credit facility

As at June 30, 2015, the organization had a credit facility amounting to \$300,000, bearing interest at prime rate plus 0.9% and renewable on December 31, 2015. Interest is payable on a monthly basis. A first ranking movable hypothec on the universality of the organization's present and future accounts receivable has been given as security for the credit facility. As at June 30, 2015 and 2014, the credit facility was unused.

9 Accounts payable

	2015 \$	2014 \$
Trade payables and accrued liabilities	769,967	561,241
Accrued salaries and accrued vacation pay	734,555	580,874
	<hr/>	<hr/>
	1,504,522	1,142,115
Centre d'affaires Info entreprises	21,948	20,793
World Trade Centre Montréal Inc.	223,471	187,218
	<hr/>	<hr/>
	1,749,941	1,350,126

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Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2015

10 Changes in non-cash working capital items

	2015 \$	2014 \$
Decrease (increase) in		
Accounts receivable	378,898	(17,629)
Grant receivable	(168,700)	(34,710)
Prepaid expenses	39,576	(15,765)
Increase (decrease) in		
Accounts payable	399,815	150,137
Deferred membership dues	132,903	82,407
Deferred revenue	(474,677)	234,464
	<u>307,815</u>	<u>398,904</u>

11 Commitments

The organization is committed under leases that will expire in 2023. The lease commitments, whose minimum payments are payable over the next five years ending June 30 and thereafter, are as follows:

	\$
2016	732,290
2017	739,307
2018	746,324
2019	751,003
2020	758,020
Thereafter	<u>2,907,005</u>
	<u>6,633,949</u>

12 Controlled-interest and economic-interest entities

The organization controls World Trade Centre Montréal Inc. (WTCM), Fonds Ville-Marie (FVM), Centre d'affaires Info enterprises (CAIE) and the Board of Trade of Metropolitan Montreal Foundation (the Foundation), since the organization appoints the majority of the members of the boards of directors, as provided by the constitutional bylaws of the entities. In addition, the organization controls its wholly owned subsidiary, Accesum Inc., and Parking Montreal, Limited Partnership (collectively, Accesum Inc.).

The above-mentioned entities have not been consolidated in the organization's financial statements. The condensed financial statements of the controlled entities are as follows for the fiscal year indicated.

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Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2015

World Trade Centre Montréal Inc.

WTCM is an NPO whose mandate is to train, advise and support companies, sectoral associations, institutions and economic development organizations across Quebec and other provinces in Canada in their efforts to penetrate foreign markets. WTCM is fully integrated into the network of World Trade Centers.

	June 30, 2015 \$	June 30, 2014 \$
Balance sheet		
Total assets	846,374	726,404
Total liabilities	537,677	409,325
Total surplus	308,697	317,079
	<u>846,374</u>	<u>726,404</u>
Revenue and expenses		
Total revenue	2,058,405	2,272,975
Total expenses	2,066,787	2,225,528
Excess of revenue over expenses (expenses over revenue)	<u>(8,382)</u>	<u>47,447</u>
Cash flows		
Operating activities	143,293	(67,368)
Investing activities	(4,776)	-
Net change in cash and cash equivalents	<u>138,517</u>	<u>(67,368)</u>

Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2015

Fonds Ville-Marie

FVM is an NPO which promotes the socio-economic development of Montréal.

	June 30, 2015 \$	June 30, 2014 \$
Balance sheet		
Total assets	3,021,109	2,944,681
Total liabilities	127,498	108,814
Total net assets	2,893,611	2,835,867
	<u>3,021,109</u>	<u>2,944,681</u>
Revenue and expenses		
Total revenue	956,643	1,148,351
Total expenses	898,899	872,336
Excess of revenue over expenses	57,744	276,015
	<u>57,744</u>	<u>276,015</u>
Cash flows		
Operating activities	(40,441)	(43,364)
Investing activities	72,386	52,772
Net change in cash and cash equivalents	31,945	9,408
	<u>31,945</u>	<u>9,408</u>

Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2015

Centre d'affaires Info entreprises

CAIE is an NPO whose mandate is to provide businesses in all regions of Canada with information on provincial and federal government programs, services and regulations.

	March 31, 2015 \$	March 31, 2014 \$
Balance sheet		
Total assets	439,654	256,924
Total liabilities	311,072	195,959
Total surplus	128,582	60,965
	<u>439,654</u>	<u>256,924</u>
Revenue and expenses		
Total revenue	1,473,732	1,497,302
Total expenses	1,406,115	1,492,351
Excess of revenue over expenses	67,617	4,951
Cash flows		
Operating activities	14,550	15,836
Investing activities	(4,002)	(11,064)
Net change in cash and cash equivalents	10,548	4,772

Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2015

Accesum Inc.

Accesum Inc. is a business incorporated with the main purpose of acting as a general partner to Parking Montreal, Limited Partnership. The latter operates and manages the activities related to tariff parking in accordance with the terms of an agreement with Ville de Montréal. The combined financial statements of Accesum Inc. and Parking Montreal, Limited Partnership are as follows:

	December 31, 2014 \$	December 31, 2013 \$
Balance sheet		
Total assets	69,373,051	70,359,415
Total liabilities	67,584,536	68,576,466
Total capital	1,788,515	1,782,949
	<u>69,373,051</u>	<u>70,359,415</u>
Revenue and expenses		
Total revenue	70,624,623	68,633,060
Total expenses	70,619,056	68,761,186
Excess of revenue over expenses (expenses over revenue)	<u>5,567</u>	<u>(128,126)</u>
Cash flows		
Operating activities	5,891,519	11,388,797
Investing activities	(263,355)	(310,562)
Financing activities	(3,333,334)	(3,333,333)
Net change in cash and cash equivalents	<u>2,294,830</u>	<u>7,744,902</u>

Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2015

Board of Trade of Metropolitan Montreal Foundation

The organization has an economic interest in the Foundation, as the Foundation manages its assets and allocates its revenue in order to secure the long-term financial viability of the organization.

	June 30, 2015 \$	June 30, 2014 \$
Balance sheet		
Total assets	4,952,490	4,677,183
Total liabilities	437,230	263,246
Total net assets	4,515,260	4,413,937
	<u>4,952,490</u>	<u>4,677,183</u>
Revenue and expenses		
Total revenue	294,598	630,559
Total expenses	193,275	273,396
Excess of revenue over expenses	101,323	357,163
	<u>101,323</u>	<u>357,163</u>
Cash flows		
Operating activities	(18,922)	(256,588)
Investing activities	20,968	258,646
Net change in cash and cash equivalents	2,046	2,058
	<u>2,046</u>	<u>2,058</u>

Board of Trade of Metropolitan Montreal

Notes to Financial Statements

June 30, 2015

13 Related party transactions

The principal transactions concluded between controlled entities and the organization during the years ended June 30 are as follows:

	2015 \$	2014 \$
Revenue		
Management fees		
WTCM	249,984	249,984
Foundation	8,004	8,005
Royalties		
Parking Montreal, Limited Partnership	399,996	399,996
Contribution from Foundation	160,420	250,000
Rent		
WTCM	138,000	138,000
FVM	25,200	24,883
CAIE	235,000	235,000
Others – FVM	50,000	55,800
	<hr/>	<hr/>
Total revenue	1,266,604	1,361,668
	<hr/>	<hr/>
Expenses		
Contribution to Foundation	60,000	-
	<hr/>	<hr/>

Other revenues in the amount of \$1,551,129 (2014 – \$1,586,100) presented in the statement of revenue and expenses include related party revenue for an amount of \$1,266,604 (2014 – \$1,361,668).

These transactions were recorded at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

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