

CANADIAN INSTITUTE OF UNDERWRITERS

2009 Financial Statements

CANADIAN INSTITUTE OF UNDERWRITERS
2009 Financial Statements

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Auditor's Report

To the Members of Canadian Institute of Underwriters

We have audited the statement of financial position of Canadian Institute of Underwriters as at March 31, 2009 and the statement of operations and changes in net assets for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2009 and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles.

PKF Hill LLP

Chartered Accountants, Licensed Public Accountants
May 19, 2009

CANADIAN INSTITUTE OF UNDERWRITERS
Statement of Financial Position
As at March 31

| | 2009 | 2008 |
|--|-------------|-------------|
| ASSETS | | |
| Current assets | | |
| Cash and term deposits - General | \$ 197,344 | \$ 175,235 |
| Cash - Education Committee | 24,432 | 19,279 |
| Accounts receivable and prepaid expenses | 9,238 | 21,376 |
| | <hr/> | <hr/> |
| | \$ 231,014 | \$ 215,890 |
| | <hr/> <hr/> | <hr/> <hr/> |
| LIABILITIES AND NET ASSETS | | |
| Current liabilities | | |
| Accounts payable and accrued liabilities | \$ 8,821 | \$ 23,837 |
| Deferred membership fee revenue | 61,890 | 58,807 |
| | <hr/> | <hr/> |
| | 70,711 | 82,644 |
| | <hr/> | <hr/> |
| Net assets | | |
| General | 135,871 | 113,967 |
| Education Committee | 24,432 | 19,279 |
| | <hr/> | <hr/> |
| | 160,303 | 133,246 |
| | <hr/> | <hr/> |
| | \$ 231,014 | \$ 215,890 |
| | <hr/> <hr/> | <hr/> <hr/> |

See accompanying notes

On behalf of the Board:

Member

Member

CANADIAN INSTITUTE OF UNDERWRITERS
Statement of Operations and Changes in Net Assets
Year ended March 31

| | General | Education Committee | Total 2009 | Total 2008 |
|--------------------------------------|------------|------------------------|---------------|---------------|
| Revenue | | | | |
| Membership fees | \$ 80,536 | \$ - | \$ 80,536 | \$ 82,834 |
| Meeting registration | 87,933 | 27,851 | 115,784 | 96,001 |
| Meeting sponsorship | 7,992 | 6,175 | 14,167 | 14,050 |
| Interest | 240 | - | 240 | 1,950 |
| | 176,701 | 34,026 | 210,727 | 194,835 |
| Expenses | | | | |
| Annual meeting | 52,423 | - | 52,423 | 61,632 |
| Consulting | 33,390 | - | 33,390 | 31,947 |
| On The Risk subscription | 27,685 | - | 27,685 | 28,439 |
| Education | 3,796 | - | 3,796 | 4,410 |
| Professional fees | 5,915 | - | 5,915 | 3,500 |
| Academy of Life Underwriting meeting | 2,977 | - | 2,977 | 1,215 |
| Education seminar | - | 22,926 | 22,926 | 21,696 |
| Speaker | 27,808 | 5,350 | 33,158 | 11,963 |
| Miscellaneous | 803 | 597 | 1,400 | 1,693 |
| | 154,797 | 28,873 | 183,670 | 166,495 |
| Excess of revenue over expenses | 21,904 | 5,153 | 27,057 | 28,340 |
| Net assets, beginning of year | 113,967 | 19,279 | 133,246 | 104,906 |
| Net assets, end of year | \$ 135,871 | \$ 24,432 | \$ 160,303 | \$ 133,246 |

See accompanying notes

CANADIAN INSTITUTE OF UNDERWRITERS

Notes to Financial Statements

Year ended March 31, 2009

1. Nature of operations

Canadian Institute of Underwriters ("CIU") is a long-standing insurance industry based association dedicated to the exchange of ideas on the current issues and challenges that CIU members face in the field of underwriting.

2. Summary of significant accounting policies

The financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles, the more significant of which are outlined below.

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles 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 balance sheet date and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

Net assets

The net assets of CIU are reported separately for general membership activities and the Education Committee.

The Education Committee is responsible for coordinating the annual January Education seminar.

Revenue recognition

Membership fees are recognized as revenue in the year to which they relate.

Deferred revenue represents fees received in advance.

Event fees are recognized as revenue in the period in which the event occurs.

Contributed services

Volunteers contribute time to assist CIU in carrying out its activities. Contributed services are not recognized in these financial statements due to the difficulty in determining their fair value.

Future accounting standards changes

The Canadian Institute of Chartered Accountants has issued the following standards which CIU will be required to adopt for the year ended March 31, 2010. The adoption of the new standards is not expected to have a material impact on the financial statements.

Section 1540 - Cash Flow Statement, will require that a Statement of Cash Flow be presented.

Section 4470 - Disclosure of Allocated Expenses for Not-for-Profit Organizations.

CANADIAN INSTITUTE OF UNDERWRITERS

Notes to Financial Statements

Year ended March 31, 2009

2. Summary of significant accounting policies - continued

Cash and term deposits

Cash and term deposits consist of cash on deposit and one guaranteed investment certificate for \$50,000 which will mature June 10, 2009 and bears interest at 1.61%. Accrued interest of \$240 is included in accounts receivable and prepaid expenses and is recognized as investment income on the statement of operations.

Management of capital

CIU's policy is to retain sufficient funds to enable operation for a minimum of one year with no source of income. The funds need to stay sufficiently liquid to enable any foreseeable bills to be paid promptly. Excess amounts will be invested in short-term guaranteed investment certificates or such other safe investments that are approved by the Executive. For the 2009 fiscal period, CIU achieved its overall operational objectives.

Financial instruments

CIU's financial instruments consist of cash, term deposits, accrued interest receivable, and accounts payable. Unless otherwise noted it is management's opinion that CIU is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

3. Statement of cash flows

A statement of cash flows has not been provided as it would not provide additional information to that already disclosed in the financial statements.