

**Canadian Mathematical Society /  
Société Mathématique du Canada**

**Financial Statements  
December 31, 2009**

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## Auditors' Report

**Raymond Chabot Grant Thornton LLP**  
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To the Members of  
Canadian Mathematical Society / Société Mathématique du Canada

We have audited the statement of financial position of Canadian Mathematical Society / Société Mathématique du Canada as at December 31, 2009 and the statements of revenue and expenditures and changes in fund balance of the Operations Fund, revenue, expenditures and changes in fund balances of the Restricted Funds and cash flows for the year then ended. These financial statements are the responsibility of the Society's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Society as at December 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles. As required by the Canada Corporations Act, we report that, in our opinion, with the exception of the changes described in Note 2, these principles have been applied on a basis consistent with that of the preceding year.

*Raymond Chabot Grant Thornton LLP*

Chartered Accountants,  
Licensed Public Accountants

Ottawa, Canada  
March 12, 2010

# Canadian Mathematical Society / Société Mathématique du Canada

## Financial Position

December 31, 2009

	Operations Fund	Contingency Fund	Endowment Fund		Mathematical Olympiads Fund		Borwein Distinguished Career Fund		Total	Total
			Capital	Operations	Capital	Operations	Capital	Operations	2009	2008
			\$	\$	\$	\$	\$	\$	\$	\$
<b>ASSETS</b>										
Current assets										
Cash (Note 4)	129,471								129,471	151,987
Short-term investments (Note 5)	157,861								157,861	73,366
Accounts receivable	351,764	22,163							373,927	422,131
Budget advances										4,000
Prepaid expenses	59,224								59,224	60,004
Due from (to) specified fund	89,585	(40,177)	(36,366)	3,859	(19,890)	6,266	(3,386)	109		
	787,905	(18,014)	(36,366)	3,859	(19,890)	6,266	(3,386)	109	720,483	711,488
Investments (Note 6)	2,443	860,302	403,476		199,522		52,631		1,518,374	1,360,405
Capital assets (Note 7)	38,818								38,818	35,621
	829,166	842,288	367,110	3,859	179,632	6,266	49,245	109	2,277,675	2,107,514
<b>LIABILITIES</b>										
Current liabilities										
Accounts payable and accrued liabilities (Note 4)	242,848								242,848	354,029
Deferred revenue (Note 8)	517,547	183,296							700,843	593,364
	760,395	183,296							943,691	947,393
<b>FUND BALANCES</b>										
Restricted		658,992	367,110	3,859	179,632	6,266	49,245	109	1,265,213	1,124,500
Unrestricted	68,771								68,771	35,621
	68,771	658,992	367,110	3,859	179,632	6,266	49,245	109	1,333,984	1,160,121
	829,166	842,288	367,110	3,859	179,632	6,266	49,245	109	2,277,675	2,107,514

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

# Canadian Mathematical Society / Société Mathématique du Canada

## Revenue and Expenditures, Operations Fund

Year ended December 31, 2009

	General Division		Publishing Division		Research Division		Education Division		Total	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Revenue</b>										
Grants		4,000			73,400	171,376	123,208	120,000	196,608	295,376
Donations	4,924	6,688	812	1,084	1,096	719	108,678	124,298	115,510	132,789
Membership fees	138,085	122,206							138,085	122,206
Registration fees and other sales		1,050			203,735	249,759	151,700	112,710	355,435	363,519
Subscriptions and publications	2	66	839,198	702,619	40	40			839,240	702,725
Services, advertising and sales	78,333	79,736	17,428	9,197	33,876	25,740			129,637	114,673
Sundry (expenditures)	(5,031)	3,179	(4,766)	3,272		11			(9,797)	6,462
	<b>216,313</b>	<b>216,925</b>	<b>852,672</b>	<b>716,172</b>	<b>312,147</b>	<b>447,645</b>	<b>383,586</b>	<b>357,008</b>	<b>1,764,718</b>	<b>1,737,750</b>
<b>Expenditures</b>										
National projects	8,511	7,971					230,601	238,488	239,112	246,459
Speakers and prizes	584	330	26	361	93,362	196,016	52,631	19,703	146,603	216,410
Production			135,081	124,832	6,275	9,829			141,356	134,661
Promotional material	5,193	3,306	4,036	5,785	4,221	4,543	5,051	5,102	18,501	18,736
Salaries and benefits	182,875	184,052	262,329	257,167	160,083	166,817	98,778	93,825	704,065	701,861
Boards and committees	29,676	39,636	78,570	68,397	133	180	2,096	1,619	110,475	109,832
Legal and audit	3,986	4,924	3,986	4,925	3,986	4,925	3,030	3,743	14,988	18,517
General administration	55,017	33,877	80,726	66,368	147,657	171,914	55,922	13,317	339,322	285,476
Amortization of capital assets	3,286	3,178	2,520	2,435	7,497	7,409	2,520	2,435	15,823	15,457
Development campaign	496	5,528			165	1,842	662	7,370	1,323	14,740
	<b>289,624</b>	<b>282,802</b>	<b>567,274</b>	<b>530,270</b>	<b>423,379</b>	<b>563,475</b>	<b>451,291</b>	<b>385,602</b>	<b>1,731,568</b>	<b>1,762,149</b>
<b>Excess (deficiency) of revenue over expenditures</b>	<b>(73,311)</b>	<b>(65,877)</b>	<b>285,398</b>	<b>185,902</b>	<b>(111,232)</b>	<b>(115,830)</b>	<b>(67,705)</b>	<b>(28,594)</b>	<b>33,150</b>	<b>(24,399)</b>

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

# Canadian Mathematical Society / Société Mathématique du Canada

## Changes in Fund Balance, Operations Fund

Year ended December 31, 2009

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	<u>2009</u>	<u>2008</u>
	\$	\$
Fund balance, beginning of year	<b>35,621</b>	45,084
Excess (deficiency) of revenue over expenditures	<b>33,150</b>	(24,399)
Transfer from Contingency Fund		<u>14,936</u>
Fund balance, end of year	<u><b>68,771</b></u>	<u>35,621</u>

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

# Canadian Mathematical Society / Société Mathématique du Canada

## Revenue, Expenditures and Changes in Fund Balances, Restricted Funds

Year ended December 31, 2009

	Contingency Fund	Endowment Fund		Mathematical Olympiads Fund		Borwein Distinguished Career Fund		Total	
		Capital	Operations	Capital	Operations	Capital	Operations	2009	2008
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Revenue</b>									
Donations		1,624		406		2,075		4,105	3,995
Dividend, interest and other income	28,055	13,719		6,732		1,692		50,198	54,801
Gain (loss) on investments due to changes in fair value	59,122	28,912		14,185		3,564		105,783	(293,820)
	<b>87,177</b>	<b>44,255</b>		<b>21,323</b>		<b>7,331</b>		<b>160,086</b>	<b>(235,024)</b>
<b>Expenditures</b>									
Projects			1,500					1,500	16,000
Grants					2,630			2,630	
Service fees	8,384	4,100		2,011		505		15,000	15,000
Invested Funds Committee	135		66		33		9	243	125
Speakers and prizes									2,009
	<b>8,519</b>	<b>4,100</b>	<b>1,566</b>	<b>2,011</b>	<b>2,663</b>	<b>505</b>	<b>9</b>	<b>19,373</b>	<b>33,134</b>
<b>Excess (deficiency) of revenue over expenditures</b>	<b>78,658</b>	<b>40,155</b>	<b>(1,566)</b>	<b>19,312</b>	<b>(2,663)</b>	<b>6,826</b>	<b>(9)</b>	<b>140,713</b>	<b>(268,158)</b>
Fund balances, beginning of year	583,676	332,380	(3,342)	162,965	6,284	43,112	(575)	1,124,500	1,407,594
Contribution from (to) operations from capital	(3,342)	(5,425)	8,767	(2,645)	2,645	(693)	693		
Transfer to Operations Fund									(14,936)
Fund balances, end of year	<b>658,992</b>	<b>367,110</b>	<b>3,859</b>	<b>179,632</b>	<b>6,266</b>	<b>49,245</b>	<b>109</b>	<b>1,265,213</b>	<b>1,124,500</b>

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

# Canadian Mathematical Society / Société Mathématique du Canada

## Cash Flows

Year ended December 31, 2009

	<u>2009</u>	<u>2008</u>
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenue over expenditures, Operations Fund	33,150	(24,399)
Excess (deficiency) of revenue over expenditures, Restricted Funds	140,713	(268,158)
Non-cash items		
Amortization of capital assets	15,823	15,457
Loss (gain) on investments due to changes in fair value	(105,783)	293,820
Changes in working capital items		
Accounts receivable	48,204	(208,413)
Budget advances	4,000	(2,443)
Prepaid expenses	780	3,325
Accounts payable and accrued liabilities	(111,181)	102,936
Deferred revenue	107,479	265,336
Cash flows from operating activities	<u>133,185</u>	<u>177,461</u>
<b>INVESTING ACTIVITIES</b>		
Acquisition of short-term investments	(660,000)	(320,000)
Proceeds on disposal of short-term investments	573,515	271,661
Acquisition of investments	(50,196)	(54,801)
Acquisition of capital assets	(19,020)	(5,994)
Cash flows from investing activities	<u>(155,701)</u>	<u>(109,134)</u>
<b>Net increase (decrease) in cash</b>	<b>(22,516)</b>	<b>68,327</b>
Cash, beginning of year	<u>151,987</u>	<u>83,660</u>
Cash, end of year	<u><u>129,471</u></u>	<u><u>151,987</u></u>

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

# Canadian Mathematical Society / Société Mathématique du Canada

## Notes to Financial Statements

December 31, 2009

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### **1 - GOVERNING STATUTES AND NATURE OF OPERATIONS**

The Canadian Mathematical Society/Société Mathématique du Canada ("the Society") is a non-profit organization incorporated without share capital under Part II of the Canada Corporations Act, to promote and advance the discovery, learning and application of mathematics. The Canadian Mathematical Society/Société Mathématique du Canada is a registered charitable organization for purposes of the Income Tax Act, and is not subject to income tax.

### **2 - ACCOUNTING CHANGES**

On January 1, 2009 in accordance with the applicable transitional provisions, the Society applied the recommendations of the Canadian Institute of Chartered Accountants (CICA) in the introduction to accounting standards that apply only to not-for-profit organizations and several sections in the 4400 series as well as consequential changes to other sections of the CICA Handbook. These modifications, effective for fiscal years beginning on or after January 1, 2009 mainly affect the following, in particular:

- Inclusion of not-for-profit organizations within the scope of sections 1540, "Cash Flow Statements", and 1751, "Interim Financial Statements";
- Elimination of the requirement to treat net assets invested in capital assets as a separate component of net assets;
- Amendments to clarify that revenues and expenses must be recognized and presented on a gross basis when the not-for-profit organization is acting as a principal in the transactions in question;
- Inclusion of additional guidance with respect to the appropriate use of the scope exemption in Section 4430, "Capital Assets Held by Not-for-profit Organizations", for smaller entities.

The CICA also published new Section 4470, "Disclosure of Allocated Expenses by Not-for-profit Organizations", which establishes disclosure standards for the not-for-profit organization that classifies its expenses by function and allocates expenses to a number of functions to which the expenses relate. As a result of applying these new accounting standards, the Society no longer present net assets invested in capital assets as a separate component of fund balances.

### **3 - ACCOUNTING POLICIES**

#### **Basis of Presentation**

The financial statements are prepared using the historical cost method, except for certain financial instruments that are recognized at fair value. No information on fair value is presented when the carrying amount corresponds to a reasonable approximation of the fair value.

#### **Accounting estimates**

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts recorded in the financial statements and notes to financial statements. These estimates are based on management's best knowledge of current events and actions that the Society may undertake in the future. Actual results may differ from these estimates.



# Canadian Mathematical Society / Société Mathématique du Canada

## Notes to Financial Statements

December 31, 2009

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### **3 - ACCOUNTING POLICIES (Continued)**

#### **Financial assets and liabilities**

The Society has chosen to apply the recommendations of Section 3861, "Financial Instruments – Disclosure and Presentation", of the Canadian Institute of Chartered Accountants' Handbook with respect to the presentation and disclosure of financial instruments.

On initial recognition, all financial assets and liabilities are measured and recognized at their fair value, except for financial assets and liabilities resulting from certain related party transactions.

Subsequently, financial assets and liabilities are measured and recognized as follows.

#### *Held-for-trading financial assets and liabilities*

Cash and investments are held-for-trading financial assets and are measured at their fair value with changes in fair value being recognized in the statement of operations.

#### *Loans and receivables and other financial liabilities*

Accounts receivable is classified as loans and receivables and are measured at amortized cost using the effective interest method (including any impairment). Accounts payable and accrued liabilities are classified as other financial liabilities and are measured at amortized cost using the effective interest method.

#### **Cash and cash equivalents**

The Society's policy is to present cash and investments having a term of three months or less from the acquisition date with cash and cash equivalents.

#### **Fund accounting**

The Society follows the restricted fund method of accounting for contributions.

Revenue and expenses related to general, publishing, research and educational activities are reported in the Operations Fund.

The Contingency Fund records its portion of investment income from restricted investments. Any amount in excess of \$75,000 in the Operations Fund balance at the end of the financial period is transferred to the Contingency Fund as a special contribution. In extraordinary circumstances, and as approved by the Board of Directors, an appeal may be made to the Contingency Fund for a contribution to alleviate a deficit in the Operations Fund balance.

The Endowment Fund records bequests and other contributions. From time to time, the Society's Board of Directors will approve projects to be supported from income earned on investments.

The Mathematical Olympiads Fund, established by means of a donation from the OIM 1995 IMO Corporation, receives bequests and other contributions restricted for support of the Mathematical Olympiads program in Canada. Each year, a portion of the income is used to support these activities.

The Borwein Distinguished Career Fund is the result of a pledge from the Borwein Family to create an endowment fund for a Distinguished Career Award which recognizes exceptional, broad and continued contributions to Canadian mathematics.

# Canadian Mathematical Society / Société Mathématique du Canada

## Notes to Financial Statements

December 31, 2009

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### **3 - ACCOUNTING POLICIES (Continued)**

#### **Revenue recognition**

Restricted contributions related to general operations are recognized as revenue of the Operations Fund, in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted funds.

Unrestricted contributions are recognized as revenue of the Operations Fund in the year received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment transactions are recorded on the transaction date and resulting revenues are recognized using the accrual basis. Dividends are recognized as of the ex-dividend date. Transaction costs related to the acquisitions and disposals of investments are included in the cost of the investments acquired or treated as a reduction of the proceeds on the disposal of investments.

#### **Contributed supplies and services**

The Society recognizes contributed supplies and services when the fair value of these contributions can be reasonably estimated and if it would have had to otherwise acquire these supplies and services for its normal operations.

#### **Membership, subscription and registration fees**

Membership and subscription fees are calendar-year based. They are recognized when received or receivable if the amount to be received can be reasonably estimated and collection reasonably assured. Registration fees are recorded in the period in which the events take place.

Life membership fees are recorded as deferred revenues in the Contingency Fund in the year that they are received or receivable, if the amounts to be received can be reasonably estimated and collection is reasonably assured. Amounts are amortized into membership revenues of the Operations Fund - General Division, over the average estimated duration of the memberships.

#### **Publications**

The Society publishes journals, bulletins and other works. As their eventual sale is unpredictable, no year-end valuation is made in recognition of any unsold stocks.

#### **Capital assets**

Computer equipment and furniture and fixtures are recorded at cost. Amortization is provided on a straight-line basis over the estimated useful life of the asset ranging from 48 to 60 months.

#### **Foreign currency translation**

Foreign currency transactions are translated into Canadian dollars at the exchange rate in effect at the transaction date. Monetary assets and liabilities denominated in foreign currency are translated into Canadian dollars at the exchange rate in effect at the balance sheet date.

# Canadian Mathematical Society / Société Mathématique du Canada

## Notes to Financial Statements

December 31, 2009

### 4 - FUNDS HELD IN TRUST

Included in cash are funds held in trust of \$7,979 (2008-\$7,563) and \$18,667 (2008-\$18,350) in short-term investments for the Canadian Undergraduate Mathematics Conference. The Society received funds to set up two accounts with the purpose of providing the organizers of the conference a day-to-day chequing account and a reserve to assist the organizers if they are unable to raise sufficient funds to host the conference. There is a corresponding balance of \$26,646 (2008-\$25,913) in accounts payable and accrued liabilities.

### 5 - SHORT-TERM INVESTMENTS

Short-term investments consist of money market funds. The fair value of the investments at December 31, 2009 is \$157,861 (2008 - \$73,366).

### 6 - INVESTMENTS

	2009		2008	
	Cost	Fair value	Cost	Fair value
	\$	\$	\$	\$
<b>Operations Fund</b>				
Equities	<u>1,654</u>	<u>2,443</u>	<u>1,654</u>	<u>455</u>

	2009		2008	
	Cost	Fair value	Cost	Fair value
	\$	\$	\$	\$
<b>Contingency Fund</b>				
Mixed pooled funds				
Bonds	331,326	344,396	309,204	325,345
Canadian Equities	68,222	88,653	62,293	64,798
Global Equities	<u>528,141</u>	<u>427,253</u>	<u>503,234</u>	<u>382,982</u>
	<u>927,689</u>	<u>860,302</u>	<u>874,731</u>	<u>773,125</u>

	2009		2008	
	Cost	Fair value	Cost	Fair value
	\$	\$	\$	\$
<b>Endowment Fund</b>				
Mixed pool funds				
Bonds	155,723	161,863	156,319	152,546
Canadian Equities	31,868	41,411	31,492	29,747
Global Equities	<u>247,476</u>	<u>200,202</u>	<u>254,410</u>	<u>178,553</u>
	<u>435,067</u>	<u>403,476</u>	<u>442,221</u>	<u>360,846</u>

# Canadian Mathematical Society / Société Mathématique du Canada

## Notes to Financial Statements

December 31, 2009

### 6 - INVESTMENTS (Continued)

	2009		2008	
	Cost	Fair value	Cost	Fair value
	\$	\$	\$	\$
<b>Mathematical Olympiads Fund</b>				
Mixed pooled funds				
Bonds	77,043	80,089	76,921	75,517
Canadian Equities	15,751	20,468	15,497	14,745
Global Equities	122,334	98,965	125,191	88,343
	<b>215,128</b>	<b>199,522</b>	217,609	178,605

	2009		2008	
	Cost	Fair value	Cost	Fair value
	\$	\$	\$	\$
<b>Borwein Distinguished Career Fund</b>				
Mixed pool funds				
Bonds	20,372	21,175	20,257	20,026
Canadian Equities	4,120	5,354	4,082	3,916
Global Equities	32,265	26,102	32,969	23,432
	<b>56,757</b>	<b>52,631</b>	57,308	47,374

### 7 - CAPITAL ASSETS

	2009		
	Cost	Accumulated amortization	Net
	\$	\$	\$
Computer equipment	111,775	90,692	21,083
Furniture and fixtures	43,121	25,386	17,735
	<b>154,896</b>	<b>116,078</b>	<b>38,818</b>
	2008		
	Cost	Accumulated amortization	Net
	\$	\$	\$
Computer equipment	101,496	81,956	19,540
Furniture and fixtures	34,380	18,299	16,081
	<b>135,876</b>	<b>100,255</b>	<b>35,621</b>

# Canadian Mathematical Society / Société Mathématique du Canada

## Notes to Financial Statements

December 31, 2009

### 8 - DEFERRED REVENUE

#### *Deferred membership fees*

	<u>2009</u>	<u>2008</u>
	\$	\$
Balance, beginning of year	76,313	72,620
Recognized as revenue	(68,206)	(66,180)
Received relating to the following year	<u>85,547</u>	<u>69,873</u>
Balance, end of year	<u>93,654</u>	<u>76,313</u>

#### *Deferred grants and contributions*

Balance, beginning of year		35,545
Recognized as revenue		(35,545)
Received relating to the following year	<u>25,000</u>	
Balance, end of year	<u>25,000</u>	

#### *Deferred subscriptions and publications*

Balance, beginning of year	371,943	115,229
Recognized as revenue	(370,793)	(109,697)
Received relating to the following year	<u>397,743</u>	<u>366,411</u>
Balance, end of year	<u>398,893</u>	<u>371,943</u>

#### *Deferred lifetime membership fees*

Balance, beginning of year	145,108	104,634
Recognized as revenue	(11,062)	(9,276)
Received relating to following years	<u>49,250</u>	<u>49,750</u>
Balance, end of year	<u>183,296</u>	<u>145,108</u>
	<u>700,843</u>	<u>593,364</u>

### 9 - RELATED PARTY TRANSACTIONS

The Friends of the Canadian Mathematical Society, Inc. ("FCMS") was established to promote and advance discovery, learning, and application of mathematics and any other related or corresponding charitable purposes by the distribution of its funds for such purposes. FCMS is a non-profit corporation, organized solely for general charitable purposes pursuant to the Florida Corporations Act.

The Society obtains funds from the FCMS through a grant application process to support the Society's various activities.

In 2009, FCMS did not provide the Society with donations (2008 - US \$15,000 (CDN - \$18,750) included in accounts receivable).

# Canadian Mathematical Society / Société Mathématique du Canada

## Notes to Financial Statements

December 31, 2009

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### **10 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES, AND FINANCIAL RISKS**

#### **Financial risk management objectives and policies**

The Society is exposed to various financial risks resulting from both its operations and its investment activities. The Society's management manages financial risks.

The Society does not enter into financial instrument agreements including derivative financial instruments for speculative purposes.

#### **Financial risks**

The Society's main financial risk exposure and its financial risk management policies are as follows:

##### **Credit risk**

The financial instruments that potentially expose the Society to credit risk are primarily accounts receivable. Credit risk relating to accounts receivable is generally diversified since the Society negotiates with a large number of members.

##### **Foreign exchange risk**

The Society is exposed to foreign exchange risk due to cash, accounts receivable, short and long-term investments, and accounts payable and accrued liabilities denominated in U.S. dollars. As at December 31, 2009, assets denominated in U.S. dollars consisting of cash, accounts receivable, and short and long-term investments totalled US\$38,786 (CDN - \$40,764) (2008 - US\$31,885 (CDN - \$39,046) and accounts payable denominated in U.S. dollars totalled US\$1,763 (CDN - \$1,853) (2008 - US\$8,633 (CDN - \$10,572).

The Society does not enter into arrangements to hedge its foreign exchange risk.

##### **Concentration of risk**

Concentration of risk exists when a significant portion of the portfolio is invested in securities with similar characteristics or subject to similar economic, political and other conditions. To minimize exposure to risk, the Society maintains a balanced portfolio consisting of bonds, Canadian common and preferred shares, and "blue chip" foreign securities.

##### **Market risk**

The Society has adopted an investment policy to control the amount of risk to which it is exposed. Investment practices are designed to avoid undue risk of loss or impairment of assets and to provide, given the nature of the investments, a reasonable expectation of fair return. Maximum investment risk is represented by the market value of investments. Fair value approximates the value at which these instruments could be exchanged in a transaction between knowledgeable and willing parties. Information supplied by the Society's custodian of securities is used to estimate fair value, which may differ from that which could eventually be realized.

# Canadian Mathematical Society / Société Mathématique du Canada

## Notes to Financial Statements

December 31, 2009

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### **11 - CAPITAL MANAGEMENT POLICIES AND PROCEDURES**

The Society's objectives when managing capital are:

- To safeguard the Society's ability to continue as a going concern;
- To represent and bring benefit to members.

The Society manages its capital mainly by way of monitoring the level of its fund balances to ensure it has sufficient resources to fund its operations. In addition, the Society has created a capital fund component for some of its restricted funds in order to better manage the seed capital of each of the Endowment, Mathematical Olympiads and Borwein Distinguished Career funds. Capital accretion, uses and replenishment for each of these funds is governed by the Society's by-laws, which may be amended by the Board of Directors from time to time. The Society is not subject to any externally imposed capital requirements.

### **12 - COMMITMENTS**

The Society has entered into lease commitments for office and equipment expiring between April 2010 and June 2013, which call for lease payments of \$33,800. Minimum lease payments for the next four years are \$12,000 in 2010, \$10,400 in 2011, \$8,300 in 2012 and \$3,100 in 2013.