



Greater Victoria
CHAMBER of COMMERCE

www.victoriachamber.ca

2008 Annual Report



2008 Chair
Margaret Lucas

The Voice of Business



Newly inducted Chair of the Board of Governors Margaret Lucas, with other governors.
L to R: Robin Adair, Mel Cooper, Rebecca Grant, Jim Tighe, Bill McCreadie and Terry Farmer.

2008 Annual Report

Presented May 14, 2009



Greater Victoria

CHAMBER of COMMERCE

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Minutes of the Greater Victoria Chamber of Commerce Annual General Meeting

Held on Thursday, April 24, 2008 11:45 a.m.
at the Delta Victoria Ocean Pointe Resort & Spa

Call to Order

Margaret Lucas called the 2007 AGM to order and reported that 64 members were in attendance hereby constituting a quorum.

2007 AGM Minutes

Motion to approve the minutes of the last AGM dated April 24, 2007

Moved By: David Nicholson

Seconded by: John Juricic

The following correction was made: in the motion to adjourn, the name of the seconder was changed from Mike Blade to Mike Black.

Motion: **Carried**

Audited Financial Statements

Honourary Treasurer, Dave Marshall, presented the financial statements.

Motion to accept the audited financial statements

Moved by: Dave Marshall

Seconded by: Richard Gordon

Motion: **Carried**

Appointment of Auditors

Motion to appoint Crawford Paterson Campbell & McNeill as Auditors for 2008.

Moved by: David Nicholson

Seconded by: Richard Gordon

Motion: **Carried**

Motion to adjourn the 2007 AGM.

Moved: David Rand

Seconded: Richard Gordon

Motion: **Carried**

The AGM featured an address from Mayor Frank Leonard. Director, John Juricic thanked the speaker. The luncheon adjourned at 1:30 p.m.



Chair's Message

My work as Chair of the Chamber for 2009 has benefitted from the leadership of our Chair from 2008. I believe that the Chamber was able to integrate itself into the community in a stronger way throughout 2008, with our work in strengthening the Greater Victoria Development Agency and working with the leadership team to establish the Greater Victoria Commission to End Homelessness.

It is vitally important that the chamber retain that leadership role, bringing the importance of a strong and vibrant business sector to the forefront whenever possible. Fostering leadership in our business community, emphasizing the importance of our entire region and the various sections within it to work together for our collective good is a goal that I remain focussed upon.

Even as we are challenged with a changed economic environment, the resilience and innovation of our business community will keep Greater Victoria in a better position than some. The Chamber will continue to work on bringing forward issues to our political leaders at all levels that keep a focus on current and future prosperity and creating a community that is attractive for both business and leisure.



Past Chair's Message

My year as Chair of the Chamber in 2008 was one of working to show leadership and partnership in our regional community. I am so pleased with the way we worked together as a board to advance important issues for our business community.

We built on our ongoing advocacy efforts throughout the year, and realized a few successes, including the protection of RRSP savings deposited through banks by private investors and the promise from Victoria Mayor Dean Fortin to move the business to residential tax ratio to 3:1. We also supported improvements in housing availability in our region with advocacy efforts supporting the development of the shelter and supportive housing on Ellice Street.

Much of what we do as a chamber, and accomplished in 2008, is done in partnership with other organizations. I believe that we strengthened some of those relationships in 2008, such as with the Downtown Victoria Business Association, Tourism Victoria, the Greater Victoria Harbour Authority and the Coalition to End Homelessness to name a few. I am sure those relationships and positive results will continue to build in 2009 and the years ahead.



Chief Executive Officer's Message

2008 was a great year overall. Our membership continued to grow, our events had good attendance, we had a number of advocacy advances and we continued to increase the use of online and credit card payments. The economic challenges at the end of the year and the market effects on our reserve fund were significant but much of that has been mitigated as I write this report.

Of particular note the Business Services Show was reworked to make it, the largest general business show in Victoria with more than 90 exhibitors. We also increased the frequency of the new member events and found that our Business Education Series was busier than previous years, quite often sold out. We formed and led a partnership to continue the Annual Flower Count and look forward to continuing the count for years to come.

The Prodigy Group has been growing strong, ending off the year with ideas to develop a new mentorship program, which is coming to fruition in 2009. We now have a Policy and Public Affairs Committee working closely with our chamber staff to scan and review current issues for chamber advocacy attention.

As we look at our economic future we expect significant long term benefits from the Olympics and hope that the worst of global economic strife is behind us.

2009 Board of Directors

John Juricic, Chair
Etraffic Solutions

George Fuller, Executive Vice Chair,
Gowling Lafleur Henderson LLP.

Margaret Lucas, Past Chair
Hotel Rialto

David Rand, Secretary
Nimpkish Hotel

Pauline Rafferty, Treasurer
Royal British Columbia Museum

John Espley, Vice Chair
Accent Inns

Rose Arsenaault, Director
Placement Group Victoria

Michael Black, Director
Capital Iron Ltd.

Gerry Brimacombe, Director
Sector Learning Solutions Inc.

Richard Gordon, Director
Access Records & Media Management

Ray Kolla, Director
KPMG LLP.

Dave Marshall, Director
Strategus Consulting

David Nicholson, Director
Queensbury Securities Inc.

Roger Skillings, Director
Canadian Sport Centre Pacific

David Vinnels, Director
Real Estate Investor

Captain (N) Mike Williamson, Director
Canadian Forces Pacific Esquimalt

Annie Wong-Harrison, Director
National Car and Truck Rental

Bruce Carter, Chief Executive Officer
Greater Victoria Chamber of
Commerce

Board of Governors

2008 Margaret Lucas
2007 Lindalee Brougham
2006 Robin Adair
2005 Jim Tighe
2004 Rebecca Grant
2003 Bob Cross
2002 Dwayne Peverett
2001 Ian Ferguson
2000 Robert Wickson
1999 Lana Denoni
1998 Lawrie Spooner
1997 Myrna Borleske
1996 Bob Brown
1995 Dan McAllister
1994 Vern Fitzgerald
1993 Al Crow
1992 Mike Kynaston
1991 Carole Didier
1990 Bill McCreadie
1989 Bob Skene
1988 Glenn Terrell
1987 Bob Verpoorte
1986 Jim Currie
1985 Frank Leonard
1984 William Hazell
1983 Ian Cairns
1982 Bill Anderson
1980 Cedric Steele
1979 Mel Cooper
1978 John Ansell
1977 Alan Emery
1976 Jack Hutchins
1974 Kenneth Murphy
1973 Terry Farmer
1972 Helen Beirnes
1970 Clare Copeland
1963 John Wallace
1956 Pat Dunn
1969-94 Brian J. Small
(General Manager)

2009 Greater Victoria Development Agency

David Nicholson, Chair
Queensbury Securities Inc.

Alan Cahoon
Royal Roads University

Eric Donald
Transpacific Management

Robert Gialloredo
Tourism Victoria

Dan Gunn
VIATeC

Valerie Kuehne
University of Victoria

Richard Paquette
Victoria Airport Authority

Paul Servos
Greater Victoria Harbour Authority

Roger Skillings
Canadian Sport Centre Pacific

Christine Stoneman
Chemistry Consulting

Glenn Terrell
Victoria Real Estate Board

Mike Weston
Cube Global Storage

Sasha Angus, Economic Development
Officer

Bruce Carter, Chief Executive Officer



Auditors' Report

To the Members of the Greater Victoria Chamber of Commerce

We have audited the statement of financial position of the Greater Victoria Chamber of Commerce as at December 31, 2008 and the statements of operations, changes in net assets, and cash flows for the year then ended. These financial statements are the responsibility of the Chamber'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 Chamber as at December 31, 2008 and the results of its operations, changes in net assets and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Crawford Paterson Campbell & McNeill

Chartered Accountants

Victoria, BC
February 13, 2009

James Crawford, CA* Kent Campbell, CA* Grant McNeill, CA* Lynda Mason, CA* David Paterson, FCA (retired)

400 - 1208 WHARF STREET, VICTORIA, B.C. CANADA V8W 3B9
TELEPHONE: (250) 386-1115 FAX: (250) 386-4797

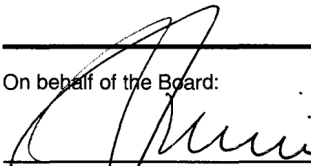
* denotes Incorporated

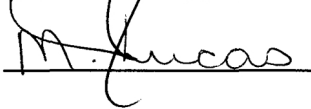


Greater Victoria Chamber of Commerce Statement of Financial Position

December 31	2008	2007
Assets		
Current		
Cash	\$ -	\$ 1,477
Marketable securities (Note 1)	592,168	717,213
Accounts receivable	125,748	58,945
Prepaid expenses	15,289	32,380
	733,205	810,015
Property and equipment (Note 2)	50,875	73,424
	\$ 784,080	\$ 883,439
Liabilities and Net Assets		
Liabilities		
Bank indebtedness	\$ 63,773	\$ -
Accounts payable and accrued liabilities	44,388	59,756
Deferred revenue (Note 4)	355,582	342,943
	463,743	402,699
Net assets		
Net assets invested in property and equipment	50,875	73,424
Unrestricted	269,462	407,316
	320,337	480,740
	\$ 784,080	\$ 883,439

On behalf of the Board:


 _____ Director


 _____ Director

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.



Greater Victoria Chamber of Commerce Statement of Operations

For the year ended December 31	2008	2007
Revenue		
Benefit recovery	\$ 82,737	\$ 67,592
Business directory	31,032	30,817
Contributions to Greater Victoria Development Agency (Note 6)	189,913	70,000
Contract administration fees	12,277	12,100
Investments	24,229	29,791
Unrealized gain/(loss) on fair market value adjustment	(137,834)	6,442
Advertising	12,923	21,553
Members' dues and assessments	602,468	583,408
Fundraising	76,251	77,909
Programs	136,387	140,485
Rent	8,055	10,773
Business awards	67,166	56,118
Sponsorships	28,500	35,950
Newsletter	39,401	28,980
Realized gain/(loss) on sale of shares	(1,500)	68,875
	1,172,005	1,240,793
Cost of Activities		
Fundraising	30,793	24,091
Committee activities	11,576	12,416
Greater Victoria Development Agency expense (Note 6)	215,803	131,829
Program expense	109,649	138,836
Business directory	17,940	18,116
Business awards	33,983	26,365
Advertising	14,743	6,320
Newsletter	26,307	23,195
	460,794	381,168
Surplus of revenue over expenses before administration	711,211	859,625
Administration		
Affiliation and association dues	15,875	14,935
Amortization	30,455	32,316
Interest	1,115	474
Membership expenses	11,350	4,407
Occupancy costs	78,643	83,108
Office	74,723	73,448
Postage	14,405	22,028
Professional fees	14,664	12,320
Salaries and employee costs	591,805	551,456
Telephone	15,605	14,621
Travel and convention	22,974	15,412
	871,614	824,525
Surplus (deficiency) of revenue over expenses	\$ (160,403)	\$ 35,100

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Greater Victoria Chamber of Commerce
Statement of Changes in Net Assets

	2008		2007	
	Invested in property and equipment	Unrestricted	Total	Total
Balance, beginning of year	\$ 73,424	\$ 407,316	\$ 480,740	\$ 445,640
Surplus (deficiency) of revenue over expenses	(30,455)	(129,948)	(160,403)	35,100
Transfer to net assets invested in property and equipment	7,906	(7,906)	-	-
Balance, end of year	\$ 50,875	\$ 269,462	\$ 320,337	\$ 480,740

For the year ended December 31

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Greater Victoria Chamber of Commerce Statement of Cash Flows

For the year ended December 31	2008	2007
Cash provided by (used in)		
Operating activities		
Surplus (deficiency) of revenue over expenses	\$ (160,403)	\$ 35,100
Items not involving cash		
Amortization	30,455	32,316
Unrealized (gain)/loss on fair market value adjustment	137,834	(6,442)
	<u>7,886</u>	<u>60,974</u>
Changes in non-cash working capital items		
Accounts receivable	(66,802)	(6,044)
Prepaid expense	17,091	(16,023)
Accounts payable	(15,368)	33,113
Deferred revenue	12,639	40,909
	<u>(44,554)</u>	<u>112,929</u>
Investing activities		
Purchase of property and equipment	(7,906)	(37,739)
Purchase of investments	(12,789)	(89,411)
	<u>(20,695)</u>	<u>(127,150)</u>
Decrease in cash during the year	(65,249)	(14,221)
Cash, beginning of year	1,477	15,698
Cash/(bank indebtedness), end of year	\$ (63,772)	\$ 1,477
Represented by		
Cash	\$ -	\$ 1,477
Bank indebtedness	(63,773)	-
	<u>\$ (63,773)</u>	<u>\$ 1,477</u>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

**Greater Victoria Chamber of Commerce
Summary of Significant Accounting Policies**

December 31, 2008

Purpose of the Organization	The Greater Victoria Chamber of Commerce ("Chamber") is incorporated under the Board of Trade Act of Canada and its principal activity is to promote and improve trade and commerce and the economic, civic, and social welfare of Greater Victoria.						
Marketable Securities	Marketable securities are carried at the fair market value.						
Property and Equipment	Property and equipment is recorded at cost. Amortization based on the estimated useful life of the asset is calculated on a straight-line basis as follows: <table border="0" style="margin-left: 20px;"> <tr> <td>Furniture and equipment</td> <td>- 20% straight line basis</td> </tr> <tr> <td>Computer hardware and software</td> <td>- 30% straight line basis</td> </tr> <tr> <td>Leasehold improvements</td> <td>- 10 years straight line basis</td> </tr> </table>	Furniture and equipment	- 20% straight line basis	Computer hardware and software	- 30% straight line basis	Leasehold improvements	- 10 years straight line basis
Furniture and equipment	- 20% straight line basis						
Computer hardware and software	- 30% straight line basis						
Leasehold improvements	- 10 years straight line basis						
Revenue Recognition	The Chamber 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.						
Contributed Materials and Services	Donated property and equipment are recorded at fair value when received. The Chamber is dependent on the voluntary service of many members and others. Since these services are not normally purchased by the Chamber and, because of the difficulty of determining their fair value, donated services are not recognized in these financial statements.						
Financial Instruments	The Chamber has classified its cash and marketable securities as financial assets held for trading. Accounts receivable are classified as loans and receivables. Accounts payable and accrued liabilities and deferred revenue are classified as other financial liabilities. Financial assets and liabilities held for trading Financial instruments classified as assets held for trading are reported at fair value at each statement of financial position date, and any change in fair value is recognized in interest income (loss) in the period during which the change occurs. Fair value for term deposits and GICs redeemable within the year are stated at cost which, together with accrued interest income, approximates fair value given the short term nature of these investments. Fixed income securities and equities are valued at year-end quoted market prices. Loans and receivables and other financial liabilities Financial instruments classified as loans and receivables, and other financial liabilities are carried at amortized cost using the effective interest method. Interest income or expense is included in interest income (loss) over the expected life of the instrument. The carrying value of financial instruments cash, marketable securities, accounts receivable, accounts payable and accrued liabilities, and deferred revenue approximates their fair value due to their short-term maturity and capacity for prompt liquidation.						
Measurement Uncertainty	The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions which 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 year. Actual results could differ from those estimates.						

Greater Victoria Chamber of Commerce Notes to Financial Statements

December 31, 2008

1. Marketable Securities

Marketable securities consist of fixed income and equity investments at a cost of \$723,560 (2007 - \$710,770) with a market value of \$592,168 (2007 - \$717,213). The funds are managed by BMO Harris Investment Management Inc., an external professional manager, in accordance with the Chamber's Investment Guidelines.

2. Property and Equipment

	2008		2007	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Furniture and equipment	\$ 268,100	\$ 241,036	\$ 27,064	\$ 33,981
Computer hardware and software	212,933	195,543	17,390	32,105
Leasehold improvements	14,153	7,732	6,421	7,338
	\$ 495,186	\$ 444,311	\$ 50,875	\$ 73,424

3. Bank Indebtedness

The Chamber has a \$75,000 operating line of credit with its banker. The outstanding balance is payable on demand, secured by a commercial security agreement granting a first priority interest in all present and after-acquired property of the Borrower, with interest charged at the banker's basic lending rate + 1%.

4. Deferred Revenue

Deferred revenue represents the unearned portion of membership fees paid in advance and other fees and sponsorships received in advance of the related event.

5. Commitments

Commencing February 1, 2006, the Chamber has entered into a lease for new premises. The lease expires on January 31, 2011 and has one five year renewal option. The lease is triple net with minimum rent payments of \$33,323 per year plus a proportional share of operating costs and property taxes. Annual payments of minimum rent over the next three years are:

Year	Amount
2009	\$ 33,323
2010	33,323
2011	2,777
	\$ 69,423

Greater Victoria Chamber of Commerce Notes to Financial Statements

December 31, 2008

6. The Greater Victoria Development Agency

The Greater Victoria Development Agency is a committee of the GVCC and was formed to help develop, retain and attract businesses to the Greater Victoria region. They are an industry led initiative, and in collaboration with other sector partners, strive to help build the best possible economic environment for local entrepreneurs and businesses in which to operate.

In accordance with Canadian generally accepted accounting principles, the Chamber has recognized contributions to the GVDA project to the extent of costs incurred to December 31, 2008. The deficit (Chamber contribution) for this project will increase to the extent that additional costs are incurred subsequent to the year end that are not supported by contributions.

	2008	2007
Revenue		
Municipal	\$ 75,000	\$ -
Provincial	45,232	70,000
Federal	61,281	-
Corporate	8,400	-
	189,913	70,000
Expense		
Advertising	3,435	21,279
Affiliation dues	1,270	1,225
Convention and travel	3,357	225
Hosting groups	1,687	2,279
Insurance	1,000	750
Lease	9,000	6,750
Marketing	-	5,688
Office	5,483	7,571
Professional fees	727	23,134
Staff expenses	620	2,413
Sub-contract	101,764	-
Telephone	2,502	1,513
Trade shows	3,824	-
Wages and benefits	81,134	59,002
	215,803	131,829
Deficit (contribution from Greater Victoria Chamber of Commerce)	\$ (25,890)	\$ (61,829)

ANNUAL SPONSORS



Camosun College's co-operative education program continues to flourish and welcomed many new students in 2008. As the applied business degrees and the new sports programs grow, there is an even greater demand for work term opportunities. Our local business community plays a major role in facilitating this experience for our students. 2008 saw some changes in the delivery of our workplace education preparation seminar for co-op students, now offered on line and through interactive workshops. Students participate in mock interviews and networking sessions with local employers, equipping the students with the skills and confidence to launch their job search process. Students and employers have enthusiastically endorsed the new approach which requires as little as an hour or two of an employer's time.

Co-operative education has many benefits for both students and employers as the students apply their newly learned and

up to date academic skills in the workplace, and employers have the opportunity to preview future employees, influence career programming and skill development, and keep the costs of recruitment and training down. Students are available year round, and we have many eager students seeking a work term for the summer. We thank all the Chamber members who have hired our students or participated in our interactive workshops. In these tough economic times, we anticipate a greater student demand than ever for co-operative education and we look forward to the continued support of our employers.

For more information, visit camosun.ca/coop, call 250 370 4100 or email co-op@camosun.bc.ca.

**University
of Victoria**



**Co-operative
Education**

At the University of Victoria's Co-operative Education Program and Career Services, we believe that co-operative education brings students, employers and the community together to make an impact in the world around us. Over the past year, UVic co-op students have contributed to the enrichment of our local community by working for employers throughout Greater Victoria. Our students are equipped with knowledge from more than 45 academic program areas and employ their wide range of skills in the workplace.

In 2008 we placed more than 2,700 students in co-op work terms. More than half of these placements were with employers on Vancouver Island and more than 420 were with Greater Victoria Chamber members. Most Chamber members hired more than one UVic co-op student in 2008.

We'd like to thank all the Chamber members who hired our

co-op students this year. We think that our community as a whole benefits when our students are hired to do meaningful work. Co-op students provide employers like you with valuable short-term help and a window into employee recruitment, while students benefit from the application of their academic skills in real-life situations and develop important workplace skills.

To learn more about UVic's Co-op Program and Career Services, visit our website at www.uvic.ca/coop, call 721-7628 or email employer@uvic.ca.

A hand is shown pouring several light blue and white pills from an orange plastic container into the palm of another hand. The background is a gradient of light blue and white.

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