Canadian Defence & Foreign Affairs Institute

www.cdfai.org

2009 Annual Report

Advisory Council 2009-2010

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Background

CDFAI is a charitable organization, founded in 2001, and based in Calgary. CDFAI develops and disseminates materials and carries out activities to promote understanding by the Canadian public of national defence and foreign affairs issues. CDFAI has developed a body of knowledge that is being used for Canadian policy development, media analysis and educational support. Our Fellows, a group of highly experienced and talented individuals, support CDFAI by authoring research papers and essays, responding to media queries, participating in conferences and developing outreach and education projects.

Mission Statement

To be a catalyst for innovative Canadian global engagement.

Goal/Aim

CDFAI was created to address the ongoing discrepancy between what Canadians need to know about foreign affairs and defence policy and what they do know. Historically, Canadians tend to think of foreign policy - if they think of it at all - as a matter of trade and markets. They are unaware of the importance of Canada engaging diplomatically, militarily, and with international aid in the ongoing struggle to maintain a world that is friendly to the legitimate free flow of goods, services, people and ideas across borders and the promotion of human rights. Many Canadians are largely unaware of the connection between a prosperous and free Canada and a world of globalization and liberal internationalism. CDFAI is dedicated to educating Canadians, and particularly those who play leadership roles in shaping Canadian international policy, to the importance of Canada participating actively and consistantly in world affairs, with tangible diplomatic, military and aid assets.

2009 Overview

2009 was another successful year with the Institute adding new research initiatives to its regular programs. CDFAI published a major study on why democracies have been comparatively inept at fighting asymmetric wars. The Quarterly Research series examined the effectiveness of the Canadian counter-terrorism effort, how effectiveness is measured in complex operations, how much progress the Canada First Defence Strategy has actually made one year after its inception, and the significance of the array of changes occurring in the Canada-U.S. defence relationship. Studies were produced on the political, economic, and security situations in Yemen, resource industries and security issues in Northern Alberta, and a threat assessment of the Niger Delta. The subscription for our quarterly review, "The Dispatch", has grown to over 2500 people and contains short articles written by each of our Research Fellows. Each month J.L. Granatstein wrote an opinion piece that was picked up by media outlets across the country, and our Policy Update series grew exponentially in 2009. The English and French Military Journalism Courses were incredibly successful this year, receiving the best student feedback to date. In partnership with the Canadian International Council (CIC), CDFAI held its ninth Annual Ottawa conference in November: "Canada's National Strategic Relations: NATO & NORAD". CDFAI also partnered with CIC in 2009 to produce the Strategic Profile, a wallet-sized reference containing demographic, geographic, economic, and military data on Canada. Our speaker series continued to grow this year and a new series specifically on Afghanistan was conducted in 2009 that had great success. The Institute also conducted two polls on Canadians' support for the mission in Afghanistan and Canada's NATO membership, and on Canada-U.S. border security cooperation. Finally, the Ross Munro media award was presented to Brian Stewart of CBC. A detailed listing of these items is further in this report, as well, all articles and papers are available on our website. Thank you for your interest in, and support of, the Canadian Defence & Foreign Affairs Institute.

Robert Gibson
CDFAI Chair, Board of Directors

Robert S. Millar
CDFAI President

David Bercuson
CDFAI Director of Programs

CDFAI Senior Research Fellows

David Bercuson (Calgary) - Canadian Defence Policy, Canadian Forces
Derek Burney (Ottawa) - Canada-U.S. Relations
Jack L. Granatstein (Toronto) - Canadian Defence/Foreign Policy
Frank Harvey (Halifax) - Canada-U.S. Foreign/Security Policy, Terrorism
Michael Jeffery (Ottawa) - Defence Policy, Canadian Forces/Army
David Pratt (Ottawa) - Conflict Prevention, International Humanitarian Law
Colin Robertson (Ottawa) - NAFTA, Foreign Policy, Canada-U.S. Relations
Hugh Segal (Ottawa) - Foreign & Defence Policy, Geopolitical Strategic Integrity, Politics of Defence Policy
Elinor Sloan (Ottawa) - Defence Transformation, NATO, NORAD
Gordon Smith (Victoria) - Globalization, Security/Foreign Policy
Denis Stairs (Halifax) - Foreign/Defence Policy, Canada-U.S. Relations

CDFAI Research Fellows

Bob Bergen (Calgary) - Media-Military Relations, Canadian Parliament
David Carment (Ottawa) - Ethnic Conflict, Peacekeeping, Conflict Prevention
Barry Cooper (Calgary) - International Terrorism, Canadian Security/Defence Policy
Dany Deschênes (Sherbrooke) - Defence/Security Policy, Quebec Security Issues, Eastern Europe
Mark Entwistle (Ottawa) - Cuba, Canadian Foreign Affairs, Diplomacy
James Fergusson (Winnipeg) - Canada-U.S. Defence Relations, BMD, Aerospace
John Ferris (Calgary) - Intelligence, Strategy, International Relations
Brian Flemming (Halifax) - Airport Security, International Law, War on Terror
Andrew Godefroy (Kingston) - Procurement, Force Development, Defence Policy
Sharon Hobson (Ottawa) - Defence Policy, Media-Military Relations
Robert Huebert (Calgary) - Arctic Security and Sovereignty, Maritime Security
Anne Irwin (Calgary) - Military Anthropology, Defence Research
Tami Jacoby (Winnipeg) - Middle East Politics, Gender
Whitney Lackenbauer (Waterloo) - Arctic Security, Circumpolar Affairs
Eric Lerhe (Halifax) - Naval Affairs, Interoperability, Defence Policy
George Macdonald (Ottawa) - Defence Capabilities, NORAD, BMD
Sarah Jane Meharg (Ottawa) - Post-Conflict Reconstruction, Genocide
Alexander Moens (Vancouver) - NATO Policy, Diplomacy, Europe
Stephen Randall (Calgary) - U.S. Foreign Policy, U.S. and Canada-Latin America Relations
Cameron Ross (Calgary) - Canadian Military Affairs, Security
Stéphane Roussel (Montreal) - Quebec Society and Security Issues, Arctic Security
Ralph Sawyer (Calgary) - China, Military Strategy
Ron Wallace (Calgary) - Arctic Security, Environment

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A special thanks to our sponsors of the 2009 Annual Ottawa Conference

Hosts

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This event has been sponsored by NATO's Public Diplomacy Division

Media Sponsor

For more information on the 2009 Annual Conference, including presentation summaries and conference photos, please visit:

www.cdfai.org/conf2009

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CDFAI wishes to thank the many donors who contributed to our successful programs:

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Stanley Milner
Robert Pierce
Leighton F. Pullen
Stella Thompson
John Watson

2009 Program Summary

Major Research Papers

- Barry Cooper, "Democracies and Small Wars" (December)

Quarterly Research Papers

- Eric Lerhe, "'Connecting the Dots' and the Canadian Counter-Terrorism Effort – Steady Progress or Technical, Bureaucratic, Legal and Political Failure?" (March)
- Sarah Meharg, "Measuring Effectiveness in Complex Operations: What is Good Enough?" (October)
- George Macdonald, "The Canada First Defence Strategy – One Year Later" (October)
- James Fergusson, "Beneath the Radar: Change and Transformation in the Canada-U.S. North American Defence Relationship" (December)

Country Studies

- Iris Glosemeyer, "Dancing on Snake Heads in Yemen" (May)
- Tom Flanagan, "Resource Industries and Security Issues in Northern Alberta" (June)
- Patrick Lennox, "Assessing Threats in the Niger Delta" (December)

The Dispatch

Spring Edition (March Release)

Bob Bergen, "Afghan Bleeding Leads Have One Redeeming Value"
David Carment, "2008/2009 Country Indicators for Foreign Policy Fragile States Index"
Mark Entwistle, "Letter to the Prime Minister Regarding Cuba"
Jim Fergusson, "A Question of Drift"
John Ferris, "Recession, Rust-Out and Rearmament"
Jack Granatstein, "The End of British Influence on the Canadian Army"
David Pratt, "Re-thinking Emergency Management and Citizen Engagement"
Stephen Randall, "Whither U.S. Foreign Policy under an Obama Administration?"

Summer Edition (June Release)

Derek Burney, "Engaging the Obama Administration"
Barry Cooper, "Geopolitics Today"
Sharon Hobson, "How did this Happen? More Troubling Questions about the Maritime Helicopter Program"
Anne Irwin, "Civil-Military Relations in Bangladesh after Pilkhana"
Patrick Lennox, "Pirates Have Rights, Bring in the Police"
Rob Huebert, "A Renewed Canadian-Iceland NATO Commitment: A Chance to Assist an Old Friend and Ally"
Alexander Moens, "NATO: A Glass Half Full"
Ron Wallace, "The Canadian Military in the Service of Northern Environmental Stewardship"

Fall Edition (September Release)

Ray Crabbe, "The Decade of Darkness Revisited: A Personal View"
Andrew Godefroy, "Forging New Shields: Developing Capabilities for the Canadian Forces After Afghanistan"
Frank Harvey, "Obama's 'Principled' Positions on Guantanamo, Habeas Corpus and Water-boarding"
Eric Lerhe, "The Ongoing Canadian Program with Detainees"
Colin Robertson, "Huntsville as Catalyst for Canadians in the Changing World Order"
Cameron Ross, "2011: Peacekeeping Reloaded?"
Elinor Sloan, "Russia's Military Outlook"
Stéphane Roussel, "The Permanent Joint Board of the North"

Winter Edition (December Release)

Dany Deschênes, "Réfléchir sur le concept de sécurité et ses multiples facettes : de la sécurité nationale classique à la sécurité"
Brian Flemming, "What Hath the Great Recession Wrought?"
Mike Jeffery, "The Competition for People – The Military's Next Big Challenge"
George Macdonald, "Industrial Regional Benefits: Interesting Times"
Sarah Meharg, "Canada's *Will to Intervene* in Mass Atrocities: Applying a New Planning Tool"
Ralph Sawyer, "Might on Parade"
Gordon Smith, "Canada in Afghanistan: Is it Working?"
Denis Stairs, "Politicians, Officials and the Making of Foreign Policy: Has the Distribution of Wealth Gone Wrong?"

Jack L. Granatstein Monthly Column

- January: "Does the Northwest Passage Still Matter?"
- February: "Canadian Interests and American Decline"
- March: "The Americans are Coming – to Afghanistan"
- April: "The Defence Budget after Afghanistan"
- May: "Canada-U.S. Relations after Obama's Hundred Days"
- June: "Nothing is Rotten in the State of Denmark"
- July: "Afghanistan: Going…Going…Gone?"
- August: "Canada: A Great Power? Or Merely Great?"
- September: "Just as 70 Years Ago, Parliament Must Decide on War or Peace"
- October: "A New Manley Commission for Afghanistan?"
- November: "Increasing Strain on the Reserve Forces"
- December: "We Need to get Citizenship Right"

Policy Updates

- Colin Robertson, "Setting the Stage for the Obama Administration: The Players, the Program, and the Opportunities for Canada" (January)

- Sarah Chayes, “Comprehensive Action Plan for Afghanistan” (March)
- Gordon Smith and Barry Carin, “Canadian Interests Are No Longer Served by the G8” (March)
- Ron Wallace, “Why Canada Needs a Robust Arctic Air Capability” (March)
- Derek Burney, “Getting it Done in Foreign Policy” (May)
- Colin Robertson, “After Obama’s First Hundred Days: The Pursuit of the Ottawa Agenda and the Need for a Permanent Campaign” (May)
- Colin Robertson, “Worthwhile Canadian Initiatives: On Banking and ‘Getting Government Right’” (August)
- Colin Robertson, “Mr. Harper Goes to Washington” (September)
- Peter Heap, “Breaking Global Deadlocks: A Canadian Track 1.5 Success” (September)
- Derek Burney, “China Ascending” (October)
- Anil Hira, “The Strategic Quagmire: Why Nation Building in Afghanistan is Failing” (November)
- Alexander Moens, “Don’t Overburden or Undervalue NATO” (December)

Military Journalism Courses

- The English Military Journalism Course was taught by Dr. Bob Bergen at the University of Calgary and Canadian Forces Base Suffield from 3-13 May. Twelve students successfully completed this course.
- The French Military Journalism Course was taught by Mr. Jocelyn Coulon at the Université de Montréal and Canadian Forces Base Valcartier from 27 April – 6 May. Eight students successfully completed this course.

CDFAI Annual Conference

- “Canada’s National Strategic Relations: NATO & NORAD” was held on 2 November, at the Crowne Plaza Hotel, Ottawa. This conference was co-hosted with the Canadian International Council.

Strategic Profile

- In partnership with the Canadian International Council, CDFAI created the 2009 Strategic Profile, a wallet-sized card containing important demographic, economic, physical, and military data on Canada.

CDFAI Polls Conducted by Innovative Research Inc

- 2009 Conference Poll examining Canadian support for the Afghan mission and Canada’s NATO membership (November)
- Border Security and Canada-U.S. Cooperation (December)

Speaker Series

- Perrin Beatty spoke on Canada-U.S. relations during the economic recession at a dinner held at the Ranchmen’s Club, Calgary, 20 January.
- Col Jamie Cade, “The Struggle for Kandahar: Canadian Soldiers Making a Difference in Afghanistan,” a breakfast held at the International Hotel, Calgary, 23 March.
- Barry Cooper, “The Evolution of Al-Queda,” University of Alberta’s Business School, Edmonton, 7 April.
- LCol John Malevich spoke on counter-insurgency operations and lessons learned from Afghanistan at a breakfast held at the Bow Valley Club, Calgary, 15 May.
- Matthew Fisher spoke about his experiences as an imbedded journalist in Afghanistan at the first lecture in CDFAI’s new “Afghan Speaker Series” at the Calgary Golf and Country Club, 21 September.
- LCol Ian Hope spoke on NATO strategy for Afghanistan at the second lecture in the “Afghan Speaker Series” at the Calgary Golf and Country Club, 4 November.

Ross Munro Media Award

Mr. Brian Stewart was chosen as the 2009 Ross Munro media award recipient and received his award at the Canadian Defence Association Institute’s Vimy Dinner on Friday, 20 November, in the LeBreton Gallery of the Canadian War Museum in Ottawa.

AUDITORS’ REPORT TO THE MEMBERS

We have audited the statements of financial position of **Canadian Defence and Foreign Affairs Institute** (the “Institute”) as at December 31, 2009 and 2008 and the statements of operations, changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of the Institute’s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits 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 Institute as at December 31, 2009 and 2008 and the results of its operations and cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

KPMG LLP

Chartered Accountants

Calgary, Canada
February 19, 2010

For more information, contact:

Canadian Defence & Foreign Affairs Institute (CDFAI)

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Registration Number: 87982 7913 RR0001

CANADIAN DEFENCE AND FOREIGN AFFAIRS INSTITUTE
Statements of Financial Position
December 31, 2009 and 2008

		2009	2008
ASSETS			
Current Assets			
Cash		$ 156,719	$ 200,638
Accounts receivable		57,105	147,832
Prepaids		1,638	-
		215,462	348,470
Captial assets	*(note 2)*	906	1,325
		$ 216,368	$ 349,795
LIABILITIES AND NET ASSETS			
Current Liabilities			
Accounts payable and accrued liabilities		$ 47,338	$ 59,245
Deferred revenue	*(note 4)*	52,500	285,562
		99,836	$ 344,807
Net Assets			
Net assets		116,530	4,988
		$ 216,368	$ 349,795

The accompanying notes are an integral part of these financial statements

On behalf of the Board:

_____, Director

_____, Director

Statements of Operations
Years ended December 31, 2009 and 2008

		2009	2008
Revenue			
Donations		$ 879,183	$ 648,947
Events		11,075	22,015
Grants and project funding		82,539	103,325
Interest		-	768
		972,797	775,055
Expenses			
Projects and communications	*(note 5)*	767,195	670,768
Projects		427,647	345,719
Projects - support services		339,547	325,049
Professional	*(note 5)*	30,998	25,239
Salaries and consultants	*(note 5)*	51,024	60,546
Annual report	*(note 5)*	317	1,646
Office	*(note 5)*	10,763	11,492
Donations to qualified donees		-	1,500
Memberships and education		228	418
Gain on foreign exchange		309	203
Amortization		419	472
		861,253	772,284
Excess of revenue over expenses		$ 111,544	$ 2,771

The accompanying notes are an integral part of these financial statements

Statements of Cash Flows
Years ended December 31, 2009 and 2008

		2009	2008
Operating			
Excess of revenue over expenses		$ 111,544	$ 2,771
Amortization		419	472
Change in non-cash working capital		(155,882)	112,995
		(43,919)	116,238
Change in cash		(43,919)	116,238
Cash, beginning of year		200,638	84,400
Cash, end of year		$ 156,719	$ 200,638

The accompanying notes are an integral part of these financial statements

Statements of Changes in Net Assets
Years ended December 31, 2009 and 2008

	2009	2008
Balance, beginning of year	$ 4,988	$ 2,217
Excess of revenue over expenses	$ 111,542	$ 2,771
Balance, end of year	$ 116,530	$ 4,988

The accompanying notes are an integral part of these financial statements

Organization

The Canadian Defence and Foreign Affairs Institute (the "Institute") was incorporated under the Canada Corporations Act and obtained status from the Canadian Charities directorate as a registered charity under the Income Tax Act on August 3, 2001. The Institute is exempt from income taxes. The Institute is dedicated to enhancing Canada's role in the world by helping to stimulate awareness and debate amongst Canadians about their nation's defence and foreign policies and the instruments that serve them.

The preparation of these financial statements requires the use of estimates and assumptions that have been made using careful judgement. In the opinion of management, these financial statements have been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below.

Significant Accounting Policies:

Financial instruments

All financial instruments must be initially recognized at fair value on the balance sheet date. The Institute has classified each financial instrument into the following categories; held for trading financial assets and liabilities, loans or receivables and other financial liabilities. Subsequent measurement of the financial instruments is based on their classification.

Unrealized gains and losses on held-for-trading financial instruments are recognized in earnings. Gains and losses on available for sale financial assets are recognized in other comprehensive income and transferred to earnings when the assets are derecognized. The other categories of financial instruments are recognized at amortized cost using the effective interest rate method.

Upon adoption and with any new financial instrument, an irrevocable election is available that allows entities to classify any financial asset or financial liability as held for trading. There were no transitional adjustments on adoption of these standards.

The Institute has not elected to classify any financial assets or financial liabilities as held for trading unless they meet the held for trading criteria. A held for trading financial instrument is not a loan or receivable and includes one of the following criteria:

it is a derivative, except for those derivatives that have been designated as effective hedging instruments;
it has been acquired or incurred principally for the purpose of selling or repurchasing in the near future; or
it is part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking.

There are no financial assets on the balance sheet designated as available-for-sale or held–to-maturity. Cash is classified as held-for-trading. All other financial assets are classified as loans or

1. Significant accounting policies

Financial instruments

receivables and are accounted for on an amortized cost basis. All financial liabilities are classified as other financial liabilities and are accounted for on an amortized cost basis.
(a) Credit risk:
The Institute is exposed to credit risk on its accounts receivable from its clients; however, management believes there is no significant concentration of credit risk.
(b) Interest rate risk:
The Institute is not exposed to significant interest rate risk.

Capital disclosures

The Institute's objective when managing capital is to maintain sufficient levels of funds, in order to support projects and services as defined by its mandate. Management defines capital as the Institute's cash.

The Institute manages capital using annual budgeting and cash forecasting plans. Budgeted expenditures are undertaken by management once adequate contributions are received.

The Institute's Board of Directors does not establish quantitative return on capital criteria for management. The Institute is not subject to any externally imposed capital requirements. There were no changes in the Institute's approach to capital management from the previous year.

Revenue recognition

Effective January 1, 2009, the Canadian Institute of Chartered Accountants ("CICA") amended the accounting standard "Financial Statement Concepts – Recognition Criteria". This amendment has been adopted retrospectively with no significant financial statement impact.

Prior to adopting this standard, the Institute's revenue recognition policy followed the deferral method of accounting for contributions where restricted contributions were recognized in the year in which the related expenses were incurred. The newly adopted standard recognizes restricted contributions when they are received or become receivable. Contributions receivable will be recorded if the amount to be received can be reasonably estimated and the collection is reasonably assured.

Unrestricted contributions are recorded as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

1. Significant accounting policies

Revenue recognition

Effective January 1, 2009, the accounting standard "Financial Statement Presentation by not-for-profit organizations" has been amended. This amendment has been adopted prospectively.

This amendment requires the Institute to report revenues and expenses at their gross amounts in the statement of revenue and expenditures when it is the principal in the transactions involved. The Institute acted as the principal in all of its 2009 and 2008 transactions and therefore, all revenues and expenses are reported at their gross amounts. This amendment has no significant impact on the financial statements.

Capital Assets
Capital assets are recorded at cost. Furniture and equipment are amortized on a declining balance basis at 20%. Computer equipment is amortized on a straight-line basis over 3 years.

Use of estimates
The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the years. Significant items include valuation of accounts receivable, useful life of capital assets and accrued liabilities. Actual results could differ from those estimates.

Change in accounting policy
Effective January 1, 2009, the Institute adopted CICA Handbook Section 4470, *Disclosure of Allocated Expenses by Not-for-profit Organizations*. This section establishes disclosure standards for not-for-profit organizations that classify expenses by function and allocate them to a number of functions to which the expenses relate. The Institute adopted this standard retroactively without restatement, and had no impact on the prior year's financial results.

2. Capital assets

	Cost	2009 Accumulated Amortization	Net	2008 Net
Furniture and Equipment	$3,887	$3,014	$873	$1,091
Computer equipment	7,960	7,927	33	234
	$11,847	$10,941	$906	$1,325

3. Related party transactions
During the year ended December 31, 2009 the Institute paid administrative fees of $72,183 (2008 - $65,721) to a group of companies controlled by the patron and member in good standing. The Institute conducts business with a law firm in which a member of the Board of Directors is a partner. These transactions are initiated by management. The net cost of these services in 2009 was $5,125 (2008 - $5,125) of which $2,563 (2008 - $2,563) was payable at December 31, 2009. During the year ended December 31, 2009 the Institute received a donation and revenue from this law firm in the amount of $10,000 (2008 - $10,495). During the year ended December 31, 2009 the Institute recognized donations of $nil (2008 - $160,000) from the patron and member in good standing as well as a company this individual controls. During the year ended December 31, 2009 the Institute recognized donations of $195,000 (2008 – $nil) from a private foundation. The patron and member in good standing of the Institute is the patron and a member in good standing of this private foundation. During the year ended December 31, 2009 the Institute recognized donations and revenue from Directors and companies controlled by Directors in the amount of $12,300 (2008 - $22,055). At the year ended December 31, 2009 the Institute had receivables in the amount of $nil (2008 – $68,718) from the patron and member in good standing as well as a company this individual controls. At the year ended December 31, 2009 the Institute had payables in the amount of $10,936 (2008 – $1,153) owing to companies controlled by the patron and member in good standing. All related party transactions are provided in the normal course of business and recorded at the exchange amount being the amount agreed to by the parties.

4. Deferred revenue
Deferred revenue relates to contributions for various donor funded projects which, if the projects are not completed, will be returned to the donors.

5. Allocated expenses
The Institute allocates to projects expense certain of its general support expenses by identifying the appropriate basis of allocating each component expense and applies that basis consistently each year. The following general support expenses are allocated:

	Projects and communication expense	Salaries and consultants	Professional	Office	Annual Report	Basis of allocation
Salary and contract expenses:						
Administrator salary	84%	16%				budgeted hours
Program coordinator salary	95%	5%				budgeted hours
Student wages	100%	-				budgeted hours
President's contract	67%	33%				actual hours
VP Research contract	95%	5%				budgeted hours
External relations contract	50%	50%				activity type
Other general support expenses:						
Management fees	80%		20%			historical resource utilization
Business meals, club memberships, Powerpeople software, annual report, communications, computers, couriers, office, stationary, liability insurance, rent, and business tax	80%			20%		historical resource utilization
Annual report	80%				20%	historical resource utilization

Salary and contract expenses of $285,962 (2008 - $268,691) have been allocated as follows:

	2009	2008
Projects and communications expense	234,938	208,145
Salaries and consultants	51,024	60,546
	285,962	**268,691**

Other general support expenses of $122,936 (2008 - $124,867) have been allocated as follows:

	2009	2008
Projects and communications expense	98,534	99,391
Professional	14,437	13,144
Office	9,647	10,685
Annual report	317	1,646
	122,936	**110,076**

6. Future accounting pronouncements
In 2010, the Accounting Standards Board and Public Sector Board will issue new standards for financial statement presentation by not-for-profit organizations. The current standards, under section 4400 of the CICA Handbook, will remain in effect until at least January 1, 2011; the previously announced effective date of the new standards. The new standards may impact the Institute's disclosure, results or financial position however the nature of this impact is not determinable at this time.