

CAFII

55 St Clair Ave West, Suite 255
Toronto, ON M4V 2Y7

Balance Sheet As at December 31, 2012

ASSETS	Current 2012
Current Assets	
Bank Balance	\$184,908
Investments ^A	\$52,097
Accounts Receivable	\$595
Interest Receivable	\$493
Prepaid Expenses	\$10,339
Computer/Office Equipment	\$2,334
Accumulated Depreciation -Comp/Equip	(\$39)
Intangible Assets-Trademarks	\$0
Accumulated Amortization-Trademark	\$0
Total Current Assets	\$250,726
TOTAL ASSETS	\$250,726
LIABILITIES	
Current Liabilities	
Account Payable ^B	\$64,145
Deferred Revenue	\$0
Total Current liabilities	\$64,145
TOTAL LIABILITIES	\$64,145
UNRESTRICTED NET ASSETS	
Unrestricted Net Assets, beginning of year	\$137,319
Excess of revenue over expenses	\$49,262
Total Unrestricted Net Assets	\$186,581
Total Unrestricted Net Assets	\$186,581
TOTAL LIABILITIES AND UNRESTRICTED NET ASSETS	\$250,726

RESERVE RATIO:	
Minimum Reserve for 2012	\$71,258
Maximum Reserve for 2012:	\$435,177
Current Reserve Ratio (CAFII policy requires min. 3 months reserve)	7.9 Months

C A F I I
 55 St Clair Ave West, Suite 255
 Toronto, ON, M4V 2Y7
Balance Sheet Items
As at December 31, 2012

Item A

Investment Portfolio

Investment Type	Issue Date	Principal	Rate	Deemed Interest	Maturity Date
Cashable GIC #0087-8019718-11	May-07-12	\$52,096.99	1.45%	\$755.41	May-07-13
Total		\$52,096.99		\$755.41	

Item B

Accounts Payable

	Total
	38,957.88
	251.55
	5,367.50
	12,277.45
	3,404.92
	3,885.41
Total outstanding:	64,144.71

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Statement of Operations As at December 31, 2012

REVENUE	Current Month	Current YTD	Budget 2012	% Used	YTD 2011 Balance	% Used YTD 2011
Membership Fees	\$68,350	\$410,100	\$419,700	98%	\$419,100	110%
Interest Revenue	\$126	\$709	\$750	95%	\$749	749%
TOTAL REVENUE	\$68,476	\$410,809	\$420,450	98%	\$419,849	107%
EXPENSE						
Management Fees	\$19,520	\$84,253	\$70,617	119%	\$69,218	100%
Lawrie Savage Fees	\$0	\$161,471	\$171,289	94%	\$172,696	103%
Fasken Martineau Fees ¹	\$0	\$1,694	\$10,467	16%	\$0	0%
Audit Fees	\$12,277	\$12,625	\$11,594	109%	\$13,092	133%
Board/EOC/AGM Expense ²	\$1,673	\$14,597	\$21,000	70%	\$18,622	89%
Insurance	\$473	\$2,838	\$4,320	66%	\$2,831	66%
Website (incl translation)	\$4,783	\$7,521	\$540	#####	\$2,428	450%
Telephone/Fax/Internet	\$127	\$701	\$1,000	70%	\$1,240	57%
Postage/Courier	\$11	\$253	\$500	51%	\$270	25%
Office Expenses	\$480	\$1,291	\$2,700	48%	\$2,017	75%
Bank Charges	\$0	\$38	\$0	0%	\$0	
Miscellaneous Expenses	\$43	\$909	\$0	0%	\$0	
Amortization Expense	\$0	\$0	\$0	0%	\$0	
Depreciation Computer/Office Equipm	\$39	\$39			\$0	
Regulatory Model (s)	\$0	\$0	\$2,940	0%	\$0	0%
Tactical Communications Strategy ⁷	\$0	\$2,420	\$22,250	11%	\$20,832	83%
Media Relations, CAFII Consultant	\$0	\$10,430	\$12,000		\$10,423	87%
Research/Studies ⁴	\$38,958	\$44,043	\$42,000	105%	\$55,568	132%
Federal Financial Reform ⁵	\$0	\$0	\$2,160	0%	\$0	0%
Provincial Regulatory Review ⁶	\$5,592	\$16,315	\$54,000	30%	\$11,909	22%
Provincial Networking Strategy ³	\$0	\$0			\$17	
CCIR Research for Sup.model support	\$0	\$111	\$5,800	2%	\$0	0%
TOTAL EXPENSE	\$83,976	\$361,547	\$435,177	83%	\$381,162	83%
EXCESS OF REVENUE OVER EXPENSES	(\$15,500)	\$49,262	(\$14,727)		38,686.44	

Explanatory Notes:

- (1) Legal work relating specifically to CAFII
- (2) Board meetings and receptions, special Board or EOC lunch meetings, speaker expenses
- (3) Speaker lunches such as the one we did in BC and other events where we invite provincial regulators
- (4) Research for the creditor issues committee and any new issue that may come up
- (5) Placeholder
- (6) Faskin Martineau work: costs associated with regulation changes, insurance act updates, and issues related to restricted licensing regimes.
- (7) Fees for PR, media and communications firm

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Membership Fees

As At December 31, 2012

	<u>Jan-12</u>		<u>Jul-12</u>	
	<u>Billed</u>	<u>Received</u>	<u>Billed</u>	<u>Received</u>
TD Insurance	\$23,500.00	24-Feb-12	\$23,500.00	11-Sep-12
Assurant Solutions	\$11,750.00	24-Feb-12	\$11,750.00	7-Sep-12
BMO Insurance	\$23,500.00	16-Mar-12	\$23,500.00	Sep21,2012
Canadian Premier Life Insurance Company	\$11,750.00	17-Feb-12	\$11,750.00	11-Sep-12
CIBC Insurance	\$23,500.00	2-Mar-12	\$23,500.00	28-Sep-12
National Bank Insurance Company	\$11,750.00	9-Mar-12	\$11,750.00	14-Sep-12
RBC Insurance	\$23,500.00	9-Mar-12	\$23,500.00	24-Sep-12
ScotiaLife Financial	\$23,500.00	17-Feb-12	\$23,500.00	10-Oct-12
Desjardins Financial Security Life Assurance Company	\$11,750.00	24-Feb-12	\$11,750.00	7-Sep-12
AMEX Bank of Canada	\$11,750.00	23-Mar-12	\$11,750.00	12-Oct-12
Avalon Actuarial	\$4,800.00	2-Mar-12		
CSI Brokers Inc.	\$4,800.00	23-Mar-12		
Dion, Durrell & Associates Inc.	\$4,800.00	18-May-12		
Eckler Partners Ltd.	\$4,800.00	resigned		
KPMG	\$4,800.00	20-Apr-12		
Laurentian Bank of Canada	\$4,800.00	2-Mar-12		
Oliver, Wyman Consulting Limited	\$4,800.00	25-May-12		
Optima Communications	\$4,800.00	16-Mar-12		
RGA Life Reinsurance Company of Canada	\$4,800.00	25-May-12		
Swiss Reinsurance Company Ltd	\$4,800.00	10-Feb-12		
Munich Re	\$4,800.00	13-Apr-12		
CIT Financial Ltd.	\$4,800.00	resigned		
Aimia	\$4,800.00	9-Mar-12		
The Canada Life Assurance Company	\$4,800.00	13-Apr-12		
January Invoices	\$243,450		\$176,250	
July Invoices	\$176,250			
Total Membership Fees	\$419,700			