



# 2009 Annual Report





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**Gas Processing  
Association Canada**

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# 2009 Annual Report Index



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# 2010 Annual General Meeting - Agenda



**March 31, 2010  
Chamber of Commerce Ballroom  
100 – 6 Avenue SW**

1. Call to order
2. Reading and Dispensing of the Minutes from the Annual General Meeting of March 23, 2009
3. President's Report
4. Financial Report  
Approval of the 2009 Financial Statement
5. 2009 Directors' Highlights
6. Ratification of the Actions of the Board of Directors
7. Board of Directors Elections

## **Adjournment of the Annual General Meeting**

9. Outstanding Award Presentation
10. Luncheon Presentation  
**Mike Johnson, B.Sc., M.Sc., Supply Analyst,  
Gas Strategy & Analysis, NEB  
*Canadian Shale Gas: Challenges & Canadian Short Term  
Deliverability 2010 - 2012***

# 2009 Annual General Meeting - Minutes



**Gas Processing Association Canada**  
**Monday, March 23, 2009 • The Westin, Calgary**

## **1. Call to Order**

Vice President Josh Carter called the meeting to order at 12:00 pm and acknowledged the Past Presidents and Executive of GPAC who were in attendance.

J. Carter asked all members present to hold their voting cards for official count. A majority vote was required to pass any motions presented. The bylaws require at least 20 voting representatives present for quorum and that number had been exceeded. Also, in accordance with the bylaws, proper notice of the meeting and an agenda of the business to be transacted had been issued.

J. Carter advised that the first order of business would be to review the agenda minutes of the preceding Annual General Meeting.

A motion was made by Derek Gardner to accept the minutes of the 2008 AGM  
Seconded by Josh Carter  
Carried unanimously.

## **2. 2009 President's Report**

The next item of business was the Presidents' reports. The 2008 and 2009 President's reports could be found in the booklets made available during registration.

## **3. Treasurer's Reports**

Next is the Treasurer's report. Again, the 2008 Treasurer's report can be found in the AGM booklet.

The financial records of the Association have been reviewed by and approved by the Executive. The company H. Leong Professional Corporation, Chartered Accountants has performed a financial review and found the books and records to be in good order.

There were no questions and a motion to adopt the financial statements of the Association and the Treasurer's Report dated February 13, 2009.

Motion was made by Kelly Gerry  
Seconded by Mike Buckley  
Carried unanimously.

## **4. Ratification of the Actions of the Board of Directors**

J. Carter asked for a motion to ratify the actions of the 2008 Board of Directors.

Moved by Miriam Mitchell-Banks that all actions taken by the 2008 Board of Directors be ratified  
Seconded by Raj Singh  
Carried unanimously.

**Continued on page 6**



**5. Acknowledgement of the Board of Directors**

J. Carter acknowledged that the Association is run by volunteers; both individuals who sit on committees and the companies that sponsor them. Without them, we as an organization could not function. He would like to take this opportunity to thank the members of the 2008 Board of Directors, for their dedication and service.

**6. New Business**

J. Carter called for any new business from the floor to which there was no response.

**7. Adjournment of the Annual Meeting**

There being no further business, J. Carter called for a motion to adjourn the 2009 Annual General Meeting.

David Moffat moved that the 2009 Annual General Meeting be adjourned

Seconded by Grant Monsour

Carried unanimously.

# Past President's Report



## Looking Back

In looking ahead last year I asked the question, "How can we at Gas Processing Association Canada add value to the gas processing industry in Canada and by extension to our membership, potential members and sponsors?"

In our February strategy session, our Board concluded that GPAC needs to continue delivering on Technical knowledge consistent with our vision "to be the premier technical association representing gas processing in Canada."

Our Board delivered on all but one of our typical suite of conferences and events. This included our popular Operations & Maintenance and Joint GPAC/PJVA conferences, and our events the Safety award banquet, Stampede breakfast and Golf tournament. Unfortunately, we had to cancel the 2009 President's Ball, given the challenges around the economy and the risk around front-end commitments. The Board had much discussion around this decision and in the end decided on canceling the event for 2009.

Moreover, in keeping with our vision and one of our 2009 central themes of promoting best TECHNICAL practices for fuel efficiency, we organized and started fuel efficiency modules in the last quarter of 2009, which is continuing in 2010.

Like you and your organization, the recession has likely caused you to review your cost structure as you deliver on your product or services. We, the Board, continually reviewed our financial position with an emphasis on cost management. Moreover, we also changed our service provider who helps us manage the organization with respect to administration, financial reporting and event planning.

It was my pleasure, and on behalf of the Gas Processors Association Canada, I presented this year's outstanding achievement award to Arthur Kowalchuk. Art was involved in starting the GPAC organization in 1959 and is currently sitting on our GPAC Board representing GPAC Alumni members.

Finally, I want to thank the 2009 volunteer Board for their dedication, effort and support.

Given the recession and challenging gas prices, the Board rallied together, made tough choices and delivered on a quality product. I will continue to participate on GPAC as Past President providing support to the organization and our new President, Dayle Chadbourne.

**Troy Adams**  
**2010 Past President GPAC**



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## REVIEW ENGAGEMENT REPORT

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To the Member of Gas Processing Association Canada

I have reviewed the statement of financial position of Gas Processing Association Canada as at December 31, 2008 and the statements of statement of operations and changes in net assets and cash flows for the year then ended. My review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of enquiry, analytical procedures and discussion related to information supplied to me by the company.

A review does not constitute an audit and, consequently, I do not express an audit opinion on these financial statements.

Based on my review, nothing has come to my attention that causes me to believe that these financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles.

Calgary, AB  
February 19, 2010

*H. Leong Professional Corporation*

**H. LEONG PROFESSIONAL CORPORATION  
CHARTERED ACCOUNTANT**





## GAS PROCESSING ASSOCIATION CANADA


### Statement of Financial Position


December 31, 2009

(Unaudited)

	2009	2008
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 82,537	\$ 102,976
Marketable investment (Note 3)	61,054	59,684
Accounts receivable	11,817	21,754
Inventory	1,446	2,380
Goods and services tax recoverable	390	107
Prepaid expenses	6,653	3,258
	<u>\$ 163,897</u>	<u>\$ 190,159</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable	\$ 15,716	\$ 15,196
Deferred revenue	75	4,000
	<u>15,791</u>	<u>19,196</u>
<b>NET ASSETS</b>	<u>148,106</u>	<u>170,963</u>
	<u>\$ 163,897</u>	<u>\$ 190,159</u>

ON BEHALF OF THE BOARD

 Director

 Director

See notes to financial statements



**GAS PROCESSING ASSOCIATION CANADA**  
**Statement of Statement of Operations and Changes in Net Assets**  
**Year Ended December 31, 2009**  
*(Unaudited)*

	2009	2008
<b>REVENUES</b>		
GPAC/PJVA conference	\$ 53,480	\$ 58,815
Golf tournaments	41,745	75,149
Membership	41,368	35,910
Operations and maintenance conference	28,745	29,450
Safety and awards	26,414	37,705
Publication sales	17,819	32,280
Fuel Workshops	4,686	-
Quarterly programs	4,356	5,075
Interest and others	1,404	9,386
Stampede Breakfast	400	-
President's Ball	-	27,000
	<u>220,417</u>	<u>310,770</u>
<b>EXPENSES</b>		
Administration	58,041	49,704
GPAC/PJVA conference	45,111	49,202
Golf tournaments	36,733	69,551
Safety and awards	29,549	43,734
Operations and maintenance conference	23,662	28,191
AGM and board meeting	14,519	7,843
Publication sales	14,204	23,596
Publicity and promotion	7,312	18,380
Stampede Breakfast	5,467	-
Quarterly programs	4,716	13,718
Fuel Workshops	2,886	-
Membership	993	1,090
President's Ball	81	34,718
GPA Canadian Night	-	6,013
	<u>243,274</u>	<u>345,740</u>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>(22,857)</b>	<b>(34,970)</b>
UNRESTRICTED NET ASSETS - BEGINNING OF YEAR	<u>170,963</u>	<u>205,933</u>
<b>UNRESTRICTED NET ASSETS - END OF YEAR</b>	<u><b>\$ 148,106</b></u>	<u><b>\$ 170,963</b></u>



## GAS PROCESSING ASSOCIATION CANADA

### Statement of Cash Flow

Year Ended December 31, 2009

(Unaudited)

	2009	2008
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenses	\$ (22,857)	\$ (34,970)
Changes in non-cash working capital:		
Accounts receivable	9,937	(9,688)
Inventory	934	(658)
Accounts payable	520	(9,274)
Deferred revenue	(3,925)	1,975
Prepaid expenses	(3,395)	(1,042)
GST payable (receivable)	(283)	1,466
Marketable securities	(1,370)	(2,667)
	<u>2,418</u>	<u>(19,888)</u>
<b>DECREASE IN CASH FLOW</b>	<b>(20,439)</b>	<b>(54,858)</b>
Cash - beginning of year	<u>102,976</u>	<u>157,834</u>
<b>CASH - END OF YEAR</b>	<b>\$ 82,537</b>	<b>\$ 102,976</b>
<b>CASH FLOW SUPPLEMENTARY INFORMATION</b>		
Interest paid	\$ (521)	\$ (700)
Income taxes paid	\$ -	\$ -



## **GAS PROCESSING ASSOCIATION CANADA**

### **Notes to Financial Statements**

**Year Ended December 31, 2009**

*(Unaudited)*

#### **1. NATURE OF ACTIVITIES**

The purpose of GPAC is to serve the needs of processors, suppliers, relevant industry associations and other parties affected by the natural gas processing industry. It's other mission includes the promotion of safety awareness and performance, improved environmental awareness and performance and the research and provision of educational resources in the area of natural gas processing.

#### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **Revenue recognition**

Member fees and other revenues are recognized as revenue in the year to which they relate.

##### **Marketable investment**

Marketable investment consists of term deposit and GIC capable of prompt liquidation. These investments are recorded at fair value.

##### **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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from these estimates.

##### **Contributed services**

Because of the difficulty of determining the fair value of any donated services, these financial statements do not account for the value of donated services.

##### **Income taxes**

The Association is a not-for-profit organization and is exempt from income taxes pursuant to Section 149 of the Income Tax Act (Canada).

#### **3. MARKETABLE INVESTMENT**

	2009	2008
	<b>\$ 61,054</b>	<b>\$ 59,684</b>

The fair values of marketable investment are the same as the carrying values due to their short term nature.



## Looking Forward

2010 will be a challenging year with natural gas commodity prices at recent historical lows as our industry continues through its supply transition. With change comes opportunity regardless if you're involved in new or existing supply. Your company's ability to achieve its goals will be a function of its employee's ability to get engaged in technology and scalable ideas that will make the difference.

Gas Processing Association of Canada (GPA Canada) is a non-profit organization formed to promote the interaction and exchange of ideas and technology to those involved with the hydrocarbon processing industry. As an individual member, GPA Canada will expose you to expanding technical knowledge, industry best practices, legislative and regulatory issues, and networking opportunities with industry peers. Companies that become GPA Canada sponsors receive a great branding opportunity in the gas processing industry.

GPA Canada continues, "to get back to basics" that has contributed to industry success for the past 50 years. We are looking for people who would like to contribute to GPA Canada's vision, sharing ideas, best practices and technical knowledge that will advance our industry's ability to supply a low carbon intensive fuel supply that meets or exceeds regulatory requirements while keeping people safe.

Our menu of activities includes our Annual General Meeting in March, Operations and Maintenance Conference and Safety Banquet in May, Gas Facility Tour in June, Stampede Breakfast in July, Golf Tournament in September, and our Joint PJVA conference in November with a seasoning of Fuel Gas Best Management Practices luncheon series throughout the year on a monthly basis. For more information on GPA Canada and its offerings, please visit our website at [www.gpacanada.com](http://www.gpacanada.com).

Come join our team to assist in making our industry more competitive so that our companies and communities can enjoy the success and prosperity that it earns.

**Dayle Chadbourne, P.Eng**  
*President, GPA Canada*



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**Gas Processing  
Association Canada**

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**We would like to recognize the corporate sponsors that have  
already committed to supporting GPAC in 2010**

