

Financial Highlights

(in thousands of dollars)

	1999 ¹	2000	2001	2002	2003	2004	2005	2006	2007	2008 ⁴	2009 ⁵	2010 ⁷	2011 ⁹	TOTAL
Revenue	\$ -	\$ 7,245	\$ 24,258	\$ 27,809	\$ 28,425	\$ 39,366	\$ 35,075	\$ 37,158	\$ 32,493	\$ 29,314	\$ 23,734	\$ 18,578	\$ 12,672	\$ 316,127
Expenses														
Tariffs & research	1757	6	439	449	916	1214	1090	1058	900	721	802	994	1174	11520
Collection & enforcement		17	143	362	1237	1129	1584	1351	1452	1723	1370	1284	703	12355
Legal & professional	7	111	176	57	129	111	96	78	66	72	53	94	82	1132
Distribution		0	95	174	240	169	147	149	164	181	200	183	208	1910
Administration	111	265	197	274	392	533	499	506	543	541	554	609	579	5603
Communications & Govt. relations	44	11	8	155	237	169	242	207	199	496	487	664	545	3464
Travel & related	2	4	8	9	16	9	13	10	14	9	14	15	16	139
Other	13	0	0	40	61	0	36	0	0	35	(16)	0	0	169
Amortization		1	7	13	21	24	33	32	38	14	10	6	2	201
Provision for GST		0	0	0	715	208	149	36	229	(842)	(27)	86	117	671
Net Zero-rating expenses		0	0	0	200	180	109	159	72	100	59	97	133	1109
Total Expenses	\$ 1,934	\$ 415	\$ 1,073	\$ 1,533	\$ 4,164	\$ 3,746	\$ 3,998	\$ 3,586	\$ 3,677	\$ 3,050	\$ 3,506	\$ 4,032	\$ 3,559	\$ 38,273
Expense/revenue ratio	-	5.72%	4.42%	5.51%	14.65%	9.52%	11.40%	9.65%	11.32%	10.40%	14.77%	21.70%	28.09%	12.11%
Unrealized Gain(Loss on Investment)²									\$ (909)	\$ 1,291	\$ 1,349	\$ (822)	\$ (52)	\$ 857
Available for distribution	\$ (1,934)	\$ 6,830	\$ 23,185	\$ 26,276	\$ 24,261	\$ 35,620	\$ 31,077	\$ 33,572	\$ 27,907	\$ 27,555	\$ 19,846	\$ 14,546	\$ 9,113	\$ 277,854
Distribution payments to date³	\$234,056													

¹ Figures cited for 1999 should be interpreted in light of the following circumstances: (i) Audited financial statements for fiscal 1999 cover a 10-month period only, the CPCC having been incorporated on March 1 of that year; (ii) In accordance with the terms of the Private Copying Tariff, 1999-2000, which was decided on December 17, 1999, collections in 1999 were confined to the balance of that year; (iii) Statements for 1999 were prepared on a cash rather than an accrual basis. Consequently, most expenses incurred in support of the the tariff sought for the years 1999 and 2000 combined were accounted for in 1999.

² Effective January 1, 2007 the CPCC adopted the provisions of the CICA Handbook Section 3855, Financial Instruments - Recognition and Measurement, which addressed the classification, recognition and measurement of financial instruments in the financial statements. Marketable securities are now recorded at fair value and were previously recorded at cost plus accrued interest.

³ This figure is cumulative and reflects distribution of royalties collected for 2000 - 2011.

⁴ In 2008, the CPCC collected \$2,918,310 for prior years.

⁵ In 2009, the CPCC collected \$847,264 for prior years.

⁶ The amount available for distribution for 2009 has been reduced by the cumulative unrealized gain on investments of \$1,731 for a net available for distribution of \$19,846.

⁷ In 2010, the CPCC collected \$1,015,434 for prior years.

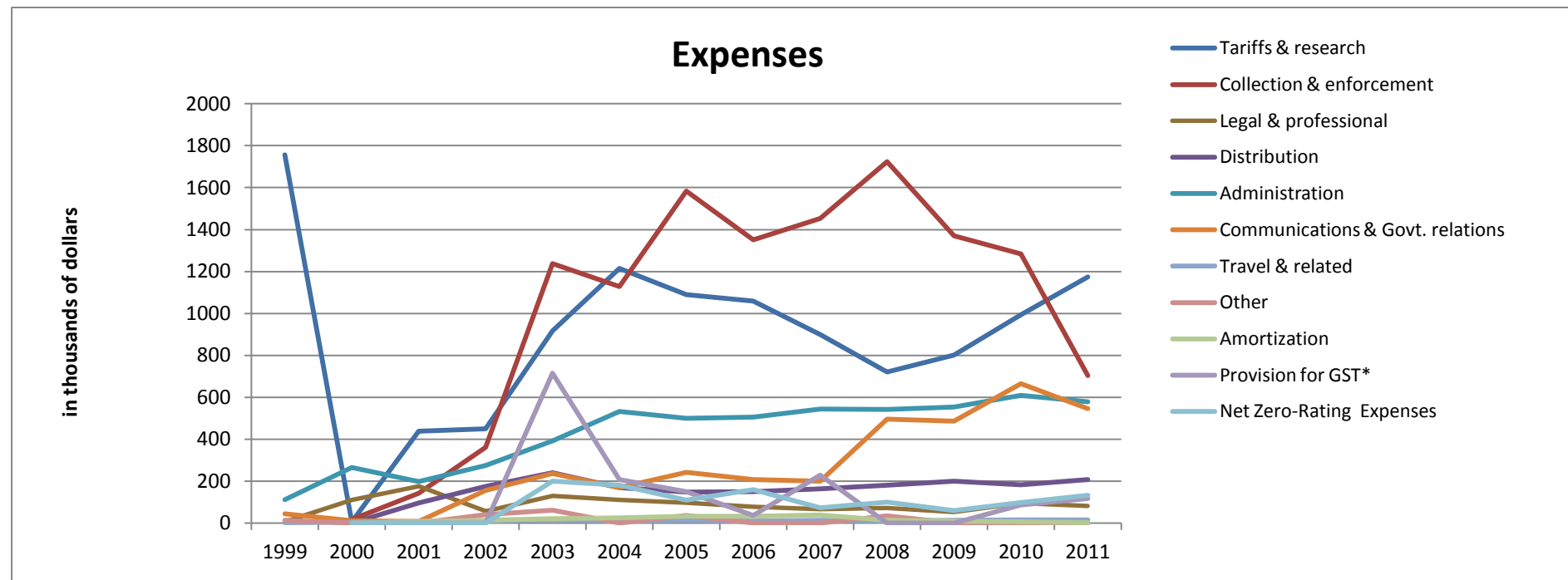
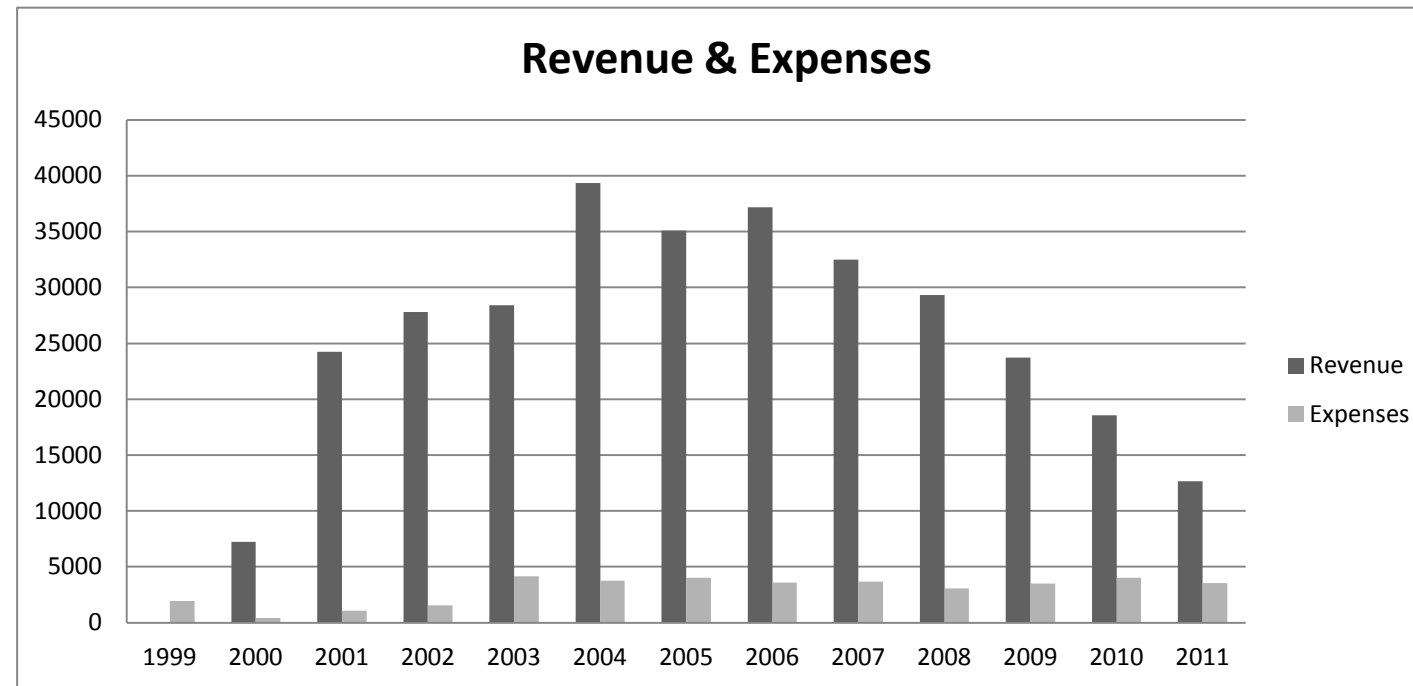
⁸ The amount available for distribution for 2011 does not include the unrealized loss on investments of \$822.

⁹ In 2011, the CPCC collected \$334,627 for prior years.

¹⁰ The amount available for distribution for 2011 does not include the unrealized loss on investments of \$52.

EXPENSE HIGHLIGHTS

- 1999** The CPCC is incorporated in March.
Private Copying Tariff 1999-2000 hearing is held.
Financial statements for the ten month period ending December 31, 1999 were prepared on a cash rather than an accrual basis. Consequently, most expenses incurred in support of the tariff sought for the years 1999 and 2000 combined were accounted for in 1999.
The CPCC begins to collect the private copying levy after Private Copying Tariff 1999-2000 is issued on December 17.
- 2000** Private Copying 2001-2002 hearing is held (costs for 2001/2002 hearing amortized over the term of the tariff).
- 2001** The CPCC hires the collective's first full time staff member.
Start-up costs were incurred from 2001 to 2003 for the development of the private copying distribution methodology.
- 2003** Private Copying 2003-2004 hearing held (costs for 2003/2004 hearing amortized over the term of the tariff).
The CPCC hires the collective's first Executive Director and other administrative staff.
The CPCC increases Collection and Enforcement staff.
The CPCC begins to litigate against evaders.
The CPCC expands its audit program.
The CPCC sets aside funds to cover a potential liability for GST pending a voluntary disclosure with CRA.
The CPCC starts the new zero-rating program in September.
- 2004** Judicial Review is held on the Private Copying Tariffs 2003-2004.
- 2005** The CPCC hires In-House Litigation Counsel.
The CPCC increases enforcement efforts through litigation, investigation and audits.
- 2006** Private Copying 2005-2007 hearing is held (costs for the hearing amortized over the remaining term of the tariff).
- 2007** Effective January 1, 2007 the CPCC adopted the provisions of the CICA Handbook Section 3855, Financial Instruments - Recognition and Measurement, which addressed the classification, recognition and measurement of financial instruments in the financial statements. Marketable securities are now recorded at fair value and were previously recorded at cost plus accrued interest.
- 2008** Private Copying 2008-2009 hearing is held (costs for the hearing amortized over the term of the tariff).
The CRA processes the CPCC's voluntary disclosure and the CPCC reverses the over accrual.
- 2009** Private Copying 2010 hearing is held (costs for the hearing amortized over the term of the tariff).
- 2010** The Private Copying Tariff 2011 was set by the Copyright Board on December 17, 2010.
- 2011** The interim tariff for 2012 - 2013 was issued by the Copyright Board on December 19, 2011.



*Negative amounts are shown on the Expense chart as \$0 for presentation purposes.

Breakdown of Expenses 2011 (% of revenue)

