

# THE CALDWELL PARTNERS INTERNATIONAL INC.

## CONSOLIDATED BALANCE SHEET

(unaudited)

	<i>As at</i>	
	<i>November 30</i>	<i>August 31</i>
	<i>2009</i>	<i>2009</i>
<b>Assets</b>		
Cash and short-term deposits	\$4,041,281	\$4,718,014
Marketable securities	5,392,510	5,325,160
Accounts receivable	2,549,154	3,097,334
Income taxes receivable	359,618	320,578
Prepaid expenses and other assets	883,460	1,020,029
	13,226,023	14,481,115
Loans receivable, long-term	413,254	418,937
Property and equipment	1,753,729	1,721,900
Intangible assets	1,096,863	1,181,392
Goodwill	419,654	415,896
	\$16,909,523	\$18,219,240
<b>Liabilities</b>		
Accounts payable and accrued liabilities	\$3,656,438	\$3,938,743
Deferred revenue	266,505	326,209
Current portion of incentive accrual	530,250	530,250
	4,453,193	4,795,202
Long-term incentive accruals	1,846,533	1,721,256
<b>Shareholders' equity</b>		
Capital stock	16,064,078	16,064,078
Contributed surplus	4,109,915	4,098,998
Deficit	(9,806,928)	(8,635,678)
Accumulated other comprehensive income (loss)	242,732	175,384
	10,609,797	11,702,782
	\$16,909,523	\$18,219,240

# THE CALDWELL PARTNERS INTERNATIONAL INC.

## CONSOLIDATED STATEMENT OF LOSS

(unaudited)

	<i>Three months ended</i>	
	<i>November 30</i>	
	<i>2009</i>	<i>2008</i>
Operating revenue	\$4,396,216	\$4,136,202
Expenses		
Employee compensation, general and administration	5,425,009	4,924,226
Depreciation	77,142	63,165
Amortization of intangibles	85,435	18,547
Foreign exchange loss	4,611	1,861
	5,592,197	5,089,511
Loss before the following	(1,195,981)	(953,309)
Investment income	24,731	95,871
Loss before tax	(1,171,250)	(857,438)
Recovery of income taxes	0	(325,586)
Net loss for the period	(\$1,171,250)	(\$531,852)
Loss per share	(\$0.071)	(\$0.032)

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

(unaudited)

	<i>Three months ended</i>	
	<i>November 30</i>	
	<i>2009</i>	<i>2008</i>
Net loss for the period	(\$1,171,250)	(\$531,852)
Other comprehensive income:		
Unrealized gain (loss) on marketable securities	67,348	(3,386,025)
Comprehensive loss	(\$1,103,902)	(\$3,917,877)

# THE CALDWELL PARTNERS INTERNATIONAL INC.

## CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY AND ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

(unaudited)

	Deficit	Capital Stock	Contributed Surplus	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity	
		Class A Non-Voting Shares	Class B Voting Shares			
<b>Balance - August 31, 2008</b>	<b>(\$1,066,075)</b>	<b>\$19,582,200</b>	<b>\$20,950</b>	<b>\$488,693</b>	<b>(\$561,295)</b>	<b>\$18,464,473</b>
Net loss for the year ended August 31, 2009	(7,569,603)	-	-	-	-	(7,569,603)
Repurchase and cancellation of Class A Non-voting Shares	-	(12,811)	-	5,416	-	(7,395)
Stock compensation				78,628		78,628
Reduction of stated capital		(3,522,490)	(3,771)	3,526,261		0
Change in unrealized gains and losses on marketable securities available for sale	-	-	-	-	736,679	736,679
<b>Balance - August 31, 2009</b>	<b>(\$8,635,678)</b>	<b>\$16,046,899</b>	<b>\$17,179</b>	<b>\$4,098,998</b>	<b>\$175,384</b>	<b>\$11,702,782</b>
Net loss for the period ended November 30, 2009	(1,171,250)	-	-	-	-	(1,171,250)
Stock compensation				10,917		10,917
Change in unrealized gains and losses on marketable securities available for sale	-	-	-	-	67,348	67,348
<b>Balance - November 30, 2009</b>	<b>(\$9,806,928)</b>	<b>\$16,046,899</b>	<b>\$17,179</b>	<b>\$4,109,915</b>	<b>\$242,732</b>	<b>\$10,609,798</b>

# THE CALDWELL PARTNERS INTERNATIONAL INC.

## CONSOLIDATED STATEMENT OF CASH FLOWS

(unaudited)

	<i>Three months ended</i>	
	<i>November 30</i>	
	<i>2009</i>	<i>2008</i>
<b>Operating Activities</b>		
Net loss for the period	(\$1,171,250)	(\$531,852)
Items not affecting cash		
Depreciation	77,142	63,165
Amortization of intangibles	85,435	18,547
Stock compensation expense	10,917	17,093
Non-cash incentive compensation	125,277	238,626
	<u>(872,479)</u>	<u>(194,421)</u>
<b>Net changes in working capital balances related to operations</b>		
Decrease in accounts receivable	548,178	1,025,951
Increase in income taxes receivable	(39,040)	(156,239)
Decrease in prepaid expenses and other assets	136,569	25,273
Decrease in accounts payable and accrued liabilities	(282,305)	(1,098,534)
(Decrease) increase in deferred revenue	(59,704)	25,834
	<u>(568,781)</u>	<u>(372,136)</u>
<b>Investment Activities</b>		
Decrease in loans receivable, long-term	5,683	3,308
Additions to property and equipment	(108,971)	(50,120)
Acquisition of business costs	(3,758)	0
Acquisition of intangible assets	(906)	0
	<u>(107,952)</u>	<u>(46,812)</u>
<b>Financing Activities</b>		
Cancellation of Class A Shares	0	(7,437)
	<u>0</u>	<u>(7,437)</u>
Net decrease in cash and cash equivalents during the period	(676,733)	(426,385)
Cash and cash equivalents, beginning of period	4,718,014	8,007,963
Cash and cash equivalents, end of period	<u>\$4,041,281</u>	<u>\$7,581,578</u>