

QUEBEC PUBLIC INTEREST RESEARCH GROUP (CONCORDIA)

ANNUAL FINANCIAL REPORT

AS AT AUGUST 31, 2014

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## INDEPENDENT AUDITOR'S REPORT

To the members of  
QUEBEC PUBLIC INTEREST RESEARCH GROUP (CONCORDIA)

We have audited the accompanying financial statements of QUEBEC PUBLIC INTEREST RESEARCH GROUP (CONCORDIA) which comprise the statement of financial position as at August 31, 2014, and the statements of changes in net asset, operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. These procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of QUEBEC PUBLIC INTEREST RESEARCH GROUP (CONCORDIA) as at August 31, 2014, and its financial performance and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

*APSV Chartered Professional Accountants inc.*

APSV Chartered Professional Accountants inc.<sup>1</sup>

Montreal, February 26, 2015

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<sup>1</sup> By Caroline Pombert, CPA auditor, CA

**QUEBEC PUBLIC INTEREST RESEARCH GROUP (CONCORDIA)**

**OPERATIONS**

**FOR THE YEAR ENDED AUGUST 31, 2014**

	<u>2014</u>	<u>2013</u>
	\$	\$
<b>REVENUES</b>		
Students fees	229 061	229 655
Grants - Summer employment	21 759	20 935
Interest and other revenues	<u>189</u>	<u>2 290</u>
	<u>251 009</u>	<u>252 880</u>
 <b>EXPENSES</b>		
Salaries and fringe benefits	120 894	117 187
Working groups and projects costs (note 3)	52 619	46 956
Rent	37 509	44 038
Taxes and permits	7 214	10 537
Office expenses	6 072	2 863
Professional fees	5 482	8 429
Equipment rental	5 256	5 058
Telecommunications	2 931	2 787
Retreats and meetings	2 005	3 319
Insurance	1 253	960
Depreciation of fixed assets	1 041	1 055
Bad debts	825	185
Interest and bank charges	526	630
Advertising and promotion	359	1 041
Electricity	<u>-</u>	<u>1 267</u>
	<u>243 986</u>	<u>246 312</u>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<u><u>7 023</u></u>	<u><u>6 568</u></u>

QUEBEC PUBLIC INTEREST RESEARCH GROUP (CONCORDIA)

CHANGES IN NET ASSET

FOR THE YEAR ENDED AUGUST 31, 2014

	2014			2013
	Invested in fixed assets	Internally restricted (note 6)	Unrestricted	Total
	\$	\$	\$	\$
BALANCE, BEGINNING OF YEAR	2 844	10 341	55 988	69 173
Excess (deficiency) of revenues over expenses	(1 041)	-	8 064	7 023
Net restriction of the year	-	35	(35)	-
Acquisition of fixed assets	265	-	(265)	-
BALANCE, END OF YEAR	2 068	10 376	63 752	76 196

**QUEBEC PUBLIC INTEREST RESEARCH GROUP (CONCORDIA)**  
**FINANCIAL POSITION**  
**FOR THE YEAR ENDED AUGUST 31, 2014**

	2014	2013
	\$	\$
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	97 662	73 153
Reserved cash - external projects	18 313	4 164
Grants receivable	4 702	1 447
Accounts receivable	4 595	3 255
Prepaid expenses	244	244
	125 516	82 263
RENT DEPOSITS	3 240	3 240
FIXED ASSETS (note 4)	2 068	2 844
	130 824	88 347
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities (note 5)	36 315	15 010
Accounts payable - external projects	18 313	4 164
	54 628	19 174
<b>NET ASSET</b>		
INVESTED IN FIXED ASSETS	2 068	2 844
INTERNALLY RESTRICTED (note 6)	10 376	10 341
UNRESTRICTED	63 752	55 988
	76 196	69 173
	130 824	88 347

*ON BEHALF OF THE BOARD OF DIRECTORS*

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**QUEBEC PUBLIC INTEREST RESEARCH GROUP (CONCORDIA)**

**CASH FLOWS**

**FOR THE YEAR ENDED AUGUST 31, 2014**

	2014	2013
	_____ \$	_____ \$
OPERATING ACTIVITIES		
Excess of revenues over expenses	7 023	6 568
Non-cash item		
Depreciation of fixed assets	1 041	1 055
	_____ 8 064	_____ 7 623
Net change in non-cash working capital items		
Grants receivable	(3 255)	15 298
Accounts receivable	(1 340)	2 102
Prepaid expenses	-	(3)
Accounts payable and accrued liabilities	21 305	(9 852)
Deferred revenues -external projects	14 149	(1 459)
	_____ 30 859	_____ 6 086
Cash flows from operating activities	_____ 38 923	_____ 13 709
INVESTING ACTIVITIES		
Investment in fixed assets and cash flows used in investing activities	(265)	(221)
CASH AND CASH EQUIVALENTS INCREASE	38 658	13 488
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	77 317	63 829
CASH AND CASH EQUIVALENTS, END OF YEAR	_____ 115 975	_____ 77 317
Cash and cash equivalents consist of cash on hand and reserved cash - external projects.		
Cash	97 662	73 153
Reserved cash - external projects	18 313	4 164
	_____ 115 975	_____ 77 317



**QUEBEC PUBLIC INTEREST RESEARCH GROUP (CONCORDIA)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT AUGUST 31, 2014**

**1- GOVERNING STATUTES AND PURPOSE OF THE ORGANIZATION**

QUEBEC PUBLIC INTEREST RESEARCH GROUP (CONCORDIA) is a not-for-profit organization and was incorporated under Part III of the Quebec Companies Act on May 5, 1992.

It is exempted of income taxes.

The objectives of the organization are the following:

- to contribute to social progress in Quebec and to encourage students to act as responsible citizens;
- to promote amongst other things, social justice, a healthy environment, participatory democracy, and governmental and corporate responsibility;
- to carry out projects related to research, education and social action;
- to promote active participation of more people in the democratic functioning of the organization;
- to develop, encourage, and coordinate the Quebec PIRG (Public Interest Research Group) movement;
- to receive donations, bequests, and other monetary contributions of similar nature, in securities or real estate, and to administer these donations and contributions; to organize membership campaigns with the goal of fundraising for the financial needs of the organization;
- to not undertake activities except for activities that are not-for-profit and without the intention of monetary gain for the organization's members;
- to use all profits or other organizational surpluses to facilitate the accomplishment of these objects;
- to do all that is pertinent and necessary for the promotion and achievement of these objectives.

**2- ACCOUNTING POLICIES**

Accounting estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the amounts recorded in the financial statements and notes to the financial statements. These estimates are based on management's best knowledge of current events and actions that the organization may undertake in the future. Actual results may differ from these estimates.

Revenue recognition

Contributions

contributions restricted for future period expenses are deffered and are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Students fees

Membership are recognized as revenue proportionately over the period they are effective.

**QUEBEC PUBLIC INTEREST RESEARCH GROUP (CONCORDIA)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT AUGUST 31, 2014**

**2- ACCOUNTING POLICIES (continued)**

**Contributed supplies and services**

The organization recognizes contributed supplies and services when the fair value of these contributions can be reasonably estimated and if it would have had to otherwise acquire these supplies and services for its normal operations. In such cases, the contributed supplies and services are valued at fair value.

**Fixed assets**

Fixed assets are recorded at cost and are depreciated on a declining balance basis over their estimated useful lives at the following rates :

	<u>Rates</u>
Computer equipment	30%
Furniture and fixtures	20%

**Financial instruments**

The organization initially measures its financial assets and liabilities at fair value. They are subsequently measured at amortized cost.

Financial assets measured at amortized cost consist of cash, reserved cash and accounts receivable.

Financial liabilities measured at amortized cost consist of accounts payable.

**QUEBEC PUBLIC INTEREST RESEARCH GROUP (CONCORDIA)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT AUGUST 31, 2014**

<b>3- WORKING GROUPS AND PROJECTS COSTS</b>	2014	2013
	\$	\$
Workstudy	14 613	10 963
Alternative Resource Publication	4 253	5 041
Prisoner Correspondence Project	3 633	1 899
Q-team	2 591	925
External Disc Fund	2 545	3 473
Central Programming	2 490	2 503
Summer Stipend-SAB Guide	2 351	200
Study in Action	2 349	4 703
Re-con	1 798	1 395
Convergence	1 708	22
Open Door Books	1 620	1 785
CLAC	1 599	572
Solidarity Accross Borders	1 280	1 300
Co-sponsorships	1 081	873
Dignidad Migrante	1 007	255
Summer Stipend	931	-
Montreal Sound Team	841	1 595
Rad school	800	42
Justice for Victims of Police	619	472
Resource Library	535	1 476
Alternative Orientation	500	497
C.U.R.E	471	325
Childcare Collective	471	324
Calendar Commitee	431	278
Mad Pride Montreal	409	300
Life after life	300	
Women of Diverse Origins	254	
Accessibility	250	180
APAM	250	
Collective Against Police Brutality	167	-
Anti-Colonial Solidarity Collective	151	1 100
Accessibilize Montreal	123	
IWTSHRC	71	
Ste Emilie Skill Share	58	1 414
Autonomous Social center	28	900
CIEM	20	
M.U.R.	16	274
Qouleur Qollective	5	
People's Commission Network	-	988
Summer Stipend-Anti-Gentrification	-	559
Association Liberté Expression	-	300
Termite Collective	-	58
Right to the City	-	3
Pros and Cons	-	(38)
	52 619	46 956

**QUEBEC PUBLIC INTEREST RESEARCH GROUP (CONCORDIA)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT AUGUST 31, 2014**

**4- FIXED ASSETS**

	2014		2013	
	Cost	Accumu- lated depreciation	Net book value	Net book Value
	\$	\$	\$	\$
Computer equipment	45 458	43 998	1 460	2 083
Furniture and fixtures	4 396	3 788	608	761
	<u>49 854</u>	<u>47 786</u>	<u>2 068</u>	<u>2 844</u>

**5- ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	2014	2013
	\$	\$
Accounts payable and accrued charges	29 974	10 116
Salaries and vacation	-	134
Government remittances	6 341	4 760
	<u>36 315</u>	<u>15 010</u>

**6- RESTRICTED NET ASSETS**

The board of directors decided to allocate a total amount of \$ 10,376 for working groups in 2014-2015. Those nets assets cannot be used for another purpose unless duly authorized by the board of directors.

**7- COMMITMENTS**

The organization has entered into a long-term lease agreement for the rental of office space expiring in September 2019. The total rent is adjusted annually based on price consumer index as per Statistic Canada. The organization also entered into a lease for equipment rental which call for monthly payments of \$ 399, expiring in December 2016.

Minimum lease payments for the next years are as follows :

	\$
2015	36 407
2016	39 347
2017	38 176
2018	36 960
2019	38 500

**QUEBEC PUBLIC INTEREST RESEARCH GROUP (CONCORDIA)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT AUGUST 31, 2014**

**8- FINANCIAL INSTRUMENTS**

Credit risk

failing to discharge an obligation. The financial instruments that potentially expose the organization to credit risk are accounts and grants receivable. Grants receivable are analyzed on an ongoing basis to ensure their renewals.

**9- COMPARATIVE FIGURES**

The presentation of certain accounts of previous year has been changed to conform with the presentation adopted for current year.