

QUEBEC PUBLIC INTEREST RESEARCH GROUP (CONCORDIA)

ANNUAL FINANCIAL REPORT

AS AT AUGUST 31, 2015

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INDEPENDENT AUDITORS' REPORT

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

We have audited the balance sheet of QUEBEC PUBLIC INTEREST RESEARCH GROUP (CONCORDIA) which comprise the statements of financial position as at August 31, 2015 and the statements of operations, changes in net assets 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 concluded 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 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 circumstances, but not for the purpose of expressing an opinion on 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, these financial statements present fairly, in all material respects, the financial position of QUEBEC PUBLIC INTEREST RESEARCH GROUP (CONCORDIA) as at August 31, 2015 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.¹

Montreal, May 11, 2016

¹ By Caroline Pombert, CPA auditor, CA

QUEBEC PUBLIC INTEREST RESEARCH GROUP (CONCORDIA)

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED AUGUST 31, 2015

	<u>2015</u>	<u>2014</u>
	\$	\$
REVENUES		
Students fees	232,680	229,061
Grants - Summer employment	23,396	21,759
Interests and other revenues	<u>241</u>	<u>189</u>
	<u>256,317</u>	<u>251,009</u>
EXPENSES		
Salaries and employee benefits	122,131	120,894
Working groups and projects costs (note 3)	61,347	52,619
Rent	54,254	37,509
Professional fees	7,375	5,482
Equipment rental	4,808	5,256
Retreats and meetings	4,441	2,005
Office expenses	3,408	6,072
Telecommunications	2,783	2,931
Bad debts	1,184	825
Insurance	1,125	1,253
Depreciation of fixed assets	1,074	1,041
Advertising and promotion	807	359
Interests and bank charges	474	526
Taxes and permits	<u>341</u>	<u>7,214</u>
	<u>265,552</u>	<u>243,986</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<u><u>(9,235)</u></u>	<u><u>7,023</u></u>

QUEBEC PUBLIC INTEREST RESEARCH GROUP (CONCORDIA)

CHANGES IN NET ASSET

FOR THE YEAR ENDED AUGUST 31, 2015

	2015				2014
	Invested in fixed assets	Internally restricted (note 6)	Unrestricted	Total	Total
	\$	\$	\$	\$	\$
BALANCE, BEGINNING OF YEAR	2,068	10,376	63,752	76,196	69,173
Excess (deficiency) of revenues over expenses	(1,074) ¹	-	(8,161)	(9,235)	7,023
Net restriction of the year	-	10,000	(10,000)	-	-
Acquisition of fixed assets	2,327	-	(2,327)	-	-
BALANCE, END OF YEAR	<u>3,321</u>	<u>20,376</u>	<u>43,264</u>	<u>66,961</u>	<u>76,196</u>

¹ Consist of depreciation of fixed assets

QUEBEC PUBLIC INTEREST RESEARCH GROUP (CONCORDIA)

FINANCIAL POSITION

AS AT AUGUST 31, 2015

	2015	2014
	\$	\$
ASSETS		
CURRENT ASSETS		
Cash	251,404	97,662
Reserved cash - external projects	19,417	18,313
Grants receivables	7,461	4,702
Accounts receivable	5,104	4,595
Prepaid expenses	244	244
	<u>283,630</u>	<u>125,516</u>
RENT DEPOSIT	3,240	3,240
FIXED ASSETS (note 4)	<u>3,321</u>	<u>2,068</u>
	<u>6,561</u>	<u>5,308</u>
	<u>290,191</u>	<u>130,824</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities (Note 5)	38,607	36,315
Accounts payable - external projects	19,417	18,313
Deferred revenues	<u>165,206</u>	<u>-</u>
	<u>223,230</u>	<u>54,628</u>
NET ASSET		
INVESTED IN FIXED ASSETS	3,321	2,068
INTERNALLY RESTRICTED (note 6)	20,376	10,376
UNRESTRICTED	<u>43,264</u>	<u>63,752</u>
	<u>66,961</u>	<u>76,196</u>
	<u>290,191</u>	<u>130,824</u>

ON BEHALF OF THE BOARD OF DIRECTORS

QUEBEC PUBLIC INTEREST RESEARCH GROUP (CONCORDIA)

CASH FLOWS

FOR THE YEAR ENDED AUGUST 31, 2015

	<u>2015</u>	<u>2014</u>
	\$	\$
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	(9,235)	7,023
Item not affecting cash:		
Depreciation of fixed assets	<u>1,074</u>	<u>1,041</u>
	<u>(8,161)</u>	<u>8,064</u>
Net change in non-cash working capital items		
Grants receivable	(2,759)	(3,255)
Accounts receivable	(509)	(1,340)
Accounts payable and accrued liabilities	2,292	21,305
Deferred revenues - external projects	1,104	14,149
Deferred revenues	<u>165,206</u>	<u>-</u>
	<u>165,334</u>	<u>30,859</u>
Cash flows from operating activities	<u>157,173</u>	<u>38,923</u>
INVESTING ACTIVITIES		
Investment in capital assets and cash flows used in investing activities	<u>(2,327)</u>	<u>(265)</u>
INCREASE IN CASH AND CASH EQUIVALENTS	154,846	38,658
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>115,975</u>	<u>77,317</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>270,821</u></u>	<u><u>115,975</u></u>

Cash and cash equivalents consist of cash on hand and reserved - external projects.

Cash	251,404	97,662
Reserved cash - external projects	<u>19,417</u>	<u>18,313</u>
	<u><u>270,821</u></u>	<u><u>115,975</u></u>

QUEBEC PUBLIC INTEREST RESEARCH GROUP (CONCORDIA)

NOTES TO THE FINANCIAL STATEMENTS

AS AT AUGUST 31, 2015

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 environnement, participatory democracy, and governmental and corporate responsibility;
- to carry out projects related to reseach, education and social action;
- to promote active participation of more people in democratic functioning of the organization;
- to develop, encourage, and coordinate the Quebec PIRG (Public Interest Reseach 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 whithout the intention of monetary gain for the organization's member's;
- 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 - SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant 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

The organization follows the deferral method of accounting for contributions. Under this method, contributions restricted for future period expenses are deferred end 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, 2015

2 - SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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 diminishing balance basis over their estimated useful lives at the following annual rates:

	Rates
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 assets measured at amortized cost consist of accounts payable.

The organization has a \$ 2,500 limit on a credit card bearing interest at 11,2 %.

QUEBEC PUBLIC INTEREST RESEARCH GROUP (CONCORDIA)

NOTES TO THE FINANCIAL STATEMENTS

AS AT AUGUST 31, 2015

3- WORKING GROUPS AND PROJECTS COSTS

	2015	2014
	\$	\$
Workstudy	16,484	14,613
Alternative Resource Publication	5,050	4,253
Q-team	4,481	2,591
Prisoner Correspondence Project	4,136	3,633
External Disc Fund	3,400	2,545
Summer Stipend	3,150	931
Alternative Orientation	3,092	500
Convergence	2,676	1,708
Study in Action	2,333	2,349
Co-sponsorships	2,221	1,081
Re-con	2,092	1,798
Solidarity Accross Borders	1,850	1,280
Accessibility	1,763	250
Central Programming	1,541	2,490
Open Door Books	1,130	1,620
Montreal Sound Team	919	841
C.U.R.E	887	471
Resource Library	650	535
Women of Diverse Origins	525	254
Anti-Colonial Solidarity Collective	500	151
Calendar Committee	456	431
Collective Against Police Brutality	350	167
Childcare Collective	305	471
IWTSHRC	300	71
Cordillera People Support Group	250	-
Mad Pride Montreal	219	409
Justice for Victims of Police	167	619
Contempt of court	152	-
Community-University Talks	132	-
CIEM	83	20
Qouleur Collective	53	5
Summer Stipend-SAB Guide	-	2,351
CLAC	-	1,599
Dignidad Migrante	-	1,007
Rad school	-	800
Life after life	-	300
APAM	-	250
Accessibilize Montreal	-	123
Ste Emilie Skill Share	-	58
Autonomous Social center	-	28
M.U.R	-	16
	<u>61,347</u>	<u>52,619</u>

QUEBEC PUBLIC INTEREST RESEARCH GROUP (CONCORDIA)

NOTES TO THE FINANCIAL STATEMENTS

AS AT AUGUST 31, 2015

4 - FIXED ASSETS

	2015		2014
	Cost	Accumulated amortization	Net book value
	\$	\$	\$
Computer equipment	47,520	44,687	2,833
Furniture and fixtures	4,396	3,908	488
	<u>51,916</u>	<u>48,595</u>	<u>3,321</u>
			<u>2,068</u>

5- ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2015	2014
	\$	\$
Accounts payable and accrued liabilities	26,377	29,974
Government remittances	<u>12,230</u>	<u>6,341</u>
	<u>38,607</u>	<u>36,315</u>

6- RESTRICTED NET ASSET

The board of directors decided to allocate a total of \$ 20,376 for working groups in 2015-2016. This net asset 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 :

	\$
2016	39,347
2017	38,176
2018	36,960
2019	38,500
2020	3,220

QUEBEC PUBLIC INTEREST RESEARCH GROUP (CONCORDIA)
NOTES TO THE FINANCIAL STATEMENTS
AS AT AUGUST 31, 2015

8- FINANCIAL INSTRUMENTS

Credit risk

The financial instruments that potentially expose the organization to credit risk are accounts and grants receivable. They are analyzed on an ongoing basis to ensure their recoverability.