

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

**ANNUAL FINANCIAL REPORT**

**AS AT AUGUST 31, 2016**

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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 statement of financial position as at August 31, 2016 and the statements of operations, changes in net asset 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, 2016 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 7, 2017

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

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

**STATEMENT OF OPERATIONS**

**FOR THE YEAR ENDED AUGUST 31, 2016**

	2016	2015
	\$	\$
<b>REVENUES</b>		
Students fees	233,143	232,680
Grants - Summer employment	42,912	23,396
Interests and other revenues	150	241
	276,205	256,317
<b>EXPENSES</b>		
Salaries and employee benefits	160,059	122,131
Working groups and projects costs (note 3)	46,941	61,347
Rent	40,563	40,254
Taxes and permits	18,465	14,341
Professional fees	7,290	7,375
Equipement rental	5,058	4,808
Retreats and meetings	3,271	4,441
Telecommunications	3,192	2,783
Interests and bank charges	2,604	474
Bad debts	2,339	1,184
Office expenses	1,991	3,408
Depreciation of fixed assets	1,306	1,074
Insurance	1,077	1,125
Advertising and promotion	430	807
	294,586	265,552
<b>DEFICIENCY OF REVENUES OVER EXPENSES</b>	<b>(18,381)</b>	<b>(9,235)</b>

QUEBEC PUBLIC INTEREST RESEARCH GROUP (CONCORDIA)

CHANGES IN NET ASSET

FOR THE YEAR ENDED AUGUST 31, 2016

	2016			2015	
	Invested in fixed assets \$	Internally restricted (note 6) \$	Unrestricted \$	Total \$	Total \$
BALANCE, BEGINNING OF YEAR	3,321	20,376	43,264	66,961	76,196
Excess (deficiency) of revenues over expenses	(1,306) <sup>1</sup>	-	(17,075)	(18,381)	(9,235)
BALANCE, END OF YEAR	<u>2,733</u>	<u>20,376</u>	<u>25,471</u>	<u>48,580</u>	<u>66,961</u>

<sup>1</sup>Consist of depreciation of fixed assets

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

**FINANCIAL POSITION**

**AS AT AUGUST 31, 2016**

	<u>2016</u>	<u>2015</u>
	\$	\$
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	57,840	251,404
Reserved cash - external projects	23,704	19,417
Grants receivables	15,940	7,461
Accounts receivable	1,797	5,104
Prepaid expenses	322	244
	<u>99,603</u>	<u>283,630</u>
RENT DEPOSIT	3,240	3,240
FIXED ASSETS (note 4)	2,733	3,321
	<u>5,973</u>	<u>6,561</u>
	<u>105,576</u>	<u>290,191</u>
 <b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities (note 5)	36,475	38,607
Accounts payable - external projects	20,521	19,417
Deferred revenues	-	165,206
	<u>56,996</u>	<u>223,230</u>
 <b>NET ASSET</b>		
INVESTED IN FIXED ASSETS	2,733	3,321
INTERNALLY RESTRICTED (note 6)	20,376	20,376
UNRESTRICTED	25,471	43,264
	<u>48,580</u>	<u>66,961</u>
	<u>105,576</u>	<u>290,191</u>

COMMITMENTS (note 7)

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, 2016

	<u>2016</u>	<u>2015</u>
	\$	\$
OPERATING ACTIVITIES		
Deficiency of revenues over expenses	(18,381)	(9,235)
Item not affecting cash:		
Depreciation of fixed assets	1,306	1,074
	<u>(17,075)</u>	<u>(8,161)</u>
Net change in non-cash working capital items		
Grants receivable	(8,479)	(2,759)
Accounts receivable	3,307	(509)
Accounts payable and accrued liabilities	(2,132)	2,292
Accounts payable - external projects	1,104	1,104
Deferred revenues	(165,206)	165,206
	<u>(171,484)</u>	<u>165,334</u>
Cash flows from (used in) operating activities	<u>(188,559)</u>	<u>157,173</u>
INVESTING ACTIVITIES		
Investment in capital assets and cash flows used in investing activities	<u>(718)</u>	<u>(2,327)</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(189,277)	154,846
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>270,821</u>	<u>115,975</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>81,544</u></u>	<u><u>270,821</u></u>
Cash and cash equivalents are composed of cash.		
Cash and cash equivalents consist of cash on hand and reserved cash - external projects.		
Cash	57,840	251,404
Reserved cash - external projects	23,704	19,417
	<u>81,544</u>	<u>270,821</u>



## QUEBEC PUBLIC INTEREST RESEARCH GROUP (CONCORDIA)

### NOTES TO THE FINANCIAL STATEMENTS

AS AT AUGUST 31, 2016

#### 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 democratic functioning of the organization;
- 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 - 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 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, when the amount can be reasonably estimated and collection is reasonably assured.

QUEBEC PUBLIC INTEREST RESEARCH GROUP (CONCORDIA)

NOTES TO THE FINANCIAL STATEMENTS

AS AT AUGUST 31, 2016

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:

	<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 assets measured at amortized cost consist of accounts payable.

The organization has a \$ 2,500 credit limit on a credit card bearing interest at 19,9 %.

QUEBEC PUBLIC INTEREST RESEARCH GROUP (CONCORDIA)

NOTES TO THE FINANCIAL STATEMENTS

AS AT AUGUST 31, 2016

3- WORKING GROUPS AND PROJECTS COSTS

	2016	2015
	\$	\$
Workstudy	12,932	16,484
Alternative Resource Publication	5,315	5,050
External Disc Fund	4,729	3,400
Q-team	(1,698)	4,481
Prisoner Correspondence Project	3,614	4,136
Convergence	3,166	2,676
Central Programming	2,900	1,541
Open Door Books	1,500	1,130
Accessibility	1,430	1,763
Re-con	1,247	2,092
CLAC	1,216	-
Sidetracks	1,000	-
Accessibilize Montreal	1,000	-
Qouleur Qollective	943	53
Community-University Talks	937	132
C.U.R.E	911	887
Solidarity Accross Borders	837	1,850
Collective Against Police Brutality	750	350
Montreal Sound Team	608	919
Mad Pride Montreal	572	219
Cordillera People Support Group	550	250
Resource Library	473	650
Alternative Orientation	404	3,092
Childcare Collective	331	305
Techno Libre	274	-
Women of Diverse Origins	230	525
RE:BODIES	219	-
Justice for Victims of Police	167	167
Study in Action	147	2,333
Projections insurgees	135	-
IWTSHRC	100	300
Co-sponsorships	26	2,221
Anti-Colonial Solidarity Collective	1	500
Summer Stipend	-	3,150
Contempt of court	-	152
CIEM	-	83
Calendar Commitee	(25)	456
	<u>46,941</u>	<u>61,347</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT AUGUST 31, 2016**

**4 - FIXED ASSETS**

	2016		2015
	Cost	Accumulated amortization	Net book value
	\$	\$	\$
Computer equipment	48,238	45,896	2,342
Furniture and fixtures	4,396	4,005	391
	<u>52,634</u>	<u>49,901</u>	<u>2,733</u>
			<u>3,321</u>

**5- ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	2016	2015
	\$	\$
Accounts payable and accrued liabilities	27,753	26,377
Government remittances	8,550	12,230
Salaries and vacation	172	-
	<u>36,475</u>	<u>38,607</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 :

	\$
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, 2016

**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.