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Financial statements of  
Quebec Risk and Insurance  
Management Association

March 31, 2018

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## Independent Practitioner's Review Engagement Report

To the Directors of  
Quebec Risk and Insurance Management Association

We have reviewed the accompanying financial statements of Quebec Risk and Insurance Management Association that comprise the balance sheet as at March 31, 2018, 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 financial statements that are free from material misstatement, whether due to fraud or error.

### Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Quebec Risk and Insurance Management Association as at March 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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*Deloitte S.E.N.C.R.L./s.r.l.*

May 23, 2018

<sup>1</sup> CPA auditor, CA, public accountancy permit No. A125476

## Quebec Risk and Insurance Management Association

### Statement of operations

Year ended March 31, 2018

(Unaudited)

	2018	2017
	\$	\$
<b>Revenues</b>		
Membership dues	13,681	9,065
Gala 60 <sup>th</sup> Anniversary	3,117	16,913
Conference Quebec 2015 (adjustment)	(30,934)	95,485
Programs	48,653	45,913
Golf tournament	23,423	28,751
Sponsorship	24,500	27,250
Interest	541	508
	<b>82,981</b>	223,885
<b>Expenses</b>		
Programs	66,144	73,908
Gala 60 <sup>th</sup> Anniversary	4,290	62,845
Golf tournament	23,186	24,969
Professional fees	3,650	3,550
Excellentia award	4,000	-
Donations	4,425	14,000
Bank charges	233	259
	<b>105,928</b>	179,530
<b>(Deficiency) excess of revenues over expenses</b>	<b>(22,947)</b>	44,355

The accompanying notes are an integral part of the financial statements.

**Quebec Risk and Insurance Management Association****Statement of changes in net assets**

Year ended March 31, 2018

(Unaudited)

	<b>2018</b>			2017
	<b>Restricted for the Risk Management Fund</b>	<b>Unrestricted</b>	<b>Total</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance, beginning of year	<b>11,800</b>	<b>138,542</b>	<b>150,342</b>	105,987
(Deficiency) Excess of revenues over expenses	<b>(4,000)</b>	<b>(18,947)</b>	<b>(22,947)</b>	44,355
Balance, end of year	<b>7,800</b>	<b>119,595</b>	<b>127,395</b>	150,342

The accompanying notes are an integral part of the financial statements.

# Quebec Risk and Insurance Management Association

## Balance sheet

As at March 31, 2018

(Unaudited)

	2018	2017
	\$	\$
<b>Assets</b>		
Current assets		
Cash	26,636	35,626
Term deposits, bearing interest at rates varying between 0.45% and 1.05%, maturing in January 2019	71,386	70,845
Accounts receivable	30,683	60,716
Prepaid expenses	4,285	2,500
	<b>132,990</b>	<b>169,687</b>
<b>Liabilities</b>		
Current liabilities		
Accounts payable and accrued liabilities	1,375	1,185
Deferred sponsorship	—	16,500
Excellentia Award payable	4,220	1,660
	<b>5,595</b>	<b>19,345</b>
<b>Net assets</b>		
Restricted for the Risk Management Fund	7,800	11,800
Unrestricted	119,595	138,542
	<b>127,395</b>	<b>150,342</b>
	<b>132,990</b>	<b>169,687</b>

The accompanying notes are an integral part of the financial statements.

Approved by the Board

\_\_\_\_\_, Director

\_\_\_\_\_, Director

## Quebec Risk and Insurance Management Association

### Statement of cash flows

Year ended March 31, 2018

(Unaudited)

	Notes	2018	2017
		\$	\$
<b>Operating activities</b>			
(Deficiency) excess of revenues over expenses		(22,947)	44,355
Changes in non-cash operating working capital items	3	14,498	(45,262)
		(8,449)	(907)
<b>Investing activities</b>			
Variation of term deposits		(541)	25,032
Net (decrease) increase in cash		(8,990)	24,125
Cash, beginning of year		35,626	11,501
<b>Cash, end of year</b>		<b>26,636</b>	<b>35,626</b>

The accompanying notes are an integral part of the financial statements.

# Quebec Risk and Insurance Management Association

## Notes to the financial statements

March 31, 2018

(Unaudited)

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### 1. Description of the Association

Quebec Risk and Insurance Management Association (the "Association") was incorporated on May 16, 2000, under the *Companies Act* (Québec). The Association is a not-for-profit organization holding activities and events dedicated to the advancement of the practice of risk management.

### 2. Accounting policies

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

#### *Financial instruments*

Financial assets and financial liabilities are initially recognized at fair value when the Association becomes a party to the contractual provisions of the financial instrument. Subsequently, all financial instruments are measured at amortized cost.

Interest earned on secured deposits is included in interest revenues in the statement of operations.

Transaction costs are added to the carrying value of the asset or netted against the carrying value of the liability and are then recognized over the expected life of the instrument using the effective interest method. Any premium or discount related to an instrument measured at amortized cost is amortized over the expected life of the item using the effective interest method and recognized in net earnings as interest income or expense.

With respect to financial assets measured at cost or amortized cost, the Association recognizes in net earnings an impairment loss, if any, when there are indicators of impairment and it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to net earnings in the period the reversal occurs.

#### *Revenue recognition*

The Association follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which 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. Endowment contributions are recognized as direct increases in net assets.

#### *Restricted net assets*

Restricted net assets consist of a risk management fund. The use of the funds is restricted to the award of scholarships, grants, donations, prizes or other expenditures for the purpose of promoting the advancement of the risk management profession.

## Quebec Risk and Insurance Management Association

### Notes to the financial statements

March 31, 2018

(Unaudited)

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## 2. Accounting policies (continued)

### *Income taxes*

There is no provision for income taxes in the accompanying financial statements as the activities of the Association are non-taxable.

### *Use of estimates*

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

## 3. Changes in non-cash operating working capital items

	2018	2017
	\$	\$
Accounts receivable	30 033	(60,716)
Prepaid expenses	(1,785)	3,033
Accounts payable and accrued liabilities	190	(1,739)
Deferred sponsorship	(16,500)	16,500
Excellentia Award payable	2,560	(2,340)
	<b>14,498</b>	<b>(45,262)</b>