
Financial statements of
Quebec Risk and Insurance
Management Association

March 31, 2019

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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, 2019, 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, 2019, 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 LLP

May 21, 2019

¹ CPA auditor, CA, public accountancy permit No. A125476

Quebec Risk and Insurance Management Association

Statement of operations

Year ended March 31, 2019

(Unaudited)

	2019	2018
	\$	\$
Revenues		
Membership dues	9,696	13,681
60 th Anniversary Gala	—	3,117
Conference Quebec 2015 (adjustment)	90,202	(30,934)
Programs	48,434	48,653
Golf tournament	25,998	23,423
Sponsorship	25,500	24,500
Interest	1,479	541
	201,309	82,981
Expenses		
Programs	61,687	66,144
60 th Anniversary Gala	—	4,290
Conference Quebec 2015	72,324	—
Golf tournament	19,746	23,186
Professional fees	3,750	3,650
Excellentia award	—	4,000
Donations	4,000	4,425
Bank charges	451	233
Bad debts	630	—
	162,588	105,928
Excess (deficiency) of revenues over expenses	38,721	(22,947)

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, 2019

(Unaudited)

	2019			2018
	Restricted for the Risk Management Fund	Unrestricted	Total	Total
	\$	\$	\$	\$
Balance, beginning of year	7,800	119,595	127,395	150,342
Excess (deficiency) of revenues over expenses	—	38,721	38,721	(22,947)
Balance, end of year	7,800	158,316	166,116	127,395

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

Quebec Risk and Insurance Management Association

Balance sheet

As at March 31, 2019

(Unaudited)

	2019	2018
	\$	\$
Assets		
Current assets		
Cash	56,422	26,636
Term deposits, bearing interest at rates varying between 2.0% and 2.5%, maturing in January 2020	140,678	71,386
Accounts receivable	2,120	30,683
Prepaid expenses	4,205	4,285
	203,425	132,990
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	12,828	1,375
Deferred membership	261	—
Deferred sponsorship	24,000	—
Excellentia award payable	220	4,220
	37,309	5,595
Net assets		
Restricted for the Risk Management Fund	7,800	7,800
Unrestricted	158,316	119,595
	166,116	127,395
	203,425	132,990

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, 2019

(Unaudited)

	Notes	2019	2018
		\$	\$
Operating activities			
Excess (deficiency) of revenues over expenses		38,721	(22,947)
Changes in non-cash operating working capital items	3	60,357	14,498
		99,078	(8,449)
Investing activities			
Variation of term deposits		(69,292)	(541)
Net increase (decrease) in cash		29,786	(8,990)
Cash, beginning of year		26,636	35,626
Cash, end of year		56,422	26,636

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

Quebec Risk and Insurance Management Association

Notes to the financial statements

March 31, 2019

(Unaudited)

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, 2019

(Unaudited)

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

	2019	2018
	\$	\$
Accounts receivable	28,563	30,033
Prepaid expenses	80	(1,785)
Accounts payable and accrued liabilities	11,453	190
Deferred sponsorship	24,000	(16,500)
Deferred membership	261	—
Excellentia award payable	(4,000)	2,560
	60,357	14,498