
Financial statements of
Quebec Risk and Insurance
Management Association

March 31, 2020

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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, 2020, 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, 2020, 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.

Deloitte LLP

June 3, 2020

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

Quebec Risk and Insurance Management Association

Statement of operations

Year ended March 31, 2020

(Unaudited)

	2020	2019
	\$	\$
Revenues		
Membership dues	11,525	9,696
Conference Quebec 2015 (adjustment)	—	90,202
Programs	56,937	48,434
Golf tournament	22,660	25,998
Sponsorship	24,000	25,500
Interest	3,160	1,479
	118,282	201,309
Expenses		
Programs	60,225	61,687
Conference Quebec 2015 (adjustment)	—	72,324
Golf tournament	20,357	19,746
Professional fees	3,850	3,750
Excellentia award	4,000	—
Donations	4,500	4,000
Bank charges	216	451
Bad debts	363	630
	93,511	162,588
Excess of revenues over expenses	24,771	38,721

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, 2020

(Unaudited)

	2020			2019
	Restricted for the Risk Management Fund	Unrestricted	Total	Total
	\$	\$	\$	\$
Balance, beginning of year	7,800	158,316	166,116	127,395
Excess of revenues over expenses	(4,000)	28,771	24,771	38,721
Balance, end of year	3,800	187,087	190,887	166,116

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

Quebec Risk and Insurance Management Association

Balance sheet

As at March 31, 2020

(Unaudited)

	2020	2019
	\$	\$
Assets		
Current assets		
Cash	48,459	56,422
Term deposits, bearing interest at rates of 2.0%, maturing in January 2021	143,889	140,678
Accounts receivable	3,697	2,120
Prepaid expenses	2,500	4,205
	198,545	203,425
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	3,438	12,828
Deferred membership	—	261
Deferred sponsorship	—	24,000
Excellentia award payable	4,220	220
	7,658	37,309
Net assets		
Restricted for the Risk Management Fund	3,800	7,800
Unrestricted	187,087	158,316
	190,887	166,116
	198,545	203,425

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, 2020

(Unaudited)

	Notes	2020	2019
		\$	\$
Operating activities			
Excess of revenues over expenses		24 771	38,721
Changes in non-cash operating working capital items	3	(29,523)	60,357
		(4,752)	99,078
Investing activities			
Variation of term deposits		(3,211)	(69,292)
Net (decrease) increase in cash		(7,963)	29,786
Cash, beginning of year		56,422	26,636
Cash, end of year		48,459	56,422

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

Quebec Risk and Insurance Management Association

Notes to the financial statements

March 31, 2020

(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, 2020

(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

	2020	2019
	\$	\$
Accounts receivable	(1,577)	28,563
Prepaid expenses	1,705	80
Accounts payable and accrued liabilities	(9,390)	11,453
Deferred sponsorship	(24,000)	24,000
Deferred membership	(261)	261
Excellentia award payable	4,000	(4,000)
	(29,523)	60,357