
Financial statements of
Quebec Risk and Insurance
Management Association

March 31, 2021

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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, 2021, 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, 2021, 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

May 20, 2021

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

Quebec Risk and Insurance Management Association

Statement of operations

Year ended March 31, 2021

(Unaudited)

	2021	2020
	\$	\$
Revenues		
Membership dues	6,972	11,525
Programs	—	56,937
Golf tournament	—	22,660
Sponsorship	20,500	24,000
Interest	2,417	3,160
	29,889	118,282
Expenses		
Programs	2,591	60,225
Golf tournament	—	20,357
Professional fees	4,000	3,850
Excellentia award (recovered)	(220)	4,000
Donations	1,500	4,500
Bank charges	115	216
Bad debts (recovered)	(363)	363
	7,623	93,511
Excess of revenues over expenses	22,266	24,771

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, 2021

(Unaudited)

	2021			2020
	Restricted for the Risk Management Fund	Unrestricted	Total	Total
	\$	\$	\$	\$
Balance, beginning of year	3,800	187,087	190,887	166,116
Excess of revenues over expenses	220	22,046	22,266	24,771
Balance, end of year	4,020	209,133	213,153	190,887

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

Quebec Risk and Insurance Management Association

Balance sheet

As at March 31, 2021

(Unaudited)

	2021	2020
	\$	\$
Assets		
Current assets		
Cash	77,645	48,459
Term deposits, bearing interest at rates varying between 0.45% and 0.65%, maturing between January 2022 and January 2023	146,306	143,889
Accounts receivable	6,432	3,697
Prepaid expenses	3,250	2,500
	233,633	198,545
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	480	3,438
Deferred sponsorship	16,000	—
Excellentia award payable	4,000	4,220
	20,480	7,658
Net assets		
Restricted for the Risk Management Fund	4,020	3,800
Unrestricted	209,133	187,087
	213,153	190,887
	233,633	198,545

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, 2021

(Unaudited)

	Notes	2021	2020
		\$	\$
Operating activities			
Excess of revenues over expenses		22,266	24 771
Changes in non-cash operating working capital items	3	9,337	(29,523)
		31,603	(4,752)
Investing activities			
Variation of term deposits		(2,417)	(3,211)
Net increase (decrease) in cash		29,186	(7,963)
Cash, beginning of year		48,459	56,422
Cash, end of year		77,645	48,459

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

Quebec Risk and Insurance Management Association

Notes to the financial statements

March 31, 2021

(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, 2021

(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

	2021	2020
	\$	\$
Accounts receivable	(2,735)	(1,577)
Prepaid expenses	(750)	1,705
Accounts payable and accrued liabilities	(2,958)	(9,390)
Deferred sponsorship	16,000	(24,000)
Deferred membership	—	(261)
Excellentia award payable	(220)	4,000
	9,337	(29,523)