

## **Concordia Graduate Students' Association**

Financial statements  
May 31<sup>th</sup>, 2011

Together With Review Engagement Report

## REVIEW ENGAGEMENT REPORT

---

To the members of  
**Concordia Graduate Students' Association,**

We have reviewed the balance sheets of **CONCORDIA GRADUATE STUDENTS' ASSOCIATION** as at May 31<sup>th</sup>, 2011 and the statements of operations, deficit and cash flows for the year then ended. Our reviews were made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the Association.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

Based on our reviews, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles.

*Sofio Ouellet*<sup>1</sup>

General Partnership  
Chartered Accountants  
Montreal, as at September 29, 2011

---

<sup>1</sup>Chartered accountant auditor permit No. 7207

# Concordia Graduate Students' Association

**BALANCE SHEETS**

May 31, 2011	<b>2011</b>	2010
<hr/>		
«UNAUDITED SEE REVIEW ENGAGEMENT REPORT»	\$	\$

**ASSETS**

<b>CURRENT ASSETS</b>		
Cash	<b>10,065</b>	15,107
Internal accounts with Concordia University (Note 3)	<b>329,405</b>	170,139
	<hr/>	
	<b>339,470</b>	185,246
<b>FIXED ASSETS (Note 4)</b>	<b>33,719</b>	33,880
	<hr/>	
	<b>373,189</b>	219,126

**LIABILITIES**

<b>CURRENT LIABILITIES</b>		
Accounts payable (Note 5)	<b>297,652</b>	164,581
<b>DEFERRED GRANT RELATED TO FIXED ASSETS</b>	<b>23,288</b>	27,169
	<hr/>	
	<b>320,940</b>	191,750

**CONTINGENCY (Note 8)**

<b>NET ASSETS</b>		
Net assets invested in fixed assets	<b>10,431</b>	6,711
Net assets unrestricted	<b>41,818</b>	20,665
	<hr/>	
	<b>52,249</b>	27,376
	<hr/>	
	<b>373,189</b>	219,126

On behalf of the board :

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

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

## Concordia Graduate Students' Association

---

### STATEMENT OF OPERATIONS

For the year ended May 31

	2011	2010
«UNAUDITED SEE REVIEW ENGAGEMENT REPORT»	\$	\$
<b>REVENUES</b>		
Contributions and activities	364,235	291,694
<b>EXPENSES</b>		
Administrative expenses (Appendice A)	333,020	278,077
Amortization - fixed assets	10,223	6,235
Amortization - Grant related to fixed assets	(3,881)	(3,881)
	339,362	280,431
<b>SURPLUS OF REVENUES OVER EXPENSES</b>	24,873	11,263

---

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

## Concordia Graduate Students' Association

### NET ASSETS

For the year ended May 31

«UNAUDITED SEE REVIEW ENGAGEMENT REPORT»

	2011		
	Net assets invested in fixed assets	Net assets unrestricted	Total
	\$	\$	\$
<b>BALANCE</b> , beginning of year	6,711	20,665	27,376
Surplus of revenues (expenses) over expenses (revenues)	(6,342)	31,215	24,873
Investments on fixed assets	10,062	(10,062)	-
<b>BALANCE</b> , end if year	10,431	41,818	52,249
			2010
	Net assets invested in fixed assets	Net assets unrestricted	Total
	\$	\$	\$
<b>BALANCE</b> , beginning of year before prior period adjustment	8,060	8,053	16,113
Surplus of revenues (expenses) over expenses (revenues)	(2,354)	13,617	11,263
Investments in fixed assets	1,005	(1,005)	-
<b>BALANCE</b> , end if year	6,711	20,665	27,376

## Concordia Graduate Students' Association

### STATEMENT OF CASH FLOWS

For the year ended May 31

	2011	2010
«UNAUDITED SEE REVIEW ENGAGEMENT REPORT»	\$	\$
<b>OPERATING ACTIVITIES</b>		
Surplus of revenues over expenses	24,873	11,263
Items not affecting cash		
Amortization of fixed assets	10,223	6,235
Amortization of grant related to fixed assets	(3,881)	(3,881)
	<u>31,215</u>	<u>13,617</u>
Net change in non-cash working capital items		
Internal accounts with Concordia University	(159,266)	(92,999)
Accounts payables	133,071	109,102
	<u>5,020</u>	<u>29,720</u>
<b>INVESTING ACTIVITIES</b>		
Bring forward contribution related to fixed assets	-	(41,116)
Purchases of fixed assets	(10,062)	(1,005)
	<u>(10,062)</u>	<u>(42,121)</u>
<b>DECREASE IN CASH</b>	<b>(5,042)</b>	<b>(12,401)</b>
<b>CASH, beginning of year</b>	<b>15,107</b>	<b>27,508</b>
<b>CASH, end of year</b>	<b>10,065</b>	<b>15,107</b>

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

# Concordia Graduate Students' Association

---

## NOTES TO FINANCIAL STATEMENTS

May 31, 2011

---

«UNAUDITED SEE REVIEW ENGAGEMENT REPORT»

### 1. STATUTES OF INCORPORATION AND NATURE OF ACTIVITIES

The Graduate Students' Association of Concordia University (G.S.A.), incorporated under Part III of the Quebec Companies Act as a registered non profit organisation within the meaning of the *Income Tax Act*, is engaged in coordinate activities amongst graduate students, subject to the by-laws of G.S.A.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### Financial statements presentation

The Association has elected to use the exemption provided by the CICA permitting not-for-profit organizations not to apply Sections 3862 and 3863 of the CICA Handbook, which would otherwise have applied to the financial statements of the Union for the year ended May 31, 2010. The Association applies the requirements of Section 3861 of the CICA Handbook.

The financial statements were prepared in accordance to generally accepted accounting principles, taking into consideration the term of certain specific practices related to G.S.A.

#### Use of estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the balance sheet, the statement of operations and the notes to financial statements. Actual results could differ from these estimates.

#### Fixed assets and grant related to fixed assets

Fixed assets and grant related to fixed assets are accounted for at cost.

Amortization is based on their estimated useful life using the following methods and rates :

	method	Rate
Furniture and office equipment	declining	20 %
Computer hardware	declining	30 %
Leasehold improvements	straight line	8 years
Grant related to fixes assets (*)	straight-line	8 years

\* Leasehold improvements grant are accounted as deferred grant related to fixed assets . They are taken into revenue on the same basis as the depreciation of leasehold improvements.

# Concordia Graduate Students' Association

## NOTES TO FINANCIAL STATEMENTS

May 31, 2011

«UNAUDITED SEE REVIEW ENGAGEMENT REPORT»

### 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Revenue recognition

The contributions are accounted as revenue when they are received or to be received, if the amount to be received can be subject to a reasonable estimate and that his reception is reasonably assured.

#### Contributions received as services rendered

Services rendered by members are not recognized as revenue because their value cannot be properly estimated.

### 3. INTERNAL ACCOUNTS WITH CONCORDIA UNIVERSITY

	2011	2010
	\$	\$
G.S.A operation account	39,103	13,145
Canadian federation of students	649	1,087
Health insurance plan	288,805	147,650
Le frigo vert	56	7,004
Confederation of students - Quebec	792	1,253
	<b>329,405</b>	<b>170,139</b>

### 4. FIXED ASSETS

	2011		
	Cost	Accumulated Amortization	Net Book Value
	\$	\$	\$
Furniture and office equipment	8,165	3,596	4,569
Computer hardware	6,896	1,034	5,862
Leasehold improvement	31,050	7,762	23,288
	<b>46,111</b>	<b>12,392</b>	<b>33,719</b>



# Concordia Graduate Students' Association

## NOTES TO FINANCIAL STATEMENTS

May 31, 2011

«UNAUDITED SEE REVIEW ENGAGEMENT REPORT»

### 4. FIXED ASSETS (Continued)

	2010		
	Cost	Accumulated Amortization	Net Book Value
	\$	\$	\$
Furniture and office equipment	5,000	3,280	1,720
Computer hardware	34,054	29,063	4,991
Leasehold improvement	31,050	3,881	27,169
	<b>70,104</b>	<b>36,224</b>	<b>33,880</b>

### 5. ACCOUNTS PAYABLE

	2011	2010
	\$	\$
Accounts payable	<b>7,350</b>	7,587
Canadian federation of students	<b>649</b>	1,087
Health insurance plan	<b>288,805</b>	147,650
Le frigo vert	<b>56</b>	7,004
Confederation of students - Quebec	<b>792</b>	1,253
	<b>297,652</b>	164,581

# Concordia Graduate Students' Association

---

## NOTES TO FINANCIAL STATEMENTS

May 31, 2011

---

«UNAUDITED SEE REVIEW ENGAGEMENT REPORT»

### 6. FINANCIAL INSTRUMENTS

#### **Credit risk**

The Association has determined that the credit risk is minimal, given that the counterparties with which it conducts business are educational institutions and associations

#### **Fair value**

The fair value of a financial instrument corresponds to the amount of the consideration which would be agreed upon in the course of an arm's length transaction. The Association uses the following methods and assumptions to estimate the fair value of each category of financial instruments. The book value of each financial instrument is included in the balance sheet.

#### Held for trading financial assets and liabilities

The book value of cash is equal to its fair value.

#### Loans and receivables

The book values of internal accounts with Concordia University are close to their fair value due to the proximity of their maturity dates.

#### Other financial liabilities

The book values of payables are close to their fair value due to the proximity of their maturity dates.

### 7. DISCLOSURE OF CAPITAL

The Association defines its capital as the sum of the Net assets invested in fixed assets and Net assets unrestricted. In managing its capital, the Association aims to generally maintain sufficient capital in order to reach its goals and pursue its mission, which is to coordinate activities amongst graduate students.

In order to reach its goals, the Association manages different subsidized projects, and organizes activities.

The Association ensures that its revenues will be sufficient to pursue its mission through its annual budgeting process as well as its managing policies.

In managing its capital, the Association is not subject to exterior requirements

# **Concordia Graduate Students' Association**

---

## **NOTES TO FINANCIAL STATEMENTS**

May 31, 2011

---

«UNAUDITED SEE REVIEW ENGAGEMENT REPORT»

### **8. CONTINGENCY**

In the normal course of business, the Association is involved in claims. Though the outcome of these pending claims as at May 31, 2011 cannot be determined with certainty, the Association believes that their outcome will have no significant adverse impact on its financial position, operating results or cash flow.

### **9. COMPARATIVE FIGURES**

Certain comparative figures have been reclassified to conform to the current year's presentation.

# Concordia Graduate Students' Association

## APPENDICE A

For the year ended May 31

2011

2010

«UNAUDITED SEE REVIEW ENGAGEMENT REPORT»

\$

\$

### A - OPERATION EXPENSES

Events	<b>46,802</b>	42,425
Department allocation	<b>58,015</b>	51,053
Honorariums	<b>23,849</b>	53,096
Salaries-office	<b>77,920</b>	39,841
Workshop	<b>68,439</b>	33,470
Others	<b>4,528</b>	5,143
Fringe benefits	<b>10,130</b>	5,180
Election expenses	<b>7,518</b>	10,819
Professional fees	<b>2,585</b>	3,600
Communications	<b>3,829</b>	2,967
Agenda fees	<b>7,755</b>	9,143
Office supplies and maintenance	<b>4,024</b>	4,480
Conference subsidies and campaign	<b>13,080</b>	8,964
Insurance	<b>1,295</b>	1,037
Banking charges & interests	<b>357</b>	1,258
Bad debt recharges from concordia university	<b>2,894</b>	4,191
Surplus of grant received in 2009 over renovation cost of 2010	-	(10,066)
CFSQ expenses	-	11,476
	<b>333,020</b>	278,077