



**MC GILL ASSOCIATION OF CONTINUING
EDUCATION STUDENTS INC.**

FINANCIAL STATEMENTS

MAY 31, 2024

MC GILL ASSOCIATION OF CONTINUING EDUCATION STUDENTS INC.
FINANCIAL STATEMENTS
MAY 31, 2024

SUMMARY

	Page
Independent practitioner's review engagement report	2 - 3
Balance sheet	4
Changes in net assets	5
Statement of operations	6
Statement of cash flows	7
Notes to financial statements	8 - 11
Additional information	12 - 13

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Directors of
MC GILL ASSOCIATION OF CONTINUING EDUCATION STUDENTS INC.

We have reviewed the accompanying financial statements of MC GILL ASSOCIATION OF CONTINUING EDUCATION STUDENTS INC., that comprise the balance sheet as at May 31, 2024, 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 MC GILL ASSOCIATION OF CONTINUING EDUCATION STUDENTS INC. as at May 31, 2024, 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.

Other Matters

The balance sheet as at May 31, 2023, and the statements of operations, changes in net assets and cash flows for the year then ended were audited by another Chartered Professional Accountant.



LACHARITÉ MCCOMBER KUCZYNSKI PLOUFFE ¹

Montréal
November 21, 2024

¹ By CPA auditor, public accountancy permit No. A126058

MC GILL ASSOCIATION OF CONTINUING EDUCATION STUDENTS INC.

BALANCE SHEET

AS AT MAY 31, 2024

(unaudited)

Page 4

	2024	2023
Assets		
Current assets		
Cash	\$ 289,328	\$ 509,904
Prepaid expenses	<u>20</u>	<u>600</u>
	289,348	510,504
MUTUAL FUND UNITS AT FAIR VALUE WITH A COST OF \$116,092 (2023 - \$114,041)	<u>123,769</u>	<u>115,666</u>
	<u>\$ 413,117</u>	<u>\$ 626,170</u>
Liability		
Current liability		
Accounts payable and accrued liabilities (Note 3)	\$ 157,901	\$ 382,230
Net assets		
UNRESTRICTED	<u>255,216</u>	<u>243,940</u>
	<u>\$ 413,117</u>	<u>\$ 626,170</u>
Commitment (Note 6)		

Signed for the Board,

_____, Director

_____, Director

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

MC GILL ASSOCIATION OF CONTINUING EDUCATION STUDENTS INC.

CHANGES IN NET ASSETS

YEAR ENDED MAY 31, 2024

(unaudited)

Page 5

	2024	2023
BALANCE, BEGINNING OF YEAR	\$ 243,940	\$ 248,658
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<u>11,276</u>	<u>(4,718)</u>
BALANCE, END OF YEAR	<u><u>\$ 255,216</u></u>	<u><u>\$ 243,940</u></u>

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

MC GILL ASSOCIATION OF CONTINUING EDUCATION STUDENTS INC.**STATEMENT OF OPERATIONS****YEAR ENDED MAY 31, 2024**

(unaudited)

Page 6

	2024	2023
REVENUES		
Student fees revenue	\$ 186,668	\$ 184,008
Investment income	200	475
Net changes in fair value of mutual funds	8,103	2,958
Gain (loss) on students insurance agent services	<u>(3,209)</u>	<u>3,058</u>
	<u>191,762</u>	<u>190,499</u>
EXPENSES		
Computer lab (Schedule A)	40,911	44,372
Administrative expenses (Schedule B)	9,181	13,763
Building (Schedule C)	43,667	45,825
Administration (Schedule D)	73,369	73,783
Events (Schedule E)	<u>13,358</u>	<u>17,474</u>
	<u>180,486</u>	<u>195,217</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<u>\$ 11,276</u>	<u>\$ (4,718)</u>

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

MC GILL ASSOCIATION OF CONTINUING EDUCATION STUDENTS INC.**STATEMENT OF CASH FLOWS****YEAR ENDED MAY 31, 2024**

(unaudited)

Page 7

	2024	2023
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	\$ 11,276	\$ (4,718)
Non-cash item:		
Net changes in fair value of mutual funds	<u>(8,103)</u>	<u>(2,958)</u>
	3,173	(7,676)
Net change in non-cash items related to operating activities:		
Accounts receivable	-	86,194
Prepaid expenses	580	12,187
Accounts payable and accrued liabilities	<u>(224,329)</u>	<u>379,949</u>
	(220,576)	470,654
INVESTING ACTIVITY		
Acquisition of mutual fund units	<u>-</u>	<u>(819)</u>
Net change in cash and cash equivalents	(220,576)	469,835
Cash and cash equivalents, beginning of year	<u>509,904</u>	<u>40,069</u>
Cash and cash equivalents, end of year	<u><u>\$ 289,328</u></u>	<u><u>\$ 509,904</u></u>

Cash and cash equivalents consist of cash.

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

1. STATUTES AND NATURE OF ACTIVITIES

Mc Gill Association of Continuing Education Students Inc. (Association Des Étudiants d'Éducation Permanente de l'Université Mc Gill Inc. - "MACES") is a non-for-profit organization. The Association was incorporated under Part III of the Québec Companies Act on September 27, 1989. The objective of the Association is to promote the welfare and interest of its members by pursuing the enhancements of their educational, environmental and social conditions.

2. SIGNIFICANT ACCOUNTING POLICIES

The organization applies the Canadian accounting standards for not-for-profit organizations.

Financial instruments

Initial measurement

The Association initially measures its financial assets and liabilities originated or exchanged in arm's length transactions at fair value. Financial assets and liabilities originated or exchanged in related party transactions, except for those that involve parties whose sole relationship with the Company is in the capacity of management, are initially measured at cost.

The cost of a financial instrument in a related party transaction has no repayment terms. The cost is determined using the consideration transferred or received by the Association in the transaction.

Subsequent measurement

The Association subsequently measures all its financial assets and liabilities at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in income in the period incurred.

Cash measured at cost, and mutual fund units measured at fair value.

Financial liabilities measured at amortized cost using the straight line method consist of accounts payable and accrued liabilities.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Impairment

For financial assets measured at cost or amortized cost, the Association determines whether there are indications of possible impairment. When there are, and the Association determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in operations. If the indicators of impairment have decreased or no longer exist, the previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may be no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in operations.

Revenue recognition

Unrestricted contributions, comprised of student fee revenues, are recognized on a straight-line basis over the academic term as service is rendered if the amount to be received can be reasonably estimated and collection is reasonably assured. Interest and investment revenue are recognized when earned.

Restricted contributions, which consist of the Association acting as an agent to collect the money and pay the student insurance invoices from the student care, are recognized on a net basis, in the year in which the related expense are incurred.

Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the amounts recognized as revenues and expenses for the periods covered. Actual results may differ from these estimates.

The main estimates relate to accrued receivables and accrued liabilities.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in deficiency of revenues over expenses in the years in which they become known. Changes in the status of certain facts or circumstances could result in material changes to the estimates used in the preparation of the financial statements and actual results could differ from the estimates and assumptions.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)**Cash and cash equivalents**

The Association's policy is to disclose bank balances under cash and cash equivalents, including bank overdrafts with balances that fluctuate frequently from being positive to overdrawn and temporary investments with a maturity period of three months or less from the date of acquisition.

3. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2024	2023
Accounts payable and accrued charges	\$ 156,922	\$ 380,502
Salaries and vacations payable	<u>979</u>	<u>1,728</u>
	<u><u>\$ 157,901</u></u>	<u><u>\$ 382,230</u></u>

4. RELATED PARTY TRANSACTIONS

During the year, the association had the following related party transaction with directors of the association:

	2024	2023
Expenses		
Directors' fees	\$ 27,202	\$ 24,091
Board expenses	\$ 443	\$ 386

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

5. FINANCIAL INSTRUMENTS**Liquidity risk**

The Association is exposed to this risk mainly in respect of its accounts payable and accrued liabilities. During the year, the Association 's exposure to liquidity risk changed from the previous year as a result of the decrease in financial liabilities, in particular the accounts payable and accrued liabilities.

5. FINANCIAL INSTRUMENTS (continued)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates. The Association is exposed to interest rate risk on its fixed-interest rate financial instruments. Fixed interest rate instruments subject the Association to a fair value risk, since fair value fluctuates inversely to changes in market interest rates.

Other price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or currency risk, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Association is mainly exposed to other price risk through its investments in quoted shares for which the value fluctuates with the quoted market price.

6. COMMITMENT

The Association had a lease for its premises that expired May 31, 2017. Since then, no other agreement has been signed and the Association is still using the space and paying rent on a month to month basis. The annual payment is estimated to be \$22,500 for 2025.

7. ECONOMIC DEPENDENCE

The Association's viability is dependent on the continuation of the student fees received entirely from McGill University.

8. COMPARATIVE FIGURES

Certain figures for 2023 have been reclassified to conform to the presentation adopted in 2024.

MC GILL ASSOCIATION OF CONTINUING EDUCATION STUDENTS INC.**ADDITIONAL INFORMATION****YEAR ENDED MAY 31, 2024**

(unaudited)

Page 12

	2024	2023
Schedule A		
Computer lab		
Salaries and fringe benefits	\$ 39,651	\$ 39,096
Materials and supplies	225	278
Computer support services	<u>1,035</u>	<u>4,998</u>
	<u>\$ 40,911</u>	<u>\$ 44,372</u>
Schedule B		
Administrative expenses		
Office and general	\$ 1,599	\$ 4,170
Telecommunications	3,681	3,741
Bad debts	<u>3,901</u>	<u>5,852</u>
	<u>\$ 9,181</u>	<u>\$ 13,763</u>
Schedule C		
Building		
Cleaning contract	\$ 14,771	\$ 16,235
Insurance	6,119	6,266
Rent	22,500	22,500
Repairs and maintenance	<u>277</u>	<u>824</u>
	<u>\$ 43,667</u>	<u>\$ 45,825</u>
Schedule D		
Administration		
Director's fees	\$ 27,202	\$ 24,091
Administrative salaries and fringe benefits	33,703	33,717
Elections	4,036	2,947
Professional fees	7,985	7,243
Board expenses	443	386
Mental wellness student support program	<u>-</u>	<u>5,399</u>
	<u>\$ 73,369</u>	<u>\$ 73,783</u>

MC GILL ASSOCIATION OF CONTINUING EDUCATION STUDENTS INC.

ADDITIONAL INFORMATION

YEAR ENDED MAY 31, 2024

(unaudited)

Page 13

	2024	2023
Schedule E		
Events		
Networking events	\$ 7,808	\$ 9,061
Promotion	<u>5,550</u>	<u>8,413</u>
	<u>\$ 13,358</u>	<u>\$ 17,474</u>