

INFO-SECTE/INFO-CULT

FINANCIAL STATEMENTS

MARCH 31, 2015

INFO-SECTE/INFO-CULT
March 31, 2015

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REVIEW ENGAGEMENT REPORT

To the Directors of **Info-Secte/Info-Cult**

We have reviewed the statement of financial position of **Info-Secte/Info-Cult** as at March 31, 2015 and the statements of changes in fund balances, revenue and expenditures and cash flows for the year then ended. Our review was 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 company.

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

Based on our review, 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 accounting standards for not-for-profit organizations.

Stein Jacobs Krolik LLP¹

Montreal, Quebec
May 6, 2015

¹ CPA auditor, CA, public accountancy permit number A101176

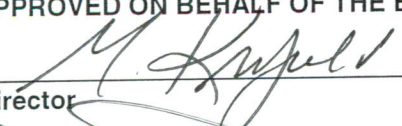
INFO-SECTE/INFO-CULT
(Incorporated under the laws of Quebec)
As at March 31, 2015

STATEMENT OF FINANCIAL POSITION (Unaudited)

	2015	2014
	\$	\$
ASSETS		
Current		
Cash	14,209	11,435
Accounts receivable	1,217	1,323
Prepaid expenses	689	3,457
	<u>16,115</u>	<u>16,215</u>
Capital		
Furniture and equipment - at cost	16,389	16,389
Accumulated amortization	13,931	13,316
	<u>2,458</u>	<u>3,073</u>
	<u>18,573</u>	<u>19,288</u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities	4,413	5,082
Deferred revenue (Note 3)	11,822	14,690
	<u>16,235</u>	<u>19,772</u>
EQUITY		
Fund Balances	2,338	(484)
	<u>18,573</u>	<u>19,288</u>

See accompanying notes

APPROVED ON BEHALF OF THE BOARD:



Director



Director

INFO-SECTE/INFO-CULT
For the year ended March 31, 2015

STATEMENT OF CHANGES IN FUND BALANCES (Unaudited)

	2015	2014
	\$	\$
BALANCE - BEGINNING OF YEAR	(484)	2,878
Excess (deficiency) of revenue over expenditures	2,822	(3,362)
BALANCE - END OF YEAR	2,338	(484)

See accompanying notes

INFO-SECTE/INFO-CULT
For the year ended March 31, 2015

STATEMENT OF REVENUE AND EXPENDITURES (Unaudited)

	2015	2014
	\$	\$
REVENUE		
Donations	18,682	15,774
Government assistance	53,852	54,081
Consultations, lectures and fees	3,207	1,855
Other	46	-
	<u>75,787</u>	<u>71,710</u>
EXPENSES		
Books and subscriptions	204	122
Fund raising	251	116
Heat and electricity	701	775
Insurance and taxes	2,273	2,198
Office maintenance and supplies	1,172	1,913
Postage	441	502
Professional fees	4,520	5,572
Public relations	229	628
Rent	10,182	9,943
Salaries	40,000	40,000
Telephone	2,043	1,998
Travel	5,808	6,106
Wage levies	4,526	4,557
Amortization of property	615	642
	<u>72,965</u>	<u>75,072</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	<u>2,822</u>	<u>(3,362)</u>

See accompanying notes

INFO-SECTE/INFO-CULT
For the year ended March 31, 2015

STATEMENT OF CASH FLOWS (Unaudited)

	2015	2014
	\$	\$
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenditures	2,822	(3,362)
Item not affecting cash:		
Amortization of property	615	642
	3,437	(2,720)
Changes in non-cash operating working capital	(663)	(897)
	2,774	(3,617)
INVESTING ACTIVITIES		
Additions to property	-	(1,013)
INCREASE (DECREASE) IN CASH	2,774	(4,630)
CASH - BEGINNING OF YEAR	11,435	16,065
CASH - END OF YEAR	14,209	11,435

See accompanying notes

NOTES TO FINANCIAL STATEMENTS

(Unaudited)

1. DESCRIPTION OF ORGANIZATION

Info-Secte/Info-Cult is a not for profit organization (“NPO”) founded in 1980 based in Montreal, Quebec Canada which offers help and information about cults, new religious movements and related groups and subjects.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Capital Assets

Furniture and equipment is amortized on the diminishing balance basis at a rate of 20% per annum.

Use of Estimates

The preparation of the 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, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. These estimates are reviewed periodically, and as adjustments become necessary, they are reported in earnings in the period in which they become known.

Contributed Services

The organization would not be able to carry out its administrative activities without the services of numerous volunteers who donate a considerable number of hours. Contributed services are not recognized in the financial statements.

Revenue Recognition

Revenues are recognized in the year received or receivable if the amount to be received can be reasonably assured.

Certain revenue for special projects has been deferred to future years and will be recognized in the same period as the project expenses are incurred.

NOTES TO FINANCIAL STATEMENTS

(Unaudited)

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd.)

Financial Instruments

Measurement of financial instruments

The organization initially measures its financial assets and financial liabilities at fair value.

The organization subsequently measures all its financial assets and financial liabilities at amortized cost. Changes in fair value are recognized in revenue and expenditures.

Financial assets measured at amortized cost include cash and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and deferred revenue.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in revenue and expenditures. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is 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 revenue and expenditures.

Transaction costs

The company recognizes its transaction costs in revenue and expenditures in the period incurred. However, the carrying amount of the financial instruments that will not be subsequently measured at fair value is reflected in the transaction costs that are directly attributable to their origination, issuance or assumption.

3. DEFERRED REVENUE

Changes in deferred revenue are as follows:

	2015	2014
	\$	\$
Balance – beginning of year	14,690	14,690
Revenue recognized	(2,868)	-
Balance – end of year	11,822	14,690

4. LEASE COMMITMENT

The organization is committed under a lease for premises and certain operating costs. Minimum monthly rentals exclusive of certain operating costs are approximately \$755 per month with the current lease expiring August 31, 2015. The organization expects to enter into an additional one year lease at its current premises

NOTES TO FINANCIAL STATEMENTS

(Unaudited)

5. FINANCIAL INSTRUMENTS

The company is exposed to various risks through its financial instruments. The following analysis provides a measure of the risks at the balance sheet date.

Credit Risk Exposure

Financial instruments that potentially subject the organization to concentrations of credit risk consist principally of accounts and pledges receivable.

Concentration of credit risk with respect to accounts and pledges receivable is limited due to reasonably short collection terms of the contributors. As at March 31, 2015, the organization had no significant concentration of credit risk.

Liquidity Risk Exposure

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its accounts payable and accrued liabilities and deferred revenue.

6. CAPITAL DISCLOSURE

The organization's objective is to safeguard its ability to continue as a going concern, so that it can continue to provide services for its members and benefits for other stakeholders.

The organization has externally imposed capital requirements as outlined. The organization is in compliance with its capital requirements.