Société de Publication de la Tribune

Financial statements
April 30, 2021

April 11, 2023

INDEPENDENT AUDITOR'S REPORT

To the Directors of
Société de Publication de la Tribune

Qualified Opinion

We have audited the financial statements of Société de Publication de la Tribune (the "Organization"), which comprise the balance sheet as at April 30, 2021, and the statements of earnings, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the Organization financial statements present fairly, in all material respects, the financial position of the Organization as at April 30, 2021, and its results of operations and its cash flows for the year then ended in accordance with Canadian Accounting Standards for Private Enterprises ("ASPE").

Basis for Qualified Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Other Matter

The financial statements of the Organization for the year ended April 30, 2020, were audited by another auditor who expressed a qualified opinion on those statements on September 29, 2020.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASPE, 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.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

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Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going-concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements (including the disclosures) and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Stamped CPA

Stamped, Chartered Professional Accountant inc.
By Simon Langlois, CPA auditor, permit no. A137579

Société de Publication de la Tribune
Balance Sheet
As at April 30, 2021

	2021 $	2020 $
Assets		
Current assets		
Cash	248,647	130,242
Accounts receivable (note 4)	17,796	17,140
Prepaid expenses	3,200	2,775
	269,643	150,157
Fixed assets (note 5)	191	586
Software	-	249
Rental deposit	1,263	1,263
	271,097	152,255
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	-	25,040
Net assets		
Unrestricted surplus	271,097	127,215
	271,097	152,255

Commitments (note 6)

On behalf of the Board,

_______________________, Director

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

Société de Publication de la Tribune
Statement of changes in net assets
For the year ended April 30, 2021

	2021 $	2020 $
Balance - Beginning of year	127,215	74,909
Excess of revenues over expenses	143,882	52,306
Balance - End of year	271,097	127,215

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

Société de Publication de la Tribune
Statement of earnings
For the year ended April 30, 2021

	2021 $	2020 $
Revenues		
Student fees	199,122	190,277
Advertising	1,777	4,191
	200,899	194,468
Expenses		
Subcontractors	39,228	30,945
Rent	19,430	17,802
Professional fees	16,364	20,618
Office expenses	11,834	1,727
Insurance	6,699	6,837
Training	850	-
Publishing	-	53,442
Binding	-	6,610
Representation	-	2,382
Travel expenses	-	535
Telecommunications	-	314
Gain on a debt settlement	(38,267)	-
Bank fees	235	141
Depreciation of fixed assets	395	483
Amortization of software	249	326
	57,017	142,162
Excess of revenues over expenses	143,882	52,306

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

Société de Publication de la Tribune
Statement of Cash Flows
For the year ended April 30, 2021

	2021 $	2020 $
Cash flows from operating activities		
Excess of revenues over expenses	143,882	52,306
Adjustments		
Depreciation of fixed assets	395	483
Amortization of software	249	326
	144,526	53,115
Change in non-cash working capital items		
Accounts receivable	(656)	2,751
Prepaid expenses	(425)	-
Accounts payable and accrued liabilities	(25,040)	9,111
	(26,121)	11,862
	118,405	64,977
Increase in cash and cash equivalents during the year	118,405	64,977
Cash and cash equivalents – Beginning of year	130,242	65,265
Cash and cash equivalents – End of year	248,647	130,242

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

1 Incorporation and nature of activities

Société de Publication de la Tribune ("the Organization") was incorporated on August 17, 2010, under Part III of the Quebec Corporations act governing corporations. The Organization publishes the “MCGill Tribune” newspaper and has an agreement with McGill University until May 2023. The organization is not-a-profit organization and exempt from income taxes.

2 Summary of significant accounting policies

Basis of presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-profit organizations (ASNPO) that is a part of Canadian GAAP.

Financial instruments

Measurement of financial instruments

The Organization initially measures its financial assets and financial liabilities at fair value, except for certain non-arm's length transactions. The Organization subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost consist of cash and cash equivalents, accounts receivable, except amounts receivable from government, and rental deposit. Financial liabilities measured at amortized cost consist of accounts payable and accrued liabilities. Financial liabilities that are indexed to changes in the value of the Organization's equity are initially measured at fair value and then reported at the higher of the amortized cost of the debt and the amount that would be due at the balance sheet date if the formula determining the additional amount was applied at that date.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the impairment is recognized in the statement of earnings. 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 the statement of earnings.

Cash and cash equivalents

Cash and cash equivalents include cash, consisting of balances with banks and deposits whose maturity dates do not exceed three months from the date of acquisition, net of bank overdraft.

Capital assets

Capital assets are carried at cost less applicable investment tax credits and other government assistance. Repairs, maintenance and minor replacements are expensed as incurred. Improvements that significantly extend the useful life of an asset are capitalized.

Depreciation of capital assets is based on the estimated useful life for each major classification of assets and depreciated over their estimated useful life using the declining balance method at the rate of 30 %.

Software

Intangible assets with finite useful life are accounted for using the cost method, and accordingly, the carrying amount corresponds to the cost, less accumulated amortization and any recognized impairment loss. Their useful lives are reviewed annually.

Amortization of software is based on the estimated useful life for each major classification of assets, amortized using the declining balance method at the rate of 30 %.

Impairment of long-lived assets

Long-lived assets are tested for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized if the carrying amount of the asset exceeds the sum of the undiscounted cash flows expected to result from its use and eventual disposal.

The impairment loss is the excess of the carrying amount of the long-lived asset over its fair value. The fair value of these assets is calculated using discounted cash flows. Any impairment results in a writedown of the asset and a charge to income during the year. An impairment loss should not be reversed if the fair value of the long-lived asset subsequently increases. As of April 30, 2021, there have been no events or changes in circumstances indicating that the carrying amount may not be recoverable.

Revenue recognition

Student fees are recognized in the period to which they relate, the price has been established or is determinable, and collection is reasonably assured.

Advertising revenues are recognized when the advertisement is published, the price has been established or is determinable, and collection is reasonably assured.

3 Significant accounting judgments and estimates

Use of estimates

The preparation of financial statements in conformity with ASPE requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses during the period, and the disclosure of contingencies at the balance sheet date. Actual results could differ from those estimates.

COVID-19

During the year, the Organization was impacted by the emergence of a new and highly contagious coronavirus ("COVID-19"), which the World Health Organization declared a pandemic. Canada responded by implementing travel bans and other restriction measures to slow the spread of COVID-19, including the closure of offices, businesses, schools, retail stores and other public places. As at the financial statement date, there is uncertainty about the outcome of the pandemic.

Any public health emergency, such as an existing or new pandemic, including the COVID-19 outbreak or the threat of it, create an environment of financial and economic uncertainty. This environment could have a significant adverse impact on the future activities of the Organization. It may result in significant adverse changes to the assets and liabilities of the Organization, including the recoverability of financial instruments valued at amortized cost and potential impairment of capital assets.

As at the financial statement date, the Organization has assessed the impact of uncertainty surrounding COVID-19 on its financial position. This assessment, which required significant judgments and estimates, did not result in a significant impact on the financial statements due to the unpredict outcome and timing of financial and economic recovery from the COVID-19 pandemic.

4 Accounts receivable

	2021	2020
	$	$
Accounts receivable	5,751	5,361
Sales taxes receivable	12,045	11,779
	17,796	17,140

5 Fixed assets

			2021	2020
	Cost	Accumulated depreciation	Net book value	Net book value
	$	$	$	$
Computer equipment	10,664	10,664	-	347
Furniture and equipment	2,980	2,789	191	239
	13,644	13,453	191	586

6 Commitments

The Organization is renting an office under a lease expiring on May 31, 2021. However, the parties have the option of extending this lease every years. As of the date of the financial report, the Organization extended its lease until May 31, 2023. The Organization is engaged for the year Future minimum payments totalling $43,111 and include the following payments over the next years:

	$
2022	21,237
2023	21,874

7 Financial instruments

Financial risk management

The Organization, through its financial instruments, is exposed to various risks without being exposed to concentrations of risk. The following analysis indicates the Organization's exposure to these various risks as of April 30, 2021.

Liquidity risk

Liquidity risk is the risk that the Organization will encounter difficulty meeting obligations associated with its financial liabilities. The Organization is exposed to liquidity risk mainly regarding its accounts payable and accrued liabilities.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Financial instruments that potentially subject the Organization to credit risk consist principally of cash and accounts receivable. The Organization's cash is maintained at major financial institutions. As at April 30, 2021 and 2020, 100 % of the accounts receivable are due from only one client.

8 Economic dependency

During the year, 99 % (98 % in 2020) of the revenues were received form the contributions of McGill University students. The Organization is economically dependent on the continued support of the Undergraduate Student Society and The Post Graduate Student Society. On a fifth-year basis, these associations request and authorize Student Accounts to include fees on behalf of Société de Publication de la Tribune as part of the semester tuitions.