

PUBLIC SERVICE ALLIANCE OF CANADA - QUÉBEC

FINANCIAL STATEMENTS

DECEMBER 31, 2024

PUBLIC SERVICE ALLIANCE OF CANADA - QUÉBEC

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INDEPENDENT AUDITOR'S REPORT

To the Members of
Public Service Alliance of Canada - Québec

Opinion

We have audited the financial statements of Public Service Alliance of Canada - Québec (the Organization), which comprise the statement of financial position as at December 31, 2024, and the statements of operations, changes in fund balances and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 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.

Basis for 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 opinion.

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 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.

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.

Auditor's Responsibilities 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.

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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.

Marcil Lavallée

Chartered Professional Accountants, Licensed Public Accountants

Ottawa, Ontario
June 6, 2025

PUBLIC SERVICE ALLIANCE OF CANADA - QUÉBEC

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2024

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	General Fund	Reserve Fund	2024 Total	2023 Total (Restated) (Note 2)
REVENUES				
Contribution - PSAC (Schedule A)	\$ 322,050	\$ 3,571	\$ 325,621	\$ 385,714
Grant - FTQ	-	202,171	202,171	153,159
	322,050	205,742	527,792	538,873
EXPENSES				
Transportation, accommodation and meals	105,615	86,481	192,096	257,228
Reimbursement of lost wages	-	173,439	173,439	130,137
Contributions - regional budget	146,725	1,058	147,783	151,092
Office expenses	81,008	-	81,008	33,472
Contributions - national budget	37,900	-	37,900	131,105
Donations	8,022	-	8,022	12,422
Professional fees	29,591	-	29,591	39,128
	408,861	260,978	669,839	754,584
DEFICIENCY OF REVENUES OVER EXPENSES FROM OPERATIONS	(86,811)	(55,236)	(142,047)	(215,711)
OTHER REVENUES				
Write-off of prior years accruals for lost wages	188,971	-	188,971	-
Interest	64,295	-	64,295	57,858
Donations	24,700	-	24,700	-
Miscellaneous	20,655	-	20,655	5,741
Promotion	5,000	-	5,000	5,000
Sponsorships	1,000	-	1,000	13,980
	304,621	-	304,621	82,579
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ 217,810	\$ (55,236)	\$ 162,574	\$ (133,132)

PUBLIC SERVICE ALLIANCE OF CANADA - QUÉBEC

STATEMENT OF CHANGES IN FUND BALANCES

FOR THE YEAR ENDED DECEMBER 31, 2024

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	General Fund	Reserve Fund	2024 Total	2023 Total (Restated) (Note 2)
BALANCE, BEGINNING OF YEAR				
As previously reported	\$ 731,128	\$ 11,322	\$ 742,450	\$ 740,764
Prior year restatement (Note 2)	(134,818)	-	(134,818)	-
Balance, beginning of year, restated	596,310	11,322	607,632	740,764
Excess (deficiency) of revenues over expenses	250,795	(88,221)	162,574	(133,132)
BALANCE, END OF YEAR	\$ 847,105	\$ (76,899)	\$ 770,206	\$ 607,632

PUBLIC SERVICE ALLIANCE OF CANADA - QUÉBEC


STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2024

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	2024	2023 (Restated) (Note 2)
ASSETS		
CURRENT ASSETS		
Cash	\$ 1,069,846	\$ 1,081,662
Contributions receivable	80,804	76,343
Prepaid expenses	5,000	-
	\$ 1,155,650	\$ 1,158,005
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 385,444	\$ 512,165
Deferred contributions (Note 4)	-	38,208
	385,444	550,373
FUND BALANCES		
General Fund	847,105	596,310
Internally restricted - Reserve Fund	(76,899)	11,322
	770,206	607,632
	\$ 1,155,650	\$ 1,158,005

ON BEHALF OF THE BOARD


_____, Director


_____, Director

PUBLIC SERVICE ALLIANCE OF CANADA - QUÉBEC

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2024

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	2024	2023 (Restated) (Note 2)
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	\$ 162,574	\$ (133,132)
Net change in non-cash items related to operating activities:		
Contributions receivable	(4,461)	(63,585)
Prepaid expenses	(5,000)	-
Accounts payable and accrued liabilities	(126,721)	308,078
Deferred contributions	(38,208)	6,397
	(174,390)	250,890
	(11,816)	117,758
INVESTING ACTIVITY		
Variation of term deposit	-	500,000
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(11,816)	617,758
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	1,081,662	463,904
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 1,069,846	\$ 1,081,662

Cash and cash equivalents consist of cash.

PUBLIC SERVICE ALLIANCE OF CANADA - QUÉBEC

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2024

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1. DESCRIPTION OF THE UNION

The Public Service Alliance of Canada - Quebec (PSAC - Quebec) represents its members located in the province of Quebec, except for the Outaouais region, as their bargaining agent in the negotiation of collective agreements. The PSAC is a labour organization and is therefore exempt from income tax.

2. PRIOR PERIOD RESTATEMENT

The prior year financial statements have been restated in order to adequately reflect the cost of the vehicle that was charged by PSAC Canada. PSAC Québec holds a truck as an asset (used for mobilization), purchased in 2024 for \$158,609. In accordance with the accounting standards, this asset is recorded in the books of the National PSAC, in title only. In practice, PSAC Québec retains full rights of use over this asset, and the region recognized the purchase as an expense in its 2024 statement of operations. This prior year restatement had the effect of reducing the cost of the capitalized vehicle in the statement of financial position as of December 31, 2023. The net carrying amount of the capitalized vehicle was reduced by an amount of \$134,818. In addition, the excess of revenues over expenses for the year ended December 31, 2023 was reduced by the same amount. The net impact of this restatement for the year ended December 31, 2023 is a decrease of capital assets by an amount of \$134,818, an increase of Transportation, accommodation and meals expense by an amount of \$158,609 and a decrease of amortization expense by an amount of \$23,791.

3. SIGNIFICANT ACCOUNTING POLICIES

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

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 the valuation of the accrued liabilities.

Revenue recognition

The Organization follows the deferral method of accounting for revenues. Restricted revenues are recognized as revenues in the year in which the related expenses are incurred. Interest income and other revenues are recognized once earned.

Contribution receivable

A contribution receivable is recognized as an asset when the amount to be received can be reasonably estimated and ultimate collection is reasonably assured.

Fund accounting

The General Fund reports on the membership and administrative activities of PSAC - Quebec.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund accounting (continued)

The Reserve Fund accounts for restricted revenues used for various purposes such as health and safety training, as well as the FTQ College Union Training Fund to increase the leadership skills of participants.

Financial instruments

Initial measurement

The Organization 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 Organization is in the capacity of management, are initially measured at cost.

Subsequent measurement

The Organization subsequently measures all its financial assets and liabilities at cost or amortized cost.

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

Impairment

For financial assets measured at cost or amortized cost, the Organization determines whether there are indications of possible impairment. When there are, and the Organization 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 not be 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.

Transaction costs

Transaction costs attributable to financial instruments subsequently measured at fair value and to those originated or exchanged in a related party transaction are recognized in operations in the period incurred. Transaction costs related to financial instruments originated or exchanged in an arm's length transaction that are subsequently measured at amortized cost are recognized in the original cost of the instrument. When the instrument is measured at amortized cost, transaction costs are recognized in operations over the life of the instrument using the straight-line method.

Cash and cash equivalents

The Organization's policy is to present bank balances, including bank indebtedness with balances that fluctuate frequently from being positive to overdrawn, under cash and cash equivalents.

PUBLIC SERVICE ALLIANCE OF CANADA - QUÉBEC

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2024

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4. DEFERRED CONTRIBUTIONS

Variations in deferred contributions are as follows:

	2024	2023
Balance, beginning of year	\$ 38,208	\$ 31,811
Plus: Amount granted during the year	287,413	392,111
Less: Amount recognized as revenue in the year	(325,621)	(385,714)
	\$ -	\$ 38,208

The deferred contributions are from the Public Service Alliance of Canada.

5. FINANCIAL INSTRUMENTS

Credit risk

Credit risk is the risk that one party to a financial asset will cause a financial loss for the Organization by failing to discharge an obligation. The Organization's credit risk is mainly related to the contributions receivable.

The Organization provides credit to its clients in the normal course of its operations. It carries out, on a continuing basis, credit checks on its clients and maintains provisions for contingent credit losses which, once they materialize, are consistent with management's forecasts. The Organization is not exposed to any significant risk with respect to any individual client or counterparty.

6. ECONOMIC DEPENDENCE

Revenues are derived primarily from contributions from the Public Service Alliance of Canada (PSAC). The economic dependence results from the fact that viability would be affected by the loss of these revenues.

PUBLIC SERVICE ALLIANCE OF CANADA - QUÉBEC

ADDITIONAL INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2024

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	General Fund	Reserve Fund	2024 Total	2023 Total (Restated) (Note 2)
SCHEDULE A - CONTRIBUTION - PSAC				
Regional budget				
- General operating budget	\$ 168,863	\$ -	\$ 168,863	168,863
- Political actions	50,000	-	50,000	63,630
	218,863	-	218,863	232,493
National budget				
- Communications	5,000	-	5,000	5,000
- Area Councils	16,800	-	16,800	17,048
- Women's Committee	21,667	-	21,667	20,000
- Human Rights Committee	35,549	-	35,549	5,553
- Youth Committees	24,171	-	24,171	2,049
- Health and Safety Committee	-	3,571	3,571	3,571
- Donation - Strike of the public sector	-	-	-	100,000
	103,187	3,571	106,758	153,221
	\$ 322,050	\$ 3,571	\$ 325,621	\$ 385,714