

**OFFICIAL AGENT MAXIME BERNIER,
INDEPENDENT CANDIDATE
UNAUDITED FINANCIAL STATEMENTS**

*For the period beginning August 23, 2018, and
ending December 31, 2019*

OFFICIAL AGENT MAXIME BERNIER, INDEPENDENT CANDIDATE

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Operations

For the period beginning August 23, 2018, and ending December 31, 2019

| REVENUE | 2019 | 2018 |
|---|------------------|----------------|
| Donations and contributions | 22 034 | 603 305 |
| Membership | 4 305 | 34 000 |
| Transfers received from an Electoral District Association | <u>9 994</u> | <u>0</u> |
| | 36 334 | 637 305 |
| EXPENSES | | |
| Advertising - Radio and television | 0 | 1 079 |
| Advertising - Social media | 23 881 | 59 059 |
| Supporters rally | 15 080 | 48 626 |
| Professional fees | 0 | 100 890 |
| Office supply | 11 100 | 13 994 |
| Database | | 5 885 |
| Travel | 1 575 | 5 478 |
| Transfers - PPC | | |
| | 331 265 | 0 |
| Interest and bank charges | <u>253</u> | <u>23 834</u> |
| | <u>383 154</u> | <u>258 844</u> |
| EXCESS OF REVENUE OVER EXPENSES | <u>(346 821)</u> | <u>378 461</u> |

Changes in net assets

For the period beginning August 23, 2018, and
ending December 31, 2019

| NET ASSETS | Invested in capital assets | Unrestricted | Total |
|---------------------------------|---------------------------------------|-------------------------|-------------------------|
| BEGINNING OF YEAR | 4030 | 374 431 | 378 461 |
| Excess of revenue over expenses | 0 | (346 821) | (346 821) |
| Investment in capital assets | <u>0</u> | <u>0</u> | <u>0</u> |
| END OF YEAR | <u>4 030 \$</u> | <u>27 610 \$</u> | <u>31 640 \$</u> |

Cash flows

For the period beginning August 23, 2018, and ending December 31, 2019

| CASH FLOWS FROM : (note 7) | 2019 | 2018 |
|---|----------------|-----------------|
| OPERATING ACTIVITIES | | |
| Excess of revenue over expenses | (346 821) | 378 461 |
| Non-cash item : | | |
| Amortization | <u>0</u> | <u>0</u> |
| | (346 821) | 378 461 |
| Net change in non-cash working capital items | <u>35 438</u> | <u>(33 643)</u> |
| | (311 383) | 344 818 |
| INVESTING ACTIVITIES | | |
| Net changes in term deposits | 0 | (5 000) |
| Acquisition of capital assets | <u>0</u> | <u>(4 030)</u> |
| | <u>0</u> | <u>(9 030)</u> |
| INCREASE IN CASH AND CASH EQUIVALENTS | (311 383) | 335 788 |
| Cash and cash equivalents, beginning of year | <u>335 788</u> | <u>0</u> |
| CASH AND CASH EQUIVALENTS, END OF YEAR | <u>24 405</u> | <u>335 788</u> |

OFFICIAL AGENT MAXIME BERNIER, INDEPENDENT CANDIDATE**Financial position**

On December 31, 2019

ASSETS**Current assets**

| | 2019 | 2018 |
|---------------------|-------------|---------------|
| Cash | 24 405 | 335 788 |
| Term deposits | 5 000 | 5 000 |
| Accounts receivable | <u>0</u> | <u>87 046</u> |
| | 29 405 | 427 834 |

Long-lived assets

| | | |
|-------------------------|-------------------------|--------------------------|
| Capital assets (note 3) | <u>4 030</u> | <u>4 030</u> |
| | <u>33 435 \$</u> | <u>431 864 \$</u> |

LIABILITIES**Current liabilities**

| | | |
|---------------------------|--------------|---------------|
| Accounts payable (note 4) | <u>1 794</u> | <u>53 403</u> |
|---------------------------|--------------|---------------|

NET ASSETS**Investment in capital assets**

| | |
|-------|-------|
| 4 030 | 4 030 |
|-------|-------|

Unrestricted

| | |
|-------------------------|--------------------------|
| <u>27 610</u> | <u>374 431</u> |
| <u>31 640</u> | <u>378 461</u> |
| <u>33 435 \$</u> | <u>431 864 \$</u> |

OFFICIAL AGENT MAXIME BERNIER, INDEPENDENT CANDIDATE

Notes to the consolidated financial statements

For the period beginning August 23, 2018, and ending December 31, 2019

1. LEGAL FORM AND ENTITY OBJECTIVES

The bank account Official Agent Maxime Bernier, Independent Candidate was created on Friday, August 23, 2018. All donations were received in accordance with the *Canada Elections Act*. It cannot, however, issue tax-deductible receipts, as it is not an official party.

2. SIGNIFICANT ACCOUNTING POLICIES

The Entity prepares its financial statements in accordance with Canadian Accounting Standards for not-for-profit organization, which include the following significant accounting policies :

Use of estimates

The preparation of financial statements in accordance 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 related revenues and expenses and the disclosure of contingent assets and liabilities as at the financial position statement date.

Significant estimates include the assets' useful lives used to calculate depreciation and their net recoverable value, the valuation of accrued liabilities included in accounts payable. Actual results could differ from those estimates. However, management considers that the estimates used in the preparation of these financial statements present fairly the Entity's situation.

Revenue recognition

The Entity follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the period in which the related expense are incurred. Unrestricted contributions are recognized as revenue when received or receivable, if the amount can be reasonably estimated and collection is reasonably assured.

Memberships are recognized in the years to which they relate.

Other revenue is recognized when received or receivable, if the amount can be reasonably estimated and collection is reasonably assured.

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Financial instruments

Financial instrument measurement

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

Subsequently, the Entity measures financial instruments at cost or amortized cost.

Financial assets measured at amortized cost using the straight-line method include cash, term deposits and accounts receivable.

Financial liabilities measured at amortized cost using the straight-line method include accounts payable other than amounts to be returned to the State.

Impairment

Financial assets measured at cost or amortized cost are tested for impairment when there are indications of impairment. The amount of the write-down, if any, is recognized in income. The previously recognized impairment loss must be reversed to the extent of the improvement, directly or through 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 previously recognized. The amount of the reversal, if any, is recognized in income.

Transaction costs

The Entity recognizes its transaction costs in income in the period they are incurred. However, financial instruments that will not be subsequently measured at fair value are increased by the transaction costs that are directly attributable to their acquisition, creation, issuance or assumption. These costs are amortized over the expected life of the related financial instrument.

Capital assets

Capital assets are accounted for at cost and depreciated, based on their respective useful life, using the declining balance method at the following rates:

| | |
|--------------------|------|
| Furniture | 10 % |
| Computer equipment | 20 % |

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Impairment of long-lived assets

Capital assets are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recorded when the carrying amount of an asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the asset exceeds its fair value. For 2018 and 2019 no amortization were taken since the Entity was meant to exist only a few months before the creation of the party.

3. CAPITAL ASSETS

| | Cost | Accumulated amortization | Net book value |
|-----------|-----------------|-----------------------------|-----------------|
| Furniture | 4 030 | 0 | 4 030 |
| | <u>4 030 \$</u> | <u>0 \$</u> | <u>4 030 \$</u> |

4. ACCOUNTS PAYABLES

| | |
|----------------------------------|-----------------|
| Provider and accrued liabilities | 1 794 |
| | <u>1 794 \$</u> |

5. COMMITMENTS

No commitment were taken in 2018 and 2019

6. DEFERRED MEMBERSHIP REVENUE

No deferred membership revenue were taken because of the short period before the creation of the party. Deferred revenues represent membership revenue relating to subsequent years.

| | 2019 | 2018 |
|---|-----------------|-----------------|
| 7. CASH FLOWS | | |
| Net change in non-cash working capital items | | |
| Account receivable | 87 046 | (87 046) |
| Account payables | <u>(51 609)</u> | <u>53 403</u> |
| | <u>35 438</u> | <u>(33 643)</u> |

Cash and cash equivalents

The Entity's policy is to present in cash and cash equivalents bank balances, including bank overdrafts when the bank balances fluctuate frequently from being positive to overdrawn and temporary investments when the maturing date does not exceed three months following the acquisition date or redeemable at any time. Furthermore, term deposits assigned as security are not included in cash and cash equivalents

| | |
|------|-------------------|
| Cash | 335 788 \$ |
|------|-------------------|

OFFICIAL AGENT MAXIME BERNIER, INDEPENDENT CANDIDATE**8. FINANCIAL INSTRUMENTS*****Risk***

The Entity, through its financial instruments, is exposed to various risks. The following analysis describes the Entity 's risk exposure as at the financial position date.

Liquidity risk

Liquidity risk is the risk than an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Entity is exposed to this risk mainly in respect of its accounts payable other than the amounts to be returned to the state.