

9309-0942 Québec Inc. (Joneve)
Financial Statements
March 31, 2017

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Raymond Chabot Grant Thornton LLP
189, Perron Blvd West
New Richmond (Quebec) G0C 2B0

Telephone : 418-392-5001
Fax : 418-392-5171
www.rcgt.com

Notice to Reader

On the basis of information provided by management, we have compiled the balance sheet of 9309-0942 Québec Inc. (Joneve) as at March 31, 2017 and the statement of earnings and retained earnings for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

Prior to compiling 9309-0942 Québec Inc. (Joneve)'s financial statements, we prepared journal entries having a material impact on the financial statements.

Raymond Chabot Grant Thornton LLP

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New Richmond
July 10, 2017

¹ CPA, CA CPA permit no. 113171

9309-0942 Québec Inc. (Joneve)**Earnings and Deficit**

Year ended March 31, 2017

(Unaudited - See Notice to Reader)

	2017 <u>(12 months)</u>	2016 <u>(6 months)</u>
	\$	\$
Sales	902,518	48,040
Operating expenses		
Contracted services	86,603	480
Subcontracting	213,789	836
Equipment maintenance and repairs	181,675	34,502
Rental of fishing quota	166,024	
Fuel	90,737	
Insurance	12,800	6,400
Meals	14,661	
Equipment and supplies	4,912	
Registration	1,190	
Travel	2,174	2,500
Management fees	92,758	
Telecommunications	612	481
Membership fees	3,810	
Professional fees	3,111	17,849
Interest and bank charges	247	123
Miscellaneous	443	210
Amortization of boat	17,496	8,748
	<u>893,042</u>	72,129
Interest on long-term debt	7,748	8,394
	<u>900,790</u>	80,523
Net earnings (loss)	1,728	(32,483)
Deficit, beginning of year	<u>(42,602)</u>	<u>(10,119)</u>
Deficit, end of year	<u>(40,874)</u>	<u>(42,602)</u>

9309-0942 Québec Inc. (Joneve)**Balance Sheet**

March 31, 2017

(Unaudited - See Notice to Reader)

	<u>2017</u>	<u>2016</u>
	\$	\$
ASSETS		
Current		
Cash	282,812	105,300
Trade and other receivables (Note 3)	25,159	33,126
Deposit on purchase of quota	<u>7,852</u>	<u>7,852</u>
	315,823	146,278
Long-term		
Tangible capital assets (Note 4)	315,008	332,504
Fishing quota	<u>796,000</u>	<u>796,000</u>
	<u>1,426,831</u>	<u>1,274,782</u>
LIABILITIES		
Current		
Trade and other payables (Note 5)	333,585	191,842
Current portion of long-term debt	<u>52,785</u>	<u>50,491</u>
	386,370	242,333
Long-term		
Long-term debt (Note 6)	<u>1,081,235</u>	<u>1,074,951</u>
	<u>1,467,605</u>	<u>1,317,284</u>
SHAREHOLDERS' DEFICIENCY		
Share capital (Note 7)	100	100
Deficit	<u>(40,874)</u>	<u>(42,602)</u>
	<u>(40,774)</u>	<u>(42,502)</u>
	<u>1,426,831</u>	<u>1,274,782</u>

On behalf of the Board,

Director_____
Director

9309-0942 Québec Inc. (Joneve)

Notes to Financial Statements

March 31, 2017

(Unaudited - See Notice to Reader)

1 - GOVERNING STATUTES

The Company, incorporated under the Business Corporations Act (Quebec), operates a fishing boat.

2 - SUMMARY OF ACCOUNTING POLICIES

Tangible capital assets

Amortization

Tangible capital assets are amortized over their estimated useful lives according to the straight-line method over an 20-year period.

3 - TRADE AND OTHER RECEIVABLES

	<u>2017</u>	<u>2016</u>
	\$	\$
Indirect taxes receivable	5,891	33,126
Advance to 9252-9106 Québec Inc., parent company	<u>19,268</u>	<u> </u>
	<u>25,159</u>	<u>33,126</u>

4 - TANGIBLE CAPITAL ASSETS

	<u>2017</u>	<u>2016</u>		
Cost	Accumulated amortization	Net carrying amount	Net carrying amount	
\$	\$	\$	\$	
Boat	<u>350,000</u>	<u>34,992</u>	<u>315,008</u>	<u>332,504</u>

5 - TRADE AND OTHER PAYABLES

	<u>2017</u>	<u>2016</u>
	\$	\$
Trade accounts	43,119	2,107
Accrued interest	2,823	5,838
Contract holdbacks	<u>287,643</u>	<u>183,897</u>
	<u>333,585</u>	<u>191,842</u>

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6 - LONG-TERM DEBT

	<u>2017</u>	<u>2016</u>
	\$	\$
Caisse Desjardins, prime rate (2.7%; 3% as at March 31, 2016), secured by MAPAQ, payable by semi-annual instalments of \$36,353, capital and interest, maturing in December 2022	359,997	410,813
Loan from Micmacs of Gesgapegiag Band, shareholder, without interest	774,023	714,629
	1,134,020	1,125,442
Current portion	52,785	50,491
	1,081,235	1,074,951

The estimated instalments on long-term debt for the next years are \$52,785 in 2018, \$55,480 in 2019, \$58,313 in 2020, \$61,290 in 2021 and \$64,420 in 2022.

7 - SHARE CAPITAL

As at March 31, 2017, the issued shares are detailed as follows:

Unlimited number of shares

Voting and participating class "A" shares

	<u>2017</u>	<u>2016</u>
	\$	\$
100 class "A" shares	100	100