

## FINANCIAL REPORT 2012

ACCESUM INC.  
AND  
SOCIÉTÉ EN COMMANDITE  
STATIONNEMENT DE MONTRÉAL



## Board of Directors

### **ACCESUM INC.**

AS GENERAL PARTNER FOR SOCIÉTÉ EN COMMANDITE STATIONNEMENT DE MONTRÉAL

#### **Rémi Racine**<sup>3</sup>

President and Chief Executive Officer  
Behaviour Interactif  
Chair of the Board of Directors  
Accesum Inc.

#### **Lise Aubin**<sup>2,3</sup>

Vice-President, Operations and Administration  
Board of Trade of Metropolitan Montréal

#### **Benoit Bessette**<sup>1,3</sup>

Vice-President, Marketing  
Camoplast Solideal

#### **Claude Carette**<sup>1,3</sup>

Director, Transportation Department  
City of Montreal

#### **Marie-Claude Gévry**<sup>2,3</sup>

Partner – Strategic Counsel Group  
Raymond Chabot Grant Thornton

#### **M<sup>e</sup> André Goyer**<sup>1,3</sup>

Executive Vice-President and Chief Legal Officer  
ACCEO Solutions Inc.

#### **Robert Lamontagne**<sup>2,3</sup>

City Manager  
City of Montreal

#### **Pierre LeBlanc**<sup>1,3</sup>

Director and head volunteer  
Fondation du maire : le Montréal inc. de demain

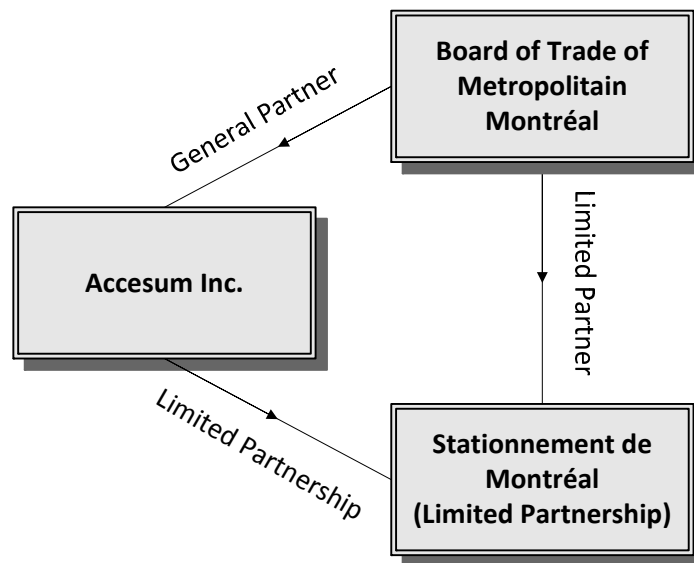
1. Governance and Human Resources Committee
2. Finance and Audit Committee
3. Strategy Committee (ad hoc)

### Our mission

Since its creation in 1995, Société en commandite Stationnement de Montréal (the “Company”) has been a leading player in the development of operational solutions for urban travel. Originally founded to ensure the optimal management of municipal paid on-street and off-street parking, the Company was quickly recognized for its innovation, its advantageous use of cutting-edge technologies and the harmonious integration of its installations into the urban landscape.

### Do you know Accesum Inc.?

Stationnement de Montréal is a subsidiary of the Board of Trade of Metropolitan Montréal. By its very nature, the Company has no board of directors. Accesum Inc., its general partner, acts on behalf of Stationnement de Montréal. The Board of Trade of Metropolitan Montréal is the limited partner of Accesum Inc.



## 2012 Highlights

**18,351** paid on-street parking spaces

**3,309** spaces in **35** parking lots

**582** new paid on-street parking spaces in Pay and Go format for the *Parcojour* project

**1,499** on-street and off-street pay stations and **1,159** electronic parking meters

**27,962** parking permits issued

**1,985,891** transactions per month on average:

- **39%** were credit card transactions
- 12% of which were completed using the *P\$ Mobile Service* app

**104,473** users registered to the *P\$ Mobile Service* app



## CHAIRMAN'S MESSAGE

I am thrilled to present Stationnement de Montréal's (the "Company") achievements in 2012, along with its outlooks. In 2012, with the management team's assistance, we focused on realizing the objectives laid out within the 2012-2015 strategic plan.

As a result, we stressed that our priorities would be to identify technological breakthroughs to enhance satisfaction and the parking experience among users, as well as analyze the opportunities and feasibility to expand the parking offering in higher-traffic sectors of Montréal's downtown area. I am pleased to confirm that we have worked tirelessly on these ambitious development projects.

Among its achievements, the Company provided on-street parking users with a cutting-edge service to pay for their parking: "*P\$ Mobile Service*". In collaboration with TC Media, this solution proved most welcome, representing over 10% of all payment transactions. Furthermore, *P\$ Mobile Service* was named among 2012's top 10 apps by newspaper La Presse, and received a Mobiz Award, a prestigious recognition in the field of digital technology.

We also worked on a feasibility study to offer an underground parking solution in downtown's high-traffic areas. Studies are ongoing to identify favourable and viable strategic locations, including areas under thoroughfares.

With the aim of creating on-street parking availability during rush hour, the Company conducted preliminary analyses of usage-based rates. We worked on various on-street rate modulation scenarios, based on supply and demand, in order to propose a fair rate for a given parking space. To this end, assuming City Council approval, we plan to roll out a pilot project over the upcoming months to flesh out the future program's parameters.

We also began researching a solution to enable drivers to determine the amount of parking spaces available on a stretch of a given street using the web or their smartphones.

Aside from these projects that have helped make the Company known on the metropolitan scene, I would like to share some highlights regarding our financial statements.

In 2012, the Company contributed a total of \$44.4 million to the City of Montréal in the form of taxes, rents, permits, debenture interest, compensation and royalties. Since its creation in 1995, Stationnement de Montréal has contributed a cumulative amount of \$409.4 million to the City of Montréal, in addition to the initial payment of \$56.8 million, for a total amount of \$466.2 million.

In accordance with the concession agreement granted to it in 1995, the Company has remitted an annual amount of \$400,000, as agreed, to the Board of Trade of Metropolitan Montreal.

The Company has always given considerable attention to the social value of staying in school. In addition to welcoming young interns every summer under Montréal Relève 3's Student Business program, the Company contributes \$600,000 annually to the organization, which is then invested directly in the next generation of Montrealers.

Since 1995, the Company's mission has consisted in ensuring optimal management of paid municipal on-street and off-street parking. We therefore continue to collaborate with our

various partners, such as the City of Montréal and the Board of Trade of Metropolitan Montreal, as well as lend a hand to the boroughs with regard to parking matters.

Most of the directors at Accesum Inc., general partner of the Company, and myself have been pursuing our mandate for over two years, and we can earnestly state that ensuring good governance in compliance with current standards remains a core priority.

In conclusion, I would like to emphasize the invaluable support of the members of the Board of Directors, who devoted considerable time and effort to ensuring proper governance of the Company. I would also like to thank General Manager Charles Auger and the management team for their commitment toward the Company and our fair City of Montréal. On behalf of Accesum's directors and the Company's management team, I would also like to thank all the employees who, through their skill and determination, enabled the organization to carry out all these projects in line with its mission. I am confident that the years to come will give rise to innovative projects.

A handwritten signature in blue ink, consisting of a large, stylized 'R' followed by a series of loops and a final horizontal stroke.

Rémi Racine  
Chairman of the Board of Directors  
Accesum Inc.

*Financial statements of*

**ACCESUM INC.**

*December 31, 2012*

# ACCESUM INC.

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## **Independent Auditor's Report**

To the Directors of  
Accesum Inc.

We have audited the accompanying financial statements of Accesum Inc., which comprise the statement of financial position as at December 31, 2012 and the statements of changes in net debt, operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, 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.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of Accesum Inc. as at December 31, 2012 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

*Other Matter*

The figures for the previous year were audited by another firm of auditors who issued an unqualified opinion.

Deloitte p.e.n.c.s.<sup>1</sup>

March 19, 2013

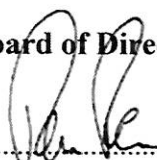
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<sup>1</sup> CPA auditor, CA, public accountancy permit No. A120628

**ACCESUM INC.****Statement of financial position****as at December 31, 2012**

	2012	2011
	\$	\$
<b>Financial assets</b>		
Cash	57,121	17,374
Due from Société en commandite Stationnement de Montréal	-	16,735
Accounts receivable	2,966	433
Investment (Note 3)	1	1
	60,088	34,543
<b>Liabilities</b>		
Accounts payable and accrued liabilities	36,826	34,443
Due to Board of Trade of Metropolitan Montreal	100	100
Due to Société en commandite Stationnement de Montréal	33,029	-
	69,955	34,543
<b>Net debt</b>	9,867	-
<b>Non-financial assets</b>		
Prepaid expenses	9,867	-
<b>Accumulated excess</b>	-	-

**Approved by the Board of Directors**

....., Chairman of the Board

....., Director

**ACCESUM INC.****Statement of changes in net debt  
for the year ended December 31, 2012**

	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>
<b>Excess for the year</b>	-	-
Change in prepaid expenses	<b>9,867</b>	-
Change in net debt during the year	<b>9,867</b>	-
Net debt, beginning of year	-	-
<b>Net debt, end of year</b>	<b>9,867</b>	-

**ACCESUM INC.****Statement of operations****for the year ended December 31, 2012**

	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>
<b>Revenue</b>		
Indemnity from Société en commandite Stationnement de Montréal	<b>128,727</b>	127,862
<b>Expenses</b>		
Administrative services	<b>114,740</b>	113,295
Insurance	<b>10,225</b>	10,441
Other	<b>3,762</b>	4,126
	<b>128,727</b>	127,862
<b>Excess for the year</b>	-	-
<b>Accumulated excess, beginning and end of year</b>	-	-

**ACCESUM INC.****Statement of cash flows****for the year ended December 31, 2012**

	2012	2011
	\$	\$
<b>Operating activities</b>		
Excess for the year	-	-
Changes in non-cash working capital items:		
Due from Société en commandite		
Stationnement de Montréal	16,735	(184)
Accounts receivable	(2,533)	944
Prepaid expenses	(9,867)	-
Accounts payable and accrued liabilities	2,383	(6,256)
Due to Société en commandite Stationnement de Montréal	33,029	-
Net increase (decrease) in cash	39,747	(5,496)
Cash, beginning of year	17,374	22,870
<b>Cash, end of year</b>	<b>57,121</b>	<b>17,374</b>

# ACCESUM INC.

## Notes to the financial statements

December 31, 2012

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### 1. Description of business

Accesum Inc. (the « Company »), incorporated on June 30, 1993 under the *Business Corporations Act* (Quebec), is the general partner of Société en commandite Stationnement de Montréal.

The Board of Trade of Metropolitan Montreal owns a \$100 interest in the Limited Partnership, which is presented as a financial liability in the statement of financial position.

### 2. Accounting policies

The financial statements have been prepared in accordance with Canadian public sector accounting standards and reflect the following significant accounting policies:

#### *Revenue recognition*

The Company recognizes its revenue, which comprise compensation from Société en commandite Stationnement de Montréal, as related expenses are incurred.

#### *Investment*

The investment is accounted for at cost.

#### *Non-financial assets*

The Limited Partnership accounts for deferred charges as non-financial assets because they can be used to provide services in future periods. Normally, these assets do not provide resources attributable to the settlement of liabilities, unless they are sold.

#### *Use of estimates*

The preparation of financial statements in conformity with Canadian accounting standards for public sector requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Key components of the financial statements requiring management to make estimates include the provision for doubtful accounts in respect of receivables. Actual results could differ from these estimates.

### 3. Investment

	2012	2011
	\$	\$
Investment in Société en commandite Stationnement de Montréal (one unit at \$1)	1	1

*Financial statements of*

**SOCIÉTÉ EN COMMANDITE  
STATIONNEMENT DE  
MONTRÉAL**

*December 31, 2012*



**SOCIÉTÉ EN COMMANDITE**  
**STATIONNEMENT DE MONTRÉAL**  
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## INDEPENDENT AUDITOR'S REPORT

To the Limited Partners of  
Société en commandite Stationnement de Montréal

I have audited the accompanying financial statements of Société en commandite Stationnement de Montréal, which comprise the statement of financial position as at December 31, 2012, and the statements of operations, change in net debt and cash flows for the year then ended, as well as a summary of significant accounting policies and other explanatory information.

### *Management's responsibility for the financial statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, 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.

### *Auditor's responsibility*

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### *Opinion*

In my opinion, the financial statements present fairly, in all material respects, the financial position of Société en commandite Stationnement de Montréal as at December 31, 2012 and the results of its operations, changes in its net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

*Observations*

Without modifying my opinion, I draw attention that Société en commandite Stationnement de Montréal includes in its financial statements certain financial informations which are not required under Canadian public sector accounting standards. These informations presented at note 8 concern allocation and breakdown of accumulated surplus.

Auditor General of Montréal,



Jacques Bergeron, CPA auditor, CA

Montréal, March 19, 2013

# SOCIÉTÉ EN COMMANDITE STATIONNEMENT DE MONTRÉAL

## Statement of financial position

as at December 31, 2012

	2012	2011
	\$	\$
<b>Financial assets</b>		
Cash	27,785,237	26,667,041
Advances to related entities (Note 3)	33,030	72,896
Accounts receivable (Note 4)	145,811	113,240
	<b>27,964,078</b>	<b>26,853,177</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	2,016,509	2,733,188
Due to Economic Development Fund	300,000	300,000
Due to Ville de Montréal	42,159,374	41,137,208
Due to Accesum Inc.	1	16,736
Due to Board of Trade of Metropolitan Montreal	500,000	500,000
Long-term debt (Note 6)	20,000,000	23,333,333
	<b>64,975,884</b>	<b>68,020,465</b>
<b>Net debt</b>	<b>(37,011,806)</b>	<b>(41,167,288)</b>
<b>Non-financial assets</b>		
Property and equipment (Note 7)	14,788,931	16,980,866
Deferred charges	24,000,000	26,000,000
Prepaid expenses	133,950	157,365
	<b>38,922,881</b>	<b>43,138,231</b>
<b>Accumulated surplus (Note 8)</b>	<b>1,911,075</b>	<b>1,970,943</b>

Commitments and contingencies (Notes 12 and 14)

Approved by the general partner, Accesum Inc.,  
on behalf of Société en commandite Stationnement de Montréal

....., Chairperson

....., Director

**SOCIÉTÉ EN COMMANDITE**  
**STATIONNEMENT DE MONTRÉAL**

**Statement of changes in net debt**  
**for the year ended December 31, 2012**

	<b>Budget 2012</b>	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
	<b>(unaudited)</b>		
<b>Annual deficit</b>	<b>(83,124)</b>	<b>(59,868)</b>	<b>(68,126)</b>
Change in property and equipment			
Acquisitions	<b>(501,000)</b>	<b>(397,077)</b>	<b>(628,982)</b>
Proceeds on disposal	<b>-</b>	<b>-</b>	<b>2,995,834</b>
Amortization	<b>2,437,000</b>	<b>2,589,012</b>	<b>2,561,757</b>
	<b>1,852,876</b>	<b>2,132,067</b>	<b>4,860,483</b>
Amortization of deferred charges	<b>2,000,000</b>	<b>2,000,000</b>	<b>2,000,000</b>
Change in prepaid expenses	<b>-</b>	<b>23,415</b>	<b>(10,051)</b>
Change in net debt for the year	<b>3,852,876</b>	<b>4,155,482</b>	<b>6,850,432</b>
Net debt, beginning of year	<b>(41,390,937)</b>	<b>(41,167,288)</b>	<b>(48,017,720)</b>
<b>Net debt, end of year</b>	<b>(37,538,061)</b>	<b>(37,011,806)</b>	<b>(41,167,288)</b>

# SOCIÉTÉ EN COMMANDITE STATIONNEMENT DE MONTRÉAL

## Statement of operations for the year ended December 31, 2012

	Budget 2012	2012	2011
	\$ (unaudited)	\$	\$
<b>Revenue</b>			
Curbside parking meters	55,395,000	56,118,935	54,793,492
Parking lots	5,084,256	4,156,374	4,413,224
Indemnity for parking space occupancy	-	12,382	685,090
Other operating revenues	1,001,489	1,288,872	1,003,475
Interest revenue	168,000	195,433	1,053,128
	<b>61,648,745</b>	<b>61,771,996</b>	<b>61,948,409</b>
<b>Expenses (Note 9)</b>			
Curbside parking meters	13,691,689	13,505,855	12,523,152
Parking lots	4,875,841	4,809,662	4,938,274
Indemnity for parking space occupancy	83,124	2,955	156,591
Other operating expenses	311,811	307,579	513,365
Interest on long-term debt	902,596	760,906	918,653
Other interest and financial expenses	-	1,822	755,174
Loss due to collection of advance to Public Bike System Company	-	-	1,044,476
	<b>19,865,061</b>	<b>19,388,779</b>	<b>20,849,685</b>
<b>Earnings before compensation, royalties and amortization of property and equipment purchased from reserve fund</b>	<b>41,783,684</b>	<b>42,383,217</b>	<b>41,098,724</b>
Compensation for contribution from Board of Trade of Metropolitan Montreal	(400,000)	(400,000)	(400,000)
Compensation and royalties - Ville de Montréal	(40,483,684)	(41,083,217)	(39,798,724)
Royalties - Economic Development Fund	(600,000)	(600,000)	(600,000)
	<b>(41,483,684)</b>	<b>(42,083,217)</b>	<b>(40,798,724)</b>
<b>Earnings before amortization of property and equipment purchased from reserve fund</b>	<b>300,000</b>	<b>300,000</b>	<b>300,000</b>
Amortization of property and equipment purchased from reserved fund	(383,124)	(359,868)	(368,126)
<b>Annual deficit</b>	<b>(83,124)</b>	<b>(59,868)</b>	<b>(68,126)</b>
Accumulated surplus, beginning of year	1,970,943	1,970,943	2,039,069
<b>Accumulated surplus, end of year</b>	<b>1,887,819</b>	<b>1,911,075</b>	<b>1,970,943</b>

**SOCIÉTÉ EN COMMANDITE**  
**STATIONNEMENT DE MONTRÉAL**

**Statement of cash flows**

**for the year ended December 31, 2012**

	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>
<b>Operating activities</b>		
Annual deficit	(59,868)	(68,126)
Items not affecting cash:		
Amortization of property and equipment	2,589,012	2,561,757
Amortization of deferred charges	2,000,000	2,000,000
	<b>4,529,144</b>	<b>4,493,631</b>
Changes in non-cash working capital items (Note 11)	<b>279,596</b>	<b>3,934,836</b>
	<b>4,808,740</b>	<b>8,428,467</b>
<b>Capital activities related to property and equipment</b>		
Acquisitions	(397,077)	(628,982)
Proceeds on disposals	-	2,995,834
	<b>(397,077)</b>	<b>2,366,852</b>
<b>Investing activities</b>		
Decrease in advances to related entities	<b>39,866</b>	<b>33,846,391</b>
<b>Financing activities</b>		
Repayment of long-term debt	(3,333,333)	(3,333,335)
Decrease in bank loans	-	(20,000,000)
	<b>(3,333,333)</b>	<b>(23,333,335)</b>
Net increase in cash and cash equivalents	<b>1,118,196</b>	<b>21,308,375</b>
Cash, beginning of year	<b>26,667,041</b>	<b>5,358,666</b>
<b>Cash, end of year</b>	<b>27,785,237</b>	<b>26,667,041</b>

# SOCIÉTÉ EN COMMANDITE STATIONNEMENT DE MONTRÉAL

## Notes to the financial statements

December 31, 2012

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### 1. Description of business

Société en commandite Stationnement de Montréal (the "Limited Partnership") was formed under a limited partnership agreement entered into on May 10, 1994. The general partner is Accessum Inc., and the Board of Trade of Metropolitan Montreal (the "Board of Trade") is the sole limited partner. The Board of Trade of Metropolitan Montreal invested \$500,000 on inception of the Limited Partnership, and Accessum Inc. invested \$1. Those investments, which are recorded in liabilities, are repayable at the termination date of the agreement signed with Ville de Montréal.

On January 1, 1995, the Limited Partnership signed an agreement with Ville de Montréal to use the public domain for the purposes of paid parking. Since then, the Limited Partnership has conducted and managed paid parking operations pursuant to an agreement entered into with Ville de Montréal which can be renegotiated by mutual agreement or even terminated under certain conditions.

These financial statements disclose only the assets, liabilities, revenues and expenses of the Limited Partnership and do not include other assets, liabilities, revenues or expenses of the limited partner. As the Limited Partnership is not a corporation, no income taxes or capital tax have been recorded in the financial statements as such taxes are the responsibility of the limited partner.

### 2. Accounting policies

The financial statements have been prepared in accordance with Canadian public sector accounting standards and reflect the following significant accounting policies:

#### *Revenue recognition*

The Limited Partnership recognizes its revenues, which consist of revenues from parking in Montréal, when there is clear evidence that an agreement is reached, the services are rendered, the selling price is fixed and determinable, and recovery is considered probable.

#### *Property and equipment*

Property and equipment are recorded at cost. Amortization is calculated using the straight-line method over the following useful lives:

Leasehold improvements	lease term
Parking lot improvements	5 years
Office equipment	3 and 5 years
Pay stations	10 years
Automotive equipment	5 years
Machinery and equipment	5 years



**SOCIÉTÉ EN COMMANDITE**  
**STATIONNEMENT DE MONTRÉAL**  
**Notes to the financial statements**  
**December 31, 2012**

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**2. Accounting policies (continued)**

*Deferred charges*

Deferred charges represent the amount of prepaid expenses regarding a concession that represents the right to use paid parking spaces for a period of 30 years. An amortization of \$2,000,000 is registered annually as a charge for using these spaces.

*Non-financial assets*

The Limited Partnership accounts for property and equipment, deferred charges and prepaid expenses as non-financial assets because they can be used to provide services in future periods. Normally, these assets do not provide resources attributable to the settlement of liabilities, unless they are sold.

*Use of estimates*

The preparation of financial statements in conformity with Canadian accounting standard for public sector requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Key components of the financial statements requiring management to make estimates include the provision for doubtful accounts in respect of receivables, the useful lives of long-lived assets and liabilities under legal contingencies. Actual results could differ from these estimates.

**3. Advances to related entities**

	2012	2011
	\$	\$
Société de jalonnement dynamique de Montréal, managed entity, reimbursed during the year	-	72,896
Accessum Inc.	33,030	-
	<b>33,030</b>	<b>72,896</b>

**4. Accounts receivable**

	2012	2011
	\$	\$
Accounts receivable	145,909	302,727
Allowance for doubtful accounts	(98)	(189,487)
	<b>145,811</b>	<b>113,240</b>

**SOCIÉTÉ EN COMMANDITE**  
**STATIONNEMENT DE MONTRÉAL**  
**Notes to the financial statements**  
**December 31, 2012**

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**5. Bank loan**

The Limited Partnership has a revolving term credit facility for a maximum amount equal to the lesser of \$16,000,000 or the net book value of property and equipment, which represents \$24,625,812 as at September 7, 2009. This credit facility can be used in the form of bankers' acceptances that bear interest at variable rates. As at December 31, 2012, the credit facility, maturing on June 30, 2013, is unused (nil as at December 31, 2011). This facility is secured by a first mortgage on all assets of the Limited Partnership.

**6. Long-term debt**

	2012	2011
	\$	\$
Bridge loan, bearing interest at a floating rate, in the form of a banker's acceptance, repayable in annual principal instalments of \$1,333,333, guaranteed by Ville de Montréal up to a maximum of \$40,000,000, maturing on April 30, 2015	16,000,000	17,333,333
Debenture, payable at Ville de Montréal, bearing interest at an annual rate of 9%, repayable in annual principal instalments of \$2,000,000, maturing in 2014	4,000,000	6,000,000
	<b>20,000,000</b>	<b>23,333,333</b>

Principal instalments over the next years are as follows:

	\$
2013	3,333,333
2014	3,333,333
2015	13,333,334

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**7. Property and equipment**

	Balance as at December 31, 2011	Acquisitions/ increases	Disposals/ write-offs	Provision for impairment	Balance as at December 31 2012
	\$	\$	\$	\$	\$
<b>Cost</b>					
Parking lots	5,318,669	-	-	-	5,318,669
Leasehold improvements	108,472	166,136	-	-	274,608
Parking lot improvements	673,390	-	-	-	673,390
Office equipment	893,150	183,507	-	-	1,076,657
Pay stations	22,102,315	-	-	-	22,102,315
Automotive equipment	433,060	41,633	34,664	-	440,029
Machinery and equipment	397,778	5,801	-	-	403,579
	29,926,834	397,077	34,664	-	30,289,247
<b>Accumulated amortization</b>					
Parking lots	-	-	-	-	-
Leasehold improvements	904	12,228	-	-	13,132
Parking lot improvements	640,854	13,008	-	-	653,862
Office equipment	449,842	211,606	-	-	661,448
Pay stations	11,301,180	2,210,270	-	-	13,511,450
Automotive equipment	285,544	78,324	34,664	-	329,204
Machinery and equipment	267,644	63,576	-	-	331,220
	12,945,968	2,589,012	34,664	-	15,500,316
	16,980,866				14,788,931

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**8. Accumulated surplus**

	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>
Net investment from reserve fund for investments in property and equipment	<b>1,419,782</b>	1,779,650
Reserve fund for investments in property and equipment	<b>491,293</b>	191,293
	<b>1,911,075</b>	1,970,943

Pursuant to section No. XI, paragraph B of an agreement signed in 1995, the Limited Partnership has a reserve fund for the exclusive purchase of equipment or other property related to paid parking in Montréal. Under an agreement, it is anticipated that this fund will increase by \$300,000 annually.

From 2004 to 2012, the Limited Partnership has used a reserve fund in the amount of \$3,639,971 as at December 31, 2012 and 2011. Net investment from the reserve fund committed to investment in property and equipment is the net book value of property and equipment. The reserve fund for investment represents amounts reserved but not yet used.

	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>
Investment from reserve fund, beginning of year	<b>3,639,971</b>	3,531,264
Amount invested during the year	-	108,707
Investment from reserve fund, end of year	<b>3,639,971</b>	3,639,971
Accumulated amortization of related property and equipment, beginning of year	<b>1,860,321</b>	1,492,195
Amortization of the year	<b>359,868</b>	368,126
Accumulated amortization of related property and equipment, end of year	<b>2,220,189</b>	1,860,321
Net balance of investment from reserve fund	<b>1,419,782</b>	1,779,650

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**9. Expenses by item**

	Budget 2012	2012	2011
	\$ (unaudited)	\$	\$
Salaries and benefits	5,139,149	5,546,623	5,323,521
Rent, repair and maintenance of parking lots	1,564,259	1,363,344	1,390,238
Advertising, transport and communication	702,803	435,932	456,063
Utilities	376,257	293,680	334,192
Bank, credit card and money handling fees	1,228,239	1,588,105	1,170,778
Professional services fees	655,420	383,732	324,512
Project development fees	152,000	719,574	359,310
Operational services	607,261	313,789	425,717
Other administrative fees	395,020	357,676	499,148
Rent - parking lots	3,409,482	2,727,257	2,845,148
Rent - buildings	338,007	254,594	369,200
Management fees - Accesum Inc.	148,500	128,727	127,862
Taxes and permits	2,192,192	2,283,874	2,312,062
Expenses before the following items:	16,908,589	16,396,907	15,937,751
Amortization of property and equipment	2,437,000	2,589,012	2,561,757
Amortization of property and equipment purchased from reserve fund	(383,124)	(359,868)	(368,126)
Interest on long-term debt	902,596	760,906	918,653
Other interest and financial expenses	-	1,822	755,174
Loss due to collection of advance to Public Bike System Company	-	-	1,044,476
	19,865,061	19,388,779	20,849,685

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**10. Related entity transactions**

The main transactions between related entities and the Limited Partnership are presented in the financial statements except for the following:

	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>
Revenues		
Interest revenue - Public Bike System Company	-	965,370

These transactions occurred in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related entities.

The Limited Partnership has provided, during the year, project administration and management services, without compensation, to Société de jalonnement dynamique de Montréal ("SJDM") (Note 13).

**11. Changes in non-cash working capital items**

	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>
Accounts receivable	(32,571)	478,240
Deferred charges	23,415	(10,051)
Accounts payable and accrued liabilities	(716,679)	(91,561)
Due to Ville de Montréal	1,022,166	3,558,024
Due to Accesum Inc.	(16,735)	184
	<b>279,596</b>	<b>3,934,836</b>

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**12. Commitments**

- a) The Limited Partnership is committed under a rental proposal of office and industrial space for 10 years. The minimum balance owing under this proposal during the next five years, including taxes and estimated operating expenses, amounts to \$4,614,853 and is detailed as follows:

	\$
2013	399,858
2014	428,284
2015	453,310
2016	500,440
2017	510,641

- b) The Limited Partnership is required to pay 70% of revenues, less property taxes, as rent for the parking lots leased from Ville de Montréal.
- c) The Limited Partnership has entered into maintenance agreements for a total amount of \$198,048. These agreements expire up to April 2013.
- d) The Limited Partnership is required to pay a minimum of \$400,000 periodically under a two-year agreement until June 2014 for transactions services by smartphones. The amount payable is \$600,000 or \$400,000 in 2013 and \$200,000 in 2014.

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**13. Managed entity**

Under his management mandate, the Limited Partnership provides management services to SJDM and appoints the majority of the members of its board of directors as provided by the constitutional bylaws of the entity.

SJDM is a not-for-profit organization whose mandate is to offer and operate systems for dynamic traffic management with the objective of facilitating the localization of urban parking lots. For information purposes, the audited financial statements of SJDM for the year ended December 31, 2012 are as follows:

	2012	2011
	\$	\$ (unaudited)
<b>Statement of financial position</b>		
Financial assets	109,077	165,539
Liabilities	153,650	230,854
Net debt and accumulated deficit	(44,573)	(65,315)
<b>Statement of operations</b>		
Total revenues	37,405	38,769
Total expenses	16,663	14,829
Excess revenues over expenses	20,742	23,940
<b>Cash flows</b>		
Net increase in cash and cash equivalents	79,755	14,037

**14. Contingencies**

*Claims for damages*

In April 2008, an entity is claiming damages in the amount of \$528,076 from the Limited Partnership for expenses incurred and profit losses as a result of a real estate transaction that has not been completed. Management believes that the claim is without merit, and to its knowledge, it is unlikely that the outcome will be unfavourable to the Limited Partnership. Consequently, no provision has been recorded for this claim in the Limited Partnership's statement of operations for the year ended December 31, 2012.

**15. Comparative figures**

Certain comparative figures have been reclassified to conform to the basis of presentation adopted in the current year.



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