

Amstutz Mackenzie & associé (s.e.n.c)
Comptables Professionnels Agréés

February 14, 2013

Board of Directors
SUSTAINABLE CONCORDIA / CONCORDIA DURABLE
1455 rue de Maisonneuve West., S-Z204.1
Montréal, Québec
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Ref: New Accounting Standards

Following recent pronouncements by the Accounting Standards Board (AcSB), we would like to inform you that effective **January 1, 2012** all private sector not-for profit organizations (NPO's) will be required to adopt the Canadian reporting standards described in Part III of the CICA (Canadian Institute of Chartered Accountants) Handbook as their new accounting standards used in the preparation of their annual financial statements.

Notwithstanding the fact that private sector NPO's have a choice between the above noted Accounting Standards and International Financial Reporting Standards (IFRS), we strongly recommend the adoption of the dispositions provided for in Part III (CICA Handbook), given the complexity of application of the IFRS standards.


We recommend the adoption of a resolution to this effect, in an upcoming Board of Directors meeting which should include the following text:

- *The Organization has decided to adopt the recommendations contained in Part III of the Canadian Institute of Chartered Accountants' (CICA) Handbook, as its new financial reporting framework in the preparation of its annual financial statements for the financial year commencing May 1, 2012;*
- *The Organization also decided to make the required changes and modifications which would be useful for the efficient application of the new standards.*

Should you have any questions regarding the above do not hesitate to contact us.

Yours truly,

AMSTUTZ MACKENZIE & ASSOCIÉ



Ron Amstutz, CPA, CA
Partner

IMPORTANT The primary modification contained in the new standards is that capital asset acquisitions will have to be capitalized and amortized over the respective assets useful life rather than expensed in the year acquired.