

**IMMIGRANT CENTRE MANITOBA INC.**  
**Financial Statements**  
**Year Ended March 31, 2024**

**IMMIGRANT CENTRE MANITOBA INC.**  
**Index to Financial Statements**  
**Year Ended March 31, 2024**

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	Page
INDEPENDENT AUDITOR'S REPORT	1 - 2
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Revenues and Expenditures	4
Statement of Changes in Net Assets	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 13

## INDEPENDENT AUDITOR'S REPORT

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To the Members of Immigrant Centre Manitoba Inc.

### *Opinion*

We have audited the financial statements of Immigrant Centre Manitoba Inc. (the "Organization"), which comprise the statement of financial position as at March 31, 2024, and the statements of revenues and expenditures, changes in net assets 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 March 31, 2024, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

### *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 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 ASNPO, 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.

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:

*(continues)*

# Rawluk & Robert

## CHARTERED PROFESSIONAL ACCOUNTANTS

Independent Auditor's Report to the Members of Immigrant Centre Manitoba Inc. *(continued)*

- 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.

Winnipeg, MB  
June 13, 2024



Rawluk & Robert Chartered Professional Accountants Inc.  
Chartered Professional Accountants

**IMMIGRANT CENTRE MANITOBA INC.**  
**Statement of Financial Position**  
**March 31, 2024**

	2024	2023
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 280,440	\$ 178,373
Grants receivable (Note 3)	326,394	326,304
Accounts receivable (Note 4)	26,240	32,431
Prepaid expenses	10,335	15,109
	<b>643,409</b>	552,217
CAPITAL ASSETS (Note 5)	<b>28,714</b>	51,403
	<b>\$ 672,123</b>	<b>\$ 603,620</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 124,529	\$ 32,918
Government remittances payable	5,693	1,598
Deferred revenue (Note 7)	200,158	216,941
	<b>330,380</b>	251,457
DEFERRED REVENUE RELATED TO CAPITAL ASSETS (Note 8)	<b>23,663</b>	39,725
	<b>354,043</b>	291,182
NET ASSETS (Note 9)	<b>318,080</b>	312,438
	<b>\$ 672,123</b>	<b>\$ 603,620</b>

**ON BEHALF OF THE BOARD**

  
Marj Wiebe (Jun 13, 2024 17:22 CDT) Director

  
Olayemi Olaleye (Jun 14, 2024 09:10 CDT) Director

**IMMIGRANT CENTRE MANITOBA INC.**  
**Statement of Revenues and Expenditures**  
**Year Ended March 31, 2024**

	2024	2023
<b>REVENUES</b>		
Operating grants and donations <i>(Note 10)</i>	\$ 2,949,119	\$ 2,684,606
Language Bank	273,092	209,644
	<u>3,222,211</u>	<u>2,894,250</u>
<b>EXPENSES</b>		
Advertising and promotion	23,927	21,980
Client resources	2,409	2,428
Computer supplies and support	37,555	32,909
Conferences and staff development	11,717	12,146
Equipment maintenance	2,876	723
GST expense - IRCC	8,704	8,067
Insurance	18,294	17,616
Interest and bank charges	12,351	10,736
Office	26,656	21,811
Parking and transportation	2,322	3,251
Postage and delivery	2,393	2,690
Professional fees	21,534	19,946
Programs	182,418	124,197
Rent	297,615	285,360
Repairs and maintenance	40,663	38,215
Salaries and wages	2,498,058	2,241,859
Sundry	883	847
Telephone	23,316	22,438
	<u>3,213,691</u>	<u>2,867,219</u>
<b>EXCESS OF REVENUE OVER EXPENSES FROM OPERATIONS</b>	<u>8,520</u>	<u>27,031</u>
<b>OTHER INCOME (EXPENSES)</b>		
Amortization of deferred contributions <i>(Note 8)</i>	21,172	18,237
Interest and miscellaneous	3,749	2,353
Amortization of capital assets	(27,799)	(25,162)
	<u>(2,878)</u>	<u>(4,572)</u>
<b>EXCESS OF REVENUE OVER EXPENSES</b>	<u>\$ 5,642</u>	<u>\$ 22,459</u>

See notes to financial statements

**IMMIGRANT CENTRE MANITOBA INC.**  
**Statement of Changes in Net Assets**  
**Year Ended March 31, 2024**

	Capital Assets	Internally Restricted	Unrestricted	<b>2024</b>	2023
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 11,677	\$ 300,761	\$ -	<b>\$ 312,438</b>	\$ 289,979
EXCESS OF REVENUES OVER EXPENSES	(6,627)	-	12,269	<b>5,642</b>	22,459
Purchase of capital assets	5,110	-	(5,110)	-	-
Proceeds from capital grants	(5,110)	-	5,110	-	-
Internally imposed restrictions ( <i>Note 9</i> )	-	12,269	(12,269)	-	-
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 5,050</b>	<b>\$ 313,030</b>	<b>\$ -</b>	<b>\$ 318,080</b>	<b>\$ 312,438</b>

See notes to financial statements

**IMMIGRANT CENTRE MANITOBA INC.****Statement of Cash Flows****Year Ended March 31, 2024**

	<b>2024</b>	<b>2023</b>
<b>OPERATING ACTIVITIES</b>		
Excess of revenue over expenses	\$ 5,642	\$ 22,459
Items not affecting cash:		
Amortization of capital assets	27,799	25,162
Amortization of deferred contributions	<u>(21,172)</u>	<u>(18,237)</u>
	<b>12,269</b>	<b>29,384</b>
Changes in non-cash working capital:		
Grants receivable	(90)	(33,556)
Accounts receivable	6,191	311
Prepaid expenses	4,774	(5,011)
Accounts payable and accrued liabilities	91,611	(66,741)
Government remittances payable	4,095	(4,214)
Deferred revenue	<u>(16,783)</u>	<u>21,634</u>
	<b>89,798</b>	<b>(87,577)</b>
Cash flow from (used by) operating activities	<u><b>102,067</b></u>	<u><b>(58,193)</b></u>
<b>INVESTING ACTIVITIES</b>		
Purchase of capital assets	(5,110)	(24,567)
Contributions received to fund the purchase of capital assets	<u>5,110</u>	<u>23,330</u>
Cash flow used by investing activities	<u>-</u>	<u>(1,237)</u>
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>102,067</b>	<b>(59,430)</b>
Cash - beginning of year	<u>178,373</u>	<u>237,803</u>
<b>CASH - END OF YEAR</b>	<u><b>\$ 280,440</b></u>	<u><b>\$ 178,373</b></u>
<b>CASH CONSISTS OF:</b>		
Cash	<u><b>\$ 280,440</b></u>	<u><b>\$ 178,373</b></u>

See notes to financial statements

# IMMIGRANT CENTRE MANITOBA INC.

## Notes to Financial Statements

Year Ended March 31, 2024

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### 1. PURPOSE OF THE ORGANIZATION

Founded in 1969, Immigrant Centre Manitoba Inc.'s (the Organization) mission is to deliver quality innovative immigrant and settlement services in Manitoba with the goal of empowering newcomers to connect, integrate and fully participate in Canadian society.

The Organization is a non-profit organization, incorporated under The Corporation Act of Manitoba, with registered charitable status, operating under the auspices of a community-based volunteer Board of Directors.

The various levels of government, foundations and the United Way of Winnipeg fund the Organization's services and programs. In addition, support is also received from donations.

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

#### Cash and cash equivalents

Cash includes cash and cash equivalents. Cash and cash equivalents consist of balances with banks and investments in bank savings accounts.

#### Government grants

Government grants are recorded when there is a reasonable assurance that the Organization had complied with and will continue to comply with, all the necessary conditions to obtain the grants.

#### Goods and services tax

Goods and services tax from purchased supplies and services are recoverable at 50% as a rebate. The unrecoverable portion is recorded as an expense with the rebate treated as a receivable.

#### Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives at the following rates and methods:

Computer equipment	3 years	straight-line method
Furniture and fixtures	5 years	straight-line method
Leasehold improvements	12 years	declining balance method

The Organization regularly reviews its capital assets to eliminate obsolete items.

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

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## IMMIGRANT CENTRE MANITOBA INC.

### Notes to Financial Statements

Year Ended March 31, 2024

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#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

##### Revenue recognition

Immigrant Centre Manitoba Inc. follows the deferral method of accounting for contributions.

Restricted grants and donations are recognized as revenue in the year in which the related expenses are incurred. Restricted funds received for which the related expenses have not been incurred as at the Organization's year end are recorded as deferred revenue. Unrestricted grants and donations are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Language bank revenue is recognized when the service has been provided and collection is reasonably assured

##### Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

##### Net assets internally restricted

These net assets are internally restricted for specific purposes as detailed in Note 10.

##### Income taxes

The Organization is a not-for-profit entity without capital stock and, as such, is exempt from income taxes.

##### Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

##### Financial instruments

The Organization initially measures its financial assets and financial liabilities at fair value. The Organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in marketable securities that are quoted in an active market which are measured at fair value. Changes in fair value are recognized in the statement of Revenues and Expenditures and statement of Changes in Net Assets.

Financial assets measured at amortized cost include cash, grants, and accounts receivable

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Financial assets are tested for impairment at the end of the reporting period if there are indications that the assets may be impaired.

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**IMMIGRANT CENTRE MANITOBA INC.**

**Notes to Financial Statements**

**Year Ended March 31, 2024**

3. GRANTS RECEIVABLE

	<u>2024</u>	2023
Government of Canada Immigration, Refugees and Citizenship Canada	\$ 268,692	\$ 264,326
Province of Manitoba Economic Development Investment and Trade	13,367	26,624
Province of Manitoba, Manitoba Labour and Immigration	29,834	28,594
City of Winnipeg	6,075	6,075
Canadian Union of Public Employees Local 2348	662	685
Workplace Education Manitoba	7,764	-
	<u>\$ 326,394</u>	<u>\$ 326,304</u>

4. ACCOUNTS RECEIVABLE

	<u>2024</u>	2023
G.S.T. Refund	\$ 12,765	\$ 12,448
Other receivables	13,475	19,983
	<u>\$ 26,240</u>	<u>\$ 32,431</u>

5. CAPITAL ASSETS

	Cost	Accumulated amortization	2024 Net book value
Computer equipment	\$ 172,145	\$ 150,885	\$ 21,260
Furniture and fixtures	280,727	273,273	7,454
Leasehold improvements	939,869	939,869	-
	<u>\$ 1,392,741</u>	<u>\$ 1,364,027</u>	<u>\$ 28,714</u>

	Cost	Accumulated amortization	2023 Net book value
Computer equipment	\$ 167,035	\$ 131,264	\$ 35,771
Furniture and fixtures	280,727	265,095	15,632
Leasehold improvements	939,869	939,869	-
	<u>\$ 1,387,631</u>	<u>\$ 1,336,228</u>	<u>\$ 51,403</u>

**IMMIGRANT CENTRE MANITOBA INC.**

**Notes to Financial Statements**

**Year Ended March 31, 2024**

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6. BANK OPERATING LINE OF CREDIT

The Organization has a line of credit with the Assiniboine Credit Union which includes an approved operating line that can be drawn upon to a maximum of \$300,000, which bears interest at prime plus 3% and is secured by a registered General Security Agreement and Commercial Line of Credit Agreement. At the statement of financial position date, the amount owing, which is due on demand, was \$Nil (2023: \$Nil).

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7. DEFERRED REVENUE

	<u>2024</u>	<u>2023</u>
Government of Canada Immigration, Refugees and Citizenship Canada	\$ -	\$ 8,016
Province of Manitoba, Economic Development Investment and Trade	-	1,458
Assiniboine Credit Union	<b>2,564</b>	1,841
Communities 4 Families	<b>319</b>	319
Community Connections	<b>1,780</b>	1,780
Royal Bank of Canada	<b>46,356</b>	30,838
United Way of Winnipeg	<b>127,372</b>	168,729
University of Winnipeg	<b>1,524</b>	1,524
Winnipeg Foundation	<b>4,936</b>	2,436
Workplace Education Manitoba	<b>15,307</b>	-
	<b>\$ 200,158</b>	<b>\$ 216,941</b>

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**IMMIGRANT CENTRE MANITOBA INC.****Notes to Financial Statements****Year Ended March 31, 2024****8. DEFERRED REVENUE RELATED TO CAPITAL ASSETS**

Deferred revenue related to capital assets represent restricted funding from the various funders with which furniture and fixtures, computers and leasehold improvements were acquired. These contributions are recognized as revenue on the same basis as the amortization of the related capital assets. Changes in deferred revenue balances are as follows:

	<u>2024</u>	<u>2023</u>
Balance - beginning of year	\$ 39,725	\$ 34,632
Funding for capital assets	5,110	23,330
Amounts amortized to revenue	<u>(21,172)</u>	<u>(18,237)</u>
	<u>23,663</u>	<u>39,725</u>

Funding was received from the following organizations to acquire capital assets:

Government of Canada - Immigration, Refugees and Citizenship Canada	1,451	19,981
Province of Manitoba, Economic Development Investment and Trade	<u>3,659</u>	<u>3,349</u>
	<u>5,110</u>	<u>23,330</u>

**9. INTERNALLY RESTRICTED NET ASSETS**

The Board has restricted the following amounts:

	<u>2024</u>	<u>2023</u>
Outreach and Communications Fund	\$ 30,000	\$ 30,000
Future purchase of telecommunication equipment	22,269	10,000
Multimedia Development Fund	5,000	5,000
Website Development Fund	5,000	5,000
Future purchase of other equipment and improvement to facilities	40,761	40,761
Short-term Disability Fund	40,000	40,000
Immigrant Centre Client Emergency Fund	3,000	3,000
Management Succession Fund	40,000	40,000
Professional Development	20,000	20,000
Program Transition Funding Support	40,000	40,000
Program Salary and Benefit Shortfall Support	41,000	41,000
Human Resources Fund	<u>26,000</u>	<u>26,000</u>
	<u>313,030</u>	<u>300,761</u>
Internally Restricted Net Assets invested in Capital Assets		
Unamortized portion of capital assets purchased with unrestricted resources	<u>5,050</u>	<u>11,677</u>
	<u>5,050</u>	<u>11,677</u>
Internally Restricted Net Assets	<u>\$ 318,080</u>	<u>\$ 312,438</u>

**IMMIGRANT CENTRE MANITOBA INC.**

**Notes to Financial Statements**

**Year Ended March 31, 2024**

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10. OPERATING GRANTS AND DONATIONS

	<u>2024</u>	<u>2023</u>
Government of Canada - Immigration, Refugees and Citizenship Canada	\$ 2,056,331	\$ 1,930,389
Province of Manitoba, Economic Development Investment and Trade	454,065	330,044
Province of Manitoba, Manitoba Labour and Immigration	108,589	100,564
City of Winnipeg	24,300	24,300
Assiniboine Credit Union	4,278	11,250
Canadian Union of Public Employees Local 2348	2,876	2,165
Donations	21,903	23,846
Royal Bank of Canada Foundation	54,482	43,254
United Way of Winnipeg	213,110	175,369
Winnipeg Foundation	-	43,425
Workplace Education Manitoba	9,185	-
	<u>\$ 2,949,119</u>	<u>\$ 2,684,606</u>

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11. PENSION PLAN

- a) Organization is a member of the Community Agencies Retirement Plan which covers substantially all of its employees. The Organization accounts for its contributions to the Plan as a defined contribution plan, as this is a multi-employer plan. In 2024, the Organization recognized an expense of \$125,885 (2023 - \$116,131) for employee current service pension.
- b) The most recent actuarial valuation of the pension plan prepared at December 31, 2021 by Ellement Consulting Group reported the solvency ratio at the end of December 31, 2021 to be at 96.8% at being fully funded.

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12. CONTRACTUAL OBLIGATIONS

The Organization has entered into a 60 month lease agreement for photocopiers which expires January 2025. The annual payment is \$6,400 plus taxes. The required lease payments over the life of the lease is as follows:

Contractual obligation repayment schedule:

2025	\$ <u>5,375</u>
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**IMMIGRANT CENTRE MANITOBA INC.**

**Notes to Financial Statements**

**Year Ended March 31, 2024**

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13. LEASE COMMITMENTS

The Organization has entered into a 12 year lease agreement with respect to its premises. The lease expires August 31, 2021. The monthly base rent is \$13,198 plus taxes. The lease also requires the Organization to pay its proportionate share of certain operating costs of the building, currently estimated at \$7.50 per square foot (\$10,000 per month plus taxes), and \$2,240 per month plus taxes for parking. On January 21, 2021 the Organization exercised its right to renew the lease agreement for an additional 5 years starting on September 1, 2021 and expiring on August 31, 2026. The monthly based rent for the renewal term is \$14,531 plus taxes. The proportionate share of certain operating costs of the building is currently estimated at \$7.50 per square foot (\$10,000 per month plus taxes), and \$2,240 per month plus taxes for parking. Future minimum lease payments as at March 31, 2024, are as follows:

2025	\$	183,094
2026		183,094
2027		<u>76,289</u>
	\$	<u>442,477</u>

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14. FINANCIAL INSTRUMENTS

The Organization is exposed to various risks arising from its financial instruments. The following analysis provides information about the Organization's risk exposure and concentration as of March 31, 2024.

***Liquidity risk***

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, contributions to the pension plan, and accounts payable and accrued liabilities.

***Interest rate risk***

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Organization manages exposure through its normal operating and financing activities. The Organization is exposed to interest rate risk primarily through its floating interest rate bank indebtedness and credit facilities.

Unless otherwise noted, it is management's opinion that the Organization is not exposed to significant other price risks arising from these financial instruments.

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