

MOOSE JAW MULTICULTURAL COUNCIL INC.

Financial Statements

Year Ended March 31, 2024

MOOSE JAW MULTICULTURAL COUNCIL INC.
Index to Financial Statements
Year Ended March 31, 2024

	Page
INDEPENDENT AUDITOR'S REPORT	1 - 2
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Revenues and Expenses	4
Statement of Changes in Net Assets	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 11



DUDLEY & COMPANY LLP

Chartered Professional Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of Moose Jaw Multicultural Council Inc.

Qualified Opinion

We have audited the financial statements of Moose Jaw Multicultural Council Inc. (the organization), which comprise the statement of financial position as at March 31, 2024, and the statements of revenues and expenses, 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, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, 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 Qualified Opinion

In common with many not-for-profit organizations, the organization derives revenue from fundraising activities the completeness of which is not susceptible to satisfactory audit verification additionally sufficient audit evidence was not available to support the accuracy and completeness of all government payments recorded. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the organization. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, donations, program revenues, excess of revenues over expenses, and cash flows from operations for the year ended March 31, 2024, current assets and net assets as at March 31, 2024. The predecessor auditor's opinion on the financial statements for the year ended March 31, 2023 was modified accordingly because of the possible effects of this limitation of scope.

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 qualified audit opinion.

Other Matter

The financial statements for the year ended March 31, 2023 were audited by another auditor who expressed a qualified opinion on those financial statements on June 14, 2023 for the reasons described in the *Basis for Qualified Opinion* section.

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.

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Independent Auditor's Report to the To the Members of Moose Jaw Multicultural Council Inc. *(continued)*

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:

- 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.

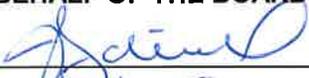
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



MOOSE JAW MULTICULTURAL COUNCIL INC.
Statement of Financial Position
March 31, 2024

	2024	2023 <i>Restated</i>
ASSETS		
CURRENT		
Cash	\$ 557,912	\$ 265,970
Term deposits	103,974	100,080
Accounts receivable	216,641	456,424
Goods and services tax recoverable	10,009	16,396
Interest receivable	2,093	-
Prepaid expenses	11,841	6,032
	902,470	844,902
PROPERTY, PLANT AND EQUIPMENT <i>(Note 5)</i>	63,796	66,841
	\$ 966,266	\$ 911,743
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 22,362	\$ 44,590
Employee deductions payable	41,678	41,728
Deferred income <i>(Note 4)</i>	228,497	215,505
	292,537	301,823
LONG TERM		
DEFERRED INCOME - DONATED ASSET <i>(Note 4)</i>	63,395	73,166
	355,932	374,989
NET ASSETS	610,334	536,754
	\$ 966,266	\$ 911,743

ON BEHALF OF THE BOARD


 _____ Director

 _____ Director

MOOSE JAW MULTICULTURAL COUNCIL INC.
Statement of Revenues and Expenses
Year Ended March 31, 2024

	2024	2023 <i>Restated</i>
REVENUES		
Program revenues	\$ 2,366,247	\$ 2,170,812
Expense recovery	375	4,344
Fundraising	-	11,393
Donations	392	5,885
Memberships	110	90
Daycare revenues	249,375	239,109
	2,616,499	2,431,633
EXPENSES		
Advertising and promotion	2,689	3,902
Amortization	45,002	36,478
General and administrative expenses	400,733	447,772
Fundraising expense	-	12,483
Rental	131,091	128,316
Salaries and wages	1,889,989	1,766,869
Supplies	51,103	27,350
Telephone	13,339	11,431
Travel	16,454	10,305
	2,550,400	2,444,906
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FROM OPERATIONS	66,099	(13,273)
OTHER INCOME		
Interest income	7,481	1,409
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ 73,580	\$ (11,864)

MOOSE JAW MULTICULTURAL COUNCIL INC.
Statement of Changes in Net Assets
Year Ended March 31, 2024

	2024	2023 <i>Restated</i>
NET ASSETS - BEGINNING OF YEAR	\$ 536,754	\$ 548,618
Excess of revenues over expenses	<u>73,580</u>	<u>(11,864)</u>
NET ASSETS - END OF YEAR	<u>\$ 610,334</u>	<u>\$ 536,754</u>

MOOSE JAW MULTICULTURAL COUNCIL INC.

**Statement of Cash Flows
Year Ended March 31, 2024**

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM (FOR) OPERATING ACTIVITIES		
Cash receipts from funders and members	\$ 2,859,503	\$ 2,198,650
Cash paid to suppliers and employees	(2,533,485)	(2,401,859)
Interest received	5,388	1,409
Goods and services tax	6,387	(9,006)
	<u>337,793</u>	<u>(210,806)</u>
Cash Flows From (For) Operating Activities		
CASH FLOWS FROM (FOR) INVESTING ACTIVITIES		
Purchase of property, plant and equipment	<u>(41,957)</u>	<u>(54,395)</u>
INCREASE (DECREASE) IN CASH FLOWS	295,836	(265,201)
Cash - beginning of year	<u>366,050</u>	<u>631,251</u>
CASH - END OF YEAR	\$ 661,886	\$ 366,050
CASH CONSISTS OF:		
Cash	\$ 557,912	\$ 265,970
Term deposits	<u>103,974</u>	<u>100,080</u>
	<u>\$ 661,886</u>	<u>\$ 366,050</u>

MOOSE JAW MULTICULTURAL COUNCIL INC.
Notes to Financial Statements
Year Ended March 31, 2024

1. PURPOSE OF THE ORGANIZATION

Moose Jaw Multicultural Council Inc. (the "organization") is a not-for-profit organization of Saskatchewan. As a registered charity the organization is exempt from the payment of income tax under Subsection 149(1) of the Income Tax Act.

The organization works to welcome and integrate newcomers to Canada and develop harmonious relations among Canadians through various programs and activities.

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 (ASNPO).

Cash and short term investments

Cash and cash equivalents includes deposits held in the organization's chequing and savings accounts and term deposits with maturity dates of less than twelve months.

Property, plant and equipment

Property, plant and equipment is stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life on a declining balance basis at the following rates and methods:

Computer equipment	4 years	straight-line method
Furniture and fixtures	5 years	straight-line method

The organization regularly reviews its property, plant and equipment to eliminate obsolete items.

Property, plant and equipment acquired during the year, but not placed into use are, not amortized until they are placed into use.

Revenue recognition

Moose Jaw Multicultural Council Inc. follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income is recognized as revenue in the year in which the income is earned.

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MOOSE JAW MULTICULTURAL COUNCIL INC.

Notes to Financial Statements

Year Ended March 31, 2024

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

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.

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.

Income taxes

The organization is registered as a not-for-profit organization under the Income Tax Act and as such is exempt from income taxes. In order to maintain its status as a registered non-profit organization under the Act, the organization must meet certain requirements within the Act. In the opinion of management, these requirements have been met.

Comparative figures

The prior year comparative figures were audited by another firm of public accountants. Certain comparative amounts have been restated to conform to the current year's presentation.

MOOSE JAW MULTICULTURAL COUNCIL INC.
Notes to Financial Statements
Year Ended March 31, 2024

3. RESTATEMENT

During the year the organization became aware that certain figures in the prior period were not presented correctly. Details of the restatement necessary are below:

	March 2022	Adjustment	Restated
ASSETS - PROPERTY, PLANT AND EQUIPMENT			
Computer Equipment	\$ -	\$ 152,580	\$ 152,580
Office Equipment	-	70,005	70,005
Accumulated Amortization - Computer Equipment	-	(92,419)	(92,419)
Accumulated Amortization - Office Equipment	-	(63,325)	(63,325)
PROPERTY, PLANT AND EQUIPMENT	-	66,841	66,841
SURPLUS	(499,694)	(48,924)	(548,618)

During the year it came to the attention of the organization that the capital assets owned by the organization had not been recorded as capital assets in their financial statements, but instead had been expensed in the year the assets were purchased. As a result, the prior period was restated to include the assets and the associated accumulated amortization on their balance sheet, and to adjust the operating surplus for the cumulative difference between the capital expense previously recorded and the amortization expense of the assets from 2021 onwards.

The balance of the surplus account at March 31, 2023 was adjusted as follows:

	March 31 2023
Surplus as previously reported	499,694
Adjustments to surplus:	
Recording of capital assets	222,585
Recording of accumulated amortization	(155,744)
Capitalization of capital expenses	(54,395)
Recording of amortization expense	36,478
	-
Surplus, as restated	\$ 548,618

The excess of expenses over revenue at March 31, 2023 was adjusted as follows:

	March 31 2023
Excess of expenses over revenue as previously reported	(29,781)
Capitalization of capital expenses	54,395
Recording of amortization expense	(36,478)
	-
	-
	-
Excess of expenses over revenue as restated	\$ (11,864)

MOOSE JAW MULTICULTURAL COUNCIL INC.
Notes to Financial Statements
Year Ended March 31, 2024

4. DEFERRED INCOME

Contributions are recognized as revenues in the year in which the related expense occurred. Deferred contributions are as follows:

	2024	2023
<u>Current Deferred Income</u>		
Daycare	\$ 54,102	\$ 134,651
Notary	2,150	2,440
Miscellaneous	13,367	16,940
Deferred Government Grants	123,592	9,219
General Revenue	35,286	52,255
	228,497	215,505

Moose Jaw Multicultural Council Inc. calculates the deferred income amount of funding from projects based on the estimated cost of completion.

<u>Long Term Deferred Income</u>		
Realized income - Donated Asset	63,395	73,166
 Grand total	\$ 291,892	\$ 288,671

5. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
Computer equipment	\$ 186,017	\$ 132,776	\$ 53,241	\$ 60,161
Furniture and fixtures	78,525	67,970	10,555	6,680
	\$ 264,542	\$ 200,746	\$ 63,796	\$ 66,841

6. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. 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 funders, and accounts payable.

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MOOSE JAW MULTICULTURAL COUNCIL INC.
Notes to Financial Statements
Year Ended March 31, 2024

6. FINANCIAL INSTRUMENTS *(continued)*

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The organization is not exposed to market risk.

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 opinion of management is that the interest rate risk is low and considered not material.

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

7. ECONOMIC DEPENDENCE

The organization currently receives significant revenues in grants from the Government of Canada. As a result, the organization is dependant on the continuation of these grants to maintain operations at their current level.