

MULTICULTURAL COUNCIL OF SASKATCHEWAN INC.

Financial Statements

Year Ended March 31, 2024

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Multicultural Council of Saskatchewan Inc. have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of Multicultural Council of Saskatchewan Inc.'s reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Board of Directors is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board meets periodically with management and the members' auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Board of Directors approve the financial statements and considers the engagement or re-appointment of the external auditors.

The financial statements have been audited on behalf of the members by MWC Chartered Professional Accountants LLP, in accordance with Canadian generally accepted auditing standards.



Executive Director



Board Director

Regina, SK
May 29, 2024



Chartered Professional
Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of Multicultural Council of Saskatchewan Inc.

Opinion

We have audited the financial statements of Multicultural Council of Saskatchewan Inc. (the Council), which comprise the statement of financial position as at March 31, 2024, and the statements of operations, 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 Council 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.

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 Council 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 Council'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 Council or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Council's financial reporting process.

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An asset to our clients, not an expense

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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 Council'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 Council'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 Council 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.

MWCLLP

Chartered Professional Accountants

Regina, Saskatchewan
May 29, 2024

MULTICULTURAL COUNCIL OF SASKATCHEWAN INC.

Statement of Financial Position

March 31, 2024

	General	Restricted	2024	2023
ASSETS				
CURRENT				
Cash	\$ 201,480	\$ 9,865	\$ 211,345	\$ 263,235
Investments (Note 4)	109,470	101,244	210,714	201,922
Accounts receivable	8,155	-	8,155	8,625
Goods and services tax recoverable	5,317	-	5,317	3,429
Prepaid expenses	1,119	-	1,119	13,723
Interfund balances (Note 5)	(19,623)	19,623	-	-
	<u>\$ 305,918</u>	<u>\$ 130,732</u>	<u>\$ 436,650</u>	<u>\$ 490,934</u>
LIABILITIES AND NET ASSETS				
CURRENT				
Accounts payable	\$ 127,753	\$ -	\$ 127,753	\$ 65,192
Wages payable	10,253	-	10,253	8,612
Deferred revenue (Note 6)	133,433	-	133,433	285,443
	271,439	-	271,439	359,247
NET ASSETS	<u>34,479</u>	<u>130,732</u>	<u>165,211</u>	<u>131,687</u>
	<u>\$ 305,918</u>	<u>\$ 130,732</u>	<u>\$ 436,650</u>	<u>\$ 490,934</u>

ON BEHALF OF THE BOARD


 _____ Director
 Margot Kurlbert
 _____ Director

See accompanying notes to financial statements

MULTICULTURAL COUNCIL OF SASKATCHEWAN INC.

Statement of Operations Year Ended March 31, 2024

	General	Restricted	2024	2023
REVENUES				
Saskatchewan Lotteries Trust Fund	\$ 520,000	\$ -	\$ 520,000	\$ 520,000
Government of Canada - Canadian Heritage	387,735	-	387,735	105,382
SaskCulture	13,496	-	13,496	13,000
Government of Saskatchewan	10,000	-	10,000	10,000
Other foundation grants	7,000	-	7,000	-
Donations	1,514	1,892	3,406	1,718
Sponsorships	1,000	-	1,000	1,000
	940,745	1,892	942,637	651,100
SELF-GENERATED				
Partnership contributions	43,040	-	43,040	24,700
Interest income	13,123	4,512	17,635	6,940
Education services	13,791	-	13,791	22,335
Sales	12,115	-	12,115	10,834
Memberships	3,700	-	3,700	3,870
Other	400	-	400	306
	86,169	4,512	90,681	68,985
EXPENSES				
Administration (<i>Schedule 1</i>)	402,463	-	402,463	396,762
Corporate Business (<i>Schedule 2</i>)	11,705	-	11,705	10,247
Meetings (<i>Schedule 3</i>)	48,996	-	48,996	30,898
Programs and Services (<i>Schedule 4</i>)	508,447	-	508,447	261,984
Public Relations and Communication (<i>Schedule 5</i>)	28,183	-	28,183	38,373
	999,794	-	999,794	738,264
EXCESS OF REVENUES (EXPENSES)	\$ 27,120	\$ 6,404	\$ 33,524	\$ (18,179)

See accompanying notes to financial statements

MULTICULTURAL COUNCIL OF SASKATCHEWAN INC.

Statement of Changes in Net Assets Year Ended March 31, 2024

	General	Restricted (Note 7)	2024	2023
NET ASSETS - BEGINNING OF YEAR	\$ 17,359	\$ 114,328	\$ 131,687	\$ 149,866
EXCESS OF REVENUES (EXPENSES)	27,120	6,404	33,524	(18,179)
TRANSFER	(10,000)	10,000	-	-
NET ASSETS - END OF YEAR	\$ 34,479	\$ 130,732	\$ 165,211	\$ 131,687

See accompanying notes to financial statements

MULTICULTURAL COUNCIL OF SASKATCHEWAN INC.

Statement of Cash Flows Year Ended March 31, 2024

	2024	2023
OPERATING ACTIVITIES		
Excess of revenues (expenses)	\$ 33,524	\$ (18,179)
Item not affecting cash:		
Reinvested earnings of investments	<u>(8,795)</u>	<u>(4,300)</u>
	<u>24,729</u>	<u>(22,479)</u>
Changes in non-cash working capital:		
Accounts receivable	470	(473)
Accounts payable	62,564	(69,498)
Deferred revenue	(152,010)	(2,645)
Prepaid expenses	12,604	674
Goods and services tax payable	(1,888)	229
Wages payable	<u>1,641</u>	<u>(549)</u>
	<u>(76,619)</u>	<u>(72,262)</u>
Cash flow used by operating activities	<u>(51,890)</u>	<u>(94,741)</u>
INVESTING ACTIVITY		
Purchase of investments	<u>-</u>	<u>(12,000)</u>
Cash flow from (used by) investing activity	<u>-</u>	<u>(12,000)</u>
DECREASE IN CASH FLOW	(51,890)	(106,741)
CASH - BEGINNING OF YEAR	<u>263,235</u>	<u>369,976</u>
CASH - END OF YEAR	<u>\$ 211,345</u>	<u>\$ 263,235</u>

See accompanying notes to financial statements

MULTICULTURAL COUNCIL OF SASKATCHEWAN INC.

Notes to Financial Statements

Year Ended March 31, 2024

1. PURPOSE OF THE COUNCIL

Multicultural Council of Saskatchewan Inc. (the "Council") is a not-for-profit organization incorporated provincially under the Non-profit Corporations Act of Saskatchewan and is a registered charity exempt from income tax under section 149 (1) of the Canadian Income Tax Act.

The Council serves Saskatchewan through various programs that raise awareness of the benefits of cultural diversity and the dangers of racism.

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).

Revenue recognition

The Council follows the restricted method of accounting for contributions, which includes grants, sponsorships, and donations.

General fund 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. Other restricted contributions are recognized as revenue of the applicable restricted fund in the year they are received or receivable.

Donations in-kind are recognized when the fair value of the contribution can be determined.

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

Self-generated activities are recognized as revenue when the services are provided.

Net assets

- a) The General fund reports the day-to-day operations of the Council.
- b) The Internally Restricted fund is restricted by the Board of Directors to provide for the future sustainability of the Council in the event of changes in funding. These funds can only be used upon approval by the Board. The Board has set a policy that an annual transfer of \$10,000 will be done when there is a sufficient surplus earned by the General Fund in the year.
- c) The Sarkar Family Fund is externally restricted which allows the fund to be used for Community Reconciliation through Respect and Sharing programming.

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MULTICULTURAL COUNCIL OF SASKATCHEWAN INC.

Notes to Financial Statements

Year Ended March 31, 2024

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

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Financial assets including cash, investments, and accounts receivable are reported at amortized cost.

Financial liabilities including accounts payable and accrued liabilities are measured at amortized cost.

3. ECONOMIC DEPENDENCE

The Council is economically dependent on the grant revenue from the Saskatchewan Lotteries Trust Fund (Sask Lotteries) and should this funding substantially change, management is of the opinion that continuing operations would be significantly impacted.

4. INVESTMENTS

	<u>2024</u>	<u>2023</u>
<u>General Fund</u>		
Term deposit maturing June 2023 with interest at 4.00%	\$ -	\$ 105,189
Term deposit maturing April 2024 with interest at 4.00%	109,470	-
<u>Restricted Fund</u>		
Term deposit maturing January 2024 with interest at 4.55%	-	96,733
Term deposit maturing March 2025 with interest at 5.00%	101,244	-
	\$ 210,714	\$ 201,922

5. INTERFUND BALANCES

Interfund balances arises from temporary timing differences from the activities of the funds and for annual transfers. Interfund balances bear no interest and have no set repayment terms.

As at year end \$19,623 (2023 - \$9,827) is owed from the General Fund to the Restricted Fund.

MULTICULTURAL COUNCIL OF SASKATCHEWAN INC.

Notes to Financial Statements

Year Ended March 31, 2024

6. DEFERRED REVENUE

	<u>2024</u>	<u>2023</u>
Government of Canada - Grants	\$ 131,168	\$ 21,503
Memberships	2,265	940
SaskCulture funding	-	3,000
Sask Lotteries - annual funding advance	-	260,000
	<u>\$ 133,433</u>	<u>\$ 285,443</u>

7. RESTRICTED FUNDS

	Sarkar Family Fund	Internally Restricted Fund	<u>2024</u>	<u>2023</u>
Net assets - beginning of year	\$ 7,600	\$ 106,728	\$ 114,328	\$ 101,128
Excess of revenues (expenses)	1,891	4,513	6,404	3,200
Transfer	-	10,000	10,000	10,000
Net assets - end of year	<u>\$ 9,491</u>	<u>\$ 121,241</u>	<u>\$ 130,732</u>	<u>\$ 114,328</u>

8. FINANCIAL INSTRUMENTS

The Council is exposed to various risks through its financial instruments and management is responsible to monitor, evaluate and manage these risks. The following analysis provides information about the Council's risk exposure and concentration as of March 31, 2024.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Council is exposed to credit risk from members and customers. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Council has numerous customers and therefore there is no concentration of credit risk.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Council is exposed to this risk mainly in respect of its receipt of funds from its funders, members, and customers, and for the settlement of accounts payable and commitments.

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

MULTICULTURAL COUNCIL OF SASKATCHEWAN INC.

Notes to Financial Statements

Year Ended March 31, 2024

9. CORRESPONDING FIGURES

The corresponding financial statement figures have been reclassified to conform to the current year's presentation. There has been no change to previously reported total assets, liabilities, net assets, revenues, or expenses as a result of the format reclassification.

MULTICULTURAL COUNCIL OF SASKATCHEWAN INC.

Administration Expenses (Schedule 1) Year Ended March 31, 2024

	General	Restricted	2024	2023
Staff salaries and benefits	\$ 345,854	\$ -	\$ 345,854	\$ 349,396
Office	56,609	-	56,609	47,366
	<u>\$ 402,463</u>	<u>\$ -</u>	<u>\$ 402,463</u>	<u>\$ 396,762</u>

Corporate Business Expenses (Schedule 2) Year Ended March 31, 2024

	General	Restricted	General	2023
Audit and accounting services	\$ 10,516	\$ -	\$ 10,516	\$ 9,458
Insurance	974	-	974	624
Memberships	200	-	200	150
Legal	15	-	15	15
	<u>\$ 11,705</u>	<u>\$ -</u>	<u>\$ 11,705</u>	<u>\$ 10,247</u>

Meetings Expenses (Schedule 3) Year Ended March 31, 2024

	General	Restricted	2024	2023
Board meetings	\$ 23,760	\$ -	\$ 23,760	\$ 10,920
Board and staff development	13,659	-	13,659	5,243
Staff travel	6,505	-	6,505	7,410
Annual general meetings	5,072	-	5,072	7,002
Membership meetings	-	-	-	323
	<u>\$ 48,996</u>	<u>\$ -</u>	<u>\$ 48,996</u>	<u>\$ 30,898</u>

See accompanying notes to financial statements

MULTICULTURAL COUNCIL OF SASKATCHEWAN INC.

Programs and Services Expenses Year Ended March 31, 2024

(Schedule 4)

	General	Restricted	2024	2023
ICARE	\$ 255,080	\$ -	\$ 255,080	\$ 93,152
March 21 activities	114,412	-	114,412	15,607
Partnership projects	45,477	-	45,477	26,672
Strategic initiatives	39,650	-	39,650	47,082
Regional multicultural councils	15,000	-	15,000	13,375
Youth leadership activities	13,740	-	13,740	-
Sask multicultural week	11,251	-	11,251	19,248
Multicultural education initiatives	10,363	-	10,363	10,214
Education	3,474	-	3,474	19,346
Member development	-	-	-	150
Ethnocultural revitalization	-	-	-	10,000
Multicultural events	-	-	-	195
Microgrants	-	-	-	6,943
	<u>\$ 508,447</u>	<u>\$ -</u>	<u>\$ 508,447</u>	<u>\$ 261,984</u>

Public Relations and Communication Expenses Year Ended March 31, 2024

(Schedule 5)

	General	Restricted	2024	2023
Sponsorship	\$ 16,675	\$ -	\$ 16,675	\$ 22,750
Multifaith calendar	7,540	-	7,540	6,448
Website and social media	2,424	-	2,424	1,588
Advertising and promotion	1,544	-	1,544	7,587
	<u>\$ 28,183</u>	<u>\$ -</u>	<u>\$ 28,183</u>	<u>\$ 38,373</u>

See accompanying notes to financial statements