

**Calgary Catholic  
Immigration Society**

Financial Statements  
For the year ended  
**March 31, 2022**

**Calgary Catholic Immigration Society**  
Statement of Financial Position  
March 31, 2022

	2022	2021
	\$	\$
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	2,938,341	7,832,750
Term deposits (note 3)	766,000	766,000
Restricted cash (note 3, 4(b), 7)	4,984,837	3,507,237
Accounts receivable	7,726,798	1,444,346
Prepaid expenses	154,933	96,493
	<u>16,570,909</u>	<u>13,646,826</u>
<b>Capital assets</b> (note 5)	<u>12,406,417</u>	<u>12,334,808</u>
	<u>28,977,326</u>	<u>25,981,634</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	2,012,526	1,994,061
Deferred contributions (notes 2, 7)	10,528,898	8,640,089
Current portion of long-term debt (note 6)	484,315	441,425
	<u>13,025,739</u>	<u>11,075,575</u>
<b>Long term debt</b> (note 6)	3,278,096	3,687,621
<b>Deferred contributions related to capital assets</b> (note 9)	<u>1,872,275</u>	<u>1,872,273</u>
	<u>18,176,110</u>	<u>16,635,469</u>
<b>Net assets</b>		
Internally restricted (note 4(a))	3,989,734	3,789,734
AMHC reserve fund (note 4(b))	290,050	277,292
Unrestricted net assets	<u>6,521,432</u>	<u>5,279,139</u>
	<u>10,801,216</u>	<u>9,346,165</u>
	<u>28,977,326</u>	<u>25,981,634</u>

**Commitments (note 10)**

The accompanying notes are an integral part of these financial statements

**Approved by the Board of Directors**

  
Mike Shaikh, Chair

(Signed) "Imran Gulam"

Imran Gulam, Chair, Finance and Audit

**Calgary Catholic Immigration Society**  
Statement of Revenues and Expenditures  
For the year ended March 31, 2022

	2022 \$	2021 \$
<b>Revenues</b>		
Program based funding (note 7, 12)	31,577,632	19,802,684
Covid-19 funding (note 2, 7)	3,641,846	960,009
User fees and other	1,192,685	805,872
Amortization of deferred contributions (note 9)	244,947	192,615
Donations	159,124	91,148
Interest	105,820	82,675
Rental revenue	60,728	61,721
	36,982,782	21,996,724
<b>Expenditures</b>		
Wages and employee benefits	19,503,430	15,326,887
Office and other	4,677,537	1,931,694
Education training	2,629,628	2,026,563
Temporary Accommodations	3,632,954	62,170
Professional fees and program consultants	3,233,314	938,289
Amortization of capital assets	586,369	524,877
Rent, utilities and other	430,587	380,183
Automobile and transportation	423,269	150,523
Non-recoverable GST	239,693	73,742
Interest on long-term debt	99,318	110,627
Conference and staff development	71,631	83,169
	35,527,730	21,608,724
<b>Excess of revenues over expenditures</b>	1,455,052	388,000

**Calgary Catholic Immigration Society**  
Statement of Changes in Net Assets  
For the year ended March 31, 2022

	Internally restricted (note 4a) \$	AMHC reserve fund (note 4b) \$	Unrestricted net assets \$	Total 2022 \$	Total 2021 \$
Net assets - Beginning of year	3,789,734	277,292	5,279,138	9,346,164	8,958,164
Excess of revenue over expenditure	-	-	1,455,052	1,455,052	388,000
Increase in internally restricted	200,000	-	(200,000)	-	-
Increase of replacement reserve	-	12,758	(12,758)	-	-
	3,989,734	290,050	6,521,432	10,801,216	9,346,164

The accompanying notes are an integral part of these financial statements

# Calgary Catholic Immigration Society

## Statement of Cash Flows

For the year ended March 31, 2022

	2022	2021
	\$	\$
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Excess of revenues over expenditures	1,455,052	388,000
Items not affecting cash		
Amortization of capital assets	586,369	524,877
Amortization of deferred contributions related to Capital assets	<u>(244,947)</u>	<u>(192,615)</u>
	1,796,474	720,262
Net Change in non-cash working capital balances related to operations*	<u>(4,433,620)</u>	<u>7,063,125</u>
	(2,637,146)	7,783,387
<b>Investing activities</b>		
Purchase of capital assets	(657,977)	(611,406)
Increase in deferred contributions related to capital assets	244,949	351,357
Increase in restricted cash	(1,477,600)	(1,942,952)
Decrease in term deposit	-	1,000,000
	<u>(1,890,628)</u>	<u>(1,203,001)</u>
<b>Financing activities</b>		
Repayment of long-term debt	<u>(366,635)</u>	<u>(264,009)</u>
	(4,894,409)	6,316,377
<b>(Decrease)/Increase in cash for the year</b>	<b>(4,894,409)</b>	<b>6,316,377</b>
<b>Cash and cash equivalents - Beginning of year</b>	<b><u>7,832,750</u></b>	<b><u>1,516,373</u></b>
<b>Cash and cash equivalents - End of year</b>	<b><u>2,938,341</u></b>	<b><u>7,832,750</u></b>
<b>Supplemental information</b>		
Cash	2,438,341	7,332,750
Cash equivalents	500,000	500,000
Interest paid	99,318	110,627

\*Consists of changes in accounts receivable, prepaid expenses, accounts payable and accrued liabilities and deferred contributions.

The accompanying notes are an integral part of these financial statements

# Calgary Catholic Immigration Society

## Notes to Financial Statements

March 31, 2022

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### 1 Nature of organization

The Calgary Catholic Immigration Society (the "Society") is a non-profit organization formed for the purpose of aiding and assisting immigrants and refugees concerning their reception in southern Alberta. The assistance provided is in the form of meeting immigrants and refugees upon arrival, obtaining temporary or permanent living accommodations and providing interpreters and information (Settlement Integration Services) on all aspects of daily life. The Society operates a shelter for government-sponsored refugees (Margaret Chisholm Resettlement Centre or MCRC). The Society also operates one licensed, non-profit daycare centre (Cross-Cultural Children's Centre) which caters to the special needs of immigrant and refugee children. The cost of operating these facilities is initially borne by the Society and usage charges are made to individuals, the sponsoring agency or other organizations utilizing the service. In addition, the Society provides various other services to immigrants and refugees including employment training and English as a second language training.

The Society is a registered charity under the Income Tax Act and is therefore not subject to income tax.

The Society is also registered under the Charitable Fundraising Act of Alberta and has considered all required disclosures under section 7 (2) of the Act in preparing these statements.

### 2 COVID-19 Pandemic

During the year the Society continued receiving COVID-19 funding to assist with supporting its COVID-19 related costs. The Society has recognized the following funding revenue for COVID – 19:

COVID-19 Funding Details	Funder Name	2022	2021
		\$	\$
Supporting Temporary Foreign Workers Affected by COVID-19	Employment and Social Development Canada	3,240,673	603,816
COVID-19 Community Funding - Response Phase	Government of Alberta - Health	154,917	1,033
Community Outreach Table Grant	The City of Calgary	138,247	-
Settlement Vaccine Access	Immigration Refugee and Citizenship Canada	105,590	-
Social Service Support for COVID-19	The City of Calgary	2,419	97,581
COVID-19 Community Response	Calgary Foundation	-	50,000
COVID-19 Community Response Funds	United Way of Calgary	-	122,579
Emergency Resiliency Funding	The City of Calgary	-	85,000
		<b>3,641,846</b>	<b>960,009</b>

The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on the Organization is not known at this time. The Organization will continue to monitor the impacts of the pandemic on the community that it serves and its employees and continue to adjust to the volatile situation. All COVID-19 funding amounts received in the fiscal year 2021-22 have been utilized (note 7), and the program requirements have been met.

# Calgary Catholic Immigration Society

Notes to Financial Statements

March 31, 2022

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## 3 Significant accounting policies

### Basis of Accounting

The financial statements of the Society have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") as issued by the Canadian Accounting Standards Board.

### Use of estimates

The preparation of the financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

### Revenue recognition

The Society follows the deferral method of accounting for contributions. Restricted contributions relating to operations are recognized as revenue in the period in which the related expenses are incurred. Restricted contributions relating to capital assets are recognized as revenue as the related capital assets are amortized. Unrestricted contributions are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured. User fees are recognized when services are rendered, and collectability is reasonably assured. Interest income is recognized when earned. Rent revenue and recovery of rent operating expenses, including property taxes, are recognized as revenue when earned.

### Government funding policy

The Organization receives government funding which provide immediate financial assistance as compensation for costs or expenditures to be incurred. The Organization recognizes government funding as revenue when received or receivable and when there is reasonable assurance that conditions attached to the funding are met.

### Capital assets and amortization

Amortization is provided over the estimated useful lives of the assets using the declining balance method at the following annual rates:

Building	4%
Furniture and equipment	20%
Vehicles	20%
Computer and software	33%

Capital assets are recorded at cost less accumulated amortization and any provision for impairment. The cost for contributed capital assets is considered to be fair value at the date of contribution. The cost of capital assets made up of significant separable component parts is allocated to the component parts when practicable and when estimates can be made of the estimated useful lives of the separate components

# Calgary Catholic Immigration Society

## Notes to Financial Statements

March 31, 2022

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Capital assets are tested for impairment when conditions indicate that a capital asset no longer contributes to the Society's ability to provide goods and services, or that the value of future economic benefits or service potential associated with the capital asset is less than its net carrying amount. When conditions indicate that a capital asset is impaired, the net carrying amount of the capital asset is written down to the asset's fair value or replacement cost. The write-downs of capital assets are recognized as expenses in the statement of operations.

### Contributed goods and services

Donations of materials and services are recognized when the fair value can be reasonably estimated, and the materials and services are used in the normal course of operations.

Services donated to the Society through volunteer work are not reflected in the accounts of the Society. Donations in kind are recorded at the time of contribution to the extent that fair value can be reasonably estimated. Donations in kind received during 2022 were \$Nil (2021 - \$Nil).

### Cash and cash equivalents

Cash and cash equivalents are comprised of cash on hand, deposits held at banks, and \$500,000 (2021 - \$500,000) of redeemable short-term investments with an initial term to maturity within 3 months.

### Term Deposits

Term deposits are non-redeemable short-term investments with initial terms to maturity between 3 to 12 months. The Society holds two short-term GICs with balances of \$500,000 and \$266,000 at March 31, 2022 (2021 - \$500,000 and \$266,000).

### Restricted cash

Restricted cash comprised of \$4,694,787 for Refugees Sponsorship Funds and \$290,050 for Alberta Mortgage and Housing Corporation ("AMHC") reserve fund (2021 - \$3,229,945 and \$277,292)

### Financial instruments

The Society initially measures financial assets and financial liabilities at fair value. It subsequently measures its financial assets and liabilities at amortized cost. The financial assets subsequently measured at amortized cost include cash and cash equivalents, term deposits, restricted cash and accounts receivable. The financial liabilities subsequently recorded at amortized cost include accounts payable and accrued liabilities and long-term debt.

# Calgary Catholic Immigration Society

Notes to Financial Statements

March 31, 2022

## 4 Restricted reserves

### a) Internally restricted reserves

	2022	2021
	\$	\$
Innovative project and social enterprise	22,980	22,980
Stabilization reserves	2,589,987	2,389,987
Building reserve	593,676	593,676
Oil and gas training projects reserve	155,000	155,000
Operational enhancement reserve - MCRC	69,126	69,126
Computer reserve	3,592	3,592
Special needs project reserve	65,299	65,299
Staff appreciation reserve	125,000	125,000
Health services revenue reserve	58,571	58,571
CEO Succession Planning and Program Enhancement & Development Strategic Plan Reserve	300,000	300,000
	<u>6,503</u>	<u>6,503</u>
	<u>3,989,734</u>	<u>3,789,734</u>

### b) AMHC reserve fund

Under the terms of the AMHC project operating agreement for MCRC, the Society is required to fund and maintain a replacement reserve for capital repairs. The replacement reserve increased by \$12,758 (2021 – \$12,689) during the year pursuant to this agreement for an ending balance of \$290,050 (2021 – \$277,292). In the previous year, AMHC had approved certain expenditures of which \$Nil (2021- \$Nil) remains unexpended. The remaining replacement reserve funds are not available for use without AMHC approval.

## 5 Capital assets

			2022	2021
	Cost	Accumulated Amortization	Net	Net
	\$	\$	\$	\$
Land	5,241,000	-	5,241,000	5,241,000
Building	9,128,236	3,610,823	5,517,413	5,702,200
Furniture and equipment	3,184,411	2,395,092	789,319	692,931
Computers and software	2,529,907	2,013,496	516,411	402,318
Vehicles	120,853	50,042	70,811	29,612
Assets under construction*	271,463	-	271,463	266,747
	<u>20,475,870</u>	<u>8,069,453</u>	<u>12,406,417</u>	<u>12,334,808</u>

\* Assets under construction are related to MCRC reception house expansion and will not be subject to amortization until they are put into use.



# Calgary Catholic Immigration Society

Notes to Financial Statements

March 31, 2022

## 6 Long-term debt

Property	Interest rate	Mortgage Amortization Period	Monthly blended principal and interest payment \$	Term	2022 \$	2021 \$
Resettlement Centre – March 1, 1995	0.68% <sup>2</sup>	9.6 years	6,628	60 months	613,034	688,136
Society office – April 1, 2012	2.50%	7.92 years	39,594	60 months	3,114,509	3,440,910
Toyota Sienna Mini Van	5.69%	5 years	722	60 months	34,868	-
					<u>3,762,411</u>	<u>4,129,046</u>
Less: Current portion					<u>(484,315)</u>	<u>(441,425)</u>
					<u>3,278,096</u>	<u>3,687,621</u>

Principal repayments required under the terms of the above mortgages and loans are as follows:

	\$
2023	484,315
2024	495,385
2025	506,760
2026	473,322
2027	449,022
Thereafter	<u>1,353,607</u>
	<u>3,762,411</u>

Collateral includes all rental income associated with the properties, any personal properties used in connection with, arising from, or situated on the properties, and the properties itself. The mortgage for the Resettlement Centre is with the Canadian Mortgage and Housing Corporation ("CMHC") at an interest rate quoted by CMHC for non-profit organizations and with the Royal Bank of Canada for the Society Office. The Society has entered into a subsidiary agreement whereby Alberta Municipal Affairs will reimburse the Society up to an amount based on the variance between the interest rate paid over the life of the mortgage and 2%. In 2022, the Society was reimbursed \$Nil (2021 - \$Nil) for mortgage interest expense which has been recorded as a reduction to total interest expense for the year.

## 7 Deferred contributions

The changes for the year in the balance of the deferred contribution reported are as follows:

	2021 \$	Additions	Releases to revenue	2022 \$
Program revenue	3,856,624	5,714,211	(3,732,349)	5,838,486
Covid-19 funding	1,553,520	2,088,326	(3,641,846)	-
Refugees sponsorship funds*	3,229,945	4,694,787	(3,234,320)	4,690,412
<b>Balance – End of year</b>	<u><b>8,640,089</b></u>	<u><b>12,497,324</b></u>	<u><b>(10,608,515)</b></u>	<u><b>10,528,898</b></u>

\* Trust account to cover the expenses of sponsored refugees

# Calgary Catholic Immigration Society

## Notes to Financial Statements

March 31, 2022

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### 8 Line of credit

The Society has a credit facility of \$266,000 (2021 - \$266,000) of which \$Nil was drawn at March 31, 2022 (2021 - \$Nil). The facility bears an interest rate of prime plus 5% and is collateralized by \$266,000 GIC. This standby line of credit is renewed automatically every year.

### 9 Deferred contributions related to capital assets

Deferred contributions related to capital assets consist of unamortized portions of restricted contributions which have been used to acquire capital assets.

The changes for the year in the deferred contributions balance reported are as follows:

	2022	2021
	\$	\$
Balance – Beginning of year	1,872,273	1,713,531
Contributions	244,949	351,357
Amortization of deferred contributions	(244,947)	(192,615)
<b>Balance – End of year</b>	<b>1,872,275</b>	<b>1,872,273</b>

### 10 Commitments

The Society has entered into lease agreements for office spaces in Brooks and High River expiring during the course of 2022 – 2025. Payment commitments for the remainder of the lease terms are as follows:

	\$
2023	201,226
2024	125,940
2025	129,366
	<u>456,532</u>

### 11 Government remittances payable

Accounts payable and accrued liabilities include government remittances payable of \$Nil (2021 - \$Nil)

### 12 Program based funding

Under the terms of the contracts with various funding agencies, excess funds received over specific operating expenditures as budgeted in the Society's funding applications may be repayable in the current or following year. Management estimates the amount that is likely to be repaid to the funding agencies and records this in accounts payable and accrued liabilities and as a reduction to program-based funding. The funding agencies may approve the retention of these funds for the specified purpose or may request the amount be repaid. The actual amount repaid or required to be repaid to funding agencies may differ from management's estimate as the calculation of excess funds is carried out by the funding agencies subsequent to year-end. Any differences in the amounts recovered or paid from the amounts accrued are recorded in the year recovered as program-based funding or as a reduction of program-based funding. The society repaid \$Nil (2021 - \$Nil) to funding agencies.

# Calgary Catholic Immigration Society

## Notes to Financial Statements

March 31, 2022

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Program based funding by the source is as follows:

	2021	2020
	\$	\$
Federal Programs – Others	16,189,986	13,888,753
Federal Programs – Afghans	9,042,513	-
Alberta Programs	4,275,587	4,573,592
Funders – Others	2,069,546	1,340,339
	<u>31,577,632</u>	<u>19,802,684</u>

### 13 Financial instrument risk

It is management's opinion that the Society is not exposed to significant currency risk from its financial instruments.

The Society is exposed to interest rate risk in relation to its long-term debt which is comprised of mortgage liabilities (Note 6). This can mean that if interest rates increase, the Society may not be able to meet its obligations. The mortgages are subject to changes in market mortgage interest rates through bank borrowings at variable interest rates or fixed interest rates upon renewal of existing mortgages. The Society manages this risk by limiting its mortgage obligations to those deemed reasonable by management.

Liquidity risk is the exposure of the Society to the risk of being unable to meet its financial obligations as they come due. COVID-19 brings an increased liquidity risk and as such the Society monitors and reviews actual and forecasted cash flows that incorporate the effects of COVID-19 to ensure there are available cash resources to meet these needs.

The Society's exposure to credit risk remains largely unchanged from the prior year and management believes the credit risk is not significant as the balance of receivables are government contracted amounts. The Society continues to meet its contractual obligations within normal payment terms. Credit risk may increase due to COVID-19 and the Society's ability to meet their non-financial covenants.

### 14 Comparative figures

Certain reclassifications for the year ended March 31, 2022, have been made for the purpose of comparability.