

LA PASSERELLE-INTÉGRATION ET DÉVELOPPEMENT ÉCONOMIQUE
Financial Statements
December 31, 2024

LA PASSERELLE-INTÉGRATION ET DÉVELOPPEMENT ÉCONOMIQUE
Financial Statements
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INDEPENDENT AUDITOR'S REPORT

To: The Board of Directors of

LA PASSERELLE-INTÉGRATION ET DÉVELOPPEMENT ÉCONOMIQUE (“the Organization”)

Opinion

I have audited the financial statements of the Organization, which comprise the statement of financial position as at March 31, 2024, and the statements of operations and net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion the accompanying financial statements present fairly, in all material respect, the financial position of the Organization as at March 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Organization in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other Matter

The financial statements of the organization for the year ended March 31, 2023, were audited by another auditor who expressed an unmodified opinion on those statements on September 29, 2023.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Responsibilities of Management and Those Charged with Governance for the Financial Statements (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 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

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- 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.

I 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 I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

The engagement principal on the audit resulting in this independent auditor's report is Michael Pinnock.



Michael G. G. Pinnock, FCPA, FCA
Fellow Chartered Professional Accountant
Licensed Public Accountant

Innisfil, Ontario

December 3, 2024

LA PASSERELLE-INTÉGRATION ET DÉVELOPPEMENT ÉCONOMIQUE

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Statement of Financial Position

As at March 31, 2024

	2024	2023
	\$	\$
ASSETS:		
CURRENT:		
Cash	142,797	210,158
Accounts receivable [Note 7]	152,136	294,836
Prepaid expenses	11,870	11,844
	306,803	516,838
NONCURRENT:		
Capital assets: Net [Note 3]	68,663	43,458
Total Assets	375,466	560,296
LIABILITIES:		
CURRENT:		
Accounts payable and accrued liabilities	261,842	50,080
CEBA loan [Note 9]		40,000
Deferred revenue [Note 8]	31,819	25,661
Total Liabilities	293,661	115,741
NET ASSETS:		
Invested in capital assets	68,663	43,458
Net Assets: Unrestricted	13,142	401,097
Total Net Assets	81,805	444,555
Total Liabilities and Net Assets	375,466	560,296

Approved by: 

On behalf of the Board - Ahmat Hassane

Approved by: 

On behalf of the Board - Leonie Tchatat

The accompanying notes on pages 4 to 13 are an integral part of these financial statements.

LA PASSERELLE-INTÉGRATION ET DÉVELOPPEMENT ÉCONOMIQUE
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Statement of Operations and Net Assets

For the year ended March 31, 2024

	2024	2023
	\$	\$
REVENUE		
Grants <i>[Note 12]</i>	890,323	763,907
Other <i>[Note 12]</i>	72,523	112,208
	962,846	876,115
EXPENSES		
Administration and General	444,015	370,683
Adverting and promotion	2,868	13,614
Occupancy	86,397	141,787
Program <i>[Note 13]</i>	792,316	374,738
	1,325,596	900,822
Deficiency of revenue under expenses	(362,750)	(24,707)
Net Assets - Beginning of year	444,555	469,262
Net Assets - End of year	81,805	444,555

The corresponding expense amounts are reclassified to conformed with the current period presentation

The accompanying notes on pages 4 to 13 are an integral part of these financial statements.

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Statement of Cash Flows

For the year ended March 31, 2024

	2024	2023
	\$	\$
Operating		
Deficiency of revenue under expenses	(362,750)	(24,707)
Changes in non-cash working capital components:		
Amortization of capital assets	18,914	19,070
Accounts receivable	142,699	(169,326)
Prepaid expenses	(26)	(83)
CEBA loan	(40,000)	40,000
Deferred revenue	6,158	(23,213)
Accounts payable and accrued liabilities	211,762	25,739
	(23,243)	(132,520)
Investing		
Purchase of Capital Asset	(44,118)	(19,009)
	(44,118)	(19,009)
Financing		
CEBA loan		(40,000)
		(40,000)
Decrease in Cash	(67,361)	(191,529)
Cash, beginning of year	210,158	401,687
Cash, end of year	142,797	210,158
REPRESENTED BY:		
Cash at the bank	142,501	210,158
Cash on hand	296	
	142,797	210,158

The accompanying notes on pages 4 to 13 are an integral part of these financial statements.

Notes to the Financial Statements

March 31, 2024

1. Registration, Incorporation and Purpose

LA PASSERELLE-INTÉGRATION ET DÉVELOPPEMENT ÉCONOMIQUE (“the Organization”) was incorporated under laws of Ontario as a Not-For-Profit Corporation on July 31, 2001 and was continued under the *Canada Not-For-Profit Corporation Act* on September 4, 2014, and is tax exempted under section 149(1)(f) of the *Income Tax Act*.

The purpose of the Organization is to promote the integration and economic development of francophones in all their diversity, with particular emphasis on immigrant/visibility minority francophone speakers

2. Summary of Significant Accounting Policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. The financial statements reflect the following significant accounting policies:

a) Basis of Accounting

Except for revenue from donations which is recorded on a cash basis, with no accrual being made for amounts pledged but not received, revenues and expenditures are recorded on the accrual basis, whereby transactions and events are recognized in the period in which the transactions and events occur, regardless of whether there has been a receipt or payment of cash or its equivalent.

Going concern

Management has prepared the financial statements on the *Going Concern basis*. The Organization is expected to operate for the foreseeable future. Neither the Management nor the Board of Directors of the Organization has the intention or the need to close or curtail materially the operations of the Organization.

Use of estimates

In the process of applying the Organization's accounting policies, management makes various judgements, estimates and assumptions that can significantly affect the amounts it recognises and the related disclosures reported in the financial statements.

Notes to the Financial Statements

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2. Summary of Significant Accounting Policies (continued)

Use of estimates (continued)

These estimates are based on historical experiences and management's best knowledge of current events and actions. Actual results may differ from those estimates and assumptions.

b) Revenue recognition

The Organization follows the deferral method of accounting for contributions, whereby restricted contributions related to expenses of future periods are deferred and recognized as revenue in the related future period that the expenses are incurred. All other contributions are reported as revenue of the current period. The following are the sources of revenues recognized:-

- a. *Grants – Contributions from all levels of government to support the programs and services delivered by the organization. Recognized when received or receivable.*
- b. *Other – All non-governmental contributions and donations, including miscellaneous inflows and receipts of funds. Recognized when received.*

c) Capital assets

Purchased capital assets are recorded at cost, donated capital assets are recorded at their fair value at the time of receipt. Amortization is provided on the reducing balance basis at rates estimated to write-off the capital assets over the term of their estimated useful lives. The rates used are as follows:

Office furniture and equipment	20%
Computers	55%

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2. Summary of Significant Accounting Policies (continued)

d) Financial instruments

The Organization's financial instruments are initially recognized at *fair value*, and subsequently carried at amortized cost, net of impairment.

These financial instruments consist of cash, accounts receivable, and accounts payable and accrued liabilities.

e) Donated services and goods

The Organization benefits from volunteer services. Since these services are not normally purchased by the organization and because of the difficulties of determining their fair value, donated services are not recognized in these financial statements.

Donated goods are not recorded in the books unless they would normally be purchased.

f) Allocated expenses

Program salaries represent an allocation of payroll expenses to programs executed by the organization during the fiscal year and is dependent on the number of programs executed during each fiscal year.

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Notes to the Financial Statements

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3. Capital Assets

	2024			2023
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Net Book value</u>	<u>Net Book value</u>
Office furniture and equipment	189,770	132,642	57,129	31,394
L/H Improvement	59,385	59,385	0	204
Computers	71,921	60,387	11,534	11,860
	<u>321,076</u>	<u>252,414</u>	<u>68,663</u>	<u>43,458</u>

4. Financial Instruments and Risk Management

The Organization's financial instruments consist of cash, accounts receivable, and accounts payable and accrued liabilities. The organization is exposed to various risks through its financial instruments. The main risks are:

Credit Risk

The risk that a party to a financial asset i.e., accounts receivable, will cause a financial loss for the organization by failing to discharge its obligation. The organization's credit risk is assessed to be low. All the accounts receivable were collected within 60 days after the fiscal year end.

Liquidity Risk

The risk that the organization will encounter difficulty in meeting its obligations associated with financial liabilities i.e., accounts payable. The organization's liquidity risk is currently assessed as low due to proactive financial management and strategic planning. While accounts payable continue to demand cash resources, management has implemented a robust system of monitoring and evaluation to ensure obligations are met promptly.

Notes to the Financial Statements

March 31, 2024

4. Financial Instruments and Risk Management (continued)

Market Risk

The risk that the organization will be affected by overall market conditions beyond its control i.e., interest rate, stock prices, exchange rate. The organization's is not affected by any market risk.

Other Risk – A Positive Perspective

The organization recognizes Economic Dependence Risk due to the fact that **93%** (87% - 2023) of its revenue is derived from public funding provided by the City of Toronto, the Province of Ontario, and the Government of Canada. However, this reliance is being actively addressed through a diversification strategy aimed at reducing dependency and strengthening financial resilience.

Key initiatives include:

- Expanding service offerings to other institutions, generating additional revenue streams.
- Building partnerships with private sector organizations and Anglophone institutions, broadening our network and funding base.
- Securing additional federal funding, which further diversifies our financial portfolio and reinforces long-term sustainability.

This strategic approach demonstrates the commitment to financial independence and stability, ensuring we remain a strong, reliable partner for all funders.

5. Government Assistance

Through various levels of governments, support is provided to the organization for its program delivery. These amounts are included in revenue as they become receivable. For 2024, the organization received **\$890,323** (2023 - \$763,907).

6. Government Remittances Payable

Government remittances outstanding at the end of the fiscal year were **\$4,297.11** (2023 - \$4,080.31).

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7. Accounts Receivable

	<u>2024</u>	<u>2023</u>
	\$	\$
Patrimoine Canadien - Multiculturalisme	34,648	
Leo Charity	21,350	21,351
Taibu	19,700	
Ministry of Canadian Heritage - PDCLO	6,528	
United Way - Cultural Competency CSSPF	5,535	5,534
Canadian Race Relations Foundation	2,000	
City of Toronto - IIN		1,046
Public Safety Canada		235,122
HST rebate	62,375	31,783
	152,136	294,836

8. Deferred Revenue

Deferred revenue is comprised of the following:

	<u>2024</u>	<u>2023</u>
	\$	\$
Grant-City of Toronto [IKUEN]	31,819	
Grant-ESDC [capital funding]		25,661
	31,819	25,661

Continuity of deferred revenue for the year

Deferred revenue, beginning of year	25,661	48,874
<i>Add:</i> Cash received from grants	896,481	740,694
<i>Less:</i> Grant revenue recognized	(890,323)	(763,907)
Deferred revenue, end of year	31,819	25,661

Notes to the Financial Statements

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9. CEBA Loan

Government of Canada, Canada Emergency Business Account (CEBA) \$40,000 loan, bears no interest until after 2023 and matures 2025, however, if repaid in full by December 31, 2023, 25% will be forgiven (converted to a Grant).

The loan was repaid in full by December 31, 2023.

10. Lease Commitment

The commitment of the organization under lease agreement for its premises expiring in April 2028 aggregates to \$380,452. The annual lease payments over the next four years are as follows:

2025	\$92,008
2026	\$94,078
2027	\$96,148
2028	\$98,218

11. Critical Judgement and Sources of Estimation Uncertainty

There were no critical judgements, apart from those involving estimations, which management has made in the process of applying the organization's accounting policies that have a significant effect on the amounts recognized in the financial statements.

These estimates and assumptions which have the most significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discuss below:

I. Useful lives of Capital Assets

Depreciation is provided so as to write down the respective assets to their estimated residual values over their expected useful lives and as such, the selection of the expected useful lives and the estimated residual values of the assets require the use of estimates and judgements. Details of the estimated useful lives are shown in Note 2c and 3.

The actual results may differ from the estimate.

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12. Grants and Other Revenue

	2024	2023
	\$	\$
City of Toronto - Black Racialized Housing	369,364	184,682
City of Toronto - IKUEN	76,342	71,482
City of Toronto - Black-Mandated Funding Framework Pilot	30,000	
City of Toronto - Conversation about rascism	5,000	49,137
City of Toronto - Investing In the Neighborhood	13,395	11,484
Canada Federal Government - Public Safety Canada		235,122
Canada Federal Government - Canadian Heritage - Multiculturalism	122,957	67,043
Canada Federal Government - Canadian Heritage - PDCLC	73,440	65,280
Canada Federal Government - ESDC - Black Community Capital Fund	25,661	13,213
United Way of Greater Toronto - Community Services Recovery Fund	97,700	
United Way of Greater Toronto - Cultural Competency CSSPF	66,464	66,464
United Way of Greater Toronto - African Resettlement Emergency Fund	10,000	
Government Grants	890,323	763,907
	2024	2023
	\$	\$
Black Creek Community Centre - Safe Mental Health	25,000	
Taibu	20,200	
Race Relations Foundation	10,000	15,000
AEFO	5,000	
College Boreal	5,000	
Cite Collegiale	2,500	
Contract and consulting		44,933
Community vaccine		42,211
Miscellaneous	4,823	10,064
Other	72,523	112,208

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13. Program Expenses

	2024	2023
	\$	\$
Program salaries	364,214	269,511
Program activities and services	428,102	105,227
	<hr/> 792,316	<hr/> 374,738

La Passerelle-I.D.E. activities and services are tailored with culturally appropriate solutions to meet the specific needs of our clients. The following main programs are provided:

Housing Security

La Passerelle-I.D.E. for the year ending March 31, 2024 was able, through the City of Toronto, to stabilize home to 42 francophone black and racialized clients, furnished their home through Furniture bank, \$900 financial support, monthly Presto card, counselling, medical referral, mental support, clothing bank and workshops and prevent eviction.

We are pleased to be highlighted by The Housing team of City of Toronto for the Housing impact and services we offered to our Francophone clients.

Please [click here to watch the video](#) for our housing testimonies.

Food Security

La Passerelle-I.D.E. continues to address the urgent needs of its clientele, particularly Black and racialized communities, who have been disproportionately impacted by the COVID-19 crisis and rising inflation. Over year 2023/2024, more than 500 food vouchers were distributed, providing essential support to individuals and families facing economic hardship. Additionally, more than 400 families received food baskets delivered directly to their homes, ensuring access to nutritious meals. This initiative has been instrumental in alleviating food insecurity and fostering community resilience during these challenging times. La Passerelle-I.D.E. will continue to respond to food security

Notes to the Financial Statements

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13. Program Expenses (continued)

Cultural Competency – [understanding and navigating the Canadian environment]

Recognize as the best practice by Canadian government, our Cultural Competency Program remains an essential tool for the social and economic inclusion of the francophone black and racialized newcomers. It has become a benchmark across the province and even internationally for its effectiveness in facilitating and enhancing the participation of new Canadians. For the year 2023/2024 we served over 750 francophone and racialized clients.

As at March 31, 2024, We offered around 60 cultural adapted webinars and served more than 1,500 clients through direct services, fieldwork, events, focus groups, and consultations. These webinars covered various themes such as Cultural Competency, Ikuen, Financial Literacy, English Café, Professional Branding, Housing Projects, Computer Donations, Grocery Voucher Distribution, Focus Groups, Community Engagement, Christmas Celebrations. Cultural counseling, mental health support.