

**ECONOMIC DEVELOPMENT COUNCIL FOR MANITOBA BILINGUAL
MUNICIPALITIES INC.**

INDEPENDENT AUDITOR'S REPORT

FINANCIAL STATEMENTS

MARCH 31, 2025

**ECONOMIC DEVELOPMENT COUNCIL FOR MANITOBA BILINGUAL
MUNICIPALITIES INC.**

MARCH 31, 2025

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Economic Development Council for Manitoba Bilingual Municipalities Inc.:

Opinion

We have audited the accompanying financial statements of Economic Development Council for Manitoba Bilingual Municipalities Inc. (the "Organization"), which comprise the statement of financial position as at March 31, 2025, and the statements of operations, changes in fund balances and cash flow for the year then ended, and the notes to 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 Economic Development Council for Manitoba Bilingual Municipalities Inc. as at March 31, 2025, 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

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 the 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.

Other Matter

The financial statements for the year ended March 31, 2024, were audited by another auditor who expressed an unqualified opinion on those financial statements on August 26, 2024.

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 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 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.

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

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.

**Winnipeg, Manitoba
August 26, 2025**

Fort Group

**CHARTERED PROFESSIONAL
ACCOUNTANTS INC.**

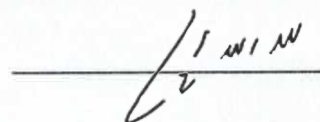


**ECONOMIC DEVELOPMENT COUNCIL FOR MANITOBA BILINGUAL
MUNICIPALITIES INC.
STATEMENT OF FINANCIAL POSITION
MARCH 31, 2025**

	<u>GENERAL FUND</u>	<u>INVESTMENT FUND</u>	<u>CAPITAL ASSET FUND</u>	<u>TOTAL 2025</u>	<u>TOTAL 2024</u>
ASSETS					
CURRENT ASSETS					
Cash	\$ -	100,259	-	100,259	531,673
Surplus shares - Caisse Groupe Financier Ltee.	1,706	18,302	-	20,008	20,008
Grants receivable	373,342	-	-	373,342	166,999
Accounts receivable (Note 3)	151,373	10,273	-	161,646	129,083
Prepaid expenses	18,294	-	-	18,294	3,802
Short-term investments (Note 4)	200,000	145,011	-	345,011	-
	744,715	273,845	-	1,018,560	851,565
LONG-TERM INVESTMENTS (Note 5)	-	430,506	-	430,506	646,418
LOANS TO SMALL BUSINESSES (Note 6)	-	287,314	-	287,314	351,555
TANGIBLE CAPITAL ASSETS (Note 7)	-	-	29,195	29,195	44,010
	<u>\$ 744,715</u>	<u>991,665</u>	<u>29,195</u>	<u>1,765,575</u>	<u>1,893,548</u>
LIABILITIES AND NET ASSETS					
CURRENT LIABILITIES					
Bank advances (Note 8)	\$ 138,617	-	-	138,617	-
Accounts payable and accrued liabilities	35,901	1,296	-	37,197	172,985
Deferred revenue (Note 9)	482,261	-	-	482,261	568,458
	656,779	1,296	-	658,075	741,443
DEFERRED CAPITAL CONTRIBUTIONS (Note 10)	-	-	21,698	21,698	37,021
LONG-TERM DEBT (Note 11)	-	287,314	-	287,314	351,555
TOTAL LIABILITIES	<u>656,779</u>	<u>288,610</u>	<u>21,698</u>	<u>967,087</u>	<u>1,130,019</u>
FUND BALANCES					
General Fund - Unrestricted	17,936	-	-	17,936	16,915
Reserve Fund - Internally restricted	70,000	-	-	70,000	60,000
Investment Fund - Internally restricted	-	703,055	-	703,055	679,625
Capital Asset Fund - Internally restricted	-	-	7,497	7,497	6,989
	87,936	703,055	7,497	798,488	763,529
	<u>\$ 744,715</u>	<u>991,665</u>	<u>29,195</u>	<u>1,765,575</u>	<u>1,893,548</u>

APPROVED BY THE BOARD OF DIRECTORS:

 Director *

 Director

**ECONOMIC DEVELOPMENT COUNCIL FOR MANITOBA BILINGUAL
MUNICIPALITIES INC.
STATEMENT OF OPERATIONS
YEAR ENDED MARCH 31, 2025**

	<u>GENERAL FUND</u>	<u>INVESTMENT FUND</u>	<u>CAPITAL ASSET FUND</u>	<u>TOTAL 2025</u>	<u>TOTAL 2024</u>
REVENUE					
Other projects (Note 14)	\$ 1,905,545	-	-	1,905,545	1,813,496
Operating grants					
Service Canada	761,307	-	-	761,307	604,866
Western Economic Diversification	545,000	-	-	545,000	545,000
Canadian Heritage	247,500	-	-	247,500	222,750
Other revenues (Note 15)	191,604	-	-	191,604	117,640
Interest	-	41,989	-	41,989	34,689
Amortization of deferred capital contributions (Note 10)	-	-	25,711	25,711	20,825
Bad debt recovery	-	-	-	-	3,200
	<u>3,650,956</u>	<u>41,989</u>	<u>25,711</u>	<u>3,718,656</u>	<u>3,362,466</u>
EXPENSES					
Advertising and promotion	131,970	-	-	131,970	148,123
Amortization of tangible capital assets	-	-	25,203	25,203	35,238
Bank charges and interest	1,494	60	-	1,554	2,015
Insurance	1,249	-	-	1,249	6,643
Interest on long-term debt	-	18,499	-	18,499	15,817
Meals, mileage and travel	304,190	-	-	304,190	260,162
Office	132,671	-	-	132,671	85,134
Other expenses (Note 15)	41,469	-	-	41,469	48,944
Participant allocations and employer reimbursements	131,988	-	-	131,988	247,088
Product/package development	125,608	-	-	125,608	88,035
Professional fees and consultants	312,659	-	-	312,659	282,044
Rent and maintenance	260,630	-	-	260,630	214,398
Salaries and benefits	2,041,525	-	-	2,041,525	1,821,349
Telecommunications	28,769	-	-	28,769	26,304
Francophone Economic Development Fund for the Prairies	125,713	-	-	125,713	75,000
	<u>3,639,935</u>	<u>18,559</u>	<u>25,203</u>	<u>3,683,697</u>	<u>3,356,294</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 11,021</u>	<u>23,430</u>	<u>508</u>	<u>34,959</u>	<u>6,172</u>

**ECONOMIC DEVELOPMENT COUNCIL FOR MANITOBA BILINGUAL
MUNICIPALITIES INC.
STATEMENT OF CHANGES IN FUND BALANCES
YEAR ENDED MARCH 31, 2025**

	<u>General Fund</u>	<u>Reserve Fund</u>	<u>Investment Fund</u>	<u>Capital Asset Fund</u>	<u>2025</u>	<u>2024</u>
NET ASSETS, BEGINNING OF YEAR	16,915	60,000	679,625	6,989	763,529	757,357
Excess of revenue over expenses for the year	11,021	-	23,430	508	34,959	6,172
Purchase of tangible capital assets	(10,388)	-	-	10,388	-	-
Government contributions for purchase of tangible capital assets	10,388	-	-	(10,388)	-	-
Transfer to Reserve Fund	<u>(10,000)</u>	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET ASSETS, END OF YEAR	<u><u>\$ 17,936</u></u>	<u><u>70,000</u></u>	<u><u>703,055</u></u>	<u><u>7,497</u></u>	<u><u>798,488</u></u>	<u><u>763,529</u></u>

**ECONOMIC DEVELOPMENT COUNCIL FOR MANITOBA BILINGUAL
MUNICIPALITIES INC.
STATEMENT OF CASH FLOW
YEAR ENDED MARCH 31, 2025**

	<u>2025</u>	<u>2024</u>
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 34,959	6,172
Add back (deduct) non-cash items:		
Amortization of tangible capital assets	25,203	35,238
Amortization of deferred capital contributions	<u>(25,711)</u>	<u>(20,825)</u>
	34,451	20,585
Change in non-cash working capital:		
Grants receivable	(206,343)	(72,463)
Accounts receivable	32,563	527,507
Prepaid expenses	(14,492)	(3,637)
Accounts payable and accrued liabilities	(135,788)	41,800
Deferred revenue	<u>(86,197)</u>	<u>380,842</u>
	(375,806)	894,634
INVESTING ACTIVITIES		
Issuance of loans to small businesses	-	(243,563)
Repayment of loans from small businesses	64,241	39,367
Purchase of tangible capital assets	(10,388)	(10,238)
Government contributions for purchase of tangible capital assets	10,388	-
Proceeds from maturity of term deposits	94,287	130,360
Purchase of term deposits	<u>(223,386)</u>	<u>(16,065)</u>
	(64,858)	(100,139)
FINANCING ACTIVITIES		
Repayment of long-term debt	<u>(64,241)</u>	<u>(39,367)</u>
CHANGE IN CASH	(504,905)	755,128
CASH (BANK INDEBTEDNESS), BEGINNING OF YEAR	<u>551,681</u>	<u>(203,447)</u>
CASH (BANK INDEBTEDNESS), END OF YEAR	<u><u>\$ 46,776</u></u>	<u><u>551,681</u></u>
Represented by:		
Cash - General Fund	\$ -	522,785
Cash - Investment Fund	100,259	8,888
Bank advances - General Fund	(138,617)	-
Surplus shares	<u>20,008</u>	<u>20,008</u>
	<u><u>\$ (18,350)</u></u>	<u><u>551,681</u></u>

**ECONOMIC DEVELOPMENT COUNCIL FOR MANITOBA BILINGUAL
MUNICIPALITIES INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2025**

1. ACCOUNTING ENTITY

Economic Development Council for Manitoba Bilingual Municipalities Inc. (the "Organization") is a not-for-profit organization without share capital, incorporated under The Corporations Act of Manitoba. It was incorporated July 9, 1996. The Organization is exempt from income taxes under section 149(1)(l) of the Income Tax Act.

The Organization's objective is to stimulate, promote, encourage and organize the economic development in the communities that are members of the Manitoba Bilingual Municipalities Association ("AMBM")

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

An underlying assumption of the preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations is that the entity will continue for the foreseeable future and will be able to realize its assets and discharge liabilities in the normal course of operations.

These financial statements include the following significant accounting policies:

(a) Fund Accounting

Revenues and expenses for service delivery activities and administration are reported in the General Fund.

The Reserve Fund has been established with resources set aside by the Organization to help finance specific projects.

Interest income, as well as gains and losses, on Investment Fund resources are represented in the Investment Fund.

The Capital Asset Fund reports the assets, liabilities, revenues and expenses related to the tangible capital assets.

(b) Revenue recognition

The Organization follows a deferral method of accounting for contributions.

Restricted contributions including government grants are recognized as revenue in the year in which the related expenses are incurred. Unspent grants are deferred to the following year and shown as deferred revenue on the statement of financial position.

Restricted contributions for the purchase of tangible capital assets are recognized as revenue on the same basis as the amortization expense related to the tangible capital assets acquired. The unamortized portion of grants received for the purchase of tangible capital assets are deferred to the following year and shown as deferred capital contributions related to tangible capital assets on the statement of financial position.

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

Interest revenue is recorded as revenue in the period in which it is earned in the corresponding fund.

(c) Tangible capital assets

Tangible capital assets are recorded at cost and amortized over their estimated lives using the straight-line method at the following annual rates:

Leasehold improvements	Term of lease
Furniture and equipment	10 years
Computer equipment	3 years

When the Organization observes conditions that indicate that a tangible capital asset is impaired, the net carrying amount of the tangible capital asset is written down to the asset's fair value or replacement cost. The write-downs of tangible capital assets are accounted for as expenses in the statement of operations.

**ECONOMIC DEVELOPMENT COUNCIL FOR MANITOBA BILINGUAL
MUNICIPALITIES INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2025**

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Financial Instruments

Financial instruments held by the Organization include cash, surplus shares, short-term investments, accounts receivable, grants receivable, long-term investments, loans to small businesses, accounts payable and accrued liabilities, and bank advances. The Organization initially measures its financial instruments at fair value when the asset or liability is first recognized.

The Organization subsequently measures its financial instruments at cost or amortized cost. Amortized cost is the amount at which the financial instrument is measured at initial recognition, less principal repayments, plus or minus the cumulative of any difference between that initial amount and the maturity amount, and minus any reduction for impairment.

(e) Investment Fund

The Investment Fund was established by contribution of \$500,000 from Western Economic Diversification Canada ("WED"). The funds' objective is to provide loans to small businesses in the communities that are members of the Manitoba Bilingual Municipalities Association as well as other francophone communities.

The agreement relating to the Investment Fund dated September 15, 1998, ended March 31, 2011.

Having received the Organization's commitment to continue utilizing the funds for their intended purposes WED agreed to leave the management of the funds with the Organization.

(f) Use of estimates

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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Estimates include amounts payable for services not billed yet at the time these financial statements were approved and the useful life of tangible capital assets. Actual results may differ from estimates.

(g) Contributed services and donated materials

Volunteers are an integral part of carrying out the activities of the Organization. Contributed services are not recognized in the financial statements because of the difficulty in determining the fair market value.

Contributions of donated materials are recognized both as contributions and expenses in the statement of operations when a fair value can be reasonably estimated and when the materials are used in the normal course of the Organization's operations and would otherwise have been purchased.

**ECONOMIC DEVELOPMENT COUNCIL FOR MANITOBA BILINGUAL
MUNICIPALITIES INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2025**

3. ACCOUNTS RECEIVABLE

	<u>2025</u>		
	<u>General Fund</u>	<u>Investment Fund</u>	<u>Total</u>
GST receivable	\$ 17,706	-	17,706
Interest receivable	2,811	10,273	13,084
Other receivable	<u>130,856</u>	<u>-</u>	<u>130,856</u>
	<u>\$ 151,373</u>	<u>10,273</u>	<u>161,646</u>

	<u>2024</u>		
	<u>General Fund</u>	<u>Investment Fund</u>	<u>Total</u>
GST receivable	\$ 20,098	-	20,098
Interest receivable	-	10,768	10,768
Accounts receivable	<u>98,217</u>	<u>-</u>	<u>98,217</u>
	<u>\$ 118,315</u>	<u>10,768</u>	<u>129,083</u>

4. SHORT-TERM INVESTMENTS

	<u>2025</u>	<u>2024</u>
General Fund - Guaranteed investment certificate, bearing interest at 2.85%, maturing October 2, 2025	\$ 200,000	-
Investment Fund - Guaranteed investment certificate, bearing interest at 3.00%, maturing March 26, 2026	89,568	-
Investment Fund - Guaranteed investment certificate, bearing interest at 2.00%, maturing February 15, 2026	<u>55,443</u>	<u>-</u>
	<u>\$ 345,011</u>	<u>-</u>

5. LONG-TERM INVESTMENTS

Long-term investments consist of term deposits with Caisse Financial Group at interest rates varying between 2.75% and 6.50% (2024 - 2.75% and 4.50%) with maturity dates varying between 2026 and 2031 (2024 - 2025 and 2031).

6. LOANS TO SMALL BUSINESSES

The loans to small businesses vary in amounts from \$10,619 to \$65,029 (2024 - \$8,683 to \$73,807). They bear interest at rates of 4.75% to 8.50% (2024 - 4.75% to 8.50%) and are repayable over 5 to 7 years.

Loans are stated at their principal amount, less payments received as well as write-offs and provisions for uncollectible amounts. Write-offs for uncollectible amounts is determined on a loan-by-loan basis for specifically identifiable probable losses on loans for small businesses. Management has concluded no provision for uncollectible amounts is required at March 31, 2025 (2024 - \$nil). However, over the years certain agreements were made to recover previously written off debts. Recoveries appear on the Statement of Operations and Changes in Fund Balances as a recovery of bad debt in the Investment Fund.

	<u>2025</u>	<u>2024</u>
Loans to small businesses	<u>\$ 287,314</u>	<u>351,555</u>

**ECONOMIC DEVELOPMENT COUNCIL FOR MANITOBA BILINGUAL
MUNICIPALITIES INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2025**

7. TANGIBLE CAPITAL ASSETS

	<u>2025</u>		<u>2024</u>	
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Cost</u>	<u>Accumulated Amortization</u>
Leasehold improvements	\$ 54,525	54,106	54,524	52,433
Furniture and equipment	188,620	183,228	188,620	180,622
Computer equipment	<u>141,356</u>	<u>117,972</u>	<u>130,969</u>	<u>97,048</u>
	<u>384,501</u>	<u>355,306</u>	<u>374,113</u>	<u>330,103</u>
Net book value	<u>\$ 29,195</u>		<u>44,010</u>	

8. BANK ADVANCES

The Organization has a line of credit arrangement of \$300,000 (2024 - \$300,000) bearing interest at 1.50% over the financial institution's prime rate of interest, with an effective rate of 6.45% (2024 - 8.70%) as of March 31, 2025. A general security agreement on the Organization's assets has been pledged as security for the line of credit. As of March 31, 2025, \$138,617 (2024 - \$nil) of the line of credit had been used.

9. DEFERRED REVENUE

A portion of certain amounts received has been deferred since the projects relating to these amounts have not been completed during the year.

	<u>2024</u>	<u>Contributions Received</u>	<u>Revenue Recognized</u>	<u>2025</u>
Employment and Social Development Canada Adopted Services	\$ 159,733	-	(159,733)	-
Other projects (Note 14)	153,247	28,370	(153,247)	28,370
Prairies Canada - FEDFO	95,000	-	(95,000)	-
Francofonds	60,865	57,589	(60,865)	57,589
Société de la francophonie manitobaine - RIF project	39,276	-	(39,276)	-
AMBM - CGMIE Project	21,952	95,818	(21,952)	95,818
Caisse Financial Group and Junior Achievement Manitoba	15,447	17,439	(15,447)	17,439
Other revenue (Note 15)	13,090	14,662	(13,090)	14,662
RDÉE Canada - Early Childhood	9,848	-	(9,848)	-
Prairies Canada - FDEFP	-	139,286	-	139,286
RDÉE Canada	-	19,330	-	19,330
Accueil Francophone - Welcoming Communities	-	12,000	-	12,000
AMBM - RME	<u>-</u>	<u>97,767</u>	<u>-</u>	<u>97,767</u>
	<u>\$ 568,458</u>	<u>482,261</u>	<u>(568,458)</u>	<u>482,261</u>

**ECONOMIC DEVELOPMENT COUNCIL FOR MANITOBA BILINGUAL
MUNICIPALITIES INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2025**

10. DEFERRED CAPITAL CONTRIBUTIONS

Deferred contributions represent contributions of tangible capital assets and restricted contributions from which leasehold improvements, office equipment, and program equipment were originally purchased. The changes in the deferred contributions balance for the period are as follows:

	<u>2025</u>	<u>2024</u>
Balance, beginning of year	\$ 37,021	46,827
Grants received and restricted for the purchase tangible capital assets:		
Employment and Social Development Canada - project Tourisme	-	1,488
Employment and Social Development Canada - Priority projects commerce - Employment for All Project	10,388	9,531
Less: amortization of deferred capital contributions	<u>(25,711)</u>	<u>(20,825)</u>
Balance, end of year	<u>\$ 21,698</u>	<u>37,021</u>

11. LONG-TERM DEBT

The loans payable are with Caisse Financial Group. These loans bear interest at rates from 4.75% to 8.50% (2024 - 4.75% to 8.50%) and are repayable in monthly payments of approximately \$8,261, including principal and interest. The loans are repayable over a period of 5 to 7 years. The Organization's investments have been pledged as security for these loans.

12. RELATED PARTY TRANSACTIONS

The Economic Development Council for Manitoba Bilingual Municipalities Inc. (CDEM) and Eco-Ouest Canada (EOC) are two autonomous legal entities under the bilingual municipal leadership provided by l'Association des municipalités bilingues du Manitoba (l'AMBM), including 16 bilingual municipalities. The three organizations form an associated group as l'AMBM approves the nomination to the board of directors of CDEM and EOC.

L'AMBM

Related Party Transactions

Revenue of \$7,289 (2024 - \$8,400) was received from L'AMBM for rental of office space and storage, parking and payroll services. These transactions occurred in the normal course of business and were recorded at the exchange amount, which is the price agreed upon by the two parties which approximates fair value of the goods and services exchanged.

EOC

Related Party Transactions

Revenue of \$3,974 (2024 - \$3,360) was received from EOC for rental of office space, parking and use of telephone. These transactions occurred in the normal course of business and were recorded at the exchange amount, which is the price agreed upon by the two parties which approximates fair value of the goods and services exchanged.

13. COMMITMENTS

The Organization is committed to the following minimum lease payments for premises and parking renewed to June 2029, and for various operating leases for equipment ending in July 2028 and in January 2029.

2026	\$ 258,277
2027	258,277
2028	258,277
2029	<u>242,777</u>
	<u>\$ 1,017,608</u>

**ECONOMIC DEVELOPMENT COUNCIL FOR MANITOBA BILINGUAL
MUNICIPALITIES INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2025**

14. OTHER PROJECTS - REVENUES

The details of the revenues for the other projects carried out during the year are as follows:

	<u>2025</u>	<u>2024</u>
Immigrant and Citizenship Canada	\$ 337,696	338,785
Other projects	246,689	179,788
Employment and Social Development Canada - Adapted services	192,138	190,267
Province of Manitoba - Education and Training - Immigration Project	192,110	180,792
Western Economic Diversification Canada FDEFO Fund	155,713	105,000
Province of Manitoba - Education and Training - Jobs for All Project	146,442	142,277
Western Economic Diversification Canada Tourism Project	100,000	70,000
Province of Manitoba - Growth, Enterprise, and Trade (Note 16)	90,000	90,000
Travel Manitoba - Tourism Project	70,000	70,000
RDÉE Canada - Immigrant Women	62,094	-
Pre-departure - Partnership with Accueil francophone	48,811	-
RDÉE Canada - Destination Canada	47,736	-
Société de la francophonie manitobaine - RIF Project	39,276	40,722
Junior Achievement Manitoba - Youth Projects	35,000	35,020
Caisse Financial Group - Youth Projects	25,000	25,015
Project ATI - Self employment	20,710	-
Bureau de l'éducation française du Manitoba - Youth Projects	20,000	20,000
Francofonds (Projects 34, 46 & 48)	19,370	29,155
RDÉE Canada - Early Childhood - Training	18,317	2,911
RDÉE Canada - Liason Tour	18,253	-
RDÉE Canada - Events Project	12,614	-
RDÉE Canada - Youth Projects	7,576	4,700
Société économique de l'Ontario - Mentoring and Employability Project	-	71,890
Employment and Social Development Canada - Destination Emploi Project	-	217,174
	<u><u>\$ 1,905,545</u></u>	<u><u>1,813,496</u></u>

15. OTHER REVENUES AND EXPENSES

The details of other revenues and other expenses are as follows:

	<u>2025</u>	<u>2024</u>
Revenues		
Miscellaneous	\$ 141,901	74,759
Omnium de golf	28,180	25,550
Fosse aux lions	10,000	10,000
Tourism	6,914	762
Social committee	4,609	6,569
	<u><u>\$ 191,604</u></u>	<u><u>117,640</u></u>
Expenses		
Fosse aux lions	\$ 10,000	2,850
Miscellaneous	1,145	9,220
Vice Versa Project	-	3,000
Omnium de golf	25,715	27,629
Social committee	4,609	6,245
	<u><u>\$ 41,469</u></u>	<u><u>48,944</u></u>

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16. PROVINCE OF MANITOBA - GROWTH, ENTERPRISE AND TRADE

During the period, the Organization received funding under the Province of Manitoba's Partners for Economic Growth (PEG) program in the amount of \$90,000. The total revenue recognized during the fiscal period was \$90,000.

The use of the funds provided by the 2024-2025 PEG funding are as follows:

	<u>2025</u>	<u>2024</u>
Expenses		
Salaries and benefits	\$ 61,700	61,700
Professional fees and consultants	<u>28,300</u>	<u>28,300</u>
	<u>\$ 90,000</u>	<u>90,000</u>

17. FINANCIAL RISK MANAGEMENT

(a) Interest Rate Risk

Interest rate cash flow risk is the risk that changes in market interest rates may have an effect on the cash flows associated with some financial instruments. Interest rate price risk is the risk that changes in market interest rates may have an effect on the fair value of other financial instruments. The Organization is exposed to interest rate risk on its line of credit, when in use, is at a variable interest rate and because its term deposit investments and long-term debt are at fixed interest rates. Fixed rate instruments subject the Organization to fair value risks, whereas variable rate instruments subject it to cash flow risks.

(b) Liquidity Risk

Liquidity risk is the risk that the Organization will not be able to meet its financial obligations as they come due. Financial liabilities consist of long-term debt, bank advances, accounts payable and accrued liabilities. This risk is reduced due to the term deposit investments offered as guarantees against the debt. Accounts payable and accrued liabilities are paid in the normal course of business and, except under certain exceptions, no later than one month.

The Organization's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet liabilities when due. At March 31, 2025, the Organization has a bank indebtedness balance of \$(18,350) (2024 - cash balance of \$551,681) and current liabilities exclusive of deferred revenue of \$175,814 (2024 - \$172,985). Management continues to monitor and maintain adequate levels of working capital and expenditures to mitigate liquidity risk.

(c) Credit Risk

Financial instruments which potentially subject the Organization to credit risk and concentrations of credit risk consist principally of loans to small businesses, grants receivable, and accounts receivable. Management manages credit risk associated with accounts receivable by pursuing collection on overdue accounts.

18. COMPARATIVE FIGURES

Certain lines of the comparative figures have been reclassified to reflect the financial statement presentation adopted for the current year.