

The Excel Empowerment Centre Inc.

Financial Statements

For the Year Ended December 31, 2024

The Excel Empowerment Centre Inc.
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For the Year Ended December 31, 2024

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Board of Directors
The Excel Empowerment Centre Inc.

We have reviewed the accompanying financial statements of The Excel Empowerment Centre Inc. that comprise the statement of financial position as at December 31, 2024, and statements of operations, statement of changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of The Excel Empowerment Centre Inc. as at December 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.

Talbot and Associates
Chartered Professional Accountants

Winnipeg, Manitoba
June 29, 2025

The Excel Empowerment Centre Inc.
Statement of Financial Position
As At December 31, 2024

	2024	2023
ASSETS		
CURRENT		
Cash	\$ 22,981	\$ 40,391
Accounts receivable	16,675	3,150
Due from government agencies	998	996
Prepaid expenses	2,784	-
	<hr/> 43,438	<hr/> 44,537
TANGIBLE CAPITAL ASSETS (Note 3)	<hr/> 26,948	<hr/> 16,604
	<hr/> \$ 70,386	<hr/> \$ 61,141
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 7,831	\$ 15,768
Deferred revenue	47,162	35,966
	<hr/> 54,993	<hr/> 51,734
DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS	(Note 4)	
	<hr/> 9,568	<hr/> -
	<hr/> 64,561	<hr/> 51,734
NET ASSETS	<hr/> 5,825	<hr/> 9,407
	<hr/> \$ 70,386	<hr/> \$ 61,141

Approved by the Board of Directors

_____,
_____,

The accompanying notes are an integral part of these financial statements.

The Excel Empowerment Centre Inc.

Statement of Changes in Net Assets

For the Year Ended December 31, 2024

	2024	2023
NET ASSETS - BEGINNING OF YEAR	\$ 9,407	\$ 15,275
CHANGES AS A RESULT OF FIRST-TIME ADOPTION OF ASPE	- <hr/>	(6,744) <hr/>
RESTATED	9,407	8,531
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<hr/> (3,582)	876
NET ASSETS - END OF YEAR	<hr/> \$ 5,825	<hr/> \$ 9,407

The accompanying notes are an integral part of these financial statements.

The Excel Empowerment Centre Inc.
Statement of Operations
For the Year Ended December 31, 2024

	2024	2023
REVENUES		
Donations	\$ 238,100	\$ 281,075
Grants	52,927	143,351
Provincial government grants	46,115	71,259
Federal government grants	10,053	6,686
Services	-	3,150
Fundraising	<u>13,186</u>	<u>5,895</u>
	<u>360,381</u>	<u>511,416</u>
EXPENSES		
Advertising	4,841	1,631
Amortization of tangible assets	3,298	2,636
Donations	83,642	172,289
Equipment	1,692	1,387
Fundraising expenses	1,911	-
Insurance	1,968	1,575
Interest and bank charges	2,706	2,122
Memberships and licenses	115	1,308
Office expenses	18,757	27,246
Professional fees	8,202	8,700
Program	22,899	27,101
Salaries and wages	<u>202,065</u>	<u>255,797</u>
Training	200	550
Travel expenses	5,957	1,911
Vehicle	<u>5,710</u>	<u>6,287</u>
	<u>363,963</u>	<u>510,540</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<u>\$ (3,582)</u>	<u>\$ 876</u>

The accompanying notes are an integral part of these financial statements.

The Excel Empowerment Centre Inc.

Statement of Cash Flows

For the Year Ended December 31, 2024

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Excess (deficiency) of revenue over expenses	\$ (3,582)	\$ 876
Adjustments for non-cash items:		
Amortization	3,298	2,636
Changes in non-cash working capital balances:		
Accounts receivable	(13,525)	(2,564)
Prepaid expenses	(2,784)	-
Due from government agencies	(32)	(966)
Accounts payable and accrued liabilities	(7,937)	5,668
Deferred revenue	11,196	35,966
Deferred contributions	9,568	-
TOTAL CASH FLOWS FROM OPERATING ACTIVITIES	(3,798)	41,616
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments to acquire tangible capital assets	(13,612)	(1,459)
NET CASH INCREASE (DECREASE)	(17,410)	40,157
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	40,391	234
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 22,981	\$ 40,391

The accompanying notes are an integral part of these financial statements.

The Excel Empowerment Centre Inc.

Notes to the Financial Statements

For the Year Ended December 31, 2024

1. DESCRIPTION OF OPERATIONS

The Excel Empowerment Centre Inc. (the "Organization") was incorporated May 12, 2021 under the laws of Manitoba with the objective to provide skills training and education for newcomer immigrants and refugees, providing a space for recreational and cultural activities to promote and enhance emotional and mental wellness. The Organization is a registered charity under the Income Tax Act of Canada and accordingly is exempt from income taxes. The business is incorporated under the provincial business corporations act.

2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Organization are in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) applied on a basis consistent with that of the preceding year. Outlined below are those policies considered particularly significant.

a. Cash

Cash includes cash on hand and bank balances such as chequing accounts.

b. Tangible capital assets

Amortization is provided for using the declining balance method over the estimated useful lives as follows for the major classes of assets:

Asset	Rates
Furniture and fixture	10%
Computer and electronic equipment	15%'
Vehicle	15%

The amortization of the property, plant and equipment is calculated half of the above-mentioned rates for the year of purchase and no amortization is recorded in the year of disposal.

The Excel Empowerment Centre Inc.

Notes to the Financial Statements

For the Year Ended December 31, 2024

2. SIGNIFICANT ACCOUNTING POLICIES

c. Revenue recognition

The Organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Miscellaneous revenue includes donations, fundraising and interest revenue. Fundraising revenue is recognized as revenue in the period the event occurs. Interest revenue is recognized as revenue in the period it is earned. Donations revenue follows the revenue recognition policy for contributions.

The Excel Empowerment Centre Inc.

Notes to the Financial Statements

For the Year Ended December 31, 2024

2. SIGNIFICANT ACCOUNTING POLICIES

d. Financial instruments

Initial and subsequent measurement

The Organization initially measures its financial assets and liabilities at fair value, except for certain related party transactions that are measured at the carrying amount or exchange amount, as appropriate.

The Organization subsequently measures all its financial assets and liabilities at cost or amortized cost, except for certain related party transactions that are measured at the carrying amount or exchange amount, as appropriate.

Financial assets measured at amortized cost on a straight-line basis include cash, term deposits, trade and other accounts receivable. Financial assets measured at fair value include quoted shares.

Financial liabilities measured at amortized cost on a straight-line basis include the accounts payable and accrued liabilities, reported as financial liabilities.

Impairments

For financial assets measured at cost or amortized cost, the Organization determines whether there are indications of possible impairment. When there is an indication of impairment, and the Organization determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in income. If the indicators of impairment have decreased or no longer exist, the previously recognized impairment loss shall be reversed to the extent of the improvement. The carrying amount of the financial asset may not be greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in income.

Transaction costs

Transaction costs related to financial instruments that will be subsequently measured at fair value are recognized in income in the period incurred. Transaction costs related to financial instruments subsequently measured at amortized cost are included in the original cost of the asset or liability and recognized in income over the life of the instrument using the straight-line method.

The Excel Empowerment Centre Inc.

Notes to the Financial Statements

For the Year Ended December 31, 2024

2. SIGNIFICANT ACCOUNTING POLICIES

e. Use of estimates

When preparing financial statements, we make estimates and assumptions relating to:

- Reported amounts of revenue and expenses
- Reported amounts of assets and liabilities
- Disclosure of contingent assets and liabilities

The Organization bases assumptions on a number of factors including historical experience, current events, actions that the Organization may undertake in the future, and other assumptions that we believe are reasonable under the circumstances. Actual results could differ from those estimates under different conditions and assumptions. The Organization uses estimates when accounting for certain items such as useful lives of capital assets, impairment of long-lived assets, allowance for doubtful accounts, Approved by the Board of Directors and estimated lives of deferred contributions.

f. Contributed services

Volunteers contribute many hours per year to assist the Organization in carrying out its operational activities. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

3. TANGIBLE CAPITAL ASSETS

		2024	2023		
		Cost	Accum. Amort.	Net Book Value	Net Book Value
Motor vehicles		\$ 11,000	\$ 3,649	\$ 7,351	\$ 8,649
Computer equipment		16,745	2,782	13,963	5,390
Furniture and fixtures		3,000	867	2,133	2,565
Total		\$ 30,745	\$ 7,298	\$ 23,447	\$ 16,604

4. DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS

2024 2023

The Excel Empowerment Centre Inc.

Notes to the Financial Statements

For the Year Ended December 31, 2024

4. DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS

	2024	2023
Balance - beginning of year	\$ -	\$ -
Tropicana Community Services - SBCCI Grant	10,373	-
Accumulated total reported as revenue	(805)	-
Balance - end of year	\$ 9,568	\$ -

5. FINANCIAL RISKS

The Organization is exposed to various risks through its financial instruments, without being exposed to concentrations of risk. The main risks are broken down below.

Credit risk

Credit risk is the risk that one party to a financial asset will cause a financial loss for the Organization by failing to discharge an obligation. The Organization's credit risk is mainly related to accounts receivable and notes receivable. The Organization provides credit to its clients in the normal course of its operations.

6. COMPARATIVE FIGURES

Some figures have been reclassified to conform to the current year's presentation.
