

**TAKING CHARGE! INC./SE PRENDRE EN MAIN! INC.**

**Financial Statements**

**March 31, 2025**

June 18, 2025

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**INDEPENDENT AUDITOR'S REPORT**

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To the Directors of Taking Charge! Inc./Se Prendre En Main! Inc.

*Opinion*

I have audited the financial statements of Taking Charge! Inc./Se Prendre En Main! Inc. (the Organization), which comprise the statement of financial position as at March 31, 2025 and the statements of revenues and expenditures, 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 my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2025, 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 those requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 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 relating 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.

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*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 misstatement, 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.
- 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.



Chartered Professional Accountant  
Winnipeg, Manitoba

**TAKING CHARGE! INC./SE PRENDRE EN MAIN! INC.****Statement of Financial Position****March 31, 2025**

	2025	2024
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 403,761	\$ 370,789
Accounts receivable (Note 3)	7,490	25,989
Goods and services tax receivable	9,628	9,320
Prepaid expenses	4,377	3,728
	<u>425,256</u>	409,826
CAPITAL ASSETS (Note 4)	<u>98,241</u>	103,688
	<u>\$ 523,497</u>	<u>\$ 513,514</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities (Note 6)	<u>121,459</u>	69,920
DEFERRED CONTRIBUTIONS (Note 7, 8)		
Expenses of future periods	237,328	313,259
Capital assets	98,481	103,928
	<u>335,809</u>	417,187
NET ASSETS		
Unrestricted	(115,324)	(160,593)
Invested in capital assets	181,553	187,000
	<u>66,229</u>	26,407
	<u>\$ 523,497</u>	<u>\$ 513,514</u>

**APPROVED BY THE BOARD:**

  
\_\_\_\_\_  
Director

  
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Director

**TAKING CHARGE! INC./SE PRENDRE EN MAIN! INC.**

**Statement of Operations**

**Year Ended March 31, 2025**

	2025	2024
<b>REVENUES</b>		
Province of Manitoba - Families		
Taking Charge! Employment Assistance Services	\$ 822,638	\$ 805,833
Taking Charge! of Academics	27,362	28,348
Journey Independence	9,901	78,499
Pest control	-	3,113
Province of Manitoba - Education and Early Childhood Learning		
Taking Care! Daycare		
Operating	658,192	595,412
Parent fees	211,524	208,546
Parent subsidies	118,680	111,216
Pension	24,237	19,038
Inclusion	-	15,450
Quality Early Learning	-	56,000
Enhance diversity	6,761	25,239
Recruitment/retention	2,060	10,924
Staff training	343	-
Federal Government		
Women & Gender Equality	56,250	-
Summer placements	-	8,614
Parent fees	15,279	16,579
Other		
Winnipeg Foundation	59,081	-
Red Cross CSRF	19,492	-
Interest and other revenue	10,148	21,842
Donations and fundraising	7,783	82,451
Amortization of deferred contributions related to capital assets (note 7)	26,889	22,849
	<b>2,076,620</b>	<b>2,109,953</b>
<b>EXPENSES</b>		
Taking Charge!		
Taking Charge! Employment Assistance Services (Schedule 1)	857,636	910,107
Taking Charge! of Academics (Schedule 1)	27,362	28,348
Taking Care! - Daycare (Schedule 1)	1,022,295	1,078,910
Other:		
Structural program review	49,710	-
Women & Gender Equality	47,249	-
Pest control	-	3,113
Daycare placement	176	128
Technology	3,548	954
Special events and fundraising expenses	1,933	50,900
Amortization	26,889	22,849
	<b>2,036,798</b>	<b>2,095,309</b>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>\$ 39,822</b>	<b>\$ 14,644</b>

# TAKING CHARGE! INC./SE PRENDRE EN MAIN! INC.

## Statement of Changes in Net Assets

Year Ended March 31, 2025

	Unrestricted	Invested in Capital Assets	2025 Total	2024 Total
BALANCE - BEGINNING OF YEAR	\$ (160,593)	\$ 187,000	\$ 26,407	\$ 11,763
Excess (deficiency) of revenues over expenses	66,711	(26,889)	39,822	14,644
Purchase of capital assets	(21,442)	21,442	-	-
BALANCE - END OF YEAR	\$ (115,324)	\$ 181,553	\$ 66,229	\$ 26,407

**TAKING CHARGE! INC./SE PRENDRE EN MAIN! INC.****Statement of Cash Flow****Year Ended March 31, 2025**

	<b>2025</b>	<b>2024</b>
<b>CASH PROVIDED BY (USED IN):</b>		
<b>OPERATING ACTIVITIES:</b>		
Excess of revenues over expenses	<b>\$ 39,822</b>	\$ 14,644
Items not involving cash:		
Amortization of deferred contributions related to capital assets	<b>(26,889)</b>	(22,849)
Amortization of capital assets	<b>26,889</b>	22,849
Change in non-cash operating working capital:		
Accounts receivable	<b>18,499</b>	(10,540)
Goods and services tax receivable	<b>(308)</b>	(2,266)
Prepaid expenses	<b>(649)</b>	(300)
Accounts payable and accrued liabilities	<b>51,539</b>	3,232
Net change in deferred contributions related to expenses of future periods	<b>(75,931)</b>	149,279
	<b>32,972</b>	154,049
<b>INVESTING ACTIVITIES:</b>		
Additions to capital assets	<b>(21,442)</b>	(9,357)
<b>FINANCING ACTIVITIES:</b>		
Additions to deferred contributions related to capital assets	<b>21,442</b>	9,357
<b>INCREASE IN CASH</b>	<b>32,972</b>	154,049
<b>CASH - BEGINNING OF YEAR</b>	<b>370,789</b>	216,740
<b>CASH - END OF YEAR</b>	<b>\$ 403,761</b>	\$ 370,789

# TAKING CHARGE! INC./SE PRENDRE EN MAIN! INC.

## Notes to Financial Statements

Year Ended March 31, 2025

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### 1. NATURE OF OPERATIONS

Taking Charge! Inc./Se Prendre En Main! Inc. (the "Organization") is a not-for-profit organization incorporated under the Manitoba Corporations Act on April 5, 1995. Taking Care! Daycare is funded by the Province of Manitoba Department of Education and Early Childhood Learning and Taking Charge! Employment Assistance Services and Taking Charge! of Academics are funded by the Province of Manitoba Department of Families. Taking Charge! provides supportive services to single parents and women so they can break the cycle of poverty and dependency to become self-sufficient and empowered.

Families funding not fully expended or committed under 2% of total Families is retained by the Organization; funds in excess of 2% may be retainable with the approval of Families. Retained funds are deferred to be utilized in future periods; future use of these funds must be approved by the Organization's Board. Any deficit resulting at the end of the Organization's fiscal year will not be funded by the Government.

Education and Early Childhood Learning funding not fully expended is retained and deferred by the Organization to be utilized in future periods. Future use of these funds must be approved by the Organization's Board. Any deficit resulting at the end of the Organization's fiscal year will not be funded by the Government.

Under Section 149 (1)(l) of the *Income Tax Act*, the Organization is exempt from income taxes.

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### 2. SIGNIFICANT ACCOUNTING POLICIES

#### Basis of presentation

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) and include the following significant accounting policies.

#### Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at date of contribution. Repairs and maintenance are charged to expense. Betterments, which extend the estimated useful life of an asset are capitalized. Capital assets are amortized using the declining balance method at the following rates which are sufficient to amortize the costs over the estimated useful lives of the assets:

Computers	55%
Furniture and equipment	20%

Leasehold improvements are amortized on a straight-line basis over the term of the lease.

When a capital asset no longer contributes to the Organization's ability to provide services, its carrying amount is written down to its residual value.

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# TAKING CHARGE! INC./SE PRENDRE EN MAIN! INC.

## Notes to Financial Statements

Year Ended March 31, 2025

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### 2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### Revenue recognition

The Organization follows the deferral method of accounting for contributions. 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. Externally restricted contributions are recognized as revenue in the year in which the related expenses are recognized. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related capital assets.

#### Financial instrument measurement

The Organization initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost.

The financial assets subsequently measured at amortized cost include cash and accounts receivable and Goods and services tax receivable. The financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

#### Measurement uncertainty

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period that they become known. Actual results could differ from these estimates.

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### 3. ACCOUNTS RECEIVABLE

	<u>2025</u>	<u>2024</u>
Province of Manitoba		
Education and Early Childhood Learning		
Parent subsidy	\$ -	\$ 10,240
Pension expense	7,490	5,279
Pest control grant	-	1,113
Landlord Longboat Properties	-	9,357
	<u>\$ 7,490</u>	<u>\$ 25,989</u>

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# TAKING CHARGE! INC./SE PRENDRE EN MAIN! INC.

## Notes to Financial Statements

Year Ended March 31, 2025

### 4. CAPITAL ASSETS

	Cost	2025 Accumulated Amortization	Net Book Value	2024 Net Book Value
Computers	\$ 60,883	\$ 46,418	\$ 14,465	\$ 863
Furniture and equipment	229,057	212,486	16,571	18,436
Leasehold improvements	935,448	868,243	67,205	84,389
	<u>\$ 1,225,388</u>	<u>\$ 1,127,147</u>	<u>\$ 98,241</u>	<u>\$ 103,688</u>

### 5. BANK INDEBTEDNESS AND DEMAND BANK LOAN

The Organization has an operating line of credit to bridge operating government funding. The Line of Credit maximum limit is \$25,000. The operating line of credit is due on demand, bears interest at bank prime plus 2.00 percent and is unsecured. At March 31, 2025, the Organization had utilized \$Nil (2024 - \$Nil) of the operating line of credit.

### 6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2025	2024
Trade payable and accrued	\$ 90,396	\$ 20,660
Vacation payable	26,343	40,299
Professional fees	3,833	3,833
Staff fund	887	1,591
Student awards fund	-	3,539
	<u>\$ 121,459</u>	<u>\$ 69,920</u>

# TAKING CHARGE! INC./SE PRENDRE EN MAIN! INC.

## Notes to Financial Statements

Year Ended March 31, 2025

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### 7. DEFERRED CONTRIBUTIONS

#### Expenses of future periods

Deferred contributions related to expenses of future periods will be recognized as income in the year when the related expenditures are incurred.

	<u>2025</u>	<u>2024</u>
Balance – beginning of year	\$ 313,259	\$ 163,980
Add amount received related to future periods	54,338	386,786
Amounts recognized as revenue in the year	<u>(130,269)</u>	<u>(237,507)</u>
Balance – end of year	<u>\$ 237,328</u>	<u>\$ 313,259</u>

#### Capital assets

Deferred capital contributions related to capital assets represent the unamortized amount of contributions received for the purchase of capital assets. The amortization of capital contributions is recorded as revenue in the statement of operations.

	<u>2025</u>	<u>2024</u>
Balance – beginning of year	\$ 103,928	\$ 117,420
Contributions – Leasehold improvements	21,442	9,357
	125,370	126,777
Less amount amortized to revenue	<u>(26,889)</u>	<u>(22,849)</u>
Balance – end of year	<u>\$ 98,481</u>	<u>\$ 103,928</u>

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# TAKING CHARGE! INC./SE PRENDRE EN MAIN! INC.

## Notes to Financial Statements

Year Ended March 31, 2025

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### 8. INVESTED IN CAPITAL ASSETS

a) Invested in capital assets is allocated as follows:

	<u>2025</u>	<u>2024</u>
Capital assets	\$ 98,241	\$ 103,688
Amounts financed by deferred contributions	(98,481)	(103,928)
	<u>\$ (240)</u>	<u>\$ (240)</u>

b) Change in net assets invested in capital assets is calculated as follows:

	<u>2025</u>	<u>2024</u>
Deficiency of revenue over expenses:		
Amortization of deferred contributions related to capital assets	\$ 26,889	\$ 22,849
Amortization of capital assets	(26,889)	(22,849)
	<u>\$ -</u>	<u>\$ -</u>

	<u>2025</u>	<u>2024</u>
Funds related to acquisition of capital assets:		
Purchase of capital assets	\$ 21,442	\$ 9,357

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### 9. EMPLOYEE PENSION PLAN

The employees of the Organization are members of a defined contribution pension plan administered by Manulife.

Employer contributions made to the Plan during the year amounted to \$46,380 (2024 - \$42,263).

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# TAKING CHARGE! INC./SE PRENDRE EN MAIN! INC.

## Notes to Financial Statements

Year Ended March 31, 2025

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### 10. COMMITMENTS

The Organization rents a premise under a long-term operating lease. The previous lease expired on December 31, 2020. The Board of Directors approved the renewal of the operating lease until December 31, 2030. The following is a schedule by fiscal year of base rent payments (excluding CAMs) required under the new lease for the next five years.

2026	\$ 218,977
2027	220,399
2028	224,665
2029	228,087
2030	230,353

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### 11. FINANCIAL RISKS

The Organization has exposure to the following risks associated with its financial instruments:

#### Credit risk

Credit risk refers to the risk that a counterparty may default on its contractual obligations, resulting in a financial loss. The Organization is exposed to credit risk with respect to the accounts receivable.

The Organization assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in an allowance for doubtful accounts. The maximum exposure to credit risk of the Organization at March 31, 2025 is the carrying value of these assets.

At March 31, 2025 and 2024, all accounts receivable were current; there were no amounts past due.

There have been no significant changes to the credit risk exposure from 2024 to 2025 year-end.

#### Liquidity risk

Liquidity risk is the risk that the Organization will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Organization manages liquidity risk by monitoring its operating requirements. The Organization prepares budgets and cash forecasts to ensure it has sufficient funds to fulfill its obligations.

All accounts payable and accrued liabilities are due within fiscal 2026.

There have been no significant changes to the liquidity risk exposure from 2024 to 2025 year-end.

#### Interest rate risk

The Organization was exposed to interest rate risk on its floating interest rate financial instruments.

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**TAKING CHARGE! INC./SE PRENDRE EN MAIN! INC.**

Schedule of Program Revenue and Expenses

Schedule 1

Page 1

Year Ended March 31, 2025

	2025	2024
<b>TAKING CHARGE! - EMPLOYMENT ASSISTANCE SERVICES</b>		
<b>Revenue:</b>		
Province of Manitoba - Families	\$ 832,539	\$ 884,332
Other revenue	29,424	25,775
Federal Government - Women & Gender Equality	9,000	-
	<u>870,963</u>	<u>910,107</u>
<b>Expenses:</b>		
Salaries	444,235	479,509
Rent	128,809	130,211
Professional fees	91,385	134,304
Employee benefits	69,230	91,243
Repairs and maintenance	29,467	9,906
Program materials	27,787	14,531
Staff development	24,438	1,421
Janitorial and supplies	18,375	22,049
Telephone	7,583	11,854
Insurance	5,700	5,108
Office	4,405	5,598
Equipment lease	2,944	3,156
Communications	1,785	939
Bank charges	1,103	-
Fundraising	300	-
Mileage	90	278
	<u>857,636</u>	<u>910,107</u>
	<u>\$ 13,327</u>	<u>\$ -</u>

**TAKING CHARGE! OF ACADEMICS**

<b>Revenue:</b>		
Province of Manitoba - Families	\$ 27,362	\$ 28,348
<b>Expenses:</b>		
Rent	18,531	18,685
Janitorial and supplies	3,040	4,044
Program materials	2,520	3,200
Repairs and maintenance	1,539	702
Professional fees	818	789
Office	307	327
Insurance	253	227
Telephone	152	192
Equipment lease	131	140
Communication	71	42
	<u>27,362</u>	<u>28,348</u>
	<u>\$ -</u>	<u>\$ -</u>

**TAKING CHARGE! INC./SE PRENDRE EN MAIN! INC.****Schedule of Program Revenue and Expenses****Schedule 1****Page 2****Year Ended March 31, 2025**

	2025	2024
<b>TAKING CARE! - DAYCARE</b>		
<b>Revenue:</b>		
Province of Manitoba - Education and Early		
Operating	\$ 658,192	\$ 595,412
Parent fees	211,524	208,546
Parent subsidy	118,680	111,216
Pension	24,237	19,038
Enhance Diversity	6,761	25,239
Recruitment/retention	2,060	10,924
Staff training	343	-
Inclusion	-	15,450
Quality early learning	-	56,000
Federal Government - Summer Student Grant	-	8,614
Parent fees	15,279	16,579
Donations and other revenue	1,515	11,892
	<u>1,038,591</u>	<u>1,078,910</u>
<b>Expenses:</b>		
Salaries	615,686	618,700
Rent	129,934	130,905
Employee benefits	122,095	122,196
Professional fees	33,221	24,955
Repairs and maintenance	23,867	14,880
Janitorial and supplies	21,538	21,543
Food	17,117	20,486
Staff development	9,025	5,070
Equipment lease and maintenance	8,731	4,365
Enhance diversity	6,761	22,039
Insurance	6,712	6,017
Office	6,206	8,669
Program materials	5,513	1,359
Telephone	4,344	5,023
Communications	2,429	1,106
Memberships	2,092	-
Recruitment/retention	2,060	9,644
Events and enhanced learning	2,039	9,885
Bank fees	1,940	-
Fundraising	759	-
Mileage	226	481
Quality early learning	-	51,587
	<u>1,022,295</u>	<u>1,078,910</u>
	<u>\$ 16,296</u>	<u>\$ -</u>