

**Newfoundland and Labrador  
Immigrant Investor Fund Limited**

Annual Report 2023-24



## Message from the Chairperson

As Chairperson of the Board of Directors of the Newfoundland and Labrador Immigrant Investor Fund Limited (NLIIFL), I am pleased to present the Board's annual report for the fiscal year ending March 31, 2024. NLIIFL is classified as a category three entity under the **Transparency and Accountability Act**. Therefore, the Board must prepare an annual report that outlines the activities it has taken pursuant to its mandate for the preceding fiscal year. This report has been prepared under the direction of the Board, which is accountable for the results reported herein.

Sincerely,



Julian Ludmer  
Chairperson



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## Entity Overview

NLIIFL was incorporated as a Crown corporation on April 28, 2005. It was established as a means of enabling the province to participate in Citizenship and Immigration Canada's (CIC) Business Immigration Program. Under this program, NLIIFL was accepted by the Federal Government as an approved fund on May 13, 2005.

CIC received monies from potential immigrants who apply under its Business Immigration Program and provided these monies to participating provinces and territories for a period of five years. With the exception of a five per cent one-time fee paid to facilitators of the program, largely members of the Canada Deposit Insurance Program, there were no costs to the provincial and territorial participants for the use of these funds. Funds are to be used for a combination of larger business assistance/development projects that the Provincial Government considers strategic and contributes to a strong and viable diversified economy. At the end of the five years, the funds are repaid to CIC, which then reimburses the immigrant investors.

NLIIFL receives, administers, disburses, and refunds the Newfoundland and Labrador allocation of these funds on a monthly basis. However, since November 2017 the NLIIFL has only received two deposits totaling \$107,960 from CIC, and currently has no outstanding loans or investments in business assistance/development projects.

In February 2014, the Federal Government announced the discontinuance of the Business Immigrant Program. Since then, repayments to CIC have all been made on schedule, and NLIIFL is therefore in a wind-down phase.

NLIIFL is administered by a Board of Directors appointed by the Lieutenant-Governor in Council (LGIC) from the Departments of Industry, Energy and Technology and Finance. As of the time of preparing this activity report, the Board consists of senior Provincial Government officials who are appointed by virtue of their position, including:

- Assistant Deputy Minister, Business and Innovation (Chair), Department of Industry, Energy and Technology (IET);
- Director, Business Analysis, Department of IET;
- Director, Budgeting, Department of Finance;
- Director, Pension Administration, Department of Finance;

NLIIFL does not have dedicated staff; IET provides administrative support.

## Mandate

The Board's mandate is drawn from several sources including the **Immigration and Refugee Protection Act** and accompanying regulations, the fund agreement, the Fund's Articles of Incorporation and directives from the LGIC. The mandate of the Board is to direct investment activities of NLIIFL by assessing potential funding projects for eligibility, at the request of the Department of Finance, and making recommendations to the LGIC, through the Department of Finance. As manager of the Fund, the NLIIFL Board of Directors coordinates all agreements and repayment of the investment from project participants to ensure repayment of all monies as agreed. The Board is also required to ensure that amounts due to CIC are repaid as required, either through collections from investments or budgetary allocations from the Province. Repayments to CIC began in fiscal year 2010-2011.

## Primary Clients

The NLIIFL's primary responsibility is to the Minister of IET, as shareholder of NLIIFL.

## Vision

The Corporation has adopted, and contributes to IET's vision, as follows: A prosperous Newfoundland and Labrador with a clean, innovative, and diversified economy capitalizing on the Province's resources and strategic advantages and supported by private sector investment and business growth across all regions of the province.

## Highlights and Partnerships

During 2023-24, NLIIFL made two financial transactions to advance other Government policy priorities. \$3.94 million was transferred from NLIIFL to the Newfoundland and Labrador Film Development Corporation and is reflected in the financial statements. \$1.0 million has been approved to be transferred to Newfoundland Hardwoods Limited (NHL) and is recorded as an accounts payable in the financial statements.

The \$3.94 million was transferred following receipt of a request from the Minister of Tourism, Culture, Arts and Recreation (TCAR) for IET to provide \$4 million in needed financial assistance to the Newfoundland and Labrador Film Development Corporation, also known as PictureNL. These funds supported the start of a new television production that TCAR estimated will generate approximately \$30 million in benefits for the province. The Minister's request indicated that the funds were required to ensure the viability of the production, and that TCAR did not have the necessary funds available to provide to PictureNL for this purpose, as is TCAR's normal practice. Following consultation with legal counsel and the Department of Finance, it was determined that the Minister of IET, as the sole shareholder of the NLIIFL, had the authority to execute the transfer.

Similarly, the transfer of \$1.0 million to NHL was made to address costs associated with remediation of an environmental liability that exists on the corporation's site in Clarenville. NHL no longer has any active operations and therefore does not have funds to address this liability, a large tank that holds contaminated soil and other material, and which represents an escalating risk of contamination on site. Following the remediation of the other such tanks on this site by Irving Oil in the fall of 2023, the NHL tank is the sole one remaining on site. As no other funds are available to address this liability, and given the escalating risk it represents to the corporation and to the Province as the tank ages, the transfer was authorized.

## **Report on Performance**

The Board reports on the following objective and indicator through its annual reports for each fiscal year of its 2023-26 activity plan.

### **2023-24 Objective**

By March 31, 2024, the Board will have successfully managed NLIIFL investments.

#### **Indicator**

- Managed investments and repayment of CIC funds.

NLIIFL has no outstanding loans or investments. During fiscal year 2023-24, NLIIFL repaid the remaining balance of \$54,000 to the Federal Government, with no remaining balance as of March 31, 2024.

## **Opportunities and Challenges**

NLIIFL faces several opportunities and challenges as it navigates its wind-down phase. Opportunities include utilizing any remaining resources to support new provincial priorities and collaborating with other entities to foster economic growth, as demonstrated by successful fund transfers to projects like the Newfoundland and Labrador Film Development Corporation. However, challenges include managing the wind-down process effectively, limited availability of funds, and operating constraints with no dedicated staff, which may impact the corporation's ability to pursue any further strategic initiatives.

## **Financial Information**

**NEWFOUNDLAND AND LABRADOR  
IMMIGRANT INVESTOR  
FUND LIMITED**

**FINANCIAL STATEMENTS**

**MARCH 31, 2024**

## **Management's Report**

### **Management's Responsibility for the Newfoundland and Labrador Immigrant Investor Fund Limited Financial Statements**

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that transactions are properly authorized, assets are safeguarded and liabilities are recognized.

Management is also responsible for ensuring that transactions comply with relevant policies and authorities and are properly recorded to produce timely and reliable financial information.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews external audited financial statements yearly.

The Auditor General conducts an independent audit of the annual financial statements of the Corporation, in accordance with Canadian generally accepted auditing standards, in order to express an opinion thereon. The Auditor General has full and free access to financial management of the Newfoundland and Labrador Immigrant Investor Fund Limited.

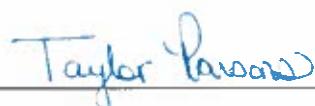
On behalf of the Newfoundland and Labrador Immigrant Investor Fund Limited.

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Mr. Julian Ludmer  
Assistant Deputy Minister – Business and  
Innovation  
Department of Industry, Energy and  
Technology

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Ms. Taylor Parsons  
Director, Business Analysis  
Department of Industry, Energy and  
Technology



## INDEPENDENT AUDITOR'S REPORT

To the Chairperson and Members of the Board of Directors  
Newfoundland and Labrador Immigrant  
Investor Fund Limited  
St. John's, Newfoundland and Labrador

### Opinion

I have audited the financial statements of the Newfoundland and Labrador Immigrant Investor Fund Limited (the Corporation), which comprise the statement of financial position as at March 31, 2024, and the statement of operations, statement of change in net financial 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 respects, the financial position of the Corporation as at March 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### 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 Corporation 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 Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

## **Independent Auditor's Report (cont.)**

In connection with my audit of the financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit, or otherwise appears to be materially misstated. When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance.

### **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 public sector accounting standards, 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 Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation'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 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.

### **Independent Auditor's Report (cont.)**

- 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 Corporation'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 Corporation'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. Note 10 outlines the expected wind down of the Corporation's operations.
- 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.



**DENISE HANRAHAN, CPA, CMA, MBA, ICD.D**  
**Auditor General**

August 2, 2024  
St. John's, Newfoundland and Labrador

**NEWFOUNDLAND AND LABRADOR IMMIGRANT INVESTOR FUND LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**As at March 31**

	<b>2024</b>	<b>2023</b>
<b>FINANCIAL ASSETS</b>		
Cash	\$ 999,775	\$ 4,750,586
Interest receivable	6,600	18,963
	<hr/> <b>1,006,375</b>	<hr/> <b>4,769,549</b>
<b>LIABILITIES</b>		
Accounts payable (Note 5)	1,000,000	-
Obligations to investors (Note 3)	-	54,000
	<hr/> <b>1,000,000</b>	<hr/> <b>54,000</b>
<b>Net financial assets</b>	<b>6,375</b>	<b>4,715,549</b>
<b>NON-FINANCIAL ASSETS</b>		
<b>Deferred financing costs (Note 4)</b>	-	883
<b>Accumulated surplus</b>	<b>\$ 6,375</b>	<b>\$ 4,716,432</b>

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

Signed on behalf of the corporation:



Chairperson



Member

**NEWFOUNDLAND AND LABRADOR IMMIGRANT INVESTOR FUND LIMITED**  
**STATEMENT OF OPERATIONS**  
For the Year Ended March 31

	<b>2024 Budget</b>	<b>2024 Actual</b>	<b>2023 Actual</b>
	Unaudited (Note 8)		
<b>REVENUES</b>			
Interest on bank	\$ 155,979	\$ 231,224	\$ 150,098
	155,979	231,224	150,098
<b>EXPENSES</b>			
Amortization of deferred financing costs	630	883	1,816
Bank charges	763	398	710
Miscellaneous	110	-	550
	1,503	1,281	3,076
<b>Annual surplus before the transfer of funds</b>	<b>154,476</b>	<b>229,943</b>	<b>147,022</b>
<b>Transfer of funds (Note 5)</b>	<b>-</b>	<b>(4,940,000)</b>	<b>-</b>
<b>Annual (deficit) surplus</b>	<b>154,476</b>	<b>(4,710,057)</b>	<b>147,022</b>
<b>Accumulated surplus, beginning of year</b>	<b>4,716,432</b>	<b>4,716,432</b>	<b>4,569,410</b>
<b>Accumulated surplus, end of year</b>	<b>\$ 4,870,908</b>	<b>\$ 6,375</b>	<b>\$ 4,716,432</b>

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

**NEWFOUNDLAND AND LABRADOR IMMIGRANT INVESTOR FUND LIMITED**  
**STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**  
**For the Year Ended March 31**

	<b>2024 Budget</b>	<b>2024 Actual</b>	<b>2023 Actual</b>
<b>Unaudited (Note 8)</b>			
<b>Annual (deficit) surplus</b>	<b>\$ 154,476</b>	<b>\$ (4,710,057)</b>	<b>\$ 147,022</b>
<b>Deferred financing costs</b>			
Use of deferred financing costs	883	883	1,816
	883	883	1,816
<b>(Decrease) increase in net financial assets</b>	<b>155,359</b>	<b>(4,709,174)</b>	<b>148,838</b>
<b>Net financial assets, beginning of year</b>	<b>4,715,549</b>	<b>4,715,549</b>	<b>4,566,711</b>
<b>Net financial assets, end of year</b>	<b>\$ 4,870,908</b>	<b>\$ 6,375</b>	<b>\$ 4,715,549</b>

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

**NEWFOUNDLAND AND LABRADOR IMMIGRANT INVESTOR FUND LIMITED**  
**STATEMENT OF CASH FLOWS**  
For the Year Ended March 31

	<b>2024</b>	<b>2023</b>
<b>Operating transactions</b>		
Annual (deficit) surplus	\$ (4,710,057)	\$ 147,022
Adjustment for non-cash items		
Amortization of deferred financing costs	883	1,816
	<b>(4,709,174)</b>	<b>148,838</b>
Change in non-cash working capital		
Interest receivable	12,363	(16,102)
Accounts payable	1,000,000	-
<b>Cash (applied to) provided from operating transactions</b>	<b>(3,696,811)</b>	<b>132,736</b>
<b>Financing transactions</b>		
Repayment of investor funds	(54,000)	(308,172)
<b>Cash applied to financing transactions</b>	<b>(54,000)</b>	<b>(308,172)</b>
<b>Decrease in cash</b>	<b>(3,750,811)</b>	<b>(175,436)</b>
<b>Cash, beginning of year</b>	<b>4,750,586</b>	<b>4,926,022</b>
<b>Cash, end of year</b>	<b>\$ 999,775</b>	<b>\$ 4,750,586</b>

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

# NEWFOUNDLAND AND LABRADOR IMMIGRANT INVESTOR FUND LIMITED

## NOTES TO FINANCIAL STATEMENTS

March 31, 2024

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### 1. Nature of operations

Newfoundland and Labrador Immigrant Investor Fund Limited (the Corporation) is a Crown entity of the Province of Newfoundland and Labrador (the Province) and was incorporated on April 28, 2005 under the Corporations Act of the Province. Its affairs are governed by a Board of Directors appointed by the Lieutenant-Governor in Council.

The purpose of the Corporation is to receive, administer and invest funds received from Immigration, Refugees and Citizenship Canada (IRCC), formerly known as Citizenship and Immigration Canada, under its Business Immigration Program.

Section 92(f) of the Immigration and Refugee Protection Regulations to the Immigration and Refugee Protection Act requires that during the allocation period of five years, the provincial allocation must be used for the purpose of creating or continuing employment in Canada to foster the development of a strong and viable economy.

In April 2005, the Provincial Cabinet instructed the Board of Directors to direct the investment activities of the Corporation and refer projects to Cabinet for approval. The Provincial Cabinet also directed that all recommended investments be subject to a thorough financial and business analysis by the sponsoring Department.

The Minister of Industry, Energy and Technology holds 100 per cent of the issued common shares of the Corporation on behalf of the Province. Currently, there are 100 authorized common shares of no par value with three shares issued.

The Corporation is a Crown entity of the Province and as such is not subject to Provincial or Federal income taxes.

### 2. Summary of significant accounting policies

#### (a) Basis of accounting

The Corporation is classified as an Other Government Organization as defined by Canadian public sector accounting standards (CPSAS). These financial statements are prepared by management in accordance with CPSAS for provincial reporting entities established by the Public Sector Accounting Board. The Corporation does not prepare a statement of remeasurement gains and losses as the Corporation does not enter into relevant transactions or circumstances that are being addressed by this statement. Outlined below are the significant accounting policies followed.

**NEWFOUNDLAND AND LABRADOR IMMIGRANT INVESTOR FUND LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**  
**March 31, 2024**

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**2. Summary of significant accounting policies (cont.)**

**(b) Financial instruments**

The Corporation's financial instruments recognized in the statement of financial position consist of cash, interest receivable, accounts payable and obligations to investors. The Corporation generally recognizes a financial instrument when it enters into a contract which creates a financial asset or financial liability. Financial assets and financial liabilities are initially measured at cost, which is the fair value at the time of acquisition.

The Corporation subsequently measures all of its financial assets and financial liabilities at cost. Financial assets measured at cost include cash and interest receivable. Financial liabilities measured at cost include accounts payable and obligations to investors.

The carrying values of cash, interest receivable, accounts payable and obligations to investors approximate current fair value due to their nature and/or the short-term maturity associated with these instruments.

Interest attributable to financial instruments is reported in the statement of operations.

**(c) Cash**

Cash includes cash in the bank.

**(d) Deferred financing costs**

Deferred financing costs are amortized, on a straight-line basis, over the five year period during which the funds are available to the Corporation.

**(e) Obligations to investors**

An obligation to an investor is recognized upon receipt of funds from IRCC.

**(f) Revenues**

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

**NEWFOUNDLAND AND LABRADOR IMMIGRANT INVESTOR FUND LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**  
**March 31, 2024**

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**2. Summary of significant accounting policies (cont.)**

**(g) Expenses**

Expenses are reported on an accrual basis. The cost of all goods consumed, and services received during the year is recorded as an expense in that year.

Government inter entity transactions are recognized as expenses in the year in which the transfer is authorized and all eligibility criteria have been met. Government inter entity transactions include transfers of funds to Newfoundland and Labrador Film Development Corporation (operating as PictureNL) and Newfoundland Hardwoods Limited.

**(h) Measurement uncertainty**

The preparation of financial statements in conformity with CPSAS requires management to make estimates and assumptions that affect the reporting amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of the revenues and expenses during the period.

Estimates are based on the best information available at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these financial statements. Actual results could differ from these estimates.

**3. Obligations to investors**

One of the conditions for the issuance of a visa to immigrants under the Immigration, Refugees and Citizenship Canada Business Immigration Program (the Program), is that they must invest \$400,000 in Canada for a period of five years. The amount of the investment is allocated to the participating provinces on the first day of the second month following the month payment is received from the investor. Of the \$400,000, \$200,000 is divided equally among the participating provinces while the remaining \$200,000 is allocated on the basis of each participating province's gross domestic product as a percentage of the total gross domestic product of all participating provinces.

During the Fall of 2011, a new agreement was signed which requires immigrants under the Program to invest \$800,000 in Canada for a period of five years. Of the \$800,000, \$400,000 is divided equally among the participating provinces and the remaining \$400,000 is allocated on the basis of each participating province's gross domestic product as a percentage of the total gross domestic product of all participating provinces.

As at March 31, 2024, the Corporation no longer maintained an allocation of funds from any investors (2023 - one investor). During the year ended March 31, 2024, no allocation of funds were received from investors (2023 - zero investors) and one investor was repaid (2023 - four investors).

**NEWFOUNDLAND AND LABRADOR IMMIGRANT INVESTOR FUND LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**  
**March 31, 2024**

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**3. Obligations to investors (cont.)**

These obligations to investors are secured by a non-transferable zero interest promissory note issued by IRCC, as agent for the Corporation, and the guarantee of the Province of Newfoundland and Labrador. The guarantee is to IRCC, as agent for the Corporation, who will repay investors. The promissory notes are repayable without interest, in full, five years from the date the funds were allocated to the Province or within 90 days after the receipt of a written request by the investor for repayment of the funds provided that such a request for repayment has been received by the agent before a visa has been issued to the investor. As at March 31, 2024, no investors had not received a permanent resident visa (2023 - 0).

Obligations to investors at March 31, 2024, totalled \$0 (2023 - \$54,000). The last scheduled repayment of \$54,000 was paid in May 2023, prior to the scheduled investment repayment date of May 31, 2024. The payment was accepted and received by IRCC.

**4. Deferred financing costs**

Deferred financing costs consist of a five or seven per cent commission paid to IRCC approved financial institutions which market the program and assist investors in the administration of their investments. The five per cent commission is applicable for applications received on or after December 1, 2010. As at March 31, 2024 there were no deferred financing costs (2023 - \$883).

**5. Transfer of funds**

During the fiscal year, the Corporation transferred \$3.94 million to Newfoundland and Labrador Film Development Corporation (operating as PictureNL) and approved a transfer of \$1 million to Newfoundland Hardwoods Limited which is recorded as accounts payable in these financial statements.

**6. Financial risk management**

The Corporation recognizes the importance of managing risks and this includes policies, procedures and oversight designed to reduce risks identified to an appropriate threshold. The risks that the Corporation is exposed to through its financial instruments are credit risk, liquidity risk and market risk. There was no significant change in the Corporation's exposure to these risks or its processes for managing these risks from the prior year.

**Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Corporation's main credit risk relates to cash and interest receivable. The Corporation's maximum exposure to credit risk is the carrying amounts of these financial instruments. The Corporation is not exposed

**NEWFOUNDLAND AND LABRADOR IMMIGRANT INVESTOR FUND LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**  
**March 31, 2024**

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**6. Financial risk management (cont.)**

to significant credit risk with cash or interest receivable because these financial instruments are held with a Chartered Bank.

**Liquidity risk**

Liquidity risk is the risk that the Corporation will be unable to meet its financial liabilities. The Corporation is not exposed to significant liquidity risk related to accounts payable as the Corporation manages liquidity risk by monitoring its cash flows and ensuring that it has sufficient resources available to meet its financial liabilities.

**Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency (foreign exchange) risk, interest rate risk and other price risk. The Corporation is not exposed to significant foreign exchange or other price risk. In addition, the Corporation was not exposed to significant interest rate risk. Also, the Corporation is not exposed to significant interest rate risk related to its obligations to investors as these obligations have fixed values at maturity and are non-interest bearing. The Corporation is not exposed to significant interest rate risk.

**7. Related party transactions**

For administrative purposes, the Corporation is managed by the Department of Industry, Energy and Technology. Expenses related to salaries, accommodations and administration are incurred directly by the Department and no provision is made in these financial statements for these expenses. The amount of these expenses is not material to these financial statements.

These financial statements include transactions with related parties. During the fiscal year, the Corporation paid \$3.94 million to Newfoundland and Labrador Film Development Corporation (operating as PictureNL) and approved a payment of \$1 million to Newfoundland Hardwoods Limited as a transfer of funds to related Crown corporations.

**8. Budgeted figures**

Budgeted figures have been prepared by the Corporation and are provided for comparison purposes. Budgeted figures included in the financial statements are not audited.

**9. Non-financial assets**

The recognition and measurement of non-financial assets is based on their service potential. These assets will not provide resources to discharge liabilities of the Corporation. For non-financial assets, the future economic benefit consists of their capacity to render service to further the Corporation's objectives.

**NEWFOUNDLAND AND LABRADOR IMMIGRANT INVESTOR FUND LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**  
**March 31, 2024**

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**10. Planned wind down of operations**

In February 2014, the Federal Government announced the discontinuance of the Business Immigration Program. Since then, repayments to Immigration, Refugees and Citizenship Canada have all been made on schedule. The final amount was repaid in the fiscal year ending March 31, 2024. The wind down of the Corporation is planned to occur in the year ending March 31, 2025.

