

2022

Annual Report



The College of Immigration and Citizenship Consultants (the College) is the authority mandated by the Government of Canada to regulate the practice of Regulated Canadian Immigration Consultants (RCICs) and Regulated International Student Immigration Advisors (RISAs). Its role, authority and powers are established in the *College of Immigration and Citizenship Consultants Act* (Canada). The College sets and enforces the licensing, education and ethical standards of the profession, in the public interest.

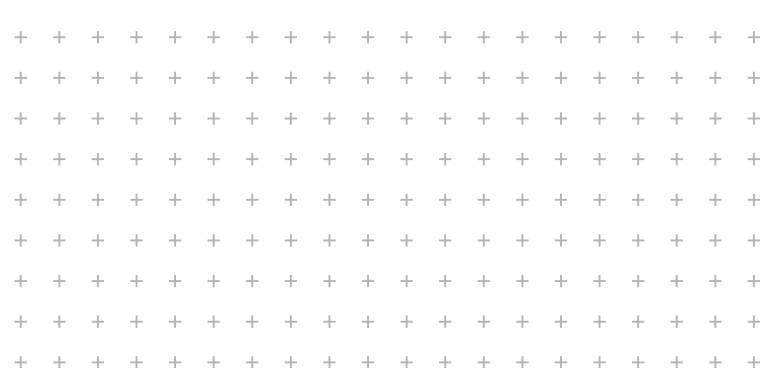
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Message from the Chair of the Board



This past year marked the inauguration of the College of Immigration and Citizenship Consultants – Canada’s new regulator of immigration consultants and student immigration advisors. Pursuant to the *College of Immigration and Citizenship Consultants Act* (College Act), the Immigration Consultants of Canada Regulatory Council (Council) was continued as the College on November 23, 2021. It is my distinct honour and pleasure to present this first College Annual Report to the public and to our licensees as the Chair of the College’s Board of Directors.

Despite a year of tremendous excitement and change, both the Council Board and, post-continuance, the College Board remained focused on enhancing the stability of the organization and providing it with the necessary resources to fulfil its public interest mandate. The work of the Council Board focused on readying the organization for transition to the College by ensuring that the By-laws were updated to comply with the College Act and reflected, as closely as possible at this early stage, the policy intent of the yet-to-be-developed government regulations. These preparations also involved overseeing the development and rollout of the new, distinctive College branding to global audiences.

The work on the By-laws, which included extensive discussions with our partners at Immigration, Refugees and Citizenship Canada (IRCC) and others, ensured that the College would have the tools necessary to operate fully through the transitional period. In this regard, the Board relied on the expert work of the professional staff of the organization who provided the Board with comprehensive information and legal analysis to guide our discussions and decisions.

Another key Council Board activity involved the selection process for the licensee Directors to serve on the College’s transitional Board of Directors. The College Act provides that, upon continuance, the College is governed by a transitional Board of nine Directors: five non-licensees appointed by the Minister of Immigration, Refugees and Citizenship, and four College licensees. The College Act specifies that the licensee Directors comprise the Chair and Vice-Chair, and two other Directors from the Council Board as it existed immediately before the date of continuance of the Council as the College on November 23, 2021.

At my request, the Governance and Nominating Committee of the Council Board considered means by which the two additional licensee Directors could be selected. They determined that a secret ballot vote by the Council Directors would be the fairest and most transparent way to select these two licensee Directors. This process was adopted and joining myself and Council Vice-Chair John Burke on the transitional Board of the College were Marty Baram, RCIC, and Richard Dennis, RCIC. Beginning in March of 2022, the Minister began appointing the five non-licensees to the College Board: Normand Beaudry, Timothy D’Souza, CPA, Jennifer Henry, Ben Rempel, and Gagan Jot Singh. The Minister also named a government observer: Alexis Graham, Director, Social and Discretionary Policy and Programs, IRCC.

The transitional Board held its first meeting on Friday, June 10, 2022, in Burlington, Ontario. That meeting was open to the public via a web link. All future meetings of the Board of Directors will also be open to the public. Those wishing to observe Board meetings may register and obtain the agendas and supporting documents on our website.

Agenda items at the inaugural College Board meeting included approval of the 2022-2023 College budget, approval of the audited financial statements for the period July 1, 2021 – November 22, 2021, and the creation of College Finance and Audit, and Governance and Nominating Committees. The new Board also dealt with a key policy matter – confirming the effective date of the RCIC-IRB class of licence to be required of those licensees who represent clients before the various tribunals of the Immigration and Refugee Board of Canada (IRB). After considerable consultation with licensees and the IRB itself, the Board set the effective date of this new licencing requirement as July 1, 2023. This was announced widely, and accompanied by extensive messaging to licensees encouraging them to enrol in and complete the College’s Specialization Program which leads current RCICs to the RCIC-IRB class of licence, without delay as licensees without this licence will no longer be permitted to appear before IRB tribunals after July 1, 2023.

As the College Board of Directors, with the support of the professional staff of the College, oversees the continuing establishment of the College, we remain mindful of the trust that prospective immigrants place in our licensees. We are committed to ensuring that this trust is never misplaced.

I share the enthusiasm of my colleagues on the Board for the future of the College.

Thank you for the privilege of serving as Board Chair during this auspicious year.

Yours sincerely,



Stan Belevici, LLL, LLM, JD, RCIC
Chair of the Board of Directors





Message from the President & CEO



We are the College now! On behalf of the staff of the College, I congratulate the profession on the achievement of statutory recognition as a self-governing profession! Self-regulation is a privilege granted to few that brings with it the corresponding professional obligation to exercise this authority solely in support of the public interest. It is the hallmark of a maturing profession and all licensees should take great pride in this significant accomplishment.

When the year began, we were the Council. In August, we received word from the Minister that the Council would be continued as the College as of November 23, 2021 and, as noted by our Board Chair, Board and staff alike focused their efforts on ensuring that the transition would happen seamlessly, with as little disruption to the public and licensees as possible.

Throughout this period, we continued to be guided by the Strategic Plan established by the Council Board in 2018. This plan set out the following principal goals:

1. Uphold and protect the public interest through the regulation of the profession
2. Establish, maintain and enforce qualifications to meet rising professional standards
3. Manage relations with stakeholders to develop and maintain public confidence in the regulator

These goals remain relevant and have served both the Council and, to date, the College, well. I am proud of the commitment of our staff to meeting these strategic goals and the successes we have had: our new pre-licensing Graduate Diploma Program continues to receive high marks from prospective licensees; as of the time of writing, over 1000 licensees have enrolled in, or completed the Specialization Program leading to the RCIC-IRB class of licence, and development of our proposed mentor-based practical experience component for new entrants proceeds. Future projects include the extensive revamp of our Practice Management Education courses and completion of a more streamlined approach to the accreditation of Continuing Professional Development providers.

At the same time, our new College branding has caught the eye of the public and consumers of immigration services. The corporate logo builds on who we are, what we do, and who we do it for. This new branding will also support our ongoing efforts to combat fraud in the immigration sector and you, as licensees, have a key role to play. The new branding includes dedicated licensee insignias, one for RCICs and a separate one for RISIAs. I encourage you to use these on your websites and other marketing supports, pursuant to the published usage guidelines, to help us build the brand and the new image of the profession.

Post continuance, work with our partners at IRCC continues on the development of the government regulations that will augment the College Act. In June of 2022, the federal government released the first of these regulations - the *Code of Professional Conduct for College of Immigration and Citizenship Consultants Licensees*. After the release of the draft for public comment in May of 2021, we conducted a licensee survey and held a series of webinars to inform you of the impending changes and gather your insightful feedback. This was provided to IRCC and I am pleased to note that our submissions are reflected throughout the final Code. The College is now developing a detailed interpretation guide to assist College licensees in complying with the new Code.

Throughout the year, we also met regularly with provincial and territorial ministers of immigration and education to introduce the College, inform them of our move to competency-based education, and the launch of the Graduate Diploma Program. These presentations were well received and have laid the groundwork for further interactions and collaboration.

Our increased engagement with Global Affairs Canada's foreign missions and other regulatory and enforcement agencies has provided us with a better platform to combat fraud in the immigration space. This year's efforts included the launch of a global digital awareness campaign to take our fight against immigration fraud directly to the consumers of immigration services, in their home jurisdictions and in their preferred languages.

Whilst these more public initiatives have rightly captured the limelight, the College has not neglected its internal resources. Our Professional Conduct department continues to expand its capacity to enforce the rules, manage the discipline process, and prepare for its new College Act powers to address unauthorized practitioners. In addition to the educational initiatives outlined above, our Professional Standards, Research, Education and Policy department has been busy with the implementation of the Essential Competencies for both RCICs and RISIAs, as well as with new research to help us better understand the profession and licensees, and to inform our decisions. Our Public Affairs and Communications staff once again led an engaging Fraud Prevention Month campaign focusing on digital awareness and is continuing the rollout of the College's distinctive new branding and public narrative.

In spite of the many challenges brought on by the transition to the College, Board and committee members, and staff have also seamlessly transitioned to their new responsibilities. I am confident that Canada's immigration and citizenship consultants, and international student immigration advisors are well positioned to take their place alongside Canada's other self-regulated professions.

It has been my honour and privilege to serve your organization as President & CEO since 2018, and I look forward to continuing to serve the College in this capacity, at the pleasure of the Board, throughout these exciting times of change and growth. On behalf of all College staff, I would like to extend my heartfelt thanks to our dedicated Board of Directors, Chair and Vice-Chair, and you, our licensees, for the unqualified support we have received during this exciting year of change.

Yours sincerely,



John Murray, BA, LLB, LLM
President & CEO





About the College

For many newcomers to Canada, working with a professional immigration or citizenship consultant is a step toward a better future. These consultants and advisors must be worthy of the trust placed in them by those who seek their assistance in navigating the immigration process.

Building public trust requires a profession to set and adhere to high educational, professional, and ethical standards. In this regard, the College is the profession's standard-bearer, safeguarding the public and enhancing the reputation of licensed consultants and student advisors. Through our efforts, we build public trust in the profession and support Canada's reputation as a peaceful, prosperous destination with a world-class immigration system.

Mandate

The College regulates immigration and citizenship consultants in the public interest and protects the public by:

- Establishing and administering qualification standards, standards of practice, and continuing education requirements for licensees;
- Ensuring compliance with the Code of Professional Conduct; and
- Undertaking public awareness activities.

Vision

The College's vision is to be recognized by the public, governments and licensees as the trusted regulator of immigration and citizenship consulting services. We will achieve this vision by effectively regulating the immigration and citizenship consulting profession and promoting the benefits of using College licensees who are held accountable for any misconduct.

Values

Transparency

Share decisions, policies, procedures and disciplinary outcomes with licensees and the public

Integrity

Maintain the highest moral and ethical standards

Accountability

Ensure that the Board of Directors, management and staff take full responsibility for actions and decisions

Excellence

Achieve excellence in all endeavours

Fairness

Ensure that policies, practices, procedures and decisions are justified and well understood

Communication

Welcome licensees, stakeholders and the public to contact the College on any matter relating to the regulation of the Canadian immigration and citizenship consulting profession



Transition to the College

June 20, 2019

College Act passed by Parliament

June 21, 2019

College Act receives Royal Assent

December 9, 2020

College Act proclaimed in force

December 11, 2020

Council applies to be continued as the College pursuant to the College Act

November 23, 2021

Council continued as the College pursuant to an order of the Minister of Immigration, Refugees and Citizenship

March 2022

Initial ministerial appointments to the transitional Board of Directors of the College

June 10, 2022

Orientation and first meeting of the transitional Board of Directors

Following representations by the Council and others that the Council lacked the statutory authority to fulfill its public interest mandate, the College was created by an act of Canada's Parliament: the *College of Immigration and Citizenship Consultants Act* (Canada). The College Act grants the College a full range of regulatory powers, similar to those provided to provincial law societies, professional colleges in the healthcare sector or other professional regulators. These powers include additional regulatory authority, and greater investigation and enforcement powers.

In accordance with its statutory mandate, the College focuses the exercise of its regulatory authority in the following areas:

Licensing

We license RCICs and RISIAs, ensuring they meet and follow high standards of education, competence and professional ethics.

Ongoing education

We support the lifelong learning needs of licensees. All RCICs and RISIAs must participate in ongoing learning opportunities every year to maintain their licence.

Complaints and Discipline

Licensees must comply with the College's Code of Professional Conduct (Code).

We investigate complaints about RCICs and RISIAs whose conduct fails to meet the standards of the profession. We maintain a robust professional discipline process to sanction licensees who do not comply with the Code in appropriate circumstances.

Public awareness activities

We communicate our role to the public, the media, and stakeholder organizations.

Next steps to complete the transition process

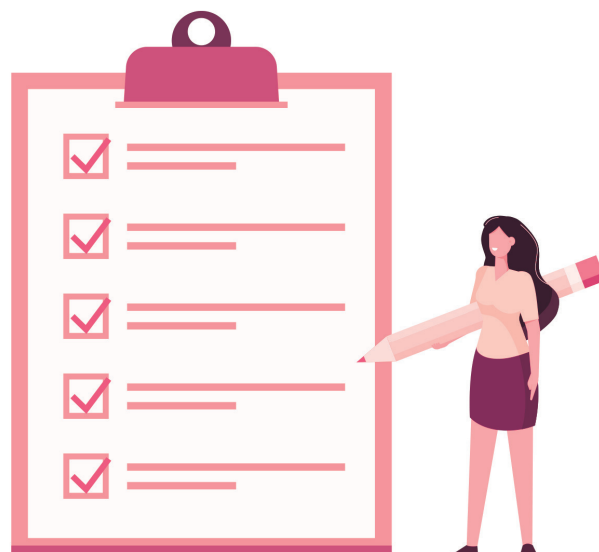
- Development and promulgation of remaining College Act regulations and new College By-laws
- Ministerial order setting the number and composition of the final College Board of Directors and prescribing a date by which the new Board must be in office
- College election to select the licensee Directors for the post-transitional Board



Impact of COVID-19

The global COVID-19 pandemic continues to affect College operations. As is the case with many organizations, the College has adopted the following measures in response to the pandemic:

- All staff continue to work remotely. It is likely that this will continue post-COVID with existing office space redesigned as collaborative workspace for occasional use.
- New employees are onboarded remotely, and candidates for employment may apply from across Canada.
- Formerly in-person Practice Management Education courses are delivered remotely, and all new programs are designed for remote and/or online delivery.
- Entry-to-Practice Exams have been transitioned from paper-based to computer-based, as have other program exams. No decision has been taken on whether in-person exams will be offered in the future.
- All documents are required to be submitted to the College in digital format. Hard-copy documents submitted by mail or courier cannot be processed within usual timeframes.



Key Statistics

11 324 Total RCICs				374 Total RISIAs			
RCIC Jurisdiction		Year End June 2022	% of RCICs per Jurisdiction	RISIA Jurisdiction		Year End June 2022	% of RISIAs per Jurisdiction
British Columbia		2959	26%	British Columbia		86	23%
Alberta		1394	12%	Alberta		43	12%
Saskatchewan		165	1.5%	Saskatchewan		10	2.7%
Manitoba		280	2.5%	Manitoba		6	1.6%
Ontario		5130	45%	Ontario		146	39%
Quebec		985	9%	Quebec		64	17%
New Brunswick		53	0.5%	New Brunswick		9	2.4%
Nova Scotia		105	0.9%	Nova Scotia		7	1.8%
Prince Edward Island		23	0.2%	Prince Edward Island		1	0.3%
Newfoundland and Labrador		22	0.2%	Newfoundland and Labrador		1	0.3%
Yukon		6	0.05%	Yukon		1	0.3%
Northwest Territories		3	0.03%	Northwest Territories		0	0%
Nunavut		0	0%	Nunavut		0	0%
International		199	1.8%	TOTAL		374	
TOTAL		11 324					

RCICs		Preferred Language		RISIAs		Preferred Language	
95%		English		83%		English	
5%		French		17%		French	


199 RCICs		International	
Argentina	1	Ghana	3
Australia	6	Hong Kong	14
Bangladesh	3	India	28
Botswana	1	Iran	2
Brazil	2	Iraq	1
Cayman Islands	1	Israel	2
China	15	Jamaica	1
Colombia	1	Jordan	2
Egypt	2	Kenya	1
France	1	Kuwait	1
Germany	1	Lebanon	3
		Malta	1
		Mexico	2
		Morocco	10
		Netherlands	1
		New Zealand	1
		Pakistan	8
		Philippines	2
		Qatar	1
		Russia	2
		Slovakia	1
		South Africa	1
		South Korea	3
		Spain	2
		Sri Lanka	1
		Switzerland	2
		Taiwan	3
		Thailand	4
		Ukraine	1
		United Kingdom	11
		United Arab Emirates	14
		USA	35
		Vietnam	1



Profile of the Profession

For the first time, College licensees comprise a majority who identify as female. Women licensed as RCICs outnumber their male counterparts (52% versus 48%).

Distribution of Licensees



	RCICs	RISIAs
Female	52%	78%
Male	48%	21%
unspecified	0.3%	0.5%

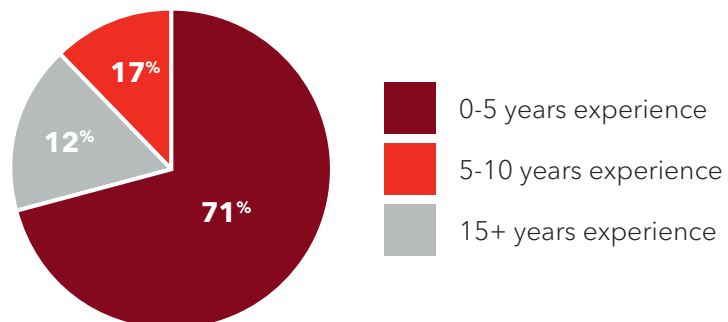
RCIC Statistics

The licensee base has grown significantly during the transition from ICCRC to the College. The number of RCICs has grown to 11 324 from 7985 in 2021 (an increase of 3339 RCICs or 30%). More than 70% of RCICs are from Ontario and British Columbia. Alberta saw its base increased by 30% and Quebec experienced once again a steady increase of RCICs with another 200 added this year.



RCIC Jurisdiction	Year End June 2022	Year End June 2021	Change Last Year
British Columbia	2959	2118	841
Alberta	1394	943	451
Saskatchewan	165	130	35
Manitoba	280	227	53
Ontario	5130	3430	1700
Quebec	985	785	200
New Brunswick	53	29	24
Nova Scotia	105	63	42
Prince Edward Island	23	17	6
Newfoundland and Labrador	22	18	4
Yukon	6	2	4
Northwest Territories	3	3	0
Nunavut	0	0	0
International	199	220	-21
TOTAL	11 324	7985	3339

RCICs by Years of Immigration Consulting Experience



RISIA Statistics

The number of RISIAs has grown from 303 last year to 374 this year. Gender distribution remains the same as in past years with most RISIAs identifying as female.

Registration



The Registration department performs the following duties:

- administer the national Entry-to-Practice Exams and other pre-licensing requirements for RCICs and RISIAs and, as of May of 2022, the Specialization Exam;
- license qualified new applicants and register consulting firms that meet College standards;
- ensure that RCICs and RISIAs meet their ongoing professional responsibilities and obligations through the administration of the College's By-laws, regulations and policies;
- support the fulfilment of the Registrar's duties, including the exercise of discretionary authority, provided for in the College Act;
- oversee the Annual Renewal process and conduct the annual audit of licensee compliance with the College's Continuing Professional Development requirements;
- maintain the College's Public Register of licensees – a key public resource in the fight against fraudulent or unauthorized practitioners.

Entry-to-Practice Exam Administration

The College continued to offer computer-based exams writing and invigilation for the Entry-to-Practice Exams. During the past year, the College held 12 exam sittings (seven for the RCIC exam and five for the RISIA exam). In total, 3420 prospective licensees attempted the Entry-to-Practice Exam (3323 for the RCIC exam and 97 for the RISIA exam). The number of RCIC exam candidates continued to reflect those graduates of the now-discontinued Immigration Practitioner Programs who wish to pursue licensing.

In February of 2022, the College retired its knowledge-based RCIC exam and launched a revamped competency-based exam reflecting the Essential Competencies and Graduate Diploma Program that replaced the Immigration Practitioner Programs as the educational prerequisite to licensing in early 2021. A revised, competency-based RISIA exam is under development for offering in early 2023.

Annual Renewal Process

College licensees were able to renew their licences and attest to meeting Continuing Professional Development requirements through a completely online process.

Continuing Professional Development Audits

The College is focused on ensuring that RCICs and RISIAs remain competent regardless of time in practice. To this end, the College also conducts an audit of randomly selected RCICs and RISIAs for compliance with the College's Continuing Professional Development Regulation. RCICs are obligated to retain records showing proof of completion of qualifying Continuing Professional Development activities for a period of five years and produce those if selected for audit.

Transition to the College

In preparation for the transition to the College, the Council's Board of Directors approved multiple amendments to the By-laws and Council Regulations on November 17, 2021, to ensure compliance with the College Act during the transitional period. The amended By-laws and Regulations became effective on November 23, 2021. These By-laws and Regulations apply to all College licensees and are enforced by Registration. They remain in effect until replaced by the government regulations to be promulgated under the College Act and the new College By-laws to be developed and approved by the College Board of Directors.

In June of 2022, the Government of Canada published the [Code of Professional Conduct for College of Immigration and Citizenship Consultants Licensees \(the Code of Professional Conduct or Code\)](#) in final form. This new Code applies to all licensees and became effective as of June 10, 2022. It replaces the former RCIC Code of Professional Ethics and the RISIA Code of Ethics.

Professional Standards, Research, Education and Policy (PREP)



The Professional Standards, Research, Education and Policy (PREP) department undertakes and oversees the development of:

- professional standards governing the conduct and competence of licensees;
- core and continuing education standards and programs;
- professional licensing exams and academic assessments;
- research that informs practice, and key regulatory and public awareness initiatives and strategic decisions of the Board and management.

PREP staff also provide organization-wide project management resources to guide the execution of strategic projects.

Developing Professional Standards of Practice

In 2020, the College developed the Essential Competencies for RCICs and RISIAs. During this past year, PREP focused on the development of detailed Standards of Practice for licensees, based on the Essential Competencies.

Standards of Practice are essential for regulated professions. Developed by consensus, they reflect the values of the profession, and articulate the generally accepted behaviours expected of practitioners. Once published, standards provide high-level guidance to licensees and set benchmarks against which professional behaviours are measured. In some cases, standards of practice will be further supported by more detailed requirements stated in the Code of Professional Conduct. In all cases, standards are an important tool to mitigate risk of harm to the public.

Draft Standards of Practice were developed by a Working Group of licensees, staff, educational consultants, and subject matter experts. Feedback solicited from licensees during focus group meetings was integrated and the resulting draft will be validated through a licensee-wide survey in 2023.

Research

The College applies evidence-based planning and approaches to ensure efficient and effective regulation. Accordingly, with Board approval, the College has invested in internal research capacity to inform decision-making.

Education

PREP's education mandate includes setting and updating standards for pre-licensing, specialized and continuing education, and ensuring the quality and integrity of entry-to-practice and program exams and assessments.

Pre-Licensing

Beginning in 2021, the College partnered with the Faculties of Law of Queen's University and the Université de Montréal to strengthen the educational requirements for prospective RCICs through the development and offering of a Graduate Diploma Program. These new programs – the Graduate Diploma in Immigration and Citizenship Law and the D.E.S.S. en réglementation canadienne et québécoise de l'immigration – are designed for individuals looking to become licensees, and others seeking to enhance their professional skills and competencies. Program curricula align with the College's Essential Competencies for RCICs and provide students with a deep understanding of Canadian immigration and citizenship law and procedures, and the knowledge and skills necessary for successful practice.

To support the Graduate Diploma Program, PREP researchers and psychometricians, working alongside experienced RCICs and subject matter experts, developed a new, competency-based RCIC Entry-to-Practice Exam to reinforce the licensing process. This new exam was first administered to candidates by the Registration department in February 2022.

Specialization Program

The College launched the Specialization Program on August 5, 2021, in response to concerns raised by the Immigration and Refugee Board (IRB) as to the competence and advocacy skills of licensees representing clients before its four hearing tribunals. This program provides RCICs with the required knowledge, skills and judgment to practise before the IRB safely and ethically in the public interest. The RCIC-IRB class of licence will become an ongoing licensing requirement for RCICs who elect to represent clients before IRB tribunals as of July 1, 2023. RCIC licensees who do not successfully complete the Specialization Program by this date will not be permitted to represent clients before IRB tribunals.

Licensees should note that the requirement to complete the Specialization Program only applies to RCICs who have not completed the Graduate Diploma Program. Licensees who complete that educational program and licensees who are also paralegals in good standing with the Law Society of Ontario are exempt from the requirement to complete the Specialization Program.

Licensees may complete the Specialization Program through one of three pathways:

- Education Pathway – A five-course, 18-week program offered online, in a class format. This pathway combines self-paced, asynchronous, independent work and scheduled, synchronous group learning activities, interactive group tutorials, and observations of IRB proceedings.
- Prior Learning and Assessment (PLAR) Pathway and Hybrid Pathway – These two pathways provide experienced RCICs the opportunity to have their past education and experience recognized and counted towards the completion of one or more courses in the Education Pathway.

During the initial 2021-22 program year, overall, 80% of PLAR applicants received credit towards one or more course requirements.

Regardless of which pathway, program participants must pass the Specialization Exam. After successful completion, licensees obtain the RCIC-IRB class of licence, which authorizes them to practise before the IRB. The Registration department administered the first Specialization Exam in May of 2022. Regular Specialization Exam sittings are scheduled in 2022 and 2023 to allow licensees to meet the July 1, 2023 deadline to obtain the RCIC-IRB class of licence.

Practice Management Education

RCICs must complete all mandatory Practice Management Education (PME) courses within the first year of licensing. These courses familiarize licensees with the Code of Professional Conduct, Regulations and By-laws. Courses are lively, interactive, and provide opportunities for networking and sharing best practices. The College also provides templates and additional resources that RCICs may apply in practice. All RCICs must complete the seven mandatory PME courses. Those that own an immigration consulting practice must complete two additional courses.

Between July 2021 and June 2022, the College offered 630 PME course sessions for a total of 18 815 seats, but only 15 657 of those seats were occupied (83%).

Mentoring Program

Many regulated professions require that prospective licensees gain practical experience. This helps to standardize the quality of practice and positions new licensees for career success. During the past year, PREP worked with experienced RCICs and RISIAs, subject matter experts and consultants to develop a mentoring program that, when fully implemented, will allow new entrants to obtain this necessary experience.

Continuing Professional Development

Competency-based Continuing Professional Development (CPD) requirements and a new accreditation process for providers were developed to align program requirements with the Essential Competencies. During the past year, PREP approved a total of 478 CPD Activities, offered through 23 newly-accredited provider organizations. We thank all the accredited CPD providers for ensuring that immigration consultants have access to high quality professional development activities.

Policy

In the months leading up to continuance, PREP worked with the President & CEO and Governance and Nominating Committee to revise the existing Council By-laws, regulations and policies. This work was necessary to ensure the Council's regulatory scheme was aligned with College Act requirements and remained operational throughout the transitional period. These consultations will continue as the College Act regulations and College By-laws are developed over the next two years.

Upon release of the draft Code of Professional Conduct for public consultation in May of 2021, PREP conducted a survey of all licensees to obtain input. Survey results informed Council submissions to IRCC proposing Code amendments. The resulting final Code is now a comprehensive document that clearly establishes relevant standards of professional conduct and competence for all licensees.

PREP also began the development of an interpretation guide to accompany the final Code. This will clarify requirements and provide operational examples and best practices to assist licensees with Code compliance. Now being revised to reflect the final Code, the interpretation guide will be validated through a working group of RCICs and RISIAs, and the Governance and Nominating Committee before going to the Board of Directors for final approval.

Project Management

PREP's project management office guides the planning and implementation of strategic projects across the College.



Professional Conduct



The Professional Conduct department investigates and resolves concerns and complaints about licensees, with a focus on protecting the public, coupled with a fair and objective process. Under the College Act, Professional Conduct will also acquire powers to seek injunctive relief against unauthorized practitioners.

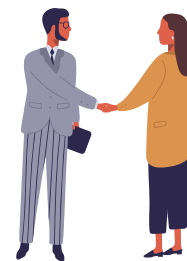
College transition

The transition to the College, legislative changes under the College Act, and the new Code provide an enhanced ability to handle concerns with licensee professionalism. These changes create new opportunities for raising standards and protecting the public.

Beyond dated, vague obligations – the new Code

The importance of the new Code of Professional Conduct cannot be understated. It lays out when and how one should judge the work of licensees. The new Code includes significant changes from the predecessor RCIC Code of Professional Ethics and RISIA Code of Ethics, addressing the current realities of consultancy work.

The Code is also intended to serve as a guide for the public, setting expectations for how licensees should act with clients, as well as prescribing appropriate conduct between licensees, and licensees and the College. Professional Conduct is working closely with PREP to develop an interpretation guide to ensure the Code is accessible to *both* licensees *and* their clients.



Beyond simply punitive measures – expanding remediation

For over four years, Professional Conduct has successfully employed mediation and other forms of alternative dispute resolution to address low-risk complaints quickly and effectively. Where appropriate, this collaborative process is used with the licensee and complainant to address professionalism concerns without resort to formal disciplinary proceedings. The College Act supports the use of these alternative measures to effect timely resolutions.

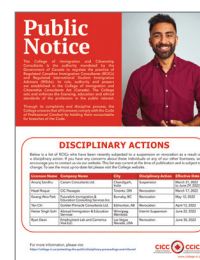


Beyond our website – making decisions accessible

To be effective, decisions of the Discipline Committee, which may include fines, licence suspensions and revocations, must be enforced and made public. This ensures compliance, educates other licensees on compliance requirements and builds public awareness of regulated professionals.

The College Act imposes significant consequences for failure to comply with Discipline Committee decisions. A licensee who contravenes a decision of the Discipline Committee (e.g., continues to practise following a suspension or revocation, or fails to pay a fine or costs) may face a further statutory penalty of up to \$50,000 or imprisonment for up to two years.

Disciplinary proceedings are published on the College website. Final decisions of the Discipline Committee are also posted on the legal website [CanLII](https://www.canlii.org) where they are accessible by licensees, lawyers and the public. Summaries of all decisions are also published in the College's monthly bulletin and, in appropriate cases, in other media such as *Canadian Immigrant* to ensure outreach to other communities who may benefit from knowing about these decisions.



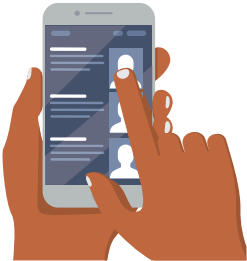
Beyond licensees – unauthorized practice

The College Act provides new powers to protect the public from unethical and fraudulent practice. Many of the publicized abuses within the immigration sector are perpetrated by unlicensed individuals. The College is now empowered to bring court injunction proceedings against unauthorized practitioners who offer to provide or provide immigration consultancy services. In due course, these new powers will assist the College to address these abuses. Injunctions alone, however, will not be sufficient as many unauthorized practitioners operate overseas, beyond the reach of Canadian courts. Accordingly, Professional Conduct is coordinating with other College departments to develop a comprehensive, multi-pronged strategy to address unauthorized practitioners. This strategy includes further outreach and public awareness activities. For example, last year we established regular meetings with officials from Canada's foreign missions and the Punjab State government (a region representing a major source of immigration to Canada) to better understand how unauthorized practitioners operate abroad and the measures foreign governments have taken to address their abusive practices.

Beyond limited investigations – digging deeper and online

Resolution of complaints requires solid information. The College Act bolsters our ability to gather this information by granting additional powers to College investigators. They may now require that individuals provide information, and may search premises where immigration services are delivered.

Recognizing that much of the immigration sector’s business is conducted online through various digital platforms, Professional Conduct has trained investigators in Open-Source Intelligence and digital media investigations to ensure this crucial source of information is included in the investigations.



Beyond working alone – coordinating work with other government departments and agencies

The College is one of many organizations working within the immigration sector. It has increased outreach to other government departments and agencies, federal and provincial. The College shares industry trends and best practices, coordinates enforcement efforts, and develops information sharing procedures to help protect the public from unscrupulous actors and build a profession that the public can rely on to provide quality immigration and citizenship advice.



Year-end highlights

Complaints against licensees (all involving RCICs) decreased this year from 528 to 510, notwithstanding the significant increase in the number of licensees. Reports of unauthorized practitioner activity increased over the last year.



	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018	Since Inception
Complaints received against licensees	510	528	499	488	356	4207
Reports of unauthorized practitioners (UAPs)	65	40	62	91	71	1582

A small number of licensees continue to attract a disproportionate number of complaints. The 1% of licensees with the most complaints (107 RCICs) are responsible for 45% of open complaints. The department continues to pursue strategies to address this, including by prioritizing these complaints so that they are resolved expeditiously and by forestalling further complaints through immediate actions such as interim suspensions.

Key areas of alleged misconduct

Complaints received continue to allege the following problematic activities:

- Not providing regular updates on application
- Not refunding fees for incomplete work
- Not providing a retainer agreement (service agreement)
- Misleading the client about application status
- Engaging in foreign worker (client) recruitment process abuses

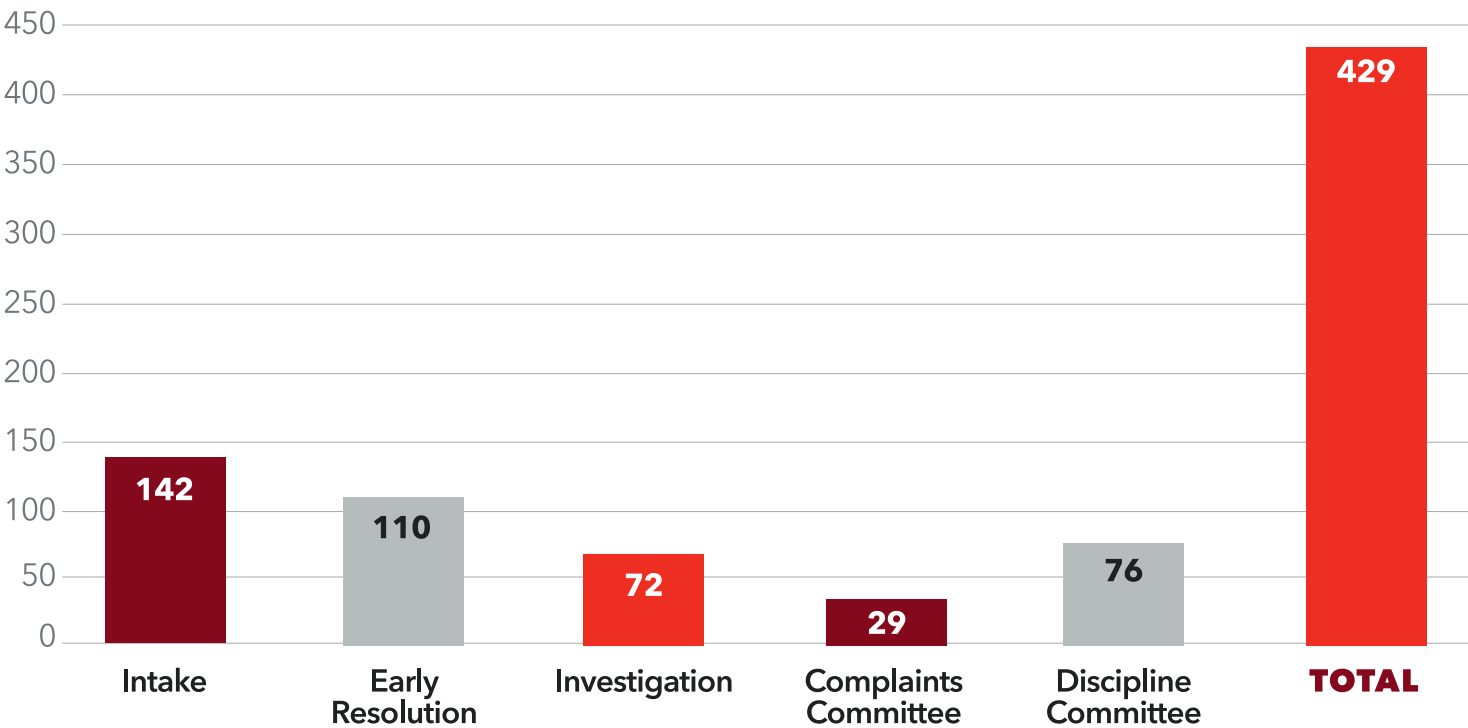
Complaints process

The department ensures complaints are handled appropriately by reviewing the nature of the concerns raised and processing complaints in accordance with the risk they pose to the public. Lower-risk complaints are handled expeditiously through the Early Resolution process and result in licensees voluntarily completing remedial measures that address the concerns raised in the complaint. Complaints that allege more serious concerns are reviewed by the Complaints Committee and investigated. Following the investigation, the Complaints Committee can refer the complaint to the Discipline Committee, which, following a disciplinary proceeding, can order remedial terms, fines, and the suspension and revocation of a licence.

Complaints are closed at various points of the process if the allegations are unsupported, if the complainant withdraws their complaint, or if the concerns raised in the complaint have already been addressed through another complaint or process.

With the introduction of additional remedial tools, the department is increasing its capacity to handle complaints through the Early Resolution process (second column left).

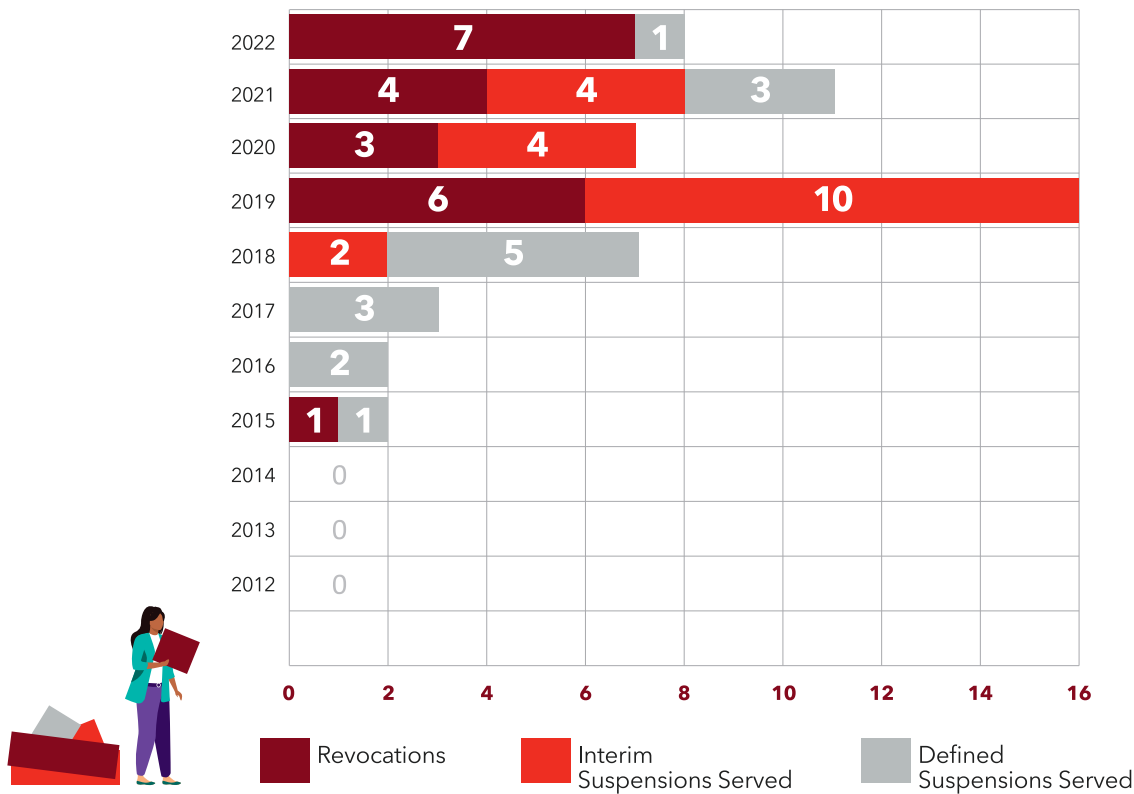
Total Complaints Closed
By Stage of Complaints Process (2022)



**Note that the number above for intake is subject to change (+/- 10) as some complaints initially submitted as a licensee complaint are found at a later point to involve only UAPs and are then discounted from the total.*

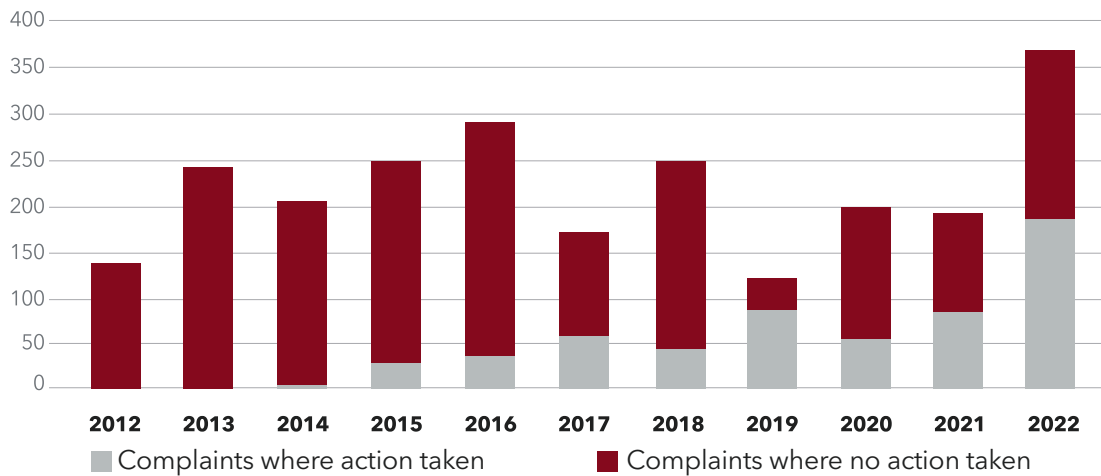
This year, the Discipline Committee revoked the licence of seven individuals and suspended the licence of one individual. No interim suspensions were ordered.

Disciplinary suspensions and revocations



The addition of resources and new processes such as the Early Resolution stream enables the department to take appropriate action in more complaints year after year, helping the profession adhere to high professional and ethical standards.

Total Complaints Closed Action Taken vs No Action Taken



Public Affairs and Communications



Public Affairs and Communications enhances the College's reputation, profile and brand among internal and external stakeholders, including licensees. To achieve this, the department delivers high-quality communications and materials, develops advertisements and public awareness campaigns, manages the College's website and social media presence, and engages in media relations and outreach activities.

Launch of the College Brand

The College's new brand and website were launched on the date of continuance – November 23, 2021.

Corporate logo design

The College corporate logo represents the concepts of *regulatory authority*, through a seal or badge; *guided and purposeful direction*, through the four quadrants of the compass rose; *international focus*, through the globe; and *Canada*, through the maple leaf. The use of red and white also denotes *Canada* and creates a clear differentiation from the Council's former "blue" branding.



Brand

Overall, the entire College brand has a bold, modern look – with the addition of bright secondary colours and custom-built iconography, as well as illustrations that have minimal facial features. Candid-style photography promotes an open and honest tone, and including people of all ages and backgrounds both embraces and demonstrates the diversity in our internationally based audience.

Licensee insignia

The College developed RCIC and RISIA insignias for use by licensees, and an RCIC-IRB insignia for RCICs that obtain the RCIC-IRB class of licence. Licensees may use these insignias in promotional materials. They are not permitted to use the College's corporate logo.

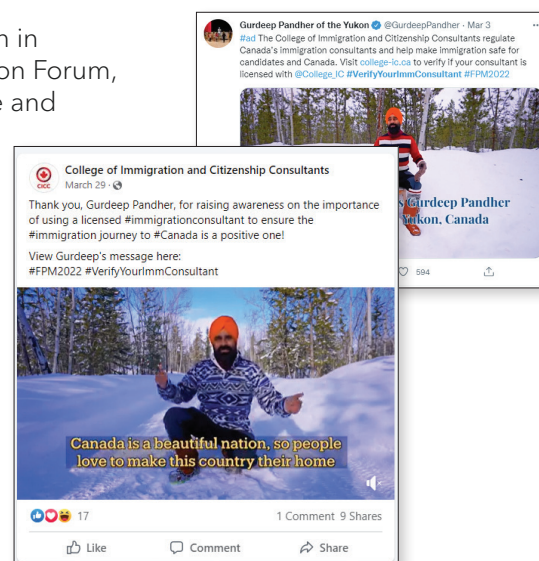


An updated Logo Use and Associated Trade-Marks Regulation guides licensees on proper insignia usage. Proper insignia use reinforces the image of the profession and helps stakeholders and members of the public easily identify College licensees. These elements contribute to enhancing respect and trust for the profession.

Fraud Prevention Month

The College participated in its 9th annual Fraud Prevention Month campaign in March of 2022. As in previous years, the College joined the Fraud Prevention Forum, co-chaired by the Competition Bureau, the Royal Canadian Mounted Police and Canada Border Services Agency. The College's predominantly digital campaign focused on spreading awareness of immigration fraud and the importance of verifying the status of immigration consultants using the College's Public Register of licensees.

This year, in addition to other digital initiatives in multiple languages, the College engaged Gurdeep Pandher, a Canadian social media influencer. Gurdeep's message encouraged prospective immigrants to verify their consultant through the Public Register accessed on our website or through our mobile app. This was supported by social media content on the College's Facebook, Twitter and LinkedIn pages using the hashtags #VerifyYourImmConsultant and #FPM2022. These initiatives reached a total of 11.5 million people worldwide and 4882 new followers/subscribers/users joined our social media pages.



Other public communications issued in connection with Fraud Prevention Month included:

- A Press Release issued in 11 countries;
- A direct mail campaign providing materials to Members of Parliament and Members of Legislative Assemblies/ Provincial Parliaments across Canada;
- Licensee eblasts promoting the campaign; and
- A feature article in the College's May 2022 Bulletin.

Other Outreach

Working with the High Commission of Canada in India and the Government of Punjab, the College launched two promotional videos in Hindi and Punjabi that share personal narratives and stress the importance of using licensed immigration consultants.

As in-person events returned, representatives from the College attended eight key immigration and regulatory events across Canada to raise awareness of the College.

Public Affairs and Communications and PREP staff met with government representatives in provincial/territorial education and immigration ministries to discuss the College's new authority, enhanced education programs and licensing requirements. These jurisdictions confirmed their willingness to partner with the College to address immigration and employment fraud.

The College sponsored the Parliamentary Internship Program, and hosted virtual information sessions for Members of Parliament, Senators and constituency staff, providing information and educational resources to be shared with constituents.

The College hosted sessions for designated learning institutions, focusing on the regulatory requirement to use licensees when providing immigration advice and services and the value RISIAs bring to the international education space.



Governance



Annual General Meeting

The last Annual General Meeting (AGM) of the Council was held on December 17, 2020. In July of 2021, the Council announced that an AGM would be held in December of 2021, however, in August of 2021, the Minister of Immigration, Refugees and Citizenship set the date of continuance pursuant to the College Act as November 23, 2021. Accordingly, the Council Board of Directors, in consultation with IRCC, agreed that the first meeting of College licensees would be postponed until after continuance, once the transitional Board of the College was in place. It is anticipated that the inaugural general meeting of College licensees will take place in December of 2022.

Board of Directors

Prior to the transition, the Council was governed by a Board of 12 Directors comprising seven elected licensees, four elected non-licensee or “public interest” Directors and one additional public interest Director appointed by the Board. These individuals were elected or appointed to the Council Board of Directors at or before the 2020 AGM, in accordance with the Council By-laws then in force.

The College Act provides that, upon continuance, the College is governed by a transitional Board comprising nine Directors – four licensees drawn from the members of the Council Board (including the Chair and Vice-Chair) immediately prior to the date of continuance, and five non-licensees appointed by the Minister of Immigration, Refugees and Citizenship. Prior to the date of continuance, and on the advice of its Governance and Nominating Committee, the Council Board determined that the two licensees to become members of the transitional Board of the College (in addition to the Chair and Vice-Chair) would be elected by a vote of the Council Board.

In the spring of 2021, the Minister’s Office and IRCC commenced a public selection process for the five non-licensees to be appointed to the transitional Board of the College. The full transitional Board of Directors of the College was not in place until May of 2022. The Minister also designated the Director, Social and Discretionary Policy and Programs, IRCC, as Ministerial observer on the transitional Board pursuant to section 76 of the College Act.

The transitional Board of Directors of the College held an orientation session on June 9, 2022, and its first formal meeting on June 10, 2022. Pursuant to the College Act, this meeting was open to the public.



Board of Directors



Stanislav Belevici, LLL, LLM, JD, RCIC
Chair



John A. Burke, RCIC
Vice-Chair



Marty Baram, RCIC



Normand Beaudry



Richard Dennis, RCIC



Timothy D'Souza



Jennifer Henry



Ben Rempel



Gagan Jot Singh



Alexis Graham

Director, Social and Discretionary Policy and Programs, IRCC
Ministerial Observer

Senior Management Team



John Murray, BA, LLB, LLM
President & CEO, Interim Registrar
and Corporate Secretary



Russ Harrington, CPA, CGA
Chief Operating Officer



Michael Huynh, MSc, BCL, LLB
Director, Professional Conduct



Christopher May
Director, Public Affairs and
Communications



Cathy Pappas
Director, Registration



Beata Pawlowska, PhD
Director, Professional Standards,
Research, Education and Policy

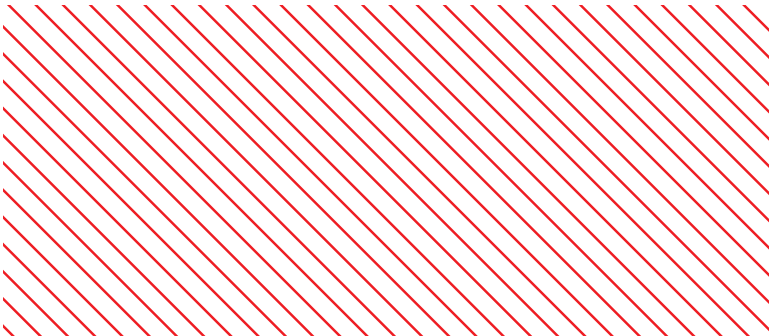


Committees

College Committees: November 23, 2021 – June 30, 2022

Governance and Nominating Committee (GNC)	
Ben Rempel	Chair
Marty Baram, ^{RCIC}	Member
Richard Dennis, ^{RCIC}	Member

Finance and Audit Committee (FAC)	
Timothy D’Souza	Chair
Marty Baram, ^{RCIC}	Member
Normand Beaudry	Member
John Burke, ^{RCIC}	Member
Jennifer Henry	Member



Audited Financial Statements

**COLLEGE OF IMMIGRATION AND CITIZENSHIP
CONSULTANTS**

FINANCIAL STATEMENTS

JUNE 30, 2022

COLLEGE OF IMMIGRATION AND CITIZENSHIP CONSULTANTS

JUNE 30, 2022

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
College of Immigration and Citizenship Consultants

Opinion

We have audited the accompanying financial statements of **College of Immigration and Citizenship Consultants**, which comprise the statement of financial position as at June 30, 2022 and the statements of operations, changes in net assets and cash flows for the period November 23, 2021 to June 30, 2022, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion these financial statements present fairly, in all material respects, the financial position of **College of Immigration and Citizenship Consultants** as at June 30, 2022, and the results of its operations and its cash flows for the period November 23, 2021 to June 30, 2022 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 Entity 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.

Responsibilities of Management and Those Charged with Governance 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.

In preparing these financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative to do so.

Those charged with governance are responsible for overseeing the Entity'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 it 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, we exercise professional judgement 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, misrepresentation, 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 Entity'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 Entity'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 Entity 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.

Toronto, Canada
September 29, 2022


Chartered Professional Accountants
Licensed Public Accountants

COLLEGE OF IMMIGRATION AND CITIZENSHIP CONSULTANTS

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2022

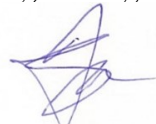
2022

ASSETS	
CURRENT	
Cash	\$ 13,671,890
Short-term investments [Note 3]	7,427,895
Accounts receivable	177,713
Prepaid expenses	<u>353,768</u>
	21,631,266
CAPITAL ASSETS [Note 4]	<u>242,344</u>
	<u>\$ 21,873,610</u>
LIABILITIES	
CURRENT	
Accounts payable and accrued liabilities [Note 5]	\$ 891,033
Deferred revenue	<u>198,500</u>
	<u>1,089,533</u>
NET ASSETS	
UNRESTRICTED	12,527,587
INVESTED IN CAPITAL ASSETS	242,343
INTERNALLY RESTRICTED FOR TRANSITION TO COLLEGE [Note 8]	1,670,175
INTERNALLY RESTRICTED FOR IT INFRASTRUCTURE DEVELOPMENT [Note 8]	2,343,972
INTERNALLY RESTRICTED FOR DIRECTORS' AND OFFICERS' LIABILITY COVERAGE	<u>4,000,000</u>
	<u>20,784,077</u>
	<u>\$ 21,873,610</u>

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS:



October 3, 2022 Director



October 4, 2022 Director

COLLEGE OF IMMIGRATION AND CITIZENSHIP CONSULTANTS

STATEMENT OF CHANGES IN NET ASSETS

FOR THE PERIOD NOVEMBER 23, 2021 TO JUNE 30, 2022

	Unrestricted	Invested in Capital Assets	Reserve for Transition to College [Note 8]	Reserve for IT Infrastructure Development [Note 8]	Reserve for Directors' and Officers' Liability Coverage	2022
BALANCE - Beginning of period	\$ 7,075,177	\$ 193,651	\$ 2,068,414	\$ 2,886,207	\$ 4,000,000	\$ 16,223,449
Excess of revenues over expenditures	5,581,194	(80,092)	(398,239)	(542,235)	-	4,560,628
Net change in capital assets	(128,784)	128,784	-	-	-	-
BALANCE - End of period	\$ 12,527,587	\$ 242,343	\$ 1,670,175	\$ 2,343,972	\$ 4,000,000	\$ 20,784,077

COLLEGE OF IMMIGRATION AND CITIZENSHIP CONSULTANTS

STATEMENT OF OPERATIONS

FOR THE PERIOD NOVEMBER 23, 2021 TO JUNE 30, 2022

2022

REVENUE

Licensee fees	\$ 11,162,994
Examination fees	864,975
Specialization program fees	400,650
Interest income	107,862
Other income	<u>80,081</u>
	<u>12,616,562</u>

EXPENDITURES

Amortization	80,092
Bad debts (recovery)	(481,661)
Governance [Note 7]	81,780
Information technology	874,641
Insurance	108,303
Interest and bank charges	208,926
Office and general	161,113
Practice management and education	190,956
Professional conduct and discipline	274,785
Professional fees	590,906
Public affairs and communications	420,858
Registration and examination	207,823
Rent	376,129
Salaries and benefits	4,889,241
Translation	45,472
Travel	<u>25,754</u>
	<u>8,055,118</u>

**EXCESS OF REVENUES OVER EXPENDITURES
BEFORE THE FOLLOWING**

4,561,444

LOSS ON DISPOSAL OF CAPITAL ASSETS

(816)

EXCESS OF REVENUES OVER EXPENDITURES

\$ 4,560,628

COLLEGE OF IMMIGRATION AND CITIZENSHIP CONSULTANTS

STATEMENT OF CASH FLOWS

FOR THE PERIOD NOVEMBER 23, 2021 TO JUNE 30, 2022

2022

CASH FLOWS FROM OPERATING ACTIVITIES

Excess of revenues over expenditures	\$ 4,560,628
Adjustment for	
Amortization	80,092
Loss on disposal of capital assets	<u>816</u>
	4,641,536
Net changes in non-cash working capital	
Accounts receivable	(21,707)
Prepaid expenses	1,824
Accounts payable and accrued liabilities	(306,527)
Deferred revenue	<u>(4,927,977)</u>
	<u>(612,851)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of short-term investments, net	(6,402)
Purchase of capital assets	(129,600)
Proceeds on disposal of capital assets	<u>-</u>
	<u>(136,002)</u>

NET INCREASE IN CASH **(748,853)**

CASH - Beginning of period 14,420,743

CASH - End of period \$ 13,671,890

COLLEGE OF IMMIGRATION AND CITIZENSHIP CONSULTANTS

NOTES TO FINANCIAL STATEMENTS

FOR THE PERIOD NOVEMBER 23, 2021 TO JUNE 30, 2022

NATURE OF OPERATIONS

The College of Immigration and Citizenship Consultants ("CICC" or the "College") is the national regulatory and licensing body for individuals who practice as a Canadian immigration / citizenship consultant for a fee, as well as international student advisors.

The Immigration Consultants of Canada Regulatory Council (the "Council") was a not-for-profit organization incorporated without share capital on February 18, 2011 under the Canada Not-For-Profit Corporations Act. On November 23, 2021 the Council was continued as the College under the College of Immigration and Citizenship Consultants Act ("College Act"). The College is exempt from income tax under section 149(1)(l) of the Income Tax Act.

The College operates as a financially self-funding and self-sustaining not-for-profit organization that relies on licensee fees and is an entity without transferable ownership interests. The College is organized and operates exclusively for social, educational, professional and other not-for-profit purposes. The Annual General Meeting (AGM) is held each year and every active licensee has the right to attend in person.

CICC's mandate is as follows:

- Promoting and protecting the public interest by governing and regulating the practice of individuals and firms as immigration and citizenship practitioners;
- Establishing entry-to-practice education requirements;
- Licensing professionals - Regulated Canadian Immigration Consultants (RCICs) and Regulated International Student Immigration Advisors (RISIAs);
- Overseeing the professional development and conduct of its licensees and registrants;
- Receiving, investigating and adjudicating complaints against its licensees and registrants; and
- Administering a disciplinary process to sanction its licensees and registrants whose professional development and conduct fail to meet CICC's standards.

Refer to Note 2 regarding the transition to College of Immigration and Citizenship Consultants ("the College").

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of presentation

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

For financial statement purposes, the accounts of the College have been classified into the following funds:

Invested in Capital Assets

Invested in Capital Assets represents the assets, liabilities, revenue and expenses related to the College's capital assets, including acquisitions and dispositions.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES [Continued]**(a) Basis of presentation [Continued]****Reserve for Transition to College**

The internally restricted Reserve for Transition to College was established by the Board of Directors to provide support for the transition of the former Council to the College.

Reserve for IT Infrastructure Development

The internally restricted Reserve for IT Infrastructure Development was established by the Board of Directors to provide support for review and upgrade of the information technology ("IT") infrastructure.

Reserve for Directors' and Officers' Liability Coverage

The internally restricted Reserve for Directors' and Officers' Liability Coverage was established by the Board of Directors to self-fund or provide additional D&O insurance coverage.

(b) Revenue recognition

Non-refundable licensee fees are deferred and recognized as revenue over the term of the licensed period.

Examination and specialization program revenue, cancellation fees and other income are recognized when services are performed and collection is reasonably assured. Interest income is recognized on a time proportion basis.

(c) Amortization

Capital assets are recorded at cost. Software development costs in progress are not amortized until the project is completed. Amortization is charged to expenditures over the estimated useful life of the asset on the following basis:

Computer equipment.....	3 year straight line basis
Computer software.....	2 year straight line basis
Office equipment.....	3 year straight line basis
Furniture.....	10 year straight line basis
Leasehold improvements.....	10 year straight line basis
Information and communication technology equipment.....	7 year straight line basis

The College reviews capital assets for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. When indicators of impairment exist, and the carrying value is greater than the net recoverable amount, an impairment loss is recognized to the extent that fair value is below carrying value.

(d) Financial instruments

The College recognizes its financial instruments when it becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value. At initial recognition, the College may irrevocably elect to subsequently measure any financial instrument at fair value. The College has not made such an election during the year.

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of any write-down is recognized in net income. Any previously recognized impairment losses may be reversed to the extent of the improvement directly, or by adjusting an allowance account, provided it is no 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 net income.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *[Continued]***(d) Financial instruments** *[Continued]*

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in the excess of revenue over expenditures for the current period. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at their amortized cost or cost.

The College's financial instruments include cash, short-term investments, accounts receivable and accounts payable and accrued liabilities. Cash is subsequently measured at fair value, while the other financial assets and liabilities are subsequently measured at their amortized cost.

Unless otherwise noted, the carrying value of the financial instruments are a reasonable approximation of their fair value given the short terms to maturity.

(e) Leases

Leases entered into by the College as lessee that transfer substantially all the benefits and risks of ownership to the College are recorded as capital leases and are included in capital assets and capital lease obligations.

All other leases are classified as operating leases under which leasing costs are expensed on a straight-line basis over the term of the lease. Asset values recorded under capital leases are amortized using the same amortization method of the respective assets. Obligations recorded under capital leases are reduced by lease payments net of imputed interest.

(f) Write-down of long-lived assets

The College monitors its use of capital assets and when the capital asset no longer has any long-term service potential to the organization, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations. As at June 30, 2022 no write-down was recorded.

(g) Use of estimates

The preparation of financial statements in accordance with Canadian ASNPO requires management to make estimates and assumptions that affect the recognition, measurement and disclosure of amounts reported in the financial statements and accompanying notes. The reported amounts and note disclosures are determined using management's best estimates based on assumptions that reflect the most probable set of economic conditions and planned course of action. Significant estimates include the valuation of accounts receivable and estimated useful life of capital assets. Actual results may differ from such estimates.

2. TRANSITION TO COLLEGE

On November 23, 2021 the Minister of Immigration, Refugees and Citizenship formally announced that the Council was to be continued as the College. Audited financial statements were issued for the period July 1, 2021 to November 22, 2021, reflecting the final reporting period of the Council.

These financial statements have been prepared to reflect the financial results of the College from November 23, 2021 to June 30, 2022. Comparative information has not been presented herein as the prior period pertained to the Council.

Pursuant to the College Act, the College is currently governed by a transitional Board of Directors which oversees the approval of the initial College By-laws and other procedures. This transitional period will end when the Minister issues a final order setting the number and composition of the final College Board of Directors and prescribes a date by which the new Board must be in office.

The College has enhanced powers to regulate the immigration consulting profession in the public interest, including new authority to investigate and pursue unauthorized practitioners. These changes will support better protection of Canadian, newcomers, and licensed immigration consultants. Obtaining the statutory authority to regulate itself under the College Act marks a key milestone in the development and regulation of the profession.

The College Act requires the establishment of a fund to compensate persons who have been adversely affected by the conduct or activities of a licensee. At the date of these financial statements the compensation fund has not yet been established by the Ministry of Immigration, Refugees and Citizenship Canada.

During the normal course of its operations, the College deals with professional conduct and discipline cases brought against its licensees and individuals acting without a license. Costs associated with prosecuting registered complaints are accounted for as incurred. Management has indicated an intent to recommend that the Board of Directors approve the establishment of an internally restricted reserve fund for professional conduct expenses associated with these cases. At the date of these financial statements the internally restricted reserve fund has not yet been established.

3. SHORT-TERM INVESTMENTS

	2022
GIC, bearing interest at 0.45%, maturing July 15, 2022	\$ 1,000,000
GIC, bearing interest at 0.75%, maturing July 26, 2022	750,000
GIC, bearing interest at 0.58%, maturing August 31, 2022	700,000
Term deposit, bearing interest at 0.51%, maturing September 27, 2022	1,067,990
GIC, bearing interest at 0.70%, maturing December 4, 2022	102,410
GIC, bearing interest at 1.06%, maturing January 17, 2023	501,603
GIC, bearing interest at 2.39%, maturing April 7, 2023	501,750
GIC, bearing interest at 1.70%, maturing June 3, 2023	1,000,000
GIC, bearing interest at 2.79%, maturing June 3, 2023	800,000
GIC, bearing interest at 2.79%, maturing June 6, 2023	1,004,142
	\$ 7,427,895

4. CAPITAL ASSETS

	2022		
	Cost	Accumulated Amortization	Net Book Value
Computer equipment	\$ 503,835	\$ 314,566	\$ 189,269
Computer software	144,897	129,422	15,475
Office equipment	102,805	97,589	5,216
Furniture	162,022	143,656	18,366
Leasehold improvements	58,078	58,078	-
Information and communication technology equipment	460,956	446,938	14,018
	\$ 1,432,593	\$ 1,190,249	\$ 242,344

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Included in accounts payable and accrued liabilities are government remittances payable of \$NIL.

6. COMMITMENTS

Future minimum annual commitments under operating leases for premises, exclusive of certain occupancy charges are approximately as follows:

	<u>Premises</u>
2023	\$ 364,073
2024	367,811
2025	153,255

7. GOVERNANCE

The Board of Directors is responsible for providing governance oversight to management in the affairs of the College. The Board consists of 9 directors, 5 of whom were appointed by the Minister of Immigration, Refugees and Citizenship Canada and 4 who were elected to the Council board and continued to the College board. Board and Committee Members are compensated as follows:

- Board Chair - \$2,000 per month.
- Board Vice Chair - \$700 per month.
- Directors - \$80 per hour for attending Board meetings; \$50 per hour for attending Committee and task force meetings to a maximum of \$1,809 for one year.
- Committee members who are not Directors are compensated at a rate of \$50 per hour to a maximum of \$1,809 for one year.

Governance expense consists of the following:

	<u>2022</u>
Directors' fees	\$ 42,121
Board meeting	27,743
Travel	11,916
	<u>\$ 81,780</u>

8. TRANSITION TO COLLEGE AND IT INFRASTRUCTURE DEVELOPMENT EXPENSES

During the year, certain expenses were incurred in support of the transition of the Council to the College and IT infrastructure development (See Note 2). These expenses are reported on the Statement of Operations and are included in various expenditure categories as follows:

Practice management and education	\$ 97,334
Professional fees	167,906
Public affairs and communications	102,853
Registration and examination	30,146
	<u>\$ 398,239</u>
Information technology	<u>\$ 542,235</u>

9. FINANCIAL INSTRUMENTS

The College is exposed to various risks through its financial instruments. The following analysis provides a measure of the entity's risk exposure and concentration at June 30, 2022.

(a) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the College will not have sufficient funds to settle transactions on the due date; will be forced to sell financial assets at a value which is less than what they are worth; or may be unable to settle or recover a financial asset. Liquidity risk arises from accounts payable and accrued liabilities and from commitments.

The College continues to focus on maintaining adequate liquidity to meet operating working capital requirements and capital expenses. The College prepares budgets and cash flow forecasts to ensure it has sufficient funds to fulfil its obligations.

(b) 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 College's financial instruments that are exposed to concentrations of credit risk relate primarily to accounts receivable. The College manages its exposure to this risk by evaluating the creditworthiness of new licensees and monitoring outstanding licensee balances. Accounts receivable is shown net of an allowance for doubtful accounts of \$920,488.

(c) 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 risk, interest rate risk and other price risk.

(d) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The College is not exposed to any currency risk.

(e) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The College is exposed to interest rate risk on its short term investments and manages this risk by attempting to maximize returns on its short term investments.

(f) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The College is not exposed to any other price risk.

10. COVID-19 PANDEMIC

In March 2020, the World Health Organization declared the outbreak of COVID-19 to be a global pandemic. This has had significant financial, market and social impacts. Throughout the period, the College continued to close its office locations and maintained work from home protocols. At the time of the approval of these financial statements, the College has decided to remain a remote work environment for the near future.

11. COMPARATIVE FIGURES

Comparative figures have not been presented as prior period results reflect operations before transition to the College of Immigration and Citizenship Consultants.
