

**New Canadians Centre
Peterborough
Financial Statements
For the year ended March 31, 2015**

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Independent Auditor's Report

To the Board of Directors of New Canadians Centre Peterborough

We have audited the accompanying financial statements of New Canadians Centre Peterborough, which comprise the statement of financial position as at March 31, 2015, and the statements of operations, changes in net assets and cash flows for the year then ended and a summary of notes and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for non-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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the New Canadians Centre Peterborough's preparation and fair presentation of the financial statements 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 New Canadians Centre Peterborough's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Qualified Opinion

In common with many charitable organizations, the organization derives certain of its revenues from the general public in the form of donations and fundraising which are not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to donation and fundraising revenues, excess of revenue over expenditures for the years ended March 31, 2014 and 2015, current assets as at March 31, 2014 and 2015 and net assets as at April 1 and March 31 for both the 2014 and 2015 years. Our opinion on the financial statements for the year ended March 31, 2014 was modified accordingly because of the possible effects of this limitation in scope.

Qualified Opinion

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of revenue referred to in the preceding paragraph, the financial statements present fairly, in all material respects, the financial position of New Canadians Centre Peterborough as at March 31, 2015, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for non-profit organizations.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Peterborough, Ontario
May 26, 2015

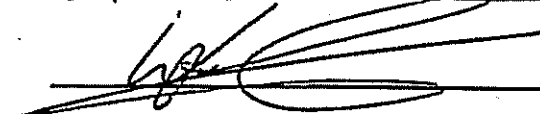


**New Canadians Centre Peterborough
Statement of Financial Position**

March 31	2015	2014
Assets		
Current		
Cash and bank (Note 2)	\$ 94,212	\$ 107,556
Short term investments (Note 3)	170,907	151,685
Accounts receivable	28,498	49,375
Prepaid expenses	2,500	2,500
	<u>296,117</u>	<u>311,116</u>
Capital assets (Note 4)	<u>276,124</u>	<u>292,507</u>
	<u>\$ 572,241</u>	<u>\$ 603,623</u>
Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities (Note 5)	\$ 27,334	\$ 39,214
Deferred revenue	21,225	49,101
	<u>48,559</u>	<u>88,315</u>
Deferred contributions related to capital assets (Note 6)	<u>254,369</u>	<u>263,033</u>
	<u>302,928</u>	<u>351,348</u>
Net Assets		
Internally restricted net assets invested in capital assets	21,752	29,471
Internally restricted reserves (Note 7)	225,000	186,366
Unrestricted net assets	22,561	36,438
	<u>269,313</u>	<u>252,275</u>
	<u>\$ 572,241</u>	<u>\$ 603,623</u>

On behalf of the Board:

 Director

 Director

The accompanying notes are an integral part of these financial statements

New Canadians Centre Peterborough Statement of Changes in Net Assets

For the year ended March 31	Invested in capital assets	Internally restricted reserves	Unrestricted	Total 2015	Total 2014
Net assets, beginning of year	\$ 29,471	\$ 186,366	\$ 36,438	\$ 252,275	\$ 239,289
Revenues over expenses (expenses over revenues)	(7,719)	-	24,757	17,038	12,986
Investment in capital assets	22,492	-	(22,492)	-	-
Funding received in the year related to capital assets	(22,492)	-	22,492	-	-
Internal transfers (Note 7)	-	38,634	(38,634)	-	-
Net assets, end of year	\$ 21,752	\$ 225,000	\$ 22,561	\$ 269,313	\$ 252,275

New Canadians Centre Peterborough Statement of Operations

For the year ended March 31	2015	2014
Revenues (Page 5)		
Grants	\$ 986,684	\$ 960,796
Fundraising and donations	60,053	39,185
Program fees	1,922	2,950
Recovery of expenses	4,386	4,875
Lottery	4,336	3,926
Amortization of deferred contributions for capital assets	31,156	16,401
	<u>1,088,537</u>	<u>1,028,133</u>
Expenses		
Amortization	38,875	24,121
Fundraising	11,404	11,768
Insurance	4,006	3,773
Office and other	20,024	25,076
Premises		
- Rent	33,700	41,536
- Relocation costs	2,823	18,690
Professional development	2,868	3,978
Professional fees	35,036	19,578
Program costs	72,620	60,120
Repairs and maintenance	11,035	9,675
Salaries and benefits	816,076	764,985
Telephone	10,927	10,724
Travel	12,105	9,572
	<u>1,071,499</u>	<u>1,003,596</u>
Excess of revenues over expenses before other	17,038	24,537
Other		
Loss on disposal of assets	-	11,551
Excess of revenues over expenses	\$ 17,038	\$ 12,986

The accompanying notes are an integral part of these financial statements

New Canadians Centre Peterborough Schedule of Revenues

For the year ended March 31	2015	2014
Grants:		
Citizenship and Immigration Canada:		
- Welcoming Communities	\$ 552,113	\$ 552,113
- Local Immigration Partnership (LIP)	135,002	142,107
- Coordinated Language Assessment and Referral System (CLARS)	10,546	10,588
- Interaction Program - Canada Day	8,539	-
Ministry of Citizenship and Immigration:		
- Newcomer Settlement Program (NSP 1)	24,108	22,820
- Migrant Worker Program (NSP 2)	21,970	-
- Pay Equity	1,254	1,254
- Coordinated Language Assessment and Referral System (CLARS)	7,005	4,864
- Summer Experience Program	2,845	-
Northern Lights	2,370	5,333
Human Resources and Skills Development Canada:		
- Canada Summer Jobs Program	3,680	3,478
Ministry of Tourism and Culture	-	5,346
Ministry of Canadian Heritage	7,500	7,500
Ministry of Training, Colleges and Universities	18,183	-
United Way:		
- Peterborough	29,673	17,746
- Northumberland	3,800	6,422
City of Peterborough	77,305	46,684
Community Foundation of Greater Peterborough	-	2,957
Community Futures Development Corporation	-	50,000
Ontario Trillium Foundation	71,556	72,156
Sogo Active	750	-
Fleming Youth Employment Fund	4,586	814
Victoria County Career Services - Employment Services	3,104	1,396
Workforce Development Board	795	7,218
	\$ 986,684	\$ 960,796
Fundraising and donations:		
Fundraising: - Canada Day	\$ 11,037	\$ 8,235
- other	31,430	25,617
Donations	17,586	5,333
	\$ 60,053	\$ 39,185
Program fees:		
Translation / Interpretation	\$ -	\$ 900
Training	1,922	2,050
	\$ 1,922	\$ 2,950
Miscellaneous other revenues:		
	\$ 4,386	\$ 4,875
Lottery:		
Gross revenues	\$ 8,537	\$ 12,233
Less direct costs	(4,201)	(8,307)
	\$ 4,336	\$ 3,926

The accompanying notes are an integral part of these financial statements

New Canadians Centre Peterborough Statement of Cash Flows

For the year ended March 31	2015	2014
Cash provided by (used in)		
Operating activities		
Net excess of revenue over expenses for the year	\$ 17,038	\$ 12,986
Items not involving cash		
Amortization of capital assets	38,875	24,121
Amortization of deferred contributions for capital assets	(31,156)	(16,401)
Loss on disposal of assets	-	11,551
	24,757	32,257
Changes in non-cash working capital balances		
Accounts receivable	20,877	72,597
Accounts payable	(11,880)	33,541
Deferred revenue	(27,876)	18,153
	5,878	156,548
Investing activities		
Purchase of capital assets	(22,492)	(275,998)
Purchase of short term investments	(19,222)	(116,530)
	(41,714)	(392,528)
Financing activities		
Deferred contributions received	22,492	271,835
Increase (decrease) in cash during the year	(13,344)	35,855
Cash and bank, beginning of year	107,556	71,701
Cash and bank, end of year	\$ 94,212	\$ 107,556

The accompanying notes are an integral part of these financial statements

New Canadians Centre Peterborough Notes to the Financial Statements

March 31, 2015

1. Summary of Significant Accounting Policies

a) Nature of Business

The New Canadians Centre Peterborough provides services to new Canadians in their efforts to adjust and settle in a new country.

The New Canadians Centre Peterborough was incorporated without share capital on February 16, 1987 and as such is prohibited from distributing any of its funds to, or for the personal benefit of its members. New Canadians Centre Peterborough qualifies as a charitable organization as defined in the Federal and Ontario Income Tax Acts and, accordingly, is not subject to income taxes.

b) Basis of Accounting

The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.

These financial statements were prepared using the accrual basis of accounting. The accrual basis recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipts of goods or services and the creation of a legal obligation to pay.

c) Financial Instruments

The company's financial assets consisting of cash, investments and accounts receivable are recorded at fair value when acquired or issued. In subsequent periods they are reported at fair value, cost or amortized cost less impairment, if applicable. Unless otherwise noted, management does not believe the organization is subject to significant credit, liquidity or interest rate risks.

d) Revenue Recognition

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

e) Capital Assets

Capital assets are recorded at cost. Amortization is based on the estimated useful life of the asset on a straight line basis as follows:

Leasehold improvements	10 years
Furniture and fixtures	10 years
Computer equipment	3 - 5 years

f) Contributed Materials and Services

Volunteers contribute significant hours each year to assist the organization in carrying out its activities. Because of the difficulty of determining their fair value, these services are not recognized in the financial statements.

Contributed materials and services which are used in the normal course of the organizations operations and would otherwise have been purchased are recorded at their fair value at the date of contribution if the fair value can be reasonably estimated.

New Canadians Centre Peterborough Notes to the Financial Statements

March 31, 2015

2. Cash and Bank

The organization's bank accounts are held at one chartered bank. The bank accounts earn interest at a nominal rate.

3. Short Term Investments

Short term investments consist of cash and guaranteed investment certificates held at one chartered bank carrying interest from 0.79% to 2.59% and maturing January 2016 - December 2019.

4. Capital Assets

	2015		2014	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Leasehold improvements	\$ 261,790	\$ 38,226	\$ 251,364	\$ 12,568
Furniture and fixtures	66,442	21,225	56,602	15,073
Computer equipment	43,363	36,020	41,137	28,955
	\$ 371,595	\$ 95,471	\$ 349,103	\$ 56,596
		\$ 276,124		\$ 292,507

5. Accounts Payable and Accrued Liabilities

Included in accounts payable and accrued liabilities are government remittances payable of \$16,636 (2014 - \$15,303).

New Canadians Centre Peterborough Notes to the Financial Statements

March 31, 2015

6. Deferred Contributions Related to Capital Assets

Deferred contributions related to capital assets include the unamortized portions of restricted contributions with which various capital assets have been purchased. The changes for the year in the deferred contributions balance reported are as follows:

	2015	2014
Balance, beginning of year	\$ 263,033	\$ 16,879
Disposals in the year related to capital assets	-	(9,280)
Funding received in the year related to capital assets		
Citizenship and Immigration Canada	-	152,553
Ontario Trillium Foundation	18,530	118,065
Coordinated Language Assessment and Referral System	-	1,217
Ministry of Citizenship - Newcomer Settlement Program	3,962	-
Revenue recognized in the year related to capital assets	(31,156)	(16,401)
Balance, end of year	\$ 254,369	\$ 263,033

7. Internally Restricted Reserves

In 2010, the board approved the creation of an internally restricted reserve for the purpose of maintaining an emergency fund to cover unexpected costs or funding shortfalls. During the year \$38,634 (2014 - \$35,000) was transferred into this reserve.

8. Commitments

The organization has a building lease for their Peterborough location expiring in September 2023.

The organization also has an office lease for their Cobourg location expiring in March 2016.

The minimum lease commitments for both locations over the next five years are as follows:

2016	\$	34,645
2017		31,270
2018		32,208
2019		33,146
2020		34,141