

**New Canadians Centre  
Peterborough  
Financial Statements  
For the year ended March 31, 2017**

**Contents**

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<b>Independent Auditor's Report</b>	<b>1</b>
<b>Financial Statements</b>	
Statement of Financial Position	2
Statement of Changes in Net Assets	3
Statement of Operations	4
Schedule of Revenues	5
Statement of Cash Flows	6
Notes to the Financial Statements	7 - 11

# Independent Auditor's Report

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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, 2017, 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, 2016 and 2017, current assets as at March 31, 2016 and 2017 and net assets as at April 1 and March 31 for both the 2016 and 2017 years. Our opinion on the financial statements for the year ended March 31, 2017 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, 2017, 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*

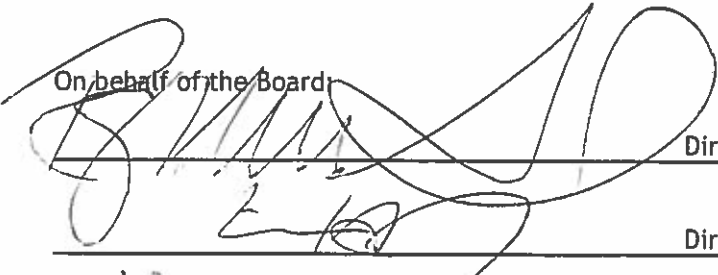
Chartered Professional Accountants, Licensed Public Accountants


Peterborough, Ontario  
May 11, 2017

## New Canadians Centre Peterborough Statement of Financial Position

March 31	2017	2016
<b>Assets</b>		
<b>Current</b>		
Cash and bank (Note 2)	\$ 116,303	\$ 169,560
Short term investments (Note 3)	176,976	173,667
Accounts receivable	210,543	58,212
Prepaid expenses	16,680	10,500
	520,502	411,939
Capital assets (Note 4)	286,126	241,863
	\$ 806,628	\$ 653,802
<b>Liabilities and Net Assets</b>		
<b>Current</b>		
Accounts payable and accrued liabilities (Note 5)	\$ 15,640	\$ 41,474
Deferred revenue (Note 6)	169,215	96,505
	184,855	137,979
Deferred contributions related to capital assets (Note 7)	261,542	223,205
	446,397	361,184
<b>Commitments (Note 9)</b>		
<b>Net Assets</b>		
Internally restricted net assets invested in capital assets	24,582	18,656
Internally restricted funds (Note 8)	318,184	258,184
Unrestricted net assets	17,465	15,778
	360,231	292,618
	\$ 806,628	\$ 653,802

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 funds	Unrestricted	Total 2017	Total 2016
Net assets, beginning of year	\$ 18,656	\$ 258,184	\$ 15,778	\$ 292,618	\$ 269,313
Revenues over expenses (expenses over revenues)	(5,572)	-	73,185	67,613	23,305
Investment in capital assets	85,319	-	(85,319)	-	-
Funding received in the year related to capital assets	(73,821)	-	73,821	-	-
Internal transfers (Note 8)	-	60,000	(60,000)	-	-
<b>Net assets, end of year</b>	<b>\$ 24,582</b>	<b>\$ 318,184</b>	<b>\$ 17,465</b>	<b>\$ 360,231</b>	<b>\$ 292,618</b>

## New Canadians Centre Peterborough Statement of Operations

For the year ended March 31	2017	2016
<b>Revenues (Page 5)</b>		
Grants	\$ 1,802,242	\$ 903,367
Fundraising and donations	139,734	83,912
Recovery of expenses	6,611	3,337
Amortization of deferred contributions for capital assets	35,484	31,164
	<u>1,984,071</u>	<u>1,021,780</u>
<b>Expenses</b>		
Amortization	41,056	37,858
Charitable contributions	3,000	4,500
Development and staff-related expenses	30,846	11,843
Fundraising	27,348	16,687
Insurance	4,169	4,316
Memberships	4,493	3,097
Office	60,126	19,209
Rent	56,771	38,417
Promotion and outreach	26,453	14,363
Professional fees	83,770	23,085
Program costs:		
- general programming	99,876	25,777
- refugee programming	157,556	12,657
Repairs and maintenance	22,117	12,299
Salaries and benefits	1,278,456	764,994
Telephone	20,421	9,373
	<u>1,916,458</u>	<u>998,475</u>
<b>Excess of revenues over expenses</b>	<b>\$ 67,613</b>	<b>\$ 23,305</b>

## New Canadians Centre Peterborough Schedule of Revenues

For the year ended March 31	2017	2016
<b>Grants:</b>		
<b>Federal:</b>		
Immigration, Refugee and Citizenship Canada:		
- Welcoming Communities	\$ 851,275	\$ 539,110
- Local Immigration Partnership (LIP)	155,401	134,072
- Coordinated Language Assessment and Referral System (CLARS)	16,149	10,546
- Resettlement Assistance Program (RAP)	551,927	-
Canadian Heritage	7,500	7,500
Employment and Social Development	9,006	-
	<b>1,591,258</b>	<b>691,228</b>
<b>Provincial:</b>		
Ministry of Citizenship and Immigration:		
- Newcomer Settlement Program (NSP 1)	34,188	22,820
- Migrant Worker Program (NSP 2)	-	22,332
- Pay Equity	1,254	1,254
- Coordinated Language Assessment and Referral System (CLARS)	9,980	7,031
- Refugee Settlement and Integration Services (NSP)	17,618	-
- Seniors Community Grant	-	6,583
	<b>63,040</b>	<b>60,020</b>
<b>Municipal:</b>		
City of Peterborough	<b>69,952</b>	<b>54,048</b>
<b>Other:</b>		
Human Resources and Skills Development Canada:		
- Canada Summer Jobs Program	-	3,308
Canadian Council for Refugees	10,000	10,000
United Way Peterborough	52,488	65,004
Community Futures Development Corporation	-	17,685
Employment Planning and Counselling	-	1,824
Sogo Active	250	250
Community Foundation of Greater Peterborough	12,500	-
COSTI Immigrant Services	2,754	-
	<b>77,992</b>	<b>98,071</b>
	<b>\$ 1,802,242</b>	<b>\$ 903,367</b>
<b>Fundraising and donations:</b>		
Fundraising: - Canada Day	\$ 11,867	\$ 13,667
- other	55,416	44,291
Donations	72,451	25,954
	<b>\$ 139,734</b>	<b>\$ 83,912</b>
<b>Miscellaneous other revenues:</b>	<b>\$ 6,611</b>	<b>\$ 3,337</b>

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	2017	2016
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Net excess of revenue over expenses for the year	\$ 67,613	\$ 23,305
Items not involving cash		
Amortization of capital assets	41,056	37,858
Amortization of deferred contributions for capital assets	(35,484)	(31,164)
	<u>73,185</u>	<u>29,999</u>
Changes in non-cash working capital balances		
Accounts receivable	(152,331)	(29,714)
Prepaid expenses	(6,180)	(8,000)
Accounts payable	(25,834)	14,140
Deferred revenue	72,710	75,280
	<u>(38,450)</u>	<u>81,705</u>
<b>Investing activities</b>		
Purchase of capital assets	(85,319)	(3,598)
Purchase of short term investments	(3,309)	(2,759)
	<u>(88,628)</u>	<u>(6,357)</u>
<b>Financing activities</b>		
Deferred contributions received	<u>73,821</u>	<u>-</u>
<b>Increase (decrease) in cash during the year</b>	<b>(53,257)</b>	<b>75,348</b>
Cash and bank, beginning of year	<u>169,560</u>	<u>94,212</u>
<b>Cash and bank, end of year</b>	<b>\$ 116,303</b>	<b>\$ 169,560</b>

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# New Canadians Centre Peterborough Notes to the Financial Statements

March 31, 2017

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## 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	the term of the lease
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, 2017

### 1. Summary of Significant Accounting Policies (Continued)

#### g) Employee Future Benefits

The organization has a defined contribution pension plan for eligible employees. The organization's pension costs are charged to operations as contributions are due. Contributions are a defined amount based upon individual employee contributions which are matched by the organization to a maximum of 3% of the individual's salary.

### 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 1.00% to 2.59% and maturing December 2017 - January 2022.

### 4. Capital Assets

	2017		2016	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Leasehold improvements	\$ 330,668	\$ 95,504	\$ 261,790	\$ 64,405
Furniture and fixtures	78,545	35,119	66,442	27,870
Computer equipment	49,819	42,283	46,961	41,055
	\$ 459,032	\$ 172,906	\$ 375,193	\$ 133,330
		\$ 286,126		\$ 241,863

### 5. Accounts Payable and Accrued Liabilities

Included in accounts payable and accrued liabilities are government remittances payable of \$Nil (2016 - \$20,254).

## New Canadians Centre Peterborough Notes to the Financial Statements

March 31, 2017

### 6. Deferred Revenue

Deferred revenue represents grants and donations received subject to specific spending restrictions. The balance of deferred revenue at March 31 is comprised of:

	2017	2016
Ministry of Citizenship and Immigration:		
Newcomer Settlement Program	\$ 5,812	\$ -
Coordinated Language Assessment and Referral System	7,644	-
Refugee Settlement and Integration Services	5,194	-
City of Peterborough	65,236	21,436
Community Foundation of Greater Peterborough	17,000	27,000
Peterborough Foundation	7,000	-
Externally restricted donation - special project	2,000	-
Externally restricted refugee resettlement donations	59,329	48,069
	\$ 169,215	\$ 96,505

### 7. 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:

	2017	2016
Balance, beginning of year	\$ 223,205	\$ 254,369
Funding received in the year related to capital assets		
Immigration, Refugee and Citizenship Canada:		
Welcoming Communities	57,747	-
Resettlement Assistance Program	5,789	-
Coordinated Language Assessment and Referral System	10,285	-
Revenue recognized in the year related to capital assets	(35,484)	(31,164)
Balance, end of year	\$ 261,542	\$ 223,205

## New Canadians Centre Peterborough Notes to the Financial Statements

March 31, 2017

### 8. Internally Restricted Funds

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 \$- (2016 - \$13,000) was transferred into this reserve.

During the prior year, the Board of Directors established the Community Integration Fund. Monies deposited to the Community Integration Fund are to be used solely for the payment of expenses related to the Community Integration work of the New Canadians Centre and/or to enhance programs and activities of the Peterborough Immigration Partnership (PIP). During the year \$5,000 (2016 - \$20,184) was transferred to this fund.

	Community Integration Fund	Emergency Operational Reserve Fund	2017 Total	2016 Total
Beginning balance	\$ 20,184	\$ 238,000	\$ 258,184	\$ 225,000
Transfers	5,000	55,000	60,000	33,184
Ending balance	<u>\$ 25,184</u>	<u>\$ 293,000</u>	<u>\$ 318,184</u>	<u>\$ 258,184</u>

### 9. Commitments

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

The minimum lease commitment over the next five years is as follows:

2018	\$ 32,206
2019	33,146
2020	34,144
2021	35,135
2022	36,189

The organization also has a leases that are on month-to-month terms, including their Cobourg office location and temporary housing provided as part of the Resettlement Assistance Program.

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## New Canadians Centre Peterborough Notes to the Financial Statements

March 31, 2017

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### 10. Syrian Refugee Resettlement Program

During the prior year, the New Canadian's Centre took an active role in the Syrian Refugee Resettlement Program in the Peterborough area.

The following summarizes the Centre's activity in relation to the Refugee Resettlement Program for the year ended March 31, 2017:

Balance forward - externally restricted donations \$	48,069
Current year externally restricted donations received	11,260
Less current year expenditures	-
Unspent donations as at March 31, 2017	<u>\$ 59,329</u>

The unspent portion of the refugee donations has been recorded as an externally restricted reserve as outlined in Note 6.

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### 11. Defined Contribution Plan

Total pension expense for the year was \$3,667 (2016 - \$Nil).

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### 12. Comparative Figures

Comparative amounts presented in the financial statements have been restated to conform to the current year's presentation.

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