

**New Canadians Centre  
Peterborough  
Financial Statements  
For the year ended March 31, 2016**

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## 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, 2016, 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, 2015 and 2016, current assets as at March 31, 2015 and 2016 and net assets as at April 1 and March 31 for both the 2015 and 2016 years. Our opinion on the financial statements for the year ended March 31, 2015 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, 2016, 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 9, 2016



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

March 31	2016	2015
<b>Assets</b>		
<b>Current</b>		
Cash and bank (Note 2)	\$ 169,560	\$ 94,212
Short term investments (Note 3)	173,667	170,907
Accounts receivable	58,212	28,498
Prepaid expenses	10,500	2,500
	411,939	296,117
<b>Capital assets (Note 4)</b>	<b>241,863</b>	<b>276,124</b>
	<b>\$ 653,802</b>	<b>\$ 572,241</b>
<b>Liabilities and Net Assets</b>		
<b>Current</b>		
Accounts payable and accrued liabilities (Note 5)	\$ 41,474	\$ 27,334
Deferred revenue (Note 6)	96,505	21,225
	137,979	48,559
<b>Deferred contributions related to capital assets (Note 7)</b>	<b>223,205</b>	<b>254,369</b>
	<b>361,184</b>	<b>302,928</b>
<b>Net Assets</b>		
Internally restricted net assets invested in capital assets	18,656	21,752
Internally restricted funds (Note 8)	258,184	225,000
Unrestricted net assets	15,778	22,561
	292,618	269,313
	<b>\$ 653,802</b>	<b>\$ 572,241</b>

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 2016	Total 2015
Net assets, beginning of year	\$ 21,752	\$ 225,000	\$ 22,561	\$ 269,313	\$ 252,275
Revenues over expenses (expenses over revenues)	(6,694)	-	29,999	23,305	17,038
Investment in capital assets	3,598	-	(3,598)	-	-
Internal transfers (Note 8)	-	33,184	(33,184)	-	-
<b>Net assets, end of year</b>	<b>\$ 18,656</b>	<b>\$ 258,184</b>	<b>\$ 15,778</b>	<b>\$ 292,618</b>	<b>\$ 269,313</b>

## New Canadians Centre Peterborough Statement of Operations

For the year ended March 31	2016	2015
<b>Revenues (Page 5)</b>		
Grants	\$ 903,367	\$ 986,684
Fundraising and donations	78,539	60,053
Program fees	-	1,922
Recovery of expenses	3,337	4,386
Lottery	2,247	4,336
Amortization of deferred contributions for capital assets	31,164	31,156
	<b>1,018,654</b>	<b>1,088,537</b>
<b>Expenses</b>		
Amortization	37,858	38,875
Fundraising	13,561	11,404
Insurance	4,316	4,006
Office and other	26,806	20,024
Premises		
- Rent	38,417	33,700
- Relocation costs	-	2,823
Professional development	1,707	2,868
Professional fees	23,085	35,036
Program costs	52,774	72,620
Repairs and maintenance	12,299	11,035
Salaries and benefits	764,994	816,076
Telephone	9,373	10,927
Travel	10,159	12,105
	<b>995,349</b>	<b>1,071,499</b>
<b>Excess of revenues over expenses</b>	<b>\$ 23,305</b>	<b>\$ 17,038</b>

## New Canadians Centre Peterborough Schedule of Revenues

For the year ended March 31	2016	2015
<b>Grants:</b>		
Immigration, Refugee and Citizenship Canada:		
- Welcoming Communities	\$ 539,110	\$ 552,113
- Local Immigration Partnership (LIP)	134,072	135,002
- Coordinated Language Assessment and Referral System (CLARS)	10,546	10,546
- Interaction Program - Canada Day	-	8,539
Ministry of Citizenship and Immigration:		
- Newcomer Settlement Program (NSP 1)	22,820	24,108
- Migrant Worker Program (NSP 2)	22,332	21,970
- Pay Equity	1,254	1,254
- Coordinated Language Assessment and Referral System (CLARS)	7,031	7,005
- Summer Experience Program	-	2,845
- Seniors Community Grant	6,583	-
Northern Lights	-	2,370
Human Resources and Skills Development Canada:		
- Canada Summer Jobs Program	3,308	3,680
Ministry of Canadian Heritage	7,500	7,500
Ministry of Training, Colleges and Universities	-	18,183
Canadian Council for Refugees	10,000	-
United Way:		
- Peterborough	65,004	29,673
- Northumberland	-	3,800
City of Peterborough	54,048	77,305
Community Futures Development Corporation	17,685	-
Employment Planning and Counselling	1,824	-
Ontario Trillium Foundation	-	71,556
Sogo Active	250	750
Fleming Youth Employment Fund	-	4,586
Victoria County Career Services - Employment Services	-	3,104
Workforce Development Board	-	795
	<b>\$ 903,367</b>	<b>\$ 986,684</b>
<b>Fundraising and donations:</b>		
Fundraising: - Canada Day	\$ 13,667	\$ 11,037
- other	38,918	31,430
Donations	25,954	17,586
	<b>\$ 78,539</b>	<b>\$ 60,053</b>
<b>Program fees:</b>		
Training	\$ -	\$ 1,922
<b>Miscellaneous other revenues:</b>		
	<b>\$ 3,337</b>	<b>\$ 4,386</b>
<b>Lottery:</b>		
Gross revenues	\$ 5,373	\$ 8,537
Less direct costs	(3,126)	(4,201)
	<b>\$ 2,247</b>	<b>\$ 4,336</b>



## New Canadians Centre Peterborough Statement of Cash Flows

For the year ended March 31	2016	2015
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Net excess of revenue over expenses for the year	\$ 23,305	\$ 17,038
Items not involving cash		
Amortization of capital assets	37,858	38,875
Amortization of deferred contributions for capital assets	(31,164)	(31,156)
	29,999	24,757
Changes in non-cash working capital balances		
Accounts receivable	(29,714)	20,877
Prepaid expenses	(8,000)	-
Accounts payable	14,140	(11,880)
Deferred revenue	75,280	(27,876)
	81,705	5,878
<b>Investing activities</b>		
Purchase of capital assets	(3,598)	(22,492)
Purchase of short term investments	(2,759)	(19,222)
	(6,357)	(41,714)
<b>Financing activities</b>		
Deferred contributions received	-	22,492
<b>Increase (decrease) in cash during the year</b>	<b>75,348</b>	<b>(13,344)</b>
Cash and bank, beginning of year	94,212	107,556
<b>Cash and bank, end of year</b>	<b>\$ 169,560</b>	<b>\$ 94,212</b>

The accompanying notes are an integral part of these financial statements

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# New Canadians Centre Peterborough Notes to the Financial Statements

March 31, 2016

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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	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, 2016

### 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 January 2017 - March 2020.

### 4. Capital Assets

	2016		2015	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Leasehold improvements	\$ 261,790	\$ 64,405	\$ 261,790	\$ 38,226
Furniture and fixtures	66,442	27,870	66,442	21,225
Computer equipment	46,961	41,055	43,363	36,020
	\$ 375,193	\$ 133,330	\$ 371,595	\$ 95,471
		\$ 241,863		\$ 276,124

### 5. Accounts Payable and Accrued Liabilities

Included in accounts payable and accrued liabilities are government remittances payable of \$20,254 (2015 - \$16,636).

### 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:

	2016		2015	
City of Peterborough - Operating grant	\$ 21,436	\$	21,225	
Community Foundation of Greater Peterborough	27,000		-	
Externally restricted refugee resettlement donations	48,069		-	
	\$ 96,505	\$	21,225	

## New Canadians Centre Peterborough Notes to the Financial Statements

March 31, 2016

### 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:

	2016	2015
Balance, beginning of year	\$ 254,369	\$ 263,033
Funding received in the year related to capital assets		
Ontario Trillium Foundation	-	18,530
Ministry of Citizenship - Newcomer Settlement Program	-	3,962
Revenue recognized in the year related to capital assets	(31,164)	(31,156)
Balance, end of year	\$ 223,205	\$ 254,369

### 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 \$13,000 (2015 - \$38,634) was transferred into this reserve.

During the 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 \$20,184 was transferred to this fund.

	Community Integration Fund	Emergency Operational Reserve Fund	2016 Total	2015 Total
Beginning balance	\$ -	\$ 225,000	\$ 225,000	\$ 186,366
Transfers	20,184	13,000	33,184	38,634
Ending balance	\$ 20,184	\$ 238,000	\$ 258,184	\$ 225,000

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## New Canadians Centre Peterborough Notes to the Financial Statements

March 31, 2016

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### 9. 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 2017.

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

2017	\$	35,530
2018		32,208
2019		33,146
2020		34,141
2021		35,135

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### 10. Syrian Refugee Resettlement Program

During the year the New Canadian's Centre took an active role in the Syrian Refugee Resettlement Program in the Peterborough area. In addition to externally restricted donations the Board of Directors internally designated all general unspecified donations during the period December 14, 2015 through to March 31, 2016 to this program.

The following summarizes the Centre's activity in relation to the Refugee Resettlement Program for the year ended March 31, 2016:

Internally designated donations	\$	4,092
Externally restricted donations		54,435
Less expenditures		<u>(10,458)</u>
Unspent donations as at March 31, 2016	\$	<u>48,069</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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