



**New Canadians Centre
Peterborough
Financial Statements
For the year ended March 31, 2018**

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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, 2018, 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, 2017 and 2018, current assets as at March 31, 2017 and 2018 and net assets as at April 1 and March 31 for both the 2017 and 2018 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, 2018, 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

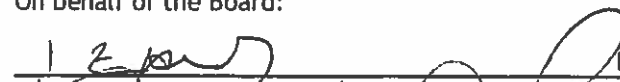
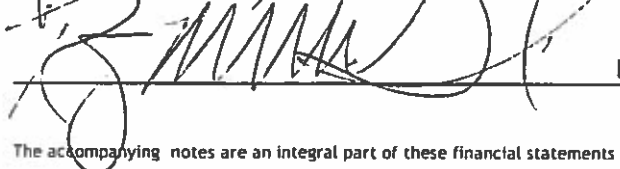
Chartered Professional Accountants, Licensed Public Accountants

Peterborough, Ontario
May 17, 2018

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

March 31	2018	2017
Assets		
Current		
Cash and bank (Note 1)	\$ 156,375	\$ 115,389
Short term investments (Note 3)	180,088	177,890
Accounts receivable	362,572	210,543
Prepaid expenses	4,426	16,680
	703,461	520,502
Capital assets (Note 4)	244,953	286,126
	\$ 948,414	\$ 806,628
Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities	\$ 37,533	\$ 15,640
Deferred revenue (Note 5)	266,100	169,215
	303,633	184,855
Deferred contributions related to capital assets (Note 6)	229,480	261,542
	533,113	446,397
Commitments (Note 8)		
Net Assets		
Internally restricted net assets invested in capital assets	15,473	24,584
Internally restricted funds (Note 7)	368,184	318,184
Unrestricted net assets	31,644	17,463
	415,301	360,231
	\$ 948,414	\$ 806,628

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 2018	Total 2017
Net assets, beginning of year	\$ 24,584	\$ 318,184	\$ 17,463	\$ 360,231	\$ 292,618
Revenues over expenses (expenses over revenues)	(10,411)	-	65,481	55,070	67,613
Investment in capital assets	5,116	-	(5,116)	-	-
Funding received in the year related to capital assets	(3,816)	-	3,816	-	-
Internal transfers (Note 7)	-	50,000	(50,000)	-	-
Net assets, end of year	\$ 15,473	\$ 368,184	\$ 31,644	\$ 415,301	\$ 360,231

New Canadians Centre Peterborough Statement of Operations

For the year ended March 31	2018	2017
Revenues (Page 5)		
Grants	\$ 1,713,018	\$ 1,802,242
Fundraising and donations	195,951	139,734
Recovery of expenses	4,208	6,611
Amortization of deferred contributions for capital assets	35,878	35,484
	<u>1,949,055</u>	<u>1,984,071</u>
Expenses		
Amortization	46,289	41,056
Development and staff-related expenses	37,868	48,509
Fundraising	28,105	9,685
Insurance	3,949	4,169
Memberships	5,856	4,493
Office	40,215	60,126
Rent	57,173	56,771
Promotion and outreach	19,342	29,453
Professional fees	74,842	88,456
Program costs:		
- general programming	129,019	99,876
- refugee programming	49,230	157,556
Repairs and maintenance	31,079	22,117
Salaries and benefits	1,354,906	1,273,770
Telephone	16,112	20,421
	<u>1,893,985</u>	<u>1,916,458</u>
Excess of revenues over expenses	\$ 55,070	\$ 67,613

New Canadians Centre Peterborough Schedule of Revenues

For the year ended March 31	2018	2017
Grants:		
Federal:		
Immigration, Refugee and Citizenship Canada:		
- Welcoming Communities	\$ 924,856	\$ 851,275
- Local Immigration Partnership (LIP)	199,879	155,401
- Coordinated Language Assessment and Referral System (CLARS)	18,296	16,149
- Resettlement Assistance Program (RAP)	299,043	551,927
Canadian Heritage	7,500	7,500
Employment and Social Development	7,886	9,006
	<u>1,457,460</u>	<u>1,591,258</u>
Provincial:		
Ministry of Citizenship and Immigration:		
- Newcomer Settlement Program (NSP 1)	41,702	34,188
- Newcomer Settlement Program for Refugees (NSP 2)	60,347	17,618
- Pay Equity	1,254	1,254
- Coordinated Language Assessment and Referral System (CLARS)	9,402	9,980
- Ministry of Tourism, Culture and Sport	8,250	-
	<u>120,955</u>	<u>63,040</u>
Municipal:		
City of Peterborough	<u>50,706</u>	<u>69,952</u>
Other:		
Canadian Council for Refugees	498	10,000
United Way Peterborough	55,112	52,488
Lloyd Carr Foundation	6,344	-
Luke Four Foundation	7,225	-
Sogo Active	-	250
Community Foundation of Greater Peterborough	6,819	12,500
COSTI Immigrant Services	2,754	2,754
Peterborough Foundation	5,145	-
	<u>83,897</u>	<u>77,992</u>
	<u>\$ 1,713,018</u>	<u>\$ 1,802,242</u>
Fundraising and donations:		
Fundraising: - Canada Day	\$ 20,654	\$ 11,867
- other	50,297	55,416
Donations	125,000	72,451
	<u>\$ 195,951</u>	<u>\$ 139,734</u>
Miscellaneous other revenues:		
	<u>\$ 4,208</u>	<u>\$ 6,611</u>

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	2018	2017
Cash provided by (used in)		
Operating activities		
Net excess of revenue over expenses for the year	\$ 55,070	\$ 67,613
Items not involving cash		
Amortization of capital assets	46,289	41,056
Amortization of deferred contributions for capital assets	(35,878)	(35,484)
	65,481	73,185
Changes in non-cash working capital balances		
Accounts receivable	(152,029)	(152,331)
Prepaid expenses	12,254	(6,180)
Accounts payable	21,893	(25,834)
Deferred revenue	96,885	72,710
	44,484	(38,450)
Investing activities		
Purchase of capital assets	(5,116)	(85,319)
Purchase of short term investments	(2,198)	(4,223)
	(7,314)	(89,542)
Financing activities		
Deferred contributions received	3,816	73,821
Increase (decrease) in cash during the year	40,986	(54,171)
Cash and bank, beginning of year	115,389	169,560
Cash and bank, end of year	\$ 156,375	\$ 115,389

The accompanying notes are an integral part of these financial statements

New Canadians Centre Peterborough Notes to the Financial Statements

March 31, 2018

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, 2018

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 2.00% to 2.59% and maturing December 2018 - January 2022.

4. Capital Assets

	2018		2017	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Leasehold improvements	\$ 331,914	\$ 131,612	\$ 330,668	\$ 95,504
Furniture and fixtures	79,603	45,088	78,545	35,119
Computer equipment	38,907	28,771	49,819	42,283
	\$ 450,424	\$ 205,471	\$ 459,032	\$ 172,906
		\$ 244,953		\$ 286,126

New Canadians Centre Peterborough Notes to the Financial Statements

March 31, 2018

5. 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:

	2018	2017
Ministry of Citizenship and Immigration:		
Newcomer Settlement Program	\$ 36,050	\$ 11,006
Coordinated Language Assessment and Referral System	5,540	7,644
Canadian Council for Refugees	9,502	-
City of Peterborough	125,369	65,236
Community Foundation of Greater Peterborough	14,516	17,000
Lloyd Carr Foundation	5,156	-
Luke Four Foundation	6,854	-
Peterborough Foundation	1,855	7,000
Externally restricted:		
Donations - special projects	2,346	2,000
Refugee resettlement donations	58,912	59,329
	\$ 266,100	\$ 169,215

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:

	2018	2017
Balance, beginning of year	\$ 261,542	\$ 223,205
Funding received in the year related to capital assets		
Immigration, Refugee and Citizenship Canada:		
Welcoming Communities	2,125	57,747
Resettlement Assistance Program	1,691	5,789
Coordinated Language Assessment and Referral System	-	10,285
Revenue recognized in the year related to capital assets	(35,878)	(35,484)
Balance, end of year	\$ 229,480	\$ 261,542

New Canadians Centre Peterborough Notes to the Financial Statements

March 31, 2018

7. 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 \$50,000 (2017 - \$55,000) 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 \$- (2017 - \$5,000) was transferred to this fund.

	Community Integration Fund	Emergency Operational Reserve Fund	2018 Total	2017 Total
Beginning balance	\$ 25,184	\$ 293,000	\$ 318,184	\$ 258,184
Transfers	-	50,000	50,000	60,000
Ending balance	<u>\$ 25,184</u>	<u>\$ 343,000</u>	<u>\$ 368,184</u>	<u>\$ 318,184</u>

8. 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:

2019	\$ 33,146
2020	34,144
2021	35,135
2022	36,189
2023	37,243

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.

9. Defined Contribution Plan

Total pension expense for the year was \$18,473 (2017 - \$3,667).

10. Comparative Figures

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

