

New Canadians Centre
Peterborough
Financial Statements
For the year ended March 31, 2022

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Independent Auditor's Report

To the Board of Directors of New Canadians Centre Peterborough

Qualified Opinion

We have audited the accompanying financial statements of New Canadians Centre Peterborough (the "Centre"), which comprise the statement of financial position as at March 31, 2022, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Centre as at March 31, 2022, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many charitable organizations, the Centre derives certain of its revenues from the general public in the form of donations and fundraising the completeness of which are not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Centre. Therefore, we were not able to determine whether any adjustments might be necessary to revenues other than grants, excess of revenue over expense, and cash flows from operations for the years ended March 31, 2022 and 2021, current assets as at March 31, 2022 and 2021, and net assets as at April 1 and March 31 for both the 2022 and 2021 years. Our audit opinion on the financial statements for the year ended March 31, 2021 was modified accordingly because of the possible effects of this limitation in scope.

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

Those charged with governance are responsible for overseeing the Centre'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 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 judgment 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, misrepresentations, 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 Centre'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 Centre'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 Centre 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.

BDO Canada LLP

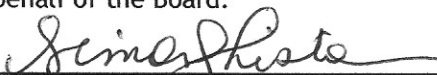
Chartered Professional Accountants, Licensed Public Accountants


Peterborough, Ontario
May 25, 2022

New Canadians Centre Peterborough Statement of Financial Position

March 31	2022	2021
Assets		
Current		
Cash and bank (Note 2)	\$ 388,797	\$ 446,279
Short term investments (Note 3)	320,400	180,680
Accounts receivable	50,305	48,071
Prepaid expenses	5,580	12,709
	765,082	687,739
Long term investments (Note 3)	107,579	239,662
Capital assets (Note 4)	136,255	158,506
	\$ 1,008,916	\$ 1,085,907
Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities (Note 5)	\$ 109,330	\$ 130,450
Deferred revenue (Note 6)	223,061	335,854
	332,391	466,304
Deferred contributions related to capital assets (Note 7)	117,575	130,509
	449,966	596,813
Commitments (Note 8)		
Net Assets		
Internally restricted net assets invested in capital assets	18,680	27,997
Internally restricted funds (Note 9)	480,334	449,894
Unrestricted net assets	59,936	11,203
	558,950	489,094
	\$ 1,008,916	\$ 1,085,907

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 2022	Total 2021
Net assets, beginning of year	\$ 27,997	\$ 449,894	\$ 11,203	\$ 489,094	\$ 425,448
Revenues over expenses (expenses over revenues)	(9,317)	-	79,173	69,856	63,646
Investment in capital assets	39,500	-	(39,500)	-	-
Funding received in the year related to capital assets	(39,500)	-	39,500	-	-
Internal transfers (Note 9)	-	30,440	(30,440)	-	-
Net assets, end of year	\$ 18,680	\$ 480,334	\$ 59,936	\$ 558,950	\$ 489,094

New Canadians Centre Peterborough Statement of Operations

For the year ended March 31	2022	2021
Revenues (Page 6)		
Grants	\$ 2,726,476	\$ 1,968,486
Fundraising and donations	263,448	195,299
Interest and other miscellaneous revenues	9,915	11,079
Amortization of deferred contributions for capital assets	52,434	64,493
	<u>3,052,273</u>	<u>2,239,357</u>
Expenses		
Amortization	61,751	56,530
Development and staff-related expenses	39,265	17,139
Fundraising	11,028	11,522
Insurance	4,648	4,427
Memberships	10,265	8,147
Office	87,439	68,912
Rent	61,711	57,978
Professional fees	81,047	54,335
Program costs:		
- general programming	216,262	157,352
- refugee programming	367,666	41,665
Promotion and outreach	16,022	21,500
Repairs and maintenance	30,807	26,434
Salaries and benefits	1,994,506	1,649,770
	<u>2,982,417</u>	<u>2,175,711</u>
Excess of revenues over expenses	<u>\$ 69,856</u>	<u>\$ 63,646</u>

New Canadians Centre Peterborough Schedule of Revenues

For the year ended March 31	2022	2021
Grants:		
Federal:		
Immigration, Refugee and Citizenship Canada:		
- Welcoming Communities	\$ 1,427,757	\$ 1,235,709
- Local Immigration Partnership (LIP)	231,163	212,276
- Resettlement Assistance Program (RAP)	751,139	268,363
Canadian Heritage	7,500	8,790
Employment and Social Development	18,831	12,975
	<u>2,436,390</u>	<u>1,738,113</u>
Provincial:		
Ministry of Citizenship and Immigration:		
- Newcomer Settlement Program (NSP 1)	40,000	40,000
- Pay Equity	1,254	1,254
- Coordinated Language Assessment and Referral System (CLARS)	12,198	12,198
- Canada-Ontario Job Grant (COJG)	14,527	-
	<u>67,979</u>	<u>53,452</u>
Municipal:		
City of Peterborough	72,323	65,581
Other:		
United Way Peterborough	58,612	67,116
Lloyd Carr Foundation	3,266	3,257
RBC Foundation	9,074	16,714
Community Foundation of Greater Peterborough	78,832	24,253
	<u>149,784</u>	<u>111,340</u>
	<u>\$ 2,726,476</u>	<u>\$ 1,968,486</u>
Fundraising and donations:		
Fundraising: - Canada Day	\$ -	\$ -
- other	97	999
Donations	263,351	194,300
	<u>\$ 263,448</u>	<u>\$ 195,299</u>
Miscellaneous other revenues:	\$ 9,915	\$ 11,079

New Canadians Centre Peterborough
Statement of Cash Flows

For the year ended March 31	2022	2021
Cash provided by (used in)		
Operating activities		
Net excess of revenue over expenses for the year	\$ 69,856	\$ 63,646
Items not involving cash		
Amortization of capital assets	61,751	56,530
Amortization of deferred contributions for capital assets	(52,434)	(64,493)
	79,173	55,683
Changes in non-cash working capital balances		
Accounts receivable	(2,235)	87,749
Prepaid expenses	7,128	(5,070)
Accounts payable	(21,119)	53,588
Deferred revenue	(112,793)	67,743
	(49,846)	259,693
Investing activities		
Purchase of capital assets	(39,500)	(24,602)
Purchase of investments - net	(7,636)	(108,758)
	(47,136)	(133,360)
Financing activities		
Deferred contributions received	39,500	21,311
Increase (decrease) in cash during the year	(57,482)	147,644
Cash and bank, beginning of year	446,279	298,635
Cash and bank, end of year	\$ 388,797	\$ 446,279

New Canadians Centre Peterborough Notes to the Financial Statements

March 31, 2022

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

Financial Instruments are recorded at fair value at initial recognition.

In subsequent periods, financial instruments are reported at cost or amortized cost less impairment. Transaction costs on the acquisition, sale or issue of financial instruments are charged to the financial instrument for those measured at amortized cost.

Financial assets are tested for impairment when indicators of impairment exist. When a significant change in the expected timing or amount of the future cash flows of the financial asset is identified, the carrying amount of the financial asset is reduced and the amount of the write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of the improvement, provided it is not greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously, and the amount of the reversal is recognized in net income.

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, fixtures and equipment	10 years
Computer and software	3 - 5 years

New Canadians Centre Peterborough Notes to the Financial Statements

March 31, 2022

1. Summary of Significant Accounting Policies (Continued)

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.

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.

New Canadians Centre Peterborough Notes to the Financial Statements

March 31, 2022

3. Investments

Investments consist of cash and short term and long term guaranteed investment certificates:

	2022	2021
Short term:		
GIC, annual, interest at 0.53%, matures April 2021	\$ -	\$ 51,454
GIC, non-redeemable, interest at 3.00%, matures June 2021	-	102,477
GIC, non-redeemable, interest at 2.34%, matures December 2021	-	26,749
GIC, non-redeemable, interest at 0.31%, matures April 30, 2022	51,622	-
GIC, non-redeemable, interest at 1.75%, matures June 2022	104,628	-
GIC, non-redeemable, interest at 2.43%, matures December 2022	54,940	-
GIC, non-redeemable, interest at 0.85%, matures January 2023	109,210	-
	320,400	180,680
Long term:		
GIC, non-redeemable, interest at 0.51%, matures January 2022	-	53,052
GIC, non-redeemable, interest at 2.00%, matures January 2022	-	28,098
GIC, non-redeemable, interest at 2.43%, matures December 2022	-	53,637
GIC, non-redeemable, interest at 2.96%, matures December 2023	55,042	53,459
GIC, non-redeemable, interest at 2.18%, matures December 2024	52,537	51,416
	107,579	239,662
Total	\$ 427,979	\$ 420,342

New Canadians Centre Peterborough
Notes to the Financial Statements

March 31, 2022

4. Capital Assets

	2022		2021	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Leasehold improvements	\$ 402,247	\$ 310,327	\$ 384,682	\$ 260,166
Furniture, fixtures and equipment	84,990	68,220	83,754	62,716
Computer and software	75,975	48,410	55,276	42,324
	<u>\$ 563,212</u>	<u>\$ 426,957</u>	<u>\$ 523,712</u>	<u>\$ 365,206</u>
		<u>\$ 136,255</u>		<u>\$ 158,506</u>

5. Accounts Payable and Accrued Liabilities

Included in accounts payable and accrued liabilities are government remittances payable of \$19,097 (2021 - \$65,642)

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:

	2022	2021
City of Peterborough	\$ 88,907	\$ 98,676
Community Foundation of Greater Peterborough	13,487	49,319
Employment & Social Development Canada	5,421	23,678
Immigration, Refugee and Citizenship Canada	-	6,197
Lloyd Carr Foundation	19,538	11,804
RBC Foundation	-	9,074
Nevada Lottery	19,686	19,686
United Way	-	3,500
Externally restricted donations	72,747	108,895
Gala ticket sales	3,275	5,025
	<u>\$ 223,061</u>	<u>\$ 335,854</u>

New Canadians Centre Peterborough Notes to the Financial Statements

March 31, 2022

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:

	2022	2021
Balance, beginning of year	\$ 130,509	\$ 173,691
Funding received in the year related to capital assets		
Immigration, Refugee and Citizenship Canada:		
Welcoming Communities	19,415	7,689
Resettlement Assistance Program	2,500	2,500
City of Peterborough	20	-
Employment & Social Development Canada	17,565	7,000
Community Foundation of Greater Peterborough	-	4,122
Revenue recognized in the year related to capital assets	(52,434)	(64,493)
Balance, end of year	\$ 117,575	\$ 130,509

8. Commitments

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

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

2023	37,243
2024	18,621

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

New Canadians Centre Peterborough Notes to the Financial Statements

March 31, 2022

9. 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 \$40,000 (2021 - \$45,000) was transferred into this reserve.

In 2018 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 \$(9,560) (2021 - \$Nil) was transferred out of this fund.

		Community Integration Fund	Emergency Operational Reserve Fund	2022 Total	2021 Total
Beginning balance	\$	19,894	\$ 430,000	\$ 449,894	\$ 404,894
Transfers		(9,560)	40,000	30,440	45,000
Ending balance	\$	10,334	\$ 470,000	\$ 480,334	\$ 449,894

10. Defined Contribution Pension Plan

Total pension expense for the year was \$37,169 (2021 - \$36,593).
