

New Canadians Centre
Peterborough
Financial Statements
For the year ended March 31, 2023

Contents

Independent Auditor's Report	1 - 2
Financial Statements	
Statement of Financial Position	3
Statement of Changes in Net Assets	4
Statement of Operations	5
Schedule of Revenues	6
Statement of Cash Flows	7
Notes to the Financial Statements	8 - 12



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, 2023, 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, 2023, 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, 2023 and 2022, current assets as at March 31, 2023 and 2022, and net assets as at April 1 and March 31 for both the 2023 and 2022 years. Our audit opinion on the financial statements for the year ended March 31, 2022 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

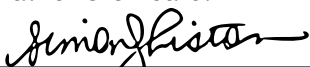
Chartered Professional Accountants, Licensed Public Accountants

Peterborough, Ontario
May 23, 2023

New Canadians Centre Peterborough Statement of Financial Position

March 31	2023	2022
Assets		
Current		
Cash and bank (Note 2)	\$ 490,161	\$ 388,797
Short term investments (Note 3)	163,908	320,400
Accounts receivable	260,448	50,305
Prepaid expenses	5,885	5,580
	920,402	765,082
Long term investments (Note 3)	53,682	107,579
Capital assets (Note 4)	89,351	136,255
	\$ 1,063,435	\$ 1,008,916
Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities (Note 5)	\$ 171,785	\$ 109,330
Deferred revenue (Note 6)	159,698	223,061
	331,483	332,391
Deferred contributions related to capital assets (Note 7)	74,695	117,575
	406,178	449,966
Commitments (Note 8)		
Net Assets		
Internally restricted net assets invested in capital assets	14,656	18,680
Internally restricted funds (Note 9)	600,334	480,334
Unrestricted net assets	42,267	59,936
	657,257	558,950
	\$ 1,063,435	\$ 1,008,916

On behalf of the Board:



Director



Director

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 2023	Total 2022
Net assets, beginning of year	\$ 18,680	\$ 480,334	\$ 59,936	\$ 558,950	\$ 489,094
Revenues over expenses (expenses over revenues)	(13,600)	-	111,907	98,307	69,856
Investment in capital assets	27,922	-	(27,922)	-	-
Funding received in the year related to capital assets	(18,346)	-	18,346	-	-
Internal transfers (Note 9)	-	120,000	(120,000)	-	-
Net assets, end of year	\$ 14,656	\$ 600,334	\$ 42,267	\$ 657,257	\$ 558,950

New Canadians Centre Peterborough Statement of Operations

For the year ended March 31	2023	2022
Revenues (Page 6)		
Grants	\$ 3,293,988	\$ 2,726,476
Fundraising and donations	343,448	263,448
Interest and other miscellaneous revenues	12,211	9,915
Amortization of deferred contributions for capital assets	61,226	52,434
	3,710,873	3,052,273
Expenses		
Amortization	74,826	61,751
Development and staff-related expenses	36,052	39,265
Fundraising	23,916	11,028
Insurance	4,767	4,648
Memberships	23,094	10,265
Office	101,848	87,439
Rent	61,105	61,711
Professional fees	128,052	81,047
Program costs:		
- general programming	239,225	216,262
- refugee programming	554,950	367,666
Promotion and outreach	40,237	16,022
Repairs and maintenance	32,095	30,807
Salaries and benefits	2,292,399	1,994,506
	3,612,566	2,982,417
Excess of revenues over expenses	\$ 98,307	\$ 69,856

New Canadians Centre Peterborough Schedule of Revenues

For the year ended March 31	2023	2022
Grants:		
Federal:		
Immigration, Refugee and Citizenship Canada:		
- Welcoming Communities	\$ 1,703,350	\$ 1,427,757
- Local Immigration Partnership (LIP)	251,965	231,163
- Resettlement Assistance Program (RAP)	1,056,932	751,139
Canadian Heritage	10,000	7,500
Employment and Social Development	13,147	18,831
	3,035,394	2,436,390
Provincial:		
Ministry of Citizenship and Immigration:		
- Newcomer Settlement Program	82,808	40,000
- Pay Equity	1,254	1,254
- Coordinated Language Assessment and Referral System (CLARS)	-	12,198
- Canada-Ontario Job Grant (COJG)	-	14,527
	84,062	67,979
Municipal:		
City of Peterborough	99,498	72,323
Other:		
United Way Peterborough	55,112	58,612
Lloyd Carr Foundation	2,928	3,266
RBC Foundation	-	9,074
Community Foundation of Greater Peterborough	12,900	78,832
Greater Peterborough Health Services Foundation	4,094	-
	75,034	149,784
	\$ 3,293,988	\$ 2,726,476
Fundraising and donations:		
Fundraising: - Nevada	\$ 19,686	\$ -
- other	3,325	97
Donations	320,437	263,351
	\$ 343,448	\$ 263,448
Miscellaneous other revenues:		
	\$ 12,211	\$ 9,915

New Canadians Centre Peterborough Statement of Cash Flows

For the year ended March 31	2023	2022
Cash provided by (used in)		
Operating activities		
Net excess of revenue over expenses for the year	\$ 98,307	\$ 69,856
Items not involving cash		
Amortization of capital assets	74,826	61,751
Amortization of deferred contributions for capital assets	(61,226)	(52,434)
	111,907	79,173
Changes in non-cash working capital balances		
Accounts receivable	(210,143)	(2,235)
Prepaid expenses	(305)	7,128
Accounts payable	62,455	(21,119)
Deferred revenue	(63,363)	(112,793)
	(99,449)	(49,846)
Investing activities		
Purchase of capital assets	(27,922)	(39,500)
Redemption (purchase) of investments - net	210,389	(7,636)
	182,467	(47,136)
Financing activities		
Deferred contributions received	18,346	39,500
Increase (decrease) in cash during the year	101,364	(57,482)
Cash and bank, beginning of year	388,797	446,279
Cash and bank, end of year	\$ 490,161	\$ 388,797

New Canadians Centre Peterborough Notes to the Financial Statements

March 31, 2023

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, 2023

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, 2023

3. Investments

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

	2023	2022
Short term:		
GIC, non-redeemable, interest at 2.90%, matures June 2023	\$ 107,237	\$ -
GIC, non-redeemable, interest at 2.96%, matures December 2023	56,671	-
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
	163,908	320,400
Long term:		
GIC, non-redeemable, interest at 2.96%, matures December 2023	-	55,042
GIC, non-redeemable, interest at 2.18%, matures December 2024	53,683	52,537
	53,683	107,579
Total	\$ 217,591	\$ 427,979

4. Capital Assets

	2023		2022	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Leasehold improvements	\$ 419,218	\$ 371,169	\$ 402,247	\$ 310,327
Furniture, fixtures and equipment	86,040	73,646	84,990	68,220
Computer and software	85,876	56,968	75,975	48,410
	\$ 591,134	\$ 501,783	\$ 563,212	\$ 426,957
		\$ 89,351		\$ 136,255

New Canadians Centre Peterborough Notes to the Financial Statements

March 31, 2023

5. Accounts Payable and Accrued Liabilities

Included in accounts payable and accrued liabilities are government remittances payable of \$23,777 (2022 - \$19,097)

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:

	2023	2022
City of Peterborough	\$ 49,625	\$ 88,907
Community Foundation of Greater Peterborough	12,787	13,487
Employment & Social Development Canada	-	5,421
Lloyd Carr Foundation	26,610	19,538
Greater Peterborough Health Services Foundation	5,636	-
Nevada Lottery	-	19,686
Externally restricted donations	65,040	72,747
Gala ticket sales	-	3,275
	\$ 159,698	\$ 223,061

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:

	2023	2022
Balance, beginning of year	\$ 117,575	\$ 130,509
Funding received in the year related to capital assets		
Immigration, Refugee and Citizenship Canada:		
Welcoming Communities	6,651	19,415
Resettlement Assistance Program	2,500	2,500
City of Peterborough	3,975	20
Employment & Social Development Canada	5,220	17,565
Revenue recognized in the year related to capital assets	(61,226)	(52,434)
Balance, end of year	\$ 74,695	\$ 117,575

New Canadians Centre Peterborough Notes to the Financial Statements

March 31, 2023

8. Commitments

The organization has a building lease for their Peterborough location expiring in September 2023. The minimum lease commitment over the next year is \$18,621. An extension of the building lease for an additional ten year term is currently in negotiation.

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.

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 \$120,000 (2022 - \$40,000) 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 \$- (2022 - \$9,560) was transferred out of this fund.

	Community Integration Fund	Emergency Operational Reserve Fund	2023 Total	2022 Total
Beginning balance	\$ 10,334	\$ 470,000	\$ 480,334	\$ 449,894
Transfers	-	120,000	120,000	30,440
Ending balance	<u>\$ 10,334</u>	<u>\$ 590,000</u>	<u>\$ 600,334</u>	<u>\$ 480,334</u>

10. Defined Contribution Pension Plan

Total pension expense for the year was \$42,934 (2022 - \$37,169).
