

**Toronto Region Immigrant Employment  
Council**

**Financial Statements**

**For the Year Ended March 31, 2015**

## INDEPENDENT AUDITORS' REPORT

### To the Members of Toronto Region Immigrant Employment Council

We have audited the accompanying financial statements of Toronto Region Immigrant Employment Council (the "TRIEC") which comprise the balance sheet as at March 31, 2015 and the statements of revenue and expenditures and changes in net assets and cash flows for the year then ended and a summary of significant accounting policies 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 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.

#### *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 entity'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 entity'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.

#### *Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of Toronto Region Immigrant Employment Council as at March 31, 2015, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

*Collins Barrow Toronto LLP*

Licensed Public Accountants  
Chartered Accountants  
September 22, 2015  
Toronto, Ontario

**Toronto Region Immigrant Employment Council**  
**Balance Sheet**  
**As at March 31, 2015**

	2015	2014
<b>Assets</b>		
<b>Current</b>		
Cash and cash equivalents (Note 3)	\$ 500,224	\$ 635,014
Amounts receivable	-	39,868
Contributions receivable	10,000	-
HST recoverable	45,317	48,216
Prepaid expenses	102,191	91,797
	<u>657,732</u>	<u>814,895</u>
<b>Capital assets (Note 4)</b>	<u>19,730</u>	<u>23,290</u>
	<u>\$ 677,462</u>	<u>\$ 838,185</u>
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 82,831	\$ 116,407
<b>Deferred contributions (Note 6)</b>	<u>514,220</u>	<u>653,812</u>
	<u>597,051</u>	<u>770,219</u>
<b>Net assets</b>		
Internally restricted (Note 2)	55,000	55,000
<b>Unrestricted</b>	<u>25,411</u>	<u>12,966</u>
	<u>80,411</u>	<u>67,966</u>
	<u>\$ 677,462</u>	<u>\$ 838,185</u>

*Commitments (Note 9)*

Approved by the Board



Director



Director

**Toronto Region Immigrant Employment Council**  
**Statement of Revenue and Expenditures and Changes in Net Assets**  
**Year Ended March 31, 2015**

	2015	2014
<b>Revenue</b>		
Government of Canada (Note 6)	\$ 1,234,686	\$ 1,295,420
Government of Ontario (Note 6)	698,952	650,238
Corporate donations and sponsorships (Note 6)	231,476	204,979
The Maytree Foundation (Note 6)	65,038	56,264
Other donors, interest income and other income	26,037	9,709
	<b>2,256,189</b>	<b>2,216,610</b>
<b>Expenditures</b>		
Program delivery		
Employer engagement activities	723,210	593,384
Immigrant employment initiatives	502,397	637,922
Program development and project support	730,731	711,540
Core support	287,406	273,873
<b>Total expenditures</b>	<b>2,243,744</b>	<b>2,216,719</b>
<b>Excess (deficiency) of revenue over expenditures</b>	<b>12,445</b>	<b>(109)</b>
<b>Net assets, beginning of year</b>	<b>67,966</b>	<b>68,075</b>
<b>Net assets, end of year</b>	<b>\$ 80,411</b>	<b>\$ 67,966</b>

**Toronto Region Immigrant Employment Council**  
**Statement of Cash Flows**  
**Year Ended March 31, 2015**

	2015	2014
<b>Cash provided by (used in)</b>		
<b>Operations</b>		
Excess (deficiency) of revenue over expenditures	\$ 12,445	\$ (109)
Items not affecting cash		
Amortization	3,560	1,631
	<b>16,005</b>	<b>1,522</b>
Net changes in non-cash working capital		
Amounts receivable	39,868	(37,411)
Contributions receivable	(10,000)	278,409
HST recoverable	2,899	(4,013)
Prepaid expenses	(10,394)	(59,346)
Accounts payable and accrued liabilities	(33,576)	52,843
Deferred contributions	(139,592)	83,569
	<b>(134,790)</b>	<b>315,573</b>
<b>Investing</b>		
Purchase of capital assets, net of inducement	-	(24,921)
<b>Net change in cash and cash equivalents</b>	<b>(134,790)</b>	<b>290,652</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>635,014</b>	<b>344,362</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 500,224</b>	<b>\$ 635,014</b>

**1. PURPOSE OF ORGANIZATION**

The Toronto Region Immigrant Employment Council ("TRIEC") was incorporated under the laws of Canada in 2008 and continued under the Canada Not-for-Profit Corporations Act on September 24, 2014. TRIEC is a multi-stakeholder council that brings leadership together to create and champion solutions to better integrate skilled immigrants in the Toronto Region labour market. It is a registered charity pursuant to paragraph 149(1)(f) of the Income Tax Act (Canada) and is designated as a private charitable organization. Accordingly, TRIEC is exempt from income taxes.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. Outlined below are those policies considered particularly significant for TRIEC.

**Revenue Recognition**

TRIEC follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenditures 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.

Amounts related to events that have not occurred are recorded as deferred revenue and recognized as revenue when the event takes place.

**Funds**

Revenues and expenditures related to program delivery and administrative activities are reported in the Unrestricted Fund. Internally restricted funds represent amounts restricted by the Board of Directors to operate TRIEC when other options are unavailable due to timing issues or when TRIEC requires additional monies.

**Contributed Services**

During the year TRIEC received contributed services for assistance with its corporate by-law update and transition to the new Canada Not-for-Profit Corporations Act amounting to approximately \$13,000.

During the year TRIEC received contributed services related to The Mentoring Partnership project from LEAP: The Centre for Social Impact amounting to approximately \$1.1 million.

TRIEC does not record the amounts for contributed services in their financial statements.

**2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

**Cash and Cash Equivalents**

Cash and cash equivalents comprise cash and highly liquid guaranteed investment certificates (GICs) that are readily convertible into cash without penalty. Interest income earned on investments is accrued as earned.

**Capital Assets**

Leasehold improvements have been recorded at cost. Amortization is provided on a straight-line basis over the lease term of seven years.

**Financial Instruments**

TRIEC initially measures its financial assets and liabilities at fair value. TRIEC subsequently measures its financial assets and financial liabilities at amortized cost using the straight-line method. Changes in fair value are recognized in the excess of revenue over expenditures for the year.

Financial assets measured at amortized cost include contributions receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

**Use of Estimates**

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenue and expenditures during the year. Actual results could differ from those estimates.

**3. CASH AND CASH EQUIVALENTS**

Included in cash and cash equivalents are investments that are readily convertible to cash. Details of these cashable GIC's are as follows:

	2015	2014
Fixed rate cashable GIC, 0.8%, maturing January 1, 2015	\$ -	\$ 600,000

In the year, TRIEC invested amounts in a high interest savings account rather than in GIC's.

**Toronto Region Immigrant Employment Council**  
**Notes to Financial Statements**  
**March 31, 2015**

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**4. CAPITAL ASSETS**

	Cost	Accumulated Amortization	Net 2015	Net 2014
Leasehold improvements	\$ 24,921	\$ 5,191	\$ 19,730	\$ 23,290

The amount of amortization included in the statement of revenue and expenditures and changes in net assets was \$3,560 (2014 - \$1,631).

**5. CREDIT FACILITY**

TRIEC has a secured line of credit of \$300,000 that bears interest at prime plus 1.5%. The line of credit is secured by a general security agreement. As at March 31, 2015, \$Nil (2014 - \$Nil) has been drawn against this facility.

**6. DEFERRED CONTRIBUTIONS**

	2015	2014
Balance, beginning of year	\$ 653,812	\$ 570,243
Contributions received	2,090,734	2,290,470
Contributions recognized as revenue	(2,230,326)	(2,206,901)
Balance, end of year	\$ 514,220	\$ 653,812

**Balance at year end consists of:**

Government of Canada	\$ 19,394	\$ 20,665
Government of Ontario	175,357	293,372
Corporate donors and partners	316,933	272,202
The Maytree Foundation	2,536	67,573
	\$ 514,220	\$ 653,812



**Toronto Region Immigrant Employment Council**  
**Notes to Financial Statements**  
**March 31, 2015**

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**7. ALLOCATION OF GENERAL SUPPORT EXPENDITURES**

During the year, salaries and benefits and facilities expenses were allocated amongst various activities as follows:

	Salaries and benefits	Facilities	Total 2015
Program delivery	\$ 989,532	\$ 107,326	\$ 1,096,858
Core support	474,822	4,242	479,064
	<b>\$ 1,464,354</b>	<b>\$ 111,568</b>	<b>\$ 1,575,922</b>

Facilities expense consists of rent and common area charges billed by the landlord.

**8. ECONOMIC DEPENDENCE**

TRIEC relies on funding from the federal and provincial governments.

**9. COMMITMENTS**

TRIEC is committed to the following annual payments for premises and office equipment rental:

2016	\$ 121,200
2017	121,300
2018	124,200
2019	125,400
2020	131,800
2021 and thereafter	120,900
	<b>\$ 744,800</b>