

**Toronto Region Immigrant
Employment Council**

Financial Statements
March 31, 2012



June 25, 2012

Independent Auditor's Report

To the Members of Toronto Region Immigrant Employment Council

We have audited the accompanying financial statements of Toronto Region Immigrant Employment Council, which comprise the balance sheet as at March 31, 2012 and the statements of revenue and expenditures and net assets and cash flows for the year ended March 31, 2012, and the related notes, which comprise 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 generally accepted accounting principles, 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.

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PwC refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



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, 2012 and the results of its operations and its cash flows for the year ended March 31, 2012 in accordance with Canadian generally accepted accounting principles.

PricewaterhouseCoopers LLP

Chartered Accountants, Licensed Public Accountants

Toronto Region Immigrant Employment Council

Balance Sheet

As at March 31, 2012

\$

Assets	
Current assets	
Cash	285,693
Term deposits	409,048
Contributions receivable	148,852
Interest receivable	1,098
HST receivable	32,124
	<u>876,815</u>
Liabilities	
Current liabilities	
Bank indebtedness (note 3)	100,000
Accounts payable	12,565
Deferred contributions (note 4)	701,177
	<u>813,742</u>
Net Assets	<u>63,073</u>
	<u>876,815</u>

Approved by the Board of Directors

Rafaela Almeida

Director



Director

The accompanying notes are an integral part of these financial statements.

Toronto Region Immigrant Employment Council

Statement of Revenue and Expenditures and Net Assets

For the year ended March 31, 2012

	\$
Revenue	
Government of Canada	1,408,639
Government of Ontario (note 4)	80,681
Corporate donations and sponsorships (note 4)	128,142
The Maytree Foundation	57,000
Other donors, interest income and other income	8,852
	<u>1,683,314</u>
Expenditures	
Salaries and benefits	1,138,146
Rent	103,653
Office and administrative	120,564
Interest and bank charges	6,214
Professional and consulting fees	70,553
Technology	66,531
Communications and events	97,354
Other	17,226
	<u>1,620,241</u>
Excess of revenue over expenditures for the year	63,073
Net assets - Beginning of year	<u>-</u>
Net assets - End of year	<u>63,073</u>

The accompanying notes are an integral part of these financial statements.

Toronto Region Immigrant Employment Council

Statement of Cash Flows

For the year ended March 31, 2012

	\$
Cash provided by (used in)	
Operating activities	
Excess of revenue over expenditures for the year	63,073
Change in non-cash working capital balances	
Contributions receivable	(148,852)
Interest receivable	(1,098)
HST receivable	(32,124)
Accounts payable	12,565
Deferred contributions	701,177
	<u>594,741</u>
Financing activities	
Increase in bank indebtedness	<u>100,000</u>
Increase in cash and term deposits during the year	694,741
Cash and term deposits - Beginning of year	<u>-</u>
Cash and term deposits - End of year	<u>694,741</u>
Cash and term deposits consist of	
Cash	285,693
Term deposits	<u>409,048</u>
	<u>694,741</u>

The accompanying notes are an integral part of these financial statements.

Toronto Region Immigrant Employment Council

Notes to Financial Statements

March 31, 2012

1 Organization

The Toronto Region Immigration Employment Council (TRIEC) was incorporated under the laws of Canada in 2008. 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

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The more significant of the accounting policies are summarized as follows:

Future accounting changes

In December 2010, the Canadian Accounting Standards Board issued a comprehensive set of accounting standards applicable to not-for-profit organizations. The standards are effective for fiscal years beginning on or after January 1, 2012 and require retrospective application, except for certain exemptions and exceptions contained within the standards. Early adoption of the standards is permitted. TRIEC is currently considering the impact of the adoption of these standards.

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.

Term deposits

Term deposits are stated at cost, which approximates fair value. The term deposits mature within one year.

Financial instruments

TRIEC's financial instruments consist of cash, term deposits, contributions receivable, interest receivable, HST receivable, bank indebtedness, accounts payable and deferred contributions.

The cash, term deposits and bank indebtedness are designated as held-for-trading and are valued at cost, which approximates fair value. Contributions receivable, interest receivable and HST receivable are designated as loans and receivables and accounts payable and deferred contributions are designated as other financial liabilities. They are measured at amortized cost, which approximates their fair value due to their short-term maturity.

Toronto Region Immigrant Employment Council

Notes to Financial Statements

March 31, 2012

TRIEC has chosen to continue to apply The Canadian Institute of Chartered Accountants (CICA) Section 3861, Financial Instruments - Disclosure and Presentation, in place of CICA Section 3862, Financial Instruments - Disclosures, and CICA Section 3863, Financial Instruments - Presentation.

Contributed services

Given the difficulty in determining the fair value of services donated to TRIEC, these amounts have not been reflected in the financial statements.

Use of estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles 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 income and expenditures during the year. Actual results could differ from those estimates.

3 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, 2012, \$100,000 has been drawn against this facility.

4 Deferred contributions

	\$
Balance - Beginning of year	-
Contributions received	910,000
Contributions recognized as revenue	<u>(208,823)</u>
Balance - End of year	<u>701,177</u>

5 Capital disclosures

In managing capital, TRIEC defines its capital as the amount included in net assets. TRIEC's objective is to have sufficient liquid resources to continue operating despite adverse events with financial consequences and to provide it with the flexibility to take advantage of opportunities that will advance its purposes. The need for sufficient liquid resources is considered in the preparation of an annual budget and in the monitoring of cash flows and actual operating results compared to budget. As at March 31, 2012, TRIEC has met its objectives of having sufficient liquid resources to meet its current obligations.

6 Financial instruments

The main risks to which TRIEC's financial instruments are exposed are interest rate risk and credit risk. It is management's opinion that TRIEC is not exposed to significant foreign exchange risk.

Toronto Region Immigrant Employment Council

Notes to Financial Statements

March 31, 2012

Interest rate risk

Term deposits are exposed to interest rate risk. However, there is limited exposure to interest rate risk due to their short-term maturity and fixed interest rates.

Credit risk

TRIEC is exposed to credit risk on contributions receivable. However, the risk is considered to be low as receivables are based on contractual agreements with various levels of government.

7 Economic dependence

TRIEC relies on funding from the federal and provincial governments.

8 Commitments

TRIEC has operating lease commitments that are due approximately as follows:

	\$
2013	85,600
2014	<u>57,500</u>
	<u>143,100</u>