

Toronto Region Immigrant Employment Council

Financial Statements
March 31, 2013



September 18, 2013

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, 2013 and the statements of revenue and expenditures, changes in net assets and cash flows for the year then ended, 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 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.

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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, 2013 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.

Comparative information

Without modifying our opinion, we draw attention to note 2 to the financial statements, which describes that Toronto Region Immigrant Employment Council adopted Canadian accounting standards for not-for-profit organizations on April 1, 2012 with a transition date of April 1, 2011. These standards were applied retrospectively by management to the comparative information in these financial statements, including the balance sheet as at March 31, 2012, and the statements of revenue and expenditures, changes in net assets and cash flows for the year ended March 31, 2012 and related disclosures. We were not engaged to report on the restated comparative information, and as such, it is unaudited.

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

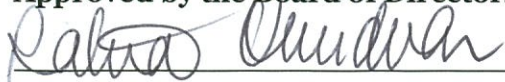
Toronto Region Immigrant Employment Council

Balance Sheet

As at March 31, 2013

	2013 \$	2012 \$ (Unaudited) (note 2)
Assets		
Current assets		
Cash and cash equivalents (note 4)	344,362	694,741
Contributions receivable	278,409	148,852
Interest receivable	2,457	1,098
HST receivable	44,203	32,124
Prepaid expenses	32,451	-
	<u>701,882</u>	<u>876,815</u>
Liabilities		
Current liabilities		
Bank indebtedness (note 5)	-	100,000
Accounts payable and accrued liabilities	63,564	16,910
Deferred contributions (note 6)	570,243	696,832
	<u>633,807</u>	<u>813,742</u>
Net Assets		
Internally restricted (note 8)	55,000	-
Unrestricted	13,075	63,073
	<u>68,075</u>	<u>63,073</u>
	<u>701,882</u>	<u>876,815</u>

Approved by the Board of Directors



Director



Director

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

Toronto Region Immigrant Employment Council

Statement of Changes in Net Assets

For the year ended March 31, 2013

			2013	2012
	Internally restricted \$	Unrestricted \$	Total \$	Total \$ (Unaudited) (note 2)
Net assets - Beginning of year	-	63,073	63,073	-
Interfund transfer (note 8)	55,000	(55,000)	-	-
Excess of revenue over expenditures for the year	-	5,002	5,002	63,073
Net assets - End of year	<u>55,000</u>	<u>13,075</u>	<u>68,075</u>	<u>63,073</u>

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

Toronto Region Immigrant Employment Council

Statement of Revenue and Expenditures

For the year ended March 31, 2013

	2013 \$	2012 \$ (Unaudited) (note 2)
Revenue		
Government of Canada	1,391,719	1,408,639
Government of Ontario (note 6)	670,801	80,681
Corporate donations and sponsorships (note 6)	234,678	128,142
The Maytree Foundation (note 6)	47,847	57,000
Other donors, interest income and other income	11,256	13,197
	<hr/> 2,356,301	<hr/> 1,687,659
Expenditures		
Salaries and benefits	1,520,522	1,138,146
Communications and events	231,758	97,354
Professional and consulting fees	147,992	59,639
Rent	134,211	103,653
Technology	130,055	66,531
Accounting and bank charges	114,446	89,631
Office and administrative	53,367	52,406
Other	18,948	17,226
	<hr/> 2,351,299	<hr/> 1,624,586
Excess of revenue over expenditures for the year	<hr/> 5,002	<hr/> 63,073

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, 2013

	2013 \$	2012 \$ (Unaudited) (note 2)
Cash provided by (used in)		
Operating activities		
Excess of revenue over expenditures for the year	5,002	63,073
Change in non-cash working capital balances		
Contributions receivable	(129,557)	(148,852)
Interest receivable	(1,359)	(1,098)
HST receivable	(12,079)	(32,124)
Prepaid expenses	(32,451)	-
Accounts payable and accrued liabilities	46,654	16,910
Deferred contributions	(126,589)	696,832
	<u>(250,379)</u>	594,741
Financing activities		
(Decrease) increase in bank indebtedness	<u>(100,000)</u>	100,000
(Decrease) increase in cash and cash equivalents during the year	(350,379)	694,741
Cash and cash equivalents - Beginning of year	<u>694,741</u>	-
Cash and cash equivalents - End of year	<u>344,362</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, 2013

1 Organization

The Toronto Region Immigrant 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 Transition to Canadian accounting standards for not-for-profit organizations

Effective April 1, 2012, TRIEC elected to adopt Canadian accounting standards for not-for-profit organizations (ASNPO), as issued by the Canadian Accounting Standards Board, with a transition date of April 1, 2011. However, as TRIEC only began operations on April 1, 2011, the opening balances on transition are \$nil. Therefore, the opening balance sheet has not been presented in these financial statements. The accounting policies selected under this framework have been applied consistently and retrospectively as if these policies had always been in effect. TRIEC has not utilized any transitional exemptions on the adoption of ASNPO. There were no adjustments to the balance sheet or the statements of revenue and expenditures, changes in net assets and cash flows as a result of the transition.

3 Summary of significant accounting policies

The financial statements have been prepared in accordance with ASNPO. The more significant accounting policies are summarized as follows.

Basis of presentation and 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 expenses 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

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

Toronto Region Immigrant Employment Council

Notes to Financial Statements

March 31, 2013

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. Due to their short-term nature, the fair value of these investments approximates their carrying value. Interest income earned on investments is accrued as earned.

Financial instruments

Financial liabilities are initially recognized at fair value less any financing fees or transaction costs. The financial liabilities are subsequently measured at amortized cost.

Financial assets are initially recognized at fair value plus any financing fees or transaction costs. Financial assets are tested for impairment at the end of each reporting period when there are indications the assets may be impaired. Impairments are recognized through the use of an allowance account, with a corresponding charge to the statement of revenue and expenditures.

Unless otherwise noted, it is management's opinion that TRIEC is not exposed to significant interest rate, currency or credit risk arising from components of these financial instruments.

Use of estimates

The preparation of financial statements in accordance with ASNPO 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.

4 Cash and cash equivalents

Included in cash and cash equivalents are short-term investments as follows:

	2013 \$	2012 \$ (Unaudited) (note 2)
Fixed rate GIC, 1.0%, May 23, 2013	75,000	-
Fixed rate GIC, 1.0%, April 30, 2013	190,000	-
Fixed rate GIC, 1.0%, July 9, 2012	-	9,048
Fixed rate GIC, 1.0%, November 1, 2012	-	45,000
Fixed rate GIC, 0.9%, December 3, 2012	-	20,000
Fixed rate GIC, 1.0%, January 9, 2013	-	270,000
Fixed rate GIC, 1.0%, February 1, 2013	-	30,000
Fixed rate GIC, 1.0%, March 19, 2013	-	35,000
	<hr/> 265,000	<hr/> 409,048

Toronto Region Immigrant Employment Council

Notes to Financial Statements

March 31, 2013

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, 2013, \$nil (2012 - \$100,000) has been drawn against this facility.

6 Deferred contributions

	2013 \$	2012 \$ (Unaudited) (note 2)
Balance - Beginning of year	696,832	-
Contributions received	826,737	910,000
Contributions recognized as revenue	(953,326)	(213,168)
	<hr/>	<hr/>
Balance - End of year	570,243	696,832

7 Economic dependence

TRIEC relies on funding from the federal and provincial governments.

8 Interfund transfer

During 2013, the Board of Directors internally restricted \$55,000 of net assets.

9 Commitments

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

	\$
2014	<hr/> 83,962