

Toronto Region Immigrant Employment Council

Financial Statements

For the Year Ended March 31, 2018



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 which comprise the statement of financial position as at March 31, 2018 and the statements of revenue and expenditures, 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, 2018, 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.

RSM Canada LLP

Chartered Professional Accountants
Licensed Public Accountants
June 27, 2018
Toronto, Ontario

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Toronto Region Immigrant Employment Council
Statement of Financial Position
As at March 31, 2018

	2018	2017
Assets		
Current		
Cash	\$ 963,136	\$ 1,086,526
Amounts receivable	24,717	1,905
HST recoverable	72,604	44,582
Prepaid expenses	23,206	22,531
	1,083,663	1,155,544
Capital assets (Note 3)	9,050	12,610
	\$ 1,092,713	\$ 1,168,154

Liabilities

Current		
Accounts payable and accrued liabilities	\$ 168,973	\$ 255,699
Deferred contributions (Note 5)	757,017	779,749
	925,990	1,035,448

Net assets

Internally restricted (Note 2)	85,000	75,000
Unrestricted	81,723	57,706
	166,723	132,706
	\$ 1,092,713	\$ 1,168,154

Commitments (Note 8)
Contingent liability (Note 10)

Approved by the Board  
 Director Director

Toronto Region Immigrant Employment Council
Statement of Changes in Net Assets
Year Ended March 31, 2018

	Internally Restricted	Unrestricted	2018 Total
Balance, beginning of year	\$ 75,000	\$ 57,706	\$ 132,706
Excess of revenue over expenditures	-	34,017	34,017
Internal restrictions	10,000	(10,000)	-
Balance, end of year	\$ 85,000	\$ 81,723	\$ 166,723

	Internally Restricted	Unrestricted	2017 Total
Balance, beginning of year	\$ 65,000	\$ 39,304	\$ 104,304
Excess of revenue over expenditures	-	28,402	28,402
Internal restrictions	10,000	(10,000)	-
Balance, end of year	\$ 75,000	\$ 57,706	\$ 132,706

Toronto Region Immigrant Employment Council
Statement of Revenue and Expenditures
Year Ended March 31, 2018

	2018	2017
Revenue		
Government of Canada (Note 5)	\$ 1,196,517	\$ 1,166,000
Government of Ontario (Note 5)	704,050	803,111
Corporate donations and sponsorships (Note 5)	120,655	239,502
Foundations (Note 5)	588,433	428,590
Other donors, interest income and other income	87,090	61,064
	2,696,745	2,698,267
Expenditures		
Program delivery		
Employer engagement activities	491,441	550,842
Immigrant employment initiatives	1,092,444	1,168,033
Program development and project support	626,555	262,636
Core support	452,288	688,354
	2,662,728	2,669,865
Total expenditures	2,662,728	2,669,865
Excess of revenue over expenditures	\$ 34,017	\$ 28,402

Toronto Region Immigrant Employment Council
Statement of Cash Flows
Year Ended March 31, 2018

	2018	2017
Cash provided by (used in)		
Operations		
Excess of revenue over expenditures	\$ 34,017	\$ 28,402
Items not affecting cash		
Amortization	3,560	3,560
	37,577	31,962
Net changes in non-cash working capital		
Amounts receivable	(22,812)	(1,244)
Contributions receivable	-	64,215
HST recoverable	(28,022)	(15,408)
Prepaid expenses	(675)	83,734
Accounts payable and accrued liabilities	(86,726)	123,230
Deferred contributions	(22,732)	103,152
Net change in cash	(123,390)	389,641
Cash, beginning of year	1,086,526	696,885
Cash, end of year	\$ 963,136	\$ 1,086,526

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

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.

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.

Contributed Services

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

Capital Assets

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

Capital assets are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is measured as the amount by which the carrying value of the capital asset exceeds its fair value.

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

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 amounts 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. Significant estimates include the allocation of expenses to programs. Estimates also affect the reported amounts of revenue and expenditures during the year. Actual results could differ from those estimates.

3. CAPITAL ASSETS

	Cost	Accumulated Amortization	2018 Net	2017 Net
Leasehold improvements	\$ 24,921	\$ 15,871	\$ 9,050	\$ 12,610

The amount of amortization included in the statement of revenue and expenditures and changes in net assets was \$3,560 (2017 - \$3,560).

4. 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, 2018, \$Nil (2017 - \$Nil) has been drawn against this facility.

Toronto Region Immigrant Employment Council
Notes to Financial Statements
March 31, 2018

5. DEFERRED CONTRIBUTIONS

	2018	2017
Balance, beginning of year	\$ 779,749	\$ 676,597
Contributions received	2,701,541	2,740,356
Contributions recognized as revenue	(2,609,655)	(2,637,204)
Contributions reclassified to accrued liabilities	(114,618)	-
Balance, end of year	\$ 757,017	\$ 779,749

Balance at year end consists of:

Government of Canada	\$ 11,507	\$ (12,643)
Government of Ontario	232,819	259,801
Corporate donors and partners	312,693	272,310
Foundations	199,998	260,281
	\$ 757,017	\$ 779,749

6. 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	2018 Total	2017 Total
Program delivery	\$ 1,410,836	\$ 114,321	\$ 1,525,157	\$ 1,507,671
Core support	322,997	3,535	326,532	393,456
	\$ 1,733,833	\$ 117,856	\$ 1,851,689	\$ 1,901,127

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

7. ECONOMIC DEPENDENCE

TRIEC relies on funding from the federal and provincial governments.

8. COMMITMENTS

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

2019	\$	138,900
2020		145,300
2021		133,200
		<hr/>
	\$	417,400
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9. FINANCIAL INSTRUMENTS

TRIEC has a concentration of credit risk in that it has bank deposit exposure with one financial institution. The risk is mitigated in that the bank deposits are with a reputable Canadian Chartered bank. TRIEC does not consider itself to be exposed to other significant risks.

10. CONTINGENT LIABILITY

TRIEC is contingently liable for all or a portion of grants received should it not use the grant funds as set out in the terms of the respective agreements. The amount of any such repayments are not currently anticipated or determinable. In the event of repayment of a grant, the loss will be recorded if and when it becomes anticipated and determinable.

11. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year's presentation. Excess of revenue over expenditures previously reported has not been affected by this reclassification.