

Financial Statements of

**REGINA OPEN DOOR
SOCIETY INC.**

And Independent Auditor's Report thereon

Year ended March 31, 2023

REGINA OPEN DOOR SOCIETY INC.

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MANAGEMENT'S RESPONSIBILITY

Management has responsibility for preparing the accompanying financial statements and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and making objective judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations.

In discharging its responsibilities for the integrity and fairness of the financial statements and for the accounting systems from which they are derived, management maintains the necessary system of internal controls designed to provide assurance that transactions are authorized, assets are safeguarded and proper records are maintained.

Ultimate responsibility for financial statements to members lies with the Board of Directors. An Audit Committee is appointed by the Board of Directors to review financial statements in detail with management and to report to the Board of Directors prior to their approval of the financial statement for publication.

The independent auditor appointed by the members audits the financial statements and meets separately with both the Board of Directors and management to review their findings. The independent auditor's report directly to the members and their report follows. The independent auditor has full and free access to the Board of Directors to discuss their audit and their findings as to the integrity of the Society's financial reporting and the adequacy of the system of internal controls.


Executive Director


Finance Manager



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INDEPENDENT AUDITOR'S REPORT

To the Members of Regina Open Door Society Inc.

Opinion

We have audited the financial statements of Regina Open Door Society Inc. (the Entity), which comprise:

- the statement of financial position as at March 31, 2023
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity 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 Opinion

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 auditor's report.

We are independent of the Entity 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 opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with Governance are responsible for overseeing the Entity'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 the 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.



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- 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.
- 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.

KPMG LLP

Chartered Professional Accountants

Regina, Canada

June 21, 2023

REGINA OPEN DOOR SOCIETY INC.

Statement of Financial Position

March 31, 2023, with comparative information for 2022

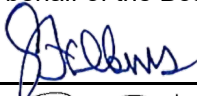
	2023	2022
Assets		
Current assets:		
Cash	\$ 4,834,516	\$ 3,100,940
Accounts receivable	111,013	1,484,930
Prepaid expenses	124,837	136,904
	<u>5,070,366</u>	<u>4,722,774</u>
Capital assets (note 3)	2,790,855	2,883,540
	<u>\$ 7,861,221</u>	<u>\$ 7,606,314</u>

Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities (note 4)	\$ 340,988	\$ 209,284
Unearned revenue (note 5)	1,348,949	1,316,166
	<u>1,689,937</u>	<u>1,525,450</u>
Deferred contributions related to capital assets (note 6)	788,934	878,814
Net assets:		
Invested in capital assets	2,001,921	2,004,726
Internally restricted - capital improvements (note 7)	459,308	459,308
Internally restricted - contingency reserve (note 7)	2,573,147	2,700,000
Unrestricted net assets	347,974	38,016
	<u>5,382,350</u>	<u>5,202,050</u>
Commitments (note 8)		
	<u>\$ 7,861,221</u>	<u>\$ 7,606,314</u>

See accompanying notes to financial statements.

On behalf of the Board:



Director



Director

REGINA OPEN DOOR SOCIETY INC.

Statement of Operations

Year ended March 31, 2023, with comparative information for 2022

	2023	2022
Revenue (schedule 1):		
Federal Government funding	\$ 8,174,581	\$ 7,764,881
Provincial Government funding	2,551,699	2,595,599
Other funding	764,007	894,281
Miscellaneous revenue	214,151	79,015
Donations	189,921	135,987
Licensed childcare	142,923	251,287
Amortization of deferred contributions related to capital assets (note 6)	89,880	89,965
Interest income	41,896	6,013
	<u>12,169,058</u>	<u>11,817,028</u>
Expenses:		
Salaries and benefits	8,541,274	8,125,725
Rent	1,044,810	1,029,929
Travel and in-town transportation	469,724	483,571
Amortization of capital assets	308,356	279,576
Office supplies	288,270	364,980
Staff development and training	232,215	109,326
Repairs and maintenance	221,128	256,846
Client start-up allowance	181,439	167,622
Telephone	86,890	79,947
Childcare vendor fee	77,782	76,911
Security and cleaning	69,574	75,691
GST and sales tax	58,901	56,199
Utilities	58,445	51,930
Insurance	55,683	52,747
Professional fees	52,810	106,223
Management fee	45,849	44,696
Honoraria	45,634	31,086
Taxes, licenses and fees	41,690	42,685
Equipment rental	34,000	39,163
Advertising	32,387	20,900
Household needs	17,005	8,310
Membership fees	11,211	7,950
Interest and bank charges	7,660	1,315
Meeting hall rental	4,982	323
Bad debts (recovered)	1,039	(112)
	<u>11,988,758</u>	<u>11,513,539</u>
Excess of revenue over expenses	<u>\$ 180,300</u>	<u>\$ 303,489</u>

See accompanying notes to financial statements.

REGINA OPEN DOOR SOCIETY INC.

Statement of Changes in Net Assets

Year ended March 31, 2023, with comparative information for 2022

	Invested in capital assets	Internally restricted - capital improvements (note 7)	Internally restricted - contingency reserve (note 7)	Unrestricted net assets	2023 Total	2022 Total
Balance, beginning of year	\$ 2,004,726	\$ 459,308	\$ 2,700,000	\$ 38,016	\$ 5,202,050	\$ 4,898,561
Excess of revenue over expenses	-	-	-	180,300	180,300	303,489
Purchase of capital assets	215,671	-	-	(215,671)	-	-
Amortization of capital assets	(308,356)	-	-	308,356	-	-
Amortization of deferred contributions related to capital assets (note 6)	89,880	-	-	(89,880)	-	-
Interfund transfers (note 7)	-	-	(126,853)	126,853	-	-
Balance, end of year	\$ 2,001,921	\$ 459,308	\$ 2,573,147	\$ 347,974	\$ 5,382,350	\$ 5,202,050

See accompanying notes to financial statements.

REGINA OPEN DOOR SOCIETY INC.

Statement of Cash Flows

Year ended March 31, 2023, with comparative information for 2022

	2023	2022
Cash provided by (used for) the following activities		
Operating activities:		
Cash received for programs	\$ 13,429,672	\$ 10,897,823
Cash paid for programs	(2,986,587)	(2,992,466)
Cash paid for salaries and benefits	(8,541,274)	(8,125,725)
Interest and bank charges paid	(7,660)	(1,315)
Interest received	41,896	6,013
	<u>1,936,047</u>	<u>(215,670)</u>
Investing activities:		
Purchase of capital assets	(215,671)	(179,907)
Proceeds on sale of capital assets	13,200	-
	<u>(202,471)</u>	<u>(179,907)</u>
Increase (decrease) in cash	1,733,576	(395,577)
Cash, beginning of year	3,100,940	3,496,517
Cash, end of year	<u>\$ 4,834,516</u>	<u>\$ 3,100,940</u>

See accompanying notes to financial statements.

REGINA OPEN DOOR SOCIETY INC.

Notes to Financial Statements

Year ended March 31, 2023

Nature of operations:

Regina Open Door Society Inc. (the "Society") is a non-profit community based organization established in 1976 by concerned members of the community who desired to see needs based settlement and integration services for refugees and immigrants. The Society was incorporated under the Canada Corporations Act as a Not-For-Profit organization and is a registered charity (Charity Number - 119114205 RR 0001) under the Income Tax Act.

1. Basis of preparation:

The financial statements for the year ended March 31, 2023 have been prepared in accordance with Canadian accounting standards for not-for-profit organizations outlined in Part III of the CPA Canada Handbook.

2. Significant accounting policies:

The Society's significant accounting policies are as follows:

(a) Revenue recognition:

The Society follows the deferral method of accounting for contributions. Grants and other sources of revenue that relate to future fiscal periods, and are received in advance, are recorded as deferred revenue. 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.

(b) Deferred contributions related to capital assets:

Deferred contributions related to capital assets are restricted contributions for the purpose of acquiring capital assets. These contributions are deferred and recognized as revenue on the same basis as related capital assets are amortized.

(c) Internally restricted - contingency reserve:

Certain specified amounts have been restricted by the Board of Directors for unforeseen extraordinary expenses that would adversely affect the Society or to offset reductions in other sources of funding.

(d) Internally restricted - capital improvements:

Certain specified amounts have been restricted by the Board of Directors for use as funding for significant future capital improvements.

REGINA OPEN DOOR SOCIETY INC.

Notes to Financial Statements (continued)

Year ended March 31, 2023

2. Significant accounting policies (continued):

(e) Financial instruments:

Financial instruments are recorded at fair value on initial recognition and subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. Management has not elected to carry any financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Society determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Society expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future year, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(f) Capital assets:

Capital assets are recorded at cost, less accumulated amortization. Amortization is provided using the following methods and annual rates:

Asset	Basis	Rate
Buildings	Straight-line	20 years
Vehicles	Straight-line	7 years
Computer	Straight-line	3 years
Machinery and equipment	Straight-line	5 years
Furniture and fixtures	Straight-line	4 years
Leasehold improvements	Straight-line	Over the lease term

REGINA OPEN DOOR SOCIETY INC.

Notes to Financial Statements (continued)

Year ended March 31, 2023

2. Significant accounting policies (continued):

(g) Income taxes:

The Society is registered as a charitable organization under the Income Tax Act (the "Act") and as such is exempt from income taxes and is able to issue donation receipts for income tax purposes. In order to maintain its status as a registered charity under the Act, the Society must meet certain requirements within the Act. In the opinion of management, these requirements have been met.

(h) Use of estimates:

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Significant items subject to such estimates and assumptions include the carrying amounts of accounts receivable and capital assets and the underlying estimations of useful lives of capital assets as well as the value of deferred revenue that relates to the delivery of future services prior to revenue recognition. Actual results could differ from those estimates.

3. Capital assets:

			2023	2022
	Cost	Accumulated amortization	Net book value	Net book value
Land	\$ 1,072,000	\$ -	\$ 1,072,000	\$ 1,072,000
Buildings	2,499,664	1,220,887	1,278,777	1,400,660
Vehicles	192,200	149,104	43,096	57,133
Computer	1,391,903	1,089,227	302,676	261,324
Machinery and equipment	479,054	443,114	35,940	45,435
Furniture and fixtures	538,526	480,160	58,366	46,988
Leasehold improvements	9,103	9,103	-	-
	\$ 6,182,450	\$ 3,391,595	\$ 2,790,855	\$ 2,883,540

REGINA OPEN DOOR SOCIETY INC.

Notes to Financial Statements (continued)

Year ended March 31, 2023

4. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are government remittances payable of \$112,864 (2022 - \$112,575), which includes amounts payable for PST, worker's compensation, and payroll taxes.

5. Unearned revenue:

Unearned revenue is comprised of the following:

	2023	2022
KidsFirst	\$ 109,292	\$ 109,615
Other advances received for various projects	1,239,657	1,206,551
	<u>\$ 1,348,949</u>	<u>\$ 1,316,166</u>

For unearned revenue relating to KidsFirst, the Society has adopted a surplus utilization plan initiated by KidsFirst which includes setting aside a portion of funds as a sustaining reserve, as well as spending approved amounts to purchase vehicles, office supplies, teaching materials and teaching aids, upgrade of an interpretation database, creation of a new home visitor position which includes the purchase of a computer system and office.

6. Deferred contributions related to capital assets:

Deferred contributions related to capital assets represent funding from third parties for renovations and capital asset additions. The changes in the deferred contributions balance for the year are:

	2023	2022
Balance, beginning of year	\$ 878,814	\$ 968,779
Less: amounts recognized as revenue during the year	(89,880)	(89,965)
	<u>\$ 788,934</u>	<u>\$ 878,814</u>

REGINA OPEN DOOR SOCIETY INC.

Notes to Financial Statements (continued)

Year ended March 31, 2023

7. Inter-fund transfers and internally restricted fund balances:

The Society's Board of Directors internally restricts resources as illustrated in the statement of changes in net assets and described in note 2(c) and note 2(d). During the year, the Board of Directors transferred \$126,853 from internally restricted net assets to unrestricted net assets (2022 - \$300,000 from unrestricted net assets to internally restricted net assets). Internally restricted amounts are not available for other purposes without approval of the Board of Directors.

8. Commitments:

The Society has entered into various lease agreements for building occupancy and office equipment. The estimated minimum annual payments as follows:

2024	\$	1,029,319
2025		433,675

9. Financial risks and concentration of risk:

The Society, as part of its operations, carries a number of financial instruments. It is management's opinion that the Society is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed. These risks have not changed from the prior year.

(a) Liquidity risk:

Liquidity risk is the risk that the Society will not be able to meet a demand for cash or fund its obligations as they come due. Liquidity risk also includes the risk of the Society not being able to liquidate assets in a timely manner at a reasonable price.

The Society monitors its cash flow throughout the year to ensure its billing practices take into account the timing and level of its cash obligations. The Society has sufficient funds from which to operate and this risk is considered to be low.

REGINA OPEN DOOR SOCIETY INC.

Notes to Financial Statements (continued)

Year ended March 31, 2023

9. Financial risks and concentration of risk: (continued):

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Society is exposed to credit risk from clients and granting agencies. The largest share of the Society's revenues come from governments where risk of collection is considered to be low.

The Society is also exposed to credit risk related to its cash balances. The maximum exposure is the carrying amount of cash on the statement of financial position. The credit risk associated with cash is limited as the counterparty is a chartered bank with a high credit rating assigned by national credit rating agencies.

10. Comparative information:

Certain comparative information has been reclassified to conform with the current year's presentation.

REGINA OPEN DOOR SOCIETY INC.

Schedule 1 - Schedule of Revenue by Program

(unaudited)

Year ended March 31, 2023, with comparative information for 2022

	2023	2022
Orientation Services for Newcomers	\$ 3,425,657	\$ 3,358,964
Language Instruction for Newcomers to Canada	2,699,062	2,727,444
Employment Readiness	1,155,451	1,071,896
Resettlement Assistance Program	919,046	1,158,713
Daycare	854,920	680,467
Resettlement Assistance Program - 2	440,635	-
KidsFirst	418,116	408,870
Sundry projects	394,204	717,800
Youth Employment and Skills Strategy (YESS) Program	375,198	356,477
Settlement Online Pre-Arrival	311,986	305,868
Regina Region Local Immigration Partnership	230,096	225,686
Career Bridging	155,312	168,254
Enhanced Career Bridging	153,322	57,942
Digital Literacy Skills	137,235	38,061
Amortization of deferred contributions related to capital assets	89,880	89,965
Immunization Partner Fund	88,174	-
Families in Transition	85,568	91,097
Stage 1 & 2 English	66,461	51,727
English for Employment	58,015	48,759
Interest income	41,896	6,013
Fast-Track to Learning and Interaction for Parents (FLIP)		
Mothers Matter Centre	27,133	-
Reception house rent	22,000	22,000
Miscellaneous	19,691	(9,131)
Regional Newcomer Gateway	-	240,156
Total revenue	\$ 12,169,058	\$ 11,817,028

REGINA OPEN DOOR SOCIETY INC.

Schedule 2 - KidsFirst

(unaudited)

Year ended March 31, 2023, with comparative information for 2022

	2023	2022
Revenue	\$ 418,116	\$ 408,870
Expenses:		
Salaries and benefits	329,087	327,206
Rent	37,063	36,474
Office	13,908	10,332
Insurance	7,784	7,440
Equipment rental	7,138	6,567
Repairs and maintenance	5,273	5,260
Honoraria	2,794	1,348
Goods and Services Tax (Input tax credit)	1,851	1,500
Travel and in town transportation	899	473
Staff development and training	616	370
Security and cleaning	7	485
	406,420	397,455
Excess of revenue over expenses	\$ 11,696	\$ 11,415

Administration overhead is not included in the above expenses. However an administration expense of \$11,696 (2022 - \$11,415) relates to KidsFirst.

REGINA OPEN DOOR SOCIETY INC.

Schedule 3 - Daycare

(unaudited)

Year ended March 31, 2023, with comparative information for 2022

	2023	2022
Revenue:		
Provincial Government funding	\$ 632,088	\$ 428,625
Daycare fee	142,923	251,287
Federal Government funding	78,462	135,475
Miscellaneous revenue	1,447	555
	854,920	815,942
Expenses:		
Salaries	695,331	680,285
Rent	63,387	63,387
Miscellaneous supplies	53,004	43,326
Office	11,384	12,984
Equipment rental	4,827	4,663
Insurance	4,510	2,460
Staff development and training	2,558	809
Telephone	1,629	1,677
Goods and Services Tax (Input tax credit)	1,262	1,098
Travel and in town transportation	1,049	164
Repairs and maintenance	641	2,986
Security and cleaning	522	376
Bad debts (recovered)	39	(112)
	840,143	814,103
Excess of revenue over expenses	\$ 14,777	\$ 1,839