

Financial Statements of

**REGINA OPEN DOOR
SOCIETY INC.**

And Independent Auditor's Report thereon

Year ended March 31, 2024

REGINA OPEN DOOR SOCIETY INC.

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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, 2024
- 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, 2024 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.

Chartered Professional Accountants

Regina, Canada

June 19, 2024

REGINA OPEN DOOR SOCIETY INC.

Statement of Financial Position

March 31, 2024, with comparative information for 2023

	2024	2023
Assets		
Current assets:		
Cash	\$ 4,973,892	\$ 4,834,516
Accounts receivable	192,195	111,013
Prepaid expenses	134,004	124,837
	<u>5,300,091</u>	<u>5,070,366</u>
Capital assets (note 3)	2,559,758	2,790,855
	<u>\$ 7,859,849</u>	<u>\$ 7,861,221</u>

Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities (note 4)	\$ 376,487	\$ 340,988
Unearned revenue (note 5)	1,266,843	1,348,949
	<u>1,643,330</u>	<u>1,689,937</u>
Deferred contributions related to capital assets (note 6)	699,055	788,934
Net assets:		
Invested in capital assets	1,860,703	2,001,921
Internally restricted - capital asset reserve (note 8)	500,000	459,308
Internally restricted - newcomer emergency reserve (note 8)	50,000	-
Internally restricted - operating reserve (note 8)	2,512,851	2,573,147
Unrestricted net assets	<u>593,910</u>	<u>347,974</u>
	<u>5,517,464</u>	<u>5,382,350</u>
Commitments (note 9)		
	<u>\$ 7,859,849</u>	<u>\$ 7,861,221</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, 2024, with comparative information for 2023

	2024	2023
Revenue (schedule 1):		
Federal Government funding	\$ 8,937,769	\$ 8,174,581
Provincial Government funding	2,967,472	2,551,699
Other funding	631,767	764,007
Licensed childcare	128,757	142,923
Amortization of deferred contributions related to capital assets (note 6)	89,879	89,880
Interest income	74,189	41,896
Donations	63,571	189,921
Miscellaneous revenue	122,435	214,151
	13,015,839	12,169,058
Expenses:		
Salaries and benefits	9,162,821	8,541,274
Rent	1,031,420	1,044,810
Office supplies	380,335	288,270
Amortization of capital assets	339,813	308,356
Travel and in-town transportation	301,538	469,724
Repairs and maintenance	298,586	221,128
Client start-up allowance	288,748	181,439
Staff development and training	259,577	232,215
Security and cleaning	117,273	69,574
Telephone	94,297	86,890
Childcare vendor fee	83,521	77,782
Utilities	73,692	58,445
Professional fees	70,105	52,810
Honoraria	69,771	45,634
Household needs	60,096	17,005
GST and sales tax	59,163	58,901
Insurance	51,533	55,683
Taxes, licenses and fees	41,185	41,690
Equipment rental	35,823	34,000
Advertising	31,198	32,387
Management fee	13,810	45,849
Membership fees	6,628	11,211
Meeting hall rental	5,816	4,982
Interest and bank charges	4,551	7,660
Bad debts (recovered)	(575)	1,039
	12,880,725	11,988,758
Excess of revenue over expenses	\$ 135,114	\$ 180,300

See accompanying notes to financial statements.

REGINA OPEN DOOR SOCIETY INC.

Statement of Changes in Net Assets

Year ended March 31, 2024, with comparative information for 2023

	Invested in capital assets	Internally restricted - capital asset reserve (note 8)	Internally restricted - newcomer emergency reserve (note 8)	Internally restricted - operating reserve (note 8)	Unrestricted net assets	2024 Total	2023 Total
Balance, beginning of year	\$ 2,001,921	\$ 459,308	\$ -	\$ 2,573,147	\$ 347,974	\$ 5,382,350	\$ 5,202,050
Excess of revenue over expenses	-	-	-	-	135,114	135,114	180,300
Purchase of capital assets	108,716	-	-	-	(108,716)	-	-
Amortization of capital assets	(339,813)	-	-	-	339,813	-	-
Amortization of deferred contributions related to capital assets (note 6)	89,879	-	-	-	(89,879)	-	-
Interfund transfers (note 8)	-	40,692	50,000	(60,296)	(30,396)	-	-
Balance, end of year	\$ 1,860,703	\$ 500,000	\$ 50,000	\$ 2,512,851	\$ 593,910	\$ 5,517,464	\$ 5,382,350

See accompanying notes to financial statements.

REGINA OPEN DOOR SOCIETY INC.

Statement of Cash Flows

Year ended March 31, 2024, with comparative information for 2023

	2024	2023
Cash provided by (used for) the following activities		
Operating activities:		
Cash received for programs	\$ 12,614,787	\$ 13,429,672
Cash paid for programs	(3,347,208)	(2,986,587)
Cash paid for salaries and benefits	(9,102,525)	(8,541,274)
Interest and bank charges paid	(4,551)	(7,660)
Interest received	74,189	41,896
	234,692	1,936,047
Investing activities:		
Purchase of capital assets	(108,716)	(215,671)
Proceeds on sale of capital assets	13,400	13,200
	(95,316)	(202,471)
Increase in cash	139,376	1,733,576
Cash, beginning of year	4,834,516	3,100,940
Cash, end of year	\$ 4,973,892	\$ 4,834,516

See accompanying notes to financial statements.

REGINA OPEN DOOR SOCIETY INC.

Notes to Financial Statements

Year ended March 31, 2024

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, 2024 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 - capital asset reserve:

Certain specified amounts have been restricted by the Board of Directors for capital asset acquisitions and upgrades deemed necessary to effectively operate the Society's programs.

(d) Internally restricted - newcomer emergency reserve:

Certain specified amounts have been restricted by the Board of Directors to provide emergency short-term financial assistance for newcomers to Regina where there is a reasonable expectation that such amounts would not otherwise be funded under existing programs.

REGINA OPEN DOOR SOCIETY INC.

Notes to Financial Statements (continued)

Year ended March 31, 2024

2. Significant accounting policies (continued):

(e) Internally restricted - operating reserve:

Certain specified amounts have been restricted by the Board of Directors to provide funds for unforeseen circumstances such as a sudden increase in expenses, one-time unbudgeted expenses, an unanticipated loss in funding, or uninsured losses.

(f) 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.

(g) 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
Information technology	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, 2024

2. Significant accounting policies (continued):

(h) 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.

(i) 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:

			2024	2023
	Cost	Accumulated amortization	Net book value	Net book value
Land	\$ 1,072,000	\$ -	\$ 1,072,000	\$ 1,072,000
Buildings	2,499,664	1,342,769	1,156,895	1,278,777
Vehicles	144,549	116,447	28,102	43,096
Information technology	1,463,241	1,252,520	210,721	302,676
Machinery and equipment	501,820	459,453	42,367	35,940
Furniture and fixtures	553,136	503,463	49,673	58,366
Leasehold improvements	9,103	9,103	-	-
	\$ 6,243,513	\$ 3,683,755	\$ 2,559,758	\$ 2,790,855

REGINA OPEN DOOR SOCIETY INC.

Notes to Financial Statements (continued)

Year ended March 31, 2024

4. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are government remittances payable of \$107,532 (2023 - \$112,864), which includes amounts payable for PST, worker's compensation, and payroll taxes.

5. Unearned revenue:

Unearned revenue is comprised of the following:

	2024	2023
KidsFirst	\$ 108,937	\$ 109,292
Other advances received for various projects	1,157,906	1,239,657
	<u>\$ 1,266,843</u>	<u>\$ 1,348,949</u>

Unearned revenue relating to KidsFirst originates from previous surpluses. The Society can apply to KidsFirst to use this unearned revenue in the future for capital purchases or program operations, when the need arises.

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:

	2024	2023
Balance, beginning of year	\$ 788,934	\$ 878,814
Less: amounts recognized as revenue during the year	(89,879)	(89,880)
Balance, end of year	<u>\$ 699,055</u>	<u>\$ 788,934</u>

REGINA OPEN DOOR SOCIETY INC.

Notes to Financial Statements (continued)

Year ended March 31, 2024

7. Economic dependence:

The Society currently receives significant revenue in grants from provincial and federal government agencies. As a result, the Society is dependent upon the continuance of these grants to maintain operations at their current level.

8. 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), note 2(d) and note 2(e). During the year, the Board of Directors transferred a net amount of \$30,396 from unrestricted net assets to internally restricted net assets (2023 - \$126,853). Internally restricted amounts are not available for other purposes without approval of the Board of Directors.

9. Commitments:

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

2025	\$	433,675
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REGINA OPEN DOOR SOCIETY INC.

Notes to Financial Statements (continued)

Year ended March 31, 2024

10. 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.

(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.

REGINA OPEN DOOR SOCIETY INC.

Schedule 1 - Schedule of Revenue by Program

(unaudited)

Year ended March 31, 2024, with comparative information for 2023

	2024	2023
Orientation Services for Newcomers	\$ 3,886,310	\$ 3,425,657
Language Instruction for Newcomers to Canada	2,851,936	2,699,062
Employment Readiness	1,207,766	1,155,451
Resettlement Assistance Program	1,111,951	919,046
Daycare	939,122	854,920
KidsFirst	477,798	418,116
Youth Employment and Skills Strategy (YESS) Program	403,244	375,198
Resettlement Assistance Program - 2	339,720	440,635
Settlement Online Pre-Arrival	324,462	311,986
Sundry projects	286,424	394,204
Regina Region Local Immigration Partnership	254,699	230,096
Career Bridging	175,579	155,312
Stage 1 & 2 English	159,546	66,461
English for Employment	148,465	58,015
Enhanced Career Bridging	147,856	153,322
Immunization Partner Fund	90,200	88,174
Amortization of deferred contributions related to capital assets	89,879	89,880
Interest income	74,189	41,896
Reception house rent	26,400	22,000
Families in Transition	2,429	85,568
Digital Literacy Skills	-	137,235
Fast-Track to Learning and Interaction for Parents (FLIP)		
Mothers Matter Centre	-	27,133
Miscellaneous	17,864	19,691
Total revenue	\$ 13,015,839	\$ 12,169,058

REGINA OPEN DOOR SOCIETY INC.

Schedule 2 - KidsFirst

(unaudited)

Year ended March 31, 2024, with comparative information for 2023

	2024	2023
Revenue	\$ 477,798	\$ 418,116
Expenses:		
Salaries and benefits	359,235	329,087
Rent	35,545	37,063
Office	21,758	13,908
Repairs and maintenance	16,367	5,273
Equipment rental	7,125	7,138
Security and cleaning	6,678	7
Professional fees	6,000	-
Insurance	5,615	7,784
Honoraria	2,928	2,794
Travel and in town transportation	2,853	899
Goods and services tax (input tax credit)	1,930	1,851
Staff development and training	-	616
	466,034	406,420
Excess of revenue over expenses	\$ 11,764	\$ 11,696

Administration overhead is not included in the above expenses. However an administration expense of \$11,764 (2023 - \$11,696) relates to KidsFirst.

REGINA OPEN DOOR SOCIETY INC.

Schedule 3 - Daycare

(unaudited)

Year ended March 31, 2024, with comparative information for 2023

	2024	2023
Revenue:		
Provincial Government funding	\$ 720,493	\$ 632,088
Daycare fee	128,757	142,923
Federal Government funding	89,654	78,462
Miscellaneous revenue	218	1,447
	939,122	854,920
Expenses:		
Salaries	762,362	695,331
Rent	63,387	63,387
Miscellaneous supplies	54,884	53,004
Office	16,717	11,384
Repairs and maintenance	7,579	641
Insurance	5,167	4,510
Equipment rental	2,942	4,827
Staff development and training	2,855	2,558
Telephone	1,560	1,629
Goods and services tax (input tax credit)	1,286	1,262
Travel and in town transportation	584	1,049
Bad debts	425	39
Security and cleaning	-	522
	919,748	840,143
Excess of revenue over expenses	\$ 19,374	\$ 14,777