

**THRIVE, CYN ST. JOHN'S, INC.**  
**Financial Statements**  
**Year Ended March 31, 2017**

**THRIVE, CYN ST. JOHN'S, INC.**  
**Index to Financial Statements**  
**Year Ended March 31, 2017**

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	Page
INDEPENDENT AUDITOR'S REPORT	3 - 4
FINANCIAL STATEMENTS	
Statement of Revenues and Expenditures	5
Statement of Changes in Net Assets	6
Statement of Financial Position	7
Statement of Cash Flow	8
Notes to Financial Statements	9 - 11

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Thrive, CYN St. John's, INC.

We have audited the accompanying financial statements of Thrive, CYN St. John's, INC., which comprise the statement of financial position as at March 31, 2017 and the statements of revenues and expenditures, changes in net assets and cash flow 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 qualified audit opinion.

### Basis for Qualified Opinion

In common with many charitable organizations, the organization derives some of its revenue from the general public in the form of donations and fundraising, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to contributions, excess of revenues over expenses, current assets and net assets.

### Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Thrive, CYN St. John's, Inc. as at March 31, 2017, and the results of its operations and its cash flows for the year ended March 31, 2017 in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

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Independent Auditor's Report to the Members of Thrive, CYN St. John's, INC. *(continued)*

Mount Pearl, NL  
June 30, 2017

*Winston Coombs*  
CHARTERED PROFESSIONAL ACCOUNTANTS

**THRIVE, CYN ST. JOHN'S, INC.**  
**Statement of Revenues and Expenditures**  
**For the Year Ended March 31, 2017**

	2017	2016
<b>REVENUES</b>		
Program and project revenue <i>(Note 4)</i>	\$ 732,378	\$ 853,989
Core funding - Office of Public Engagement	229,644	229,653
Registration fees and other income	942	6,496
Fundraising revenue	23,383	-
Donations	22,756	30,561
	<b>1,009,103</b>	<b>1,120,699</b>
<b>PROGRAM COSTS</b>		
Street Reach	334,225	335,833
Learning Initiative	214,413	268,040
Project Endure	154,952	195,843
Blue Door Program	10,100	-
Other	6,523	12,429
CASEY	3,957	2,961
Meeting Future Labour	-	8,387
Youth Development	46,377	36,200
	<b>770,547</b>	<b>859,693</b>
<b>ADMINISTRATIVE EXPENSES</b>		
Amortization	6,979	4,879
Evaluation	-	1,816
Insurance	6,173	1,857
Interest and bank charges	1,747	2,029
Meetings and conferences	1,368	2,340
Occupancy costs	39,440	54,013
Office	13,711	9,038
Printing, promotions and postage	2,369	1,747
Professional development	814	367
Professional fees	6,021	7,009
Salaries and wages	141,017	145,086
Telephone and internet	4,596	2,543
Travel	1,208	462
Website development	169	2,423
	<b>225,612</b>	<b>235,609</b>
<b>EXCESS OF REVENUES OVER ADMINISTRATIVE EXPENSES</b>	<b>\$ 12,944</b>	<b>\$ 25,397</b>

**THRIVE, CYN ST. JOHN'S, INC.**  
**Statement of Changes in Net Assets**  
**Year Ended March 31, 2017**

	<b>2017</b>	2016
<b>NET ASSETS - BEGINNING OF YEAR</b>	<b>\$ 262,817</b>	\$ 237,420
Excess of revenues over administrative expenses	<b>12,944</b>	25,397
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 275,761</b>	\$ 262,817

**THRIVE, CYN ST. JOHN'S, INC.**  
**Statement of Financial Position**  
**March 31, 2017**

	2017	2016
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 259,743	\$ 258,641
Short-term investment	20,824	20,513
Accounts receivable	57,800	71,010
Harmonized sales tax recoverable	14,865	13,314
Prepaid expenses	8,663	4,312
	<b>361,895</b>	367,790
<b>CAPITAL ASSETS (Note 3)</b>	<b>35,697</b>	27,114
	<b>\$ 397,592</b>	<b>\$ 394,904</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable	\$ 39,288	\$ 80,982
Employee deductions payable	24,646	15,185
Deferred revenue	57,897	35,920
	<b>121,831</b>	132,087
<b>NET ASSETS</b>		
General fund	<b>275,761</b>	262,817
	<b>\$ 397,592</b>	<b>\$ 394,904</b>

**ON BEHALF OF THE BOARD**

\_\_\_\_\_  
*Director*

\_\_\_\_\_  
*Director*

**THRIVE, CYN ST. JOHN'S, INC.****Statement of Cash Flow****Year Ended March 31, 2017**

	2017	2016
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over administrative expenses	\$ 12,944	\$ 25,397
Item not affecting cash:		
Amortization of capital assets	6,979	4,879
	<b>19,923</b>	<b>30,276</b>
Changes in non-cash working capital:		
Accounts receivable	13,210	39,462
Accounts payable	(41,694)	23,923
Deferred revenue	21,977	(109,128)
Prepaid expenses	(4,351)	2,855
Harmonized sales tax payable	(1,551)	1,913
Employee deductions payable (recoverable)	9,461	(3,748)
	<b>(2,948)</b>	<b>(44,723)</b>
Cash flow from (used by) operating activities	<b>16,975</b>	<b>(14,447)</b>
<b>INVESTING ACTIVITY</b>		
Purchase of capital assets	<b>(15,562)</b>	<b>(15,195)</b>
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>1,413</b>	<b>(29,642)</b>
Cash - beginning of year	<b>279,154</b>	<b>308,796</b>
<b>CASH - END OF YEAR</b>	<b>\$ 280,567</b>	<b>\$ 279,154</b>
<b>CASH CONSISTS OF:</b>		
Cash	\$ 259,743	\$ 258,641
Short-term investment	20,824	20,513
	<b>\$ 280,567</b>	<b>\$ 279,154</b>

**1. NATURE OF OPERATIONS**

The Thrive, CYN St. John's Inc. was incorporated on August 22, 2001. Its mandate is to increase the opportunity for youth to avail of the supports they need to mature into healthy, educated, employable members of their community by identifying solutions to the barriers they face while trying to access learning, employment, community building and other support services.

The entity is a charitable organization and, as such, is exempt from income tax under Section 149.1 of the Income Tax Act.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Basis of presentation*

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

*Short term investments*

Short term investments consist of a cashable GIC with a maturity date of January 10, 2020. At March 31, 2017, the interest rate was 0.75%.

*Measurement uncertainty*

Certain amounts in the financial statements are subject to measurement uncertainty and are based on the organization's best information and judgment. Actual results could differ from these estimates.

Examples of significant estimates include:

- providing for amortization of property, plant and equipment;
- the estimated useful lives of assets;
- the allowance for doubtful accounts.

*Capital assets*

Capital assets are stated at cost or deemed cost less accumulated amortization. Capital assets are amortized over their estimated useful lives at the following rates and methods:

Equipment	20%	declining balance method
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The organization regularly reviews its capital assets to eliminate obsolete items.

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

*Revenue Recognition*

The organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the period in which the related expenses are incurred.

**THRIVE, CYN ST. JOHN'S, INC.**  
**Notes to Financial Statements**  
**Year Ended March 31, 2017**

**3. CAPITAL ASSETS**

	Cost	Accumulated amortization	2017 Net book value	2016 Net book value
Equipment	\$ 63,468	\$ 27,771	\$ 35,697	\$ 27,114

**4. PROGRAM AND PROJECT REVENUE**

Program and project revenue has been provided from the following funders:

	2017	2016
Department of Advanced Education and Skills	\$ 113,558	\$ 119,667
Rogers Communications Partnership	-	90,059
City of St. John's	15,000	15,000
Eastern Health	151,376	155,138
Donations	65,000	43,979
Department of Education	6,000	6,000
Other program revenue	11,813	35,851
Newfoundland and Labrador Housing	184,851	184,064
Health Canada	154,953	195,845
Office of Public Engagement	4,500	8,386
Crime Prevention Action Fund	25,327	-
	<b>\$ 732,378</b>	<b>\$ 853,989</b>

**5. LEASE COMMITMENTS**

The organization leases premises under one term lease.

The organization has a lease with respect to its office space at 108 LeMarchant Road. Future minimum lease payments are as follows:

2018	\$ 100,885
2019	42,035
	<u>\$ 142,920</u>

**6. ALLOCATION OF EXPENSES**

All costs related to program coordination and delivery are presented as program costs. Costs related to organizational administration including expenses such as office, salary, IT, fund development and insurance are presented as administrative expenses.

**7. COMPARATIVE FIGURES**

Certain comparative figures have been reclassified to conform to the current year's presentation.

**8. FINANCIAL INSTRUMENTS**

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of March 31, 2017.

It is management's opinion that the organization is not exposed to significant other price risks arising from these financial instruments.