

THRIVE, CYN ST. JOHN'S, INC.
Financial Statements
Year Ended March 31, 2014

THRIVE, CYN ST. JOHN'S, INC.
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Year Ended March 31, 2014

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INDEPENDENT AUDITOR'S REPORT

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, 2014 and the statements of revenues 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 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.

(continues)

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, 2014, and the results of its operations and its cash flows for the year ended March 31, 2014 in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

St. John's, NL
July 15, 2014

Gardner Coombs Winsor Coombs
CHARTERED ACCOUNTANTS

THRIVE, CYN ST. JOHN'S, INC.
Statement of Revenues and Expenditures
Year Ended March 31, 2014

	2014	2013
REVENUES		
Program and project revenue <i>(Note 4)</i>	\$ 907,290	\$ 884,910
Registration fees and other income	41,230	39,745
Donations	10,628	5,883
Core funding - Office of Public Engagement	229,629	276,662
Fundraising revenue	37,927	75,203
	1,226,704	1,282,403
PROGRAM COSTS		
Learning Initiative	364,886	319,278
Street Reach	342,747	340,746
Velocity Adventure	184,995	178,315
Special Program Grants	-	44,892
Other	70,953	73,139
CASEY	5,457	12,448
Project Endure	13,177	-
	982,215	968,818
EXPENSES		
Amortization	3,776	3,111
Evaluation	5,000	5,000
Insurance	3,081	2,403
Interest and bank charges	3,266	1,915
Meetings and conferences	2,759	1,342
Occupancy costs	27,484	23,560
Office	8,326	12,215
Printing, promotions and postage	6,454	7,280
Professional development	1,437	5,257
Professional fees	9,083	8,068
Repairs and maintenance	3,881	-
Salaries and wages	159,616	134,693
Telephone and internet	2,038	5,013
Travel	1,412	1,481
Website development	7,157	7,890
	244,770	219,228
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ (281)	\$ 94,357

THRIVE, CYN ST. JOHN'S, INC.
Statement of Changes in Net Assets
Year Ended March 31, 2014

	2014	2013
NET ASSETS - BEGINNING OF YEAR	\$ 226,214	\$ 131,857
Deficiency of revenues over expenses	(281)	94,357
NET ASSETS - END OF YEAR	\$ 225,933	\$ 226,214

THRIVE, CYN ST. JOHN'S, INC.
Statement of Financial Position
March 31, 2014

	2014	2013
ASSETS		
CURRENT		
Cash	\$ 366,840	\$ 318,082
Short-term investment	72,298	71,678
Accounts receivable	77,625	28,604
Harmonized sales tax recoverable	13,877	14,656
Prepaid expenses	17,659	13,856
	548,299	446,876
PROPERTY, PLANT AND EQUIPMENT <i>(Note 3)</i>	17,651	16,329
	\$ 565,950	\$ 463,205
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 89,774	\$ 80,704
Employee deductions payable	9,966	18,351
Deferred income	240,277	137,936
	340,017	236,991
NET ASSETS		
General fund	225,933	226,214
	\$ 565,950	\$ 463,205

ON BEHALF OF THE BOARD

_____ *Director*

_____ *Director*

THRIVE, CYN ST. JOHN'S, INC.**Statement of Cash Flows****Year Ended March 31, 2014**

	2014	2013
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	\$ (281)	\$ 94,357
Item not affecting cash:		
Amortization of property, plant and equipment	3,776	3,111
	3,495	97,468
Changes in non-cash working capital:		
Accounts receivable	(49,021)	9,613
Accounts payable	9,070	19,052
Deferred income	102,341	(22,492)
Prepaid expenses	(3,803)	13,453
Harmonized sales tax payable (recoverable)	779	(644)
Employee deductions payable (recoverable)	(8,385)	901
	50,981	19,883
Cash flow from operating activities	54,476	117,351
INVESTING ACTIVITY		
Purchase of property, plant and equipment	(5,098)	(7,772)
INCREASE IN CASH FLOW	49,378	109,579
Cash - beginning of year	389,760	280,181
CASH - END OF YEAR	\$ 439,138	\$ 389,760
CASH CONSISTS OF:		
Cash	\$ 366,840	\$ 318,082
Short-term investment	72,298	71,678
	\$ 439,138	\$ 389,760

1. NATURE OF OPERATIONS

The Community Youth Network - St. John's Inc. was incorporated on August 22, 2001. During the fiscal year under evaluation, the organization legally changed its name to Thrive, CYN St. John's, Inc. 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

These financial statements have been prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

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.

Property, plant and equipment

Property, plant and equipment are stated at cost or deemed cost less accumulated amortization. Property, plant and equipment 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 property, plant and equipment to eliminate obsolete items.

Property, plant and equipment 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, 2014

3. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2014 Net book value	2013 Net book value
Equipment	\$ 29,737	\$ 12,086	\$ 17,651	\$ 16,329

4. PROGRAM AND PROJECT REVENUE

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

	2014	2013
Department of Advanced Education and Skills	\$ 93,014	\$ 294,741
Rogers Communications Partnership	200,100	196,246
Public Safety Canada	173,936	178,315
Eastern Health	169,343	175,281
Donations	147	37,251
Department of Innovation Trade and Rural Development	-	2,157
Other program revenue	70,179	640
Service Canada	-	279
Newfoundland and Labrador Housing	186,149	-
Health Canada	14,422	-
	\$ 907,290	\$ 884,910

5. ADMINISTRATION REVENUE

Included in registration fees and other income are the following amounts:

- \$ nil received from the Department of Advanced Education and Skills (2013 - \$14,800);
- \$10,000 received from the City of St. John's (2013 - \$10,000).

6. LEASE COMMITMENTS

The organization leases premises under two term leases.

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

2015	\$ 83,750
2016	83,750
2017	62,813
	<u>\$ 230,313</u>

The organization has a lease with respect to its office space at 68 Queens Road. Future minimum lease payments are as follows:

2015	<u>\$ 7,200</u>
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7. FINANCIAL INSTRUMENTS

The organization has determined that it is not exposed to any significant risks through its financial instruments.