

**COMMITTEE FOR INNOVATIVE THINKING FOR YOUTH
FINANCIAL STATEMENTS
(UNAUDITED)
AS AT DECEMBER 31, 2015**

COMMITTEE FOR INNOVATIVE THINKING FOR YOUTH
TABLE OF CONTENTS
AS AT DECEMBER 31, 2015

| | <u>Page</u> |
|---|--------------------|
| REVIEW ENGAGEMENT REPORT | 1 |
| FINANCIAL STATEMENTS | |
| Statement of Financial Position | 2 |
| Statement of Operations and Changes in Net Assets | 3 |
| Statement of Cash Flows | 4 |
| Notes to Financial Statements | 5-7 |

REVIEW ENGAGEMENT REPORT

To the Directors of
Committee for Innovative Thinking for Youth

We have reviewed the statement of financial position of Committee for Innovative Thinking for Youth as at December 31, 2015 and the statements of operations and changes in net assets and cash flows for the year then ended. These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of inquiry, analytical procedures and discussion related to information supplied to us by the Organization.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

Wilkinson & Company LLP

TRENTON, Canada
March 21, 2016

Chartered Accountants
Licensed Public Accountants

**COMMITTEE FOR INNOVATIVE THINKING FOR YOUTH
STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2015
(UNAUDITED)**

| | 2015 | 2014 |
|--|---------|--------|
| | \$ | \$ |
| CURRENT ASSETS | | |
| Cash | 72,675 | 43,682 |
| Accounts receivable | 25,000 | - |
| HST Receivable | 3,332 | 1,805 |
| Prepaid expenses | 2,253 | 1,828 |
| | 103,260 | 47,315 |
| EQUIPMENT - Note 4 | 4,122 | 3,438 |
| | 107,382 | 50,753 |
| CURRENT LIABILITIES | | |
| Accounts payable and accrued liabilities | 5,493 | 4,901 |
| Deferred revenue - Note 5 | 34,293 | 8,483 |
| | 39,786 | 13,384 |
| NET ASSETS | 67,596 | 37,369 |
| | 107,382 | 50,753 |

APPROVED ON BEHALF OF THE BOARD

_____ Director

_____ Director

The accompanying notes form an integral part of these financial statements

**COMMITTEE FOR INNOVATIVE THINKING FOR YOUTH
STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
(UNAUDITED)
FOR THE YEAR ENDED DECEMBER 31, 2015**

| | 2015 \$ | 2014 \$ |
|---|----------------|----------------|
| REVENUE | | |
| Membership and Program Fees | 480 | 1,302 |
| Donations and Grants | 184,985 | 155,196 |
| Fundraising | 16,354 | 8,511 |
| Rental | 8,355 | 12,085 |
| Other | 1,281 | 1,805 |
| | 211,455 | 178,899 |
| EXPENSES | | |
| Amortization of equipment | 1,250 | 945 |
| Advertising | 5,250 | 318 |
| Bank and interest charges | 847 | 139 |
| Insurance | 2,522 | 2,406 |
| Food | 1,688 | 1,806 |
| Fundraising | 12,508 | 2,313 |
| Office supplies | 3,576 | 4,320 |
| Professional fees | 3,035 | 2,540 |
| Program costs | 2,802 | 2,179 |
| Rent | 12,000 | 13,000 |
| Repairs and maintenance | 2,732 | 3,181 |
| Utilities | 10,143 | 10,624 |
| Wages and salaries | 122,875 | 121,059 |
| | 181,228 | 164,830 |
| EXCESS OF REVENUES OVER EXPENDITURES | 30,227 | 14,069 |
| NET ASSETS - BEGINNING OF YEAR | 37,369 | 23,300 |
| NET ASSETS - END OF YEAR | 67,596 | 37,369 |

The accompanying notes form an integral part of these financial statements

**COMMITTEE FOR INNOVATIVE THINKING FOR YOUTH
STATEMENT OF CASH FLOWS
(UNAUDITED)
FOR THE YEAR ENDED DECEMBER 31, 2015**

| | 2015 \$ | 2014 \$ |
|---|----------------|------------|
| OPERATING ACTIVITIES | | |
| Excess of revenues over expenditures | 30,227 | 14,069 |
| Adjustment for item which does not affect cash - Amortization of equipment | 1,250 | 945 |
| | 31,477 | 15,014 |
| Net change in non-cash working capital balances related to operations | | |
| Prepaid expenses | (425) | 15 |
| Accounts payable and accrued liabilities | 592 | 2,172 |
| Deferred revenue | 25,809 | 150 |
| Accounts receivable | (26,526) | 9,135 |
| CASH FLOWS PROVIDED FROM OPERATING ACTIVITIES | 30,927 | 26,486 |
| INVESTING ACTIVITIES | | |
| Purchase of equipment | (1,934) | - |
| CASH FLOWS USED IN INVESTING ACTIVITIES | (1,934) | - |
| NET INCREASE IN CASH AND CASH EQUIVALENTS FOR YEAR | 28,993 | 26,486 |
| CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR | 43,682 | 17,196 |
| CASH AND CASH EQUIVALENTS - END OF YEAR | 72,675 | 43,682 |
| REPRESENTED BY: | | |
| Cash | 72,675 | 43,682 |

The accompanying notes form an integral part of these financial statements

**COMMITTEE FOR INNOVATIVE THINKING FOR YOUTH
NOTES TO FINANCIAL STATEMENTS
(UNAUDITED)
FOR THE YEAR ENDED DECEMBER 31, 2015**

1. NATURE OF ORGANIZATION

Committee for Innovative Thinking for Youth is a charitable organization incorporated under the laws of Ontario, for the purpose of providing a youth centre for the Quinte West area.

2. ACCOUNTING POLICIES

Outlined below are those accounting policies adopted by the Organization considered to be particularly significant:

(a) Basis of Accounting

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations.

(b) Accounting Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles 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 revenues and expenses during the reporting period. Significant items subject to such estimates and assumptions include valuation of accounts payable and the estimated useful life of equipment. Actual results could differ from those estimates.

(c) Equipment and Amortization

Equipment is stated at acquisition cost. Gains or losses on the disposal of individual assets are recognized in earnings in the year of disposal. Amortization of property, plant and equipment, which is based on estimated useful life, is calculated on the following bases and at the rates set out below:

| Asset | Basis | Rate |
|-------------------|-------------------|-------------|
| Computer hardware | Declining balance | 55% |
| Computer software | Declining balance | 100% |
| Security system | Declining balance | 20% |

(d) Revenue Recognition

Donations, grants, membership fees and program fees are recorded in the year received.

(e) Income Taxes

The Organization has been registered with Canada Revenue Agency Taxation as a charitable organization and accordingly is not subject to federal and provincial income taxes.

**COMMITTEE FOR INNOVATIVE THINKING FOR YOUTH
NOTES TO FINANCIAL STATEMENTS
(UNAUDITED)
FOR THE YEAR ENDED DECEMBER 31, 2015**

3. CAPITAL MANAGEMENT

The Organization's objectives with respect to capital management are to maintain a minimum capital base that allows the Organization to continue with and execute its overall purpose as outlined in Note 1, "Nature of Organization". The Organization's Board of Directors perform periodic reviews of the Organization's capital needs to ensure they remain consistent with the risk tolerance that is acceptable to the Organization.

4. EQUIPMENT

| | 2015 | | 2014 | |
|------------------------------------|-----------------|-----------------------------------|-----------------|-----------------------------------|
| | Cost \$ | Accumulated amortization \$ | Cost \$ | Accumulated amortization \$ |
| Computer hardware | 2,534 | 1,092 | 600 | 512 |
| Computer software | 939 | 939 | 939 | 939 |
| Security system | 5,816 | 3,136 | 5,816 | 2,466 |
| | 9,289 | 5,167 | 7,355 | 3,917 |
| Cost less accumulated amortization | \$ 4,122 | | \$ 3,438 | |

5. DEFERRED REVENUE

Deferred revenue represents the unspent portion of the grants restricted for the purpose of expenditures on wages.

As of December 31, deferred revenue relating to wages is comprised of the following:

| | 2015 \$ | 2014 \$ |
|--|---------------|--------------|
| Ontario Trillium Foundation | 18,080 | 4,167 |
| Bancroft Community Transit | 2,435 | 4,316 |
| Ontario Ministry of Tourism, Culture and Sport | 13,778 | - |
| | 34,293 | 8,483 |

**COMMITTEE FOR INNOVATIVE THINKING FOR YOUTH
NOTES TO FINANCIAL STATEMENTS
(UNAUDITED)
FOR THE YEAR ENDED DECEMBER 31, 2015**

6. FINANCIAL INSTRUMENTS

Financial instruments consist of cash and accounts payables and accrued liabilities. The carrying amounts approximate their fair market value due to the short-term maturity of the financial instruments. It is management's opinion that the Organization is not exposed to significant interest or currency risks from these financial instruments.