

**COMMITTEE FOR INNOVATIVE THINKING FOR YOUTH
FINANCIAL STATEMENTS
(UNAUDITED)
AS AT DECEMBER 31, 2017**

COMMITTEE FOR INNOVATIVE THINKING FOR YOUTH
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AS AT DECEMBER 31, 2017

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Directors of
Committee for Innovative Thinking for Youth

We have reviewed the accompanying financial statements of Committee for Innovative Thinking for Youth that comprise the statement of financial position as at December 31, 2017, and the statements of operations and 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Basis for Qualification

In common with many not-for-profit organizations, Committee for Innovative Thinking for Youth derives revenue from donations, the completeness of which is not susceptible to satisfactory review verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of Committee for Innovative Thinking for Youth. Therefore, we were not able to determine whether any adjustments might be necessary to donations revenue, excess of expenditures over revenues, assets and net asset balances.

Qualified Conclusion

Based on our review, except for the effects of the matter described in the Basis for Qualified Conclusion paragraph, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Committee for Innovative Thinking for Youth as at December 31, 2017, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Wilkinson + Company LLP

TRENTON, Canada
April 16, 2018

Chartered Professional Accountants
Licensed Public Accountants

**COMMITTEE FOR INNOVATIVE THINKING FOR YOUTH
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2017
(UNAUDITED)**

	2017	2016
	\$	\$
ASSETS		
CURRENT		
Cash	71,106	154,587
Short-term investments	50,000	-
HST Receivable	3,400	2,493
Prepaid expenses and deposits	467	2,067
	124,973	159,147
EQUIPMENT - Note 3	2,270	3,377
	127,243	162,524
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	4,040	6,593
Deferred revenue - Note 4	34,000	50,415
	38,040	57,008
NET ASSETS	89,203	105,516
	127,243	162,524

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, 2017**

	2017	2016
	\$	\$
REVENUE		
Membership and Program Fees	2,918	10
Donations and Grants	162,052	227,786
Fundraising	1,677	13,303
Rental	11,850	12,840
Other	36	97
	178,533	254,036
EXPENSES		
Advertising	7,439	2,572
Amortization of property, plant and equipment	1,107	1,550
Bank and interest charges	733	272
Food	3,253	4,592
Fundraising	1,772	5,471
Insurance	2,705	2,890
Office supplies	4,229	2,526
Professional fees	5,395	3,755
Program costs	19,898	6,923
Rent	12,000	12,000
Repairs and maintenance	2,639	2,776
Utilities	11,636	10,757
Wages and salaries	122,040	160,032
	194,846	216,116
EXCESS OF EXPENDITURES OVER REVENUES	(16,313)	37,920
NET ASSETS - BEGINNING OF YEAR	105,516	67,596
NET EARNINGS FOR YEAR	89,203	105,516

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COMMITTEE FOR INNOVATIVE THINKING FOR YOUTH
STATEMENT OF CASH FLOWS
(UNAUDITED)
FOR THE YEAR ENDED DECEMBER 31, 2017

	2017	2016
	\$	\$
OPERATING ACTIVITIES		
Excess of expenditures over revenues	(16,313)	37,920
Adjustment for item which does not affect cash - Amortization of equipment	1,107	1,550
	(15,206)	39,470
Net change in non-cash working capital balances related to operations		
Prepaid expenses	1,600	186
Accounts payable and accrued liabilities	(2,552)	1,099
Deferred revenue	(16,416)	16,123
Accounts receivable	(907)	25,839 \
CASH FLOWS PROVIDED FROM (USED IN) OPERATING ACTIVITIES	(33,481)	82,717
INVESTING ACTIVITIES		
Increase in short-term investments	(50,000)	-
Purchase of equipment	-	(805)
CASH FLOWS USED IN INVESTING ACTIVITIES	(50,000)	(805)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS FOR YEAR	(83,481)	81,912
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	154,587	72,675
CASH AND CASH EQUIVALENTS - END OF YEAR	71,106	154,587
REPRESENTED BY:		
Cash	71,106	154,587

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, 2017**

1. NATURE OF BUSINESS

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

2. ACCOUNTING POLICIES

Outlined below are those accounting policies adopted by the Organization that are 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 the estimated useful life of equipment. Actual results could differ from those estimates.

(c) Equipment and Amortization

Property, plant and equipment are 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

Membership and program fees are recognized in income as they are received.

Donations and grants are deferred and recognized as the related expenses are incurred.

Rental fees are recognized as the rental revenue is earned.

COMMITTEE FOR INNOVATIVE THINKING FOR YOUTH
NOTES TO FINANCIAL STATEMENTS
(UNAUDITED)
FOR THE YEAR ENDED DECEMBER 31, 2017

2. ACCOUNTING POLICIES - (Cont'd)

(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.

(f) Cash and Equivalents

Cash and equivalents consist of cash on deposit and bank term deposits in money market instruments with maturity dates of less than three months from the date they are acquired.

(g) Financial Instruments

(i) Measurement of Financial Instruments

The Organization initially measures its financial assets and liabilities at fair value adjusted by, in the case of financial instruments that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The Organization subsequently measures all its financial assets and financial liabilities at amortized cost except for equities quoted in an active market, which are subsequently measured at fair value. Changes in fair value are recognized in income.

Financial assets measured at amortized cost include cash and short term investments.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

(ii) Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset or group of assets, a write-down is recorded in net income. When events occurring after the impairment confirm that a reversal is necessary, the reversal is recognized in net income up to the impairment amount previously recognized.

COMMITTEE FOR INNOVATIVE THINKING FOR YOUTH
NOTES TO FINANCIAL STATEMENTS
(UNAUDITED)
FOR THE YEAR ENDED DECEMBER 31, 2017

3. EQUIPMENT

	2017		2016	
	Cost \$	Accumulated amortization \$	Cost \$	Accumulated amortization \$
Computer hardware	3,339	2,784	3,339	2,106
Computer software	939	939	939	939
Security system	5,816	4,101	5,816	3,672
	10,094	7,824	10,094	6,717
Cost less accumulated amortization	\$ 2,270		\$ 3,377	

4. DEFERRED REVENUE

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

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

	2017 \$	2016 \$
Ontario Trillium Foundation	-	12,959
Mini Golf Donations	34,000	30,000
Ontario Ministry of Tourism, Culture and Sport	-	7,456
	34,000	50,415

5. FINANCIAL RISKS AND CONCENTRATIONS OF RISK

In the normal course of business, the Organization is exposed to a number of risks that can affect its operational performance. The Organization is only exposed to interest rate risk as follows:

(a) Interest Rate Risk

Interest rate risk is the potential for financial loss caused by fluctuations in fair value or future cash flows of financial instruments because of changes in market interest rates. The Organization is exposed to interest rate risk in its short-term investments. This risk is mitigated as investments are in GIC's.