



HAZLITT STEEVES HARRIS LLP

CHARTERED ACCOUNTANTS

Financial Statements of

**SARNIA - LAMBTON "REBOUND"
A Program For Youth**

March 31, 2010



HAZLITT STEEVES HARRIS LLP

CHARTERED ACCOUNTANTS

Auditors' Report

To the Member's of Sarnia-Lambton "Rebound" – A Program for Youth

We have audited the balance sheet of **Sarnia-Lambton "Rebound" – A Program for Youth** as at March 31, 2010 and the statements of revenue and expense, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

The organization derives revenue from donations 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 revenue, excess of revenue over expense for the year, current assets and operating surplus.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to verify donations satisfactorily as explained in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of Sarnia-Lambton "Rebound" – A Program for Youth as at March 31, 2010 and the results of its operations, changes in net assets and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

HAZLITT STEEVES HARRIS LLP

Chartered Accountants
Licensed Public Accountants
June 23, 2010

SARNIA - LAMBTON "REBOUND"

A Program For Youth

Statement of Revenue and Expense

For the year ended March 31, 2010

	<u>2010</u>	<u>2009</u>
REVENUE		
Grants (Note 5)	\$ 598,290	\$ 591,971
Donations	43,762	40,488
Client fees	3,150	6,012
Fundraising	82,560	107,341
	<u>727,762</u>	<u>745,812</u>
EXPENSE		
Amortization	11,109	12,289
Bank charges	1,888	1,582
Dow Youth Centre	61,902	-
Insurance	8,844	8,798
Office and miscellaneous	25,785	25,914
Fundraising	39,441	38,638
Professional fees	3,612	3,482
Programs	16,246	26,672
Rent	37,841	38,562
Staff development	5,173	7,815
Telephone	5,500	5,250
Travel and promotion	9,865	10,977
Wages and benefits	517,782	520,543
	<u>744,988</u>	<u>700,522</u>
EXCESS OF REVENUE OVER EXPENSE		
(EXPENSE OVER REVENUE)	\$ (17,226)	\$ 45,290

SARNIA - LAMBTON "REBOUND"
A Program For Youth

Statement of Changes in Net Assets

For the year ended March 31, 2010

	<u>Internally Restricted</u> (Note 4)	<u>Invested in Equipment</u>	<u>Unrestricted</u>	<u>2010 Total</u>	<u>2009 Total</u>
Balance, beginning of year	\$ 213,393	\$ 34,397	\$ 10,467	\$ 258,257	\$ 209,574
Excess of revenue over expense (expense over revenue)	-	(11,109)	(6,117)	(17,226)	45,290
Non-operating revenue	2,104	-	-	2,104	3,393
Investment in equipment	-	3,417	(3,417)	-	-
BALANCE, END OF YEAR	\$ 215,497	\$ 26,705	\$ 933	\$ 243,135	\$ 258,257

SARNIA - LAMBTON "REBOUND"

A Program For Youth

Balance Sheet

As at March 31, 2010

	<u>2010</u>	<u>2009</u>
ASSETS		
CURRENT		
Cash	\$ 50,373	\$ 40,966
Short-term investments	153,065	106,127
Accounts receivable	26,775	33,652
Due from Dow Legacy project	674	56,987
Prepaid expenses	3,628	4,543
	<u>234,515</u>	<u>242,275</u>
EQUIPMENT (Note 3)	<u>26,705</u>	<u>34,397</u>
	<u>\$ 261,220</u>	<u>\$ 276,672</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued charges	\$ 18,085	\$ 18,415
NET ASSETS		
Internally restricted (Note 4)	215,497	213,393
Invested in equipment	26,705	34,397
Unrestricted	933	10,467
	<u>243,135</u>	<u>258,257</u>
	<u>\$ 261,220</u>	<u>\$ 276,672</u>

APPROVED BY THE BOARD

 Director

 Director

SARNIA - LAMBTON "REBOUND"

A Program For Youth

Statement of Cash Flows

For the year ended March 31, 2010

	<u>2010</u>	<u>2009</u>
OPERATING ACTIVITIES		
Excess of revenue over expense (expense over revenue)	\$ (17,226)	\$ 45,290
Amortization not affecting cash	11,109	12,289
	(6,117)	57,579
Interest earned by contingency reserve	2,104	3,393
Changes in non-cash operating working capital items		
Accounts receivable	6,877	(29,439)
Prepaid expenses	915	(1,454)
Accounts payable and accrued charges	(330)	2,031
Deferred revenue	-	(95,000)
	3,449	(62,890)
INVESTING ACTIVITIES		
Changes in short-term investments - net	(46,938)	49,440
Repayments from (advances to) Dow Legacy project	56,313	(34,728)
Acquisition of equipment	(3,417)	(23,177)
	5,958	(8,465)
NET CHANGE IN CASH POSITION	9,407	(71,355)
Cash position, beginning of year	40,966	112,321
CASH POSITION, END OF YEAR	\$ 50,373	\$ 40,966

SARNIA - LAMBTON "REBOUND"

A Program For Youth

Notes to the Financial Statements

For the year ended March 31, 2010

1. STATUTES OF INCORPORATION AND NATURE OF ACTIVITIES

Sarnia - Lambton "Rebound" - A Program For Youth is incorporated under the Business Corporations Act of the Province of Ontario as a company without share capital subject to the Charities Accounting Act and the Charities Gifts Act.

It has been granted tax exempt status as a registered charity and is classified as a charitable organization under Sections 149 and 149.1 of the Income Tax Act, Canada. The organization is in compliance with its disbursement quota requirement as set by the Canada Revenue Agency.

2. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include the following significant accounting policies:

Revenue

Unrestricted donations are recorded as received. Grants and donations for specific purposes are recorded as earned in accordance with the provisions of the award. Unearned grants and donations are recorded as deferred revenue.

Expense

Expenditures are recognized as they are incurred and measurable as a result of receipt of goods and services and the creation of a legal obligation to pay.

Investments

Investments are recorded at cost, which equals net realizable value.

Equipment

In accordance with generally accepted accounting principles, effective April 1, 2006 equipment acquisitions are required to be recorded at cost. Equipment is being amortized using the following annual rates and methods:

Office equipment	20% diminishing-balance
Computer equipment	45% diminishing-balance
Computer software	100% diminishing-balance

Prior to that date equipment purchases were expensed in the year of acquisition.

SARNIA - LAMBTON "REBOUND"

A Program For Youth

Notes to the Financial Statements

For the year ended March 31, 2010

2. ACCOUNTING POLICIES - continued

Internally restricted funds

The internally restricted funds have been created by the Board for the following purposes:

- the contingency reserve has been established by resolutions of the Board of Directors. It provides funds to ensure a continuation of operations should there be a significant reduction in the organization's sources of funding. The contingency reserve fund is invested in short-term investments.
- the program expansion reserve was established in the previous year by resolution of the Board of Directors to provide funds to be used to expand programming in the future. An amount of \$Nil (2009 - \$60,000) was allocated to this fund during the year.

Management estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principals requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expense during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported as revenue or expense in the period in which they became known.

Financial instruments

The organization's financial instruments consist of cash, short-term investments, accounts receivable and accounts payable and accrued charges. Unless otherwise noted, it is management's opinion that the organization is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Donated services

A number of unpaid volunteers have made significant contributions of their time in the furtherance of the organization's programs. The value of this contributed time has not been included in these financial statements.

3. EQUIPMENT

	2010			2009
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Office equipment	\$ 26,724	\$ 9,068	\$ 17,656	\$ 20,435
Computer equipment	35,635	26,586	9,049	13,685
Computer software	1,613	1,613	-	277
	<u>\$ 63,972</u>	<u>\$ 37,267</u>	<u>\$ 26,705</u>	<u>\$ 34,397</u>

SARNIA - LAMBTON "REBOUND"

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Notes to the Financial Statements

For the year ended March 31, 2010

4. RESERVE FUNDS

Reserve funds are committed for the following purposes:

	<u>Balance, Beginning of Year</u>	<u>Additions</u>	<u>Transfers, Adjustments, Disbursements</u>	<u>Balance, End of Year</u>
Contingency reserve fund	\$ 153,393	\$ 2,104	\$ -	\$ 155,497
Program expansion reserve fund	60,000	-	-	60,000
	<u>\$ 213,393</u>	<u>\$ 2,104</u>	<u>\$ -</u>	<u>\$ 215,497</u>

5. GRANTS

	<u>2010</u>	<u>2009</u>
Lambton Kent District School Board	\$ 30,000	\$ 122,366
Ministry of Child and Youth Services	165,000	160,000
Ministry of the Attorney General	70,000	70,000
Ministry of Community and Social Services	10,563	-
St. Clair District School Board	74,986	134,455
Trillium Foundation – Dow Youth Centre	52,000	-
United Way	60,059	60,024
Other	135,682	43,126
	<u>\$ 598,290</u>	<u>\$ 591,971</u>

6. REPAYMENT OF PROGRAM SURPLUSES

The service contracts with the Ministry of the Attorney General, Ministry of Child and Youth Services and Ministry of Community and Social Services require the bureau to file a reconciliation report summarizing, by project code, all revenues and expenditures and identifying any resulting surplus or deficiency relating to that service contract. A review of this report shows that the project is in a balanced position as at March 31, 2010 and that there are no amounts owing to or from either Ministry.

