

STUDENT ENERGY

FINANCIAL STATEMENTS

DECEMBER 31, 2014

STUDENT ENERGY

DECEMBER 31, 2014

CONTENTS

	<u>Page</u>
MANAGEMENT RESPONSIBILITY FOR FINANCIAL REPORTING	1
INDEPENDENT AUDITOR'S REPORT	2
FINANCIAL STATEMENTS	
Statement of Financial Position	4
Statement of Operations	5
Statement of Changes in Net Assets	6
Statement of Cash Flows	7
Notes to Financial Statements	8-10

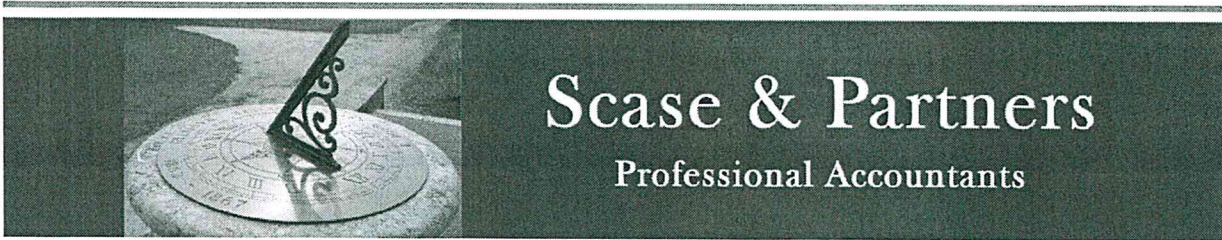
Management Responsibility for Financial Reporting

The accompanying financial statements of Student Energy are the responsibility of management and have been approved by the board of directors. The financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. Financial statements are not precise, since they include certain amounts based on estimates and judgments. Management has determined such amounts on a reasonable basis in order to ensure that the financial statements are presented fairly, in all material respects.

The board of directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The board carries out this responsibility through the development and enforcement of policies relating to the organizations financial condition, review of annual budgets, comparison of actual results to budget on a periodic basis and from the engagement of external auditors. The financial statements have been audited by Scase & Partners Professional Accountants, in accordance with Canadian generally accepted auditing standards on behalf of the board and members. Scase & Partners has full and free access to the board of directors.



Board of Directors



INDEPENDENT AUDITOR'S REPORT

To the Members of Student Energy:

We have audited the accompanying financial statements of Student Energy, which comprise the statement of financial position as at December 31, 2014, the statement of operations, statement of changes in net assets and cash flow statement 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 audit opinion.

Suite 32, 2333 18th Avenue NE, Calgary Alberta. T2E 8T6
Suite 1000, 640 – 8th Avenue SW, Calgary, Alberta T2P 1G7
Ph: 403-735-0735 Fax: 403-735-2377
www.scaseandpartners.com

Partners are members of the CGA Association of Alberta

Independent Member of  Canada

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Student Energy, as at December 31, 2014 and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

March 24, 2015
Calgary, Alberta



Professional Accountants

STUDENT ENERGY

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2014

	2014	2013
ASSETS		
CURRENT		
Cash	\$ 44,531	\$ 63,043
Accounts receivable	2,686	37,428
	47,217	100,471
PROPERTY (Note 3)	94,380	11,427
	\$ 141,597	\$ 111,898
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 16,888	\$ 18,972
Deferred contributions (Note 4)	104,817	96,351
	121,705	115,323
NET ASSETS		
UNRESTRICTED	19,886	(3,434)
SHARE CAPITAL	6	9
	19,892	(3,425)
	\$ 141,597	\$ 111,898

APPROVED ON BEHALF OF THE BOARD:

 Director

Director

The notes form an integral part of these financial statements

STUDENT ENERGY

STATEMENT OF OPERATIONS FOR THE YEAR ENDED DECEMBER 31, 2014

	2014	2013
REVENUE		
Corporate sponsorships	\$ 170,940	\$ 118,102
Grants	134,405	43,649
Licenses and program fees	18,923	
Philanthropy	6,856	60,169
Other income	2,510	1
	<hr/>	<hr/>
	333,634	221,921
EXPENDITURES		
Salaries and benefits	146,037	128,451
Facilities and equipment	57,671	
Meetings	22,502	13,041
Travel	16,864	26,360
Office and administrative	15,168	10,396
Marketing	14,621	15,220
Amortization	13,792	126
Website	9,053	3,577
Contractors and consultants	7,219	19,902
Professional fees	6,215	7,633
Insurance	1,175	960
Volunteer expenses		52
	<hr/>	<hr/>
	310,317	225,718
EXCESS (SHORTFALL) OF REVENUES OVER EXPENDITURES		
	<hr/>	<hr/>
	\$ 23,317	\$ (3,797)

The notes form an integral part of these financial statements

STUDENT ENERGY

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED DECEMBER 31, 2014

	Share Capital	Unrestricted	2014	2013
Net assets, beginning of year	\$ 9	\$ (3,434)	\$ (3,425)	\$ 366
Excess (deficiency) of revenues over expenditures		23,317	23,317	(3,797)
Adjust common shares of board members	(3)	3		6
Net assets (deficiency) end of year	\$ 6	\$ 19,886	\$ 19,892	\$ (3,425)

The notes form an integral part of these financial statements

STUDENT ENERGY

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2014

	2014	2013
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenditures	\$ 23,317	\$ (3,797)
Items not requiring an outlay of cash:		
Amortization	13,792	126
	37,109	(3,671)
CHANGES IN NON-CASH WORKING CAPITAL BALANCES		
Accounts and notes receivable	34,742	(37,428)
Accounts payable and accrued liabilities	(2,084)	10,472
	69,767	(30,627)
FINANCING ACTIVITIES		
Deferred contributions	8,467	96,351
Share capital issued		6
	8,467	96,357
INVESTING ACTIVITIES		
Purchases of property	(96,746)	(11,553)
(DECREASE) INCREASE IN CASH for the year	(18,512)	54,177
CASH, beginning of year	63,043	8,866
CASH, end of year	\$ 44,531	\$ 63,043

The notes form an integral part of these financial statements

STUDENT ENERGY

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2014

1. DESCRIPTION OF BUSINESS

Student Energy (the "Organization") is an organization with a global outlook that is creating the next generation of energy leaders committed to transitioning the world to a sustainable future. The Organization is a registered charity and was incorporated on October 6, 2011 under the Companies Act of Alberta and is not subject to tax under Section 149(1)(l) 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:

(a) Revenue recognition

The Organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

(b) Financial instruments

The Organization initially measures their financial assets and financial liabilities at fair value. They subsequently measure all of their financial assets and liabilities at amortized cost.

The financial assets measured at amortized cost include cash. The financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

(c) Donated services

Volunteers contribute significant amounts of time to the activities of the Organization without compensation. Because of the difficulty in determining the fair value of the services contributed, there has been no recognition of these services in the financial statements.

(d) Use of estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Acquittal results could differ from those estimates.

STUDENT ENERGY

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

(e) Property

Purchased property is recorded at cost. Donated property is recorded at fair market value at the date of acquisition. Amortization is provided using the straight-line method at rates designed to amortize the cost of the property over the estimated useful life. The annual amortization rate is as follows:

Website development cost	5 years
--------------------------	---------

One half the amortization is applied in the first year the property is put into use.

(f) Share capital

The Organization issued 6 common voting shares valued at \$1 each to the members of the board.

3. PROPERTY

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net 2014</u>	<u>Net 2013</u>
Website development cost	\$ 108,298	\$ 13,918	\$ 94,380	\$ 11,427

4. DEFERRED CONTRIBUTIONS

	<u>Related to Operations</u>	<u>Related to Property</u>	<u>Net 2014</u>	<u>Net 2013</u>
Beginning balance	\$ 87,318	\$ 9,033	\$ 96,351	\$
Additions	50,000		50,000	100,000
Transfers	(55,286)	55,286		
Utilizations	(32,392)	(9,142)	(41,534)	(3,649)
Ending balance	\$ 49,640	\$ 55,177	\$ 104,817	\$ 96,351

STUDENT ENERGY

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2014

5. CAPITAL MANAGEMENT

Student Energy defines available capital as its net assets and deferred contributions. The Organization's objective is to ensure that capital resources are readily available to meet its approved operating and capital expenditure programs and liabilities as they become due.

The Organization monitors its capital through the use of detailed budgets that are approved by the Board of Directors and the actual results are compared to budget on a periodic basis. Changes to the activity of the Organizations expenditures and other policy amendments are ongoing and are approved by the Board of Directors as needed.

APPROVED
TIMOTHY HENSMAN
4/29/2015

Lindsey Homan

Student Energy
Year End: December 31, 2014
Trial balance

Completed by	Reviewed by	Manager	Partner
GP 3/24/2015			DES 3/28/2015

6.3

Account	Prelim	Adj's	Reclass	Rep	Annotation	Rep 12/13	%Chg
1100 TD Checking Account	45,144.07	(14,984.87)	0.00	30,159.20	1 A200	62,041.38	(51)
1120 TD Savings Account	2,001.26	0.00	0.00	2,001.26	A451	1,001.86	100
1130 TD USD account	12,371.82	0.00	0.00	12,371.82	A452	0.00	0
1150 Unredeposited Funds	(1.00)	0.00	0.00	(1.00)	A260.1	0.00	0
A. 1	59,516.15	(14,984.87)	0.00	44,531.28		63,043.24	(29)
1200 Funds Receivable	5.00	0.00	0.00	5.00	C200	35,005.00	(100)
1215 GST Receivable - PBS Rebate	2,680.73	0.00	0.00	2,680.73	C250	2,422.70	11
C Accounts receivable	2,685.73	0.00	0.00	2,685.73		37,427.70	(93)
1600 Website	66,838.74	41,459.60	0.00	108,298.34	U200.A	11,552.81	837
1710 Website - accum amortization	(9,771.72)	(4,145.97)	0.00	(13,917.69)	U200.A	(126.00)	10946
U. 1	57,067.02	37,313.63	0.00	94,380.65		11,426.81	726
4210 Corp Contr. Non receipt eligible	(160,440.12)	0.00	0.00	(160,440.12)		(118,102.00)	36
4220 Corp contr. receipt eligible	(10,500.00)	0.00	0.00	(10,500.00)		0.00	0
695. 1	(170,940.12)	0.00	0.00	(170,940.12)		(118,102.00)	45
4500 Program income	(13,863.17)	0.00	0.00	(13,863.17)		0.00	0
4510 License & Program fees	(5,060.00)	0.00	0.00	(5,060.00)		0.00	0
695. 2	(18,923.17)	0.00	0.00	(18,923.17)		0.00	0
4610 Interest bank acct	(0.81)	0.00	0.00	(0.81)		(0.96)	(16)
4700 Misc income	(1,761.32)	0.00	0.00	(1,761.32)		0.00	0
4900 Membership	(829.98)	0.00	0.00	(829.98)		0.00	0
5318 Exchange gain loss	81.97	0.00	0.00	81.97		0.00	0
695. 3	(2,510.14)	0.00	0.00	(2,510.14)		(0.96)	1373
4100 Philanthropy	(6,856.21)	0.00	0.00	(6,856.21)		(60,169.00)	(89)
695. 4	(6,856.21)	0.00	0.00	(6,856.21)		(60,169.00)	(89)
4310 Grants Government	(15,365.40)	0.00	0.00	(15,365.40)		0.00	0
4320 Grands foundations and trusts	(120,142.91)	1,103.07	0.00	(119,039.84)		(43,649.27)	173
695. 5	(135,508.31)	1,103.07	0.00	(134,405.24)		(43,649.27)	208
5110 Accounting fees	5,125.00	0.00	0.00	5,125.00		5,173.17	(1)
5120 Legal Fees	1,089.82	0.00	0.00	1,089.82		2,459.43	(56)
740. 1	6,214.82	0.00	0.00	6,214.82		7,632.60	(19)
5190 Insurance - Liability, D and O	1,175.00	0.00	0.00	1,175.00		960.00	22
740. 2	1,175.00	0.00	0.00	1,175.00		960.00	22
5230 Staff / Volunteer Development	1,038.75	0.00	0.00	1,038.75		1,489.65	(30)
5910 Contractor Fees	6,180.39	0.00	0.00	6,180.39		18,412.50	(66)
740. 3	7,219.14	0.00	0.00	7,219.14		19,902.15	(64)
5310 Bank Fees	758.24	0.00	0.00	758.24		360.76	110
5315 Interest Charges	14.93	0.00	0.00	14.93		7.25	106
5321 Software	2,971.36	0.00	0.00	2,971.36		673.51	341
5323 File Management & Storage	121.94	0.00	0.00	121.94		465.44	(74)
5325 E-Merchant Expense	419.18	0.00	0.00	419.18		111.03	278
5330 Communication	1,700.00	0.00	0.00	1,700.00		1,200.20	42
5350 Printing and Copying	6,203.88	0.00	0.00	6,203.88		4,647.75	33
5355 Postage, Mailing Service	895.77	0.00	0.00	895.77		277.85	222
5370 Supplies	832.66	0.00	0.00	832.66		147.48	465
5385 Memberships & Dues	400.00	0.00	0.00	400.00		150.00	167

Student Energy
 Year End: December 31, 2014
 Trial balance

Completed by	Reviewed by	Manager	Partner
GP 3/24/2015			DES 3/28/2015

6. 3-1

Account	Prelim	Adj's	Reclass	Rep	Annotation	Rep 12/13	%Chg
5630 Website Maintenance	850.07	0.00	0.00	850.07		1,690.29	(50)
740. 4	15,168.03	0.00	0.00	15,168.03		9,731.56	56
4770 Networking Event	90.02	0.00	0.00	90.02		42.00	114
5360 Meeting	4,349.66	0.00	0.00	4,349.66		1,032.41	321
5390 Fundraising fees	0.39	0.00	0.00	0.39		97.53	(100)
5450 Rent, Parking, Utilities	29,061.65	(11,000.00)	0.00	18,061.65		11,868.80	52
740. 5	33,501.72	(11,000.00)	0.00	22,501.72		13,040.74	73
5220 Volunteer and staff training expens	0.00	0.00	0.00	0.00		52.44	(100)
740. 7	0.00	0.00	0.00	0.00		52.44	(100)
5710 Branding Material	179.37	0.00	0.00	179.37		3,410.00	(95)
5720 Social Media	141.26	0.00	0.00	141.26		1,050.46	(87)
5730 Advertisements web	415.59	0.00	0.00	415.59		0.00	0
5740 Advertising Print	183.75	0.00	0.00	183.75		0.00	0
5750 Media (Photos/Video/Music)	4,558.16	0.00	0.00	4,558.16		4,027.78	13
5760 Promotion Material	7,719.98	0.00	0.00	7,719.98		2,414.01	220
5790 Prizes and Gifts	1,422.78	0.00	0.00	1,422.78		4,317.43	(67)
740. 8	14,620.89	0.00	0.00	14,620.89		15,219.68	(4)
5324 Email	0.00	0.00	0.00	0.00		476.95	(100)
5810 Transportation	11,106.12	0.00	0.00	11,106.12		22,642.88	(51)
5820 Accomodations	5,474.70	0.00	0.00	5,474.70		3,106.47	76
5830 Meals	282.88	0.00	0.00	282.88		584.12	(52)
740. 9	16,863.70	0.00	0.00	16,863.70		26,810.42	(37)
5210 Staff Payroll	136,062.50	0.00	0.00	136,062.50	730	123,158.48	10
5250 CPP Expense	5,901.28	0.00	0.00	5,901.28	730	3,223.91	83
5255 EI Expense	3,333.13	0.00	0.00	3,333.13	730	1,829.75	82
5260 Misc CRA Payroll Fees	739.77	0.00	0.00	739.77	2	239.34	209
740.11	146,036.68	0.00	0.00	146,036.68		128,451.48	14
5610 Web Design	35,289.73	(26,474.73)	0.00	8,815.00		1,750.00	404
5620 Web Development	238.32	0.00	0.00	238.32		1,826.88	(87)
740.12	35,528.05	(26,474.73)	0.00	9,053.32		3,576.88	153
5840 Other Travel Expenses	0.00	0.00	0.00	0.00		26.25	(100)
5970 Amortization	9,645.72	4,145.97	0.00	13,791.69	U200a	126.00	10846
740.13	9,645.72	4,145.97	0.00	13,791.69		152.25	8959
5430 Equipment rental and maintenance	46,671.21	11,000.00	0.00	57,671.21		187.91	30591
740.14	46,671.21	11,000.00	0.00	57,671.21		187.91	30591
2080 Source deductions payable	(0.12)	0.00	0.00	(0.12)		0.00	0
2100 Accounts Payable	(17,314.33)	0.00	0.00	(17,314.33)	CC200	(13,774.38)	26
2300 Accrued Liabilities	0.00	0.00	0.00	0.00	3	(5,200.00)	(100)
2510 GST/HST payable	425.44	0.00	0.00	425.44	C250	0.00	0
CC Accounts payable and accrued li	(16,889.01)	0.00	0.00	(16,889.01)		(18,974.38)	(11)
2600 Unearned/deferred revenue	(48,537.14)	(1,103.07)	0.00	(49,640.21)	MM200	0.00	0
MM. 1	(48,537.14)	(1,103.07)	0.00	(49,640.21)		0.00	0
2850 Deferred revenue from grants oper	(55,177.03)	0.00	0.00	(55,177.03)	MM200	(9,032.81)	511
MM. 2	(55,177.03)	0.00	0.00	(55,177.03)		(9,032.81)	511

Student Energy

Year End: December 31, 2014

Trial balance

Completed by	Reviewed by	Manager	Partner
GP 3/24/2015			DES 3/28/2015

6. 3-2

Account	Prelim	Adj's	Reclass	Rep	Annotation	Rep 12/13 %Chg
2855 Deferred revenue from grants capit:	0.00	0.00	0.00	0.00		(87,317.92) (100)
MM. 3	0.00	0.00	0.00	0.00		(87,317.92) (100)
3130 Unrestricted Net Assets	3,436.27	(3.00)	0.00	3,433.27 ⁴		(360.52) (1052)
UU Equity	3,436.27	(3.00)	0.00	3,433.27		(360.52) (1052)
3200 Shareholder Equity	(9.00)	3.00	0.00	(6.00)		(9.00) (33)
UU. 2 Share capital	(9.00)	3.00	0.00	(6.00)		(9.00) (33)
	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>		<u>0.00</u> <u>0</u>
Net Income (Loss)	2,092.99			23,318.68		(3,796.88) (714)

1. There's outstanding cheques not booked by client.

2. payroll service fees

3. Audit fee is in acct 2100 this year. Set up by client, agrees to PY and minutes from meetings.

4. The trial balance in CW last year was out slightly from what was used to prepare 2013 financials -- see UU2 for the changes keyed into 2013 CW trial balance

Student Energy

Year End: December 31, 2014

Adjusting journal entries

Date: 1/1/2014 To 12/31/2014

Completed by	Reviewed by	Manager	Partner
GP 3/24/2015			DES 3/28/2015

6.4

Number	Date	Name	Account No	Reference Annotation	Debit	Credit	Recurrence	Misstatement
1	12/31/2014	Unrestricted Net Assets	3130	6.4A		3.00		
1	12/31/2014	Shareholder Equity	3200	6.4A	3.00			
to adjust shares held by board members								
2	12/31/2014	Unearned/deferred revenue	2600	6.4A		1,103.07		
2	12/31/2014	Grands foundations and trusts	4320	6.4A	1,103.07			
To correct deferred related to operations								
3	12/31/2014	Website	1600	6.4A	26,474.73			
3	12/31/2014	Web Design	5610	6.4A		26,474.73		
To move costs from Make Creative to website cost								
4	12/31/2014	Website - accum amortization	1710	6.4A		4,145.97		
4	12/31/2014	Amortization	5970	6.4A	4,145.97			
To record additional amortization on capitalized items from JE 3								
5	12/31/2014	Equipment rental and maintenance	5430	6.4A	11,000.00			
5	12/31/2014	Rent, Parking, Utilities	5450	6.4A		11,000.00		
To move africa venue cost to appropriate account								
8	12/31/2014	TD Checking Account	1100	A450. 1		14,984.87		
8	12/31/2014	Website	1600	A450. 1	14,984.87			
To record invoice for website received and paid in Dec 2014								
					57,711.64	57,711.64		
Net Income (Loss)			23,318.68					

These adjusting entries have been reviewed and approved for entry into the internal records of the organization.

Timothy Hensman

Name

TIMOTHY HENSMAN

4/29/2015

Date