

YOUTH ASSISTING YOUTH
FINANCIAL STATEMENTS
MARCH 31, 2019



Independent Auditor's Report

To the Directors of
Youth Assisting Youth

Qualified Opinion

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the financial statements present fairly, in all material respects, the financial position of Youth Assisting Youth as at March 31, 2019 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.

Basis for Qualified Opinion

Youth Assisting Youth derives a material amount of revenue from donations and fundraising activities. I was not able to obtain sufficient appropriate audit evidence about the completeness of the reported amounts for donation and fundraising revenue, revenue in excess of expenditure and changes to net assets because there is no direct relationship between assets or services given up in exchange for amounts received or receivable. Consequently, I was unable to determine whether any adjustments to these amounts were necessary.

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the organization in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, 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.

In preparing the financial statements, management is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization's financial reporting process.

Independent Auditor's Report

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- ♦ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ♦ Obtain an understanding of internal control relevant to the audit 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 organization's internal control.
- ♦ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ♦ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.
- ♦ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.




Youth Assisting Youth

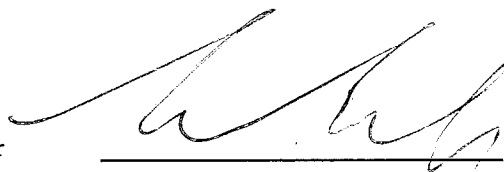
Statement of Financial Position

As at March 31, 2019

	2019	2018
Assets		
Current		
Cash	\$ 198,099	\$ 102,218
Funding receivable	84,113	7,907
Prepaid expenses	9,787	14,846
HST receivable	11,408	28,660
Total current	303,407	153,631
Investments (note 3)	7,518	6,479
Property, plant and equipment (note 4)	10,630	14,379
Total assets	\$ 321,555	\$ 174,489
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 135,392	\$ 114,699
Deferred revenue (note 5)	62,209	47,090
Total liabilities	197,601	161,789
Commitment (note 6)		
Net assets		
Net assets	123,954	12,700
Total liabilities and net assets	\$ 321,555	\$ 174,489

Approved on behalf of the Board


Director


Director

See accompanying notes

Youth Assisting Youth

Statement of Changes in Net Assets

For the year ended March 31, 2019

	2019	2018
Balance, beginning of year	\$ 12,700	\$ 120,553
Excess (deficiency) of revenue over expenditures	111,254	(107,853)
Balance, end of year	\$ 123,954	\$ 12,700

See accompanying notes

Youth Assisting Youth

Statement of Operations

For the year ended March 31, 2019

	2019	%	2018	%
Revenue				
Government-Federal	\$ 493,517	35.1	\$ 395,031	32.2
Government-Provincial	76,969	5.5	73,548	6.0
Government-Municipal	124,606	8.9	113,282	9.2
Foundations	318,500	22.7	309,500	25.2
United Way of Greater Toronto	193,622	13.8	193,622	15.8
Donations in-kind	15,950	1.1	6,632	0.5
Corporations	72,738	5.2	47,558	3.9
Fundraising	58,835	4.2	49,841	4.1
Service clubs	500		7,500	0.6
Miscellaneous	7,751	0.6	13,172	1.1
Individual donations	41,262	2.9	17,250	1.4
Total revenue	1,404,250	100.0	1,226,936	100.0
Expenditures				
Publicity and promotion	5,576	0.4	3,605	0.3
Amortization	4,918	0.4	7,534	0.6
Computer	10,063	0.7	10,789	0.9
Consulting fees	65,808	4.7	49,620	4.0
Fundraising	31,169	2.2	24,946	2.0
Operating and administration	42,470	3.0	43,373	3.5
Donations in-kind	15,950	1.1	6,632	0.5
Program	65,620	4.7	72,678	5.9
Occupancy	128,683	9.2	155,352	12.7
Salaries, wages and benefits	903,739	64.4	937,937	76.4
Travel	20,039	1.4	20,534	1.7
Total expenditures	1,294,035	92.2	1,333,000	108.6
Excess (deficiency) of revenue over expenditures before undernoted item	110,215	7.8	(106,064)	(8.6)
Other income (expense)				
Gain (loss) on marketable securities	1,039	0.1	(1,789)	(0.1)
Excess (deficiency) of revenue over expenditures	\$ 111,254	7.9	\$ (107,853)	(8.8)

See accompanying notes

Youth Assisting Youth

Statement of Cash Flows

For the year ended March 31, 2019

	2019	2018
Operating activities		
Excess (deficiency) of revenue over expenditures	\$ 111,254	\$ (107,853)
Adjustments for		
Amortization	4,918	7,534
(Gain) loss on marketable securities	(1,039)	1,789
	115,133	(98,530)
Change in non-cash working capital items		
Funding receivable	(76,206)	28,192
Prepaid expenses	5,059	-
HST receivable	17,252	1,665
Accounts payable and accrued liabilities	20,693	12,618
Deferred revenue	15,119	18,006
	97,050	(38,049)
Investing activity		
Purchase of property, plant and equipment	(1,169)	(2,669)
Increase (decrease) in cash	95,881	(40,718)
Cash, beginning of year	102,218	142,936
Cash, end of year	\$ 198,099	\$ 102,218

See accompanying notes

Youth Assisting Youth

Notes to the Financial Statements

March 31, 2019

1. Organization

Youth Assisting Youth is incorporated under The Corporations Act of the Province of Ontario as a corporation without Share Capital. The organization is a voluntary community organization committed to promoting the healthy growth and development of young people, strengthening families and responding to and supporting changing community needs.

The organization is classified as a registered charity under the Income Tax Act and as such is not subject to income tax provided certain disbursement requirements are met.

2. Significant accounting policies

The organization applies the Canadian accounting standards for not-for-profit organizations.

(a) Fund accounting deferred

The organization follows the deferral method of accounting for contributions which includes grants and donations.

Restricted contributions are recognized as revenue in the year in which the related expense is incurred or the related capital assets are amortized. 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.

Revenue from individual donations and fund raising projects are recognized in the period in which they are received.

(b) Investments

Investments are recorded at fair value. Unrealized gains and losses as a result of fair value adjustments at year end are included in investment income for the year.

(c) Property, plant and equipment

Property, plant and equipment are recorded at cost and are being amortized over their estimated useful lives. The annual amortization rates are as follows:

Office equipment	20%
Computer equipment	30%
Computer software	55%

(d) Management estimates

The preparation of financial statements in conformity 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 and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Youth Assisting Youth

Notes to the Financial Statements

March 31, 2019

2. Significant accounting policies, continued

(e) Financial instruments

(i) Measurement of financial instruments

The organization initially measures its financial assets and liabilities at fair value .

The organization subsequently measures all its financial assets and financial liabilities at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in excess (deficiency) of revenue over expenditures in the period incurred.

Financial assets measured at amortized cost on a straight line basis include cash, accounts receivable and prepaid expense.

Financial liabilities measured at amortized cost on a straight-line basis include accounts payable and deferred revenue.

Financial assets measured at fair value include investments.

(ii) Impairment

For financial assets measured at cost or amortized cost, the organization determines whether there are indications of possible impairment. When there is an indication of impairment, and the organization determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in excess (deficiency) of revenue over expenditures. A previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may not be greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in excess (deficiency) of revenue over expenditures.

(iii) Transaction costs

Transaction costs related to financial instruments that will be subsequently measured at fair value are recognized in net income in the period incurred. Transaction costs related to financial instruments subsequently measured at amortized cost are included in the original cost of the asset or liability and recognized in net income over the life of the instrument using the straight-line method.

(iv) Financial instrument risks

Unless otherwise noted it is management's opinion that the organization is not exposed to significant interest, currency, market, liquidity or credit risks arising from these financial instruments.

Youth Assisting Youth

Notes to the Financial Statements

March 31, 2019

3. Investments

	2019		2018	
	Market	Cost	Market	Cost
Long term investments	\$ 7,518	\$ 3,030	\$ 6,479	\$ 3,030

4. Property, plant and equipment

	2019			
	Cost	Accumulated amortization	Net	
Office equipment	\$ 5,821	\$ 2,468	\$ 3,353	
Computer equipment	21,024	15,273	5,751	
Computer software	48,397	46,871	1,526	
	\$ 75,242	\$ 64,612	\$ 10,630	
	2018			
	Cost	Accumulated amortization	Net	
Office equipment	\$ 5,821	\$ 1,630	\$ 4,191	
Computer equipment	19,855	13,058	6,797	
Computer software	48,397	45,006	3,391	
	\$ 74,073	\$ 59,694	\$ 14,379	

5. Deferred revenue

	2019		2018	
Balance, at beginning of year	\$ 47,090	\$ 29,084		
Additions	496,435	312,079		
Revenue Recognized	(479,033)	(289,485)		
Amortization	(2,283)	(4,588)		
	\$ 62,209	\$ 47,090		

Youth Assisting Youth

Notes to the Financial Statements

March 31, 2019

6. Commitment

The organization's commitment for future minimum annual operating lease obligations in relation to the premises, is as follows:

2020	\$	53,909
2021		55,676
2022		56,560
2023		56,560
2024		28,280
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		\$ 250,985

7. Financial instruments

Financial instruments consist of recorded amounts of funding receivable and investments which will result in future cash receipts, as well as accounts payable and accrued liabilities which will result in future cash outlays.

The organization is exposed to the following risks in respect of certain of the financial instruments held:

(a) Fair value

The organization's financial instruments include cash, funding receivable, investments and accounts payable and accrued liabilities. The carrying value of these instruments approximates their fair value due to their short-term maturities. There has been no change to this risk exposure from 2018.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. There has been no change to this risk exposure from 2018.

(c) Credit risk

Credit risk is the risk that a counterparty will fail to perform its obligations when they come due. The organization is exposed to credit risk on Funding receivable. The organization does not have significant Funding receivable exposure to any individuals, and the funding receivable balance is due from government agencies and reputable Canadian financial institutions. There has been no change to this risk exposure from 2018.

(d) Liquidity risk

Liquidity risk is the risk that the organization will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The organization's objective is to have sufficient liquidity to meet its liabilities when they come due. The organization monitors its cash balances and cash flows generated from operations to meet its requirements. As of March 31, 2019, the most significant financial liabilities are Accounts payable and accrued liabilities and Deferred revenue. There has been no change to this risk exposure from 2018.

Youth Assisting Youth

Notes to the Financial Statements

March 31, 2019

8. Comparative amounts

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year earnings.