



## Financial Statements

Toronto Youth for Christ  
(operating as Youth Unlimited)

June 30, 2021

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We 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 we identify during our audit.



Toronto, Canada



Chartered Professional Accountants  
Licensed Public Accountants



**Toronto Youth For Christ**  
(operating as Youth Unlimited)  
**Statement of Financial Position**

As at June 30

	Operating Fund	Property Fund	Restricted Funds	2021 Total	2020 Total
<b>Assets</b>					
<b>Current</b>					
Cash	\$ 290,682	\$ 105,578	\$ 852,572	\$ 1,248,832	\$ 1,202,808
Accounts receivable	76,439	-	-	76,439	117,088
Prepaid expenses	<u>26,122</u>	<u>-</u>	<u>-</u>	<u>26,122</u>	<u>57,355</u>
	393,243	105,578	852,572	1,351,393	1,377,251
<b>Long-term</b>					
Investments (Note 3)	-	-	2,093,189	2,093,189	1,607,698
Property and equipment (Note 4)	<u>-</u>	<u>347,899</u>	<u>-</u>	<u>347,899</u>	<u>402,583</u>
	<u>\$ 393,243</u>	<u>\$ 453,477</u>	<u>\$ 2,945,761</u>	<u>\$ 3,792,481</u>	<u>\$ 3,387,532</u>
<b>Liabilities</b>					
<b>Current</b>					
Accounts payable and accrued liabilities	\$ 73,968	\$ -	\$ -	\$ 73,968	\$ 91,866
<b>Fund balances</b>					
Unrestricted	319,275	-	-	319,275	32,776
Invested in property and equipment	-	347,899	-	347,899	402,583
Internally restricted – property and equipment	-	105,578	-	105,578	80,348
Internally restricted (Schedule 2)	-	-	930,885	930,885	942,716
Externally restricted (Schedule 2)	<u>-</u>	<u>-</u>	<u>2,014,876</u>	<u>2,014,876</u>	<u>1,837,243</u>
	319,275	453,477	2,945,761	3,718,513	3,295,666
	<u>\$ 393,243</u>	<u>\$ 453,477</u>	<u>\$ 2,945,761</u>	<u>\$ 3,792,481</u>	<u>\$ 3,387,532</u>

Commitments (Note 6)

On behalf of the Board of Directors

[Redacted Signature]

Director

[Redacted Signature]

Director

See accompanying notes and schedules to the financial statements.

# Toronto Youth For Christ

(operating as Youth Unlimited)

## Statement of Activities and Changes in Fund Balances

Year ended June 30

	Operating Fund	Property Fund	Restricted Funds	2021 Total	2020 Total
<b>Revenue</b>					
Operations (Schedule 1)	\$ 808,311	\$ -	\$ -	\$ 808,311	\$ 1,016,692
Gifts in kind (Schedule 1)	235,849	-	-	235,849	222,913
Unrealized gain on investments (Schedule 1)	223,871	-	-	223,871	-
Program contributions (Schedule 2)	-	-	4,411,748	4,411,748	4,214,181
Capital contributions	-	2,510	-	2,510	25,767
	<u>1,268,031</u>	<u>2,510</u>	<u>4,411,748</u>	<u>5,682,289</u>	<u>5,479,553</u>
<b>Expenditures</b>					
Operations (Schedule 1)	612,907	-	-	612,907	854,409
Gifts in kind (Schedule 1)	235,849	-	-	235,849	222,913
Program expenses (Schedule 2)	-	-	4,328,722	4,328,722	3,852,574
Unrealized loss on investment (Schedule 1)	-	-	-	-	129,507
Loss on disposal of property and equipment	-	-	-	-	46,658
Amortization	-	81,964	-	81,964	56,745
	<u>848,756</u>	<u>81,964</u>	<u>4,328,722</u>	<u>5,259,442</u>	<u>5,162,806</u>
Excess (deficiency) of revenue over expenditures before transfers	<u>419,275</u>	<u>(79,454)</u>	<u>83,026</u>	<u>422,847</u>	<u>316,747</u>
Fund balances, beginning of year	<u>32,776</u>	<u>482,931</u>	<u>2,779,959</u>	<u>3,295,666</u>	<u>2,978,919</u>
<b>Fund transfers</b>					
Operating fund transfer to support property and equipment purchases	(50,000)	50,000	-	-	-
Transfer to the internally restricted funds	(82,776)	-	82,776	-	-
	<u>(132,776)</u>	<u>50,000</u>	<u>82,776</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ 319,275</u>	<u>\$ 453,477</u>	<u>\$ 2,945,761</u>	<u>\$ 3,718,513</u>	<u>\$ 3,295,666</u>

See accompanying notes and schedules to the financial statements.

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# Toronto Youth For Christ

(operating as Youth Unlimited)

## Statement of Cash Flows

Year ended June 30	2021	2020
Increase (decrease) in cash		
<b>Operating</b>		
Excess of revenue over expenditures	\$ 422,847	\$ 316,747
Items not affecting cash		
Amortization	81,964	56,745
Capital assets disposition	-	46,658
Donated van	-	(43,278)
Unrealized (gain) loss on investments	(223,871)	93,078
	<u>280,940</u>	<u>469,950</u>
Change in non-cash working capital items		
Accounts receivable	40,649	4,825
Prepaid expenses	31,233	(5,395)
Accounts payable and accrued liabilities	(17,898)	(122)
	<u>53,984</u>	<u>(692)</u>
	<u>334,924</u>	<u>469,258</u>
<b>Investing</b>		
Purchase of property and equipment	(27,280)	(291,359)
Purchase of investments	(997,312)	(823,599)
Proceeds on disposition of investments	735,692	1,118,363
	<u>(288,900)</u>	<u>3,405</u>
Increase in cash	46,024	472,663
<b>Cash</b>		
Beginning of year	<u>1,202,808</u>	<u>730,145</u>
End of year	<u>\$ 1,248,832</u>	<u>\$ 1,202,808</u>

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# Toronto Youth For Christ

(operating as Youth Unlimited)

## Notes to the Financial Statements

June 30, 2021

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### 1. Purpose and governing statutes

Toronto Youth for Christ (operating as Youth Unlimited) ("TYFC") is a charitable organization committed to helping young people attain their full potential by providing caring people to whom they can turn.

TYFC is incorporated under the Canada Not-for-profit Corporations Act. It is a not-for-profit corporation subject to the Charities Accounting Act and the Charitable Gifts Act. TYFC is a registered charity within the meaning of the Income Tax Act (Canada) and, as such, is exempt from income taxes.

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### 2. Summary of significant accounting policies

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO"), the more significant of which are outlined below.

#### **Fund accounting**

Separate funds are maintained to account for and to report on the separate activities or objectives as determined by resolution of the Board of Directors (the "Board") or by donors (within TYFC's mandate). It is the policy of TYFC that donor restricted funds may not be utilized, or borrowed from, to finance general operations. For financial reporting purposes, the funds have been grouped into the following categories:

#### *Operating fund*

The operating fund is a ministry in itself since it supports all of the other ministries in the organization including fundraising, human resources, facilities, information systems and general office activities. The results of the operating fund have been detailed in Schedule 1.

#### *Property fund*

The property fund reflects revenue and expenditures to purchase property and equipment and amortization and related charges as the property and equipment are used.

#### *Internally restricted funds*

These include the following Board restricted funds:

#### Contingency Reserves

This fund is established as part of the capital management of TYFC. The amount is based on an estimate of 6 to 12 months future operating expenses.

#### New Initiatives

These funds are held for the development of new programs or capacity building.

#### Open Hearts

These funds are set aside to assist staff and programs.

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# **Toronto Youth For Christ**

(operating as Youth Unlimited)

## **Notes to the Financial Statements**

June 30, 2021

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### **2. Summary of significant accounting policies (continued)**

#### **Fund accounting (continued)**

##### *Internally restricted funds (continued)*

##### Special Projects

These funds are for projects relating to the mentoring and coaching of senior TYFC staff in Toronto and across Canada.

##### *Externally restricted funds*

The externally restricted funds include donor restricted funds consisting of: (1) deputations, which includes the revenue and expenditures of the individual workers of TYFC, and (2) the various programs and ministries that TYFC is operating and/or developing. These programs and ministries fall into four general categories of focus: (1) community outreach, (2) marketplace initiatives, (3) training and equipping, and (4) specialized initiatives.

#### **Interfund transfers**

Transfers between funds are recorded when the Board approves the use of unrestricted resources for specific purposes or when a project fund is closed due the conclusion of a project and remaining resources are transferred to another fund with a similar purpose; given the nature of the externally restricted funds, the mandates of funds can overlap.

#### **Revenue recognition**

TYFC follows the restricted fund method of accounting for contributions. Unrestricted contributions are recognized as revenue of the operating fund in the fiscal year received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured. All externally restricted contributions are recorded in the appropriate externally restricted fund in the fiscal year received or receivable, if collectability is reasonably assured. In the rare circumstance that externally restricted contributions are received where the restriction does not correspond to a restricted fund, the contribution is deferred and recognized in revenue in a manner consistent with the related expense. Investment income are recognized as earned. Canada Emergency Wage Subsidy ("CEWS") is government assistance and is recognized in the statement of operations and changes in fund balances when received or receivable in the year to which it relates.

#### **Contributed goods and services**

Contributed goods and capital donations are recorded in the accounts at fair market value as at the date of contribution when such value is easily determinable. Contributed services are not recognized in these financial statements due to the difficulty in determining their fair value.

#### **Financial instruments**

TYFC considers any contract creating a financial asset, liability or equity instrument as a financial instrument. TYFC's financial instruments are comprised of cash, investments, accounts receivable, and accounts payable. Financial assets or liabilities are initially measured at their fair value and subsequently measured at amortized cost except for investments, which is subsequently measured at fair value. Unrealized gains and losses arising from the change in fair value of the investments are recorded in excess (deficiency) of revenue over expenditures.



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# Toronto Youth For Christ

(operating as Youth Unlimited)

## Notes to the Financial Statements

June 30, 2021

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### 2. Summary of significant accounting policies (continued)

#### Property and equipment

Property and equipment are recorded in the property fund at cost and are amortized over their estimated useful life using the following annual rates and methods:

Vehicles	3 years straight-line
Computer equipment	3 years straight-line
Furniture and equipment	10 years straight-line

Leasehold improvements are amortized over the life of the lease.

Property and equipment are tested for impairment when events or changes in circumstances indicate that an asset might be impaired. The assets are tested for impairment by comparing the net carrying value to their fair value or replacement cost. If the asset's fair value or replacement cost is determined to be less than its net carrying value, the resulting impairment is reported in the statement of activities. Any impairment recognized is not reversed.

#### Use of estimates

Management reviews the carrying amounts of items in the financial statements at each statement of financial position date to assess the need for revision or any possibility of impairment. Certain items in the preparation of these financial statements require management's best estimate. Management determines these estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action.

These estimates are reviewed periodically and adjustments are made to excess (deficiency) of revenue over expenditures as appropriate in the fiscal year they become known.

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### 3. Investments

	<u>2021</u>	<u>2020</u>
Equities	\$ 1,267,889	\$ 1,174,266
Fixed income	<u>825,300</u>	<u>433,432</u>
	<u>\$ 2,093,189</u>	<u>\$ 1,607,698</u>

Fixed income investments consist of fixed income pooled funds (2020 -- two GICs earning interest at 1.85% and 1.90% maturing May 2021 and fixed income pooled funds).

# Toronto Youth For Christ

(operating as Youth Unlimited)

## Notes to the Financial Statements

June 30, 2021

### 4. Property and equipment

			<u>2021</u>	<u>2020</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Vehicles	\$ 195,417	\$ 167,163	\$ 28,254	\$ 61,775
Computer equipment	124,749	111,302	13,447	16,065
Furniture and equipment	290,441	237,995	52,446	50,396
Leasehold improvements – [REDACTED] Office	281,547	27,795	253,752	274,347
	<u>\$ 892,154</u>	<u>\$ 544,255</u>	<u>\$ 347,899</u>	<u>\$ 402,583</u>

### 5. Financial instruments

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of the financial statements in assessing the extent of risk related to financial instruments. There have been no significant changes to the risks from the prior year.

#### Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to meet its obligation. TYFC's main credit risks relate to its accounts receivable.

This risk is mitigated by TYFC through ensuring revenue is derived from qualified sources and providing for an allowance for doubtful accounts when appropriate. At June 30, 2021, the allowance for doubtful accounts in relation to accounts receivable is \$Nil (2020 - \$Nil).

#### Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. TYFC is exposed to liquidity risk with respect to its accounts payable.

TYFC reduces its exposure to liquidity risk related to accounts payable by ensuring that it documents when authorized payments are due and maintaining adequate cash reserves to meet obligations.

Included in accounts payable and accrued liabilities are government remittances owing of \$15,709 (2020 - \$8,245) in relation to government remittances payable.

#### Interest rate price risk

Interest rate price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. TYFC is exposed to interest rate price risk with respect to investments with fixed interest rates.

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# Toronto Youth For Christ

(operating as Youth Unlimited)

## Notes to the Financial Statements

June 30, 2021

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### 5. Financial instruments (continued)

#### Other risks

It is management's opinion that TYFC is not exposed to significant currency or other risks arising from its financial instruments.

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### 6. Commitments

TYFC is committed under an operating lease for the rental of property to May 31, 2030. Minimum lease payments required over the next five fiscal years are as follows:

2022	\$ 120,000
2023	120,000
2024	120,000
2025	120,000
2026	120,000

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### 7. Comparative amounts

Certain comparative amounts have been reclassified from those previously presented to conform to the presentation in the 2021 financial statements.

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### 8. COVID-19

The outbreak of a novel strain of coronavirus ("COVID-19") was declared a global pandemic by the World Health Organization in March 2020. COVID-19 has severely impacted many economies around the globe. In many countries, including Canada, organizations were forced to cease or limit operations for long periods of time. Measures taken to contain the spread of the virus including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to economies worldwide, resulting in an economic slowdown. Global stock markets have also experienced significant volatility. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of TYFC for future periods. As at the audit report date, donations have remained relatively consistent. Nevertheless, TYFC remains committed to adjusting its expenditures as necessary to ensure its long-term sustainability.

# Toronto Youth For Christ

(operating as Youth Unlimited)

## Schedule 1 – Schedule of Operating Fund Activities

Year ended June 30	2021	2020
<b>Revenue</b>		
Canada Emergency Wage Subsidy ("CEWS")	\$ -	\$ 277,952
Church	10,387	4,205
Corporate	49,070	46,329
Direct mail	19,310	18,722
Dividends	63,318	62,876
Foundations	66,373	143,574
General income	318,036	202,180
Golf tournament	91,154	96,275
Government grant	18,328	20,635
Realized gain on investments	41,277	36,429
Reception	131,058	107,515
	<u>808,311</u>	<u>1,016,692</u>
Gifts in kind	235,849	222,913
Unrealized gain on investments	223,871	-
	<u>1,268,031</u>	<u>1,239,605</u>
<b>Expenditures</b>		
Audit and legal	12,712	10,036
Bank charges	16,850	15,244
Board meetings	592	1,731
Chapter contributions	5,220	4,910
Communication	22,899	18,771
Development	213	1,171
Equipment leasing and maintenance	10,049	9,870
Established ministries and staff	18,000	276,478
Golf tournament	28,326	4,842
Insurance	18,939	14,337
Investment fees	21,292	21,619
Ministry resources	12,311	15,013
Office and general	16,394	10,422
Postage and courier	9,313	10,405
Reception	24,035	50,615
Rent	113,987	99,109
Telephone	3,690	3,590
Training and human resources	35,773	46,126
Travel and promotion	643	4,483
Staff support	43,146	40,298
Wages and benefits	192,079	194,411
Web and internet	6,444	928
	<u>612,907</u>	<u>854,409</u>
Gifts in kind	235,849	222,913
Unrealized loss on investments	-	129,507
	<u>848,756</u>	<u>1,206,829</u>
Excess of revenue and over expenditures before transfers	<u>419,275</u>	<u>32,776</u>
<b>Transfers</b>		
Property fund	(50,000)	-
New initiatives	(50,000)	(36,907)
Contingency reserve	(32,776)	-
	<u>(132,776)</u>	<u>(36,907)</u>
Fund balance, beginning of year	<u>32,776</u>	<u>36,907</u>
Fund balance, end of year	<u>\$ 319,275</u>	<u>\$ 32,776</u>

# Toronto Youth For Christ

(operating as Youth Unlimited)

## Schedule 2 – Schedule of Restricted Funds Activities

Year ended June 30, 2020

	Balance June 30, 2020	Contributions and other revenue	Expenses	Transfers in (out)	Balance June 30, 2021
<b>Internally restricted funds</b>					
Contingency reserve	\$ 407,870	\$ -	\$ -	\$ 61,719	\$ 469,589
New Initiatives	501,368	16,143	(112,065)	50,000	455,446
Open hearts	-	5,850	-	-	5,850
Special projects	33,478	-	(4,535)	(28,943)	-
	<u>942,716</u>	<u>21,993</u>	<u>(116,600)</u>	<u>82,776</u>	<u>930,885</u>
<b>Externally restricted funds</b>					
BECC specialized internships	20,144	-	-	-	20,144
Bless Up	-	-	(541)	-	(541)
Brampton	22,334	-	-	-	22,334
Brampton Start-up	9,000	-	-	-	9,000
Brampton Stepping Stone	80,909	380,558	(348,512)	-	112,955
Bridletown	13,188	17,505	(14,959)	-	15,734
Church and Family Resources	11,944	3,400	(2,483)	-	12,861
Compassion Series	64,577	31,328	(31,103)	-	64,802
Deputations	887,665	3,056,572	(2,883,750)	-	1,060,487
Development [REDACTED]	5,010	-	(200)	(200)	4,610
Downsview	278	1,930	(12,098)	-	(9,890)
Doxa	38,830	106,362	(107,854)	(50)	37,288
Frontiers	10,050	-	-	(8,882)	1,168
Good Samaritan	-	20,200	(701)	-	19,499
Hope in [REDACTED]	44,053	35,670	(29,645)	4,382	54,460
Internship	-	35,305	(18,570)	-	16,735
Iron Fruits	5,799	-	(256)	-	5,543
[REDACTED] Central	12,589	16,194	(20,570)	23,897	32,110
Launch	31,019	22,695	(13,001)	200	40,913
Light Patrol	70,941	85,190	(96,499)	-	59,632
North York Module	43,369	-	(19,447)	(23,922)	-
Onwards	8,244	-	(4,062)	(4,182)	-
Oshawa	1,494	4,808	(3,133)	-	3,169
Project Serve	4,977	1,391	(3,782)	-	2,586
Rahab	58,820	83,993	(93,664)	-	49,149
Rerouted	27,769	56,674	(58,940)	-	25,503
Shop Vehicle Program	48,088	276,540	(257,396)	(2,000)	65,232
[REDACTED]	1,874	4,767	(3,522)	150	3,269
South Central Etobicoke	36,375	57,829	(49,006)	(275)	44,923
Staff Assistance	240,927	35,749	(100,343)	10,882	187,215
Today's teens	(10,496)	20,800	(13,817)	-	(3,513)
Willowdale	452	120	-	-	572
Young Parents	47,020	34,175	(24,268)	-	56,927
	<u>1,837,243</u>	<u>4,389,755</u>	<u>(4,212,122)</u>	<u>-</u>	<u>2,014,876</u>
	<u>\$ 2,779,959</u>	<u>\$ 4,411,748</u>	<u>\$(4,328,722)</u>	<u>\$ 82,776</u>	<u>\$ 2,945,761</u>