

Y.E.S.S. - YOUTH EMERGENCY SHELTER SOCIETY

OF EDMONTON

FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019
AND
INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

To the Members of **Y.E.S.S. - Youth Emergency Shelter Society of Edmonton:**

Qualified Opinion

We have audited the financial statements of **Y.E.S.S. - Youth Emergency Shelter Society of Edmonton o/a Youth Empowerment & Support Services** (the Entity), which consist of the statement of financial position at March 31, 2019 and statements of changes in net assets, operations and of cash flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies.

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity 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

In common with many charitable organizations, the Society derives revenue from donations and fundraising events, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of this revenue was limited to the amounts recorded in the records of the Society and we were not able to determine whether any adjustment might be necessary to revenue, excess of revenue, assets and net assets.

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

Emphasis of Matter

We draw attention to Note 11 of the financial statements which describes the Entity's ability to continue as a going concern.

Information other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 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.

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our 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 our 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, we exercise professional judgment and maintain professional skepticism throughout the audit. We 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 our 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 Entity'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 audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity 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.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Edmonton, Alberta
June 18, 2019

Yaremchuk & Annicchiarico LLP
Chartered Professional Accountants


Y.E.S.S. - YOUTH EMERGENCY SHELTER SOCIETY OF EDMONTON
STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2019


	<u>2019</u>	<u>2018</u>
<u>ASSETS</u>		
CURRENT ASSETS:		
Cash	\$ 51,575	\$ 232,665
Unrestricted investments - due from broker.....	12,605	20,100
Internally restricted cash and investments (Note 3).....	805,346	817,457
Accounts receivable	60,035	35,636
Prepaid expenses.....	<u>51,663</u>	<u>71,543</u>
Total current assets	981,224	1,177,401
TANGIBLE CAPITAL ASSETS (Note 4).....	<u>2,102,170</u>	<u>2,125,598</u>
TOTAL	<u>\$ 3,083,394</u>	<u>\$ 3,302,999</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:		
Bank indebtedness (Note 5)	\$ 477,285	\$ 355,881
Accounts payable and accrued liabilities including government remittances of \$19,053 (2018 - \$15,292).....	283,082	261,069
Bank loan (Note 6).....	254,084	-
Deferred revenue (Note 7).....	536,439	460,156
Current portion of obligation under capital lease	<u>30,680</u>	<u>-</u>
Total current liabilities	<u>1,581,570</u>	<u>1,077,106</u>
OBLIGATION UNDER CAPITAL LEASE (Note 8).....	<u>96,491</u>	<u>-</u>
DEFERRED CAPITAL CONTRIBUTIONS (Note 9)	<u>1,202,947</u>	<u>1,312,783</u>
NET ASSETS:		
Invested in tangible capital assets	772,052	812,815
Internally restricted (Note 10 and Schedule 7)	805,346	817,457
Unrestricted	<u>(1,375,012)</u>	<u>(717,162)</u>
Total net assets	<u>202,386</u>	<u>913,110</u>
TOTAL	<u>\$ 3,083,394</u>	<u>\$ 3,302,999</u>

Approved by the Board:

.....Director *ROBERT BLACKWELL*

.....Director *STEVEN EWASKIN*

Y.E.S.S. - YOUTH EMERGENCY SHELTER SOCIETY OF EDMONTON

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED MARCH 31, 2019

	<u>Invested In Tangible Capital Assets</u>	<u>Internally Restricted (Note 10)</u>	<u>Unrestricted</u>	<u>Total</u>	
				<u>2019</u>	<u>2018</u>
Balance at beginning of the year	\$ 812,815	\$817,457	\$ (717,162)	\$ 913,110	\$1,344,106
Excess of expenses for the year	(92,202)	(5,227)	(613,295)	(710,724)	(430,996)
Deferred capital contributions	(25,146)	-	25,146	-	-
Purchase of tangible capital assets	204,359	(6,884)	(197,475)	-	-
Assumption of obligation under capital lease	(136,389)	-	136,389	-	-
Repayment of obligation under capital lease	9,218	-	(9,218)	-	-
Proceeds on disposal of tangible capital assets	(500)	-	500	-	-
Loss on disposal of tangible capital assets	<u>(103)</u>	<u>-</u>	<u>103</u>	<u>-</u>	<u>-</u>
Balance at end of the year	<u>\$ 772,052</u>	<u>\$805,346</u>	<u>\$(1,375,012)</u>	<u>\$ 202,386</u>	<u>\$ 913,110</u>

Y.E.S.S. - YOUTH EMERGENCY SHELTER SOCIETY OF EDMONTON

STATEMENT OF OPERATIONS FOR THE YEAR ENDED MARCH 31, 2019

	<u>2019</u>	<u>2018</u>
REVENUE:		
Unrestricted revenue:		
Region 6 Edmonton & Area Child & Family Services		
Authority subsidies:		
Operating	\$1,008,668	\$ 963,980
Donations	1,514,472	1,630,756
Special fundraising events - Internal (Schedule 1)	84,237	101,166
- External (net)	304,952	474,567
Loss on disposal of tangible capital assets	(103)	(14,350)
Investment (loss) income	(5,291)	50,356
Meals, coffee and other	67,972	45,333
United Way - general allocation	232,935	232,935
- preferred giving	33,894	68,785
Total unrestricted revenue	<u>3,241,736</u>	<u>3,553,528</u>
Restricted revenue:		
Casino and raffle	73,649	136,047
Donations	477,378	383,484
Government grants - federal	15,047	19,754
- provincial	5,040	-
City of Edmonton	75,000	75,000
Amortization of deferred capital contributions (Note 9)	134,982	127,031
Total restricted revenue	<u>781,096</u>	<u>741,316</u>
Total revenue	<u>4,022,832</u>	<u>4,294,844</u>
EXPENSES:		
Wages and benefits (Schedule 2)	3,448,306	3,708,667
Direct client (Schedule 3)	106,626	128,341
Facility (Schedule 4)	245,705	248,324
Administrative (Schedule 5)	616,104	364,516
Fundraising (Schedule 6)	89,631	80,493
Amortization	227,184	195,499
Total expenses	<u>4,733,556</u>	<u>4,725,840</u>
EXCESS OF EXPENSES FOR THE YEAR	<u>\$ (710,724)</u>	<u>\$ (430,996)</u>

Y.E.S.S. - YOUTH EMERGENCY SHELTER SOCIETY OF EDMONTON

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2019

	<u>2019</u>	<u>2018</u>
OPERATING ACTIVITIES:		
Cash from operations:		
Excess of expenses for the year.....	\$(710,724)	\$(430,996)
Items not involving cash for operations:		
Amortization.....	227,184	195,499
Amortization of deferred capital contributions.....	(134,982)	(127,031)
Loss on disposal of tangible capital assets.....	<u>103</u>	<u>14,350</u>
	(618,419)	(348,178)
Increase (decrease) in non-cash working capital balances related to operations:		
Accounts receivable	(24,399)	(3,950)
Prepaid expenses	19,880	(6,633)
Accounts payable and accrued liabilities	22,013	24,961
Deferred revenue.....	76,283	115,830
Deferred capital contributions	<u>25,146</u>	<u>53,755</u>
Net cash used in operating activities	(499,496)	(164,215)
FINANCING ACTIVITIES:		
Proceeds from demand bank loan.....	254,084	-
Assumption of obligation under capital lease	136,389	-
Repayment of obligation under capital lease	<u>(9,218)</u>	<u>-</u>
Net cash from financing activities	381,255	-
INVESTING ACTIVITIES:		
Decrease in unrestricted investments.....	7,495	-
Decrease (increase) in internally restricted cash and investments	12,111	(49,834)
Purchase of tangible capital assets	(204,359)	(81,332)
Proceeds on disposal of tangible capital assets	<u>500</u>	<u>-</u>
Net cash used in investing activities	(184,253)	(131,166)
DECREASE IN CASH FOR THE YEAR	(302,494)	(295,381)
(BANK INDEBTEDNESS) CASH AT BEGINNING OF THE YEAR.....	(123,216)	172,165
BANK INDEBTEDNESS AT END OF THE YEAR	<u>\$(425,710)</u>	<u>\$(123,216)</u>
BANK INDEBTEDNESS CONSISTS OF:		
Cash	\$ 51,575	\$ 232,665
Bank indebtedness	(477,285)	(355,881)
	<u>\$(425,710)</u>	<u>\$(123,216)</u>

Y.E.S.S. - YOUTH EMERGENCY SHELTER SOCIETY OF EDMONTON

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2019

1. PURPOSE OF SOCIETY:

Y.E.S.S. - Youth Emergency Shelter Society of Edmonton o/a Youth Empowerment and Support Services (the Society) was incorporated in 1981. The Society is committed to providing immediate and low-barrier shelter, temporary housing, and individualized wrap-around support for youth ages 15 - 24. As the Society has evolved, and in concert with its 30th anniversary, the Society rebranded itself in May 2012 as Youth Empowerment and Support Services, to better reflect the services it provides.

The Society is incorporated under the Societies Act of the Province of Alberta. The Society is a registered charity under the Income Tax Act (Canada) and is exempt from income taxes.

2. ACCOUNTING POLICIES:

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. Significant accounting policies are as follows:

Revenue recognition:

Grants and donations are included in revenue in the year in which they are received or become receivable, with the exception that amounts received to fund specific expenditures are included in revenue in the year the funds are expended.

Proceeds from casinos and raffles are included in revenue as expenditures are incurred for the objectives specified in the license.

Revenue from all other sources is included in revenue in the year in which it is received or becomes receivable.

Donations of services:

The work of the Society is dependent on the voluntary service of many individuals. Since these services are not normally purchased by the Society and because of the difficulty in determining their fair value, donated services are not recognized in these financial statements.

Donations of materials:

The Society receives many donations of goods such as food and supplies from many individuals and organizations. Since these items are not normally purchased by the Society and because of the difficulty in determining their fair value, donated goods are not recognized in these financial statements.

Y.E.S.S. - YOUTH EMERGENCY SHELTER SOCIETY OF EDMONTON
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2019

2. ACCOUNTING POLICIES (continued):

Donation of tangible capital assets:

Tangible capital assets donated to the Society are recorded at its estimated fair value at the time of the donation.

Investments:

Investments are recorded at fair market value.

Tangible capital assets:

Tangible capital assets are stated at cost. Amortization is provided at the following annual rates:

Buildings	5% declining-balance
Computer equipment	30% declining-balance
Computer software	30% straight-line
Office equipment and furniture	20% declining-balance
Kitchen equipment	20% declining-balance
Automotive equipment	30% declining-balance
Leasehold improvements	5% straight-line

Equipment under capital lease:

The Society leases certain equipment. All leases are reviewed by the Society to determine whether the lease represents the acquisition of an asset and the incurrence of a liability. Leases with such characteristics are recorded as the purchase of an asset by the Society and the related liability is included under the caption "Obligation under capital lease". The assets are being amortized at the same rates as similar equipment.

Financial instruments:

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

The Society subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair market value. Changes in fair value are recognized in net income.

The Society's financial instruments measured at amortized cost consists of cash, due from broker, accounts receivable, bank indebtedness, accounts payable and accrued liabilities, bank loan and obligation under capital lease.

Y.E.S.S. - YOUTH EMERGENCY SHELTER SOCIETY OF EDMONTON
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2019

2. ACCOUNTING POLICIES (continued):

Financial instruments (continued):

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. Any previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount of impairment recognized previously. The amount of the reversal is recognized in net income.

Cash and cash equivalents:

Cash and cash equivalents consist of balances with banks and short-term investments that can be converted readily to cash.

Use of 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 disclosure of contingent assets and 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. These estimates are reviewed annually and adjustments are made to income as appropriate in the year they become known.

3. INTERNALLY RESTRICTED CASH AND INVESTMENTS:

The Society maintains certain cash and investments in segregated accounts. These accounts have been established to segregate funds designated by the Board for internally restricted purposes as outlined in Note 10.

The details of the internally restricted cash and investments held in segregated accounts are as follows:

	<u>2019</u>	<u>2018</u>
Endowment Fund:		
Bonds	\$197,585	\$195,161
Marketable securities.....	504,352	520,013
Cash in broker account.....	<u>21,874</u>	<u>14,868</u>
Subtotal.....	<u>723,811</u>	<u>730,042</u>

Y.E.S.S. - YOUTH EMERGENCY SHELTER SOCIETY OF EDMONTON
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2019

3. INTERNALLY RESTRICTED CASH AND INVESTMENTS:

	<u>2019</u>	<u>2018</u>
Balance forward.....	<u>\$723,811</u>	<u>\$730,042</u>
Capital Fund:		
Money Market Fund.....	<u>79,687</u>	85,583
Cash in broker account.....	<u>874</u>	<u>858</u>
	<u>80,561</u>	<u>86,441</u>
Program Enhancement Fund:		
Cash in broker account.....	<u>949</u>	<u>949</u>
Contingency Fund:		
Cash in broker account.....	<u>25</u>	<u>25</u>
TOTAL.....	<u>\$805,346</u>	<u>\$817,457</u>

4. TANGIBLE CAPITAL ASSETS:

The major categories of tangible capital assets and related accumulated amortization are as follows:

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	
			<u>2019</u>	<u>2018</u>
Building - main	\$1,488,965	\$ 933,880	\$ 555,085	\$ 584,300
- Shanoa's Place.....	224,972	136,072	88,900	93,579
Computer equipment.....	322,946	298,579	24,367	31,443
Computer software.....	2,978	2,949	29	1,012
Office equipment and furniture.....	456,878	339,440	117,438	120,021
Kitchen equipment	139,658	94,685	44,973	46,100
Automotive equipment	171,473	142,316	29,157	17,109
Equipment under capital lease..	136,389	32,266	104,123	-
Leasehold improvements	<u>1,854,970</u>	<u>918,762</u>	<u>936,208</u>	<u>1,030,144</u>
	4,799,229	2,898,949	1,900,280	1,923,708
Land	<u>201,890</u>	<u>-</u>	<u>201,890</u>	<u>201,890</u>
	<u>\$5,001,119</u>	<u>\$2,898,949</u>	<u>\$2,102,170</u>	<u>\$2,125,598</u>

Y.E.S.S. - YOUTH EMERGENCY SHELTER SOCIETY OF EDMONTON
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2019

5. BANK INDEBTEDNESS:

The Society has negotiated a bank line of credit in the amount of \$600,000 which bears interest at the bank prime rate plus 1.5% per annum. The line of credit is secured by a general security agreement over all assets of the Society, a mortgage over the buildings owned by the Society and an assignment of insurance.

Among other provisions, the Society's banking agreement requires the maintenance of certain covenants, as defined by the agreement, including a minimum tangible net worth of \$900,000. The banking agreement is subject to an annual review and may be revised by mutual agreement of both parties.

6. BANK LOAN:

Bank loan is due on demand, bears interest at the bank prime rate per annum and has no specified terms of repayment. The bank loan is secured by certain investments included in Note 3.

7. DEFERRED REVENUE:

Deferred revenue represents amounts received for which the specific expenditures have not been incurred. The amounts will be recognized as revenue when the specific expenditures are incurred.

Details of deferred revenue are as follows:

	<u>2019</u>	<u>2018</u>
Casino.....	\$ -	\$ 42,201
Donations.....	278,264	350,199
Government grants	174,525	-
Special events and other.....	<u>83,650</u>	<u>67,756</u>
	<u>\$536,439</u>	<u>\$460,156</u>

The deferred balance of casino proceeds is held by the Society in a segregated bank account.

Y.E.S.S. - YOUTH EMERGENCY SHELTER SOCIETY OF EDMONTON
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2019

8. OBLIGATION UNDER CAPITAL LEASE:

The Society is committed to lease equipment under a lease agreement which requires monthly payments of \$3,307 to November 2022, a payment of \$1,747 in December 2022 and a final payment of \$1 to purchase the equipment.

The future minimum lease payments are as follows:

	<u>2019</u>	<u>2018</u>
Total minimum lease payments.....	\$147,269	\$ -
Less amount representing interest.....	<u>20,098</u>	<u>-</u>
Present value of future lease payments.....	127,171	-
Less current portion due	<u>30,680</u>	<u>-</u>
Long-term obligation under capital lease	\$ <u>96,491</u>	\$ <u>-</u>

The principal payments due on the obligation under capital lease are as follows:

2020	\$30,680
2021	33,210
2022	35,948
2023	27,333

9. DEFERRED CAPITAL CONTRIBUTIONS:

Deferred capital contributions represent externally restricted contributions which have been utilized to purchase or develop tangible capital assets. The deferred capital contributions are recognized as revenue on the same basis as related tangible capital assets are being amortized.

10. NET ASSETS - INTERNALLY RESTRICTED:

The Society has established four internally restricted funds. The specific details of the funds are as follows:

Endowment Fund:

This fund was established for bequests and like gifts. All disbursements from the fund must be approved by the Board of Directors. The funds will normally be used for the following purposes:

- a) to fund special service needs of an individual client, pilot projects, or capital projects
- b) to fund existing program operations, only in the event of a lack of available revenue in the general operating accounts and in the contingency fund.

Y.E.S.S. - YOUTH EMERGENCY SHELTER SOCIETY OF EDMONTON
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2019

10. NET ASSETS - INTERNALLY RESTRICTED (continued):

Capital Fund:

This fund was established for the receipt of funds designated by the donor for general or specific capital purposes, or directed to this account from general or specific Society fundraising activities. This fund will be used for capital replacement, acquisition, or renovation, as approved in the Society's budget.

Program Enhancement Fund:

This fund was established for the enhancement of the programs offered by the Society.

Contingency Fund:

This fund was established to preserve the provision of service in the event of a shortfall in contributions, or in the event of disaster or any such other emergency. The fund is not to exceed 25% of the Society's operating expenditures from the previous year. Funds contributed are from the Society's own fundraising efforts or from donations. It is the intention of the Society to add to the Contingency fund until the maximum of 25% is attained.

11. GOING CONCERN:

As indicated in the accompanying financial statements, the Society incurred excess of expenses of \$710,724 for the year ended March 31, 2019. As of that date, the Society's current liabilities exceeded its current assets by \$600,346. The financial statements do not include any adjustments that might be necessary if the Society is unable to continue as a going concern.

12. FINANCIAL INSTRUMENTS:

The Society is exposed to risk on certain financial instruments as follows:

Market risk:

Market risk is the risk that the fair value or future cash flows of a 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. The Society is mainly exposed to interest rate risk and other price risk.

Y.E.S.S. - YOUTH EMERGENCY SHELTER SOCIETY OF EDMONTON
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2019

12. FINANCIAL INSTRUMENTS: (continued)

Interest rate risk:

Interest rate 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. The Society is exposed to interest rate risk on the bank indebtedness, bank loan and obligation under capital lease. The floating-rate instruments subject the Society to a cash flow risk while the fixed rate instrument subjects it to a fair value risk.

Other price risk:

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Society is exposed to other price risk through its investment in bonds and marketable securities.

Liquidity risk:

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Society is exposed to this risk mainly in respect of its bank indebtedness, accounts payable and accrued liabilities, bank loan and obligation under capital lease.

Y.E.S.S. - YOUTH EMERGENCY SHELTER SOCIETY OF EDMONTON
SCHEDULE OF SPECIAL FUNDRAISING EVENTS - INTERNAL
FOR THE YEAR ENDED MARCH 31, 2019

	<u>2019</u>	<u>2018</u>
Spring Gala:		
Revenue	\$193,180	\$205,278
Expenses	<u>138,991</u>	<u>147,461</u>
Net revenue	<u>54,189</u>	<u>57,817</u>
Golf Tournament:		
Revenue	54,795	48,955
Expenses	<u>30,703</u>	<u>31,266</u>
Net revenue	<u>24,092</u>	<u>17,689</u>
Other	<u>5,956</u>	<u>25,660</u>
Net special fundraising events - internal.....	\$ <u>84,237</u>	\$ <u>101,166</u>

Above schedule only represents direct expenses attributable to the various internal fundraising events.

Y.E.S.S. - YOUTH EMERGENCY SHELTER SOCIETY OF EDMONTON
SCHEDULE OF WAGES AND BENEFITS EXPENSES
FOR THE YEAR ENDED MARCH 31, 2019

	<u>2019</u>	<u>2018</u>
ADMINISTRATION:		
Salaries and wages	\$ 383,388	\$ 463,679
Employee benefits	<u>44,769</u>	<u>51,511</u>
Total administration	<u>428,157</u>	<u>515,190</u>
FUNDRAISING:		
Salaries and wages	391,827	400,229
Employee benefits	<u>46,046</u>	<u>42,627</u>
Total fundraising	<u>437,873</u>	<u>442,856</u>
BASIC CARE:		
Salaries and wages	599,581	590,174
Employee benefits	<u>69,966</u>	<u>71,280</u>
Total basic care	<u>669,547</u>	<u>661,454</u>
CLIENT DEVELOPMENT:		
Salaries and wages	1,712,239	1,846,951
Employee benefits	<u>200,490</u>	<u>242,216</u>
Total client development	<u>1,912,729</u>	<u>2,089,167</u>
Total wages and benefits expenses	<u>\$3,448,306</u>	<u>\$3,708,667</u>

Schedule 3

Y.E.S.S. - YOUTH EMERGENCY SHELTER SOCIETY OF EDMONTON
SCHEDULE OF DIRECT CLIENT EXPENSES
FOR THE YEAR ENDED MARCH 31, 2019

	<u>2019</u>	<u>2018</u>
Client development	\$ 13,732	\$ 14,607
Clothing	8,876	13,095
Community garden	-	42,439
Food and kitchen supplies	34,219	29,185
Medical	10,547	5,515
Recreation	35,920	19,875
Travel and subsistence	<u>3,332</u>	<u>3,625</u>
Total direct client expenses	<u>\$106,626</u>	<u>\$128,341</u>

Y.E.S.S. - YOUTH EMERGENCY SHELTER SOCIETY OF EDMONTON
SCHEDULE OF FACILITY EXPENSES
FOR THE YEAR ENDED MARCH 31, 2019

	<u>2019</u>	<u>2018</u>
Insurance.....	\$ 26,346	\$ 25,004
Maintenance - furniture and equipment	65,166	55,042
- property.....	62,711	76,222
Utilities	<u>91,482</u>	<u>92,056</u>
 Total facility expenses	 <u>\$245,705</u>	 <u>\$248,324</u>

Y.E.S.S. - YOUTH EMERGENCY SHELTER SOCIETY OF EDMONTON
SCHEDULE OF ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED MARCH 31, 2019

	<u>2019</u>	<u>2018</u>
Automotive.....	\$ 24,745	\$ 18,310
Bank charges and interest.....	54,386	41,538
Computer support.....	91,978	66,775
Conference and travel	272	1,940
Consulting fees.....	256,818	49,865
Dues and fees	17,611	8,508
Equipment lease.....	10,067	9,605
Insurance.....	14,990	15,506
Interest - obligation under capital lease	2,624	-
Maintenance - furniture and equipment	4,693	11,127
Office supplies and other	46,122	40,820
Professional fees	16,451	23,575
Staff recruitment and training.....	26,793	41,709
Telephone	39,894	24,842
Vehicle insurance	<u>8,660</u>	<u>10,396</u>
 Total administrative expenses	 <u>\$616,104</u>	 <u>\$364,516</u>

Y.E.S.S. - YOUTH EMERGENCY SHELTER SOCIETY OF EDMONTON
SCHEDULE OF FUNDRAISING EXPENSES
FOR THE YEAR ENDED MARCH 31, 2019

	<u>2019</u>	<u>2018</u>
Annual general meeting, volunteer recognition and other promotion.....	\$15,728	\$17,895
Campaigns	<u>73,903</u>	<u>62,598</u>
Total fundraising expenses.....	<u>\$89,631</u>	<u>\$80,493</u>

Y.E.S.S. - YOUTH EMERGENCY SHELTER SOCIETY OF EDMONTON
SCHEDULE OF RESTRICTED NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2019

	<u>Endowment Fund</u>	<u>Capital Fund</u>	<u>Contingency Fund</u>	<u>Program Enhancement Fund</u>	<u>Total 2019</u>	<u>Total 2018</u>
Balance at beginning of the year	\$730,042	\$86,441	\$ 25	\$949	\$817,457	\$767,623
Investment (loss) income	(6,231)	1,004	-	-	(5,227)	49,834
Transferred to invested in tangible capital assets ...	-	<u>(6,884)</u>	-	-	<u>(6,884)</u>	-
Balance at end of the year ..	<u>\$723,811</u>	<u>\$80,561</u>	<u>\$ 25</u>	<u>\$949</u>	<u>\$805,346</u>	<u>\$817,457</u>