

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

OF EDMONTON

FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021
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, 2021 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, 2021, 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 12 of the financial statements concerning the worldwide spread of a novel coronavirus known as COVID-19 and its effect on the global economy. Our opinion is not modified in respect of this matter.

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 10, 2021

Yaremchuk & Annicchiarico LLP
Chartered Professional Accountants

Y.E.S.S. - YOUTH EMERGENCY SHELTER SOCIETY OF EDMONTON
STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2021

<u>ASSETS</u>	<u>2021</u>	<u>2020</u>
CURRENT ASSETS:		
Cash	\$1,745,265	\$ 73,562
Accounts receivable - government assistance	53,049	-
- other	13,049	21,067
Prepaid expenses	<u>17,980</u>	<u>46,274</u>
Total current assets	1,829,343	140,903
INTERNALLY RESTRICTED CASH AND INVESTMENTS (Note 3)	1,810,052	692,591
TANGIBLE CAPITAL ASSETS (Note 4)	<u>2,059,690</u>	<u>2,139,852</u>
TOTAL	<u>\$5,699,085</u>	<u>\$2,973,346</u>
 <u>LIABILITIES AND NET ASSETS</u> 		
CURRENT LIABILITIES:		
Bank indebtedness (Note 5)	\$ -	\$ 15,974
Accounts payable and accrued liabilities including government remittances of \$38,434 (2020 - \$25,282)	391,640	512,518
Deferred revenue (Note 6)	1,298,678	329,269
Current portion of obligation under capital lease	<u>35,948</u>	<u>33,210</u>
Total current liabilities	<u>1,726,266</u>	<u>890,971</u>
OBLIGATION UNDER CAPITAL LEASE (Note 7)	<u>27,333</u>	<u>63,281</u>
DEFERRED CAPITAL CONTRIBUTIONS (Note 8)	<u>1,218,911</u>	<u>1,294,642</u>
NET ASSETS:		
Invested in tangible capital assets	777,498	748,719
Internally restricted (Note 9 and Schedule 7)	1,810,052	692,591
Unrestricted	<u>139,025</u>	<u>(716,858)</u>
Total net assets	<u>2,726,575</u>	<u>724,452</u>
TOTAL	<u>\$5,699,085</u>	<u>\$2,973,346</u>

Approved by the Board:

.....Director

.....Director

Y.E.S.S. - YOUTH EMERGENCY SHELTER SOCIETY OF EDMONTON
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2021

	Invested In Tangible Capital Assets	Internally Restricted (Note 9)	Unrestricted	Total <u>2021</u>	Total <u>2020</u>
Balance at beginning of the year	\$748,719	\$ 692,591	\$ (716,858)	\$ 724,452	\$202,386
Excess of revenue (expenses) for the year	(99,985)	201,261	1,900,847	2,002,123	522,066
Deferred capital contributions.....	(76,885)	-	76,885	-	-
Purchase of tangible capital assets	172,439	-	(172,439)	-	-
Repayment of obligation under capital lease	33,210	-	(33,210)	-	-
Transfer to internally restricted	-	916,200	(916,200)	-	-
Balance at end of the year.....	<u>\$777,498</u>	<u>\$1,810,052</u>	<u>\$ 139,025</u>	<u>\$2,726,575</u>	<u>\$724,452</u>

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

STATEMENT OF OPERATIONS FOR THE YEAR ENDED MARCH 31, 2021

	<u>2021</u>	<u>2020</u>
REVENUE:		
Unrestricted revenue:		
Edmonton Area Child & Family Services Authority - operating subsidies	\$ 987,472	\$ 984,853
Donations	1,660,685	1,787,355
Special fundraising events - Internal (Schedule 1)	36,618	142,374
- External (net)	151,892	472,649
Gain (loss) on disposal of tangible capital assets	(3,194)	3,457
Investment income (loss)	205,136	(60,593)
Meals, coffee and other	4,406	39,360
United Way - general allocation	232,935	232,935
- preferred giving	<u>55,252</u>	<u>63,327</u>
Total unrestricted revenue	<u>3,331,202</u>	<u>3,665,717</u>
Restricted revenue:		
Casino and raffle	80,270	71,247
Donations	51,388	143,942
Government grants - federal	566,981	290,763
- provincial	43,546	166,454
- municipal	252,591	99,525
Grants - foundations and other	1,704,540	930,674
Amortization of deferred capital contributions (Note 8)	<u>152,616</u>	<u>130,727</u>
Total restricted revenue	<u>2,851,932</u>	<u>1,833,332</u>
Total revenue	<u>6,183,134</u>	<u>5,499,049</u>
EXPENSES:		
Wages and benefits (Schedule 2)	3,952,757	3,624,506
Direct client (Schedule 3)	221,444	226,655
Facility (Schedule 4)	371,481	304,398
Administrative (Schedule 5)	665,939	525,488
Fundraising (Schedule 6)	10,945	55,973
Amortization	<u>249,407</u>	<u>239,963</u>
Total expenses	<u>5,471,973</u>	<u>4,976,983</u>
EXCESS OF REVENUE BEFORE THE UNDERNOTED	711,161	522,066
CANADA EMERGENCY WAGE SUBSIDY (Note 10)	<u>1,290,962</u>	<u>-</u>
EXCESS OF REVENUE FOR THE YEAR	<u>\$2,002,123</u>	<u>\$ 522,066</u>

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

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2021

	<u>2021</u>	<u>2020</u>
OPERATING ACTIVITIES:		
Cash from operations:		
Excess of revenue for the year	\$ 2,002,123	\$ 522,066
Items not involving cash for operations:		
Amortization.....	249,407	239,963
Amortization of deferred capital contributions.....	(152,616)	(130,727)
(Gain) loss on disposal of tangible capital assets	<u>3,194</u>	<u>(3,457)</u>
	2,102,108	627,845
Increase (decrease) in non-cash working capital balances related to operations:		
Accounts receivable	(45,031)	38,968
Prepaid expenses.....	28,294	5,389
Accounts payable and accrued liabilities	(120,878)	229,436
Deferred revenue.....	969,409	(207,170)
Deferred capital contributions	<u>76,885</u>	<u>222,422</u>
Net cash from operating activities.....	<u>3,010,787</u>	<u>916,890</u>
FINANCING ACTIVITIES:		
Repayment of demand bank loan.....	-	(254,084)
Repayment of obligation under capital lease.....	<u>(33,210)</u>	<u>(30,680)</u>
Net cash used in financing activities	<u>(33,210)</u>	<u>(284,764)</u>
INVESTING ACTIVITIES:		
(Increase) decrease in internally restricted cash and investments	(1,117,461)	112,755
Purchase of tangible capital assets	(172,439)	(283,188)
Proceeds on disposal of tangible capital assets	<u>-</u>	<u>9,000</u>
Net cash used in investing activities	<u>(1,289,900)</u>	<u>(161,433)</u>
INCREASE IN CASH FOR THE YEAR	1,687,677	470,693
CASH (BANK INDEBTEDNESS) AT BEGINNING OF THE YEAR.....	<u>57,588</u>	<u>(413,105)</u>
CASH AT END OF THE YEAR.....	<u>\$ 1,745,265</u>	<u>\$ 57,588</u>
CASH CONSISTS OF:		
Cash.....	\$ 1,745,265	\$ 73,562
Bank indebtedness	<u>-</u>	<u>(15,974)</u>
	<u>\$ 1,745,265</u>	<u>\$ 57,588</u>

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

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2021

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, 2021

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, accounts receivable, accounts payable and accrued liabilities and obligation under capital lease.

Y.E.S.S. - YOUTH EMERGENCY SHELTER SOCIETY OF EDMONTON
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2021

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 9.

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

	<u>2021</u>	<u>2020</u>
Endowment Fund:		
Bonds	\$ 224,829	\$167,379
Marketable securities.....	610,861	473,337
Cash in broker account.....	<u>174,340</u>	<u>21,645</u>
Subtotal.....	<u>\$1,010,030</u>	<u>\$662,361</u>

Y.E.S.S. - YOUTH EMERGENCY SHELTER SOCIETY OF EDMONTON
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2021

3. INTERNALLY RESTRICTED CASH AND INVESTMENTS:

	<u>2021</u>	<u>2020</u>
Balance forward.....	<u>\$1,010,030</u>	<u>\$662,361</u>
Capital Fund:		
Money Market Fund.....	-	28,972
Cash in broker account.....	<u>300,022</u>	<u>284</u>
	<u>300,022</u>	<u>29,256</u>
Contingency Fund - cash in broker account.....	<u>500,000</u>	<u>25</u>
Program Enhancement Fund - cash in broker account....	<u>-</u>	<u>949</u>
TOTAL	<u>\$1,810,052</u>	<u>\$692,591</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>2021</u>	<u>2020</u>
Building - main	\$1,684,966	\$1,005,886	\$ 679,080	\$ 689,028
- Shanoa's Place	224,972	144,740	80,232	84,455
Computer equipment.....	398,178	322,710	75,468	64,010
Computer software.....	2,978	2,978	-	-
Office equipment and furniture.....	558,258	403,367	154,891	100,817
Kitchen equipment	171,434	122,314	49,120	61,400
Automotive equipment	178,329	159,243	19,086	20,410
Equipment under capital lease..	136,389	79,234	57,155	78,354
Leasehold improvements	<u>1,854,970</u>	<u>1,112,202</u>	<u>742,768</u>	<u>839,488</u>
	5,210,474	3,352,674	1,857,800	1,937,962
Land	<u>201,890</u>	<u>-</u>	<u>201,890</u>	<u>201,890</u>
	<u>\$5,412,364</u>	<u>\$3,352,674</u>	<u>\$2,059,690</u>	<u>\$2,139,852</u>

Y.E.S.S. - YOUTH EMERGENCY SHELTER SOCIETY OF EDMONTON
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2021

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. 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>2021</u>	<u>2020</u>
Casino	\$ 32,591	\$ 66,753
Donations and other	51,282	66,678
Grants - government	264,805	118,813
- foundations	950,000	-
Special events	<u>-</u>	<u>77,025</u>
	<u>\$1,298,678</u>	<u>\$329,269</u>

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

7. 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>2021</u>	<u>2020</u>
Total minimum lease payments	\$67,893	\$107,581
Less amount representing interest	<u>4,612</u>	<u>11,090</u>
Present value of future lease payments	63,281	96,491
Less current portion due	<u>35,948</u>	<u>33,210</u>
Long-term obligation under capital lease	<u>\$27,333</u>	<u>\$ 63,281</u>

Y.E.S.S. - YOUTH EMERGENCY SHELTER SOCIETY OF EDMONTON
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2021

7. OBLIGATION UNDER CAPITAL LEASE (continued):

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

2022	\$35,948
2023	27,333

8. 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.

9. 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 to support the Society's long-term financial sustainability. All fund earnings will either be reinvested into the fund or disbursed to the Society to support operating expenses.

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 support the Society's short-term financial sustainability. Funds contributed are from the Society's own fundraising efforts or from donations. All fund earnings will be either reinvested into the fund, disbursed to the Society's Endowment Fund or disbursed to the Society to support operating expenses.

Y.E.S.S. - YOUTH EMERGENCY SHELTER SOCIETY OF EDMONTON
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2021

10. CANADA EMERGENCY WAGE SUBSIDY:

In response to the global COVID-19 pandemic, the Government of Canada introduced the Canada Emergency Wage Subsidy to provide eligible employers a subsidy for eligible employee wages paid beginning March 15, 2020. The program is available provided the Society meets certain revenue tests. The Society received \$1,237,913 during the year and there is \$53,049 included in accounts receivable as at March 31, 2021 in relation to this program.

11. 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.

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 obligation under capital lease. The fixed rate instrument subjects the Society 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 accounts payable and accrued liabilities and obligation under capital lease.

Y.E.S.S. - YOUTH EMERGENCY SHELTER SOCIETY OF EDMONTON
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2021

12. OTHER MATTER:

On March 11, 2020, the World Health Organization declared a global pandemic due to a global outbreak of a novel coronavirus identified as "COVID-19". In order to combat the spread of COVID-19 governments worldwide have enacted emergency measures including travel bans, legally enforced or self-imposed quarantine periods, social distancing and business and organization closures. These measures have caused material disruptions to businesses, governments and other organizations resulting in an economic slowdown and increased volatility in national and global equity and commodity markets.

Central banks and governments, including Canadian federal and provincial governments, have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of any interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and conditions of Y.E.S.S. - Youth Emergency Shelter Society of Edmonton and its operations in future periods.

13. SUBSEQUENT EVENT:

The Society has entered into an agreement to operate a Youth Cohort Living Program from April 1, 2021 to March 31, 2022. The minimum lease cost is \$50,000 per month plus program expenses and the Society has entered into an agreement for funding from a Federal Government Agency of up to \$2,100,000 over the term of the program.

14. COMPARATIVE FIGURES:

Certain of the prior years' figures, provided for the purpose of comparison, have been reclassified in accordance with the current year's presentation.

Y.E.S.S. - YOUTH EMERGENCY SHELTER SOCIETY OF EDMONTON
SCHEDULE OF SPECIAL FUNDRAISING EVENTS - INTERNAL
FOR THE YEAR ENDED MARCH 31, 2021

	<u>2021</u>	<u>2020</u>
Spring Gala:		
Revenue	\$82,000	\$258,121
Expenses	<u>45,382</u>	<u>151,114</u>
Net revenue	<u>36,618</u>	<u>107,007</u>
Golf Tournament:		
Revenue	-	73,591
Expenses	<u>-</u>	<u>38,224</u>
Net revenue	<u>-</u>	<u>35,367</u>
Net special fundraising events - internal.....	<u>\$36,618</u>	<u>\$142,374</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, 2021

	<u>2021</u>	<u>2020</u>
ADMINISTRATION:		
Salaries and wages	\$ 405,467	\$ 315,670
Employee benefits	<u>49,954</u>	<u>41,674</u>
Total administration	<u>455,421</u>	<u>357,344</u>
FUNDRAISING:		
Salaries and wages	655,167	509,847
Employee benefits	<u>80,719</u>	<u>69,308</u>
Total fundraising	<u>735,886</u>	<u>579,155</u>
BASIC CARE:		
Salaries and wages	560,748	633,585
Employee benefits	<u>69,083</u>	<u>79,726</u>
Total basic care	<u>629,831</u>	<u>713,311</u>
CLIENT DEVELOPMENT:		
Salaries and wages	1,914,532	1,747,038
Employee benefits	<u>217,087</u>	<u>227,658</u>
Total client development.....	<u>2,131,619</u>	<u>1,974,696</u>
Total wages and benefits expenses.....	<u>\$3,952,757</u>	<u>\$3,624,506</u>

Schedule 3

Y.E.S.S. - YOUTH EMERGENCY SHELTER SOCIETY OF EDMONTON
SCHEDULE OF DIRECT CLIENT EXPENSES
FOR THE YEAR ENDED MARCH 31, 2021

	<u>2021</u>	<u>2020</u>
Client development.....	\$ 13,899	\$ 16,539
Clothing	17,172	7,232
Cohort program	210	-
Employment and education program.....	106,615	115,950
Food and kitchen supplies	57,830	42,262
Medical	10,364	11,062
Recreation	13,333	29,132
Travel and subsistence.....	<u>2,021</u>	<u>4,478</u>
Total direct client expenses	<u>\$221,444</u>	<u>\$226,655</u>

Y.E.S.S. - YOUTH EMERGENCY SHELTER SOCIETY OF EDMONTON
SCHEDULE OF FACILITY AND VEHICLE EXPENSES
FOR THE YEAR ENDED MARCH 31, 2021

	<u>2021</u>	<u>2020</u>
Insurance.....	\$ 24,358	\$ 24,642
Maintenance - facility.....	240,642	180,811
Utilities.....	87,758	75,926
Vehicle - general.....	11,044	15,362
- insurance.....	<u>7,679</u>	<u>7,657</u>
 Total facility and vehicle expenses	 <u>\$371,481</u>	 <u>\$304,398</u>

Y.E.S.S. - YOUTH EMERGENCY SHELTER SOCIETY OF EDMONTON
SCHEDULE OF ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED MARCH 31, 2021

	<u>2021</u>	<u>2020</u>
Bank charges and interest.....	\$ 44,482	\$ 52,560
Computer support.....	157,326	130,512
Conference and travel	320	11,961
Consulting fees.....	286,869	118,840
Dues and fees	9,306	11,892
Equipment lease (recovered).....	(4,909)	27,871
Insurance.....	11,934	12,199
Interest - obligation under capital lease	6,478	9,008
Maintenance - furniture and equipment	2,640	-
Office supplies and other.....	12,433	13,217
Professional fees.....	22,410	20,294
Staff recruitment and training.....	66,642	71,896
Telephone and internet.....	<u>50,008</u>	<u>45,238</u>
 Total administrative expenses	 <u>\$665,939</u>	 <u>\$525,488</u>

Y.E.S.S. - YOUTH EMERGENCY SHELTER SOCIETY OF EDMONTON
SCHEDULE OF FUNDRAISING EXPENSES
FOR THE YEAR ENDED MARCH 31, 2021

	<u>2021</u>	<u>2020</u>
Annual general meeting, volunteer recognition and other promotion.....	\$ 6,380	\$ 8,684
Campaigns	<u>4,565</u>	<u>47,289</u>
Total fundraising expenses.....	<u>\$10,945</u>	<u>\$55,973</u>

Schedule 7

Y.E.S.S. - YOUTH EMERGENCY SHELTER SOCIETY OF EDMONTON
SCHEDULE OF RESTRICTED NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2021

	<u>Endowment Fund</u>	<u>Capital Fund</u>	<u>Contingency Fund</u>	<u>Program Enhancement Fund</u>	<u>Total 2021</u>	<u>Total 2020</u>
Balance at beginning of the year	\$ 662,361	\$ 29,256	\$ 25	\$ 949	\$ 692,591	\$805,346
Investment income (loss)	201,169	92	-	-	201,261	(60,665)
Transfer from unrestricted net assets.....	146,500	269,700	500,000	-	916,200	(52,090)
Transfer between funds.....	-	974	(25)	(949)	-	-
Balance at end of the year ..	<u>\$1,010,030</u>	<u>\$300,022</u>	<u>\$500,000</u>	<u>\$ -</u>	<u>\$1,810,052</u>	<u>\$692,591</u>

2021 – 2022 Electoral Slate

Board Members Bio's

Board of Directors Appointees

Amanda Kim



She has been a practicing obstetrician/gynecologist in Edmonton for over 10 years after moving here from Halifax, Nova Scotia, and is currently based out of the Misericordia Community Hospital.

As a parent of two teenagers, she is interested in issues surrounding youth.

Rebecca Visscher



Rebecca holds a Bachelor of Arts degree with a major in Psychology from the University of Alberta. Upon graduation she volunteered and eventually earned a position working with youth at a shelter for women and children fleeing domestic violence. After a few years at the shelter Rebecca volunteered on Councillor Scott McKeen's 2017 re-election campaign. When he won the election, she was asked to join the Ward 6 team and took a position as their Policy and Communications Advisor. During Councillor McKeen's term, Rebecca has been able to work on a variety of solutions related to community safety and well-being like the development of supportive housing.

Rebecca is passionate about prevention. She is interested in the systems and policies that contribute to the marginalization of folks in our society. She is new to the board and excited to be supporting youth again. When she's not working Rebecca enjoys riding her bike around amiskwacîwâskahikan/Edmonton.

She loves art and music and tries to attend community events as much as possible.

Board of Directors Re-Appointees:

Richard Iwaniuk



Richard Iwaniuk, FCPA, FCA, brings enthusiasm to the finance and business operations of the Blind Enthusiasm Group of Companies... no, really. Currently, Richard supports multiple aspects of the company's business operations, including the development and execution of key business, strategic, financial, and legal initiatives. He also does the books.

Born and raised in Edmonton, Richard has lived in St. Albert since 1992. A Chartered Accountant since 1993, Richard previously worked at internationally renowned video game developer BioWare where, during his 16 year tenure, BioWare grew from a studio of 80 developers to a multi-studio operation with over 600 employees worldwide. In 2008, BioWare was acquired by Electronic Arts, Inc.

Richard is a recipient of the Fellow of Chartered Accountants, Distinguished Service Award, and the Early Achievement Award from the Chartered Professional Accountants of Alberta each of which recognize Chartered Accountants who demonstrate excellence and accomplishment in their career and commitment and excellence in community and volunteer services. Richard also currently volunteers for CPA Alberta, Trout Unlimited Canada, and Canada's Children's Hospital Foundation (CCHF).

Steven Ewaskiw



Steven Ewaskiw is the Director of Finance at the Cantiro Group. He is a graduate of the University of Alberta's School of Business and holds a major in accounting as well as a Chartered Accountant designation. Steven has volunteered as a minor hockey coach since 2003, giving him many years of experience building relationships, empowering and positively impacting young people.

Colin Lipsett



Colin Lipsett is a member of the Real Estate Group in the Edmonton office, and his practice is focused on providing counsel to clients in the areas of real estate and environmental law. Another focus of Colin's practice is advising conservation organizations in respect to real estate and environmental law issues, including conservation easements and federally-regulated ecological gifts of land.

Robert Blackwell



Robert Blackwell has over 26 years of hotel experience. He has held various hotel management positions at the Delta Winnipeg, Delta Barrington, Delta Halifax, and Delta Edmonton South hotels. Upon moving to Edmonton, Robert became very involved in the local hospitality and tourism industry. He currently serves as president of the Association of Edmonton Convention Hotels, board member of the Greater Edmonton Tourism Destination Region, and co-chair of the Tourism Partnership Council Meetings, Business, Tour and Events Committee.