

YOUTH CENTRAL SOCIETY
Financial Statements
Year Ended October 31, 2016

YOUTH CENTRAL SOCIETY
Index to Financial Statements
Year Ended October 31, 2016

	Page
INDEPENDENT AUDITOR'S REPORT	1 - 2
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Revenues and Expenditures	4
Statement of Changes in Net Assets	5
Statement of Cash Flow	6
Notes to Financial Statements	7 - 9

CREMERS & ELLIOTT

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Youth Central Society

We have audited the accompanying financial statements of Youth Central Society, which comprise the statement of financial position as at October 31, 2016 and the statements of revenues and expenditures, changes in net assets and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

(continues)

Independent Auditor's Report to the Members of Youth Central Society *(continued)*

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Youth Central Society as at October 31, 2016 and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

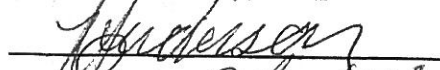
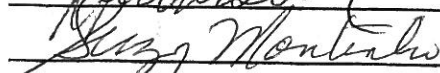
Calgary, Alberta
December 16, 2016


Cremers & Co. Chartered Accountants LLP

YOUTH CENTRAL SOCIETY
Statement of Financial Position
October 31, 2016

	2016	2015
ASSETS		
CURRENT		
Cash	\$ 150,689	\$ 107,164
Accounts receivable	8,612	21,653
Interest receivable	412	-
Goods and services tax recoverable	1,586	3,531
Prepaid expenses	4,194	4,998
Security / tender deposits	-	200
	<u>165,493</u>	<u>137,546</u>
CAPITAL ASSETS (Note 4)	<u>-</u>	<u>495</u>
	<u>\$ 165,493</u>	<u>\$ 138,041</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 14,750	\$ 9,007
DEFERRED CONTRIBUTIONS (Note 5)	<u>143,311</u>	<u>120,831</u>
DEFERRED CAPITAL CONTRIBUTIONS (Note 6)	<u>-</u>	<u>495</u>
	<u>158,061</u>	<u>130,333</u>
NET ASSETS	<u>7,432</u>	<u>7,708</u>
	<u>\$ 165,493</u>	<u>\$ 138,041</u>
LEASE COMMITMENTS (Note 7)		

ON BEHALF OF THE BOARD

 Director
 Director

CREMERS & ELLIOTT
 CHARTERED ACCOUNTANTS

See notes to financial statements

YOUTH CENTRAL SOCIETY
Statement of Revenues and Expenditures
Year Ended October 31, 2016

	2016	2015
REVENUES		
Government grants	\$ 197,183	\$ 166,121
Foundation grants	154,027	102,418
Fundraising revenue	75,210	50,219
Sponsorships and other revenue	69,632	21,070
Donations	62,488	312,630
Program generated revenue	54,294	52,079
	<u>612,834</u>	<u>704,537</u>
EXPENDITURES		
Salaries and wages	439,616	489,090
Rental	57,803	52,286
Program expense	53,022	50,669
Consultants	21,961	25,382
Youth foundation grant expenses	9,900	7,600
Insurance	5,359	5,176
Accounting fees	5,125	7,440
Telephone	4,969	4,779
Other expenses	4,801	2,169
Office	4,492	5,850
Board of directors expense	1,772	1,572
Volunteer expense	1,419	492
Bank and visa charges	1,288	827
Training	1,088	3,628
Amortization	495	736
Printing expense	-	1,987
	<u>613,110</u>	<u>659,683</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (276)</u>	<u>\$ 44,854</u>

YOUTH CENTRAL SOCIETY
Statement of Changes in Net Assets
Year Ended October 31, 2016

	2016	2015
UNRESTRICTED NET ASSETS - BEGINNING OF YEAR	\$ 7,708	\$ (37,146)
Excess (deficiency) of revenues over expenditures	<u>(276)</u>	<u>44,854</u>
UNRESTRICTED NET ASSETS - END OF YEAR	<u>\$ 7,432</u>	<u>\$ 7,708</u>

YOUTH CENTRAL SOCIETY
Statement of Cash Flow
Year Ended October 31, 2016

	2016	2015
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenditures	\$ (276)	\$ 44,854
Item not affecting cash:		
Amortization of capital assets	495	736
	<u>219</u>	<u>45,590</u>
Changes in non-cash working capital:		
Accounts receivable	13,041	16,529
Interest receivable	(412)	-
Goods and services tax recoverable	1,945	2,067
Prepaid expenses	804	35
Security / tender deposits	200	(200)
Accounts payable	5,743	(36,890)
Deferred contributions	21,985	38,739
	<u>43,306</u>	<u>20,280</u>
INCREASE IN CASH FLOW	43,525	65,870
Cash - beginning of year	<u>107,164</u>	<u>41,295</u>
CASH - END OF YEAR	\$ 150,689	\$ 107,164
CASH CONSISTS OF:		
Cash	\$ 30,689	\$ 107,164
GICs	<u>120,000</u>	<u>-</u>
	<u>\$ 150,689</u>	<u>\$ 107,164</u>

YOUTH CENTRAL SOCIETY
Notes to Financial Statements
Year Ended October 31, 2016

1. ORGANIZATION

Youth Central Society ("the Society") is incorporated under the Societies' Act of Alberta. The Society's goal is to motivate all Calgarians, corporations, governments, community groups, schools, businesses and individuals to promote and deliver a better quality of life for Calgary's youth. The Society is a registered charity as defined under paragraph 149 of the Income Tax Act, and therefore, is not subject to income tax.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents are investments in Guaranteed Investment Certificates ("GICs") with carrying amounts approximating fair value because of the short maturity periods associated with the investments.

Capital assets

Capital assets are stated at cost less accumulated amortization. Capital assets are amortized over their estimated useful lives at the following rates and methods:

Computer equipment	3 years	straight-line method
--------------------	---------	----------------------

The Company regularly reviews its capital assets to eliminate obsolete items. Government grants are treated as a reduction of capital asset cost.

Revenue recognition

Youth Central Society follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

(continues)

YOUTH CENTRAL SOCIETY
Notes to Financial Statements
Year Ended October 31, 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Donated materials and services

Donated materials and services are recorded in the financial statements at fair market value when fair market value can be reasonably estimated and the materials or services are used in the normal course of business and would otherwise have been purchased. During the year, no amounts were recorded for donated materials and services.

The Society's programs benefit from substantial services in the form of volunteer time, which is not recorded in the Society's financial statements, because of the difficulty of determining their fair value.

Measurement uncertainty

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the year in which they become known. Actual results could differ from these estimates.

3. FINANCIAL INSTRUMENTS

The Society's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Society is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

4. CAPITAL ASSETS

	Cost	Accumulated amortization	2016 Net book value	2015 Net book value
Computer equipment	\$ 1,485	\$ 1,485	\$ -	\$ 495

5. DEFERRED CONTRIBUTIONS

Deferred contributions represent unspent resources subject to externally imposed restrictions requiring that funds be used for specific programs.

	2016	2015
Deferred contributions		
Balance, beginning of year	\$ 120,831	\$ 81,357
Contributions received	138,264	113,084
Amounts recognized as revenue during the year	(115,784)	(73,610)
Balance, end of year	\$ 143,311	\$ 120,831

YOUTH CENTRAL SOCIETY
Notes to Financial Statements
Year Ended October 31, 2016

6. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represent restricted contributions received and designated to be used for capital purposes.

	<u>2016</u>	<u>2015</u>
Deferred capital contributions		
Balance, beginning of year	\$ 495	\$ 1,231
Capital assets purchased with restricted deferred capital contributions	-	-
Amortization of deferred capital contributions	<u>(495)</u>	<u>(736)</u>
Balance, end of year	<u>\$ -</u>	<u>\$ 495</u>

7. LEASE COMMITMENTS

Future minimum lease payments for operating leases relating to office space are as follows:

2017	\$ 54,500
2018	<u>4,542</u>
	<u>\$ 59,042</u>

8. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.