

**YOUTHSPEAK PERFORMANCE CHARITY ORGANIZATION**

**UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED AUGUST 31, 2021**

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## REVIEW ENGAGEMENT REPORT

To the Directors of  
Youthspeak Performance Charity Organization

We have reviewed the accompanying financial statements of Youthspeak Performance Charity Organization that comprise the statement of financial position as at August 31, 2021, and the statements of operations and net assets, cash flows 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.

### *Practitioner's Responsibility*

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the organization, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Youthspeak Performance Charity Organization as at August 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.



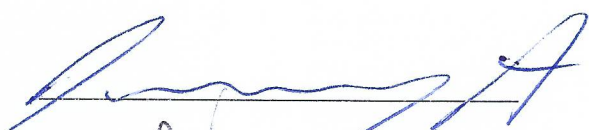
Chartered Professional Accountants  
Licensed Public Accountants

Newmarket, Ontario  
November 19, 2021

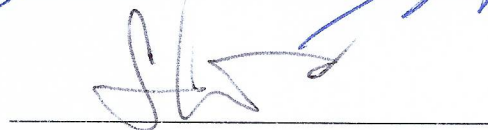
**YOUTHSPEAK PERFORMANCE CHARITY ORGANIZATION**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT AUGUST 31, 2021**

	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 83,728	\$ 12,004
Accounts receivable	16,690	19,457
Prepaid expenses	<u>400</u>	<u>400</u>
	<u>\$ 100,818</u>	<u>\$ 31,861</u>
<b>LIABILITIES</b>		
<b>Current</b>		
Accounts payable and accruals	<u>\$ 4,482</u>	<u>\$ 3,496</u>
<b>NET ASSETS</b>		
<b>SURPLUS</b>	<u>96,336</u>	<u>28,365</u>
	<u>\$ 100,818</u>	<u>\$ 31,861</u>

On behalf of the Board



Director



Director

Unaudited - see Review Engagement Report

BATEMAN, GRAHAM & FITZPATRICK  
CHARTERED PROFESSIONAL ACCOUNTANTS

**YOUTHSPEAK PERFORMANCE CHARITY ORGANIZATION**  
**STATEMENT OF OPERATIONS AND NET ASSETS**  
**FOR THE YEAR ENDED AUGUST 31, 2021**

	<u>2021</u>	<u>2020</u>
<b>REVENUES</b>		
Ontario Trillium Foundation	\$ 70,700	\$ -
Booking fees	34,575	32,934
United Way of Canada	-	2,853
Donations	18,717	35,292
Job Skills	17,920	496
Miscellaneous	12,072	40,228
Forgivable portion of CEBA (Note 4)	<u>20,000</u>	<u>-</u>
	<u>173,984</u>	<u>111,803</u>
<b>EXPENDITURES</b>		
Advertising and promotion	10,726	9,308
Bank charges and interest	228	330
Insurance	1,971	1,780
Office	3,162	6,601
Rent (Note 4)	4,901	4,671
Professional fees	4,916	1,252
Travel	1,850	4,536
Wages and benefits (Note 4)	<u>78,259</u>	<u>52,600</u>
	<u>106,013</u>	<u>81,078</u>
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>		
<b>FOR THE YEAR</b>	67,971	30,725
<b>NET ASSET (DEFICIENCY), beginning of year</b>	<u>28,365</u>	<u>(2,360)</u>
<b>NET ASSETS, end of year</b>	<u>\$ 96,336</u>	<u>\$ 28,365</u>

Unaudited - see Review Engagement Report

BATEMAN, GRAHAM & FITZPATRICK  
 CHARTERED PROFESSIONAL ACCOUNTANTS

**YOUTHSPEAK PERFORMANCE CHARITY ORGANIZATION**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED AUGUST 31, 2021**

	<u>2021</u>	<u>2020</u>
<b>SOURCES (USES) OF CASH:</b>		
<b>OPERATING ACTIVITIES</b>		
Excess of revenue over expenditures for the year	\$ 67,971	\$ 30,725
CEBA revenue	<u>(20,000)</u>	<u>-</u>
	47,971	30,725
Changes in non-cash working capital items		
Accounts receivable	2,767	(9,319)
Accounts payable and accruals	986	(7,579)
Deferred contributions	-	(2,853)
Due to related party	<u>-</u>	<u>(23)</u>
	<u>51,724</u>	<u>10,951</u>
<b>FINANCING ACTIVITIES</b>		
Loan proceeds	60,000	-
Repayment of loan	<u>(40,000)</u>	<u>-</u>
	<u>20,000</u>	<u>-</u>
<b>NET INCREASE IN CASH</b>	71,724	10,951
<b>CASH, beginning of year</b>	<u>12,004</u>	<u>1,053</u>
<b>CASH, end of year</b>	<u>\$ 83,728</u>	<u>\$ 12,004</u>

Unaudited - see Review Engagement Report

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 CHARTERED PROFESSIONAL ACCOUNTANTS



**YOUTHSPEAK PERFORMANCE CHARITY ORGANIZATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED AUGUST 31, 2021**

**1. OPERATIONS**

The organization was incorporated on May 20, 2011 by letters patent without share capital as a not-for-profit corporation under the Corporations Act of Ontario and commenced operating in November, 2011. Youthspeak empowers youth who face challenges through leadership training to positively impact their world by sharing their personal stories in assemblies and workshops. The organization is not subject to income tax.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

These financial statements of the organization have been prepared in accordance with Canadian accounting standards for not-for-profit organizations as contained in Part III of the Chartered Professional Accountants Canada ("CPAC") Handbook. To the extent Part III of the CPAC Handbook does not address certain matters applicable to the organization; it uses Canadian accounting standards for private enterprises contained in Part II of the CPAC Handbook. Outlined below are those policies considered particularly significant by the organization.

**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 amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. These estimates are reviewed periodically and any adjustments are reported in earnings in the period they become known. The principal estimates used in the preparation of these financial statements include prepaid expenses and accrued liabilities. Actual results could differ from management's best estimates as additional information becomes available in the future.

**Financial instruments**

The organization initially measures its financial assets and financial liabilities at fair value. The organization subsequently measures all its financial assets and financial liabilities at cost or amortized cost.

Financial assets measured at amortized cost include accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accruals.

Financial assets measured at cost are tested annually for impairment. If there are indicators of impairment, the amount of the write-down is recognized as an expense.

**Impairment of financial instruments**

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in the statement of financial activities. The previously recognized impairment loss may be reversed to the extent of the previously recognized impairment, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of financial activities.

**YOUTHSPEAK PERFORMANCE CHARITY ORGANIZATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2021**

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

**Revenue recognition**

Revenue from government ministries and foundations is recognized when due under terms of any related contracts. Amounts received but applicable to future periods are recognized as deferred revenues.

Externally restricted contributions are accounted for using the deferral method. Unrestricted contributions, including donations, are recorded in revenue when received.

Other revenues are recorded when due.

Booking fees are recorded as revenue when the service is performed.

**Fixed assets**

Fixed assets are expensed in the year of acquisition.

**Deferred contributions**

Under the terms of agreements with certain funding organizations, all funds received must be utilized in a prescribed manner. As a result of this stipulation, the organization recognizes funds received but not yet disbursed in the prescribed manner as deferred contributions.

**3. COMPARATIVE FIGURES**

Certain comparative figures have been reclassified to conform with the presentation adopted for the current year..

**4. GOVERNMENT ASSISTANCE**

The organization is impacted by COVID-19 and has received assistance from the federal government's Canada Emergency Wage Subsidy (CEWS) program. As part of the compliance with the program, the organization has to have experienced a financial hardship by a decline in gross monthly revenue compared to a previous period which is outlined in the programs guidelines. They have received \$99,075 (2020 - \$30,278) which has reduced wages by this amount.

The organization has also received assistance through the Canada Emergency Rent Subsidy (CERS) program. As part of the compliance with the program, the organization has to have experienced a financial hardship by a decline in gross monthly revenue compared to the previous period which is outlined in the program guidelines. They have \$3,202 which has reduced rent by this amount. In 2020, the organization received assistance through the Canada Emergency Commercial Rent Assistance (CECRA) program. In order to qualify for this program the organization has to have a decline in gross monthly revenue of 70% in a year over year comparison. The organization qualified for April to June and August, 2020. The tenant is obligated to 25% of the rent which was \$680.

The company has received assistance through the Canada Emergency Business Account (CEBA) program. They received a \$60,000 interest free loan. On July 13, 2021, \$40,000 of the loan was repaid and \$20,000 was forgiven, in accordance with the loan term.



**YOUTHSPEAK PERFORMANCE CHARITY ORGANIZATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2021**

**5. FINANCIAL RISK MANAGEMENT**

***Credit risk***

Credit risk represents the financial loss that the organization would experience if a counterparty to a financial instrument failed to meet its obligations. The organization's credit risk is primarily attributable to its accounts receivable. The organization has established various internal controls designed to mitigate credit risk such as account monitoring procedures. There have been no changes in credit risk since 2020.

***Liquidity risk***

Liquidity risk is the risk that the organization will be unable to fulfill its obligations on a timely basis or at reasonable cost. Management manages liquidity risk by monitoring its operational requirements to ensure it has sufficient funds to fulfil its obligations. Cash flow from operations provides a substantial portion of the organization's cash requirements. Additional cash requirements are met with the use of related party loans and bank overdraft. There have been no changes in liquidity risk since 2020.

**6. PANDEMIC**

In March, 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic, which continues to spread in Canada and around the world.

As at the date of the financial statements, the company is aware of changes in its operations as a result of the COVID-19 crisis, including the closure of its office and postponement of certain events.

Management is uncertain of the effects of these changes on its financial statements and believes that any disturbance may be temporary; however, there is uncertainty about the length and potential impact of the disturbance.

As a result, we are unable to estimate the potential impact on the company's operations as at the date of these financial statements.