



Financial Statements

Young Life of Canada

September 30, 2020

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Independent Auditor's Report

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To the Directors of
Young Life of Canada

Qualified opinion

We have audited the financial statements of Young Life of Canada ("Young Life"), which comprise the statement of financial position as at September 30, 2020, and the statement of deficiency and surplus and fund balances, statement of financial position and the statement 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 possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of Young Life as at September 30, 2020, and its results of 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 not-for-profit organizations, Young Life derives revenue from donation activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of Young Life. Therefore, we were not able to determine whether any adjustments might be necessary to donations revenue, surplus or deficiency of revenues over expenses, and cash flows from operations for the years ended September 30, 2020 and 2019, current assets as at September 30, 2020 and 2019, and net assets as at October 1, 2018 and 2019 for both the 2020 and 2019 years. Our audit opinion on the financial statements for the year ended September 30, 2020 was modified accordingly because of the possible effects of this limitation in scope.

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 Young Life 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 – restated comparative information

We draw attention to Note 16 to the financial statements, which explains that certain comparative information presented for the year ended September 30, 2019 has been restated. Our opinion is not modified in respect to the matter.

Responsibilities of management and those charged with governance 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.

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

Those charged with governance are responsible for overseeing Young Life'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 Young Life'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 the audit evidence obtained, whether a material uncertainty exists related to

events or conditions that may cast significant doubt on Young Life'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 Young Life 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.

Vancouver, Canada
November 20, 2020



Chartered Professional Accountants

Young Life of Canada

Statement of Deficiency and Surplus and Fund Balances

Year ended September 30

2020

2019
(Note 16)

	Restricted Funds		General Funds			
	RockRidge Fund	Scholarship Fund	Invested in Property and Equipment Fund	Unrestricted Fund (Schedule)		
Revenue						
Donations (Note 10)	\$ 858,640	\$ 144,570	\$ 1,800	\$ 6,913,269	\$ 7,918,279	\$ 7,961,862
Government grants (Note 15)	1,418,645	-	-	210,593	1,629,238	158,462
Rental (Note 16)	593,143	-	-	-	593,143	1,366,593
Camping	132,020	-	-	227,736	359,756	1,355,059
Non-receiptable revenue	71,669	-	-	165,958	237,627	357,610
Gain on dental self insurance	-	-	-	61,693	61,693	21,194
Merchandise	59,891	-	-	-	59,891	182,535
Gain on sale of assets	-	-	19,743	-	19,743	56,448
Gain on sale of investments	1,738	-	-	619	2,357	-
Gain on foreign exchange	883	-	-	-	883	1,676
	<u>3,136,629</u>	<u>144,570</u>	<u>21,543</u>	<u>7,579,868</u>	<u>10,882,610</u>	<u>11,461,439</u>
Expenses						
Salaries	1,029,820	-	-	4,676,094	5,705,914	5,576,827
Amortization	-	-	1,262,265	-	1,262,265	1,310,999
Employee benefits	174,369	-	-	887,313	1,061,682	1,058,931
Office and administration	286,708	-	-	536,825	823,533	807,362
Camping	-	-	-	408,128	408,128	953,586
Promotion	13,852	-	-	333,128	346,980	475,417
Supplies and maintenance	315,314	-	-	-	315,314	333,717
Training and recruitment	34,187	-	-	258,584	292,771	434,983
Utilities	287,126	-	-	-	287,126	297,321
Program	16,110	-	-	238,250	254,360	341,191
Travel	18,682	-	-	153,221	171,903	261,805
Food	140,624	-	-	-	140,624	409,913
Interest	51,748	-	-	-	51,748	53,703
Cost of merchandise sold	33,825	-	-	-	33,825	82,696
Loss on foreign exchange	-	-	-	1,886	1,886	13
Relocation	-	-	-	-	-	5,797
Loss on sale of investments	-	-	-	-	-	1,159
	<u>2,402,365</u>	<u>-</u>	<u>1,262,265</u>	<u>7,493,429</u>	<u>11,158,059</u>	<u>12,405,420</u>
Surplus / (deficiency) of revenue over expenses	734,264	144,570	(1,240,722)	86,439	(275,449)	(943,981)
Unrealized gain / (loss) on investments	-	-	-	730	730	(60)
Balance, beginning of the year (Note 16)	(1,466,718)	214,643	34,051,258	1,824,696	34,623,879	35,567,920
Internal transfer between funds (Note 8)	<u>(291,292)</u>	<u>(162,468)</u>	<u>223,850</u>	<u>229,910</u>	<u>-</u>	<u>-</u>
Balance, end of year	<u>\$ (1,023,746)</u>	<u>\$ 196,745</u>	<u>\$ 33,034,386</u>	<u>\$ 2,141,775</u>	<u>\$ 34,349,160</u>	<u>\$ 34,623,879</u>

See accompanying notes and schedule to the financial statements.

Young Life of Canada Statement of Financial Position

September 30


2020

2019
(Note 16)

	Restricted Funds		General Funds			
	RockRidge Fund	Scholarship Fund	Invested in Property and Equipment Fund	Unrestricted Fund		
Assets						
Current						
Cash	\$ -	\$ -	\$ -	\$ 314,438	\$ 314,438	\$ 531,431
Accounts receivable (Note 16)	64,366	-	-	191,272	255,638	202,955
Inventory	85,668	-	-	-	85,668	54,004
Prepaid expenses	426,463	-	-	81,659	508,122	385,794
	<u>576,497</u>	<u>-</u>	<u>-</u>	<u>587,369</u>	<u>1,163,866</u>	<u>1,174,184</u>
Investments (Note 3)	-	-	-	6,172	6,172	11,496
Property and equipment (Note 4)	-	-	34,518,495	-	34,518,495	35,611,269
	<u>\$ 576,497</u>	<u>\$ -</u>	<u>\$ 34,518,495</u>	<u>\$ 593,541</u>	<u>\$ 35,688,533</u>	<u>\$ 36,796,949</u>
Liabilities						
Current						
Term debt (Note 5)	\$ -	\$ -	\$ 1,035,918	\$ -	\$ 1,035,918	\$ 1,655,818
Payables and accruals (Note 6)	54,181	-	-	233,277	287,458	486,943
Deferred revenue (Note 7)	15,157	-	-	840	15,997	30,309
	<u>69,338</u>	<u>-</u>	<u>1,035,918</u>	<u>234,117</u>	<u>1,339,373</u>	<u>2,173,070</u>
Interfund payable (receivable)	1,530,905	(196,745)	448,191	(1,782,351)	-	-
	<u>1,600,243</u>	<u>(196,745)</u>	<u>1,484,109</u>	<u>(1,548,234)</u>	<u>1,339,373</u>	<u>2,173,070</u>
Net assets						
Restricted fund balances	(1,023,746)	196,745	-	-	(827,001)	(1,252,076)
Invested in property and equipment (Note 9)	-	-	33,034,386	-	33,034,386	34,051,259
Operating fund balance	-	-	-	2,141,775	2,141,775	1,824,696
	<u>(1,023,746)</u>	<u>196,745</u>	<u>33,034,386</u>	<u>2,141,775</u>	<u>34,349,160</u>	<u>34,623,879</u>
	<u>\$ 576,497</u>	<u>\$ -</u>	<u>\$ 34,518,495</u>	<u>\$ 593,541</u>	<u>\$ 35,688,533</u>	<u>\$ 36,796,949</u>

On behalf of the board

 Director

 Director

See accompanying notes and schedule to the financial statements.

Young Life of Canada

Statement of Cash Flows

Year ended September 30

2020

2019
(Note 16)

Increase (decrease) in cash

Operating

Deficiency of revenue over expenses	\$ (275,449)	\$ (943,981)
Adjustments to determine cash flows:		
Amortization of property and equipment	1,262,265	1,310,999
Gain / (loss) on sale of investments	(2,357)	1,159
Gain on sale of assets	(19,743)	(56,448)
Donated investments	(506,005)	(222,393)
	<u>458,711</u>	<u>89,336</u>
Change in non-cash working capital items		
Accounts receivable	(52,683)	70,033
Inventory	(31,664)	(11,110)
Prepaid expenses	(122,328)	(15,547)
Payables and accruals	(199,485)	159,653
Deferred revenue	(14,312)	(21,329)
	<u>38,239</u>	<u>271,036</u>

Financing

(Repayment) / borrowing of term debt, net	(619,900)	267,131
	<u>(619,900)</u>	<u>267,131</u>

Investing

Proceeds from sale of investments	514,416	220,955
Proceeds from sale of assets	83,000	71,092
Purchase of property and equipment	(232,748)	(441,743)
	<u>364,668</u>	<u>(149,696)</u>

(Decrease) increase in cash (216,993) 388,471

Cash

Beginning of year	<u>531,431</u>	<u>142,960</u>
End of year	<u>\$ 314,438</u>	<u>\$ 531,431</u>

Young Life of Canada

Notes to the Financial Statements

September 30, 2020

1. Nature of operations

Young Life of Canada (“Young Life”) is a charitable organization registered under the *Income Tax Act* and is incorporated without capital stock under the *Canada Corporations Act*, and is continued under the *Canada Not-for-Profit Corporations Act*. Young Life works with teenagers, encouraging them to be in a relationship with Jesus Christ.

2. Summary of significant accounting policies

Basis of presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (“ASNPO”).

The preparation of financial statements in conformity with ASNPO 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. Significant areas requiring the use of management estimates relate to the useful lives for amortization. Actual results may ultimately differ from these estimates.

Cash

Cash consists of balances with banks, net of any overdrafts. Bank overdrafts are the result of any timing differences relating to outstanding cheques and deposits.

Fund accounting

Young Life follows fund accounting procedures, giving recognition to restrictions on the use of resources specified by donors. The fund classifications are as follows:

General funds

Unrestricted Fund

The Unrestricted Fund reflects the activities associated with Young Life’s day-to-day operations.

Invested in Property and Equipment Fund

The Invested in Property and Equipment Fund reflects the capital investing activities of Young Life.

Externally restricted funds

Restricted funds include donations received by Young Life which have been designated for the following specific purposes by the donor:

- i The RockRidge Fund is used to raise funds for the purchase and operation of camp property.
- ii The Scholarship Fund is used to supplement camping fees for campers who cannot afford to attend Young Life camps.

Young Life of Canada

Notes to the Financial Statements

September 30, 2020

2. Summary of significant accounting policies (continued)

Contributed services and materials

A substantial number of volunteers contribute a significant amount of their time to Young Life each year. Because of the difficulty in determining their fair value, these contributed services are not recognized in the financial statements.

Contributions of materials are recognized only when a fair value can be reasonably estimated and the materials are used in the normal course of operations.

Inventory

Inventory consists of items held for sale at the general store of RockRidge Canyon. Inventory is recorded at the lower of cost and net realizable value. Cost has been determined on a specific item basis.

Investments

Investments are recorded at fair value.

Property and equipment

Property and equipment are recorded at cost. Amortization is provided on the straight-line basis, which will write off the cost of the assets over their estimated useful lives, as follows:

Lorne Lake dam	80 years
Buildings	40 years
Pool, challenge course & sound	20 years
Zipline	10 years
Furniture and equipment	5 years
Vehicles and boats	5 years
Computer equipment & software	3 years

Significant donated assets are capitalized at their fair market value and are amortized in accordance with the above policies.

Revenue recognition

Young Life follows the restricted fund method of accounting for contributions.

Restricted contributions related to general operations are recognized as revenue of the Unrestricted Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the Unrestricted Fund in the year received or receivable if the amount to be received can be reasonably established and collection is reasonably assured.

Restricted camping revenue from camping events held at RockRidge Canyon property are recognized in the year received or receivable if the amount to be received can be reasonably established and collection is reasonably assured.

Young Life of Canada

Notes to the Financial Statements

September 30, 2020

2. Summary of significant accounting policies (continued)

Revenue recognition (continued)

Unrestricted camping revenue from camping events held outside of RockRidge Canyon property are recognized in the year received or receivable if the amount to be received can be reasonably established and collection is reasonably assured.

Restricted rental and merchandise revenue are recognized when the services or goods are delivered, and amounts have been received.

Investment income includes dividend and interest income and realized and unrealized investment gains and losses. Dividend income, interest income, and realized gains and losses earned on RockRidge Fund resources are used to purchase, construct, and operate the camp property and are recognized as revenue of the RockRidge Fund. Dividend income, interest income, and realized gains and losses earned on Unrestricted Fund resources are used to support general operations and are recognized as revenue in the Unrestricted Fund.

Unrealized gains and losses are included directly in the fund balance of the appropriate fund.

Deferred revenue represents funding received in the current year that is related to the subsequent year.

Financial instruments

Young Life initially measures its financial assets and financial liabilities at fair value. Young Life subsequently measures all of its financial assets and financial liabilities at amortized cost, with the exception of investments which are subsequently measured at fair value.

Financial assets measured at amortized cost include cash and accounts receivable.

Financial liabilities measured at amortized cost include term debt and payables and accruals.

It is management's opinion that the organization is not exposed to significant currency or credit risks arising from these financial instruments other than its term debt which is exposed to interest rate risk. Young Life does not currently mitigate the risk.

Foreign currency transactions

Monetary assets and liabilities which are denominated in foreign currencies are translated into Canadian dollars at the period-end exchange rates. Revenue and expenses are translated at rates of exchange prevailing on the transaction date. Gains and losses on translation are included in the results of operations.

Income taxes

Young Life is exempt from income taxes under Section 149(5) of the Income Tax Act.

Young Life of Canada

Notes to the Financial Statements

September 30, 2020

2. Summary of significant accounting policies (continued)

Adoption of new accounting standards

On October 1, 2019, Young Life adopted new accounting standards Section 4433 Tangible capital assets held by not-for-profit organizations (the "standards").

The most significant requirements include:

- tangible capital assets must be separated into their component parts, when practicable, and when estimates can be made of the lives of the separate components;
- tangible capital assets are written down to fair value or replacement cost to reflect partial impairments when conditions indicate that the assets no longer contribute to an organization's ability to provide goods and services, or that the value of future economic benefits or service potential associated with the tangible capital assets are less than their net carrying amounts; and
- additional disclosures when an impairment has occurred.

The adoption of the new accounting standards was applied prospectively, except Young Life was permitted to recognize an adjustment to opening net assets at October 1, 2019 to reflect partial impairments of tangible assets existing at that date. The adoption of these standards did not have any impact on the statement of financial position as at October 1, 2019 and the changes in financial position for the current period.

3. Investments	<u>2020</u>	<u>2019</u>
Cash surrender value of life insurance policy	\$ 6,171	\$ 11,495
Marketable securities	1	1
	<u>\$ 6,172</u>	<u>\$ 11,496</u>

4. Property and equipment	<u>2020</u>		
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>
Land	\$ 4,447,000	\$ -	\$ 4,447,000
Lorne Lake dam	8,012,912	2,198,738	5,814,174
Buildings	40,552,654	17,051,631	23,501,023
Pool, challenge course & sound system	1,252,263	923,371	328,892
Zipline	133,728	86,708	47,020
Furniture and equipment	909,706	711,402	198,304
Vehicles and boats	519,468	368,161	151,307
Computer equipment	38,792	24,062	14,730
Computer software	24,068	8,023	16,045
	<u>\$ 55,890,591</u>	<u>\$ 21,372,096</u>	<u>\$ 34,518,495</u>

Young Life of Canada

Notes to the Financial Statements

September 30, 2020

4. Property and equipment (continued)

	Cost	Accumulated Amortization	2019 Net Book Value
Land	\$ 4,447,000	\$ -	\$ 4,447,000
Lorne Lake dam	8,012,912	2,111,958	5,900,954
Buildings	40,552,654	16,264,435	24,288,219
Pool, challenge course & sound system	1,069,359	850,043	219,316
Zipline	133,728	77,389	56,339
Furniture and equipment	1,135,697	766,671	369,026
Vehicles and boats	616,554	312,856	303,698
Computer equipment	35,443	22,818	12,625
Computer software	14,092	-	14,092
	<u>\$ 56,017,439</u>	<u>\$ 20,406,170</u>	<u>\$ 35,611,269</u>

5. Term debt

	2020	2019
Variable rate term loan, secured by land, bearing interest at Royal Bank prime plus 0.90% per annum, with monthly payments of \$8,712, due January 27, 2021	\$ 404,879	\$ 490,818
Variable rate line of credit, secured by land, bearing interest at Royal Bank prime plus 0.70% per annum, payable on demand	200,000	1,165,000
Variable rate credit facility, secured by land, bearing interest only at Royal Bank Prime, convertible to a term facility March 1, 2021	431,039	-
	<u>\$ 1,035,918</u>	<u>\$ 1,655,818</u>

6. Payables and accruals

Included in payables and accruals are government remittances payable of \$9,221 (2019 - \$43,736).

Young Life of Canada

Notes to the Financial Statements

September 30, 2020

7. Deferred revenue

The deferred revenue represents funding received in the current year that is related to the subsequent year. Changes in the deferred revenue balance are as follows:

	<u>2020</u>	<u>2019</u>
Balance, beginning of year	\$ 30,309	\$ 51,638
Add amounts received in the year	134,611	433,782
Less amounts recognized as revenue in the year	<u>(148,923)</u>	<u>(455,111)</u>
Balance, end of year	<u>\$ 15,997</u>	<u>\$ 30,309</u>

8. Interfund transfers

The RockRidge Fund transferred \$194,687 (2019 - \$464,776) to the Invested in Property and Equipment Fund for continued construction of the RockRidge Canyon property and for Champion projects. A further \$135,803 (2019 - \$138,454) was transferred to the Unrestricted Fund for national office charges and internal financing.

The Unrestricted Fund transferred \$29,163 (2019 - \$31,965) to the Invested in Property and Equipment Fund for equipment purchases. A further \$39,198 (2019 - \$56,759) was transferred to the RockRidge Fund to cover costs associated with Young Life meetings and events held at RockRidge.

The Scholarship Fund transferred \$162,468 (2019 - \$412,418) to the Unrestricted Fund to assist with camping activities.

The Property and Equipment Fund transferred \$Nil (2019 - \$57,092) to the RockRidge Fund to assist with the purchase of other equipment.

9. Net assets invested in property and equipment

Change in net assets invested in property and equipment is calculated as follows:

	<u>2020</u>	<u>2019</u>
Balance, beginning of year	\$ 34,051,259	\$ 34,878,360
Donations	1,800	1,800
Gain from sale of assets	19,743	42,448
Property and equipment additions, net	223,849	439,650
Amortization of property and equipment	<u>(1,262,265)</u>	<u>(1,310,999)</u>
Balance, end of year	<u>\$ 33,034,386</u>	<u>\$ 34,051,259</u>

Young Life of Canada

Notes to the Financial Statements

September 30, 2020

10. Related party transactions

Related parties consist of directors, officers and a charitable foundation controlled by a director of Young Life. The organization received donations of \$748,016 (2019 - \$1,069,261) from related parties during the year. These transactions are recorded at the exchange amount as agreed to by the related parties.

11. Related organization

The Young Life of Canada Foundation (the "Foundation") is a related organization to Young Life. The Foundation was formed to help support the work of Young Life and Christian youth ministry in general. The Foundation is incorporated under the *Society Act* (British Columbia) and is a registered charity under the *Income Tax Act*.

The organization received \$354 (2019 - \$192,733) of donations from the Foundation.

The net assets and results of operations of the Foundation are not included in the statements of Young Life but are reported on separately. A financial summary of the Foundation as at September 30, 2020 and the year then ended is as follows:

	<u>2020</u>	<u>2019</u>
Financial position		
Total net assets	<u>\$ 4,018</u>	<u>\$ 944</u>
Results of operations		
Total revenue	\$ 3,428	\$ 193,303
Total expenses	<u>354</u>	<u>193,091</u>
Surplus of revenue over expenses	<u>\$ 3,074</u>	<u>\$ 212</u>
Cash flows		
Cash from operations	<u>\$ 3,074</u>	<u>\$ 782</u>
Increase in cash	<u>\$ 3,074</u>	<u>\$ 782</u>

12. Capital management

The capital structure of Young Life consists of net assets invested in property and equipment and unrestricted and restricted net assets. The primary objective of Young Life's capital management is to provide adequate funding to support Young Life programs and camps.

Net assets invested in property and equipment represent the amount of net assets that are not available for other purposes because they have been invested.

Restricted net assets are externally restricted funds which have been designated for the specific purposes outlined in Note 2.

The unrestricted net assets are funds available for future operations.

Young Life of Canada

Notes to the Financial Statements

September 30, 2020

13. Commitments

Young Life has an operating lease commitment on their office premises. The minimum rental commitments under the operating lease are as follows:

2021	\$	77,428
2022		79,462
2023		72,841

14. Financial instruments

The carrying amounts of financial assets measured at amortized cost are \$570,076 as at September 30, 2020 (September 30, 2019 - \$734,386).

The carrying amounts of financial liabilities measured at amortized cost are \$1,323,376 as at September 30, 2020 (September 30, 2019 - \$2,142,761).

The carrying amounts of financial assets measured at fair value are \$6,172 as at September 30, 2020 (September 30, 2019 - \$11,496).

15. Impact of COVID-19

During the year, the spread of COVID-19 severely impacted many local economies around the globe. In many countries, including Canada, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions and impact on businesses and operations of not-for-profit organizations. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

While governments and central banks have reacted with monetary and fiscal interventions designed to stabilize economic conditions, the duration and extent of the impact of the COVID-19 outbreak, as well as the effectiveness of government and central bank responses, remains unclear at this time.

As a result of COVID-19, a substantial portion of Young Life's operations, Summer Camps, were unable to operate, due to government mandated lockdowns. Young Life took advantage of government assistance programs in place, resulting in the recognition of the \$1,600,571 of COVID-19 Emergency Wage Subsidy (government grants) in the year. Of this balance, \$120,742 was recognized as receivable at year-end.

Young Life evaluated subsequent events through to November 20, 2020 which is the date the financial statements were available to be issued. No other events arose during the period that required additional disclosure in these financial statements.

Young Life of Canada

Notes to the Financial Statements

September 30, 2020

16. Restated comparative information

Management discovered accounts receivable and revenue amounts, accrued for in the fiscal 2019 financial statements, that were received prior to the 2019 year-end. As a result, the financial statements have been restated to reflect the decrease in accounts receivable, opening net assets and revenue by \$71,562.

Young Life of Canada

Schedule of General Unrestricted Fund

Year ended September 30

2020

2019

	2020	2019
Revenue		
Donations	\$ 6,913,269	\$ 6,861,363
Camping	227,736	404,328
Government grants	210,593	136,971
Fundraisers	165,958	340,550
Gain on dental self insurance	61,693	21,194
Gain on sale of investments	619	-
Gain on foreign exchange	-	1,676
	<u>7,579,868</u>	<u>7,766,082</u>
Expenses		
Salaries	4,676,094	4,538,665
Employee benefits	887,313	880,515
Office and administration	536,825	547,173
Camping	408,128	953,586
Promotion	333,128	460,081
Training and recruitment	258,584	412,384
Program	238,250	292,296
Travel	153,221	209,215
Loss on sale of investments	-	1,159
Loss on foreign exchange	1,886	-
	<u>7,493,429</u>	<u>8,295,074</u>
Excess (deficiency) of revenue over expenses	<u>\$ 86,439</u>	<u>\$ (528,992)</u>