

TAKING IT GLOBAL YOUTH ASSOCIATION
FINANCIAL STATEMENTS
NOVEMBER 30, 2022



TAKING IT GLOBAL YOUTH ASSOCIATION
FINANCIAL STATEMENTS
NOVEMBER 30, 2022

CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITORS' REPORT	1 - 3
FINANCIAL STATEMENTS	
Statement of Financial Position	4 - 5
Statement of Changes in Net Assets	6
Statement of Operations	7
Statement of Cash Flows	8
Notes to Financial Statements	9 - 18





ARNINI STELLATO LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

7500 HWY. 27
Unit #13, Suite 200
Vaughan, ON L4H 0J2
F.905.663.5500
T.905.663.5000
www.asllp.com

INDEPENDENT AUDITORS' REPORT

To the Members of:
Taking IT Global Youth Association

Opinion

We have audited the accompanying financial statements of **Taking IT Global Youth Association**, which comprise the Statement of Financial Position as at November 30, 2022 and the Statements of Changes in Net Assets, Operations and Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of **Taking IT Global Youth Association** as at November 30, 2022, 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 Opinion

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 Association 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 opinion.

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 the Association'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 Association or to cease operations, or has no realistic alternative but to do so.

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

INDEPENDENT AUDITORS' REPORT

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 Association'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 the Association'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 Association's 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Association to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITORS' REPORT

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.



CHARTERED PROFESSIONAL ACCOUNTANTS,
LICENSED PUBLIC ACCOUNTANTS

Vaughan, Ontario
May 18, 2023



TAKING IT GLOBAL YOUTH ASSOCIATION
(Incorporated under the laws of Ontario without share capital)
STATEMENT OF FINANCIAL POSITION
NOVEMBER 30, 2022

	2022	2021
	\$	\$
ASSETS		
CURRENT		
Cash and cash equivalents	3,802,937	7,251,797
Short-term investments (Note 3)	2,043,016	1,521,035
Accounts receivable (Note 4)	6,853,692	3,272,576
Government remittances receivable	-	2,218
Government subsidies receivable	-	13,118
Work in progress	117,017	89,561
Prepaid expenses and sundry	<u>16,206</u>	<u>16,780</u>
	12,832,868	12,167,085
INVESTMENTS (Note 5)	130,963	130,963
CAPITAL ASSETS (Note 6)	1,870,507	2,089,656
	<u>14,834,338</u>	<u>14,387,704</u>


The accompanying notes are an integral part of these financial statements.




TAKING IT GLOBAL YOUTH ASSOCIATION
(Incorporated under the laws of Ontario without share capital)
STATEMENT OF FINANCIAL POSITION
NOVEMBER 30, 2022

	2022	2021
	\$	\$
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 7)	360,858	421,695
Government remittances payable	1,782	-
Deferred revenue	<u>9,444,272</u>	<u>9,314,202</u>
	9,806,912	9,735,897
LONG TERM		
Deferred capital contributions (Note 8)	<u>141,438</u>	<u>215,208</u>
	<u>9,948,350</u>	<u>9,951,105</u>
NET ASSETS		
UNRESTRICTED	4,885,988	4,436,599
	<u>14,834,338</u>	<u>14,387,704</u>

APPROVED ON BEHALF OF THE BOARD:



Director



Director

The accompanying notes are an integral part of these financial statements.



TAKING IT GLOBAL YOUTH ASSOCIATION

STATEMENT OF CHANGES IN NET ASSETS

YEAR ENDED NOVEMBER 30, 2022

	Endowment & Restricted	Unrestricted	Total Net Assets
	\$	\$	\$
Balance, November 29, 2020	-	3,690,597	3,690,597
Excess of revenue over expenditures	-	746,002	746,002
Balance, November 30, 2021	-	4,436,599	4,436,599
Excess of revenue over expenditures	-	449,389	449,389
Balance, November 30, 2022	-	4,885,988	4,885,988

The accompanying notes are an integral part of these financial statements.



TAKING IT GLOBAL YOUTH ASSOCIATION

STATEMENT OF OPERATIONS

YEAR ENDED NOVEMBER 30, 2022

	2022	2021
	\$	\$ (Note 12)
REVENUE		
Donations & Fundraising	464,939	504,913
Grants	11,004,568	8,547,165
In-kind contributions (Note 9)	702,484	1,176,028
Interest and other income	128,733	182,999
Program licensing and sponsorships	309,739	250,788
Amortization of deferred capital contributions (Note 8)	<u>73,770</u>	<u>141,900</u>
	<u>12,684,233</u>	<u>10,803,793</u>
EXPENDITURES		
Advertising and promotion, in-kind and other	467,264	214,591
Amortization	240,014	326,800
Bad debt expense (recovered)	(22,000)	5,740
Communications	150,500	115,716
Equipment and software, in-kind and other	274,686	150,515
Foreign exchange loss (gain)	(69,755)	424
Fundraising expenses	53,550	56,857
Insurance	27,523	20,582
Interest and bank charges	20,152	18,589
Office, shipping and general	567,268	314,740
Professional fees	460,101	214,391
Project support services	6,755,444	5,763,743
Rent and occupancy costs	72,262	82,685
Salaries, benefits and consultants	2,956,414	2,848,565
Training, memberships and dues	32,141	24,101
Travel	<u>186,000</u>	<u>42,667</u>
	<u>12,171,564</u>	<u>10,200,706</u>
EXCESS OF REVENUE OVER EXPENDITURES,		
before the undernoted items	512,669	603,087
Government subsidies	-	116,640
Unrealized Gain (loss) on writedown of short-term investments (Note 3)	(63,280)	26,275
	<u>449,389</u>	<u>746,002</u>

The accompanying notes are an integral part of these financial statements.



TAKING IT GLOBAL YOUTH ASSOCIATION

STATEMENT OF CASH FLOWS YEAR ENDED NOVEMBER 30, 2022

	2022	2021
	\$	\$
CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Excess of revenue over expenditures for the year	449,389	746,002
Adjustment for items not requiring an outlay of cash:		
Amortization	240,014	326,800
Amortization of deferred capital contributions (Note 8)	(73,770)	(141,900)
Accrued interest on investment	-	844
Realization of deferred revenue	<u>(9,314,202)</u>	<u>(5,035,396)</u>
	<u>(8,698,569)</u>	<u>(4,103,650)</u>
CHANGES IN NON-CASH WORKING CAPITAL BALANCES		
Decrease (increase) in accounts receivables	(3,581,116)	167,636
Decrease in government remittances recoverable	2,218	27,819
Increase in work in progress	(27,456)	(81,061)
Decrease in prepaid expenses and sundry	574	26,477
Decrease in government subsidies receivable	13,118	115,300
Decrease in accounts payable and accrued liabilities	(60,837)	(75,325)
Increase in government remittances payable	1,782	-
Increase in deferred revenue	<u>9,444,272</u>	<u>9,314,202</u>
	<u>5,792,555</u>	<u>9,495,048</u>
	<u>(2,906,014)</u>	<u>5,391,398</u>
CASH FLOWS PROVIDED BY (USED IN) INVESTING ACTIVITIES		
Additions to capital assets (Note 6)	(25,136)	(174,259)
Proceeds on disposal of capital assets	4,271	-
Redemption (purchase) of short-term investments	(521,981)	956,442
Purchase of investment	<u>-</u>	<u>(29,537)</u>
	<u>(542,846)</u>	<u>752,646</u>
CASH FLOWS PROVIDED BY (USED IN) FINANCING ACTIVITIES		
Repayment of obligation under capital lease	<u>-</u>	<u>(9,030)</u>
NET INCREASE (DECREASE) IN CASH	(3,448,860)	6,135,014
CASH AND CASH EQUIVALENTS, beginning of year	7,251,797	1,116,783
CASH AND CASH EQUIVALENTS, end of year	<u><u>3,802,937</u></u>	<u><u>7,251,797</u></u>

The accompanying notes are an integral part of these financial statements.



TAKING IT GLOBAL YOUTH ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

NOVEMBER 30, 2022

1. STATUS AND PURPOSE OF THE ORGANIZATION

Taking IT Global Youth Association ("the Association") was incorporated on September 15, 2000 without share capital under Letters Patent, under the Laws of the Province of Ontario. The Association seeks to bring together youth within international networks to collaborate on projects addressing global problems and creating positive change through the use of technology.

Prior to June 25, 2006, the Association operated as a not-for-profit organization under paragraph 149(1)(l) of the Income Tax Act (Canada) ("the Act"). On June 26, 2006, the Association became a registered charity under paragraph 149(1)(f) of the Act, and was designated a charitable organization. On September 20, 2016, the Association migrated to federal jurisdiction through a continuance under the Canada Not-for-profit Corporations Act. The Association being a registered Canadian charity and, as such, is exempt from income taxes under the Act. In order to maintain its status as a registered charity under the Act, the Association must meet certain requirements within the Act. In the opinion of management, these requirements have been met.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Management has prepared the accompanying financial statements in accordance with Canadian Accounting Standards for Not-for-profit Organizations ("ASNPO"). The following summarizes the most significant accounting policies followed in the preparation of these statements:

(a) Use of estimates:

The preparation of financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the amounts reported in the financial statements and the accompanying notes. Although these estimates are based on management's best knowledge of current events, actual results could differ from these estimates. Key areas of estimation where management has made difficult, complex or subjective judgments, include revenue recognition, the valuation of accounts receivables, the useful lives and amortization rates of capital assets, the completeness of accounts payable and accrued liabilities and the valuation of deferred revenue.

With the outbreak of COVID-19, and corresponding disruptions to business, there is inherently more uncertainty associated with estimates, judgements and assumptions made by management in the preparation of these financial statements. It is not practicable to forecast with certainty the extent to which the economic impact of COVID-19 will affect the Association's operations and financial results in the near term and long-term.

(b) Cash and cash equivalents:

Cash and cash equivalents are defined as cash and highly liquid investments, consisting primarily of term deposits or guaranteed investment certificates, with terms to maturity of 90 days or less at the date of purchase. As at November 30, 2022, the Association had cash equivalents of \$Nil (2021: \$Nil).

(c) Inventory and work in progress:

Inventory and work in progress are valued at the lower of cost and net realizable value, with cost determined on a specific item basis.



TAKING IT GLOBAL YOUTH ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

NOVEMBER 30, 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, *continued*

(d) Short-term investments:

The short-term investments that are not quoted on or have no active markets are valued at the lower of cost and market value. Short-term investments which are equity instruments that are quoted in active markets, are measured at fair market value. (See Note 3).

(e) Capital assets:

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

Art	20% of diminishing balance
Building	4% of diminishing balance
Computers and technology	30% of diminishing balance
Equipment	30% of diminishing balance
Furniture and fixtures	20% of diminishing balance
Software	50% of diminishing balance

A full year's amortization is recorded in the year of acquisition of new assets. Contributions of capital assets are capitalized at fair market value on the date of the contribution.

Website development costs are expensed as incurred.

(f) Revenue recognition:

Revenue pertaining to restricted purpose grants are accounted for using the deferral method, whereby contributions received are treated at inception as a liability of the Association. Thereafter, revenues on such grants are recognized as the related costs are incurred. Unearned grant revenues reported in the statement of financial position are classified as a current liability and represents the aggregate of restricted purpose grants received over the aggregate of expenses attributable to such grants since their inception.

The excess of funds spent to date on a specific, sponsored project over funds received for that particular project are recorded as unbilled work-in-progress to the extent these amounts will be receivable from the funders.

Contributions of in-kind assets (Note 9) or services related to property, equipment and software are treated as deferred capital contributions (Note 8). These deferred capital contributions are amortized at rates equivalent to the amortization rates used to amortize the contributed in-kind assets.

Contributions in-kind relating to other assets (non-capital items) and services, are recognized in the statement of operations upon receipt of the in-kind contribution and are recorded using the fair market value of the asset and service received.

The Association earns revenue through leveraging technology developed for its charitable programs and licensing and/or implementing this technology for other organizations. Provided collection thereof is reasonably assured, revenues are recognized as follows:



TAKING IT GLOBAL YOUTH ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

NOVEMBER 30, 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, *continued*

(f) Revenue recognition, *continued*:

- (i) Revenues from long term online community management and technology development projects are recognized using the percentage-of-completion method and billed to customers at the completion of milestones as defined in development agreements and statements of work signed by both parties prior to the commencement of work. Revenues from the licensing of proprietary platforms and technologies are included with such development agreements and recognized as earned in accordance with the terms and conditions of the agreement.
- (ii) All other revenue (generally for short-term projects) is recognized when services are completed and the invoice for services is rendered.

(g) Foreign currency translation:

Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the rate of exchange prevailing at year end. Capital assets have been translated at the rate prevailing at the date of acquisition. Revenues and expenditures denominated in foreign currencies are translated into Canadian dollars at the exchange rate in effect on the transaction date. Any resulting exchange gains and losses resulting from monetary assets and liabilities are recorded in the statement of operations for the year.

(h) Impairment of long-lived assets:

Long-lived assets are regularly reviewed for impairment, as well as whenever changes in circumstances indicate that the carrying value of an asset may not be recoverable. Impairment is assessed by comparing the carrying amount of an asset with its expected future net undiscounted cash flows from use together with its residual value. If such assets are considered impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds its net recoverable value. Any impairment results in a write-down of the asset and a charge to the statement of operations during the year.

(i) Lease obligations:

Lease obligations are classified as either capital or operating leases. Leases that transfer ownership upon conclusion of the lease or substantially all of the benefits and inherent risks of ownership of property and equipment to the Association are accounted for as capital leases. At the time a capital lease is entered into, an asset is recorded together with its related long-term obligation to reflect the acquisition and financing. Rental payments under operating leases are expensed as incurred.



TAKING IT GLOBAL YOUTH ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

NOVEMBER 30, 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, *continued*

(j) **Financial instruments:**

Financial assets and financial liabilities are recognized when the Association becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. Financial liabilities are derecognized when they are extinguished, discharged, cancelled or expire. The Association initially measures its financial assets and financial liabilities at fair value, except for certain related party transactions that are measured at the carrying amount or exchange amount, as appropriate.

The Association subsequently measures all its financial assets and financial liabilities at cost or 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 of these financial instruments are recognized in net income.

The Association's financial instruments measured at amortized cost comprise cash and cash equivalents, short-term investments, accounts receivable, investments, accounts payable and accrued liabilities and government remittances payable.

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 operations. The 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 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 operations.

The Association's transaction costs related to financial instruments that will be subsequently measured at fair value are recognized in the statement of operations in the period incurred. The carrying amount of the financial instruments that will not be subsequently measured at fair value is adjusted for transaction costs directly attributable to the origination, issuance or assumption of these instruments.

(k) **Financial instruments for related party transactions:**

Related party transactions in the normal course of business are recorded at the exchange amount which is the amount of consideration exchanged in the transaction.

Related party transactions outside the normal course of business are recorded at either the exchange amount or the carrying amount depending on the substance of the transaction.

Carrying amount is defined as the recorded amount of the item transferred.

For transactions with related parties involving financial instruments, they are initially and subsequently recorded at cost unless the financial instrument is an equity instrument quoted in an active market or a derivative.

Cost is defined depending on the existence or absence of repayment terms. If there are repayment terms then cost is the undiscounted cash flows excluding any interest element. If there are no repayment terms then cost is determined to be either the exchange amount or the carrying amount depending on the substance of the transaction.



TAKING IT GLOBAL YOUTH ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

NOVEMBER 30, 2022

3. SHORT-TERM INVESTMENTS

	2022	2021
	\$	\$
On May 27, 2022, the Association purchased a Vancity Community Investment Bank GIC with an interest rate of 2.90%, for a one-year term, which matures on May 27, 2023.	1,014,588	-
On January 29, 2021 the Association purchased a Bank of Montreal \$US GIC with an interest rate of 0.20%, for a one-year term, which matured on January 28, 2022.	-	461,547
On October 13, 2022 the Association purchased a Vancity Community Investment Bank GIC with an interest rate of 3.70%, for a one-year term, which matures on October 13, 2023.	250,000	250,000
On October 13, 2022 the Association purchased a Vancity Community Investment Bank GIC with an interest rate of 3.70%, for a one-year term, which matured on October 13, 2023.	250,000	250,000
Wealthsimple Investments	44	-
Wealthsimple Socially Responsible Growth Fund	317,959	322,585
Wealthsimple Socially Responsible Conservative Fund	210,425	236,903
Total	2,043,016	1,521,035

At year end, the Association recorded unrealized gains (losses) on the market value of the Wealth Simple Investments in the amount of \$(63,280) (2021: \$26,275).

4. ACCOUNTS RECEIVABLE

Accounts receivable consist of the following:

	2022	2021
	\$	\$
Accounts receivable	6,853,692	3,294,576
Allowance for doubtful accounts	-	(22,000)
	6,853,692	3,272,576

Accounts receivable includes \$Nil (2021: \$21,371) denominated in U.S. dollars.



TAKING IT GLOBAL YOUTH ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

NOVEMBER 30, 2022

5. INVESTMENTS

Centre for Social Innovation, Series D Bond valued at \$104,838 (2021: \$104,537), issued May 15, 2019 and matures on May 15, 2024, bearing interest at 4.50% per annum. Total interest accrued as at year end \$4,838 (2021: \$4,537).

On February 22, 2021 a SKETCH Working Arts for Street Involved and Homeless Youth Community Bond valued at \$26,125 (2021: \$26,426). This bond matures on February 22, 2028, bearing interest at 4.50% per annum. Total interest accrued as at year end \$1,125 (2021: \$1,426).

6. CAPITAL ASSETS

Capital assets are represented by:

	2022		2021	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
	\$	\$	\$	\$
Art	4,182	2,218	4,182	2,218
Building	1,726,042	332,124	1,726,042	275,224
Computers and technology	2,253,394	2,021,205	2,257,665	1,938,362
Equipment	682,294	533,284	657,159	475,314
Furniture and fixtures	158,352	113,845	138,653	95,245
Furniture and fixtures under capital lease	-	-	19,699	8,300
Software	549,259	500,340	549,259	468,340
	5,373,523	3,503,016	5,352,659	3,263,003
Net Book Value	\$ 1,870,507		\$ 2,089,656	

The change in net book value of capital assets is due to the following:

	2022	2021
	\$	\$
Balance, beginning of year	2,089,656	2,242,197
Purchase of capital assets - funded internally	25,136	174,259
Disposal of capital assets	(4,271)	-
	2,110,521	2,416,456
Less: Amortization of capital assets	(240,014)	(326,800)
Balance, end of year	1,870,507	2,089,656



TAKING IT GLOBAL YOUTH ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

NOVEMBER 30, 2022

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consist of the following:

	2022	2021
	\$	\$
Trade accounts payable	298,789	323,875
Employee advances payable	-	518
Accrued vacation pay and other accrued payables	62,069	97,302
	360,858	421,695

Trade accounts payable include \$43,403 (2021: \$77,866) denominated in U.S. dollars.

8. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represent the unamortized amount of donations received specifically for the purchase of capital assets. These contributions are amortized into revenue and recorded in the statement of operations at a rate corresponding to the amortization rate of the related capital assets. The changes in the deferred capital contributions are as follows:

	2022	2021
	\$	\$
Balance, beginning of year	215,208	357,108
Less: Amortization recognized as revenue	73,770	141,900
Balance, end of year	141,438	215,208

9. IN-KIND CONTRIBUTIONS

The in-kind contributions were applied to the following operating expenses:

	2022	2021
	\$	\$
Advertising and promotion	158,898	71,785
Project support services	471,811	988,238
Salaries, benefits and consultants	71,775	116,005
	702,484	1,176,028



TAKING IT GLOBAL YOUTH ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

NOVEMBER 30, 2022

10. NOTE TO STATEMENT OF CASH FLOWS

	2022	2021
	\$	\$
Interest paid	578	-

11. FINANCIAL INSTRUMENTS

The Association's financial instruments comprise cash and cash equivalents, short-term investments, accounts receivable, investments, accounts payable and accrued liabilities and government remittances payable. Unless otherwise noted, it is management's opinion that the Association is not exposed to significant risks arising from these financial instruments. The fair values of the Association's financial instruments approximate their carrying values, unless otherwise noted, due to the short term to maturity of these instruments. The fair values of the loan receivable, affiliated association cannot be readily determined as no active and visible markets exist for instruments of these types.

The Association's risk management policies are established to identify and analyse the risks faced by the Association, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Association's activities. There have been no changes to the Association's exposure to risks in respect of its financial instruments, and there have been no changes in respect of management's objectives, policies and processes in the management of its financial instruments from that of the prior reporting period.

(a) Credit risk

The concentration of credit risk relates primarily to the Association's cash and cash equivalents, short-term investment, accounts receivable, investments, net of any provisions for doubtful debt or non-recovery. At November 30, 2022, the allowance for doubtful accounts was \$Nil (2021: \$22,000). There is no indication that the debtors will not meet their obligations except those provided for as bad debts during the reporting period. The Association does not have significant exposure to any individual customer or counterpart.

(b) Liquidity risk

The Association is exposed to liquidity risk to the extent that it must be able to meet its financial obligations as they fall due. The Association's approach to managing liquidity risk is to ensure that it has sufficient cash and other current financial assets to meet its obligations when due, without incurring unacceptable losses or damage to the Association's reputation. Management forecasts cash flows to identify financing requirements. These requirements are then addressed through a combination of cash management and access to additional capital. As at November 30, 2022, the Association had accounts payable and accrued liabilities of \$360,858 (2021 - \$421,695), and government remittances payable of \$1,782 (2021 - \$Nil), all due within twelve months.



TAKING IT GLOBAL YOUTH ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

NOVEMBER 30, 2022

11. FINANCIAL INSTRUMENTS, continued

(c) 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: interest rate risk, currency risk and other price risk.

(d) 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 Association is exposed to interest rate risk on its cash accounts, consisting of floating interest rate financial instruments. Fixed-interest financial instruments subject the Association to a fair value risk, since fair value fluctuates inversely to changes in market interest rates. Floating rate instruments subject the Association to related cash flow risk.

(e) Currency Risk

Currency risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in foreign exchange rates. The Association's cash includes amounts denominated in U.S. dollars. As at November 30, 2022 the Association had U.S. dollar cash totaling \$1,421,256 (2021: \$1,481,110) and U.S. dollar accounts payable and accrued liabilities totaling \$43,403 (2021: \$77,866) converted into Canadian dollars on the statement of financial position.

As at the financial statement date, the Company held no forward exchange contracts outstanding to hedge against potential gains or losses due to currency fluctuations.

(f) Other Price Risk

Other price risk is the risk that the fair value and future cash flows of a financial instrument will fluctuate because of changes in market price (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.

As at November 30, 2022 the Association's cash balance of \$3,802,937 was held by several major financial institutions and were in excess of the amounts guaranteed by the Canada Deposit Insurance Corporation of \$100,000 per financial institution. There is no indication that the financial institutions are in distress and will not be able to return the Association's deposits on hand. The Association is exposed to liquidity risk mainly in respect of its short-term investments of \$2,043,016.

12. COMPARATIVE FIGURES

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



TAKING IT GLOBAL YOUTH ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

NOVEMBER 30, 2022

13. TAKING IT GLOBAL US OPERATIONS

The Association has sole control over Global Youth Action Network Inc. (GYAN), which also operates as Taking IT Global. GYAN is a youth led 501(c)(3) not-for-profit organization launched in 1999 and registered in New York, USA. The main program operating out of the US office is the Global Youth Action Network (GYAN), leveraging Taking IT Global's online platform to unite the efforts of youth-led and youth serving organizations working to improve the world.

During the fiscal year ended November 30, 2022, GYAN has the following financial position and results of operations. GYAN does not meet the criteria requiring the preparation of audited financial statements, as such, audited financial statements have not been prepared. Included in GYAN's assets is an amount due from the Association in the amount of \$Nil (2021: \$Nil) and liabilities in the amount of \$Nil (2021: \$Nil) all denominated in \$US.

	2022	2021
	\$	\$
ASSETS	21,675	22,087
LIABILITIES	1,143	1,144
EQUITY	20,532	20,943
LIABILITIES AND EQUITY	21,675	22,087
REVENUE	\$ 646	\$ 949
EXPENSES	1,058	1,799
NET LOSS	(412)	(850)

