



## Financial Statements

(Unaudited)

Brigadoon Children's Camp Society

December 31, 2017

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Grant Thornton

# Independent Practitioner's Review Engagement Report

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To the Directors of  
Brigadoon Children's Camp Society

We have reviewed the accompanying financial statements of Brigadoon Children's Camp Society that comprise the statement of financial position as at December 31, 2017, and the statements of operations, changes in net assets, and 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 entity, 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.

# Independent Practitioner's Review Engagement Report (continued)

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of Brigadoon Children's Camp Society as at December 31, 2017, 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.

Kentville, Canada  
March 26, 2018



Chartered Professional Accountants  
Licensed Public Accountants

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## Brigadoon Children's Camp Society

### Statement of Operations

(Unaudited)

Year ended December 31

2017

2016

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#### Revenues

Facility rental	\$ 659,727	\$ 586,172
Fundraising	1,276,934	1,465,991
Amortization of deferred contributions	193,796	201,871
Grants	<u>23,895</u>	<u>17,879</u>
	<u>2,154,352</u>	<u>2,271,913</u>

#### Expenditures

Office (Schedule 1)	308,686	324,887
Fund development (Schedule 2)	345,440	318,555
Camp operations (Schedule 3)	<u>1,221,013</u>	<u>1,088,122</u>
	<u>1,875,139</u>	<u>1,731,564</u>

Excess of revenues over expenditures before other income

279,213      540,349

Other income

-      2,791

Investment income

4,411      87

Unrealized gain (loss) on investments

11,039      -

15,450      2,878

Excess of revenues over expenditures

\$ 294,663      \$ 543,227

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## Brigadoon Children's Camp Society Statement of Changes in Net Assets

(Unaudited)

Year ended December 31

	Endowment	Unrestricted	Internally restricted capital	Total 2017	Total 2016
Balance, beginning of year	\$ 246,070	\$ 727,415	\$ 115,000	<b>\$ 1,088,485</b>	\$ 506,708
Excess of revenues over expenditures	-	294,663	-	<b>294,663</b>	543,227
Endowment contributions	<u>29,417</u>	<u>-</u>	<u>-</u>	<b><u>29,417</u></b>	<u>38,550</u>
Balance, end of year	<b><u>\$ 275,487</u></b>	<b><u>\$ 1,022,078</u></b>	<b><u>\$ 115,000</u></b>	<b><u>\$ 1,412,565</u></b>	<b><u>\$ 1,088,485</u></b>

# Brigadoon Children's Camp Society

## Statement of Financial Position

(Unaudited)

December 31

2017

2016

### Assets

#### Current

Cash	\$ 381,829	\$ 352,754
Short term investments (Note 3)	200,318	-
Receivables	16,665	43,900
Prepays	14,269	-
Government remittance receivable	473	2,960

613,554 399,614

Restricted cash (Note 4) 275,487 246,070

Property and equipment (Note 5) 6,118,747 6,316,452

\$ 7,007,788 \$ 6,962,136

### Liabilities

#### Current

Payables and accruals	\$ 44,991	\$ 54,480
Deferred revenue	15,582	22,555
Current portion of long-term debt (Note 7)	12,161	5,466
Current portion of callable debt (Note 6)	140,560	140,560

Current liabilities before callable debt 213,294 223,061

Callable debt (Note 6) 720,690 805,690

933,984 1,028,751

Long-term debt (Note 7) 10,135 -

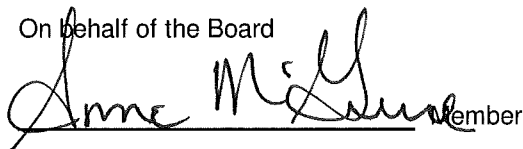
Deferred capital contributions (Note 8) 4,651,104 4,844,900

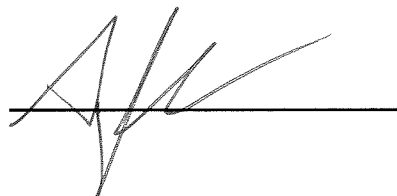
5,595,223 5,873,651

**Net assets** 1,412,565 1,088,485

\$ 7,007,788 \$ 6,962,136

On behalf of the Board

 Member

 Member

## Brigadoon Children's Camp Society

### Statement of Cash Flows

(Unaudited)

Year ended December 31

2017

2016

Increase (decrease) in cash and cash equivalents

#### Operating

Excess of revenues over expenditures	\$ 294,663	\$ 543,227
Items not affecting cash		
Amortization	284,640	293,313
Amortization of deferred capital contributions	<u>(193,796)</u>	<u>(201,871)</u>
	385,507	634,669
Change in non-cash working capital items		
Short term investments	(200,318)	-
Receivables	27,235	(36,829)
Prepays	(14,269)	-
Government remittance receivable	2,487	(1,413)
Payables and accruals	(9,489)	27,697
Deferred revenue	<u>(6,973)</u>	<u>(54,096)</u>
	<u>184,180</u>	<u>570,028</u>

#### Financing

Repayment of callable debt	(85,000)	(403,750)
Proceeds of callable debt	-	1,350,000
Repayment of long-term debt	(7,492)	(1,249,577)
Proceeds of long-term debt	24,323	-
Increase in deferred capital contributions	-	18,856
Endowment contribution	<u>29,417</u>	<u>38,550</u>
	<u>(38,752)</u>	<u>(245,921)</u>

#### Investing

Purchase of property and equipment	<u>(86,936)</u>	<u>(13,543)</u>
Increase in cash and cash equivalents	58,492	310,564
Cash and cash equivalents		
Beginning of year	<u>598,824</u>	<u>288,260</u>
End of year	<u>\$ 657,316</u>	<u>\$ 598,824</u>

#### Cash consists of:

Cash	\$ 381,829	\$ 352,754
Restricted cash	<u>275,487</u>	<u>246,070</u>
	<u>\$ 657,316</u>	<u>\$ 598,824</u>

See accompanying notes and schedules to the financial statements.



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# **Brigadoon Children's Camp Society**

## **Notes to the Financial Statements**

(Unaudited)  
December 31, 2017

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### **1. Purpose of organization**

Brigadoon Children's Camp Society operates a year-round facility for recreational camps for children and youth living with chronic illness.

The Society is a registered charity under the *Income Tax Act* and as such is tax exempt.

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### **2. Significant accounting policies**

The Society applies the Canadian accounting standards for not-for-profit organizations.

#### **Reserves**

The Society includes in its net assets various reserves.

Assets, liabilities, revenues and expenses related to program delivery and administrative activities are reported in the Unrestricted reserve.

Asset, liabilities, internally restricted contributions and expenditures for specific capital items are reported in the Internally Restricted Capital Reserve.

Endowment assets and endowment contributions are reported in the Endowment Reserve.

#### **Revenue recognition**

The 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.

Restricted contributions for the purchase of capital assets are deferred and recognized in revenue on the same basis as the related amortization expense.

Restricted endowment contributions are deferred and the earnings used to fund operations.

Grant revenue is recognized as received or receivable if the amount to be received can be reasonably estimated.

Facility rental fees are recognized as revenue in accordance with the agreement between the parties, when the rental takes place, fees are fixed or determinable and collection is reasonably assured. The liability relating to the received but unearned portion of revenues from rentals is recognized in the statement of financial position as deferred revenues.

Investment income is recognized when earned.

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# Brigadoon Children's Camp Society

## Notes to the Financial Statements

(Unaudited)  
December 31, 2017

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### 2. Significant accounting policies (continued)

#### Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with banks, bank overdrafts and highly liquid temporary money market instruments with original maturities of three months or less. Bank borrowings are considered to be financing activities.

Restricted cash is an endowment wherein the principal is to remain intact and the earnings may be used in operations.

#### Investments

Investments traded in an active market are initially recognized at cost and subsequently measured at fair value, without adjustments for transaction costs that would be incurred on disposals. Changes in fair value are recognized in income in the period of change. Transaction costs associated with the acquisition of these investments are recognized in net income in the period incurred.

#### Property and equipment

Property and equipment are initially measured at cost and subsequently measured at cost less accumulated amortization. Amortization is provided on a declining balance basis over the useful life of the asset.

Property and equipment are amortized on the basis of their useful life using the following methods and rates:

Buildings	4% Declining balance
Equipment	20% Declining balance
Vehicles	30% Declining balance
Furniture and fixtures	20% Declining balance
Computer equipment	20% Declining balance

#### Donated material and services

There has been a substantial amount of time and goods donated to the Society, which are not reflected in the financial statements because of the difficulty of determining their fair value. Only cash donations are reflected in the revenue section of the financial statements.

Donated capital assets have been recorded at fair value when fair value can be reasonably estimated.

#### Use of estimates

In preparing the Society's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and reported amounts of revenue and expenses. Actual amounts could differ from these estimates.

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## Brigadoon Children's Camp Society

### Notes to the Financial Statements

(Unaudited)

December 31, 2017

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#### 2. Significant accounting policies (continued)

##### Financial instruments

The Society's financial instruments are measured at fair value when issued or acquired. For financial instruments subsequently measured at cost or amortized cost, fair value is adjusted by the amount of the related financing fees and transaction costs. Transaction costs and financing fees relating to financial instruments that are measured subsequently at fair value are recognized in operations in the year in which they are incurred.

At each reporting date, the Society measures its financial assets and liabilities at cost or amortized cost (less impairment in the case of financial assets), except for equities in an active market, which must be measured at fair value.

For financial assets measured at cost or amortized cost, the Society regularly assesses whether there are any indications of impairment. If there is an indication of impairment, and the Society determines that there is a significant adverse change in the expected timing or amount of future cash flows from the financial asset, it recognizes an impairment loss in the statement of operations. Any reversal of previously recognized impairment losses are recognized in operations in the year the reversal occurs.

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#### 3. Short term investments

Short-term investments consist of two term deposits that mature November 5, 2018 and bear an interest rate of 1%. These funds are cash holdings for operations and have no restrictions.

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#### 4. Restricted cash

Restricted cash represents amounts received as endowments. These funds are being held in an investment portfolio consisting primarily of equities and mutual funds.

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#### 5. Property and equipment

			<u>2017</u>	<u>2016</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Buildings	\$ 7,677,800	\$ 1,726,304	<b>\$ 5,951,496</b>	\$ 6,186,929
Equipment	4,200	3,099	<b>1,101</b>	1,372
Vehicles	94,928	63,522	<b>31,406</b>	27,168
Furniture and fixtures	266,638	133,524	<b>133,114</b>	98,946
Computer equipment	<u>2,829</u>	<u>1,199</u>	<u><b>1,630</b></u>	<u>2,037</u>
	<u>\$ 8,046,395</u>	<u>\$ 1,927,648</u>	<u><b>\$ 6,118,747</b></u>	<u>\$ 6,316,452</u>

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## Brigadoon Children's Camp Society

### Notes to the Financial Statements

(Unaudited)  
December 31, 2017

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6. Callable debt	<u>2017</u>	<u>2016</u>
3.74% CIBC loan, repayable on demand. Until demand, repayable in monthly instalments of \$7,083 plus interest, maturing in 2026.	\$ 701,250	\$ 786,250
Prime plus 1% CIBC loan, repayable on demand. Until demand, repayable in monthly instalments of \$4,630 plus interest, maturing in 2026.	<u>160,000</u>	<u>160,000</u>
	861,250	946,250
Less current portion	<u>140,560</u>	<u>140,560</u>
	<u>\$ 720,690</u>	<u>\$ 805,690</u>

As security for the CIBC loans, the Society has provided a Security Agreement granting a first security interest in all present and after acquired personal property; registration of a Fixtures Notice in Favour of CIBC against Nova Scotia Power Inc. land; Consent and Non-Disturbance Agreement with Nova Scotia Power Inc.; Collateral Assignment of Nova Scotia Power Inc. licence; Collateral Assignment of all material contracts of the camp; an acknowledged assignment of adequate fire and other perils insurance on the property of the Borrower that are subject to CIBC's security, with loss payable to CIBC and with designation of CIBC.

The Society is subject to covenants with respect to its callable debts. As at the balance sheet date, the Society was in compliance with the covenants.

Estimated principal repayments are as follows:

2018	\$ 140,560
2019	140,560
2020	133,880
2021	85,000
2022	85,000

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## Brigadoon Children's Camp Society

### Notes to the Financial Statements

(Unaudited)  
December 31, 2017

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<b>7. Long-term debt</b>	<u>2017</u>	<u>2016</u>
John Deere loan, repaid during the year.	\$ -	\$ 4,435
Nissan Canada Financial Services Inc. loan, repaid during the year.	-	1,031
NSPI loan payable in monthly instalments of \$1,013, interest 0%, due 2019. As security, the Society has granted a security interest in the financed equipment.	<u>22,296</u>	<u>-</u>
	<b>22,296</b>	5,466
Less current portion	<u>12,161</u>	<u>5,466</u>
	<b><u>\$ 10,135</u></b>	<b><u>\$ -</u></b>

Estimated principal repayment are due as follows:

2018	\$ 12,161
2019	10,135

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<b>8. Deferred capital contributions</b>	<u>2017</u>	<u>2016</u>
Beginning of year	\$ 4,844,900	\$ 5,027,915
Less amounts recognized as revenue in the year	(193,796)	(201,871)
Add amounts received for future expenditures	<u>-</u>	<u>18,856</u>
	<b><u>\$ 4,651,104</u></b>	<b><u>\$ 4,844,900</u></b>

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### 9. Credit facilities

The Society has an authorized a line of credit of \$50,000 bearing interest at prime plus 1%, of which \$Nil was used at year end. Security for this facility is described in Note 5 for CIBC debt.

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# **Brigadoon Children's Camp Society**

## **Notes to the Financial Statements**

(Unaudited)

December 31, 2017

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### **10. Financial instruments**

The Society's main financial instrument risk exposures are detailed as follows:

#### Credit risk

The Society has determined that the financial assets with credit risk exposure are accounts and grants receivable since failure of any of these parties to fulfil their obligations could result in significant financial losses for the Society. The Society is also exposed to concentration risk in that all of its cash is held with one financial institution and the balances held are in excess of Canadian Deposit Insurance Corporation Limits.

#### Liquidity risk

The Society's liquidity risk represents the risk that the Society could encounter difficulty in meeting obligations associated with its financial liabilities. The Society is, therefore, exposed to liquidity risk with respect to its accounts payable, callable debt and long-term debt.

#### 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 with respect to its long-term debt.

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## Brigadoon Children's Camp Society Schedules to the Financial Statements

(Unaudited)  
Year ended December 31

Schedule of office	Schedule 1	
	2017	2016
Personnel costs	\$ 153,058	\$ 158,765
Occupancy	41,398	24,951
Phone/Internet/cell phone	8,275	7,234
Professional fees	18,682	30,797
Bank fees and interest	15,354	17,841
Office	13,576	10,617
Meetings	665	1,138
Postage	5,560	3,671
Travel and mileage	6,269	6,008
Event	4,558	3,578
Marketing and printing	1,106	421
Membership and training	1,939	284
Miscellaneous	2,868	2,769
Interest on long-term debt	33,840	54,613
Insurance	912	2,200
Bad debt (recovery)	626	-
	<b>\$ 308,686</b>	<b>\$ 324,887</b>

Schedule of fund development	Schedule 2	
	2017	2016
Personnel costs	\$ 184,848	\$ 179,512
Donor recognition	2,952	5,786
Event	75,963	74,789
Shipping/postage	21,231	14,153
Membership and training	308	313
Travel and mileage	7,325	3,659
Marketing and printing	48,612	38,049
Professional development	2,442	590
Office	1,759	1,704
	<b>\$ 345,440</b>	<b>\$ 318,555</b>

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**Brigadoon Children's Camp Society**  
**Schedules to the Financial Statements**

(Unaudited)  
Year ended December 31

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Schedule of camp operations	Schedule 3	
	2017	2016
Personnel costs and benefits	\$ 574,288	\$ 477,145
Amortization	284,640	293,313
Operations	<u>362,085</u>	<u>317,664</u>
	<u>\$ 1,221,013</u>	<u>\$ 1,088,122</u>

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