



## Financial Statements

(Unaudited)

Brigadoon Children's Camp Society

December 31, 2016

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## Review Engagement Report

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To the Directors of  
Brigadoon Children's Camp Society

We have reviewed the statement of financial position of Brigadoon Children's Camp Society as at December 31, 2016 and the statements of operations, changes in net assets, and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of inquiry, analytical procedures and discussion related to information supplied to us by the Society.

A review does not constitute an audit and, consequently, we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

Kentville, Canada  
March 15, 2017

*Grant Thornton LLP*

Chartered Professional Accountants  
Licensed Public Accountants

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## **Brigadoon Children's Camp Society**

### **Statement of Operations**

(Unaudited)

Year ended December 31

**2016**

**2015**

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#### Revenues

Facility rental	<b>\$ 586,172</b>	\$ 477,424
Fundraising	<b>1,465,991</b>	749,869
Other income	<b>2,878</b>	2,431
Amortization of deferred contributions	<b>201,871</b>	209,496
Grants	<b>17,879</b>	18,562
	<b><u>2,274,791</u></b>	<u>1,457,782</u>

#### Expenditures

Office (Schedule 1)	<b>324,887</b>	361,668
Fund development (Schedule 2)	<b>318,555</b>	275,126
Camp operations (Schedule 3)	<b>1,088,122</b>	1,008,916
	<b><u>1,731,564</u></b>	<u>1,645,710</u>

Excess (deficiency) of revenues over expenditures

**\$ 543,227**      **\$ (187,928)**

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

(Unaudited)

Year ended December 31

	Received for endowment purposes	Unrestricted	Internally restricted capital reserve (Note 8)	Total 2016	Total 2015
Balance, beginning of year	\$ 207,520	\$ 299,188	\$ -	\$ 506,708	\$ 694,636
Excess (deficiency) of revenues over expenditures	-	543,227	-	543,227	(187,928)
Endowment contributions	38,550	-	-	38,550	-
Transfer from non-restricted	<u>-</u>	<u>(115,000)</u>	<u>115,000</u>	<u>-</u>	<u>-</u>
Balance, end of year	<u>\$ 246,070</u>	<u>\$ 727,415</u>	<u>\$ 115,000</u>	<u>\$ 1,088,485</u>	<u>\$ 506,708</u>

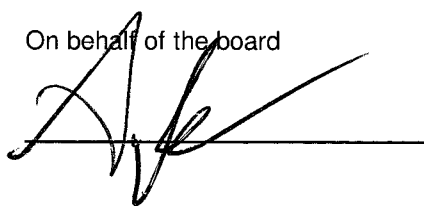
# Brigadoon Children's Camp Society

## Statement of Financial Position

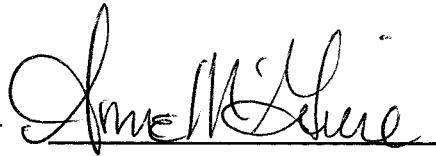
(Unaudited)  
December 31

	2016	2015
<b>Assets</b>		
Current		
Cash	\$ 352,754	\$ 80,740
Receivables	43,900	7,071
Government remittance receivable	<u>2,960</u>	<u>1,547</u>
	<b>399,614</b>	<b>89,358</b>
Restricted cash (Note 3)	<b>246,070</b>	207,520
Property and equipment (Note 4)	<u><b>6,316,452</b></u>	<u>6,596,222</u>
	<u><b>\$ 6,962,136</b></u>	<u><b>\$ 6,893,100</b></u>
<b>Liabilities</b>		
Current		
Payables and accruals	\$ 54,480	\$ 26,783
Deferred revenue	22,555	76,651
Current portion of callable debt (Note 5)	140,560	-
Current portion of long-term debt (Note 6)	<u>5,466</u>	<u>935,135</u>
	<b>223,061</b>	<b>1,038,569</b>
Current liabilities before callable debt	<b>223,061</b>	<b>1,038,569</b>
Callable debt (Note 5)	<u>805,690</u>	<u>-</u>
	<b>1,028,751</b>	<b>1,038,569</b>
Long-term debt (Note 6)	-	319,908
Deferred capital contributions (Note 7)	<u>4,844,900</u>	<u>5,027,915</u>
	<b>5,873,651</b>	<b>6,386,392</b>
<b>Net assets</b>	<u><b>1,088,485</b></u>	<u><b>506,708</b></u>
	<u><b>\$ 6,962,136</b></u>	<u><b>\$ 6,893,100</b></u>

On behalf of the board



Member



Member

# Brigadoon Children's Camp Society

## Statement of Cash Flows

(Unaudited)

Year ended December 31

2016

2015

Increase (decrease) in cash and cash equivalents

### Operating

Excess (deficiency) of revenues over expenditures	\$ 543,227	\$ (187,928)
Items not affecting cash		
Amortization	293,313	304,611
Amortization of deferred capital contributions	<u>(201,871)</u>	<u>(209,496)</u>
	634,669	(92,813)
Change in non-cash working capital items		
Receivables	(36,829)	(732)
Government remittance receivable	(1,413)	66,902
Payables and accruals	27,697	(28,841)
Deferred revenue	<u>(54,096)</u>	<u>36,873</u>
	<u>570,028</u>	<u>(18,611)</u>

### Financing

Repayment of callable debt	(403,750)	-
Proceeds of callable debt	1,350,000	-
Repayment of long-term debt	(1,249,577)	(150,188)
Proceeds of long-term debt	-	24,526
Increase in deferred capital contributions	18,856	50,831
Endowment contribution	<u>38,550</u>	<u>-</u>
	<u>(245,921)</u>	<u>(74,831)</u>

### Investing

Purchase of property and equipment	<u>(13,543)</u>	<u>(54,566)</u>
Increase (decrease) in cash and cash equivalents	310,564	(148,008)
Cash and cash equivalents		
Beginning of year	<u>288,260</u>	<u>436,268</u>
End of year	<u>\$ 598,824</u>	<u>\$ 288,260</u>

### Cash consists of:

Cash	\$ 352,754	\$ 80,740
Restricted cash	<u>246,070</u>	<u>207,520</u>
	<u>\$ 598,824</u>	<u>\$ 288,260</u>

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# Brigadoon Children's Camp Society

## Notes to the Financial Statements

(Unaudited)  
December 31, 2016

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### 1. Purpose of organization

Brigadoon Children's Camp Society operates a year-round facility for residential 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

These financial statements have been prepared in accordance with Part III of the CPA Canada Handbook - Canadian accounting standards for not-for-profit organizations.

#### 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.

#### 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



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# **Brigadoon Children's Camp Society**

## **Notes to the Financial Statements**

(Unaudited)  
December 31, 2016

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

#### **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.

#### **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.

#### **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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## Brigadoon Children's Camp Society

### Notes to the Financial Statements

(Unaudited)  
December 31, 2016

#### 3. Restricted cash

Restricted cash represents amounts received as endowments. These funds are being held in a GIC.

#### 4. Property and equipment

			<u>2016</u>	<u>2015</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Buildings	\$ 7,665,505	\$ 1,478,576	<b>\$ 6,186,929</b>	\$ 6,444,713
Equipment	4,200	2,828	<b>1,372</b>	1,720
Vehicles	78,428	51,260	<b>27,168</b>	38,796
Furniture and fixtures	208,497	109,551	<b>98,946</b>	108,164
Computer equipment	<u>2,829</u>	<u>792</u>	<u><b>2,037</b></u>	<u>2,829</u>
	<u><b>\$ 7,959,459</b></u>	<u><b>\$ 1,643,007</b></u>	<u><b>\$ 6,316,452</b></u>	<u><b>\$ 6,596,222</b></u>

#### 5. Callable debt

	<u>2016</u>	<u>2015</u>
3.74% CIBC loan, repayable on demand. Until demand, repayable in monthly instalments of \$7,083 plus interest, maturing in 2026.	<b>\$ 786,250</b>	\$ -
Prime plus 1% CIBC loan, repayable on demand. Until demand, repayable in monthly instalments of \$4,630 plus interest, maturing in 2026.	<u><b>160,000</b></u>	<u>-</u>
	<b>946,250</b>	-
Less current portion	<u><b>140,560</b></u>	<u>-</u>
Callable debt	<u><b>\$ 805,690</b></u>	<u>\$ -</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.

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## Brigadoon Children's Camp Society

### Notes to the Financial Statements

(Unaudited)  
December 31, 2016

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#### 5. Callable debt (continued)

Estimated principal repayments are as follows:

2017	\$ 140,560
2018	140,560
2019	133,880
2020	85,000
2021	85,000

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#### 6. Long-term debt

	<u>2016</u>	<u>2015</u>
John Deere loan, payable in monthly instalments of \$554, interest 0%, due 2017. As security, the Society had provided a vehicle with a net book value of \$7,831.	\$ 4,435	\$ 11,087
Variable rate RBC loan, refinanced during the year.	-	800,000
3.95% RBC loan payable, refinanced during the year.	-	430,616
Nissan Canada Financial Services Inc. 0.9% Capital Lease payable in monthly instalments of \$1,031, due 2017. As security, the Society has provided a vehicle with a net book value of \$18,136.	<u>1,031</u>	<u>13,340</u>
	<b>5,466</b>	1,255,043
Less current portion	<u>5,466</u>	<u>935,135</u>
Due beyond one year	<u>\$ -</u>	<u>\$ 319,908</u>

Estimated principal repayment is due as follows:

2017	\$ 5,466
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# Brigadoon Children's Camp Society

## Notes to the Financial Statements

(Unaudited)

December 31, 2016

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<b>7. Deferred capital contributions</b>	<u>2016</u>	<u>2015</u>
Beginning of year	<b>\$ 5,027,915</b>	\$ 5,186,580
Less amounts recognized as revenue in the year	<b>(201,871)</b>	(209,496)
Add amounts received for future expenditures	<u><b>18,856</b></u>	<u>50,831</u>
	<u><b>\$ 4,844,900</b></u>	<u>\$ 5,027,915</u>

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### 8. Reserve

During the year, a reserve was created through an allocation of retained earnings. This reserve was implemented at the discretion of those charged with governance and its primary purpose is as a reserve for future capital investment and significant repairs and maintenance to existing capital assets.

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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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### 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	
	2016	2015
Bank fees and interest	\$ 17,841	\$ 24,616
Event	3,578	1,899
Insurance	2,200	3,568
Interest on long-term debt	54,613	51,992
Marketing and printing	421	-
Meetings	1,138	1,733
Membership and training	284	898
Miscellaneous	2,769	2,821
Occupancy	24,951	12,441
Office	10,617	6,821
Personnel costs	158,765	206,593
Phone/Internet/cell phone	7,234	5,849
Postage	3,671	3,302
Professional fees	30,797	31,180
Travel and mileage	6,008	7,955
	<u>\$ 324,887</u>	<u>\$ 361,668</u>

Schedule of fund development	Schedule 2	
	2016	2015
Brigadoon clothing	\$ -	\$ 1,075
Donor recognition	5,786	3,850
Event	74,789	56,547
Marketing and printing	38,049	37,360
Meals and entertainment	-	9
Membership and training	313	1,179
Office	1,704	1,739
Personnel costs	179,512	164,728
Professional development	590	696
Shipping/postage	14,153	3,890
Travel and mileage	3,659	4,053
	<u>\$ 318,555</u>	<u>\$ 275,126</u>

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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	
	2016	2015
Amortization	\$ 293,313	\$ 304,611
Operations	317,664	276,691
Personnel costs and benefits	<u>477,145</u>	<u>427,614</u>
	<u>\$ 1,088,122</u>	<u>\$ 1,008,916</u>

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