



Financial Statements

Brigadoon Children's Camp Society

December 31, 2021

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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, 2021, 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.

Basis for qualified conclusion

In common with many not-for-profit organizations, the Society derives revenue from fundraising activities, the completeness of which is not susceptible to satisfactory review verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Society. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess (deficiency) of revenue over expenditures, and cash flows from operations for the year ended December 31, 2021, current assets as at December 31, 2021, and net assets at December 31, 2021.

Independent Practitioner's Review Engagement Report (continued)

Qualified conclusion

Except as described in our basis for qualified conclusion above, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Brigadoon Children's Camp Society as at December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Kentville, Canada
April 21, 2022

Grant Thornton LLP

Chartered Professional Accountants

Brigadoon Children's Camp Society

Statement of Operations

Year ended December 31	2021	2020
Revenues		
Facility rental	\$ 230,850	\$ 57,373
Fundraising	1,139,965	1,752,172
Amortization of deferred contributions (Note 10)	166,443	173,378
Employee grants	33,807	7,500
Other revenue	99,112	88,876
	1,670,177	2,079,299
Expenditures		
Office (Schedule 1)	493,300	359,538
Fund development (Schedule 2)	545,136	407,745
Camp operations (Schedule 3)	1,042,623	801,736
	2,081,059	1,569,019
(Deficiency) excess of revenues over expenditures before other income	(410,882)	510,280
Canadian emergency wage subsidy (Note 12)	338,796	344,603
Debt forgiveness	-	10,000
Investment income	22,576	27,328
Insurance recovery	40,408	-
Unrealized gain (loss) on investments	33,323	5,276
	435,103	387,207
Excess of revenues over expenditures	\$ 24,221	\$ 897,487

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

Year ended December 31

	Endowment	Unrestricted	Internally restricted capital	Total 2021	Total 2020
Balance, beginning of year \$	300,487 \$	1,988,329 \$	115,000 \$	2,403,816 \$	1,486,329
Excess of revenues over expenditures	-	24,221	-	24,221	897,487
Endowment contributions	<u>27,500</u>	<u>-</u>	<u>-</u>	<u>27,500</u>	<u>20,000</u>
Balance, end of year	<u>\$ 327,987</u>	<u>\$ 2,012,550</u>	<u>\$ 115,000</u>	<u>\$ 2,455,537</u>	<u>\$ 2,403,816</u>

Brigadoon Children's Camp Society

Statement of Financial Position

December 31

2021

2020

Assets

Current

Cash and cash equivalents	\$ 1,224,751	\$ 1,972,917
Short-term investments (Note 3)	99,881	402,139
Receivables	-	71,069
Prepays	33,165	19,392
Harmonized sales tax receivable (Note 8)	101,195	51,069

1,458,992 2,516,586

Property and equipment (Note 4)	13,622,496	6,021,890
Long term investments (Note 5)	488,912	439,245

\$ 15,570,400 **\$ 8,977,721**

Liabilities

Current

Payables and accruals	\$ 974,828	\$ 194,541
Holdbacks (Note 11)	705,418	-
Deferred revenue (Note 6)	12,025	74,700
Bank loan (Note 7)	841,753	-
Current portion of callable debt (Note 9)	105,000	105,000

Current liabilities before callable debt	2,639,024	374,241
Callable debt (Note 9)	342,917	447,917

2,981,941 822,158

Long-term debt (Note 10)	30,000	30,000
Deferred capital contributions (Note 11)	10,102,922	5,721,747

13,114,863 6,573,905

Fund balances


Endowment	327,987	300,487
Unrestricted	2,012,550	1,988,329
Internally restricted capital	115,000	115,000

2,455,537 2,403,816

\$ 15,570,400 **\$ 8,977,721**

On behalf of the board

 Member

 Member

Brigadoon Children's Camp Society

Statement of Cash Flows

Year ended December 31	2021	2020
Increase (decrease) in cash and cash equivalents		
Operating		
Excess of revenues over expenditures	\$ 24,221	\$ 897,487
Items not affecting cash		
Amortization	232,593	246,639
Amortization of deferred capital contributions	<u>(166,443)</u>	<u>(173,378)</u>
	90,371	970,748
Change in non-cash working capital items		
Short-term investments	302,258	295,773
Receivables	71,069	(46,745)
Prepays	(13,773)	(3,386)
Government remittance receivable	(50,126)	(49,027)
Payables and accruals	780,287	153,543
Holdbacks (Note 11)	705,418	-
Deferred revenue	<u>(62,675)</u>	<u>63,200</u>
	<u>1,822,829</u>	<u>1,384,106</u>
Financing		
Bank loan	841,753	-
Repayment of callable debt	(105,000)	(105,000)
Proceeds of long-term debt	-	30,000
Increase in deferred capital contributions (Note 10)	4,547,618	799,879
Endowment funds received	<u>27,500</u>	<u>20,000</u>
	<u>5,311,871</u>	<u>744,879</u>
Investing		
Purchase of property and equipment	(7,833,199)	(584,419)
Long-term investments	<u>(49,667)</u>	<u>(23,952)</u>
	<u>(7,882,866)</u>	<u>(608,371)</u>
(Decrease) increase in cash and cash equivalents	(748,166)	1,520,614
Cash and cash equivalents		
Beginning of year	<u>1,972,917</u>	<u>452,303</u>
End of year	<u>\$ 1,224,751</u>	<u>\$ 1,972,917</u>

Brigadoon Children's Camp Society

Notes to the Financial Statements

December 31, 2021

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.

2. Significant accounting policies

The Society applies the Canadian accounting standards for not-for-profit organization. The significant accounting policies are detailed as follows:

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, net of a 10% admin fee, 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.

Brigadoon Children's Camp Society

Notes to the Financial Statements

December 31, 2021

2. Significant accounting policies (continued)

Government assistance

The Society recognizes government assistance toward current expenses in the statement of operations. When government assistance relates to future expenses, the society defers the assistance and recognizes it in the statement of operations as the related expenses are incurred. When government assistance relates to the acquisition of property and equipment, the Society defers the assistance and recognizes it in the statement of operations on the same basis as the related property and equipment is amortized.

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..

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.

Brigadoon Children's Camp Society

Notes to the Financial Statements

December 31, 2021

2. Significant accounting policies (continued)

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.

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.

3. Short-term investments

Short-term investments consist of cash, mutual funds, equities sold and term deposits. These funds are cash holdings for operations and have no restrictions.

	<u>2021</u>	<u>2020</u>
Cash	\$ (336,375)	\$ -
GIC, interest at 0.25%, matured during the year	-	103,637
GIC, interest at 0.25%, matured during the year	-	103,637
GIC, interest at 1.14%, matured during the year	-	103,414
GIC, interest at 1.14%, matured during the year	-	91,451
GIC, interest at 0.04%, maturing November 4, 2022	103,856	-
GIC, interest at 0.04%, maturing November 4, 2022	103,856	-
Renaissance High Interest Savings	124,500	-
Royal Bank of Canada shares	104,044	-
	<u>\$ 99,881</u>	<u>\$ 402,139</u>

Subsequent to the year end the donated Royal Bank of Canada shares were sold.

Brigadoon Children's Camp Society

Notes to the Financial Statements

December 31, 2021

4. Property and equipment

			<u>2021</u>	<u>2020</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Buildings	\$ 16,166,800	\$ 2,630,019	\$ 13,536,781	\$ 5,928,849
Equipment	4,200	3,749	451	564
Vehicles	107,343	86,996	20,347	11,331
Furniture and fixtures	282,449	220,310	62,139	77,674
Computer equipment	5,759	2,981	2,778	3,472
	<u>\$ 16,566,551</u>	<u>\$ 2,944,055</u>	<u>\$ 13,622,496</u>	<u>\$ 6,021,890</u>

5. Long-term investments

Long-term investments include a portfolio consisting primarily of equities and mutual funds. Included in the long-term investment account is \$327,987 (2020 - \$300,487) of restricted funds that represent amounts received as endowments.

6. Deferred revenue

Deferred revenue includes amounts that are received in advance for facility rentals for which obligations have not yet been fulfilled by the Society as the rental dates are in the future.

7. Bank loan

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.

Additionally, the Society secured financing for capital infrastructure projects in the amount of \$300,000. The facility is provided by way of a non-revolving demand instalment loan, interest bearing at prime + 1% per annum, repayable in 96 monthly payments of \$3,125 plus interest commencing on the first day of the first month after the facility is advanced. As at December 31, 2021 this facility had not been drawn down.

Additionally, the Society secured Bridge financing for capital infrastructure projects in the amount of \$3,000,000. The facility is provided by way of a non-revolving multi-draw demand instalment loan, interest bearing at prime + 1% per annum, repayable in full no later than December 31, 2022, reviewed annually. As at December 31, 2021 the balance is \$841,753.

	<u>2021</u>	<u>2020</u>
8. Harmonized sales tax receivable		
GST payable/receivable	<u>\$ 101,195</u>	<u>\$ 51,069</u>

Brigadoon Children's Camp Society

Notes to the Financial Statements

December 31, 2021

9. Callable debt

	<u>2021</u>	<u>2020</u>
2.598% CIBC loan, repayable on demand. Until demand, repayable in monthly instalments of \$7,083 plus interest, maturing in 2026.	\$ 361,250	\$ 446,250
Prime plus 1% CIBC loan, repayable on demand. Until demand, repayable in monthly instalments of \$1,667 plus interest, maturing in 2026.	<u>86,667</u>	<u>106,667</u>
	447,917	552,917
Less current portion	<u>105,000</u>	<u>105,000</u>
	<u>\$ 342,917</u>	<u>\$ 447,917</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 a debt service coverage covenant with respect to its callable debts. At the balance sheet date the Society was in compliance with this covenant.

Estimated principal repayments are as follows:

2022	\$ 105,000
2023	105,000
2024	105,000
2025	105,000
2026	27,917

Brigadoon Children's Camp Society

Notes to the Financial Statements

December 31, 2021

10. Long-term debt

	<u>2021</u>	<u>2020</u>
Canada Emergency Business Account loan - The amount of \$30,000 represents the unforgivable balance of the \$40,000 interest-free loan received under the Government of Canada COVID response program. 25% of the loan will be eligible for loan forgiveness, up to \$10,000, if the loan is fully repaid on or before December 31, 2023. As at the yearend date, \$10,000 has been included in other income and represents the maximum forgivable portion of the loan. If the unforgivable portion of the loan is not fully repaid by December 31, 2023, the remaining principal balance will be payable and will bear interest at a rate of 5% per annum, beginning on January 1, 2023. The loan is due in full December 31, 2023.	<u>\$ 30,000</u>	<u>\$ 30,000</u>

Estimated principal repayment is due as follows:

2023	\$ 30,000
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11. Deferred capital contributions

	<u>2021</u>	<u>2020</u>
Balance beginning of year	\$ 5,721,747	\$ 5,095,246
Additions (net of administrative fee)	4,547,618	799,879
Amortization of capital contributions	<u>(166,443)</u>	<u>(173,378)</u>
	<u>\$ 10,102,922</u>	<u>\$ 5,721,747</u>

12. Holdbacks

The Society has holdbacks related to the construction of a capital project. The portion of the contact payment withheld to ensure the performance of the contact is in accordance with the terms and conditions is \$705,418.

Brigadoon Children's Camp Society

Notes to the Financial Statements

December 31, 2021

13. Wage Subsidy

In April 2020, the Society applied for funding from the Federal government under the Canada Emergency Wages Subsidy Program ("CEWS"). Under the CEWS program, the Society is entitled to receive a subsidy equal to 75% of an employee's wages - up to a set amount per week. On May 15, 2020, the Canadian government announced the extension of the CEWS program until August 29, 2020, along with a retroactive broadening of eligibility for the CEWS. The Society has determined that it will be eligible for CEWS up to the end of this extended period. On January 6, 2021, February 24, 2021, March 3, 2021 and July 30, 2021 the Canadian government passed additional CEWS changes, including further extension of the program until October 2021.

During the year ended December 31, 2021, the Society recognized payroll subsidies under CEWS totaling \$323,299 (2020 - \$344,603). These subsidies were recognized in other income on the statement of income and retained earnings.

14. 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; as at December 31, 2021 the Society had no grants or accounts receivable outstanding. 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.

Brigadoon Children's Camp Society Schedules to the Financial Statements

Year ended December 31

Schedule of office	Schedule 1	
	2021	2020
Personnel costs	\$ 273,301	\$ 209,470
Occupancy	45,855	43,280
Phone/Internet/cell phone	10,488	9,197
Professional fees	56,427	21,092
Bank fees and interest	4,653	5,538
Office	15,348	13,123
Meetings	2,947	1,956
Postage	1,776	1,862
Travel and mileage	4,464	2,778
IT (computer, software, personnel)	34,078	22,425
Event	1,676	759
Marketing and printing	242	-
Membership and training	12,602	399
Miscellaneous	2,642	2,770
Interest on long-term debt	24,579	23,066
Insurance	2,222	1,823
	<u>\$ 493,300</u>	<u>\$ 359,538</u>

Schedule of fund development	Schedule 2	
	2021	2020
Personnel costs	\$ 346,440	\$ 283,170
Donor recognition	2,394	624
Event	54,648	10,971
Shipping/postage	31	437
Membership and training	365	360
Travel and mileage	1,974	2,287
Marketing and printing	99,211	31,431
Professional development	30,688	75,066
Meals and entertainment	6,254	659
Office	3,131	2,740
	<u>\$ 545,136</u>	<u>\$ 407,745</u>

Brigadoon Children's Camp Society
Schedules to the Financial Statements

Year ended December 31

Schedule of camp operations

Schedule 3

	2021		2020
Personnel costs and benefits	\$ 569,567	\$	395,783
Amortization	232,593		246,639
Operations	<u>240,463</u>		<u>159,314</u>
	<u>\$ 1,042,623</u>	\$	<u>801,736</u>
