



## Financial Statements

Brigadoon Children's Camp Society

December 31, 2023

# Contents

	<b>Page</b>
Independent auditor's report	1-2
Statement of financial position	3
Statement of operations	4
Statement of changes in net assets	5
Statement of cash flows	6
Notes to the financial statements	7-14

# Independent auditor's report

To the Directors of  
**Brigadoon Children's Camp Society**

---

**Grant Thornton LLP**  
Suite 1000, Nova Centre, North Tower  
1675 Grafton Street  
Halifax, NS  
B3J 0E9  
T +1 902 421 1734  
F +1 902 420 1068

## Qualified Opinion

We have audited the financial statements of Brigadoon Children's Camp Society (the "Society"), which comprise the statement of financial position as at December 31, 2023, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly in all material respects, the financial position of Brigadoon Children's Camp Society as at December 31, 2023, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

## Basis for qualified opinion

In common with many not-for-profit organizations, the Society derives revenue from donations and fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Society. Therefore, we were not able to determine whether any adjustments might be necessary to donation and fundraising revenue, excess of revenues over expenses, and cash flows from operations for the years ended December 31, 2023 and 2022, current assets as at December 31, 2023 and 2022, and net assets as at January 1, 2023 and 2022 and December 31, 2023 and 2022. Our audit opinion on the financial statements for the year ended December 31, 2022 was modified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

## 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 Society'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 Society or to cease operations, or has no realistic alternative but to do so.

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

## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society'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 Society'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 Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script font.

Halifax, Canada  
May 21, 2024

Chartered Professional Accountants

# Brigadoon Children's Camp Society

## Statement of financial position

December 31

2023

2022

### Assets

#### Current

Cash and cash equivalents	\$ 477,758	\$ 635,700
Receivables	3,006	-
Prepays	47,657	46,890
Harmonized sales tax receivable	5,601	4,918
	<u>534,022</u>	<u>687,508</u>

#### Investments

Investments	776,719	673,470
Property and equipment (Note 3)	<u>15,074,111</u>	<u>15,729,212</u>
	<u>\$ 16,384,852</u>	<u>\$ 17,090,190</u>

### Liabilities

#### Current

Payables and accruals	\$ 160,467	\$ 140,128
Deferred contributions (Note 4)	101,459	66,245
Bank loan (Note 5)	-	2,162,768
Current portion of callable debt (Note 6)	321,277	105,000
Current portion of long term debt (Note 7)	-	30,000
Current portion of deferred capital contributions (Note 8)	<u>548,359</u>	<u>516,307</u>

Current liabilities before callable debt 1,131,562 3,020,448

Callable debt (Note 6) 771,270 237,917  
1,902,832 3,258,365

Deferred capital contributions (Note 8) 13,260,615 12,389,359  
15,163,447 15,647,724

### Fund balances

Unrestricted	789,114	1,054,499
Internally restricted capital	115,000	115,000
Endowment	<u>317,291</u>	<u>272,967</u>

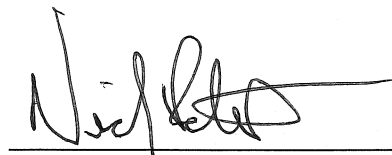
1,221,405 1,442,466

\$ 16,384,852 \$ 17,090,190

Commitments (Note 15)

On behalf of the Board

 Director

 Director

# Brigadoon Children's Camp Society

## Statement of operations

Year ended December 31	2023	2022
Revenues		
Camp revenue (Note 9)	\$ 992,772	\$ 597,004
Fundraising (Note 10)	1,758,317	1,001,359
Amortization of deferred capital contributions	574,957	376,494
Other	224,174	98,065
	<u>3,550,220</u>	<u>2,072,922</u>
Expenditures		
Camp operations (Note 11)	2,584,516	1,879,985
Fund development (Note 12)	484,657	544,654
Office and administration (Note 13)	806,687	725,135
	<u>3,875,860</u>	<u>3,149,774</u>
Deficiency of revenues over expenditures before other income	<u>(325,640)</u>	<u>(1,076,852)</u>
Other income		
Gain (loss) on investments	43,003	(62,436)
Investment income	17,252	12,593
Government subsidies (Note 14)	-	114,266
Loss on property and equipment	-	(24,142)
	<u>60,255</u>	<u>40,281</u>
Deficiency of revenues over expenditures	<u>\$ (265,385)</u>	<u>\$ (1,036,571)</u>

---

## Brigadoon Children's Camp Society

### Statement of changes in net assets

Year ended December 31

---

	<u>Unrestricted</u>	<u>Internally restricted</u>	<u>Endowment</u>	<u>2023 Total</u>	<u>2022 Total</u>
Balance, beginning of year	\$ 1,054,499	\$ 115,000	\$ 272,967	<b>\$ 1,442,466</b>	\$ 2,455,537
Deficiency of revenues over expenditures	(265,385)	-	-	<b>(265,385)</b>	(1,036,571)
Endowment contributions	-	-	44,324	<b>44,324</b>	23,500
Balance, end of year	<u>\$ 789,114</u>	<u>\$ 115,000</u>	<u>\$ 317,291</u>	<b><u>\$ 1,221,405</u></b>	<u>\$ 1,442,466</u>

---

---

# Brigadoon Children's Camp Society

## Statement of cash flows

Year ended December 31

2023

2022

---

Increase (decrease) in cash and cash equivalents

### Operating

Deficiency of revenues over expenditures	\$ (265,385)	\$ (1,036,571)
Items not affecting cash		
Amortization	740,668	548,780
Amortization of deferred capital contributions	(574,957)	(376,494)
Loss on sale of property and equipment	-	24,142
(Gain) loss on investments	(43,003)	62,436
	<u>(142,677)</u>	<u>(777,707)</u>

Change in non-cash working capital

Short term investments	-	104,044
Receivables	(3,006)	-
Prepays	(767)	(13,725)
Harmonized sales tax receivable	(683)	96,277
Payables and accruals	20,339	(835,535)
Holdbacks payable	-	(704,583)
Deferred contributions	35,214	54,220
	<u>(91,580)</u>	<u>(2,077,009)</u>

### Financing

Proceeds from issuance of bank loan	-	1,921,015
Repayment of bank loan	(2,162,768)	(600,000)
Proceeds from issuance of callable debt	2,162,768	-
Repayment of callable debt	(1,413,138)	(105,000)
Repayment of long term debt	(30,000)	-
Deferred capital contributions	1,478,265	3,179,238
Endowment funds received	44,324	23,500
	<u>79,451</u>	<u>4,418,753</u>

### Investing

Purchase of property and equipment	(85,567)	(2,679,638)
Purchase of investments	(60,246)	(251,157)
	<u>(145,813)</u>	<u>(2,930,795)</u>

Decrease in cash and cash equivalents (157,942) (589,051)

Cash and cash equivalents

Beginning of year	<u>635,700</u>	<u>1,224,751</u>
End of year	<u>\$ 477,758</u>	<u>\$ 635,700</u>

---



---

# Brigadoon Children's Camp Society

## Schedules to the Financial Statements

December 31, 2023

---

### 1. Purpose of organization

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

The Society is incorporated under the Societies Act in the Province of Nova Scotia and is a registered charity under the Income Tax Act and as such is exempt from Income Tax.

---

### 2. Summary of significant accounting policies

#### Basis of presentation

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

#### Fund accounting

The financial statements include the following funds:

##### *Internally restricted fund*

The internally restricted fund represents funds internally restricted by the Board of Directors for sustaining the operations of the Society. Transfers into and out of this fund require formal approval by the Board.

##### *Unrestricted fund*

The unrestricted fund accounts for the Society's day-to-day activities which includes revenue and administrative expenses for running the Society.

##### *Endowment fund*

The endowment fund accounts for the endowed contributions received by the Society that must be maintained in perpetuity in accordance with the stipulations of the donors.

#### Revenue recognition

The Society follows the deferral method of accounting for contributions, including fundraising, family contributions, government subsidies, and contributed support. 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.

Contributions for purchase of property and equipment are accounted for based on the nature of the underlying gift agreement. Typically, these types of donations include both an unrestricted portion to cover administration costs and a restricted portion relating to the property and equipment purchase. The restricted portion is deferred and recognized as revenue in a manner consistent with the amortization expenses of the property and equipment to which it relates.

Endowment contributions are recognized when received or receivable and are recognized as a direct increase to net assets in the Endowment fund.

Facility rental revenues are recognized, 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

## Schedules to the Financial Statements

December 31, 2023

---

### 2. Summary of 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.

#### **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. Management reviews estimates of the useful lives of property and equipment whenever events or changes in circumstances indicate property or equipment no longer has any long-term service potential to the Society. The excess of the net carry amount of any property and equipment over any residual value would be recognized as an expense in the statement of operations. A write-down is not reversed if the service potential subsequently improves.

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**

Donated materials and services, where the fair value can be estimated, are recorded as revenue in the period in which the donation is provided. Due to the difficulty in determining the value of volunteer services, these donated services are not recorded in the financial statements.

#### **Financial instruments**

##### *Initial measurement*

The Society's financial instruments are measured at fair value when issued or acquired. Financial instruments include: cash and cash equivalents, receivables, investments, payables and accruals, bank loan, callable debt and long term debt.

---

# Brigadoon Children's Camp Society

## Schedules to the Financial Statements

December 31, 2023

---

### 2. Summary of significant accounting policies (continued)

#### Financial instruments (continued)

##### *Subsequent measurement*

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 quoted in an active market, which must be measured at fair value. All changes in fair value of the Society's investments in equities quoted in an active market are recorded in the statements of operations. The financial instruments measured at amortized cost are cash and cash equivalents, receivables, payables and accruals, bank loan, callable debt and long term debt.

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.

The Society's main financial instrument risk exposure is detailed as follows:

##### *Interest rate risk*

The Society holds \$477,758 in cash as at December 31, 2023 (2022 - \$635,700) and holds \$1,092,547 in interest-bearing debt as at December 31, 2023 (2022 - \$2,505,685). The Society's debt includes both fixed and floating interest rates. Sensitivity to a plus or minus 1% change in rates would not have a significant effect on the Society's operations.

##### *Other price risk*

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (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. The Society holds \$776,719 in investments traded in an active market as at December 31, 2023 (2022 - \$673,470). Sensitivity to a plus or minus 5% change in prices would not have a significant effect on the Society's operations.

##### *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 payables and accruals and holdbacks payable.

The Society is not exposed to significant currency risk or credit risk.

#### **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.

---

## Brigadoon Children's Camp Society

### Schedules to the Financial Statements

December 31, 2023

---

#### 3. Property and equipment

	<u>Cost</u>	<u>Accumulated amortization</u>	<u>2023 Net book value</u>	<u>2022 Net book value</u>
Buildings	\$ 18,560,824	\$ 3,787,556	\$ 14,773,268	\$ 15,383,166
Vehicles	110,788	98,768	12,020	17,171
Furniture and fixtures	502,630	229,595	273,035	321,641
Computer equipment	11,328	5,540	5,788	7,234
Construction in progress	<u>10,000</u>	<u>-</u>	<u>10,000</u>	<u>-</u>
	\$ <u>19,195,570</u>	\$ <u>4,121,459</u>	\$ <u>15,074,111</u>	\$ <u>15,729,212</u>

Construction in progress consists of capital expenditures incurred in relation to assets not yet available for use. There will be no amortization recognized until these assets are available for use.

The amount of interest capitalized as part of the cost of buildings in the current year was \$Nil (2022 - \$57,572).

---

#### 4. Deferred contributions

	<u>2023</u>	<u>2022</u>
Balance, beginning of year	\$ 66,245	\$ 12,025
Additions	101,459	66,245
Recognized	<u>(66,245)</u>	<u>(12,025)</u>
Balance, end of year	\$ <u>101,459</u>	\$ <u>66,245</u>

---

#### 5. Bank loan

The Society previously secured Bridge financing for capital infrastructure projects in the amount of \$3,000,000. The facility was provided by way of a non-revolving multi-draw demand instalment loan, interest bearing at prime + 1% per annum. The balance was repaid in full during the year.

The Society also has an authorized a line of credit of \$50,000 bearing interest at prime plus 1%, of which \$Nil was used at year end (2022 - \$Nil).

The Society is subject to externally imposed financial covenants under its credit agreement. At December 31, 2023 the Society was in compliance with the externally imposed financial covenants.

# Brigadoon Children's Camp Society

## Schedules to the Financial Statements

December 31, 2023

### 6. Callable debt

	<u>2023</u>	<u>2022</u>
Prime plus 1% CIBC loan, repayable on demand. Until demand, repayable in monthly instalments of \$18,023 plus interest, maturing in 2027.	\$ 854,630	\$ -
2.598% CIBC loan, repayable on demand. Until demand, repayable in monthly instalments of \$7,083 plus interest, maturing in 2026.	191,251	276,251
3.74% CIBC loan, repayable on demand. Until demand, repayable in monthly instalments of \$1,667 plus interest, maturing in 2026.	<u>46,666</u>	<u>66,666</u>
	<b>1,092,547</b>	342,917
Less: current portion	<u>321,277</u>	<u>105,000</u>
	<b><u>\$ 771,270</u></b>	<b><u>\$ 237,917</u></b>

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.

Estimated principal repayments are as follows:

2024	\$ 321,277
2025	\$ 321,277
2026	\$ 244,194
2027	\$ 205,799

### 7. Long term debt

	<u>2023</u>	<u>2022</u>
Canada Emergency Business Account loan The amount of \$30,000 represents the unforgivable balance of the original \$40,000 loan drawn. The loan was repaid in full during the year.	\$ -	\$ 30,000
Less: current portion	-	<u>30,000</u>
	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>

# Brigadoon Children's Camp Society

## Schedules to the Financial Statements

December 31, 2023

### 8. Deferred capital contributions

	<u>2023</u>	<u>2022</u>
Balance, beginning of year	\$ 12,905,666	\$ 10,102,922
Additions	1,478,265	3,179,238
Amortization of capital contributions	<u>(574,957)</u>	<u>(376,494)</u>
Balance, end of year	13,808,974	12,905,666
Less current portion	<u>(548,359)</u>	<u>(516,307)</u>
	<u>\$ 13,260,615</u>	<u>\$ 12,389,359</u>

### 9. Camp revenue

	<u>2023</u>	<u>2022</u>
Summer partners	\$ 481,121	\$ 278,559
Facility rental	278,814	174,164
Family contributions	195,645	110,349
Summer employee grants	<u>37,192</u>	<u>33,932</u>
	<u>\$ 992,772</u>	<u>\$ 597,004</u>

### 10. Fundraising

	<u>2023</u>	<u>2022</u>
Major and mid-level gifts	\$ 400,534	\$ 297,205
Corporate donations	196,000	182,375
Foundation donations	424,999	196,760
Planned giving	369,056	10,498
General donations	73,148	104,132
Direct mail	95,608	69,784
Third party events	47,636	58,966
Big Swim	140,536	11,690
Special event	-	55,000
Other, gifts in kind	<u>10,800</u>	<u>14,949</u>
	<u>\$ 1,758,317</u>	<u>\$ 1,001,359</u>

# Brigadoon Children's Camp Society

## Schedules to the Financial Statements

December 31, 2023

### 11. Camp operations expenditures

	<u>2023</u>	<u>2022</u>
Personnel costs and benefits	\$ 1,063,148	\$ 866,886
Food services	411,349	140,692
Programming	19,968	27,119
Facility costs	154,856	135,569
Insurance	111,938	87,697
Administrative, travel, and fees	<u>82,589</u>	<u>73,242</u>
	<u>1,843,848</u>	<u>1,331,205</u>
Amortization	<u>740,668</u>	<u>548,780</u>
	<u>\$ 2,584,516</u>	<u>\$ 1,879,985</u>

### 12. Fund development expenditures

	<u>2023</u>	<u>2022</u>
Personnel costs and benefits	\$ 399,412	\$ 405,234
Campaign	-	61,399
Big Swim	27,880	-
Other events	10,318	36,322
Administrative, travel, and fees	<u>47,047</u>	<u>41,699</u>
	<u>\$ 484,657</u>	<u>\$ 544,654</u>

### 13. Office and administration expenditures

	<u>2023</u>	<u>2022</u>
Personnel costs and benefits	\$ 411,870	\$ 431,137
Marketing	72,945	73,266
Office and administration	43,523	29,590
Occupancy	53,005	53,753
Professional fees	25,305	35,390
Interest on debt	155,036	41,714
IT (computer, software, personnel)	26,133	18,743
Travel	3,902	11,408
Membership and fees	10,528	25,612
Insurance	2,901	2,444
Miscellaneous	<u>1,539</u>	<u>2,078</u>
	<u>\$ 806,687</u>	<u>\$ 725,135</u>

### 14. Wage subsidy

During the year ended December 31, 2023, the Society recognized payroll subsidies under the Canada Emergency Wages Subsidy Program ("CEWS") totalling \$Nil (2022 - \$114,266). These subsidies were recognized in other income on the statement of operations.

---

# **Brigadoon Children's Camp Society**

## **Schedules to the Financial Statements**

December 31, 2023

---

### **15. Commitments**

The Society's total future minimum lease payments under operating lease commitments are as follows:

2024 \$ 18,295

In addition to the above noted minimum lease payments the Society is also obligated to pay their share of operating costs, which fluctuate year to year.

---

### **16. Comparative figures**

Certain of the comparative figures have been reclassified to conform with the financial statement presentation adopted for the current year.