

Camp Winston Foundation

Financial Statements

August 31, 2019

Camp Winston Foundation

August 31, 2019

Contents

	Page
Independent auditors' report	1-2
Financial statements	
Statement of financial position	3
Statement of operations	4
Statement of changes in net assets	5
Statement of cash flows	6
Notes to financial statements	7-12

Independent Auditors' Report

To the Board of Directors of
Camp Winston Foundation

Opinion

We have audited the financial statements of Camp Winston Foundation (the "Entity"), which comprise the statement of financial position as at August 31, 2019 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, the accompanying financial statements present fairly, in all material respects the financial position of Camp Winston Foundation as at August 31, 2019, and 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 Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our 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 the financial statements in accordance with Canadian accounting standards for not-for-profit organization, 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity'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 Entity'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 Entity'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 Entity 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.

Abrahamse Pinto LLP

Chartered Professional Accountants, Licensed Public Accountants
January 16, 2020

2.



Camp Winston Foundation

(incorporated without share capital under the laws of Ontario)

Statement of Financial Position

August 31, 2019

	General fund	Capital asset fund	Endowment fund	Total	
				2019	2018
Assets					
Current assets					
Cash	\$ 3,799	\$ 136,404	\$ 1,031	\$ 141,234	\$ 71,459
Marketable securities	-	-	6,469	6,469	6,337
Accounts and other receivables (Note 3)	98,543	-	-	98,543	227,488
Prepaid expenses	30,457	2,000	-	32,457	25,689
	132,799	138,404	7,500	278,703	330,973
Marketable securities, long-term	-	-	51,828	51,828	41,154
Capital assets (Note 4)	-	3,146,011	-	3,146,011	3,187,754
	\$ 132,799	\$ 3,284,415	\$ 59,328	\$ 3,476,542	\$ 3,559,881
Liabilities					
Current liabilities					
Accounts payable and accrued liabilities	\$ 91,032	\$ -	\$ -	\$ 91,032	\$ 159,055
Deferred grants and revenues (Note 5)	16,773	269,982	-	286,755	292,874
	107,805	269,982	-	377,787	451,929
Net assets					
Fund balances					
General	24,994	-	-	24,994	78,242
Capital assets	-	3,014,433	-	3,014,433	2,981,256
Endowment (Note 6)	-	-	59,328	59,328	48,454
	24,994	3,014,433	59,328	3,098,755	3,107,952
	\$ 132,799	\$ 3,284,415	\$ 59,328	\$ 3,476,542	\$ 3,559,881

See accompanying notes.

Approval:



Luke Cole, Co-Chair of the Board of Directors

Camp Winston Foundation

Statement of Operations For the year ended August 31, 2019

	General fund		Capital asset fund		Endowment fund		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
Revenue								
Donations and grants (Note 5(ii) & 7)	\$ 1,062,988	\$ 1,138,252	\$ 110,201	\$ 234,705	\$ -	\$ -	\$ 1,173,189	\$ 1,372,957
Camp and respite fees	231,136	276,589	-	-	5,550	-	236,686	276,589
Fundraising activities (Note 8)	78,360	184,156	-	-	-	-	78,360	184,156
Investment income (net)	-	-	-	84	2,855	2,376	2,855	2,460
	1,372,484	1,598,997	110,201	234,789	8,405	2,376	1,491,090	1,836,162
Expenditures								
Operation of Camp Winston and general administration (Note 11)	1,391,856	1,516,601	-	-	-	-	1,391,856	1,516,601
Excess (deficiency) of revenues over expenditures before undernoted items	(19,372)	82,396	110,201	234,789	8,405	2,376	99,234	319,561
Unrealized gain (loss) on marketable securities	-	-	-	-	2,903	(731)	2,903	(731)
Amortization	-	-	111,334	103,826	-	-	111,334	103,826
	\$ (19,372)	\$ 82,396	\$ (1,133)	\$ 130,963	\$ 11,308	\$ 1,645	\$ (9,197)	\$ 215,004

See accompanying notes.

Camp Winston Foundation

Statement of Changes in Net Assets For the year ended August 31, 2019

	General fund		Capital asset fund		Endowment fund		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
Balance, beginning of year	\$ 78,242	\$ 78,633	\$ 2,981,256	\$ 2,756,852	\$ 48,454	\$ 57,463	\$ 3,107,952	\$ 2,892,948
Excess (deficiency) of revenues over expenditures/amortization	(19,372)	82,396	(1,133)	130,963	11,308	1,645	(9,197)	215,004
Interfund transfers	(33,876)	(82,787)	34,310	93,441	(434)	(10,654)	-	-
Balance, end of year	\$ 24,994	\$ 78,242	\$ 3,014,433	\$ 2,981,256	\$ 59,328	\$ 48,454	\$ 3,098,755	\$ 3,107,952

See accompanying notes.

Camp Winston Foundation

Statement of Cash Flows For the year ended August 31, 2019

	2019	2018
Cash flows from operating activities		
Excess (deficiency) of revenues over expenditures	\$ (9,197)	\$ 215,004
Items not affecting cash		
Amortization of capital assets	111,334	103,826
Unrealized gain/loss on marketable securities	(2,903)	731
	99,234	319,561
Changes in current assets and current liabilities other than cash		
Accounts and other receivables	128,945	(162,350)
Prepaid expenses	(6,768)	9,590
Accounts payable and accrued liabilities	(68,023)	44,152
Deferred grants and revenues	(6,119)	16,390
	147,269	227,343
Cash flows from investing activities		
Marketable securities	(7,903)	9,241
Acquisition of capital assets	(48,998)	(14,907)
Capital improvements to building facilities	(20,593)	(585,502)
	(77,494)	(591,168)
Increase (decrease) in cash for the year	69,775	(363,825)
Cash, beginning of the year	71,459	435,284
Cash, end of the year	\$ 141,234	\$ 71,459

See accompanying notes.

Camp Winston Foundation

Notes to Financial Statements August 31, 2019

1. Nature of operations

The purpose of the Foundation is to:

- (a) provide a unique retreat for children with complex neurological disorders, who need highly specialized support, to learn vital social and recreational skills specific to their needs while participating in recreational activities; and
- (b) set our children up for success by providing an opportunity for them to escape their ordinary and often challenging daily lives, connect with others in a way they've never experienced, and build life-long skills.

Camp Winston Foundation is a charitable organization registered under the Income Tax Act, and as such, is exempt from income taxes and able to issue donation receipts for income tax purposes.

2. Significant accounting policies

These financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations. The following significant accounting policies have been applied in preparing the financial statements for the year:

Basis of presentation

These financial statements have been presented on the basis that the Foundation will have continued financial support from its major donor (Note 7). Accordingly, the assets and liabilities have been stated on a going concern basis.

Fund balances

The financial statements have been prepared in a manner which segregates the fund balances as follows:

General fund - represents the cumulative excess of revenue over expenses of the organization since its inception that is available for general use.

Capital assets fund - represents the cost of capital assets purchased with restricted and unrestricted funds less accumulated amortization thereon.

Endowment fund - represents donations that have been restricted by donors. Investment income earned from the restricted donations are reported in the Endowment fund.

Cash and cash equivalents

Investments that are readily convertible into cash such as term deposits, guaranteed investment certificates and money market funds are included in cash and cash equivalents.

Capital assets

Capital assets purchased are recorded at cost. Donated capital assets are recorded at fair value on the date contributed. Capital assets are amortized over their estimated useful lives as follows.

Buildings	40 years straight-line
Automobiles	30% declining balance
Boats, furniture, fixtures and equipment	20% declining balance

In the year of acquisition, amortization is calculated at one-half the annual rate.

Camp Winston Foundation

Notes to Financial Statements August 31, 2019

2. Significant accounting policies (continued)

Revenue recognition

The foundation accounts for donation revenue under the deferral method. Under this method revenue from unrestricted donations and grants are recognized when received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured. Pledges are not recognized until the funds have been received.

Restricted contributions for the purchase of capital assets are deferred and recognized as revenue on the same basis as the amortization expense related to the asset acquired. Restricted contributions for expenses are deferred and recognized as revenue in the year in which the related expenditures are recognized.

Investment income in the Endowment Fund includes dividend and interest income and realized investment gains and losses on sales of investments.

Camp fees and special events revenues are recognized upon completion of the camp term and event.

Contributed materials and services

Materials contributed to be used in carrying out the service delivery activities of the organization are reported at fair market value at the date of contribution. Services contributed are not reflected in the financial statements unless the fair market value of the service can be reasonably estimated.

Allocation of expenses

The Foundation allocates costs on the schedule of expenditures (Note 11) by identifying the appropriate basis of allocation and applying that basis consistently each year. The costs of the Foundation's core operations (camp and respite), fundraising and administration activities include direct costs and allocated costs based on actual usage or estimated time spent.

Financial instruments

(i) Measurement

The Foundation initially measures its financial instruments at fair value. Subsequently, all financial instruments are measured at amortized cost except for marketable securities quoted in an active market, which are measured at fair value.

Financial assets measured at amortized cost include cash and cash equivalents and accounts and other receivables. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and deferred grants and revenues.

(ii) Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. Any previously recognized impairment loss may be reversed to the extent of the improvement. The amount of any write-down or subsequent reversal is recognized in the statement of operations.

Use of estimates

The preparation of these financial statements in conformity with Canadian accounting standards for not-for-profit organizations has required management to make estimates and assumptions that affect the reported amounts of assets and liabilities as at August 31, 2019 and the revenue and expenditures reported for the year then ended. Key estimates include carrying amount of capital assets and allocation of expenses. Actual results may differ from those estimates.

Camp Winston Foundation

Notes to Financial Statements August 31, 2019

3. Accounts and other receivables

	2019	2018
Contributions, fees and grants receivable	\$ 55,801	\$ 24,325
Harmonized sales tax receivable	42,742	162,633
Insurance claim receivable	-	40,530
	<u>\$ 98,543</u>	<u>\$ 227,488</u>

4. Capital assets

	Cost	Accumulated amortization	Net	
			2019	2018
Land	\$ 413,572	\$ -	\$ 413,572	\$ 413,572
Buildings	3,332,901	728,812	2,604,089	2,666,559
Furniture, fixtures and equipment	416,477	340,171	76,306	81,043
Automobiles	58,208	45,288	12,920	18,457
Boats	102,718	63,594	39,124	8,123
	<u>\$ 4,323,876</u>	<u>\$ 1,177,865</u>	<u>\$ 3,146,011</u>	<u>\$ 3,187,754</u>

5. Deferred grants and revenues

Included in deferred grants and revenues are the following:

(i) General fund:

Donations received of \$16,773 (2018 - \$15,880) are for a charity run and golf tournament that will be held in Fiscal 2020.

(ii) Capital asset fund:

A restricted capital grant of \$280,500 was received from the Ontario Trillium Foundation for the structural upgrade and retrofit costs of the camp's original teen lodge that was completed in Fiscal 2018. In accordance with the Foundation's accounting policy, the grant will be amortized on a straight-line basis of 40 years. Included in donations and grants revenue for Fiscal 2019, is the recognition of this grant of \$7,012 (2018 - \$3,506).

6. Endowment Fund

Hartley Steinberg Endowment Fund

The Foundation established the Fund pursuant to an agreement with various donors. Accumulated funds will be paid out in the form of camp scholarships. The funds to be awarded as scholarships in the next Fiscal year are shown as current assets in the statement of financial position.

Camp Winston Foundation

Notes to Financial Statements August 31, 2019

7. Related party transaction

Total donations and grants received of \$1,173,189 (2018 - \$1,372,957) include the sum of \$885,000 (2018 - \$1,195,000), recorded at exchange amount, which was gifted to the Foundation by a major donor to fund operating expenditures throughout the year.

The funding provided by the major donor is advanced based on the Foundation's budgeted and actual cash flow requirements.

8. Fundraising activities

Fundraising revenues include the following:

	2019	2018
Camp Winston Run Raiser	\$ 76,091	\$ 49,970
Other fundraising activities	2,269	981
Donor Recognition Event	-	87,535
Winston Annual Challenge	-	45,670
	<u>\$ 78,360</u>	<u>\$ 184,156</u>

During the Fiscal year, the Ryerson Faculty of Architecture designed, supplied materials and constructed for the Foundation a beautiful multi-purpose structure named The Fortress of Gratitude. Due to the judgement and estimation necessary to determine the fair value of the structure, it has not been recognized in the financial statements.

9. Lease commitments

The organization entered into a three year lease agreement commencing June 1, 2018 for its administrative office located at 55 Eglinton Avenue East. The annual basic rent, including common area and parking is approximately \$35,800.

10. Financial instruments

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. The Foundations's investments in marketable securities expose the organization to market risk as such investments are subject to price changes in the open market.

Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Foundation is exposed to little or no currency risk as virtually all of its assets and liabilities are denominated in Canadian currency.

Management is of the opinion that the Foundation is not exposed to any other significant risks through its financial instruments.

Camp Winston Foundation

Notes to Financial Statements
August 31, 2019

11. Schedule of Expenditures

	Core Operations		General		Total		Change
	Camp	Respite	Fundraising	Administrative	2019	2018	
Automobile and travel	\$ 17,019	\$ 8,303	\$ -	\$ -	\$ 25,322	\$ 32,605	\$ (7,283)
Programs	62,775	4,302	26,639	-	93,716	79,429	14,287
Communications	-	-	3,780	-	3,780	15,805	(12,025)
Insurance	32,074	-	-	8,019	40,093	37,788	2,305
Kitchen operations	207,909	9,327	-	-	217,236	207,203	10,033
Office rent	35,436	-	-	-	35,436	35,206	230
Office, general and supplies	20,667	2,858	2,858	8,575	34,958	41,279	(6,321)
Professional fees	26,102	-	82,843	3,245	112,190	108,921	3,269
Realty taxes	22,580	-	-	-	22,580	19,988	2,592
Repairs and maintenance	174,899	4,172	-	-	179,071	219,155	(40,084)
Wages and benefits	335,226	75,181	64,878	84,275	559,560	645,458	(85,898)
Training and development	13,393	1,200	800	-	15,393	14,848	545
Utilities	13,613	28,775	-	-	42,388	43,138	(750)
Telephone and internet	4,383	2,847	-	2,903	10,133	15,778	(5,645)
	\$ 966,076	\$ 136,965	\$ 181,798	\$ 107,017	\$ 1,391,856	\$ 1,516,601	\$ (124,745)

Camp Winston Foundation

Notes to Financial Statements
August 31, 2019

12. Comparative figures

Certain of the 2018 comparative figures have been reclassified to conform with the financial statement presentation adopted for the current year.