

Camp Winston Foundation

Financial Statements

August 31, 2022

Camp Winston Foundation

August 31, 2022

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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, 2022 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, 2022, 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.

1.

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 31, 2023

2.



Camp Winston Foundation

(incorporated without share capital under the laws of Ontario)

Statement of Financial Position

August 31, 2022

	General Fund	Sustainability and Capital Asset Funds (Note 6)	Restricted Endowment Fund (Note 7)	Total	
				2022	2021
Assets					
Current assets					
Cash	\$ 28,037	\$ 33,630	\$ 1,252	\$ 62,919	\$ 187,177
Marketable securities	-	1,106,726	7,000	1,113,726	7,500
Receivables (Note 3)	68,501	-	-	68,501	59,641
Prepaid expense	1,607	-	-	1,607	2,210
	98,145	1,140,356	8,252	1,246,753	256,528
Marketable securities, long-term	-	-	44,099	44,099	76,050
Capital assets (Note 4)	-	3,662,092	-	3,662,092	3,725,275
	\$ 98,145	\$ 4,802,448	\$ 52,351	\$ 4,952,944	\$ 4,057,853
Liabilities					
Current liabilities					
Accounts payable and accrued liabilities	\$ 82,644	\$ 12,430	\$ -	\$ 95,074	\$ 121,496
Government remittances	69,122	-	-	69,122	-
Deferred grants and revenues (Note 5)	12,508	248,946	-	261,454	265,003
	164,274	261,376	-	425,650	386,499
Federal business loan, non-interest bearing, due December 2023 (Note 12)	40,000	-	-	40,000	40,000
	204,274	261,376	-	465,650	426,499
Net assets					
Fund balances					
General	(106,129)	-	-	(106,129)	(56,676)
Sustainability and Capital Asset (Note 6)	-	4,541,072	-	4,541,072	3,621,203
Endowment (Note 7)	-	-	52,351	52,351	66,827
	(106,129)	4,541,072	52,351	4,487,294	3,631,354
	\$ 98,145	\$ 4,802,448	\$ 52,351	\$ 4,952,944	\$ 4,057,853

See accompanying notes.

Approval:

Luke Cole, Co-Chair of the Board of Directors

Stephen Altbaum, Treasurer

Camp Winston Foundation

Statement of Operations

For the year ended August 31, 2022

	General Fund		Sustainability and Capital Asset Funds		Restricted Endowment Fund		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
				(Note 6)		(Note 7)		
Revenues								
Donations and grants (Note 8)	\$ 754,587	\$ 979,047	\$1,551,469	\$ 154,347	\$ -	\$ -	\$ 2,306,056	\$ 1,133,394
Camp and respite fees	90,089	23,520	-	-	-	-	90,089	23,520
Fundraising activities (Note 9)	147,039	34,432	-	-	-	-	147,039	34,432
Investment income (loss)	-	-	(98,456)	-	1,993	5,849	(96,463)	5,849
Government subsidies (Note 12)	21,213	100,280	-	-	-	-	21,213	100,280
	1,012,928	1,137,279	1,453,013	154,347	1,993	5,849	2,467,934	1,297,475
Expenditures								
Operation of Camp Winston and general administration (Note 11)	1,401,865	1,198,773	-	-	-	-	1,401,865	1,198,773
Amortization	-	-	112,663	105,200	-	-	112,663	105,200
	1,401,865	1,198,773	112,663	105,200	-	-	1,514,528	1,303,973
Excess (deficiency) of revenues over expenditures before undernoted items	(388,937)	(61,494)	1,340,350	49,147	1,993	5,849	953,406	(6,498)
Unrealized gain (loss) on marketable securities	-	-	(93,132)	-	(4,334)	7,102	(97,466)	7,102
	\$ (388,937)	\$ (61,494)	\$1,247,218	\$ 49,147	\$ (2,341)	\$ 12,951	\$ 855,940	\$ 604

See accompanying notes.

Camp Winston Foundation

Statement of Changes in Net Assets For the year ended August 31, 2022

	General Fund		Sustainability and Capital Asset Funds		Restricted Endowment Fund		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
				(Note 6)		(Note 7)		
Balance, beginning of year	\$ (56,676)	\$ (20,794)	\$ 3,621,203	\$ 3,597,001	\$ 66,827	\$ 54,543	\$ 3,631,354	\$ 3,630,750
Excess (deficiency) of revenues over expenditures/amortization	(388,937)	(61,494)	1,247,218	49,147	(2,341)	12,951	855,940	604
Interfund transfers	339,484	25,612	(327,349)	(24,945)	(12,135)	(667)	-	-
Balance, end of year	\$ (106,129)	\$ (56,676)	\$ 4,541,072	\$ 3,621,203	\$ 52,351	\$ 66,827	\$ 4,487,294	\$ 3,631,354

See accompanying notes.

Camp Winston Foundation

Statement of Cash Flows

For the year ended August 31

	2022	2021
Cash flows from operating activities		
Excess of revenues over expenditures	\$ 855,940	\$ 604
Items not affecting cash		
Amortization of capital assets	112,663	105,200
Unrealized loss (gain) on marketable securities	97,466	(7,102)
	1,066,069	98,702
Changes in current assets and current liabilities other than cash		
Receivables	(8,860)	(7,544)
Prepaid expenses	603	-
Accounts payable and accrued liabilities	(26,422)	62,005
Government remittances	69,122	-
Deferred grants and revenues	(3,549)	(27,262)
	1,096,963	125,901
Cash flows from investing activities		
Marketable securities	(1,171,741)	(22,472)
Capital improvements to building facilities	(33,802)	(13,825)
Acquisition of capital assets	(15,678)	(7,141)
Federal business loan	-	40,000
	(1,221,221)	(3,438)
Increase (decrease) in cash for the year	(124,258)	122,463
Cash, beginning of the year	187,177	64,714
Cash, end of the year	\$ 62,919	\$ 187,177

See accompanying notes.

Camp Winston Foundation

Notes to Financial Statements

August 31, 2022

1. Nature of operations

The purpose of Camp Winston Foundation (the "Foundation") is to:

- (i) make a profound impact on the lives and possibilities of children, and their families, living with complex neurological and neurobiological challenges;
- (ii) provide a camp and respite retreat for children, who need highly specialized support, to learn vital social and recreational skills specific to their needs and allowing them to escape their ordinary and often challenging daily lives; and
- (iii) set children up for success by providing year round support for camp families and developing leaders in the "Winston Way", a specialized and individualized curriculum for leaders, senior and junior staff.

The Foundation is a charitable organization registered under the Income Tax Act, and as such, is exempt from income taxes and issues donation receipts for income tax purposes. Refer to Note 12 for details regarding the impact of COVID-19 on operations.

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 8). 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.

Sustainability Fund - represents donations that are designated by donors as a donation to this fund. Funds can subsequently be transferred to the general or capital asset funds as required. Investment income earned from these donations are reported in the Sustainability Fund.

Capital Asset 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 to this fund. Investment income earned from the restricted donations is reported in the Endowment Fund.

Camp Winston Foundation

Notes to Financial Statements August 31, 2022

2. Significant accounting policies (continued)

Capital assets

Capital assets 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.

Government assistance

Government assistance toward current expenses is recognized as income, provided there is reasonable assurance of collection and the Foundation has complied and will continue to comply with all the conditions of government assistance. If there is no reasonable assurance of collection, the recognition of government assistance is deferred to the period when such assurance can be obtained.

Revenue recognition

The Foundation accounts for donation revenue under the deferral method. Under this method revenues 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 incurred.

Investment income includes dividends, interest income and realized investment gains and losses on sale of investments.

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

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 (programming and site), fundraising and administration activities include direct costs and allocated costs based on actual usage or estimated time spent.

Camp Winston Foundation

Notes to Financial Statements August 31, 2022

2. Significant accounting policies (continued)

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 receivables. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, loans payable 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, 2022 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.

3. Receivables

	2022	2021
Harmonized sales tax	\$ 35,521	\$ 35,276
Contributions, fees and grants	32,980	-
Government subsidies	-	24,365
	\$ 68,501	\$ 59,641

4. Capital assets

	Cost	Accumulated amortization	Net	
			2022	2021
Land	\$ 413,572	\$ -	\$ 413,572	\$ 413,572
Buildings (i)	4,154,519	988,632	3,165,887	3,225,258
Furniture, fixtures and equipment	428,715	380,917	47,798	55,075
Automobiles	68,580	53,776	14,804	6,331
Boats	102,718	82,687	20,031	25,039
	\$ 5,168,104	\$ 1,506,012	\$ 3,662,092	\$ 3,725,275

Camp Winston Foundation

Notes to Financial Statements August 31, 2022

4. Capital assets (continued)

- (i) Included in buildings are improvement costs incurred during the year related to the Ken Lodge. To date, costs totalling \$33,802 have been incurred net of insurance proceeds of \$69,221. The improvements are expected to be completed in Fiscal 2023.

5. Deferred grants and revenues

Deferred grants and revenues in the general fund are camp fees received during the year of \$12,508 (2021 - \$9,045) that have been deferred and will be applied to future camp sessions.

6. Sustainability and Capital Asset Funds

(i) Sustainability Fund

The Sustainability Fund is monitored by the Investment Committee and the Board of Directors, to ensure the the funds are appropriately invested in order to achieve and generate sufficient annual income and asset growth to support the Foundation's cash flow needs.

Donations are initially designated by donors to the Sustainability Fund and funds are maintained and invested within the fund. When required, the Foundation can transfer funds for purposes of funding its operations.

(ii) Capital Asset Fund

The Capital Asset Fund is intended for funding capital projects and the purchase of capital assets for the Foundation's ongoing operational needs.

A restricted capital grant of \$255,958 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, is the recognition of this grant of \$7,012 (2021 - \$7,012).

7. 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 camper subsidies. The funds to be awarded as camper subsidies 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, 2022

8. Related party transaction

Total donations and grants received of \$2,306,056 (2021 - \$1,133,394) include the sum of \$1,664,292 (2021 - \$325,000), recorded at exchange amount, which was gifted to the Foundation by a major donor who is also a director of the Foundation, to fund operating and capital expenditures throughout the year.

Of the \$1,664,292 received, \$125,000 was for operations and \$1,539,292 was donated to the Sustainability Fund.

Under an agreement with the Foundation, the related party has committed to donate \$6,250,000 to the Sustainability Fund over the course of the related party's lifetime. The timing of the donation is subject to various criteria under the agreement.

9. Fundraising activities

Fundraising revenues include the following:

	2022	2021
Day of Giving Fundraiser	\$ 105,244	\$ -
Camp Winston Run Raiser	37,743	-
Building Hope Fundraiser	-	24,615
Other fundraising activities	4,052	9,817
	<u>\$ 147,039</u>	<u>\$ 34,432</u>

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, 2022

11. Schedule of Expenditures

	Core operations		General		Total	
	Programming	Site	Fundraising	Administrative	2022	2021
Audit and legal fees	\$ -	\$ -	\$ -	\$ 28,769	\$ 28,769	\$ 21,525
Consultancy fees	2,055	-	127,554	-	129,609	154,082
Donations	24,000	-	-	-	24,000	24,000
Insurance	-	-	-	57,887	57,887	52,675
Kitchen operations	45,804	-	-	-	45,804	77,532
Office, general and supplies	2,491	-	5,997	27,686	36,174	46,470
Office rent	-	-	-	-	-	25,325
Programs	45,239	10,669	1,527	3,057	60,492	50,861
Realty taxes	-	20,596	-	-	20,596	20,528
Repairs and maintenance	-	69,704	-	-	69,704	145,524
Telephone and internet	7,151	311	3,053	3,053	13,568	12,656
Training and development	5,336	-	-	11,386	16,722	4,452
Utilities	-	38,587	-	-	38,587	21,542
Vehicle and travel	5,481	-	-	4,055	9,536	8,866
Wages, fees and benefits	325,017	140,520	149,467	235,413	850,417	532,735
	\$ 462,574	\$ 280,387	\$ 287,598	\$ 371,306	\$ 1,401,865	\$ 1,198,773

Camp Winston Foundation

Notes to Financial Statements

August 31, 2022

12. COVID-19 Outbreak

In March 2020, the World Health Organization declared a global pandemic due to the novel coronavirus (COVID-19).

To address the uncertainties posed by COVID-19, the board of directors and management have taken certain steps and measures to address the risks to the Foundation's programs and camp operations, such as the implementation of new health and safety measures with direction from the Ministry of Health. These measures allowed for programming sessions to be held in-person at reduced capacity in Fiscal 2022.

In addition, the Foundation has taken measures to mitigate the financial impact of the pandemic by applying for government assistance programs, such as the Canadian Emergency Wage Subsidy (CEWS), the Canadian Emergency Rent Subsidy (CERS) and the Canadian Emergency Business Account (CEBA).

13. Comparative figures

Certain of the 2021 comparative figures have been reclassified to conform with the financial statement presentation adopted for the current year.