

# **Financial Statements**

## **Amici Camping Charity**

Toronto, Ontario

*September 30, 2016*

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## Independent Auditors' Report

### **To the Members of Amici Camping Charity:**

We have audited the accompanying financial statements of Amici Camping Charity, which comprise the statement of financial position as at September 30, 2016 and the statements of changes in net assets, operations 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.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the financial statements 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 Organization's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

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## Independent Auditors' Report - continued

### **Basis for Qualified Opinion**

In common with many charitable organizations, the Organization derives revenue from donations the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we are not able to determine whether any adjustments might be necessary to contributions, surplus, current assets and net assets.

### **Qualified Opinion**

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Amici Camping Charity as at September 30, 2016 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.

Toronto, Ontario  
March 8, 2017



Chartered Professional Accountants Licensed Public Accountants

**Amici Camping Charity**

September 30, 2016

<b>Statement of Financial Position</b>			2016	2015
	General Fund	Endowment Fund	Total	Total
<b>Current Assets</b>				
Cash, Note 3	\$ 27,374	\$ 0	\$ 27,374	\$ 194,156
Accounts receivable	34,526	0	34,526	38,746
Prepaid expenses	9,651	0	9,651	2,762
<b>Total Current</b>	71,551	0	71,551	235,664
<b>Long-Term Investments, Note 3</b>	0	871,159	871,159	847,637
	71,551	871,159	942,710	1,083,301
<b>Current Liabilities</b>				
Accounts payable and accrued liabilities	23,312	0	23,312	9,293
Government remittances	7,240	0	7,240	0
Deferred revenue	8,087	0	8,087	0
<b>Total Liabilities</b>	38,639	0	38,639	9,293
<b>Net Assets</b>				
Endowment Fund, per statement	0	871,159	871,159	847,637
General Fund, per statement	32,912	0	32,912	226,371
	32,912	871,159	904,071	1,074,008
	71,551	871,159	942,710	1,083,301

**Approved by The Board**

Laura Burgar

Director

Jamie Vallance

Director

The notes on pages 9 through 12 form an integral part of these financial statements.

**Amici Camping Charity**  
*Year ended September 30, 2016*

<b>Statement of Changes in Net Assets</b>			2016	2015
	General Fund	Endowment Fund	Total	Total
Balance beginning	\$ 226,371	\$ 847,637	\$ 1,074,008	\$ 1,096,204
Add (deduct)				
Surplus (deficit)	(223,345)	53,408	(169,937)	(22,196)
Interfund transfers, Note 6	29,886	(29,886)	0	0
<b><i>Balance September 30</i></b>	<b>32,912</b>	<b>871,159</b>	<b>904,071</b>	<b>1,074,008</b>

**Amici Camping Charity**  
Year ended September 30, 2016

<b>Statement of Operations</b>	2016			2015
	General Fund	Endowment Fund	Total	Total
<b>Revenues</b>				
Donations	\$ 666,173	\$ 0	\$ 666,173	\$ 645,490
Events, Note 5	205,394	0	205,394	182,306
<b>Total Revenues</b>	<b>871,567</b>	<b>0</b>	<b>871,567</b>	<b>827,796</b>
<b>Program Expenses</b>				
Camp fees	543,654	0	543,654	523,681
Program support	135,963	9,482	145,445	89,956
	<b>679,617</b>	<b>9,482</b>	<b>689,099</b>	<b>613,637</b>
<b>Operating Expenses</b>				
Fundraising	229,075	0	229,075	132,338
Office and general	45,166	0	45,166	70,884
Professional fees	15,318	0	15,318	18,724
Consulting	106,616	0	106,616	72,142
Rent	19,593	0	19,593	8,731
	<b>415,768</b>	<b>0</b>	<b>415,768</b>	<b>302,819</b>
<b>Total Expenses</b>	<b>1,095,385</b>	<b>9,482</b>	<b>1,104,867</b>	<b>916,456</b>
<b>Surplus (Deficit) Before Other</b>	<b>(223,818)</b>	<b>(9,482)</b>	<b>(233,300)</b>	<b>(88,660)</b>
<b>Other</b>				
Dividend income	0	11,684	11,684	16,530
Interest income	473	8,287	8,760	7,771
Realized gains on investments	0	4,870	4,870	33,089
Unrealized gains on investments	0	38,049	38,049	9,074
<b>Other Surplus</b>	<b>473</b>	<b>62,890</b>	<b>63,363</b>	<b>66,464</b>
<b>Surplus (Deficit)</b>	<b>(223,345)</b>	<b>53,408</b>	<b>(169,937)</b>	<b>(22,196)</b>

**Amici Camping Charity**  
Year ended September 30, 2016

<b>Statement of Cash Flows</b>			2016	2015
	General Fund	Endowment Fund	Total	Total
<b>Operating Activities</b>				
Surplus (deficit)	\$ (223,345)	\$ 53,408	\$ (169,937)	\$ (22,196)
<b>Items not affecting cash</b>				
Unrealized gains on investments	0	(38,049)	(38,049)	(9,074)
	(223,345)	15,359	(207,986)	(31,270)
<b>Changes in non-cash working capital</b>				
Accounts receivable	4,220	0	4,220	(8,195)
Prepaid expenses	(6,889)	0	(6,889)	6,865
Accounts payable	29,346	0	29,346	(5,214)
Interfund balances	29,886	(29,886)	0	0
<b>Cash Used In Operating Activities</b>	(166,782)	(14,527)	(181,309)	(37,814)
<b>Investing Activities</b>				
Increase in investments	0	14,527	14,527	(17,674)
<b>Cash Provided by (Used in) Investing Activities</b>	0	14,527	14,527	(17,674)
Net cash increase (decrease) during the year	(166,782)	0	(166,782)	(55,488)
Cash position beginning of year	194,156	0	194,156	249,644
<b>Cash Position End Of Year</b>	27,374	0	27,374	194,156



**Notes to Financial Statements**

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**Status and Nature of Activities**

The mission of Amici Camping Charity is to sponsor children to attend summer camp each year in the Province of Ontario. The Organization was incorporated under the Ontario Corporations Act on March 15, 1990 as a not-for-profit organization without share capital.

**Income Tax Status**

The Organization is a charitable organization as defined in the Income Tax Act (Canada) and may issue charitable receipts for donations received.

**Note 1**

**Significant Accounting Policies**

**a) Basis of Accounting**

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

**b) Fund Accounting**

Revenues and expenses related to program delivery and administrative activities are reported in the General Fund.

Endowment contributions are reported in the Endowment Fund. Dividend and interest income earned on endowment contributions are reported in the Endowment Fund.

Realized and unrealized gains and losses on investments of the Endowment Fund are reported in the Endowment Fund.

**c) Revenue Recognition**

The Organization 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. Endowment contributions are recognized as direct increases in the net assets in the year.

Donation revenue is recognized on an accrual basis. Camp fees are provided using resources available and may not be reflected in the same year as the donations were received. Consequently, General Fund surplus(loss) may vary considerably from one year to the next.

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**Note 1            Significant Accounting Policies - continued**

Pooled funds are held by the Toronto Community Foundation (TCF) in trust for the organization. Revenue from investments is recognized based on information supplied by TCF to the organization. This investment income in the Endowment Fund includes interest and dividend income, and realized and unrealized investment gains and losses.

**(d)    Use of Estimates**

The preparation of financial statements requires management to make assumptions about future events that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

**(e)    Donations in Kind**

Donated goods and services are included in revenue and expenses when it is likely that the Organization would have had to otherwise pay for these goods and services.

**(f)    Property and Equipment**

Purchases of property and equipment are expensed as incurred.

**(g)    Allocation of Salary**

Salaries are allocated between salaries and benefits, fundraising, and program expenses. The allocation is based on the amount of time staff spent on fundraising and program activities. Some degree of management estimation is made using board approved allocation percentages. The remaining portion of salaries is then allocated to office and general. Please refer to Note 4 for additional detail regarding this allocation.

**(h)    Financial Instruments**

**Measurement of Financial Instruments**

The Organization initially measures its financial assets and financial liabilities at fair value, except for certain non-arm's length transactions.

The Organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in income.

Financial assets measured at amortized cost include cash, and accounts receivable.

**Note 1            Significant Accounting Policies - continued**

Financial liabilities measured at amortized cost include accounts payable.

**Impairment**

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in surplus. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in income.

**Note 2            Financial Instruments**

**Credit Risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a loss.

The Organization is subject to concentrations of credit risk through its cash and investment accounts. The maximum credit risk is equivalent to the carrying value.

**Liquidity Risk**

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is not exposed to significant liquidity risk.

**Market Risk**

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and foreign exchange rates. These fluctuations may be significant. The market risk factors for the pooled fund investments are those to which the Toronto Community Foundation Endowment funds are exposed. The methods and assumptions management uses have not changed substantially from the prior period. It is the Board of Directors' opinion that the Organization is not exposed to significant interest or foreign exchange rate risks.

## Amici Camping Charity

September 30, 2016

**Note 3 Cash and Investments**

	2016	2015
<b>Cash</b>		
Operating current account	\$ 27,374	\$ 194,156
<b>Long-Term Investments</b>		
Pooled investments held in trust by Toronto Community Foundation in their Endowment Fund	871,159	847,637
	898,533	1,041,793

**Note 4 Salary and Benefits**

Remuneration to employees during the year totaled \$259,310 (2015 - 193,418).

The remuneration has been allocated as follows:

	2016	2015
Program support	\$ 132,767	\$ 75,808
Fundraising	119,801	75,730
Office and general	6,742	41,880
Total remuneration during the year	259,310	193,418

**Note 5 Event Income**

Event revenue is comprised of net revenues generated through the following events:

	2016	2015
Canoe Heads for Kids	\$ 189,276	\$ 164,362
Other community events	16,118	17,944
	205,394	182,306

**Note 6 Interfund Transfers**

In fiscal 2016, the Organization transferred 3.5% of the Endowment Fund to the General Fund to support its charitable programs. The amount transferred in fiscal 2016 was \$29,886. There are no externally imposed requirements for the General Fund to repay these funds to the Endowment Fund.

**Note 7 Rental Agreement**

The Organization signed a rental agreement for the rental of office space. Terms of the agreement are as follows:

February 1, 2016 to January 31, 2017	\$ 2,000 per month plus HST
February 1, 2017 to January 31, 2018	2,100 per month plus HST
February 1, 2018 to January 31, 2019	2,200 per month plus HST