

**CAMP OCHIGEAS**

**CONSOLIDATED  
FINANCIAL STATEMENTS**

**OCTOBER 31, 2010**

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## AUDITORS' REPORT

### To the Board of Directors and Members of Camp Oochigeas:

We have audited the consolidated statement of financial position of Camp Oochigeas as at October 31, 2010 and the consolidated statements of operations, changes in net assets and cash flows for the year then ended. These consolidated financial statements are the responsibility of the organization. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance that the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation.

In common with many charitable organizations, this organization derives revenue from donations and fundraising activities, 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 were not able to determine whether any adjustments might be necessary to donation and fundraising revenues, excess (deficiency) of revenue over expenditures, assets and surplus.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the revenue referred to in the preceding paragraph, these consolidated financial statements present fairly, in all material respects, the financial position of the organization as at October 31, 2010 and the results of its operations and the changes in its net assets and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



Shimmerman Penn LLP

Chartered Accountants

Licensed Public Accountants

Toronto, Canada

December 10, 2010

**CAMP OCHIGEAS**

**CONSOLIDATED STATEMENT OF  
FINANCIAL POSITION**

**AS AT OCTOBER 31, 2010**

		Operating Reserve Fund	Capital Fund	General Fund	Total 2010	Total 2009
	Note					
<b>ASSETS</b>						
<i><b>CURRENT</b></i>						
Cash	3	\$ -	\$ -	\$ 175,242	<b>\$ 175,242</b>	\$ 869,465
Short term investments	4	2,800,000	110,698	452,312	<b>3,363,010</b>	1,550,238
Prepaid expenses and other receivables		-	-	328,891	<b>328,891</b>	225,965
		2,800,000	110,698	956,445	<b>3,867,143</b>	2,645,668
<i><b>LONG TERM</b></i>						
Capital assets	5	-	-	8,848,405	<b>8,848,405</b>	8,266,628
Other assets	6	-	-	1,036,524	<b>1,036,524</b>	705,299
Long term investments		-	-	-	-	1,082,175
		-	-	9,884,929	<b>9,884,929</b>	10,054,102
		\$ 2,800,000	\$ 110,698	\$ 10,841,374	<b>\$ 13,752,072</b>	\$ 12,699,770
<b>LIABILITIES</b>						
<i><b>CURRENT</b></i>						
Accounts payable and accrued liabilities		\$ -	\$ -	\$ 695,217	<b>\$ 695,217</b>	\$ 112,731
Deferred rent		-	-	50,515	<b>50,515</b>	-
		-	-	745,732	<b>745,732</b>	112,731
<b>COMMITMENTS</b>	13					
<b>NET ASSETS</b>						
Restricted	7	2,800,000	110,698	-	<b>2,910,698</b>	3,430,700
Unrestricted		-	-	10,095,642	<b>10,095,642</b>	9,156,339
		2,800,000	110,698	10,095,642	<b>13,006,340</b>	12,587,039
		\$ 2,800,000	\$ 110,698	\$ 10,841,374	<b>\$ 13,752,072</b>	\$ 12,699,770

***APPROVED ON BEHALF OF THE BOARD:***

\_\_\_\_\_ Director

\_\_\_\_\_ Director

**CAMP OCHIGEAS**

**CONSOLIDATED STATEMENT OF OPERATIONS**

**YEAR ENDED OCTOBER 31, 2010**

	Note	Capital Fund	General Fund	<b>Total 2010</b>	Total 2009
<b>REVENUE</b>					
General donations and fundraising	7, 8	\$ 714,486	\$ 3,135,695	<b>\$ 3,850,181</b>	\$ 2,951,561
Rental	8	-	71,455	<b>71,455</b>	67,233
Interest earned		-	28,268	<b>28,268</b>	61,365
		714,486	3,235,418	<b>3,949,904</b>	3,080,159
<b>EXPENDITURES</b>					
Residential program costs	10	\$ -	\$ 835,307	<b>\$ 835,307</b>	\$ 744,303
In-City program costs		-	661,992	<b>661,992</b>	446,812
Site repairs and maintenance		-	565,098	<b>565,098</b>	501,851
Fundraising and development expense	8	-	443,242	<b>443,242</b>	361,510
Administrative, office and general		-	285,413	<b>285,413</b>	210,130
Amortization		-	722,038	<b>722,038</b>	684,732
Loss on disposal of capital assets		-	17,513	<b>17,513</b>	-
		-	3,530,603	<b>3,530,603</b>	2,949,338
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>					
		\$ 714,486	\$ (295,185)	<b>\$ 419,301</b>	\$ 130,821

**CAMP OCHIGEAS**

**CONSOLIDATED STATEMENT OF  
CHANGES IN NET ASSETS**

**YEAR ENDED OCTOBER 31, 2010**

	Note	Operating Reserve Fund	Capital Fund (Note 9)	General Fund	Total 2010	Total 2009
Balance, beginning of the year		\$ 2,800,000	\$ 630,700	\$ 9,156,339	\$ 12,587,039	\$ 12,456,218
Excess (deficiency) of revenue over expenditures		-	714,486	(295,185)	419,301	130,821
Transfer of costs of capital assets	5	-	(1,163,352)	1,163,352	-	-
Transfers to General Fund	7	-	(71,136)	71,136	-	-
<b><i>Balance, end of the year</i></b>		\$ 2,800,000	\$ 110,698	\$ 10,095,642	\$ 13,006,340	\$ 12,587,039

**CAMP OCHIGEAS**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**YEAR ENDED OCTOBER 31, 2010**

	Note	2010	2009
<b><i>CASH WAS PROVIDED BY (USED IN):</i></b>			
<b><i>OPERATING ACTIVITIES</i></b>			
Excess of revenue over expenditures		\$ 419,301	\$ 130,821
<b>Items not affecting cash:</b>			
Deferred rent		50,515	-
Contribution of other assets	6	(331,225)	-
Amortization of capital assets		722,038	684,732
Loss (gain) on disposal of capital assets		17,513	(2,200)
		<b>878,142</b>	<b>813,353</b>
<b>Changes in non-cash working capital items relating to operations:</b>			
Prepaid expenses and other receivables		(102,926)	75,867
Accounts payable and accrued liabilities		582,485	(43,172)
		<b>479,559</b>	<b>32,695</b>
		<b>1,357,701</b>	<b>846,048</b>
<b><i>FINANCING AND INVESTING ACTIVITIES</i></b>			
<b>Financing and investing activities:</b>			
Proceeds from sale of (purchase of) long term investment		1,082,175	(1,082,175)
Capital improvements	5	(1,163,352)	(325,300)
Acquisition of capital assets	5	(161,948)	(64,791)
Proceeds on disposal of capital assets		3,973	2,200
		<b>(239,152)</b>	<b>(1,470,066)</b>
<b><i>INCREASE (DECREASE) IN CASH AND</i></b>			
<b><i>SHORT TERM INVESTMENTS</i></b>			
Cash and short term investments, beginning of the year		2,419,703	3,043,721
<b><i>CASH AND SHORT TERM INVESTMENTS, end of the year</i></b>		<b>\$ 3,538,252</b>	<b>\$ 2,419,703</b>

## CAMP OCHIGEAS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED OCTOBER 31, 2010

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#### 1. *DESCRIPTION OF ORGANIZATION AND INCOME TAX STATUS*

The mission of Camp Oochigeas is to operate camping programs for children affected by childhood cancer which include residential summer camp and off-season residential programming at the campsite in Muskoka, in addition to in-city programs in Toronto.

Camp Oochigeas was incorporated under the Canada Corporations Act on June 14, 1989 as a not for profit corporation without share capital. Camp Oochigeas is a registered charitable organization under the Income Tax Act (Canada) and, as such is exempt from income taxes and is able to issue donation receipts for income tax purposes.

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#### 2. *SIGNIFICANT ACCOUNTING POLICIES*

The consolidated financial statements of the organization have been prepared in accordance with Canadian generally accepted accounting principles. The following summary of significant accounting policies is set forth to facilitate the understanding of these consolidated financial statements.

##### *Basis of presentation*

The consolidated financial statements include the accounts of the organization and its wholly owned subsidiary. All significant intercompany transactions and balances have been eliminated on consolidation.

##### *Fund accounting*

The organization follows the restricted fund method of accounting for general donations and fundraising. The organization ensures, as part of its fiduciary responsibilities, that all funds received with a restricted purpose are expensed for the purpose for which they are provided.

For financial reporting purposes, the accounts have been classified into the following funds:

(a) General Fund

The General Fund accounts for both the organization's program delivery and administrative activities and restricted contributions for which there is no corresponding restricted fund.

(b) Operating Reserve Fund

The purpose of the Operating Reserve Fund is to ensure the ongoing delivery of the organization's programs, in the event that additional revenue becomes unavailable due to unforeseen circumstances. The fund is internally restricted and requires the approval of the Board of Directors for any use.

## CAMP OCHIGEAS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED OCTOBER 31, 2010

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2. *SIGNIFICANT ACCOUNTING POLICIES (continued)*

*Fund accounting (continued)*

(c) Capital Fund

The Capital Fund consists of internally and externally restricted funds to be used for ongoing in-city and camp site developments, capital asset purchases and capital improvements. Internally restricted funds are not available for general use without the approval of the Board of Directors (see note 7).

*Revenue recognition*

Restricted contributions related to general operations are recognized as revenue in the General Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably ensured.

Investment income earned from Capital Fund and Operating Reserve Fund resources is recognized as revenue of the General Fund. Other investment income is recognized as revenue of the General Fund when earned.

*Donations*

Donations are recorded when received or known to be in transit at the fiscal year end. Donations in kind are recorded at their estimated fair value based upon appraisal and other factors pertinent to the donation, only in circumstances where donation receipts have been issued.



## CAMP OCHIGEAS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED OCTOBER 31, 2010

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#### 2. *SIGNIFICANT ACCOUNTING POLICIES (continued)*

##### *Short term investments*

Short term investments are classified as held for trading and stated at fair value. Guaranteed Investment Certificates are stated at cost, which together with accrued interest income approximates fair value given the short term nature of these investments.

##### *Long term investments*

Long term investments are classified as held for trading and stated at fair value.

##### *Capital assets*

Capital assets are stated at cost less accumulated amortization. Contributed assets are stated at their estimated fair value at the date of contribution. The organization provides for amortization using the following methods at rates designed to amortize the cost of the capital assets over their estimated useful lives. The annual amortization rates and methods are as follows:

Buildings	-	20 years
Furniture and equipment	-	5 years
Watercraft equipment	-	3 years
Computer equipment and software	-	3 years
Vehicles	-	5 years
Leasehold improvements	-	term of the lease

##### *Contributed services*

The organization would not be able to carry out its administrative activities without the services of volunteers who donate a considerable number of hours. Because of the difficulty of determining their fair value, the value of contributed services are not recognized in the consolidated financial statements.

##### *Capital Management*

The objectives of the Board of Directors in managing capital are to safeguard the organization's ability to maintain its programs and facilities as outlined in budgets and plans approved by the Board. The Board monitors, assesses and manages capital and makes adjustments in light of changes in economic conditions. The Board has established several internally restricted funds to achieve these objectives. The organization is only subject to external restrictions on donations in which donors specify programs or areas which their donations are to fund. The organization has complied with these externally imposed requirements.

## CAMP OCHIGEAS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED OCTOBER 31, 2010

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2. *SIGNIFICANT ACCOUNTING POLICIES (continued)*

*Allocation of expenses*

The organization engages in residential programming, in-city programming, fundraising, site repairs and maintenance and administrative functions. The organization allocates salaries and benefits based on efforts. Office rental and communication expenses are allocated on the same basis as head office salaries. Other costs, such as office supplies, computer maintenance, staff training and development and travel expenses are allocated based on usage.

*Use of estimates*

The preparation of these consolidated financial statements, in conformity with Canadian generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from these estimates. Estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

*Pledges*

Pledges are not recognized in the consolidated financial statements.

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3. *CASH*

Cash is deposited in accounts with financial institutions which earn interest at the rates ranging from 0.0% to 0.5% per annum.

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4. *SHORT TERM INVESTMENTS*

All funds are invested in redeemable Guaranteed Investment Certificates, which are deposited with a Canadian chartered bank and bear interest at rate of 1.3% to 1.6% per annum.

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**CAMP OCHIGEAS**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED OCTOBER 31, 2010**

**5. CAPITAL ASSETS**

	Cost	Accumulated Amortization	Balance 2010	2009
Land	\$ 524,500	\$ -	\$ 524,500	\$ 524,500
Buildings	10,051,991	2,648,252	7,403,739	7,371,001
Furniture and equipment	672,367	498,872	173,495	141,996
Computer equipment	157,532	123,184	34,348	56,696
Computer software	242,113	153,574	88,539	122,223
Leasehold improvements	605,260	30,263	574,997	20,942
Vehicles	61,283	12,497	48,786	28,659
Other	1	-	1	1
Watercraft equipment	-	-	-	610
	<b>\$ 12,315,047</b>	<b>\$ 3,466,642</b>	<b>\$ 8,848,405</b>	<b>\$ 8,266,628</b>

Prior to November 1, 1995, the organization followed the policy of expensing all capital asset acquisitions in the year the expenditures were incurred. The value of \$1 has been assigned to other capital assets as a nominal value to identify the existence of such property acquired prior to this date.

There were no capital assets contributed by donors during the year.

During the year, the organization purchased and developed capital assets amounting to \$1,325,300 (2009 - \$390,091). These were funded as follows:

	2010	2009
Capital developments, funded from Capital Fund	\$ 1,163,352	\$ 325,300
Purchase of capital assets, funded from General Fund	161,948	64,791
Total capital assets acquired	<b>\$ 1,325,300</b>	<b>\$ 390,091</b>

## CAMP OCHIGEAS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED OCTOBER 31, 2010

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#### 6. *OTHER ASSETS*

Other assets comprise works of art which were donated to the organization in the 2005, 2007 and 2010 fiscal years. The carrying values are established at the time of donation and are based upon the donation receipted value. The receipt value was determined as the appraised value adjusted for a discount factor where considered appropriate. Management believes that there has been no impairment of these values as at October 31, 2010.

During the year the organization received contributions of artwork with a receipted value of \$331,225, of which \$306,225 was placed in an irrevocable trust.

Artwork was placed in irrevocable trusts to allow the donor to maintain possession of the works of art during his lifetime or until such time as the works of art are sold. Camp Oochigeas is both the trustee and capital beneficiary of the trusts. The total value of artwork held in irrevocable trusts at October 31, 2010 is \$1,011,524. The remaining artwork valued at \$25,000 is not subject to restrictions.

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#### 7. *INTERFUND TRANSFERS*

During the year, the organization received net externally restricted contributions totaling \$714,486 of which \$71,136 was directed to the General Fund. This represented a repayment of amounts advanced from the General Fund to the Capital Fund in a prior year for the purpose of funding capital improvements at the site. The remaining externally restricted contributions received during the year were used to fund capital developments, except for an amount of \$50,000 which was retained in the Capital Fund.

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#### 8. *GENERAL DONATIONS, FUNDRAISING AND RENTAL*

General donations and fundraising revenue are net of direct event related fundraising costs of \$285,699 (2009 - \$96,214) of which \$152,681 (2009 - \$12,768) relates to the "Summer Dreams" biennial event and \$69,536 (2009 - \$35,215) relates to the annual Sporting Life event.

Included in general donations is an amount of \$505,749 (2009 - \$148,157) for donations received in kind.

Rental revenues are net of direct rental costs of \$50,026 (2009 - \$44,744).

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**CAMP OCHIGEAS**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED OCTOBER 31, 2010**

**9. CAPITAL FUND**

The Capital Fund is comprised of the following:

	Internally Restricted	Externally Restricted	<b>Total 2010</b>	Total 2009
Balance, beginning of the year	\$ 560,700	\$ 70,000	<b>\$ 630,700</b>	\$ 388,000
Excess of revenue over expenditures	-	714,486	<b>714,486</b>	468,473
Transfer of costs of capital assets	(500,002)	(663,350)	<b>(1,163,352)</b>	(325,300)
Transfers to General Fund	-	(71,136)	<b>(71,136)</b>	(398,473)
Transfers from General Fund	-	-	-	498,000
<b><i>Balance, end of the year</i></b>	<b>\$ 60,698</b>	<b>\$ 50,000</b>	<b>\$ 110,698</b>	<b>\$ 630,700</b>

**10. ALLOCATION OF EXPENSES**

(a) Salaries and benefits expenses of \$1,471,502 (2009 - \$1,227,799) have been allocated as follows:

	<b>2010</b>	2009
Residential programs	<b>\$ 388,688</b>	\$ 339,993
In-City programs	<b>396,429</b>	318,612
Site repairs and maintenance	<b>200,953</b>	150,966
Fundraising costs	<b>328,133</b>	274,112
Administrative, office and general	<b>130,295</b>	113,714
Capital developments	<b>27,004</b>	30,402
<b>Total</b>	<b>\$ 1,471,502</b>	\$ 1,227,799

(b) Other expenses (including occupancy and communication costs, office supplies, computer maintenance and staff training and development costs) of \$361,333 (2009 - \$318,040) have been allocated as follows:

	<b>2010</b>	2009
Residential programs	<b>\$ 109,633</b>	\$ 106,511
In-City programs	<b>75,648</b>	71,780
Site repairs and maintenance	<b>22,272</b>	22,891
Fundraising costs	<b>112,926</b>	87,130
Administrative, office and general	<b>40,854</b>	29,728
<b>Total</b>	<b>\$ 361,333</b>	\$ 318,040

**CAMP OCHIGEAS**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED OCTOBER 31, 2010**

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**11. FINANCIAL INSTRUMENTS**

The carrying value of the organization's cash, short term investments, other receivables and accounts payable and accrued liabilities approximate their fair value due to the short term nature of these financial instruments.

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant credit, currency, or interest rate risk from financial instruments. A one percent change in interest rates would not materially affect the organization's revenue, expenditures, cash flows or financial position.

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**12. RELATED PARTY TRANSACTIONS**

The organization also entered into transactions for legal fees with a law firm of which a member of the Board of Directors is a partner. The total legal fees paid in the year is \$18,057 (2009 - \$6,350).

These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount which is the amount of consideration established and agreed to by the related parties.

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**13. COMMITMENTS**

(a) The organization has operating leases for office space, office equipment and a vehicle for various periods up to the year 2020. Future minimum annual lease payments exclusive of operating costs are approximately as follows:

2010	\$ 256,280
2011	276,740
2012	280,740
2013	299,940
2014	296,000
Subsequent years	<u>1,526,670</u>
	<u>\$ 2,936,370</u>

(b) During the year, the organization entered into a contract for construction services relating to the new premises. As at October 31, 2010, future payments due on completion of services under these contracts amount to \$382,197. Subsequent to the year end, the organization entered into an additional contract for construction services for \$131,424.

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