

CAMP OCHIGEAS

**CONSOLIDATED
FINANCIAL STATEMENTS**

DECEMBER 31, 2015

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Members of Camp Oochigeas:

We have audited the accompanying consolidated financial statements of Camp Oochigeas, which comprises the consolidated statement of financial position as at December 31, 2015 and the consolidated statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated 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 consolidated 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 entity'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 entity'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 in our audit is sufficient and appropriate to provide a basis for our audit opinion.


Basis for Qualified Opinion

In common with many charitable organizations, this organization derives revenue from donations and fundraising activities, the completeness of which is not susceptible to 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 of revenue over expenditures and cash flows from operations for the years ended December 31, 2014 and 2015, current assets as at December 31, 2015 and 2014 and net assets as at January 1 and December 31 for both the 2015 and 2014 years, our audit opinion on the financial statements for the year ended December 31, 2014 was modified accordingly because of the possible effects of this limitation in scope.

Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements present fairly, in all material respects, the financial position of Camp Oochigeas as at December 31, 2015, 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.

Shimmerman Penn LLP



Chartered Accountants

Licensed Public Accountants


Toronto, Canada

March 22, 2016

**CAMP OCHIGEAS
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2015**

	Note	General Fund (note 9)	Ooch Muskoka Expansion Fund	Endowment Fund	Total 2015	Total 2014
ASSETS						
CURRENT						
Cash	3	\$ 3,240,573	\$ -	\$ -	\$ 3,240,573	\$ 2,954,412
Short term investments	4	4,222,434	3,619,948	332,202	8,174,584	4,255,761
Prepaid expenses and other receivables other receivables		538,422	-	-	538,422	494,263
		8,001,429	3,619,948	332,202	11,953,579	7,704,436
LONG TERM						
Capital assets	5	8,936,239	-	-	8,936,239	8,125,429
Other assets	6	1,105,780	-	-	1,105,780	1,159,935
		10,042,019	-	-	10,042,019	9,285,364
		\$ 18,043,448	\$ 3,619,948	\$ 332,202	\$ 21,995,598	\$ 16,989,800
LIABILITIES						
CURRENT						
Accounts payable and accrued liabilities		881,226	-	-	881,226	349,600
Deferred rent		121,125	-	-	121,125	125,699
		1,002,351	-	-	1,002,351	475,299
Commitments	12					
NET ASSETS						
Restricted		5,002,080	3,619,948	332,202	8,954,230	589,167
Unrestricted		12,039,017	-	-	12,039,017	15,925,334
		17,041,097	3,619,948	332,202	20,993,247	16,514,501
		\$ 18,043,448	\$ 3,619,948	\$ 332,202	\$ 21,995,598	\$ 16,989,800

APPROVED ON BEHALF OF THE BOARD:

 Director

Director

**CAMP OCHIGEAS
CONSOLIDATED STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2015**

	Note	General Fund	Ooch Muskoka Expansion Fund	Endowment Fund	Total 2015
REVENUE					
Donations and fundraising	8	\$ 4,860,010	\$ 5,288,333	\$ 4,147	\$ 10,152,490
Rental	8	76,472	-	-	76,472
Interest earned		62,710	52,354	-	115,064
		4,999,192	5,340,687	4,147	10,344,026
EXPENDITURES					
Residential camp programs	10	1,251,028	-	-	1,251,028
In-City programs		1,359,710	-	-	1,359,710
Site repairs and maintenance		862,431	-	-	862,431
Fundraising and development	8	607,816	419,721	-	1,027,537
Administrative, office and general		495,647	-	-	495,647
Amortization		868,927	-	-	868,927
		5,445,559	419,721	-	5,865,280
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES					
		\$ (446,367)	\$ 4,920,966	\$ 4,147	\$ 4,478,746

**CAMP OCHIGEAS
CONSOLIDATED STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2014**

	Note	General Fund	Ooch Muskoka Expansion Fund	Endowment Fund	Total 2014
REVENUE					
Donations and fundraising	8	\$ 5,745,697	\$ 711,212	\$ 127,804	\$ 6,584,713
Rental	8	56,136	-	-	56,136
Interest earned		72,257	-	-	72,257
		5,874,090	711,212	127,804	6,713,106
EXPENDITURES					
Residential camp programs	10	1,170,139	-	-	1,170,139
In-City programs		1,302,010	-	-	1,302,010
Site repairs and maintenance		630,894	-	-	630,894
Fundraising and development	8	814,863	240,145	-	1,055,008
Administrative, office and general		752,622	-	-	752,622
Amortization		902,042	-	-	902,042
		5,572,570	240,145	-	5,812,715
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES					
		\$ 301,520	\$ 471,067	\$ 127,804	\$ 900,391

CAMP OCHIGEAS
CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2015

	General Fund	Ooch Muskoka Expansion Fund	Endowment Fund	Total
Balance, as at January 1, 2014	\$ 15,374,197	\$ 39,662	\$ 200,251	\$ 15,614,110
Excess (deficiency) of revenue over expenditures	301,520	471,067	127,804	900,391
Transfer of costs of capital assets	249,617	(249,617)	-	-
Balance, as at December 31, 2014	15,925,334	261,112	328,055	16,514,501
Excess (deficiency) of revenue over expenditures	(446,367)	4,920,966	4,147	4,478,746
Transfer of costs of capital assets	1,562,130	(1,562,130)	-	-
Balance, as at December 31, 2015	\$ 17,041,097	\$ 3,619,948	\$ 332,202	\$ 20,993,247

**CAMP OCHIGEAS
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2015**

	Note	2015	2014
<i>CASH WAS PROVIDED BY (USED IN):</i>			
<i>OPERATING ACTIVITIES</i>			
Excess (deficiency) of revenue over expenditures		\$ 4,478,746	\$ 900,391
Items not affecting cash:			
Cash surrender value of life insurance		(3,445)	(3,208)
Deferred rent		(4,574)	(4,573)
Amortization of capital assets		868,927	902,042
		5,339,654	1,794,652
Changes in non-cash working capital items relating to operations:			
Prepaid expenses and other receivables		(15,360)	(108,511)
Accounts payable and accrued liabilities		531,626	161,480
Other assets		28,800	28,800
		545,066	81,769
		5,884,720	1,876,421
<i>FINANCING AND INVESTING ACTIVITIES</i>			
Capital improvements	5	(1,565,161)	(993,069)
Acquisition of capital assets	5	(114,576)	(90,300)
Net acquisition of short term investments		(3,918,822)	(51,130)
		(5,598,559)	(1,134,499)
<i>INCREASE IN CASH</i>			
Cash, beginning of the year		286,161	741,922
		2,954,412	2,212,490
<i>CASH, end of the year</i>		\$ 3,240,573	\$ 2,954,412

CAMP OCHIGEAS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015

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.

2. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

(a) Basis of presentation

The consolidated financial statements include the accounts of the organization and its wholly owned subsidiary, Camp Hollyburn (1986) Limited. All significant intercompany transactions and balances have been eliminated on consolidation.

(b) Fund accounting

The organization follows the restricted fund method of accounting for general donations and fundraising contributions. 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:

(i) General Fund

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

(a) 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 revenue is insufficient to cover regular operating expenditures. The fund is internally restricted and requires the approval of the Board of Directors.

CAMP OCHIGEAS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(b) Fund accounting *(continued)*

(i) General Fund *(continued)*

(b) Capital Fund

The purpose of the Capital Fund is to ensure the ongoing in-city capital asset purchases and capital improvements and in-city programs. The Capital Fund is internally restricted.

(ii) Ooch Muskoka Expansion Fund

The Ooch Muskoka Expansion Fund consists of externally restricted funds to be used for camp site developments, capital asset purchases and capital improvements.

(iii) Endowment Fund

In October 2011 the Endowment Fund was created by the Eby Family. The Endowment Fund consists of externally restricted funds contributed by the Eby family and other individuals that shall be held until October 31, 2021, at which time some or all of the capital in the fund may be further restricted for a term of 10 years.

(c) Revenue recognition

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.

Restricted contributions related to general operations are deferred and 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.

Restricted contributions where the donor requires that the principal be maintained for a long term period are recognized as revenue in the Endowment Fund in the year they are received.

Rental income for facilities is recognized in accordance with the terms of the agreements.

Investment income is recognized as revenue of the General Fund and Ooch Muskoka Expansion Fund on a proportionate basis.

CAMP OCHIGEAS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(d) 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.

(e) Cash and cash equivalents

Cash and cash equivalents include cash on hand and investments maturing in less than 90 days. As at December 31, 2015 there were no cash equivalents.

(f) 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
Computer equipment and software	-	3 years
Trailer	-	3 years
Watercraft	-	3 years
Vehicles	-	5 years
Leasehold improvements	-	term of the lease

(g) Impairment of long-lived assets

The organization tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected undiscounted future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent carrying value exceeds its fair value.

CAMP OOOCHIGEAS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(h) Financial instruments

(i) Measurement of financial instruments

The organization initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The organization subsequently measures its financial assets and financial liabilities at amortized cost, except for derivative and equity instruments of private companies for which there is no quoted market price in an active market. These financial instruments are subsequently measured at the initial fair value less any reduction for impairment.

Financial assets measured at amortized cost include cash and other receivables.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Financial assets measured at fair value include short term investments.

(ii) Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset or group of assets, a write-down is recognized in net income. The write-down reflects the difference between the carrying amount and the higher of:

- the present value of the cash flows expected to be generated by the asset or group of assets;
- the amount that could be realized by selling the assets of group of assets;
- the net realizable value of any collateral held to secure repayment of the assets or group of assets.

CAMP OCHIGEAS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(h) Financial instruments *(continued)*

(ii) Impairment *(continued)*

When the events occurring after the impairment confirm that a reversal is necessary, the reversal is recognized in net income up to the amount of the previously recognized impairment.

(i) 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.

(j) 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.

(k) Use of estimates

The preparation of these consolidated financial statements, in conformity with Canadian accounting standards for not-for-profit organizations, 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. Items requiring the use of significant estimates include the useful lives of capital assets.

(l) Pledges

Pledges are not recognized in the consolidated financial statements.

CAMP OCHIGEAS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(m) Cash surrender value of life insurance

Life insurance policies are recorded at their realizable value less applicable surrender charges.

(n) Short term investments

Short term investments consist of guaranteed investment certificates and are measured at cost plus accrued interest.

3. CASH

Cash is deposited in accounts with financial institutions which earn interest at the rates ranging from 0.0% to 1.2% per annum.

4. SHORT TERM INVESTMENTS

All funds are invested in redeemable Guaranteed Investment Certificates maturing within the next 12 months which are deposited with a Canadian chartered bank and bear interest at rates ranging from 1.20% to 1.76% per annum.

CAMP OCHIGEAS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015

5. CAPITAL ASSETS

	Cost	Accumulated Amortization	2015	Balance 2014
Land	\$ 524,500	\$ -	\$ 524,500	\$ 524,500
Buildings	12,927,949	5,357,628	7,570,320	6,520,777
Furniture and equipment	981,953	881,428	100,525	154,007
Computer equipment	324,069	293,081	30,988	35,867
Computer software	396,964	361,532	35,432	57,282
Leasehold improvements	1,343,911	695,139	648,772	794,132
Trailer	10,461	10,461	-	1,744
Watercraft	122,879	120,385	2,494	25,469
Vehicles	120,712	97,505	23,208	11,651
	\$ 16,753,398	\$ 7,817,159	\$ 8,936,239	\$ 8,125,429

During the year the organization purchased capital assets amounting to \$1,679,737 (2014 - \$1,083,369). These were funded from the Capital Fund and Ooch Muskoka Expansion Fund.

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 December 31, 2015.

During the period the organization did not receive any further contributions of artwork.

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 December 31, 2015 is \$1,011,524. The remaining artwork valued at \$25,000 is not subject to restrictions.

In addition to the artwork, other assets include a donated insurance policy with a cash surrender value of \$11,656 (2014 - \$8,211). The organization is the owner and sole beneficiary of the policy which has an insured value of \$84,288. The life insurance premiums are paid by the donor.

Also included in other assets is \$57,600 (2014 - \$115,200) of prepaid rent which is being expensed on a straight line basis over the remaining term of the lease.

CAMP OCHIGEAS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2015

7. INTERFUND TRANSFERS

An amount of \$117,607 (2014 - \$833,752) was directed from the Capital Fund to the General Fund and \$1,562,130 (2014 - \$249,617) was directed from the Ooch Muskoka Expansion Fund to the General Fund to fund the acquisition of capital assets.

8. DONATIONS, FUNDRAISING AND RENTAL

Donations and fundraising revenue in the general fund are net of direct event related fundraising costs of \$136,434 (2014 - \$127,239) of which \$82,043 (2014 - \$57,442) relates to the annual Sporting Life 10K event.

Included in donations and fundraising revenue is an amount of \$442,899 (2014 - \$267,148) received for donations in kind of which \$399,634 (2014 - \$244,545) relates to donated shares of publicly traded companies.

Rental revenues are net of direct rental costs of \$86,327 (2014 - \$116,142).

9. GENERAL FUND

The General Fund is comprised of the following:

	Note	General Fund (unrestricted)	Capital Fund (restricted)	Operating Reserve Fund (restricted)	Total 2015	Total 2014
Balance, beginning of the year		\$ 10,823,181	\$ 1,102,153	\$ 4,000,000	\$ 15,925,334	\$ 15,374,197
Excess (deficiency) of revenue over expenditures	(a)	(463,901)	17,534	-	(446,367)	301,520
Transfer to capital assets	7	117,607	(117,607)	-	-	-
Transfer from Ooch Muskoka Expansion Fund	7	1,562,130	-	-	1,562,130	249,617
Balance, end of the year		\$ 12,039,017	\$ 1,002,080	\$ 4,000,000	\$ 17,041,097	\$ 15,925,334

(a) During the year, the organization received contributions totalling \$4,860,010 which have been recorded in the General Fund. Of this amount, \$17,534 has been allocated to the Capital Fund and the remaining balance has been allocated to the General Fund.

CAMP OCHIGEAS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2015

10. ALLOCATION OF EXPENSES

(a) Salaries and benefits expenses of \$2,874,339 (2014 - \$2,680,602) have been allocated as follows:

	2015	2014
Residential camp programs	\$ 504,595	\$ 504,517
In-City programs	791,314	739,332
Administrative, office and general	395,338	505,960
Fundraising costs	503,692	566,126
Site repairs and maintenance	656,515	345,821
Rental	22,885	18,846
Total	\$ 2,874,339	\$ 2,680,602

b) Other expenses (including occupancy and communication costs, office supplies, computer maintenance and staff training and development costs) of \$1,431,704 (2014 - \$1,359,205) have been allocated as follows:

	2015	2014
Residential camp programs	\$ 273,495	\$ 207,472
In-City programs	500,951	507,141
Administrative, office and general	524,040	486,810
Fundraising costs	104,124	99,082
Rental	29,094	58,700
Total	\$ 1,431,704	\$ 1,359,205

CAMP OCHIGEAS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2015

11. FINANCIAL INSTRUMENTS

The organization is exposed to various risk through its financial instruments. The following analysis provides a measure of the organization's risk exposure and concentration as at December 31, 2015.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of accounts payable and accrued liabilities. The organization expects to meet these obligations as they come due by generating sufficient cash flows from its fund raising activities.

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. Market risk is comprises three types of risk: currency risk, interest rate risk and other price risk. It is management's opinion that the organization is not exposed to currency risk or other price risk.

Interest rate risk

The organization is exposed to interest rate price risk on its fixed rate interest bearing assets.

12. COMMITMENTS

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

2016	304,000
2017	320,000
2018	320,000
2019	320,000
2020	213,300
	<hr/>
	\$ 1,477,300
