

**CAMP FIRCOM SOCIETY
OF THE UNITED CHURCH OF CANADA
FINANCIAL STATEMENTS
DECEMBER 31, 2016
(Unaudited)**

CAMP FIRCOM SOCIETY
OF THE UNITED CHURCH OF CANADA

FINANCIAL STATEMENTS

DECEMBER 31, 2016

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REVIEW ENGAGEMENT REPORT

**TO: The Board of
Camp Fircom Society of the United Church of Canada**

We have reviewed the statement of financial position of **Camp Fircom Society of the United Church of Canada** as at December 31, 2016 and the statements of revenue and expenses, changes in net assets and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the organization.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, B.C.
March 22, 2017

**CAMP FIRCOM SOCIETY
OF THE UNITED CHURCH OF CANADA
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2016
(Unaudited)**

ASSETS

	2016	2015
CURRENT		
Cash	\$ 196,269	\$ 166,384
Accounts receivable	50,844	55,520
Prepaid expenses	<u>7,652</u>	<u>9,980</u>
	254,765	231,884
CAPITAL ASSETS (Note 3)	<u>167,365</u>	<u>178,478</u>
	<u>\$ 422,130</u>	<u>\$ 410,362</u>

LIABILITIES

CURRENT		
Accounts payable and accrued liabilities	\$ 17,892	\$ 24,172
Government remittances	3,253	237
Rental deposit	40,570	29,420
Deferred revenue (Note 4)	123,237	77,595
Due to BC Conference (Note 5)	-	19,846
Current portion of loan payable (Note 6)	<u>39,794</u>	<u>38,746</u>
	<u>224,746</u>	<u>190,016</u>
LOAN PAYABLE (Note 6)	<u>180,091</u>	<u>175,848</u>

NET ASSETS

Invested in capital assets	167,365	178,478
Unrestricted	<u>(150,072)</u>	<u>(133,980)</u>
	<u>17,293</u>	<u>44,498</u>
	<u>\$ 422,130</u>	<u>\$ 410,362</u>

ON BEHALF OF THE BOARD:

_____ Director

_____ Director

CAMP FIRCOM SOCIETY
OF THE UNITED CHURCH OF CANADA
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2016
(Unaudited)

	Invested in Capital Assets	Unrestricted	2016	2015
BALANCE - BEGINNING OF YEAR	\$178,478	\$(133,980)	\$ 44,498	\$ (6,322)
(Deficiency) excess of revenue over expenses for the year	-	(27,205)	(27,205)	50,820
Transfer of amortization	(34,270)	34,270	-	-
Purchase of capital assets	<u>23,157</u>	<u>(23,157)</u>	<u>-</u>	<u>-</u>
BALANCE - END OF YEAR	<u>\$167,365</u>	<u>\$(150,072)</u>	<u>\$ 17,293</u>	<u>\$ 44,498</u>

**CAMP FIRCOM SOCIETY
OF THE UNITED CHURCH OF CANADA
STATEMENT OF REVENUE AND EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2016
(Unaudited)**

	2016	2015
REVENUES		
Camp program fees	\$ 246,119	\$ 120,883
Rentals	732,247	740,203
General donations and bequests	15,934	20,048
Endowment income (Note 7)	14,310	13,582
Fundraising	390	5,998
Costs recovered	-	13,216
Fire Insurance proceeds (Note 4)	-	101,858
Grants received	17,362	15,000
Miscellaneous income	9,090	39,825
	<u>1,035,452</u>	<u>1,070,613</u>
EXPENSES		
Administration	306,226	268,507
Camp program fees	103,690	93,477
Fire expenses (Note 4)	-	101,858
Food services expenses	251,173	185,779
Fundraising	4,557	1,674
Insurance	17,244	17,077
Loan interest	10,583	10,217
Site expenses	318,876	304,604
Rental group expenses	81,038	69,202
	<u>1,093,387</u>	<u>1,052,395</u>
OPERATING (LOSS) INCOME BEFORE OTHER ITEMS	<u>(57,935)</u>	<u>18,218</u>
OTHER ITEMS		
Grants received - B.C. Conference	65,000	95,000
Amortization	(34,270)	(42,552)
Repayment to B.C. Conference (Note 5)	-	(19,846)
	<u>30,730</u>	<u>32,602</u>
(DEFICIENCY) EXCESS OF REVENUE OVER EXPENSES	<u>\$ (27,205)</u>	<u>\$ 50,820</u>

**CAMP FIRCOM SOCIETY
OF THE UNITED CHURCH OF CANADA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2016
(Unaudited)**

	2016	2015
OPERATING ACTIVITIES		
(Deficiency) excess of revenues over expenses	\$ (27,205)	\$ 50,820
Adjustments to determine net cash provided by operating activities		
Amortization of capital assets	<u>34,270</u>	<u>42,552</u>
	7,065	93,372
Net change in non-cash working capital items		
Accounts receivable	4,676	(18,119)
Government remittances	3,016	10,732
Prepaid expenses	2,328	(2,066)
Accounts payable and accrued liabilities	(6,280)	6,963
Deferred revenue	45,642	(58,094)
Rental deposit	11,150	1,420
Due to BC Conference	(19,846)	19,846
Loan payable	<u>5,291</u>	<u>10,217</u>
	<u>53,042</u>	<u>64,271</u>
INVESTING ACTIVITY		
Purchase of capital assets	<u>(23,157)</u>	<u>(10,865)</u>
NET CHANGE IN CASH	29,885	53,406
Cash - beginning of year	<u>166,384</u>	<u>112,978</u>
CASH - END OF YEAR	<u>\$ 196,269</u>	<u>\$ 166,384</u>

**CAMP FIRCOM SOCIETY
OF THE UNITED CHURCH OF CANADA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016
(Unaudited)**

NOTE 1 - NATURE OF OPERATIONS

Camp Fircom Society of the United Church of Canada (the "Society") was incorporated under the Society Act of British Columbia on July 23, 1979, and is a Registered Charity under the Income Tax Act.

Camp Fircom, a United Church island camp, creates a safe and welcoming environment for all and nurtures personal growth, leadership, and fun. This Society provides positive camp experiences for children, youth, and families where they are welcomed into a space where they can experience the outdoors, live in a cooperative community, to retreat, and to develop as individuals.

Camp Fircom itself is located on Gambier Island, a 20 minutes boat ride from Horseshoe Bay in West Vancouver, British Columbia. The land is owned by BC Conference of the United Church of Canada and the United Church of Canada. The Society offers the property as a year-round retreat and rental site with accommodation, catering, and programming services.

The Society is economically dependent upon the public, the BC Conference and the United Church of Canada and various other organizations for operating and capital funds.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations in Part III of the CICA Handbook and include the following significant accounting policies.

a) Amortization

Capital assets are recorded at historical cost and amortized over their estimated useful lives applying the straight-line method at the following annual rates:

Equipment	20%
Capital projects	10%
Vehicle	50%

**CAMP FIRCOM SOCIETY
OF THE UNITED CHURCH OF CANADA
NOTES TO THE FINANCIAL STATEMENTS**

**DECEMBER 31, 2016
(Unaudited)**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

b) Revenue recognition

The deferral method is used to account 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 can be reasonably estimated and collection is reasonably assured.

c) Contributed services

Contributed services are not recognized in the financial statements due to the difficulty of determining their fair value.

d) Use of estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions based on currently available information. Such estimates and assumptions may affect the reported assets and liabilities and the reported revenue and expenses for the period. Actual results could differ from the estimates and assumptions used.

NOTE 3 - CAPITAL ASSETS

Capital assets comprise the following:

	2016		2015	
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Cost</u>	<u>Accumulated Amortization</u>
Capital projects	\$192,481	\$ 58,650	\$180,006	\$ 41,017
Equipment	134,753	101,219	124,070	85,081
Vehicle	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>500</u>
	<u>\$328,234</u>	<u>\$160,869</u>	<u>\$305,076</u>	<u>\$126,598</u>
Net Book Value		<u>\$167,365</u>		<u>\$178,478</u>

**CAMP FIRCOM SOCIETY
OF THE UNITED CHURCH OF CANADA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016
(Unaudited)**

NOTE 3 - CAPITAL ASSETS

Capital projects comprise only those capital improvements paid directly by Camp Fircom Society. As at December 31, 2011, BC Conference had invested \$7,869,657 in new buildings and equipment at the Camp as part of the Camp Futures Project, and as such those expenditures are not included in the Society's records.

In 2014, additional investment has been made by the BC Conference in the form of a two storey building and a pavilion for a cost of approximately \$1,000,000 and expansion of the existing dining hall for a cost of approximately \$200,000.

NOTE 4 - DEFERRED REVENUE

Deferred revenue represents revenue received in advance and comprises the following:

	Balance- Beginning of Year	Receipts During the Year	Recognized During the Year	Balance- End of Year
Capital contributions	\$ 500	\$14,000	\$ -	\$ 14,500
Campership Fund	23,258	31,472	(30,341)	24,389
Special purpose	19,072	3,865	(7,463)	15,474
Deferred Fire Insurance payout	20,803	-	-	20,803
Camp Fees 2017	<u>13,962</u>	<u>125,004</u>	<u>(90,895)</u>	<u>48,071</u>
	<u>\$ 77,595</u>	<u>\$174,341</u>	<u>\$ (128,699)</u>	<u>\$123,237</u>

NOTE 5 - DUE TO B.C. CONFERENCE

	2016	2015
Advance against Business Interruption	\$ -	\$150,000
Less: actual claim	<u>-</u>	<u>130,154</u>
Surplus owed to B.C. Conference	<u>\$ -</u>	<u>\$ 19,846</u>

Surplus paid to B.C. Conference during 2016.

**CAMP FIRCOM SOCIETY
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NOTE 6 - LOAN PAYABLE

The Society has entered into an Loan Agreement with The British Columbia Conference of The United Church of Canada to borrow funds up to \$202,000 at 5%, to be used for identified capital projects. The loan is secured by a Promissory Note, due on demand. However, the BC Conference has agreed to a repayment schedule over a five year period, commencing when the loan is fully advanced.

During 2014, the loan was fully advanced and payments should have commenced in 2015. The Society did not make any payments in 2015 but made payments of \$5,291 in 2016. The term of the loan has been extended to 2021 to cover this delayed start.

	2016	2015
Principal Advanced	\$190,931	\$190,931
Cumulative Interest Accrued	<u>28,954</u>	<u>23,663</u>
Amount due December 31, 2020, repayable \$4,049.65 per month, principal and interest rate of 5%	219,885	214,594
Less amount due within 1 year	<u>39,794</u>	<u>38,746</u>
	<u>\$180,091</u>	<u>\$175,848</u>

Principal amount due within next five years:

2017	\$39,794
2018	41,782
2019	43,873
2020	46,066
2021	48,370

NOTE 7 - ENDOWMENT FUNDS

The Vancouver Foundation owns and administers permanent endowment funds contributed by donors whereby the capital is not available for use by the Society but all income from the funds, which is distributed semi-annually is for the benefit of the Society.

**CAMP FIRCOM SOCIETY
OF THE UNITED CHURCH OF CANADA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016
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NOTE 7 - ENDOWMENT FUNDS (Cont'd)

Details of these funds are as follows:

<u>Name of Fund</u>	Camp Fircom Society Endowment <u>Fund</u>	Laura & Richard Rees Campership <u>Fund</u>	<u>Total</u>
Date established	Oct. 19, 1988	Apr. 9, 2002	
Contributed principal as at December 31, 2016	<u>\$293,575</u>	<u>\$10,000</u>	<u>\$303,575</u>
Market Value			
December 31, 2016	<u>\$412,373</u>	<u>\$11,506</u>	<u>\$423,879</u>
December 31, 2015	<u>\$394,859</u>	<u>\$11,018</u>	<u>\$405,877</u>
Income received			
Year ended December 31, 2016	<u>\$ 14,310</u>	<u>\$ 399</u>	<u>\$ 14,709</u>
Year ended December 31, 2015	<u>\$ 13,582</u>	<u>\$ 379</u>	<u>\$ 13,961</u>

NOTE 8 - FINANCIAL INSTRUMENTS

The Society classifies its cash as held for trading, accounts receivable as loans and receivables, and accounts payable and accrued liabilities as other financial liabilities.

Fair Value

The Society has determined the fair value of its financial instruments as follows:

Cash, accounts receivable, accounts payable and accrued liabilities

The carrying amounts approximate their fair value due to the short term nature of these instruments.

Credit Risk

The Society has no material exposure to credit risk.

**CAMP FIRCOM SOCIETY
OF THE UNITED CHURCH OF CANADA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016
(Unaudited)**

NOTE 8 - FINANCIAL INSTRUMENTS (Cont'd)

Interest Rate Risk

The Society has no material exposure to interest rate risk.

Currency Exchange Rate Risk

The Society is not exposed to significant risk relating to fluctuations in foreign currency exchange rates.

NOTE 9 - CAPITAL

The Society's objectives when managing capital are to ensure that sufficient capital is retained to ensure it remains solvent so that it can fulfil its stated goals.