

CAMP HEALTH, HOPE & HAPPINESS SOCIETY

Financial Statements

Year Ended December 31, 2024



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INDEPENDENT AUDITOR'S REPORT

To the Members of Camp Health, Hope & Happiness Society

Opinion

We have audited the financial statements of Camp Health, Hope & Happiness Society (the society), which comprise the statement of financial position as at December 31, 2024, and the statements of revenues and expenditures, 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 the society as at December 31, 2024, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

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 society in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other 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 ASNPO, 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 society'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 society or to cease operations, or has no realistic alternative but to do so.

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Independent Auditor's Report to the To the Members of Camp Health, Hope & Happiness Society
(continued)

Those charged with governance are responsible for overseeing the society'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.

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 society'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 society'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 society 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.

Stony Plain, AB
May 16, 2025

HC PROFESSIONAL CORPORATION
CHARTERED PROFESSIONAL ACCOUNTANTS

HCPC

CAMP HEALTH, HOPE & HAPPINESS SOCIETY
Statement of Revenues and Expenditures
Year Ended December 31, 2024

	2024	2023
REVENUES		
Donations and sponsorships	\$ 499,828	\$ 571,594
Camp fees	354,327	-
Government assistance and work programs	192,263	17,188
Special events and projects	102,929	201,269
Camp rentals	182,191	442,180
Amortization of deferred capital contributions	144,668	144,917
Sundry and tuck shop	<u>15,402</u>	<u>2,456</u>
	<u>1,491,608</u>	<u>1,379,604</u>
EXPENSES		
Amortization	232,249	237,848
Automotive and travel	25,548	23,933
Food	89,638	110,960
Goods and services tax	10,261	13,242
Housekeeping	57,048	29,994
Insurance and licenses	57,071	48,686
Interest and bank charges	2,587	2,449
Office administration	23,556	25,665
Professional fees	15,030	10,000
Public relations and promotions	-	492
Repairs and maintenance	55,969	152,133
Salaries and wages	889,588	673,554
Special projects	66,152	66,890
Staff development and training	59,602	2,932
Supplies	18,263	26,068
Telephone and utilities	<u>138,846</u>	<u>184,654</u>
	<u>1,741,408</u>	<u>1,609,500</u>
DEFICIENCY OF REVENUES OVER EXPENSES FROM OPERATIONS	<u>(249,800)</u>	<u>(229,896)</u>
OTHER INCOME		
Recognition of prior capital contributions	407,774	-
Interest income	<u>108,666</u>	<u>66,142</u>
	<u>516,440</u>	<u>66,142</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<u>\$ 266,640</u>	<u>\$ (163,754)</u>

See notes to financial statements

CAMP HEALTH, HOPE & HAPPINESS SOCIETY
Statement of Changes in Net Assets
Year Ended December 31, 2024

	Unrestricted net assets	Net assets internally invested in capital assets	Net assets restricted for special projects	2024	2023
NET ASSETS -					
BEGINNING OF YEAR	\$ 823,023	\$ 189,238	\$ 2,500,000	\$ 3,512,261	\$ 3,676,015
EXCESS OF REVENUES OVER EXPENSES	(141,136)	407,776	-	266,640	(163,754)
NET ASSETS - END OF YEAR	\$ 681,887	\$ 597,014	\$ 2,500,000	\$ 3,778,901	\$ 3,512,261

See notes to financial statements

CAMP HEALTH, HOPE & HAPPINESS SOCIETY
Statement of Financial Position
December 31, 2024

	2024	2023
ASSETS		
CURRENT		
Cash (<i>Note 12</i>)	\$ 4,442,155	\$ 4,352,100
Accounts receivable	1,739	-
Goods and services tax recoverable	4,017	1,288
Prepaid expenses	57,646	52,235
Inventory	<u>23,865</u>	<u>28,454</u>
	4,529,422	4,434,077
PROPERTY, PLANT AND EQUIPMENT (<i>Net of accumulated amortization</i>) (<i>Note 5</i>)	<u>1,890,796</u>	<u>2,072,793</u>
TOTAL ASSETS	<u>\$ 6,420,218</u>	<u>\$ 6,506,870</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 35,101	\$ 33,642
Deposits received	-	615
Wages payable	9,156	99,567
Current portion of deferred capital contributions (<i>Note 6</i>)	92,893	120,436
Deferred contributions	<u>890,345</u>	<u>639,629</u>
	1,027,495	893,889
DEFERRED CAPITAL CONTRIBUTIONS (<i>Note 6</i>)	<u>1,613,822</u>	<u>2,100,720</u>
TOTAL LIABILITIES	<u>2,641,317</u>	<u>2,994,609</u>
NET ASSETS		
Unrestricted net assets	681,887	823,023
Net assets invested in capital assets	597,014	189,238
Net assets internally restricted for special projects	<u>2,500,000</u>	<u>2,500,000</u>
	3,778,901	3,512,261
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 6,420,218</u>	<u>\$ 6,506,870</u>
LEASE COMMITMENTS (<i>Note 7</i>)		

ON BEHALF OF THE BOARD

Director

Director

See notes to financial statements

CAMP HEALTH, HOPE & HAPPINESS SOCIETY
Statement of Cash Flows
Year Ended December 31, 2024

	2024	2023
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	\$ 266,640	\$ (163,754)
Item not affecting cash:		
Amortization of property, plant and equipment (<i>Note 5</i>)	<u>232,249</u>	237,848
	<u>498,889</u>	74,094
Changes in non-cash working capital:		
Accounts receivable	(1,739)	15,689
Interest receivable	-	8,117
Prepaid expenses	(5,411)	(5,845)
Inventory	4,589	(6,683)
Accounts payable and accrued liabilities	1,459	(10,002)
Goods and services tax payable	(2,729)	1,433
Deposits received	(615)	(412)
Wages payable	(90,411)	12,124
Deferred contributions	288,716	125,000
Deferred capital contributions	<u>(552,442)</u>	(144,917)
	<u>(358,583)</u>	(5,496)
Cash flow from operating activities	<u>140,306</u>	68,598
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(50,251)	(22,761)
Net change of investments	-	1,060,335
Cash flow from (used by) investing activities	<u>(50,251)</u>	1,037,574
INCREASE (DECREASE) IN CASH	90,055	1,106,172
Cash - beginning of year	<u>4,352,100</u>	3,245,928
CASH - END OF YEAR	\$ 4,442,155	\$ 4,352,100

See notes to financial statements

CAMP HEALTH, HOPE & HAPPINESS SOCIETY

Notes to Financial Statements

Year Ended December 31, 2024

1. PURPOSE OF THE SOCIETY

Camp Health, Hope & Happiness Society (the "Society") is incorporated provincially under the Not-for-profit Corporations Act of Alberta as a not-for-profit organization and is a registered charity under the Income Tax Act.

The Society operates a facility to provide activities for disabled children and adults.

2. BASIS OF PRESENTATION

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Income taxes

The Society is a charity exempt from the payment of income tax under section 149(1)(e) of the Income Tax Act and is therefore not taxable on its income.

Property, plant and equipment

Property, plant and equipment is stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life on a declining balance basis at the following rates and methods:

Maintenance shop	5%	declining balance method
Buildings	5%	declining balance method
Parking lot	8%	declining balance method
Equipment	20%	declining balance method
Furniture and fixtures	20%	declining balance method
Motor vehicles	30%	declining balance method
Computer equipment	45%	declining balance method
Climbing wall and rope course	10 years	straight-line method
Playground	10 years	straight-line method
Septic system	20 years	straight-line method
Water system	20 years	straight-line method

The Society regularly reviews its property, plant and equipment to eliminate obsolete items. Government grants are treated as a reduction of property, plant and equipment cost.

Property, plant and equipment acquired during the year but not placed into use are not amortized until they are placed into use.

Contributed capital assets are recorded at fair value at the date of the contribution.

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CAMP HEALTH, HOPE & HAPPINESS SOCIETY

Notes to Financial Statements

Year Ended December 31, 2024

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Net assets

- a) Net assets invested in property and equipment represents the organization's net investment in property and equipment which is comprised of the unamortized amount of property and equipment purchased with restricted funds.
- b) Internally restricted net assets are funds which have been designated for a specific purpose by the organization's Board of Directors.
- c) Unrestricted net assets comprise the excess of revenue over expenses accumulated by the organization each year, net of transfers, and are available for general purposes.

Revenue recognition

Camp Health, Hope & Happiness Society 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 net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Fund accounting

Camp Health, Hope & Happiness Society follows the deferral method of accounting for contributions.

Revenues and expenses related to program delivery and administrative activities are reported in the Operating Fund. The fund reports unrestricted resources.

The Capital Fund reports the assets, liabilities, revenues, and expenses related to Camp Health, Hope & Happiness Society's capital assets and building improvements campaign.

The Internally restricted net asset funds have been designated for a specific purpose by the organization's Board of Directors.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

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CAMP HEALTH, HOPE & HAPPINESS SOCIETY**Notes to Financial Statements****Year Ended December 31, 2024****3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****Inventory**

Inventory is valued at the lower of cost and net realizable value with the cost being determined on a first-in, first-out basis.

4. TERM DEPOSITS

All term deposits consist of guaranteed investment certificates with interest rates of 1.80% with varying redemption dates in 2023.

5. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
Buildings	\$ 5,010,040	\$ 3,895,490	\$ 1,114,550	\$ 1,237,559
Climbing wall and rope course	95,343	95,056	287	382
Computer equipment	83,652	74,982	8,670	1,117
Equipment	823,062	749,742	73,320	52,064
Furniture and fixtures	158,151	127,913	30,238	37,798
Motor vehicles	576,739	535,497	41,242	58,917
Maintenance shop	542,451	309,673	232,778	245,030
Parking lot	434,637	276,442	158,195	171,951
Playground	40,384	40,384	-	-
Septic system	710,528	491,601	218,927	253,813
Water system	31,471	18,882	12,589	14,162
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	\$ 8,506,458	\$ 6,615,662	\$ 1,890,796	\$ 2,072,793

6. DEFERRED CAPITAL CONTRIBUTIONS

	2024	2023
Balance, beginning of year	\$ 2,221,158	\$ 2,366,075
Contributions received	38,000	-
Amortization of deferred capital contributions	(552,442)	(144,917)
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	\$ 1,706,716	\$ 2,221,158

Deferred capital contributions represent externally restricted contributions for the purchase of capital assets.

CAMP HEALTH, HOPE & HAPPINESS SOCIETY

Notes to Financial Statements

Year Ended December 31, 2024

7. LEASE COMMITMENTS

The Society is situated on land leased from the Province of Alberta under an assignment from the Alberta Rehabilitation Council for the disabled. The lease requires annual payments of \$1 and expires June 1, 2026.

8. ENDOWMENT FUNDS

In 2004, the Society entered into an agreement with the Edmonton Community Foundation to establish an Endowment Fund at the Edmonton Community Foundation named "Camp Health, Hope & Happiness Society Funds". In 2007, \$185,000 was contributed from the endowment fund to this fund with the Edmonton Community Foundation. The net income of the fund shall be disbursed at least once annually by the Edmonton Community Foundation to the Society. No amount will be available for disbursement until the following anniversary date of the establishment of the fund. Net income is defined as four and one half percent (4.5%) of the market value of each fund at the prior fiscal year end.

Endowment funds received in 2024 were \$ 20,235 (2023 - \$15,828) from the Edmonton Community Foundation.

In 2008, Crystal Glass established a private endowment to the Society in the amount of \$100,000. These funds will remain under the control of Crystal Glass with interest payments beginning in June of 2009. Interest received in 2024 was \$ 3,860 (2023 - \$3,780).

9. LETTER OF GUARANTEE

An irrevocable letter of guarantee has been issued by ATB Financial in favour of Alberta Sustainable Resource Development to a maximum of \$30,000. This letter of guarantee took effect July 9, 2002 and is automatically extended from year to year unless notification is made in writing of its cancellation. The letter of guarantee was made on behalf of the Society as a condition to renew its recreational lease. The purpose of the letter of guarantee is to provide a security deposit to ensure reclamation of the site.

10. ADDITIONAL INFORMATION TO COMPLY WITH THE DISCLOSURE REQUIREMENT OF THE CHARITABLE FUND-RAISING ACT AND REGULATION

Gross contributions received were \$ 479,540 (2023 - \$ 671,594).

Gross contributions received were disposed as follows:

- Management and administration 37% (2023 - 36%)
- Charitable programs 59% (2023 - 59%)
- Fundraising 4% (2023 - 5%)

Dispositions of contributions that is equal to or exceeds 10% of the gross contributions received were as follows:

- Management and administration 37% (2023 - 36%)
- Charitable programs 59% (2023 - 59%)

All expenses incurred for the purposes of soliciting contributions were \$ 66,152 (2023 - \$ 66,890).

No remunerations were paid to employees whose principal duties involve fund-raising.

CAMP HEALTH, HOPE & HAPPINESS SOCIETY
Notes to Financial Statements
Year Ended December 31, 2024

11. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

12. RESTRICTED CASH

The internally restricted cash represents funds designated by the Board of Directors for future capital projects, including the development of a new programs. The use of these funds requires approval by the Board of Directors. The internally restricted cash is \$2,500,000 (2023 - \$2,500,000)
