



# Consolidated Financial Statements

Campfire Circle

December 31, 2024

Campfire Circle

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# Independent auditor's report

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To the Board of Directors of  
**Campfire Circle**

## Qualified Opinion

We have audited the consolidated financial statements of Campfire Circle (the "Organization"), which comprise the consolidated statement of financial position as at December 31, 2024, and the consolidated statements of operations, changes in net assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Organization as at December 31, 2024, and its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

## Basis for Qualified Opinion

In common with many not-for-profit organizations, the Organization derives revenue from fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Organization. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the years ended December 31, 2024 and 2023, current assets as at December 31, 2024 and 2023, and net assets as at January 1 and December 31 for both the 2024 and 2023 years. Our audit opinion on the financial statements for the year ended December 31, 2023 was modified accordingly because of the possible effects of this limitation in scope.

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 Consolidated Financial Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the consolidated 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 qualified opinion.

## Responsibilities of Management and Those Charged with Governance 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.

In preparing the consolidated financial statements, management is responsible for assessing the Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Organization'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 Organization'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 consolidated 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 Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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.

*Doane Grant Thornton LLP*

Toronto, Canada  
March 10, 2025

Chartered Professional Accountants  
Licensed Public Accountants

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## Campfire Circle

### Consolidated Statement of Operations

Year ended December 31

**2024****2023**

## Revenue

|  |                          |                   |
|--|--------------------------|-------------------|
| Donations and fundraising (Note 10 and 11)     | \$ <b>14,763,177</b>     | \$ 11,879,266     |
| Amortization of deferred capital contributions | <b>1,257,793</b>         | 1,253,939         |
| Bequests                                       | <b>1,098,163</b>         | 824,182           |
| Investment, rental, and other income           | <b><u>1,603,070</u></b>  | <u>1,278,370</u>  |
|  | <b><u>18,722,203</u></b> | <u>15,235,757</u> |

## Expenditures

|  |                          |                   |
|--|--------------------------|-------------------|
| Overnight camp programs (Note 12)            | 7,618,466                | 7,155,228         |
| Community and in-hospital programs (Note 12) | <b>3,301,742</b>         | 2,941,408         |
| Fundraising and development (Note 12)        | <b>3,752,461</b>         | 3,951,411         |
| Administrative, rental and other (Note 13)   | <b>2,077,957</b>         | 1,942,790         |
| Amortization                                 | <b><u>1,969,666</u></b>  | <u>2,006,834</u>  |
|  | <b><u>18,720,292</u></b> | <u>17,997,671</u> |

Excess (deficiency) of revenue over expenditures

|  |                        |                              |
|--|------------------------|------------------------------|
|  | \$ <b><u>1,911</u></b> | \$ <b><u>(2,761,914)</u></b> |
|--|------------------------|------------------------------|

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## Campfire Circle Consolidated Statement of Changes in Net Assets

Year ended December 31

|  | Unrestricted       | Invested in<br>Capital and<br>Intangible Assets | Operating<br>Reserve Fund | Internally restricted<br>Strategic<br>Initiatives<br>Fund | Total                |
|--|--------------------|---|---------------------------|---|----------------------|
| <b>Balance, December 31, 2022</b>                | \$ 22,571          | \$ 5,748,161                                    | \$ 7,400,000              | \$ 1,644,000  | \$ 14,814,732        |
| Deficiency of revenue over expenditures          | (2,009,019)        | (752,895)                                       | -                         | -   | (2,761,914)          |
| Inter-fund transfers (Note 2)                    | 2,625,000          | -   | (2,025,000)               | (600,000)   | -                    |
| Deferred capital contributions                   | 210,515            | (210,515)                                       | -                         | -   | -                    |
| Invested in capital and intangible assets        | <u>(847,996)</u>   | <u>847,996</u>                                  | -                         | -   | -                    |
| <b>Balance, December 31, 2023</b>                | \$ 1,071           | \$ 5,632,747                                    | \$ 5,375,000              | \$ 1,044,000  | \$ 12,052,818        |
| Excess (deficiency) of revenue over expenditures | 710,430            | (708,519)                                       | -                         | -   | 1,911                |
| Inter-fund transfers (Note 2)                    | -                  | -   | -                         | -   | -                    |
| Proceeds from sale of capital assets             | 10,000             | (10,000)  | -                         | -   | -                    |
| Deferred capital contributions                   | 354,062            | (354,062)                                       | -                         | -   | -                    |
| Invested in capital and intangible assets        | <u>(1,066,954)</u> | <u>1,066,954</u>                                | -                         | -   | -                    |
| <b>Balance, December 31, 2024</b>                | <u>\$ 8,609</u>    | <u>\$ 5,627,120</u>                             | <u>\$ 5,375,000</u>       | <u>\$ 1,044,000</u>                                       | <u>\$ 12,054,729</u> |

See accompanying notes to the financial statements.

# Campfire Circle

## Consolidated Statement of Financial Position

December 31

2024

2023

**Assets**

## Current

|                      |                |                |
|----------------------|----------------|----------------|
| Cash (Note 4)        | \$ 2,176,002   | \$ 2,053,877   |
| Investments (Note 5) | 7,764,422      | 8,138,743      |
| Receivables (Note 6) | 1,032,334      | 1,440,426      |
| Prepaid expenses     | <u>266,685</u> | <u>317,362</u> |

|            |            |
|------------|------------|
| 11,239,443 | 11,950,408 |
|------------|------------|

Capital and intangible assets (Note 7)

|            |            |
|------------|------------|
| 34,116,914 | 35,026,272 |
|------------|------------|

Other assets (Note 8)

|                |                |
|----------------|----------------|
| <u>126,355</u> | <u>121,833</u> |
|----------------|----------------|

|                      |                      |
|----------------------|----------------------|
| <u>\$ 45,482,712</u> | <u>\$ 47,098,513</u> |
|----------------------|----------------------|

**Liabilities**

## Current

|  |                  |                  |
|--|------------------|------------------|
| Accounts payable and accrued liabilities | \$ 677,419       | \$ 1,054,522     |
| Deferred rent                            | 40,635           | 55,873           |
| Bank loan (Note 3)                       | <u>5,600,000</u> | <u>5,600,000</u> |

|           |           |
|-----------|-----------|
| 6,318,054 | 6,710,395 |
|-----------|-----------|

Deferred contributions (Note 9)

|           |           |
|-----------|-----------|
| 4,220,136 | 4,541,776 |
|-----------|-----------|

Deferred capital contributions (Note 9)

|                   |                   |
|-------------------|-------------------|
| <u>22,889,793</u> | <u>23,793,524</u> |
|-------------------|-------------------|

|                   |                   |
|-------------------|-------------------|
| <u>33,427,983</u> | <u>35,045,695</u> |
|-------------------|-------------------|

**Net assets**

## Unrestricted

|       |       |
|-------|-------|
| 8,609 | 1,071 |
|-------|-------|

Invested in capital and intangible assets

|           |           |
|-----------|-----------|
| 5,627,120 | 5,632,747 |
|-----------|-----------|

Internally restricted (Note 2)

|                  |                  |
|------------------|------------------|
| <u>6,419,000</u> | <u>6,419,000</u> |
|------------------|------------------|

|                   |                   |
|-------------------|-------------------|
| <u>12,054,729</u> | <u>12,052,818</u> |
|-------------------|-------------------|

|                      |                      |
|----------------------|----------------------|
| <u>\$ 45,482,712</u> | <u>\$ 47,098,513</u> |
|----------------------|----------------------|

Commitments (Note 15)

On behalf of the Board of Directors

Signed by:



Director

D90A6991304A4F8...

DocuSigned by:



Director

9CDCF1EC8CD949E...

# Campfire Circle

## Consolidated Statement of Cash Flows

Year ended December 31

2024

2023

Increase (decrease) in cash

**Operating**

|   |             |                |
|---|-------------|----------------|
| Excess (deficiency) of revenues over expenditures | \$ 1,911    | \$ (2,761,914) |
| Items not affecting cash                          |             |                |
| Amortization of capital and intangible assets     | 1,969,666   | 2,006,834      |
| Impairment loss on works-of-art                   | -           | 12,959         |
| Cash surrender value of life insurance            | (4,522)     | (4,094)        |
| Donations-in-kind                                 | (2,523,018) | -              |
| Gain on disposal of capital assets                | (3,354)     | -              |
| Unrealized gain on investments and other          | (419,869)   | (317,590)      |
| Deferred contributions recognized                 | (1,478,467) | (1,108,338)    |
| Amortization of deferred capital contributions    | (1,257,793) | (1,253,939)    |

|                    |                    |
|--------------------|--------------------|
| <u>(3,715,446)</u> | <u>(3,426,082)</u> |
|--------------------|--------------------|

Change in non-cash working capital items

|  |           |          |
|--|-----------|----------|
| Receivables                              | 408,092   | 372,221  |
| Prepaid expenses                         | 50,677    | (17,282) |
| Accounts payable and accrued liabilities | (377,103) | 297,487  |

|               |                |
|---------------|----------------|
| <u>81,666</u> | <u>652,426</u> |
|---------------|----------------|

Deferred contributions received

|           |           |
|-----------|-----------|
| 1,510,889 | 1,675,420 |
|-----------|-----------|

Proceeds on sale of donations-in-kind

|                  |          |
|------------------|----------|
| <u>2,523,018</u> | <u>-</u> |
|------------------|----------|

|                |                    |
|----------------|--------------------|
| <u>400,127</u> | <u>(1,098,236)</u> |
|----------------|--------------------|

**Investing**

|   |             |           |
|---|-------------|-----------|
| Proceeds on disposal of capital assets    | 10,000      | -         |
| Net redemption of investments             | 778,952     | 2,005,525 |
| Invested in capital and intangible assets | (1,066,954) | (847,996) |

|                  |                  |
|------------------|------------------|
| <u>(278,002)</u> | <u>1,157,529</u> |
|------------------|------------------|

Increase in cash

|         |        |
|---------|--------|
| 122,125 | 59,293 |
|---------|--------|

Cash

|                   |                  |                  |
|-------------------|------------------|------------------|
| Beginning of year | <u>2,053,877</u> | <u>1,994,584</u> |
|-------------------|------------------|------------------|

End of year

|                     |                     |
|---------------------|---------------------|
| <u>\$ 2,176,002</u> | <u>\$ 2,053,877</u> |
|---------------------|---------------------|

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# Campfire Circle

## Notes to the Consolidated Financial Statements

December 31, 2024

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The mission of Campfire Circle (the “Organization”) is to foster resilience, well-being and lifelong connections for children with serious illness and their families through camp-inspired programs.

Since 1983, the Organization has provided year-round overnight camp programs in Muskoka, Waterford (Rainbow Lake), and Bloomfield, together with camp-inspired programs in hospitals and communities across Ontario. Our Muskoka site is the only oncology camp in Canada with the ability to give IV chemotherapy and blood transfusions, so that even the most medically fragile patients can experience the joy of camp.

Thanks to the support of our generous donors, we offer all of our overnight, community and in-hospital programs free of charge to families, recognizing the financial challenges that come with caring for a seriously ill child.

The Organization is a registered charity under the Canada Not-for-profit Corporations Act and 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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### 1. Significant accounting policies

These consolidated financial statements have been prepared in accordance with Canadian Accounting Standards for Not-for-profit Organizations (ASNPO) and include the following significant accounting policies:

#### **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.

#### **Contributions receivable and revenue recognition**

A contribution receivable is recognized as an asset when the amount to be received can be reasonably estimated and ultimate collection is reasonably assured.

The Organization follows the deferral method of accounting for contributions. Restricted contributions for the purchase of capital assets that will be amortized, are initially recognized as deferred contributions until the capital assets are acquired at which time the deferred contribution is transferred to deferred capital contributions and recognized as revenue on the same basis as the amortization expense related to the acquired capital assets. Restricted contributions for specific programs are recognized as donations and fundraising in the year in which the related program expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable. Endowment contributions are recognized as direct increases in net assets.

Bequest revenue is recognized when interim or final distributions are received or in-transit from an estate.

Rental income for facilities is short-term in nature and is recognized over the term of the rental.

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# Campfire Circle

## Notes to the Consolidated Financial Statements

December 31, 2024

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### 1. Significant accounting policies (continued)

#### Contributions receivable and revenue recognition (continued)

Donations-in-kind are recorded at their estimated fair value based upon appraisal.

Government subsidies toward current expenses are recognized in the statement of operations as income.

#### Contributed services

The Organization would not be able to carry out its 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 is not recognized in the consolidated financial statements.

#### Allocation of expenses

The Organization engages in overnight camp programs, community and in-hospital programs, fundraising and development, 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.

#### Capital and intangible assets

Purchased and internally developed capital and intangible assets are stated at cost. Cost includes the purchase price and other acquisition costs. Where the Organization is developing land and buildings, the cost also includes direct development costs and construction costs. Contributed assets are stated at their estimated fair value at the date of contribution.

Carrying costs, such as interest costs and property taxes, directly attributable to the acquisition, construction, or development of land and buildings are expensed as incurred.

The Organization provides for amortization using the following methods at rates designed to amortize the cost of the capital and intangible assets on a straight-line basis over their estimated useful lives. The annual amortization rates and methods are as follows:

|                                 |                   |
|---------------------------------|-------------------|
| Buildings                       | 20-35 years       |
| Furniture and equipment         | 5-10 years        |
| Computer equipment and software | 3 years           |
| Vehicles                        | 5 years           |
| Leasehold improvements          | term of the lease |

When conditions indicate that a capital or intangible asset is impaired, the net carrying amount of the capital or intangible asset is written down to the asset's fair value or replacement cost (determined on an asset-by-asset basis). Write-downs of capital and intangible assets are recognized as expenses in the consolidated statement of operations and are not reversed.

#### Works-of-art

Contributed works-of-art are recorded at their estimated fair value at the date of contribution and subsequently measured at cost less impairment.

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# **Campfire Circle**

## **Notes to the Consolidated Financial Statements**

December 31, 2024

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### **1. Significant accounting policies (continued)**

#### **Cash surrender value of life insurance**

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

#### **Financial instruments**

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value. Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred.

Financial assets measured at cost or amortized cost are regularly assessed for indicators of impairment. If there is an indication of impairment the Organization determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset, and recognizes an impairment loss if the carrying value of the financial asset is greater than the higher of the present value of the expected future cash flows, the amount that could be realized from selling the financial asset or the amount the Organization expects to realize by exercising its right to any collateral.

If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement not exceeding the initial carrying value.

#### **Use of estimates**

The preparation of these consolidated financial statements, in conformity with ASNPO, 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 and intangible assets, fair value of capital and intangible assets for determining impairment, and fair value of artwork for determining impairment.

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# Campfire Circle

## Notes to the Consolidated Financial Statements

December 31, 2024

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### 2. Internally restricted funds

#### a) Operating Reserve Fund

The Board of Directors (the "Board") established an Operating Reserve Fund for the purpose of responding to financial pressures and unforeseen liabilities, with the goal of ensuring camp programs remain uninterrupted in the short to medium term. The goal for this fund is to maintain 6 to 9 months of the Organization's annual operating expenditures. In 2024, the Board did not approve any transfers to or from the operating reserve fund (2023 - \$2,025,000 transferred from the operating reserve fund to unrestricted net assets).

#### b) Strategic Initiatives Fund

The Board established a Strategic Initiatives Fund for the purpose of pursuing opportunities of strategic importance to advance the mission of the Organization, including capital and operational initiatives. In 2024, the Board did not approve any transfers to or from the strategic initiatives fund (2023 - \$600,000 transferred from the strategic initiatives fund to unrestricted net assets).

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### 3. Credit facilities

The Organization has secured an operating demand loan to finance short-term project costs. The facility is for a maximum amount of \$1,000,000 and bears interest at the Bank of Montreal's (BMO) prime rate per annum. As at December 31, 2024, this facility was not in use.

The Organization has also secured a demand loan to finance the purchase of property. The facility is for a maximum amount of \$5,600,000, expires November 22, 2027 and bears interest at the BMO's prime rate per annum. As at December 31, 2024, this facility was fully drawn.

The facilities are secured by:

- (i) A general security agreement over the assets of the Organization and Camp Hollyburn (1986) Limited;
  - (ii) A guarantee provided by Camp Hollyburn (1986) Limited in the amount of \$6,600,000;
  - (iii) First mortgage in the amount of \$6,600,000, over the Muskoka property; and
  - (iv) Assignment of property insurance.
- 

### 4. Restricted cash

The Organization is required to deposit money into a separate bank account, held in trust for the purpose of settling lottery/raffle payouts, in accordance with the regulations of the Ontario Alcohol and Gaming Commission of Ontario. The Organization has \$35,285 cash in trust (2023 - \$90,585) for this purpose.

# Campfire Circle

## Notes to the Consolidated Financial Statements

December 31, 2024

### 5. Investments

Investments consist of:

|   | <u>2024</u>                | <u>2023</u>                |
|---|----------------------------|----------------------------|
| Guaranteed investment certificates (GICs) | <b>\$ 5,200,000</b>        | \$ 6,000,000               |
| Instruments quoted in an active market    |                            |                            |
| Fixed income                              | <b>749,104</b>             | 609,138                    |
| Domestic equity                           | <b>1,296,040</b>           | 1,238,712                  |
| Foreign equity                            | <b>511,074</b>             | 273,444                    |
| Other                                     | <b><u>8,204</u></b>        | <u>17,449</u>              |
|   | <b><u>\$ 7,764,422</u></b> | <b><u>\$ 8,138,743</u></b> |

GICs comprise two (2023 – four) Canadian guaranteed investment certificates in the total amount of \$5,200,000 (2023 - \$6,000,000) which bear interest at rates ranging from 2.50% to 5.16% (2023 – 4.30% to 4.85%). GICs have maturity dates ranging from February 6, 2025 to December 22, 2025 (2023 – February 2, 2024 to October 10, 2024). GICs which came due February 6, 2025 were rolled into a one year cashable GIC, bearing interest at 2.25%.

### 6. Receivables

|                                | <u>2024</u>                | <u>2023</u>                |
|--------------------------------|----------------------------|----------------------------|
| HST and government receivables | <b>\$ 111,688</b>          | \$ 141,325                 |
| Pledges and bequests           | <b>665,735</b>             | 907,552                    |
| Other                          | <b><u>254,911</u></b>      | <u>391,549</u>             |
|                                | <b><u>\$ 1,032,334</u></b> | <b><u>\$ 1,440,426</u></b> |

### 7. Capital and intangible assets

|                         | <u>2024</u>                 | <u>2023</u>                     |                             |                             |
|-------------------------|-----------------------------|---------------------------------|-----------------------------|-----------------------------|
|                         | <u>Cost</u>                 | <u>Accumulated Amortization</u> | <u>Net Book Value</u>       | <u>Net Book Value</u>       |
| Land                    | \$ 8,381,819                | \$ -                            | <b>\$ 8,381,819</b>         | \$ 7,846,063                |
| Buildings               | 41,704,781                  | 17,170,514                      | <b>24,534,267</b>           | 25,964,664                  |
| Furniture and equipment | 3,702,141                   | 3,022,975                       | <b>679,166</b>              | 752,208                     |
| Computer equipment      | 1,046,606                   | 923,058                         | <b>123,548</b>              | 108,289                     |
| Computer software       | 764,805                     | 751,928                         | <b>12,877</b>               | 24,429                      |
| Vehicles                | 1,127,270                   | 1,033,219                       | <b>94,051</b>               | 71,330                      |
| Leasehold improvements  | <u>5,846,524</u>            | <u>5,555,338</u>                | <b><u>291,186</u></b>       | <u>259,289</u>              |
|                         | <b><u>\$ 62,573,946</u></b> | <b><u>\$ 28,457,032</u></b>     | <b><u>\$ 34,116,914</u></b> | <b><u>\$ 35,026,272</u></b> |

During the year the Organization purchased and developed capital assets amounting to \$1,066,954 (2023 - \$847,996) of which \$535,756 (2023 - \$369,948) is for site planning and redevelopment costs capitalized to land. The carrying value of land includes land under development totalling \$6,851,508 (2023 - \$6,315,752).

# Campfire Circle

## Notes to the Consolidated Financial Statements

December 31, 2024

### 8. Other assets

|  | <u>2024</u>       | <u>2023</u>       |
|--|-------------------|-------------------|
| Works-of-art                           | \$ 80,666         | \$ 80,666         |
| Cash surrender value of life insurance | <u>45,689</u>     | <u>41,167</u>     |
|  | <u>\$ 126,355</u> | <u>\$ 121,833</u> |

The Organization is the owner and sole beneficiary of a donated life insurance policy with a cash surrender value. The policy has an insured value of \$138,145 (2023 - \$131,101) and the life insurance premiums are paid by the donor. The increase in cash surrender value is included with interest earned in the consolidated statement of operations.

### 9. Deferred contributions and deferred capital contributions

(a) Deferred contributions represent unspent resources externally restricted for program and capital expenses in future years. Changes in the deferred contributions balance are as follows:

|   | <u>2024</u>         | <u>2023</u>         |
|---|---------------------|---------------------|
| Balance, beginning of year                                  | \$ 4,541,776        | \$ 4,185,209        |
| Contributions and interest received                         | 1,510,889           | 1,675,420           |
| Contributions transferred to deferred capital contributions | <u>(354,062)</u>    | <u>(210,515)</u>    |
|   | 5,698,603           | 5,650,114           |
| Amount recognized as donations and fundraising:             | <u>(1,478,467)</u>  | <u>(1,108,338)</u>  |
| Balance, end of year  | <u>\$ 4,220,136</u> | <u>\$ 4,541,776</u> |

The balance of deferred contributions is largely restricted for program and capital sustainability initiatives at Camp Muskoka.

(b) Deferred capital contributions represent the unamortized amount of restricted contributions used for the purchase of capital assets. The amortization of deferred capital contributions is recorded as revenue in the consolidated statement of operations and changes in net assets. Changes in the deferred capital contributions balance are as follows:

|   | <u>2024</u>          | <u>2023</u>          |
|---|----------------------|----------------------|
| Balance, beginning of year                            | \$ 23,793,524        | \$ 24,836,948        |
| Contributions transferred from deferred contributions | <u>354,062</u>       | <u>210,515</u>       |
|   | 24,147,586           | 25,047,463           |
| Amortization of deferred capital contributions:       | <u>(1,257,793)</u>   | <u>(1,253,939)</u>   |
| Balance, end of year                                  | <u>\$ 22,889,793</u> | <u>\$ 23,793,524</u> |

# Campfire Circle

## Notes to the Consolidated Financial Statements

December 31, 2024

### 10. Donations and fundraising

Included in donations and fundraising revenue is an amount of \$2,563,873 (2023 - \$398,239) received related to donations-in-kind of which \$2,523,018 (2023 - \$351,554) is related to donated shares of publicly traded companies. It is the Organization's policy to convert these assets into cash as soon as practicable.

### 11. Government funding

During the year, the Organization received the Canada Summer Jobs Grant of \$68,809 (2023 - \$87,677)

Furthermore, the Organization received Ontario Trillium Foundation (OTF) Grants totalling \$100,000 in the current year (2023 - \$100,000). During the year the Organization recognized OTF Grants revenue of \$156,616 (2023 - \$44,668) which includes \$56,616 of deferred OTF Grants from 2023 (2022 - \$592).

### 12. Allocation of expenses to programs, fundraising and development

- (a) Salaries and benefits expenses of \$8,317,758 (2023 - \$7,550,075) have been allocated as follows:

|                                    | <u>2024</u>         | <u>2023</u>         |
|------------------------------------|---------------------|---------------------|
| Overnight camp programs            | \$ 3,955,719        | \$ 3,708,712        |
| Community and in-hospital programs | 2,422,154           | 2,068,218           |
| Fundraising and development        | <u>1,939,885</u>    | <u>1,773,145</u>    |
|                                    | <u>\$ 8,317,758</u> | <u>\$ 7,550,075</u> |

- (b) Direct expenses (including program consumables, event expenses, transportation, food services, and overnight site operations) of \$4,887,022 (2023 - \$5,017,484) have been allocated as follows:

|                                    | <u>2024</u>         | <u>2023</u>         |
|------------------------------------|---------------------|---------------------|
| Overnight camp programs            | \$ 3,223,754        | \$ 2,984,391        |
| Community and in-hospital programs | 158,087             | 120,169             |
| Fundraising and development        | <u>1,505,181</u>    | <u>1,912,924</u>    |
|                                    | <u>\$ 4,887,022</u> | <u>\$ 5,017,484</u> |

- (c) Other expenses (including occupancy, insurance, and communication costs, office supplies, computer maintenance and staff training and development costs) of \$1,467,889 (2023 - \$1,480,488) have been allocated as follows:

|                                    | <u>2024</u>         | <u>2023</u>         |
|------------------------------------|---------------------|---------------------|
| Overnight camp programs            | \$ 438,993          | \$ 462,125          |
| Community and in-hospital programs | 721,501             | 753,021             |
| Fundraising and development        | <u>307,395</u>      | <u>265,342</u>      |
|                                    | <u>\$ 1,467,889</u> | <u>\$ 1,480,488</u> |

# Campfire Circle

## Notes to the Consolidated Financial Statements

December 31, 2024

### 13. Administrative, rental, and other

|                        | <u>2024</u>         | <u>2023</u>         |
|------------------------|---------------------|---------------------|
| Salaries and benefits  | \$ 1,152,203        | \$ 1,159,334        |
| Rental program         | 320,082             | 231,989             |
| Bank and merchant fees | 205,991             | 170,624             |
| Professional fees      | 102,112             | 82,018              |
| Other expenses         | <u>297,569</u>      | <u>298,825</u>      |
|                        | <u>\$ 2,077,957</u> | <u>\$ 1,942,790</u> |

Other expenses includes occupancy, insurance, communications costs, office supplies, computer maintenance and staff training and development costs.

### 14. Financial instruments

The Organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the Organization's risk exposure and concentration as at December 31, 2024.

#### 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. The Organization expects to meet these obligations as they come due by generating sufficient cash flows from its fundraising 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 comprises three types of risk: currency risk, interest rate risk and other price risk.

##### *Interest rate risk*

The Organization is exposed to interest rate price risk on its fixed rate assets and floating rate liabilities. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Given the current composition of bank loans, the floating-rate instrument subjects the Organization to a cash flow risk. There was no significant exposure in the prior year.

##### *Currency risk*

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Organization is exposed to currency risk on its foreign equity investments. The Organization holds foreign equity investments denominated in United States Dollars totalling USD\$355,332 (2023 – USD\$201,521).

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**Campfire Circle**  
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 December 31, 2024

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**14. Financial instruments (continued)**

**Market risk (continued)**

*Other price risk*

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Organization is exposed to other price risk through its investments quoted in an active market. There was no significant exposure in the prior year.

**Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Organization is exposed to credit risk on their pledge and other receivables (Note 5). Management has adopted credit policies in an effort to minimize those risks and does not believe that there is significant credit concentration or risk. The carrying amount of these balances represents the maximum credit exposure.

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**15. Commitments**

- (a) The Organization is committed to minimum payments under existing premises, rental and equipment leases. Future minimum annual lease payments exclusive of operating costs are approximately as follows:

|      |                     |
|------|---------------------|
| 2025 | \$ 432,906          |
| 2026 | 432,906             |
| 2027 | 291,173             |
| 2028 | 7,706               |
| 2029 | <u>5,378</u>        |
|      | <u>\$ 1,170,069</u> |

- (b) The Organization has entered into various contracts for campsite development, capital asset purchases and capital improvements of \$724,711 (inclusive of HST).

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**16. Comparative figures**

Comparative figures have been adjusted to conform to changes in the current year presentation, principally relating to the presentation of overnight camp program expenses.