

**St. Michael's Ukrainian
Catholic Church Camp Inc.**

FINANCIAL STATEMENTS

Year Ended December 31, 2021

St. Michael's Ukrainian Catholic Church Camp Inc.

Kamsack, Saskatchewan

December 31, 2021

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Independent Practitioners' Review Engagement Report

To the board of directors
St. Michael's Ukrainian Catholic Church Camp Inc.

We have reviewed the accompanying financial statements of St. Michael's Ukrainian Catholic Church Camp Inc., that comprise the Statement of Financial Position as at December 31, 2021, and the 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 Financial Statements

Management is responsible for the preparation and fair presentation of these 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 financial statements that are free from material misstatement, whether due to fraud or error.

Practitioners' Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Basis for Qualified Conclusion

As explained in note 2(c), the non-profit organization records capital assets purchased at original cost and claims no amortization in the financial statements. Canadian accounting standards for not-for-profit organizations require that capital assets be recorded at cost on the Statement of Financial Position and amortized over the estimated useful life of the asset. The effect to the financial statements by this departure from Canadian accounting standards for not-for-profit organizations has not been determined.

In common with many non-profit organizations, the organization derives revenue from donations, the completeness of which is not susceptible of satisfactory 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 revenues, excess of revenue over expenses, assets and net assets.



Qualified Conclusion

Based on our review, except for the effects of the matter described in the Basis for Qualified Conclusion paragraph, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of St. Michael's Ukrainian Catholic Church Camp Inc. as at December 31, 2021, 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.

Baker Tilly SK LLP

Baker Tilly SK LLP

Saskatoon, SK
August 21, 2022

St. Michael's Ukrainian Catholic Church Camp Inc.

Kamsack, Saskatchewan

Statement of Financial Position as at December 31, 2021

	2021	2020
Assets		
Current Assets		
Cash and cash equivalents	14,761	6,676
Accounts receivable - note 4	2,552	1,252
Prepaid expenses	15,954	8,606
	<u>33,267</u>	<u>16,534</u>
Capital Assets		
Buildings	2,272,850	2,272,850
Statue	260,088	260,088
Appliances and furnishings	120,440	120,440
Church relocation and site preparation	53,639	53,639
Sports equipment and facilities	31,379	31,379
Multi-purpose building	29,790	29,790
Leasehold improvements	19,157	19,157
Fire pit	13,226	13,226
Bathroom and shower facilities	7,936	7,936
Equipment	7,822	7,822
Cabins	6,463	6,463
Floating dock	5,268	5,268
Kitchen utensils and equipment	2,277	2,277
Furniture	750	750
	<u>2,831,085</u>	<u>2,831,085</u>
	<u>\$ 2,864,352</u>	<u>\$ 2,847,619</u>
Liabilities and Net Assets		
Current Liabilities		
Operating loan - note 5	140,000	140,000
Accounts payable and accrued liabilities - note 6	103,392	49,085
Rental deposits	2,950	1,450
Current portion of long-term loans payable	783,675	783,675
	<u>1,030,017</u>	<u>974,210</u>
Net Assets		
Invested in capital assets	1,988,671	2,020,774
Unrestricted net assets	(154,336)	(147,365)
	<u>1,834,335</u>	<u>1,873,409</u>
	<u>\$ 2,864,352</u>	<u>\$ 2,847,619</u>

Approved on behalf of the board:

*The notes to financial statements are an integral
part of these financial statements.*

St. Michael's Ukrainian Catholic Church Camp Inc.

Statement of Changes in Net Assets
For the year ended December 31, 2021

	Invested in Capital Assets	Unrestricted Net Assets	2021 Total	2020 Total
Balance (deficit), beginning of year	2,020,774	(147,365)	1,873,409	1,924,350
Excess (deficiency) of revenue over expenses for the year - general	(32,028)	(5,723)	(37,751)	(52,254)
Excess (deficiency) of revenue over expenses for the year - St. Michael's Youth and Teen Camps		(1,323)	(1,323)	1,313
Interfund transfer - long-term debt payments	<u>(75)</u>	<u>75</u>	<u></u>	<u></u>
Balance (deficit), end of year	<u>\$ 1,988,671</u>	<u>\$(154,336)</u>	<u>\$ 1,834,335</u>	<u>\$ 1,873,409</u>

*The notes to financial statements are an integral
part of these financial statements.*

St. Michael's Ukrainian Catholic Church Camp Inc.

Statement of Operations - General
For the year ended December 31, 2021

	2021	2020
Revenue		
Donations	24,727	30,778
Raffle tickets	19,040	
Grants	7,872	663
Catering		3,825
Memberships	40	440
Rental fees		4,150
Net fundraising	<u>2,502</u>	<u>6,639</u>
	<u>54,181</u>	<u>46,495</u>
Expenses		
Advertising and promotion	116	116
Food and supplies	227	1,695
Insurance	12,898	12,770
Interest and bank charges	5,408	5,531
Interest - long-term	32,028	33,909
Licenses and memberships	168	187
Office supplies and copying	305	861
Other	845	
Professional fees - audit	4,892	6,266
Professional fees - legal	297	350
Repairs and maintenance - building	2,401	12
Repairs and maintenance - equipment	385	192
Security	595	422
Telephone	861	827
Utilities	28,514	34,471
Yard maintenance	<u>1,992</u>	<u>1,140</u>
	<u>91,932</u>	<u>98,749</u>
Excess (Deficiency) of Revenue over Expenses for the Year	<u>\$ (37,751)</u>	<u>\$ (52,254)</u>

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part of these financial statements.*

St. Michael's Ukrainian Catholic Church Camp Inc.

Statement of Operations - St. Michael's Youth and Teen Camps

For the year ended December 31, 2021

	2021	2020
Revenue		
Participant fees	9,575	4,025
Donations	594	1,283
Grants		1,700
Photo/CD sales	912	275
	<u>11,081</u>	<u>7,283</u>
Operating Expenses		
Administration		
Honoraria - director	3,000	480
Office supplies, postage and advertising		49
	<u>3,000</u>	<u>529</u>
Facilities and maintenance		
Honoraria - maintenance	0	150
Kitchen and canteen service		
Food, kitchen and canteen supplies	2,852	1,044
Honoraria - kitchen staff	524	275
	<u>3,376</u>	<u>1,319</u>
Program		
Honoraria - clergy and religious	203	500
Honoraria - counsellors	3,154	1,350
Honoraria - program leaders	100	
Participant activities	615	840
Participant and supplies transportation	787	535
Program supplies and park passes	1,169	341
T-shirt and toque costs		406
	<u>6,028</u>	<u>3,972</u>
Total operating expenses	<u>12,404</u>	<u>5,970</u>
Excess (Deficiency) of Revenue over Expenses for the Year	<u><u>\$ (1,323)</u></u>	<u><u>\$ 1,313</u></u>

*The notes to financial statements are an integral
part of these financial statements.*

St. Michael's Ukrainian Catholic Church Camp Inc.

Statement of Cash Flow
For the year ended December 31, 2021

	2021	2020
Cash Provided By (Used In):		
Operations		
Excess (deficiency) of revenue over expenses for the year		
- general	(37,751)	(52,254)
Excess (deficiency) of revenue over expenses for the year		
- St. Michael's Youth and Teen Camps	(1,323)	1,313
Net change in working capital	<u>47,159</u>	<u>32,894</u>
	8,085	(18,047)
Financing activities		
Long-term loans received	<u>0</u>	<u>75</u>
Net Cash Increase (Decrease) for the Year	8,085	(17,972)
Cash position, beginning of year	<u>6,676</u>	<u>24,648</u>
Cash Position, End of Year	<u>\$ 14,761</u>	<u>\$ 6,676</u>
Represented By:		
Cash and cash equivalents	<u>\$ 14,761</u>	<u>\$ 6,676</u>
Net change in working capital consists of:		
Decrease (increase) - accounts receivable	(1,300)	372
- prepaid expenses	(7,348)	(6,431)
Increase (decrease) - accounts payable and accrued liabilities	54,307	38,003
- other current liabilities	<u>1,500</u>	<u>950</u>
	<u>\$ 47,159</u>	<u>\$ 32,894</u>

*The notes to financial statements are an integral
part of these financial statements.*

St. Michael's Ukrainian Catholic Church Camp Inc.

Notes to Financial Statements
For the year ended December 31, 2021

1. Nature of Operations

The organization was incorporated on June 14, 1990 under the Non-Profit Corporations Act of Saskatchewan. The St. Michael's Ukrainian Catholic Church Camp Inc. is engaged in managing and maintaining certain lands and facilities operated as youth and family camps on behalf of the Ukrainian Catholic Episcopal Corporation of Saskatchewan. The organization, as a registered charity, is not subject to income tax.

2. Significant Accounting Policies

These financial statements are the responsibility of management and have been prepared in accordance with Canadian accounting standards for not-for-profit organizations using the accounting policies as summarized below:

(a) Cash and cash equivalents

Cash and cash equivalents represents cash on hand and cash held in banks.

(b) Financial instruments

Measurement of financial instruments

The organization initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions.

The organization subsequently measures all its financial assets and liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in excess of revenue over expenses.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in excess of revenue over expenses. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in excess of revenue over expenses.

(c) Capital assets

Tangible capital assets are recorded at acquisition cost. No provision has been made in these statements for amortization.

Acquisition costs for the buildings include: materials and labour, equipment rentals, capitalized interest and utilities during construction.

(d) Donated materials and service

The organization benefits from the donation of materials and services. These financial statements do not reflect the value of donations-in-kind received in the year.

St. Michael's Ukrainian Catholic Church Camp Inc.

Notes to Financial Statements
For the year ended December 31, 2021

2. Significant Accounting Policies - continued

(e) Revenue

The organization follows the deferral method of accounting for contributions. Restricted contributions, subject to external stipulations, are recognized as revenue in the year in which the related expenses are incurred. Restricted contributions for which the related restrictions remain unfulfilled are accumulated as deferred contributions. Unrestricted contributions are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

(f) Other revenue

Participant fees are recognized in the period in which the event related to the fees takes place.

(g) Estimates

The preparation of financial statements in accordance 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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reported period. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the period in which they became known.

3. Financial Instruments

Liquidity risk is the risk that an organization will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its long-term debt, other loans payable and accounts payable.

	2021	2020
4. Accounts Receivable		
Accounts receivable are comprised of the following item:		
Taxes receivable	\$ <u>2,552</u>	\$ <u>1,252</u>

5. Operating Loan

The company has a demand operating line-of-credit available to a maximum of \$260,000 with the Ukrainian Catholic Episcopal Corporation of Saskatchewan. Interest is payable monthly at the rate of 3% per annum accruing interest until payments commence October 1, 2018. Subsequent advances are subject to certain restrictions including certain debt repayments.

St. Michael's Ukrainian Catholic Church Camp Inc.

Notes to Financial Statements
For the year ended December 31, 2021

	2021	2020
6. Accounts Payable and Accrued Liabilities		
Accounts payable and accrued liabilities are comprised of the following items:		
Accounts payable	28,451	11,332
Accrued liabilities	<u>74,941</u>	<u>37,753</u>
	<u>\$ 103,392</u>	<u>\$ 49,085</u>
7. Long-Term Loans Payable		
Loan payable - Affinity Credit Union Ltd.		
Maturity date - June 26, 2016		
Original amount - \$750,000		
Purpose - complete construction of building		
Amortization period - due on demand		
Interest rate - Affinity Credit Union prime rate plus 2% (as at year end - 4.45%)		
Terms of repayment - interest-only paid monthly; balance due June 26, 2016		
Security - first charge on property; general security agreement on all assets; assignment of rents; personal guarantees by three board members		
Net book value of assets held as security - \$2,272,850		
Balance, end of year	719,750	719,675
Loan payable - Ukrainian Catholic Episcopal Corporation of Saskatchewan		
Maturity date - September 1, 2019		
Original amount - \$84,000		
Purpose - purchase of capital assets		
Amortization period - 2 years		
Interest rate - 1.5%		
Terms of repayment - semi-annual principal payments of \$5,000 and quarterly interest payments		
Security - none		
Balance, end of year	<u>64,000</u>	<u>64,000</u>
	<u>783,750</u>	<u>783,675</u>
Less: Portion due in one year	<u>783,750</u>	<u>783,675</u>
	<u>\$ 0</u>	<u>\$ 0</u>

St. Michael's Ukrainian Catholic Church Camp Inc.

Notes to Financial Statements
For the year ended December 31, 2021

8. Interfund Transfers

During the year, the organization transferred \$75 from the unrestricted fund to the capital assets fund for the repayment of and interest on long-term debt.

9. Leased Land

The organization signed a lease, effective May 7, 2013, with the Saskatchewan Ministry of Parks, Culture and Sport to lease the land the camp is located on. The lease expires on March 31, 2023 and contains a renewal subject to certain conditions.

10. Transactions with Related Parties

Included in these financial statements are transactions with related parties. These parties are related by virtue of being a member of the board of directors.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

11. Impact of COVID-19

On March 11, 2020, the World Health Organization categorized COVID-19 as a pandemic. The extent of this outbreak and related containment measures could have a material impact on the organization's operations, which cannot be reliably estimated at this time.

Due to local health measures that limited public and private gatherings, camps were able to happen resulting in higher operation performance for the organization. Out of precaution, there were changes made to allow for day camps with limited number of participants.

12. Subsequent Events

Subsequent to year end the loan balance and outstanding interest payable to Affinity Credit Union Ltd. was negotiated and settled in full with a donation on behalf of the organization.