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**CAMP MINI-YO-WE INC.**  
**FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Members of  
Camp Mini-Yo-We Inc.  
PORT SYDNEY  
Ontario

### *Qualified Opinion*

We have audited the accompanying financial statements of Camp Mini-Yo-We Inc. which comprise the statement of financial position as at September 30, 2021 and the statements of operations and changes in fund balances - operating, development and capital asset funds and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of the entity as at September 30, 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.

### *Basis for Qualified 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 entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other 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.

As is common with many charitable organizations, the entity derives part of its revenue from the general public in the form of contributions, which are not susceptible to complete audit verification. Accordingly, our verification of revenue from this source was limited to the amounts recorded in the records of the entity and we were not able to determine whether any adjustments might be necessary to contribution revenues, excess (deficiency) of revenues over expenses, assets and fund balances.

### *Responsibilities of Management and Those Charged with Governance 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.

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

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

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*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 entity'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 entity'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 entity 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.

*Norton McMullen LLP*

NORTON McMULLEN LLP

Chartered Professional Accountants, Licensed Public Accountants

MARKHAM, Canada

November 30, 2021

# CAMP MINI-YO-WE INC.

## STATEMENT OF FINANCIAL POSITION

As at September 30,

	Operating Fund	Capital Asset Fund	Endowment Fund	Legacy Fund	Total 2021	Total 2020
<b>ASSETS</b>						
<b>Current</b>						
Cash	\$ 558,849	\$ -	\$ -	\$ -	\$ 558,849	\$ 403,133
Temporary investments (Note 2)	-	-	48,300	2,500,000	2,548,300	41,739
Receivables	74,947	-	-	-	74,947	69,733
Inventories	12,715	-	-	-	12,715	24,839
Prepaid expenses (Note 3)	57,090	-	-	-	57,090	33,674
	<u>\$ 703,601</u>	<u>\$ -</u>	<u>\$ 48,300</u>	<u>\$ 2,500,000</u>	<u>\$ 3,251,901</u>	<u>\$ 573,118</u>
<b>Capital Assets (Note 4)</b>	-	2,522,265	-	-	2,522,265	2,533,864
	<u>\$ 703,601</u>	<u>\$ 2,522,265</u>	<u>\$ 48,300</u>	<u>\$ 2,500,000</u>	<u>\$ 5,774,166</u>	<u>\$ 3,106,982</u>
<b>LIABILITIES</b>						
<b>Current</b>						
Accounts payable and accrued liabilities	\$ 49,588	\$ -	\$ -	\$ -	\$ 49,588	\$ 50,870
Government remittances payable	26,586	-	-	-	26,586	13,579
Deferred revenue (Note 6)	389,928	-	-	-	389,928	541,569
Current portion of long-term debt (Note 7)	-	-	-	-	-	12,000
	<u>\$ 466,102</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 466,102</u>	<u>\$ 618,018</u>
<b>Long-Term Debt (Note 7)</b>	181,433	-	-	-	181,433	692,638
	<u>\$ 647,535</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 647,535</u>	<u>\$ 1,310,656</u>
<b>Fund Balances</b>						
Unrestricted	\$ 56,066	\$ -	\$ -	\$ -	\$ 56,066	\$ (780,588)
Internally restricted	-	2,522,265	-	2,500,000	5,022,265	2,535,175
Externally restricted	-	-	48,300	-	48,300	41,739
	<u>\$ 56,066</u>	<u>\$ 2,522,265</u>	<u>\$ 48,300</u>	<u>\$ 2,500,000</u>	<u>\$ 5,126,631</u>	<u>\$ 1,796,326</u>
	<u>\$ 703,601</u>	<u>\$ 2,522,265</u>	<u>\$ 48,300</u>	<u>\$ 2,500,000</u>	<u>\$ 5,774,166</u>	<u>\$ 3,106,982</u>
<b>Contingency (Note 10)</b>						

Approved by the Board:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

See accompanying notes

**CAMP MINI-YO-WE INC.**  
**STATEMENT OF CHANGES IN FUND BALANCES**

For the year ended September 30, 2021

	Balance Beginning	Revenues	Expenses	Transfers (Note 9)	Balance Ending
<b>Unrestricted</b>					
Operating Fund	\$ (780,588)	\$ 5,447,847	\$ 1,973,796	\$ (2,637,397)	\$ 56,066
<b>Internally Restricted</b>					
Development Fund	\$ 1,311	\$ -	\$ -	\$ (1,311)	\$ -
Capital Asset Fund	2,533,864	-	150,307	138,708	2,522,265
Legacy Fund	-	-	-	2,500,000	2,500,000
	<u>\$ 2,535,175</u>	<u>\$ -</u>	<u>\$ 150,307</u>	<u>\$ 2,637,397</u>	<u>\$ 5,022,265</u>
<b>Externally Restricted</b>					
Endowment Fund	\$ 41,739	\$ 6,561	\$ -	\$ -	\$ 48,300
<b>TOTALS</b>	<u>\$ 1,796,326</u>	<u>\$ 5,454,408</u>	<u>\$ 2,124,103</u>	<u>\$ -</u>	<u>\$ 5,126,631</u>
PRIOR YEAR TOTALS	<u>\$ 2,280,982</u>	<u>\$ 1,453,083</u>	<u>\$ 1,937,739</u>	<u>\$ -</u>	<u>\$ 1,796,326</u>

See accompanying notes

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**CAMP MINI-YO-WE INC.**  
**OPERATING FUND**  
**STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE**

For the year ended September 30,	2021	2020
<b>REVENUES</b>		
Operating donations	\$ 555,827	\$ 323,862
Government assistance (Note 11)	395,646	392,142
Summer camp fees and sponsorships	356,615	34,468
Seasonal staff donations	34,780	36,917
Miscellaneous	28,322	19,478
Tuck shop	25,811	13,642
Outdoor Centre	<u>23,305</u>	<u>178,747</u>
<b>TOTAL REVENUES</b>	<b><u>\$ 1,420,306</u></b>	<b><u>\$ 999,256</u></b>
<b>EXPENSES</b>		
Staff and benefits	\$ 1,001,263	\$ 900,352
Facility	397,302	208,534
Administration	250,546	269,435
Food and kitchen	181,711	36,189
Program	83,421	99,537
Tuck shop	32,034	9,491
Promotion	25,560	62,400
Interest on long-term debt	1,959	11,557
Outdoor center	<u>-</u>	<u>157,109</u>
<b>TOTAL EXPENSES</b>	<b><u>\$ 1,973,796</u></b>	<b><u>\$ 1,754,604</u></b>
<b>DEFICIENCY OF REVENUES OVER EXPENSES BEFORE THE FOLLOWING:</b>	<b>\$ (553,490)</b>	<b>\$ (755,348)</b>
Gain on sale of capital assets	<u>4,027,541</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>\$ 3,474,051</b>	<b>\$ (755,348)</b>
Interfund transfers (Note 9)	<u>(2,637,397)</u>	<u>-</u>
<b>NET CHANGE FOR THE YEAR</b>	<b>\$ 836,654</b>	<b>\$ (755,348)</b>
<b>FUND BALANCE - Beginning</b>	<u>(780,588)</u>	<u>(25,240)</u>
<b>FUND BALANCE - Ending</b>	<b><u>\$ 56,066</u></b>	<b><u>\$ (780,588)</u></b>

See accompanying notes

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**CAMP MINI-YO-WE INC.**  
**DEVELOPMENT AND CAPITAL ASSET FUNDS**  
**STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES**

For the year ended September 30,

	Development Fund	Capital Asset Fund	Total 2021	Total 2020
<b>REVENUES</b>				
Contributions	\$ -	\$ -	\$ -	\$ 453,827
<b>EXPENSES</b>				
Amortization	\$ -	\$ 150,307	\$ 150,307	\$ 138,614
Minor capital items	-	-	-	41,540
	<u>\$ -</u>	<u>\$ 150,307</u>	<u>\$ 150,307</u>	<u>\$ 180,154</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	\$ -	\$ (150,307)	\$ (150,307)	\$ 273,673
Interfund transfers (Note 9)	<u>(1,311)</u>	<u>138,708</u>	<u>137,397</u>	<u>-</u>
<b>NET CHANGE FOR THE YEAR</b>	\$ (1,311)	\$ (11,599)	\$ (12,910)	\$ 273,673
<b>FUND BALANCE - Beginning</b>	<u>1,311</u>	<u>2,533,864</u>	<u>2,535,175</u>	<u>2,261,502</u>
<b>FUND BALANCE - Ending</b>	<u>\$ -</u>	<u>\$ 2,522,265</u>	<u>\$ 2,522,265</u>	<u>\$ 2,535,175</u>

See accompanying notes

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**CAMP MINI-YO-WE INC.****STATEMENT OF CASH FLOWS**

For the year ended September 30,

2021

2020

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**CASH AND CASH EQUIVALENTS WERE PROVIDED BY (USED IN):****OPERATING ACTIVITIES**

Excess (deficiency) of revenues over expenses:

Operating Fund	\$ 3,474,051	\$ (755,348)
Development Fund	-	412,287
Endowment Fund	6,561	(2,981)
Capital Asset Fund	(150,307)	(138,614)
	<u>\$ 3,330,305</u>	<u>\$ (484,656)</u>

Items not affecting cash:

Amortization	150,307	138,614
CEBA loan forgiveness	(10,000)	(10,000)
Gain/loss on investments	(6,561)	2,981
Gain on sale of capital assets	(4,027,541)	-
	<u>\$ (563,490)</u>	<u>\$ (353,061)</u>

Net change in non-cash working capital balances:

Receivables	(5,214)	(8,449)
Inventory	12,124	15,502
Prepaid expenses	(23,416)	41,560
Accounts payable and accrued liabilities	(1,282)	(6,364)
Government remittances payable	13,007	(128,879)
Deferred revenue	(151,641)	406,941
	<u>\$ (719,912)</u>	<u>\$ (32,750)</u>

**INVESTMENT ACTIVITIES**

Purchase of capital assets	\$ (143,708)	\$ (348,337)
Proceeds on sale of capital assets	4,032,541	-
Purchase of investments	(2,500,000)	-
	<u>\$ 1,388,833</u>	<u>\$ (348,337)</u>

**FINANCING ACTIVITIES**

Payments on long-term debt	\$ (674,638)	\$ (7,000)
Proceeds from loan payable	141,433	-
Proceeds from CEBA loan	20,000	40,000
Proceeds from mortgage	-	650,000
	<u>\$ (513,205)</u>	<u>\$ 683,000</u>

**INCREASE IN CASH**\$ 155,716    \$ 301,913**CASH - Beginning**403,133    101,220**CASH - Ending**\$ 558,849    \$ 403,133

See accompanying notes

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**CAMP MINI-YO-WE INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

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**NATURE OF OPERATIONS**

Camp Mini-Yo-We Inc. (the "Camp") is a Christian camp whose mission is to develop tomorrow's leaders through life changing adventures in God's creation.

The Camp is incorporated as an organization without share capital under the laws of Ontario. It is a registered charitable organization (RN #11904 1721) under Paragraph 149.1(1) of The Income Tax Act (Canada) and is therefore exempt from income taxes.

**1. SIGNIFICANT ACCOUNTING POLICIES**

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

**a) Fund Accounting**

The Camp uses the fund accounting method. Revenues and expenses are reported according to the fund with which the amounts relate. The Operating Fund reports activity from operations and all other activities not reported in other funds.

Restricted funds are either internally restricted at the discretion of the Board of Directors or externally restricted reporting contributions and other amounts over which the Camp does not have complete control and discretion due to restrictions imposed by donors, contributors or other outside parties according to the express purpose for which the funds were created. The restricted funds include the following:

**i) Development Fund**

Development contributions are reported in the Development Fund. The capital of the fund and the income earned on investments are to be expended on additional equipment, buildings or land. Minor capital items are recorded as expenses in the Development Fund. During the year, the Board of Directors closed the Development Fund and transferred the balance of any remaining funds to the Operating Fund.

**ii) Capital Asset Fund**

The Capital Asset Fund reports capital assets and expenses directly related to capital assets.

**iii) Endowment Fund**

Endowment contributions are reported in the Endowment Fund. Investment income and capital appreciation on investments in the Endowment Fund is to be expended on camper sponsorship. The capital of these funds is to be maintained under the terms of each endowment; in the event of a loss on investments, no sponsorships will be paid until the investments recover their original value of \$43,806.

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**CAMP MINI-YO-WE INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

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1. **SIGNIFICANT ACCOUNTING POLICIES** - Continued

a) **Fund Accounting** - Continued

iv) **Legacy Fund**

The Legacy Fund is an internally restricted fund to be utilized at the Board's discretion for revenues and expenditures not provided for in the annual operating budget.

b) **Revenue Recognition**

The Camp follows the restricted fund method of accounting for contributions. Externally restricted contributions are recognized as revenue in the fund corresponding to the purpose for which they were contributed. Unrestricted contributions are recognized as revenue in the Operating Fund. Restricted contributions for which there is no fund are accounted for using the deferral method.

Summer camp fees, sponsorships, outdoor centre fees, tuck shop and bus/van revenues are recognized in the Operating Fund as revenue when the services are provided and collection is reasonably assured. Amounts received for services to be provided in a future period are recognized as deferred revenue.

Revenue derived from annual dinner tickets is recognized in the Development Fund when received.

c) **Cash and Cash Equivalents**

Cash and cash equivalents consist of bank balances, including bank overdrafts when bank balances fluctuate from being positive to overdrawn.

d) **Inventories**

Inventories, consisting of tuck and food, are measured at the lower of cost and net realizable value with cost being determined on a first-in, first-out basis.

e) **Capital Assets**

Purchased capital assets are recorded in the Capital Asset Fund at cost. Contributed capital assets are recorded at fair value at the date of contribution. Amortization is being provided over the estimated useful life of the assets using the following annual rates and methods:

	<u>Rate</u>	<u>Method</u>
Buildings	10 to 40 years	Straight-line
Equipment	5 to 40 years	Straight-line
Automotive equipment	4 to 10 years	Straight-line

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**CAMP MINI-YO-WE INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

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1. **SIGNIFICANT ACCOUNTING POLICIES** - Continued

f) **Donations in Kind and Contributed Services**

Donations in kind are recorded at fair value when fair value can be reasonably estimated and in the case of materials and services, when the materials and services would be normally purchased by the Camp and would be paid for if not donated.

Volunteers contribute substantial amounts of time to assist the Camp in carrying out its activities. Due to the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

g) **Impairment of Capital Assets**

When a capital asset no longer has any long-term service potential to the Camp, the excess of its net carrying amount over any residual value is recognized as an expense in the Capital Asset Fund.

h) **Use of Estimates**

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions based on currently available information. Such estimates and assumptions affect the reported amounts of assets and liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from the estimates used. Significant estimates include the estimated useful life of capital assets.

i) **Financial Instruments**

**Measurement of Financial Instruments**

The Camp initially measures all of its financial assets and liabilities at fair value. The Camp subsequently measures all of its financial assets and liabilities at amortized cost, with the exception of temporary investments which are measured at fair value. Changes in fair value are recognized in the excess (deficiency) of revenues over expenses in the applicable fund.

Financial assets measured at amortized cost include cash and receivables. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, and long-term debt.

Other than temporary investments, the Camp has no financial assets measured at fair value and has not elected to carry any other financial asset or liability at fair value.

**Impairment**

Financial assets measured at amortized cost are tested for impairment when events or circumstances indicate possible impairment. Write-downs, if any, are recognized in excess (deficiency) of revenues over expenses and may be subsequently reversed to the extent that the net effect after the reversal is the same as if there had been no write-down. There are no impairment indicators in the current year.

**CAMP MINI-YO-WE INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**2. TEMPORARY INVESTMENTS**

Temporary investments of the Endowment Fund consist of a portfolio of balanced mutual funds and are measured at fair value.

Temporary investments of the Legacy Fund consist of a Guaranteed Investment Certificate bearing interest at 0.2% and due June 20, 2022.

**3. PREPAID EXPENSES**

Included in prepaid expenses is the cashable value of the life insurance policies of \$26,554 (2020 - \$26,554). See Note 10.

**4. CAPITAL ASSETS**

Capital assets consist of the following:

	2021			2020
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	\$ 53,900	\$ -	\$ 53,900	\$ 58,900
Buildings	3,640,126	1,417,367	2,222,759	1,912,828
Equipment	747,948	522,183	225,765	255,412
Automotive equipment	266,313	246,472	19,841	16,864
Assets under construction	-	-	-	289,860
	<u>\$ 4,708,287</u>	<u>\$ 2,186,022</u>	<u>\$ 2,522,265</u>	<u>\$ 2,533,864</u>

**5. BANK CREDIT FACILITY**

The Camp has a bank credit facility made available in the form of a \$230,000 revolving demand operating loan bearing interest at prime plus 1.25%. As security for the bank credit facility, the Camp has given a collateral first mortgage on the main property limited to \$500,000 and a general security agreement over the assets of the Camp.

At year end, the balance on the revolving demand operating loan is \$Nil (2020 - \$Nil).

**CAMP MINI-YO-WE INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**6. DEFERRED REVENUE**

Deferred revenue consists of deposits received for services to be provided in subsequent years. The change in the deferred revenue balance for the year is as follows:

	2021	2020
Balance - Beginning	\$ 541,569	\$ 134,628
Amounts recognized as revenue - Operating Fund	(202,507)	(10,700)
Returned to customers	(281,775)	(57,890)
Current year deferred revenue	<u>332,641</u>	<u>475,531</u>
Balance - Ending	<u>\$ 389,928</u>	<u>\$ 541,569</u>

**7. LONG-TERM DEBT**

Long-term debt consists of the following:

	2021	2020
FedNor loan payable bearing no interest, repayable in three annual installments of \$47,144 beginning June 30, 2023	\$ 141,433	\$ -
Canada Emergency Business Account loan payable bearing no interest, due December 2022. Should the Camp not repay the loan by December 2022, an additional \$20,000 will be payable.	40,000	30,000
Term loan bearing interest at prime plus 1.5%	-	24,638
Mortgage payable bearing interest at 5.75%	-	650,000
	<u>\$ 181,433</u>	<u>\$ 704,638</u>
Less: Current portion	-	12,000
	<u>\$ 181,433</u>	<u>\$ 692,638</u>

Principal repayment requirements over the next four years are as follows:

2022	\$ -
2023	87,145
2024	47,144
2025	<u>47,144</u>
	<u>\$ 181,433</u>

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# CAMP MINI-YO-WE INC.

## NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2021

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### 8. FINANCIAL INSTRUMENTS

#### Risks and Concentrations

The Camp is exposed to various risks through its financial instruments. The following analysis provides a summary of the Camp's exposure to and concentrations of risk at September 30, 2021:

a) **Credit Risk**

Credit risk is the risk that one party to a financial instrument will cause financial loss for the other party by failing to discharge an obligation. The Camp's main credit risks relate to its receivables. The Camp provides credit to its clients in the normal course of operations. There were no concentrations of credit risk as at September 30, 2021. There has been no change in the assessment of credit risk from the prior year.

b) **Liquidity Risk**

Liquidity risk is the risk that the Camp will encounter difficulty in meeting obligations associated with financial liabilities. The Camp is exposed to this risk mainly with respect to its accounts payable and accrued liabilities and long-term debt. The Camp manages this risk by managing its working capital, ensuring that sufficient credit is available, and by generating sufficient cash flow from operations.

c) **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 price risk. The Camp is mainly exposed to interest rate risk and price risk as follows:

i) **Interest Rate Risk**

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. As described in Notes 5 and 7, the Camp is exposed to interest rate risk with respect to its bank credit facility and long-term debt. The Camp's interest rate risk is being mitigated as contributions equivalent to the interest expense on the mortgage payable are being received. The exposure to this risk fluctuates as the debt and related interest rates change from year to year.

ii) **Price Risk**

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 instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Camp is exposed to price risk through its mutual fund holdings. The exposure to this risk fluctuates as the Camp's investments change from year to year.

**CAMP MINI-YO-WE INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**9. INTER-FUND TRANSFERS**

Inter-fund transfers during the year are as follows:

Reference	Operating Fund	Capital Asset Fund	Legacy Fund	Development Fund
a)	\$ (137,397)	\$ 138,708	\$ -	\$ (1,311)
b)	<u>(2,500,000)</u>	<u>-</u>	<u>2,500,000</u>	<u>-</u>
	<u>\$ (2,637,397)</u>	<u>\$ 138,708</u>	<u>\$ 2,500,000</u>	<u>\$ (1,311)</u>

a) The Development Fund transferred \$1,311 (2020 - \$348,337) and the Operating Fund transferred \$125,160 (2020 - \$nil) to the Capital Asset Fund to cover the net capital asset acquisitions.

b) The Operating Fund transferred \$2,500,000 (2020 - \$Nil) to the Legacy Fund to set aside reserves to be utilized for future expenditures at the discretion of the Board of Directors.

**10. CONTINGENCY**

The Camp owns and is the beneficiary of life insurance policies worth approximately \$1,000,000. Insurance proceeds paid to the Camp on these policies will be taken revenue when received.

**11. IMPACT OF COVID-19**

On March 11, 2020, the World Health Organization declared the outbreak of COVID-19 a pandemic. In many countries, including Canada, many businesses and organizations are being forced to cease or limit operations for extended or indefinite periods. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services, have triggered significant disruptions to the economy. The Camp has been active in monitoring and assessing the impact of the pandemic on operations and has taken necessary steps to reduce expenditures where appropriate. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences as well as their potential impact on the financial position and results of the Camp for future periods. The Camp is committed to adjusting operations, managing its working capital, and obtaining sufficient credit to ensure continued financial viability.

During the year, the Camp recognized \$385,646 (2020 - \$382,142) of wage subsidy and \$10,000 (2020 - \$10,000) of loan forgiveness as part of the federal government's COVID-19 response assistance programs.