



## Financial Statements

The Quest at Christopher Lake Baptist Camp  
and Retreat Centre Inc.

December 31, 2019

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# Management Responsibility Statement

The management of The Quest at Christopher Lake Baptist Camp and Retreat Centre Inc. is responsible for preparing the financial statements, the notes to the financial statements and other financial information contained in this annual report.

Management prepares the financial statements in accordance with Canadian generally accepted accounting principles. The financial statements are considered by management to present fairly the management's financial position and results of operations.


The organization, in fulfilling its responsibilities, has developed and maintains a system of internal accounting controls designed to provide reasonable assurance that management assets are safeguarded from loss or unauthorized use, and that the records are reliable for preparing the financial statements.

The financial statements have been reported on by Grant Thornton LLP, Chartered Professional Accountants, the members' auditors. Their report outlines the scope of their examination and their opinion on the financial statements.



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Ian Lecht, President



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Dan Stoman, Vice-President  
March 10, 2020

# Independent Auditor's Report

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To the Members of  
The Quest at Christopher Lake Baptist Camp and Retreat Centre Inc.

## Qualified opinion

We have audited the financial statements of The Quest at Christopher Lake Baptist Camp and Retreat Centre Inc., which comprise the statement of financial position as at December 31, 2019, and the statements of operations, 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, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2019, and its results of 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

In common with many not-for-profit organizations, the organization derives revenue from donations 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 donation revenue, excess of revenues over expenses, and cash flows from operations for the years ended December 31, 2019, current assets as at December 31, 2019, and net assets as at January 1, 2019 and December 31, 2019.

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 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 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.

# Independent Auditor's Report (continued)

In preparing the 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 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 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 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 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.

Prince Albert, Canada  
March 10, 2020

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script.

Chartered Professional Accountants

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# The Quest at Christopher Lake Baptist Camp and Retreat Centre Inc.

## Statement of Operations

Year ended December 31

	2019	2018
Revenues		
Camper and retreating fees	\$ 198,102	\$ 272,393
Donations	88,060	179,324
Insurance proceeds	33,533	-
Other revenue	21,486	28,995
Rental	15,000	-
Gain on sale of capital assets	-	98,418
	<u>356,181</u>	<u>579,130</u>
Expenditures		
Salaries and wages	160,397	200,827
Food and kitchen	55,962	63,908
Amortization	53,398	52,079
Repairs and maintenance	50,287	12,509
Utilities	48,535	45,592
Insurance	26,855	25,934
Supplies	17,914	20,778
Property taxes	13,622	14,022
Professional fees	7,990	6,993
Programs and activities	5,683	6,035
Interest and bank charges	4,338	11,338
WCB benefits	2,594	2,012
Office	2,271	1,498
Vehicle	2,187	4,390
Advertising and promotion	2,060	2,391
Telephone	2,046	1,727
Travel	1,806	6,312
Memberships	1,026	1,352
Training	55	851
	<u>459,026</u>	<u>480,548</u>
(Deficiency) excess of revenues over expenditures	<u>\$ (102,845)</u>	<u>\$ 98,582</u>

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**The Quest at Christopher Lake Baptist Camp and Retreat  
Centre Inc.**

**Statement of Changes in Net Assets**

Year ended December 31

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	<b>Unrestricted net assets</b>	<b>Invested in capital assets</b>	<b>Total 2019</b>	<b>Total 2018</b>
Balance, beginning of year	\$ 13,464	\$ 1,085,635	<b>\$ 1,099,099</b>	\$ 1,000,517
(Deficiency) excess of revenues over expenditures	(49,447)	(53,398)	<b>(102,845)</b>	98,582
Interfund transfer	<u>(23,026)</u>	<u>23,026</u>	<u>-</u>	<u>-</u>
Balance, end of year	<b><u>\$ (59,009)</u></b>	<b><u>\$ 1,055,263</u></b>	<b><u>\$ 996,254</u></b>	<b><u>\$ 1,099,099</u></b>

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# The Quest at Christopher Lake Baptist Camp and Retreat Centre Inc.

## Statement of Financial Position

December 31	2019	2018
<b>Assets</b>		
Current		
Cash	\$ -	\$ 29,101
Accounts receivable	<u>2,991</u>	<u>4,240</u>
	2,991	33,341
Long-term		
Property, plant and equipment (Note 3)	<u>1,055,263</u>	<u>1,085,635</u>
	<u>\$ 1,058,254</u>	<u>\$ 1,118,976</u>
<b>Liabilities</b>		
Current		
Bank indebtedness	\$ 41,042	\$ -
Accounts payable and accrued liabilities	12,162	12,712
Goods and services tax payable	-	1,103
Wages payable	1,856	428
Employee deductions payable	1,190	2,634
Deferred revenue	<u>5,750</u>	<u>3,000</u>
	62,000	19,877
<b>Net Assets</b>	<u>996,254</u>	<u>1,099,099</u>
	<u>\$ 1,058,254</u>	<u>\$ 1,118,976</u>

On behalf of the board



Member



Member



# The Quest at Christopher Lake Baptist Camp and Retreat Centre Inc.

## Statement of Cash Flows

Year ended December 31

2019

2018

Increase (decrease) in cash (bank indebtedness)

### Operating

(Deficiency) excess of revenues over expenditures	\$ (102,845)	\$ 98,582
Items not affecting cash		
Amortization	53,398	52,079
Gain on sale of property, plant and equipment	-	(98,418)
	<u>(49,447)</u>	<u>52,243</u>
Change in non-cash working capital items		
Accounts receivable	1,249	2,610
Accounts payable and accrued liabilities	(550)	1,901
Goods and services tax	(1,103)	2,196
Wages payable	1,428	(757)
Employee deductions payable	(1,444)	(173)
Deferred revenue	2,750	(8,650)
	<u>(47,117)</u>	<u>49,370</u>

### Financing

Repayment of note payable	-	(135,000)
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### Investing

Purchase of property, plant and equipment	(23,026)	(19,422)
Proceeds on disposal of property, plant and equipment	-	121,200
	<u>(23,026)</u>	<u>101,778</u>

(Decrease) increase in cash (bank indebtedness) (70,143) 16,148

Cash (bank indebtedness)

Beginning of year	<u>29,101</u>	<u>12,953</u>
End of year	<u>\$ (41,042)</u>	<u>\$ 29,101</u>

### (Bank indebtedness) cash consists of:

Cash	\$ -	\$ 29,101
Bank indebtedness	<u>\$ (41,042)</u>	<u>\$ -</u>

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# The Quest at Christopher Lake Baptist Camp and Retreat Centre Inc.

## Notes to the Financial Statements

December 31, 2019

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### 1. Nature of operations

The Quest at Christopher Lake Baptist Camp and Retreat Centre Inc. (the "Organization") is a not-for-profit organization incorporated provincially under the Non-profit Corporations Act of Saskatchewan. As a registered charity the Organization is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

The Organization operates to provide a youth summer camp and retreat center at Christopher Lake, Saskatchewan.

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### 2. Significant accounting policies

#### Basis of presentation

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

#### 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.

#### Cash and short term investments

Cash and cash equivalents consist primarily of cash and deposits with an original maturity date of purchase of three months or less. Because of the short term maturity of these investments, their carrying amount approximates fair value.

#### Property, plant and equipment

Capital assets are stated at cost less accumulated amortization and are amortized over their estimated useful lives on a straight-line basis at the following rates:

Buildings	40 years
Buildings - Cover All	20 years
Boats	20 years
Equipment	20 years
Vehicles	5 years
Furniture and fixtures	10 years

The organization regularly reviews its capital assets to eliminate obsolete items. Government grants are treated as a reduction of capital assets cost.

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

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# **The Quest at Christopher Lake Baptist Camp and Retreat Centre Inc.**

## **Notes to the Financial Statements**

December 31, 2019

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

#### **Impairment of long-lived assets**

The organization tests long-lived assets for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value.

#### **Revenue recognition**

The Quest at Christopher Lake Baptist Camp & Retreat Centre Inc. 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.

Camping and retreating fees are recognized as revenue once the services have been provided and collection is reasonably assured. Government grants are recognized as revenue when the conditions relating to the purpose of the grant have been met. Other revenue is recognized when it is received.

#### **Contributed services**

The operations of the Organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

#### **Defined contribution plan**

The Organization offers a defined contribution pension plan to full-time staff. An expense is recorded in the period when the Organization is obligated to make the contributions for services rendered by the full-time staff.

#### **Financial instruments**

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Financial assets measured at amortized cost include cash and accounts receivable. Financial liabilities measured at amortized cost bank indebtedness, notes payable, accounts payable, Goods and Service tax payable, wages payable, and employee deductions payable. The Organization has no financial assets measured at fair value, and has not elected to carry any financial assets or liabilities at fair value.

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# The Quest at Christopher Lake Baptist Camp and Retreat Centre Inc.

## Notes to the Financial Statements

December 31, 2019

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### 3. Property, plant and equipment

			<u>2019</u>	<u>2018</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Buildings	\$ 1,957,743	\$ 932,426	<b>\$ 1,025,317</b>	\$ 1,055,031
Buildings - Cover All	29,283	16,622	<b>12,661</b>	13,328
Boats	15,000	5,156	<b>9,844</b>	13,125
Equipment	225,073	219,027	<b>6,046</b>	3,251
Vehicles	229,823	229,103	<b>720</b>	900
Furniture and fixtures	58,182	57,507	<b>675</b>	-
	<u>\$ 2,515,104</u>	<u>\$ 1,459,841</u>	<u><b>\$ 1,055,263</b></u>	<u>\$ 1,085,635</u>

### 4. Credit facilities

The Organization has a credit facility with RBC Bank, which includes an approved operating line that can be drawn upon to a maximum of \$35,000, which bears interest at prime plus 1.8% and is unsecured. At the statement of financial position date, the amount owing, which is due on demand, was \$26,000 (2018 - \$nil).

The Organization has a credit facility with CBWC Foundation, which includes an approved operating line that can be drawn upon to a maximum of \$450,000, which bears interest at prime plus 1.5% and is unsecured. At the statement of financial position date, the amount owing, which is due on demand, was \$70,000.

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### 5. Commitments

The Organization has a defined contribution pension plan covering all staff who become eligible to join the pension plan. The Organization is required to contribute 6% of the participants monthly salary. The 2019 pension expense was \$2,801 (2018 - \$4,833).

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### 6. Financial instruments

The organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the organization's risk exposures and concentrations at December 31, 2019.

#### (a) Liquidity risk

Liquidity risk is the risk that the organization will encounter difficulty in meeting the obligations associated with its financial liabilities. The organization manages its liquidity risk by continuously monitoring its cash requirements, and by forecasting cash flows from operations to ensure that it has sufficient cash available to meet current and foreseeable obligations.

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant other price risks arising from these financial instruments.

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**The Quest at Christopher Lake Baptist Camp and Retreat  
Centre Inc.**

**Notes to the Financial Statements**

December 31, 2019

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**7. Comparative figures**

Comparative figures have been adjusted to conform to changes in the current year presentation.

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