

CROWSNEST LAKE BIBLE CAMP ASSOCIATION

FINANCIAL STATEMENTS

SEPTEMBER 30, 2006

**CROWSNEST LAKE BIBLE CAMP ASSOCIATION
BALANCE SHEET
SEPTEMBER 30, 2006**

Page 2

	2006	2005	2004
	\$	\$	\$
ASSETS			
CURRENT			
Cash	7,892	279	5,650
Deposit	-	-	21,293
Receivables, net	4,257	8,640	908
Inventory - 50 th Anniversary	5,072	-	-
Prepaid expenses	1,000	1,192	193
GST receivable	4,997	7,039	6,418
	<u>23,218</u>	<u>17,150</u>	<u>34,462</u>
PROPERTY AND EQUIPMENT (Note 3)	441,229	439,828	377,373
MOTEL (Note 4 & Sch III)	299,774	302,409	304,290
DEFERRED GIFTS (Note 5)	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>
	<u>769,221</u>	<u>764,387</u>	<u>721,125</u>
 LIABILITIES			
CURRENT			
Accounts payable - regular	32,148	41,056	22,929
Demand loans - no interest	-	15,000	25,600
	<u>32,148</u>	<u>56,056</u>	<u>48,529</u>
 NET ASSETS			
FUND BALANCES			
Invested in capital	711,229	709,828	647,373
Internally Restricted - capital	9,353	-	21,293
Unrestricted operating fund	16,491	(1,497)	3,930
	<u>737,073</u>	<u>708,331</u>	<u>672,596</u>
	<u>769,221</u>	<u>764,387</u>	<u>721,125</u>

Approved by the Board: _____
Director

Director

**CROWSNEST LAKE BIBLE CAMP ASSOCIATION
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED SEPTEMBER 30, 2006**

Page 3

	2006	2005	2004
	\$	\$	\$
REVENUES			
Donations (Sch I)	296,163	261,919	268,157
Camp rental (Sch I)	31,300	29,389	26,385
Tuck and registrations (Sch I)	18,305	25,469	15,024
Investment income	-	317	1,293
Other	<u>1,586</u>	<u>2,087</u>	<u>888</u>
	347,354	319,181	311,747
EXPENSES (Sch II)			
Business operations	17,868	17,546	18,836
Program	85,734	64,748	76,834
Personnel	137,409	117,933	105,211
Facility and equipment	47,427	46,199	41,557
Capital replacements	11,352	8,503	4,617
Rental (Sch I)	5,165	7,498	4,545
Tuck (Sch I)	<u>15,022</u>	<u>23,138</u>	<u>15,737</u>
	<u>319,977</u>	<u>285,565</u>	<u>267,337</u>
OPERATING EXCESS (DEFICIENCY)	27,377	33,616	44,410
Motel net profit (Note 4 & Sch III)	<u>1,365</u>	<u>2,119</u>	<u>4,626</u>
EXCESS OF REVENUE OVER EXPENSES	<u>28,742</u>	<u>35,735</u>	<u>49,036</u>

**CROWSNEST LAKE BIBLE CAMP ASSOCIATION
STATEMENT OF FUND BALANCES
FOR THE YEAR ENDED SEPTEMBER 30, 2006**

	2006				2005	2004
	Invested in Capital	Internally Restricted for Capital	Unrestricted	Total	Total	Total
	\$	\$	\$	\$	\$	\$
FUNDS - Opening	709,828	-	(1,497)	708,331	672,596	623,560
Operations	-	-	28,742	28,742	35,735	49,036
Allocations / suggested use	-	25,700	(25,700)	-	-	-
Purchases (net)	1,401	(1,401)	-	-	-	-
Capital debt		(14,946)	14,946	-	-	-
FUNDS - Closing	<u>711,229</u>	<u>9,353</u>	<u>16,491</u>	<u>737,073</u>	<u>708,331</u>	<u>672,596</u>

Invested in Capital
consists of:

Property and equipment	441,229
Original motel investment	<u>270,000</u>
	<u>711,229</u>

**CROWSNEST LAKE BIBLE CAMP ASSOCIATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2006**

Page 5

	2006	2005	2004
	\$	\$	\$
CASH PROVIDED BY (USED IN):			
OPERATING ACTIVITIES			
Excess of revenue over expenses for the year	28,742	35,735	49,036
Items not effecting cash			
Motel net (income) loss	(1,365)	(2,119)	(4,626)
Loss on disposals	<u>3,438</u>	<u>-</u>	<u>-</u>
	30,815	33,616	44,410
Changes in non-cash working capital			
Accounts receivable	4,383	(7,730)	(908)
Inventory	(5,072)	-	-
Prepaid expenses	192	(1,000)	1,572
GST	2,042	(621)	(3,147)
Accounts payable	(8,908)	18,127	4,776
Demand loans	<u>(15,000)</u>	<u>(10,600)</u>	<u>12,000</u>
	<u>8,452</u>	<u>31,792</u>	<u>58,703</u>
INVESTING FINANCING ACTIVITIES			
Purchase of property and equipment	(4,839)	(62,456)	(116,686)
Advance from (to) motel	<u>4,000</u>	<u>4,000</u>	<u>-</u>
	(839)	(58,456)	(116,686)
INCREASE (DECREASE), during the year	<u>7,613</u>	<u>(26,664)</u>	<u>(57,983)</u>
CASH, beginning of year	279	26,943	84,926
CASH, end of year	<u>7,892</u>	<u>279</u>	<u>26,943</u>
Cash consists of:			
Cash	7,892	279	5,650
Deposit	<u>-</u>	<u>-</u>	<u>21,293</u>
	<u>7,892</u>	<u>279</u>	<u>26,943</u>

**CROWNSNEST LAKE BIBLE CAMP ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2006**

Page 6

1. NATURE OF THE ORGANIZATION

Crowsnest Lake Bible Camp Association is an autonomous, evangelical, faith ministry dedicated to bringing glory to God by responding to the needs of the whole person according to Biblical principles of evangelism and discipleship through offering programs in a camp setting.

The Association serves all ages and income groups who are interested in participating in unique Christ centred camping experiences which provide for Spiritual birth and growth by:

- Offering outdoor oriented youth programs during the summer;
- Offering outdoor oriented programs during the non-summer seasons;
- Providing opportunities for leadership development and personal challenge;
- Developing and encouraging the use of the camp facility as a retreat centre.

The Association is incorporated under the Societies Act and is a registered charity. As such it is exempt from corporate income tax. Gifts to the Association are tax deductible.

The continued operations of the Association are dependent on the continual support of interested individuals and organizations.

2. SIGNIFICANT ACCOUNTING POLICIES

Revenue Recognition -The Association follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Rental income is recognized as revenue when the rentals are held. Tuck income is recognized at the date of sale of goods.

Property and Equipment - Additions to buildings, (including renovations, improvements and landscaping) vehicles, trailers and equipment are recorded at cost or donated value. Purchases of furnishings, small office and kitchen equipment are expensed when acquired. Amortization is not provided in the accounts.

Investment in Motel -The Association's investment in the wholly owned for profit subsidiary, Kosy Knest Kabins Ltd. (Motel), has been accounted for on the equity basis. (The investment is recorded at original cost with the carrying value adjusted to recognize the Association's share of their undistributed earnings subsequent to the date of acquisition.) See Note 4 and Schedule III.

Volunteer Labour - No recognition is made in the financial statements for the value of the very significant volunteer labour.

Reclassification - Certain of the prior year amounts have been reclassified to conform to the current year presentation.

**CROWSNEST LAKE BIBLE CAMP ASSOCIATION
NOTES TO FINANCIAL STATEMENTS (CONTD.)
FOR THE YEAR ENDED SEPTEMBER 30, 2006**

3. PROPERTY AND EQUIPMENT

	2006	2005	2004
	\$	\$	\$
Buildings - old	77,610	77,610	77,610
- Sewer	31,912	31,912	31,912
- 4-Plexes	108,090	108,090	108,090
- Office	92,265	92,020	46,887
- 8-Plex	64,845	62,250	46,827
McGillvary	1	1	1
Vehicles	27,115	30,553	30,553
Equipment	17,432	15,432	13,533
Mobile kitchens	21,960	21,960	21,960
	441,229	439,828	377,373

4. INVESTMENT IN AND ADVANCES TO MOTEL

	2006	2005	2004
	\$	\$	\$
Investment (Sch III)	276,292	274,927	272,806
Advances (Sch III)	23,482	27,482	31,484
	299,774	302,409	304,290

5. DEFERRED GIFTS

The Association is the owner of a fully paid life insurance policy which will pay out \$41,000 on the death of the insured individual and has a cash surrender value of \$4,400. A charitable donation receipt was issued to the donor for the premiums paid on the policy, with these premiums recorded as the cost of the investment.

**CROWSNEST LAKE BIBLE CAMP ASSOCIATION
NON-CONSOLIDATED RENTAL REVENUE ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2006**

Page 8

Schedule I

	2006	2005	2004
	\$	\$	\$
DONATIONS			
Individuals	262,865	228,877	230,888
Charities - general	7,902	10,554	11,152
- special	-	-	1
Tuck and registration	<u>25,396</u>	<u>21,760</u>	<u>26,116</u>
	<u>296,163</u>	<u>261,191</u>	<u>268,157</u>
CAMP RENTAL			
Rental income	31,300	29,389	26,385
Rental expense	<u>(5,165)</u>	<u>(7,498)</u>	<u>(4,545)</u>
	<u>26,135</u>	<u>21,891</u>	<u>21,840</u>
RENTAL - ANALYSIS			
Rental days (37 - Crow, 4 - Mountain)	41	53	49
Rental use days (53 - Crow, 6 - Mountain)	59	72	67
Rental campers (623 - Crow, 65 - Mountain)	688	603	543
DAY USAGE			
Rentals - Secular	14	17	13
- Christian	45	55	35
Crow - Board	4	6	3
- Summer camps	119	119	89
- Training	62	62	55
- Off season	12	12	12
- Groups	25	25	25
- Non use	<u>84</u>	<u>69</u>	<u>133</u>
TOTAL	<u>365</u>	<u>365</u>	<u>365</u>
TUCK AND REGISTRATIONS			
Revenue	18,305	25,469	15,024
Expenses	<u>(15,022)</u>	<u>(23,138)</u>	<u>(15,737)</u>
	<u>3,283</u>	<u>2,331</u>	<u>(713)</u>

**CROWSNEST LAKE BIBLE CAMP ASSOCIATION
NON-CONSOLIDATED EXPENSE ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2006**

Page 9

Schedule II

	2006	2005	2004
	\$	\$	\$
BUSINESS OPERATIONS			
Phone - camp staff & directors	3,162	2,934	2,263
Website	269	351	327
Photocopier	908	1,366	866
Postage and printing	2,532	2,296	1,840
Recruiting and marketing	517	670	589
Interest and bank charges	249	230	104
Other office costs	4,805	2,952	3,624
Mileage allowance	5,426	7,747	6,643
McGillvary	-	(1,000)	2,580
	17,868	17,546	18,836
PROGRAM			
Food (\$4.56 / person / day, 2005: \$3.60, 2004: \$4.89)	66,135	48,125	63,165
Program equipment	1,758	2,010	2,525
Program supplies	1,072	2,009	1,473
Books and materials	-	344	566
First aid	1,114	1,522	1,312
Mileage - staff and other	9,715	6,104	4,388
Staff appreciation	4,692	4,503	2,343
Staff development	1,248	131	1,062
	85,734	64,748	76,834
PERSONNEL			
Salaries and contracts	130,004	106,933	101,991
Bursaries and speakers	7,405	11,000	3,220
	137,409	117,933	105,211
FACILITY AND EQUIPMENT			
Waste disposal	1,266	1,087	1,102
Repairs and maintenance	9,917	11,088	10,320
Utilities	20,568	18,079	17,107
Vehicle operating	9,553	12,005	9,008
Insurance	6,123	3,940	4,020
	47,427	46,199	41,557
CAPITAL REPLACEMENTS			
Furniture and equipment	7,914	5,400	4,617
Buildings	-	3,103	-
Loss of vehicles disposal	3,438	-	-
	11,352	8,503	4,617

**CROWSNEST LAKE BIBLE CAMP ASSOCIATION
KOSY KNEST KABINS LTD.
BALANCE SHEET
YEAR ENDED SEPTEMBER 30, 2006**

Page 10

Schedule III.1

	2006 \$	2005 \$	2004 \$
ASSETS			
CURRENT			
Cash	5,669	7,675	6,411
Accounts receivable	1,257	-	2,536
Prepays	1,374	1,374	1,376
	8,300	9,049	10,323
CAPITAL	291,474	293,360	297,054
	299,774	302,409	307,377
LIABILITIES			
CURRENT			
Accounts payable	-	-	1,351
Due to related parties	-	-	1,734
Due to parent CNLBC	23,482	27,482	31,484
	23,482	27,482	34,569
SHAREHOLDER'S EQUITY			
CAPITAL			
Shares	180	180	180
Revaluation adjustment	(9,842)	(9,842)	(9,842)
- original deficit	279,662	279,662	279,662
- property and equipment	270,000	270,000	270,000
RETAINED EARNINGS (DEFICIT)	6,292	4,927	2,808
	276,292	274,927	272,808
	299,774	302,409	307,377

Note: Financial statements prepared on a tax basis are available on request.

**CROWSNEST LAKE BIBLE CAMP ASSOCIATION
KOSY KNEST KABINS LTD.
STATEMENT OF INCOME AND RETAINED EARNINGS
YEAR ENDED SEPTEMBER 30, 2006**

Page 11

Schedule III.2

	2006	2005	2004
	\$	\$	\$
INCOME			
Lease revenue (1)	13,200	13,200	12,800
EXPENSES			
Amortization	1,886	3,694	
Insurance	3,189	3,064	3,483
Interest and bank charges	19	19	15
Repairs and maintenance	6,724	4,289	4,661
Taxes and licenses	17	15	15
	<u>11,835</u>	<u>11,081</u>	<u>8,174</u>
NET INCOME (LOSS) FOR THE YEAR	1,365	2,119	4,626
RETAINED EARNINGS (DEFICIT), beginning of year	<u>4,927</u>	<u>2,808</u>	<u>(1,818)</u>
RETAINED EARNINGS (DEFICIT), end of year	<u>6,292</u>	<u>4,927</u>	<u>2,808</u>

(1) Effective February 1, 2004, the assets of the Motel were leased for an expected term of three years to an operator for a monthly fee of \$1,100. Our continuing responsibility is to capital renewal and replacement and insurance costs.