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12/28/2020

**CAMP AMNICON FOUNDATION
FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019**

PREPARED BY:

BWK ROGERS PC

REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
Camp Annicon Foundation

We have reviewed the accompanying financial statements of Camp Annicon Foundation (a nonprofit organization), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services issued by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

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[Date TBD]

CAMP AMNICON FOUNDATION
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2019

ASSETS

Current Assets

Cash and Cash Equivalents	<u>\$ 171,200</u>
Total Current Assets	171,200

Investments	285,178
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Fixed Assets, net of Accumulated Depreciation of \$601,047	<u>472,525</u>
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Total Assets	<u><u>\$ 928,903</u></u>
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LIABILITIES AND NET ASSETS

Current Liabilities

Accounts Payable	\$ 5,976
Accrued Expenses	3,015
Deferred Revenue	<u>16,967</u>

Total Current Liabilities	25,958
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Net Assets

Without Donor Restrictions	<u>902,945</u>
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Total Liabilities and Net Assets	<u><u>\$ 928,903</u></u>
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See accompanying notes and independent accountant's review report.

**CAMP AMNICON FOUNDATION
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2019**

Support and Revenue Without Donor Restrictions	
Contributions	\$ 285,635
Gross Special Event Revenue	27,403
Less: Cost of Direct Benefits to Donors	<u>(4,774)</u>
Net Special Event Revenue	22,629
Program Service Revenue	119,320
Merchandise Sales	2,341
Less: Cost of Goods Sold	<u>(2,076)</u>
Net Merchandise Sales	265
Investment Income, Net	59,033
Miscellaneous Income	<u>5,378</u>
Total Support and Revenue Without Donor Restrictions	492,260
Expenses	
Program Services	311,814
Supporting Services:	
Management & General	113,067
Fundraising	<u>33,340</u>
Total Supporting Services	<u>146,407</u>
Total Expenses	<u>458,221</u>
Change in Net Assets Without Donor Restrictions	34,039
Net Assets Without Donor Restrictions, Beginning of Year	<u>868,906</u>
Net Assets Without Donor Restrictions, End of Year	<u><u>\$ 902,945</u></u>

See accompanying notes and independent accountant's review report.

**CAMP AMNICON FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2019**

	Program Services	Supporting Services			Total
		Management & General	Fundraising	Total	
SALARIES AND RELATED EXPENSES					
Salaries	\$ 92,689	\$ 44,755	\$ 9,946	\$ 54,701	\$ 147,390
Payroll Taxes	8,713	4,207	935	5,142	13,855
Benefits	18,552	18,552	4,124	22,676	41,228
Total Salaries and Related Expenses	119,954	67,514	15,005	82,519	202,473
OTHER EXPENSES					
Professional Fees	10,165	12,069	17,200	29,269	39,434
Advertising & Promotion	3,736	2,216	-	2,216	5,952
Office Expenses	67,108	9,145	1,135	10,280	77,388
Information Technology	-	3,751	-	3,751	3,751
Occupancy	44,256	-	-	-	44,256
Travel	15,014	-	-	-	15,014
Cost of Direct Benefits to Donors	-	-	4,774	4,774	4,774
Conferences, Conventions & Meetings	1,479	2,245	-	2,245	3,724
Cost of Goods Sold	2,076	-	-	-	2,076
Interest	-	117	-	117	117
Depreciation	32,256	-	-	-	32,256
Insurance	13,000	4,333	-	4,333	17,333
Investment Fees	-	3,449	-	3,449	3,449
Dues & Subscriptions	3,711	10,280	-	10,280	13,991
Miscellaneous	1,135	1,397	-	1,397	2,532
Total Expenses by Function	313,890	116,516	38,114	154,630	468,520
Less Expenses Included with Revenues on the Statement of Activities					
Cost of Direct Benefits to Donors	-	-	(4,774)	(4,774)	(4,774)
Cost of Goods Sold	(2,076)	-	-	-	(2,076)
Investment Fees	-	(3,449)	-	(3,449)	(3,449)
Total Expenses Included in the Expense Section on the Statement of Activities	<u>\$ 311,814</u>	<u>\$ 113,067</u>	<u>\$ 33,340</u>	<u>\$ 146,407</u>	<u>\$ 458,221</u>

See accompanying notes and independent accountant's review report.

**CAMP AMNICON FOUNDATION
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2019**

Cash Flows from Operating Activities	
Change in Net Assets	\$ 34,039
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:	
Unrealized (Gain) on Investments	(51,834)
Depreciation	32,256
Increase in Accounts Payable	4,358
Increase in Accrued Expenses	3,015
Increase in Deferred Revenue	<u>9,717</u>
Net Cash Provided by Operating Activities	31,551
Cash Flows from Investing Activities	
Purchase of Investments	(43,099)
Sale of Investments	201,497
Purchase of Fixed Assets	<u>(113,070)</u>
Net Cash Provided by Investing Activities	<u>45,328</u>
Net Increase in Cash and Cash Equivalents	76,879
Cash and Cash Equivalents, Beginning of Year	<u>94,321</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 171,200</u></u>

See accompanying notes and independent accountant's review report.

**CAMP AMNICON FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019**

NOTE 1. SUMMARY OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Organization

Camp Amnicon Foundation (the Foundation) is a wilderness adventure camp that offers year-round wilderness trips and retreats. The Foundation's mission is to welcome everyone into unique experiences of community and adventure, equipping people to step outside their comfort zones and experience God's grace. The Foundation offers adventure trips, group retreats, and personal cabins on a rustic and secluded site that sits on the Wisconsin south shore of Lake Superior.

Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting and accordingly, reflect significant receivables, payables, and other liabilities.

Cash and Cash Equivalents

Cash and cash equivalents include all money in banks and highly liquid investments with maturity dates of less than three months. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments. At times, cash and cash equivalents may be in excess of FDIC limits. The Foundation has not experienced any losses in such accounts.

Investments

Investments are generally recorded at fair value based upon quoted market prices, when available, or estimates of fair value. Donated assets are recorded at fair value at the date of donation, or, if sold immediately after receipt, at the amount of sales proceeds received (which are considered a fair measure of the value at the date of donation). Those investments for which fair value is not readily determinable are carried at cost or, if donated, at fair value at the date of donation, or if no value can be estimated, at a nominal value. Unrealized gains and losses are included in the Statement of Activities. The investments may involve investment risks, including possible loss of principal invested.

**CAMP AMNICON FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019**

NOTE 1. SUMMARY OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fixed Assets

All major expenditures for furniture, equipment, and building improvements over \$2,000 are capitalized at cost. Contributed items are recorded at fair market value at date of donation. Depreciation is provided through the use of the straight-line method over the useful life of the asset, ranging from three to thirty-nine years. When the Foundation commits to the disposal or abandonment of equipment, the assets are written off or down to the net realizable value. The cost of maintenance and repairs is charged to expense as incurred. Significant renewals or betterments are capitalized.

Classification of Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

- *Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.
- *Net Assets With Donor Restrictions* – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. The Foundation reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions. The Foundation had no Net Assets With Donor Restrictions at December 31, 2019.

Support and Revenue Recognition

Revenue is recognized when earned. Program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed or expenditures are incurred, respectively. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

CAMP AMNICON FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019

NOTE 1. SUMMARY OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Donated Material and Services

Contributed services are recorded as contributions, at fair value, when the service creates or enhances a non-financial asset or donation. Some unpaid volunteers have made contributions of their time to the Foundation's programs. The value of this contributed time is not reflected in these statements since it does not meet the requirements for recognition in the financial statements.

Advertising Costs

Advertising costs are expensed as incurred and totaled \$5,952 during the year ended December 31, 2019.

Functional Allocation of Expenses

The costs of providing program and other activities have been summarized on a functional basis in the Statement of Activities. The Statement of Functional Expenses presents the natural classification detail of the expenses by function. Accordingly, certain costs have been allocated among the program and supporting services benefited.

Tax-Exempt Status

The Foundation's activities are generally exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. Since the Foundation is exempt from federal and state income tax liability, no provision is made for current or deferred income tax expense. The Foundation is not a private foundation. Management has determined that the Foundation is not subject to unrelated business income tax. Management is not aware of any transactions that would impact the Foundation's tax-exempt status.

The Foundation follows the guidance of the Accounting Standards Codification (ASC) 740, *Accounting for Income Taxes*, related to uncertainties in income taxes, which prescribes a threshold of more than likely than not for recognition and derecognition of positions taken or expected to be taken in a tax return. For the year ended December 31, 2019, management of the Foundation is not aware of any material uncertain tax positions.

All tax-exempt entities are subject to review and audit by federal, state, and other applicable agencies. Such agencies may review the taxability of unrelated business income, or the qualification of the tax-exempt entity under the Internal Revenue Code and applicable state statutes. For federal tax purposes, the tax returns remain open for possible examination for a period of three years after the respective filing deadlines of those returns.

**CAMP AMNICON FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019**

NOTE 1. SUMMARY OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from the estimates, and those differences could be material.

Financial Instruments and Credit Risk

The Foundation manages deposit concentration risk by placing cash, money market accounts, and certificates of deposit with financial institutions believed to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, the Foundation has not experienced losses in any of these accounts. Investments are made by diversified investment managers whose performance is monitored by the Foundation and the Board of Directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, the Foundation and the Board believe that the investment policies and guidelines are prudent for the long-term welfare of the Foundation.

Subsequent Events

The Foundation has evaluated subsequent events through the date the financial statements were issued, [Date TBD]. The COVID-19 outbreak in the United States has caused business disruption. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration. Therefore, the Foundation expects this matter to negatively impact its operating results. However, the related financial impact and duration cannot be reasonably estimated at this time. There are no additional subsequent events required to be disclosed in accordance with accounting standards.

**CAMP AMNICON FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019**

NOTE 2. LIQUIDITY AND AVAILABILITY

The Foundation has a policy to structure its financial assets to be readily available as its general expenditures, liabilities, and other obligations come due. The Foundation's financial assets as of December 31, 2019 are comprised of the cash and cash equivalents total of \$171,200. The Foundation regularly monitors liquidity required to meet its operating needs and other commitments. In addition to financial assets available to meet general expenditures over the next 12 months, the Foundation can easily liquidate its investments in order to balance the budget. The Foundation anticipates collecting sufficient revenue or liquidating a portion of its investments to cover general expenditures.

NOTE 3. FAIR VALUE

Camp Amnicon Foundation adopted Financial Accounting Standards Board Accounting Standards Codification Topic 820, Fair Value Measurements and Disclosures ("ASC 820"). In accordance with ASC 820, "fair value" is defined as the price that an organization would receive upon selling an investment in an orderly transaction to an independent buyer in the principal or most advantageous market for the investment. Various inputs are used in determining the value of investments. ASC 820 established a three-tier hierarchy of inputs to establish a classification of fair value measurements for disclosure purposes. The three-tier hierarchy of inputs is summarized in these three broad levels:

- Level 1 – Quoted prices in active markets for identical investments.
- Level 2 – Other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)
- Level 3 – Significant unobservable inputs.

The US equities, taxable fixed income, and mixed assets held by Camp Amnicon Foundation at December 31, 2019 are Level 1 assets valued using a market approach. There were no changes in the valuation techniques during the year.

**CAMP AMNICON FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019**

NOTE 4. INVESTMENTS

The Foundation's investments are stated at fair value based on quoted prices in active markets (all Level 1 measurements) and consist of the following at December 31, 2019:

US Equities	\$175,999
Taxable Fixed Income	50,988
Mixed Assets	<u>58,191</u>
Total Investments	<u>\$285,178</u>

The components of total investment income for the year ended December 31, 2019 is as follows:

Unrealized Gains	\$51,834
Interest and Dividends	7,858
Realized Gains	2,790
Less: Investment Fees	<u>(3,449)</u>
Investment Income, Net	<u>\$59,033</u>

NOTE 5. FIXED ASSETS

Fixed assets consist of the following at December 31, 2019:

Buildings and Improvements	\$ 679,157
Furniture and Equipment	136,525
Land	35,223
Ground Improvements	100,723
Vehicles and Trailers	<u>121,944</u>
Total Fixed Assets	1,073,572
Less Accumulated Depreciation	<u>(601,047)</u>
Fixed Assets, Net	<u>\$ 472,525</u>

Depreciation expense of \$32,256 was recorded for the year ended December 31, 2019.

**CAMP AMNICON FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019**

NOTE 6. SPECIAL EVENT REVENUE

Special event revenue is calculated net of revenue and expenses. Gross revenues and expenses for the event are as follows for the year ended December 31, 2019:

Revenue	\$27,403
Expenses	<u>(4,774)</u>
Net Revenue	<u>\$22,629</u>

NOTE 7. MERCHANDISE SALES

Net merchandise sales is calculated as follows for the year ended December 31, 2019:

Merchandise Sales	\$2,341
Less: Cost of Goods Sold	<u>(2,076)</u>
Net Merchandise Sales	<u>\$ 265</u>

NOTE 8. FUNCTIONALIZED EXPENSES

The financial statements report certain categories of expenses that are attributed to more than one program or support function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, payroll taxes, benefits, office expenses, and insurance, which are allocated on the basis of estimates of time and effort.

NOTE 9. RETIREMENT PLAN

Camp Amnicon Foundation contributes 9% of gross salary to the retirement accounts of the Executive Director and the Associate Director. For the year ended December 31, 2019, the Foundation contributed \$8,552.