

**BRONX HOUSE – EMANUEL CAMPS, INC.**

**FINANCIAL STATEMENTS**

**OCTOBER 31, 2013 AND 2012**

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# B K M D

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Bronx House – Emanuel Camps, Inc.  
49 West 38<sup>th</sup> Street  
New York, New York 10018

We have audited the accompanying statements of financial position of Bronx House – Emanuel Camps, Inc. as of October 31, 2013 and 2012, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

As more fully described in Note 2 to the financial statements, Bronx House – Emanuel Camps, Inc has expensed certain capital assets. In our opinion, generally accepted accounting principles require capitalization of such assets.

In our opinion, except for the effects of expensing capital assets as discussed in the preceding paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of Bronx House – Emanuel Camps, Inc. at October 31, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*BKMD*  
*Certified Public Accountants, P.C.*

Scarsdale, New York  
March 25, 2014

BRONX HOUSE-EMANUEL CAMPS, INC.  
STATEMENTS OF FINANCIAL POSITION  
OCTOBER 31, 2013 AND 2012

**ASSETS**

<b>Assets</b>	<u>2013</u>	<u>2012</u>
Cash in banks and on hand (Schedule 1)	\$ 896,965	\$ 958,721
Accounts and grants receivable	63,608	25,080
Prepaid expenses	28,634	28,029
Fixes Assets - Net of accumulated depreciation of \$8,777 (Note 3)	98,199	0
<b>Total Assets</b>	<b>\$ 1,087,406</b>	<b>\$ 1,011,830</b>

**LIABILITIES AND NET ASSETS**

<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 48,787	\$ 110,218
Loan payable - Truck (Note 4)	29,715	0
Deferred income - tuition (Note 5)	105,724	70,533
<b>Total Liabilities</b>	<b>184,226</b>	<b>180,751</b>
 <b>Net Assets (Note 2)</b>		
Unrestricted	202,986	85,678
Temporarily Restricted (Schedule 3)	700,194	745,401
<b>Total Net Assets</b>	<b>903,180</b>	<b>831,079</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 1,087,406</b>	<b>\$ 1,011,830</b>

The accompanying notes are an integral part hereof.

BRONX HOUSE-EMANUEL CAMPS, INC.  
STATEMENTS OF ACTIVITIES  
YEARS ENDED OCTOBER 31, 2013 AND 2012

**CHANGES IN NET ASSETS**

	<u>2013</u>	<u>2012</u>
<b>Revenues, Gains and Support</b>		
Tuition -campers	\$ 1,341,113	\$ 1,229,259
Federation grant income (Schedule 2)	218,552	186,762
Contributions by board members and others	207,791	74,369
Rentals - outside groups	193,126	103,890
Interest	56	288
	<u>1,960,638</u>	<u>1,594,568</u>
<b>Total Revenues, Gains and Support</b>		
 <b>Functional Expenses</b>		
Program service expenses	1,730,382	1,700,248
Management and general expenses	150,155	155,324
Fund raising	8,000	8,000
	<u>1,888,537</u>	<u>1,863,572</u>
<b>Total Functional Expenses</b>		
 <b>(Decrease) Increase in Net Assets</b>	 72,101	 (269,004)
 <b>Net Assets - Beginning of Year</b>	 <u>831,079</u>	 <u>1,100,083</u>
 <b>Net Assets - End of Year</b>	 <u>\$ 903,180</u>	 <u>\$ 831,079</u>

The accompanying notes are an integral part hereof.

BRONX HOUSE-EMANUEL CAMPS, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED OCTOBER 31, 2013 AND 2012

	PROGRAM SERVICES	MANAGEMENT AND GENERAL	FUND RAISING	TOTAL 2013	TOTAL 2012
Salary - Executive Director	\$ 133,734	\$ 30,000	\$ 8,000	\$ 171,734	\$ 114,750
Other salaries and wages	644,493	35,000		679,493	672,716
Retirement		19,090		19,090	10,352
Other employee benefits	76,028	7,520		83,548	63,499
Payroll taxes	54,983	5,438		60,421	63,129
Accounting		9,500		9,500	9,500
Consulting fees	9,000	6,121		15,121	17,090
Advertising and promotion	17,195			17,195	30,339
Office expenses		9,923		9,923	15,001
Information technology	16,750			16,750	14,124
Occupancy		23,650		23,650	24,470
Interest Expense	1,025			1,025	0
Confereces, conventions and meetings	3,432			3,432	2,741
Electricity, gas and fuel	74,567			74,567	70,032
Repairs and replacements	76,728			76,728	108,527
Garbage disposal	16,658			16,658	17,815
Food	163,915			163,915	206,663
Educational and recreational	138,573			138,573	137,110
Tranportation and luggage	65,307			65,307	56,562
Kitchen and janitorial	17,684			17,684	13,200
Housekeeping and cleaning supplies	8,340			8,340	14,450
Motor vehicle supplies and repairs	27,714			27,714	19,369
Equipment	18,850			18,850	17,352
Laundry	22,343			22,343	19,853
Linen and bedding	7,126			7,126	0
Medical supplies and fees	2,766			2,766	4,259
Insurance	71,012			71,012	86,055
Telephone and internet	12,724			12,724	14,689
Credit card and bank charges	26,571			26,571	23,167
Executive expense		3,913		3,913	4,368
Reunion	3,129			3,129	1,747
Dues and membership fees	7,121			7,121	6,334
Miscellaneous expenses	3,837			3,837	4,309
Depreciation	8,777			8,777	0
	<u>\$ 1,730,382</u>	<u>\$ 150,155</u>	<u>\$ 8,000</u>	<u>\$ 1,888,537</u>	<u>\$ 1,863,572</u>

The accompanying notes are an integral part hereof.

BRONX HOUSE-EMANUEL CAMPS, INC.  
 STATEMENTS OF CASH FLOWS  
 YEARS ENDED OCTOBER 31, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
<b>Cash Flows From Operating Activities</b>		
Change in Net Assets	\$ 72,101	\$ (269,004)
Adjustments to Reconcile Change in Net Assets to Net Cash Used By Operating Activities		
Depreciation	8,777	0
Changes in operating assets and liabilities		
Accounts and grants receivable	(38,528)	20,657
Prepaid expenses	(605)	(408)
Security Deposit	0	3,000
Accounts payable and accrued expenses	(61,431)	85,251
Loan Payable - Truck	29,715	0
Deferred income	35,191	5,166
Total Adjustments	<u>(26,881)</u>	<u>113,666</u>
Net Cash (Used) Provided By Operating Activities	45,220	(155,338)
<b>Cash Flows from Investing Activities</b>		
Purchase of Fixed Assets	<u>(106,976)</u>	<u>0</u>
Net Cash (Used) Provided by Investing Activities	<u>(106,976)</u>	<u>0</u>
Cash - Beginning of Year	<u>958,721</u>	<u>1,114,059</u>
Cash - End of Year	<u>\$ 896,965</u>	<u>\$ 958,721</u>

**SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION**

Cash Paid During the Year for Income Taxes	<u>\$0</u>	<u>\$0</u>
Cash Paid During the Year for Interest	<u>\$ 1,025</u>	<u>\$0</u>

The accompanying notes are an integral part hereof.



**BRONX HOUSE - EMANUEL CAMPS, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**OCTOBER 31, 2013 AND 2012**

1. **Organization**

Bronx House – Emanuel Camps, Inc. operates a summer camp in New York State. Revenues are derived from camp fees, contributions and grants from the United Jewish Appeal-Federation of Jewish Philanthropies, and other individuals. A volunteer board of directors and salaried executive director manages the Camp.

2. **Summary of Significant Accounting Policies**

**Financial Statement Presentation**

In the accompanying statements, the Camp has adopted the standards for general-purpose external financial statement display of not-for-profit organizations, established by the Financial Accounting Standards Board (FAS) Statement 117.

FAS 117 requires, among other things the classification of an organization's net assets and its support, revenue and expenses based on the existence or absence of donor-imposed restrictions. It requires the amounts for each of three classes of net assets-- permanently restricted, temporarily restricted, and unrestricted-- be displayed in a statement of financial position and that the amounts of change in each of those classes of net assets be displayed in a statement of activities.

These classes are defined as follows:

**Permanently Restricted** -Net assets resulting from contributions and other inflows of assets whose use by the camp is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Camp. The Camp did not have any assets considered to be permanently restricted as of October 31, 2013.

**Temporarily Restricted**-Net assets resulting from contributions and other inflows of assets whose use by the Camp is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the organization pursuant to those stipulations. When such stipulations end or are fulfilled, such temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the statement of activities. The Camp had assets totaling \$700,194 considered to be temporarily restricted as of October 31, 2013.

**Unrestricted**- The part of net assets that is neither permanently nor temporarily restricted by donor-imposed stipulations.

**BRONX HOUSE – EMANUEL CAMPS, INC.**

**NOTES TO FINANCIAL STATEMENTS**

(Continued)

**OCTOBER 31, 2013 AND 2012**

2. **Summary of Significant Accounting Policies (Continued)**

**Basis of Accounting** – The Camp had expensed all capital additions in the year purchased through the year ended October 31, 2012. The Camp has determined that it should reverse this policy for this fiscal and all future years. During the year ended October 31, 2013 the Camp capitalized assets totaling \$106,976. All other income and expense items are recorded on the accrual basis of accounting.

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Functional Allocation of Expenses**

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**Tax Exempt Status**

The Camp is a not-for-profit organization exempt from income tax under Section 501(c)(3) of the Internal Revenue Code.

3. **Building Improvements and Truck**

Building improvements and truck consist of the following:

	<u>10/31/13</u>
Building improvements	\$ 75,713
Truck	<u>31,263</u>
	106,976
Less: Accumulated Depreciation	<u>8,777</u>
Building Improvements and Truck-Net	\$ <u>98,199</u>

Building improvements and truck are stated at cost and are being depreciated using the straight-line method over their estimated useful lives.

Depreciation expense for the year ended October 31, 2013 was \$8,777.

**BRONX HOUSE – EMANUEL CAMPS, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**(Continued)**

**OCTOBER 31, 2013 AND 2012**

**4. Loan Payable – Truck**

The loan totaling \$29,715 is payable in 49 remaining monthly installments of \$606.43 including interest at the rate of 6.19%. The loan is secured by a truck costing \$31,263.

**5. Deferred Income – Tuition**

As of October 31, 2013, the camp received \$105,724 of the tuition fees it had billed on behalf of the 2014 summer camp season. As of October 31, 2012, the camp received \$70,533 of the tuition fees it had billed on behalf of the 2013 camp season.

BRONX HOUSE-EMANUEL CAMPS, INC.  
 CASH IN BANKS AND ON HAND  
 OCTOBER 31, 2013 AND 2012

Schedule 1

	<u>2013</u>	<u>2012</u>
<b>Cash - Unrestricted Fund</b>		
Wells Fargo Bank - regular checking account	\$ 174,027	\$ 134,756
Wells Fargo Bankk - savings account	6,964	7,534
Petty Cash and Undeposited Funds	2,049	2,760
Key Bank N.A. - Payroll account	6,773	1,244
Key Bank N.A. - Checking account	6,958	73,864
<b>Total Cash - Unrestricted Fund</b>	196,771	220,158
 <b>Cash - Temporarily Restricted Fund</b>	 700,194	 738,563
<b>Total Cash</b>	\$ 896,965	\$ 958,721

The accompanying notes are an integral part hereof.

BRONX HOUSE-EMANUEL CAMPS, INC.  
DETAILS OF FEDERATION GRANT INCOME  
YEARS ENDED OCTOBER 31,2013 AND 2012

Schedule 2

	<u>2013</u>	<u>2012</u>
<b>Unrestricted Fund</b>		
<b>Affiliation Grant and Scholarship Support</b>	<b>\$ 164,153</b>	<b>\$ 154,512</b>
<b>Directed Grants</b>	<u>54,399</u>	<u>32,250</u>
<b>Total Federation Grant Income</b>	<u><u>\$ 218,552</u></u>	<u><u>\$ 186,762</u></u>

The accompanying notes are an integral part hereof.

BRONX HOUSE - EMANUEL CAMPS, INC.  
 TEMPORARILY RESTRICTED FUNDS  
 STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
 YEAR ENDED OCTOBER 31, 2013

	<u>Reserve Fund</u>	<u>Scholarship Fund</u>	<u>Total</u>
<b>Net Assets - Beginning of Year</b>	<b>\$ 744,621</b>	<b>\$780</b>	<b>\$ 745,401</b>
<b>Deductions:</b>			
<b>Transfer to Unrestricted Fund</b>	<u>(44,427)</u>	<u>(780)</u>	<u>(45,207)</u>
<b>Net Assets - End of Year</b>	<u><u>\$ 700,194</u></u>	<u><u>\$0</u></u>	<u><u>\$ 700,194</u></u>

The accompanying notes are an integral part hereof.