

Financial Statements

BRONX HOUSE - EMANUEL CAMPS, INC.
(D/B/A BERKSHIRE HILLS EISENBERG CAMP)

October 31, 2015

**BRONX HOUSE EMANUEL CAMPS, INC.
(D/B/A BERKSHIRE HILLS EISENBERG CAMP)
FOR THE YEAR ENDED
OCTOBER 31, 2015**

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INDEPENDENT AUDITORS' REPORT

**Bronx House - Emanuel Camps, Inc.
(D/B/A Berkshire Hills Eisenberg Camp)
To The Board of Directors**

We have audited the accompanying financial statements of Bronx House – Emanuel Camps, Inc. (a nonprofit organization D/B/A Berkshire Hills Eisenberg Camp), which comprise the statements of financial position as of October 31, 2015 and 2014, and the related statements of cash flows for the years then ended, and the related statements of activities and functional expenses for the year ended October 31, 2015, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 auditors' judgment, including the assessment of the 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 purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such 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.

**Bronx House – Emanuel Camps, Inc.
(D/B/A Berkshire Hills Eisenberg Camp)
To The Board of Directors**

Auditors' Responsibility (Continued)

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

Opinion

In our opinion, the October 31, 2015 financial statements referred to above present fairly, in all material respects, the financial position of Bronx House – Emanuel Camps, Inc. as of October 31, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the 2014 statements of activities and functional expenses of Bronx House – Emanuel Camps, Inc. for the year ended October 31, 2014, and our report dated March 30, 2015 expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein for the year ended October 31, 2014, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Leaf, Miele, Manganelli, Fortunato & Engel, PLLC
Certified Public Accountants

**New York, New York
March 9, 2016**

**BRONX HOUSE-EMANUEL CAMPS, INC.
(D/B/A BERKSHIRE HILLS EISENBERG CAMP)
STATEMENTS OF FINANCIAL POSITION
AT**

**OCTOBER 31,
2015 2014**

ASSETS

Cash and cash equivalents	\$ 1,430,085	\$ 952,921
Grants receivable	24,865	18,270
Unconditional promises to give	-	6,900
Camp enrollment fee receivable	6,182	3,684
Camp fees and other receivable	645	11,831
Prepaid expenses	42,820	27,611
Property and equipment, net of accumulated depreciation	<u>486,829</u>	<u>243,935</u>
TOTAL ASSETS	<u>\$ 1,991,426</u>	<u>\$ 1,265,152</u>

LIABILITIES

Note payable	\$ -	\$ 20,353
Accounts payable	30,273	49,311
Accrued expenses	26,810	21,650
Deferred revenue	<u>163,696</u>	<u>117,823</u>
TOTAL LIABILITIES	<u>220,779</u>	<u>209,137</u>

NET ASSETS

Unrestricted		
Undesignated	658,450	355,818
Board designated for reserve	<u>700,197</u>	<u>700,197</u>
Total unrestricted	1,358,647	1,056,015
Temporarily restricted	<u>412,000</u>	<u>-</u>
TOTAL NET ASSETS	<u>1,770,647</u>	<u>1,056,015</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,991,426</u>	<u>\$ 1,265,152</u>

The accompanying notes are an integral part of these financial statements.

BRONX HOUSE-EMANUEL CAMPS, INC.
(D/B/A BERKSHIRE HILLS EISENBERG CAMP)
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED OCTOBER 31, 2015
(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED OCTOBER 31, 2014)

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>TOTAL 2015</u>	<u>TOTAL 2014</u>
Revenue and Support				
Grants	\$ 255,343	\$ -	\$ 255,343	\$ 275,769
Contributions - public support	379,762	412,000	791,762	277,435
Camp enrollment fees	1,682,136	-	1,682,136	1,449,224
Camper fees and other miscellaneous revenue	<u>123,855</u>	<u>-</u>	<u>123,855</u>	<u>134,930</u>
Total Revenue and Support	<u>2,441,096</u>	<u>412,000</u>	<u>2,853,096</u>	<u>2,137,358</u>
Expenses				
Program Services				
Summer Camp	1,220,930	-	1,220,930	1,226,915
Adult Vacation Center	<u>794,125</u>	<u>-</u>	<u>794,125</u>	<u>681,572</u>
Total Program Services	<u>2,015,055</u>	<u>-</u>	<u>2,015,055</u>	<u>1,908,487</u>
Support Services				
Management and general	108,938	-	108,938	98,781
Fundraising	<u>14,471</u>	<u>-</u>	<u>14,471</u>	<u>14,902</u>
Total Expenses	<u>2,138,464</u>	<u>-</u>	<u>2,138,464</u>	<u>2,022,170</u>
Change in net assets	302,632	412,000	714,632	115,188
Net assets - beginning	<u>1,056,015</u>	<u>-</u>	<u>1,056,015</u>	<u>940,827</u>
Net assets - end	<u>\$ 1,358,647</u>	<u>\$ 412,000</u>	<u>\$ 1,770,647</u>	<u>\$ 1,056,015</u>

The accompanying notes are an integral part of these financial statements.

BRONX HOUSE-EMANUEL CAMPS, INC.
(D/B/A BERKSHIRE HILL EISENBERG CAMP)
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED OCTOBER 31, 2015
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED OCTOBER 31, 2014)

	Summer Camp	Adult		Total Programs	Management & General		Fundraising	October 31,	
		Vacation Center	Center		General	2015 Total		2014 Total	
Expenses									
Compensation	\$ 478,651	\$ 307,156	\$ 785,807	\$ 62,420	\$ 10,277	\$ 858,504	\$ 847,681		
Payroll taxes	33,438	25,050	58,488	4,175	482	63,145	66,183		
Employee benefits	60,134	37,275	97,409	17,835	2,058	117,302	129,543		
Professional fees	6,751	6,617	13,368	12,750	-	26,118	23,191		
Office expense	3,593	2,800	6,393	366	168	6,927	7,664		
Office rent	13,823	3,395	17,218	6,305	727	24,250	24,250		
Telephone, computer, and internet	14,398	8,366	22,764	1,647	-	24,411	24,062		
Seasonal help expense	51,335	28,059	79,394	-	-	79,394	80,609		
Camp programs and entertainment	197,412	91,547	288,959	-	-	288,959	256,002		
Camp utilities	28,335	23,979	52,314	-	-	52,314	58,591		
Camp supplies	138,497	146,072	284,569	-	-	284,569	207,131		
Camp education and seminars	5,740	-	5,740	-	-	5,740	8,102		
Bank and credit card fees	26,267	10,346	36,613	199	-	36,812	27,725		
Travel and meals	15,181	3,894	19,075	-	323	19,398	18,885		
Depreciation	21,824	20,078	41,902	1,309	436	43,647	28,621		
Repairs and maintenance	51,774	44,373	96,147	-	-	96,147	99,786		
Camp promotion	20,614	404	21,018	-	-	21,018	27,699		
Dues, licenses, and miscellaneous	9,429	3,318	12,747	425	-	13,172	10,388		
Insurance	43,179	30,842	74,021	1,507	-	75,528	74,582		
Interest	555	554	1,109	-	-	1,109	1,476		
Total Expenses	\$ 1,220,930	\$ 794,125	\$ 2,015,055	\$ 108,938	\$ 14,471	\$ 2,138,464	\$ 2,022,171		

The accompanying notes are an integral part of these financial statements.

**BRONX HOUSE-EMANUEL CAMPS, INC.
(D/B/A BERKSHIRE HILLS EISENBERG CAMP)
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED**

	<u>OCTOBER 31,</u> <u>2015</u>	<u>2014</u>
Cash Flows From Operating Activities		
Change in net assets	\$ 714,632	\$ 115,188
Adjustments to Reconcile Change In Net Assets To Net Cash Provided By Operating Activities		
Depreciation	43,647	28,621
(Increase) Decrease in:		
Grants receivable	(6,595)	23,310
Unconditional promises to give	6,900	(6,900)
Camp enrollment fee receivable	(2,498)	18,345
Camp fees and other receivable	11,186	(11,831)
Prepaid expenses	(15,209)	(3,058)
Increase (Decrease) in:		
Accounts payable	(19,038)	17,246
Accrued expenses	5,160	4,928
Deferred revenue	45,873	12,099
Total Adjustments	<u>69,426</u>	<u>82,760</u>
Net Cash Provided By Operating Activities	784,058	197,948
Cash Flows From Investing Activities		
Purchase of property and equipment	(286,541)	(136,190)
Cash Flows From Financing Activities		
Repayments of note payable	<u>(20,353)</u>	<u>(5,802)</u>
Net increase in cash and cash equivalents	477,164	55,956
Cash and cash equivalents - beginning of period	<u>952,921</u>	<u>896,965</u>
Cash and cash equivalents - end of period	<u>\$ 1,430,085</u>	<u>\$ 952,921</u>
Supplementary Information:		
Interest paid during period	\$ 1,109	\$ 1,476
Income taxes paid during period	<u>\$ -</u>	<u>\$ -</u>
Supplemental Schedule of Non-Cash Investing and Financing Activities:		
Property and equipment acquired and financed directly by note payable	<u>\$ -</u>	<u>\$ 31,262</u>

The accompanying notes are an integral part of these financial statements.

**BRONX HOUSE – EMANUEL CAMPS, INC.
(D/B/A BERKSHIRE HILLS EISENBERG CAMP)
NOTES TO FINANCIAL STATEMENTS
AT
OCTOBER 31, 2015 AND 2014**

NOTE 1 – NATURE OF ACTIVITIES

Founded in 1931, Bronx House Emanuel Camps, Inc. (the “Camp” or the “Organization” and D/B/A Berkshire Hills Eisenberg Camp) is a nonprofit charitable organization that owns and operates a camp located in the Berkshires on approximately 600 lakefront acres in Copake, New York for the purpose of enhancing camper personal development through its programs conducted in nature’s setting and emphasizing Jewish values. The Camp fulfills its mission through the wisdom of Jewish teaching and the experience of group living to build a community that reflects Jewish values, but welcomes persons of all faiths as campers.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting:

The Camp maintains its accounts, as well as prepares its financial statements, on the accrual basis of accounting.

Basis of Presentation:

Financial statement presentation follows the provisions included in Financial Accounting Standards Board Accounting Standards Codification for “Not-For-Profit Entities”, which constitutes generally accepted accounting principles in the United States of America (“GAAP”) for non-profit entities such as the Organization. GAAP requires the Organization to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. At October 31, 2015, the Organization had temporarily restricted net assets of \$412,000, and no permanently restricted net assets at October 31, 2015 and 2014.

Functional Allocation of Expenses:

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

**BRONX HOUSE – EMANUEL CAMPS, INC.
(D/B/A BERKSHIRE HILLS EISENBERG CAMP)
NOTES TO FINANCIAL STATEMENTS
AT
OCTOBER 31, 2015 AND 2014**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes:

The Organization is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code, and qualifies for the charitable contribution deduction.

The Organization accounts for uncertainty in income taxes using a recognition threshold of more-likely than not to be sustained upon examination by the appropriate taxing authority. Measurement of the tax uncertainty occurs if the recognition threshold is met. Management has determined that there were no tax uncertainties that met the recognition threshold at the statement of financial position dates and no interest and penalties related to unrecognized tax benefits have been recognized in the Organization's financial statements.

The Organization timely files federal Form 990 annually and the New York State annual registration as required. The Organization has no open filing years prior to October 31, 2012. No returns or registrations are presently under examination by the relevant authorities.

Use of Estimates:

The preparation of financial statements in accordance with GAAP 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 dates of the financial statements, and reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Cash Equivalents:

For purposes of the statements of cash flows, the Organization considers all unrestricted highly liquid debt instruments with initial maturities of three months or less or investments in money market mutual funds to be cash equivalents.

Revenue and Support Recognition:

Contributions and grants received are recorded as unrestricted, temporarily restricted or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Contributions and grants are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Contributions and grants that have met donor-imposed restrictions in the same reporting period, if any, are reported as unrestricted.

**BRONX HOUSE – EMANUEL CAMPS, INC.
(D/B/A BERKSHIRE HILLS EISENBERG CAMP)
NOTES TO FINANCIAL STATEMENTS
AT
OCTOBER 31, 2015 AND 2014**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Revenue and Support Recognition (continued):

Unconditional promises to give which occurred before year-end are recorded as receivables and are recognized as support in the statements of activities on a net realizable value basis. At October 31, 2015, there are no unconditional promises to give, and at October 31, 2014, the balance of unconditional promises to give had not been discounted because it had been expected to be renewed within the near-term.

Camp enrollment fees, camper fees and other event fees are recognized as revenue for the specific summer or event for which the fees are received. Such fees received in advance are recognized as deferred revenue.

Receivables:

The Organization uses the allowance method to determine uncollectible accounts. On a periodic basis, the Organization evaluates the receivables and establishes an allowance, if necessary, based on collection experience or management's analysis. At October 31, 2015 and 2014, no allowance was provided on any of the receivable balances, including promises to give.

Donated Services:

The Board of Directors donates significant amounts of their time in program activities. The value of this contributed time is not reflected in the accompanying financial statements because it does not meet the criteria for recognition provided in GAAP. In addition, no objective basis is available to measure the value of such services.

Summarized Comparative Data:

The amounts shown for the year ended October 31, 2014 in the accompanying statements of activities and functional expenses are included to provide a basis for comparison with October 31, 2015 and present summarized totals only. Accordingly, the October 31, 2014 totals are not intended to present all information necessary for a fair presentation in conformity with GAAP. Such information should be read in conjunction with the Organization's financial statements for the year ended October 31, 2014 from which the summarized information was derived.

Compensated Absences:

The Organization provides for the carryover of up to 5 days of unused vacation time beyond the year. Management's policy is to recognize this cost as paid rather than accrue for it at the statement of financial position dates because the amount is not considered material.

**BRONX HOUSE – EMANUEL CAMPS, INC.
(D/B/A BERKSHIRE HILLS EISENBERG CAMP)
NOTES TO FINANCIAL STATEMENTS
AT
OCTOBER 31, 2015 AND 2014**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Date of Management's Review:

Management has evaluated all subsequent events through March 9, 2016, the date the financial statements were available to be issued.

NOTE 3 – CONCENTRATIONS OF CREDIT RISK

The Camp maintains its cash balances in accounts with various financial institutions. Such accounts are insured up to \$250,000 by the Federal Deposit Insurance Corporation at each financial institution. Cash balances in excess of federally insured limits at October 31, 2015 and 2014 approximated \$794,000 and \$450,000, respectively. The Camp has not experienced any losses in such accounts and management believes it is not exposed to any significant credit risk on its cash accounts.

NOTE 4 – PROPERTY AND EQUIPMENT

Property and equipment acquired is stated at cost. Donated property and equipment is recognized at fair value as of the date donated. Additions, renewals and improvements of property and equipment over \$1,000 are capitalized. Expenditures for maintenance and repairs are expensed as incurred. The cost of property and equipment retired or sold, together with the related accumulated depreciation is removed from the appropriate accounts, and the resulting gain or loss is included in the statement of activities. Depreciation of property and equipment is computed using the straight-line method over the estimated useful lives of the related assets, and is not recorded until the related asset has been placed into service.

The value of the approximately 600 acres of land owned by the Camp in addition to the value of the various residential, recreational, entertainment and dining facilities maintained on the Camp's property have never been capitalized in the Organization's financial statements, which is a departure from GAAP. However, management does not believe that the unrecognized remaining book value of the land and the facilities built thereon at the statement of financial position dates would be material to the financial statements given the 80 plus years the Camp has owned the land and the significant length of time that has elapsed from the time the facilities were erected. Moreover, the Organization's capitalization policy is presently properly implemented.

**BRONX HOUSE – EMANUEL CAMPS, INC.
(D/B/A BERKSHIRE HILLS EISENBERG CAMP)
NOTES TO FINANCIAL STATEMENTS
AT
OCTOBER 31, 2015 AND 2014**

NOTE 4 – PROPERTY AND EQUIPMENT (CONTINUED):

A summary of the Camp’s property and equipment recognized in the financial statements in accordance with GAAP is as follows at October 31, 2015 and 2014:

	<u>2015</u>	<u>2014</u>	<u>Estimated Useful Lives</u>
Vehicles	31,263	31,263	5 Years
Building	173,400	13,727	27 Years
Camp fixtures	195,914	146,336	7 - 10 Years
Building and property improvements	54,280	54,280	10 - 15 Years
Machinery and equipment	33,196	33,196	5 Years
Website	33,500	13,000	5 Years
Construction in progress	<u>56,790</u>	<u>-</u>	n/a
	578,343	291,802	
Less: Accumulated Depreciation	<u>91,514</u>	<u>47,867</u>	
Total Property and Equipment	<u><u>\$ 486,829</u></u>	<u><u>\$ 243,935</u></u>	

Construction in progress consists largely of amounts relating to the construction of a shower house which is expected to be completed and in use during the next fiscal year.

NOTE 5 – NOTE PAYABLE

A note payable amounting to \$26,353 at October 31, 2014, subject to interest approximating 6% and, in collateralized by one vehicle was paid in full in October 2015.

NOTE 6 – NET ASSETS – TEMPORARILY RESTRICTED

Temporarily restricted net assets are restricted for the following purposes at October 31:

	<u>2015</u>	<u>2014</u>
Capital improvements to camp and/or special projects	<u>\$ 412,000</u>	<u>\$ -</u>

NOTE 7 – RELATED PARTY TRANSACTIONS

During the years ended October 31, 2015 and 2014, the Organization received contributions approximating \$630,000 and \$152,000, respectively, from members of the Organization’s board of directors and their affiliates.

**BRONX HOUSE – EMANUEL CAMPS, INC.
(D/B/A BERKSHIRE HILLS EISENBERG CAMP)
NOTES TO FINANCIAL STATEMENTS
AT
OCTOBER 31, 2015 AND 2014**

NOTE 8 – RENT AND LEASE EXPENSE

The Organization leases office space on a month-to-month basis at approximately \$2,000 per month. Rent expense for the office space for the years ended October 31, 2015 and 2014 amounted to \$24,250. In addition, the Organization also leases a vehicle – vehicle lease expense for the years ended October 31, 2015 and 2014 approximated \$2,800 and \$6,000, respectively.

Lease commitments for the vehicle for each of the next five years and in the aggregate are as follows:

October 31, 2016	\$	2,820
2017		1,410
2018		-
2019		-
2020		-
		<u> </u>
	\$	<u>4,230</u>

NOTE 9 – ADVERTISING EXPENSE

Advertising is expensed as incurred and amounted to \$21,018 and \$27,699 for the years ended October 31, 2015 and 2014, respectively.

NOTE 10 – MULTIEMPLOYER PENSION PLAN

The Organization participates in the “Retirement Plan for Employees of United Jewish Appeal-Federation of Jewish Philanthropies of New York, Inc. and Affiliated Agencies and Institutions (Part A)” (the “Plan”), which is a multiemployer pension plan. Contributions to the Plan are included in employee benefits on the statement of functional expenses, and amounted to \$39,380 and \$35,303 for the years ended October 31, 2015 and 2014, respectively.

The Employer Identification Number of the Plan is 51-0172429 and the three-digit plan number is 333. The Organization is not required to file an annual zone certification under the Pension Protection Act of 2006 (PPA) and disclosures concerning a financial improvement plan or a rehabilitation plan are not applicable. The Plan is at least 80% funded using the most recent financial information as of October 1, 2014, the beginning of the Plan year.

The risks of participating in multiemployer pension plans are different from single-employer plans. Assets contributed to a multiemployer plan by one employer may be used to provide benefits to employees of other participating employers. If a participating employer stops contributing to the Plan, the unfunded obligations of the Plan may be borne by the remaining participating employers.

**BRONX HOUSE – EMANUEL CAMPS, INC.
(D/B/A BERKSHIRE HILLS EISENBERG CAMP)
NOTES TO FINANCIAL STATEMENTS
AT
OCTOBER 31, 2015 AND 2014**

NOTE 10 – MULTIEmployer PENSION PLAN (CONTINUED)

In addition to regular contributions, the Organization could be obligated to pay additional amounts known as a withdrawal liability, if the multiemployer pension plan has unfunded vested benefits and the Organization decreases or ceases participation in that plan. The Organization has not recognized any estimated withdrawal liability expense at October 31, 2015 and 2014.

NOTE 11 – MAJOR DONORS

Of the grants reported in the Organization’s statements of activities for the years ended October 31, 2015 and 2014, approximately 88% and 75%, respectively, are attributable to grants made by the United Jewish Appeal – Federation of Jewish Philanthropies of New York, Inc.

In addition, for the year ended October 31, 2015, approximately 64% of the public support was attributable to one donor.

NOTE 12 – CAMP ENROLLMENT FEES

The components of camp enrollment fees are as follows for the years ended October 31:

	<u>2015</u>	<u>2014</u>
Summer camp	\$ 981,248	\$ 839,641
Adult vacations	412,210	460,193
Retreats	<u>288,678</u>	<u>149,390</u>
	<u>\$ 1,682,136</u>	<u>\$ 1,449,224</u>