

Financial Statements

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

October 31, 2020

**BRONX HOUSE EMANUEL CAMPS, INC.
(D/B/A BERKSHIRE HILLS EISENBERG CAMP)
FOR THE YEAR ENDED
OCTOBER 31, 2020**

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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, 2020 and 2019, 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, 2020, 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 financial statements referred to above present fairly, in all material respects, the financial position of Bronx House – Emanuel Camps, Inc. as of October 31, 2020 and 2019, and the changes in its net assets for the year ended October 31, 2020 and its cash flows for the years ended October 31, 2020 and 2019 in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the 2019 statements of activities and functional expenses of Bronx House – Emanuel Camps, Inc. for the year ended October 31, 2019, and our report dated February 17, 2020 expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein for the year ended October 31, 2019, 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

**Fairfield, New Jersey
June 15, 2021**

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

	OCTOBER 31,	
	<u>2020</u>	<u>2019</u>
ASSETS		
Cash and cash equivalents	\$ 1,868,736	\$ 1,121,106
Short-term investments	-	309,390
Grants receivable	-	11,213
Unconditional promises to give	11,092	57,751
Camp enrollment fee receivable	7,043	6,168
Due from UJA pooled investment account	753,387	717,180
Prepaid expenses	113,597	88,450
Security deposit	-	5,777
Property and equipment, net of accumulated depreciation	<u>1,300,727</u>	<u>1,302,681</u>
TOTAL ASSETS	<u>\$ 4,054,582</u>	<u>\$ 3,619,716</u>
LIABILITIES		
Accounts payable	\$ 125,185	\$ 137,106
Accrued expenses	11,442	16,711
Deferred revenue	<u>624,388</u>	<u>217,451</u>
TOTAL LIABILITIES	<u>761,015</u>	<u>371,268</u>
NET ASSETS		
Without donor restrictions		
Undesignated	2,406,370	2,361,251
Board designated for reserve	<u>700,197</u>	<u>700,197</u>
Total without donor restrictions	3,106,567	3,061,448
With donor restrictions	<u>187,000</u>	<u>187,000</u>
TOTAL NET ASSETS	<u>3,293,567</u>	<u>3,248,448</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 4,054,582</u>	<u>\$ 3,619,716</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, 2020
(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED OCTOBER 31, 2019)

	<u>WITHOUT DONOR</u>	<u>WITH DONOR</u>	<u>TOTAL</u>	<u>TOTAL</u>
	<u>RESTRICTIONS</u>	<u>RESTRICTIONS</u>	<u>2020</u>	<u>2019</u>
Revenue and Support				
Grants	\$ 726,343	\$ -	\$ 726,343	\$ 320,238
Contributions - public support	354,211	-	354,211	544,376
Camp enrollment fees	261,243	-	261,243	2,000,270
Camper fees and other miscellaneous revenue	67,834	-	67,834	218,143
PPP loan assistance	152,400	-	152,400	-
Total Revenue and Support	<u>1,562,031</u>	<u>-</u>	<u>1,562,031</u>	<u>3,083,027</u>
Expenses				
Program Services				
Summer camp	835,336	-	835,336	1,776,136
Culinary camp	214,879	-	214,879	275,945
Retreats	277,167	-	277,167	401,704
Total Program Services	<u>1,327,382</u>	<u>-</u>	<u>1,327,382</u>	<u>2,453,785</u>
Supporting Services				
Management and general	152,933	-	152,933	107,055
Fundraising	36,597	-	36,597	47,855
Total Expenses	<u>1,516,912</u>	<u>-</u>	<u>1,516,912</u>	<u>2,608,695</u>
Change in net assets	45,119	-	45,119	474,332
Net assets - beginning	<u>3,061,448</u>	<u>187,000</u>	<u>3,248,448</u>	<u>2,774,116</u>
Net assets - end	<u>\$ 3,106,567</u>	<u>\$ 187,000</u>	<u>\$ 3,293,567</u>	<u>\$ 3,248,448</u>

BRONX HOUSE-EMANUEL CAMPS, INC.
(D/B/A BERKSHIRE HILLS EISENBERG CAMP)
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED OCTOBER 31, 2020
(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED OCTOBER 31, 2019)

	Summer Camp	Culinary Camp	Retreats	Total Programs	Management & General	Fundraising	October 31,	
							2020 Total	2019 Total
Expenses								
Compensation	\$ 385,716	\$ 114,640	\$ 115,556	\$ 615,912	\$ 73,732	\$ 28,458	\$ 718,102	\$ 1,046,079
Payroll taxes	28,269	8,818	4,876	41,963	4,723	1,848	48,534	59,182
Employee benefits	95,591	15,229	8,014	118,834	6,782	783	126,399	126,154
Professional fees	7,298	830	1,766	9,894	15,500	-	25,394	29,915
Office expense	963	45	110	1,118	1,787	198	3,103	8,511
Office rent	12,435	1,963	1,091	15,489	5,672	654	21,815	25,900
Telephone, computer, and internet	13,579	2,295	4,339	20,213	1,009	2,963	24,185	37,595
Seasonal help expense	4,415	-	4,797	9,212	-	-	9,212	98,506
Camp programs and entertainment	18,559	4,454	1,014	24,027	170	-	24,197	218,937
Camp utilities	17,173	797	8,982	26,952	1,163	-	28,115	51,674
Camp supplies	9,549	2,144	46,197	57,890	-	-	57,890	337,388
Camp education and seminars	1,778	-	-	1,778	-	-	1,778	17,024
Bank and credit card fees	30,475	131	1,970	32,576	59	-	32,635	44,308
Travel and meals	26,925	8,181	5,413	40,519	239	123	40,881	127,947
Depreciation	78,492	36,106	36,106	150,704	4,710	1,570	156,984	115,299
Repairs and maintenance	28,286	11,432	20,062	59,780	-	-	59,780	110,232
Camp promotion	-	-	-	-	37,112	-	37,112	45,745
Dues, licenses, and miscellaneous	6,630	533	1,066	8,229	275	-	8,504	22,093
Insurance	69,203	7,281	15,808	92,292	-	-	92,292	86,206
Total Expenses	\$ 835,336	\$ 214,879	\$ 277,167	\$ 1,327,382	\$ 152,933	\$ 36,597	\$ 1,516,912	\$ 2,608,695

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**

	OCTOBER 31,	
	<u>2020</u>	<u>2019</u>
Cash Flows From Operating Activities		
Change in net assets	\$ 45,119	\$ 474,332
Adjustments to Reconcile Change In Net Assets		
To Net Cash Provided By Operating Activities		
Depreciation	156,984	115,299
Investment income - UJA pooled investment account	(36,207)	(44,933)
(Increase) Decrease in:		
Grants receivable	11,213	(1,213)
Unconditional promises to give	46,659	43,715
Camp enrollment fee receivable	(875)	4,843
Prepaid expenses	(25,147)	(11,350)
Security deposit	5,777	(5,777)
Increase (Decrease) in:		
Accounts payable	(11,921)	41,745
Accrued expenses	(5,269)	660
Deferred revenue	406,937	12,136
Total Adjustments	<u>548,151</u>	<u>155,125</u>
Net Cash Provided By Operating Activities	<u>593,270</u>	<u>629,457</u>
Cash Flows From Investing Activities		
Purchase of short-term investments	-	(6,381)
Proceeds from redemption of short term investments	309,390	-
Purchase of property and equipment	(155,030)	(415,191)
Net Cash Provided By (Used In) Investing Activities	<u>154,360</u>	<u>(421,572)</u>
Net increase in cash and cash equivalents	747,630	207,885
Cash and cash equivalents - beginning of period	<u>1,121,106</u>	<u>913,221</u>
Cash and cash equivalents - end of period	<u>\$ 1,868,736</u>	<u>\$ 1,121,106</u>
Supplementary Information:		
Interest paid during period	\$ -	\$ -
Income taxes paid during period	\$ -	\$ -

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, 2020 AND 2019**

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

Payroll Protection Program (PPP) Loan:

On April 30, 2020, the Organization received a loan in the amount of \$152,400 under the Payroll Protection Program (PPP Loan). The PPP Loan and accrued interest are forgivable after the covered period, up to 24-weeks, if the borrower uses the PPP Loan proceeds for eligible purposes, including payroll, benefits, rent, utilities, and covered operations expenditures, and maintains its payroll levels. The amount of the PPP Loan forgiveness is reduced if the borrower terminates employees or reduces salaries during the covered period, up to 24-weeks. The unforgiven portion of the PPP Loan, if any, would be payable over 5 years at an interest rate of 1%, with a deferral of payments for the first 10 months. On February 21, 2021, the Organization was notified by the lender that the Small Business Administration granted forgiveness and remitted the full forgiveness payment to the lender.

The Organization met the PPP’s eligibility criteria during the current period and, therefore, concluded that the PPP Loan represented, in substance, a grant expected to be forgiven. As a result, the Organization accounted for the PPP Loan in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-605 as a conditional contribution. The Organization initially recorded the amount received as a refundable advance followed by a reduction in the advance and recognition of income as the aforementioned conditions were substantially met. During the year ended October 31, 2020, the Organization completely satisfied the conditions of the PPP Loan and maintained its payroll levels to recognize the entire \$152,400 as income during the period.

Grants and Promises To Give:

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are 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.

The Organization uses the allowance method to determine uncollectible promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made. At October 31, 2020 and 2019, no allowance was required.

**BRONX HOUSE – EMANUEL CAMPS, INC.
(D/B/A BERKSHIRE HILLS EISENBERG CAMP)
NOTES TO FINANCIAL STATEMENTS
AT
OCTOBER 31, 2020 AND 2019**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cost Allocation:

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include compensation, payroll taxes and employee benefits, which are allocated on the basis of estimates of time and effort, as well as office rent, certain overhead expenses, and depreciation. Office rent is allocated based on relative square footage of use, depreciation is allocated based on use of related assets, and overhead expenses are allocated on the basis of usage.

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.

Use of Estimates:

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America (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 to be cash equivalents.

Short-Term Investments:

Investments in certificates of deposits with original maturities exceeding three months are classified as short-term investments and are presented at cost plus accrued interest.

Grants and Contributions:

Grants and contributions received are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the absence or existence and nature of any donor restrictions.

**BRONX HOUSE – EMANUEL CAMPS, INC.
(D/B/A BERKSHIRE HILLS EISENBERG CAMP)
NOTES TO FINANCIAL STATEMENTS
AT
OCTOBER 31, 2020 AND 2019**

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

Revenue Recognition:

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. An allowance for doubtful accounts may be recognized based on prior experience and current credit conditions; at October 31, 2020 and 2019, no allowance for doubtful accounts was required.

Fair Value Measurements:

The provisions included in GAAP concerning “Fair Value Measurements and Disclosures”, define fair value, establish a framework for measuring fair value and expand disclosures about fair value measurements. These provisions apply to the Organization’s balance due from UJA pooled investment account, which is presented at fair value.

Investment Income:

Investment income and gains restricted by a donor are reported as increases in net assets without donor restrictions if the restrictions, if any, are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized. For the years ended October 31, 2020 and 2019, no investment income was restricted by a donor.

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, 2019 in the accompanying statements of activities and functional expenses are included to provide a basis for comparison with October 31, 2020 and present summarized totals only. Accordingly, the October 31, 2019 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, 2019 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, 2020 AND 2019**

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

Issued Accounting Standard Updates Not Presently Effective:

On May 28, 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, Revenue from Contracts with Customers. The standard's core principle is that an entity will recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This standard also includes expanded disclosure requirements that result in an entity providing users of financial statements with comprehensive information about the nature, amount, timing, and uncertainty of revenue and cash flows arising from the entity's contracts with customers. This standard will be effective for the fiscal year ending October 31, 2021. The Organization is currently in the process of evaluating the impact of adoption of this ASU on the financial statements.

In February 2016, the FASB issued ASU 2016-02, Leases. The standard requires all leases with lease terms over 12 months to be capitalized as a right-of-use asset and lease liability on the statement of financial position at the date of lease commencement. Leases will be classified as either finance or operating. This distinction will be relevant for the pattern of expense recognition in the statement of activities. This standard will be effective for the fiscal year ending October 31, 2023. The Organization is currently in the process of evaluating the impact of adoption of this ASU on the financial statements.

In June 2016, the FASB issued ASU 2016-13, Financial Instruments-Credit Losses. The standard requires a financial asset (including accounts receivable) measured at amortized cost basis to be presented at the net amount expected to be collected. Thus, the statement of activities will reflect the measurement of credit losses for newly-recognized financial assets as well as the expected increases or decreases of expected credit losses that have taken place during the period. This standard will be effective for the fiscal year ending October 31, 2024. The Organization is currently in the process of evaluating the impact of adoption of this ASU on the financial statements.

Management does not believe that any other issued, but not yet effective, accounting standard if currently adopted would have a material effect on the accompanying financial statements.

Subsequent Events:

The Organization has evaluated all subsequent events through June 15, 2021, the date the financial statements were available to be issued. The Covid-19 pandemic prevented the Camp from opening summer camp in 2020, which significantly reduced camp related fees for the year ended October 31, 2020; however, the Organization expects that the 2021 summer camp will operate with minimal disruption.

**BRONX HOUSE – EMANUEL CAMPS, INC.
(D/B/A BERKSHIRE HILLS EISENBERG CAMP)
NOTES TO FINANCIAL STATEMENTS
AT
OCTOBER 31, 2020 AND 2019**

NOTE 3 – CONCENTRATIONS OF CREDIT RISK

The Camp maintains its cash and cash equivalents and short term investments in accounts with various financial institutions. Such accounts are insured up to \$250,000 by the Federal Deposit Insurance Corporation at each financial institution. Balances of cash and cash equivalents and short term investments in excess of federally insured limits at October 31, 2020 and 2019 approximated \$1,386,000 and \$1,216,000, respectively. The Camp has not experienced any losses in such accounts and management believes it is not exposed to any significant credit risk on those accounts.

Management does not believe the balance due from the United Jewish Appeal – Federation of Jewish Philanthropies of New York, Inc. (“UJA”) pooled investment account is subject to substantial credit risk because of UJA’s large net asset base and history of financial stability; however, as discussed in Note 5, the balance of the receivable is subject to the performance of UJA’s investment portfolio which itself is subject to interest rate, credit and market risk.

NOTE 4 – PROMISES TO GIVE

Unconditional promises to give consists of the following at October 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Amounts due in:		
Less than one year	\$ 11,092	\$ 57,751
One to five years	<u>-</u>	<u>-</u>
Total	<u>\$ 11,092</u>	<u>\$ 57,751</u>

Unconditional promises to give due in more than one year have not been discounted and recognized at fair value because management deems the difference between cost and fair value as immaterial.

NOTE 5 – DUE FROM UJA POOLED INVESTMENT ACCOUNT AND FAIR VALUE MEASUREMENTS

The Organization has a balance receivable at October 31, 2020 and 2019 from the UJA advanced for the purpose of obtaining an investment return. The Organization and the UJA have agreed that the amount of UJA’s repayment obligation to the Organization is derived from the performance of an investment portfolio which includes funds pooled from multiple participating organizations. Since the value of the balance receivable is based on the amount of funds advanced to UJA, as adjusted by the performance of UJA’s investment portfolio from the date advanced, the balance receivable is subject to fair value measurement on a recurring basis.

**BRONX HOUSE – EMANUEL CAMPS, INC.
(D/B/A BERKSHIRE HILLS EISENBERG CAMP)
NOTES TO FINANCIAL STATEMENTS
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NOTE 5 – DUE FROM UJA POOLED INVESTMENT ACCOUNT AND FAIR VALUE MEASUREMENTS (CONTINUED):

The Financial Accounting Standards Board (FASB) issued guidance on fair value measurements which establishes a framework for measuring fair value and requires additional disclosures about fair value measurements. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value and requires that assets and liabilities carried at fair value be classified and disclosed in the following three levels of inputs, with Level 1 having the highest priority:

- Level 1 -** Inputs based on quoted prices for identical assets or liabilities in active markets at the measurement date.
- Level 2 -** Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar instruments in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.
- Level 3 -** Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

The UJA's investment portfolio, in addition to investments valued at quoted prices, includes significant investments in asset classes such as hedge funds, private equity and real estate, which may be subject to unobservable valuation techniques. As a result, the Organization categorizes the balance receivable from the UJA, the value of which is based on the performance of the UJA's investment portfolio, as Level 3, as follows:

		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	<u>Total</u>			
October 31, 2020	<u>\$ 753,387</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 753,387</u>
October 31, 2019	<u>\$ 717,180</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 717,180</u>

The Organization recognizes transfers of assets in and out of levels as of the date an event or change in circumstances causes the transfer. There were no transfers between levels during the years ended October 31, 2020 and 2019.

**BRONX HOUSE – EMANUEL CAMPS, INC.
(D/B/A BERKSHIRE HILLS EISENBERG CAMP)
NOTES TO FINANCIAL STATEMENTS
AT
OCTOBER 31, 2020 AND 2019**

NOTE 5 – DUE FROM UJA POOLED INVESTMENT ACCOUNT AND FAIR VALUE MEASUREMENTS (CONTINUED):

The reconciliation of the opening and ending balances of this Level 3 asset valued at fair value on a recurring basis is as follows for the years ended October 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Balance receivable, beginning of year	\$ 717,180	\$ 672,247
Advances to UJA	-	-
Allocated net investment return (included in camper fees and other miscellaneous revenue on the statements of activities)	<u>36,207</u>	<u>44,933</u>
Balances receivable, end of year	<u>\$ 753,387</u>	<u>\$ 717,180</u>

The value of the receivable due from the UJA pooled investment account is exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with this balance, it is at least reasonably possible that changes in its value will occur in the near term, and that such changes could materially affect the balance of net assets without donor restrictions.

In addition, the UJA has agreed to repay any portion of the balance owed to the Organization by the end of the month following the Organization's stipulated request, subject to liquidity restrictions pertaining proportionately to the underlying investment portfolio and interim investment results.

NOTE 6 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of the statement of financial position dates, reduced by amounts not available for general use because of board designated or donor-imposed restrictions within one year of the statement of financial position dates.

	<u>October 31, 2020</u>	<u>2019</u>
Financial assets at year-end	\$ 2,640,258	\$ 2,222,808
Less: Those unavailable for general expenditures within one year, due to:	-	-
Donor restricted for capital improvements to camp and/or special projects	187,000	187,000
Board designated for reserve	<u>700,197</u>	<u>700,197</u>
Total unavailable for general expenditure within one year	<u>887,197</u>	<u>887,197</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,753,061</u>	<u>\$ 1,335,611</u>

BRONX HOUSE – EMANUEL CAMPS, INC.
(D/B/A BERKSHIRE HILLS EISENBERG CAMP)
NOTES TO FINANCIAL STATEMENTS
AT
OCTOBER 31, 2020 AND 2019

NOTE 6 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS (CONTINUED):

As part of the Organization’s liquidity management, cash is invested in excess of daily requirements in short-term investments, typically certificates of deposit, and with the UJA (See Note 5), while holding a substantial reserve in cash and cash equivalents.

NOTE 7 – 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 various residential, recreational, entertainment and dining facilities originally erected on the Camp’s property were never capitalized in the Organization’s financial statements, which is a departure from GAAP. However, management does not believe that the unrecognized book value of the land and remaining book value of 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 has been implemented to recognize the cost of recent renovation activity.

A summary of the Camp’s property and equipment recognized in the financial statements is as follows at October 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>	<u>Estimated Useful Lives</u>
Vehicles	\$ 37,263	\$ 37,263	5 Years
Building	472,941	472,941	27 Years
Camp fixtures	246,672	246,672	7 - 10 Years
Building and property improvements	723,928	578,850	10 - 20 Years
Machinery and equipment	363,730	353,778	5 Years
Website	33,500	33,500	5 Years
	<u>1,878,034</u>	<u>1,723,004</u>	
Less: accumulated depreciation	<u>577,307</u>	<u>420,323</u>	
Total property and equipment	<u>\$ 1,300,727</u>	<u>\$ 1,302,681</u>	

BRONX HOUSE – EMANUEL CAMPS, INC.
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NOTE 7 – PROPERTY AND EQUIPMENT (CONTINUED)

Depreciation expense for the years ended October 31, 2020 and 2019 amounted to \$156,984 and \$115,299, respectively.

NOTE 8 – RESTRICTIONS ON NET ASSETS

Net assets with donor restrictions are available for the following purposes at October 31:

	<u>2020</u>	<u>2019</u>
Specified capital improvements to camp and/or special projects	<u>\$ 187,000</u>	<u>\$ 187,000</u>

The Organization reports the satisfaction of donor restrictions when the capital improvements are placed into service.

NOTE 9 – RELATED PARTY TRANSACTIONS

During the years ended October 31, 2020 and 2019, the Organization received contributions approximating \$110,000 and \$348,000, respectively, from members of the Organization's board of directors and their affiliates.

NOTE 10 – INVESTMENT INCOME

Investment income is included in camper fees and other miscellaneous revenue in the statements of activities and consists of the following for the years ended October 31:

	<u>2020</u>	<u>2019</u>
Net investment return from UJA balance receivable	\$ 36,207	\$ 44,933
Interest income	<u>17,816</u>	<u>24,497</u>
Total	<u>\$ 54,023</u>	<u>\$ 69,430</u>

NOTE 11 – 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, 2020 and 2019 amounted to \$21,816 and \$25,900, respectively.

In addition, the Organization leases an automobile. Vehicle lease expense for the years ended October 31, 2020 and 2019 amounted to \$10,161 and \$3,840, respectively.

NOTE 12 – ADVERTISING EXPENSE

Advertising is expensed as incurred and amounted to \$37,112 and \$45,745 for the years ended October 31, 2020 and 2019, respectively.

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NOTE 13 – 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 \$51,354 and \$44,697 for the years ended October 31, 2020 and 2019, 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 76% funded using the most recent financial information as of October 1, 2019, 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.

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, 2020 and 2019.

NOTE 14 – MAJOR DONORS

Of the grants reported in the Organization’s statements of activities for the years ended October 31, 2020 and 2019, approximately 84% and 76%, respectively, are attributable to grants made by the United Jewish Appeal – Federation of Jewish Philanthropies of New York, Inc.

In addition, approximately 56% of the Organization’s public support was attributable to one donor (a Camp board member) for the year ended October 31, 2019.

NOTE 15 – CAMP ENROLLMENT FEES

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

	<u>2020</u>	<u>2019</u>
Summer camp	\$ 30,860	\$ 1,471,355
Adult vacations	5,719	68,361
Retreats	<u>224,664</u>	<u>460,554</u>
	<u>\$ 261,243</u>	<u>\$ 2,000,270</u>