

Robert G. Gillette, CPA

Nonprofit Clients Only

To the Board of Directors of
Camp Fire USA of Central Ohio Council

I have audited the accompanying statement of financial position of Camp Fire USA of Central Ohio Council, a nonprofit organization, as of December 31, 2009 and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Council's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Camp Fire USA of Central Ohio Council as of December 31, 2009 and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Robert G. Gillette
Robert G. Gillette, CPA
Columbus, Ohio

November 19, 2010

Camp Fire USA of Central Ohio Council
Statement of Financial Position
For the Years Ended December 31, 2009

Assets

Current assets	
Cash and cash equivalents	\$34,186
Contributions receivable, net	48,387
Prepaid expenses and deposits	521
Total current assets	<u>83,094</u>
Property and equipment	
Land buildings and equipment - Note C	294,250
Less: Accumulated depreciation	(246,403)
Net property and equipment	<u>47,847</u>
Total assets	<u><u>\$130,941</u></u>

Liabilities

Custodial accounts, accounts payable and accrued liabilities - Note D	\$78,743
Line of credit and notes payable - Note E	31,000
Total liabilities	<u>109,743</u>

Net assets

Unrestricted	3,223
Temporarily restricted - Note G	14,475
Permanently restricted - Note G	3,500
Total net assets	<u>21,198</u>
Total liabilities and net assets	<u><u>\$130,941</u></u>

See accompanying notes to financial statements

Camp Fire USA of Central Ohio Council
Statement of Activities
For the Year Ended December 31, 2009

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Support and revenue				
Contributions	\$44,866	\$6,695		\$51,561
Foundations and grants	55,100			55,100
Membership dues	13,525			13,525
Sales and activities	34,220			34,220
Program fees	309,114			309,114
	<hr/>	<hr/>	<hr/>	<hr/>
Total support and revenue	456,825	6,695	0	463,520
Expenses:				
Salaries, payroll taxes and benefits	324,077			324,077
Professional fees	13,029			13,029
Camp and office supplies	42,256			42,256
Telephone and communications	7,194			7,194
Postage and shipping	2,295			2,295
Occupancy	28,567			28,567
Repairs and maintenance	26,251			26,251
Transportation, conference and meeting	9,941			9,941
Insurance	10,869			10,869
Charter fee and dues	24,222			24,222
Staff development	595			595
Publicity	9,632			9,632
Bank fees and interest	7,006			7,006
Depreciation	2,622			2,622
Summit	(843)			(843)
Provision for uncollectable pledges	5,400			5,400
	<hr/>	<hr/>	<hr/>	<hr/>
	513,113	0	0	513,113
	<hr/>	<hr/>	<hr/>	<hr/>
Change in net assets	(56,288)	6,695	0	(49,593)
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Net assets - beginning of year	59,511	7,780	3,500	70,791
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Net assets - end of year	\$3,223	\$14,475	\$3,500	\$21,198

See accompanying notes to financial statements

Camp Fire USA of Central Ohio Council
Statement of Cash Flows
For the Years Ended December 31, 2009

Cash Flows From Operating Activities

Increase (Decrease) in Net Assets	(\$49,593)
Adjustments to reconcile increase in net assets to cash provided by operating activities:	
Depreciation	2,622
Prepaid expenses and deposits	4,166
Contributions receivable	5,400
Custodial accounts, accounts payable and accrued liabilities - Note D	38,051
Net Cash Provided by Operations	646

Cash Flows From Investment Activities

Purchase of equipment	(4,755)
Net cash used in investing activities	(4,755)

Cash Flows From Financing Activities

Increase (Decrease) in notes payable	15,000
Net cash provided by financing activities	15,000

Increase (decrease) in cash	10,891
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Cash Beginning Of Year	23,295
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Cash End Of Year	\$34,186
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See accompanying notes to financial statements

Camp Fire of Central Ohio Council
Notes to Financial Statements
For the Years Ending December 31, 2009

NOTE A - ORGANIZATION AND PURPOSE

Founded in 1910, Camp Fire USA was the first nonsectarian, interracial organization for girls in the United States. Based on a commitment to the entire family, whatever its structure, membership was expanded to include boys in 1975. For the past century, Camp Fire USA has served over 42 million children and youth, helping them become caring, confident leaders.

Camp Fire of Central Ohio Council (the Council) is an Ohio not-for-profit corporation, which was organized to provide, through a program of informal education, opportunities for youth to realize their potential and to function effectively as caring, self-directed individuals responsible to themselves and to others; and, as an organization, to seek to improve those conditions in society which affect youth.

The Council's main programs include:

- **Camping and Environmental Education** – Outdoor experiences help children work in groups, make friends and build self-esteem while learning about ecology, conservation and the interrelationships of all living things. Camp Fire Central Ohio Council offers resident camp, day camp, overnight camping, family camping, and outdoor education.
- **Camp Fire Kids Before and After School Program** – Camp Fire USA is providing before and after school programming for three Imagine Schools in Columbus Ohio. This program enables parents to have peace of mind while at work that their children are being well cared for in a loving educational environment. We emphasize small group cooperation and reinforce academic work as well as foster creativity and environmental stewardship.
- **Traditional Club Programming** – The Club program emphasizes the value of small groups where children receive positive adult interaction – not only with parents, but also with non-family teens and adults. The curriculum is directly tied to asset-based, measurable outcomes and educational competency standards.
- **Kids of Character** – This program engages students in learning about differences in people through a literature-based program. Students in grades 3, 4 or 5 read books and respond to questions about a variety of subjects that illustrate how intolerance of the diversity among people hurts us all.

NOTE B - SIGNIFICANT ACCOUNTING POLICIES

The Council prepares its financial statements in accordance with generally accepted accounting principles (GAAP) promulgated in the United States of America for nonprofit organizations. The significant accounting and reporting policies used by the Council are described below to enhance the usefulness and understandability of the financial statements.

Basis of Accounting

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

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Support

All public support and revenue received by the Council is considered to be available for program and supporting services unless specifically restricted by the donor. The Council reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. The value of donated services and commodities are included in the accompanying financial statements only if an objective basis is available to measure the value of such services and commodities. When a donor 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. Designations of current unrestricted funds are made at the discretion of, and are subject to revision by the Board of Directors.

Functional Expenses

The costs of providing the program and management and general services have been reported on a functional basis in the statement of activities. Indirect costs have been allocated between the various programs and management and general services based on estimates. Although the methods of allocation used are considered appropriate, other methods could be used that would produce a different amount.

Income Taxes

The Council qualifies as a tax exempt organization under section 501 (c) (3) of the Internal Revenue Code and is not subject to federal income taxes. Accordingly, no provision for taxes is included in these financial statements.

NOTE B - SIGNIFICANT ACCOUNTING POLICIES- continued

Cash and cash equivalents

Cash and cash equivalents include all monies in banks and highly liquid investments with maturity dates of less than three months. The carrying value of cash and cash equivalents approximates the fair market value because of their short maturities.

Property, Equipment, and Depreciation

Property and equipment are stated at cost, if purchased, or estimated fair market value at time of donation, if donated. Depreciation of property and equipment is provided for in amounts sufficient to relate the cost of depreciable assets to operations over the estimated service lives on a straight-line basis.

The range of useful lives used in computing depreciation is as follows:

Buildings	20 years
Equipment and furniture	3-10 years

Statement of Cash Flows

For purposes of the statement of cash flows, the Council considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. Net cash flows from operating activities includes no cash payments for income taxes.

Subsequent Events

Subsequent events have been evaluated through November 19, 2009 which is the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.

NOTE C – CONTRIBUTIONS RECEIVABLE

At December 31 2009 the Council had \$20,150 of contributions receivable which will be received within one year and \$33,485 which will be received in one to four years. Total amounts receivable are \$53,635, which have been discounted by \$1,683 using a rate of 5%. In addition the Council has established an allowance for uncollectable pledges in the amount of \$5,400 which approximates 10% of total receivables.

NOTE D – PROPERTY AND EQUIPMENT

Property and equipment are carried on the books at historical cost for items purchased or assigned cost for donated items, with the appropriate accumulated depreciation. The depreciation charged against net assets consists of the amount required to write down the original cost of fixed assets to a residual value over their estimated useful lives. It is the Council's policy to capitalize property and equipment of \$500 or higher. Lesser amounts are expensed as period costs.

The straight-line depreciation method is used by the Council with useful lives of buildings at 20 years and fixtures, furniture and equipment ranging from 3 to 10 years. Fixed assets consist of the following:

NOTE D – PROPERTY AND EQUIPMENT - continued

	<u>2009</u>
Land	\$4,821
Buildings	244,040
Fixtures, furniture, & equipment	45,389
Total	<u>294,250</u>
Less: accumulated depreciation	(246,403)
Net	<u>\$47,847</u>

Depreciation expenses for the years ending December 31, 2009 was \$2,622.

NOTE E – CREDIT CARDS PAYABLE

The Council has the following bank credit cards payable at December 31, 2009:

	<u>Principal</u>	<u>Line of</u>	<u>Unused</u>	<u>Rate</u>	<u>Term</u>	<u>Collateral</u>
	<u>Balance</u>	<u>Credit</u>	<u>Portion</u>			
Fifth Third	406	2,000	1,594	11.00%	Revolve	N/A
Fifth Third	20	2,000	1,980	11.00%	Revolve	N/A
Fifth Third	108	5,000	4,892	11.00%	Revolve	N/A
Fifth Third	486	2,000	1,514	11.00%	Revolve	N/A
Fifth Third	0	2,000	2,000	11.00%	Revolve	N/A
	<u>\$1,020</u>	<u>\$13,000</u>	<u>\$11,435</u>			

NOTE F – NOTES PAYABLE

On December 31, 2009 the Council had eight notes payable to supporters of the Council totaling \$9,000. The notes have nominal or no interest rates. They will be repaid as funds become available. The amount of accrued interest payable on these loans is \$4,025.

The Council obtained a \$25,000 line of credit on January 1, 2009. The interest rate is the bank's prime rate plus 2%. Accrued interest payable is due monthly with the unpaid principal and accrued interest due at January 15, 2010, the maturity date of the line of credit. The line is secured by all business assets of the Council. On December 31, 2009 the unpaid balance on the line of credit was \$22,000.

NOTE G - RESTRICTED NET ASSETS

Permanently-restricted net assets are available for:

Endowment fund providing investment earnings to support the operation of the camp

\$3,500

NOTE H - CONCENTRATION OF CREDIT RISK

The Council places some of its temporary cash and money market accounts with creditworthy, high-quality financial institutions. Accounts at these institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000.

NOTE I - DONATED SERVICES

The Council receives volunteer services that are not recordable under generally accepted accounting principles. A substantial number of volunteers have donated a significant amount of time in the Council's program services. The value of volunteer services is not disclosed as no objective basis is available to measure the value of such services.