

Robert G. Gillette, CPA

Nonprofit Clients Only

INDEPENDENT AUDITORS' REPORT

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, 2010 and the related statements of activities, functional expenses 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, 2010, the changes in its net assets, its functional expenses 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, CPA
Columbus, Ohio

November 11, 2011

Camp Fire USA of Central Ohio Council
Statement of Financial Position
For the Years Ended December 31, 2010

Assets

Current assets

Cash and cash equivalents	\$33,761
Contributions receivable, net	34,619
Prepaid expenses and deposits	1,517

Total current assets	69,897
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Property and equipment

Land buildings and equipment - Note C	294,250
Less: Accumulated depreciation	(249,041)

Net property and equipment	45,209
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Total assets	\$115,106
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Liabilities

Custodial accounts, accounts payable and accrued liabilities - Note D	\$73,986
Line of credit and notes payable - Note E	19,845

Total liabilities	93,831
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Net assets

Unrestricted	3,299
Temporarily restricted - Note G	14,475
Permanently restricted - Note G	3,500

Total net assets	21,275
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Total liabilities and net assets	\$115,106
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See accompanying notes to financial statements

Camp Fire USA of Central Ohio Council
Statement of Activities
For the Year Ended December 31, 2010

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Support and revenue				
Contributions	\$53,177			\$53,177
Foundations and grants	29,650			29,650
Membership dues	9,659			9,659
Program fees	230,900			230,900
Interest income	30			30
Gain on sale of land	120,000			120,000
Released from restrictions				
 Total support and revenue	 443,416	 	 	 443,416
Expenses:				
Program service	355,014			355,014
Management and general	80,199			80,199
Fundraising	8,127			8,127
	443,340	0	0	443,340
 Change in net assets	 76	 0	 0	 76
 Net assets - beginning of year	 3,223	 14,475	 3,500	 21,199
 Net assets - end of year	 <u>\$3,299</u>	 <u>\$14,475</u>	 <u>\$3,500</u>	 <u>\$21,275</u>

See accompanying notes to financial statements

Camp Fire USA of Central Ohio Council
Statement of Functional Expenses
For the Year Ended December 31, 2010

	<u>Program Service</u>	<u>Administration</u>	<u>Fundraising</u>	<u>Total</u>
Salaries, payroll taxes and benefits	\$203,538	\$34,089	\$5,683	\$243,310
Professional fees	8,049	15,414		23,463
Camp and office supplies	36,329	8,018	140	44,487
Telephone and communications	5,451	1,279	213	6,943
Office expense	6,455	1,151	180	7,786
Occupancy	37,613	8,640	1,440	47,693
Insurance	5,550	2,144	357	8,051
Charter fee and dues	31,470	85		31,555
Transportation, conference and meetir	15,571	2,167	114	17,852
Bank fees and interest		7,170		7,170
Depreciation	2,638			2,638
Staff development	264	42		306
Publicity	2,086			2,086
	<u>\$355,014</u>	<u>\$80,199</u>	<u>\$8,127</u>	<u>\$443,340</u>

See accompanying notes to financial statements

Camp Fire USA of Central Ohio Council
Statement of Cash Flows
For the Years Ended December 31, 2010

Cash Flows From Operating Activities

Increase (Decrease) in Net Assets	\$76
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Adjustments to reconcile increase in net assets
to cash provided by operating activities:

Depreciation	2,638
Prepaid expenses and deposits	(996)
Contributions receivable	13,768
Custodial accounts, accounts payable and accrued liabilities - Note D	(4,757)

Net Cash Provided by Operations	10,729
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Cash Flows From Financing Activities

Increase (Decrease) in notes payable	(11,156)
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Net cash provided by financing activities	(11,156)
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Increase (decrease) in cash	(427)
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Cash Beginning Of Year	34,186
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Cash End Of Year	\$33,759
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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, 2010

NOTE A - ORGANIZATION AND PURPOSE

Camp Fire USA Central Ohio Council (the Council) was founded in 1913 and is affiliated with Camp Fire USA, a national 501(c)(3) nonprofit organization. Camp Fire USA was founded in 1910 as America's first nonsectarian, interracial organization for girls and in 1975 expanded services to include boys. Camp Fire's mission is to build caring, confident youth and future leaders. The mission is achieved through delivering evidence-based programming in Camp Fire clubs, before and after school educational programs, day camp, and various residential camp experiences encompassing Camp Fire's twelve core values.

The Council's main programs include:

Day and Resident Camps

The Council owns Camp Wyandot, a resident camp located in the Hocking Hills. Founded by the Council in 1928, Camp Wyandot is a fun, educational, and nurturing place where all children ages 8-18, no matter their backgrounds, are welcomed. As evidenced by a returning camper rate of about 60%, which is higher than the national average, kids enjoy and benefit from the camp experience. Parents report the following impact on their children after attending camp: they return home energized; they have improved confidence and self-esteem; they learn responsibility and independence; they get exercise in the outdoors, and they learn to live without electronic games, cell phones and TV. Parents view the camp as a safe, nurturing place where their children have new experiences, meet new friends and learn skills that will last a lifetime.

The Council sponsors a day camp at Highbanks Metro Park north of Columbus. The camp is held for nine weeks and offers before and after care for children.

Camp Fire Kids

The council provided before and after school care and Camp Fire programming at one charter school in 2010.

Camp Fire Clubs

Camp Fire clubs are community based clubs organized and run by adult volunteers. In addition to club meetings once a month, participants can enjoy special programs at Camp Wyandot and events such as camp-outs, field trips, progressing through ranks, collecting emblems, and showcasing their talents in the state fair.

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 4, 2011 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 – PLEDGES RECEIVABLE

At December 31 2010 the Council had \$33,050 of pledges receivable which will be received within one year and \$25,105 which will be received in one to ten years. Total amounts receivable are \$58,155, which have been discounted by \$3,536 using a rate of 5%. In addition the Council has established an allowance for uncollectable pledges in the amount of \$20,000 which approximates pledges receivable due for more than one year.

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.

NOTE D – PROPERTY AND EQUIPMENT - continued

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:

	<u>2010</u>
Land	\$4,821
Buildings	222,855
Fixtures, furniture, & equipment	45,389
Construction in progress	21,185
Total	<u>294,250</u>
Less: accumulated depreciation	(249,041)
Net	<u>\$45,209</u>

Depreciation expenses for the years ending December 31, 2010 was \$2,638.

NOTE E – CREDIT CARDS PAYABLE

The Council has the following bank credit cards payable at December 31, 2010:

	<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	162	2,000	1,594	10.25%	Revolve	N/A
Fifth Third	205	1,000	1,980	10.25%	Revolve	N/A
Fifth Third	369	5,000	4,892	10.25%	Revolve	N/A
Fifth Third	348	2,000	1,514	10.25%	Revolve	N/A
Fifth Third	0	2,000	2,000	10.25%	Revolve	N/A
	<u>\$1,084</u>	<u>\$12,000</u>	<u>\$11,980</u>			

NOTE F – NOTES PAYABLE

On December 31, 2010 the Council had five 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 \$4,414.

The Council opened a \$12,000 line of credit on May 15, 2010. The interest rate is 2%. Accrued interest payable is due monthly with the unpaid principal and accrued interest due at May 15, 2011, the maturity date of the line of credit. The line is secured by a \$12,000 certificate of deposit. On December 31, 2010 the unpaid balance on the line of credit was \$10,845.

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.