

**SHERWOOD FOREST CAMP, INC.**

**FINANCIAL STATEMENTS**

**December 31, 2014 and 2013**

# **SHERWOOD FOREST CAMP, INC.**

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## Independent Auditors' Report

Board of Directors  
Sherwood Forest Camp, Inc.

We have audited the accompanying financial statements of Sherwood Forest Camp, Inc. (a Missouri Corporation, not-for-profit), which comprise the statements of financial position as of December 31, 2014 and 2013, 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.

### 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 of 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.

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 Sherwood Forest Camp, Inc. as of December 31, 2014 and 2013, 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.

*Kerber, Eck & Braeckel LLP*

St. Louis, Missouri  
April 29, 2015

Other Locations

Belleville, IL • Carbondale, IL • Columbia, IL • Litchfield, IL • Springfield, IL • Cape Girardeau, MO • Milwaukee, WI

# SHERWOOD FOREST CAMP, INC.

## STATEMENTS OF FINANCIAL POSITION

December 31,

| ASSETS  | 2014         | 2013         |
|---|--------------|--------------|
| Current assets  |              |              |
| Cash and cash equivalents   | \$ 229,763   | \$ 119,810   |
| Investments   | 17,199       | 134,000      |
| Contributions receivable  | 477,044      | 482,950      |
| Other receivable  | -            | 1,478        |
| Prepaid expenses  | 12,027       | 17,272       |
| Inventories   | 7,081        | 6,017        |
| Total current assets  | 743,114      | 761,527      |
| Cash and cash equivalents restricted for acquisition<br>of property and equipment | 70,410       | 487,612      |
| Property and equipment, at cost   |              |              |
| Land improvements   | 527,732      | 23,292       |
| Buildings and improvements  | 953,581      | 868,437      |
| Equipment   | 520,869      | 649,287      |
|   | 2,002,182    | 1,541,016    |
| Less accumulated depreciation   | 1,072,517    | 1,135,237    |
|   | 929,665      | 405,779      |
| Land  | 165,545      | 165,545      |
| Construction in progress  | 72,256       | 78,281       |
| Total property and equipment  | 1,167,466    | 649,605      |
| Total assets  | \$ 1,980,990 | \$ 1,898,744 |
| LIABILITIES AND NET ASSETS  |              |              |
| Current liabilities   |              |              |
| Accounts payable  | \$ 7,595     | \$ 11,092    |
| Accrued expenses  | 40,150       | 37,637       |
| Total current liabilities   | 47,745       | 48,729       |
| Net assets  |              |              |
| Unrestricted  |              |              |
| Undesignated  | 1,354,691    | 858,446      |
| Designated by Board of Directors  | 10,500       | 15,500       |
|   | 1,365,191    | 873,946      |
| Temporarily restricted  | 568,054      | 976,069      |
| Total net assets  | 1,933,245    | 1,850,015    |
| Total liabilities and net assets  | \$ 1,980,990 | \$ 1,898,744 |

See notes to financial statements.

**SHERWOOD FOREST CAMP, INC.**

**STATEMENTS OF ACTIVITIES**

**Year ended December 31,**

|  | 2014         |                        |              | 2013         |                        |              |
|--|--------------|------------------------|--------------|--------------|------------------------|--------------|
|  | Unrestricted | Temporarily restricted | Total        | Unrestricted | Temporarily restricted | Total        |
| <b>Support and revenue</b>   |              |                        |              |              |                        |              |
| Public support   |              |                        |              |              |                        |              |
| United Way allocation  | \$ -         | \$ 404,844             | \$ 404,844   | \$ -         | \$ 405,099             | \$ 405,099   |
| Contributions  | 331,824      | 25,046                 | 356,870      | 383,191      | 56,281                 | 439,472      |
| Special events, net of direct donor benefit of \$43,386 in 2014 and \$47,444 in 2013 | 159,494      | -                      | 159,494      | 146,603      | -                      | 146,603      |
| Grants   | 210,445      | 2,403                  | 212,848      | 80,618       | 28,007                 | 108,625      |
| USDA   | 49,252       | -                      | 49,252       | 46,970       | -                      | 46,970       |
| Total public support   | 751,015      | 432,293                | 1,183,308    | 657,382      | 489,387                | 1,146,769    |
| Other support and revenue  |              |                        |              |              |                        |              |
| Program fees   | 105,837      | -                      | 105,837      | 105,326      | -                      | 105,326      |
| Sales - Camp store   | 3,971        | -                      | 3,971        | 5,121        | -                      | 5,121        |
| Interest income  | 3,372        | -                      | 3,372        | 3,930        | -                      | 3,930        |
| Other income   | 5,325        | -                      | 5,325        | 5,494        | -                      | 5,494        |
| Total other support and revenue  | 118,505      | -                      | 118,505      | 119,871      | -                      | 119,871      |
| Net assets released from restrictions  | 840,308      | (840,308)              | -            | 465,504      | (465,504)              | -            |
| Total support and revenue  | 1,709,828    | (408,015)              | 1,301,813    | 1,242,757    | 23,883                 | 1,266,640    |
| <b>Expenses</b>  |              |                        |              |              |                        |              |
| Program services   | 1,020,598    | -                      | 1,020,598    | 1,036,599    | -                      | 1,036,599    |
| Management and general   | 84,939       | -                      | 84,939       | 69,282       | -                      | 69,282       |
| Fundraising  | 113,046      | -                      | 113,046      | 129,065      | -                      | 129,065      |
| Total expenses   | 1,218,583    | -                      | 1,218,583    | 1,234,946    | -                      | 1,234,946    |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   | 491,245      | (408,015)              | 83,230       | 7,811        | 23,883                 | 31,694       |
| Net assets at beginning of year  | 873,946      | 976,069                | 1,850,015    | 866,135      | 952,186                | 1,818,321    |
| Net assets at end of year  | \$ 1,365,191 | \$ 568,054             | \$ 1,933,245 | \$ 873,946   | \$ 976,069             | \$ 1,850,015 |

See notes to financial statements.

**SHERWOOD FOREST CAMP, INC.**

**STATEMENTS OF FUNCTIONAL EXPENSES**

**Year ended December 31,**

|                                       | 2014                |                        |                   |                     | 2013                |                        |                   |                     |
|---------------------------------------|---------------------|------------------------|-------------------|---------------------|---------------------|------------------------|-------------------|---------------------|
|                                       | Program services    | Management and general | Fundraising       | Total               | Program services    | Management and general | Fundraising       | Total               |
| Salaries                              | \$ 400,086          | \$ 44,239              | \$ 74,692         | \$ 519,017          | \$ 402,401          | \$ 33,660              | \$ 87,739         | \$ 523,800          |
| Employee benefits                     | 74,411              | 5,406                  | 14,545            | 94,362              | 79,784              | 2,667                  | 16,325            | 98,776              |
| Payroll taxes                         | 60,210              | 3,368                  | 5,650             | 69,228              | 58,561              | 3,240                  | 5,753             | 67,554              |
| Stipends                              | 55,642              | -                      | -                 | 55,642              | 84,311              | -                      | -                 | 84,311              |
| Recruiting                            | 27,879              | 100                    | -                 | 27,979              | 25,328              | -                      | -                 | 25,328              |
| Professional fees                     | 3,760               | 15,050                 | -                 | 18,810              | 1,313               | 15,975                 | -                 | 17,288              |
| Food and supplies                     | 117,974             | 6,186                  | 498               | 124,658             | 130,558             | 4,292                  | 1,933             | 136,783             |
| Communication                         | 8,916               | -                      | -                 | 8,916               | 8,220               | -                      | -                 | 8,220               |
| Postage                               | 3,062               | 1,339                  | 3,230             | 7,631               | 3,438               | 1,177                  | 4,280             | 8,895               |
| Occupancy                             | 36,488              | 5,388                  | 5,405             | 47,281              | 34,492              | 4,972                  | 4,025             | 43,489              |
| Transportation                        | 58,577              | 975                    | -                 | 59,552              | 51,403              | 924                    | -                 | 52,327              |
| Conferences, conventions and meetings | 1,339               | 635                    | -                 | 1,974               | 1,370               | 654                    | -                 | 2,024               |
| Dues and subscriptions                | 6,888               | 451                    | -                 | 7,339               | 3,495               | 811                    | -                 | 4,306               |
| Printing                              | 1,838               | 564                    | 5,321             | 7,723               | 1,833               | 890                    | 5,107             | 7,830               |
| Individual assistance                 | 4,469               | -                      | -                 | 4,469               | 3,831               | -                      | -                 | 3,831               |
| Insurance                             | 48,765              | -                      | -                 | 48,765              | 45,647              | -                      | -                 | 45,647              |
| Repairs and maintenance               | 34,330              | 289                    | -                 | 34,619              | 34,096              | 20                     | -                 | 34,116              |
| Miscellaneous                         | 8,895               | 891                    | 3,643             | 13,429              | 8,701               | -                      | 3,903             | 12,604              |
| Depreciation                          | 67,069              | 58                     | 62                | 67,189              | 57,817              | -                      | -                 | 57,817              |
| Total expenses                        | <u>\$ 1,020,598</u> | <u>\$ 84,939</u>       | <u>\$ 113,046</u> | <u>\$ 1,218,583</u> | <u>\$ 1,036,599</u> | <u>\$ 69,282</u>       | <u>\$ 129,065</u> | <u>\$ 1,234,946</u> |

See notes to financial statements.

# SHERWOOD FOREST CAMP, INC.

## STATEMENTS OF CASH FLOWS

Year ended December 31,

|   | 2014       | 2013       |
|---|------------|------------|
| Increase (decrease) in cash and cash equivalents  |            |            |
| Cash flows from operating activities  |            |            |
| Increase in net assets  | \$ 83,230  | \$ 31,694  |
| Adjustments to reconcile increase in net assets<br>to net cash provided by (used in) operating activities |            |            |
| Depreciation  | 67,189     | 57,817     |
| Contributions restricted for long-term purposes   | -          | (52,489)   |
| Contributions of property and equipment   | (110,015)  | (87,103)   |
| Contributions of investments  | (8,199)    | (73,640)   |
| (Increase) decrease in assets   |            |            |
| Contributions receivable  | 5,906      | 12,210     |
| Other receivable  | 1,478      | 2,874      |
| Prepaid expenses  | 5,245      | (1,537)    |
| Inventories   | (1,064)    | 2,015      |
| Increase (decrease) in liabilities  |            |            |
| Accounts payable  | (3,497)    | 5,132      |
| Accrued expenses  | 2,513      | (4,946)    |
| Net cash provided by (used in) operating activities   | 42,786     | (107,973)  |
| Cash flows from investing activities  |            |            |
| Purchase of property and equipment  | (477,093)  | (57,500)   |
| Loss on asset disposal  | 2,058      | -          |
| Sales of investments  | 125,000    | 79,711     |
| Net cash provided by (used in) investing activities   | (350,035)  | 22,211     |
| Cash flows from financing activities  |            |            |
| Proceeds from contributions restricted for acquisition<br>of property and equipment                       | -          | 52,489     |
| NET DECREASE IN CASH<br>AND CASH EQUIVALENTS  | (307,249)  | (33,273)   |
| Cash and cash equivalents at beginning of year  | 607,422    | 640,695    |
| Cash and cash equivalents at end of year  | \$ 300,173 | \$ 607,422 |
| Reconciliation of cash and cash equivalents<br>to the statement of financial position                     |            |            |
| Cash and cash equivalents   | \$ 229,763 | \$ 119,810 |
| Cash and cash equivalents restricted for acquisition<br>of property and equipment                         | 70,410     | 487,612    |
|   | \$ 300,173 | \$ 607,422 |
| Supplemental disclosures  |            |            |
| Noncash investing and financing activities:   |            |            |
| Donation of vehicle   | \$ -       | \$ 31,323  |
| Donation of construction materials and services   | \$ 110,015 | \$ 55,780  |
| Donation of investments   | \$ 8,199   | \$ 73,640  |

See notes to financial statements.

# SHERWOOD FOREST CAMP, INC

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1 – NATURE OF ENTITY

Sherwood Forest Camp, Inc. (the “Camp”) is a not-for-profit charitable organization whose principal activities are to provide residential summer camps in which outdoor education and weekend retreats are offered to financially disadvantaged children and certain qualified families in the St. Louis metropolitan area. The Camp’s largest individual source of revenue is through contributions from the United Way and other public support. Fundraisers are also held to generate revenues.

### NOTE 2 – SUMMARY OF ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the financial statements follows.

#### **Cash and Cash Equivalents**

The Camp considers all liquid investments with original maturities of 90 days or less to be cash equivalents.

#### **Investments**

Investments in equity securities with readily determinable fair values and all debt securities are recorded at fair value with gains and losses reported in the statements of activities. Other investments are reported at cost. Donated investments are recorded at market value at the date of donation and thereafter carried in conformity with the stated policy.

#### **Contributions Receivable**

The Camp considers contributions receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to operations when that determination is made.

#### **Inventory**

Inventories consist of non-perishable food, clothing, and supplies. Inventories are stated at the lower of cost or market. Costs are determined using the first-in, first-out (FIFO) method.



# SHERWOOD FOREST CAMP, INC

## NOTES TO FINANCIAL STATEMENTS

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### Property and Equipment

Property and equipment are recorded at cost if purchased. Contributed property and equipment is recorded at fair value at the date of donation. Expenditures which extend the useful lives of the assets are capitalized, while maintenance and repairs are expensed. Depreciation of buildings and equipment is provided on a straight-line basis over their estimated useful lives as follows:

|                            | <u>Years</u> |
|----------------------------|--------------|
| Buildings and improvements | 20           |
| Land improvements          | 15           |
| Equipment                  | 3 - 15       |

### Contributions

Unconditional promises to give cash and other assets are accrued at estimated fair value at the date each promise is received. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported as an increase in unrestricted net assets. Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions.

### In-Kind Contributions

Contributed services are recognized at fair value if the services create or enhance long-lived assets or require specialized skills and would need to be purchased if not donated. For the year ended December 31, 2014 and 2013, donated construction services were \$110,015 and \$55,780 respectively, and were recognized in the financial statements as contribution revenue and property and equipment.

The Camp also receives contributed services from a variety of unpaid volunteers assisting the Camp in its charitable programs and fundraising activities. However, these contributed services are not reflected in the financial statements because they do not meet the criteria for recognition.

The Camp receives contributions of furniture, clothing, equipment, and construction materials and recognizes support and revenue based on the contributions estimated fair value. Absent any explicit restrictions by the donor, the Camp reports the contribution of property and equipment as unrestricted support and revenue.

# SHERWOOD FOREST CAMP, INC

## NOTES TO FINANCIAL STATEMENTS

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### Income Taxes

The Camp qualifies as a charitable organization as defined by Internal Revenue Code 501(c)(3), and, accordingly, it is exempt from Federal income taxes under Internal Revenue Code Section 501(a) and similar provisions of state law. The Camp files federal information returns. The statutes of limitations for information returns filed for the tax years ended December 31, 2011 through 2014 have not expired and therefore are subject to examination.

### Functional Expenses

The costs of providing various programs and activities have been summarized on a functional basis in the statements of activities. Certain costs have been allocated among the program, management and general and fundraising categories based on the supporting services benefited.

### Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

### Reclassification

Certain amounts in the 2013 financial statements have been reclassified to conform to the 2014 presentation.

## NOTE 3 – INVESTMENTS

Investments consist of the following at December 31:

|                         | <u>2014</u>      | <u>2013</u>       |
|-------------------------|------------------|-------------------|
| Certificates of deposit | \$ -             | \$ 125,000        |
| Equity                  | 8,199            | -                 |
| Oil and gas interest    | <u>9,000</u>     | <u>9,000</u>      |
|                         | <u>\$ 17,199</u> | <u>\$ 134,000</u> |

# SHERWOOD FOREST CAMP, INC

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 4 – CONCENTRATION OF CREDIT RISK

The Camp maintains its cash balances in two financial institutions. The balances may at times exceed federally insured limits. The Camp has not experienced any losses in cash accounts and believes it is not exposed to any significant credit risk on cash.

The Camp received 31% and 32% of its support and revenue from United Way during 2014 and 2013, respectively. The Camp's United Way allocation for 2015 is \$404,844.

### NOTE 5 – LINE OF CREDIT

The Camp has a line of credit with Great Southern Bank that expires on October 5, 2015 and provides for maximum borrowings of \$100,000. Interest on the revolving line of credit is payable monthly based on the prime rate. The line of credit agreement is secured by all bank and investment accounts, inventory, and equipment.

### NOTE 6 – PENSION PLAN

The Camp has a defined contribution annuity plan that covers all eligible employees. The Camp contributes 8% of salaries for eligible employees and full vesting occurs after three years of service. Pension expense was \$31,824 and \$38,888 for the years ended December 31, 2014 and 2013, respectively.

### NOTE 7 – TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are those which are subject to donor-imposed stipulations that will be met, either by actions of the Camp and/or the passage of time. Temporarily restricted net assets consist of the following at December 31,:

|                                 | <u>2014</u>       | <u>2013</u>       |
|---------------------------------|-------------------|-------------------|
| Restricted for purpose          |                   |                   |
| Neighborhood Assistance Program | \$ -              | \$ 420,123        |
| Reading program                 | 8,054             | 5,507             |
| Leadership                      | 12,546            | -                 |
| Capital projects                | 70,410            | 67,489            |
| Restricted for time             | <u>477,044</u>    | <u>482,950</u>    |
|                                 | <u>\$ 568,054</u> | <u>\$ 976,069</u> |

# **SHERWOOD FOREST CAMP, INC**

## **NOTES TO FINANCIAL STATEMENTS**

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### **NOTE 8 – SUBSEQUENT EVENTS**

In preparing these financial statements, the Camp has evaluated events and transactions for potential recognition or disclosure through April 29, 2015, the date the financial statements were available to be issued.