Camp For All Foundation

Financial Statements
and Independent Auditors' Report
for the years ended December 31, 2014 and 2013

Camp For All Foundation

Table of Contents

Blazek & Vetterling
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report

To the Board of Directors of
Camp For All Foundation:

We have audited the accompanying financial statements of Camp For All Foundation, which comprise the statements of financial position as of December 31, 2014 and 2013 and the related statements of activities, of cash flows, and of functional expenses 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 our audits 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.

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 Camp For All Foundation 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.

Blazek & Vetterling

June 15, 2015

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Camp For All Foundation

Statements of Financial Position as of December 31, 2014 and 2013

	2014	2013
ASSETS		
Cash	$ 588,611	$ 916,128
Operating pledges receivable, net *(Note 2)*	29,500	
Other assets	114,866	54,750
Cash restricted for capital additions	667,056	562,202
Pledges restricted for capital additions, net *(Note 2)*	506,731	606,327
Investments *(Notes 3 and 4)*	3,249,720	2,690,412
Property, net *(Note 5)*	13,667,617	14,103,781
TOTAL ASSETS	$ 18,824,101	$ 18,933,600
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable and accrued expenses	$ 96,491	$ 130,123
Construction payable		70,505
Deferred revenue – special events	340,575	287,662
Total liabilities	437,066	488,290
Net assets *(Note 8)*:		
Unrestricted *(Note 6)*	15,119,190	15,351,112
Temporarily restricted *(Note 7)*	1,716,264	1,567,417
Permanently restricted	1,551,581	1,526,781
Total net assets	18,387,035	18,445,310
TOTAL LIABILITIES AND NET ASSETS	$ 18,824,101	$ 18,933,600

See accompanying notes to financial statements.

Camp For All Foundation

Statement of Activities for year ended December 31, 2014

	UNRESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	TOTAL
REVENUE:				
Program service fees	$ 1,729,437			$ 1,729,437
Contributions	670,479	$ 513,674	$ 24,800	1,208,953
Special events	1,185,601			1,185,601
Direct donor benefit costs	(246,100)			(246,100)
Investment return, net *(Note 3)*	13,470	15,861		29,331
Camp store sales and other	27,749			27,749
Total revenue	3,380,636	529,535	24,800	3,934,971
Net assets released from restrictions:				
Program expenditures	170,286	(170,286)		
Capital expenditures	210,402	(210,402)		
Total	3,761,324	148,847	24,800	3,934,971
EXPENSES:				
Program services – camp operations	3,237,095			3,237,095
Management and general	247,547			247,547
Fundraising	508,604			508,604
Total expenses	3,993,246			3,993,246
CHANGES IN NET ASSETS	(231,922)	148,847	24,800	(58,275)
Net assets, beginning of year	15,351,112	1,567,417	1,526,781	18,445,310
Net assets, end of year	$ 15,119,190	$ 1,716,264	$ 1,551,581	$ 18,387,035

See accompanying notes to financial statements.

Camp For All Foundation

Statement of Activities for year ended December 31, 2013

	UNRESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	TOTAL
REVENUE:				
Program service fees	$ 1,637,922			$ 1,637,922
Contributions	736,436	$ 388,402		1,124,838
Special events	1,112,845			1,112,845
Direct donor benefit costs	(196,881)			(196,881)
Investment return, net *(Note 3)*	69,772	164,899		234,671
Camp store sales and other	26,753			26,753
Total revenue	3,386,847	553,301		3,940,148
Net assets released from restrictions:				
Program expenditures	316,389	(316,389)		
Capital expenditures	5,419,067	(5,419,067)		
Expiration of time restrictions	5,820	(5,820)		
Total	9,128,123	(5,187,975)		3,940,148
EXPENSES:				
Program services – camp operations	3,192,313			3,192,313
Management and general	233,425			233,425
Fundraising	536,313			536,313
Total expenses	3,962,051			3,962,051
CHANGES IN NET ASSETS	5,166,072	(5,187,975)		(21,903)
Net assets, beginning of year	10,185,040	6,755,392	$ 1,526,781	18,467,213
Net assets, end of year	$ 15,351,112	$ 1,567,417	$ 1,526,781	$ 18,445,310

See accompanying notes to financial statements.

Camp For All Foundation

Statements of Cash Flows for the years ended December 31, 2014 and 2013

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES:		
Changes in net assets	$ (58,275)	$ (21,903)
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	586,286	500,219
Contributions restricted for capital additions	(227,641)	(74,326)
Contributions restricted for permanent endowment	(24,800)	
Net realized and unrealized (gain) loss on investments	191,291	(722)
Changes in operating assets and liabilities:		
Operating pledges receivable	(29,500)	5,820
Other assets	(60,116)	31,474
Accounts payable and accrued expenses	(33,632)	16,432
Deferred revenue – special events	52,913	91,131
Net cash provided by operating activities	396,526	548,125
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of investments	(750,599)	(2,806,077)
Sale of investments		2,358,422
Change in cash restricted for capital additions	(104,854)	2,691,379
Purchase of property	(220,627)	(3,426,296)
Net cash used by investing activities	(1,076,080)	(1,182,572)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from contributions restricted for capital additions	327,037	720,964
Proceeds from contributions restricted for permanent endowment	25,000	
Net cash provided by financing activities	352,037	720,964
NET CHANGE IN CASH	(327,517)	86,517
Cash, beginning of year	916,128	829,611
Cash, end of year	$ 588,611	$ 916,128

See accompanying notes to financial statements.

Camp For All Foundation

Statements of Functional Expenses for the years ended December 31, 2014 and 2013

	PROGRAM SERVICES	MANAGEMENT AND GENERAL	FUNDRAISING	2014 TOTAL
Salaries and benefits	$ 1,502,294	$ 196,615	$ 306,292	$ 2,005,201
Camp supplies	689,089			689,089
Depreciation	586,286			586,286
Utilities	249,090	1,603	2,455	253,148
Insurance	107,247	849	1,301	109,397
Office supplies and small equipment	24,629	14,667	43,300	82,596
Meetings and special events	11,105	2,063	64,865	78,033
Professional fees	28,435	13,103	21,086	62,624
Occupancy	19,677	13,602	20,840	54,119
Printing	11,012	1,240	19,307	31,559
Credit card and bank fees		3,781	21,126	24,907
Miscellaneous	8,231	24	8,032	16,287
Total expenses	$ 3,237,095	$ 247,547	$ 508,604	3,993,246
Direct donor benefit costs – special events				246,100
Investment management fees				2,655
Total				$ 4,242,001

	PROGRAM SERVICES	MANAGEMENT AND GENERAL	FUNDRAISING	2013 TOTAL
Salaries and benefits	$ 1,560,867	$ 180,587	$ 282,282	$ 2,023,736
Camp supplies	757,316			757,316
Depreciation	500,219			500,219
Utilities	208,942	1,555	2,358	212,855
Insurance	94,613	1,044	1,582	97,239
Office supplies and small equipment	24,817	10,944	41,404	77,165
Meetings and special events	14,008	5,131	125,378	144,517
Professional fees	143	16,257	4,357	20,757
Occupancy	18,504	11,142	16,893	46,539
Printing	7,001	4,672	30,401	42,074
Credit card and bank fees		1,626	24,566	26,192
Miscellaneous	5,883	467	7,092	13,442
Total expenses	$ 3,192,313	$ 233,425	$ 536,313	3,962,051
Direct donor benefit costs – special events				196,881
Investment management fees				18,563
Total				$ 4,177,495

See accompanying notes to financial statements.

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Organization – Camp For All Foundation (the Foundation) was incorporated in 1993 under the Texas Non-Profit Corporation Act. Its purpose is to provide a camp facility designed for chronically ill or disabled children and adults. The barrier-free facility features paved walkways to assist wheelchair travel, specialized equipment to enable maximum participation in water sports, horseback riding and other physical activities, as well as a medical facility for campers requiring medication.

The Foundation collaborates with more than 60 other non-profits primarily from the greater Houston area, but also throughout Texas and some camps draw campers nationally. The Foundation operates throughout the year and in 2014 provided services for more than 10,000 children and adults including those with cancer, autism, muscular dystrophy, visual challenges, spinal cord injuries, spinal bifida, sickle cell, severe burns, HIV, epilepsy, and their caretakers. Through its fundraising efforts, the Foundation provides 50% of the cost for each individual to attend and experience its life-changing facilities and programming.

Federal income tax status – The Foundation is exempt from federal income tax under §501(c)(3) of the Internal Revenue Code and is classified as a public charity under §170(b)(1)(A)(vi). The Foundation files annual federal information returns that are subject to routine examination; however, there are no examinations for any tax periods currently in progress. The Foundation believes it is no longer subject to examinations of returns for tax years ended before December 31, 2011.

Cash – Bank deposits exceed the federally insured limit per depositor per institution.

Pledges receivable – Amounts that are expected to be collected within one year are reported at net realizable value. Amounts that are expected to be collected in future years are discounted to estimate the present value of future cash flows.

Allowance for uncollectible accounts – An allowance for uncollectible accounts receivable and pledges receivable is provided when it is believed accounts may not be collected in full. The adequacy of the allowance at the end of each period is determined using a combination of historical loss experience and analysis of individual accounts receivable and pledge balances each period. Receivables are written off as a charge to the allowance for uncollectible accounts when management determines the receivable will not be collected.

Investments are reported at fair value. Investment return is reported in the statement of activities as a change in unrestricted net assets unless the use of the income is limited by donor-imposed restrictions. Investment return whose use is restricted by the donor is reported as an increase in temporarily restricted net assets.

Property is reported at cost, if purchased, or at fair value at the date of gift, if donated. The Foundation capitalizes additions and improvements with a cost more than $5,000. Depreciation is calculated using the straight-line method over estimated useful lives of 3 to 39 years.

Net asset classification – Contributions, investment return and the related net assets are classified based on the existence or absence of donor-imposed restrictions, as follows:

- *Unrestricted net assets* include those net assets whose use is not restricted by donor-imposed stipulations, even though their use may be limited in other respects, such as by contract or board designation.
- *Temporarily restricted net assets* include contributions and investment return restricted by the donor for specific purposes or time periods. When a purpose restriction is accomplished or a time restriction ends, temporarily restricted net assets are released to unrestricted net assets.
- *Permanently restricted net assets* include contributions that donors have restricted in perpetuity. The income earned on these funds is available to support the operations of the Foundation.

Program service fees represent fees from user groups for use of camp facilities. Fees are recognized in the period in which the services are provided.

Contributions are recognized as revenue at fair value when an unconditional commitment is received from the donor. Contributions received with donor stipulations that limit their use are classified as restricted support. Conditional contributions are recognized as revenue when the conditions are substantially met. The Foundation recognizes gifts of property and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are classified as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Foundation reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Special events revenue is recognized when the event occurs. Amounts received in advance are reported as deferred revenue until earned.

In-kind contributions – Donated assets, materials and use of facilities are recognized at fair value as contributions when an unconditional commitment is received from the donor. The related expense is recognized as the item is used. Contributions of services are recognized when services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

Estimates – Management must make estimates and assumptions to prepare financial statements in accordance with generally accepted accounting principles. These estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, the amounts of reported revenue and expenses, and the allocation of expenses among various functions. Actual results could vary from the estimates that were used.

Reclassifications – Certain reclassifications have been made to the prior year financial statements to conform with the current presentation.

NOTE 2 – PLEDGES RECEIVABLE

Pledges receivable consist of the following:

	2014	2013
Pledges receivable	$ 541,231	$ 612,968
Allowance for uncollectible pledges	(5,000)	(5,000)
Discount to net present value at .5%		(1,641)
Pledges receivable, net	$ 536,231	$ 606,327

Pledges receivable at December 31, 2014 are expected to be collected as follows:

Within one year	$ 472,168
In one to five years	69,063
Total pledges receivable	$ 541,231

At December 31, 2014, approximately 66% of pledges receivable were from three foundations.

NOTE 3 – INVESTMENTS

Investments consist of the following:

	2014	2013
TIFF Multi-Asset Mutual Fund	$ 3,249,720	$ 2,690,412
Total investments	$ 3,249,720	$ 2,690,412

TIFF Multi-Asset Mutual Fund is a SEC-registered mutual fund held and administered by The Investment Fund for Foundations (TIFF). The fund seeks to achieve a total return that, over a majority of market cycles, exceeds inflation plus 5% per annum by employing a globally diversified portfolio. The fund generally maintains its desired alignment of exposures by deploying equity futures, currency futures, U. S. Treasury futures, and swaps as needed. Redemptions can be made daily and no notice is required. A 0.5% exit fee is levied on all redemptions. There are no unfunded commitments at December 31, 2014.

Investments are exposed to various risks such as interest rate, market, and credit risks. Because of these risks, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position and statement of activities.

Investment return is comprised of the following:

	2014	2013
Interest and dividend income	$ 223,277	$ 252,512
Net realized and unrealized gain (loss) on investments	(191,291)	722
Investment management fees	(2,655)	(18,563)
Investment return, net	$ 29,331	$ 234,671

NOTE 4 – FAIR VALUE MEASUREMENTS

Generally accepted accounting principles require that certain assets and liabilities be reported at fair value and establish a hierarchy that prioritizes inputs used to measure fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The three levels of the fair value hierarchy are as follows:

- *Level 1* – Inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the reporting date.
- *Level 2* – Inputs are other than quoted prices included in Level 1, which are either directly observable or can be derived from or corroborated by observable market data at the reporting date.
- *Level 3* – Inputs are not observable and are based on the reporting entity’s assumptions about the inputs market participants would use in pricing the asset or liability.

Assets measured at fair value at December 31, 2014 are as follows:

	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Investments:				
TIFF Multi-Asset Mutual Fund		$ 3,249,720		$ 3,249,720
Total assets measured at fair value	$ 0	$ 3,249,720	$ 0	$ 3,249,720

Assets measured at fair value at December 31, 2013 are as follows:

	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Investments:				
TIFF Multi-Asset Mutual Fund		$ 2,690,412		$ 2,690,412
Total assets measured at fair value	$ 0	$ 2,690,412	$ 0	$ 2,690,412

TIFF Multi-Asset Mutual Fund is valued at the reported net asset value per share as determined by The Investment Fund for Foundations and is supported by the values reported in the audited financial statements. This valuation method may produce a fair value that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Foundation believes its valuation method is appropriate, the use of different methods or assumptions could result in a different fair value measurement at the reporting date.

NOTE 5 – PROPERTY

Property consists of the following:

	2014	2013
Land	$ 435,332	$ 435,332
Construction in progress	18,979	79,475
Camp facilities	18,684,552	18,567,709
Camp furniture and equipment	864,777	777,428
Office furniture and equipment	17,590	17,590
Property, at cost	20,021,230	19,877,534
Accumulated depreciation	(6,353,613)	(5,773,753)
Property, net	$ 13,667,617	$ 14,103,781

NOTE 6 – UNRESTRICTED NET ASSETS

Unrestricted net assets consist of the following:

	2014	2013
Property	$ 13,648,638	$ 14,023,306
Undesignated	794,734	651,988
Board Reserve Fund	675,818	675,818
Total unrestricted net assets	$ 15,119,190	$ 15,351,112

The Board Reserve Fund is included in investments and can only be accessed by obtaining a resolution approved by a majority of the Board of Directors.

NOTE 7 – TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes:

	2014	2013
Camp facility construction and enhancements	$ 1,371,764	$ 1,289,027
Accumulated endowment earnings for operations	294,251	278,390
Programs	50,249	
Total temporarily restricted net assets	$ 1,716,264	$ 1,567,417

NOTE 8 – ENDOWMENT FUNDS

The Foundation has a donor-restricted general endowment fund for operations.

Changes in endowment funds for the years ended December 31, 2014 and 2013 are as follows:

	UNRESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	TOTAL
Endowment net assets, January 1, 2013	$ 0	$ 113,491	$ 1,526,781	$ 1,640,272
Investment return:				
Interest and dividends		17,616		17,616
Net appreciation of investments		160,329		160,329
Investment management fees		(13,046)		(13,046)
Total investment return		164,899		164,899
Endowment net assets, December 31, 2013	0	278,390	1,526,781	1,805,171
Contributions			24,800	24,800
Investment return:				
Interest and dividends		12,414		12,414
Net appreciation of investments		4,935		4,935
Investment management fees		(1,488)		(1,488)
Total investment return		15,861		15,861
Endowment net assets, December 31, 2014	$ 0	$ 294,251	$ 1,551,581	$ 1,845,832

The Board of Directors of the Foundation has interpreted the Texas Uniform Prudent Management of Institutional Funds Act (TUPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies the original value of gifts donated to the permanent endowment as permanently restricted net assets. The remaining portion of the donor-restricted endowment fund that is not classified as permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by TUPMIFA. In accordance with TUPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the Foundation and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Foundation
- The investment policies of the Foundation

The Board of Directors may approve a distribution of available endowment funds equal to a maximum of 6% of the average endowment investment balance for the previous three years. A distribution was not approved by the Board of Directors in 2014 and 2013.

Endowment funds are maintained in an investment account which is managed by TIFF. The Foundation has adopted investment policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places an emphasis on a blend of equity-based investments and fixed-income investments to achieve its long-term return objectives within prudent risk constraints.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor specified as a fund of perpetual duration. Deficiencies of this nature resulted from unfavorable market fluctuations. These deficiencies are reported in unrestricted net assets as an aggregate deficiency of endowment funds.

NOTE 9 – IN-KIND CONTRIBUTIONS

The Foundation recognized approximately $4,800 and $33,000 of in-kind contributions for program materials in 2014 and 2013, respectively.

NOTE 10 – LINE OF CREDIT

The Foundation has a $200,000 line of credit with an interest rate of one percent plus the bank’s prime rate (6% at December 31, 2014) and an expiration date of June 28, 2015. As of December 31, 2014, no amounts were outstanding on this line of credit.

NOTE 11 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 15, 2015, which is the date that the financial statements were available for issuance. As a result of this evaluation, no events were identified that are required to be disclosed or would have a material impact on reported net assets or changes in net assets.