

THE ANDREW JACKSON POLICE YOUTH CAMP, INC.
AUDITED FINANCIAL STATEMENTS
DECEMBER 31, 2016

Contents

	<u>Page</u>
Independent Auditors' Report	1
Audited Financial Statements:	
Statement of Financial Position	2
Statement of Activities.....	3
Statement of Functional Expenses.....	4
Statement of Cash Flows	5
Notes to Financial Statements.....	6 – 8

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Independent Auditors' Report

Board of Directors
The Andrew Jackson Police Youth Camp, Inc.
Nashville, Tennessee

We have audited the accompanying financial statements of The Andrew Jackson Police Youth Camp, Inc. (a non-profit organization), which comprise the statement of financial position as of December 31, 2016, and the related statements of activities, functional expenses and cash flows for the year 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 audit. We conducted our audit 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 auditor's 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 The Andrew Jackson Police Youth Camp, Inc. (a non-profit organization) as of December 31, 2016, and the changes in its net assets, functional expenses and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Cooper, Travis & Company, PLC
Cooper, Travis & Company, PLC
Certified Public Accountants

Nashville, Tennessee
August 24, 2017

THE ANDREW JACKSON POLICE YOUTH CAMP, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2016

ASSETS

Current Assets

Cash - unrestricted	\$ 500,492
Total current assets	<u>500,492</u>

Property and Equipment

Buildings and improvements	427,182
Camp equipment	86,801
Land	19,503
Furniture and office equipment	<u>12,504</u>
Total property and equipment, at cost	545,990
Less: Accumulated depreciation	<u>(294,298)</u>
Total property and equipment, net	<u>251,692</u>

Total assets	<u>\$ 752,184</u>
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LIABILITIES AND NET ASSETS

Current Liabilities

Accounts payable	\$ 2,851
Total current liabilities	<u>2,851</u>

Net Assets

Unrestricted	526,263
Permanently restricted	<u>223,070</u>
Total net assets	<u>749,333</u>

Total liabilities and net assets	<u>\$ 752,184</u>
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See accompanying notes to financial statements.

THE ANDREW JACKSON POLICE YOUTH CAMP, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2016

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<u>Support</u>				
Contributions	\$ 561,044	\$ -	\$ 84,724	\$ 645,768
Fundraising	-	-	-	-
Total support	<u>561,044</u>	<u>-</u>	<u>84,724</u>	<u>645,768</u>
<u>Revenues</u>				
Interest	461	-	-	461
Rental and other income	<u>4,600</u>	<u>-</u>	<u>-</u>	<u>4,600</u>
Total revenues	<u>5,061</u>	<u>-</u>	<u>-</u>	<u>5,061</u>
Total support and revenues	<u>566,105</u>	<u>-</u>	<u>84,724</u>	<u>650,829</u>
<u>Expenses</u>				
Program	152,574	-	17,288	169,862
Management	21,849	-	-	21,849
Fundraising	<u>221,120</u>	<u>-</u>	<u>-</u>	<u>221,120</u>
Total expenses	<u>395,543</u>	<u>-</u>	<u>17,288</u>	<u>412,831</u>
Change in net assets	170,562	-	67,436	237,998
Net assets at January 1, 2016	355,701	-	155,634	511,335
Reclassification of restricted net assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net assets at December 31, 2016	<u>\$ 526,263</u>	<u>\$ -</u>	<u>\$ 223,070</u>	<u>\$ 749,333</u>

See accompanying notes to financial statements.

THE ANDREW JACKSON POLICE YOUTH CAMP, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2016

	<u>Program</u>	<u>Management</u>	<u>Fundraising</u>	<u>Total</u>
Payroll	\$ 20,653	\$ 6,000	\$ 221,120	\$ 247,773
Other costs	32,682	-	-	32,682
Depreciation	27,590	-	-	27,590
Utilities	24,371	-	-	24,371
Pool maintenance	15,586	-	-	15,586
Building maintenance & supplies	15,127	-	-	15,127
Insurance	12,028	-	-	12,028
Food and kitchen supplies	10,037	-	-	10,037
Office expenses	1,297	7,740	-	9,037
Legal and professional	-	8,109	-	8,109
Telephone	5,272	-	-	5,272
Camper clothing	2,549	-	-	2,549
Equipment maintenance	1,405	-	-	1,405
Taxes and license	1,265	-	-	1,265
Total expenses	\$ 169,862	\$ 21,849	\$ 221,120	\$ 412,831
Percentage of total expense	41.1%	5.3%	53.6%	100.0%

See accompanying notes to financial statements.

THE ANDREW JACKSON POLICE YOUTH CAMP, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2016

Cash flows from operating activities:	
Cash received from contributions	\$ 645,768
Interest received	461
Rental and other income received	4,600
Cash paid for program expenses	(146,573)
Cash paid for management expenses	(21,849)
Cash paid for fundraising expenses	(221,120)
Net cash provided by operating activities	<u>261,287</u>
 Cash flows from investing activities:	
Cash paid for purchase of buildings and equipment	<u>(84,724)</u>
Net cash used for investing activities	<u>(84,724)</u>
 Net increase in cash - unrestricted	176,563
 Cash - unrestricted at January 1, 2016	<u>323,929</u>
 Cash - unrestricted at December 31, 2016	<u><u>\$ 500,492</u></u>
 Reconciliation of change in net assets to net cash provided by operating activities:	
Change in net assets	<u>\$ 237,998</u>
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	27,590
Effect on cash from changes in operating assets and liabilities:	
Accounts payable	868
Accrued payroll liabilities	<u>(5,169)</u>
Total adjustments	<u>23,289</u>
 Net cash provided by operating activities	<u><u>\$ 261,287</u></u>
 Supplemental schedule of noncash investing and financing activities: None	

See accompanying notes to financial statements.

THE ANDREW JACKSON POLICE YOUTH CAMP, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

Note 1 – Summary of Significant Accounting Policies

a. Nature of Activities

The Andrew Jackson Police Youth Camp, Inc. (the "Organization") was organized as a non-profit organization for the purpose of establishing a youth camp for underprivileged children in Metropolitan Nashville and Davidson County, Tennessee. The Organization is supported primarily by contributions from the general public.

b. Method of Accounting and Presentation

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

Under accounting standards on Financial Statements of Not-for-profit Organizations, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted amounts consist of assets which are fully available, at the discretion of management and the Board of Directors, for the Organization to utilize in any of its programs or supporting services. Unrestricted net assets also include amounts designated for certain purposes by the Board of Directors.

Temporarily restricted amounts are those which are restricted by donors for specific operating purposes and are not currently available for use in the organization's operations until commitments regarding their use have been fulfilled. At December 31, 2016, there were no temporarily restricted net assets.

Permanently restricted amounts are those which are restricted by donors that neither expire by the passage of time nor can be fulfilled or removed by the actions of the Organization. At December 31, 2016, permanently restricted net assets consist of land and buildings located at Old Hickory Lake near Nashville, Tennessee. The property was transferred to the Organization in March, 1975 by the U. S. Army Corps of Engineers. The terms of the transfer permanently restrict the use of the property, requiring it to be utilized for the operation of a youth camp. The total book value of land and buildings was \$223,070 at December 31, 2016.

c. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity date of three months or less to be cash equivalents.

d. Depreciation

Property and equipment is stated at acquisition cost or, if donated, at the approximate fair value at the date of donation less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Expenditures for maintenance and repairs are not capitalized, whereas expenditures for renewals and betterments are generally capitalized.

THE ANDREW JACKSON POLICE YOUTH CAMP, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

Note 1 – Continued

The estimated useful life of depreciable property and equipment is as follows:

Buildings and improvements	10 to 30 years
Camp equipment	5 to 15 years
Furniture and office equipment	5 and 6 years

Depreciation expense for the year ended December 31, 2016 amounted to \$27,590.

e. Revenue Recognition

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

All donor-restricted contributions are reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a 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 statements of activities and financial position.

f. Contributed Services

The Organization receives a variety of services from volunteers supporting the organization's mission. No amounts have been reflected in the financial statements for those services since they do not meet the criteria for recognition.

g. Income Taxes

The Organization is exempt from federal income taxes under Internal Revenue Service Code Section 501(c)(3) as a charitable organization. Since the Organization does not have any unrelated income, it is not required to pay any applicable tax.

h. Open Tax Years

The Organization's Forms 990 *Return of Organization Exempt from Income Tax*, are subject to examination by the IRS, generally for 3 years after their filing date.

i. Use of Estimates

The preparation of financial statements requires the use of management's estimates that affect the reported amounts of assets and liabilities and reported revenues and expenses. These estimates may require revision in future periods.

j. Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the Statement of Activities and the Statement of Functional Expenses. Accordingly, these costs have been allocated between program, management and fundraising expenses.

THE ANDREW JACKSON POLICE YOUTH CAMP, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

Note 1 – Continued

k. Management's Review of Subsequent Events

The Organization's management has performed a review of subsequent events through the date of the audit report, which is the date these financial statements were available to be issued. Management has represented that there has been no material event noted in this period which would either impact the results reflected in these financial statements or the Organization's results going forward.

Note 2 – Related Party

The Board of Directors for the Organization also serves as the Board of Directors for the Fraternal Order of Police Andrew Jackson Lodge No. 5 (the "Lodge"). The Lodge is an organization exempt from federal income taxes under Internal Revenue Service Code Section 501(c)(8) as a fraternal organization. The unrestricted net assets of the Lodge were \$844,033 at December 31, 2016. The Youth Camp provided no support to the Lodge during the year ended December 31, 2016.

Note 3 - Significant Concentrations of Credit Risk

The Organization has concentrated its credit risk for cash by maintaining deposits in banks located within the same geographic region. The maximum loss that would have resulted from that risk totaled \$34,407 at December 31, 2016, for the excess of the total deposit liabilities reported by the bank over the amount that would have been covered by federal insurance.