

THE ANDREW JACKSON POLICE YOUTH CAMP, INC.
AUDITED FINANCIAL STATEMENTS
DECEMBER 31, 2014

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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, 2014, 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.

Auditor's 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, 2014, 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 31, 2015

THE ANDREW JACKSON POLICE YOUTH CAMP, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2014

ASSETS

Current Assets

Cash - unrestricted	\$ 253,582
Total current assets	<u>253,582</u>

Property and Equipment

Land	19,503
Buildings and improvements	342,458
Camp equipment	73,310
Furniture and office equipment	<u>6,508</u>
Total property and equipment, at cost	441,779
Less: Accumulated depreciation	<u>(247,583)</u>
Property and equipment, net	<u>194,196</u>

Total assets	<u><u>\$ 447,778</u></u>
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LIABILITIES AND NET ASSETS

Current Liabilities

Accounts payable	\$ 1,808
Accrued payroll liabilities	<u>3,127</u>
Total current liabilities	<u>4,935</u>

Net Assets

Unrestricted	276,946
Permanently restricted	<u>165,897</u>
Total net assets	<u>442,843</u>

Total liabilities and net assets	<u><u>\$ 447,778</u></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, 2014

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<u>Support</u>				
Contributions	\$ 290,561	\$ -	\$ -	\$ 290,561
Fundraising	4,559	-	-	4,559
Total support	<u>295,120</u>	<u>-</u>	<u>-</u>	<u>295,120</u>
<u>Revenues</u>				
Interest	435	-	-	435
Rental and other income	390	-	-	390
Total revenues	<u>825</u>	<u>-</u>	<u>-</u>	<u>825</u>
Total support and revenues	<u>295,945</u>	<u>-</u>	<u>-</u>	<u>295,945</u>
<u>Expenses</u>				
Program	127,281	-	10,943	138,224
Management	25,497	-	-	25,497
Fundraising	119,585	-	-	119,585
Total expenses	<u>272,363</u>	<u>-</u>	<u>10,943</u>	<u>283,306</u>
Change in net assets	23,582	-	(10,943)	12,639
Net assets at January 1, 2014	256,341	-	173,863	430,204
Reclassification of restricted net assets	<u>(2,977)</u>	<u>-</u>	<u>2,977</u>	<u>-</u>
Net assets at December 31, 2014	<u>\$ 276,946</u>	<u>\$ -</u>	<u>\$ 165,897</u>	<u>\$ 442,843</u>

See accompanying notes to financial statements.

THE ANDREW JACKSON POLICE YOUTH CAMP, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2014

	<u>Program</u>	<u>Management</u>	<u>Fundraising</u>	<u>Total</u>
Payroll	\$ 6,346	\$ 6,000	\$ 119,585	\$ 131,931
Other costs	32,293	11,357	-	43,650
Utilities	24,153	-	-	24,153
Depreciation	18,250	-	-	18,250
Pool maintenance	13,496	-	-	13,496
Insurance	12,915	-	-	12,915
Telephone	11,926	-	-	11,926
Food and kitchen supplies	11,052	-	-	11,052
Legal and professional	-	8,140	-	8,140
Building maintenance	3,474	-	-	3,474
Camper clothing	2,763	-	-	2,763
Taxes and license	1,148	-	-	1,148
Equipment maintenance	408	-	-	408
Total expenses	\$ 138,224	\$ 25,497	\$ 119,585	\$ 283,306
 Percentage of total expense	 <u>48.8%</u>	 <u>9.0%</u>	 <u>42.2%</u>	 <u>100.0%</u>

See accompanying notes to financial statements.

THE ANDREW JACKSON POLICE YOUTH CAMP, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2014

Cash flows from operating activities:

Cash received from contributions	\$ 290,561
Cash received from fundraising events	4,559
Interest received	435
Rental and other income received	390
Cash paid for program expenses	(118,166)
Cash paid for management expenses	(25,497)
Cash paid for fundraising expenses	(117,478)
Net cash provided by operating activities	<u>34,804</u>

Cash flows from investing activities:

Cash paid for purchase of buildings and equipment	<u>(34,948)</u>
Net cash used for investing activities	<u>(34,948)</u>

Net decrease in cash - unrestricted (144)

Cash - unrestricted at January 1, 2014 253,726

Cash - unrestricted at December 31, 2014 \$ 253,582

Reconciliation of change in net assets to net cash provided by operating activities:

Change in net assets	<u>\$ 12,639</u>
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	18,250
Effect on cash from changes in operating assets and liabilities:	
Accounts payable	1,808
Accrued payroll liabilities	2,107
Total adjustments	<u>22,165</u>

Net cash provided by operating activities \$ 34,804

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, 2014

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, 2014, 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, 2014, 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 \$165,897 at December 31, 2014.

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, 2014

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, 2014 amounted to \$18,250.

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*, for the years ending 2011 through 2014 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, 2014

Note 1 – Continued

k. Management's Review of Subsequent Events

The Organization's management has evaluated subsequent events through August 31, 2015, which is the date these financial statements were available to be issued, for events requiring disclosure in the financial statements as of and for the year ended December 31, 2014. 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 \$695,471 at December 31, 2014. The Youth Camp provided no support to the Lodge during the year ended December 31, 2014.

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. At December 31, 2014, the Organization did not have deposits in excess of the amounts that are covered by federal insurance.