

FRIENDS OF RADNOR LAKE

NASHVILLE, TENNESSEE

FINANCIAL STATEMENTS

AND

INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2015 AND 2014

FRIENDS OF RADNOR LAKE
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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Friends of Radnor Lake
Nashville, Tennessee

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Friends of Radnor Lake (a not-for-profit corporation) ("FORL") which comprise the statements of financial position as of December 31, 2015 and 2014, and the related statements of activities, cash flows, and 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.

AUDITOR'S 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 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 Friends of Radnor Lake as of December 31, 2015 and 2014, 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.

Knight CPAs PLLC

Nashville, Tennessee
August 22, 2016

FRIENDS OF RADNOR LAKE

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 1,065,472	\$ 661,536
Accounts receivable - license plate fees	5,874	9,810
Accounts receivable - other	5,440	11,369
Contributions receivable	56,655	75,535
Investments	97,054	100,167
Inventory	2,070	6,095
Furniture and equipment, net	558	6,781
Land	<u>1,745,154</u>	<u>1,745,154</u>
 TOTAL ASSETS	 <u>\$ 2,978,277</u>	 <u>\$ 2,616,447</u>
 <u>LIABILITIES AND NET ASSETS</u>		
LIABILITIES		
Accounts payable and accrued expenses	<u>\$ 1,565</u>	<u>\$ 13,560</u>
 TOTAL LIABILITIES	 <u>1,565</u>	 <u>13,560</u>
NET ASSETS		
Unrestricted:		
Invested in land	1,745,154	1,745,154
Board designated	50,000	50,000
Undesignated	<u>440,089</u>	<u>252,746</u>
Total unrestricted	2,235,243	2,047,900
Temporarily restricted	<u>741,469</u>	<u>554,987</u>
 TOTAL NET ASSETS	 <u>2,976,712</u>	 <u>2,602,887</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 2,978,277</u>	 <u>\$ 2,616,447</u>

See accompanying notes to financial statements.

FRIENDS OF RADNOR LAKE

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015			2014		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
REVENUES AND SUPPORT						
Contributions and public support:						
Individuals, foundations, and other	\$ 210,449	\$ 385,824	\$ 596,273	\$ 193,433	\$ 384,966	\$ 578,399
Donated goods and services	92,500	-	92,500	52,500	-	52,500
License plate fees	36,985	-	36,985	40,534	-	40,534
Fundraising events	43,322	-	43,322	-	-	-
Calendar and merchandise sales	25,209	-	25,209	28,564	-	28,564
Less: cost of calendar and merchandise sales	(25,471)	-	(25,471)	(24,422)	-	(24,422)
Interest income	3,262	-	3,262	955	-	955
Rental income	6,139	-	6,139	4,198	-	4,198
Net assets released from restrictions:						
Satisfaction of purpose restrictions	199,342	(199,342)	-	839,348	(839,348)	-
TOTAL REVENUES AND SUPPORT	591,737	186,482	778,219	1,135,110	(454,382)	680,728
EXPENSES						
Program services						
Grant to State of Tennessee for land purchase	-	-	-	718,182	-	718,182
Other program services	315,261	-	315,261	345,823	-	345,823
Supporting services:						
Management and general	58,455	-	58,455	48,664	-	48,664
Fundraising	30,678	-	30,678	21,340	-	21,340
TOTAL EXPENSES	404,394	-	404,394	1,134,009	-	1,134,009
CHANGE IN NET ASSETS	187,343	186,482	373,825	1,101	(454,382)	(453,281)
NET ASSETS - BEGINNING OF YEAR	2,047,900	554,987	2,602,887	2,246,799	809,369	3,056,168
NET ASSETS RECLASSIFIED DUE TO DONOR RESTRICTIONS	-	-	-	(200,000)	200,000	-
NET ASSETS - END OF YEAR	\$ 2,235,243	\$ 741,469	\$ 2,976,712	\$ 2,047,900	\$ 554,987	\$ 2,602,887

See accompanying notes to financial statements.

FRIENDS OF RADNOR LAKE

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
OPERATING ACTIVITIES		
Change in net assets	\$ 373,825	\$ (453,281)
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation	215	657
Loss on disposal of equipment	6,008	-
Realized and unrealized loss on sale of investments, net	1,988	-
Cash paid for purchase of land and related costs	-	(251,588)
Noncash contribution of investments	(150,771)	(100,167)
(Increase) decrease in:		
Accounts receivable - license plate fees	3,936	(719)
Accounts receivable - other	5,929	(11,369)
Contributions receivable	18,880	143,215
Inventory	4,025	(5,762)
Decrease in:		
Accounts payable and accrued expenses	(11,995)	(17,613)
TOTAL ADJUSTMENTS	(121,785)	(243,346)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	252,040	(696,627)
INVESTING ACTIVITIES		
Proceeds from sale of investments	151,896	-
NET CASH USED IN INVESTING ACTIVITIES	151,896	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	403,936	(696,627)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	661,536	1,358,163
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 1,065,472	\$ 661,536

See accompanying notes to financial statements.

FRIENDS OF RADNOR LAKE

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2015

	PROGRAM SERVICES	SUPPORTING SERVICES		TOTAL
		MANAGEMENT AND GENERAL	FUNDRAISING	
Salaries	\$ 27,296	\$ 21,836	\$ 5,459	\$ 54,591
FICA payroll expenses	2,085	1,668	417	4,170
Accounting fees	-	9,021	-	9,021
Accounting fees - donated	-	4,000	-	4,000
Bank and credit card service charges	-	219	1,240	1,459
Calendar expense:				
Cost of sales - actual	-	-	9,186	9,186
Cost of sales - donated	-	-	12,000	12,000
Promotional gifts	-	-	1,740	1,740
Computer maintenance	-	243	-	243
Computer, software, and database	-	7,493	-	7,493
Contract labor	6,890	5,512	1,378	13,780
Depreciation	-	215	-	215
Dues and subscriptions	-	687	-	687
Events	2,794	-	2,794	5,588
Events - donated	7,500	-	7,500	15,000
Frist technology grant	7,359	-	-	7,359
General office postage	95	143	238	476
General office printing	-	947	-	947
General office supplies	-	936	936	1,872
Gifts and environmental awards	244	244	-	488
Insurance	-	2,096	-	2,096
Junior ranger program	11,470	-	-	11,470
Land acquisition costs - actual	30,353	-	-	30,353
Land acquisition costs - donated	20,500	-	-	20,500
Marketing - actual	6,241	-	-	6,241
Marketing - donated	26,000	-	-	26,000
Meetings and training	1,005	1,005	3,013	5,023
Merchandise - cost of sales	-	-	4,285	4,285
Newsletter	9,364	-	4,013	13,377
Park support	152,294	-	-	152,294
Property taxes	150	-	-	150
State and federal fees	-	240	-	240
Telephone and internet	1,473	1,717	1,717	4,907
Volunteerism and neighborhood outreach	283	-	-	283
Web site maintenance	1,865	233	233	2,331
TOTAL EXPENSES	315,261	58,455	56,149	429,865
Less expenses included with revenues on the statement of activities as cost of sales	-	-	(25,471)	(25,471)
TOTAL EXPENSES INCLUDED IN EXPENSE				
SECTION OF THE STATEMENT OF ACTIVITIES	\$ 315,261	\$ 58,455	\$ 30,678	\$ 404,394

See accompanying notes to financial statements.

FRIENDS OF RADNOR LAKE

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2014

	PROGRAM SERVICES	<u>SUPPORTING SERVICES</u>		TOTAL
		MANAGEMENT AND GENERAL	FUNDRAISING	
Salaries	\$ 25,748	\$ 20,598	\$ 5,150	\$ 51,496
FICA payroll expenses	1,970	1,575	394	3,939
Accounting fees	-	8,650	-	8,650
Bank and credit card service charges	-	351	1,987	2,338
Calendar expense:				
Cost of sales - actual	-	-	6,313	6,313
Cost of sales - donated	-	-	12,000	12,000
Promotional gifts	-	-	2,644	2,644
Computer maintenance	-	638	-	638
Computer, software, and database	-	2,675	-	2,675
Contract labor	6,113	4,890	1,223	12,226
Depreciation	-	657	-	657
Dues and subscriptions	-	1,280	-	1,280
Events	152	-	152	304
General office postage	162	243	404	809
General office printing	-	219	-	219
General office supplies	-	1,113	1,112	2,225
Gifts and environmental awards	943	943	-	1,886
Insurance	-	2,109	-	2,109
Junior ranger program	13,803	-	-	13,803
Land acquisition costs - actual	794,886	-	-	794,886
Land acquisition costs - donated	14,500	-	-	14,500
Marketing - actual	8,844	-	-	8,844
Marketing - donated	26,000	-	-	26,000
Meetings and training	1,290	1,290	3,870	6,450
Merchandise - cost of sales	-	-	6,109	6,109
Newsletter	6,931	-	2,971	9,902
Park support	158,332	-	-	158,332
Property taxes	2,099	-	-	2,099
Telephone and internet	1,106	1,292	1,292	3,690
Web site maintenance	1,126	141	141	1,408
TOTAL EXPENSES	1,064,005	48,664	45,762	1,158,431
Less expenses included with revenues on the statement of activities as cost of sales	-	-	(24,422)	(24,422)
TOTAL EXPENSES INCLUDED IN EXPENSE SECTION OF THE STATEMENT OF ACTIVITIES	\$ 1,064,005	\$ 48,664	\$ 21,340	\$ 1,134,009

See accompanying notes to financial statements.

FRIENDS OF RADNOR LAKE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

Friends of Radnor Lake ("FORL") is a Tennessee not-for-profit corporation. Its purpose is to protect, preserve and promote the natural environment, habitat, facilities, and equipment of Radnor Lake State Natural Area and to educate the general public on the importance of the area.

Basis of Presentation

The accompanying financial statements present the financial position and changes in net assets of FORL on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("GAAP").

Resources are classified as unrestricted, temporarily restricted or permanently restricted net assets, based on the existence or absence of donor-imposed restrictions, as follows:

- *Unrestricted net assets* are free of donor-imposed restrictions. All revenues, gains and losses that are not temporarily or permanently restricted by donors are included in this classification. All expenditures are reported in the unrestricted class of net assets, since the use of restricted contributions in accordance with the donors' stipulations results in the release of the restriction.
- *Temporarily restricted net assets* are limited as to use by donor-imposed restrictions that expire with the passage of time or that can be satisfied by use for the specific purpose.
- *Permanently restricted net assets* are amounts required by donors to be held in perpetuity, including gifts requiring that the principal be invested and the income or specific portions thereof be used for operations. FORL had no permanently restricted net assets as of December 31, 2015 or 2014.

Cash and Cash Equivalents

Cash and cash equivalents consist principally of checking and money market account balances with financial institutions.

Contributions and Support

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

Contributions and grants are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a restriction is fulfilled (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted and reported in the Statement of Activities as net assets released from restrictions.

FRIENDS OF RADNOR LAKE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions and Support (Continued)

FORL reports any gifts of property, equipment, or materials as unrestricted support unless explicit donor restrictions specify how the assets must be used. Gifts of long-lived assets with explicit restrictions as to how the assets are to be used or funds restricted for the acquisition of long-lived assets are reported as restricted support. Expirations of donor restrictions are recognized when the donated or acquired long-lived assets are placed in service.

Donated Securities

Donated securities are recorded as contribution revenue based on the market value of the securities at the date of gift.

Contributions Receivable

Unconditional promises to give that are expected to be collected within one year are recorded as contributions receivable at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows, which was determined to be insignificant as of December 31, 2015 and 2014. Conditional promises to give are not included as support until such time as the conditions are substantially met.

An allowance for uncollectible contributions is provided based on management's estimate of uncollectible pledges and historical trends. Contributions receivable are written off when deemed to be uncollectible. In management's opinion, no allowance for uncollectible pledges was necessary as of December 31, 2015 and 2014.

License Plate Fees

License plate fees are collected on behalf of FORL by the State of Tennessee when individuals purchase or renew specialty license plates. These fees are recognized by FORL as revenue in the month collected by the State.

Investments

Investments are stated at 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. Net realized and unrealized gains and losses are recognized currently in the Statement of Activities.

Inventory

Inventory is reported at the lower of cost (first-in-first-out method) or market.

FRIENDS OF RADNOR LAKE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Furniture, Equipment, and Land

Furniture, equipment, and land are reported at cost at the date of purchase or at estimated fair value at date of gift to the FORL. FORL's policy is to capitalize items with a cost of \$500 or more and an estimated useful life greater than one year. Depreciation is calculated by the straight-line method over the estimated useful lives of the assets, which range from five to fifteen years.

Income Taxes

FORL qualifies as a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, income taxes are not provided. FORL files a U.S. Federal Form 990 for organizations exempt from income tax.

Management performs an evaluation of all income tax positions taken or expected to be taken in the course of preparing FORL's income tax returns to determine whether the income tax positions meet a "more likely than not" standard of being sustained under examination by the applicable taxing authorities. Management has performed its evaluation of all income tax positions taken on all open income tax returns and has determined that there were no positions taken that do not meet the "more likely than not" standard. Accordingly, there are no provisions for income taxes, penalties or interest receivable or payable relating to uncertain income tax positions in the accompanying financial statements.

Fair Value Measurements

FORL classifies its investments based on a hierarchy consisting of: Level 1 (valued using quoted prices from active markets for identical assets), Level 2 (not traded on an active market but for which observable market inputs are readily available), and Level 3 (valued based on significant unobservable inputs).

An asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used maximize the use of observable inputs and minimize the use of unobservable inputs.

FRIENDS OF RADNOR LAKE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements (Continued)

Following is a description of the valuation methodologies used for assets measured at fair value on a recurring basis:

Investments - Where quoted prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. Level 1 securities include highly liquid securities and certain other products, such as mutual funds. If quoted market prices are not available, then fair values are estimated by using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows and are classified within Level 2 of the valuation hierarchy. In certain cases where there is limited activity, or less transparency around inputs to the valuation, securities are classified within Level 3 of the valuation hierarchy.

There have been no changes in the valuation methodologies used at December 31, 2015. The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while FORL believes its valuation methods are appropriate and consistent with that of other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in different fair value measurements at the reporting date.

Program and Supporting Services

The following program and supporting services are included in the accompanying financial statements:

Program Services - consists of programs to acquire land to be donated to the natural area, protect and maintain the environment, improve the natural area and educate the general public about the Radnor Lake State Natural Area.

Management and General - includes the functions necessary to ensure an adequate working environment and costs not identifiable with a single program. Includes costs associated with providing coordination and articulation of FORL's program strategy, business management, general record keeping, budgeting, and related purposes.

Fundraising - includes costs of activities directed toward appeals for financial support, including special events and calendar sales. Other activities include the cost of solicitations and creation and distribution of fundraising materials.

FRIENDS OF RADNOR LAKE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Allocation of Functional Expenses

Expenses that can be directly attributed to a particular function are charged to that function. Expenses that relate to more than one function are allocated among applicable functions on the basis of objectively evaluated financial and nonfinancial data or reasonable subjective methods determined by management.

Donated Property, Goods, and Services

Property, professional services, and goods received as donations are reflected as support in the accompanying financial statements at their estimated or appraised fair value in the period received.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications

Certain amounts in the prior year financial statements have been reclassified to conform to the current year's presentation. Such reclassifications had no effect on the results of operations or net assets as previously reported.

Recent Authoritative Accounting Guidance

In May 2014, the Financial Accounting Standards Board ("FASB") issued guidance on revenue from contracts with customers, requiring an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The updated standard will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective and permits the use of either a full retrospective or retrospective with cumulative effect transition method. In August 2015, the FASB issued Accounting Standard Update ("ASU") 2015-14 which defers the effective date of ASU 2014-09 one year making it effective for annual reporting periods beginning after December 15, 2018. FORL has not yet selected a transition method and is currently evaluating the effect that the updated standard will have on the financial statements.

FRIENDS OF RADNOR LAKE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recent Authoritative Accounting Guidance (Continued)

In July 2015, the FASB issued guidance that requires entities that measure inventory using the first-in, first-out or average cost methods to measure inventory at the lower of cost or net realizable value. Net realizable value is defined as estimated selling price in the ordinary course of business less reasonably predictable costs of completion, disposal and transportation. This ASU will be effective for fiscal years beginning after December 15, 2016. Early adoption of the ASU is permitted. FORL does not expect the adoption of the ASU to have a material effect on its financial statements.

Events Occurring After Reporting Date

FORL has evaluated events and transactions that occurred between December 31, 2015 and August 22, 2016, the date the financial statements were available to be issued, for possible recognition or disclosure in the financial statements.

NOTE 2 - CONTRIBUTIONS RECEIVABLE

Contributions receivable were due as follows as of December 31:

	<u>2015</u>	<u>2014</u>
In less than one year	\$ 51,655	\$ 65,535
In one to five years	<u>5,000</u>	<u>10,000</u>
	<u>\$ 56,655</u>	<u>\$ 75,535</u>

NOTE 3 - INVESTMENTS

Investments consisted of the following as of December 31:

	<u>2015</u>	<u>2014</u>
Equities	<u>\$ 97,054</u>	<u>\$ 100,167</u>

FRIENDS OF RADNOR LAKE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 4 - FURNITURE AND EQUIPMENT

Furniture and equipment consisted of the following as of December 31:

	<u>2015</u>	<u>2014</u>
Furniture and equipment	\$ 9,902	\$ 20,497
Less accumulated depreciation	<u>(9,344)</u>	<u>(13,716)</u>
Furniture and equipment, net	<u>\$ 558</u>	<u>\$ 6,781</u>

NOTE 5 - LAND

Land tracts acquired surround the Radnor Lake State Natural Area. FORL intends either to sell or donate the land to the State of Tennessee for future expansion of the Radnor Lake State Natural Area.

Land consisted of the following as of December 31:

	<u>2015</u>	<u>2014</u>
Cheek property, and related costs	\$ 617,020	\$ 617,020
Ansley donated property	325,000	325,000
Foster property, and related costs	5,044	5,044
Civic Bank property, and related costs	767,995	767,995
Fielder property, and related costs	<u>30,095</u>	<u>30,095</u>
Total	<u>\$ 1,745,154</u>	<u>\$ 1,745,154</u>

FRIENDS OF RADNOR LAKE

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND 2014

NOTE 6 - FAIR VALUE MEASUREMENTS

The following table sets forth FORL's major categories of assets measured at fair value on a recurring basis, by level, within the fair hierarchy, as of December 31:

<u>2015</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments:				
Equities - healthcare	<u>\$ 97,054</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 97,054</u>
Total investments at fair value	<u><u>\$ 97,054</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 97,054</u></u>
<u>2014</u>				
Investments:				
Equities - healthcare	<u>\$ 100,167</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100,167</u>
Total investments at fair value	<u><u>\$ 100,167</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 100,167</u></u>

NOTE 7 - PROGRAM ACCOMPLISHMENTS

Total program accomplishments by FORL consist of program services and land acquisitions, as follows for the years ended December 31:

	<u>2015</u>	<u>2014</u>
Program Services:		
Costs related to land acquisition, grants, and other contracts	\$ 30,353	\$ 76,704
Grant to State of Tennessee for land purchase	-	718,182
Park support	152,294	158,332
Other program services	132,614	110,787
Land acquired by FORL	<u>-</u>	<u>251,588</u>
Total	<u><u>\$ 315,261</u></u>	<u><u>\$ 1,315,593</u></u>

FRIENDS OF RADNOR LAKE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 8 - PARK SUPPORT

Park support on the Statements of Functional Expenses consists of the following for the years ended December 31:

	<u>2015</u>	<u>2014</u>
General park support	\$ 4,649	\$ 12,464
Ansley home maintenance	10,449	12,848
Aviary project	46,234	109,170
Canoes	6,341	-
Environmental pipeline study	-	633
REI volunteerism grant	3,450	7,100
Forestry grant	3,826	7,973
Security cameras	-	1,054
Observation deck	<u>77,345</u>	<u>7,090</u>
Total	<u>\$ 152,294</u>	<u>\$ 158,332</u>

FRIENDS OF RADNOR LAKE

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND 2014

NOTE 9 - TEMPORARILY RESTRICTED NET ASSETS

Changes in temporarily restricted net assets for the year ended December 31, 2015 were as follows:

	2015			
	<u>Beginning</u>	<u>Additions</u>	<u>Releases</u>	<u>Ending</u>
Grants and contributions restricted for specific purposes:				
Other land acquisitions	\$ 399,184	\$ 255,822	\$ (67,798)	\$ 587,208
Trail signage	2,000	-	-	2,000
Frist Foundation technology grant	-	6,850	(6,850)	-
Mapp aviary grant	20,000	-	-	20,000
Mapp aviary donations	48,347	85,964	(31,234)	103,077
Forestry grant	-	2,916	(2,916)	-
Tidwell invasive plant removal	-	7,500	(2,203)	5,297
Canoe acquisition and training	-	10,622	(6,341)	4,281
Observation deck construction	67,910	16,000	(77,345)	6,565
REI volunteerism grant	546	150	(696)	-
Other restricted donations	15,000	-	(1,959)	13,041
Contributions receivable - time restricted	<u>2,000</u>	<u>-</u>	<u>(2,000)</u>	<u>-</u>
	<u>\$ 554,987</u>	<u>\$ 385,824</u>	<u>\$(199,342)</u>	<u>\$ 741,469</u>

FRIENDS OF RADNOR LAKE

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND 2014

NOTE 9 - TEMPORARILY RESTRICTED NET ASSETS (CONTINUED)

Changes in temporarily restricted net assets for the year ended December 31, 2014 were as follows:

	2014			
	<u>Beginning</u>	<u>Additions</u>	<u>Releases</u>	<u>Ending</u>
Grants and contributions restricted for specific purposes:				
Other land acquisitions	\$ 60,955	\$ 340,328	\$ (2,099)	\$ 399,184
Land opportunity fund	16,416	-	(16,416)	-
AWC land acquisitions	297,251	-	(297,251)	-
Trail signage	2,000	-	-	2,000
Frist land grant	411,101	-	(411,101)	-
Mapp aviary grant	-	65,250	(45,250)	20,000
Mapp aviary donations	-	92,304	(43,957)	48,347
Forestry grant	-	7,084	(7,084)	-
Observation deck construction	-	75,000	(7,090)	67,910
REI volunteerism grant	2,646	5,000	(7,100)	546
Other restricted donations	15,000	-	-	15,000
Contributions receivable - time restricted	<u>4,000</u>	<u>-</u>	<u>(2,000)</u>	<u>2,000</u>
	<u>\$ 809,369</u>	<u>\$ 584,966</u>	<u>\$(839,348)</u>	<u>\$ 554,987</u>

During 2014, a donor restricted a previously unrestricted gift, made in a prior year, for the construction of the observation deck and for the acquisition of land. The restricted amount totaled \$200,000 and was reclassified from unrestricted to temporarily restricted during the year ended December 31, 2014.

NOTE 10 - CONCENTRATION OF CREDIT RISK

During 2015, FORL received approximately 25% of its total revenues and support from a single contributor. Contributions receivable from two contributors comprised 53% of the receivable balance as of December 31, 2015. During 2014, FORL received approximately 28% of its total revenues and support from a single contributor. Contributions receivable from three contributors comprised 63% of the receivable balance as of December 31, 2014.

FRIENDS OF RADNOR LAKE

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND 2014

NOTE 10 - CONCENTRATION OF CREDIT RISK (CONTINUED)

FORL maintains cash balances at financial institutions whose accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to statutory limits. FORL's cash balances may, at times, exceed statutory limits. FORL has not experienced any losses in such accounts and management considers this to be a normal operating risk.

NOTE 11 - RELATED PARTY TRANSACTIONS

Donated services included in contribution income in 2015 include in-kind contributions by Board members as follows: \$12,000 for graphic design for the 2016 calendar, \$2,500 for brokerage services for real estate acquisitions, \$26,000 for marketing and public relations services, \$18,000 for attorney fees, \$15,000 for labor related to construction of the Barbara J. Mapp Aviary Education Center, \$4,000 for accounting services, and \$15,000 of donated art given in recognition of significant services to and support for the park.

Donated services included in contribution income in 2014 include in-kind contributions by Board members as follows: \$12,000 for graphic design for the 2015 calendar, \$2,500 for brokerage services for real estate acquisitions, \$26,000 for marketing and public relations services, and \$12,000 for attorney fees.

NOTE 12 - SUBSEQUENT EVENTS

During 2016, FORL launched a three year fundraising campaign to raise approximately \$1,000,000 to assist the State of Tennessee with acquisition of an additional 34 acres of land. FORL expects to expend an additional \$147,000 in 2016 to complete construction of the flighted eagle aviary at the Barbara J. Mapp Aviary Education Center. Additionally, during 2016 FORL intends to gift approximately \$250,000 of land currently held by the organization to the State of Tennessee.