

PATHFINDER OUTDOOR EDUCATION, INC.

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2018

JEANETTE EDWARDS, C.P.A., LLC

**PATHFINDER OUTDOOR EDUCATION, INC.
FINANCIAL STATEMENTS**

YEAR ENDED JUNE 30, 2018

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors of
Pathfinder Outdoor Education, Inc.
St. Petersburg, Florida

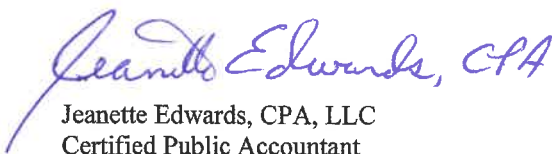
I have reviewed the accompanying statements of financial position of Pathfinder Outdoor Education, Inc. (a nonprofit organization) as of June 30, 2018 and the related statements of activities, functional expenses and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Organization's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, I do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require that I perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. I believe that the results of my procedures provide a reasonable basis for my report.

Based on my review I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

The financial statements of Pathfinder Outdoor Education, Inc. for the year ending June 30, 2017 were previously audited by Jeanette Edwards, CPA, LLC who expressed an unmodified audit opinion on those audited financial statements in the audit report dated February 11, 2018. In my opinion the summarized comparative information presented herein as of and for the year ending June 30, 2017, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Jeanette Edwards, CPA, LLC
Certified Public Accountant
March 22, 2019

PATHFINDER OUTDOOR EDUCATION, INC.
STATEMENTS OF FINANCIAL POSITION
YEAR ENDED JUNE 30, 2018
(WITH COMPARATIVE TOTALS FOR 2017)

ASSETS	<u>2018</u>	<u>2017</u>
Current Assets		
Cash	\$ 125,913	\$ 148,420
Accounts receivable	20,556	5,096
Prepaid expenses	1,373	2,870
Prepaid program expenses	-	2,475
Total Current Assets	<u>147,842</u>	<u>158,861</u>
Property and Equipment		
Equipment	2,500	2,500
less accumulated depreciation	(1,542)	(1,042)
Total Property and Equipment	<u>958</u>	<u>1,458</u>
Other Assets		
Inventory	1,291	118
Total Other Assets	<u>1,291</u>	<u>118</u>
TOTAL ASSETS	<u>\$ 150,091</u>	<u>\$ 160,437</u>
 LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	12,830	5,217
Deferred revenue	33,818	49,204
Accrued payroll	4,363	3,334
Accrued benefits	2,294	2,294
TOTAL LIABILITIES	<u>53,305</u>	<u>60,049</u>
Net Assets		
Unrestricted - undesignated	71,786	75,437
Unrestricted - designated for scholarships	25,000	24,951
Temporarily restricted	-	-
Permanently restricted	-	-
Total Net Assets	<u>96,786</u>	<u>100,388</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 150,091</u>	<u>\$ 160,437</u>

See Independent Accountant's Review Report
The accompanying notes are an integral part of these financial statements.

PATHFINDER OUTDOOR EDUCATION, INC.
STATEMENTS OF ACTIVITIES
YEAR ENDED JUNE 30, 2018
(WITH COMPARATIVE TOTALS FOR 2017)

SUPPORT AND REVENUE	Unrestricted	Temporarily Restricted	2018 Total	2017 Total
Support				
Contributions	\$ 23,864	\$ 730	\$ 24,594	\$ 4,728
Fundraising Event	6,298	-	6,298	11,976
In-kind contributions	1,000	-	1,000	1,000
Total Support	<u>31,162</u>	<u>730</u>	<u>31,892</u>	<u>17,704</u>
Revenue				
Program fees				
Cedarkirk	241,622	-	241,622	256,877
Dayspring	401,972	-	401,972	350,929
Montgomery	46,445	-	46,445	78,655
Other	59,316	-	59,316	98,319
Other Income	31	-	31	100
Sales T-shirts	4,127	-	4,127	5,470
Interest income	46	-	46	49
Total Revenue	<u>753,559</u>	<u>-</u>	<u>753,559</u>	<u>790,399</u>
Net assets released from restrictions	<u>730</u>	<u>(730)</u>	<u>-</u>	<u>-</u>
Total Support and Revenue	<u>785,451</u>	<u>-</u>	<u>785,451</u>	<u>808,103</u>
EXPENSES				
Program Services				
Outdoor education programs	642,425	-	642,425	650,002
Total Program Services	<u>642,425</u>	<u>-</u>	<u>642,425</u>	<u>650,002</u>
Supporting Services				
Management and general	146,628	-	146,628	169,056
Total Supporting Services	<u>146,628</u>	<u>-</u>	<u>146,628</u>	<u>169,056</u>
Total Expenses	<u>789,053</u>	<u>-</u>	<u>789,053</u>	<u>819,058</u>
INCREASE (DECREASE) IN NET ASSETS	(3,602)	-	(3,602)	(10,955)
NET ASSETS AT BEGINNING OF YEAR	<u>100,388</u>	<u>-</u>	<u>100,388</u>	<u>111,343</u>
NET ASSETS AT END OF YEAR	<u>\$ 96,786</u>	<u>\$ -</u>	<u>\$ 96,786</u>	<u>\$ 100,388</u>

See Independent Accountant's Review Report
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PATHFINDER OUTDOOR EDUCATION, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2018
(WITH COMPARATIVE TOTALS FOR 2017)

	<u>Program Services</u>	<u>Management & General</u>	<u>Total 2018</u>	<u>Total 2017</u>
Salaries	\$ 235,018	\$ 92,675	\$ 327,693	\$ 323,549
Employee mileage and meal reimbursement	8,852	76	8,928	11,916
Employee insurance	13,024	5,065	18,089	12,493
Payroll taxes	15,146	9,714	24,860	25,090
Workmen's comp insurance	10,454	443	10,897	9,292
Total Salaries and Benefits	<u>282,494</u>	<u>107,973</u>	<u>390,467</u>	<u>382,340</u>
Program facility fees	267,577	-	267,577	286,038
Program equipment	1,118	-	1,118	3,308
Program supplies	9,091	-	9,091	8,878
Professional fees	3,859	16,374	20,233	15,587
Promotional items	5,260	-	5,260	6,427
Scholarships	27,304	-	27,304	41,234
Refunds/Discounts	15,321	-	15,321	19,087
Rent	3,600	8,400	12,000	10,500
Insurance	14,567	1,619	16,186	15,718
Telephone	1,437	1,437	2,874	2,702
Professional development	2,721	302	3,023	10,387
Office expense	716	1,672	2,388	1,811
Computer hardware and software	299	2,687	2,986	1,275
Employee appreciation	4,085	1,588	5,673	6,193
Printing and reproduction	32	32	64	480
Marketing and development	1,753	1,753	3,506	1,393
Taxes, licenses & permits	-	521	521	1,031
Other general expenses	-	2,270	2,270	1,939
Other program expenses	1,191	-	1,191	2,730
Total Expenses	<u>\$ 642,425</u>	<u>\$ 146,628</u>	<u>\$ 789,053</u>	<u>\$ 819,058</u>

See Independent Accountant's Review Report
The accompanying notes are an integral part of these financial statements.

PATHFINDER OUTDOOR EDUCATION, INC.
STATEMENTS OF CASH FLOWS
YEAR ENDED JUNE 30, 2018
(WITH COMPARATIVE TOTALS FOR 2017)

Increase (Decrease) in Cash and Cash Equivalents

Cash flows from operating activities:	<u>2018</u>	<u>2017</u>
Increase (Decrease) in Net Assets	\$ (3,602)	\$ (10,955)
Adjustment to reconcile increase/(decrease) in net assets to net cash provided by/used in operating activities:		
Depreciation Expense	500	500
Change in assets and liabilities:		
- (Increase)/Decrease in accounts receivable	(15,460)	607
- (Increase)/Decrease in prepaid expenses	3,972	11,618
- (Increase)/Decrease in inventory	(1,173)	211
- Increase/(Decrease) in accounts payable	7,613	(5,891)
- Increase/(Decrease) in unearned revenue	(15,386)	(10,815)
- Increase/(Decrease) in accrued payroll	1,029	334
- Increase/(Decrease) in accrued benefits	-	803
Net cash provided by/used in operating activities	<u>(22,507)</u>	<u>(13,588)</u>
Cash flows from investing activities:		
Purchase of equipment	-	-
Net cash used in investing activities	<u>-</u>	<u>-</u>
Cash flows from financing activities:		
Payments on line of credit	-	-
Net cash used in financing activities	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	(22,507)	(13,588)
Cash and cash equivalents at beginning of year	<u>148,420</u>	<u>162,008</u>
Cash and cash equivalents at end of year	<u><u>\$ 125,913</u></u>	<u><u>\$ 148,420</u></u>

See Independent Accountant's Review Report
The accompanying notes are an integral part of these financial statements.

PATHFINDER OUTDOOR EDUCATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

Note 1 - Nature of Business

Pathfinder Outdoor Education, Inc. (the Organization) is a non-profit corporation organized under the laws of the State of Florida in 1993. The Organization's purpose is to establish and maintain outdoor education programs for the promotion of the improvement of the spiritual, mental and physical condition of participants, and encourage them in the conservation of all elements of the natural world. The Organization offers innovative, experiential, programming at scenic locations around the state of Florida. This provides experiential opportunities for learners of all ages to develop communication, conflict resolution, cooperation and problem solving skills. The Organization offers several curriculum and programming choices from day programs which serve as an introduction to the outdoor education experience, to two to five day programs.

Note 2 - Summary of Significant Accounting Policies

The financial statements of Pathfinder Outdoor Education, Inc. have been prepared on the accrual basis. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Fund Accounting

To ensure observance of limitations and restrictions placed on the use of the resources available to the Organization, the accounts are maintained in accordance with the principles of "fund accounting". Financial statement presentation follows the recommendation of the Financial Accounting Standards Board so that net assets, revenues and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted Net Assets - Net assets that are not subject to donor-imposed stipulations. Voluntary designations of funds by the governing board are considered to be unrestricted.

Temporarily Restricted Net Assets - Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as "net assets released from restrictions".

Permanently Restricted Net Assets - Net assets subject to donor-imposed stipulations that require that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on any related investments for general or specific purposes. As of June 30, 2018, the Pathfinder Outdoor Education, Inc. had no permanently restricted net assets.

Contributions

Generally accepted accounting principles requires reporting contributions received as an increase in net assets immediately, even if the donor has restricted their use. As a result, restricted contributions are recorded immediately, either as an increase in temporarily restricted net assets or permanently restricted net assets, depending on the nature of the donor restriction. Restrictions imposed internally by the governing board does not change the character of unrestricted contributions.

Deferred Revenue

Revenue from program fees is recognized when the services are provided. Deposits received are recorded as deferred revenue until the service is provided and the actual participant fees are calculated. Revenue from grants is earned as required under the grant agreement. Unearned revenue is deferred until grant requirements are met.

PATHFINDER OUTDOOR EDUCATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

Note 2 - Summary of Significant Accounting Policies - Continued

Cash and Cash Equivalents

Cash and cash equivalents consist of cash and money market funds. Cash equivalents is considered to be all highly liquid debt instruments with original maturities of three months or less.

Inventory

Inventory, which consists of T-shirts, is recorded at the lower of cost or market value.

Equipment

Equipment is recorded at cost. Equipment in excess of \$1,000 with an estimated useful life in excess of one year and betterments which materially extended the useful lives of assets are capitalized. Repairs and maintenance are charged to expense when incurred. Depreciation is computed for financial statement purposes on a straight-line basis over the estimated useful lives of the related assets.

Allowance for Uncollectible Amounts

No allowance for uncollectible amounts has been provided since management considers all accounts to be collectable.

Accrued Benefits

Accrued benefits represents vested vacation leave. Vacation leave is charged as an expense in the period in which it is earned by the employee.

Income Taxes

The Organization is a tax-exempt Organization described in Section 501(c)(3) of the Internal Revenue Code of 1986. In addition, the Organization has been determined by the Internal Revenue Service not to be a private foundation within the meaning of section 509 (a) of the Code. Accordingly, income earned in furtherance of the Organization's tax-exempt purpose is exempt from federal and state income taxes. No provision for federal or state income taxes has been included in the accompanying financial statements. Management is unaware of any activities that would jeopardize the Organization's tax-exempt status or activities subject to tax on unrelated business income.

Donated Materials and Services

The Organization reports donations of materials and services at their estimated values as revenues and expenses on the date of receipt. These items are measured at amounts comparable to costs which would be incurred to hire personnel, rent facilities or purchase items to accomplish similar objectives. Only those services which create or enhance non-financial assets or that require specialized skills, and are provided by individuals possessing those skills, and which would typically need to be purchased if not provided by donation, are recorded in the financial statements.

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. Accordingly, actual results could differ from those estimates.

Functional Allocation of Expenses

The costs of providing the various program and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on direct usage or management's estimates of the benefit derived by each activity.

PATHFINDER OUTDOOR EDUCATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

Note 3 - Equipment

Equipment consists of the following at June 30, 2018:

Office equipment	\$ 2,500
Less accumulated depreciation	<u>(1,542)</u>
Total	<u><u>\$ 958</u></u>

Note 4 - Line of Credit

The Organization has an unsecured line of credit facility with a bank which had an outstanding balance at June 30, 2018 of zero. The line of credit permits borrowings of up to \$35,000, bears interest at the bank's prime rate plus 2% and is due on demand.

Note 5 - Operating Leases

The Organization leases its office facilities under an operating lease. The lease does not have a set term and can be canceled with 180 days notice. The monthly rent payment is \$1,000 a month.

Note 6 - Subsequent Events

Management has evaluated subsequent events through March 22, 2019, the date which the financial statements were available for issue.

Management has concluded that there are no subsequent events requiring disclosure.