

**PATHFINDER OUTDOOR EDUCATION, INC.**

**FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2016**

**JEANETTE EDWARDS, C.P.A., LLC**

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

**YEAR ENDED JUNE 30, 2016**

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# **JEANETTE EDWARDS, CPA, L.L.C.**

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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, 2016 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.

*Jeanette Edwards, CPA*

Jeanette Edwards, CPA, LLC  
Certified Public Accountant  
November 10, 2016

**PATHFINDER OUTDOOR EDUCATION, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**YEAR ENDED JUNE 30, 2016**  
**(WITH COMPARATIVE TOTALS for 2015)**

ASSETS	<u>2016</u>	<u>2015</u>
<b>Current Assets</b>		
Cash	\$ 162,008	\$ 104,141
Accounts receivable	5,703	65,681
Prepaid expenses	2,194	3,039
Prepaid program expenses	14,769	-
<b>Total Current Assets</b>	<u>184,674</u>	<u>172,861</u>
<b>Property and Equipment</b>		
Equipment	2,500	2,500
less accumulated depreciation	<u>(542)</u>	<u>(42)</u>
<b>Total Property and Equipment</b>	<u>1,958</u>	<u>2,458</u>
<b>Other Assets</b>		
Inventory	<u>329</u>	<u>230</u>
<b>Total Other Assets</b>	<u>329</u>	<u>230</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 186,961</u></u>	<u><u>\$ 175,549</u></u>
 <b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities</b>		
Accounts payable	11,108	9,820
Deferred revenue	60,019	46,646
Accrued payroll	3,000	1,413
Accrued benefits	<u>1,491</u>	<u>1,491</u>
<b>TOTAL LIABILITIES</b>	<u>75,618</u>	<u>59,370</u>
<b>Net Assets</b>		
Unrestricted - undesignated	86,392	98,777
Unrestricted - designated for scholarships	24,951	17,402
Temporarily restricted	-	-
Permanently restricted	-	-
<b>Total Net Assets</b>	<u>111,343</u>	<u>116,179</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 186,961</u></u>	<u><u>\$ 175,549</u></u>

See Independent Accountants' Review Report

The accompanying notes are an integral part of these financial statements.

**PATHFINDER OUTDOOR EDUCATION, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2016**  
**(WITH COMPARATIVE TOTALS FOR 2015)**

<b>SUPPORT AND REVENUE</b>	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>2016 Total</b>	<b>2015 Total</b>
<b>Support</b>				
Contributions	\$ 2,324	\$ 3,327	\$ 5,651	\$ 6,003
Fundraising Event	12,278	-	12,278	11,852
In-kind contributions	1,000	-	1,000	-
<b>Total Support</b>	<u>15,602</u>	<u>3,327</u>	<u>18,929</u>	<u>17,855</u>
<b>Revenue</b>				
Program fees				
Cedarkirk	260,763	-	260,763	301,121
Dayspring	341,006	-	341,006	381,324
Montgomery	51,706	-	51,706	60,980
Other	101,206	-	101,206	80,053
Other Income	-	-	-	33
Sales T-shirts	4,207	-	4,207	6,770
Interest income	40	-	40	21
<b>Total Revenue</b>	<u>758,928</u>	<u>-</u>	<u>758,928</u>	<u>830,302</u>
<b>Net assets released from restrictions</b>	<u>3,327</u>	<u>(3,327)</u>	<u>-</u>	<u>-</u>
<b>Total Support and Revenue</b>	<u>777,857</u>	<u>-</u>	<u>777,857</u>	<u>848,157</u>
<b>EXPENSES</b>				
<b>Program Services</b>				
Outdoor education programs	636,092	-	636,092	618,640
<b>Total Program Services</b>	<u>636,092</u>	<u>-</u>	<u>636,092</u>	<u>618,640</u>
<b>Supporting Services</b>				
Management and general	146,601	-	146,601	157,265
<b>Total Supporting Services</b>	<u>146,601</u>	<u>-</u>	<u>146,601</u>	<u>157,265</u>
<b>Total Expenses</b>	<u>782,693</u>	<u>-</u>	<u>782,693</u>	<u>775,905</u>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	(4,836)	-	(4,836)	72,252
<b>NET ASSETS AT BEGINNING OF YEAR</b>	<u>116,179</u>	<u>-</u>	<u>116,179</u>	<u>43,927</u>
<b>NET ASSETS AT END OF YEAR</b>	<u>\$ 111,343</u>	<u>\$ -</u>	<u>\$ 111,343</u>	<u>\$ 116,179</u>

See Independent Accountants' Review Report

The accompanying notes are an integral part of these financial statements.

**PATHFINDER OUTDOOR EDUCATION, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2016**  
**(WITH COMPARATIVE TOTALS FOR 2015)**

	<u>Program Services</u>	<u>Management &amp; General</u>	<u>Total 2016</u>	<u>Total 2015</u>
Salaries	\$ 230,733	\$ 85,340	\$ 316,073	\$ 306,654
Contract services	2,899	-	2,899	1,095
Employee mileage and meal reimbursemen	10,051	3,717	13,768	16,339
Employee insurance	7,518	2,781	10,299	6,724
Payroll taxes	18,633	6,891	25,524	25,315
Workmen's comp insurance	7,191	2,660	9,851	10,610
Program facility fees	274,785	-	274,785	316,766
Program equipment	1,631	-	1,631	3,121
Program supplies	7,473	-	7,473	8,774
Professional fees	2,196	19,761	21,957	11,063
Promotional items	-	5,002	5,002	8,093
Scholarships and discounts	32,687	-	32,687	10,760
Rent	2,700	6,300	9,000	9,000
Insurance	10,742	1,194	11,936	13,224
Telephone	1,457	1,457	2,914	3,208
Professional development	3,639	37	3,676	4,319
Office supplies	608	1,418	2,026	1,901
Computer hardware and software	226	2,037	2,263	1,780
Employee appreciation	3,539	1,309	4,848	4,532
Printing and reproduction	1,329	1,329	2,658	6,234
Marketing and development	1,955	1,955	3,910	4,084
Taxes, licenses & permits	-	698	698	645
Refunds	11,948	-	11,948	-
Fundraising expenses	-	2,054	2,054	-
Other general expenses	-	661	661	506
Other program expenses	2,152	-	2,152	1,158
Total Expenses	<u>\$ 636,092</u>	<u>\$ 146,601</u>	<u>782,693</u>	<u>\$ 775,905</u>

See Independent Accountant's Review Report

The accompanying notes are an integral part of these financial statements.

**PATHFINDER OUTDOOR EDUCATION, INC.**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED JUNE 30, 2016**  
**(WITH COMPARATIVE TOTALS FOR 2015)**

**Increase (Decrease) in Cash and Cash Equivalents**

<b>Cash flows from operating activities:</b>	<u>2016</u>	<u>2015</u>
Increase (Decrease) in Net Assets	\$ (4,836)	\$ 72,252
Adjustment to reconcile increase/(decrease) in net assets to net cash provided by/used in operating activities:		
Depreciation Expense	500	42
Change in assets and liabilities:		
- (Increase)/Decrease in accounts receivable	59,978	(61,296)
- (Increase)/Decrease in prepaid expenses	(13,924)	17,499
- (Increase)/Decrease in inventory	(99)	619
- Increase/(Decrease) in accounts payable	1,288	(2,938)
- Increase/(Decrease) in unearned revenue	13,373	(14,295)
- Increase/(Decrease) in accrued payroll	1,587	(7,041)
- Increase/(Decrease) in accrued benefits	-	(1,134)
<b>Net cash provided by/used in operating activities</b>	<u>57,867</u>	<u>3,708</u>
<b>Cash flows from investing activities:</b>		
Purchase of equipment	-	(2,500)
<b>Net cash used in investing activities</b>	<u>-</u>	<u>(2,500)</u>
<b>Cash flows from financing activities:</b>		
Payments on line of credit	-	-
<b>Net cash used in financing activities</b>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	57,867	1,208
Cash and cash equivalents at beginning of year	<u>104,141</u>	<u>102,933</u>
Cash and cash equivalents at end of year	<u>\$ 162,008</u>	<u>\$ 104,141</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, 2016**

**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, 2016, 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, 2016

**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, 2016**

**Note 3 - Equipment**

Equipment consists of the following at June 30, 2016:

Office equipment	\$ 2,500
Less accumulated depreciation	<u>(542)</u>
Total	<u>\$ 1,958</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, 2016 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 \$750 a month.

**Note 6 - Subsequent Events**

Management has evaluated subsequent events through November 10, 2016, the date which the financial statements were available for issue.

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