

CAMP CATANESE FOUNDATION

FINANCIAL REPORT

June 30, 2023



Analyzing Yesterday. Adjusting Today. Planning Tomorrow.



637 Ferndale Avenue · Suite 100 · Johnstown, PA 15905 · 814.288.1544 · Fax: 814.288.4999

423 Georgian Place · Somerset, PA 15501 · 814.445.2030 · Fax: 814.445.2370

www.barnessaly.com

CAMP CATANESE FOUNDATION

FINANCIAL STATEMENTS

June 30, 2023

TABLE OF CONTENTS

	Page Number
INDEPENDENT AUDITOR'S REPORT	1-2
FINANCIAL STATEMENTS:	
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows.....	6
Notes to the Financial Statements.....	7-13



CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

www.barnessaly.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Camp Catanese Foundation
Phoenix, Arizona

Opinion

We have audited the accompanying statement of financial position of Camp Catanese Foundation (the "Organization") as of June 30, 2023 and the related statements of activities, functional expenses and cash flows for the year then ended and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2023, and the changes in net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

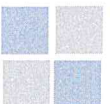
Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are issued.



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.


Johnstown, Pennsylvania
September 29, 2023

CAMP CATANESE FOUNDATION
STATEMENT OF FINANCIAL POSITION
June 30, 2023

<i>Assets</i>	
Current Assets:	
Cash and cash equivalents	\$ 236,609
Grants receivable	116,521
Investments	1,086,167
Prepaid expenses	3,771
Total Current Assets	<u>1,443,068</u>
Total Assets	<u><u>\$ 1,443,068</u></u>
 <i>Liabilities and Net Assets</i>	
Current Liabilities:	
Accounts payable	\$ 82,520
Accrued liabilities	6,358
Deferred revenue	166,000
Total Current Liabilities	<u>254,878</u>
Net Assets:	
Net assets without donor restrictions	<u>1,188,190</u>
Total Net Assets	<u>1,188,190</u>
Total Liabilities and Net Assets	<u><u>\$ 1,443,068</u></u>

CAMP CATANESE FOUNDATION

STATEMENT OF ACTIVITIES

Year Ended June 30, 2023

NET ASSETS WITHOUT DONOR RESTRICTIONS

Revenue and Support:

Contributions	\$	813,780
Contributions - noncash		362,146
Grant revenue		357,882
Investment revenue		
Interest and dividend revenue, net of expenses		16,927
Net realized (loss)		(513)
Net unrealized gain		8,465
Total Revenue and Support		1,558,687

Expenses:

Program expenses		1,122,279
Management and general		105,036
Fundraising expenses		64,809
Total Expenses		1,292,124

Net assets released from restrictions		800
---------------------------------------	--	-----

Change in Net Assets without Donor Restrictions		267,363
---	--	---------

NET ASSETS WITH DONOR RESTRICTIONS

Net assets released from restrictions		(800)
---------------------------------------	--	-------

Change in Net Assets with Donor Restrictions		(800)
--	--	-------

Change in Net Assets		266,563
----------------------	--	---------

Total Net Assets, beginning of year		921,627
-------------------------------------	--	---------

Total Net Assets, end of year	\$	1,188,190
-------------------------------	----	-----------

CAMP CATANESE FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2023

	Program Services	Management and General	Fundraising	Total Expenses
Personnel:				
Wages	\$ 88,461	\$ 42,239	\$ 45,500	\$ 176,200
Payroll Taxes	7,860	3,579	4,358	15,797
Total Personnel Expenses	96,321	45,818	49,858	191,997
Other Expenses:				
Contract services	68,070	28,738	7,531	104,339
Food and lodging	414,052	127	130	414,309
Office, administrative and training supplies	8,095	3,836	5,337	17,268
Program materials and supplies	177,299	1,227	-	178,526
Rentals and occupancy	41,034	2,667	29	43,730
Scholarships	120,959	-	-	120,959
Travel	69,251	-	1,924	71,175
Utilities	-	11,344	-	11,344
Volunteer expense	127,198	11,279	-	138,477
Total Other Expenses	1,025,958	59,218	14,951	1,100,127
Total Expenses	\$ 1,122,279	\$ 105,036	\$ 64,809	\$ 1,292,124

See Notes to the Financial Statements

CAMP CATANESE FOUNDATION

STATEMENT OF CASH FLOWS Year Ended June 30, 2023

Cash Flows from Operating Activities:	
Net increase in net assets	\$ 266,563
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:	
Realized (loss) on sales of investments	513
Unrealized (gain) loss on investments	(8,465)
Interest and dividend revenue, net of expenses	(16,927)
(Increases) decreases in operating assets:	
Grants receivables	(82,433)
Prepaid expenses	(3,771)
Increases (decreases) in operating liabilities:	
Accounts payable	(63,516)
Accrued liabilities	2,301
Deferred revenue	166,000
	<hr/>
Net cash provided by operating activities	260,265
	<hr/>
Cash Flows from Investing Activities:	
Purchase of investments	(4,340,817)
Proceeds from sale of investments	3,641,673
	<hr/>
Net cash (used in) investing activities	(699,144)
	<hr/>
Net decrease in cash and cash equivalents	(438,879)
	<hr/>
Cash and cash equivalents, beginning of year	675,488
	<hr/>
Cash and cash equivalents, end of year	<u>\$ 236,609</u>

See Notes to the Financial Statements

CAMP CATANESE FOUNDATION

FINANCIAL STATEMENTS

June 30, 2023

Note 1: Organization

Camp Catanese Foundation ("CCF") was established in 2017 and organized for the purpose to provide college preparation programs for the inner-city Phoenix, Arizona students to help with ACT Prep and tutoring, including a summer camp experience.

Note 2: Summary of Significant Accounting Policies

Basis of Accounting

The accounts of CCF are maintained on the accrual basis of accounting as prescribed by accounting principles generally accepted in the United States of America ("GAAP"), whereby revenues are recognized when earned and expenses are recognized when incurred.

Basis of Presentation

CCF has elected to adopt the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 958, Financial Statements of Not-for-Profit Organizations. This topic has been updated by Accounting Standards Updates ("ASU") 2016-14, Presentation of Financial Statements of Not-for-Profit entities that improved current requirements related to net asset classifications, liquidity assessment, expense reporting consistency and methods used to present cash flow from operations.

Net Assets

Net assets have been recorded and reported as changes in the following two net asset classes:

Net assets without donor restrictions - Net assets without donor restrictions consist of resources that are available for use in carrying out the mission of CCF and include those expendable resources that have been designated for special use by CCF.

Net assets with donor restrictions - Net assets with donor restrictions represent contributions subject to donor-imposed restrictions. Some restrictions are temporary in nature, stipulating that resources be used after a specified date or for a particular purpose. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose of a restriction is accomplished, net assets are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Some restrictions may be perpetual in nature and mandate the original principal be invested in perpetuity.

Cash and Cash Equivalents

CCF considers all cash on hand and in banks and other highly liquid debt instruments with maturity of three months or less, when purchased, to be cash and cash equivalents. CCF maintains its cash in bank deposit accounts, which did exceed the federally insured limits of \$250,000 per institution. CCF has not experienced any losses in such accounts and management believes that they are not exposed to any significant credit risk related to its cash and cash equivalents.

CAMP CATANESE FOUNDATION

FINANCIAL STATEMENTS

June 30, 2023

Note 2: Summary of Significant Accounting Policies (continued)

Cash and Cash Equivalents - Restricted

CCF identifies and segregates for reporting purposes restricted contributions received during the year that have not been disbursed according to their donor-imposed restrictions.

Investments and Investment Revenue

Investments are carried at fair value on the statement of financial position based on quoted market prices. Investment income, including unrealized and realized gains and losses determined by the first-in, first-out method, is included in net assets without donor restrictions.

CCF continually reviews investments for impairment conditions that indicate any other than temporary decline in market value has occurred. In conducting this review, numerous factors are considered which, individually or in combination, indicate that a decline is other than temporary and that a reduction of the carrying value is required. These factors include specific information pertaining to an individual company or a particular industry and general market conditions that reflect prospects for the economy as a whole. Based on this review, no other than temporary losses were recorded in fiscal year 2023.

Fair Value Measurements

In accordance with FASB ASC Topic, Fair Value Measurements and Disclosures, fair value is the price we would receive to sell an asset or pay to transfer a liability in an orderly transaction with a market participant at the measurement date. Fair value is a market-based measurement, not an entity-specific measurement.

Prepaid Expenses

Prepaid expenses consist of deposits and prepayments made in the current year that benefit future periods.

Deferred Revenue

Deferred revenue includes grant receipts received in advance by CCF which have not been earned. Grant revenue will be recognized as services are performed.

Contribution Revenue

Contributions received by CCF are considered available for the general programs of CCF, unless specifically restricted by the donor. CCF reports all monetary gifts as support with donor restrictions if they are received with donor stipulations that limit their use or are subject to time restrictions.

Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions are met or expire in the fiscal year in which the contributions are recognized.

CAMP CATANESE FOUNDATION

FINANCIAL STATEMENTS

June 30, 2023

Note 2: Summary of Significant Accounting Policies (continued)

Contributed Materials and Services

CCF recognizes contributions of materials at their estimated fair value at the date of donation, which consists primarily of the value of lodging received during the course of the camps conducted by CCF. CCF reports these contributions as support without donor restrictions unless explicit donor stipulations specify how the contributions must be used. For the year ended June 30, 2023, CCF received \$223,669 of in-kind contributions.

CCF recognizes contributions of services for time contributed for management services to CCF, as well as the volunteer time contributed during the course of the camps conducted by CCF. For the year ended June 30, 2023, CCF received \$138,477 of in-kind contributions.

Grant Revenue

CCF has entered into grant agreements with various funding sources that assist in the various programs offered by CCF. Grant revenue is recognized in the statement of activities as the services are performed or disbursements made as specified by each grant agreement. Grant amounts received in which the services have not yet been earned, services have not yet been provided or disbursements made, are recorded as deferred revenue in the statement of financial position.

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 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

Tax Status

CCF is an exempt not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code (the "Code") and is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code and did not conduct unrelated business activities.

CCF applies FASB ASC Topic 740, Accounting for Uncertainty in Income Taxes. Management of CCF believes that for all the years subject to audit by the relevant taxing authorities, no material uncertain tax positions should be recognized in the financial statements. CCF believes that it has appropriate support for the positions taken on its tax returns. The amounts ultimately paid, if any, upon resolution of the issues raised by the taxing authorities may differ materially from the amounts accrued for each year. Management believes its non-profit status would be upheld upon examination. CCF is no longer subject to income tax examinations for years prior to 2019.

CAMP CATANESE FOUNDATION

FINANCIAL STATEMENTS

June 30, 2023

Note 2: Summary of Significant Accounting Policies (continued)

Functional Allocation of Expenses

The statement of functional expenses reports expenses by functions (program, general and administrative and fundraising functions), as well as their natural classification. Functional expenses have been allocated between program services, general and administrative and fundraising based upon actual costs and allocations of time or other factors performed in each area.

Subsequent Events

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date of the audit report which is the date the financial statements were available to be issued. This evaluation determined there are no subsequent events to be disclosed.

Note 3: Liquidity

CCF's working capital and cash flows fluctuate during the year due to the timing of the various sources of revenue and support.

CCF's financial assets available within one year of the statement of financial position date for general expenditures are as follows:

Cash and Cash Equivalents	\$ 236,609
Grants Receivable	116,521
Investments	<u>1,086,167</u>
Financial assets available within one year to meet cash need for general expenditures	<u>\$ 1,439,297</u>

Note 4: Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described as follows:

- Level 1 - Quoted prices in active markets for identical assets or liabilities.
- Level 2 - Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in active markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

CAMP CATANESE FOUNDATION

FINANCIAL STATEMENTS

June 30, 2023

Note 4: Fair Value Measurements (continued)

The 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 need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2023.

Money Market Funds: Money market funds are, as a practical expedient, valued at the Net Asset Value ("NAV") of shares held at year end.

Mutual funds: Mutual funds are classified as Level 1 assets. Mutual Funds are valued at the closing price reported in the active market in which the individual securities are traded.

Government Obligations: Government obligations are classified as Level 1 assets, which are valued at the closing price reported in the active market in which the funds are traded.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although CCF believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect CCF's investments and the amounts reported in the statement of financial position and the statement of activities.

The credit and liquidity crisis in the United States and throughout the global financial systems has resulted in substantial volatility in financial markets and the banking system. These and other economic events may have caused significant volatility to CCF's investment portfolio subsequent to year-end.

Management reviews for other than temporary decline in accordance with the requirements of fair value measurements. CCF invests in money market funds, U.S. government securities, corporate obligations, equities, and mutual funds. Certain individual investments may have fair values measured below cost. The severity of any impairment and the duration of any impairment correlate with current market conditions. Based upon the near-term prospects of the issuer of any of the securities in relation to the severity and duration of the impairment, and based upon CCF's ability and intent to hold those investments for a reasonable period of time sufficient for a forecast recovery of fair value, CCF does not consider those investments to be other-than-temporarily impaired at June 30, 2023.

CAMP CATANESE FOUNDATION

FINANCIAL STATEMENTS

June 30, 2023

Note 4: Investments and Fair Value Measurements (continued)

The following investments are carried at fair value in CCF's financial statement: money market funds, U.S. government securities, and mutual funds. These fair value disclosures include information regarding the valuation of CCF's investments as of June 30, 2023:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>NAV</u> <u>Expedient</u>	<u>Total</u>
Investments measured at fair value:					
Government Obligations	\$ 898,221	\$ -	\$ -	\$ -	\$ 898,221
Mutual Funds	<u>1,658</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,658</u>
	899,879	-	-	-	889,879
Investments at net asset value:					
Money Market Funds	-	-	-	<u>186,288</u>	<u>186,288</u>
Total Fair Value Measurements	<u>\$ 899,879</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 186,288</u>	<u>\$ 1,086,167</u>

Changes in Fair Value Levels

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

The significance of transfers were evaluated between levels based upon the nature of the financial instrument and size of the transfer. For the year ended June 30, 2023, there were no significant transfers in or out of Levels 1, 2, or 3.

The following summarizes investment activity for the year:

Investments - June 30, 2022	\$ 362,144
Purchases/uninvested cash	4,357,231
Sales/other disbursements	(3,641,673)
Unrealized gain (loss)	<u>8,465</u>
Investments - June 30, 2023	<u>\$ 1,086,167</u>

The following summarized investment returns for the year:

Interest and dividend income, net of expenses	\$ 16,927
Net realized gain (loss)	(513)
Net unrealized gain (loss)	<u>8,465</u>
Total investment revenue	<u>\$ 24,879</u>

