

CAMP HOBE, INC.
FINANCIAL STATEMENTS
DECEMBER 31, 2008

Camp Hobe, Inc.
Financial Statements
Year Ended December 31, 2008

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THE C.P.A. NETWORK, LLC

CERTIFIED PUBLIC ACCOUNTANTS

GLOBAL ACCESS

LOCAL FINANCIAL SPECIALISTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Camp Hobe, Inc.

We have audited the accompanying statements of financial position of Camp Hobe, Inc. (a Utah nonprofit organization) as of December 31, 2008 and 2007, and the related statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Camp Hobe, Inc. as of December 31, 2008 and 2007, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The C.P.A. Network, LLC

THE C.P.A. NETWORK, LLC
Certified Public Accountants
Provo, Utah, USA

September 30, 2009

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Camp Hobe, Inc.
Statement of Financial Position
December 31, 2008 and 2007

	2008	2007
Assets		
Current Assets:		
Cash	\$ 72,434	\$ 58,912
Total Current Assets	72,434	58,912
Other Assets:		
Investments	163,861	218,176
Total Other Assets	163,861	218,176
Fixed Assets:		
Office Equipment	4,099	4,099
Accumulated depreciation	(3,607)	(2,583)
Net Fixed Assets	492	1,516
Total Assets	\$ 236,787	\$ 278,604
 Liabilities and Net Assets		
Liabilities		
Current liabilities	\$ 0	\$ 0
Other liabilities	0	0
Total Liabilities	0	0
Net Assets		
Unrestricted	218,277	265,904
Temporarily restricted	18,510	12,700
Total Net Assets	236,787	278,604
Total Liabilities & Net Assets	\$ 236,787	\$ 278,604

The accompanying notes are an integral part of these financial statements.
See the accompanying independent auditors' report.

Camp Hobe, Inc.
Statement of Activities
For the Years Ended December 31, 2008 and 2007

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2008 Total</u>	<u>2007 Total</u>
Revenues and Support				
Contributions	\$ 80,277	\$ 2,510	\$ 82,787	\$ 73,407
Program fees	1,185	0	1,185	3,500
Grants	0	16,000	16,000	17,000
Other support	274	0	274	302
Inkind contributions	16,150	0	16,150	19,943
Net Assets Released From Restrictions				
Satisfaction of program restrictions	12,700	(12,700)	0	0
Total Revenues and Support	<u>110,586</u>	<u>5,810</u>	<u>116,396</u>	<u>114,152</u>
Operating Expenses				
Program expenses	100,779	0	100,779	81,152
Management and general expenses	11,931	0	11,931	9,932
Fundraising expenses	919	0	919	0
Total Operating Expenses	<u>113,629</u>	<u>0</u>	<u>113,629</u>	<u>91,084</u>
Nonoperating Revenues and (Expenses)				
Investment income	11,435	0	11,435	15,753
Gain/(loss) on investments	(56,019)	0	(56,019)	1,652
Gain/(loss) on sale of fixed assets	0	0	0	0
Total Operating Expenses	<u>(44,584)</u>	<u>0</u>	<u>(44,584)</u>	<u>17,405</u>
Change in net assets	(47,627)	5,810	(41,817)	40,473
Net assets-beginning of year	265,904	12,700	278,604	238,131
Net assets-end of year	<u>\$ 218,277</u>	<u>\$ 18,510</u>	<u>\$ 236,787</u>	<u>\$ 278,604</u>

The accompanying notes are an integral part of these financial statements.
See the accompanying independent auditors' report.

Camp Hobe, Inc.
Statement of Functional Expenses
For the Year Ended December 31, 2008

	<u>Program Services</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>2008 Total</u>	<u>2007 Total</u>
Camp supplies and food	\$ 44,095	\$ 0	\$ 0	\$ 44,095	\$ 48,515
Camp Rental	13,515	0	0	13,515	9,877
Training	6,474	0	0	6,474	4,632
Insurance	4,703	0	0	4,703	4,791
Contract labor	27,500	5,000	800	33,300	4,600
Professional services	1,402	3,324	0	4,726	7,690
Office	0	2,583	0	2,583	5,492
Equipment rental	870	0	0	870	1,190
Licenses and dues	1,185	0	0	1,185	2,648
Telephone	639	0	0	639	417
Miscellaneous	396	0	119	515	208
Depreciation	0	1,024	0	1,024	1,024
Total Expenses	<u><u>\$ 100,779</u></u>	<u><u>\$ 11,931</u></u>	<u><u>\$ 919</u></u>	<u><u>\$ 113,629</u></u>	<u><u>\$ 91,084</u></u>

The accompanying notes are an integral part of these financial statements.
See the accompanying independent auditors' report.

Camp Hobe, Inc.
Statement of Cash Flows
For the Years Ended December 31, 2008 and 2007

	2008	2007
Cash flows from operating activities		
Increase in net assets	\$ (41,817)	\$ 40,473
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	1,024	1,024
Donated equipment	-	-
(Increase)/decrease in investments	54,315	(10,868)
Net cash provided (used) by operating activities	13,522	30,629
Net cash increase for period	13,522	30,629
Cash at beginning of period	58,912	28,283
Cash at End of Year	\$ 72,434	\$ 58,912

The accompanying notes are an integral part of these financial statements.
See the accompanying independent auditors' report.

Camp Hobe, Inc.
Notes to Financial Statements
December 31, 2008

NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Camp Hobe, Inc. (the Organization), a Utah nonprofit corporation, was organized on February 12, 2003 for the purpose of providing a summer camp for children undergoing treatment for cancer and their siblings. The Organization receives most of its financial support from private grants and contributions.

The term *operations* refers to program, administrative, and fundraising functions related to providing the camp.

Cash and Investments

Cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less. Cash balances are invested to the extent available.

The basis for determining the carrying value of investments is the reported fair market value of the instrument. Investment income includes interest and dividends.

Fixed Assets

Property, plant and equipment are stated at cost. Donated fixed assets are recorded at their estimated fair value at the date of donation. Items over \$500 in cost or estimated fair value are capitalized and depreciated over their estimated useful lives.

Depreciation is computed using the straight line method over the estimated useful lives of the assets (equipment 5-20 years).

The costs of maintenance and repairs are charged to income as incurred. Significant improvements and major outlays for capital assets are capitalized as projects are constructed. Interest incurred during the construction phase is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in the income for the period.

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 assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Camp Hobe, Inc.
Notes to Financial Statements
December 31, 2008

NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES
(continued)

Financial Statement Presentation

The Organization has adopted Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, 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. As permitted by the statement, the Organization does not use fund accounting.

Income Tax Status

The Organization was organized in compliance with Internal Revenue Code Section 501(c)(3) and as such is exempt from income taxes.

NOTE 2-CASH

The total cash held by the Company at December 31, 2008 and 2007, includes \$19,227 and \$10,205, in monies that are not covered by insurance provided by the federal government. It is the opinion of management that the solvency of the referenced financial institutions is not of particular concern at this time.

NOTE 3 – INVESTMENTS

The Organization held the following investments as of December 31, 2008 and 2007, using the quoted market prices reported by the organization's brokerage firm:

Year	Description	Fair Value Measurements at Reporting Date Using			Total
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
2008	Available-for-sale	\$ 163,861	\$ 0	\$ 0	\$163,861
	Total	<u>163,861</u>	<u>0</u>	<u>0</u>	<u>163,861</u>
2007	Available-for-sale	218,176	0	0	218,176
	Total	<u>\$ 218,176</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$218,176</u>

Camp Hobe, Inc.
Notes to Financial Statements
December 31, 2008

NOTE 3 – INVESTMENTS (continued)

Investment income for the periods ending December 31, 2008 and 2007 consisted of the following: dividend and interest income of \$11,435 in 2008 and \$15,753 in 2007.

Gains and (losses) on the investments reported at fair value for the periods ending December 31, 2008 and 2007 were \$(56,019) and \$1,652, respectively.

NOTE 4 - FIXED ASSETS

The following is a summary of the Organization's fixed assets:

	<u>1/1/2008</u>	<u>Additions</u>	<u>Retirements</u>	<u>12/31/2008</u>
Office Equipment	\$ 4,099	\$ 0	\$ 0	\$ 4,099
Accumulated Depr.	<u>(2,583)</u>	<u>(1,024)</u>	<u>0</u>	<u>(3,607)</u>
Total	<u>\$ 4,099</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,099</u>

Depreciation is computed using the straight-line method, \$1,024 in 2008, and \$1,024 in 2007.

NOTE 5 – LEASES

The Organization has an operating lease for the rental of the camp facilities used in its operations. The lease is a year to year arrangement and future lease costs are unknown. For the years ended December 31, 2008 and 2007 the camp rental costs were \$13,515 and \$9,877.

NOTE 6 – DONATED SERVICES AND SUPPLIES

During the years ended December 31, 2008 and 2007, there were no contributed services that met the requirements for recognition in the financial statements. The Organization also received a variety donated supplies and equipment for use in the camp program valued at \$16,150 in 2008 and \$19,943 in 2007.

In addition, many individuals volunteer their time and perform a variety of tasks in connection with the Organization's activities, but these services do not meet the criteria for recognition as contributed services and have not been valued.

NOTE 7 – TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets totaling \$18,510 are available for the 2008 camp program period and \$12,700 for the 2007 camp period.