

**APOLLO RIDGE
EDUCATION FOUNDATION**

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REVIEWED FINANCIAL STATEMENTS

FOR FISCAL YEAR ENDED JUNE 30, 2021

**APOLLO RIDGE  
EDUCATION FOUNDATION**  
SPRING CHURCH, PENNSYLVANIA

REVIEWED  
FINANCIAL STATEMENTS

WITH REPORT BY  
CERTIFIED PUBLIC ACCOUNTANT

**FOR THE FISCAL YEAR ENDED  
JUNE 30, 2021**

**APOLLO RIDGE EDUCATION FOUNDATION**

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**To the Board of Directors  
Apollo Ridge Education Foundation**

## **Independent Accountant's Review Report**

I have reviewed the accompanying financial statements of the Apollo Ridge Education Foundation (a nonprofit organization) which comprise the statement of net assets – cash basis as of June 30, 2021 and the related statements of revenues, expenses, and other changes in net assets, and functional expenses – cash basis for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Foundation'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's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of financial statement in the circumstances. Management is also responsible for 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.

### **Accountant's Responsibility**

My responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require me to perform procedures to obtain limited assurance as a basis for reporting whether I am aware of any material modifications that should be made to the financial statements for them to be in accordance with the cash basis of accounting. I believe that the results of my procedures provide a reasonable basis for my conclusion.

### **Accountant's Conclusion**

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 accordance with the cash basis of accounting.

Mark C. Turnley, CPA

**Basis of Accounting**

I draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. My conclusion is not modified with respect to this matter.

A handwritten signature in black ink that reads "Mark C. Turnley". The signature is written in a cursive style with a large, stylized initial "M".

Mark C. Turnley, CPA

April 15, 2022  
New Brighton, Pennsylvania

**APOLLO RIDGE EDUCATION FOUNDATION**  
**STATEMENT OF FINANCIAL POSITION - CASH BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**ASSETS**

|                           |                  |
|---------------------------|------------------|
| Cash and Cash Equivalents | \$ 30,840        |
| <b>TOTAL ASSETS</b>       | <b>\$ 30,840</b> |

**LIABILITIES AND NET ASSETS**

**LIABILITIES**

|                          |             |
|--------------------------|-------------|
| Current Liabilities      | \$ -        |
| <b>TOTAL LIABILITIES</b> | <b>\$ -</b> |

**NET ASSETS**

|                                         |                  |
|-----------------------------------------|------------------|
| Net Assets without Donor Restrictions   | \$ 30,840        |
| <b>TOTAL NET ASSETS</b>                 | <b>\$ 30,840</b> |
| <b>TOTAL LIABILITIES AND NET ASSETS</b> | <b>\$ 30,840</b> |

The accompanying notes are an integral part of these financial statements

**APOLLO RIDGE EDUCATION FOUNDATION**  
**STATEMENT OF ACTIVITIES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

|                                          | WITHOUT<br>DONOR<br>RESTRICTIONS | WITH<br>DONOR<br>RESTRICTIONS | TOTAL             |
|------------------------------------------|----------------------------------|-------------------------------|-------------------|
| <b><u>REVENUE AND OTHER SUPPORT:</u></b> |                                  |                               |                   |
| Memberships                              | \$ 2,376                         | \$ -                          | \$ 2,376          |
| Payroll Contributions                    | 3,212                            | -                             | 3,212             |
| General Donations                        | 6,834                            | -                             | 6,834             |
| EITC                                     | 28,500                           | -                             | 28,500            |
| Kerr                                     | 2,400                            | -                             | 2,400             |
| Arconic Contribution                     | -                                | 25,000                        | 25,000            |
| Other Miscellaneous Income               | 202                              | -                             | 202               |
| <b>TOTAL REVENUE AND OTHER SUPPORT</b>   | <b>\$ 43,524</b>                 | <b>\$ 25,000</b>              | <b>\$ 68,524</b>  |
| <b><u>EXPENSES</u></b>                   |                                  |                               |                   |
| EITC                                     | \$ 27,232                        | \$ -                          | \$ 27,232         |
| Grants and Scholarships                  | 6,805                            | -                             | 6,805             |
| Business Supplies                        | 4,962                            | -                             | 4,962             |
| Mural                                    | 148                              | -                             | 148               |
| Arconic                                  | 1,822                            | 25,000                        | 26,822            |
| Professional Fees                        | 1,800                            | -                             | 1,800             |
| Other Miscellaneous Expenses             | 6,116                            | -                             | 6,116             |
| <b>TOTAL PROGRAM EXPENSES</b>            | <b>\$ 48,885</b>                 | <b>\$ 25,000</b>              | <b>\$ 73,885</b>  |
| <b>CHANGE IN NET ASSETS</b>              | <b>\$ (5,361)</b>                | <b>\$ -</b>                   | <b>\$ (5,361)</b> |
| NET ASSETS - JUNE 30, 2020               | 36,201                           | -                             | 36,201            |
| <b>NET ASSETS - JUNE 30, 2021</b>        | <b>\$ 30,840</b>                 | <b>\$ -</b>                   | <b>\$ 30,840</b>  |

The accompanying notes are an integral part of these financial statements

**APOLLO RIDGE EDUCATION FOUNDATION**  
**STATEMENT OF FUNCTIONAL EXPENSES - CASH BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

|                                  | <u>PROGRAM<br/>SERVICES</u> | <u>GENERAL AND<br/>ADMINISTRATIVE</u> | <u>TOTAL</u>            |
|----------------------------------|-----------------------------|---------------------------------------|-------------------------|
| Business Supplies                | \$ -                        | \$ 4,962                              | \$ 4,962                |
| Arconic                          | 26,822                      | -                                     | 26,822                  |
| Mural                            | 148                         | -                                     | 148                     |
| EITC                             | 27,232                      | -                                     | 27,232                  |
| Grants and scholarships          | 6,805                       | -                                     | 6,805                   |
| Other miscellaneous expenses     | -                           | 6,116                                 | 6,116                   |
| Audit Fees                       | -                           | 1,800                                 | 1,800                   |
| <b>TOTAL FUNCTIONAL EXPENSES</b> | <b><u>\$ 61,007</u></b>     | <b><u>\$ 12,878</u></b>               | <b><u>\$ 73,885</u></b> |

The accompanying notes are an integral part of these financial statements

**APOLLO RIDGE EDUCATION FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR FISCAL YEAR ENDED JUNE 30, 2021**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Apollo Ridge Education Foundation (the Foundation) is a nonprofit organization incorporated on June 24, 1996. The purpose of the Foundation is to provide scholarships and grants to local Apollo Ridge students to further their education and to support and supplement the educational curriculum of the Apollo Ridge School District.

The Financial Accounting Standards Board (FASB) is responsible for establishing generally accepted accounting principles for nonprofit organizations through its pronouncements (Statements and Interpretations). The more significant accounting policies used by the Organization are as follows:

**BASIS OF ACCOUNTING**

The Apollo Ridge Education Foundation utilizes the cash basis of accounting. Under this method, revenue is recognized when received and expenditures are recognized when cash is paid.

**FINANCIAL STATEMENT PRESENTATION**

In accordance with generally accepted accounting standards, the Apollo Ridge Education Foundation is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions as follows:

- **Net Assets without Donor Restrictions** – Net assets available for use in general operations are not subject to donor-imposed restrictions. Net assets without donor restrictions are classified by the Foundation as 1) general operations and 2) board designated. Board designated assets are considered without donor restrictions since they are not donor restricted funds; however, the funds are reported separately for financial statement purposes as they are not available for general operating purposes without board action.
- **Net Assets with Donor Restrictions** – Net assets subject to donor-imposed restrictions. Some donor restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

**CONTRIBUTIONS**

Contributions are recognized when the donor makes the contribution to the Apollo Ridge Education Foundation. In accordance with generally accepted accounting standards, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction fully expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

**APOLLO RIDGE EDUCATION FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR FISCAL YEAR ENDED JUNE 30, 2021**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**CASH AND CASH EQUIVALENTS**

Cash and cash equivalents include amounts held in a checking account with Elderton State Bank.

**ADOPTED ACCOUNTING PRONOUNCEMENTS**

The requirements of the following FASB accounting pronouncements were adopted by the Foundation's 2020-2021 financial statements. Except where noted, the adoption of these pronouncements did not have a significant impact on the Foundation's financial statements.

In June of 2018, the Financial Accounting Standards Board (FASB), issued Accounting Standards Update (ASU) No. 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, which should assist entities in 1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal) transactions.

In August of 2018, the Financial Accounting Standards Board (FASB), issued Accounting Standards Update (ASU) No. 2018-13, Fair Value Measurement (Topic 820) which provides for a Disclosure Framework for Changes to the Disclosure Requirements for Fair Value Measurement.

In March of 2019, the Financial Accounting Standards Board (FASB), issued Accounting Standards Update (ASU) No. 2019-03, Not-for-Profit Entities (Topic 958): Updating the Definition of Collections which addresses the use of proceeds from sales of collections and related disclosures.

**PENDING ACCOUNTING PRONOUNCEMENTS**

In February of 2016, the Financial Accounting Standards Board (FASB), issued Accounting Standards Update (ASU) No. 2016-02, Leases (Topic 842), which requires the lease rights and obligations arising from lease contracts with terms longer than twelve (12) months, including existing and new arrangements, to be recognized as assets and liabilities on the statement of net assets. The Foundation will be required to adopt the guidance in ASU 2016-02 for its year ending June 30, 2023.

In September of 2020, the Financial Accounting Standards Board (FASB), issued Accounting Standards Update (ASU) No. 2020-07, Leases (Topic 958), Presentation and Disclosures for Not-for-Profit Entities for Contributed Nonfinancial Assets. The Foundation will be required to adopt the guidance in ASU 2020-07 for its year ending June 30, 2023.

The Foundation has not yet determined the impact of the adoption of the above pending FASB pronouncements on its financial statements.

**NOTE 2 - OFF BALANCE SHEET RISK**

The Federal Deposit Insurance Corporation (FDIC) coverage thresholds for corporate accounts are \$250,000 per corporation. This coverage includes checking and savings accounts, money market deposit accounts, and certificates of deposit. At June 30, 2021, Apollo Ridge Education Foundation had cash balances on hand with its depositories totaling \$30,840. Custodial credit risk is the risk that in the event of a bank failure, the organization's deposits may not be returned to it. As of June 30, 2021, Apollo Ridge Education Foundation's bank balance total did not exceed the aforementioned FDIC coverage threshold.

**APOLLO RIDGE EDUCATION FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR FISCAL YEAR ENDED JUNE 30, 2021**

**NOTE 3 – DONATED SERVICES AND FACILITIES**

No amounts have been reflected in the financial statements for donated services. The Apollo Ridge Education Foundation generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Foundation. Volunteers provide fundraising assistance and serve on the Board of Directors with various committee assignments. While these volunteer hours play a vital role in the ongoing success of the Foundation, they do not meet the criteria to be recognized as in-kind contributions in the financial statements.

**NOTE 4 – AVAILABILITY AND LIQUIDITY**

Financial assets available for general Organization operating expenditures, that is, without donor or other restrictions limiting their use within one year of the balance sheet date are as follows:

|                                                                 |                         |
|-----------------------------------------------------------------|-------------------------|
| Cash and Cash Equivalents                                       | \$ 30,840               |
|                                                                 | <u>\$ 30,840</u>        |
| Less: Amounts included in net assets<br>with donor restrictions | -                       |
|                                                                 | <u><u>\$ 30,840</u></u> |

The Foundation's main support comes from its annual fundraising campaign, grants, and special event fundraising.

**NOTE 5 - INCOME TAXES**

The Apollo Ridge Education Foundation is a not-for-profit organization exempt from federal income taxes as determined under Section 501(c)3 of the Internal Revenue Code (IRC). The Foundation has been classified as an Organization that is not a private foundation under (IRC) Section 509(a). The Foundation's Form 990 'Return of Organization Exempt from Income Tax' for the years ended December 31, 2019, June 30, 2020 and 2021 are subject to examination by the Internal Revenue Service, generally for three years after they are filed.

**NOTE 6 – PANDEMIC IMPLICATIONS**

Early in 2020, a new strain of the coronavirus (COVID-19) began its global pandemic spread, including to the United States, negatively affecting many aspects of society and the economy. The impact of the virus is on-going and varies from region to region and from day to day, and any significant additional spreading of the virus could adversely affect the Apollo Ridge Education Foundation's operations and finances. The outbreak of the COVID-19 virus is likely to have a further negative impact in 2021-2022 on the global and local economy and, in the future, might impact the Foundation's financial results in 2022-2023 and beyond. Given the dynamic nature of this pandemic, however, the extent to which the COVID-19 virus impacts the Foundation's results will depend on future developments, which remain highly uncertain and cannot be predicted at this time.

**APOLLO RIDGE EDUCATION FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR FISCAL YEAR ENDED JUNE 30, 2021**

**NOTE 7 – SUBSEQUENT EVENTS**

Management has determined that there are no events subsequent to June 30, 2021 through the April 15, 2022 date of the 'Independent Auditor's Report' date, which is the date the financial statements were available to be issued, that require additional disclosure in the financial statements.