Camp Aranzazu, Inc.
and Camp Aranzazu Foundation

Consolidated Financial Statements
and Independent Auditors' Report
for the years ended December 31, 2024 and 2023

Camp Aranzazu, Inc. and Camp Aranzazu Foundation

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Independent Auditors' Report

To the Board of Directors of Camp Aranzazu, Inc. and to
the Board of Directors of Camp Aranzazu Foundation:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Camp Aranzazu, Inc. and Camp Aranzazu Foundation, which comprise the consolidated statements of financial position as of December 31, 2024 and 2023, and the related consolidated statements of activities, of cash flows, and of functional expenses for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of Camp Aranzazu, Inc. and Camp Aranzazu Foundation as of December 31, 2024 and 2023, and the changes in their net assets and their 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 audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Camp Aranzazu, Inc. and Camp Aranzazu Foundation and to meet our other 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.

Responsibilities of Management for the Financial Statements

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 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 Camp Aranzazu, Inc. and Camp Aranzazu Foundation's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' 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 generally accepted auditing standards 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 generally accepted auditing standards, 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 Camp Aranzazu, Inc. and Camp Aranzazu Foundation'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 Camp Aranzazu, Inc. and Camp Aranzazu Foundation'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.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. Supplementary information in the consolidating statement of financial position as of December 31, 2024 and consolidating statement of activities for the year ended December 31, 2024 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Blazek & Vetterling

August 26, 2025

Camp Aranzazu, Inc. and Camp Aranzazu Foundation

Consolidated Statements of Financial Position as of December 31, 2024 and 2023

	2024	2023
ASSETS		
Operating cash	$ 1,151,998	$ 1,255,475
Contributions receivable *(Note 3)*	64,382	27,080
Prepaid expenses and other assets	91,779	97,834
Cash restricted for endowment	55,861	
Contributions receivable restricted for endowment *(Note 3)*	277,500	533,300
Investments restricted for endowment *(Note 5)*	6,936,188	6,161,484
Property, net *(Note 4)*	12,677,853	13,124,829
TOTAL ASSETS	$ 21,255,561	$ 21,200,002
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable	$ 70,569	$ 12,855
Accrued payroll and related expenses	29,872	139,178
Accrued expenses	777	42,304
Refundable advance special events	22,270	
Total liabilities	123,488	194,337
Commitments *(Note 6)*		
Net assets:		
Without donor restrictions	13,564,531	14,078,096
With donor restrictions *(Notes 7 and 8)*	7,567,542	6,927,569
Total net assets	21,132,073	21,005,665
TOTAL LIABILITIES AND NET ASSETS	$ 21,255,561	$ 21,200,002

See accompanying notes to consolidated financial statements.

Camp Aranzazu, Inc. and Camp Aranzazu Foundation

Consolidated Statement of Activities for year ended December 31, 2024

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
REVENUE:			
Contributions	$ 1,040,766	$ 417,209	$ 1,457,975
Fundraising events:			
Cash and other financial assets	471,626		471,626
Nonfinancial assets auction items	61,135		61,135
Direct donor benefits	(126,579)		(126,579)
Program service fees	491,090		491,090
Net investment return	19,862	569,156	589,018
Other losses	(23,433)		(23,433)
Total revenue	1,934,467	986,365	2,920,832
Net assets released from restrictions:			
Capital projects	213,936	(213,936)	
Program expenditures	132,456	(132,456)	
Total	2,280,859	639,973	2,920,832
EXPENSES:			
Program services	2,058,847		2,058,847
Management and general	277,709		277,709
Fundraising	457,868		457,868
Total expenses	2,794,424		2,794,424
CHANGES IN NET ASSETS	(513,565)	639,973	126,408
Net assets, beginning of year	14,078,096	6,927,569	21,005,665
Net assets, end of year	$ 13,564,531	$ 7,567,542	$ 21,132,073

See accompanying notes to consolidated financial statements.

Camp Aranzazu, Inc. and Camp Aranzazu Foundation

Consolidated Statement of Activities for year ended December 31, 2023

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
REVENUE:			
Contributions	$ 886,476	$ 607,780	$ 1,494,256
Fundraising events:	358,815		358,815
Direct donor benefits	(114,107)		(114,107)
Program service fees	449,589		449,589
Net investment return	28,479	374,249	402,728
Total revenue	1,609,252	982,029	2,591,281
Net assets released from restrictions:			
Capital projects	204,254	(204,254)	
Program expenditures	167,555	(167,555)	
Total	1,981,061	610,220	2,591,281
EXPENSES:			
Program services	1,795,458		1,795,458
Management and general	235,154		235,154
Fundraising	585,022		585,022
Total expenses	2,615,634		2,615,634
CHANGES IN NET ASSETS	(634,573)	610,220	(24,353)
Net assets, beginning of year	14,712,669	6,317,349	21,030,018
Net assets, end of year	$ 14,078,096	$ 6,927,569	$ 21,005,665

See accompanying notes to consolidated financial statements.

Camp Aranzazu, Inc. and Camp Aranzazu Foundation

Consolidated Statements of Cash Flows for the years ended December 31, 2024 and 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Changes in net assets	$ 126,408	$ (24,353)
Adjustments to reconcile changes in net assets to net cash used by operating activities:		
Depreciation	512,735	505,545
Loss on disposal of property	23,514	280
Net realized and unrealized gain on investments	(396,744)	(284,266)
Contributions restricted for endowment	(5,609)	(292,450)
Contributions restricted for capital projects	(212,000)	(189,250)
Changes in operating assets and liabilities:		
Contributions receivable	(37,302)	52,216
Prepaid expenses and other assets	6,055	537
Accounts payable and accrued liabilities	(93,119)	112,956
Refundable advance special events	22,270	
Deferred program service fees		(7,587)
Net cash used by operating activities	(53,792)	(126,372)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property	(207,888)	(267,690)
Proceeds from sale of property	118,615	
Purchase of investments	(2,405,176)	(3,050,946)
Sale of investments	286,078	373,170
Net change in cash and money market mutual funds held as investments	1,741,138	344,234
Net cash used by investing activities	(467,233)	(2,601,232)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from contributions restricted for endowment	261,409	2,190,597
Proceeds from contributions restricted for capital projects	212,000	189,250
Repayment of notes payable		(78,893)
Net cash provided by financing activities	473,409	2,300,954
NET CHANGE IN CASH	(47,616)	(426,650)
Cash, beginning of year	1,255,475	1,682,125
Cash, end of year	$ 1,207,859	$ 1,255,475
Reconciliation of cash balances:		
Operating cash	$ 1,151,998	$ 1,255,475
Cash restricted for endowment	55,861	
Total cash	$ 1,207,859	$ 1,255,475

Supplemental disclosure of cash flow information:
Interest paid $2,913

See accompanying notes to consolidated financial statements.

Camp Aranzazu, Inc. and Camp Aranzazu Foundation

Consolidated Statement of Functional Expenses for the year ended December 31, 2024

	PROGRAM SERVICES	MANAGEMENT AND GENERAL	FUNDRAISING	TOTAL
Payroll and benefits	$ 866,964	$ 174,791	$ 309,553	$ 1,351,308
Depreciation	505,900	6,533	302	512,735
Insurance	143,887	3,078	1,790	148,755
Utilities	121,182	9,517	8,556	139,255
Food	134,037			134,037
Marketing	41,285	46,352	44,625	132,262
Maintenance and repairs	90,995	295		91,290
Program supplies	70,105			70,105
Postage, printing and delivery	1,290	573	52,009	53,872
Travel and entertainment	19,908	4,154	18,130	42,192
Professional fees	3,500	20,480	11,206	35,186
Staff, partner, and volunteer expenses	19,320	2,657	2,657	24,634
Dues, license and subscriptions	12,214	1,150	334	13,698
Continuing education	11,336	951	952	13,239
Credit card and bank fees		6,288	6,233	12,521
Office supplies	10,397	867	866	12,130
Other	6,527	23	655	7,205
Total expenses	$ 2,058,847	$ 277,709	$ 457,868	2,794,424
Direct donor benefits				126,579
Total				$ 2,921,003

See accompanying notes to consolidated financial statements.

Camp Aranzazu, Inc. and Camp Aranzazu Foundation

Consolidated Statement of Functional Expenses for the year ended December 31, 2023

	PROGRAM SERVICES	MANAGEMENT AND GENERAL	FUNDRAISING	TOTAL
Payroll and benefits	$ 681,118	$ 151,045	$ 477,783	$ 1,309,946
Depreciation	495,593	9,720	232	505,545
Insurance	136,253	2,536	1,689	140,478
Utilities	112,150	8,177	7,284	127,611
Food	110,525			110,525
Marketing	16,447	19,104	22,455	58,006
Maintenance and repairs	103,788	1,426		105,214
Program supplies	38,946			38,946
Postage, printing and delivery	3,458	270	39,785	43,513
Travel and entertainment	22,564	3,691	16,893	43,148
Professional fees		17,840	3,560	21,400
Staff, partner, and volunteer expenses	19,901	1,545	1,545	22,991
Dues, license and subscriptions	7,737	1,227	270	9,234
Continuing education	9,961	914	1,713	12,588
Credit card and bank fees		4,975	4,885	9,860
Office supplies	8,262	590	2,456	11,308
Equipment rentals	23,576			23,576
Bad debt		9,311		9,311
Other	5,179	2,783	4,472	12,434
Total expenses	$ 1,795,458	$ 235,154	$ 585,022	2,615,634
Direct donor benefits				114,107
Total				$ 2,729,741

See accompanying notes to consolidated financial statements.

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Organization – Camp Aranzazu, Inc. is a non-profit organization dedicated to enriching the lives of children and adults with chronic illnesses and disabilities by providing unique camping, environmental studies, and retreat experiences to groups with special needs. Camp Aranzazu, Inc. collaborates with these groups, providing its 104-acre wheelchair-friendly campground, food, and programming customized to each group. The groups bring the campers, supervisors, and medical staff, as deemed appropriate and necessary. The mission is accomplished based on an understanding that Camp Aranzazu, Inc. is called to demonstrate love and compassion for others, and called to share and be responsible for its unique natural environment.

Camp Aranzazu Foundation (the Foundation) was formed in 2019 for the purpose of raising charitable contributions as an endowment for the benefit of Camp Aranzazu, Inc. Camp Aranzazu, Inc. is the sole beneficiary of the Foundation. The Foundation is governed by a separate Board of Directors, which are appointed by Camp Aranzazu, Inc.'s Board of Directors.

Basis of presentation – These consolidated financial statements include the assets, liabilities, net assets and activities of Camp Aranzazu, Inc. and the Foundation (collectively Camp Aranzazu). All balances and transactions between the consolidated entities have been eliminated.

Federal income tax status – Both Camp Aranzazu, Inc. and the Foundation are exempt from federal income taxes under §501(c)(3) of the Internal Revenue Code. Camp Aranzazu, Inc. is classified as a public charity under §509(a)(1) and §170(b)(1)(A)(vi). The Foundation is classified as a Type I supporting organization under §509(a)(3).

Cash – Bank deposits exceed the federally insured limit per depositor per institution. Cash held for investment purposes is reported with investments and is excluded from cash in the statement of cash flows.

Contributions receivable that are expected to be collected within one year are reported at net realizable value. Amounts expected to be collected in future years are discounted, if material, to estimate the present value of future cash flows. Discounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of discounts is included in contribution revenue.

An allowance for contributions receivable is provided when it is believed balances may not be collected in full. The adequacy of the allowance at the end of each period is determined using a combination of historical loss experience and donor-by-donor analysis of balances. At December 31, 2024 and 2023, management considers all contributions receivable to be collectible.

Investments are reported at fair value. Net investment return consists of interest and dividends, realized and unrealized gains and losses, net of external and direct internal investment expenses.

Property is reported at cost, if purchased, or at fair value at the date of gift, if donated. Camp Aranzazu capitalizes additions and improvements with a cost of more than $3,000 and an estimated useful life of more than one year. Depreciation is calculated using the straight-line method over estimated useful lives of 3 to 25 years.

Net asset classification – Net assets, revenue, gains, and losses are classified based on the existence or absence of donor-imposed restrictions, as follows:

- *Net assets without donor restrictions* are not subject to donor-imposed restrictions even though their use may be limited in other respects such as by contract or board designation.
- *Net assets with donor restrictions* are subject to donor-imposed restrictions. Restrictions may be temporary in nature, such as those that will be met by the passage of time or use for a purpose specified by the donor, or may be perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Net assets are released from restrictions when the stipulated time has elapsed, or purpose has been fulfilled, or both. Contributions of long-lived assets and of assets restricted for acquisition of long-lived assets are released when those assets are placed in service. Donor-restricted endowment earnings are released when those earnings are appropriated in accordance with spending policies and are used for the stipulated purpose.

Contributions are recognized as revenue at fair value when an unconditional commitment is received from the donor. Contributions received with donor stipulations that limit their use are classified as *net assets with donor restrictions*. Conditional contributions are subject to one or more barriers that must be overcome before the organization is entitled to receive or retain funding. Conditional contributions are recognized as revenue at fair value when conditions have been met.

Fundraising events revenue is the total amount paid by sponsors and attendees of an event and includes elements of both contributions and exchange transactions. Fundraising events revenue is recognized when the event occurs. Amounts received for future events represent conditional contributions and are reported in the consolidated statement of financial position as a refundable advance until earned. Items donated for auction are recognized at the proceeds received from the attendee. Direct donor benefits represent the cost of goods and services provided to attendees of fundraising events.

In-kind contributions – Donated materials and use of facilities are recognized as contributions at fair value when an unconditional commitment is received from the donor. The related expense is recognized as the item is used. Contributions of services are recognized when services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Camp Aranzazu received donated services from a variety of volunteers who assist in fundraising and special projects for which no amount has been recorded in the financial statements because the services did not meet the criteria for recognition under generally accepted accounting principles.

Program service fees represent fees from user groups for use of camp facilities, meals and incidentals. Revenue is recognized when the services are provided in an amount that reflects the consideration Camp Aranzazu expects to be entitled to in exchange for those services. Revenue is recognized based on the service output method as services are rendered for the term of the camp as Camp Aranzazu believes this to be the most faithful depiction of the transfer of control of services as participants simultaneously receive and consume the benefits provided by the performance obligation. User groups pay a deposit when the contract is executed. Prior to camp, a guaranteed fee payment is received based on the estimated number of campers which is non-refundable, unless the cancellation is due to weather or other factors beyond the user group's control. User groups are billed after the camp session for additional campers, meals and incidentals. At December 31, 2024, 2023 and 2022, $30,635, $798, and $5,672 of program service fees receivable are reported as prepaid expenses and other assets, respectively. Amounts received in advance are recorded as deferred revenue.

Subsequent changes to the transaction price are recorded as adjustments to program service fees in the period of change. Subsequent changes that are determined to be a result of an adverse change in the user group's ability to pay (change in credit risk) are recorded as bad debt expense. Camp Aranzazu had no material adjustments related to subsequent changes in the estimate of the transaction price or subsequent changes of an adverse nature in a user group's ability to pay for the periods reported.

Functional allocation of expenses – Expenses are reported by their functional classification. Program services are the direct conduct or supervision of activities that fulfill the purposes for which the organization exists. Fundraising activities include the solicitation of contributions of money, securities, materials, facilities, other assets, and time. Management and general activities are not directly identifiable with specific program or fundraising activities. Expenses that are attributable to more than one activity are allocated among the activities benefitted. Salaries and related costs are allocated on the basis of estimated time and effort expended. Interest, building repairs, depreciation and occupancy costs are allocated based on square footage usage.

Estimates – Management must make estimates and assumptions to prepare financial statements in accordance with generally accepted accounting principles. These estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, the amounts of reported revenue and expenses, and the allocation of expenses among various functions. Actual results could vary from the estimates that were used.

NOTE 2 – LIQUIDITY AND AVAILABILITY OF RESOURCES

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use within one year of December 31 comprise the following:

	2024	2023
Financial assets available for general expenditure:		
Operating cash	$ 1,151,998	$ 1,255,475
Contributions receivable	64,382	27,080
Total financial assets not restricted for endowment	1,216,380	1,282,555
Less:		
Donor-restricted for capital projects in future periods or future projects	(175,067)	(177,003)
Total financial assets available for general expenditure	$ 1,041,313	$ 1,105,552

For purposes of analyzing resources available to meet general expenditures over a 12-month period, Camp Aranzazu considers all expenditures related to its ongoing activities of providing a camp facility designed for individuals with special needs, as well as the conduct of services undertaken to support those activities other than capital expenditures, to be general expenditures. Camp Aranzazu's liquidity management plan is to have cash on hand to meet normal operating expenses and to structure its financial assets to be available as its general expenses, liabilities, and other obligations become due.

NOTE 3 – CONTRIBUTIONS RECEIVABLE

Contributions receivable consist of the following:

	2024	2023
Endowment	$ 277,500	$ 533,300
Operations	64,382	27,080
Total contributions receivable	$ 341,882	$ 560,380

Contributions receivable at December 31, 2024 are expected to be collected as follows:

Receivable in less than one year	$ 256,882
Receivable in one to five years	85,000
Total contributions receivable	$ 341,882

NOTE 4 – PROPERTY

Property is comprised of the following:

	2024	2023
Land and land improvements	$ 5,540,921	$ 5,674,595
Buildings	10,745,925	10,674,133
Office furniture and equipment	466,177	461,809
Vehicles	219,193	166,472
Construction in progress	63,516	
Property, at cost	17,035,732	16,977,009
Accumulated depreciation	(4,357,879)	(3,852,180)
Property, net	$ 12,677,853	$ 13,124,829

NOTE 5 – INVESTMENTS AND FAIR VALUE MEASUREMENTS

Generally accepted accounting principles require that certain assets and liabilities be reported at fair value and establish a hierarchy that prioritizes inputs used to measure fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The three levels of the fair value hierarchy are as follows:

- *Level 1* – Inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the reporting date.
- *Level 2* – Inputs are other than quoted prices included in Level 1, which are either directly observable or can be derived from or corroborated by observable market data at the reporting date.
- *Level 3* – Inputs are not observable and are based on the reporting entity's assumptions about the inputs market participants would use in pricing the asset or liability.

Assets measured at fair value at December 31, 2024 are as follows:

	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Investments:				
Mutual funds:				
Domestic equity funds	$ 2,609,811			$ 2,609,811
International equity funds	1,258,429			1,258,429
Money market mutual funds	266,221			266,221
Corporate bonds		$ 1,329,144		1,329,144
Negotiable certificates of deposit		624,933		624,933
U. S. Treasury notes	515,382			515,382
Municipal bonds		94,110		94,110
Total assets measured at fair value	$ 4,649,843	$ 2,048,187	$ 0	6,698,030
Cash				238,158
Total investments				$ 6,936,188

Assets measured at fair value at December 31, 2023 are as follows:

	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Investments:				
Mutual funds:				
Domestic equity funds	$ 1,726,835			$ 1,726,835
International equity funds	609,327			609,327
Money market mutual funds	1,812,906			1,812,906
Corporate bonds		$ 1,000,851		1,000,851
Negotiable certificates of deposit		192,136		192,136
U. S. Treasury notes	291,386			291,386
Municipal bonds		95,432		95,432
Total assets measured at fair value	$ 4,440,454	$ 1,288,419	$ 0	5,728,873
Cash				432,611
Total investments				$ 6,161,484

Valuation methods used for assets measured at fair value are as follows:

- *Mutual funds* are valued at the reported net asset value.
- *Corporate and municipal bonds* are valued using prices obtained from independent quotation bureaus that use computerized valuation formulas, which may include market corroborated inputs for credit risk factors, interest rate and yield curves, and broker quotes to calculate fair values.
- *Negotiable certificates of deposit* are valued using prices obtained from independent quotation bureaus that use computerized valuation formulas to calculate fair values.
- *U. S. Treasury notes* are valued using prices obtained from independent quotation bureaus that use computerized valuation formulas which may include market-corroborated inputs for credit risk factors, interest rate and yield curves and broker quotes from active markets to calculate fair values.

These valuation methods may produce a fair value that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while Camp Aranzazu believes its valuation methods are appropriate, the use of different methods or assumptions could result in a different fair value measurement at the reporting date.

NOTE 6 – LINE OF CREDIT

Camp Aranzazu, Inc. has an unsecured $300,000 revolving line of credit with a bank with interest at prime rate plus 0.75%. There were no amounts outstanding on this line of credit at December 31, 2024 or 2023. This line of credit was renewed on February 11, 2025.

NOTE 7 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted as follows:

	2024	2023
Subject to expenditure for specified purpose:		
Capital projects	$ 175,067	$ 177,003
Program development	117,612	47,668
Other	5,314	8,114
Endowments subject to spending policy and appropriation:		
Capital and Maintenance Fund	4,034,177	3,699,513
Resiliency Fund – general endowment	3,235,372	2,995,271
Total net assets with donor restrictions	$ 7,567,542	$ 6,927,569

NOTE 8 – ENDOWMENT FUND

The Foundation manages funds established by donors to provide perpetual financial support to Camp Aranzazu, Inc. The Foundation's Board of Directors has interpreted the Texas Uniform Prudent Management of Institutional Funds Act (TUPMIFA) as requiring the preservation of the fair value of the original gift as of the date of the donor-restricted endowment fund. In addition, the Board of Directors allows the Foundation to appropriate for expenditure or accumulate as much of an endowment fund as determined is prudent for the uses, benefits, purposes, and duration for which the endowment fund was established, subject to explicit donor stipulations.

As a result of this interpretation, the Foundation classifies the original value of gifts donated to the perpetual endowment as *net assets with donor restrictions* required to be maintained in perpetuity. The amount is not reduced by losses on investments of the endowment, nor by approved distributions. The remaining portion of the donor-restricted endowment fund is also classified as *net assets with donor restrictions* until appropriated in accordance with spending policies and used for the stipulated purpose. Should the fair value of assets associated with the endowment fall below the level that is required to be maintained in perpetuity, a deficiency would be reported in *net assets with donor restrictions*. There were no such deficiencies at December 31, 2024 or 2023.

Spending Policy

The maximum annual appropriation is currently established at 4.5% of the average level of the endowment assets in the previous twelve quarters. In extraordinary circumstances, the maximum appropriation can increase to 7%, but in the following years the distributions should be reduced.

Investment Policy

The endowment funds shall be invested with the aim of preserving the long-term real purchasing power of the assets while providing a relatively predictable and growing stream of annual appropriations in support of Camp Aranzazu.

The endowment's assets will be managed as a balanced portfolio composed of two major components: equities and fixed-income. The role of equities will be to maximize the long-term real growth of the portfolio. The role of fixed-income will be to generate current income and provide some protection to the portfolio in times of decline in the value of equities. The role of real assets may be to provide protection from inflation, additional returns, and diversification.

Changes in endowment net assets are as follows:

	WITH DONOR RESTRICTIONS		
	ACCUMULATED NET INVESTMENT RETURN	REQUIRED TO BE MAINTAINED IN PERPETUITY	TOTAL
Endowment net assets, December 31, 2022	$ 1,756	$ 6,026,329	$ 6,028,085
Contributions		292,450	292,450
Net investment return	374,249		374,249
Endowment net assets, December 31, 2023	376,005	6,318,779	6,694,784
Contributions		5,609	5,609
Net investment return	569,156		569,156
Endowment net assets, December 31, 2024	$ 945,161	$ 6,324,388	$ 7,269,549

NOTE 9 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through August 26, 2025, which is the date that the financial statements were available for issuance. As a result of this evaluation, no events were identified that are required to be disclosed or would have a material impact on reported net assets or changes in net assets.

Camp Aranzazu, Inc. and Camp Aranzazu Foundation

Consolidating Statement of Financial Position as of December 31, 2024

	CAMP ARANZAZU, INC.	CAMP ARANZAZU FOUNDATION	ELIMINATIONS	TOTAL
ASSETS				
Operating cash	$ 1,151,998			$ 1,151,998
Contributions receivable	64,382			64,382
Prepaid expenses and other assets	91,779			91,779
Due from affiliate	457,835	$ 55,861	$ (513,696)	
Cash restricted for endowment	55,861			55,861
Contributions receivable restricted for endowment		277,500		277,500
Investments restricted for endowment		6,936,188		6,936,188
Property, net	12,677,853			12,677,853
TOTAL ASSETS	$ 14,499,708	$ 7,269,549	$ (513,696)	$ 21,255,561
LIABILITIES AND NET ASSETS				
Liabilities:				
Accounts payable	$ 70,569			$ 70,569
Accrued payroll and related expenses	29,872			29,872
Accrued expenses	777			777
Deferred program service fees	22,270			22,270
Due to affiliate	55,861	$ 457,835	$ (513,696)	
Total liabilities	179,349	457,835	(513,696)	123,488
Net assets:				
Without donor restrictions	14,022,366	(457,835)		13,564,531
With donor restrictions	297,993	7,269,549		7,567,542
Total net assets	14,320,359	6,811,714		21,132,073
TOTAL LIABILITIES AND NET ASSETS	$ 14,499,708	$ 7,269,549	$ (513,696)	$ 21,255,561

Camp Aranzazu, Inc. and Camp Aranzazu Foundation

Consolidating Statement of Activities for year ended December 31, 2024

	CAMP ARANZAZU, INC.	CAMP ARANZAZU FOUNDATION	ELIMINATIONS	TOTAL
REVENUE:				
Contributions	$ 1,452,366	$ 5,609		$ 1,457,975
Fundraising events:				
Cash and other financial assets	471,626			471,626
Nonfinancial assets auction items	61,135			61,135
Direct donor benefits	(126,579)			(126,579)
Program service fees	491,090			491,090
Net investment return	(3,571)	569,156		565,585
Total revenue	2,346,067	574,765		2,920,832
EXPENSES:				
Program services	2,058,847			2,058,847
Management and general	274,054	3,655		277,709
Fundraising	457,368	500		457,868
Total expenses	2,790,269	4,155		2,794,424
CHANGES IN NET ASSETS	(444,202)	570,610		126,408
Net assets, beginning of year	14,764,561	6,241,104		21,005,665
Net assets, end of year	$ 14,320,359	$ 6,811,714	$ 0	$ 21,132,073