

**FORT LA PRESENTATION COMPANY**  
**FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2018 AND 2017**

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## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Board of Directors  
Fort La Presentation Company  
Ogdensburg, New York

We have reviewed the accompanying financial statements of Fort La Presentation Company (a nonprofit organization), which comprise the statements of financial position as of December 31, 2018 and 2017, and the related statements of activities, functional expenses and cash flows for the years 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 entity 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, we 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 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.

### Accountant's Responsibility

Our 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 us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

### Accountant's Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

*Pinto Mucenski Hooper Van House & Co.*  
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Certified Public Accountants, P.C.

July 11, 2019

**FORT LA PRESENTATION COMPANY**

**STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2018 AND 2017**

	<u>12/31/2018</u>	<u>12/31/2017</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 94,801	\$ 76,084
Grant Receivable	40,956	352,650
Investments	120,195	127,105
Inventory	3,397	4,409
Total Current Assets	<u>259,349</u>	<u>560,248</u>
<b>PROPERTY AND EQUIPMENT</b>		
Trail Construction in Progress	-	405,797
Land and Improvements	686,161	248,882
Buildings and Other Structures	29,001	29,001
Equipment	49,939	39,641
	<u>765,101</u>	<u>723,321</u>
Less Accumulated Depreciation	59,682	39,068
Net Fixed Assets	<u>705,419</u>	<u>684,253</u>
Total Assets	<u>\$ 964,768</u>	<u>\$ 1,244,501</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 3,900	\$ -
Retainage Payable	-	19,741
Line of Credit - Construction Loan	-	255,986
Notes Payable (Current Portion)	-	4,301
Total Current Liabilities	<u>3,900</u>	<u>280,028</u>
<b>LONG-TERM LIABILITIES</b>		
Notes Payable (Net of Current Portion)	-	1,063
Total Liabilities	<u>3,900</u>	<u>281,091</u>
<b>NET ASSETS</b>		
Without Donor Restrictions - Undesignated	835,456	824,959
Without Donor Restrictions - Board Designated	120,195	127,105
Total Net Assets Without Donor Restrictions	<u>955,651</u>	<u>952,064</u>
With Donor Restrictions	5,217	11,346
Total Net Assets	<u>960,868</u>	<u>963,410</u>
Total Liabilities and Net Assets	<u>\$ 964,768</u>	<u>\$ 1,244,501</u>

See accompanying notes and accountant's report.

**FORT LA PRESENTATION COMPANY**

**STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017**

	2018			2017		
	Without Donor Restrictions	With Donor Restrictions	Totals	Without Donor Restrictions	With Donor Restrictions	Totals
<b>SUPPORT AND REVENUE</b>						
Memberships/Donations	\$ 11,751	\$ 69,988	\$ 81,739	\$ 94,422	\$ 5,740	\$ 100,162
Community Events	14,253	-	14,253	18,402	-	18,402
Interest Income	12	-	12	12	-	12
Investment Income (Loss)	(5,825)	-	(5,825)	13,633	-	13,633
Grant Income	-	-	-	362,650	-	362,650
Other Income	79	-	79	178,006	-	178,006
Net Assets Released from Restrictions	76,117	(76,117)	-	-	-	-
Total Support and Revenue	96,387	(6,129)	90,258	667,125	5,740	672,865
<b>EXPENSES</b>						
Program	76,851	-	76,851	21,670	-	21,670
General and Administrative	15,949	-	15,949	26,676	-	26,676
Total Expenses	92,800	-	92,800	48,346	-	48,346
Change in Net Assets	3,587	(6,129)	(2,542)	618,779	5,740	624,519
Net Assets - Beginning of Year	952,064	11,346	963,410	333,285	5,606	338,891
Net Assets - End of Year	\$ 955,651	\$ 5,217	\$ 960,868	\$ 952,064	\$ 11,346	\$ 963,410

See accompanying notes and accountant's report.

**FORT LA PRESENTATION COMPANY**

**STATEMENTS OF FUNCTIONAL EXPENSES  
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017**

	2018			2017		
	Program	General and Administrative	Totals	Program	General and Administrative	Totals
Professional Fees	\$ 33,759	\$ 7,506	\$ 41,265	\$ -	\$ 17,087	\$ 17,087
Insurance	-	5,549	5,549	-	5,549	5,549
Depreciation	20,614	-	20,614	5,556	-	5,556
Website and Photography	84	-	84	486	-	486
Event Supplies and Rentals	5,903	-	5,903	4,171	-	4,171
Contracted Services	330	-	330	1,260	-	1,260
Memberships, Dues, Fees	79	469	548	-	478	478
Postage	424	-	424	393	-	393
Office Expense	1,298	(4)	1,294	1,410	1,106	2,516
Telephone	-	468	468	-	910	910
Marketing	4,451	1,406	5,857	3,677	1,006	4,683
Interest Expense	4,210	-	4,210	597	-	597
Mowing/Groundskeeping	3,050	-	3,050	1,996	-	1,996
Real Estate Taxes	2,649	-	2,649	2,124	-	2,124
Other Administrative Expenses	-	555	555	-	540	540
Total Expenses	\$ 76,851	\$ 15,949	\$ 92,800	\$ 21,670	\$ 26,676	\$ 48,346

See accompanying notes and accountant's report.

**FORT LA PRESENTATION COMPANY**

**STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
<b>OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ (2,542)	\$ 624,519
Adjustments to Reconcile Change in Net Assets to		
Net Cash Provided (Used) by Operating Activities		
Depreciation Expense	20,614	5,556
Net Realized and Unrealized (Gain) Loss on Investments	11,540	(10,430)
Noncash Contributions	-	(87,500)
Grant Receivable	311,694	(352,650)
Inventory	1,012	125
Accounts Payable	<u>3,900</u>	<u>-</u>
Cash Provided (Used) by Operating Activities	<u>346,218</u>	<u>179,620</u>
<b>INVESTING ACTIVITIES</b>		
Proceeds from Sale of Investments	3,193	24,779
Purchases of Investments	(7,823)	(1,609)
Purchases of Fixed Assets	(10,298)	-
Payments for Construction in Progress	<u>(51,222)</u>	<u>(386,056)</u>
Net Investing Activities	<u>(66,150)</u>	<u>(362,886)</u>
<b>FINANCING ACTIVITIES</b>		
Proceeds from Note Payable	-	255,986
Payments on Notes Payable	<u>(261,350)</u>	<u>(5,844)</u>
Net Financing Activities	<u>(261,350)</u>	<u>250,142</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	18,718	66,876
<b>CASH AND CASH EQUIVALENTS – Beginning of Year</b>	<u>76,084</u>	<u>9,208</u>
<b>CASH AND CASH EQUIVALENTS – End of Year</b>	<u>\$ 94,802</u>	<u>\$ 76,084</u>

**SUPPLEMENTAL CASH FLOW DISCLOSURES  
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017**

Cash Paid for Interest Expense	\$ 4,210	\$ 597
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See accompanying notes and accountant's report.

## **FORT LA PRESENTATION COMPANY**

### **NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2018**

#### **NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **Nature of Organization**

Fort La Presentation Company (the Fort) is a non-profit organization incorporated in the State of New York on December 19, 1986 and is based in Ogdensburg, New York. The mission of the Fort is to build an historically accurate reconstruction of Fort de La Presentation and related structures in proximity to the original site, and to oversee the operation of the site; to educate, to collect, to preserve or maintain, to develop, to research, to document, to interpret, and to recreate educational or historical ventures of interest to Ogdensburg, New York and the St. Lawrence Valley.

##### **Basis of Presentation**

The accompanying financial statements have been prepared on the accrual basis of accounting, in accordance with U.S. generally accepted accounting principles, which requires the Fort to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Fort. These net assets may be used at the discretion of the Fort's management and Board.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Fort and/or the passage of time. Other donor restrictions are perpetual in nature, where the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

##### **Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

##### **Cash and Cash Equivalents**

For the purpose of reporting cash flows, cash and cash equivalents include cash on hand, amounts due from banks, and savings instruments with a maturity of less than three months.



**FORT LA PRESENTATION COMPANY**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Investments**

Investments in marketable securities with readily determinable fair value and all investments in debt securities are reported at fair value in the statement of financial position. Realized and unrealized gains and losses are reflected in the statement of activities.

**Inventory**

Inventory is stated at cost and consists of souvenir merchandise.

**Fixed Assets**

Fixed assets are stated at cost. Purchases of capital assets in excess of \$ 250 and with a useful life in excess of one year are capitalized at cost. Depreciation is computed on the straight-line method based on estimated useful lives of the assets.

**Contributions and Grant Revenue**

Contributions and grant revenue are recorded as support in the year received. All contributions and grant revenue are available for unrestricted use unless specifically restricted by the donor or grantor.

**Grants Receivable**

The Fort's management considers grants receivable to be fully collectible; accordingly, no allowance for doubtful accounts is recorded. If amounts become uncollectible, they are charged to operations when that determination is made.

**Functional Expenses**

The Fort's expenses have been reported on a functional basis. Costs that directly fulfill the Fort's mission are charged to program expenses. Costs for supporting activities that are not directly identifiable with a program are charged to management and general expenses.

**Income Taxes**

The Fort qualifies as a tax exempt organization under Section 501(c)(3) of the Internal Revenue Code, and has a similar exemption under New York State laws and therefore, has no provision for income taxes.

The Fort has evaluated all significant tax positions. Management believes its tax positions are appropriate based on current facts and circumstances. As of December 31, 2018, the Fort does not believe that it has taken any positions that would require the recording of any tax liability or benefit.

**Donated Services**

The Fort receives donated services from a variety of unpaid volunteers. Only those donated services, which are of a professional nature or have enhanced a non-financial asset are recorded in these financial statements.

**FORT LA PRESENTATION COMPANY**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Subsequent Events**

Management has reviewed and evaluated all events and transactions from January 1, 2019 through July 11, 2019, the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements. There were no events or transactions that existed that would provide additional pertinent information about conditions at the date of the financial statements required to be recognized or disclosed in the accompanying financial statements.

**New Accounting Pronouncement**

In 2016, the Financial Accounting Standards Board issued Accounting Standards Update (ASU) No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. The Fort adopted this new standard during the year ended December 31, 2018. This guidance is intended to address the complexity and understandability of net asset classifications; improve the presentation of expenses by both activity and functional classification; provide disclosure of liquidity and availability of resources; and enhance disclosure of the functional allocation of expenses. The ASU has been applied retrospectively to all periods presented.

**NOTE B - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

The following table reflects the Fort's financial assets as of December 31, 2018, reduced by amounts not available for general expenditures within one year:

	<u>2018</u>
Cash and Cash Equivalents	\$ 94,801
Grant Receivable	40,956
Investments	<u>120,195</u>
Financial Assets	255,952
Less Purpose Restrictions	<u>(5,217)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 250,735</u>

**NOTE C - INVESTMENTS**

Investments are carried at market value. At December 31, 2018 and 2017, the value of the investments and earnings thereon are as follows:

	<u>2018</u>		<u>2017</u>	
	<u>Cost</u>	<u>Market Value</u>	<u>Cost</u>	<u>Market Value</u>
Cash and				
Cash Equivalents	\$ 8,178	\$ 8,178	\$ 3,549	\$ 3,549
Fixed Income Securities	61,865	60,245	61,865	60,860
Mutual Funds	<u>44,688</u>	<u>51,772</u>	<u>44,688</u>	<u>62,696</u>
	<u>\$ 114,731</u>	<u>\$ 120,195</u>	<u>\$ 110,102</u>	<u>\$ 127,105</u>

**FORT LA PRESENTATION COMPANY**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**

**NOTE C - INVESTMENTS (Continued)**

Investment income consists of the following:

	<u>2018</u>	<u>2017</u>
Dividends and Capital Gain Distributions	\$ 6,671	\$ 4,165
Unrealized Gains (Losses) on Investments	(11,539)	8,847
Realized Gains (Losses) on Investments	(1)	1,583
Investment Fees	(956)	(962)
	<u>\$ (5,825)</u>	<u>\$ 13,633</u>

**NOTE D - FAIR VALUE MEASUREMENTS**

The Fort utilizes fair value measurements to determine fair value disclosures. 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. Fair value is best determined based on quoted market prices. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the instrument.

The Fort uses a three-tier fair value hierarchy which maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value, as follows:

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fort has the ability to access.

**Level 2:** Significant other observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities in active markets, quoted prices in markets that are not active and other inputs that are observable or can be corroborated by observable market data.

**Level 3:** Significant unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the asset or liability.

All of the Fort's investments at December 31, 2018 and 2017 that are measured at fair value on a recurring basis are classified as Level 1 investments. Investments are classified in their entirety based on the lowest level of input that is significant to the fair value measurements.

**NOTE E - LINE OF CREDIT**

In connection with the trail construction project, the Fort had a line of credit balance at December 31, 2017 of \$ 255,986. This balance was paid in full as of March 12, 2018.

**NOTE F - DEPRECIATION**

Depreciation charged against operations for the years ended December 31, 2018 and 2017 was \$ 20,614 and \$ 5,556 respectively.

**FORT LA PRESENTATION COMPANY**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**

**NOTE G - NET ASSETS**

Net Assets with Donor Restrictions

At December 31, 2018 and 2017 net assets with donor restrictions are restricted for the following purpose:

	<u>2018</u>	<u>2017</u>
Abbe Picquet Trail	\$ <u>5,217</u>	\$ <u>11,346</u>

Net Assets without Donor Restrictions

At December 31, 2018 and 2017 net assets without donor restrictions are summarized as follows:

	<u>2018</u>	<u>2017</u>
Board Designated		
Investments	\$ 120,195	\$ 127,105
Undesignated	<u>835,456</u>	<u>824,959</u>
Total Unrestricted Net Assets	<u>\$ 955,651</u>	<u>\$ 952,064</u>

**NOTE H - RELEASE OF ENVIRONMENTAL LIABILITY**

In 2017, the Fort and New York Environmental Protection and Spill Compensation Fund reached agreements releasing the Fort from any liability resulting from petroleum contamination on certain properties owned by the Fort. As part of these agreements, the Fort received \$ 170,000 in 2017.

**NOTE I - RECLASSIFICATIONS**

Certain amounts in the prior year financial statements have been reclassified to conform to the current year presentation. These reclassifications have no effect on the change in net assets.