

RAVEN HILL DISCOVERY CENTER

(a Michigan nonprofit corporation)

FINANCIAL STATEMENTS

(reviewed)

for the year ended June 30, 2025

KAMMERMANN & BASCOM, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
CHARLEVOIX, MICHIGAN

CONTENTS

INDEPENDENT ACCOUNTANT'S REVIEW REPORT	1-2
STATEMENT OF FINANCIAL POSITION	3-4
STATEMENT OF ACTIVITIES	5
STATEMENT OF FUNCTIONAL EXPENSES	6
STATEMENT OF CASH FLOWS	7
NOTES TO FINANCIAL STATEMENTS	8-12

KAMMERMANN & BASCOM, P.C.

Certified Public Accountants

Velda K. Kammermann, CPA
Corey R. Bascom, CPA

Established 1988
www.northmicpa.com

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

February 2, 2026

To the Board of Directors of
Raven Hill Discovery Center:

We have reviewed the accompanying financial statements of Raven Hill Discovery Center (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows 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 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.

We are required to be independent of Raven Hill Discovery Center and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

~ Charlevoix ~
110 Park Avenue
Charlevoix, MI 49720
P: 231-547-4911

~ Boyne City ~
116 E. Main Street
Boyne City, MI 49720
P: 231-582-7211

Raven Hill Discovery Center
February 2, 2026

Accountant's Conclusion

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

Kammermann & Bascom, P.C.

RAVEN HILL DISCOVERY CENTER
STATEMENT OF FINANCIAL POSITION

June 30, 2025

ASSETS

CURRENT ASSETS:

Cash in bank	\$ 79,907
Certificate of deposit	195,257
Grants receivable	<u>5,000</u>
Total current assets	280,164

FIXED ASSETS:

Buildings and improvements	\$ 595,690
Equipment and furniture	90,917
Vehicles	19,273
Land improvements	<u>59,244</u>
	765,124
Less accumulated depreciation	<u>(345,672)</u>
	419,452
Land	<u>320,162</u>
Total fixed assets	739,614

OTHER ASSET,

Exhibits and collections	<u>293,102</u>
--------------------------	----------------

Total assets	<u><u>\$ 1,312,880</u></u>
--------------	----------------------------

See Independent Accountant's Review Report.

The accompanying notes are a part of the financial statements.

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:

Accounts payable and accrued expenses	\$ 31,355
Long-term debt due within one year	<u>45,045</u>
Total current liabilities	76,400

LONG-TERM DEBT (Notes E and F):

Note payable to individual	\$ 41,462
Land contract payable	<u>178,046</u>
	219,508
Less portion due within one year	<u>(45,045)</u>
Total long-term debt	<u>174,463</u>
Total liabilities	250,863

NET ASSETS:

Without donor restrictions	1,041,217
With donor restrictions	<u>20,800</u>
Total net assets	<u>1,062,017</u>
Total liabilities and net assets	<u><u>\$ 1,312,880</u></u>

RAVEN HILL DISCOVERY CENTER

STATEMENT OF ACTIVITIES

for the year ended June 30, 2025

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u>
REVENUES AND SUPPORT:			
Contributions	\$ 93,819	\$ 5,000	\$ 98,819
Contributions of nonfinancial assets	15,869	-	15,869
Grants	-	53,659	53,659
Memberships	8,165	-	8,165
Program fees	47,317	-	47,317
Investment income	5,330	-	5,330
Other	2,227	-	2,227
Net assets released from restrictions	<u>57,859</u>	<u>(57,859)</u>	<u>-</u>
Total revenues and support	230,586	800	231,386
EXPENSES:			
Programs, Promoting science, history and art	213,241	-	213,241
General and administrative	19,959	-	19,959
Fundraising	<u>18,858</u>	<u>-</u>	<u>18,858</u>
Total expenses	<u>252,058</u>	<u>-</u>	<u>252,058</u>
Change in net assets	(21,472)	800	(20,672)
Net assets, July 1, 2024	<u>1,062,689</u>	<u>20,000</u>	<u>1,082,689</u>
Net assets, June 30, 2025	<u>\$ 1,041,217</u>	<u>\$ 20,800</u>	<u>\$ 1,062,017</u>

See Independent Accountant's Review Report.

The accompanying notes are a part of the financial statements.

RAVEN HILL DISCOVERY CENTER

STATEMENT OF FUNCTIONAL EXPENSES

for the year ended June 30, 2025

	<u>Program Costs</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and payroll taxes	\$ 55,933	\$ 6,992	\$ 6,992	\$ 69,917
Professional services	52,947	6,618	6,618	66,183
Supplies	17,137	952	952	19,041
Utilities and telephone	12,059	670	670	13,399
Maintenance and repairs	12,842	714	714	14,270
Marketing, advertising and printing	15,106	839	839	16,784
Interest	9,907	1,101	-	11,008
Insurance	13,084	727	727	14,538
Depreciation	20,607	1,145	1,145	22,897
Miscellaneous	3,619	201	201	4,021
Total expenses	<u>\$ 213,241</u>	<u>\$ 19,959</u>	<u>\$ 18,858</u>	<u>\$ 252,058</u>

See Independent Accountant's Review Report.

The accompanying notes are a part of the financial statements.

RAVEN HILL DISCOVERY CENTER

STATEMENT OF CASH FLOWS

for the year ended June 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES:		\$ (20,672)
Change in net assets		
Adjustments to reconcile change in net assets to net cash used by operating activities:		
Depreciation	\$ 22,897	
Increase in grants receivable	(5,000)	
Increase in accounts payable and accrued expenses	(4,422)	
Noncash contributions of fixed assets	<u>(15,869)</u>	
Total adjustments		<u>(2,394)</u>
Net cash used by operating activities		(23,066)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Investment in certificate of deposit	(5,329)	
Purchase of fixed assets and exhibits	<u>(23,020)</u>	
Net cash used by investing activities		(28,349)
CASH FLOWS FROM FINANCING ACTIVITIES,		
Principal repayments on long-term debt		<u>(4,027)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS		(55,442)
CASH AND CASH EQUIVALENTS, July 1, 2024		<u>135,349</u>
CASH AND CASH EQUIVALENTS, June 30, 2025		<u>\$ 79,907</u>
SUPPLEMENTAL DISCLOSURES:		
Interest paid	\$ 11,008	
Noncash Contributions, Equipment	15,869	

See Independent Accountant's Review Report.

The accompanying notes are a part of the financial statements.

RAVEN HILL DISCOVERY CENTER
NOTES TO FINANCIAL STATEMENTS
for the year ended June 30, 2025

NOTE A - NATURE OF ACTIVITIES

The Raven Hill Discovery Center is a not-for-profit organization incorporated in Michigan in 1991 to conduct educational activities to promote science, historical and artistic interests. The Center's support comes primarily from admissions and fees related to the Raven Hill Discovery Center and from contributions.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Center have been prepared on the accrual basis of accounting.

Basis of Presentation

The Center reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Center, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

The Center's unspent contributions are reported in net assets with donor contributions if the donor limited their use, as are promised contributions that are not yet due. Contributions of property and equipment or cash restricted to acquisition of property and equipment are reported as net assets with donor restrictions if the donor has restricted the use of the property or equipment to a particular program. These restrictions expire when the assets are placed in service.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

RAVEN HILL DISCOVERY CENTER
NOTES TO FINANCIAL STATEMENTS
for the year ended June 30, 2025

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles includes the use of estimates that affect the financial statements. Accordingly, actual results could differ from those estimates.

Advertising

Advertising costs are expensed as incurred. Advertising expense for the year was \$16,784.

Contributed Nonfinancial Assets

Contributed nonfinancial assets are reflected in the financial statements at the estimated fair market value at the time of the donation. Contributed nonfinancial assets recognized in the statement of activities totaled \$15,869 for the year ended June 30, 2025.

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. In addition, volunteers provide program assistance and fundraising services to the Organization. No amounts have been recorded for volunteer services.

Property and Equipment

Depreciation of buildings and equipment is provided over the estimated useful lives of the respective assets using the straight-line method. Depreciation expense totaled \$22,897 for the year.

Acquisitions of property and equipment in excess of \$1,000 are capitalized. Donated equipment is recorded at fair market value at the date of the donation. Purchased equipment is recorded at cost.

Exhibits and Collections

The Center has exhibits and collections that have been accumulated from donations, purchase or construction. Only acquisitions and donations from recent years have been recorded or valued by the Center.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, cash equivalents include all bank accounts. At June 30, 2025, the Center had cash and certificates of deposit exceeding FDIC limits by \$25,164.

RAVEN HILL DISCOVERY CENTER
NOTES TO FINANCIAL STATEMENTS
for the year ended June 30, 2025

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Expense Allocation

The costs of providing the various programs and other activities have been summarized on a functional basis in the schedule of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefitted.

Revenue Recognition

The Center recognizes contributions, memberships, and grants when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. For the year ended June 30, 2025, the Center had grants receivable totaling \$5,000. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met. For the year ended June 30, 2025, the Center did not have any conditional promises to give receivable.

The Center recognizes program fees when cash or a notification of a beneficial interest is received. The Center provides admissions to the facilities, along with educational field trips for schools, and workshops and classes for the community. For the year ended June 30, 2025, the Center did not have any unearned revenue to report.

The Center records special events revenue equal to the fair value of direct benefits to donors, and contribution income for the excess received when the event takes place. The Center did not sponsor any special events during the year.

NOTE C – LIQUIDITY AND AVAILABILITY:

Financial assets available for general expenditure that is, without donor or other restrictions limiting their use, within one year of June 30, 2025 are:

Financial assets:	
Cash and cash equivalents	\$ 79,907
Certificate of deposit	195,257
Grants receivable	<u>5,000</u>
Total financial assets	280,164
Less financial assets held to meet donor-imposed restrictions,	
Purpose restricted net assets	<u>(20,800)</u>
Amount available for general expenditures within one year	<u>\$ 259,364</u>

RAVEN HILL DISCOVERY CENTER
NOTES TO FINANCIAL STATEMENTS

for the year ended June 30, 2025

NOTE D - INCOME TAX STATUS:

The Internal Revenue Service has determined the Center to be exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. The Center believes that its income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse affect on the Center's financial condition, results of operations, or cash flows. Therefore, the financial statements reflect no provision or liability for federal income tax. The Center's tax filings are no longer subject to examination for years prior to June 30, 2022.

NOTE E – NOTES AND CONTRACTS PAYABLE

The Center also has long-term debt obligations secured by equipment, buildings and improvements, which consist of the following at June 30, 2025:

Note payable to individual at 3 percent interest to maturity at July 31, 2026.	\$ 41,462
Land contract payable, with monthly installments of \$1,061 including interest at 5 percent, maturing in 2049.	<u>178,046</u>
Less portion due within one year	<u>219,508</u> <u>(45,045)</u>
Total	<u>\$ 174,463</u>

The annual requirements to amortize all long-term debt outstanding as of June 30, 2025, including interest payments of \$150,211 are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	45,045	29,878	74,923
2027	4,100	8,630	12,730
2028	4,310	8,420	12,730
2029	4,530	8,200	12,730
2030	4,762	7,968	12,730
2031-35	27,724	35,926	63,650
2036-40	35,579	28,071	63,650
2041-45	45,661	17,989	63,650
2046-49	<u>47,797</u>	<u>5,129</u>	<u>52,926</u>
Total	<u>\$ 219,508</u>	<u>\$ 150,211</u>	<u>\$ 369,719</u>

RAVEN HILL DISCOVERY CENTER
NOTES TO FINANCIAL STATEMENTS
for the year ended June 30, 2025

NOTE F - RELATED PARTIES

The land contract payable of \$178,046 and note payable to individual totaling \$41,462 have been financed by the Executive Director. The Center also has accrued interest due to the Executive Director totaling \$21,792, which is included in accounts payable and accrued expenses. The terms of the loans to the Center are described in Note E.

NOTE G – DATE OF MANAGEMENT’S REVIEW

In preparing the financial statements, the Center has evaluated events and transactions for potential recognition or disclosures through February 2, 2026, the date that the financial statements were available to be issued.

NOTE H – NET ASSETS WITH DONOR RESTRICTIONS:

As of June 30, 2025, net assets with donor restrictions are available for the following purposes:

Purpose restrictions, available for spending, Programs	<u>\$ 20,800</u>
---	------------------