



BLUESKY GLOBAL MINISTRIES, INC.  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2013



## Independent Accountants' Review Report

To the Board of Directors  
BlueSky Global Ministries, Inc.  
900 Westpark Drive  
Peachtree City, GA 30269

We have reviewed the accompanying statement of financial position of BlueSky Global Ministries, Inc. as of December 31, 2013. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Organization management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the statement of financial position as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statement in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statement.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statement. We believe that the results of our procedures provide a reasonable basis for our report.

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

Sprayberry and Co, LLC

March 18, 2015

**BLUESKY GLOBAL MINISTRIES, INC.  
STATEMENT OF FINANCIAL POSITION  
AS OF DECEMBER 31, 2013**

**Assets and Net Assets**

<b>Assets</b>	
Cash and cash equivalents	\$ 323,160.00
Accounts Receivable	532.00
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<b>Total Current Assets</b>	<b>323,692.00</b>
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<b>Other Assets</b>	
Other Assets	22,106.00
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<b>Total Other Assets</b>	<b>22,106.00</b>
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<b>Total Assets</b>	<b>\$ 345,798.00</b>
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<b>Net Assets</b>	
Unrestricted	9,390.00
Temporarily restricted	336,408.00
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<b>Total Net Assets</b>	<b>\$ 345,798.00</b>
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See Accompanying Notes and Independent Accountants' Report

**BlueSky Global Ministries, Inc.**  
**Notes to Financial Statements**  
**For the Year Ended December 31, 2013**

**1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Activities**

BlueSky Global Ministries, Inc. (formerly, Brackenhurst Ministries, Inc.) (the Organization) is a non-profit organization under Section 501(c)(3) of the Internal Revenue Code. In 2004, the Organization was incorporated as a nonprofit organization to support and facilitate students and community outreach programs in Kenya, East Africa. The Organization is primarily supported through contributions from individuals, churches, and foundations.

The Organization has four primary programs that serve the people of Kenya and East Africa: BlueSky Adventures is a Christian adventure team-building program for building relationships and encouraging change within mission groups, corporations, and schools; Camp BlueSky is a Christian adventure camp for kids ages 7 to 18; BlueSky Youth is a year-round program to continue building the relationships formed with students from the summer camp; Rehema Orphanage is a program that supports an orphanage located in Western Kenya.

The day-to-day activities of these programs are carried out by Mountain Ministries, a Kenyan not-for-profit society. Mountain Ministries has a separate board of directors and is not under the direct control of the Organization.

Full-time and short-term Organization staff members typically raise their own support. Funds provided for a staff members support are considered to be temporarily restricted contributions, although the ultimate determination regarding how the funds will be spent remains under the direct control of the Organization. The balance of any unspent staff support funds is included in temporarily restricted net assets in the accompanying statement of financial position (see Note 3).

**Use of Estimates**

The Organization prepared its statement of financial position in accordance with accounting principles generally accepted in the United States of America (GAAP). The preparation of the statement of financial position in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement. Actual results could differ from those estimates.

**BlueSky Global Ministries, Inc.**  
**Notes to Financial Statements (Continued)**  
**For the Year Ended December 31, 2013**

**Basis of Presentation**

To ensure observance of limitations and restrictions placed on the use of resources available to the Organization, the resources are classified for accounting and reporting purposes into categories established according to their nature and purpose. The assets, liabilities and net assets of the Organization are reported in three self-balancing categories as follows:

- Unrestricted net assets are resources that are neither permanently nor temporarily restricted by donor-imposed stipulations. The only limits on unrestricted net assets are those resulting from the nature of the Organization and its purposes.
- Temporarily restricted net assets are resources whose use by the Organization is limited by donor-imposed restrictions that either expire by the passage of time or can be removed by actions of the Organization.
- Permanently restricted net assets are resources whose use by the Organization is limited by donor-imposed stipulations that neither expire by the passage of time nor can be removed by actions of the Organization. The Organization has not received any permanently restricted net assets as of December 31, 2013.

**Cash and Cash Equivalents**

The Organization considers all highly-liquid investments which have an original maturity of three months or less to be cash equivalents. These accounts may, at times, exceed federally insured limits. The Organization has not experienced any losses in such accounts, and believes it is not exposed to any significant credit risk on cash and cash equivalents. No cash and cash equivalents were held in foreign accounts or currencies at December 31, 2013.

**Property and Equipment**

Property and equipment purchased are recorded at cost, or fair value, at the date of donation, if donated. Depreciation is provided over the estimated useful lives of the assets using the straight-line method. Estimated useful lives by asset class are as follows: office equipment, three years.

Property and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying value of the assets exceeds the fair value of the assets. In the opinion of management, no property and equipment was impaired as of December 31, 2013.

**BlueSky Global Ministries, Inc.**  
**Notes to Financial Statements (Continued)**  
**For the Year Ended December 31, 2013**

**Pledge Receivables**

Contributions (including unconditional promises to give same, i.e., pledges) are recognized as revenue in the year they are received or pledged, with allowances provided for pledges estimated to be uncollectible. Unconditional pledges that are expected to be collected within one year are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discounts would be included in contributions in the accompanying statements of activities. Conditional pledges are not included as support until the conditions are substantially met. The Organization has received \$532 of conditional or unconditional pledges as of December 31, 2013.

The Organization recognizes contributions as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor-imposed temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and would be presented in the statement of activities as net assets released from restrictions, if presented.

The Organization recognizes contributions of property and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Contributions of long-term assets with explicit restrictions that specify how the assets are to be used and contributions of cash and other assets that must be used to acquire long-term assets are recognized as restricted support. In the absence of explicit donor stipulations about how long those long-term assets must be maintained, the Organization reports expirations of donor-imposed restrictions when the donated or acquired long-term assets are placed into service. The Organization has not received any contributions of property and equipment or long-term assets.

**Tax Exempt Status**

The Organization qualifies as a tax-exempt organization as described in Internal Revenue Code Section 501(c)(3). In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

The Organization is subject to unrelated business income tax on certain income not directly related to the Organization's tax-exempt purpose. In the opinion of management, the Organization had no unrelated business income tax liabilities at December 31, 2013.

**BlueSky Global Ministries, Inc.**  
**Notes to Financial Statements (Continued)**  
**For the Year Ended December 31, 2013**

**Tax Exempt Status (Continued)**

The Organization only recognizes the tax benefit from an uncertain tax position taken or to be taken in a tax return if the tax position is more likely than not to be sustained upon an examination, based on the technical merits of the position. Management has analyzed tax positions taken for filings with the Internal Revenue Service and all state jurisdictions where the Organization operates. Management believes that income tax filing positions would be sustained upon examination and does not anticipate that any adjustments would result in a material adverse affect on the Organization's financial condition, results of operations or cash flows. Accordingly, the Organization has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions at December 31, 2013.

The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Organization believes it is no longer subject to income tax examinations for years prior to 2009.

The Organization's policy is to classify income tax related interest and penalties in interest expense and other expenses, respectively.

**Foreign Operations**

During 2013, the Organization's international activities were primarily located in Nairobi, Kenya. Foreign operations are subject to risks inherent in operating under different legal systems and various political and economic environments. Among the risks are changes in existing tax laws, possible limitations on foreign investment and income repatriation, government price or foreign exchange controls, and restrictions on currency exchange.

All activities of the Organization are conducted in US dollars; accordingly, the Organization did not incur any foreign currency transaction gains or losses resulting from exchange rate fluctuations on transactions denominated in a currency other than the Organization's functional currency or from assets or liabilities denominated in foreign functional currencies.

**2. PROPERTY AND EQUIPMENT**

The components of property and equipment at December 31, 2013 were as follows:

Office equipment	\$	1,516
Less accumulated depreciation		1,516
	\$	-

**BlueSky Global Ministries, Inc.**  
**Notes to Financial Statements (Continued)**  
**For the Year Ended December 31, 2013**

**3. TEMPORARILY RESTRICTED NET ASSETS**

The components of temporarily restricted net assets at December 31, 2013 were as follows:

BlueSky staff support funds	\$ 336,408
BlueSky Adventures	9,390
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	\$ 345,798

**4. CURRENT ECONOMIC CONDITIONS**

In this current economic climate, the American Institute of Certified Public Accountants has given guidance on increased disclosures in financial statements on how the economic crisis could impact the Organization. The current economic environment presents all not-for-profit organizations with unprecedented circumstances and challenges, which in some cases have resulted in declines in contributions and program fees, constraints on liquidity and difficulty in obtaining financing. The financial statements have been prepared using information currently available to the Organization.

**5. DATE OF MANAGEMENT'S REVIEW**

Management has evaluated subsequent events through the date of the independent accountant's report, which is the date on which the financial statements were available for issuance.