

CAMPAIGN CONSTITUTION

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2012
TOGETHER WITH ACCOUNTANT'S COMPILATION REPORT

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FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

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ACCOUNTANT'S COMPILATION REPORT

To the Board of Directors of
Campaign Constitution

We have compiled the accompanying statement of financial position of (a nonprofit corporation) as of December 31, 2012, and the related statements of activities, functional expenses, and cash flows for the year then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

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 designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Our firm is not independent with respect to Campaign Constitution because E. Nelson Fleming, II, CPA, our firm's general partner and this engagement's preparer and reviewer, is the Treasurer of Campaign Constitution.

Fleming & Associates, LLP

August 31, 2013

Campaign Constitution
Statement of Financial Position
As of December 31, 2012

	Dec 31, 12
ASSETS	
Current Assets	
Checking/Savings	
Colorado East	19,587.57
Total Checking/Savings	19,587.57
Other Current Assets	
Book Inventory	33,158.90
Total Other Current Assets	33,158.90
Total Current Assets	52,746.47
Fixed Assets	
Website	11,800.40
Total Fixed Assets	11,800.40
TOTAL ASSETS	64,546.87
 LIABILITIES & NET ASSETS	
Liabilities	
Long Term Liabilities	
Advances Owed Cogswell Law	5,347.51
Advances Owed J. Cogswell	35,866.76
Total Long Term Liabilities	41,214.27
Total Liabilities	41,214.27
NET ASSETS	
Unrestricted Net Assets	23,332.60
Total Equity	23,332.60
TOTAL LIABILITIES & NET ASSETS	64,546.87

Campaign Constitution
Statement of Activities
 January through December 2012

	2012
Unrestricted Net Assets	
Unrestricted Revenues and Gains	
Direct Public Support	
Individ, Business Contributions	30,875.00
Total Direct Public Support	30,875.00
Other Types of Income	
Inventory Sales	110.00
Total Other Types of Income	110.00
Total Unrestricted Revenues and Gains	30,985.00
Expense	
Program Services	9,297.32
Supporting Services	
Management and General	5,131.11
Fundraising	538.50
Total Supporting Services	5,669.61
Total Expense	14,966.93
Increase in Unrestricted Net Assets	16,018.07
Net Assets Beginning of Year	7,314.53
Net Assets at End of Year	23,332.60

Campaign Constitution
Statement of Cash Flows
January through December 2012

	<u>Jan - Dec 12</u>
OPERATING ACTIVITIES	
Increase in Net Assests	16,018.07
Adjustments to reconcile Increase in Net Assets to net cash provided by operations:	
Book Inventory	<u>-33,158.90</u>
Net cash provided by Operating Activities	-17,140.83
INVESTING ACTIVITIES	
Website Development	<u>-11,800.40</u>
Net cash provided by Investing Activities	-11,800.40
FINANCING ACTIVITIES	
Advances Owed Cogswell Law	5,347.51
Advances Owed J. Cogswell	<u>35,866.76</u>
Net cash provided by Financing Activities	<u>41,214.27</u>
Net cash increase for period	<u>12,273.04</u>
Beginning Cash and Cash Equivalents	<u>7,314.53</u>
Ending Cash and Cash Equivalents	19,587.57

CAMPAIGN CONSTITUTION

Notes to December 31, 2012 Financial Statements

1 Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

Campaign Constitution (the Organization), is a non-profit corporation located in Buena Vista, Colorado. The Organization is engaged in the promotion of the common good and general welfare of the people of the United States of America by facilitating amendments to the U.S. Constitution designed to obtain better leaders and enhance the freedom of U.S. citizens. Funds and materials are contributed. All of the operations are conducted within the United States of America. The Organization operates under a fiscal year. Fiscal year 2012 ended on December 31, 2012.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting which is in accordance with Generally Accepted Accounting Principles. Revenues are recognized when earned and expenses are recognized when incurred.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers unrestricted, short-term highly liquid investments to be cash equivalents provided that they are both readily convertible to cash and have an original maturity of three months or less when purchased.

Revenue Recognition

Contributions of funds and materials are recognized as revenue in the period in which they are received. Contributions receivable that are expected to be collected within one year are recorded at net realizable value. Contributions receivable which are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The Organization did not have any contributions receivable as of December 31, 2012. Revenue from contributions of merchandise (books) to be sold is recognized when sold.

Employment

The Organization had no employees during the fiscal year ended December 31, 2012 and no employees as of August 31, 2013.

Contributions

The Organization classifies contributions as unrestricted unless the donor places temporary or permanent restrictions on them. There were no permanently restricted or donor imposed restrictions at December 31, 2012.

Contributions of outside services and materials are recorded at fair market value. Absent authority from the Organization's Advisory Board (which has not yet been established), no contributions or net proceeds from the sale of books shall be paid to John M. Cogswell, President of Campaign Constitution, except to reimburse him for actual costs expended.

Income taxes

The Campaign Constitution, Inc. has received exemption from income taxes under Section 501(c)4 of the U.S. Internal Revenue Code. IRC 650(a) provides that any tax due will be assessed from the date the December 31, 2012, tax return was filed. The Organization is current in its filing requirements with the Internal Revenue Service.

2 Book Sales

The Organization receives proceeds from the sale of books that outline the organization program and suggestions for amending the U.S. Constitution. No net proceeds from the sale of books shall inure to the benefit of any officer or director except the organization may pay for reasonable compensation for services provided by its Treasurer. Book sales were \$110 for the fiscal year 2012.

3 Inventory, Books

Inventory is valued at cost. The value at December 31, 2012 was \$33,158.90.

4 Fixed Assets and Equipment

Tools, vehicles and equipment are recorded at acquisition cost, including costs necessary to place the asset in service. The Organization's policy is to capitalize costs of one thousand dollars (\$1,000) or more. The fixed assets at December 31, 2012 consist of costs incurred in the development of the organization's website. The useful life of the website is considered indefinite and no depreciation or amortization is recognized. Depreciation expense on other assets that may be acquired and placed in service in the future will be determined on a straight-line basis over the estimated useful lives of the respective assets, as follows:

<u>Tools and equipment</u>	<u>5 years</u>
<u>Vehicles and trailers</u>	<u>6 years</u>
<u>Office Equipment</u>	<u>7 years</u>

5 Advances Owed to Related Parties

The Organization's obligations, under advances owed, consist of the following:

The Organization owes Cogswell Law Office \$5,347.51 at December 31, 2012 for disbursements and costs paid to third parties. The Organization owes John M. Cogswell \$35,866.76 at December 31, 2012 for advances provided to the Organization. These sums will be repaid by the Organization when sufficient funds are available without detracting from the Organization's ability to accomplish its purpose. No monies have been paid to John M. Cogswell, President, for legal or other services.

6 Promises to Give

As of the end of fiscal year 2012, there were no short or long-term promises to give.

7 Temporarily Restricted Net Assets

There were no temporarily restricted net assets at the fiscal year ended December 31, 2012:

8 Donated Materials

There were no donated materials at fiscal year ended December 31, 2012.

9 Subsequent Events

Subsequent events were evaluated through August 31, 2013. There were no events to disclose.