

UNITED WAY
OF BARTOW COUNTY, INC.

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2016

UNITED WAY
OF BARTOW COUNTY, INC.

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LLOYD WILLIAMSON
CHRISTIAN HATCH

INDEPENDENT AUDITOR'S REPORT

Board of Directors
United Way of Bartow County, Inc.

Report on the Financial Statements

We have audited the accompanying statement of financial position of the United Way of Bartow County, Inc. (a nonprofit organization) as of December 31, 2016, and the related statements of activities, functional expenses, and cash flows for the year then ended.

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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the United Way of Bartow County, Inc. as of December 31, 2016, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Williamson & Company
Certified Public Accountants
July 11, 2017

United Way of Bartow County, Inc.
Statement of Financial Position
December 31, 2016

	<u>2016</u>
Assets	
Current Assets	
Cash	\$ 574,983
Pledges Receivable	563,842
Total Current Assets	<u>1,138,825</u>
Non Current Assets	
Land, Building, and Equipment	9,778
Less: Accumulated Depreciation	(7,232)
Total Noncurrent Assets	<u>2,546</u>
Total Assets	<u>\$ 1,141,371</u>
 Liabilities and Net Assets	
Current Liabilities	
Accounts Payable	\$ 36,642
Total Current Liabilities	<u>36,642</u>
Net Assets	
Unrestricted, Undesignated	314,771
Unrestricted, Board Designated	179,354
Temporarily Restricted	610,604
Total Net Assets	<u>1,104,729</u>
Total Liabilities and Net Assets	<u>\$ 1,141,371</u>

The accompanying notes are an integral part of these statements.

United Way of Bartow County, Inc.
Statement of Activities
For the Year Ended December 31, 2016

	<u>2016</u>
Unrestricted Net Assets	
Support	
Contributions	\$ 77,021
Inkind Donations	1,177
Interest Income	<u>422</u>
	<u>78,620</u>
Net Assets Released from Restrictions	<u>605,922</u>
Total Unrestricted Support and Reclassifications	684,542
Expenses	
Program Services	541,632
Management and General	69,013
Fund Raising	<u>115,993</u>
	<u>726,637</u>
Increase (Decrease) in Unrestricted Net Assets	(42,095)
Temporarily Restricted Net Assets	
Contributions	610,604
Net Assets Released from Restrictions	<u>(605,922)</u>
Increase (Decrease) in Temporarily Restricted Net Assets	<u>4,682</u>
Increase (Decrease) in Net Assets	(37,413)
Net Assets at Beginning of Year	1,142,142
Net Assets at End of Year	<u>\$ 1,104,729</u>

The accompanying notes are an integral part of these statements.

United Way of Bartow County, Inc.
Statement of Functional Expenses
Year Ended December 31, 2016

	Program Service	Management & General	Fundraising	Total
Personnel Expenses				
Salaries and Wages	\$ 15,231	\$ 42,513	\$ 41,453	\$ 99,197
Payroll Taxes	1,313	2,639	6,283	10,235
Total Employee Compensation	16,544	45,152	47,736	109,432
Operating Expenses				
Board Development	212	80	694	986
Campaign	1,064	399	3,484	4,947
Depreciation	-	1,164	-	1,164
Designations	94,583	-	-	94,583
Disaster Relief	202	76	662	940
Dues and Subscriptions	-	7,081	-	7,081
Insurance	-	500	-	500
Miscellaneous	293	110	958	1,361
Office Supplies	250	501	501	1,252
Postage	96	36	313	445
Printing and Publications	-	-	-	-
Professional Fees	667	667	667	2,000
Public Relations	624	234	2,045	2,903
Special Events	-	-	17,523	17,523
Technology	545	1,234	1,234	3,013
Telephone	349	698	698	1,745
Travel	-	7,122	4,925	12,047
Allocations to Member Agencies	415,656	-	-	415,656
Provisions for Uncollectible Pledges	10,548	3,959	34,553	49,059
	525,088	23,861	68,257	617,205
Total Functional Expenses	\$ 541,632	\$ 69,013	\$ 115,993	\$ 726,637

The accompanying notes are an integral part of these statements.

**United Way of Bartow County, Inc.
Statement of Cash Flows
Year Ended December 31, 2016**

	<u>2016</u>
Cash Flows from Operating Activities	
Change in Net Assets	\$ (37,413)
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	1,164
(Increase) decrease in:	
Contributions Receivable	(26,483)
(Decrease) increase in:	
Accounts Payable	<u>2,473</u>
Net Cash Provided/(Used) by Operating Activities	(60,259)
Cash at Beginning of Year	<u>635,242</u>
Cash at End of Year	<u>\$ 574,983</u>

The accompanying notes are an integral part of these statements.

UNITED WAY OF BARTOW COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

Note 1: Summary of Significant Accounting Policies

Nature of Business

United Way of Bartow County, Inc., is an organization created for the purpose of alleviating the social problems of the local community through fundraising and equitable disbursement of funds to local charitable organizations. The organization seeks donations from the public through various fundraising activities and is fully dependent upon those donations for its revenue.

Basis of Accounting

The financial statements of the organization have been prepared on the accrual basis of accounting. Accordingly, they reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Accounting Standards Codification 958 (ASC 958) formerly SFAS 117, Financial Statements of Not-for-Profit Organizations. Under ASC 958, the organization is required to report information regarding its financial position and activities according to three classes of net assets: Unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Company considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Use of 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.

Promises to Give

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses, depending upon the form of the benefits received. Conditional promises to give are recognized when the conditions upon which they depend are substantially met.

Restricted and Unrestricted Revenue and Support

The organization elected to adopt Accounting Standards Codification 958 (ASC 958) formerly SFAS 116, Accounting for Contributions Received and Contributions Made, in 1996. In accordance with ASC 958, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending upon the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

**UNITED WAY OF BARTOW COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

Annual Campaigns

Annual campaigns are conducted during each calendar year to raise support for allocation to member agencies in the subsequent calendar year. Campaign production (contributions collected or receivable) and campaign expenses for annual campaigns are deferred to the year of allocation to participating agencies. Contributions are recorded in the Statement of Financial Position as receivables and an allowance is provided for amounts estimated to be uncollectible. The allowance for uncollectible pledges in 2016 was \$73,338. All current contributions receivable are to be received within one year.

Property and Equipment

Acquisitions of property and equipment in excess of \$500 are capitalized. Property and equipment are recorded at cost, or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over estimated useful lives of three to seven years. Depreciation expense for the year ended December 31, 2016, was \$1,164.

Public Support

Support from the public includes the dollar value at December 31, 2016, of all pledges received or receivable as a result of the 2017 fund raising campaign which was conducted in 2016.

Functional Expenses

Functional expense disclosure involves informing statement users of the different types of expenses incurred for the major types of functions that the organization conducts. ASC 958 requires all not-for-profits to report expenditures by functional classification. Supporting activities are divided into three categories: Program services, Management and General, and Fund Raising.

Tax Exempt Status

The Council qualifies as a tax-exempt organization under 501(c)(3) of the Internal Revenue Code as a charitable organization. Gifts to the organization are therefore tax deductible.

Income Taxes

The organization has adopted the provisions of the FASB ASC which direct that an organization must recognize the tax benefit associated with tax taken for tax return purposes when it is more likely than not the position will be sustained. This implementation had no impact on the organization's financial statements. Also, the organization does not believe there are any material uncertain tax positions and, accordingly, it will not recognize any liability for unrecognized tax benefits.

Note 2: Cash

The organization maintains deposits at various local banks. Accounts at these institutions are fully insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. As of December 31, 2016, there were no amounts in excess of FDIC limits.

**UNITED WAY OF BARTOW COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

Note 3: Functional Allocation of Expenses

The costs of providing the various activities and programs of the organization have been summarized on a functional basis in the Statement of Activities. Certain costs have been allocated among the programs.

Note 4: Major Revenue Sources

A material amount of the organization's 2017 campaign revenue was derived from one source. The receivable amount from this source for 2016 was \$314,912.

Note 5: Subsequent Events

Subsequent events have been evaluated by the organization through the date that the financial statements were available to be issued, July 11, 2017.