

UNITED WAY
OF BARTOW COUNTY, INC.

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2015

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, 2015, 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, 2015, 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

Williamson & Company
Certified Public Accountants
October 29, 2016

United Way of Bartow County, Inc.
Statement of Financial Position
December 31, 2015

	<u>2015</u>
Assets	
Current Assets	
Cash	\$ 635,242
Pledges Receivable	537,359
Total Current Assets	<u>1,172,601</u>
Non Current Assets	
Land, Building, and Equipment	9,778
Less: Accumulated Depreciation	<u>(6,069)</u>
Total Noncurrent Assets	<u>3,709</u>
Total Assets	<u>\$ 1,176,310</u>
 Liabilities and Net Assets	
Current Liabilities	
Accounts Payable	\$ 34,168
Total Current Liabilities	<u>34,168</u>
Net Assets	
Unrestricted, Undesignated	356,866
Unrestricted, Board Designated	179,354
Temporarily Restricted	<u>605,922</u>
Total Net Assets	<u>1,142,142</u>
Total Liabilities and Net Assets	<u>\$ 1,176,310</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, 2015

	<u>2015</u>
Unrestricted Net Assets	
Support	
Contributions	\$ 74,958
Inkind Donations	2,670
Interest Income	<u>401</u>
	78,029
 Net Assets Released from Restrictions	 <u>555,978</u>
 Total Unrestricted Support and Reclassifications	 634,007
 Expenses	
Program Services	427,422
Management and General	64,098
Fund Raising	<u>82,083</u>
	<u>573,603</u>
 Increase (Decrease) in Unrestricted Net Assets	 60,404
 Temporarily Restricted Net Assets	
Contributions	605,922
Net Assets Released from Restrictions	<u>(555,978)</u>
 Increase (Decrease) in Temporarily Restricted Net Assets	 <u>49,944</u>
 Increase (Decrease) in Net Assets	 110,348
 Net Assets at Beginning of Year	 1,031,794
 Net Assets at End of Year	 <u>\$ 1,142,142</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, 2015

	Program Service	Management & General	Fundraising	Total
<u>Personnel Expenses</u>				
Salaries and Wages	\$ 14,634	\$ 40,634	\$ 38,901	\$ 94,169
Payroll Taxes	<u>1,625</u>	<u>2,475</u>	<u>4,844</u>	<u>8,943</u>
Total Employee Compensation	<u>16,259</u>	<u>43,109</u>	<u>43,745</u>	<u>103,112</u>
<u>Operating Expenses</u>				
Board Development	324	122	1,061	1,507
Campaign	1,000	376	3,276	4,652
Depreciation	-	1,164	-	1,164
Designations	26,359	-	-	26,359
Disaster Relief	207	78	679	964
Dues and Subscriptions	-	7,975	-	7,975
Insurance	-	647	-	647
Miscellaneous	75	28	245	347
Office Supplies	200	400	400	1,000
Postage	93	35	305	433
Printing and Publications	-	402	-	402
Professional Fees	-	-	-	-
Public Relations	659	247	2,158	3,064
Special Events	-	-	16,357	16,357
Technology	546	1,093	1,093	2,732
Telephone	338	677	677	1,692
Travel	-	7,063	6,120	13,183
Allocations to Member Agencies	379,540	-	-	379,540
Provisions for Uncollectible Pledges	<u>1,822</u>	<u>684</u>	<u>5,968</u>	<u>8,473</u>
	<u>411,163</u>	<u>20,989</u>	<u>38,338</u>	<u>470,491</u>
Total Functional Expenses	<u>\$ 427,422</u>	<u>\$ 64,098</u>	<u>\$ 82,083</u>	<u>\$ 573,603</u>

The accompanying notes are an integral part of these statements.

United Way of Bartow County, Inc.
Statement of Cash Flows
Year Ended December 31, 2015

	<u>2015</u>
Cash Flows from Operating Activities	
Change in Net Assets	\$ 110,348
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	1,164
(Increase) decrease in:	
Contributions Receivable	(39,584)
(Decrease) increase in:	
Accounts Payable	(1,820)
(Increase) decrease in Prepaid Expenses	<u>815</u>
Net Cash Provided/(Used) by Operating Activities	70,923
Cash at Beginning of Year	<u>564,319</u>
Cash at End of Year	<u><u>\$ 635,242</u></u>

The accompanying notes are an integral part of these statements.

UNITED WAY OF BARTOW COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015

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, 2015

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 2015 was \$72,789. 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, 2015, was \$1,164.

Public Support

Support from the public includes the dollar value at December 31, 2015, of all pledges received or receivable as a result of the 2016 and 2015 fund raising campaigns which were conducted in 2015 and 2014, respectively.

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, 2015, there were no amounts in excess of FDIC limits.

**UNITED WAY OF BARTOW COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015**

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 2016 and 2015 revenue was derived from one source. The receivable amount from this source for 2015 and 2014 \$281,000 and \$259,000.

Note 5: Subsequent Events

Subsequent events have been evaluated by the organization through the date that the financial statements were available to be issued, October 28, 2016.