

UNITED WAY
OF BARTOW COUNTY, INC.

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

**UNITED WAY
OF BARTOW COUNTY, INC.**

TABLE OF CONTENTS

	<u>PAGE</u>
Independent Auditor's Report	1
Financial Statements:	
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Financial Statements	7

P.O. BOX 473
CARTERSVILLE, GA 30120
(770) 382-3361
FAX (770) 386-8382
WWW.WCPAS.COM



LLOYD WILLIAMSON
CHRISTIAN HATCH

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
United Way of Bartow County, Inc.

We have audited the accompanying financial statements of the United Way of Bartow County, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2018, and the related statements of activities, functional expenses, and cash flows for the year then ended and the related notes to the financial statements.

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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the United Way of Bartow County, Inc. as of December 31, 2018, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Williamson & Company

Williamson & Company
Certified Public Accountants
Cartersville, Georgia
June 30, 2019

UNITED WAY OF BARTOW COUNTY, INC.
Statement of Financial Position
December 31, 2018

	<u>2018</u>
Assets	
Current Assets	
Cash	\$ 544,172
Contributions Receivable	<u>76,125</u>
Total Current Assets	<u>620,297</u>
Noncurrent Assets	
Land, Building, and Equipment	11,899
Less: Accumulated Depreciation	<u>(9,031)</u>
Total Noncurrent Assets	<u>2,868</u>
Total Assets	<u><u>\$ 623,165</u></u>
 Liabilities and Net Assets	
Current Liabilities	
Accounts Payable	\$ <u>38,045</u>
Total Current Liabilities	<u>38,045</u>
Net Assets	
Without Donor Restrictions	530,811
With Donor Restrictions	<u>54,309</u>
Total Net Assets	<u>585,120</u>
Total Liabilities and Net Assets	<u><u>\$ 623,165</u></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, 2018

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues and Other Support			
Contributions	\$ 642,763	\$ 48,500	\$ 691,263
Interest Income	838	-	838
Net Assets Released From Restriction			
Expiration of Time Restrictions	88,585	(88,585)	-
Total Support	<u>732,186</u>	<u>(40,085)</u>	<u>692,101</u>
Expenses:			
Program Services	482,177	-	482,177
Management and General	140,531	-	140,531
Fund Raising	36,765	-	36,765
Total Expenses	<u>659,473</u>	<u>-</u>	<u>659,473</u>
Change in Net Assets	72,713	(40,085)	32,628
Net Assets at Beginning of Year	458,098	620,000	1,078,098
Prior Period Adjustment	<u>-</u>	<u>(525,606)</u>	<u>(525,606)</u>
Net Assets at End of Year	<u>\$ 530,811</u>	<u>\$ 54,309</u>	<u>\$ 585,120</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, 2018

With Summarized information for the year ended December 31, 2017

	<u>Program Service</u>	<u>Management & General</u>	<u>Fundraising</u>	<u>Total</u>	<u>2017</u>
<u>Personnel Expenses</u>					
Salaries and Wages	\$ -	\$ 110,929	\$ -	\$ 110,929	113,148
Employee Benefits	-	27	-	27	9,108
Total Employee Compensation	-	110,956	-	110,956	122,256
<u>Operating Expenses</u>					
Accounting Services	-	-	-	-	5,490
Allocations to Member Agencies	448,170	-	-	448,170	470,182
Bank Charges	-	202	-	202	173
Board Development	2,122	-	-	2,122	1,658
Campaign	-	-	4,190	4,190	9,901
Depreciation	-	1,217	-	1,217	582
Designations	1,880	-	-	1,880	46,040
Disaster Assistance	1,540	-	-	1,540	-
Donations/Programs	21,000	-	-	21,000	-
Dues and Subscriptions	-	8,798	-	8,798	8,479
Insurance	-	227	-	227	500
Miscellaneous	-	2,951	-	2,951	2,540
Mission United	7,465	-	-	7,465	-
Office Supplies	-	535	-	535	709
Postage	-	283	-	283	212
Printing and Publications	-	1,227	-	1,227	149
Professional Fees	-	2,816	-	2,816	-
Public Relations	-	1,383	-	1,383	2,591
Special Events	-	-	32,575	32,575	27,675
Staff Development	-	-	-	-	599
Technology	-	1,763	-	1,763	1,920
Telephone	-	1,502	-	1,502	2,624
Travel	-	6,671	-	6,671	6,074
Total Operating Expenses	482,177	29,575	36,765	548,517	588,098
Total Functional Expenses	\$ 482,177	\$ 140,531	\$ 36,765	\$ 659,473	\$ 710,354

The accompanying notes are an integral part of these statements.

UNITED WAY OF BARTOW COUNTY, INC.

Statement of Cash Flows
Year Ended December 31, 2018

	<u>2018</u>
Cash Flows from Operating Activities	
Change in Net Assets	\$ 32,628
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	1,217
(Increase) Decrease in:	
Contributions Receivable	(34,139)
(Decrease) Increase in:	
Accounts Payable and Other Current Liabilities	<u>(2,043)</u>
Net Cash Provided/(Used) by Operating Activities	<u>(2,337)</u>
Cash Flows from Investing Activities:	
Acquisition of Equipment	<u>(2,121)</u>
Net Cash Provided By Investing Activities	<u>(2,121)</u>
Cash Flows from Financing Activities:	
No Financing Activities	<u>-</u>
Net Cash Provided By Investing Activities	<u>-</u>
Net Change in Cash	(4,458)
Cash at Beginning of Year	<u>548,630</u>
Cash at End of Year	<u>\$ 544,172</u>

The accompanying notes are an integral part of these statements.

UNITED WAY OF BARTOW COUNTY, INC.

Notes to Financial Statements

December 31, 2018

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 guidelines set forth by *Accounting Standards Update 2016-14, Not for Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. Under this update, the Organization is required to classify information regarding its net assets and changes therein as follows: Without Donor Restrictions or With Donor Restrictions.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Organization 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 revenue in the period received and as assets, decreases of liabilities, or expenses, depending upon the form of the benefits received. Promises to give are recorded at net realizable value if expected to be collected in one year and at fair value if expected to be collected in more than one year. Conditional promises to give are recognized when the conditions upon which they depend are substantially met and promises become unconditional.

Restricted and Unrestricted Revenue and Support

The Organization elected to adopt Accounting Standards Codification (ASC 958) formerly SFAS 116. In accordance with ASC 958, contributions received are recorded as without donor restrictions or with donor restrictions depending on the existence and/or nature of any donor restrictions.

Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with restrictions. When a restriction expires (this is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with restrictions are reclassified to net assets without restrictions and reported in the Statements of Activities as net assets released from restrictions.

UNITED WAY OF BARTOW COUNTY, INC.

Notes to Financial Statements

December 31, 2018

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. All current contributions receivable are to be received within one year.

Property and Equipment

Acquisitions of property and equipment in excess of \$200 with a service life of more than 12 months 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, 2018, was \$1,217.

Public Support

Support from the public includes the dollar value at December 31, 2018, of all pledges received or receivable as a result of the 2019 fund raising campaign which was conducted in 2018.

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.

Compensated Absences

Full time employees are eligible to accrue paid time off as follows:

<u>Service Length</u>	<u>Annual Paid Time Off</u>
6 months-1 year	10 days
1-5 years	15 days
5-10 years	20 days
10-15 years	25 days

The Organization's policy is to recognize the cost of compensated absences when actually paid to employees. Therefore, no liability is recorded in the financial statements. The effect of this accounting method is not material to the financial statements.

Tax Exempt Status

The Organization 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 does not believe there are any material uncertain tax positions and, accordingly, it will not recognize any liability for unrecognized tax benefits.

UNITED WAY OF BARTOW COUNTY, INC.

Notes to Financial Statements

December 31, 2018

Note 2: Cash

The Organization maintains its cash balances at two local banks located in Bartow County, Georgia. Accounts at these institutions are fully insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. As of December 31, 2018, the Organization's uninsured cash balances total \$ 268,309.

Note 3: Promises to Give

Unconditional promises to give at December 31, 2018 were as follows:

Receivable in less than one year	\$ 76,125
Allowance for uncollectible promises receivable	<u> -</u>
Total net unconditional promises to give December 31, 2018	<u><u>\$ 76,125</u></u>

Note 4: Capital Assets

The following is a summary of equipment, less accumulated depreciation at December 31, 2018:

Office Equipment	\$ 11,899
Accumulated Depreciation	<u>(9,031)</u>
Total	<u><u>\$ 2,868</u></u>

Note 5: Restrictions on Net Assets

Net assets with donor restrictions are available for the following purpose:

Support of 2019 Programs	<u>\$54,309</u>
--------------------------	-----------------

Note 6: Liquidity and Availability of Resources

The Organization had \$614,488 of financial assets available as of the end of the fiscal year to meet cash needs for general expenditures consisting of substantially cash of \$538,363 and receivables of \$76,125. None of the financial assets listed are subject to donor or other contractual restrictions that make them unavailable for general expenditures within one year of the statement of financial position. The Organization has a goal to maintain financial assets, which consist of cash and accounts receivable on hand to meet 60 days of normal operating expenses, which are on average, approximately \$109,912. The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

Note 7: Prior Period Adjustment

The Organization restated beginning net assets to account for revenue recognized in fiscal 2017 that should have been recognized in the 2018 fiscal period. This restatement reduced the Organization's beginning net assets by \$525,606.

UNITED WAY OF BARTOW COUNTY, INC.
Notes to Financial Statements
December 31, 2018

Note 8: Subsequent Events

Subsequent events have been evaluated by the organization through the date that the financial statements were available to be issued, June 30, 2019.