

UNITED WAY
OF BARTOW COUNTY, INC.

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

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

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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, 2019, 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, 2019, 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
Certified Public Accountants
Cartersville, Georgia
October 30, 2020

UNITED WAY OF BARTOW COUNTY, INC.
Statement of Financial Position
December 31, 2019

	2019
Assets	
Current Assets	
Cash	\$ 517,635
Contributions Receivable	74,636
Total Current Assets	592,271
Noncurrent Assets	
Equipment	11,899
Less: Accumulated Depreciation	(10,515)
Total Noncurrent Assets	1,384
Total Assets	\$ 593,655
 Liabilities and Net Assets	
Current Liabilities	
Accounts Payable	\$ 36,429
Payroll Liabilities	3,123
Total Current Liabilities	39,552
Net Assets	
Without Donor Restrictions	509,103
With Donor Restrictions	45,000
Total Net Assets	554,103
Total Liabilities and Net Assets	\$ 593,655

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, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues and Other Support			
Contributions	\$ 613,622	\$ 45,000	\$ 658,622
Interest Income	1,601	-	1,601
Net Assets Released From Restriction			
Expiration of Time Restrictions	<u>54,309</u>	<u>(54,309)</u>	<u>-</u>
Total Support	<u>669,532</u>	<u>(9,309)</u>	<u>660,223</u>
Expenses:			
Program Services	488,573	-	488,573
Management and General	155,726	-	155,726
Fund Raising	<u>46,941</u>	<u>-</u>	<u>46,941</u>
Total Expenses	<u>691,240</u>	<u>-</u>	<u>691,240</u>
Change in Net Assets	(21,708)	(9,309)	(31,017)
Net Assets at Beginning of Year	530,811	54,309	585,120
Net Assets at End of Year	<u>\$ 509,103</u>	<u>\$ 45,000</u>	<u>\$ 554,103</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, 2019

With Summarized information for the year ended December 31, 2018

	<u>Program Service</u>	<u>Management & General</u>	<u>Fundraising</u>	<u>Total</u>	<u>2018</u>
<u>Personnel Expenses</u>					
Salaries and Wages	\$ -	\$ 123,052	\$ -	\$ 123,052	110,929
Employee Benefits	-	33	-	33	27
Total Employee Compensation	<u>-</u>	<u>123,085</u>	<u>-</u>	<u>123,085</u>	<u>110,956</u>
<u>Operating Expenses</u>					
Allocations to Member Agencies	462,904	-	-	462,904	448,170
Bank Charges	-	272	-	272	202
Board Development	1,802	-	-	1,802	2,122
Campaign	-	-	10,730	10,730	4,190
Depreciation	-	1,484	-	1,484	1,217
Designations	-	-	-	-	1,880
Disaster Assistance	1,026	-	-	1,026	1,540
Donations/Programs	22,000	-	-	22,000	21,000
Dues and Subscriptions	-	8,820	-	8,820	8,798
Insurance	-	500	-	500	227
Miscellaneous	-	-	-	-	2,951
Mission United	841	-	-	841	7,465
Office Supplies	-	59	-	59	535
Postage	-	118	-	118	283
Printing and Publications	-	535	-	535	1,227
Professional Fees	-	6,173	-	6,173	2,816
Public Relations	-	575	-	575	1,383
Special Events	-	-	36,211	36,211	32,575
Technology	-	8,820	-	8,820	1,763
Telephone	-	-	-	-	1,502
Travel	-	5,285	-	5,285	6,671
Total Operating Expenses	<u>488,573</u>	<u>32,641</u>	<u>46,941</u>	<u>568,155</u>	<u>548,517</u>
Total Functional Expenses	<u>\$ 488,573</u>	<u>\$ 155,726</u>	<u>\$ 46,941</u>	<u>\$ 691,240</u>	<u>\$ 659,473</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, 2019**

	<u>2019</u>
Cash Flows from Operating Activities	
Change in Net Assets	\$ (31,017)
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	1,484
(Increase) Decrease in:	
Contributions Receivable	1,489
(Decrease) Increase in:	
Accounts Payable and Other Current Liabilities	<u>1,507</u>
Net Cash Provided/(Used) by Operating Activities	<u>(26,537)</u>
Cash Flows from Investing Activities:	
No Investing Activity	<u>-</u>
Net Cash Provided By Investing Activities	<u>-</u>
Cash Flows from Financing Activities:	
No Financing Activities	<u>-</u>
Net Cash Provided By Financing Activities	<u>-</u>
Net Change in Cash	(26,537)
Cash at Beginning of Year	<u>544,172</u>
Cash at End of Year	<u>\$ 517,635</u>

The accompanying notes are an integral part of these statements.

UNITED WAY OF BARTOW COUNTY, INC.
Notes to Financial Statements
December 31, 2019

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, 2019

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, 2019, was \$1,484.

Public Support

Support from the public includes the dollar value at December 31, 2019, of all pledges received or receivable as a result of the 2020 fund raising campaign which was conducted in 2019.

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, 2019

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, 2019, the Organization's uninsured cash balances total \$262,642.

Note 3: Promises to Give

Unconditional promises to give at December 31, 2019 were as follows:

Receivable in less than one year	\$ 74,636
Allowance for uncollectible promises receivable	<u>-</u>
Total net unconditional promises to give December 31, 2019	<u>\$ 74,636</u>

Note 4: Capital Assets

The following is a summary of equipment, less accumulated depreciation at December 31, 2019:

Office Equipment	\$ 11,899
Accumulated Depreciation	<u>(10,515)</u>
Total	<u>\$ 1,384</u>

Note 5: Restrictions on Net Assets

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

Support of 2020 Programs	<u>\$45,000</u>
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Note 6: Liquidity and Availability of Resources

The Organization had \$592,271 of financial assets available as of the end of the fiscal year to meet cash needs for general expenditures consisting of substantially cash of \$517,635 and receivables of \$74,636. 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 \$115,207. 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: Subsequent Events

Subsequent events have been evaluated by the Organization through the date that the financial statements were available to be issued, October 30, 2020.