

NEW RIVER VALLEY CHILD ADVOCACY,
RESOURCES, EDUCATION
AND SERVICES (NRV CARES)



FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2016

NEW RIVER VALLEY CHILD ADVOCACY, RESOURCES, EDUCATION
AND SERVICES (NRV CARES)
FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2016

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ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
New River Valley Child Advocacy, Resources
Education and Services (NRV CARES)
Christiansburg, Virginia

We have audited the accompanying financial statements of NRV CARES (a nonprofit organization), which comprise the statements of financial position as of June 30, 2016, and the related statements of activities 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.

Auditors' Responsibility

Our responsibility is to express an opinion 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 auditors' 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 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 NRV CARES, as of June 30, 2016, 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.

Robinson, Farmer, Cox Associates

Blacksburg, Virginia
August 10, 2016

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FINANCIAL STATEMENTS

NEW RIVER VALLEY CHILD ADVOCACY, RESOURCES, EDUCATION
AND SERVICES (NRV CARES)

STATEMENT OF FINANCIAL POSITION

AS OF JUNE 30, 2016

ASSETS

Current Assets:

Cash and Cash Equivalents	\$	118,675
Certificates of Deposit		20,074
Accounts Receivable		6,463
Prepaid Expenses		500

Total Current Assets \$ 145,712

Noncurrent Assets:

Property and Equipment (net of accumulated depreciation)	\$	<u>195</u>
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Total Assets \$ 145,907

LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts Payable	\$	2,426
Accrued Payroll		13,053
Compensated Absences		14,153
Deferred Revenue		2,500

Total Liabilities \$ 32,132

Net Assets:

Unrestricted	\$	<u>113,775</u>
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Total Net Assets \$ 113,775

Total Liabilities and Net Assets \$ 145,907

The accompanying notes to financial statements are an integral part of this statement.

**NEW RIVER VALLEY CHILD ADVOCACY, RESOURCES, EDUCATION
AND SERVICES (NRV CARES)**

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2016

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUES AND OTHER SUPPORT:			
Contributions	\$ 46,197	\$ -	\$ 46,197
Grant and Foundation Funding	160,375	-	160,375
United Way and United Fund	20,076	-	20,076
Fundraising	59,056	-	59,056
Local Government Funding	7,733	-	7,733
Program Fees	7,503	-	7,503
Interest	842	-	842
In Kind Revenues	127,801	-	127,801
Items released from restriction	2,478	(2,478)	-
Total Revenues and Other Support	<u>\$ 432,061</u>	<u>\$ (2,478)</u>	<u>\$ 429,583</u>
EXPENSES:			
Program Services:			
CASA			
Salaries and Fringes	\$ 104,812	\$ -	\$ 104,812
Travel	5,388	-	5,388
Rent	4,990	-	4,990
Program Expense	2,483	-	2,483
Insurance	1,882	-	1,882
Office Expenses	2,957	-	2,957
Professional Fees	1,294	-	1,294
Depreciation	72	-	72
Dues and Fees	262	-	262
Information Technology	718	-	718
Training and Staff Development	920	-	920
Sub-total CASA	<u>\$ 125,778</u>	<u>\$ -</u>	<u>\$ 125,778</u>
Community Education			
Salaries and Fringes	\$ 17,215	\$ -	\$ 17,215
Program Expense	4,438	-	4,438
Travel	1,544	-	1,544
Rent	713	-	713
Office Expenses	569	-	569
Professional Fees	182	-	182
Depreciation	10	-	10
Insurance	109	-	109
Training and Staff Development	30	-	30
Dues and Fees	52	-	52
Information Technology	101	-	101
Sub-total Community Education	<u>\$ 24,963</u>	<u>\$ -</u>	<u>\$ 24,963</u>

**NEW RIVER VALLEY CHILD ADVOCACY, RESOURCES, EDUCATION
AND SERVICES (NRV CARES)**

STATEMENT OF ACTIVITIES (Continued)

FOR THE YEAR ENDED JUNE 30, 2016

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
EXPENSES: (Continued)			
Program Services: (Continued)			
Parent Education			
Salaries and Fringes	\$ 88,783	\$ -	\$ 88,783
Program Expense	10,473	-	10,473
Rent	4,322	-	4,322
Travel	1,554	-	1,554
Office Expenses	2,941	-	2,941
Professional Fees	1,120	-	1,120
Dues and Fees	460	-	460
Depreciation	62	-	62
Insurance	677	-	677
Information Technology	622	-	622
Training and Staff Development	90	-	90
Sub-total Parent Education	<u>\$ 111,104</u>	<u>\$ -</u>	<u>\$ 111,104</u>
In Kind Expenses	<u>\$ 98,376</u>	<u>\$ -</u>	<u>\$ 98,376</u>
Total Program Services	<u>\$ 360,221</u>	<u>\$ -</u>	<u>\$ 360,221</u>
Supporting Services:			
Management and General			
Salaries and Fringes	\$ 13,746	\$ -	\$ 13,746
Information Technology	73	-	73
Insurance	1,234	-	1,234
Office Expenses	1,357	-	1,357
Professional Fees	132	-	132
Dues and Fees	1	-	1
Rent	498	-	498
Travel	86	-	86
Depreciation	7	-	7
Training and Staff Development	150	-	150
Sub-total Management and General Expenses	<u>\$ 17,284</u>	<u>\$ -</u>	<u>\$ 17,284</u>
Fundraising			
Salaries and Fringes	\$ 6,917	\$ -	\$ 6,917
Gala	21,138	-	21,138
Gala - In Kind Expenses	29,425	-	29,425
Pinwheel Garden Kits	129	-	129
Tree of Hope	1,163	-	1,163

NEW RIVER VALLEY CHILD ADVOCACY, RESOURCES, EDUCATION
AND SERVICES (NRV CARES)

STATEMENT OF ACTIVITIES (Continued)

FOR THE YEAR ENDED JUNE 30, 2016

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
EXPENSES: (Continued)			
Supporting Services: (Continued)			
Fundraising (Continued)			
Dues and Fees	\$ 201	\$ -	\$ 201
Office Expenses	377	-	377
Rent	277	-	277
Professional Fees	73	-	73
Depreciation	4	-	4
Insurance	44	-	44
Information Technology	41	-	41
Travel	84	-	84
Total Fundraising	<u>\$ 59,873</u>	<u>\$ -</u>	<u>\$ 59,873</u>
Total Supporting Services	<u>\$ 77,157</u>	<u>\$ -</u>	<u>\$ 77,157</u>
Total Expenses	<u>\$ 437,378</u>	<u>\$ -</u>	<u>\$ 437,378</u>
Change in Net Assets	\$ (5,317)	\$ (2,478)	\$ (7,795)
Beginning Net Assets	<u>119,092</u>	<u>2,478</u>	<u>121,570</u>
Ending Net Assets	<u>\$ 113,775</u>	<u>\$ -</u>	<u>\$ 113,775</u>

The accompanying notes to financial statements are an integral part of this statement.

NEW RIVER VALLEY CHILD ADVOCACY, RESOURCES, EDUCATION
AND SERVICES (NRV CARES)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2016

CASH FLOWS FROM OPERATING ACTIVITIES:

Increase (Decrease) in Net Assets	\$	(7,795)
Adjustments to reconcile change in net assets to cash provided by (used for) operating activities:		
Depreciation		155
(Increase) decrease in prepaid expenses		1,800
(Increase) decrease in accounts receivable		3,551
Increase (decrease) in accounts payable		542
Increase (decrease) in compensated absences		(1,969)
Increase (decrease) in accrued payroll		213
Increase (decrease) in deferred revenues		<u>2,500</u>
Net cash provided by (used for) operating activities	\$	<u>(1,003)</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Interest on investments	\$	(240)
Purchase of property and equipment		<u>(73)</u>
Net cash provided by (used for) investing activities	\$	<u>(313)</u>
Net Increase (Decrease) in Cash	\$	(1,316)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR		<u>119,991</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	\$	<u><u>118,675</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

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NEW RIVER VALLEY CHILD ADVOCACY, RESOURCES, EDUCATION
AND SERVICES (NRV CARES)

NOTES TO FINANCIAL STATEMENTS

AS OF JUNE 30, 2016

NOTE 1—PURPOSE OF THE ORGANIZATION:

NRV CARES is located in Christiansburg, Virginia and was organized for the purpose of protecting children from abuse and strengthening families through education, advocacy and community partnerships. Sources of revenue for the Organization include grants and foundation funding along with fundraising events and local government contributions.

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. Basis of Accounting

The Organization maintains its assets and liabilities and records its income and expenses by use of the accrual basis of accounting. Under the accrual basis, revenues are recognized in the accounting period in which they are earned, while expenses are recognized in the accounting period in which the related liability is incurred.

B. Financial Statement Presentation

The Organization is required to report information regarding its financial position and activities according to the following three classes of net assets based on the existence or absence of donor-imposed restrictions:

Unrestricted net assets - Net assets not subject to donor-imposed stipulations. At June 30, 2016, the Organization had unrestricted net assets of \$113,775.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Organization and/or the passage of time. At June 30, 2016, the Organization had no temporarily restricted net assets.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. At June 30, 2016, the Organization had no permanently restricted net assets.

C. Cash and Cash Equivalents

Cash and cash equivalents consist of highly liquid investments with an initial maturity of three months or less from the date of acquisition. The carrying value of cash and cash equivalents approximates fair value.

D. 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.

NEW RIVER VALLEY CHILD ADVOCACY, RESOURCES, EDUCATION
AND SERVICES (NRV CARES)

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

AS OF JUNE 30, 2016

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

E. Certificates of Deposit

Certificates of deposit totaling \$20,074 are included in the accompanying financial statements. The certificates bear interest rates of 1.05% and 1.44% and have maturity dates of November 8, 2018 and July 18, 2017, respectively.

F. Compensated Absences

Upon separation of employment the Organization's employees are entitled to the amount of unused vacation time that has accrued. At June 30, 2016, this amount totaled \$14,153.

G. Revenue Recognition

The Organization recognizes contribution revenue in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, *Not-For-Profit Entities*. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Support that is restricted by the donor is reported as an increase in unrestricted net assets 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 temporarily or permanently restricted net assets, depending on the nature of the restrictions.

The Organization receives various grants from state, local and private agencies for program and supporting services. These grants are generally on a cost reimbursement basis. Revenues from grants are recognized in the statement of activities when expenses are made for the purpose specified.

H. Accounts Receivable

Grants, contracts, and accounts receivable are deemed to be fully collectible by management and are composed of federal, state, and local monies. As of June 30, 2016, accounts receivable consisted of \$6,463. The Organization had no bad debt expense for the year ended June 30, 2016.

NOTE 3—INCOME TAX:

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

NEW RIVER VALLEY CHILD ADVOCACY, RESOURCES, EDUCATION
AND SERVICES (NRV CARES)

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

AS OF JUNE 30, 2016

NOTE 4—PROPERTY AND EQUIPMENT:

Property and equipment are defined by the Organization as assets with a useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Furniture and equipment are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Furniture	7-10
Equipment	2-7

The Organization had the following property and equipment on hand at June 30, 2016:

Furniture and Equipment	\$14,743
Accumulated Depreciation	(14,548)
	<u>\$ 195</u>

NOTE 5—DONATED SERVICES AND GOODS:

NRV CARES recognized revenue in 2016 for donated goods and services it received related to its primary purpose of protecting children from abuse and strengthening families through education, advocacy and community partnerships. Contribution revenue from such services and goods was measured based on the fair value of those services and the amounts recognized amounted to \$98,376 for the year ended June 30, 2016. The Organization received an additional \$24,650 and \$4,775 in donated goods and services, respectively specifically for its annual auction fundraiser.

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

NOTE 6—FUNCTIONAL ALLOCATION OF EXPENSES:

Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

NOTE 7—SUBSEQUENT EVENTS:

In preparing these financial statements, management of NRV CARES has evaluated events and transactions for potential recognition of disclosure through August 10, 2016, the date the financial statements were available to be issued.

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