

**SUMNER COUNTY CASA, INC.
COMPILED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2012**

TABLE OF CONTENTS

	<u>PAGE</u>
Accountants Compilation Report.....	3
FINANCIAL STATEMENTS:	
Statement of Financial Position.....	4
Statement of Activities.....	5
Statement of Functional Expenses.....	6
Statement of Cash Flows.....	7
Notes to Financial Statements.....	8-10



CARL A. DAVIS & COMPANY
Certified Public Accountants

CARL A. DAVIS & COMPANY, CPA's

To the Board of Directors
Sumner County CASA, Inc.
Gallatin, TN 37066

We have compiled the accompanying statement of financial position of Sumner County CASA, Inc. (a nonprofit corporation) as of June 30, 2012, and the related statements of activities, functional expenses, and cash flows for the year then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

We are independent in regards to Sumner County CASA, Inc.

Carl A. Davis & Company CPA's

Hendersonville, TN
August 2, 2012

Hendersonville:
Portland:

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SUMNER COUNTY CASA, INC.
COMPILED FINANCIAL STATEMENTS
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2012

ASSETS

Current Assets

Cash \$ 7,132

Total Current Assets 7,132

Property and Equipment

Equipment 20,672
Less: Accumulated depreciation (20,672)

Net Property and Equipment 0

Total Assets \$ 7,132

LIABILITIES AND NET ASSETS

Current Liabilities \$ 7,147

Net Assets

Unrestricted (15)
Temporarily Restricted 0

Total Liabilities and Net Assets \$ 7,132

SUMNER COUNTY CASA, INC.
COMPILED FINANCIAL STATEMENTS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012

UNRESTRICTED NET ASSETS

Unrestricted support:

City of Gallatin	\$ 5,500
City of Hendersonville	1,500
Fund Raising and Special Events, Net of \$8,015 Direct Costs	27,564
Contributions	41,713
Interest Income	136

Net restricted assets satisfied by payments:

Satisfaction of program restrictions	<u>56,426</u>
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TOTAL UNRESTRICTED SUPPORT	<u>132,839</u>
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Net assets released from restrictions:

Restrictions released by donor	0
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TOTAL UNRESTRICTED SUPPORT AND NET ASSETS RELEASED FROM RESTRICTION	<u>132,839</u>
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EXPENSES

Program services:

Financial assistance	124,670
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Supporting services:

Management and general	<u>26,535</u>
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TOTAL EXPENSES	<u>151,205</u>
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DECREASE IN UNRESTRICTED NET ASSETS	<u>(18,366)</u>
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CHANGES IN TEMPORARILY RESTRICTED NET ASSETS

Contributions	0
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Net assets released from restriction	(913)
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DECREASE IN TEMPORARILY RESTRICTED NET ASSETS	<u>(913)</u>
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DECREASE IN NET ASSETS	(19,279)
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NET ASSETS AT BEGINNING OF YEAR	<u>19,264</u>
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NET ASSETS AT END OF YEAR	<u><u>(\$ 15)</u></u>
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See accountants compilation report and notes to financial statements.

SUMNER COUNTY CASA, INC.
COMPILED FINANCIAL STATEMENTS
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2012

	<u>Program Services</u>	<u>Supporting Services</u> <u>Management</u> <u>and</u> <u>General</u>	<u>Fund-</u> <u>Raising</u>	<u>Total</u>
Salaries	\$ 88,780	\$10,932		\$ 99,712
Payroll Taxes	<u>6,196</u>	<u>731</u>		<u>6,927</u>
Total Salaries and Related Expenses	94,976	11,663		106,639
Accounting		1,550		1,550
Advertising	15			15
Bank Fees		574		574
Criminal Checks	440			440
Insurance	8,910	1,631		10,541
License and Fees		1,991		1,991
Occupancy	13,232	4,411		17,643
Postage	512	27		539
Printing	366	366		732
Repairs & Maintenance	654	218		872
Supplies	1,598	84		1,682
Telephone	3,933	207		4,140
Volunteer and Children Expenses	34	988		1,022
Volunteer Recognition	<u> </u>	<u>2,825</u>	<u> </u>	<u>2,825</u>
Total Expenses Before Depreciation	124,670	26,535		151,205
Depreciation of Furniture and Equipment	<u> </u>	<u>-0-</u>	<u> </u>	<u>-0-</u>
Total Expenses	<u>\$124,670</u>	<u>\$ 26,535</u>	<u>\$</u>	<u>\$151,205</u>

See accountants compilation report and notes to financial statements.

**SUMNER COUNTY CASA, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2012**

<u>Cash Flows From Operating Activities</u>	
Increase (Decrease) in Net Assets	\$ (19,279)
Adjustments to reconcile increase in net assets to net cash used by operating activities	
Depreciation	0
(Increase) Decrease in Accounts Receivable	1,050
Increase (Decrease) in Accounts Payable	<u>(6,269)</u>
Cash Flows Provided By Operating Activities	<u>(24,498)</u>
<u>Cash Flows from Investing Activities</u>	<u>0</u>
<u>Cash Flows from Financing Activities</u>	
Increase in line of credit outstanding	<u>6,000</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(18,498)
Beginning Cash and Cash Equivalents	<u>25,630</u>
Ending Cash and Cash Equivalents	<u>\$ 7,132</u>

See accountants compilation report and notes to financial statements.

SUMNER COUNTY CASA, INC.
COMPILED FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Sumner County CASA, Inc. trains and supervises volunteers who act as advocates for children involved in court proceedings primarily as a result of abuse and/or neglect.

The Board of Directors and management employees of the Organization acknowledge that, to the best of their ability, all assets received have been used for the purpose for which they were contributed, or have been accumulated to allow management to conduct the operations of the Organization as effectively and efficiently as possible.

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 these estimates.

Income Taxes

The organization is a not-for-profit organization that is exempt from income taxes under section 501(c) (3) of the Internal Revenue Code.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalent.

Basis of Accounting

The financial statements of the organization have been prepared on the accrual basis.

SUMNER COUNTY CASA, INC.
COMPILED FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012
(CONTINUED)

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards FASB ASC 958-210, *Financial Statements of Not-for-Profit Organizations*. Under FASB ASC 958-210, the Organization is required to report information regarding its financial position and activities according to three classes of net assets. In addition, the Organization is required to present a statement of cash flows. As permitted by the statement, the Organization has discontinued its use of fund accounting.

Property and Equipment

Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

Revenue Recognition

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction, unless the restriction is met in the same reporting period as the contribution. 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. When restrictions are met in the same reporting period as the contribution, the contribution is classified as unrestricted support.

Advertising Costs

All advertising costs are expensed as incurred.

SUMNER COUNTY CASA, INC.
COMPILED FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012
(CONTINUED)

Donated Materials

The basis of valuation of donated materials received is fair value, which is determined by communication with the organization that donated the materials.

Donated Services

During the year ended June 30, 2012, the value of contributed services meeting the requirement for recognition in the financial statements was not material, and has not been recorded. In addition, many individuals volunteer their time and perform a variety of tasks that assist the Organization with their assistance programs.

NOTE B - FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program and supporting services benefited.

NOTE C - RENTAL AGREEMENT

The organization leases office space for \$1,300 per month under a three year agreement. There is an option to renew upon the expiration of the lease.

NOTE D - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consists of amounts donated to be used for training and support of the volunteer staff.