

West Alabama

Children's Advocacy Center, Inc.

Vernon, Alabama

December 31, 2017

West Alabama Children's Advocacy Center, Inc.
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Independent Auditor's Report

The Board of Directors
West Alabama Children's Advocacy Center, Inc.
Vernon, Alabama

Report on the Financial Statements

We have audited the accompanying financial statements of West Alabama Children's Advocacy Center, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2017, 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.

Auditor's 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 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 West Alabama Children's Advocacy Center, Inc. as of December 31, 2017, 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.

February 7, 2018


James F. Randolph
Certified Public Accountant

West Alabama Children's Advocacy Center, Inc.
Statement of Financial Position
December 31, 2017

Assets

Current Assets

Cash in Bank - Checking	\$	11,596.71
Cash in Bank - Savings		10,104.91
Accounts Receivable		7,167.38
<u>Total Current Assets</u>		28,869.00

Property and Equipment

Building and Improvements		89,648.22
Furniture and Equipment		23,531.54
<u>Total Fixed Assets</u>		113,179.76
Less: Accumulated Depreciation		(95,801.80)
<u>Net Property and Equipment</u>		17,377.96

Total Assets

\$ 46,246.96

Liabilities and Net Assets

Current Liabilities

Alabama Withholding Payable	\$	-
Federal Payroll Taxes Payable		-
<u>Total Current Liabilities</u>		-

Non-Current Liabilities

-

Total Liabilities

-

Net Assets - Unrestricted

46,246.96

Total Liabilities and Net Assets

\$ 46,246.96

The accompanying notes are an integral part of these financial statements

West Alabama Children's Advocacy Center, Inc.
Statement of Activities
Year Ended December 31, 2017

Revenues

Alabama Network of Children's Advocacy Centers	\$	48,184.00	
ADECA Grants		86,988.93	
Court Fees		17,657.04	
Daniels Foundation		11,000.00	
Donated Ground Lease		6,000.00	
Church Donations		2,518.55	
FOP LC Lodge 33		500.00	
<u>Total Revenues</u>		500.00	\$ 172,848.52

Expenditures

Director's Salary		60,450.00	
Other Salaries		59,550.00	
Retirement Plan		18,132.75	
Payroll Tax Expense		9,180.04	
Travel		7,526.66	
In-Kind Lot Rent		6,000.00	
Utilities		4,730.75	
Depreciation Expense		4,329.14	
Insurance		2,559.00	
Phones & Internet		1,939.99	
Maintenance and Repairs		1,708.77	
Legal and Accounting		1,400.00	
Office Expense and Supplies		1,185.06	
Workers Comp		495.73	
Other Operating Expense		205.00	
Postage and Shipping		136.10	
<u>Total Expenses</u>		179,528.99	179,528.99

<u>Increase (Decrease) in Net Assets</u>			-6,680.47
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<u>Net Assets - Beginning of Year</u>			52,927.43
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<u>Net Assets - End of Year</u>			\$ 46,246.96
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The accompanying notes are an integral part of these financial statements

West Alabama Children's Advocacy Center, Inc.
Statement of Cash Flows
Year Ended December 31, 2017

Cash Flows from Operating Activities

Increase (decrease) in Net Assets \$ (6,680.47)

Adjustment to reconcile change in net assets
to assets provided by operating activities:

 Depreciation 4,329.14

 (Increase) decrease in accounts receivable 1,474.34

 Increase (decrease) in accrued expenses -

Cash Provided by Operating Activities \$ (876.99)

Cash Used in Investing Activities

 Property and Equipment Purchases (3,068.30)

Net Cash Used in Investing Activities (3,068.30)

Cash Flows from Financing Activities

-

Net Cash Used in Financing Activities -

Net Decrease in Cash (3,945.29)

Cash Balance - Beginning 25,646.91

Cash Balance - Ending \$ 21,701.62

The accompanying notes are an integral part of these financial statements

West Alabama Children's Advocacy Center, Inc.
Notes to Financial Statements
December 31, 2017

Note 1: Company Profile

West Alabama Children's Advocacy Center, Inc. is a non-profit organization serving as an interview facility designed to coordinate the efforts of local law enforcement, social service and professional agencies in such ways as to meet the needs of the child abuse victim and to improve the prosecution and management of such cases in order to hold the offenders accountable.

The Center began interviewing children in August of 2000 at the Vernon, AL location. In January of 2001, a satellite location in Fayette, AL began providing services. Another satellite facility in Pickens County, AL was opened during 2006.

Note 2: Summary of Significant Accounting Policies

Basis of Accounting - The accompanying financial statements are presented using the accrual basis of accounting which recognizes revenues and expenses when earned or incurred rather than when received or disbursed.

Property and equipment is stated at its cost if purchased and at its fair market value at the date of the gift if donated and does not purport to represent replacement or realizable value. For financial reporting purposes, the fixed assets are depreciated on the straight line method over the estimated service lives of the individual assets. Upon sale or retirement of the items of equipment, the cost and related accumulated depreciation are eliminated from the accounts and the resulting gain or loss, if any, is reflected in income. Maintenance and minor repairs and replacements are charged directly to income, major renewals and improvements are charged to the property account.

The estimated useful lives of the depreciable assets are as follows:

Computers/office machines	5	Years
Furniture/equipment	7	Years
Building/improvements	15	Years

Note 3: Tax Status

The Organization is exempt from income taxes under the provision of Section 501 (c) (3) of the Internal Revenue Code and Code of Alabama 1975, Sections 22-51-1 through 22-51-14, 1982 Cumulative Supplement. Form 990 is filed with the Internal Revenue Service as an information return.

(continued)
See accountant's report

West Alabama Children's Advocacy Center, Inc.
Notes to Financial Statements
December 31, 2017

Note 4: Employee Retirement Plan

Management has established a SEP retirement plan whereby the employer contribution percentage is set by the Board each October 1st based upon available funding. The amount contributed for each eligible employee was 15% of gross salary. The total retirement plan expense for 2017 was \$18,132.75.

Note 5: Cash and Cash Equivalents

Cash held in checking and money market accounts are as follows:

Book balance	\$ 21,701.62
Bank balance	\$ 23,104.46
Amount covered by FDIC insurance	23,104.46
Uninsured and uncollateralized portion	\$ -

Note 6: Accounts Receivable

Accounts Receivable include billed ADECA grant reimbursement payments for the month of December, 2017. The amount of \$7,167.38 was received in full on January 12, 2018.

Note 7: Estimates and Assumptions

The process of preparing financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

Note 8: Donated Ground Lease

The Organization has use of real estate lots where it's office facilities are located in each of Fayette, Lamar, and Pickens counties. ADECA has allowed a portion of this in-kind revenue to be assigned to grant matching requirements. That amount of \$6,000 has been recognized in the financial statements as income with a corresponding amount recognized as expense.

(continued)
See accountant's report

West Alabama Children's Advocacy Center, Inc.
Notes to Financial Statements
December 31, 2017

Note 9: Related Parties

West Alabama Children's Advocacy Center, Inc. is a member of the Alabama Network of Children's Advocacy Centers, Inc. whose board of directors is comprised of the executive directors of each of the member centers. The Network receives funding from the State of Alabama General Fund and the Children First Trust Fund and allocates that funding to the member centers on a monthly basis. The amount received from the Alabama Network of Children's Advocacy Centers, Inc. for the year ended December 31, 2017 was \$48,184.00.

Note 10: Management has evaluated subsequent events through the date of this report which was the date the financial statements were available for release.

See accountant's report