

**CASA of the Continental Divide  
Financial Statements  
June 30, 2015**

**CASA of the Continental Divide  
Table of Contents  
June 30, 2015**

	Page
Independent Auditor's Report	1
Financial Statements	
Statement of Financial Position	2
Statement of Activities	3
Statement of Cash Flows	4
Notes to Financial Statements	5 – 9
Supplementary Information	
Schedule of Functional Expenses	10

**Independent Auditor's Report**

**To the Board of Directors and Management  
CASA of the Continental Divide  
Dillon, Colorado**

We have audited the accompanying financial statements of CASA of the Continental Divide (a nonprofit organization) which comprise the statement of financial position as of June 30, 2015, 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 CASA of the Continental Divide as of June 30, 2015, 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.

**Other Matter**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses on page 10 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



**Stuhr and Associates, LLC  
Frisco, Colorado  
December 1, 2015**

**CASA of the Continental Divide**  
**Statement of Financial Position**  
**June 30, 2015**  
**(With Comparative Totals for 2014)**

	<b>2015</b>			<b>2014</b>
	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Total</b>	<b>Total</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 88,910	5,095	94,005	118,895
Accounts receivable	9,130	-	9,130	-
Unconditional promise to give, current	7,000	-	7,000	-
Security deposits	676	-	676	367
Investments	223,938	-	223,938	176,766
Property and equipment, net of accumulated depreciation	7,723	-	7,723	10,431
TOTAL ASSETS	<u>337,377</u>	<u>5,095</u>	<u>342,472</u>	<u>306,459</u>
<b>LIABILITIES</b>				
Accounts payable	11,996	-	11,996	3,367
Accrued wages and payroll liabilities	9,710	-	9,710	10,316
Accrued vacations payable	9,717	-	9,717	8,291
Deferred special event revenue	3,000	-	3,000	11,943
TOTAL LIABILITIES	<u>34,423</u>	<u>-</u>	<u>34,423</u>	<u>33,917</u>
<b>NET ASSETS</b>				
Unrestricted net assets	79,016	-	79,016	85,776
Unrestricted net assets - Board Designated	223,938	-	223,938	176,766
Temporarily restricted net assets	-	5,095	5,095	10,000
TOTAL NET ASSETS	<u>302,954</u>	<u>5,095</u>	<u>308,049</u>	<u>272,542</u>
TOTAL LIABILITIES AND NET ASSETS	<u>337,377</u>	<u>5,095</u>	<u>342,472</u>	<u>306,459</u>

See accompanying notes to the financial statements

**CASA of the Continental Divide**  
**Statement of Activities**  
**For the Year Ended June 30, 2015**  
**(With Comparative Totals for 2014)**

	<b>2015</b>			<b>2014</b>
	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Total</b>	<b>Total</b>
<b>PUBLIC SUPPORT, REVENUES, AND RECLASSIFICATIONS</b>				
Contributions and grants:				
Foundations	\$ 106,050	-	106,050	48,200
Community and business	55,708	-	55,708	53,797
Governments	90,694	-	90,694	99,376
Special events	93,987	-	93,987	64,475
Program fees	1,885	-	1,885	1,950
Investment return	(2,768)	-	(2,768)	622
Total revenues before contributed services and reclassifications	345,556	-	345,556	268,420
Contributed services and reclassifications:				
Contributed services and facilities	178,431	-	178,431	224,143
Net assets released from restrictions	4,905	(4,905)	-	-
<b>TOTAL PUBLIC SUPPORT, REVENUES, AND RECLASSIFICATIONS</b>	<b>528,892</b>	<b>(4,905)</b>	<b>523,987</b>	<b>492,563</b>
<b>EXPENSES</b>				
Program services, excluding depreciation	337,443	-	337,443	391,060
Supporting services, excluding depreciation:				
Administration	81,979	-	81,979	60,455
Fund-raising	66,351	-	66,351	84,566
<b>TOTAL EXPENSES, EXCLUDING DEPRECIATION</b>	<b>485,773</b>	<b>-</b>	<b>485,773</b>	<b>536,081</b>
Depreciation	2,707	-	2,707	1,708
<b>TOTAL EXPENSES</b>	<b>488,480</b>	<b>-</b>	<b>488,480</b>	<b>537,789</b>
<b>CHANGE IN NET ASSETS</b>	40,412	(4,905)	35,507	(45,226)
<b>NET ASSETS AS OF BEGINNING OF YEAR</b>	262,542	10,000	272,542	317,768
<b>NET ASSETS AS OF END OF YEAR</b>	<b>302,954</b>	<b>5,095</b>	<b>308,049</b>	<b>272,542</b>

See accompanying notes to the financial statements.

**CASA of the Continental Divide**  
**Statement of Cash Flows**  
**For the Year Ended June 30, 2015**  
**(With Comparative Totals for 2014)**

	<b>2015</b>	<b>2014</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Contributions and grants	\$ 252,452	201,373
Program fees	1,885	1,950
Fundraising events	68,914	96,489
Interest and dividends	818	622
Cash paid for goods and services	(298,201)	(320,507)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	25,868	(20,073)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net investment in securities	(50,758)	(38,768)
Purchase of equipment	-	(8,565)
NET CASH (USED) BY INVESTING ACTIVITIES	(50,758)	(47,333)
NET INCREASE (DECREASE) IN CASH	(24,890)	(67,406)
CASH AT BEGINNING OF YEAR	118,895	185,298
CASH AT END OF YEAR	94,005	117,892
<b>RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		
CHANGE IN NET ASSETS	35,507	(45,226)
Depreciation	2,707	1,708
Unrealized loss on investments	3,587	-
(Increase) decrease in Accounts receivable	(16,130)	20,071
(Increase) decrease in Security Deposits	(309)	-
Increase (decrease) in Accounts payable	8,629	(6,714)
Increase (decrease) in Accrued wages and payroll liabilities	(606)	(1,381)
Increase (decrease) in Accrued vacations payable	1,426	(474)
Increase (decrease) in Deferred special event revenue	(8,943)	11,943
Total Adjustments	(9,639)	25,153
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	25,868	(20,073)

See accompanying notes to the financial statements

**CASA of the Continental Divide  
Notes to Financial Statements  
June 30, 2015**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**CASA of the Continental Divide and Nature of Activities**

CASA of the Continental Divide (“CASA”) is a nonprofit corporation formed in 1998 pursuant to the laws of the State of Colorado, for the purpose of providing court-appointed trained volunteers who advocate in court for the best interest of children who are victims of abuse and neglect in the 5<sup>th</sup> Judicial District of Colorado in order to find them safe and permanent homes as soon as possible. Colorado’s 5<sup>th</sup> Judicial District includes Clear Creek, Eagle, Lake, and Summit counties. The organization’s office is located at 330 Fiedler Avenue, Dillon, Colorado. CASA is supported primarily by grants and contributions.

**Public Support and Revenue**

Contributions are recognized when the donor makes a promise to give to CASA that is, in substance, unconditional. Unconditional promises to give due in the next year are reflected as current promises to give and are recorded at their net realizable value. Unconditional promises to give due in subsequent years are reflected as long-term promises to give and are recorded at the present value of their net realizable value, using risk-free interest rates applicable to the years in which the promises are received to discount the amounts.

Grants and other contributions of cash and other assets are reported as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor 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.

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. Contributions of property and equipment without donor-imposed stipulations are recorded as unrestricted contributions at their fair value in the year received.

Management reviews accounts receivable and promises to give regularly to determine if any receivable or promise to give will potentially be uncollectible. Based on management’s evaluation, all accounts receivable and promises to give are considered to be collectible and, therefore, no allowance for doubtful accounts is provided at year-end.

**Financial Statement Presentation**

CASA is required to report information regarding its financial position and activities according to three classes of net assets: Unrestricted, temporarily restricted and permanently restricted.

**Comparative Prior Year Information**

The financial statements include certain prior-year summarized comparative information in total but not by fund. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with CASA’s financial statements for the year ended June 30, 2014 of the prior year, from which the summarized information was derived.

**CASA of the Continental Divide**  
**Notes to Financial Statements**  
**June 30, 2015**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Income Taxes**

CASA 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.

CASA is subject to examination in the U.S. federal tax jurisdiction for the 2011 – 2013 tax years. There are no current examinations of the CASA's prior year tax returns. No changes in this position are expected in the next twelve months.

**Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of management's estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Cash and Cash Equivalents**

CASA considers all highly liquid investments with a maturity of four months or less when purchased to be cash equivalents. At June 30, 2015 cash and cash equivalents consisted of checking and money market accounts.

**Investments**

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized. Short-term investments consist of debt securities with original maturities of twelve months or less. Long-term investments consist of debt securities with original maturities greater than twelve months.

**Property and equipment**

Property and equipment are capitalized at cost. Furniture and equipment are being depreciated over estimated useful lives of five to ten years using a straight-line method. Expenditures for additions or major replacements exceeding \$500 in cost are capitalized.

**NOTE 2: FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS**

CASA's financial instruments consist of cash, investments, receivables, and payables. The carrying amount of cash, receivables and payables approximates fair value because of the short-term nature of these items.



**CASA of the Continental Divide**  
**Notes to Financial Statements**  
**June 30, 2015**

**NOTE 2: FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)**

The fair value measurement and level within the fair value hierarchy of that measurement for the investments reported at fair value on a recurring basis at June 30, 2015 is as follows:

<u>Description</u>	<u>Fair Value</u>	<u>Quoted Price in Active Markets (Level 1 input)</u>
Mutual funds – Equities	\$172,954	172,954
Mutual funds – Fixed Income	49,858	49,858
Money markets – Held in Brokerage Account	1,126	1,126
	<u>223,938</u>	<u>223,938</u>

**NOTE 3: INVESTMENTS**

The fair values of short term investments totaled \$1,126 at June 30, 2015. The fair values of long-term investments totaled \$222,812 at June 30, 2015. The following schedule summarizes investment returns and their classification in the statement of activities for the year ended June 30, 2015:

	<u>Unrestricted</u>
Dividends and interest income	\$818
Net unrealized gain (loss)	(3,586)
Total investment return	<u>(2,768)</u>

**NOTE 4: PROPERTY AND EQUIPMENT**

The following is a summary of property and equipment as of June 30, 2015:

Furniture and fixtures	\$1,803
Office equipment	33,859
Total property and equipment	<u>35,662</u>
Less accumulated depreciation	(27,939)
Net property and equipment	<u>10,431</u>

**NOTE 5: TEMPORARILY RESTRICTED NET ASSETS**

Net assets temporarily restricted as of June 30, 2015 are restricted for the following purpose:

Website design	\$5,095
----------------	---------

**NOTE 6: CONCENTRATION OF CREDIT RISK**

CASA maintains its cash and cash equivalents and investments with high quality banks. Bank accounts are secured by the Federal Deposit Insurance Corporation (“FDIC”) up to \$250,000. No balances exceeded this insured amount at June 30, 2015.

**CASA of the Continental Divide**  
**Notes to Financial Statements**  
**June 30, 2015**

**NOTE 7: OPERATING LEASE COMMITMENTS**

**Office Space Leases**

Effective June 1, 2012 CASA entered into a lease agreement for office space. The initial term of the lease is June 1, 2012 and ending June 30, 2014. Rental for the initial term is \$19,465 per two years, payable in installments of \$811 per month.

Also effective June 1, 2012 CASA entered into a lease agreement for additional office space/conference room. The initial term of the lease is June 1, 2012 and ending June 30, 2014. Rental for the initial term is \$9,595 per two years, payable in installments of \$400 per month.

Total rent expense under these leases for the year ended June 30, 2015 was \$12,239.

Effective July 1, 2014, both lease agreements were renewed for an additional three-year term.

**Copier Lease**

Effective March 10, 2014 CASA entered into an operating lease agreement for the use of a copier. The term of the lease is 60 months with minimum monthly lease payments of \$151.

Minimum lease payments for the next five years are as follows under the lease agreements:

<u>For the year ending June 30,</u>	
2016	\$13,404
2017	13,404
2018	1,812
2019	1,359
	<u>29,979</u>

**NOTE 7: EMPLOYEE BENEFIT PLAN**

Effective January 1, 2013 CASA established a SIMPLE IRA plan. Eligible participants may elect under a salary reduction agreement to have a percentage of their compensation contributed to the SIMPLE IRA. Under the plan, CASA makes a matching contribution of up to 3% of each participant's compensation. Total matching contributions for the year ended June 30, 2015 were \$4,077.

**NOTE 8: DONATED SERVICES AND FACILITIES**

CASA receives a significant amount of donated services from trained volunteers. Such services were valued at \$151,671 for the year ended June 30, 2015. CASA also received other donated professional services for special event advertising, graphic design, and others valued at \$26,760. Total donated services and facilities recorded to these financial statements as support revenue and expense is \$178,431.

CASA also receives donated services from unpaid volunteers who assist in administrative tasks, fund-raising and special projects. No amounts have been recognized in the statement of activities because the criteria for recognition under FASB ASC 958-605 have not been satisfied. The estimated value of these donated services is \$14,996.

**CASA of the Continental Divide**  
**Notes to Financial Statements**  
**June 30, 2015**

**NOTE 9: 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 programs and supporting services benefited.

**NOTE 10: EVALUATION OF SUBSEQUENT EVENTS**

CASA has evaluated subsequent events through December 1, 2015, the date which the financial statements were available to be issued.

**SUPPLEMENTARY INFORMATION**

**CASA of the Continental Divide  
Schedule of Functional Expenses  
For the Year Ended June 30, 2015  
(With Comparative Totals for 2014)**

	2015				2014	
	Supporting Services				Total	Total
	Program Services	Management and General	Development and Fundraising	Total Supporting Services		
<b>ACTUAL EXPENSES:</b>						
Salaries and benefits	\$ 124,422	67,311	21,734	89,045	213,467	223,385
Special events	-	-	19,588	19,588	19,588	18,356
Board and staff training	2,137	-	-	-	2,137	120
Conferences and meetings	2,510	-	-	-	2,510	1,708
Computer services	12,169	1,679	-	1,679	13,848	12,337
Membership dues	1,145	-	-	-	1,145	1,955
Insurance	2,923	955	-	955	3,878	3,494
Occupancy						
Rent	12,239	-	-	-	12,239	13,455
Maintenance and supplies	5,697	-	-	-	5,697	5,306
Utilities	4,618	-	-	-	4,618	3,193
Parenting class expense	563	-	-	-	563	692
Office expenses	1,961	169	-	169	2,130	2,503
Telephone	3,643	-	-	-	3,643	4,682
Staff travel	7,103	-	-	-	7,103	7,506
Volunteer travel	29	-	-	-	29	-
Professional fees - accounting	429	8,865	-	8,865	9,294	8,865
Advertising and marketing	162	-	1,269	1,269	1,431	909
Volunteer/staff recognition	2,589	-	-	-	2,589	861
Volunteer training	1,409	-	-	-	1,409	2,498
Other	24	-	-	-	24	112
Subtotal	<u>185,772</u>	<u>78,979</u>	<u>42,591</u>	<u>121,570</u>	<u>307,342</u>	<u>311,937</u>
<b>CONTRIBUTED SERVICES AND PROPERTY:</b>						
Professional services	140,480	3,000	23,760	26,760	167,240	192,772
Facilities	-	-	-	-	-	3,250
Office expenses	-	-	-	-	-	8,798
Contributed services - mileage	11,191	-	-	-	11,191	19,323
Subtotal	<u>151,671</u>	<u>3,000</u>	<u>23,760</u>	<u>26,760</u>	<u>178,431</u>	<u>224,143</u>
Total expenses before depreciation	337,443	81,979	66,351	148,330	485,773	536,080
Depreciation	2,707	-	-	-	2,707	1,708
TOTAL EXPENSES	<u><u>340,150</u></u>	<u><u>81,979</u></u>	<u><u>66,351</u></u>	<u><u>148,330</u></u>	<u><u>488,480</u></u>	<u><u>537,788</u></u>
Percentage of total expenses by Function:	70%	17%	14%	30%		

See the Independent Auditor's Report and accompanying notes to the financial statements