

**CASA OF THE CONTINENTAL DIVIDE
FINANCIAL STATEMENTS
JUNE 30, 2012 and 2011**

CASA OF THE CONTINENTAL DIVIDE
FINANCIAL STATEMENTS
TABLE OF CONTENTS
June 30, 2012 and 2011

	<u>Page</u>
Independent Auditor's Report	2
Financial Statements	
Statement of Financial Position	3
Statement of Activities	4
Statement of Cash Flow	5
Notes of Financial Statements	6-9
Schedule of Budget vs. Actual Revenues and Expenses	10

Independent Auditor's Report

Board of Directors
CASA of The Continental Divide

I have audited the accompanying statement of financial position of CASA of the Continental Divide (a nonprofit organization) as of June 30, 2012 and 2011, and the related statements of activities and the cash flows for the year then ended. These financial statements are the responsibility of CASA of The Continental Divide's management. Our responsibility is to express an opinion of these financial statements based on our audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on the test basis, evidence supporting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe my audit provides a reasonable basis for my opinion.

In my 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, 2012 and 2011, and the changes in its net assets and its cash flows for the years then ended, in conformity with accounting principles accepted in the United States of America.

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Budget vs. Actual revenues and expenses on page 9 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 audit standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

John J. Stefanich
Littleton, Colorado
August 25, 2012

CASA OF THE CONTINENTAL DIVIDE
STATEMENT OF FINANCIAL POSITION
June 30, 2012 and 2011

ASSETS

Current Assets	<u>2012</u>	<u>2011</u>
Cash	\$ 7,727	\$ 4,878
Savings Account	265,777	196,087
Prepaid Expenses	-	-
Accounts Receivable	<u>3,000</u>	<u>1,760</u>
Total Current Assets	276,504	202,725
Property and Equipment		
Office Furniture and Equipment	24,586	24,586
Less: Accumulated Depreciation	<u>(21,574)</u>	<u>(20,100)</u>
Total Property and Equipment	<u>3,012</u>	<u>4,486</u>
Other Assets		
Security Deposits	<u>367</u>	<u>367</u>
TOTAL ASSETS	\$ <u>279,883</u>	<u>\$207,578</u>

LIABILITIES AND NET ASSETS

Current Liabilities		
Accounts Payable	\$ 5,559	\$ 9,822
Accrued Payroll Liabilities	3,291	3,298
Accrued Vacations Payable	7,188	5,307
Deferred Revenue	<u>50,000</u>	<u>-</u>
Total Current Liabilities	<u>66,038</u>	<u>18,427</u>
Net Assets		
Unrestricted	<u>213,845</u>	<u>189,151</u>
Total Net Assets	<u>213,845</u>	<u>189,151</u>
TOTAL LIABILITES AND NET ASSETS	\$ <u>279,883</u>	<u>\$207,578</u>

See accompanying notes to financial statements.

CASA OF THE CONTINENTAL DIVIDE
STATEMENT OF ACTIVITIES
Years Ended June 30, 2012 and 2011

Support and Revenue	<u>2012</u>	<u>2011</u>
Foundations	\$ 61,500	\$40,000
Grants	39,493	39,248
Governmental	72,022	54,544
Community	33,790	32,480
Fund raising	74,595	84,529
Contributions	7,954	3,370
Domestic relation fees	9,079	3,268
Investment income	<u>961</u>	<u>1,306</u>
 Total support revenue	 <u>299,394</u>	 <u>258,745</u>
 Expenses		
Salaries	168,876	146,620
Payroll taxes	12,520	11,346
Employee benefits	495	553
Computer expenses	3,442	4,615
Depreciation	1,474	1,412
Professional Fees	1,500	1,500
Health Insurance	26,947	23,664
Insurance	3,353	3,353
Membership dues and conferences	1,514	2,591
Fundraising Expense	11,000	14,660
Occupancy	15,436	15,130
Office supplies and expenses	9,015	10,415
Parent Class	862	779
Phone	4,436	3,888
Printing/copying	1,078	300
Public relations/marketing	734	642
Recognition	1,825	1,837
Training	2,049	3,634
Travel and Entertainment	<u>8,144</u>	<u>6,491</u>
Total expenses	<u>274,700</u>	<u>253,429</u>
Change in net assets	24,694	5,316
Net assets, beginning of year	<u>189,151</u>	<u>183,835</u>
Net assets, end of year	<u>\$ 213,845</u>	<u>\$189,151</u>

See accompanying notes to financial statements.

**CASA OF THE CONTINENTAL DIVIDE
STATEMENT OF CASH FLOWS
Year Ended June 30, 2012**

	<u>2011</u>	<u>2010</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ 24,694	\$ 5,316
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	1,474	1,412
(Increase) Decrease in Accounts receivable	(1,240)	(1,760)
(Increase) Decrease in Prepaid Expenses	-	135
Increase (Decrease) in Accounts Payable	(4,263)	7,022
Increase in Deferred Revenues	50,000	-
Increase (Decrease) in Accrued Liabilities	<u>1,874</u>	<u>(360)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>72,539</u>	<u>11,765</u>
 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Computer Equipment	-	(2,953)
Payment of Lease security deposit	-	(367)
Transfer from to Short-Term Investments	<u>-</u>	<u>-</u>
NET CASH FROM INVESTING ACTIVITIES	<u>-</u>	<u>(3,320)</u>
 NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	 <u>72,539</u>	 <u>8,445</u>
 BEGINNING CASH AND CASH EQUIVALENTS	 200,965	 192,520
 ENDING CASH AND CASH EQUIVALENTS	 <u>\$273,504</u>	 <u>\$200,965</u>

See accompanying notes financial statements.

CASA OF THE CONTINENTAL DIVIDE
NOTES TO FINANCIAL STATEMENTS
June 30, 2012

Note 1. Summary of Significant Accounting Policies.

CASA of The Continental Divide is a nonprofit corporation formed in 1998 pursuant to the laws of the State of Colorado, for the purpose of providing a voice for the best interest of children who are victims of abuse, neglect or domestic conflict. Trained CASA volunteers work with children in an effort to assure them safe and permanent homes. The agency's business office is located at 330 Fiedler Avenue, Dillon, Colorado. The agency is supported primarily by grants and contributions.

The accompanying financial statements have been prepared on the accrual basis of accounting, in conformity with U.S. generally accepted accounting principles, as they apply to not-for-profit organizations.

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

The agency presents the financial statements pursuant to Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Accordingly, the agency is required to report information regarding its financial position according to three classes of net assets (unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets) based upon the existence or absence of donor-imposed restrictions.

Unrestricted net assets represent resources over which the board of directors has discretionary control and are used to carry out the operations of the agency in accordance with its bylaws.

Net assets of the restricted classes are created by donor-imposed restrictions on their use.

The agency also complies with Statement of Financial Accounting Standards (SFAS) No. 116, Accounting for Contributions Received and Contributions Made. In accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

CASA OF THE CONTINENTAL DIVIDE
NOTES TO FINANCIAL STATEMENTS
June 30, 2012

Note 1. Summary of Significant Accounting Policies (continued)

Cash and cash equivalents – for the purpose of the Statement of Cash Flows, cash consists of cash on hand, plus on deposit checking and savings accounts.

Short term investments include a time savings account with a maturity of one year or more when purchased, and are stated at fair market value, which equals cost.

Property and equipment are stated at cost (or fair market value at time of donation for donated items) less accumulated depreciation. Expenditures for maintenance, repairs and minor replacements are charged to operations, and expenditures for additions or major replacements exceeding \$1,000.00 in cost are capitalized.

All depreciation is computed using the straight-line method with estimated useful lives of 3-5 years. Depreciation expense of \$1,412 was recorded for the year ended June 30, 2012.

Vacation wages are recognized in the year ended by the employer rather than at the time the vacation pay is actually taken.

Note 2. Income Taxes

The agency is exempt from income taxes under Internal Revenue Code Section 501(c)(3) and is classified as a public charity (not a private foundation). The agency undertook no unrelated business activities and therefore no provision has been made for income taxes in these financial statements.

Note 3. Savings

Savings consist of time deposits and savings accounts. At June 30, 2012 the agency's time deposits were due to expire in less than one year or less, therefore Savings deposits have been classified as cash equivalents.

One-year time deposit due 08/25/ 2012, Interest Rate .850%	\$102,679
Six month deposit due 08/25/2012, Earning .40%	14,667
Money Market account earning .20% at June 30, 2012	14,108
Savings Account, earning .20%	84,323
Certificate of Deposit	<u>50,000</u>
	<u>\$265,777</u>

CASA OF THE CONTINENTAL DIVIDE
NOTES TO FINANCIAL STATEMENTS
June 30, 2012

Note 3. Savings (continued)

Total earnings of these investments for the year ended June 30, 2012 equaled \$961.

Note 4. Grants

For the fiscal year ended June 30, 2012, the agency was awarded two grants associated with expansion of services. A grant of \$22,500 was awarded by National CASA and funded as the agency incurred qualified expenditures, including salaries, rent, equipment and miscellaneous other costs. A grant of \$16,993 was awarded by VOCA and used to fund salaries. All grant funds were expended in the fiscal year awarded on an accrual basis except as noted in Note 7. Thus at June 30, 2012 the agency did not have any restricted funds associated with these programs.

Note 5. Risk Management and Fair Value

Financial risk is the risk to the Agency that arise from fluctuations in interest and foreign exchange rates and the degree of volatility of these rates. The Agency does not use derivative instruments to reduce its exposure to interest rate and foreign exchange risk. The fair value of the Agency's financial assets and liabilities approximate amounts for which instruments could be exchanged in a transaction between knowledgeable and willing parties based on public market information.

Note 6. Financial Instruments

The Agency invests in various financial institutions which are backed by the Federal Deposit Insurance Corporation or other insurance agencies. The level and extent of insurance for funds invested with any one agency can and often due change. Amount deposited with any one institution in excess of insured amounts are at risk of loss in the case of failure of the institution.

Note 7. Deferred Revenue

The Agency applied for and was awarded a private grant for \$50,000 for services to be provided for in the fiscal year ending June 30, 2013. As the expenses associated with the grant have not been incurred and will be incurred in the following year the board has designated the funds received as reserved for future operations. Thus to match the revenue associated with the grant with the expenditures associated with it the revenues have been as deferred.

CASA OF THE CONTINENTAL DIVIDE
NOTES TO FINANCIAL STATEMENTS
June 30, 2012

Note 8. Commitments and Contingencies,

The Agency has long term lease commitments for use of office it occupies in the amount of \$811.04 per month until June 30, 2014. The total commitment is for \$19,464.96 starting July 1, 2012.

CASA OF THE CONTINENTAL DIVIDE
Supplemental Schedule
Budget vs. Actual
Year ended June 30, 2012

	<u>2012</u>	<u>Budget</u>
Support and Revenue		
Foundations	\$ 61,500	\$46,530
Grants	39,493	22,500
Governmental	72,022	87,420
Community	33,790	35,000
Fund raising	74,595	94,000
Contributions	7,954	4,500
Domestic relation fees	9,079	6,500
Investment income	<u>961</u>	<u>2,500</u>
 Total support revenue	 <u>299,394</u>	 <u>298,950</u>
 Expenses		
Salaries	168,876	181,808
Payroll taxes	12,520	14,800
Employee benefits	495	500
Computer expenses	3,442	1,000
Depreciation	1,474	1,000
Professional Fees	1,500	1,500
Health Insurance	26,947	31,350
Insurance	3,353	5,250
Membership dues and conferences	1,514	4,400
Fundraising Expense	11,000	14,500
Occupancy	15,436	15,532
Office supplies and expenses	9,015	9,250
Parent Class	862	1,800
Phone	4,436	3,750
Printing/copying	1,078	510
Public relations/marketing	734	850
Recognition	1,825	1,500
Training	2,049	2,300
Travel and Entertainment	<u>8,144</u>	<u>7,350</u>
Total expenses	<u>274,700</u>	<u>298,950</u>
Change in net assets	\$ <u>24,694</u>	\$ <u>0</u>

See accompanying notes to financial statements.