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SEXUAL ASSAULT RESOURCE AGENCY, INC.

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2017

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SEXUAL ASSAULT RESOURCE AGENCY, INC.  
FINANCIAL REPORT  
FOR THE YEAR ENDED JUNE 30, 2017

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# ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

## Independent Auditors' Report

To the Board of Directors  
Sexual Assault Resource Agency, Inc.  
Charlottesville, Virginia

We have audited the accompanying financial statements of Sexual Assault Resource Agency, Inc. (a nonprofit organization) which comprise the statement of financial position as of June 30, 2017, and the related statements of activities, functional expenses, 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 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 Sexual Assault Resource Agency, Inc. as of June 30, 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.

*Robinson, Farmer, Cox Associates*

Charlottesville, Virginia  
December 11, 2017

- Financial Statements -

SEXUAL ASSAULT RESOURCE AGENCY, INC.

Statement of Financial Position

As of June 30, 2017

**ASSETS**

Current assets:

Cash and cash equivalents	\$	248,778
Accounts receivable		118,661
Prepaid expenses		3,240
Security deposit		3,069
Total current assets	\$	<u>373,748</u>

Property and equipment (Note 3):

Furniture and fixtures	\$	19,047
Less: Accumulated depreciation		<u>(5,830)</u>
Net property and equipment	\$	<u>13,217</u>
Total assets	\$	<u><u>386,965</u></u>

**LIABILITIES AND NET ASSETS**

Current liabilities:

Accounts payable	\$	1,352
Accrued expenses		8,405
Compensated absences		18,040
Total current liabilities	\$	<u>27,797</u>
Total liabilities	\$	<u>27,797</u>

Net assets:

Unrestricted	\$	356,344
Unrestricted - Board Designated Reserve		<u>2,824</u>
Total net assets	\$	<u>359,168</u>
Total liabilities and net assets	\$	<u><u>386,965</u></u>

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

SEXUAL ASSAULT RESOURCE AGENCY, INC.

Statement of Activities  
For the Year Ended June 30, 2017

	Unrestricted Funds	Temporarily Restricted Funds	Total Funds
<b>Revenues, gains, and other support:</b>			
Grants from government agencies:			
State VOCA	\$ -	\$ 286,937	\$ 286,937
State DSS	-	98,085	98,085
State V-STOP	-	39,650	39,650
State SASP	-	16,105	16,105
State VDH	-	116,844	116,844
State Victim Fund	-	34,208	34,208
City of Charlottesville	22,440	-	22,440
County of Albemarle	20,600	-	20,600
County of Fluvanna	1,000	-	1,000
County of Nelson	900	-	900
Total grants from government agencies	\$ 44,940	\$ 591,829	\$ 636,769
Other grants	55,500	-	55,500
Contributions	102,476	-	102,476
Fundraising income	46,305	-	46,305
In-kind donations	10,269	-	10,269
Investment income	324	-	324
Net assets released from restrictions	591,829	(591,829)	-
Total revenues, gains, and other support	\$ 851,643	\$ -	\$ 851,643
<b>Expenses:</b>			
Program services	\$ 676,895	\$ -	\$ 676,895
Supporting services:			
Management and general	89,169	-	89,169
Fundraising	41,400	-	41,400
Total expenses	\$ 807,464	\$ -	\$ 807,464
Change in net assets	\$ 44,179	\$ -	\$ 44,179
Net assets, beginning of year	314,989	-	314,989
Net assets, end of year	\$ 359,168	\$ -	\$ 359,168

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

SEXUAL ASSAULT RESOURCE AGENCY, INC.

Statement of Functional Expenses  
For the Year Ended June 30, 2017

	Program Services	Supporting Services			Total
		Management and General	Fundraising	Total Support	
Salaries and wages	\$ 479,324	\$ 41,061	\$ 17,783	\$ 58,844	\$ 538,168
Employee benefits	47,449	4,915	1,866	6,781	54,230
Payroll taxes	38,368	3,004	1,349	4,353	42,721
Accounting fees	-	18,675	-	18,675	18,675
Advertising	280	-	-	-	280
Bank and merchant fees	-	490	-	490	490
Consulting and facilitator fees	4,275	-	-	-	4,275
Depreciation expense	-	2,755	-	2,755	2,755
Dues and subscriptions	2,721	1,027	39	1,066	3,787
Education and training	19,924	-	-	-	19,924
Insurance	6,732	1,162	178	1,340	8,072
Meals	108	290	-	290	398
Mileage and subsistence	10,079	211	22	233	10,312
Miscellaneous	343	244	539	783	1,126
Office expense	3,874	669	102	771	4,645
Postage	234	1,288	16	1,304	1,538
Printing/awareness materials	10,755	2,528	2,681	5,209	15,964
Rent	32,283	5,574	852	6,426	38,709
Repair and maintenance	1,851	320	49	369	2,220
Supplies	9,443	-	36	36	9,479
Supervision	3,195	-	-	-	3,195
Special event expense	475	-	15,826	15,826	16,301
Telephone	603	4,536	-	4,536	5,139
Therapeutic horseback	1,250	-	-	-	1,250
Travel	984	15	-	15	999
Utilities	2,345	405	62	467	2,812
Total	\$ 676,895	\$ 89,169	\$ 41,400	\$ 130,569	\$ 807,464

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

SEXUAL ASSAULT RESOURCE AGENCY, INC.

Statement of Cash Flows  
For the Year Ended June 30, 2017

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Cash flows from operating activities:	
Change in net assets	\$ 44,179
Adjustments to reconcile net assets to net cash provided by (used for) operating activities:	
Depreciation	2,755
(Increase) decrease in assets:	
Accounts receivable	(88,109)
Prepaid expenses	161
Increase (decrease) in liabilities:	
Accounts payable	(3,937)
Accrued expenses	830
Compensated absences	5,347
Deferred revenue	(2,750)
Net cash provided by (used for) operating activities	<u>\$ (41,524)</u>
Cash flows from investing activities:	
Purchase of property and equipment	<u>\$ (2,554)</u>
Net cash provided by (used for) investing activities	<u>\$ (2,554)</u>
Net increase (decrease) in cash and cash equivalents	\$ (44,078)
Cash and cash equivalents, beginning of year	<u>292,856</u>
Cash and cash equivalents, end of year	<u><u>\$ 248,778</u></u>

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



## SEXUAL ASSAULT RESOURCE AGENCY, INC.

Notes to Financial Statements  
As of June 30, 2017

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### NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

#### Background:

Sexual Assault Resource Agency, Inc. (SARA or the Organization) provides crisis intervention, support, advocacy, and companion services to the survivors of sexual violence. SARA also provides education and prevention programs to the City of Charlottesville, the University of Virginia, and the counties of Albemarle, Fluvanna, Greene, Louisa, and Nelson.

The Organization receives its funds primarily from state, city, and county governments and through private donations and fundraising.

#### Basis of Accounting:

The financial statements of the Organization have been prepared on the accrual basis of accounting. Under the accrual basis, revenues are recognized in the period in which they are earned, while expenses are recognized in the accounting period in which the related liability is incurred.

#### Financial Statement Presentation:

Net assets and revenues, expenses, gains, and losses are classified based on existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

*Unrestricted Net Assets* - Net assets not subject to donor-imposed restrictions. At June 30, 2017, the Organization had unrestricted net assets of \$359,168. The Board has designated reserve account income of \$2,824 for future use.

*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, 2017, the Organization did not have any 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, 2017, the Organization did not have any permanently restricted net assets.

#### Accounts Receivable:

The Organization has historically collected substantially all of its receivables. At June 30, 2017, the Organization did not have any receivables outstanding over 90 days.

#### Contributions:

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

Contributions are recognized when the donor makes a promise to give. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

SEXUAL ASSAULT RESOURCE AGENCY, INC.

Notes to Financial Statements  
As of June 30, 2017 (continued)

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**NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**Deferred Revenue:**

The Organization reported \$0 awarded as deferred revenue for the next fiscal year.

**NOTE 2 - CASH AND CASH EQUIVALENTS:**

The Organization considers all highly liquid investments with a maturity of three months or less at the date of acquisition to be "cash equivalents."

The Organization maintains its deposits in two financial institutions. At June 30, 2017, \$217,766 of the Organization's cash equivalents were held in investments not covered by FDIC.

**NOTE 3 - PROPERTY AND EQUIPMENT:**

Purchased property and equipment costing in excess of \$250 are recorded at cost. Donated property and equipment are recorded at the estimated fair market value at the date of the gift. Depreciation is provided over the estimated useful lives of the asset on a straight-line basis. Estimated useful lives range from 5 to 7 years for furniture and fixtures. Depreciation expense for property and equipment was \$2,755 for the year.

**NOTE 4 - PREPAID EXPENSES:**

Prepaid expenses consists entirely of prepaid rent.

**NOTE 5 - SECURITY DEPOSIT:**

Security Deposit consists entirely of one deposit made at lease inception for the Organization's lease of the Greenbrier Drive location.

**NOTE 6 - 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.

**NOTE 7 - INCOME TAX STATUS:**

The Organization is a not-for-profit organization exempt from income taxes under 501(c) (3) of the Internal Revenue Code. The Organization has also been classified as an entity that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions as provided in Section 170 (b)(1)(A)(vi).

SEXUAL ASSAULT RESOURCE AGENCY, INC.

Notes to Financial Statements  
As of June 30, 2017 (continued)

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**NOTE 8 - DONATED MATERIALS AND CONTRIBUTED SERVICES:**

Contributions of donated noncash assets are recorded at their fair market values in the period received. Contributions of donated services that create or enhance non-financial assets or that require specialized skills, which 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 year received. Donated materials and services of \$10,269 were received during the year.

**NOTE 9 - FUNCTIONAL ALLOCATION OF EXPENSES:**

The costs of providing the various programs and other 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 - RETIREMENT PLAN:**

The Organization has a defined contribution retirement plan under Section 403(b) of the Internal Revenue Code. All full-time employees are eligible to participate in the plan on the first day of their second year of employment. Contributions of \$5,857 were made by SARA on behalf of its employees for the year ended June 30, 2017.

**NOTE 11 - COMPENSATED ABSENCES:**

The Organization has a policy which allows for employees to accumulate a maximum for 80 vacation hours and 200 sick leave hours. The Organization has compensated absences totaling \$18,040 at June 30, 2017.

**NOTE 12 - RESTRICTED NET ASSETS:**

Net assets were released from restrictions by incurring expenditures satisfying the following restricted purpose:

State VOCA	\$	286,937
State DSS		98,085
State V-STOP		39,650
State SASP		16,105
State VDH		116,844
State Victim Fund		<u>34,208</u>
Total	\$	<u>591,829</u>

SEXUAL ASSAULT RESOURCE AGENCY, INC.

Notes to Financial Statements  
As of June 30, 2017 (continued)

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**NOTE 13 - LEASE COMMITMENTS:**

On August 1, 2016, the Organization undertook a five year lease for new office space at a new location. Below are the future lease payments:

<u>Year Ending June 30,</u>	<u>Future Lease Payments</u>
2018	\$ 38,880
2019	40,068
2020	41,281
2021	3,448
Total	<u>\$ 123,677</u>

**NOTE 14 - SUBSEQUENT EVENTS:**

In preparing these financial statements, management of the Organization has evaluated events and transactions for potential recognition or disclosure through December 11, 2017, the date the financial statements were available to be issued. The Organization is not aware of any material subsequent events which would require recognition or disclosure in the accompanying financial statements.