

UNITED WAY OF EASTERN UTAH

FINANCIAL STATEMENTS

Year Ended June 30, 2012

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
United Way of Eastern Utah

We have audited the accompanying statement of financial position of United Way of Eastern Utah (a nonprofit organization) as of June 30, 2012 and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of United Way of Eastern Utah's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Way of Eastern Utah as of June 30, 2012 and the results of its activities and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Squire & Company, PC

January 30, 2013

UNITED WAY OF EASTERN UTAH
STATEMENT OF FINANCIAL POSITION
June 30, 2012

ASSETS

Current Assets:

Cash	\$	56,472
Pledges receivable		<u>38,749</u>
Total current assets		95,221

Fixed Assets:

Leasehold improvements		19,402
Furniture and equipment		11,553
Accumulated depreciation		<u>(11,224)</u>
Net fixed assets		<u>19,731</u>
Total assets	\$	<u><u>114,952</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts payable and accrued expenses	\$	5,680
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Net Assets:

Unrestricted		105,757
Temporarily restricted		<u>3,515</u>
Total net assets		<u>109,272</u>
Total liabilities and net assets	\$	<u><u>114,952</u></u>

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

UNITED WAY OF EASTERN UTAH
STATEMENT OF ACTIVITIES

Year Ended June 30, 2012

	Unrestricted	Temporarily Restricted	Total
Revenues and Support:			
Total campaign pledges and donations	\$ 119,725	\$ 3,515	\$ 123,240
Amounts designated by donors for specific organizations	(3,411)	-	(3,411)
Net campaign pledges and donations	116,314	3,515	119,829
In-kind donations	17,374	-	17,374
Grant revenue	3,614	-	3,614
Interest revenue	283	-	283
Total revenues and support	137,585	3,515	141,100
Allocations and Expenses:			
Program services	92,543	-	92,543
Supporting services:			
Resource development	28,591	-	28,591
Management and general	28,133	-	28,133
Total allocations and expenses	149,267	-	149,267
Change in Net Assets	(11,682)	3,515	(8,167)
Net Assets at Beginning of Year	117,439	-	117,439
Net Assets at End of Year	\$ 105,757	\$ 3,515	\$ 109,272

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

UNITED WAY OF EASTERN UTAH
STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2012

	Program Services	Supporting Services		Total
		Resource Development	Management and General	
Salaries, wages, and stipends	\$ 19,401	\$ 15,643	\$ 7,955	\$ 42,999
Employee benefits	2,080	1,676	853	4,609
Total personnel expenses	21,481	17,319	8,808	47,608
Agency program funding and assistance	38,800	-	-	38,800
Campaign costs	-	1,632	-	1,632
Conferences and training	3,172	-	1,671	4,843
Insurance	-	-	1,275	1,275
Occupancy	9,110	2,456	2,175	13,741
Office	-	-	4,826	4,826
Other	56	10	1,327	1,393
Postage and copies	4	-	272	276
Professional services and bank charges	-	-	1,114	1,114
Repairs and maintenance	1,802	486	430	2,718
Materials and supplies	14,085	1,960	4,170	20,215
Travel	1,871	4,145	385	6,401
United Way of America support	-	-	1,164	1,164
Total before depreciation	90,381	28,008	27,617	146,006
Depreciation	2,162	583	516	3,261
Total functional expenses	\$ 92,543	\$ 28,591	\$ 28,133	\$ 149,267

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

**UNITED WAY OF EASTERN UTAH
STATEMENT OF CASH FLOWS**

Year Ended June 30, 2012

Cash Flows from Operating Activities:

Change in net assets	\$ (8,167)
Adjustments to reconcile change in net assets to net cash used by operating activities:	
Depreciation	3,261
Changes in operating assets and liabilities:	
Pledges receivable	(3,107)
Accounts payable and accrued expenses	4,115
	<hr/>
Net cash used by operating activities	(3,898)

Cash Flows from Investing Activities:

Purchases of fixed assets	<hr/> (3,106)
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Net Change in Cash (7,004)

Cash at Beginning of Year

63,476

Cash at End of Year \$ 56,472

Supplemental Data:

United Way paid no interest and no income taxes for the year ended June 30, 2012.

United Way had no noncash investing or financing activities during the year ended June 30, 2012.

UNITED WAY OF EASTERN UTAH
NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

The financial statements of United Way of Eastern Utah (United Way) have been prepared on the accrual basis of accounting. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Organization – The primary objective of United Way is to increase the organized capacity of people to care for one another. United Way of Eastern Utah serves the communities located in Carbon, Emery, Grand, San Juan, Daggett, Duchesne, and Uintah counties. This is done through campaigns for donations that are managed and distributed to nonprofit agencies affiliated with United Way.

Income Taxes – United Way is exempt from federal income taxes under Internal Revenue Code section 501(a) and is classified as a section 501(c)(3) public charity. At June 30, 2012, United Way has not recorded a tax liability as it has no unrelated business activities. United Way believes that it has appropriate support for any tax positions taken and as such does not have any uncertain tax positions that are significant to the financial statements. United Way’s federal Returns of Organization Exempt from Income Tax (Forms 990) are open for audit by the Internal Revenue Service for three years after they are filed.

Revenue Recognition – All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Pledges receivable are considered unrestricted. No allowance for uncollectible pledges has been established since actual receipts of pledge contributions subsequent to year end represents the balance recorded.

Fixed Assets – Fixed assets are stated at cost or, if donated, at fair value as of the donation date. Fixed assets are depreciated using the straight-line method, with useful lives as follows:

Furniture and equipment	5 years
Leasehold improvements	5 to 15 years

Temporarily Restricted Net Assets – United Way receives donations that are specifically restricted by the donor. United Way had \$3,515 restricted by donors at June 30, 2012.

Accounting 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.

Subsequent Events – United Way evaluated subsequent events through January 30, 2013, the date the financial statements were available to be issued.

UNITED WAY OF EASTERN UTAH
NOTES TO FINANCIAL STATEMENTS

Note 2. Functional Expenses

The statement of activities reflects expenses by functional area. The following is a description of the functional areas:

Program Services – Activities focused in four areas that impact the communities serves as follows:

Education – Includes funding of internal and community partners’ programs that provide free home visitations to first-time parents, provide basic necessities, and support early intervention programs.

Income – Includes funding of internal and community partners’ programs that help build financially stable families by assisting with income tax preparation, utilities assistance, job skills training, adult literacy programs and more.

Health – Includes funding of internal and community partners’ programs that help create healthier counties through promoting health education and preventative care, reducing child abuse and domestic violence, and providing access to critical healthcare services.

Citizen Review – Includes the entire community review of United Way funded community programs that are producing measurable outcomes that show long-lasting change. Also, includes recruitment and training of volunteers and communication with agencies regarding funding.

Resource Development – Includes recruitment, training, employee meetings, mailings, brochures, pledge cards, promotional materials, company visits, or other activities related to the raising of funds.

Management and General – Includes board meetings, executive direction and planning, personnel and office management, accounting and bookkeeping, and file maintenance.

Note 3. Contributed Materials, Equipment, and Services

Contributed materials and equipment are reflected as in-kind donations in the accompanying financial statements at their estimated values at date of receipt. No amounts have been reflected in the statements for contributed services inasmuch as no objective basis is available to measure the value of such services; however, a substantial number of volunteers have donated significant amounts of their time to United Way.

**UNITED WAY OF EASTERN UTAH
NOTES TO FINANCIAL STATEMENTS**

Note 4. Support Services

United Way's Resource Development and Management and General functions as a percentage of total gross revenue for the year ended June 30, 2012 is as follows:

Total revenue and support	\$ 141,100
Amounts designated by donors for specific organizations	<u>3,411</u>
Total gross revenue	<u><u>\$ 144,511</u></u>

These percentages are calculated by dividing the Resource Development and Management and General functions by total gross revenue. Total gross revenue is calculated as follows for the year ended June 30, 2012:

Resource Development	19.8%
Management and General	19.5%