
UNITED WAY OF PIKE COUNTY, INC.
FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2006 AND 2005

**UNITED WAY OF PIKE COUNTY, INC.
YEARS ENDED DECEMBER 31, 2006 AND 2005**

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UNITED WAY OF PIKE COUNTY, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2005 AND 2006

	2006	2005
ASSETS		
Cash - Checking	\$ 44,678	\$ 70,028
Cash - Money Market		
Pike County Emergency Fund	12,500	15,000
Operational Reserve	5,000	-
Unreserved Funds	32,572	2,092
	94,750	87,120
Pledges receivable (net of allowance of 0 in 2006, and \$9,973 in 2005)	38,291 -	44,642 ↓
Grants receivable	48 -	393 ↓
Prepaid expenses	2,559 -	1,214 ○ 1393
Furniture & Equipment at cost, less accumulated depreciation of \$370 in 2006 and \$264 in 2005	936	480
TOTAL ASSETS	\$ 136,584	\$ 133,849
LIABILITIES		
Accounts payable and accrued expenses	\$ 1,391	\$ 1,216
TOTAL LIABILITIES	1,391	1,216
NET ASSETS		
Unrestricted		
Undesignated, available for general activities	120,193	117,633
Board designated for emergency purposes	15,000	15,000
Total Unrestricted	135,193	132,633
TOTAL NET ASSETS	135,193	132,633
TOTAL LIABILITIES AND NET ASSETS	\$ 136,584	\$ 133,849

UNITED WAY OF PIKE COUNTY, INC.
STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2006 AND 2005

	2006		2005	
	Unrestricted	Temporarily Restricted	Total	Total
REVENUES, GAINS, AND OTHER SUPPORT				
Gross Campaign Results	\$ 104,216	\$ -	\$ 104,216	\$ 125,971
Less donor designations-- current	(1,300)	-	(1,300)	(3,242)
Total campaign for current period	102,916	-	102,916	122,729
Less Provision for Uncollectible Pledges	0	-	0	(9,973)
Net Campaign Revenue	102,916	-	102,916	112,756
Other revenues, gains, and support				
Designations from other United Ways	24,648	-	24,648	21,971
Gifts In-Kind	44,600	-	44,600	43,080
Interest Income	391	-	391	386
Grants	4,284	-	4,284	8,295
Total Other revenues, gains and support	73,923	-	73,923	73,732
TOTAL REVENUES, GAINS, AND OTHER SUPPORT	176,839	-	176,839	186,488
EXPENSES				
Program Services				
Community Impact				
Gross Funds Awarded/Distributed	93,800	-	93,800	97,742
(Less Donor Designations)	(1,300)	-	(1,300)	(3,242)
Net Funds Awarded/Distributed	92,500	-	92,500	94,500
Community Impact - Other Expense	138	-	138	118
Total Community impact	92,638	-	92,638	94,618
Other Programs	56,525	-	56,525	59,243
TOTAL PROGRAM SERVICES	149,163	-	149,163	153,861
Supporting Services				
Organizational Administration	20,255	-	20,255	17,781
Fund Raising	3,432	-	3,432	2,624
United Way of America Dues	1,429	-	1,429	885
TOTAL SUPPORTING SERVICES	25,116	-	25,116	21,290
TOTAL EXPENSES	174,279	-	174,279	175,151
INCREASE/(DECREASE) IN NET ASSETS	2,560	-	2,560	11,337
NET ASSETS, BEGINNING OF YEAR	132,633	-	132,633	121,296
NET ASSETS, END OF YEAR	\$ 135,193	\$ -	\$ 135,193	\$ 132,633

See Accompanying Notes to Financial Statements

UNITED WAY OF PIKE COUNTY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEARS ENDED DECEMBER 31, 2006 AND 2005

EXPENSES	PROGRAM SERVICES			SUPPORT SERVICES			2005 TOTAL
	COMMUNITY IMPACT	OTHER	TOTAL	ORGANIZATIONAL ADMINISTRATION	FUND RAISING	UNITED WAY OF AMERICA	
Salaries	\$ -	\$ 14,162	\$ 14,162	\$ -	\$ -	\$ -	\$ 14,162
Payroll taxes	-	1,197	1,197	-	-	-	1,575
Sub-Total	-	3,822	3,822	12,359	-	-	16,181
In-Kind Advertising	-	3,500	3,500	-	-	-	3,500
In-Kind Services/Supplies	-	30,900	30,900	-	-	-	30,900
In-kind rent	-	7,650	7,650	2,040	510	-	10,200
Telephone	-	-	-	959	-	-	959
Postage & Office Supplies	-	-	-	311	-	-	311
Campaign supplies	-	-	-	2,922	-	-	2,922
Organization dues	-	-	-	1,429	-	1,429	1,429
Insurance	-	-	-	2,043	-	-	2,043
Equipment rental	-	-	-	835	-	-	835
Training & travel	-	-	-	1,150	-	-	1,150
Professional fees	-	-	-	453	-	-	453
Dues	-	-	-	-	-	-	-
Program Expense	-	10,653	10,653	-	-	-	10,653
Printing and artwork	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Sub-Total	138	56,525	56,663	20,150	3,432	1,429	81,674
Depreciation Expense	-	-	-	105	-	-	105
Sub-Total	138	56,525	56,663	20,255	3,432	1,429	81,779
Allocations/Awards (Less Donor Designations)	93,800 (1,300)	-	93,800 (1,300)	-	-	-	93,800 (1,300)
TOTAL EXPENSES	\$ 92,638	\$ 56,525	\$ 149,163	\$ 20,255	\$ 3,432	\$ 1,429	\$ 174,279
							\$ 173,151

UNITED WAY OF PIKE COUNTY, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2006 AND 2005

	2006	2005
Cash Flow from Operating Activities		
Increase in net assets	\$ 2,560	\$ 11,337
Adjustments to Reconcile Changes in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation and amortization	105	74
Changes in operating assets and liabilities:		
Pledges receivable	6,352 ↓	(8,972)
Grants receivable	345 ↓	837
Prepaid expenses	(1,345)	245
Accounts payable and accrued expenses	175	486
Net Cash Provided by Operating Activities	8,192	4,007
Cash Flows from Investing Activities		
New Computer	(562)	-
Net Cash Used by Investing Activities	(562)	-
Cash Flows from Financing Activities		
None	-	-
Net Cash Used by Financing Activities	-	-
Net increase in Cash and Cash Equivalents	7,630	4,007
Cash and Cash Equivalents - Beginning of Year	87,120	83,113
Cash and Cash Equivalents - End of Year	\$ 94,750	\$ 87,120
Supplemental Disclosures of Cash Flow Information		
Cash paid during the year for interest	-	-
Income Taxes	N/A	N/A
Supplemental information of Non-cash items:		
Donated revenue/ expenses	\$ 44,600	\$ 43,080

See Accompanying Notes to Financial Statements

UNITED WAY OF PIKE COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2006
AND 2005

Note 1 – Summary of Significant Accounting Policies

Nature of Activities

The United Way of Pike County, Inc. (“UWPC”), was formed January 4, 1999, as a tax-exempt, non-profit organization. UWPC administers an annual fund raising campaign in Pike County, PA and uses those funds to support a variety of human service programs in Pike County. UWPC is governed by a board of volunteers.

The purpose of UWPC is to increase the organized capacity of the people of Pike County to care for one another by providing a network of human services and funds to meet the community needs.

UWPC relies on the generosity of individual, foundation and corporate donors to support operating costs as well as annual funding for program allocations. The majority of their revenue is generated through contributions.

Campaign Pledges and Appropriations

An annual fund raising campaign is conducted each fall to obtain donations and pledges to fund the subsequent year’s operations. Accordingly, a receivable is recorded at year-end for outstanding campaign pledges with an allowance for amounts estimated to be uncollectible. Substantially all of the pledges receivable at December 31, 2006 are from corporations and individuals. The Organization maintains reserves for potential uncollectible pledges which, in the aggregate, have not exceeded management’s expectations. Uncollected campaign pledges are written off.

Donor designated pledges are accounted for as a liability until dispensed to the designated agency. Those amounts are not accounted for as revenue by UWPC but are reported as part of Campaign Results from which the amounts are then deducted to arrive at Campaign Revenue.

Financial Statement Presentation

The Organization’s financial statements are presented in accordance with the Financial Accounting Standard Board’s Statement of Financial Accounting Standards (SFAS) No. 117, “Financial Statements of Not-for-Profit Organizations.” Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets, as applicable: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the Organization is required to present a statement of cash flows.

UNITED WAY OF PIKE COUNTY, INC.
 NOTES TO FINANCIAL STATEMENTS
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Contributions

The Organization also adopted SFAS No.116, "Accounting for Contributions Received and Contributions Made," whereby contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Restricted net assets are reclassified to unrestricted net assets upon satisfaction of the time or purpose to be available for unrestricted net use unless specifically restricted by the donor.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount and disclosures. Actual results could differ from those estimates.

Comparative Financial Information

The financial information shown for 2005 in the accompanying financial statements is included to provide a basis for comparison with 2006 and presents summarized totals only.

Cash and Cash Equivalents

For purposes of the Statements of Cash Flows, the Organization considers all highly liquid investments including money market funds, with an initial maturity of three months or less to be cash equivalents.

Property and Equipment

The Organization follows the practice of capitalizing all expenditures for property and equipment in excess of \$1,000. Purchased property and equipment are recorded at cost. Depreciation is provided using the straight-line method over the estimated useful lives of the assets.

	<u>2006</u>	<u>2005</u>
Equipment	\$ 1,306	\$ 744
Less – Accumulated Depreciation	<u>(370)</u>	<u>(264)</u>
Net Equipment	\$ 936	\$ 480

In-Kind Support and Revenue

Contributed Services and Supplies

During the year ended December 31, 2006 many individuals volunteered their time and perform a variety of tasks that assist the organizations. The agency has estimated it

UNITED WAY OF PIKE COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
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received 224 volunteer hours. These services are not valued or reflected in the financial statements. Donated services for the Day of Caring have been valued by the donors and reflected in the in-kind revenue and expenses in the amount of \$34,400. The agency also received advertising services valued at \$3,500. For the "Chef's United" event, the agency received \$30,900, in donated food and supplies.

Contributed Space and Utilities

The organization occupies space donated by Pam & Dick Lutfy which has been recorded as in-kind support and expense. The value of this contribution is \$10,200.

Allocation of Expenses

The Organization allocates its expenses on a functional basis among its various programs and supporting services. Expenses which can be identified with a specific program or supporting activity are charged directly to that activity. Other expenses that are common to several functions are allocated among the program and supporting services based on the annual time study method recommended by United Way of America in its publication *United Way of America Functional Expenses and Overhead Reporting Standards (Revised 2003)*.

Income Taxes

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code as a charitable institution other than a private foundation.

Note 2 –Programs

The following programs and supporting services are included in the accompanying financial statements:

Day of Caring

The United Way Pike County holds the Day of Caring event each fall to join volunteers and local non-profit groups, in common cause for a single day to accomplish tasks that will benefit the community and those who are in need of human services. It encourages community fellowship, promotes awareness of local non-profit groups, their services and needs. It gives generous hearted people who are too busy to volunteer regularly the chance to make a real difference in less than a day. UWPC helps local non-profit groups identify short term projects that they are unable to do because of lack of funding or staffing, projects that will improve the services they deliver, that will be of benefit to those they serve, and that volunteers can assist them in completing. Then UWPC matches these needs to volunteers who are willing to give a day of their time to help complete these projects.

UNITED WAY OF PIKE COUNTY, INC.
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2006
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Information and Referral

UWPC established and maintains www.PikePAHelp.org which is a comprehensive and free on-line information and referral directory for services in and supporting Pike County. The data base includes government, nonprofit and not-for-profit organizations. It can be utilized to find Human Services, Health Services, Community Resources, Volunteer Information, Education and Community Events.

Note 3 – Affiliation

United Way of Pike County, Inc. is a member in good standing with the United Way Pennsylvania State and the United Way of America. A percentage of revenues is remitted as dues to these agencies.

Note 4– Allocation to Agencies

Allocations of \$94,500 were paid to 20 funded agencies for the year ended December 31, 2006. The agencies, and the amounts received by each, are summarized in Schedule 1 of these financial statements.

Note 5 – Administrative and Fund Raising Cost Ratio

United Way calculates its Administrative and Fundraising Expense Ratio as determined under the *United Way of America Functional Expenses and Overhead Reporting Standards (Revised 2003)* which uses IRS Form 990 as sources of revenue and expenses. The following presents the United Way's Administrative and Fund Raising Expense Ratio for the year ended December 31, 2005:

Total Public Support and Revenue as reported in the Accompanying Statement of Activity and Changes In Net Assets	\$ 176,839
Plus: Donor Choice Revenue	<u>1,300</u>
Total	178,139
Less: In-Kind Rent and Services	<u>(44,600)</u>
Adjusted Support and Revenue	<u>\$ 133,539</u>
<hr/>	
Organizational Administration(net Inkind)	\$ 18,215
United Way of America	1,429
Fundraising Expenses(net Inkind)	<u>2,922</u>
Total Support Services	<u>\$ 22,566</u>
Administrative and Fund Raising Cost Ratio	16.90%

UNITED WAY OF PIKE COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2006
AND 2005

Note 6 - Commitments

On April 15, 2003, UWPC entered into a 63 month lease with De Lang Landen Financial Services for a photo copy machine. This lease is a "cost per copy" agreement with a monthly minimum number of copies. The cost per copy is adjusted annually, and to date the client has not gone over the minimum number of copies.

The future minimum lease payments are:

2007	1,341
2008	<u>335</u>
	\$1,702

**UNITED WAY OF PIKE COUNTY, INC.
SCHEDULE OF ALLOCATIONS AND AGENCIES
YEAR ENDED DECEMBER 31, 2006**

	2006	2005
Good News Good Cheer Food Pantry	\$ 4,350	\$ 4,350
Sarah Wells Girls Scout Council	-	1,000
CDD	6,000	6,500
The Salvation Army	4,000	4,000
Habitat For Humanity of Pike County	4,500	4,300
Survivors' Resources Inc	8,500	8,500
Consolidated Training & Services, Inc.	5,000	-
County Ark Farm	6,000	6,350
American Red Cross	5,000	7,500
Holy lutheran Church	-	5,000
Holy Trinity Lutheran Food Pantry	5,000	-
Honesdale Volunteer Ambulance Corp	2,000	2,000
Pike County Advanced Life Support	5,100	5,100
Pike County Tobacco Free Coalition	400	400
Pike County Development Center	6,000	6,000
CMP Drug & Alcohol Commission	2,000	-
Gait-Genuine Alternative in Therapy	7,000	12,500
Catholic Social Services	6,000	6,000
Camp Speers-Eljabar YMCA	3,000	4,000
Wayne/Pike Literacy Program	2,000	2,000
Devereux Pocono Center	2,500	6,000
Voluntary Action Center of NEPA	1,500	2,000
Tri-State Unity Coalition	-	(500)
Pike County Alliance for Prevention Programs	5,000	5,000
Pocono Enviommental Education Center	650	1,000
Pegasus Child Advocacy Center	-	2,000
Compassionate Friends - Delaware Valley Chapter	1,000	1,000
	\$ 92,500	\$ 102,000

See Accompanying Notes to Financial Statements



Berard & Donahue
CERTIFIED PUBLIC ACCOUNTANTS, PC

Donalee R. Berard, C.P.A.
John T. Donahue, C.P.A.

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
United Way of Pike County, Inc.
Milford, PA 18337

We have audited the accompanying statement of financial position of United Way of Pike County, Inc., as of December 31, 2006, 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 Pike County, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from United Way of Pike County, Inc.'s December 31, 2005 financial statements and, in the report dated October 1, we expressed an unqualified opinion on those financial statements.

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 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 Pike County, Inc. as of December 31, 2006, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Berard & Donahue CPA's PC

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Suffern, New York
October 31, 2007

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