

KEARNEY BUFFALO COUNTY CASA, INC.

KEARNEY, NEBRASKA

FINANCIAL STATEMENTS

JUNE 30, 2021



**DANA F. COLE
& COMPANY** LLP
CERTIFIED PUBLIC ACCOUNTANTS

KEARNEY BUFFALO COUNTY CASA, INC.
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**DANA F. COLE
& COMPANY^{LLP}**
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Kearney Buffalo County CASA, Inc.
Kearney, Nebraska

We have audited the accompanying financial statements of Kearney Buffalo County CASA, Inc. (a nonprofit organization), which comprises the statement of financial position as of June 30, 2021, 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.

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 as a whole 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 Kearney Buffalo County CASA, Inc., as of June 30, 2021, 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.

Dana F Cole + Company, LLP

Kearney, Nebraska
September 28, 2023

KEARNEY BUFFALO COUNTY CASA, INC.
STATEMENT OF FINANCIAL POSITION
YEAR ENDED JUNE 30, 2021

ASSETS

CURRENT ASSETS	
Cash	223,598
Prepaid insurance	1,029
Grants receivable	<u>6,718</u>
Total current assets	<u><u>231,345</u></u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES	
Payroll taxes payable	<u>2,110</u>
NET ASSETS	
Without donor restrictions	226,235
With donor restrictions	<u>3,000</u>
Total net assets	<u><u>229,235</u></u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>231,345</u></u>

See accompanying notes to financial statements.

KEARNEY BUFFALO COUNTY CASA, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND OTHER SUPPORT			
Contributions and donations			
Civic groups	600		600
Private support			
Corporations	5,650		5,650
Foundations	43,736	10,000	53,736
Individuals	12,584		12,584
Public support			
Local government			
City of Kearney		10,000	10,000
Buffalo County	10,000		10,000
Kearney County	10,500		10,500
NECASA		24,060	24,060
State of NE - VOCA	55,857		55,857
State of NE - CARES	12,000		12,000
Kearney United Way	4,425		4,425
Fundraiser - special events	27,387		27,387
Net assets released from restrictions	41,060	(41,060)	
Total revenue and other support	<u>223,799</u>	<u>3,000</u>	<u>226,799</u>
EXPENSES			
Management and general	8,207		8,207
Program services	134,992		134,992
Fundraising	12,853		12,853
Total expenses	<u>156,052</u>		<u>156,052</u>
CHANGE IN NET ASSETS	67,747	3,000	70,747
NET ASSETS, beginning of year	<u>158,488</u>		<u>158,488</u>
NET ASSETS, end of year	<u>226,235</u>	<u>3,000</u>	<u>229,235</u>

See accompanying notes to financial statements.

KEARNEY BUFFALO COUNTY CASA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2021

	Management and General	Program Services	Fund- raising	Total
Advertising and marketing		3,141		3,141
Materials		1,700		1,700
Insurance	1,731	5,895		7,626
Membership		1,188		1,188
Office	1,306	5,223		6,529
Rent	5,170			5,170
Grants & other assistance		1,843		1,843
Payroll expense		111,965		111,965
Recruitment & training		2,756		2,756
Travel		213		213
Software		420		420
Miscellaneous		648		648
Fundraising	_____	_____	<u>12,853</u>	<u>12,853</u>
 TOTAL EXPENSES	 <u>8,207</u>	 <u>134,992</u>	 <u>12,853</u>	 <u>156,052</u>

See accompanying notes to financial statements.

KEARNEY BUFFALO COUNTY CASA, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2021

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	<u>70,747</u>
Adjustments to reconcile change in net assets to net cash provided by operating activities	
(Increase) in prepaid expenses	(1,029)
(Increase) decrease in grants receivable	37,030
Increase (decrease) in payroll taxes withheld	<u>2,110</u>
Total adjustments	<u>38,111</u>
Net cash provided by operating activities	<u>108,858</u>
NET INCREASE IN CASH	108,858
CASH, beginning of year	<u>114,740</u>
CASH, end of year	<u>223,598</u>

SUPPLEMENTAL DISCLOSURES

No cash was used for income taxes during the year ended June 30, 2021.

No cash was used for interest during the year ended June 30, 2021.

See accompanying notes to financial statements.

KEARNEY BUFFALO COUNTY CASA, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities

The mission of Kearney Buffalo County Court Appointed Special Advocate (CASA), Inc. (the Organization), is to recruit, train and coach community volunteers to assist the court system on behalf of abused and neglected children to provide a safe and stable environment, permanency, and the opportunity to thrive.

Kearney Buffalo County CASA, Inc., was incorporated in 2019 and is a 501(C)(3) organization. Prior to the year ending June 30, 2021, Kearney Buffalo County CASA, Inc., was an affiliate of the Nebraska CASA Association and their funds and administrative tasks were managed by the Nebraska CASA Association.

During the year ending in 2021, Kearney Buffalo County CASA, Inc., began operations as a subaward recipient of the Nebraska CASA Association. The Organization is holding and administering their own funds and programs.

Basis of Accounting

The financial statements of Kearney Buffalo County CASA, Inc., have been prepared on the accrual basis of accounting.

Financial Statement Presentation

The financial statements report amounts by class of net assets, as required by ASU 2016-14, *Not-for-Profit Entities* (Topic 958): *Presentation of Financial Statements of Not-for-Profit Entities*. As such, net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions.

Net Assets With Donor Restrictions

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both, and are reported in the statements of activities as net assets released from restrictions.

KEARNEY BUFFALO COUNTY CASA, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributions

The Organization utilizes FASB ASC 958-605, *Accounting for Contributions Received and Made*. FASB ASC 958-605 requires that unconditional promises to give (pledges) be recorded as receivables and revenues and requires the Organization to distinguish between contributions received for each net asset category in accordance with donor-imposed restrictions. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Contributed Materials and Services

The Organization records various types of in-kind contributions. Contributed services are recognized at fair market value if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair market value when received.

Volunteers

Many individuals volunteer their time and perform a variety of tasks that assist the Organization with its operations. The volunteer hours have not been recorded in the financial statements since those services do not meet the criteria for recognition.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. At June 30, 2021, the Organization has no cash equivalents.

Grants Receivable

Accounts receivable have been adjusted for all known uncollectible accounts. No allowance for bad debts is considered necessary at year end.

Compensated Absences

Full-time employees are entitled to paid vacation and/or personal time off (PTO) depending on the length of service and other factors. Accrued vacation pay was deemed immaterial and not accrued.

Advertising

Advertising costs are expensed as incurred. The advertising expense for the year ended June 30, 2021, was \$3,141.

KEARNEY BUFFALO COUNTY CASA, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Functional Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The cost allocations have been made on a reasonable basis that is consistently applied.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

The Organization utilizes the provisions of FASB ASC 740-10, *Accounting for Uncertain Tax Positions*. The Organization continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law, and new authoritative rulings. The Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that would be material to the financial statements.

Revenue Recognition

The Organization receives funding from various governmental and not for profit organizations. Revenue is generally recognized when a grant is awarded. The VOCA grant is reimbursable and revenue is recognized when expenses are submitted for reimbursement. Revenue from one-time gifts from individuals and corporations are recognized when received. Fund raising revenue is recognized upon receipt as gross revenue and expenses are classified as fund raising expenses.

NOTE 2. CONCENTRATIONS OF CREDIT RISK

The Organization maintains cash balances at a financial institution located in Kearney, Nebraska. Accounts at this institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At June 30, 2021, the Organization's accounts were fully insured.

KEARNEY BUFFALO COUNTY CASA, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 2. CONCENTRATIONS OF CREDIT RISK (Continued)

Financial instruments which potentially subject the Organization to concentrations of credit risk consist primarily of receivables with a variety of program service recipients. The Organization generally does not require collateral. Such credit risk is considered by management to be limited due to the Organization's broad program service recipient base and their financial resources.

NOTE 3. LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization's financial assets available to meet cash needs for general expenditures within one year of the balance date are as follows:

Cash	223,598
Grants receivable	<u>6,718</u>
	<u>230,316</u>

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

NOTE 4. PLEDGES AND GRANTS RECEIVABLE

At June 30, 2021, the Organization received promises from donors to provide support. The Organization has determined that discounting pledges receivable to their present value would have an immaterial effect on the financial statements. Collections of the pledges are due to be collected as follows, with all pledges fully collectible:

Due in one year or less	<u>6,718</u>
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NOTE 5. LEASE COMMITMENTS

The Organization conducts its operations with offices and equipment leased from Community Action Partnership of Mid Nebraska under a memorandum of understanding lease expiring in July 2022.

At June 30, 2021, a schedule of the future minimum rental payments required under the above are as follows:

Year ending June 30, 2022	\$5,040
Year ending June 30, 2023	\$ 420

Total rent expense for the year ended June 30, 2021, was \$5,170.

KEARNEY BUFFALO COUNTY CASA, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 6. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are for the purpose of operations and are available from the following as of June 30, 2021:

City of Kearney - Community Betterment Grant	3,000
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NOTE 7. SUBSEQUENT EVENT

In preparing the financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through September 28, 2023, the date the financial statements were available to be issued.