

CHARLOTTESVILLE-ALBEMARLE RESCUE SQUAD, INC.
FINANCIAL REPORT
YEAR ENDED JUNE 30, 2014

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ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF DIRECTORS
CHARLOTTESVILLE-ALBEMARLE RESCUE SQUAD, INC.
CHARLOTTESVILLE, VIRGINIA

Report on the Financial Statements

We have audited the accompanying financial statements of Charlottesville-Albemarle Rescue Squad, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2014, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Charlottesville-Albemarle Rescue Squad, Inc. as of June 30, 2014, 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.

DRAFT RECA

Charlottesville, Virginia

DRAFT 2015

- Financial Statements -

CHARLOTTESVILLE-ALBEMARLE RESCUE SQUAD, INC.

**Statement of Financial Position
At June 30, 2014**

ASSETS

Current assets:

Cash and cash equivalents	\$ 801,420
Investments	<u>3,643,506</u>
Total current assets	<u>\$ 4,444,926</u>

Property and equipment:

Apparatus and boats	\$ 2,190,278
Buildings	488,716
Equipment	<u>940,275</u>

Total property and equipment	\$ 3,619,269
Less accumulated depreciation	<u>(3,319,157)</u>
Net property and equipment	<u>\$ 300,112</u>

Other assets:

Beneficial interest in agency fund held by third party	<u>\$ 82,406</u>
Total other assets	<u>\$ 82,406</u>
Total assets	<u><u>\$ 4,827,444</u></u>

LIABILITIES

Current liabilities:

Accounts payable	<u>\$ 46,644</u>
Total current liabilities	<u>\$ 46,644</u>

NET ASSETS

Unrestricted	\$ 4,698,394
Permanently restricted	<u>82,406</u>
Total net assets	<u>\$ 4,780,800</u>
Total liabilities and net assets	<u><u>\$ 4,827,444</u></u>

The accompanying notes are an integral part of this statement.

CHARLOTTESVILLE-ALBEMARLE RESCUE SQUAD, INC.

Statement of Activities

For the Year Ended June 30, 2014

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Revenues, gains, and other support:			
Grants - Albemarle County	\$ 116,000	\$ -	\$ 116,000
Campaign income	353,539	-	353,539
Return on investments	82,337	7,479	89,816
Legacies and bequests	49,778	-	49,778
Program income	20,060	-	20,060
Foxfield	25,126	-	25,126
Sale of Berkmar lease	222,712	-	222,712
Miscellaneous income	7,264	-	7,264
Unrealized gain (loss) on investments	264,879	-	264,879
Total revenue, gains, and other support	<u>\$ 1,141,695</u>	<u>\$ 7,479</u>	<u>\$ 1,149,174</u>
Expenses:			
Program services	\$ 770,612	\$ -	\$ 770,612
Supporting services:			
Management and general	55,130	-	55,130
Fundraising	38,466	-	38,466
Total expenses	<u>\$ 864,208</u>	<u>\$ -</u>	<u>\$ 864,208</u>
Change in net assets	\$ 277,487	\$ 7,479	\$ 284,966
Net assets, beginning of year	<u>4,420,907</u>	<u>74,927</u>	<u>4,495,834</u>
Net assets, end of year	<u>\$ 4,698,394</u>	<u>\$ 82,406</u>	<u>\$ 4,780,800</u>

The accompanying notes are an integral part of this statement.

CHARLOTTESVILLE-ALBEMARLE RESCUE SQUAD, INC.

**Statement of Functional Expenses
For the Year Ended June 30, 2014**

	Program Services	Supporting Services		Total
		Management and General	Fundraising	
Depreciation	\$ 102,751	\$ -	\$ -	\$ 102,751
Apparatus	183,989	-	-	183,989
Advertising	-	-	18,821	18,821
Bank charges	-	302	1,728	2,030
Building	79,498	-	-	79,498
Class expenses	31,590	-	-	31,590
Communication	18,798	-	-	18,798
Contract services	-	-	1,444	1,444
Dues & subscriptions	2,405	-	-	2,405
EMT City of Charlottesville	65,173	-	-	65,173
Equipment rental	-	2,736	-	2,736
Food	46,220	-	-	46,220
Foxfield	26,690	-	-	26,690
Gifts	-	1,456	-	1,456
Installation & recreation	-	3,967	-	3,967
Insurance	9,534	-	-	9,534
Miscellaneous	-	6,647	-	6,647
Medical	114,229	-	-	114,229
Postage	-	358	2,228	2,586
Printing	-	3,468	14,245	17,713
Professional fees	-	34,846	-	34,846
Recruiting	-	649	-	649
Special operations teams	14,199	-	-	14,199
Supplies	-	701	-	701
Technology	30,821	-	-	30,821
Training	34,878	-	-	34,878
Uniforms & boots	9,837	-	-	9,837
Total expenses	\$ <u>770,612</u>	\$ <u>55,130</u>	\$ <u>38,466</u>	\$ <u>864,208</u>

The accompanying notes are an integral part of this statement.

CHARLOTTESVILLE-ALBEMARLE RESCUE SQUAD, INC.

Statement of Cash Flows
For the Year Ended June 30, 2014

Cash flows from operating activities:

Change in net assets	\$ 284,966
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:	
Depreciation	102,751
Change in beneficial interest in agency fund	(7,479)
Investment income	(82,337)
Unrealized (gain) loss on investments	(264,879)
(Gain) loss on disposal of assets	(222,712)
(Increase) decrease in prepaid expenses	3,071
Increase (decrease) in accounts payable	<u>28,223</u>
Net cash provided by (used in) operating activities	\$ <u>(158,396)</u>

Cash flows from investing activities:

Sale of Berkmar building lease and improvements	\$ 240,000
Purchase of property, equipment, improvements, etc.	(16,880)
Net change in investments	<u>14,603</u>
Net cash provided by (used in) investing activities	\$ <u>237,723</u>
Net increase (decrease) in cash and cash equivalents	\$ 79,327
Cash and cash equivalents, beginning of year	<u>722,093</u>
Cash and cash equivalents, end of year	\$ <u><u>801,420</u></u>

The accompanying notes are an integral part of this statement.

CHARLOTTESVILLE-ALBEMARLE RESCUE SQUAD, INC.

Notes to Financial Statements
At June 30, 2014

NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES:

The Charlottesville-Albemarle Rescue Squad, Inc. (the "Organization") is a private, nonprofit organization dedicated to rescue, emergency medical care, and transportation for residents of Charlottesville and Albemarle County. Major sources of revenue include government grants and donations.

Basis of Accounting:

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

Financial Statement Presentation:

The Organization is required to report information regarding its financial position and activities according to three classes of net assets as follows:

Unrestricted Net Assets - Net assets not subject to donor-imposed restrictions. At June 30, 2014, the Organization had \$4,698,394 of unrestricted net assets.

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, 2014, the Organization had no 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, 2014, the Organization had \$82,406 of permanently restricted net assets.

The Organization records contributions received as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. The Organization reports gifts of cash and other assets as temporarily or permanently restricted revenue if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported on the statement of activities as net assets released from restrictions. When donor restrictions are met in the same reporting period, temporarily restricted contributions are reported as unrestricted contributions.

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.

CHARLOTTESVILLE-ALBEMARLE RESCUE SQUAD, INC.

Notes to Financial Statements
At June 30, 2014 (Continued)

NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Property and Equipment:

The Organization capitalizes all real and personal property acquired with a significant value and useful life greater than one year. Property and equipment are depreciated using the Modified Accelerated Cost Recovery System guidelines or other Internal Revenue Service approved methods for tax and book purposes. This method differs from generally accepted accounting principles. However, the difference between the two methods is not material to the financial statements.

Depreciation has been provided for over the following estimated useful lives:

Apparatus and boats	5-10 years
Buildings	15-40 years
Equipment	5-10 years

Income Tax Status:

Charlottesville-Albemarle Rescue Squad, Inc. is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization's Forms 990 for the years ending 2011, 2012, and 2013 are subject to examination by the Internal Revenue Service, generally for three years after they were filed.

Cash and Cash Equivalents:

The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Investments:

Investments are stated at fair value and consist primarily of common stocks and bonds.

Accounts Receivable:

Accounts receivable consist of program income earned during the year for which payment had not been received at year-end.

Bequest Receivable:

The Organization has been named a beneficiary in certain wills. Bequest income was recognized when the Organization was made aware of the gift by the estate, and the receivable was restated at year-end to reflect changes in the estate's assets.

Advertising:

The Organization expenses all advertising and related costs as incurred.

CHARLOTTESVILLE-ALBEMARLE RESCUE SQUAD, INC.

Notes to Financial Statements
At June 30, 2014 (Continued)

NOTE 2 - DONATED SERVICES:

The Organization receives donated services from a variety of unpaid volunteers assisting the Organization in carrying out its mission. No amounts have been recognized in the accompanying statement of activities because the criteria for recognition of such volunteer effort have not been satisfied.

NOTE 3 - INVESTMENTS:

Investments are stated at fair value and consist primarily of common stocks and convertible bonds. Investments are summarized as follows:

	<u>Cost</u>	<u>Fair Value</u>
<u>Investments:</u>		
Short term investments	\$ 1,208,345	\$ 1,208,345
Bonds	226,854	191,636
Common stocks (equity securities)	1,757,945	2,243,525
Beneficial interest in agency fund	68,271	82,406
Total investments	<u>\$ 3,261,415</u>	<u>\$ 3,725,912</u>

NOTE 4 - RETURN ON INVESTMENTS:

Investment return is summarized as follows:

<u>Investments:</u>	
Interest and dividend income	\$ 82,337
Unrealized gain (loss) on investments	264,879
Income on beneficial interest in agency fund	(2,134)
Gain (loss) on beneficial interest in agency fund	10,517
Administrative fees	(904)
Total return on investments	<u>\$ 354,695</u>

NOTE 5 - FUNCTIONAL ALLOCATION OF EXPENSES:

The costs of providing the various programs and 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.

CHARLOTTESVILLE-ALBEMARLE RESCUE SQUAD, INC.

Notes to Financial Statements
At June 30, 2014 (Continued)

NOTE 6 - BENEFICIAL INTEREST IN AGENCY FUND HELD BY THIRD PARTY:

The Organization is the beneficiary under a Designated Agency Fund Agreement with the Charlottesville Area Community Foundation. The agency fund has been recorded in accordance with generally accepted accounting principles which state that if a community foundation receives assets from a nonprofit organization that specifies itself as the beneficiary, the transfer is not a contribution received by the community foundation even if the variance power is explicitly stated in the gift instrument. The assets of the fund are included in the Statement of Financial Position as a beneficial interest in agency fund held by third party. Distributions are to be paid as the two organizations agree upon. In addition, the fund is charged a quarterly administrative fee on the fund balance.

The changes in the agency fund are as follows for the year ended June 30, 2014:

Beneficial interest - Beginning of year	\$ 74,927
Change in value of beneficial interest:	
Withdrawals from the fund	(3,242)
Income returns	1,108
Gain (loss) on the fund	10,517
Administrative fees	<u>(904)</u>
Beneficial interest - End of year	<u>\$ 82,406</u>

NOTE 7 - FAIR VALUE MEASUREMENTS:

Fair values for investments are determined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. The three-level fair value hierarchy prioritizes the inputs used to measure fair value. This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

- Level 1 — Quoted prices in active markets for identical assets or liabilities.
- Level 2 — Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.
- Level 3 — Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

CHARLOTTESVILLE-ALBEMARLE RESCUE SQUAD, INC.

Notes to Financial Statements
At June 30, 2014 (Continued)

NOTE 7 - FAIR VALUE MEASUREMENTS: (Continued)

The Organization is providing the following fair value information related to its investments:

Fair Value Measurements at Reporting Date Using				
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	Fair Value Measurements at 6/30/14			
Short term investments	\$ 1,208,345	\$ 1,208,345	\$ -	\$ -
Bonds	191,636	191,636	-	-
Equity Securities	2,243,525	2,243,525	-	-
Beneficial interest in Community Foundation	82,406	-	-	82,406
Total	<u>\$ 3,725,912</u>	<u>\$ 3,643,506</u>	<u>\$ -</u>	<u>\$ 82,406</u>

The Level 3 assets represent the beneficial interest in Charlottesville Area Community Foundation's (CACF) investment pool. The valuation of this investment is based upon the inputs used by CACF to value the underlying assets. The following table provides further details of the Level 3 fair value measurements:

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3) Beneficial Interest in Community Foundation
Beginning Balance	\$ 74,927
Total gains or losses (realized/unrealized) included in changes in net assets	7,479
Ending Balance	<u>\$ 82,406</u>

NOTE 8 - CONCENTRATION OF CREDIT RISK:

The Organization maintains cash balances that may exceed federally insured limits. The Organization does not believe that this practice results in any significant credit risk.

CHARLOTTESVILLE-ALBEMARLE RESCUE SQUAD, INC.

Notes to Financial Statements
At June 30, 2014 (Continued)

NOTE 9 - SUBSEQUENT EVENTS:

In preparing these financial statements, management has evaluated events and transactions for potential recognition or disclosure through **DRAFT 2015**, 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.

WESTERN ALBEMARLE RESCUE SQUAD, INC.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED
JUNE 30, 2015

WESTERN ALBEMARLE RESCUE SQUAD, INC.

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
JUNE 30, 2015**

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ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

INDEPENDENT AUDITORS' REPORT

**Board of Directors
Western Albemarle Rescue Squad, Inc.
Crozet, Virginia**

We have audited the accompanying financial statements of the Western Albemarle Rescue Squad, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2015, 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 Western Albemarle Rescue Squad, Inc. as of June 30, 2015 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

Staunton, Virginia
May 12, 2016

FINANCIAL STATEMENTS

WESTERN ALBEMARLE RESCUE SQUAD, INC.

Statement of Financial Position

June 30, 2015

ASSETS

Current assets:

Cash and cash equivalents	\$	342,239	
Investments - Stifel Nicolaus		900,755	
Investments - Wells Fargo		110,583	
Investments - Wintergreen Fund		169,002	
Investments - Sequoia Fund		512,876	
Beneficial interest in assets held by others		4,711	
Total current assets			\$ <u>2,040,166</u>

Property and Equipment:

Furniture and fixtures	\$	34,624	
Buildings		543,479	
Equipment		406,865	
Land improvements		3,209	
Vehicles		689,211	
Subtotal	\$	1,677,388	
Accumulated depreciation		(1,341,675)	
Net property and equipment			<u>335,713</u>
Total assets			\$ <u><u>2,375,879</u></u>

LIABILITIES AND NET ASSETS

Current liabilities:

Accounts payable	\$	<u>3,400</u>	
Total current liabilities			\$ <u>3,400</u>
Total liabilities			\$ <u>3,400</u>

Net assets:

Unrestricted			\$ <u>2,372,479</u>
Total liabilities and net assets			\$ <u><u>2,375,879</u></u>

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

WESTERN ALBEMARLE RESCUE SQUAD, INC.

Statement of Activities For the Year Ended June 30, 2015

Revenues, Gains, and Other Support:

Contributions	\$	40,670
County allocation		232,300
County Reimbursements		8,000
Rent		6,625
Memorials		7,055
Reimbursements		945
EMT class fees		2,250
Unrealized gain (loss) on investments		41,425
Change in value - Rhodes Trust		89
Interest and dividends		30,646
Total revenues, gains and other support	\$	<u>370,005</u>

Expenses:

Program Services:

Depreciation	\$	25,541
Vehicle maintenance		43,997
Fire/Medical supplies		27,480
Building maintenance		2,433
Rescue equipment		6,392
Equipment maintenance		2,004
Linen service		4,828
Utilities		17,991
Clothing		12,334
House/Building supplies		5,881
Meals		26,550
Telephone		11,985
Training		20,494
Total program services	\$	<u>207,910</u>

Supporting Services:

Management and general		<u>37,332</u>
Total expenses	\$	<u>245,242</u>

Change in unrestricted net assets	\$	124,763
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Net assets, beginning of year, as restated		<u>2,247,716</u>
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Net assets, end of year	\$	<u><u>2,372,479</u></u>
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The accompanying notes to the financial statements are an integral part of this statement.

WESTERN ALBEMARLE RESCUE SQUAD, INC.

Statement of Functional Expenses For the Year Ended June 30, 2015

		Supporting Services		
	Program Services	Management and General	Fundraising	Total
Office supplies	\$ -	\$ 4,165	\$ -	\$ 4,165
General administrative	-	415	-	415
Postage	-	382	-	382
Printing	-	13	-	13
Linen services	4,828	-	-	4,828
Food	26,550	-	-	26,550
Building maintenance	2,433	300	-	2,733
Building improvements	-	10,555	-	10,555
Grounds maintenance	-	2,887	-	2,887
Professional dues	-	700	-	700
Licenses	-	150	-	150
Recruitment retention	-	1,448	-	1,448
Utilities	17,991	-	-	17,991
Insurance	-	607	-	607
Telephone	11,985	-	-	11,985
Banquet awards	-	14,188	-	14,188
Miscellaneous	-	1,522	-	1,522
Rescue equipment	5,221	-	-	5,221
Medical supplies	19,820	-	-	19,820
Rescue tactical support	1,171	-	-	1,171
Equipment maintenance	2,004	-	-	2,004
Oxygen	7,660	-	-	7,660
Clothing	12,334	-	-	12,334
Vehicle maintenance	43,997	-	-	43,997
House/Building supplies	5,881	-	-	5,881
Training	20,494	-	-	20,494
Depreciation	25,541	-	-	25,541
Total Expenses	\$ <u>207,910</u>	\$ <u>37,332</u>	\$ <u>-</u>	\$ <u>245,242</u>

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

WESTERN ALBEMARLE RESCUE SQUAD, INC.

Statement of Cash Flows
For the Year Ended June 30, 2015

Cash flows from operating activities:

Change in unrestricted net assets \$ 124,763

Adjustments to change in net assets to net cash provided by (used for)
operating activities:

Depreciation 25,541

Unrealized (gain) loss and reinvested dividends (71,891)

Increase (decrease) in accounts payable 3,401

Net cash provided by (used for) operating activities \$ 81,814

Cash flows from investing activities:

Change in beneficial interest in assets held by others \$ (89)

Purchase of new equipment (31,676)

Purchase of investment securities (425,000)

Net cash provided by (used for) investing activities \$ (456,765)

Net increase in cash and cash equivalents \$ (374,951)

Cash and cash equivalents - beginning 717,190

Cash and cash equivalents - ending \$ 342,239

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

WESTERN ALBEMARLE RESCUE SQUAD, INC.

Notes to Financial Statements June 30, 2015

NOTE 1—DESCRIPTION OF ORGANIZATION:

Western Albemarle Rescue Squad, Inc. is a not-for-profit organization which provides emergency medical treatment and transportation for the County of Albemarle, Virginia. The Organization is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code and comparable state law. Contributions to the Organization are tax deductible within the limitations prescribed by the Code. The Organization has been classified as a publicly supported organization that is not a private foundation under Section 509(a) of the Code.

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of Accounting:

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

Financial Statement Presentation:

The Organization is required to report information regarding its financial position and activities according to three classes of net assets based on existence or absence of donor-imposed restrictions:

Unrestricted net assets—Net assets that are not subject to donor or grantor-imposed stipulations.

Temporarily restricted net assets—Net assets subject to donor or grantor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. The Organization had no temporarily restricted net assets at June 30, 2015.

Permanently restricted net assets—Net assets subject to donor or grantor-imposed stipulations that they may be maintained permanently by the Organization. Generally, the donor or grantors of these assets permit the Organization to use all or part of the income earned on any related investments for general or specific purposes. The Organization had no permanently restricted net assets at June 30, 2015.

Contributions:

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Cash and Cash Equivalents:

For the purposes of the statement of cash flows, cash and cash equivalents are defined as short-term highly liquid investments that are readily convertible to known amounts of cash and investments with original maturities of 90 days or less. Money market funds, held as a portion of the Organization's investment portfolio, are classified as short-term investments and are not considered to be a cash equivalent for purposes of the statement of cash flows.

Investments:

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets.

WESTERN ALBEMARLE RESCUE SQUAD, INC.

Notes to Financial Statements June 30, 2015 (Continued)

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

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.

Property and Equipment:

The Organization capitalizes all vehicle and equipment acquisitions with a significant value of over \$1,000 and useful life in excess of one year. Property and equipment are depreciated using the appropriate tax method over their estimated useful lives, generally five to twenty years. Buildings and improvements are depreciated over thirty-nine years. Property and equipment is reported at cost when purchased and at fair value when donated.

Income Tax Status:

Western Albemarle Rescue Squad is a not-for profit organization that is exempt from income taxes under Section 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)(1) and qualifies for deductible contributions as provided in Section 170(b)(1)(A)(vi).

NOTE 3—INVESTMENTS:

The Organization invests in various securities held by several financial institutions. The Organization records and classifies all such investments at fair value.

	Stifel Nicolaus	Wells Fargo	Wintergreen Fund	Sequoia Fund
Fair value, June 30, 2014	\$ 856,470	\$ 109,845	\$ -	\$ 230,011
Investment fees paid	(33)	(100)	-	-
Purchase of investments	-	-	175,000	250,000
Unrealized gain (loss) on investments	37,567	(2,837)	(5,998)	12,693
Dividend and capital earnings reinvested, June 30, 2015	6,751	3,675	-	20,172
Fair value, June 30, 2015	<u>\$ 900,755</u>	<u>\$ 110,583</u>	<u>\$ 169,002</u>	<u>\$ 512,876</u>

At June 30, 2015 investments consisted of:

Money market accounts	\$ 136,498
Equity securities	596,753
Mutual funds	959,965
Total	<u>\$ 1,693,216</u>

WESTERN ALBEMARLE RESCUE SQUAD, INC.

Notes to Financial Statements June 30, 2015 (Continued)

NOTE 4—DONATED MATERIALS AND SERVICES:

A substantial number of volunteers have devoted significant amounts of time in the Organization's program services and fund raising activities. No amounts have been reflected in the statements for donated materials and services, since they have not met the criteria for recognition.

NOTE 5—PROPERTY AND EQUIPMENT:

Property and equipment consist of the following:

	<u>June 30, 2015</u>
Furniture and fixtures	\$ 34,624
Buildings	543,479
Equipment	406,865
Land Improvements	3,209
Vehicles	689,211
Total	\$ 1,677,388
Accumulated depreciation	<u>(1,341,675)</u>
Property and equipment, net	<u><u>\$ 335,713</u></u>

Depreciation expense for the year ended June 30, 2015 was \$25,541.

NOTE 6—FUNCTIONAL ALLOCATION OF EXPENSES:

The costs of providing the various programs and supporting activities have been summarized on a functional basis in the statement of activities, and statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

NOTE 7—CONCENTRATIONS OF CREDIT RISK:

The Organization maintains its cash balances in one financial institutions in Crozet, Virginia. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At June 30, 2015, the Organization had \$116,198 in uninsured cash balances. Investments are maintained in several financial institutions. Other types of investments are insured against the potential financial failure of the institution by the Securities Investor's Protection Corporation up to \$500,000 per account. The uninsured other types of investments balance are \$1,193,216.

NOTE 8—ECONOMIC DEPENDENCY:

Western Albemarle Rescue Squad, Inc. receives a substantial amount of its support from the County of Albemarle, Virginia. Any interruption in the level of this support would have an effect on the Organization's programs and activities.

WESTERN ALBEMARLE RESCUE SQUAD, INC.

Notes to Financial Statements June 30, 2015 (Continued)

NOTE 9—FAIR VALUE MEASUREMENTS:

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. A three-level fair value hierarchy is used that prioritizes the inputs used to measure fair value. This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Observable inputs other than quoted prices include in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

NOTE 10—INVESTMENT SECURITIES:

As discussed in Note 9 to these financial statements, the Organization is required to report its fair value measurements in one of three levels, which are based on the ability to observe in the market place the inputs to the Organization's valuation techniques. Level 1, the most observable level of inputs is for investments measured at quoted prices in active markets for identical investments as of June 30, 2015.

Fair values of assets measured on a recurring basis at June 30, 2015 are as follows:

	Fair Value Measurements at 6/30/2015	Quoted Prices in Active Markets for Identical Assets (Level 1)
Money market accounts	\$ 136,498	\$ 136,498
Equity securities	596,753	596,753
Mutual funds	959,965	959,965
Total	<u>\$ 1,693,216</u>	<u>\$ 1,693,216</u>

NOTE 11—BENEFICIAL INTERST IN ASSETS HELD BY OTHERS:

On May 13, 1993, the Organization was named an 8.33% beneficiary of the investment assets held in the Walter L. Rhodes Irrevocable Trust. The Organization receives quarterly income distributions. The Organization has recorded their beneficial interest in this irrevocable trust and subsequent changes in the fair value as unrestricted net assets. The beneficial interest in this irrevocable trust is reported at its fair value.

WESTERN ALBEMARLE RESCUE SQUAD, INC.

Notes to Financial Statements June 30, 2015 (Continued)

NOTE 11—BENEFICIAL INTERST IN ASSETS HELD BY OTHERS (CONTINUED):

A reconciliation of the changes in beneficial interest in assets held by others for the year ended June 30, 2015 is as follows:

		WL Rhodes Trust
Balance at June 30, 2014	\$	4,622
Change in value of beneficial interest		89
Balance at June 30, 2015	\$	<u>4,711</u>

NOTE 12—SUBSEQUENT EVENTS:

In preparing these financial statements, management of the Organization has evaluated events and transactions for potential recognition or disclosure through May 12, 2016, the date the financial statements were available to be issued.

NOTE 13—RESTATEMENT OF BEGINNING NET ASSETS:

The Organization's beginning net assets were restated as follows:

Net assets July 1, 2014, as originally reported	\$	2,243,094
Record beneficial interest in assets held by others not previously recorded on the books		<u>4,622</u>
Net assets July 1, 2014, as restated	\$	<u>2,247,716</u>

SCOTTSVILLE VOLUNTEER RESCUE SQUAD

CASH BASIS FINANCIAL REPORT

YEAR ENDED JUNE 30, 2015

ROBINSON, FARMER, COX ASSOCIATES

A PROFESSIONAL LIMITED LIABILITY COMPANY CERTIFIED PUBLIC ACCOUNTANTS

CHARLOTTESVILLE □ RICHMOND □ FREDERICKSBURG □ STAUNTON □ BLACKSBURG □ LOUISA



SCOTTSVILLE VOLUNTEER RESCUE SQUAD

CASH BASIS FINANCIAL REPORT

YEAR ENDED JUNE 30, 2015

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ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

Independent Auditors' Report

To the Board of Directors
Scottsville Volunteer Rescue Squad
Scottsville, Virginia

We have audited the accompanying financial statements of Scottsville Volunteer Rescue Squad (a nonprofit organization), which comprise the statement of assets, liabilities, and net assets—cash basis as of June 30, 2015, and the related statement of support, revenue, and expenses—cash basis 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 this financial statement in accordance with the cash basis of accounting described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for 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 this financial statement 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 statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statement, 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 statement 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 statement.

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 assets, liabilities, and net assets of Scottsville Volunteer Rescue Squad as of June 30, 2015, and its support, revenue, and expenses for the year then ended in accordance with the cash basis of accounting as described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. These financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Robinson, Farmer, & Associates
Charlottesville, Virginia
January 29, 2016

- Financial Statements -

SCOTTSVILLE VOLUNTEER RESCUE SQUAD

Statement of Assets, Liabilities, and Net Assets - Cash Basis As of June 30, 2015

ASSETS

Cash and cash equivalents	\$ <u>471,058</u>
Total assets	\$ <u><u>471,058</u></u>

LIABILITIES AND NET ASSETS

Net assets:	
Unrestricted	\$ <u>471,058</u>
Total net assets	\$ <u><u>471,058</u></u>
Total liabilities and net assets	\$ <u><u>471,058</u></u>

The accompanying notes to cash basis financial statements are an integral part of these statements.

SCOTTSVILLE VOLUNTEER RESCUE SQUAD

Statement of Support, Revenues, and Expenses - Cash Basis Year Ended June 30, 2015

Revenues, gains, and other support:

Contributions:

County of Albemarle, Virginia	\$ 140,871
County of Fluvanna, Virginia	15,000
General Fund Donations	21,907
Memorial Donations	145

Special Events:

Mailed Fundraiser	225
Photo Fundraiser	8,250
Address Sign Fundraiser	390
Banquet Room	1,920

Other:

RSAF Grant	12,574
Interest Income	1,249
Sale of Equipment	340
Miscellaneous Income	1,663

Total revenues, gains, and other support	<u>\$ 204,534</u>
--	-------------------

Expenses:

Program Services:

Utilities	\$ 15,991
Building and Grounds Maintenance	16,729
Training and Travel	8,466
Communications	12,195
Operations	10,444
Emergency Medical and Rescue Services	35,155
Vehicle Expense	26,014
Uniforms	5,123
Special Events	4,483
Capital Improvements	7,516

Supporting Services:

Recruitment and Retention	1,561
Administration	18,298
Fundraising	3,255
Miscellaneous	249

Total expenses	<u>\$ 165,479</u>
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Change in net assets	\$ 39,055
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Net assets, beginning of year	<u>432,003</u>
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Net assets, end of year	<u><u>\$ 471,058</u></u>
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The accompanying notes to cash basis financial statements are an integral part of these statements.

SCOTTSVILLE VOLUNTEER RESCUE SQUAD

Notes to Cash Basis Financial Statements As of June 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Organization and Nature of Activities

Scottsville Volunteer Rescue Squad is an incorporated nonprofit organization dedicated to providing emergency services in Albemarle County, Virginia. Major sources of revenue include local government contributions, donations, and profits generated from various fundraising activities.

Basis of Accounting

The accompanying financial statements have been prepared on the cash basis of accounting. Under that basis, the only asset recognized is cash and no liabilities are recognized. All transactions are recognized as either cash receipts or disbursements and noncash transactions are not recognized. The cash basis differs from generally accepted accounting principles primarily because the effects of outstanding promises to give and obligations for expenses unpaid at the date of the financial statements are not included in the financial statements.

Basis of Financial Presentation

The Organization is required to report information regarding its financial position and activities according to three classes of net assets:

Unrestricted net assets: Net assets that are not subject to donor-imposed stipulations. At June 30, 2015, the Organization had unrestricted net assets of \$471,058.

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. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. At June 30, 2015, the Organization had no temporarily restricted net assets.

Permanently restricted net assets: Net assets subject to donor-imposed or other legal restrictions requiring that all principal be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned for either general or donor-specific purposes. At June 30, 2015, the Organization had no permanently restricted net assets.

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."

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).

SCOTTSVILLE VOLUNTEER RESCUE SQUAD

Notes to Cash Basis Financial Statements
As of June 30, 2015 (continued)

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

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction is met in the reporting period in which the support was recognized. There were no temporarily restricted or permanently restricted net assets for the reporting year.

NOTE 2 - CONCENTRATION OF CREDIT RISK:

The Organization maintains its cash balance in one financial institution located in Scottsville, Virginia. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At June 30, 2015, the Organization's uninsured cash balances totaled \$231,109.

NOTE 3 - FUNCTIONAL 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 4 - CONTRIBUTED SERVICES:

Scottsville Volunteer Rescue Squad receives services from a variety of unpaid volunteers. Contributed services are recognized in the financial statements only if they create or enhance nonfinancial assets or if they require specialized skills and would typically need to be purchased if not received by contribution.

NOTE 5 - SUBSEQUENT EVENTS:

Management has evaluated subsequent events and transactions for potential litigation or disclosure through January 29, 2016, the date the financial statements were available to be issued.

EAST RIVANNA VOLUNTEER FIRE COMPANY

CASH BASIS

FINANCIAL REPORT

FOR THE YEAR ENDED FEBRUARY 28, 2015

ROBINSON, FARMER, COX ASSOCIATES

A PROFESSIONAL LIMITED LIABILITY COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

CHARLOTTESVILLE ▣ RICHMOND ▣ FREDERICKSBURG ▣ LOUISA ▣ STAUNTON ▣ BLACKSBURG



EAST RIVANNA VOLUNTEER FIRE COMPANY
CASH BASIS
FINANCIAL REPORT
FOR THE YEAR ENDED FEBRUARY 28, 2015

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ROBINSON, FARMER, COX ASSOCIATES

A PROFESSIONAL LIMITED LIABILITY COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report

**To the Board of Directors
East Rivanna Volunteer Fire Company
Keswick, Virginia**

We have audited the accompanying statement of cash receipts and disbursements of East Rivanna Volunteer Fire Company (a nonprofit organization) for the year ended February 28, 2015, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the cash basis of accounting described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for 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 statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statement, 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 statement 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 statement referred to above present fairly, in all material respects, the cash receipts and disbursements of East Rivanna Volunteer Fire Company for the year ended February 28, 2015, in accordance with the cash basis of accounting as described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. This financial statement is prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Robinson, Finner, Cox Associates

Charlottesville, Virginia
October 8, 2015

- Financial Statement -

EAST RIVANNA VOLUNTEER FIRE COMPANY

Statement of Cash Receipts and Disbursements For the Year Ended February 28, 2015

Cash Receipts	
Bingo receipts	\$ 472,546
County annual appropriation	178,722
Banquet room receipts	21,240
Miscellaneous	8,109
Auxiliary receipts	13,586
Contributions	10,040
Interest and dividends	76
Total cash receipts	\$ <u>704,319</u>
Cash Disbursements	
Administration expense	\$ 2,785
Auxiliary expenses	10,037
Bank fees	77
Banquet expenses	9,922
Bingo prizes paid out	359,113
Bingo manager and caller	9,400
Bingo supplies and fees	42,810
Building janitorial	16,435
Building repairs and maintenance	16,278
Capitalized machinery and equipment	16,745
Crew meals	16,682
Crew uniforms	4,047
Equipment repairs and maintenance	6,252
Gifts and memorials	629
Interest expense	726
Miscellaneous	3,236
Office supplies	3,225
Postage	176
Professional fees - accounting	10,800
Professional training	2,144
Security deposits - banquet, net	(225)
Supplies - fire fighting	6,574
Supplies - medical	6,672
Telephone and pagers	9,978
Travel and entertainment	319
Trophies and awards	2,364
Truck gas and diesel	32,878
Truck maintenance	62,933
Turnout gear	52
Utilities	37,398
Total cash disbursements	\$ <u>690,462</u>
Increase (Decrease) in cash	\$ 13,857
Beginning cash and investments (\$2,461)	<u>108,989</u>
Ending cash and investments (\$2,461)	<u>\$ 122,846</u>

The independent auditors' report and accompanying notes are an integral part of this statement.

EAST RIVANNA VOLUNTEER FIRE COMPANY

Notes to Financial Statement For the Year Ended February 28, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Organization and Nature of Activities

East Rivanna Volunteer Fire Company (the Organization) is an incorporated nonprofit organization dedicated to providing emergency services in Albemarle County, Virginia. Major sources of revenue include local government appropriations, donations, and profits generated from various fundraising activities.

Basis of Accounting

The accompanying financial statement has been prepared on the cash basis of accounting. Under that basis, the only asset recognized is cash and no liabilities are recognized. All transactions are recognized as either cash receipts or disbursements and noncash transactions are not recognized. The cash basis differs from generally accepted accounting principles primarily because the effects of outstanding promises to give and obligations for expenses unpaid at the date of the financial statement are not included in the financial statement.

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".

Use of Estimates

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.

Income Tax Status

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(4) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

The Organization's Forms 990, Return of Organization Exempt from Income Tax, for the years ending 2012, 2013, and 2014 are subject to examination by the IRS, generally for three years after they were filed.

Advertising Costs

The Organization follows the practice of expensing advertising costs as incurred.

EAST RIVANNA VOLUNTEER FIRE COMPANY

Notes to Financial Statement
For the Year Ended February 28, 2015 (Continued)

NOTE 2 - DEPOSITS AND INVESTMENTS:

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are (1) uncollateralized, (2) collateralized with securities held by the pledging financial institution, or (3) collateralized with securities held by the pledging financial institution's trust department or agent but not in the depositor Organization's name. At February 28, 2015, the Organization had no deposits exposed to custodial credit risk.

The Company has 17 shares of Wells Fargo stock received by donation. The stock is held for long-term investment purposes and activity was limited to interest earnings during the year.

NOTE 3 - SUBSEQUENT EVENT:

In preparing these financial statements, management of the Organization has evaluated events and transactions for potential recognition or disclosure through October 8, 2015, the date the financial statement was available to be issued.

On March 31, 2015, the Organization sold a permanent easement of .48 acres to Albemarle County Service Authority for \$100,000. These funds are specifically designated for building improvements and repairs and are being held in escrow by Albemarle County.

NORTH GARDEN FIRE COMPANY, INC.

NORTH GARDEN, VIRGINIA

REPORT ON EXAMINATION OF
FINANCIAL STATEMENTS - MODIFIED CASH BASIS

FOR THE YEAR ENDED
JUNE 30, 2016

NORTH GARDEN FIRE COMPANY, INC.

**Report on Examination of
Financial Statements - Modified Cash Basis**

For the Year Ended June 30, 2016

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EXHIBIT A

INDEPENDENT AUDITOR'S REPORT

February 7, 2017

To the Board of Directors of
North Garden Fire Company, Inc.
North Garden, Virginia

We have audited the accompanying financial statements of North Garden Fire Company, Inc. (a nonprofit organization), which comprise of the Statement of Assets and Net Assets - Modified Cash Basis as of June 30, 2016 and the related Statements of Support, Revenues and Expenses - Modified Cash Basis, Functional Expenses - Modified Cash Basis and Cash Flows - Modified Cash Basis 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 the 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 misstatements, 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 are free of 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 risk 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 North Garden Fire Company, Inc. as of June 30, 2016, and the changes in its net assets and its cash flows for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis of Accounting

As described in the notes to the consolidated financial statements, the organization prepares its financial statements on the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

A handwritten signature in black ink, appearing to read "Hostetler Stott CPA". The signature is written in a cursive, somewhat stylized font.

Hostetler Stott CPA
Charlottesville, VA

NORTH GARDEN FIRE COMPANY, INC.
Statement of Assets and Net Assets - Modified Cash Basis
June 30, 2016

Assets	
Current Assets:	
Cash and cash equivalents	\$ 70,748
Total current assets	<u>70,748</u>
Long Term Assets:	
Investments	510,470
Property and equipment (net)	235,419
Total long-term assets	<u>745,889</u>
Total Assets	<u><u>\$ 816,637</u></u>
Liabilities and Net Assets	
Net Assets:	
Unrestricted	\$ 816,637
Temporarily restricted	-
Permanently restricted	-
Total net assets	<u>816,637</u>
Total Liabilities and Net Assets	<u><u>\$ 816,637</u></u>

NORTH GARDEN FIRE COMPANY, INC.
Statement of Support, Revenues and Expenses - Modified Cash Basis
For the Year Ending June 30, 2016

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Support and Revenues:				
Contributions	\$ 15,010	\$ -	\$ -	\$ 15,010
Donated services	442,800	-	-	442,800
Fundraising	1,499	-	-	1,499
Government support	111,646	-	-	111,646
Rental income	11,550	-	-	11,550
Net realized and unrealized gain (loss)	(6,051)	-	-	(6,051)
Interest and dividends	13,067	-	-	13,067
Gain on sale of assets	50	-	-	50
Total Support and Revenues	589,571	-	-	589,571
Expenses				
Fire operations	544,204	-	-	544,204
Fundraising expenses	10,147	-	-	10,147
General and administrative	785	-	-	785
Total expenses	555,136	-	-	555,136
Net increase in net assets	34,435	-	-	34,435
Net assets at beginning of year, as previously stated	758,419	-	-	758,419
Prior period adjustments	23,783	-	-	23,783
Net assets at beginning of year (adjusted)	782,202	-	-	782,202
Net assets at end of year	\$ 816,637	\$ -	\$ -	\$ 816,637

NORTH GARDEN FIRE COMPANY, INC.
Statement of Functional Expenses - Modified Cash Basis
For the Year Ending June 30, 2016

	Fire Operations	Supporting Services			Total All Funds
		Management & General	Fundraising	Total Supporting	
Donated Services	\$ 442,800	\$ -	\$ -	\$ -	\$ 442,800
Vehicle costs	24,720	-	-	-	24,720
Utilities	9,072	-	-	-	9,072
Building maintenance	10,296	-	-	-	10,296
Depreciation	16,569	-	-	-	16,569
Communications	6,316	-	-	-	6,316
Supplies	7,236	-	-	-	7,236
Uniforms	5,333	-	-	-	5,333
Emergency medical supply	3,167	-	-	-	3,167
Training	2,498	-	-	-	2,498
Fire suppression	16,197	-	-	-	16,197
Miscellaneous	-	1,395	-	1,395	1,395
Administrative expenses	-	2,218	-	2,218	2,218
Investment fees	-	6,534	-	6,534	6,534
Fundraising	-	-	785	785	785
Total expenses	\$ 544,204	\$ 10,147	\$ 785	\$ 10,932	\$ 555,136

NORTH GARDEN FIRE COMPANY, INC.
Statement of Cash Flows - Modified Cash Basis
For the Year Ending June 30, 2016

Cash Flows from Operating Activities:

Change in net assets	\$ 34,435
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	16,569
Realized and unrealized loss/(gain) on investments	6,051
Net cash used by operating activities	<u>57,055</u>

Cash Flows from Investing Activities:

Purchase of investments	(158,889)
Purchase of property & equipment	(56,634)
Proceeds from Investments	169,908
Net cash used by investing activities	<u>(45,615)</u>

Cash Flows from Financing Activities

Net cash provided by financing activities	<u>-</u>
---	----------

Net increase/(decrease) in cash and cash equivalents	11,440
Cash and cash equivalents at beginning of year	59,308
Cash and cash equivalents at end of year	<u>\$ 70,748</u>

Supplemental data:

Interest paid	\$ -
Income taxes paid	\$ -
Non cash investing activities	\$ -

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

NORTH GARDEN FIRE COMPANY, INC.

EXHIBIT F

Notes to Financial Statements For the Year Ending June 30, 2016

NATURE OF THE ORGANIZATION

North Garden Volunteer Fire Department, Inc., (the Organization) a private non-profit organization organized in 1970, is exempt from income taxes under Section 501(c)(4) of the Internal Revenue Code. Its primary purpose is to provide fire protection services and assistance to the North Garden area of Albemarle County, Virginia and the surrounding areas.

BASIS OF PRESENTATION

The accompanying financial statements have been prepared on the modified cash basis of accounting. This basis of presentation differs from U.S. generally accepted accounting principles (GAAP) in that certain revenues are recognized when received rather than earned and certain expenses are recognized when paid rather than incurred. Modifications to the cash basis of accounting include the capitalization and depreciation of property and equipment and the recognition of donated services

ESTIMATES

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

CASH AND CASH EQUIVALENTS

The Organization considers all money market accounts and highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Certificates of deposit, if any, are considered to be cash if penalties for early withdrawal are not material. Cash held in the investment account is included in Cash and cash equivalents and not Investments balance on the accompanying Statement of Assets and Net Assets.

INVESTMENTS

Investments consist of mutual funds held at a brokerage. Interest and dividends, and net realized and unrealized gains and losses are reported as income on the Statement of Support, Revenues and Expenses.

PROPERTY AND EQUIPMENT

Property and equipment are recorded at cost and donated assets are recorded at fair market value as of the date of contribution. Assets are being depreciated using the straight line method of depreciation over their estimated useful lives.

Expenditures for repairs, maintenance and minor purchases are charged against operations in the statements of revenues, expenses and changes in net assets - modified cash basis. Depreciation expense of \$16,569 was recorded this year. The organization capitalizes assets costing in excess of \$500.

NORTH GARDEN FIRE COMPANY, INC.

EXHIBIT F

Notes to Financial Statements For the Year Ending June 30, 2016

PROPERTY AND EQUIPMENT (continued)

	6/30/16 Balance	Recovery Period (years)
Land	\$24,000	n/a
Building & improvements	405,912	39
Emergency vehicles	758,512	5
Rescue equipment	30,510	5
Furniture & fixtures	38,140	7
Turn out gear	2,757	5
Machinery & equipment	31,504	5
Accumulated depreciation	(1,055,916)	
Net Property and Equipment	<u>\$235,419</u>	

CONTRIBUTIONS AND FUNDRAISING

The Organization uses the following classification to distinguish among restrictions: unrestricted, Temporarily restricted and permanently restricted.

The Organization reports gifts of land, buildings and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Gifts restricted by the donor for building costs are reported as Cash Restricted for Building Costs in the Statement of Financial Position. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

The organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Net assets are released from donor restrictions by incurring expenses satisfying the restricted purposes or by the occurrence of other events specified by donors. The Organization has no temporarily restricted or permanently restricted net assets as of June 30, 2016.

DONATED SERVICES

The Organization received substantial support from trained volunteer firefighters. The value of such services is reflected as both support and operating expense in the accompanying modified cash basis financial statements. Approximately 14,760 of the Organizations volunteer hours for services were logged during the fiscal year. The volunteer services are estimated at \$30 per hour for the year ended June 30, 2016.

NORTH GARDEN FIRE COMPANY, INC.

EXHIBIT F

Notes to Financial Statements For the Year Ending June 30, 2016

CONCENTRATIONS OF SUPPORT

The Organization receives approximately 74%, \$108,771, of its total cash income through funding from Albemarle County in the year ended June 30, 2016. An unforeseen change in the general economic condition particularly in Virginia may impact the Organizations grant amount in the Albemarle County budget and its ability to operate as a volunteer fire department.

Albemarle County paid all insurance premiums, including automobile, property and liability coverage of the Organization. Total premiums paid for the insurance policy covers the Organization and nine other volunteer fire and rescue companies in Albemarle County.

CONCENTRATION OF CREDIT RISK

The Organization maintains cash deposits, money market accounts and certificates of deposit at several financial institutions. The Federal Deposit Insurance Corporation (FDIC) insures account balances up to \$250,000 at these banking institutions. The organization maintained no uninsured cash balances at June 30, 2016.

FAIR VALUES OF FINANCIAL INSTRUMENTS

The Financial Accounting Standards Board Codification of Accounting Standards Topic 820 established a framework for measuring fair value under accounting principles generally accepted in the United States of America. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 – Quoted prices in active markets for identical assets the organization has the ability to access at the measurement date. These types of quoted prices would include publicly traded securities.

Level 2 – Pricing inputs (other than quoted prices included in Level 1) that are observable for the asset, either directly or indirectly. Observable inputs are those that reflect the assumptions market participants would use in pricing the asset developed based on market data obtained from sources independent of the organization. These types of sources include the investments held in account with the Charlottesville Area Community Foundation.

Level 3 – Pricing inputs that are unobservable for the asset. These inputs are used to the extent that observable inputs do not exist.

The following methods and assumptions were used by the Organization in estimating its fair value disclosures for financial instruments.

The organization considers all highly liquid investments with a maturity of three months or less at the date of acquisition to be cash equivalents. Certificates of deposits, if any, are considered to be cash if interest penalties for early withdrawal are not material. The carrying amount for all cash equivalents, receivables, and deposits approximate the fair market value.

NORTH GARDEN FIRE COMPANY, INC.

EXHIBIT F

Notes to Financial Statements For the Year Ending June 30, 2016

FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

The carrying amounts for Cash and Cash Equivalents, Grants Receivable, Board Designated Cash and Liabilities reported in the statement of financial position approximate fair values. The Fire Department's investments are all measured at Level 1 inputs.

The following table sets forth, by level, within the fair value hierarchy, amounts recorded in the organization's financial statements at fair value as of June 30, 2016:

		Quoted Prices In Active Markets For Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Cash and Cash Equivalents	70,749	70,749	
Investments - equity	510,470	510,470	

INCOME TAXES

The Organization is a not-for-profit corporation as described in Section 501(c)(4) of the Internal Revenue Code and is exempt from federal income taxes Section 501(a) 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) of the Internal Revenue Code.

UNCERTAIN TAX POSITIONS

The Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. The federal income tax returns of the Organization for fiscal year 2013 and forward are subject to examination by the Internal Revenue Service.

FUNCTIONAL ALLOCATION OF EXPENSE

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities – modified cash basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

PERIOD ADJUSTMENTS

The Net Asset balance at June 30, 2015 as previously reported was determined to be in error. Cash was overstated by \$217, Fixed Assets was understated by \$24,000 and Net Assets were understated by \$23,783. The adjustment to the beginning Net Asset balance was made on the Statement of Support, Revenues and Expenses - Modified Cash Basis.

SUBSEQUENT EVENTS

The organization has evaluated events and transactions for potential recognition or disclosure in the financial statements through February 7, 2017, the date that the audit report was available to be released. No subsequent events have been recognized or disclosed.

EARLYSVILLE VOLUNTEER FIRE COMPANY, INC.

MODIFIED CASH BASIS

FINANCIAL REPORT

YEAR ENDED JUNE 30, 2013

ROBINSON, FARMER, COX ASSOCIATES

A PROFESSIONAL LIMITED LIABILITY COMPANY CERTIFIED PUBLIC ACCOUNTANTS

CHARLOTTESVILLE ◻ RICHMOND ◻ FREDERICKSBURG ◻ STAUNTON ◻ BLACKSBURG



EARLYSVILLE VOLUNTEER FIRE COMPANY, INC.

MODIFIED CASH BASIS

FINANCIAL REPORT

YEAR ENDED JUNE 30, 2013

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ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

INDEPENDENT AUDITORS' REPORT

**TO THE BOARD OF DIRECTORS
EARLYSVILLE VOLUNTEER FIRE COMPANY, INC.
EARLYSVILLE, VIRGINIA**

We have audited the accompanying financial statements of Earlysville Volunteer Fire Company, Inc. (a nonprofit organization), which comprise the statement of assets, liabilities, and net assets—modified cash basis as of June 30, 2013, and the related statements of support, revenues, expenses and changes in net assets—modified cash basis and functional expenses—modified cash basis 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 the modified cash basis of accounting as described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for 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 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 ~~assets~~, liabilities, and net assets of Earlysville Volunteer Fire Company as of June 30, 2013, and its support, revenue, and expenses for the year then ended in accordance with the modified cash basis of accounting as described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Charlottesville, Virginia
January 31, 2014

- Financial Statements -

EARLYSVILLE VOLUNTEER FIRE COMPANY, INC.

Statement of Assets, Liabilities, and Net Assets - Modified Cash Basis
June 30, 2013

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Assets			
Current assets:			
Cash and cash equivalents	\$ 184,331	\$ 2,250	\$ 186,581
Non-current assets:			
Land (Note 2)	\$ 230,000	\$ -	\$ 230,000
Property and equipment, net (Note 2)	1,069,011	-	1,069,011
Total non-current assets	\$ 1,299,011	\$ -	\$ 1,299,011
Total assets	\$ 1,483,342	\$ 2,250	\$ 1,485,592
Liabilities and Net Assets			
Net assets:			
Unrestricted	\$ 1,483,342	\$ -	\$ 1,483,342
Temporarily restricted	-	2,250	2,250
Total net assets	\$ 1,483,342	\$ 2,250	\$ 1,485,592
Total liabilities and net assets	\$ 1,483,342	\$ 2,250	\$ 1,485,592

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

EARLYSVILLE VOLUNTEER FIRE COMPANY, INC.

**Statement of Support, Revenues, Expenses, and Changes in Net Assets - Modified Cash Basis
For the Year Ended June 30, 2013**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenues, gains, and other support:			
Contributions:			
Individuals/corporations	\$ 47,564	\$ -	\$ 47,564
Special memorial	130,138	-	130,138
County of Albemarle, Virginia	122,731	-	122,731
Special events:			
BBQ dinners	7,417	-	7,417
Banquet hall fees	8,075	-	8,075
Drink machine income	724	-	724
Miscellaneous	22,601	-	22,601
Non-cash contribution	4,200	-	4,200
Interest income	470	-	470
Total revenues, gains, and other support	<u>\$ 343,920</u>	<u>\$ -</u>	<u>\$ 343,920</u>
Expenses:			
Program services	\$ 207,685	\$ -	\$ 207,685
Management and general	22,068	-	22,068
Fundraising	10,206	-	10,206
Total expenses	<u>\$ 239,959</u>	<u>\$ -</u>	<u>\$ 239,959</u>
Change in Net Assets	\$ 103,961	\$ -	\$ 103,961
Net assets, beginning of year	<u>1,379,381</u>	<u>2,250</u>	<u>1,381,631</u>
Net assets, end of year	<u>\$ 1,483,342</u>	<u>\$ 2,250</u>	<u>\$ 1,485,592</u>

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

EARLYSVILLE VOLUNTEER FIRE COMPANY, INC.

**Statement of Functional Expenses - Modified Cash Basis
For the Year Ended June 30, 2013**

	<u>Program Services</u>	<u>Management & General</u>	<u>Fund- raising</u>	<u>Total</u>
Utilities	\$ 12,396	1,377	-	\$ 13,773
Maintenance	18,254	-	-	18,254
Communications	2,923	-	-	2,923
Supplies	5,952	661	-	6,613
Meals	12,720	-	-	12,720
Training	4,381	-	-	4,381
Uniforms	6,244	-	-	6,244
Small tools	7,280	-	-	7,280
Truck expenses	70,109	-	-	70,109
Management fee	-	1,601	-	1,601
Special events	-	-	9,709	9,709
Banquet hall	-	-	497	497
Interest	1,870	-	-	1,870
Depreciation	61,389	6,821	-	68,210
Administration	1,261	11,349	-	12,610
Public Relations	572	-	-	572
Miscellaneous	2,334	259	-	2,593
Total	<u>\$ 207,685</u>	<u>\$ 22,068</u>	<u>\$ 10,206</u>	<u>\$ 239,959</u>

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

EARLYSVILLE VOLUNTEER FIRE COMPANY, INC.

Notes to Financial Statements As of June 30, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Organization and Nature of Activities

The Earlysville Volunteer Fire Company, Inc. is an incorporated nonprofit organization dedicated to providing emergency services in Albemarle County, Virginia. Major sources of revenue include local government grants, donations, and profits generated from various fundraising activities.

Basis of Accounting

The accompanying financial statements have been prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. That basis differs from generally accepted accounting principles in that payments to vendors are recognized when paid instead of when goods or services are received and revenues are only recorded when received.

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."

Estimates

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Tax Status

The Organization is a not-for-profit organization exempt from income taxes under 501(c) (4) 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).

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction is met in the reporting period in which the support was recognized.

EARLYSVILLE VOLUNTEER FIRE COMPANY, INC.

Notes to Financial Statements
As of June 30, 2013 (continued)

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

Basis of Presentation

Earlsville Volunteer Fire Company, Inc. is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets:

Unrestricted net assets: Net assets that are not subject to donor-imposed stipulations. At June 30, 2013, the Organization had \$1,483,342 in unrestricted net assets.

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. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. At June 30, 2013, the Organization had temporarily restricted net assets of \$2,250, restricted for the construction of living quarters.

Permanently restricted net assets: Net assets subject to donor-imposed or other legal restrictions requiring that all principal be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned for either general or donor-specific purposes. At June 30, 2013, the Organization had no permanently restricted net assets.

Property and Equipment

Property and equipment are capitalized at cost or, if donated, at fair market value and are being depreciated over estimated useful lives of five to forty years using the straight-line method.

EARLYSVILLE VOLUNTEER FIRE COMPANY, INC.**Notes to Financial Statements
As of June 30, 2013 (continued)****NOTE 2 - PROPERTY AND EQUIPMENT:**

Details of changes in property and equipment for the year ended June 30, 2013 are as follows:

	Balance July 01, 2012	Additions	Deletions	Balance June 30, 2013
Property and equipment not being depreciated:				
Land	\$ 230,000	\$ -	\$ -	\$ 230,000
Total property and equipment not being depreciated	\$ 230,000	\$ -	\$ -	\$ 230,000
Property and equipment being depreciated:				
Buildings	\$ 1,047,661	\$ -	\$ -	\$ 1,047,661
Furniture and fixtures	34,394	8,463	-	42,857
Vehicles	578,535	4,200	-	582,735
Portable equipment	217,986	3,247	3,801	217,432
Radio equipment	45,383	-	-	45,383
Station equipment	32,318	15,890	-	48,208
Office equipment	11,698	-	4,315	7,383
Total property and equipment being depreciated	\$ 1,967,975	\$ 31,800	\$ 8,116	\$ 1,991,659
Less accumulated depreciation:				
Buildings	\$ 273,327	\$ 26,191	\$ -	\$ 299,518
Furniture and fixtures	25,748	2,709	-	28,457
Vehicles	310,847	30,543	-	341,390
Portable equipment	163,709	5,352	-	169,061
Radio equipment	46,000	550	-	46,550
Station equipment	29,193	2,623	-	31,816
Office equipment	5,614	242	-	5,856
Total accumulated depreciation	\$ 854,438	\$ 68,210	\$ -	\$ 922,648
Total property and equipment being depreciated, net	\$ 1,113,537	\$ (36,410)	\$ 8,116	\$ 1,069,011
Total property and equipment, net	\$ 1,343,537	\$ (36,410)	\$ 8,116	\$ 1,299,011

NOTE 3 - LONG-TERM OBLIGATIONS:

The following is a summary of long-term obligation transactions of the Company for the year ended June 30, 2013:

	Note Payable
Balance July 1, 2012	\$ 120,280
Issuances	-
Principal payments made	(120,280)
Balance June 30, 2013	\$ -

EARLYSVILLE VOLUNTEER FIRE COMPANY, INC.

Notes to Financial Statements
As of June 30, 2013 (continued)

NOTE 4 - TEMPORARILY RESTRICTED NET ASSETS:

Net assets were temporarily restricted for the following purposes at June 30, 2013:

Construction of living quarters	<u>\$ 2,250</u>
---------------------------------	-----------------

NOTE 5 - SUBSEQUENT EVENTS:

In preparing these financial statements, management of the Organization has evaluated events and transactions for potential recognition or disclosure through January 31, 2014, the date the financial statements were available to be issued.

**CROZET VOLUNTEER FIRE
DEPARTMENT
CROZET, VIRGINIA
FINANCIAL REPORT
YEAR ENDED JUNE 30, 2015
(COMPILED)**

CROZET VOLUNTEER FIRE DEPARTMENT

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Statement of support, revenue, and expenses - income tax basis	3
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ACCOUNTANTS' COMPILATION REPORT

Mr. Matt Robb, Treasurer
Crozet Volunteer Fire Department
Crozet, Virginia

We have compiled the accompanying statement of assets, liabilities, and fund balance - income tax basis of the CROZET VOLUNTEER FIRE DEPARTMENT (a non-profit entity) as of June 30, 2015, and the related statement of support, revenue, and expenses - income tax basis for the year then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the income tax basis of accounting.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the income tax basis of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

The Department has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared on the income tax basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Department's assets, liabilities, fund balance, revenues, and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Hantzmon Wiebel LLP

Charlottesville, Virginia
January 7, 2016

Members

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CROZET VOLUNTEER FIRE DEPARTMENT
STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCE -
INCOME TAX BASIS
JUNE 30, 2015
(SEE ACCOUNTANTS' COMPILATION REPORT)

ASSETS	
Cash and cash equivalents	\$ 650,534
Accounts receivable	400
Investments in stock	3,350
Property and equipment - net	<u>1,154,743</u>
Total assets	<u>\$1,809,027</u>
LIABILITIES AND FUND BALANCE	
Accounts payable	\$ 220
Fund balance	<u>1,808,807</u>
Total liabilities and fund balance	<u>\$1,809,027</u>

(The accompanying selected information is an integral part of this financial statement)

CROZET VOLUNTEER FIRE DEPARTMENT
STATEMENT OF SUPPORT, REVENUE, AND EXPENSES -
INCOME TAX BASIS
YEAR ENDED JUNE 30, 2015
(SEE ACCOUNTANTS' COMPILATION REPORT)

REVENUES, GAINS, AND OTHER SUPPORT

Contributions:	
Individuals and corporations	\$ 107,515
County of Albemarle appropriations	155,696
Interest and dividend income	1,596
Other income	2,986
Special event income - net	36,166
	<u>303,959</u>
Total revenues, gains, and other support	

EXPENSES

Building utilities	19,326
Building grounds and maintenance	32,199
Communications	9,771
Fire suppression	42,761
Vehicle expense	58,025
Administrative expenses	36,401
Training	7,678
Uniforms	11,483
Supplies	845
Volunteer and donor relations	14,605
Depreciation expense	263,408
	<u>496,502</u>
Total expenses	

DECREASE IN FUND BALANCE	(192,543)
FUND BALANCE, BEGINNING OF PERIOD	2,001,350
FUND BALANCE, END OF PERIOD	<u>\$1,808,807</u>

(The accompanying selected information is an integral part of this financial statement)

CROZET VOLUNTEER FIRE DEPARTMENT

SELECTED INFORMATION SUBSTANTIALLY ALL DISCLOSURES REQUIRED BY THE INCOME TAX BASIS OF ACCOUNTING ARE NOT INCLUDED (SEE ACCOUNTANTS' COMPILATION REPORT)

ORGANIZATION AND NATURE OF ACTIVITIES

The Crozet Volunteer Fire Department is an incorporated non-profit organization dedicated to providing emergency services in Albemarle County, Virginia. Major sources of revenue include local government grants, donations, and profits generated from various fund-raising activities.

BASIS OF ACCOUNTING

The accompanying financial statements have been prepared on the income tax basis of accounting.

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).

REPORTING PERIOD

These financial statements are for the fiscal year ended June 30, 2015.

PROPERTY AND EQUIPMENT

Property and equipment is recorded at cost at the date of acquisition. Expenditures for repairs, maintenance, and minor renewals are charged to expense as paid.

At June 30, 2015, property and equipment consists of the following:

Land.....	<u>\$ 94,178</u>
Buildings	<u>731,901</u>
Vehicles:	
Brush - #53	31,566
Brush - #55	149,444
Command Car - #50	28,194
Engine - #56	262,056
Engine - #58	368,296
Engine - #52	532,838
Tanker - #59	348,934
Tractor Trailer - Refrigerated	5,000
Truck - #54	1,200,000
Command Car - 2009	40,000
Command Car - 2013	<u>23,702</u>
Total vehicles.....	<u>2,990,030</u>

CROZET VOLUNTEER FIRE DEPARTMENT

SELECTED INFORMATION

**SUBSTANTIALLY ALL DISCLOSURES REQUIRED BY THE INCOME TAX BASIS
OF ACCOUNTING ARE NOT INCLUDED--(Cont'd)
(SEE ACCOUNTANTS' COMPILATION REPORT)**

PROPERTY AND EQUIPMENT--(Cont'd)

Other equipment	<u>\$ 434,109</u>
Total property and equipment	4,250,218
Less: Accumulated depreciation	<u>(3,095,475)</u>
Total property and equipment - net....	<u>\$1,154,743</u>

COUNTY OF ALBEMARLE APPROPRIATIONS

For the year ended June 30, 2015, the Crozet Volunteer Fire Department received \$155,696 in appropriations from the County of Albemarle.

SPECIAL EVENT INCOME - NET

For the year ended June 30, 2015, special event income - net consisted of the following:

Special event income.....	\$ 83,147
Special event expense	<u>(46,981)</u>
Special event income - net.....	<u>\$ 36,166</u>

STONY POINT VOLUNTEER FIRE COMPANY

CHARLOTTESVILLE, VIRGINIA

FINANCIAL REPORT

YEAR ENDED JUNE 30, 2015

ROBINSON, FARMER, COX ASSOCIATES

A PROFESSIONAL LIMITED LIABILITY COMPANY · CERTIFIED PUBLIC ACCOUNTANTS

CHARLOTTESVILLE □ RICHMOND □ FREDERICKSBURG □ STAUNTON □ BLACKSBURG □ LOUISA



STONY POINT VOLUNTEER FIRE COMPANY
CHARLOTTESVILLE, VIRGINIA
FINANCIAL REPORT
YEAR ENDED JUNE 30, 2015

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ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

Independent Auditors' Report

To the Board of Directors
Stony Point Volunteer Fire Company
Charlottesville, Virginia

We have audited the accompanying financial statements of Stony Point Volunteer Fire Company (a nonprofit organization), which comprise the statement of financial position as of June 30, 2015, 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 Stony Point Volunteer Fire Company as of June 30, 2015, 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
February 9, 2016

- Financial Statements -

STONY POINT VOLUNTEER FIRE COMPANY

Statement of Financial Position At June 30, 2015

Assets:

Current assets:

Cash and cash equivalents	\$ 57,178
Total current assets	<u>\$ 57,178</u>

Property and equipment:

Land	\$ 24,000
Buildings and improvements	467,671
Equipment	456,286
Accumulated depreciation	<u>(542,706)</u>
Total property and equipment, net	<u>\$ 405,251</u>
Total assets	<u><u>\$ 462,429</u></u>

Liabilities:

Current liabilities:

Accounts payable	\$ 5,746
Current portion of notes payable	<u>62,243</u>
Total current liabilities	<u>\$ 67,989</u>

Long-term liabilities:

Noncurrent portion of notes payable	\$ 36,548
Total long-term liabilities	<u>\$ 36,548</u>
Total liabilities	<u>\$ 104,537</u>

Net assets:

Unrestricted	<u>\$ 357,892</u>
Total net assets	<u>\$ 357,892</u>
Total liabilities and net assets	<u><u>\$ 462,429</u></u>

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

STONY POINT VOLUNTEER FIRE COMPANY

Statement of Activities Year Ended June 30, 2015

	<u>Unrestricted</u>
Revenues, gains, and other support:	
Donations and other collections	\$ 34,749
Contributions from County	130,100
Interest income	23
Rental income	12,025
Other income	2,480
Total revenues, gains and other support	<u>\$ 179,377</u>
Expenses:	
Program services	\$ 121,503
Management and general	51,739
Fundraising	6,690
Total expenses	<u>\$ 179,932</u>
Change in net assets	\$ (555)
Net assets at beginning of year	<u>358,447</u>
Net assets at end of year	<u><u>\$ 357,892</u></u>

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

STONY POINT VOLUNTEER FIRE COMPANY

Statement of Functional Expenses Year Ended June 30, 2015

	Program Services	Management and General	Fundraising	Total
Accounting and legal	\$ -	\$ 6,410	\$ -	\$ 6,410
Building maintenance	-	15,036	-	15,036
Supplies	-	1,004	-	1,004
Communication	3,831	7,161	-	10,992
Fundraising	-	-	4,015	4,015
Interest	-	3,165	-	3,165
Postage and printing	-	560	2,675	3,235
Dues	-	215	-	215
Vehicle maintenance	17,236	-	-	17,236
Vehicle repairs	27,411	-	-	27,411
Uniforms	2,773	-	-	2,773
Depreciation	29,780	-	-	29,780
Fuel	73	-	-	73
Fire/EMS equipment	25,045	-	-	25,045
Meals	9,767	-	-	9,767
Training	5,587	-	-	5,587
Public relations	-	4,661	-	4,661
Utilities	-	13,165	-	13,165
Other	-	362	-	362
Total expenses	\$ 121,503	\$ 51,739	\$ 6,690	\$ 179,932

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

STONY POINT VOLUNTEER FIRE COMPANY

Statement of Cash Flows Year Ended June 30, 2015

Cash flows from operating activities:

Change in net assets	\$ (555)
Adjustments to reconcile change in net assets to net cash provided by (used for) operating activities:	
Depreciation	29,780
Increase (decrease) in accounts payable	(2,493)
Net cash provided by (used for) operating activities	<u>\$ 26,732</u>

Cash flows from financing activities:

Retirement of notes payable	<u>\$ (15,750)</u>
Net cash provided by (used for) financing activities	<u>\$ (15,750)</u>

Cash flows from investing activities:

Purchase of property and equipment	<u>\$ (13,048)</u>
Net cash provided by (used for) investing activities	<u>\$ (13,048)</u>

Net increase (decrease) in cash and cash equivalents	\$ (2,066)
--	------------

Cash and cash equivalents, beginning of year	<u>59,244</u>
--	---------------

Cash and cash equivalents, end of year	<u><u>\$ 57,178</u></u>
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Supplemental Disclosure:

Cash paid for interest	<u><u>\$ 3,165</u></u>
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The accompanying notes to financial statements are an integral part of this statement.

STONY POINT VOLUNTEER FIRE COMPANY

Notes to Financial Statements At June 30, 2015

NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES:

Nature of Operations:

Stony Point Volunteer Fire Company is an incorporated nonprofit organization dedicated to providing emergency services in Albemarle County, Virginia. Major sources of revenue include local government grants and donations.

Basis of Accounting:

These financial statements are prepared on the accrual basis, in accordance with generally accepted accounting principles. Therefore, revenues are recognized when earned rather than when received and expenses are recorded when incurred rather than when paid. Expenses are capitalized as assets when the expense in one period can be seen as providing benefit to the Company in future periods.

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.

Basis of Presentation:

Under generally accepted accounting principles the Company is required to report information regarding its financial position and activities according to three classes of net assets:

Unrestricted amounts are those currently available at the discretion of the Board for use in operations and those resources invested in property or equipment. As of June 30, 2015 the Company had \$357,892 in unrestricted net assets.

Temporarily restricted amounts are those which are stipulated by donors for specific operating purposes or for the acquisition of property or equipment. When a donor restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. As of June 30, 2015 the Company had no temporarily restricted net assets.

Permanently restricted amounts are restricted to investments in perpetuity, the income from which is expendable in accordance with the conditions of each specific donation. As of June 30, 2015 the Company had no permanently restricted net assets.

Cash and Cash Equivalents:

For purposes of the statement of cash flows, the Company considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

STONY POINT VOLUNTEER FIRE COMPANY

Notes to Financial Statements At June 30, 2015 (continued)

NOTE 2 - INCOME TAX STATUS:

The Company is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and contributions to its programs are deductible for tax purposes. The Company's tax returns for the last three years are subject to examination by the Internal Revenue Service.

NOTE 3 - CONCENTRATION OF CREDIT RISK:

The Company maintains cash balances in one checking account and one savings account at a single financial institution. These accounts are insured by the Federal Deposit Insurance Corporation up to a combined total of \$250,000 per bank; cash in this institution did not exceed Federally insured limits during the year ended June 30, 2015.

NOTE 4 - ECONOMIC DEPENDENCY:

The Company receives a substantial amount of its support from Albemarle County, Virginia. Any interruption in the level of this support would have an effect on the Company's programs and activities.

NOTE 5 - PROPERTY AND EQUIPMENT:

Purchased property and equipment are recorded at their original cost or estimated historical cost if actual cost is not available. Material gifts of vehicles and equipment are recorded at the fair market value at the date of gift. Depreciation is being taken on a straight line basis, using a forty year life for buildings, and a three to ten year life for vehicles and equipment.

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Land	\$ 24,000	\$ -	\$ 24,000
Buildings and improvements	467,671	146,423	321,248
Vehicles and equipment	456,286	396,283	60,003
Total	<u>\$ 947,957</u>	<u>\$ 542,706</u>	<u>\$ 405,251</u>

Depreciation expense for the year totaled \$29,780.

STONY POINT VOLUNTEER FIRE COMPANY

Notes to Financial Statements At June 30, 2015 (continued)

NOTE 6 - NOTES PAYABLE:

The Company has a \$230,000 note payable to the County of Albemarle which was used to fund building renovations. The interest rate on the loan is 0%. At June 30, 2015, the balance on the note payable was \$48,732.

The Company has a \$66,034 note payable to Virginia National Bank. Interest on the loan is 6%. The note matures on November 1, 2015. At June 30, 2015, the balance on the note payable was \$50,059. In November 2015 this note was paid off using a new note with BB&T. Interest on the new loan is 4.75%, and it matures on December 5, 2020.

Annual requirements to amortize long-term debt:

	<u>Principal</u>
2016	\$ 17,047
2017	21,428
2018	21,878
2019	22,345
2020	10,659
2021	<u>5,434</u>
Total	<u>\$ 98,791</u>

NOTE 7 - SUBSEQUENT EVENTS:

In preparing these financial statements, management of the Company has evaluated events and transactions for potential recognition or disclosure through February 9, 2016, the date the financial statements were issued.

Scottsville Volunteer Fire Department, Inc.

Financial Statements and
Independent Auditors' Report

For the Years Ended
June 30, 2015 and 2014

Scottsville Volunteer Fire Department, Inc.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Scottsville Volunteer Fire Department, Inc.
Scottsville, Virginia

Report on Financial Statements

We have audited the accompanying financial statements of Scottsville Volunteer Fire Department, Inc. (a nonprofit organization), which comprise the statements of assets, liabilities, and net assets – modified cash basis as of June 30, 2015 and 2014, and the related statements of revenues, expenses, and changes in net assets – modified cash basis and changes in statements of functional expenses - modified cash basis for the years 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 the modified cash basis of accounting as described in Note two; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for 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 audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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 assets, liabilities, and net assets of the Scottsville Volunteer Fire Department, Inc., as of June 30, 2015 and 2014, and its support, revenue, and expenses for the years then ended in accordance with the modified cash basis of accounting as described in Note two.

Basis of Accounting

We draw attention to Note two of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Weller & Associates, PC

February 18, 2016

Scottsville Volunteer Fire Department, Inc.
Statements of Assets, Liabilities, and Net Assets – Modified Cash Basis
June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 379,993	\$ 326,719
Certificates of deposit	383,902	383,335
Uniform inventory	<u>189</u>	<u>189</u>
Total Current Assets	<u>764,084</u>	<u>710,243</u>
Property and Equipment, net	<u>184,521</u>	<u>229,389</u>
Total Assets	<u><u>\$ 948,605</u></u>	<u><u>\$ 939,632</u></u>
 LIABILITIES AND NET ASSETS		
Net Assets		
Unrestricted		
Undesignated	\$ 654,205	\$ 657,742
Board designated	<u>294,400</u>	<u>281,890</u>
Total Net Assets	<u>948,605</u>	<u>939,632</u>
Total Liabilities and Net Assets	<u><u>\$ 948,605</u></u>	<u><u>\$ 939,632</u></u>

Scottsville Volunteer Fire Department, Inc.
Statements of Revenues, Expenses, and Changes in Net Assets – Modified Cash Basis
Years Ended June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Support and Revenues		
Donated services	\$ 309,329	\$ 361,165
Government	175,221	179,981
Contributions	19,778	26,831
Fundraising	19,251	20,861
Interest income	1,026	937
Uniform reimbursement	-	35
	<u>524,605</u>	<u>589,810</u>
Total Support and Revenues		
	<u>524,605</u>	<u>589,810</u>
Expenses		
Fire operations	479,981	568,480
Fundraising expenses	22,739	21,463
General and administrative	12,912	12,428
	<u>515,632</u>	<u>602,371</u>
Total Expenses		
	<u>515,632</u>	<u>602,371</u>
Change in Net Assets	8,973	(12,561)
Net Assets, Beginning of Year	<u>939,632</u>	<u>952,193</u>
Net Assets, End of Year	<u><u>\$ 948,605</u></u>	<u><u>\$ 939,632</u></u>

Scottsville Volunteer Fire Department, Inc.
Statements of Functional Expenses – Modified Cash Basis
Years Ended June 30, 2015 and 2014

	<u>Fire Operations</u>	<u>General and Administration</u>	<u>Fundraising</u>	<u>2015 Total</u>
Donated services	\$ 309,329	\$ -	\$ -	\$ 309,329
Depreciation	57,088	-	-	57,088
Vehicle repairs	40,575	-	-	40,575
Utilities	31,002	-	-	31,002
Fundraising	-	-	22,739	22,739
Building maintenance	15,356	-	-	15,356
Administrative expenses	-	12,912	-	12,912
Fire suppression	7,050	-	-	7,050
Uniforms	6,971	-	-	6,971
Travel	4,294	-	-	4,294
Supplies	3,952	-	-	3,952
Training	3,108	-	-	3,108
Emergency medical supply	1,256	-	-	1,256
	<u>\$ 479,981</u>	<u>\$ 12,912</u>	<u>\$ 22,739</u>	<u>\$ 515,632</u>

	<u>Fire Operations</u>	<u>General and Administration</u>	<u>Fundraising</u>	<u>2014 Total</u>
Donated services	\$ 361,165	\$ -	\$ -	\$ 361,165
Depreciation	57,078	-	-	57,078
Utilities	41,228	-	-	41,228
Vehicle repairs	38,601	-	-	38,601
Fundraising	-	-	21,463	21,463
Building maintenance	19,088	-	-	19,088
Supplies	15,479	-	-	15,479
Administrative expenses	-	12,428	-	12,428
Uniforms	11,553	-	-	11,553
Emergency medical supply	10,692	-	-	10,692
Fire suppression	7,888	-	-	7,888
Training	3,265	-	-	3,265
Travel	2,443	-	-	2,443
	<u>\$ 568,480</u>	<u>\$ 12,428</u>	<u>\$ 21,463</u>	<u>\$ 602,371</u>

Scottsville Volunteer Fire Department, Inc.

Notes to Financial Statements

June 30, 2015 and 2014

Note 1 – Nature of Activities

The Scottsville Volunteer Fire Department, Inc. (the Organization), was incorporated under the laws of the Commonwealth of Virginia, as a non-stock nonprofit organization. The purpose of the Organization is to provide fire protection services and assistance to the Scottsville area of Albemarle County, Virginia, and surrounding areas.

Note 2 – Significant Accounting Policies

Basis of accounting: The accompanying financial statements have been prepared on the modified cash basis of accounting. This basis of presentation differs from U.S. generally accepted accounting principles (GAAP) in that certain revenues are recognized when received rather than earned and certain expenses are recognized when paid rather than incurred. Modifications to the cash basis of accounting include the capitalization and depreciation of property and equipment and the recognition of donated services.

Use of estimates: Management may make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Basis of presentation: Net assets, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions that limit the use of donated assets. The Organization uses the following classifications to distinguish among restrictions: unrestricted, temporarily restricted, and permanently restricted.

Unrestricted net assets include all contributions received without donor restrictions, and all revenues and expenses. Undesignated net assets may be used at the discretion of management to support the mission of the Organization and consist of net assets accumulated from the results of operations. Board designated reserves have been established for the purpose of future purchases of vehicles and equipment.

The Organization had no temporarily restricted or permanently restricted net assets as of June 30, 2015 and 2014.

Concentrations of Credit Risk: The Organization maintains cash deposits, money market accounts, and certificates of deposit at several financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. The Organization's uninsured cash balances totaled \$159,060 and \$105,786 at June 30, 2015 and 2014, respectively.

Concentration of Contributions or grants: The Organization receives approximately 68 % (2015) and 67% (2014) of its total income through a grant from Albemarle County. An unforeseen change in the general economic condition, particularly within the county, may impact the Organization's grant amount in the Albemarle County budget and its ability to operate as a volunteer fire department.

Cash and cash equivalents: The Organization considers all money market accounts and highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Certificates of deposit are considered to be cash if interest penalties for early withdrawal are not material.

Property and equipment: Property and equipment are recorded at cost, except as noted. Expenditures for repairs, maintenance, and minor renewals are charged against operations in the statements of revenues, expenses, and changes in net assets – modified cash basis.

Donated services: The Organization receives substantial support from trained volunteer firefighters. The value of such services is reflected as both support and operating expense in the accompanying modified cash basis financial statements. Volunteer services are estimated at \$19 and \$18 per hour for the years ended June 30, 2015 and 2014, respectively.

Scottsville Volunteer Fire Department, Inc.

Notes to Financial Statements

June 30, 2015 and 2014

Note 2 – Significant Accounting Policies (continued)

Functional allocation of expenses: The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of revenues, expenses and changes in net assets – modified cash basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Income taxes: The Organization is exempt from income taxes under the Internal Revenue Code Section 501(c)(4). Accordingly, no income taxes have been paid and none are payable by the Organization.

Subsequent events: Management has evaluated subsequent events through February 18, 2016, which is the date the financial statements were available to be issued and found nothing to report.

Note 3 – Related Parties

The Organization received funding of \$147,100 and \$153,714 from Albemarle County, \$8,376 and \$7,967 from Fluvanna County, and \$745 and \$1,500 from the Forestry Department for the years ended June 30, 2015 and 2014, respectively.

Albemarle County paid all insurance premiums, including automobile, property, and liability coverage of the Organization. Total premiums paid for the insurance policy covers the Organization and nine other volunteer fire and rescue companies in Albemarle County.

Note 4 – Property and Equipment

The building was constructed in 1980 and there are no available records to determine historical cost. Therefore, a reasonable estimate was made using the oldest available Albemarle County assessment of property (from 1996) and discounting that value by 25%. The same method was used to record the cost of the land.

To determine cost of the vehicles purchased prior to 2006, the insurance or replacement value was used and discounted by 25%. This method was applied to all vehicles (including pumper, brush, and tanker vehicles) except the 2004 Pierce Fire Truck, which was recorded at 100% of its insurance value, \$430,000. All vehicle purchases after 2006 have been recorded at historical cost.

Property and equipment consist of the following:

	2015	2014
Land	\$ 47,325	\$ 47,325
Building and improvements	275,265	270,064
Vehicles	723,448	723,448
Machinery and equipment	140,344	133,225
Furniture and fixtures	7,984	7,984
Turnout gear	44,031	44,131
Total	1,238,397	1,226,177
Less: Accumulated depreciation	1,053,876	996,788
Total Property and Equipment	<u>\$ 184,521</u>	<u>\$ 229,389</u>

Scottsville Volunteer Fire Department, Inc.
Notes to Financial Statements
June 30, 2015 and 2014

Note 5 - Depreciation

The depreciation expense was computed using the straight-line method on principal classes of property and equipment and is as follows:

	<u>2015</u>	<u>2014</u>
Building and improvements	\$ 18,925	\$ 15,818
Vehicles	12,057	13,623
Machinery and equipment	22,072	22,484
Furniture and fixtures	680	871
Turnout gear	<u>3,354</u>	<u>4,282</u>
Total Depreciation Expense	<u><u>\$ 57,088</u></u>	<u><u>\$ 57,078</u></u>

**SEMINOLE TRAIL VOLUNTEER FIRE DEPARTMENT INC.
CHARLOTTESVILLE, VA**

**FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015 AND 2014**

**SEMINOLE TRAIL VOLUNTEER FIRE DEPARTMENT INC.
CHARLOTTESVILLE, VA**

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INDEPENDENT AUDITORS' REPORT

▲ To the Board of Directors
▲ Seminole Trail Volunteer Fire Department Inc.
▲ Charlottesville, VA

▲ We have audited the accompanying financial statements of Seminole Trail Volunteer Fire Department Inc. (a
▲ nonprofit organization), which comprise the statements of financial position as of June 30, 2015 and 2014,
and the statements of activities and net assets and cash flows for the years 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 of material misstatements.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statement, 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 the Seminole Trail Volunteer Fire Department Inc., as of June 30, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Garris and Company, P.C.

November 12, 2015

SEMINOLE TRAIL VOLUNTEER FIRE DEPARTMENT INC.
STATEMENTS OF FINANCIAL POSITION
YEARS ENDED JUNE 30, 2015 AND 2014

ASSETS

	2015	2014
CURRENT ASSETS		
Cash and cash equivalents	\$ 153,295	\$ 296,942
Total Current Assets	<u>153,295</u>	<u>296,942</u>
INVESTMENTS		
Marketable Securities	102,280	99,691
PROPERTY AND EQUIPMENT		
Office equipment	4,047	4,047
Buildings and grounds	499,698	380,625
Fire equipment	237,343	184,098
Furniture and fixtures	40,066	6,309
Radio equipment	13,438	8,945
Vehicles - other	407,854	407,854
Computers	37,554	37,554
Construction in process	-	61,174
Less: Accumulated Depreciation	<u>(986,194)</u>	<u>(957,360)</u>
Net Property and Equipment	<u>253,806</u>	<u>133,246</u>
TOTAL ASSETS	<u><u>\$ 509,381</u></u>	<u><u>\$ 529,879</u></u>

LIABILITIES AND NET ASSETS

	2015	2014
CURRENT LIABILITIES		
Credit cards payable	\$ -	\$ 2,650
Total Current Liabilities	<u>-</u>	<u>2,650</u>
NET ASSETS		
Unrestricted	489,381	507,229
Temporarily restricted	<u>20,000</u>	<u>20,000</u>
Total Net Assets	<u>509,381</u>	<u>527,229</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 509,381</u></u>	<u><u>\$ 529,879</u></u>

See accompanying notes

SEMINOLE TRAIL VOLUNTEER FIRE DEPARTMENT INC.
STATEMENTS OF ACTIVITIES AND NET ASSETS
YEARS ENDED JUNE 30, 2015 AND 2014

	2015	2014
UNRESTRICTED NET ASSETS		
SUPPORT		
Donated services	\$ 1,150,928	\$ 1,524,936
Albemarle County appropriation	217,326	239,215
Donations - Unrestricted	71,658	62,016
Insurance recovery	24,234	-
Dividends	4,325	4,241
Miscellaneous income	1,367	325
Stock donations	182	-
Interest Income	21	483
Gain/Loss on sale	-	315
Unrealized gain (loss) on investment	<u>(1,737)</u>	<u>(263)</u>
Total Support	<u>1,468,304</u>	<u>1,831,268</u>
EXPENSES		
Program Services:		
Crew meals	34,010	23,998
Depreciation	28,834	31,414
General supplies	2,807	1,728
Training	3,432	11,031
Supplies	10,217	7,797
Licenses	25	25
Other	5,181	6,922
Linen service	3,715	5,798
Donated services	1,150,928	1,524,936
Utilities	32,106	38,993
General repairs	44,897	32,603
Small tools	2,499	8,886
Uniforms	30,276	21,788
Rentals	4,800	9,985
Vehicle repairs and maintenance	<u>109,926</u>	<u>80,938</u>
Total Program Services	<u>1,463,653</u>	<u>1,806,842</u>

See accompanying notes

SEMINOLE TRAIL VOLUNTEER FIRE DEPARTMENT INC.
STATEMENTS OF ACTIVITIES AND NET ASSETS
YEARS ENDED JUNE 30, 2015 AND 2014

	2015	2014
Supporting Services:		
Fund-raising supplies	4,626	4,616
Printing	1,784	1,969
Dues	350	255
Professional services	7,181	9,869
Travel	1,186	3,212
Office expense	<u>7,372</u>	<u>2,600</u>
Total Supporting Services	<u>22,499</u>	<u>22,521</u>
Total Expenses	<u>1,486,152</u>	<u>1,829,363</u>
CHANGES IN UNRESTRICTED NET ASSETS	<u>(17,848)</u>	<u>1,905</u>
NET ASSETS, BEGINNING OF YEAR	<u>527,229</u>	<u>525,324</u>
NET ASSETS, END OF YEAR	<u><u>\$ 509,381</u></u>	<u><u>\$ 527,229</u></u>

See accompanying notes

SEMINOLE TRAIL VOLUNTEER FIRE DEPARTMENT INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2015 AND 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (17,848)	\$ 1,905
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	28,834	31,414
Unrealized loss on marketable securities	1,737	263
Gain on sale of equipment	-	(315)
Increase (Decrease) in liabilities:		
Accounts payable	-	(22,005)
Credit cards payable	(2,650)	(826)
Total Adjustments	27,921	8,532
Net Cash Provided By Operating Activities	10,073	10,436
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of marketable securities	-	50,000
Construction in progress	61,174	(37,275)
Purchase of investments	(4,326)	(4,212)
Purchase of real and personal property	(210,568)	(18,782)
Net Cash Used In Investing Activities	(153,720)	(10,269)
NET INCREASE (DECREASE) IN CASH	(143,647)	167
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	296,942	296,775
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 153,295	\$ 296,942

See accompanying notes

SEMINOLE TRAIL VOLUNTEER FIRE DEPARTMENT INC.

NOTES TO FINANCIAL STATEMENTS

NATURE OF ORGANIZATION

The Seminole Trail Volunteer Fire Department Inc. (the Fire Department) was incorporated under the laws of the Commonwealth of Virginia on December 16, 1976, as a non-stock and not for profit organization to assist in protecting the property, safety, health and lives of individuals by providing fire protection services and assistance in the Charlottesville, Virginia community and surrounding area of Albemarle County.

SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

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

Unrestricted net assets

Contributions and all other revenue sources that are not subject to donor imposed stipulations. Undesignated net assets may be used at the discretion of management to support the mission of the Fire Department and consist of net assets accumulated from the results of operations.

Temporarily restricted net assets

Contributions that are available for use, but expendable only for those purposes specified by the grantor or restricted by the passage of time. When a donor's restriction is met, temporarily restricted net assets are classified to unrestricted net assets. As of June 30, 2015 and 2014, the balance is \$20,000. The funds are designated for major building improvements.

Permanently restricted net assets

Net assets subject to donor-imposed stipulations that they be maintained permanently by the Fire Department. At June 30, 2015, there were no permanently restricted net assets.

Functional Expenses

The cost of providing various programs and other activities are summarized on a functional basis and presented in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Concentrations of Credit Risk

Financial instruments that potentially subject the Fire Department to credit risk include cash on deposit with financial institutions in excess of the Federal Deposit Insurance Corporation limit of \$250,000. The funds are held in a well-established financial institution and the Fire Department has suffered no losses. As of June 30, 2015 and 2014, the Fire Department had no uninsured deposits.

SEMINOLE TRAIL VOLUNTEER FIRE DEPARTMENT INC.

NOTES TO FINANCIAL STATEMENTS

SIGNIFICANT ACCOUNTING POLICIES - Continued

Revenue Recognition

Contributions and grants are recognized as revenues when received or unconditionally pledged, and are available for unrestricted use unless specified by the donor. Amounts that are restricted by donors are reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted amounts are reported as an increase in temporarily restricted net assets depending on the nature of the restriction. When a restriction, expires, temporarily restricted net assets are reclassified as unrestricted net assets and reported as net assets released from restriction.

Cash and Cash Equivalents

Cash and cash equivalents include cash on deposit, money market funds and short-term investments with original maturities of three months or less.

Income Taxes

The Fire Department is exempt from regular federal income taxes under Section 501(c)(4) of the Internal Revenue Code.

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.

Property and Equipment

Depreciation is computed on the straight-line method over the assets' estimated useful lives. Equipment purchased is capitalized at cost. Donated assets are capitalized at the estimated fair value. When assets are retired, the assets and accumulated depreciation are removed from the respective accounts and any profit or loss on disposition is added to or charged against income. Maintenance and repairs are charged to expenses and betterments are capitalized.

Investments

The Fire Department's investments consist of mutual funds and a REIT, which are stated at fair market value and considered available-for-sale. All interest, dividends and realized and unrealized gains and losses are reflected in the statements of activities as increases or decreases in unrestricted net assets.

SEMINOLE TRAIL VOLUNTEER FIRE DEPARTMENT INC.

NOTES TO FINANCIAL STATEMENTS

SIGNIFICANT ACCOUNTING POLICIES - Continued

Donated Materials and Services

Donated materials and equipment are reflected as contributions at the estimated fair value when received. The Organization receives donated services from a variety of unpaid volunteers who serve as fire fighters, officers, directors and committee members. No amounts other than the time contributed by volunteer fire fighters has been recognized in the accompanying statements of activities because the criteria for recognition of such volunteer efforts has not been satisfied.

VOLUNTEER SERVICES

The Fire Department receives donated services from various trained volunteer firefighters. Due to the significant amount of donated hours, volunteers services is presented as both support and expenses in the statements of activities. This time is valued at \$24.90 and \$22.00 per hour for June 30, 2015 and 2014, respectively. Donated services were recognized in the amount of \$1,150,928 and \$1,524,936 for June 30, 2015 and 2014, respectively.

RELATED PARTY TRANSACTIONS

The Ladies Auxiliary of the Fire Department is governed by its own Board of Directors, which maintains control over its assets. Therefore, the cash accounts and other assets of the Ladies Auxiliary have not been included in these financial statements. A Christmas dinner is hosted annually by the Ladies Auxiliary during December to benefit the Fire Department.

The Fire Department received funding for the year ended June 30, 2015 and 2014, of \$217,326 and \$239,215, respectively from Albemarle County.

Albemarle County paid all insurance premiums, including automobile, property and liability coverage of the Fire Department. The insurance policy covers the Fire Department and nine other volunteer rescue companies in Albemarle County.

Albemarle County purchased a 2009 Pierce Dash Pumper fire engine for \$534,317 to be used by the Fire Department. Albemarle County capitalized the fire truck on their records and maintains the engine.

SEMINOLE TRAIL VOLUNTEER FIRE DEPARTMENT INC.

NOTES TO FINANCIAL STATEMENTS

FAIR VALUE OF FINANCIAL INSTRUMENTS

FASB ASC 820-10 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The Fire Department's investments are all measured at Level 1. The investments in mutual fund is valued using the closing price reported on the active markets on which the individual securities and funds are traded.

	Cost	Fair Market Value
Mutual fund	\$95,032	\$101,984
REIT	574	296

SUBSEQUENT EVENTS

Management has evaluated subsequent events through November 12, 2015, which is the date the financial statements were available to be issued.