

Financial Statements of
Literacy Council of Norristown
as of June 30, 2016 and 2015

DEBORAH L. MCQUISTON

CERTIFIED PUBLIC ACCOUNTANT

The Board of Directors
Literacy Council of Norristown
Norristown, Pa.

The Board of Directors

Management is responsible for the accompanying financial statements of the Literacy Council of Norristown, which comprise the statement of financial position as of June 30, 2016 & 2015 and the related statements of activities & changes in unrestricted assets, and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. I have performed a compilation engagement in accordance with Statements on Standards for Accounting & Review Services promulgated by the Accounting & Review Services Committee of the AICPA. I did not audit or review the financial statements nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, I do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all disclosures ordinarily included in financial statements prepared in accordance with generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the organization's assets, liabilities, equity, revenue & expenses. Accordingly, the financial statements are not designed for those who are not informed about such matters.

September 15, 2016

Literacy Council of Norristown
Statement of Financial Position
As of June 30, 2016 & 2015

ASSETS

	<u>2016</u>	<u>2015</u>
Cash	\$214,675	\$211,118
Office Equipment, net of depreciation	<u>1,924</u>	<u>2,605</u>
TOTAL ASSETS	\$216,599	\$213,723

LIABILITIES & UNRESTRICTED ASSETS

Current Liabilities

Payroll Taxes	4,020	2,806
Accrued Salaries	0	7,108
Deferred Grant	42,620	67,620
Miscellaneous Payables	<u>476</u>	<u>184</u>
Total Current Liabilities	47,116	77,718
 Unrestricted Net Assets	 <u>169,483</u>	 <u>136,005</u>
 TOTAL LIABILITIES and UNRESTRICTED ASSETS	 \$216,599	 \$213,723

Literacy Council of Norristown
Statement of Activities & Change in Net Assets
For the Years Ended June 30, 2016 & 2015

	<u>2016</u>	<u>2015</u>
Revenue & Support		
Federal & State Grants	\$59,374	\$42,304
Foundation Grants	61,500	59,950
Contributions & Fundraisers	22,608	19,463
Registration Fees & Misc.	<u>11,490</u>	<u>3,056</u>
Total Revenue & Support	\$154,972	\$124,773
Expenses		
Program Services	72,774	79,690
General & Administrative	<u>48,720</u>	<u>43,419</u>
Total Expenses	<u>121,494</u>	<u>123,109</u>
INCREASE IN NET ASSETS	\$33,478	\$1,664
Net Unrestricted Assets at Beginning of the Year	<u>136,005</u>	<u>134,341</u>
Net Unrestricted Assets at End of the Year	\$169,483	\$136,005

Literacy Council of Norristown
Statement of Cash Flows
For the Years Ended June 30, 2016 & 2015

	<u>2016</u>	<u>2015</u>
OPERATING ACTIVITIES		
Increase in Net Assets	\$33,478	\$1,664
Adjustments: Depreciation	681	955
Grant Deferrals	-25,000	67,620
Changes in Liabilities	<u>-5,602</u>	<u>6,511</u>
Proceeds from Operating Activities	\$3,557	\$76,750
Net Increase in Cash	\$3,557	\$76,750
Cash at Beginning of Year	<u>211,118</u>	<u>134,368</u>
Cash at End of Year	\$214,675	\$211,118

Literacy Council of Norristown
Statement of Functional Expenses
For the Years Ended June 30, 2016 & 2015

	<u>Prg Svc</u>	<u>G & A</u>	<u>2016</u>	<u>2015</u>
Compensation & Benefits				
Director Salary	\$19570	19570	39140	38570
Administrative Salaries	17337	13374	30711	31298
Teaching Salaries	18299	0	18299	24213
Security Salaries	0	0	0	1129
Benefits & Taxes	<u>6411</u>	<u>3930</u>	<u>10341</u>	<u>8485</u>
Total Compensation & Benefits	61617	36874	98491	103,695
Instructional Materials	5389	0	5389	6042
Rent	1300	1300	2600	2400
Telephone	933	933	1866	1610
Insurance	1180	1180	2360	2446
Accounting & Payroll Processing	0	3723	3723	1653
Special Event Cost	0	1863	1863	1076
Depreciation	0	681	681	955
Miscellaneous & Supplies	<u>2355</u>	<u>2166</u>	<u>4521</u>	<u>3232</u>
TOTAL FUNCTIONAL EXPENSES	\$72,774	\$48,720	\$121,494	\$123,109