

**JUNIOR LEAGUE OF  
DEKALB COUNTY, INC.**

**FINANCIAL REPORT  
(Reviewed)**

**MAY 31, 2015**

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## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors  
Junior League of DeKalb County, Inc.  
Decatur, Georgia

We have reviewed the accompanying statements of financial position of the **Junior League of DeKalb County, Inc.** (a nonprofit organization) as of May 31, 2015 and 2014, and the related statements of activities and cash flows for the years then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Organization management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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 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 reviews in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Atlanta, Georgia  
August 28, 2015

# JUNIOR LEAGUE OF DEKALB COUNTY, INC.

## STATEMENTS OF FINANCIAL POSITION

MAY 31, 2015 AND 2014

See Independent Accountant's Review Report

ASSETS	2015	2014
Current assets:		
Cash	\$ 279,812	\$ 247,943
Inventory	2,916	3,084
Prepaid expenses	625	-
Total current assets	283,353	251,027
Property and equipment, net	140,893	153,332
Total assets	\$ 424,246	\$ 404,359
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities		
Accounts payable and accrued expenses	\$ 10,677	\$ 3,585
Deferred dues revenue	29,724	27,560
Deferred rentals	11,450	2,250
Customer security deposits	14,200	10,250
Total current liabilities	66,051	43,645
Net assets		
Unrestricted net assets	253,172	257,110
Temporarily restricted net assets	105,023	103,604
Total net assets	358,195	360,714
<b>Total Liabilities and Net Assets</b>	<b>\$ 424,246</b>	<b>\$ 404,359</b>

See Notes to Financial Statements.

# JUNIOR LEAGUE OF DEKALB COUNTY, INC.

## STATEMENTS OF ACTIVITIES FOR THE YEARS ENDED MAY 31, 2015 AND 2014 See Independent Accountant's Review Report

	2015			2014		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
<b>Support and revenues:</b>						
Membership dues	\$ 40,231	\$ -	\$ 40,231	\$ 38,057	\$ -	\$ 38,057
Mary Gay House income	53,318	-	53,318	32,198	-	32,198
Resource and development	8,758	1,910	10,668	11,228	2,000	13,228
Fall fundraiser	14,937	-	14,937	13,195	-	13,195
Spring fundraiser	9,352	-	9,352	9,463	-	9,463
Other income	2,157	-	2,157	3,004	-	3,004
Interest income	650	-	650	800	-	800
<b>Net assets released from restrictions:</b>						
Satisfaction of donor restrictions	491	(491)	-	9,140	(9,140)	-
<b>Total support and revenues</b>	<b>129,894</b>	<b>1,419</b>	<b>131,313</b>	<b>117,085</b>	<b>(7,140)</b>	<b>109,945</b>
<b>Expenses:</b>						
<b>Program services:</b>						
Community support	7,508	-	7,508	5,570	-	5,570
Member development	31,057	-	31,057	32,164	-	32,164
Mary Gay House expense	44,836	-	44,836	47,583	-	47,583
<b>Total program services</b>	<b>83,401</b>	<b>-</b>	<b>83,401</b>	<b>85,317</b>	<b>-</b>	<b>85,317</b>
<b>Supporting services:</b>						
Management and general	37,888	-	37,888	31,668	-	31,668
<b>Fundraising expenses</b>	<b>656</b>	<b>-</b>	<b>656</b>	<b>2,636</b>	<b>-</b>	<b>2,636</b>
<b>Cost of direct benefits to donors:</b>						
Fall fundraiser	9,812	-	9,812	8,228	-	8,228
Spring fundraiser	2,075	-	2,075	2,418	-	2,418
<b>Total cost of direct benefits to donors</b>	<b>11,887</b>	<b>-</b>	<b>11,887</b>	<b>10,646</b>	<b>-</b>	<b>10,646</b>
<b>Total expenses</b>	<b>133,832</b>	<b>-</b>	<b>133,832</b>	<b>130,267</b>	<b>-</b>	<b>130,267</b>
<b>Change in net assets</b>	<b>(3,938)</b>	<b>1,419</b>	<b>(2,519)</b>	<b>(13,182)</b>	<b>(7,140)</b>	<b>(20,322)</b>
<b>Net assets at beginning of year</b>	<b>257,110</b>	<b>103,604</b>	<b>360,714</b>	<b>270,292</b>	<b>110,744</b>	<b>381,036</b>
<b>Net assets at end of year</b>	<b>\$ 253,172</b>	<b>\$ 105,023</b>	<b>\$ 358,195</b>	<b>\$ 257,110</b>	<b>\$ 103,604</b>	<b>\$ 360,714</b>

See Notes to Financial Statements.

# JUNIOR LEAGUE OF DEKALB COUNTY, INC.

## STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED MAY 31, 2015 AND 2014

See Independent Accountant's Review Report

	<u>2015</u>	<u>2014</u>
<b>OPERATING ACTIVITIES</b>		
Change in net assets	\$ (2,519)	\$ (20,322)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Amortization	-	341
Depreciation	12,439	12,439
(Increase) decrease in:		
Inventory	168	145
Prepaid expenses	(625)	129
Increase (decrease) in:		
Accounts payable and accrued expenses	7,092	(9,956)
Deferred dues revenue	2,164	1,494
Deferred rentals	9,200	1,450
Customer security deposits	3,950	7,153
Net cash provided by (used in) operating activities	<u>31,869</u>	<u>(7,127)</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of property and equipment	-	(3,841)
Net cash used in investing activities	<u>-</u>	<u>(3,841)</u>
Increase (decrease) in cash	31,869	(10,968)
Cash at beginning of year	<u>247,943</u>	<u>258,911</u>
Cash at end of year	<u>\$ 279,812</u>	<u>\$ 247,943</u>

See Notes to Financial Statements.

**JUNIOR LEAGUE OF DEKALB COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**(See Independent Accountant's Review Report)**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Background**

The Junior League of DeKalb County, Inc. (the "League") is an organization of women committed to promoting voluntarism, developing the potential of women, and improving communities through the effective action and leadership of trained volunteers. It supports health, education, and welfare programs in DeKalb County by supporting various community organizations and by developing projects which meet community needs.

**Financial Statement Presentation**

The League reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, or permanently restricted net assets based upon the existence or absence of donor-imposed restrictions.

**Method of Accounting**

The financial statements of the League have been prepared on the accrual basis of accounting which recognizes revenues when earned and expenses when incurred.

**Contributions**

Contributions, including unconditional promises to give, are recorded as received. All contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. All contributions are available for unrestricted use unless specifically restricted by the donor. When restrictions are satisfied, revenues are reclassified and reported as net assets released from restrictions. For the years ended May 31, 2015 and 2014, the League received \$1,910 and \$2,000 of temporarily restricted contributions, respectively, and no permanently restricted contributions.

**Property and Equipment**

The League capitalizes all property and equipment acquisitions in excess of \$1,000 with a life of one year or more. Property and equipment additions are recorded at cost or, if donated, at the approximate fair market value at the date of donation. Depreciation and amortization of property and equipment is computed on the straight-line method over the estimated useful lives of the assets which range from five to thirty-five years.

**Inventories**

Inventories are stated at the lower of cost or market, with cost determined on a first-in, first-out basis and market based on the lower of replacement cost or realizable value.

**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.

**NOTES TO FINANCIAL STATEMENTS**  
**(See Independent Accountant's Review Report)**

**NOTE 1. SUMMARY OF 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 activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**Donated Materials and Services**

The League records the value of donated goods or services when there is an objective basis available to measure their value. Donated materials and equipment are reflected as contributions in the accompanying statements at their estimated values at date of receipt. The League receives donated services from a variety of unpaid volunteers. No amounts have been reflected in the statement of activities because the criteria for recognition of such volunteer efforts have not been satisfied. Nevertheless, a substantial number of volunteers donate a significant amount of their time in the League's program services.

**Revenue Recognition**

Membership dues and fees are recorded as revenue in the year assessed. Membership dues collected in advance for the next membership year are recorded as deferred revenue.

**NOTE 2. PROPERTY AND EQUIPMENT**

Property and equipment consists of the following:

	<b>May 31,</b>	
	<b>2015</b>	<b>2014</b>
Mary Gay House	\$ 288,856	\$ 288,856
Equipment	4,916	4,916
Building improvements	37,063	37,063
Website	20,716	20,716
	351,551	351,551
Less: accumulated depreciation and amortization	(210,658)	(198,219)
Net property and equipment	<b>140,893</b>	<b>\$ 153,332</b>

Depreciation expense for each of the years ended May 31, 2015 and 2014 was \$12,439. Amortization expense for the years ended May 31, 2015 and 2014 was \$- and \$341, respectively.

**NOTES TO FINANCIAL STATEMENTS**  
**(See Independent Accountant's Review Report)**

**NOTE 3. INCOME TAXES**

The League is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. It is also exempt from Georgia income taxes and, therefore, no provision has been made for federal or Georgia income taxes. In addition, the Junior League of DeKalb County, Inc. has been determined by the Internal Revenue Service not to be a "private foundation" within the meaning of Section 509(a) of the Code.

Management has considered the tax positions in its tax returns and believes that all of the positions taken by the League in its federal and state exempt organization tax returns are more likely-than-not to be sustained upon examination.

**NOTE 4. VACATION AND SICK LEAVE PAYABLE**

Accumulated leave is not included in the financial statements since it is at the Board's discretion whether or not to pay unused leave upon employee termination. During the years ended May 31, 2015 and 2014, the League did not have any full-time employees who would have received vacation and/or sick leave.

**NOTE 5. COMMITMENTS**

The League leases office equipment under an operating lease expiring May 1, 2020. Base rental is \$129 per month.

Future minimum rental payments are as follows:

Year ending May 31,	
2016	\$ 1,548
2017	1,548
2018	1,548
2019	1,548
2020	1,548

Rental expense for the years ended May 31, 2015 and 2014, was \$1,792 and \$1,584, respectively.

**NOTE 6. NET ASSETS RELEASED FROM RESTRICTIONS**

Net assets were released from donor restrictions by incurring expenditures satisfying the restricted purposes specified by donors as follows:

	May 31,	
	2015	2014
Purpose restrictions accomplished:		
Expenditures for renovation and improvements to the Mary Gay House	\$ 491	\$ 9,140

**NOTES TO FINANCIAL STATEMENTS**  
**(See Independent Accountant's Review Report)**

**NOTE 7. TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets are available for the following purpose:

	<u>May 31,</u>	
	<u>2015</u>	<u>2014</u>
Renovations and improvements to the Mary Gay House	\$ 105,023	\$ 103,604

Temporarily restricted net assets consist of cash at May 31, 2015 and 2014.

**NOTE 8. SUBSEQUENT EVENTS**

Management has evaluated subsequent events through August 28, 2015, the date the financial statements were available to be issued.