

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

**FINANCIAL REPORT  
(Reviewed)**

**MAY 31, 2017**

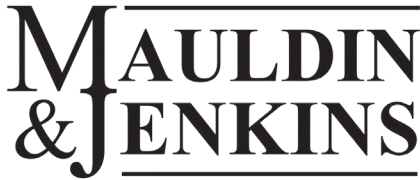
**JUNIOR LEAGUE OF DEKALB COUNTY, INC.**

**FINANCIAL REPORT  
(Reviewed)  
MAY 31, 2017**

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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 financial statements of **Junior League of DeKalb County, Inc.** (a nonprofit organization), which comprise the statements of financial position as of May 31, 2017 and 2016, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of 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'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.

### **Accountant's Responsibility**

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

### **Accountant's Conclusion**

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 accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in cursive script that reads "Mauldin &amp; Jenkins, LLC".

Atlanta, Georgia  
February 22, 2018

# JUNIOR LEAGUE OF DEKALB COUNTY, INC.

## STATEMENTS OF FINANCIAL POSITION

MAY 31, 2017 AND 2016

See Independent Accountant's Review Report

ASSETS	2017	2016
Current assets:		
Cash	\$ 276,053	\$ 281,834
Accounts receivable	1,400	1,475
Inventory	2,808	2,874
Total current assets	280,261	286,183
Property and equipment, net	122,210	132,197
Total assets	\$ 402,471	\$ 418,380
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities		
Accounts payable and accrued expenses	\$ 13,411	\$ 4,512
Deferred dues revenue	22,746	23,736
Deferred rentals	8,351	5,825
Customer security deposits	10,150	16,500
Total current liabilities	54,658	50,573
Net assets		
Unrestricted net assets	244,437	264,363
Temporarily restricted net assets	103,376	103,444
Total net assets	347,813	367,807
<b>Total Liabilities and Net Assets</b>	<b>\$ 402,471</b>	<b>\$ 418,380</b>

See Notes to Financial Statements.

# JUNIOR LEAGUE OF DEKALB COUNTY, INC.

## STATEMENTS OF ACTIVITIES FOR THE YEARS ENDED MAY 31, 2017 AND 2016 See Independent Accountant's Review Report

	2017			2016		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
<b>Support and revenues:</b>						
Membership dues	\$ 36,246	\$ -	\$ 36,246	\$ 41,594	\$ -	\$ 41,594
Mary Gay House income	63,530	-	63,530	76,633	-	76,633
Resource and development	7,647	1,840	9,487	10,890	2,165	13,055
Fall fundraiser	12,760	-	12,760	15,817	-	15,817
Spring fundraiser	6,695	-	6,695	8,353	-	8,353
Other income	2,738	-	2,738	5,307	-	5,307
Interest income	803	-	803	585	-	585
Net assets released from restrictions:						
Satisfaction of donor restrictions	1,908	(1,908)	-	3,744	(3,744)	-
<b>Total support and revenues</b>	<b>132,327</b>	<b>(68)</b>	<b>132,259</b>	<b>162,923</b>	<b>(1,579)</b>	<b>161,344</b>
<b>Expenses:</b>						
Program services:						
Community support	6,165	-	6,165	6,152	-	6,152
Member development	38,603	-	38,603	37,286	-	37,286
Mary Gay House expense	51,448	-	51,448	59,219	-	59,219
<b>Total program services</b>	<b>96,216</b>	<b>-</b>	<b>96,216</b>	<b>102,657</b>	<b>-</b>	<b>102,657</b>
Supporting services:						
Management and general	47,149	-	47,149	33,250	-	33,250
Fundraising expenses	442	-	442	3,123	-	3,123
Cost of direct benefits to donors:						
Fall fundraiser	7,025	-	7,025	9,371	-	9,371
Spring fundraiser	1,421	-	1,421	3,331	-	3,331
<b>Total cost of direct benefits to donors</b>	<b>8,446</b>	<b>-</b>	<b>8,446</b>	<b>12,702</b>	<b>-</b>	<b>12,702</b>
Total expenses	152,253	-	152,253	151,732	-	151,732
Change in net assets	(19,926)	(68)	(19,994)	11,191	(1,579)	9,612
Net assets at beginning of year	264,363	103,444	367,807	253,172	105,023	358,195
Net assets at end of year	<u>\$ 244,437</u>	<u>\$ 103,376</u>	<u>\$ 347,813</u>	<u>\$ 264,363</u>	<u>\$ 103,444</u>	<u>\$ 367,807</u>

See Notes to Financial Statements.

# JUNIOR LEAGUE OF DEKALB COUNTY, INC.

## STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED MAY 31, 2017 AND 2016 See Independent Accountant's Review Report

	<u>2017</u>	<u>2016</u>
<b>OPERATING ACTIVITIES</b>		
Change in net assets	\$ (19,994)	\$ 9,612
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation	13,180	12,439
(Increase) decrease in:		
Inventory	66	42
Accounts receivable	75	(1,475)
Prepaid expenses	-	625
Increase (decrease) in:		
Accounts payable and accrued expenses	8,899	(6,165)
Deferred dues revenue	(990)	(5,988)
Deferred rentals	2,526	(5,625)
Customer security deposits	(6,350)	2,300
Net cash (used in) provided by operating activities	<u>(2,588)</u>	<u>5,765</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of property and equipment	<u>(3,193)</u>	<u>(3,743)</u>
Net cash used in investing activities	<u>(3,193)</u>	<u>(3,743)</u>
(Decrease) increase in cash	(5,781)	2,022
Cash at beginning of year	<u>281,834</u>	<u>279,812</u>
Cash at end of year	<u>\$ 276,053</u>	<u>\$ 281,834</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, 2017 and 2016, the League received \$1,840 and \$2,165 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>	
	<u>2017</u>	<u>2016</u>
Mary Gay House	\$ 288,856	\$ 288,856
Equipment	4,916	4,916
Building improvements	44,000	40,807
Website	<u>20,716</u>	<u>20,716</u>
	<b>358,488</b>	355,295
Less: accumulated depreciation and amortization	<u>(236,278)</u>	<u>(223,098)</u>
Net property and equipment	<u>\$ 122,210</u>	<u>\$ 132,197</u>

Depreciation expense for the years ended May 31, 2017 and 2016 was \$13,180 and \$12,439, respectively. There was no amortization expense for the years ended May 31, 2017 and 2016.

**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, 2017 and 2016, 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,	
2018	\$ 1,548
2019	1,548
2020	<u>1,548</u>
	<u>\$ 4,644</u>

Rental expense for the years ended May 31, 2017 and 2016, was \$1,904 and \$1,934, 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:

	<b>May 31,</b>	
	<b>2017</b>	<b>2016</b>
Purpose restrictions accomplished:		
Expenditures for renovation and improvements to the Mary Gay House	<b>\$ 1,908</b>	<b>\$ 3,744</b>

**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>2017</u>	<u>2016</u>
Renovations and improvements to the Mary Gay House	\$ 103,376	\$ 103,444

Temporarily restricted net assets consist of cash at May 31, 2017 and 2016.

**NOTE 8. SUBSEQUENT EVENTS**

Management has evaluated subsequent events through February 22, 2018, the date the financial statements were available to be issued.