

WACCAMAW YOUTH CENTER, INC  
FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011

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WACCAMAW YOUTH CENTER, INC.  
STATEMENT OF FINANCIAL POSITION  
AT DECEMBER 31, 2011

	2011
<b>ASSETS</b>	
<b>CURRENT ASSETS</b>	
Cash	\$ 123,056
Investments	6,124
Prepaid Expenses	8,919
Petty Cash	161
<b>TOTAL CURRENT ASSETS</b>	<b>\$ 138,259</b>
<b>FIXED ASSETS</b>	
Property, Plant, and Equipment	\$ 1,201,284
Accumulated Depreciation	(452,601)
<b>TOTAL FIXED ASSETS</b>	<b>\$ 748,683</b>
<b>TOTAL ASSETS</b>	<b>\$ 886,942</b>
<b>LIABILITIES AND NET WORTH</b>	
<b>CURRENT LIABILITIES</b>	
Accrued Expenses	\$ 4,149
Not Payable - Current Portion of Long Term Debt	15,137
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$ 19,287</b>
<b>LONG TERM LIABILITIES</b>	
Note Payable - Conway National Bank	216,002
<b>TOTAL LIABILITIES</b>	<b>\$ 235,288</b>
<b>NET ASSETS</b>	
Unrestricted Net Assets	\$ 692,191
Temporarily Restricted Net Assets	-
Change in Net Assets	(40,537)
<b>TOTAL NET ASSETS</b>	<b>\$ 651,654</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 886,942</b>

WACCAMAW YOUTH CENTER, INC.  
 STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	Temporarily		
	Unrestricted	Restricted	Total
<b>SUPPORT AND REVENUES</b>			
<b>SUPPORT</b>			
Business Support	\$ 22,406		22,406
Church Support	21,371		21,371
Civic Organizations	4,755		4,755
Foundation Support	18,050		18,050
Individual Support	13,657		13,657
Government Support	338,842		338,842
Fundraisers	28,917		28,917
Miscellaneous	11,379		11,379
<b>TOTAL SUPPORT</b>	<b>\$ 459,377</b>	-	<b>459,377</b>
<b>REVENUES</b>			
Interest Income	\$ 555		555
Unrealized Gain on Investments	6,124		6,124
<b>TOTAL REVENUES</b>	<b>\$ 6,678</b>		<b>6,678</b>
<b>TOTAL SUPPORT AND REVENUES</b>	<b>\$ 466,055</b>	-	<b>466,055</b>
<b>EXPENSES</b>			
Program	\$ 376,866		376,866
Management and General	82,662		82,662
Fundraising	47,064		47,064
<b>TOTAL EXPENSES</b>	<b>\$ 506,592</b>	-	<b>506,592</b>
<b>CHANGE IN NET ASSETS</b>	<b>\$ (40,537)</b>	-	<b>(40,537)</b>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>\$ 692,191</b>		<b>692,191</b>
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 651,654</b>	-	<b>651,654</b>

WACCAMAW YOUTH CENTER, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED, DECEMBER 31, 2011

		2011
<b>PROGRAM SERVICES</b>		
Salaries	\$	201,307
Payroll Taxes		21,229
Employee Benefits		11,811
Utilities		18,677
Vehicle Expense		2,504
Travel, Trainingm Conference Expense		1,476
Printing, Dues, Subscriptions, Awards		2,580
Insurance		14,936
Depreciation		43,531
Cottage Expenses		5,007
Resident Expenses		53,808
<b>TOTAL PROGRAM EXPENSES</b>	<b>\$</b>	<b><u>376,866</u></b>
 <b>MANAGEMENT AND GENERAL</b>		
Salaries	\$	36,628
Payroll Taxes		3,863
Employee Benefits		2,850
Mortgage Interest		13,372
Utilities		9,347
Travel Expense		243
Contract Services		5,803
Printing, Dues, Subscriptions, Awards		4,092
Depreciation Expense		2,443
Insurance		4,021
<b>TOTAL MANAGEMENT AND GENERAL</b>	<b>\$</b>	<b><u>82,662</u></b>
 <b>FUNDRAISING</b>		
Salaries	\$	33,825
Payroll Taxes		3,567
Employee Benefits		2,281
Utilities		633
Travel Expense		155
Printing, Dues, Subscriptions, Awards		2,582
Insurance		4,021
<b>TOTAL FUNDRAISING EXPENSES</b>	<b>\$</b>	<b><u>47,064</u></b>
 <b>TOTAL EXPENSES</b>		 <b><u><u>506,592</u></u></b>

**NOTE A: NATURE OF ORGANIZATION**

Waccamaw Youth Center, Inc. was incorporated on March 21, 1991. in the state of South Carolina. The purpose of the Organization is to advance and diffuse knowledge while providing housing, care, services, treatment, education, counseling, training and guidance on general matters of the welfare of the youth under their care. For the year ended December 31, 2011, the Organization was supported primarily through grants and donor contributions.

**NOTE B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

The Organization employs the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred.

**Financial Statement Presentation**

The Organization has adopted Statement of Financial Accounting Standards (SFAS) No.117, "Financial Statements of Not-For-Profit Organizations." Under SFAS NO.117, the Organization 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 nets assets. As permitted by the statement, the Organization does not use fund accounting.

**Functional Allocation of Expenses**

The costs of providing the various programs and other activities have been summarized on a non-operational basis in the statement of activities. Accordingly, certain expenses have been allocated among the benefited supporting services of program expenses, fundraising expenses, and administrative expenses.

**Contributions**

The Organization has also adopted SFAS NO. 116, "Accounting for Contributions Received and Contributions Made." Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending upon the existence or nature of the donor restrictions.

All contributions are considered available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as increases in temporarily or permanently restricted net assets, depending upon the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as nets assets released from restrictions.

Contributions of donated non-cash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance non-financial assets or require specialized skills, are provided by donation, are recorded at their fair values in the period received.

Many individuals volunteer their time and perform a variety of tasks that assist the Organization, but these services do not meet the criteria for recognition as contributed services under the guidelines of SFAS No. 116. The Organization estimates that it receives more that 3,000 volunteer hours per year.

#### Investments

The organization has adopted SFAS No. 124, "Accounting for Certain Investments Held by Not-For-Profit Organizations." Under SFAS No.124, 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.

#### Income Taxes

The Organization is a nonprofit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes.

#### Property and Equipment

Buildings, furniture, equipment, vehicles, and land improvements are capitalized at cost. It is the Organization's policy to capitalize expenditures for these items in excess of \$500. Lesser amounts are expensed. Buildings are depreciated over estimated useful lives ranging from 10 to 39 years using the straight line method. Furniture, equipment, vehicles and land improvements are depreciated over estimated useful lives ranging from 5 to 10 years using the straight line method.

#### 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.

#### **NOTE C: INVESTMENTS**

Investments as of December 31, 2011, consist of equity securities which were acquired by gift in May 2000. The investments are unrestricted and are stated at fair value.

**NOTE D: FIXED ASSETS**

As of December 31, 2011, fixed assets consisted of the following:

Land	\$ 53,920
Buildings	690,064
Land Improvements	259,132
Signs	5,324
Office Equipment	11,050
Office Furniture and Fixtures	3,186
Vehicles	48,993
Cottage Furniture and Fixtures	126,984
Recreation	<u>2,633</u>
Less Accumulated Depreciation	<u>(452,601)</u>
Property and Equipment, Net of Depreciation	<u><u>\$ 748,684</u></u>

**NOTE E: CREDIT AGREEMENTS**

The note agreement entered into during 2009 into with Conway National Bank in the is still in effect. The note held an interest rate of 5.45% and had a term of 15 years. At the end of 2011, the loan balance was \$231,139.