

**UNITED WAY OF WESTERN
CONNECTICUT, INC.**

Financial Statements

(with Independent Auditor's Report thereon)

**YEAR ENDED JUNE 30, 2017
(with comparative totals for 2016)**

UNITED WAY OF WESTERN CONNECTICUT, INC.

CONTENTS

Independent auditor's report

FINANCIAL STATEMENTS

Statements of financial position.....	Exhibit A
Statements of activities.....	Exhibit B
Statements of cash flows.....	Exhibit C
Statements of functional expenses.....	Exhibit D

Notes to financial statements

Independent Auditor's Report

The Board of Directors
United Way of Western Connecticut, Inc.
Danbury, Connecticut

Report on the Financial Statements

We have audited the accompanying financial statements of United Way of Western Connecticut, Inc. (United Way) which comprise the statement of financial position as of June 30, 2017, and the related statements of activities, cash flows, and functional expenses 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 the 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 appropriate to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are relevant 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.

The Board of Directors
United Way of Western Connecticut, Inc.

Opinion

In our opinion, the financial statements referred to above present fairly, in all materials respects, the financial position of United Way of Western Connecticut, Inc. as of June 30, 2017 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.

Report on Summarized Comparative Information

We have previously audited United Way's financial statements as of and for the year ended June 30, 2016 and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 18, 2016. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2016 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Cirione Friedberg, LLP

October 18, 2017
Bridgeport, Connecticut

UNITED WAY OF WESTERN CONNECTICUT, INC.

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2017

(with comparative totals for 2016)

	<u>2017</u>	<u>2016</u>
<u>ASSETS</u>		
Cash and Cash Equivalents	\$ 151,629	\$ 134,726
Investments	2,709,087	2,434,682
Promises to Give, Net of Allowance for uncollectible promises of \$78,970 in 2017 and \$96,753 in 2016	774,317	671,902
Designations Receivable from Others, Net of Allowance for uncollectible designations of \$36,432 in 2017 and \$28,945 in 2016	99,928	115,277
Prepaid Expenses and Other Assets	97,582	81,152
Security Deposit	15,000	15,000
Improvements, Furniture and Equipment, Net	49,746	8,626
Assets Held for Sale, Net	580,202	605,473
Agency Assets	<u>96,842</u>	<u>121,776</u>
TOTAL ASSETS	<u>\$ 4,574,333</u>	<u>\$ 4,188,614</u>
<u>LIABILITIES AND NET ASSETS</u>		
<u>Liabilities</u>		
Accounts Payable and Accrued Expenses	\$ 115,071	\$ 111,543
Revenue Received in Advance	9,354	11,580
Community Impact Grants and Other Distributions Payable	35,551	238,433
Refundable Advances on Grants	76,279	50,007
Agency Liabilities	<u>96,842</u>	<u>121,776</u>
Total Liabilities	<u>333,097</u>	<u>533,339</u>
<u>Net Assets</u>		
<u>Unrestricted:</u>		
Net Investment in Building and Equipment	49,746	8,626
Net Investment in Assets Available for Sale	580,202	605,473
Board Designated - Children's Programs and Services	808,169	808,169
Board Designated - Other	2,247,808	1,987,652
Undesignated - Available for Operations	<u>50,000</u>	<u>50,000</u>
Total Unrestricted	3,735,925	3,459,920
Temporarily Restricted	<u>505,311</u>	<u>195,355</u>
Total Net Assets	<u>4,241,236</u>	<u>3,655,275</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 4,574,333</u>	<u>\$ 4,188,614</u>

See notes to financial statements.

UNITED WAY OF WESTERN CONNECTICUT, INC.

STATEMENTS OF ACTIVITIES

YEAR ENDED JUNE 30, 2017

(with comparative totals for 2016)

	2017		2016	
	Unrestricted	Temporarily Restricted	Total	Total
Revenues, Gains and Other Support				
<u>Campaign Revenue</u>				
Total Amounts Raised in Campaigns	\$ 3,686,606	\$ 579	\$ 3,687,185	\$ 3,552,285
Less: Amounts Raised on Behalf of Others - Designations, Net	(1,609,707)	-	(1,609,707)	(1,312,827)
Provision for Uncollectible Accounts	(78,970)	-	(78,970)	(98,172)
	<u>1,997,929</u>	<u>579</u>	<u>1,998,508</u>	<u>2,141,286</u>
Add: Collections of Prior Year Campaigns in Excess of Amounts Anticipated	87,393	-	87,393	71,452
Campaign Revenue, Net	<u>2,085,322</u>	<u>579</u>	<u>2,085,901</u>	<u>2,212,738</u>
Designations from Other United Ways, Net	244,257	-	244,257	236,637
Contributions and Sponsorships	141,486	377,285	518,771	602,317
Fund-raising Events	120,464	-	120,464	226,108
Grants	1,229,745	-	1,229,745	1,233,500
Interest and Investment Income, Net	299,501	-	299,501	42,211
Rental Income	4,200	-	4,200	6,988
Fees and Other Income	34,480	-	34,480	59,607
In-kind and Non-Cash Contributions	151,157	-	151,157	138,955
Total	<u>4,310,612</u>	<u>377,864</u>	<u>4,688,476</u>	<u>4,759,061</u>
Net Assets Released from Restrictions	49,449	(49,449)	-	-
Satisfaction of Purpose Restrictions	18,459	(18,459)	-	-
Expiration of Time Restrictions	67,908	(67,908)	-	-
Total Net Assets Released from Restrictions	<u>135,816</u>	<u>(135,816)</u>	<u>-</u>	<u>-</u>
Total Revenues, Gains and Other Support	<u>4,378,520</u>	<u>309,956</u>	<u>4,688,476</u>	<u>4,759,061</u>
Expenses				
<u>Functional Expenses</u>				
<u>Community Services</u>				
Community Impact Grants, Other	3,080,847	-	3,080,847	3,463,655
Distributions and Program Expenses	440,012	-	440,012	618,886
Supporting Services	531,222	-	531,222	568,567
Resource Development and Marketing	971,234	-	971,234	1,187,453
Management and General	4,052,081	-	4,052,081	4,651,108
Total Supporting Services	<u>29,334</u>	<u>-</u>	<u>29,334</u>	<u>51,986</u>
Total Functional Expenses	<u>21,100</u>	<u>-</u>	<u>21,100</u>	<u>-</u>
Cost of Direct Benefits to Donors	<u>4,102,515</u>	<u>-</u>	<u>4,102,515</u>	<u>4,703,094</u>
Impairment Loss on Assets Available for Sale	276,005	309,956	585,961	55,967
Total Expenses	<u>3,459,920</u>	<u>195,355</u>	<u>3,655,275</u>	<u>3,599,308</u>
Change in Net Assets	<u>818,600</u>	<u>114,601</u>	<u>933,201</u>	<u>1,159,753</u>
Net Assets At Beginning of Year	<u>3,735,925</u>	<u>505,311</u>	<u>4,241,236</u>	<u>3,655,275</u>
Net Assets At End of Year	<u>\$ 4,554,525</u>	<u>\$ 619,912</u>	<u>\$ 5,174,437</u>	<u>\$ 4,815,028</u>

See notes to financial statements.

UNITED WAY OF WESTERN CONNECTICUT, INC.

STATEMENTS OF CASH FLOWS

YEAR ENDED JUNE 30, 2017

(with comparative totals for 2016)

Increase (Decrease) in Cash and Cash Equivalents

	<u>2017</u>	<u>2016</u>
<u>Cash Flows from Operating Activities</u>		
Change in Net Assets	\$ 585,961	\$ 55,967
Adjustments to Reconcile Change in Net Assets to Net		
<u>Cash Provided (Used) by Operating Activities:</u>		
Depreciation - Operations and Rental	14,775	26,083
Provision for Uncollectible Promises to Give	78,970	98,172
Provision for Uncollectible Designations	36,432	27,373
Realized Losses on Sale of Investments	5,888	9,863
Unrealized (Appreciation) Depreciation on Investments	(242,454)	8,685
Impairment Loss on Assets Available for Sale	21,100	-
<u>Changes in:</u>		
Promises to Give	(181,385)	(108,835)
Designations Receivable from Others	(21,083)	(35,732)
Prepaid Expenses and Other Assets	(16,430)	136,225
Agency Assets	24,934	(26,266)
Accounts Payable and Accrued Expenses	3,528	(42,984)
Revenue Received in Advance	(2,226)	(28,373)
Community Impact Grants and Other		
Distributions Payable	(202,882)	(707,794)
Refundable Advances on Grants	26,272	(62,955)
Agency Liabilities	(24,934)	26,266
Total Adjustments	(479,495)	(680,272)
Net Cash Provided (Used) by Operating Activities	<u>106,466</u>	<u>(624,305)</u>
<u>Cash Flows from Investing Activities</u>		
Purchase of Furniture and Equipment	(51,724)	(7,206)
Purchase of Investments	(299,191)	(154,742)
Proceeds from Sale of Investments	261,352	314,595
Net Cash (Used) Provided by Investing Activities	<u>(89,563)</u>	<u>152,647</u>
Net Increase (Decrease) in Cash and Cash Equivalents	16,903	(471,658)
Cash and Cash Equivalents - Beginning of Year	134,726	606,384
Cash and Cash Equivalents - End of Year	<u>\$ 151,629</u>	<u>\$ 134,726</u>

See notes to financial statements.

UNITED WAY OF WESTERN CONNECTICUT, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

(with comparative totals for 2016)

NOTE 1 - NATURE OF OPERATIONS

The mission of United Way of Western Connecticut, Inc. (United Way) is to improve the lives of hard-working, struggling households by mobilizing the resources of local communities to create lasting change. United Way fights for the health, education and financial stability of every person in every community. United Way is a local, volunteer-led organization working together with community leaders, nonprofit organizations, community volunteers and businesses to focus on the most pressing needs in the communities of Northern Fairfield County, Southern Litchfield County and Stamford.

Since 2014, UWWC has been focused on the sustainability of households living paycheck-to-paycheck called **ALICE®** (Asset Limited, Income Constrained, Employed). Research conducted in partnership with Rutgers University in 2014 and updated in 2016 indicates that more than one in three households in Connecticut live at or below a basic cost of living threshold. ALICE represents the growing number of individuals and families who are working, but unable to afford the basic necessities of housing, food, child care, health care, and transportation. United Way intends to impact the lives of the ALICE population, increase their financial stability and ultimately reduce the number of ALICE households in Western CT by listening to ALICE through community conversations, focusing on targeted outcomes that will improve their lives, and measuring success for continual improvement and to achieve significant systemic change.

United Way has one governing board comprised of members from each of its three main regions (Northern Fairfield County, Southern Litchfield County and Stamford) to provide needed expertise and perspective. Three Community Councils focus on local priorities, concentrating on identifying community needs, building long-term funding sources and allocating resources to local service programs.

United Way raises funds and utilizes volunteers and in-kind resources to address local needs that impact households that live paycheck-to-paycheck (ALICE) or in poverty. Resource development activities include annual workplace campaigns, direct mail solicitations, major gifts, planned gifts, special events and securing grant funding. United Way distributes community impact and other grants through a competitive process open to nonprofit agencies that meet the long-term objectives of United Way under the areas of education, financial stability and health/basic needs. Volunteers review grants, evaluate agency capacity and financial health, and make all allocation decisions. Substantial funds are directed to prepare children for successful entry into kindergarten, help families achieve financial stability, and give individuals access to fresh, healthy foods. United Way engages additional funding sources and collaborative partners to accomplish this work and strives to fund organizations working together towards common population outcomes.

United Way also incorporates its volunteer center activities as an important resource. Volunteer recruitment, referral and placement with agencies, skilled volunteerism, corporate team volunteerism, youth volunteerism, and nonprofit board service training are among the services provided by United Way.

UNITED WAY OF WESTERN CONNECTICUT, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

(with comparative totals for 2016)

NOTE 1 - NATURE OF OPERATIONS (continued)

United Way is a not-for-profit organization incorporated under the Nonstock Corporation Act of the State of Connecticut, and is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. United Way is also exempt from state income tax.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Net Asset Classes

The net asset classes of United Way consist of the following:

Unrestricted Net Assets

Unrestricted net assets consist of net assets over which the governing board has control to use in carrying out the operations of United Way in accordance with its charter and by-laws and are neither Permanently restricted nor Temporarily restricted by donor-imposed restrictions.

The Board of Directors has Designated certain Unrestricted net assets.

The Net investment in Land, Building and Equipment consists of the net book value of Land, Building and Equipment acquired with Unrestricted net assets.

The Net investment in assets available for sale consisted of the net book value of the Land and Building of the United Way's former office offered for sale.

Temporarily Restricted Net Assets

Temporarily restricted net assets consist of net assets whose use is limited by donor-imposed restrictions which either expire with the passage of time (Time restriction) or can be fulfilled and removed by actions of United Way pursuant to the restrictions (Purpose restriction). If a restriction is fulfilled, however, in the same time period in which the Contribution is received, United Way reflects the support as Unrestricted contributions.

When donor-imposed restrictions expire, 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 accompanying Statements of activities as Net assets released from restrictions.

For the years ended June 30, 2017 and 2016, Temporarily restricted Revenues consisted primarily of Contributions for various Programs and Community Investments, and support restricted for future Campaigns.

UNITED WAY OF WESTERN CONNECTICUT, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

(with comparative totals for 2016)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Permanently Restricted Net Assets

Permanently restricted net assets consist of net assets whose use is limited by donor-imposed restrictions that neither expire with the passage of time nor can be fulfilled or otherwise removed by actions of United Way. United Way had no Permanently restricted net assets at either June 30, 2017 or 2016.

Revenue Received in Advance

Revenue received in advance as of June 30 consist of advance Program fees and Sponsorships received relating to Programs and events to take place during the following year.

Contributions and Campaign Revenue

Contributions received or Promises to give (campaign pledges) without donor-imposed restrictions are reflected as Unrestricted support. Contributions received or Promises to give with donor-imposed restrictions are reflected as either Temporarily or Permanently restricted support in the accompanying financial statements. Contributions or Promises to give with donor-imposed conditions are not recognized as Contributions or Promises to give in the accompanying financial statements until the period when the conditions are met.

Promises to give that are expected to be received within one year of the financial statement date are reflected at their net realizable value (the gross amount of the Promises to give, Net of an Allowance for uncollectible amounts). Promises to give that are expected to be collected more than one year after the financial statement date are reflected at the present value of their estimated future cash flows using a discount rate at the date the Promise to give is received commensurate with the risks involved.

Contributions raised on behalf of others designated by the donors to be paid to specific agencies or other United Ways (Designations) are considered Agency transactions. Such Designated Contributions are reflected, net of a Provision for uncollectible amounts in the accompanying Statements of activities as part of Total amounts raised in campaigns, but are not considered to be part of the Campaign revenue of United Way and are therefore deducted to reflect United Way's Campaign revenue. In addition, United Way increases or reduces Campaign revenue for any excess or shortfall in collections of amounts raised in prior year campaigns.

United Way has also included in Total revenues amounts raised by other United Ways that were Designated by donors to be paid to United Way.

UNITED WAY OF WESTERN CONNECTICUT, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

(with comparative totals for 2016)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Net Community Investments and Other Distributions

Community Investments and other distributions are made to programs approved by United Way's Board of Directors from funds raised in the annual campaign. United Way recognizes an expense and a liability when amounts are communicated to the partner organizations operating the programs in an award letter. United Way has presented in the accompanying Statements of activities gross Community Investments and other distributions with a reduction for Community Investments and other distributions funded through designations.

During the year ended June 30, 2016, United Way changed the process in which they made commitments for awarding Community Investments. In prior years United Way would record an expense and a related liability determined by commitments to the Partner agencies at each year end. These amounts would then be paid out in the following year. United Way will now award Grants based on a rolling process in which commitments will be made at various times during a year.

Allowance for Uncollectible Promises to Give

An Allowance for uncollectible Promises to give has been established which is evaluated periodically for adequacy based upon management's evaluation of past loss experience, known and inherent risks in its accounts plus other factors which could affect collectibility.

Investments

Investments are stated at fair value. Interest and Investment income, Net, including realized gains and losses and Unrealized appreciation or depreciation on Investments, are reflected in the accompanying Statements of activities.

Land, Building and Equipment

All acquisitions or donations of Land, Building and Equipment are reflected at cost or their fair value at the date of the gift. Depreciation is provided for over the estimated useful lives of the assets on a straight-line basis. The estimated useful lives range from three to thirty-nine years. It is United Way's policy to remove fully depreciated assets no longer in service from its financial records.

Income Taxes

Management of United Way has evaluated all significant tax positions as required by generally accepted accounting principles in the United States of America.

Management of United Way is of the opinion that the entity has not taken any material tax positions that would require the recording of any liability by United Way, nor is Management of United Way of the opinion that there were any unrealized tax benefits that would either increase or decrease materially within the next year. If required, it is United Way's policy to recognize any estimated interest and penalties.

UNITED WAY OF WESTERN CONNECTICUT, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

(with comparative totals for 2016)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contributed Goods and Services and Non-Cash Contributions

Goods or services have been provided by various organizations, and a number of unpaid volunteers have contributed their time and resources in United Way's planning, budgeting and Community fund grants and other distribution activities and in the fund-raising campaigns.

Contributions are recognized if the goods or services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributed goods or services that do not meet the above criteria are not recognized. None of the volunteer services provided to United Way during either of the years ended June 30, 2017 and 2016 were required to be recognized in the accompanying financial statements.

For the years ended June 30, In-kind Contributions and In-kind Expenses reflected in the accompanying financial statements consisted of the following:

	<u>2017</u>	<u>2016</u>
<u>In-kind and Non-Cash Contributions</u>		
Back to School Program	\$ 76,193	\$ 71,597
Children's Accessories (a)	2,354	6,821
Legal Services	3,500	-
Office Supplies	-	872
Media Advertising	59,347	24,100
Volunteer Center Programs	-	21,363
Cradle to Career	-	6,000
Fund-raising Events – Auction Items	<u>9,763</u>	<u>8,202</u>
Total	<u>\$151,157</u>	<u>\$138,955</u>
<u>In-kind and Non-Cash Expenses</u>		
Back to School Program	\$ 76,193	\$ 71,597
Children's Accessories (a)	2,354	6,821
Legal Services	3,500	-
Office Supplies	-	872
Media Advertising	59,347	24,100
Volunteer Center Programs	-	21,363
Cradle to Career	-	6,000
Fund-raising Events – Auction Items	<u>9,763</u>	<u>8,202</u>
Total	<u>\$151,157</u>	<u>\$138,955</u>

(a) These contributions consist primarily of children's books, games, diapers, school supplies, toys and various personal care items that were distributed to other not-for-profit agencies and are not included as an In-kind expense but are included in Programs and Community Investments expense in the amount of \$2,354 and \$6,821 for the years ended June 30, 2017 and 2016, respectively, in the accompanying financial statements.

UNITED WAY OF WESTERN CONNECTICUT, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

(with comparative totals for 2016)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Compensated Absences

Employees of United Way are entitled to paid vacation and paid sick days depending on job classifications, length of service and other factors. United Way's policy is to accrue Compensated absences.

Advertising

Advertising costs are expensed as incurred.

Cash Equivalents and Statements of Cash Flows

United Way considers all highly liquid debt instruments purchased with an original maturity of three months or less, at the time of purchase, to be Cash equivalents.

Functional Expenses

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

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

Management has evaluated subsequent events through October 18, 2017, the date the financial statements were available to be issued. Through that date, there were no material events that would require recognition or additional disclosure in the financial statements.

Reclassifications

Certain amounts for 2016 have been reclassified, where appropriate, to conform to the 2017 presentation.

UNITED WAY OF WESTERN CONNECTICUT, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

(with comparative totals for 2016)

NOTE 3 - CONCENTRATION OF CASH CREDIT RISK

United Way maintains a Cash account at a Connecticut Bank and Money Market and Investment accounts at two local Brokerage firms. The Cash Account is insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). The Money Market and Investment accounts are insured by the Securities Investor Protection Corporation (SIPC) up to \$500,000. At times during the year the Cash balances may have exceeded the insured limits.

NOTE 4 - INVESTMENTS

Generally accepted accounting principles in the United States of America (GAAP) have established a definition and framework for measuring fair value, and disclosure about fair value measurements. Fair value is the exchange price that would be received for an asset or liability in an orderly transaction between market participants at the measurement date. A fair value hierarchy that prioritizes the inputs used to measure fair value, requiring entities to maximize the use of markets or observable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs generally require significant management judgment. The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted in active markets for identical assets or liabilities.
- Level 2 inputs other than quoted prices included within Level 1 that are observable for the asset, such as quoted prices for similar assets or liabilities.
- Level 3 inputs are unobservable inputs for the assets or liability.

United Way's Investments are in certificates of deposit and publicly traded securities. Fair value for these Investments is based on quoted market prices and published net asset values. Investments at June 30, all of which are valued using Level 1 inputs, consisted of the following:

<u>2017</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Unrealized Appreciation (Depreciation)</u>
<u>At a Brokerage Affiliate of Union Savings Bank</u>			
Money Market Funds	\$ 63,852	\$ 63,852	\$ -
Fixed Income Securities	389,726	385,320	4,406
Equity Mutual Funds	326,478	327,570	(1,092)
Exchange Traded Funds	<u>1,244,930</u>	<u>1,093,020</u>	<u>151,910</u>
Total	<u>2,024,986</u>	<u>1,869,762</u>	<u>155,224</u>
<u>At Commonwealth Financial Network</u>			
Money Market Funds	51,850	51,850	-
Equity Mutual Funds	533,692	477,547	56,145
Exchange Traded Funds	<u>98,559</u>	<u>99,495</u>	<u>(936)</u>
Total	<u>684,101</u>	<u>628,892</u>	<u>55,209</u>
Total Investments	<u>\$2,709,087</u>	<u>\$2,498,654</u>	<u>\$210,433</u>

UNITED WAY OF WESTERN CONNECTICUT, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

(with comparative totals for 2016)

NOTE 4 - INVESTMENTS (continued)

<u>2016</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Unrealized Appreciation (Depreciation)</u>
<u>At a Brokerage Affiliate of Union Savings Bank</u>			
Money Market Funds	\$ 74,212	\$ 74,212	\$ -
Fixed Income Securities	420,892	412,787	8,105
Equity Mutual Funds	241,365	243,571	(2,206)
Exchange Traded Funds	<u>1,077,108</u>	<u>1,116,965</u>	<u>(39,857)</u>
Total	<u>1,813,577</u>	<u>1,847,535</u>	<u>(33,958)</u>
<u>At Commonwealth Financial Network</u>			
Money Market Funds	51,963	51,963	-
Equity Mutual Funds	315,482	314,080	1,402
Exchange Traded Funds	<u>253,660</u>	<u>253,125</u>	<u>535</u>
Total	<u>621,105</u>	<u>619,168</u>	<u>1,937</u>
Total Investments	<u>\$2,434,682</u>	<u>\$2,466,703</u>	<u>(\$32,021)</u>

For the years ended June 30, Interest and Investment Income, net, included the following:

	<u>2017</u>	<u>2016</u>
Interest Income	\$ 223	\$ -
Dividend Income, including Capital Gain Distributions	62,712	60,759
Net Realized Loss on Sale of Investments	(5,888)	(9,863)
Unrealized Appreciation (Depreciation) on Investments	<u>242,454</u>	<u>(8,685)</u>
Net	<u>\$299,501</u>	<u>\$42,211</u>

Net Realized Loss on Sale of Investments for the years ended June 30 was as follows:

	<u>2017</u>	<u>2016</u>
Proceeds	\$ 261,352	\$314,595
Cost	<u>(267,240)</u>	<u>(324,458)</u>
Net	<u>\$(5,888)</u>	<u>\$(9,863)</u>

UNITED WAY OF WESTERN CONNECTICUT, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

(with comparative totals for 2016)

NOTE 5 - PROMISES TO GIVE, CAMPAIGN REVENUE AND
CONCENTRATION OF RECEIVABLE CREDIT RISK

Concentrations of credit risk arise due to United Way's solicitation of Promises for charitable contributions from companies and individuals located within the western, Connecticut area. United Way does not obtain collateral for its Promises, but monitors the status of its past due receivables and provides an Allowance for uncollectible Promises. United Way had five and four major corporate donors, including their employees, during each of the years ended June 30, 2017 and 2016, that accounted for approximately 54% and 43% of Total amounts raised in campaigns, and approximately 39% and 18% of Amounts raised on behalf of others, respectively. Amounts due from these donors were approximately 45% and 51% of gross Promises to give and approximately 89% and 93% of Agency assets at June 30, 2017 and 2016, respectively.

Total amounts raised in Campaigns for the year ended June 30, 2017, and Promises to give, Net at June 30, 2017, primarily from the 2016-2017 Campaign, were comprised of the following:

<u>Annual Campaign Support</u>	
Local Campaign Promises	\$3,687,185
Less: Allowance for Uncollectible Accounts	<u>(78,970)</u>
Net Annual Campaign Support	3,608,215
<u>Amounts Collected</u>	
Local Campaign Promises	<u>(2,747,355)</u>
Promises to Give, Before Designation to Other Agencies	860,860
Less: Designation to Other Agencies Reflected as Amounts Raised on Behalf of Others	<u>(86,543)</u>
Promises to Give, Net	<u>\$ 774,317</u>

UNITED WAY OF WESTERN CONNECTICUT, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

(with comparative totals for 2016)

NOTE 5 - PROMISES TO GIVE, CAMPAIGN REVENUE AND
CONCENTRATION OF RECEIVABLE CREDIT RISK (continued)

Total amounts raised in Campaigns for the year ended June 30, 2016, and Promises to give, Net at June 30, 2016, primarily from the 2015-2016 Campaign, were comprised of the following:

Annual Campaign Support

Local Campaign Promises \$ 3,552,285

Less: Allowance for Uncollectible Accounts (96,753)

Net Annual Campaign Support 3,455,532

Amounts Collected

Local Campaign Promises (2,670,916)

Promises to Give, Before

Designation to Other Agencies 784,616

Less: Designation to Other Agencies

Reflected as Amounts Raised on

Behalf of Others (112,714)

Promises to Give, Net \$ 671,902

UNITED WAY OF WESTERN CONNECTICUT, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

(with comparative totals for 2016)

NOTE 5 - PROMISES TO GIVE, CAMPAIGN REVENUE AND
CONCENTRATION OF RECEIVABLE CREDIT RISK (continued)

Promises to give, Net at June 30, 2017, consisted of the following:

Local Campaign Promises	\$ 939,830
Less: Allowance for Uncollectible Accounts	<u>(78,970)</u>
Promises to Give, Before Designation to Other Agencies	860,860
Less: Designation to Other Agencies Reflected as Amounts Raised on Behalf of Others	<u>(86,543)</u>
Promises to Give, Net	<u>\$ 774,317</u>

Promises to give, Net at June 30, 2016 consisted of the following:

Local Campaign Promises	\$ 881,369
Less: Allowance for Uncollectible Accounts	<u>(96,753)</u>
Promises to Give, Before Designation to Other Agencies	784,616
Less: Designation to Other Agencies Reflected as Amounts Raised on Behalf of Others	<u>(112,714)</u>
Promises to Give, Net	<u>\$ 671,902</u>

NOTE 6 - DESIGNATIONS FROM OTHER UNITED WAYS, NET

Net amounts Designated from Other United Ways for the years ended June 30 consisted of the following:

	<u>2017</u>	<u>2016</u>
Gross Revenue	\$290,622	\$281,222
Less: Designation Expense	(9,933)	(15,640)
Less: Provision for Uncollectible Designations	<u>(36,432)</u>	<u>(28,945)</u>
Designations from Other United Ways, Net	<u>\$244,257</u>	<u>\$236,637</u>

UNITED WAY OF WESTERN CONNECTICUT, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

(with comparative totals for 2016)

NOTE 7 - IMPROVEMENTS, FURNITURE AND EQUIPMENT, NET

Improvements, Furniture and Equipment, Net at June 30, consisted of the following:

	<u>2017</u>	<u>2016</u>
Leasehold Improvement	\$ 2,468	\$ 2,468
Office Furniture, Software and Equipment	<u>212,050</u>	<u>160,326</u>
Total	214,518	162,794
Less: Accumulated Depreciation	<u>(164,772)</u>	<u>(154,168)</u>
Land, Building and Equipment, Net	<u>\$ 49,746</u>	<u>\$ 8,626</u>

Expenses related to Rental income include Depreciation expense of approximately \$0 and \$1,400 for the years ended June 30, 2017 and 2016, respectively.

NOTE 8 - ASSETS AVAILABLE FOR SALE, NET

During the year ended June 30, 2016 United Way decided to sell their Land and Building located in Danbury, Connecticut, and lease office space in town. The assets were listed for sale with a broker, and accordingly, the assets were classified as Available for Sale, net on the accompanying financial statements.

Assets Available for Sale, Net at June 30, consisted of the following:

	<u>2017</u>	<u>2016</u>
Land	\$ 145,900	\$145,900
Buildings and Improvements	<u>759,615</u>	<u>780,715</u>
Total	905,515	926,615
Less: Accumulated Depreciation	<u>(325,313)</u>	<u>(321,142)</u>
Land, Improvements and Building, Net	<u>\$580,202</u>	<u>\$605,473</u>

In July 2017, United Way sold the Land, Building and Improvements for \$632,500, resulting on a Loss on the disposition of approximately \$21,100. Accordingly, United Way has written the Assets Available for Sale down to their Net realizable value and recognized an Impairment loss on the sale, in the accompanying financial statements (Note 16)

NOTE 9 - AGENCY ASSETS AND LIABILITIES

Designations

United Way acts as an agent with respect to certain portions of its fund-raising campaigns for which contributions are designated by the donors to be paid to specific agencies or other United Ways. Agency Assets consist primarily of Promises to give and Cash not yet remitted. Agency Liabilities consist primarily of Designations payable to agencies and other United Ways.

UNITED WAY OF WESTERN CONNECTICUT, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

(with comparative totals for 2016)

NOTE 9 - AGENCY ASSETS AND LIABILITIES (continued)

Fiscal Processing Arrangements

United Way acts as a fiscal processing agency for several community organizations which carry out Community Impact programs serving the Southern Litchfield County area. Promises to Give and Cash collected and held on behalf of these organizations, to be disbursed at the direction of these organizations, are considered Agency assets and liabilities.

Agency assets and liabilities at June 30 consisted of the following:

	<u>2017</u>	<u>2016</u>
<u>Agency Assets:</u>		
Promises to Give, Net	\$86,084	\$112,714
Cash	<u>10,758</u>	<u>9,062</u>
Total	<u>\$96,842</u>	<u>\$121,776</u>
<u>Agency Liabilities:</u>		
Designations	\$86,544	\$112,714
Sandy Hook School Immediate Needs Fund	-	460
<u>Fiscal Processing Arrangements:</u>		
New Milford Culinary School	234	234
Car Seat Safety Program	4,634	4,119
Walking Project	5,055	3,874
Healthy 2020	<u>375</u>	<u>375</u>
Total	<u>\$96,842</u>	<u>\$121,776</u>

NOTE 10 - GRANTS

United Way is the recipient of several grants. Grant revenue is recognized as expenditures against the grants that are incurred. Grants receivable represent expenditures on Grants incurred in excess of payments received from Grantors. Refundable advances on grants consist of payments received from Grantors where the payments received were in excess of expenditures incurred. Management of United Way does not anticipate that there would be any material changes as a result of Grant audits.

UNITED WAY OF WESTERN CONNECTICUT, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

(with comparative totals for 2016)

NOTE 10 - GRANTS (continued)

Refundable Advances on grants at June 30 and Grant Revenue for the year ended June 30 consist of the following:

<u>2017</u>	<u>Refundable Advances</u>	<u>Grant Revenue</u>
Discovery Program for Children	\$ 3,818	\$ 111,045
State of CT - Education Match	-	32,456
Emergency Food and Shelter	-	169,812
Strong Start Neighborhood Initiative	47,476	103,431
Danbury Grant for Social Services	22,500	384,750
Strive-Cradle to Career Initiative	-	38,750
Let's Go Grant	-	17,634
Grossman Infrastructure Grant	-	50,000
Grossman Parents as Teachers Grant	-	309,352
Working Cities Challenge Grant	<u>2,485</u>	<u>12,515</u>
Total	<u>\$76,279</u>	<u>\$1,229,745</u>
<u>2016</u>	<u>Refundable Advances</u>	<u>Grant Revenue</u>
Discovery Program for Children	\$ -	\$ 486,945
State of CT - Education Match	-	40,188
Emergency Food and Shelter	-	164,412
Strong Start Neighborhood Initiative	35,007	77,955
Danbury Grant for Social Services	15,000	416,500
Strive-Cradle to Career Initiative	<u>-</u>	<u>47,500</u>
Total	<u>\$50,007</u>	<u>\$1,233,500</u>

UNITED WAY OF WESTERN CONNECTICUT, INC.

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017
(with comparative totals for 2016)

NOTE 11 - NET ASSETS

Unrestricted - Board Designated

As of June 30, the Board of Directors has Designated the following amounts for the purposes indicated:

Children's Programs and Services

These amounts consisted of the unexpended portion of an initial \$3,400,000 from the sales proceeds of closely held stock during the year ended June 30, 2008 plus an additional \$407,000 from a gift from an anonymous donor during the year ended June 30, 2011, to be used for Children's Programs and Services benefiting children in Northern Fairfield County. The Board intends that these funds be expended in a scheduled fashion over the next several years. The remaining Designated balance was \$808,169 for each of the years ended June 30, 2017 and 2016.

<u>Board Designated - Other</u>	<u>2017</u>	<u>2016</u>
Stabilization Reserve Fund (a)	\$ 403,982	\$ 418,354
Stamford Society (b)	37,655	62,655
Future Community Impact Awards (c)	95,993	95,993
Stamford Rent and Operations (d)	460,000	520,000
Furthering Volunteerism (e)	175,000	180,000
Community Fund Food Allocations (f)	-	20,000
Discovery Program Match (g)	-	12,500
Community Impact Operations (h)	1,047,047	678,150
Strong Start Park Avenue (i)	18,180	-
Imagination Library (j)	<u>9,951</u>	<u>-</u>
Total	<u>\$2,247,808</u>	<u>\$1,987,652</u>

- (a) Designated to insure against unforeseen campaign, economic and organizational circumstances.
- (b) The Board of Directors has approved the Designation of certain Unrestricted net assets including planned gifts and assets received from sources other than the annual campaign, for a Fund known as the Stamford Society. The purpose of the Fund is to support special projects or special needs of the community of Stamford, which in the Board's opinion were not being adequately addressed by the annual Campaign and the annual Allocations process of which \$37,655 and \$62,655 remained designated at June 30, 2017 and 2016, respectively.
- (c) The Board of Directors had Designated \$70,993 from amounts raised in the 2010-2011 campaign plus an additional \$70,000 approved from the proceeds of the sale of the Stamford facility, to be awarded to agencies to be selected subsequent to June 30, 2012 of which \$95,993 remained Designated at June 30, 2017 and 2016.

UNITED WAY OF WESTERN CONNECTICUT, INC.

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017
(with comparative totals for 2016)

NOTE 11 - NET ASSETS (continued)

Board Designated – Other (continued)

- (d) The Board of Directors had Designated \$608,000 from the proceeds of the sale of the Stamford facility to be used to fund the future rent and operations of the new Stamford premises of which \$460,000 and \$520,000 remained Designated at June 30, 2017 and 2016, respectively.
- (e) The Board of Directors had Designated \$340,000 for activities and programs to encourage volunteerism, of which \$175,000 and \$180,000 remained Designated as of June 30, 2017 and 2016, respectively.
- (f) During the year ended June 30, 2016, the Board of Directors Designated \$20,000 to fund future Community food initiatives.
- (g) During the year ended June 30, 2016, the Board of Directors Designated \$12,500 as matching funds for the Discovery Initiatives grant.
- (h) During the year ended June 30, 2017 and 2016, the Board of Directors Designated \$1,047,047 and \$678,150 for future grants or endowments for programs, respectively.
- (i) During the year ended June 30, 2017, the Board of Directors Designated \$18,180 to help fund the Strong Start Park Avenue initiative.
- (j) During the year ended June 30, 2017, the Board of Directors Designated \$9,951 for expenditures related to Imagination Library.

Temporarily Restricted

Temporarily restricted net assets at June 30 were restricted for the following purposes or periods:

	<u>2017</u>	<u>2016</u>
<u>Purpose Restricted</u>		
Youth Volunteer Program	\$ 6,064	\$ -
Discovery Program for Children	3,570	-
Center for Financial Stability	98,110	43,897
Stamford Cradle to Career	-	3,394
Discovery Initiative	-	<u>46,055</u>
Total Purpose Restricted	<u>107,744</u>	<u>93,346</u>
<u>Time Restricted</u>		
Support Restricted for Community Impact Grants and Distributions in Subsequent Year	<u>579</u>	<u>1,009</u>

UNITED WAY OF WESTERN CONNECTICUT, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

(with comparative totals for 2016)

NOTE 11 - NET ASSETS (continued)

Temporarily Restricted (continued)

	<u>2017</u>	<u>2016</u>
<u>Time and Purpose Restricted</u>		
Back to School	\$ 3,550	\$ 19,000
Youth Volunteer Program	10,000	-
Discovery Program for Children	12,500	-
The Volunteer Center - Volunteerism	15,000	15,000
The Volunteer Center - Save Program	15,000	15,000
Strong Start	-	2,000
Stamford Food Collaborative	12,500	-
Stamford Cradle to Career	7,500	-
ALICE Enrichment Program	4,000	-
ALICE Senior Program	10,000	-
Food Security Program	2,550	-
The Sandra L. and John P. Rankin Education and Income Fund	246,132	50,000
Financial Opportunity Center	<u>58,256</u>	<u>-</u>
 Total Time and Purpose Restricted	 <u>396,988</u>	 <u>101,000</u>
 Total Temporarily Restricted	 <u>\$505,311</u>	 <u>\$195,355</u>

Net assets released from donor restrictions by incurring expenses satisfying the restricted purposes, by occurrence of other events or by passage of time for the years ended June 30 were as follows:

	<u>2017</u>	<u>2016</u>
<u>Satisfaction of Purpose Restrictions</u>		
Stamford Cradle to Career	\$ 3,394	\$ -
The Giving Fund	-	181
Discovery Initiative	46,055	-
Graustein Foundation	<u>-</u>	<u>1,101</u>
 Total Purpose Restrictions	 <u>49,449</u>	 <u>1,282</u>
 <u>Expiration of Time Restrictions</u>		
Youth Leadership	-	2,500
Imagination Library	-	34,500
Back to School	15,450	-
Strong Start	2,000	-
Support Restricted for Community Impact Grants and Distributions in Subsequent Year	<u>1,009</u>	<u>6,749</u>
 Total Time Restrictions	 <u>18,459</u>	 <u>43,749</u>
 TOTAL	 <u>\$67,908</u>	 <u>\$45,031</u>

UNITED WAY OF WESTERN CONNECTICUT, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

(with comparative totals for 2016)

NOTE 12 - RETIREMENT PLANS

Employees

Temporarily restricted net assets at June 30 were restricted for the following purposes or periods:

United Way has an IRS Section 401(k) Plan to which it contributes 7% of each eligible employee's salary. In addition, all eligible employees may make voluntary pre-tax contributions to the 401(k) Plan. United Way will match 50% of the employee's contribution, not to exceed 2% of their salary.

United Way also has a Tax Deferred Annuity Plan under IRS Section 403(b), to which no United Way contributions have been made. These assets remain in a separate account maintained by the Plan administrator.

Employer contributions of approximately \$92,100 and \$93,500 for the years ended June 30, 2017 and 2016, respectively, are included in Employee benefits.

NOTE 13 - LEASE ARRANGEMENTS

Lessor

Rental Income - NFC

United Way leased a portion of its Danbury facility to a Not-for-profit tenant on a month-to-month basis at an annual rental of \$12,000. The tenant vacated the premises during the year ended June 30, 2016. In July 2016 United Way entered into a rental agreement with another Not-for-Profit, on a month-to-month basis at an annual amount of \$4,200. Rental income on this lease amounted to \$4,200 and \$3,750 for the years ended June 30, 2017 and 2016, respectively.

Rental Income - Stamford

United Way entered into a sub-lease agreement with a Not-for-Profit tenant for a portion of its Stamford facility with a monthly rate of \$642, of which \$170 is to reimburse United Way for Operating Expenses, Real Estate taxes and Utilities. The sub-lease terminated as of September 15, 2015. The tenant continued to occupy the premises on a month-to-month basis, under the same terms and conditions of the expired sub-lease agreement, and vacated the premises during the year.

Rental income on the Stamford lease amounted to approximately \$0 and \$3,238 for the years ended June 30, 2017 and 2016, respectively, including short-term rentals.

UNITED WAY OF WESTERN CONNECTICUT, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

(with comparative totals for 2016)

NOTE 13 - LEASE ARRANGEMENTS (continued)

Lessee

Equipment Leases

United Way leases office equipment under several leases expiring to January 2019 at a present monthly rental aggregating approximately \$1,550.

Automobile Lease

In October 2015, the Agency entered into an agreement to lease an automobile for a three year period, at a monthly rental of approximately \$410.

Rental Expense – Litchfield

United Way leases office space in New Milford on a month-to-month basis for \$300 per month in order to service the Southern Litchfield County Community.

Rental Expense – Stamford

Subsequent to the sale of its Land, Building and Improvements in Stamford, in December 2011, United Way entered into a ten year, three month Lease agreement for office space in the downtown Stamford area effective May 2012. The Lease provides for a security deposit in the amount of \$15,000. United Way is responsible for its pro-rata share of electricity expenses in the amount of \$1,089 monthly. In the event of a rate increase by the electricity provider, United Way's share will be increased accordingly. Additionally, United Way is to pay their proportionate share of the operating expenses and real estate taxes for the building as calculated on a yearly basis.

Rental Expense – Danbury

In July 2016, United Way entered into a lease agreement to rent office space in Danbury, Connecticut to facilitate the sale of their Land and Building. The term of the agreement is for five years and expires on July 31, 2021. United Way is responsible for its share of utilities. United Way has the option to renew this lease for an additional five years, at an annual rate of \$50,255, providing they notify the landlord not later than six months prior to the expiration of the original lease.

UNITED WAY OF WESTERN CONNECTICUT, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

(with comparative totals for 2016)

NOTE 13 - LEASE ARRANGEMENTS (continued)

Lessee (continued)

Rental Expense – Danbury (continued)

Future Minimum rental lease payments for both leases at June 30, 2017 are as follows:

<u>Years Ending June 30,</u>	<u>Amount</u>
2018	\$141,257
2019	147,638
2020	154,383
2021	157,121
2022	115,433
2023	<u>9,302</u>
Total	<u>\$725,134</u>

NOTE 14 - FUNDRAISING

United Way's Fund-raising activities consist primarily of the Heart of Gold dinner and Hometown Heroes dinner, along with other Fund-raising events which include King of The Hill and United at the Cove 5k. During the year ended June 30, 2017, the Hometown Heroes dinner was moved to December, and as such, there are no Hometown Heroes income or expense in the year ended June 30, 2017. A summary of Fund-raising activities for the years ended June 30, is as follows:

	<u>2017</u>	<u>2016</u>
<u>Revenue</u>	<u>\$120,464</u>	<u>\$226,108</u>
<u>Expenses</u>		
Fund-raising and Other		
Event Expenses	34,295	82,866
Direct Benefit		
to Donors	<u>29,334</u>	<u>51,986</u>
Total Expenses	<u>63,629</u>	<u>134,852</u>
Net	<u>\$56,835</u>	<u>\$91,256</u>

UNITED WAY OF WESTERN CONNECTICUT, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

(with comparative totals for 2016)

NOTE 15 - LINE OF CREDIT

In October 2015, United Way entered into a \$500,000 revolving Line of Credit Agreement, subject to annual review and renewal. The Line bears interest at the Prime rate plus 1.0%. The Prime rate at June 30, 2017 and 2016 was 4.25% and 3.50%, respectively. The Line is secured by the investments in the account at the brokerage affiliate of Union Savings Bank, with United Way being required to maintain a minimum balance of \$1,000,000. United Way's Board of Directors has adopted a Line of Credit Spending Policy indicating that the Line of Credit is intended to be used solely for short-term cash flow timing needs. Interest expense on the Line of Credit amounted to \$0 and \$3,125 for the year ended June 30, 2017, and 2016, respectively.

NOTE 16 - SUBSEQUENT EVENTS

In July 2017, United Way sold their Land, Building and Improvements with a Net Book value of approximately \$601,300 before Impairment for \$632,500, less various credits to the buyer and closing costs, resulting on a Loss on the sale of approximately \$21,100. The United Way recognized an Impairment loss of \$21,100 for the year ended June 30, 2017 based on the subsequent year sale (Note 8).

NOTE 17 - PRIOR YEAR INFORMATION

The financial statements include certain prior year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with United Way's financial statements at June 30, 2016 and for the year ended June 30, 2016, from which the summarized information was derived.