

**UNITED WAY OF NORTHEAST
KENTUCKY, INC.**

**FINANCIAL STATEMENTS
AND OTHER FINANCIAL INFORMATION
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017
TOGETHER WITH INDEPENDENT AUDITOR'S REPORTS**

TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	2
FINANCIAL STATEMENTS:	
STATEMENTS OF FINANCIAL POSITION	3
STATEMENTS OF ACTIVITIES.....	4
STATEMENTS OF FUNCTIONAL EXPENSES.....	5-8
STATEMENTS OF CASH FLOWS	9
NOTES TO FINANCIAL STATEMENTS.....	10-18
OTHER FINANCIAL INFORMATION:	
INDEPENDENT AUDITOR'S REPORT ON OTHER FINANCIAL INFORMATION	19
SCHEDULES OF EXPENSES AND RELATED PERCENTAGES	20-21



**Kelley Galloway
Smith Goolsby, PSC**

Certified Public Accountants and Advisors

1200 Corporate Court • P. O. Box 990 • Ashland, Kentucky 41105

• Phone (606) 329-1811 (606) 329-1171 • Fax (606) 329-8756 (606) 325-0590

• Web www.kgsgcpa.com Member of **Allinial** GLOBAL

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
United Way of Northeast Kentucky, Inc.
Ashland, Kentucky

Report on the Financial Statements

We have audited the accompanying financial statements of the United Way of Northeast Kentucky, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2018 and 2017, and the related statements of activities, functional expenses and cash flows for the years 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 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 audits. We conducted our audits 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 relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the United Way of Northeast Kentucky, Inc. as of December 31, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Kelley Galloway Smith Goolsby, PSC
Ashland, Kentucky
May 30, 2019

UNITED WAY OF NORTHEAST KENTUCKY, INC.

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2018 AND 2017

ASSETS

CURRENT ASSETS:	2018	2017
Cash	\$ 635,457	\$ 429,157
Certificates of deposit	309,185	542,189
Accrued interest receivable	3,131	1,622
Pledges receivable, net of allowance for uncollectible pledges of \$27,557 and \$51,448	<u>48,044</u>	<u>218,612</u>
Total current assets	995,817	1,191,580
 Endowment Fund	 743,584	 566,464
Property held for investment	4,100	4,100
Furniture and equipment, net	14,955	6,728
Total assets	<u>\$ 1,758,456</u>	<u>\$ 1,768,872</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:		
Accounts payable	\$ 4,908	\$ 742
Donor designations payable - other United Ways	-	11,015
Allocations payable	200,392	178,602
Accrued expenses	<u>7,538</u>	<u>9,691</u>
Total current liabilities	212,838	200,050
 NET ASSETS:		
Without donor restrictions	1,155,438	959,299
With donor restrictions	<u>390,180</u>	<u>609,523</u>
Total net assets	1,545,618	1,568,822
 Total liabilities and net assets	 <u>\$ 1,758,456</u>	 <u>\$ 1,768,872</u>

The accompanying notes to financial statements
are an integral part of these statements.