

UNITED WAY OF ST JOHNS COUNTY, INC.
(A Not-For-Profit Corporation)

**FINANCIAL STATEMENTS WITH REPORT
OF CERTIFIED PUBLIC ACCOUNTANT
For the Years Ended December 31, 2008 and 2007**

UNITED WAY OF ST JOHNS COUNTY, INC.
For the Years Ended December 31, 2008 and 2007

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
United Way of St. Johns County, Inc.
St. Augustine, Florida

I have audited the accompanying statements of financial position of United Way of St. Johns County, Inc., (a not-for-profit organization) as of December 31, 2008 and 2007, and the related statements of activities, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Way of St. Johns County, Inc. as of December 31, 2008 and 2007, and the changes in net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

October 29, 2009



UNITED WAY OF ST. JOHNS COUNTY, INC.
(A Not-for-Profit Corporation)

STATEMENTS OF FINANCIAL POSITION

December 31, 2008 and 2007

ASSETS:	<u>2008</u>	<u>2007</u>
Cash and equivalents	\$ 695,727	\$ 753,852
Pledges of current campaign, less allowance for uncollectible pledges of \$231,835 and \$274,168	1,035,911	930,152
Investments available for resale-endowment funds	183,698	267,901
Accrued receivables	2,195	1,483
Property and equipment	88,418	91,839
Deposits	<u>150</u>	<u>150</u>
TOTAL	<u>\$ 2,006,099</u>	<u>\$ 2,045,377</u>
LIABILITIES & NET ASSETS:		
Liabilities:		
Accounts payable	\$ -	\$ -
Deferred allocations from current campaign	<u>1,267,746</u>	<u>1,204,320</u>
Total Liabilities	<u>1,267,746</u>	<u>1,204,320</u>
Unrestricted Net Assets:		
Undesignated-available for general activities	163,320	152,751
Designated by the Board for specific purposes	391,335	420,405
Designated-endowment funds	<u>183,698</u>	<u>267,901</u>
Total Unrestricted Net Assets	<u>738,353</u>	<u>841,057</u>
TOTAL	<u>\$ 2,006,099</u>	<u>\$ 2,045,377</u>

See notes to financial statements.

UNITED WAY OF ST JOHNS COUNTY, INC.
(A Not-for-Profit Corporation)

STATEMENTS OF ACTIVITIES

Years Ended December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Public Support		
Campaign receipts, net of provisions for uncollectible pledges	\$ 1,316,622	\$ 1,334,682
Other contributions	9,830	4,643
Fees and grants	<u>354</u>	<u>399</u>
Total Public Support	<u>1,326,806</u>	<u>1,339,724</u>
Other Revenues		
Rental Income	4,800	4,800
Investment Income (Loss)	(54,842)	51,517
Administrative Fees	<u>7,200</u>	<u>7,200</u>
Total Other Revenues (Losses)	<u>(42,842)</u>	<u>63,517</u>
Total Public Support and Other Revenues	<u>1,283,964</u>	<u>1,403,241</u>
Expenses		
Program Services	1,178,316	1,149,275
Fund Raising Expense	100,716	93,181
General and Administrative Expenses	<u>107,636</u>	<u>95,539</u>
Total Expenses	<u>1,386,668</u>	<u>1,337,995</u>
Increase (Decrease) in Net Assets	(102,704)	65,246
Net Assets at Beginning of Year	<u>841,057</u>	<u>775,811</u>
Net Assets at End of Year	<u>\$ 738,353</u>	<u>\$ 841,057</u>

See notes to financial statements.

UNITED WAY OF ST JOHNS COUNTY, INC.
(A Not-for-Profit Corporation)

STATEMENTS OF FUNCTIONAL EXPENSES

Year Ended December 31, 2008
With Comparative Totals For The Year Ended December 31, 2007

	<u>Program Services</u>	<u>Fund Raising</u>	<u>General and Administrative</u>	<u>Total Expenses</u>	
				<u>2008</u>	<u>2007</u>
Allocation to member agencies	\$ 759,425	\$ -	\$ -	\$ 759,425	\$ 734,368
Designations to agencies	276,292	-	-	276,292	280,641
Salaries and wages	87,447	25,337	49,381	162,165	157,741
Payroll taxes	4,682	4,682	4,823	14,187	13,613
Employee benefits	19,697	5,836	10,942	36,475	20,181
Professional fees	5,285	-	5,285	10,570	9,172
Depreciation	2,075	-	2,075	4,150	4,030
Telephone	2,939	2,939	3,027	8,905	7,740
Postage	796	6,363	796	7,955	6,347
Insurance	1,456	-	1,456	2,912	2,526
Utilities	2,782	-	2,783	5,565	5,564
Building maintenance	2,685	-	2,685	5,370	4,466
Equipment rentals	619	-	619	1,238	1,841
Equipment maintenance	2,129	-	2,129	4,258	2,564
Printing	-	22,675	-	22,675	21,181
Photography	-	-	-	-	8
Subscriptions	889	-	890	1,779	1,974
Training	-	-	-	-	925
Travel and lodging	1,984	-	1,984	3,968	4,168
Meeting expense	79	236	-	315	701
Conventions and conferences	964	-	964	1,928	4,408
Awards	-	1,178	-	1,178	1,029
Office and operating supplies	6,091	-	6,090	12,181	12,025
Memberships and dues	-	10,370	10,369	20,739	17,247
Directors' liability insurance	-	-	1,338	1,338	1,338
Campaign expense	-	21,100	-	21,100	22,197
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	<u>\$ 1,178,316</u>	<u>\$ 100,716</u>	<u>\$ 107,636</u>	<u>\$ 1,386,668</u>	<u>\$1,337,995</u>

See notes to financial statements.

UNITED WAY OF ST JOHNS COUNTY, INC.
(A Not-for-Profit Corporation)

STATEMENTS OF CASH FLOWS

Years Ended December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from campaign pledges	\$ 1,213,490	\$ 1,403,164
Cash received from other public support	9,830	4,643
Cash received from fees and grants	12,354	12,399
Investment income (loss)	(54,030)	51,517
Cash paid to agencies	(972,291)	(1,017,058)
Cash paid for operations	(350,951)	(312,552)
 CASH PROVIDED (USED) BY OPERATING ACTIVITIES	 (141,598)	 142,113
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(730)	(2,060)
Net decrease (increase) in endowment investments	84,203	(34,311)
 CASH USED BY INVESTING ACTIVITIES	 83,473	 (36,371)
 NET INCREASE IN CASH	 (58,125)	 105,742
 CASH BALANCE, BEGINNING OF YEAR	 753,852	 648,110
 CASH BALANCE, END OF YEAR	 \$ 695,727	 \$ 753,852
 RECONCILIATION OF INCREASES IN NET ASSETS TO CASH PROVIDED BY OPERATING ACTIVITIES		
(Decrease) Increase in Net Assets	(\$ 102,704)	\$ 65,246
Adjustments to reconcile increase in net assets to net cash from operating activities		
Depreciation	4,151	4,030
Increase in pledges receivable	(105,759)	(20,484)
Decrease (Increase) in accrued receivables	(712)	8,094
Decrease in accounts payable	-	(3,739)
Increase in deferred revenues, current campaign	63,426	88,966
 CASH FLOWS (USES) FROM OPERATIONS	 (\$ 141,598)	 \$ 142,113

See notes to financial statements.

UNITED WAY OF ST JOHNS COUNTY, INC.
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NOTES TO FINANCIAL STATEMENTS

December 31, 2008 and 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. *Mission* - The mission of United Way of St. Johns County is “to increase the organized capacity of people to care for one another.” The driving force behind this mission is the conviction that there are individuals and families in St. Johns County who have health and human care problems with which they need help. Taken together, these individual problems constitute community problems requiring a collective effort to address. United Way of St. Johns County acts primarily for and as contributors seeking the most cost-effective solutions to problems through community agencies that are demonstrating measurable results in providing health and human care services. Its primary, although not exclusive, focus is to serve the interests of corporate and employee contributors in an attempt to have a single community-wide campaign in response to local health and human care needs.

b. *Basis of Presentation* - The accompanying financial statements have been prepared on the accrual basis and the accounts of United Way are maintained in accordance with the principles of fund accounting.

c. *Cash and Equivalents* - Cash and equivalents include all investments in highly liquid debt instruments with a maturity of three months or less.

d. *Campaign Contributions and Pledges* - United Way of St. Johns County conducts a campaign annually that features contributor choice. Contributors may give through the United Way, funds in which experienced local volunteers who are knowledgeable of local urgent needs and who review and monitor programs, decide which services of certified agencies will receive how much money to most effectively address local urgent needs. Contributions and pledges through the fund are recognized as unrestricted revenue on the statement of activities in the year they are made by donors. They are recorded on the statement of financial position as they are received and an allowance is provided for amounts estimated to be uncollectible.

Contributors may give by designation to a specific agency as long as it is a not-for-profit health and human care organization providing services to St. Johns County and is approved by the Internal Revenue Service as eligible to receive charitable contributions that are deductible from Federal income taxes. Contributions and pledges designated to specific agencies are classified as designations payable on the statement of financial position and are not reflected as revenue on the statement of activities.

e. *Contributions and Pledges Designated to Agencies* - Amounts received by the United Way which are designated by donors for specific agencies are not reflected as revenue and expenses in the financial statements.

f. *Campaign Expenses* - Campaign expenses related to the appeal for financial support are recognized as incurred during the annual fund raising campaign.

UNITED WAY OF ST JOHNS COUNTY, INC.
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NOTES TO FINANCIAL STATEMENTS
(Continued)

December 31, 2008 and 2007

g. *Depreciation* - All expenditures in excess of \$500 are capitalized. Depreciation is computed by the straight-line method over the estimated useful lives of the individual assets ranging from 3 to 39 years.

h. *Income Taxes* - United Way is exempt from Federal and state income taxes under Internal Revenue Code Section 501(c)(3).

i. *Donated Services* - A substantial number of volunteer workers have donated periodic solicitation services needed for United Way's annual appeal for financial support campaign. The activities of volunteer solicitors were not subject to a sufficient degree of operating supervision and control to enable United Way to have proper basis for measuring and recording the value of time donated. Accordingly, no amounts have been recorded as contributions and expenses for the value of these services in the accompanying financial statements.

In addition, other donated services provided to United Way, which do not constitute a significant factor in their operations have not been recorded in the accompanying financial statements.

j. *Advertising Expenses* - Advertising costs are expenses as incurred.

k. *Use of Estimates* - The preparation of financial statements in conformity with generally accepted accounting principles 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 the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

UNITED WAY OF ST JOHNS COUNTY, INC.
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NOTES TO FINANCIAL STATEMENTS
(Continued)

December 31, 2008 and 2007

2. PLEDGES TO GIVE

Unconditional pledges to give consists of the following at December 31:	<u>2008</u>	<u>2007</u>
Unrestricted Pledges, campaign	\$ 1,267,746	\$ 1,204,320
Less: allowance for uncollectible campaign pledges	(231,835)	(274,168)
Net unconditional Pledges to give	<u>\$ 1,035,911</u>	<u>\$ 930,152</u>
Amounts due in:		
Less than one year	\$ 995,503	\$ 894,851
One to three years	40,408	35,301

3. INVESTMENTS AVAILABLE FOR RESALE

Investments consist of the following mutual funds at December 31:

	<u>Fair Market Value</u>	
	<u>2008</u>	<u>2007</u>
Mutual Funds	\$ 89,057	\$ 136,314
Stocks and Securities	50,641	79,587
U.S. Treasury Notes	<u>44,000</u>	<u>52,000</u>
Totals	<u>\$ 183,698</u>	<u>\$ 267,901</u>

The unrealized loss for the marketable securities available for sale is \$72,822 at December 31, 2008. The unrealized gain for the marketable securities available for sale is \$3,695 at December 31, 2007. These securities are being accounted for in accordance with Statement of Financial Accounting Standards No. 115, "Accounting for Certain Investments in Debt and Equity Securities."

4. DESIGNATED FOR SPECIFIC PURPOSES

A portion of net assets are designated for the following specific purposes:

	<u>2008</u>	<u>2007</u>
Regional Emergencies	\$ 15,000	\$ 40,000
Major Building Maintenance	30,000	35,000
Other Designations	10,000	25,405
Three (3) months Allocations to Agencies	192,500	182,500
Three (3) months Operating Expenses	<u>143,835</u>	<u>137,500</u>
	<u>\$ 391,335</u>	<u>\$ 420,405</u>

UNITED WAY OF ST. JOHNS COUNTY, INC.
(A Not-for-Profit Corporation)

NOTES TO FINANCIAL STATEMENTS (Continued)

December 31, 2008 and 2007

5. ALLOCATIONS, DESIGNATIONS AND GRANTS.

Monies designated by donors for member agencies are allocated to those agencies as long as they are nonprofit organizations exempt from federal income taxes as determined by the Internal Revenue Code and must qualify for the charitable contribution deduction. Designated allocations and grants are determined by individually designated pledges, or by the direction of a council established by certain donor companies for this purpose.

Allocations to agencies consist of the following:	2008	2007
Association for Retarded Citizens	\$ 41,200	\$ 40,320
American Red Cross	36,600	35,600
American Heart Association	17,009	10,675
American Cancer Society	23,338	13,331
Arthritis Foundation	-	1,327
Boy Scouts of America	34,500	32,850
Catholic Charities	51,000	49,000
Cerebral Palsy	-	3,728
Character Counts	1,000	1,175
Communities in Schools	11,499	10,000
Community Hospice	7,758	28,667
EPIC Community Services	47,187	44,956
Family Counseling Services	313	3,500
Flagler Healthcare	2,000	1,500
Girl Scouts of America	27,501	26,044
Habitat for Humanity	42,750	31,210
Rodeheaver Boys Ranch	24	25,000
Learn to Read of St. Johns County	27,400	24,027
Kid's Bridge	5,600	5,325
Police Athletic League	20,499	19,503
Project Special Care	21,410	21,672
Safety Shelter (Betty Griffin House)	40,790	45,420
Salvation Army	12,047	10,357
St. Gerard House	35,000	34,196
St. Johns Council of Aging	75,700	75,195
St. Johns County Welfare Federation	41,000	38,008
St. Johns Housing Partnership	38,000	36,101
St. Francis House	48,300	44,243
School Readiness (Childcare Resources)	25,200	24,000
USO	2,500	2,539
United Way and Other Designations	206,631	200,078
YMCA of St. Augustine	47,187	44,675
YMCA Winston Family	19,200	12,075
Alpha Omega Miracle	7,000	7,625
Young Life	11,499	11,087
Cultural Center	7,075	-
TOTAL	\$ 1,035,717	\$ 1,015,009

UNITED WAY OF ST. JOHNS COUNTY, INC.
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NOTES TO FINANCIAL STATEMENTS (Continued)

December 31, 2008 and 2007

6. FINANCIAL INSTRUMENTS

Concentration of Credit Risk Arising from Cash Deposits in Excess of Insured Limits

Cash accounts held with financial institutions are insured by the Federal Deposit Insurance Corporation up to \$250,000 per institution. At December 31, 2008 the organizations' did not have uninsured cash balances exceeding \$250,000.

Concentrations of Credit Risk Due to Pledges to Give Receivable

Concentrations of credit risk with respect to pledges receivable are limited due to the large number of contributor base and their dispersion across different industries. However, the contributor base is concentrated in St. Johns County, Florida.

7. DONATED MATERIALS AND SERVICES

The value of donated services and services included in the financial statements and the corresponding expenses for the year ended December 31, 2008 are as follows:

	General and Services	Administrative
Professional Fees	\$ <u>300</u>	\$ <u>300</u>

8. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at December 31:

	2008	2007
Furniture and equipment	\$ 52,645	\$ 51,915
Building and improvements	100,133	100,133
Land	<u>18,000</u>	<u>18,000</u>
	170,778	170,048
Accumulated depreciation	<u>(82,360)</u>	<u>(78,209)</u>
Property and equipment net	<u>\$ 88,418</u>	<u>\$ 91,839</u>

9. RELATED PARTY TRANSACTIONS

The organization provides assistance to the United Way of Putnam County. Administration and support is provided to Putnam County for a monthly fee, which totaled \$7,200 for 2008 and \$7,200 for 2007.