

**ON THE ROAD COLLABORATIVE, INC.**

Reviewed Financial Statements  
For the Year Ended June 30, 2016

**ON THE ROAD COLLABORATIVE, INC.**

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## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors and Management of  
On the Road Collaborative, Inc.,

We have reviewed the accompanying financial statements of On the Road Collaborative, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2016, and the related statements of activities and cash flows for the year 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 the financial statements that are free from material misstatement whether due to fraud or error.

### **Accountant's Responsibility**

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. 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 review, 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.

*Didawick & Company, P.C.*

September 6, 2016

**On the Road Collaborative, Inc.**  
**Statement of Financial Position**  
**At June 30, 2016**

**ASSETS**

Current assets:

Cash - operating	\$ 97,286
Total current assets	97,286

Total assets	\$ 97,286
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**LIABILITIES AND NET ASSETS**

Current liabilities:

Accrued payroll	1,653
Payroll taxes payable	866
Total current liabilities	2,519

Total liabilities	2,519
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Net assets:

Unrestricted	49,670
Temporarily restricted	45,097

Total net assets	94,767
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Total liabilities and net assets	\$ 97,286
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**On the Road Collaborative, Inc.**  
**Statement of Activities**  
**Year Ended June 30, 2016**

	Unrestricted	Temporarily Restricted	2016 Total
<b>REVENUES, GAINS AND OTHER SUPPORT:</b>			
Contributions	\$ 54,980	\$ -	\$ 54,980
Grants	37,878	45,097	82,975
Fundraising events	1,250	-	1,250
In-kind contributions	3,100	-	3,100
Miscellaneous	11	-	11
Total revenues, gains & other support	<u>97,219</u>	<u>45,097</u>	<u>142,316</u>
<b>EXPENSES:</b>			
Program services:			
Advertising	1,636	-	1,636
In-kind advertising	1,050	-	1,050
Salaries and wages	62,644	-	62,644
Payroll taxes	4,952	-	4,952
Program expenses	8,326	-	8,326
In-kind program expenses	1,400	-	1,400
Transportation	1,561	-	1,561
In-kind volunteer appreciation	650	-	650
Miscellaneous	507	-	507
Total program services	<u>82,726</u>	<u>-</u>	<u>82,726</u>
Administration:			
Insurance	1,597	-	1,597
Directors compensation	2,400	-	2,400
Rent	4,800	-	4,800
Miscellaneous	98	-	98
Software	1,191	-	1,191
Licenses	356	-	356
Professional fees	1,800	-	1,800
Total administration	<u>12,242</u>	<u>-</u>	<u>12,242</u>
Fundraising:			
Special Events	29	-	29
Miscellaneous	1,216	-	1,216
Conferences	278	-	278
Total fundraising	<u>1,523</u>	<u>-</u>	<u>1,494</u>
Total expenses	<u>96,491</u>	<u>-</u>	<u>96,491</u>
Change in net assets	728	45,097	45,825
Net assets at beginning of year	<u>48,942</u>	<u>-</u>	<u>48,942</u>
Net assets at end of year	<u>\$ 49,670</u>	<u>\$ 45,097</u>	<u>\$ 94,767</u>

See accompanying notes and accountant's review report.

**On the Road Collaborative, Inc.**  
**Statement of Cash Flows**  
**Year Ended June 30, 2016**

**Cash flows from operating activities:**

Change in net assets	\$ <u>45,825</u>
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Increase (decrease) in accrued payroll	1,653
Increase (decrease) in payroll taxes payable	<u>866</u>
Net cash provided (used) by operating activities	<u>48,344</u>
Net increase in cash and cash equivalents	48,344
Cash and cash equivalents, beginning of year	<u>48,942</u>
Cash and cash equivalents, end of year	<u><u>\$ 97,286</u></u>

See accompanying notes and accountant's review report.

**ON THE ROAD COLLABORATIVE, INC.**  
**Notes to Financial Statements**  
**June 30, 2016**

**1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A. Reporting Entity

On the Road Collaborative, Inc. (the "Organization") is a private, not-for-profit organization that exists to empower young people on the margins with the opportunity, skills and confidence they need to excel in school and fulfill their promise. The Organization is supported primarily through grants and contributions.

B. Financial Statement Presentation

For the year ended June 30, 2016, the Organization has prepared its financial statements in accordance with generally accepted accounting principles for not-for-profit organizations. Under this guidance, 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 net assets.

Unrestricted net assets – Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently restricted net assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization.

There was \$45,097 in temporarily restricted net assets and no permanently restricted net assets for the reporting year.

C. Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Consequently, revenues are recognized when earned and expenses are recognized when incurred. The bases of revenue recognition for the major sources of income are as follows:

Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Contribution revenue is recognized as cash is received. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. The Organization received \$45,097 in temporarily restricted contributions and no permanently restricted contributions during 2016.

D. Contributed Services and Supplies

The contributions of services are recognized if the services received (a) create or enhance non-financial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. A portion of the Organization's program activities are conducted by unpaid volunteers. The value of this contributed time is reflected in the accompanying financial statements and totaled \$3,100 during 2016 since some of the volunteers' time did meet the criteria necessary for recognition.

E. Use of 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.

**ON THE ROAD COLLABORATIVE, INC.**  
**Notes to Financial Statements**  
**June 30, 2016**

**1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

F. Income Tax Status

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and has been classified as an organization that is not a private foundation under Section 509(a) of the Internal Revenue Code. Accordingly, no provision is made for income tax in the financial statements. Generally, federal, state, and local authorities may examine the Organization's tax returns for three years from the date of filing or the due date of the return. The current year and prior year remain subject to examination as of June 30, 2016.

G. Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Organization considers cash in bank, cash on hand, and all highly liquid investments purchased with a maturity date of three months or less to be cash and cash equivalents.

**2. FUNCTIONAL ALLOCATION OF EXPENSES**

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

**3. SUBSEQUENT EVENTS**

Management has evaluated subsequent events through September 6, 2016, which is the date the financial statements were issued. As of that date, the Organization was not aware of any events warranting disclosure in these financial statements.