

ON THE ROAD COLLABORATIVE, INC.

Reviewed Financial Statements
For the Year Ended June 30, 2018

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, 2018, 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. According, 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.

October 5, 2018

On the Road Collaborative, Inc.
Statement of Activities
Year Ended June 30, 2018

	Unrestricted	Temporarily Restricted	2018 Total
REVENUES, GAINS AND OTHER SUPPORT:			
Contributions	\$ 71,782	\$ -	\$ 71,782
Harrisonburg City Public Schools	39,500	-	39,500
Grants	36,578	193,875	230,453
Fundraising events	22,589	-	22,589
In-kind contributions	4,910	-	4,910
Miscellaneous	1	-	1
Net Assets Released from Restrictions:			
Satisfaction of Usage Restrictions (Note 3)	186,640	(186,640)	-
Total revenues, gains & other support	<u>362,000</u>	<u>7,235</u>	<u>369,235</u>
EXPENSES:			
Program services:			
Advertising	7,060	-	7,060
In-kind advertising	1,415	-	1,415
Salaries and wages	155,998	-	155,998
Payroll taxes	13,143	-	13,143
Program expenses	102,393	-	102,393
In-kind program expenses	3,495	-	3,495
Transportation	23,200	-	23,200
Miscellaneous	1,019	-	1,019
Total program services	<u>307,723</u>	<u>-</u>	<u>307,723</u>
Administration:			
Insurance	2,576	-	2,576
Directors compensation	4,890	-	4,890
Rent	6,000	-	6,000
Miscellaneous	838	-	838
Software	3,493	-	3,493
Licenses	393	-	393
Professional fees	3,175	-	3,175
Total administration	<u>21,365</u>	<u>-</u>	<u>21,365</u>
Fundraising:			
Miscellaneous	6,502	-	6,502
Conferences	399	-	399
Total fundraising	<u>6,901</u>	<u>-</u>	<u>6,901</u>
Total expenses	<u>335,989</u>	<u>-</u>	<u>335,989</u>
Change in net assets	26,011	7,235	33,246
Net assets at beginning of year	<u>110,563</u>	<u>4,906</u>	<u>115,469</u>
Net assets at end of year	<u>\$ 136,574</u>	<u>\$ 12,141</u>	<u>\$ 148,715</u>

See accompanying notes and accountant's review report.

ON THE ROAD COLLABORATIVE, INC.
Notes to Financial Statements
June 30, 2018

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, 2018, 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 \$12,141 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 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 \$193,875 in temporarily restricted contributions and no permanently restricted contributions during 2018.

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 not reflected in the accompanying financial statements and totaled \$42,583 during 2018 since some of the volunteers' time did not meet the criteria necessary for recognition. The value of in-kind donations reflected in the accompanying financial statements totaled \$4,910.

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.