

BEAVER COUNTY EDUCATIONAL TRUST

BEAVER, PENNSYLVANIA

FINANCIAL STATEMENTS AND INDEPENDENT ACCOUNTANT'S REVIEW REPORT

DECEMBER 31, 2016

BEAVER COUNTY EDUCATIONAL TRUST

DECEMBER 31, 2016
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HERRMANN & LOLL

Certified Public Accountants, Inc.

1417 Third St
Beaver, PA 15009
P: 724-371-0726
F: 724-709-7547
Email: lollcpa@verizon.net
www.lollcpa.net

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
Beaver County Educational Trust
Beaver, Pa 15009

We have reviewed the accompanying statement of financial position of the Beaver County Educational Trust (a non-profit organization) as of December 31, 2016, and the related statements of activities, functional expenses, and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Organization management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the organization 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 the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Accountant's Responsibility

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

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 conformity with accounting principles generally accepted in the United States of America.

Herrmann & Loll Inc.

Herrmann and Loll Inc. CPA
Certified Public Accountants

Beaver, Pennsylvania
April 26, 2017

BEAVER COUNTY EDUCATIONAL TRUST
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2016

ASSETS

Current Assets		
Cash and Cash Equivalents	\$	29,385
Investments		616,265
Accounts Receivable		-
Total Current Assets		<u>645,650</u>
Fixed Assets net of depreciation		<u>-</u>
Total Assets		<u><u>645,650</u></u>

LIABILITIES AND NET ASSETS

Liabilities		
Accounts Payable		<u>-</u>
Total Liabilities		-
Net Assets		
Unrestricted		645,650
Temporarily Restricted		<u>-</u>
Total Net Assets		<u>645,650</u>
Total Liabilities and Net Assets	\$	<u><u>645,650</u></u>

See Accompanying Notes and Independent Accountant's Review Report

BEAVER COUNTY EDUCATIONAL TRUST
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2016

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<u>REVENUES, GAINS AND OTHER SUPPORT</u>				
Donations	\$ 115,853	-	\$ -	115,853
EITC Tax Credit Program	23,500			
Realized Gains/Losses		-	-	-
Investments	5,498			5,498
Unrealized Gains/ (Losses)	16,339	-	-	16,339
Investments				
Asset Released from Restriction	-	-		-
Dividends/Interest	<u>17,618</u>	<u>-</u>	<u>-</u>	<u>17,618</u>
Total Revenues, Gains and Other Support	<u>178,808</u>	<u>-</u>	<u>-</u>	<u>178,808</u>
<u>EXPENSES</u>				
Program Services				
Programs	78,361	-	-	78,361
Supporting Services:				
Management and General	<u>39,078</u>	<u>-</u>	<u>-</u>	<u>39,078</u>
Total Expenses	<u>117,439</u>	<u>-</u>	<u>-</u>	<u>117,439</u>
Change in Net Assets	61,369	-	-	61,369
Net Assets at Beginning of Year	<u>584,281</u>	<u>-</u>	<u>-</u>	<u>584,281</u>
Net Assets at End of Year	<u>\$ 645,650</u>	<u>\$ -</u>	<u>\$ -</u>	<u>645,650</u>

See Accompanying Notes and Independent Accountant's Review Report

BEAVER COUNTY EDUCATIONAL TRUST
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2016

	Program <u>Services</u>	Management <u>& General</u>	Total Program & Supporting <u>Services Expenses</u>
Wages	\$ -	\$ 21,521	\$ 21,521
Books	19,897	-	19,897
Meeting	-	927	927
Postage	-	8,130	8,130
River City Brass Band	128	-	128
Professional Fees	-	3,541	3,541
Supplies	-	-	-
Grants	58,336	-	58,336
Trustee Fees	-	4,959	4,959
	<hr/>	<hr/>	<hr/>
Total Functional Expenses	\$ 78,361	\$ 39,078	\$ 117,439
	<hr/>	<hr/>	<hr/>

See Accompanying Notes and Independent Accountant's Review Report

BEAVER COUNTY EDUCATIONAL TRUST
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2016

CASH FLOWS FROM OPERATING ACTIVITIES:	
Change in Net Assets	\$ 61,369
Adjustments to Reconcile Change in Net Assets	
Net Cash Provided by Operating Activities:	
Depreciation	-
Net Realized (Gains)/Losses on Investments	(5,499)
Net Unrealized (Gains)/Losses on Investments	(16,339)
Decrease in Accounts Receivable	-
(Decrease) in Accounts Payable	-
Trustee Fee on Investments	4,959
Investment Income	(17,618)
(Increase)/Decrease to Accounts Receivable	-
Increase/(Decrease) to Accounts Payable	-
	<hr/>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	26,872
CASH FLOWS FROM INVESTING ACTIVITIES:	
(Increase)/Decrease to Investments	-
(Increase)/Decrease to Property and Equipment	-
	<hr/>
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	-
CASH FLOWS FROM FINANCING ACTIVITIES:	
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES:	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	26,872
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<hr/> 2,513
CASH AND CASH EQUIVALENTS, END OF YEAR	<hr/> <hr/> \$ 29,385

See Accompanying Notes and Independent Accountant's Review Report

BEAVER COUNTY EDUCATIONAL TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Purpose

Beaver County Educational Trust was organized to enhance the quality of education for all school students in Beaver County, grades K through 12. Beaver County Educational Trust will fund mini-grants to schools for specialized educational projects and funds for the support of specialized educational activities or programs. The trust is primarily supported by corporate donations.

Basis of Accounting

Beaver County Educational Trust accounts have been prepared on the accrual basis of accounting.

Income Tax

Beaver County Educational Trust is exempt from federal income tax under Section 501(c) (3) of the Internal Revenue Code.

Promises to Give

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Financial Statement Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statement of Not-for-Profit Organizations. Under SFAS No. 117, 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.

Contributions

Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. 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.

Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results differ from those estimates.

NOTE B - CASH AND CASH EQUIVALENTS

Cash and cash equivalents include all highly liquid investments with original maturity of three months or less.

NOTE C - PROPERTY AND EQUIPMENT

Property and equipment is comprised of the following at December 31, 2016:

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Total</u>
Equipment	\$ 1,017	\$ (1,017)	0
Total	\$ 1,017	\$ (1,017)	0

The Depreciation expense for 2016 is \$0.

NOTE 7 - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes or periods:

Specific programs	\$ 0
Total Temporarily Restricted Net Assets	\$ 0

Net Assets were released from donor restrictions by incurring expenses satisfying the purpose or time restrictions specified by donors as follows:

Purpose restriction accomplished: Growing with Books	\$ 0
Total restrictions released	\$ 0