

CAROLINA PATRIOT ROVERS, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2015
(Audit)

CAROLINA PATRIOT ROVERS, INC.

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CAROLINA PATRIOT ROVERS, INC.

ORGANIZATION AND MISSION

STATE OF INCORPORATION:

North Carolina, December 10, 2010

MAIN OFFICE:

High Point, North Carolina

OFFICERS AND TRUSTEES:

David R. Cantara	- Chairman
Colonel Phillip A. Dingmann MD	- Director
Colonel Ruth Lee BSN, MA, MS	- Director
Chaplain Major Wayne Lehto	- Director
Sgt. Cory Collins PH OIF	- Director
Dr. Margaret Bertrand MD	- Director
Dr. Douglas Nabel DVM	- Director
Pamela Cantara	- Secretary and Treasurer

MISSION:

Carolina Patriot Rovers, Inc. is a healing mission that provides professionally trained and certified Psychiatric Service Dogs, handler training, support and therapeutic group camaraderie to Veteran men and women struggling with Post Traumatic Stress Disorder and Traumatic Brain Injury as a result of their service to our country.

Barre Burks, CPA, PA

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Carolina Patriot Rovers, Inc.

I have audited the accompanying financial statements of Carolina Patriot Rovers, Inc. (a nonprofit corporation), which comprise the statement of financial position as of December 31, 2015, and the statements of activities and cash flows for the year 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 the accrual basis of accounting as described in Note 1; this includes determining that the accrual basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for 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

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 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets of Carolina Patriot Rovers, Inc. as of December 31, 2015, and its support, revenue and expenses for the year then ended.

Barre Burks, CPA, PA

Barre Burks, CPA, PA
Greensboro, North Carolina
April 28, 2016

CAROLINA PATRIOT ROVERS, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2015

ASSETS

CURRENT ASSETS:

Cash and cash equivalents (Note 1):	
Checking account	\$ 58,924
Unconditional promises to give	2,848
Prepaid expenses	<u>1,084</u>
 TOTAL CURRENT ASSETS	 62,856
 FIXED ASSETS (NOTE 3)	 <u>21,218</u>
 TOTAL ASSETS	 \$ <u>84,074</u>

See independent auditor's report and notes to financial statements

CAROLINA PATRIOT ROVERS, INC.
STATEMENT OF FINANCIAL POSITION (CONTINUED)

DECEMBER 31, 2015

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:

Accounts payable \$ 3,188

Payroll liabilities 78

TOTAL CURRENT LIABILITIES 3,266

NET ASSETS:

Unrestricted 80,808

TOTAL NET ASSETS 80,808

TOTAL LIABILITIES AND NET ASSETS \$ 84,074

See independent auditor's report and notes to financial statements

CAROLINA PATRIOT ROVERS, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2015

UNRESTRICTED NET ASSETS:

Support:

Civic/corporate contracts and donations	\$ 176,675
Individual donations	<u>19,435</u>

Total unrestricted support	<u>196,110</u>
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Expenses:

Program services (Schedule A)	164,869
Supporting expenses:	
Management and general (Schedule A)	20,079
Fundraising expenses (Schedule A)	<u>5,000</u>

Total expenses	<u>189,948</u>
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INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS	6,162
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NET ASSETS – BEGINNING OF YEAR	<u>74,646</u>
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NET ASSETS – END OF YEAR	\$ <u>80,808</u>
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See independent auditor's report and notes to financial statements

CAROLINA PATRIOT ROVERS, INC.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Program Services</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Automobile expenses	\$ 1,769	\$ 3,580	\$ ---	\$ 5,349
Adoption fees	950	---	---	950
Bank charges	---	838	---	838
Boarding fees - paid	41,664	---	---	41,664
Boarding fees - donated	27,776	---	---	27,776
Consulting & subcontract fees	11,891	5,000	5,000	21,891
Depreciation	3,113	1,150	---	4,263
Dues & subscriptions	160	---	---	160
Education materials	3,541	---	---	3,541
Insurance – general	---	3,428	---	3,428
Maintenance and repairs	650	---	---	650
Office expenses	---	483	---	483
Professional	---	5,500	---	5,500
Supplies	8,647	---	---	8,647
Salaries and wages	38,834	---	---	38,834
Taxes- payroll	3,179	---	---	3,179
Taxes and licenses	---	100	---	100
Travel and meals	11,653	---	---	11,653
Veterinarian fees- paid	6,625	---	---	6,625
Veterinarian fees – donated	<u>4,417</u>	<u>---</u>	<u>---</u>	<u>4,417</u>
	\$ <u>164,869</u>	\$ <u>20,079</u>	\$ <u>5,000</u>	\$ <u>189,948</u>

See independent auditor's report and notes to financial statements

CAROLINA PATRIOT ROVERS, INC.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2015

CASH FLOWS FROM OPERATING ACTIVITIES:

Increase (decrease) in net assets	-	\$ 6,162
Adjustments to reconcile increase in net cash provided in operating activities		
Depreciation		4,263
(Increase) decrease in:		
Receivables and prepaid expenses		(21)
Increase (decrease) in:		
Payables and accruals		<u>(6,178)</u>
NET CASH FLOWS PROVIDED (USED) BY OPERATING ACIVITIES		<u>4,226</u>
CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES:		
Purchase of fixed assets		<u>(3,006)</u>
NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES		<u>(3,006)</u>

NET INCREASE (DECREASE) IN CASH		1,220
BEGINNING CASH AND CASH EQUIVALENTS BALANCE		<u>57,704</u>
ENDING CASH AND CASH EQUIVALENTS BALANCE		<u>\$ 58,924</u>

See independent auditor's report and notes to financial statements

CAROLINA PATRIOT ROVERS, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2015

NOTE 1 –SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Nature of Activities - Carolina Patriot Rovers, Inc. was formed in 2010 as a non-profit corporation. It is a healing mission that provides professionally trained and certified Psychiatric Service Dogs, handler training, support and therapeutic group camaraderie to Veteran men and women struggling with Post Traumatic Stress Disorder and Traumatic Brain Injury as a result of their service to our country. Revenues are derived from individual and corporate donations.

Method of accounting: - The accompanying financial statements conform to the accrual basis accounting. Under this method, income is recorded when earned and expenses when incurred.

Cash and cash equivalents – cash and cash equivalents include all amounts on deposit at banks. The amounts include a checking account.

Net assets – net assets are presented according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets in accordance with Financial Accounting Standards Board ASC 958-210.

Use of estimates - the preparation of financial statements includes the use of estimates that affect the financial statements. Accordingly, actual results could differ from those estimates.

Fixed assets - Fixed assets are recorded at cost and depreciated on the straight-line method over their estimated useful lives, which are generally estimated at ten years. Payment for items with limited usefulness and minor expenditures are treated as current expenses.

Income tax status – The Organization is exempt from federal and state income taxes under Code Section 501 (c) (3) of the Internal Revenue Code.

Donated assets or services - Donation of assets or services are recorded as support if the amount for such donations is determinable.

Advertising costs- The Organization expenses advertising program costs they are incurred and advertising communication costs the first time the advertising takes place.

Compensated absences - The Organization does not accrue employee compensated absences because the amount cannot be reasonably determined.

NOTE 2 – CONCENTRATIONS OF RISK:

Credit risk - the Organization's credit risk is cash. Cash and cash equivalents are insured by the Federal Deposit Insurance Corporation for up to \$250,000 on each account.

CAROLINA PATRIOT ROVERS, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2015

NOTE 3 - PROPERTY AND EQUIPMENT:

Major classes of property and equipment are as follows:

Furniture	\$ 2,400
Equipment	18,663
Vehicles	14,100
Less accumulated depreciation	<u>(13,945)</u>
	\$ <u>21,218</u>

NOTE 4 – RELATED PARTY TRANSACTIONS:

The Organization engages the services of Carolina Air Canine, LLC for boarding of the dogs and James Landing Veterinarian Hospital for veterinarian care for dogs. David Cantara, Chair and Pamela Cantara, Secretary and Treasurer are owners, operators and employees of Carolina Air Canine, LLC. Douglas Nabel, DVM, Director is co-owner of James Landing Veterinarian Hospital. The terms of the arrangements with Carolina Air Canine, LLC and James Landing Veterinarian Hospital have been negotiated and approved in accordance with conflict of interest policy of Carolina Patriot Rovers, Inc. The Organization pays 60% of the rates charged to the general public. The 40% discount is recorded as additional revenue and related expense for the year. The total boarding fees paid totaled \$ 41,664 and was donated \$ 27,776 for the year. The total veterinarian fees paid totaled \$ 6,625 and was donated \$ 4,417 for the year.

NOTE 5 - SUBSEQUENT EVENTS:

Subsequent events have been evaluated up through April 28, 2016, the date of the auditor's report and there were no events found which would require additional disclosure.