

CAROLINA PATRIOT ROVERS, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2014
(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:

Non-profit to provide 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 and restore their physical and emotional independence.

MEMBER
NORTH CAROLINA ASSOCIATION
OF CERTIFIED PUBLIC ACCOUNTANTS
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

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, 2014, 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, 2014, and its support, revenue and expenses for the year then ended.

Barre Burks, CPA, PA

Barre Burks, CPA, PA
Greensboro, North Carolina
March 27, 2015

CAROLINA PATRIOT ROVERS, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2014

ASSETS

CURRENT ASSETS:

Cash and cash equivalents (Note 1):

Checking account

\$ 57,704

Unconditional promises to give

2,766

Prepaid expenses

1,145

TOTAL CURRENT ASSETS

61,614

FIXED ASSETS (NOTE 3)

22,475

TOTAL ASSETS

\$ 84,090

See independent auditor's report and notes to financial statements

CAROLINA PATRIOT ROVERS, INC.
STATEMENT OF FINANCIAL POSITION (CONTINUED)
DECEMBER 31, 2014

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:

Accounts payable	7,563
Accrued payroll	286
Payroll liabilities	<u>1,595</u>

TOTAL CURRENT LIABILITIES 9,444

NET ASSETS:

Unrestricted	<u>74,646</u>
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TOTAL NET ASSETS 74,646

TOTAL LIABILITES AND NET ASSETS \$ 84,090

See independent auditor's report and notes to financial statements

CAROLINA PATRIOT ROVERS, INC.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2014

UNRESTRICTED NET ASSETS:

Support:

Civic/corporate grants and donations	\$ 145,101
Individual donations	36,129
Fundraisers	<u>70</u>

Total unrestricted support 181,300

Expenses:

Program services (Schedule A)	184,045
Supporting expenses:	
Management and general (Schedule A)	16,610
Fundraising expenses (Schedule A)	<u>1,373</u>

Total expenses 202,028

INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS (20,728)

NET ASSETS – BEGINNING OF YEAR 95,374

NET ASSETS – END OF YEAR \$ 74,646

See independent auditor's report and notes to financial statements

CAROLINA PATRIOT ROVERS, INC.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Program Services</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Automobile expenses	\$ 1,420	\$ 2,500	\$ ---	\$ 3,920
Adoption fees	10,448	---	---	10,448
Bank charges	---	1,008	---	1,008
Boarding fees	49,460	---	---	49,460
Consulting & subcontract fees	15,577	1,000	---	16,577
Depreciation	3,927	216	---	4,143
Dues & subscriptions	---	187	---	187
Education materials	5,980	856	---	6,836
Fundraisers	---	---	1,373	1,373
Insurance – general	---	5,140	---	5,140
Office expenses	---	811	---	811
Professional	---	4,500	---	4,500
Supplies	17,848	193	---	18,041
Salaries and wages	46,782	---	---	46,782
Taxes- payroll	3,620	---	---	3,620
Taxes and licenses	---	199	---	199
Travel and meals	14,800	---	---	14,800
Veterinarian fees	<u>14,183</u>	<u>---</u>	<u>---</u>	<u>14,183</u>
	<u>\$ 184,045</u>	<u>\$ 16,610</u>	<u>\$ 1,373</u>	<u>\$ 202,028</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, 2014

CASH FLOWS FROM OPERATING ACTIVITIES:

Increase (decrease) in net assets	\$ (20,728)
Adjustments to reconcile increase in net cash provided in operating activities	
Depreciation	<u>4,143</u>
(Increase) decrease in:	
Receivables and prepaid expenses	<u>(817)</u>
Increase (decrease) in:	
Payables and accruals	<u>(3,731)</u>
	<u>(405)</u>
NET CASH FLOWS PROVIDED (USED) BY OPERATING ACIVITIES	<u>(21,133)</u>
NET INCREASE (DECREASE) IN CASH	(21,133)
BEGINNING CASH AND CASH EQUIVALENTS BALANCE	<u>78,837</u>
ENDING CASH AND CASH EQUIVALENTS BALANCE	\$ <u>57,704</u>

See independent auditor's report and notes to financial statements

CAROLINA PATRIOT ROVERS, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014

NOTE 1 –SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Nature of Activities - Carolina Patriot Rovers, Inc. was formed in 2010 as a non-profit corporation. The purpose is to provide 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 and restore their physical and emotional independence. 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 in conformity with the modified cash basis 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, 2014

NOTE 3 - PROPERTY AND EQUIPMENT:

Major classes of property and equipment are as follows:

Furniture	\$ 2,400
Equipment	15,657
Vehicles	14,100
Less accumulated depreciation	(9,682)
	\$ <u>22,475</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 the same for any services provided as the rates charged to the general public. The total boarding fees paid totaled \$ 49,460 for the year. The total veterinarian fees paid totaled \$ 14,183 for the year.

NOTE 5 - SUBSEQUENT EVENTS:

Subsequent events have been evaluated up through March 27, 2015, the date of the auditor's report and there were no events found which would require additional disclosure.