

**NATIONAL SPINAL CORD
INJURY ASSOCIATION**

S.E. WISCONSIN CHAPTER

FINANCIAL REPORT

DECEMBER 31, 2016

THOMAS E. MICHALS CPA, S.C.
CERTIFIED PUBLIC ACCOUNTANTS

3174 WATERFORD CT
NEW BERLIN, WI 53151
tmichals1128@gmail.com

262-784-3578 PHONE
414-659-7858 CELL

Independent Auditor's Report

**To the Board of Directors
National Spinal Cord Injury Association
S. E. Wisconsin Chapter**

I have audited the accompanying statements of assets and fund balances as of December 31, 2016 and the statements of revenue, expenses and changes in fund balances and the statement of cash flow for the year then ended. These financial statements are the responsibility of the Chapter's management. My responsibility is to express an opinion on these financial statements based on our audit.

I conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe our audit provides a reasonable basis for our opinion.

In my opinion, the financial statements referred to above present fairly, in all material aspects, the financial position of the National Spinal Cord Injury Association, SWC, as of December 31, 2016 and for the year then ended, in conformity with U.S. generally accepted accounting principles.



OCTOBER 17, 2017

CONTENTS

INDEPENDENT AUDITOR'S REPORT

FINANCIAL STATEMENTS

Statement of Assets and Fund Balances

Statement of Revenue, Expenses and Changes in Fund Balances

Statement of Cash Flow

Notes to Financial Statements

Schedule of Findings

Corrective Action Plan

NATIONAL SPINAL CORD INJURY ASSOCIATION
SWC

STATEMENT OF ASSETS
AND FUND BALANCES

	DECEMBER 31, <u>2016</u>	DECEMBER 31 <u>2015</u>
<u>ASSETS</u>		
CASH	\$ 78,961	\$ 78,963
ACCOUNTS RECEIVABLE	-	-
TOTAL CURRENT ASSETS	78,961	78,963
FURNITURE & EQUIPMENT	11,428	11,428
(less) ACCUMULATED DEPRECIATION	-	-
	(11,428)	(11,428)
TOTAL FIXED ASSETS	-	-
TOTAL ASSETS	\$ 78,961	\$ 78,963
<u>LIABILITIES & NET ASSETS</u>		
ACCOUNTS PAYABLE	\$ 50	\$ 693
PAYROLL TAXES DUE	-	-
TOTAL CURRENT LIABILITIES	50	693
BOARD DESIGNATED USE FUNDS	78,911	78,270
TOTAL FUND BALANCES	78,911	78,270
TOTAL LIABILITIES & NET ASSETS	\$ 78,961	\$ 78,963

THE NOTES TO FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THESE STATEMENTS

**NATIONAL SPINAL CORD INJURY ASSOCIATION
SWC**

**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES
For the Year Ended December 31,**

<u>REVENUE:</u>	<u>2016</u>	<u>2015</u>
CONTRIBUTIONS - DIRECT PUBLIC SUPPORT	\$ 3,280	\$ 5,232
CONTRIBUTIONS - INDIRECT PUBLIC SUPPORT	884	3,008
MEMBERSHIP DONATIONS	1,000	2,082
NET REVENUE FROM SPECIAL EVENTS	9,194	2,580
INVESTMENT INCOME	-	531
TOTAL REVENUE	14,358	13,433
<u>EXPENSES:</u>		
GRANTS AND ALLOCATIONS	6,381	6,175
COMPENSATION OF OFFICERS AND DIRECTORS	600	600
OTHER SALARIES AND WAGES	-	1,764
PAYROLL TAXES	-	135
ACCOUNTING FEES	750	750
SUPPLIES AND OFFICE EXPENSES	498	1,186
TELEPHONE	939	620
POSTAGE AND SHIPPING	231	227
PRINTING AND PUBLICATIONS	104	115
TRAVEL	-	600
FEES AND LICENSES	385	375
INSURANCE	3,829	3,572
TOTAL EXPENSE	13,717	16,119
EXCESS OF REVENUE OVER EXPENSES	641	(2,686)
FUND BALANCES		
BEGINNING OF YEAR	78,270	81,456
PRIOR PERIOD WRITE-OFF	-	(500)
END OF YEAR	\$ 78,911	\$ 78,270

THE NOTES TO FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THESE STATEMENTS

NATIONAL SPINAL CORD INJURY ASSOCIATION
SWC

STATEMENT OF CASH FLOW
For the Year Ended
December 31, 2016

CASH AND EQUIVALENTS-DECEMBER 31, 2016	\$	78,961
CASH AND EQUIVALENTS-DECEMBER 31, 2015	\$	78,963
NET (DECREASE) IN CASH AND EQUIVALENTS	<u>\$</u>	<u>(2)</u>
CASH PROVIDED/(USED) BY OPERATIONS		641
EXCESS EXPENSES OVER REVENUE	\$	641
TOTAL		<u>641</u>
CHANGE IN CURRENT LIABILITIES		(643)
NET (DECREASE) IN CASH AND EQUIVALENTS	<u>\$</u>	<u>(2)</u>

THE NOTES TO FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THESE STATEMENTS

NATIONAL SPINAL CORD INJURY ASSOCIATION
SWC

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2016

Note 1.

Summary of Significant Accounting Policies

Nature of Organization:

The National Spinal Cord Injury Association/S.E. Wisconsin Chapter is a non-profit organization that operates under the tax exempt status of Section 501(c)3 of the Internal Revenue Code. Accordingly no provision for capital stock or income taxes has been made. The organization's was founded to assist those in the area with spinal cord injuries and others in the prevention of such injuries, peer advising, and a quarterly newsletter. Its primary purpose is to assist newly injured people return to an all inclusive society in a productive way.

The organization's revenues are derived from public support and special events.

Method of Accounting:

The organization follows the accrual method of accounting wherein revenues and expenses are reflected in the period earned or incurred.

Cash and Other Investments:

Cash is held in a business checking account.

Property and Equipment:

Property and equipment are recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

Use of Estimates:

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures, particularly the use of market value for marketable securities. Accordingly, actual results could differ from those estimates.

Note 2.

Board Designated Use Funds

As of December 31, the Board of Directors had designated funds to be used for:

	<u>2016</u>
Greater Needs Program	<u>78,911</u>
	\$ 78,911

**NATIONAL SPINAL CORD INJURY ASSOCIATION
SWC**

**SCHEDULE OF FINDINGS
For the Year Ended December 31, 2016**

A. Summary of Auditor's Results

Type of auditor's report issued	Unqualified
Internal control over financial reporting:	
Material weakness identified	No
Significant deficiency identified not considered to be a material weakness	Yes
Noncompliance material to the financial statements noted	No

B. Financial Statement Findings

Reportable condition - internal control:

Item 1	<u>Segregation of Duties</u>
Condition:	Several accounting functions regarding cash receipts and disbursements and the related record keeping which should be segregated are being performed by one or two individuals.
Criteria:	Accounting functions should be segregated.
Effect:	Lack of proper segregation of duties could affect the organization's ability to record, process, summarize or properly report financial data.
Recommendation:	Considering the size of the organization, we believe that a proper segregation of accounting duties would be impractical and the cost of such control would exceed the benefits realized.
Comments:	The organization concurs with the finding and recommendation.

No other items were noted that are required to be disclosed as findings or questioned costs.

No prior year audit findings need to be reported.



National Spinal Cord Injury Association / S.E. Wisconsin Chapter

CORRECTIVE ACTION PLAN

Thomas E. Michals CPA S.C.
October 17, 2017

Internal Control

A. Comments on Findings and Recommendations

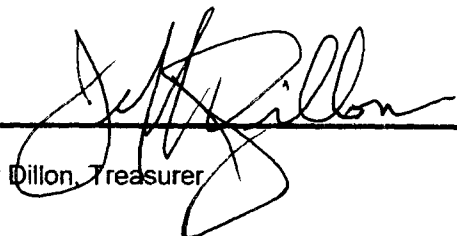
The Organization agrees with auditor's findings.

B. Actions to be Taken.

The Organization agrees with the auditor's comment that implementing a proper segregation of duties in a small entity of this size would be impractical and cost prohibitive.

National Spinal Cord Injury Association
Greater Milwaukee Area Chapter

By:



Jeffrey Dillon, Treasurer