

*Christian Counseling and Training Center, Inc.*

*Financial Statements*

*Year Ended  
December 31, 2016*

***Christian Counseling and Training Center, Inc.***

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***Report of Independent Auditors***

To the Board of Directors  
Christian Counseling & Training Center, Inc.

We have audited the accompanying financial statements of the Christian Counseling & Training Center, Inc., which comprise the statement of financial position and the related statements of activities, functional expenses, and cash flows for the year then ended.

*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 the 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*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in 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 consolidated financial statement 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, we express no such opinion. An audit also includes evaluation 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Christian Counseling & Training Center, Inc. as of December 31, 2016 and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.



Michael W. Hultzapple, CPA LTD  
Richmond, Virginia  
April 24, 2017

**CHRISTIAN COUNSELING & TRAINING CENTER, INC.**

**Statement of Financial Position**

**December 31, 2016**

**Assets**

**Current Assets**

Cash	\$ 18,997
Investments	<u>-</u>
<b>Total current assets</b>	<b>18,997</b>

**Property and Equipment**

	<u>-</u>
<b>Total Assets</b>	<b><u><u>\$ 18,997</u></u></b>

**Liabilities and Net Assets**

**Current Liabilities**

Accounts payable	\$ 459
Payroll taxes payable	<u>704</u>
<b>Total current liabilities</b>	<b>1,163</b>

**Net Assets**

Unrestricted	<u>17,834</u>
<b>Total Liabilities and Net Assets</b>	<b><u><u>\$ 18,997</u></u></b>

The accompanying notes are an integral part of these financial statements.

**CHRISTIAN COUNSELING & TRAINING CENTER, INC.**

**Statement of Activities**

**Year ended December 31, 2016**

**Support and Revenues**

Contributions	
Churches	\$ 34,987
Friends	37,672
Tuition and fees	50,187
United Way	<u>6,041</u>
Total support and revenue	128,887

**Expenses**

Salaries and wages	79,441
Occupancy	18,422
Accounting	2,220
Books	1,232
Dues	575
Equipment and Supplies	2,741
Food	544
Fund Raising	4,876
Insurance	959
License fees	125
Miscellaneous	1,581
Office	1,959
Payroll taxes	3,669
Postage	487
Printing	129
Publicity	267
Special Events	2,466
Telephone	2,593
Travel	<u>928</u>

Total expenses 125,214

**Change in Net Assets** 3,673

**Net Assets at Beginning of Year** 14,161

**Net Assets at End of Year** \$ 17,834

The accompanying notes are an integral part of these financial statements.

**CHRISTIAN COUNSELING & TRAINING CENTER, INC.**

***Statement of Cash Flows***

**Year ended December 31, 2016**

<b>Cash Flows From Operating Activities:</b>	
Change in net assets	\$ 3,673
Adjustments to reconcile change in net assets to net cash used by operating activities:	
Decrease in contribution receivable	<u>(734)</u>
Net Cash used by operating activities	<u>2,939</u>
<b>Cash Flows From Investing Activities:</b>	
Sale of investments	<u>117</u>
<b>Net Increase in Cash</b>	3,056
<b>Cash at January 1, 2016</b>	<u>\$ 15,941</u>
<b>Cash at December 31, 2016</b>	<u><u>\$ 18,997</u></u>

The accompanying notes are an integral part of these financial statements.

**CHRISTIAN COUNSELING & TRAINING CENTER, INC.**

*Statement of Functional Expenses*

**Year ended December 31, 2016**

	<u>Training &amp; Counseling</u>	<u>General &amp; Administrative</u>	<u>Fund- Raising</u>	<u>Total</u>
Salaries and wages	\$ 73,086	\$ 6,355	\$ -	\$ 79,441
Occupancy	16,948	1,474	-	18,422
Accounting	-	2,220	-	2,220
Books	1,232	-	-	1,232
Dues	575	-	-	575
Equipment and Supplies	2,467	274	-	2,741
Food	490	54	-	544
Fund Raising	-	-	4,876	4,876
Insurance	-	959	-	959
License fees	-	125	-	125
Miscellaneous	1,279	302	-	1,581
Office	1,763	196	-	1,959
Payroll taxes	3,302	367	-	3,669
Postage	438	49	-	487
Printing	116	13	-	129
Publicity	134	133	-	267
Special Events	2,219	247	-	2,466
Telephone	2,334	259	-	2,593
Travel	835	93	-	928
	<u>\$ 107,218</u>	<u>\$ 13,120</u>	<u>\$ 4,876</u>	<u>\$ 125,214</u>

The accompanying notes are an integral part of these financial statements.

# Christian Counseling and Training Center Inc.

## Notes to Financial Statements

December 31, 2016

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### 1. Organization and Nature of Activities

The *Christian Counseling & Training Center, Inc.* (the "Organization") is a not-for-profit organization established to provide programs relating to the training of counselors and students in Christian ethics and biblical techniques. The Center also provides counseling to individuals based on biblical principles.

### 2. Summary of Significant Accounting Policies

#### Basis of Presentation

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. The financial statements report amounts separately by class of net assets as follows.

**Unrestricted** – net assets currently available at the discretion of the Organization's Board of Directors for use in operations and those resources invested in property or equipment. At December 31, 2012, all net assets were classified as unrestricted.

**Temporarily restricted** – net asset resulting from support and revenue whose use by the Organization is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Organization pursuant to those donor-imposed stipulations.

**Permanently restricted** - net assets include donor-restricted contributions that neither expire with the passage of time nor can be fulfilled or otherwise removed by the actions of the Organization.

#### Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

#### Property and Equipment

Property and Equipment are recorded at cost or, if donated, at fair market value at the date of gift. Generally, acquisitions in excess of \$500 are capitalized. Depreciation is provided for using the straight-line methods over the estimated useful lives as follows for the major classes of assets:

Furniture, fixtures, and equipment	5 -7 years
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**Donor-Restricted Gifts**

Unconditional promises to give cash or other assets are reported at fair value at the date the promise is received, which is then treated as cost. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, then a stipulated time restriction end or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year received are reflected as unrestricted contributions in the accompanying financial statements

**Income Tax**

Inspire has been approved as a tax-exempt organization under the Internal Revenue Code Section 501(c)(3) and the tax statues of the Commonwealth of Virginia. The Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation.

**Estimates**

The preparation of financial statement in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets an liabilities at the date of the financial statements. Such estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and assumptions.

**3. Property and Equipment**

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

Furniture and office equipment	\$ 23,548
Less accumulated depreciation	<u>23,548</u>
	<u><u>\$ -</u></u>

**4. Functional Allocation of Expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and activities benefited.