

Better Business Bureau of
Central Virginia, Inc.
and
Better Business Bureau
Foundation of Virginia, Inc.

Combined Financial Statements

December 31, 2015 and 2014

Better Business Bureau of Central Virginia, Inc. and Better Business Bureau Foundation of Virginia, Inc.

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Independent Auditor's Report

Board of Trustees
Better Business Bureau of Central Virginia, Inc.
Richmond, Virginia

Report on the Combined Financial Statements

We have audited the accompanying combined financial statements of the Better Business Bureau of Central Virginia, Inc., and its related organization, Better Business Bureau Foundation of Virginia, Inc. (collectively, the "Organization"), which comprise the combined statements of assets, liabilities, and net assets on a modified cash basis as of December 31, 2015 and 2014, the related combined statements of revenues, expenses and changes in net assets on a modified cash basis and cash flows on a modified cash basis for the years then ended and the related notes to the combined financial statements.

Management's Responsibility for the Combined Financial Statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the combined 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 the combined 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 combined financial statements based on our audits. We conducted our audits 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 combined financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined 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 combined 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, we 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 combined financial statements.

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

Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets arising from a modified cash basis of the Better Business Bureau of Central Virginia, Inc. and its related organization, Better Business Bureau Foundation of Virginia, Inc., as of December 31, 2015 and 2014 and their revenues, expenses, and changes in its net assets and its cash flows for the years then ended in accordance with the modified cash basis of accounting described in Note 1.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the combined financial statements as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audits of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the combined financial statements as a whole.

Basis of Accounting

We draw attention to Note 1 of the combined financial statements, which describes the basis of accounting. The combined financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Mitchell, Wiggins & Company LLP

Petersburg, Virginia
September 1, 2016

**Better Business Bureau of Central Virginia, Inc. and
Better Business Bureau Foundation of Virginia, Inc.**

**Combined Statements of Assets, Liabilities and Net Assets -Modified Cash Basis
December 31, 2015 and 2014**

Assets	2015	2014
Current Assets		
Cash	\$ 159,103	\$ 80,634
Employee advances	1,300	2,300
Investments	557,627	781,762
Total current assets	718,030	864,696
Property and Equipment		
Furniture and equipment	289,837	114,635
Software	14,091	12,680
Vehicles	90,276	90,276
Leasehold improvements	6,682	6,682
	400,886	224,273
Less accumulated depreciation	218,571	178,778
Net property and equipment	182,315	45,495
Other Assets		
Cash value of life insurance	262,086	232,053
Other assets	233	-
	262,319	232,053
Total assets	\$ 1,162,664	\$ 1,142,244
Liabilities and Net Assets		
Current Liabilities		
Note payable, current maturity of long-term debt	\$ -	\$ 7,551
Employee payroll deductions	-	4,292
Total current liabilities	-	11,843
Long-term debt, less current maturities	-	7,551
Net Assets		
Unrestricted	1,161,664	1,130,401
Temporarily restricted	1,000	-
Total net assets	1,162,664	1,130,401
Total liabilities and net assets	\$ 1,162,664	\$ 1,142,244

See Notes to Combined Financial Statements

**Better Business Bureau of Central Virginia, Inc. and
Better Business Bureau Foundation of Virginia, Inc.**

**Combined Statements of Revenues, Expenses and Changes in Net Assets - Modified Cash Basis
Years Ended December 31, 2015 and 2014**

	2015	2014
Unrestricted Net Assets		
Revenues and gains		
Membership dues	\$ 2,089,367	\$ 1,959,433
Membership services	120,376	128,372
Program services and fees	16,082	13,033
Special events, net of expenses (\$11,252 2015; \$17,522 2014)	15,564	7,866
Grants and contributions	18,417	25,142
Unrealized gains (losses) from investments	(69,643)	677
Realized gains from investments	30,438	2,029
Dividend and interest income	27,250	36,638
Total revenues and gains	2,247,851	2,173,190
Net assets released from restrictions		
Satisfaction of purpose restrictions	-	2,471
Total unrestricted revenues, gains and reclassifications	2,247,851	2,175,661
Expenses		
Bank charges	48,987	48,689
Commissions	474,554	437,293
Computer support	68,560	60,117
Contributions	35	590
Depreciation	39,793	19,890
Dues and subscriptions	132,713	79,547
Education materials and publishing	29,509	29,850
Employee benefits	147,203	157,425
Equipment lease	18,989	17,009
Insurance	10,845	11,273
Interest	496	748
Internet and web design	670	7,599
Legal and accounting	41,990	30,878
Membership services	1,290	155
Miscellaneous	2,595	-
Office supplies	18,475	12,713
Postage	27,571	31,045
Program expenses	41,567	18,126
Rent	118,018	114,580
Repairs and Maintenance	9,622	-
Salaries and wages	771,675	747,562
Sales promotion and public relations	37,866	100,513
Seminars and conferences	39,412	34,703
Taxes and licenses	102,091	97,242
Telephone	24,402	21,829
Temporary labor	-	2,903
Travel	7,660	10,150
Total expenses	2,216,588	2,092,429

(continued)

**Better Business Bureau of Central Virginia, Inc. and
Better Business Bureau Foundation of Virginia, Inc.**

**Combined Statements of Revenues, Expenses and Changes in Net Assets - Modified
Cash Basis (continued)
Years Ended December 31, 2015 and 2014**

	2015	2014
Increase in unrestricted net assets	<u>31,263</u>	<u>83,232</u>
Temporarily Restricted Net Assets		
Contributions	1,000	-
<i>Net assets released from restrictions</i>		
Satisfaction of purpose restrictions	-	(2,471)
Increase (decrease) in temporarily restricted net assets	<u>1,000</u>	<u>(2,471)</u>
Changes in net assets	32,263	80,761
Net assets, beginning of year	<u>1,130,401</u>	<u>1,049,640</u>
Net assets, end of year	<u>\$ 1,162,664</u>	<u>\$ 1,130,401</u>

See Notes to Combined Financial Statements

**Better Business Bureau of Central Virginia, Inc. and
Better Business Bureau Foundation of Virginia, Inc.**

**Combined Statements of Cash Flows - Modified Cash Basis
Years Ended December 31, 2015 and 2014**

	2015	2014
Cash Flows from Operating Activities		
Changes in net assets	\$ 32,263	\$ 80,761
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities		
Depreciation	39,793	19,890
Realized gains from investments	(30,438)	(2,029)
Unrealized (gains) losses from investments	69,643	(677)
Changes in operating assets		
Employee advances	1,000	(2,300)
Other assets	(233)	-
Cash value of life insurance	(30,033)	(28,541)
Changes in operating liabilities		
Employee payroll deductions	(4,292)	(555)
Net cash provided by operating activities	<u>77,703</u>	<u>66,549</u>
Cash Flows from Investing Activities		
Purchase of property and equipment	(176,613)	(8,744)
Purchase of investments	(707,854)	(186,520)
Proceeds from sale of investments	892,784	160,911
Net cash provided by (used in) investing activities	<u>8,317</u>	<u>(34,353)</u>
Cash Flows from Financing Activities		
Curtailment of long-term debt	(7,551)	(10,070)
Net cash (used in) financing activities	<u>(7,551)</u>	<u>(10,070)</u>
Net change in cash and cash equivalents	78,469	22,126
Cash and cash equivalents, beginning	<u>80,634</u>	58,508
Cash and cash equivalents, ending	<u>\$ 159,103</u>	<u>\$ 80,634</u>

See Notes to Combined Financial Statements

***Better Business Bureau of Central Virginia, Inc. and
Better Business Bureau Foundation of Virginia, Inc.***

Notes to Combined Financial Statements

December 31, 2015 and 2014

Note 1. Nature of Organization and Significant Accounting Policies

Nature of organization

The Better Business Bureau of Central Virginia, Inc. (the “Bureau”) and its related organization, the Better Business Bureau Foundation of Virginia, Inc. (the “Foundation”) (collectively, the “Organization”), are private, nonprofit organizations that were formed in the Commonwealth of Virginia in 1954 and 1986, respectively. The Bureau’s purpose is to promote and foster the highest ethical relationship between business and the public in the central Virginia region through voluntary self-regulation, consumer and business education, and service excellence. The purpose of the Foundation is to (a) provide conciliation, mediation, and arbitration services in aid of nonjudicial resolution of minor disputes; (b) provide information to persons relevant to the prevention and resolution of disputes; and (c) provide information relative to consumer rights and responsibilities. A majority of the Organization’s financial support comes from membership dues, service fees, and grants. Core services provided by the Bureau include business reliability reporting, dispute resolution, truth-in-advertising review, consumer and business education and charity review.

A summary of the Organization's significant accounting policies follows:

Principles of combination

The combined financial statements include the accounts of the Better Business Bureau of Central Virginia, Inc. (the “Bureau”) and the Better Business Bureau Foundation of Virginia, Inc. (the “Foundation”), which are related by virtue of common control. All intercompany balances and transactions have been eliminated in the combined financial statements.

Basis of accounting

The combined financial statements of the Organization have been prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Accordingly, revenues and the related assets are recorded when received rather than when earned and certain expenses are recognized when paid rather than when the obligations are incurred. Modifications to the cash basis of accounting include recording and valuation of investments, acquisitions of property and equipment and depreciation on property and equipment.

Use of estimates

The preparation of combined financial statements in conformity with the 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 disclosure of contingent assets and liabilities at the date of the combined financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

***Better Business Bureau of Central Virginia, Inc. and
Better Business Bureau Foundation of Virginia, Inc.***

Notes to Combined Financial Statements

December 31, 2015 and 2014

Note 1. Nature of Organization and Significant Accounting Policies (Continued)

Cash

The Organization considers all unrestricted cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents.

Property and equipment

Property and equipment is stated at cost. The cost of additions and betterments are capitalized and expenditures for repairs and maintenance are expensed in the period incurred. Depreciation is computed by the accelerated method over the estimated useful life of the related asset, which range from three to ten years. When items of property and equipment are sold or retired, the related costs and accumulated depreciation are removed from the accounts and any gain or loss is included in income.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the combined statements of assets, liabilities and net assets. Unrealized gains and losses are included in the changes in net assets.

Income taxes

The Better Business Bureau of Central Virginia, Inc. and the Better Business Bureau Foundation of Virginia, Inc. are not-for-profit organizations that are exempt from income taxes under Section 501(c)(6) and Section 501(c)(3), respectively, of the Internal Revenue Code. The Better Business Bureau Foundation of Virginia, Inc. has also been classified as an entity that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions as provided in Section 170(b)(1)(A)(vi).

The Organization follows generally accepted accounting principles regarding "Accounting for Uncertain Tax Positions". This accounting standard provides detailed guidance for combined financial statement recognition, measurement, and disclosure of uncertain tax positions recognized in the Organization's combined financial statements. It requires an entity to recognize the combined financial statement impact of a tax position when it is more likely than not that the position will not be sustained upon examination. The tax years 2012 to 2014 remain subject to examination by the taxing authorities.

The Organization includes penalties and interest assessed by income taxing authorities in operating expenses. No penalties or interest were incurred for the years ended December 31, 2015 and 2014.

Net assets

Net assets and revenues, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

**Better Business Bureau of Central Virginia, Inc. and
Better Business Bureau Foundation of Virginia, Inc.**

Notes to Combined Financial Statements

December 31, 2015 and 2014

Note 1. Nature of Organization and Significant Accounting Policies (Continued)

Unrestricted net assets – Net assets not subject to donor-imposed restrictions.

Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that may or will be met by actions of the Organization and/or the passage of time.

Permanently restricted net assets – Endowment funds that are restricted to investment in perpetuity, the income from which is expendable to support the various programs sponsored by the Organization at the discretion of the Board of Trustees. The Organization had no permanently restricted net assets as of December 31, 2015 and 2014.

Revenues are reported as increases in the unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Realized gains and losses on investments are reported as increases or decreases in net assets unless their use is restricted by donors. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications from temporarily restricted net assets to unrestricted net assets. However, if restrictions on grants and contributions are met in the same reporting period as the grant or contribution is received, the revenues are reported as increases in unrestricted net assets.

Note 2. Investments

Investments at December 31, 2015 and 2014 consist of the following:

	December 31, 2015			
	Cost	Fair Value	Gross Unrealized Losses	Gross Unrealized Gains
Mutual funds:				
Cash - Money Market	\$ 4,184	\$ 4,184	\$ -	\$ -
Fixed income	121,950	116,312	(5,638)	-
International and global equity fund	126,016	113,652	(12,852)	488
Real asset	41,074	39,687	(1,434)	47
U. S. equity fund	310,169	283,792	(26,377)	-
	<u>\$ 603,393</u>	<u>\$ 557,627</u>	<u>\$ (46,301)</u>	<u>\$ 535</u>

**Better Business Bureau of Central Virginia, Inc. and
Better Business Bureau Foundation of Virginia, Inc.**

Notes to Combined Financial Statements

December 31, 2015 and 2014

Note 2. Investments (Continued)

	December 31, 2014			
	Cost	Fair Value	Gross Unrealized Losses	Gross Unrealized Gains
Mutual funds:				
Fixed income	\$ 498,364	\$ 502,998	\$ (1,795)	\$ 6,429
International and global equity fund	146,085	154,993	(5,981)	14,889
Real asset	15,402	17,260	-	1,858
U. S. equity fund	98,034	106,511	(505)	8,982
	<u>\$ 757,885</u>	<u>\$ 781,762</u>	<u>\$ (8,281)</u>	<u>\$ 32,158</u>

Note 3. Cash Value of Life Insurance

The Bureau is the owner and payer of a life insurance policy with a face amount of coverage of \$266,509 on the President of the Organization. The policy is designed to build cash value over time that can be used by the Bureau to fund a deferred compensation plan for the President. At December 31, 2015, the deferred compensation plan had not yet been put in place. In the event of the President's death or the termination of the policy, the death benefit or cash value in the policy will be paid to the Bureau. At December 31, 2015 and 2014, the Bureau had cash value in the policy of \$262,086 and \$232,053, respectively.

Note 4. Fair Value Measurements

The Organization has categorized its financial assets into a three-level fair value hierarchy, based on the nature of the inputs used in determining fair value. The hierarchy gives the highest priority to quoted prices in active markets for identical assets (Level 1) and the lowest priority to unobservable inputs (Level 3). Following is a description of each category in the fair value hierarchy and the financial assets that are included in each category at December 31, 2015 and 2014.

- Level 1 – Financial assets whose values are based on unadjusted quoted prices for identical assets in an active market.
- Level 2 – Inputs to the valuation methodology included quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability either directly or indirectly, for substantially the full term of the financial instrument. The Organization did not have any Level 2 financial assets as of December 31, 2015 and 2014.

**Better Business Bureau of Central Virginia, Inc. and
Better Business Bureau Foundation of Virginia, Inc.**

Notes to Combined Financial Statements

December 31, 2015 and 2014

Note 4. Fair Value Measurements (Continued)

- Level 3 – Financial assets whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. The Organization did not have any Level 3 financial assets as of December 31, 2015 and 2014:

	December 31, 2015			
	Level 1	Level 2	Level 3	Total
Cash-money market	\$ 4,184	\$ -	\$ -	\$ 4,184
Mutual funds:				
Fixed income funds	116,312	-	-	116,312
International and global equity funds	113,652	-	-	113,652
Real assets funds	39,687	-	-	39,687
U. S. equity funds	283,792	-	-	283,792
Total	\$ 557,627	\$ -	\$ -	\$ 557,627

	December 31, 2014			
	Level 1	Level 2	Level 3	Total
Mutual funds:				
Fixed income funds	\$ 502,998	\$ -	\$ -	\$ 502,998
International and global equity funds	154,993	-	-	154,993
Real assets funds	17,260	-	-	17,260
U. S. equity funds	106,511	-	-	106,511
Total	\$ 781,762	\$ -	\$ -	\$ 781,762

Note 5. Long-Term Note Payable

Long-term note payable consists of the following:

	2015	2014
General Motors Acceptance Corporation, 0%, due in monthly installments of \$839 through September 2015, secured by a vehicle	\$ -	\$ 7,551
Totals shown on combined statements of assets, liabilities and net assets as: Amounts due within one year	\$ -	\$ 7,551

**Better Business Bureau of Central Virginia, Inc. and
Better Business Bureau Foundation of Virginia, Inc.**

Notes to Combined Financial Statements

December 31, 2015 and 2014

Note 6. Retirement Plan

In 1997, the Organization established a Simple IRA Pension Plan, covering all employees who meet eligibility requirements. The Organization may elect to contribute a matching contribution to each eligible employee's Simple IRA equal to the employee's salary reduction contributions up to a limit of 4% of the employee's compensation for the year. In February, 2014, the Organization established a 401(k) Profit Sharing Plan and Trust to replace the Simple IRA Pension Plan, which covers all employees who meet the eligibility requirements. The Organization will contribute a matching contribution to each eligible employee's 401(k) Profit Sharing Plan. The Bureau's matching contributions totaled \$29,285 in 2015 and \$31,725 in 2014 for the 401(k) Profit Sharing Plan and Trust.

Note 7. Restrictions on Net Assets

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

	<u>2015</u>	<u>2014</u>
Better Business Bureau Smart Outreach Program	<u>\$ 1,000</u>	<u>\$ -</u>
	<u>\$ 1,000</u>	<u>\$ -</u>

Net assets were released from donor restrictions by incurring expenses satisfying the purpose or the lapse of time restrictions specified by the donor as follows:

	<u>2015</u>	<u>2014</u>
Purpose restriction accomplished:		
Outreach Program	\$ -	\$ 1,471
Wrap for new vehicle	-	1,000
	<u>\$ -</u>	<u>\$ 2,471</u>

Note 8. Concentrations of Credit Risk

The Organization maintains investments in mutual funds. All of these investments are subject to market fluctuations and are at risk to loss of principal.

**Better Business Bureau of Central Virginia, Inc. and
Better Business Bureau Foundation of Virginia, Inc.**

Notes to Combined Financial Statements

December 31, 2015 and 2014

Note 9. Commitments and Contingencies

The Organization leases various equipment under noncancellable lease agreements. Minimum future lease commitments are as follows:

2016	4,933
2017	4,933
2018	2,466
	<u>\$ 12,332</u>

The lease expense related to the above leases amounted to \$7,141 and \$9,331 for the years ended December 31, 2015 and 2014, respectively.

The Organization leases its office facilities under a noncancellable lease agreement entered into on January 1, 2009. The lease agreement initially allowed for six months free rent and beginning July 1, 2009, the first three monthly rent payments would be at one-half the regular amount. Effective January 1, 2010, the monthly rent amount increased to \$8,504. Minimum future lease commitments are as follows:

2016	121,558
2017	125,205
2018	128,961
2019	132,830
	<u>\$ 508,554</u>

The rental expense related to the above lease amounted to \$118,018 and \$114,580 for the years ended December 31, 2015 and 2014, respectively.

Note 10. Functional Expense

The Foundation allocates payroll and occupancy costs based on time and usage, respectively, for program services, general and administrative costs and fundraising costs. All other expenses are treated as indirect costs, unless identified to a specific function, and are allocated based on their pro-rata relationship to salaries and occupancy costs charged. Expenses classified by function are as follows:

**Better Business Bureau of Central Virginia, Inc. and
Better Business Bureau Foundation of Virginia, Inc.**

Notes to Combined Financial Statements

December 31, 2015 and 2014

Note 10. Functional Expense (Continued)

	December 31, 2015			
	Program Services	General and Administrative	Fundraising	Total
Bank charges	\$ 469	\$ -	\$ -	\$ 469
Dues and subscriptions	1,042	116	-	1,158
Office supplies	2,385	778	86	3,249
Postage	130	14	-	144
Program expenses	37,485	4,082	-	41,567
Seminars and conferences	7,246	-	-	7,246
Taxes and licenses	3,169	427	-	3,596
Travel	196	-	-	196
	\$ 52,122	\$ 5,417	\$ 86	\$ 57,625

	December 31, 2014			
	Program Services	General and Administrative	Fundraising	Total
Bank charges	\$ 409	\$ -	\$ -	\$ 409
Dues and subscriptions	420	47	-	467
Insurance	130	-	-	130
Office supplies	2,301	256	-	2,557
Postage	82	9	-	91
Program expenses	16,685	1,441	-	18,126
Seminars and conferences	1,209	-	-	1,209
Taxes and licenses	1,047	110	-	1,157
Travel	531	-	-	531
	\$ 22,814	\$ 1,863	\$ -	\$ 24,677

Note 11. Post-Retirement Benefits

The Bureau entered into a retirement agreement with the current Chief Executive Officer to provide him compensation beyond retirement. If the Chief Executive Officer's employment continues until at least January 1, 2016, the Bureau shall pay to him a total of \$270,000 in 180 monthly installments, commencing on the first day of the month following the date of cessation of the Chief Executive Officer's employment. If the Chief Executive Officer dies after the installment payments have begun to be paid, the Bureau shall pay the remaining vested payments in the same manner and the same scheduled period of time to the Chief Executive Officer's beneficiary.

Note 12. Subsequent Events

Management has evaluated subsequent events through September 1, 2016, the date the combined financial statements were available for issue.

**Better Business Bureau of Central Virginia, Inc. and
Better Business Bureau Foundation of Virginia, Inc.**

**Combining Statement of Assets, Liabilities and Net Assets - Modified Cash Basis
December 31, 2015**

Assets	BBB Bureau	BBB Foundation	Eliminations	Combined Total
Current Assets				
Cash	\$ 134,763	\$ 24,340	\$ -	\$ 159,103
Employee advances	1,300	-	-	1,300
Investments	557,627	-	-	557,627
Total current assets	693,690	24,340	-	718,030
Property and Equipment				
Furniture and equipment	289,837	-	-	289,837
Software	14,091	-	-	14,091
Vehicle	90,276	-	-	90,276
Leasehold improvements	6,682	-	-	6,682
	400,886	-	-	400,886
Less accumulated depreciation	218,571	-	-	218,571
Net property and equipment	182,315	-	-	182,315
Other Assets				
Cash value of life insurance	262,086	-	-	262,086
Other assets	233	-	-	233
	262,319	-	-	262,319
Total assets	\$ 1,138,324	\$ 24,340	\$ -	\$ 1,162,664
Liabilities and Net Assets				
Current Liabilities				
Note payable, current maturity of long-term debt	\$ -	\$ -	\$ -	\$ -
Accounts payable, affiliate	-	-	-	-
Employee payroll deductions	-	-	-	-
Total current liabilities	-	-	-	-
Net Assets				
Unrestricted	1,138,324	23,340	-	1,161,664
Temporarily restricted	-	1,000	-	1,000
Total net assets	1,138,324	24,340	-	1,162,664
Total liabilities and net assets	\$ 1,138,324	\$ 24,340	\$ -	\$ 1,162,664

**Better Business Bureau of Central Virginia, Inc. and
Better Business Bureau Foundation of Virginia, Inc.**

**Combining Statement of Assets, Liabilities and Net Assets - Modified Cash Basis
December 31, 2014**

Assets	BBB Bureau	BBB Foundation	Eliminations	Combined Total
Current Assets				
Cash	\$ 34,784	\$ 45,850	\$ -	\$ 80,634
Employee advances	2,300	-	-	2,300
Accounts receivable, affiliate	15,040	-	(15,040)	-
Investments	781,762	-	-	781,762
Total current assets	833,886	45,850	(15,040)	864,696
Property and Equipment				
Furniture and equipment	114,635	-	-	114,635
Software	12,680	-	-	12,680
Vehicle	90,276	-	-	90,276
Leasehold improvements	6,682	-	-	6,682
	224,273	-	-	224,273
Less accumulated depreciation	178,778	-	-	178,778
Net property and equipment	45,495	-	-	45,495
Other Assets				
Cash value of life insurance	232,053	-	-	232,053
Other assets	-	-	-	-
	232,053	-	-	232,053
Total assets	\$ 1,111,434	\$ 45,850	\$ (15,040)	\$ 1,142,244
Liabilities and Net Assets				
Current Liabilities				
Note payable, current maturity of long-term debt	\$ 7,551	\$ -	\$ -	\$ 7,551
Accounts payable, affiliate	-	15,040	(15,040)	-
Employee payroll deductions	4,292	-	-	4,292
Total current liabilities	11,843	15,040	(15,040)	11,843
Net Assets				
Unrestricted	1,099,591	30,810	-	1,130,401
Total net assets	1,099,591	30,810	-	1,130,401
Total liabilities and net assets	\$ 1,111,434	\$ 45,850	\$ (15,040)	\$ 1,142,244

**Better Business Bureau of Central Virginia, Inc. and
Better Business Bureau Foundation of Virginia, Inc.**

**Combining Statement of Revenues, Expenses and Changes in Net Assets - Modified Cash Basis
Year Ended December 31, 2015**

	BBB Bureau	BBB Foundation	Eliminations	Combined Total
Unrestricted Net Assets				
Revenues and gains				
Membership dues	\$ 2,089,367	\$ -	\$ -	\$ 2,089,367
Membership services	120,376	-	-	120,376
Program services and fees	-	16,082	-	16,082
Special events, net of expenses \$11,252	-	15,564	-	15,564
Grants and contributions	-	18,417	-	18,417
Unrealized losses from investments	(69,643)	-	-	(69,643)
Realized gains from investments	30,438	-	-	30,438
Dividend and interest income	27,158	92	-	27,250
Total revenues and gains	2,197,696	50,155	-	2,247,851
Net assets released from restrictions				
Satisfaction of purpose restrictions	-	-	-	-
Total unrestricted revenues, gains and reclassifications	2,197,696	50,155	-	2,247,851
Expenses				
Bank charges	48,518	469	-	48,987
Commissions	474,554	-	-	474,554
Computer support	68,560	-	-	68,560
Contributions	35	-	-	35
Depreciation	39,793	-	-	39,793
Dues and subscriptions	131,555	1,158	-	132,713
Education materials and publishing	29,509	-	-	29,509
Employee benefits	147,203	-	-	147,203
Equipment and lease	18,989	-	-	18,989
Insurance	10,845	-	-	10,845
Interest	496	-	-	496
Internet web and design	670	-	-	670
Legal and accounting	41,990	-	-	41,990
Membership services	1,290	-	-	1,290
Miscellaneous	2,595	-	-	2,595
Office supplies	15,226	3,249	-	18,475
Postage	27,427	144	-	27,571
Program expenses	-	41,567	-	41,567
Rent	118,018	-	-	118,018
Repairs and Maintenance	9,622	-	-	9,622
Salaries and wages	771,675	-	-	771,675
Sales promotion and public relations	37,866	-	-	37,866
Seminars and conferences	32,166	7,246	-	39,412
Taxes and licenses	98,495	3,596	-	102,091
Telephone	24,402	-	-	24,402
Travel	7,464	196	-	7,660
Total expenses	2,158,963	57,625	-	2,216,588
Increase (decrease) in unrestricted net assets	38,733	(7,470)	-	31,263
Temporarily Restricted Net Assets				
Contributions	-	1,000	-	1,000
Increase in temporarily restricted net assets	-	1,000	-	1,000
Changes in net assets	38,733	(6,470)	-	32,263
Net assets, beginning of year	1,099,591	30,810	-	1,130,401
Net assets, end of year	\$ 1,138,324	\$ 24,340	\$ -	\$ 1,162,664

**Better Business Bureau of Central Virginia, Inc. and
Better Business Bureau Foundation of Virginia, Inc.**

**Combining Statement of Revenues, Expenses and Changes in Net Assets - Modified Cash Basis
Year Ended December 31, 2014**

	BBB Bureau	BBB Foundation	Eliminations	Combined Total
Unrestricted Net Assets				
Revenues and gains				
Membership dues	\$ 1,959,433	\$ -	\$ -	\$ 1,959,433
Membership services	128,372	-	-	128,372
Program services and fees	-	13,033	-	13,033
Special events, net of expenses \$17,522	-	7,866	-	7,866
Grants and contributions	-	25,142	-	25,142
Unrealized gains from investments	677	-	-	677
Realized gains from investments	2,029	-	-	2,029
Dividend and interest income	36,588	50	-	36,638
Total revenues and gains	2,127,099	46,091	-	2,173,190
Net assets released from restrictions				
Satisfaction of purpose restrictions	1,000	1,471	-	2,471
Total unrestricted revenues, gains and reclassifications	2,128,099	47,562	-	2,175,661
Expenses				
Bank charges	48,280	409	-	48,689
Commissions	437,293	-	-	437,293
Computer support	60,117	-	-	60,117
Contributions	590	-	-	590
Depreciation	19,890	-	-	19,890
Dues and subscriptions	79,080	467	-	79,547
Education materials and publishing	29,850	-	-	29,850
Employee benefits	157,425	-	-	157,425
Equipment and lease	17,009	-	-	17,009
Insurance	11,143	130	-	11,273
Interest	748	-	-	748
Internet web and design	7,599	-	-	7,599
Legal and accounting	30,878	-	-	30,878
Membership services	155	-	-	155
Office supplies	10,156	2,557	-	12,713
Postage	30,954	91	-	31,045
Program expenses	-	18,126	-	18,126
Rent	114,580	-	-	114,580
Salaries and wages	747,562	-	-	747,562
Sales promotion and public relations	100,513	-	-	100,513
Seminars and conferences	33,494	1,209	-	34,703
Taxes and licenses	96,085	1,157	-	97,242
Telephone	21,829	-	-	21,829
Temporary labor	2,903	-	-	2,903
Travel	9,619	531	-	10,150
Total expenses	2,067,752	24,677	-	2,092,429
Increase in unrestricted net assets	60,347	22,885	-	83,232
Temporarily Restricted Net Assets				
Net assets released from restrictions				
Satisfaction of purpose restrictions	(1,000)	(1,471)	-	(2,471)
Decrease in temporarily restricted net assets	(1,000)	(1,471)	-	(2,471)
Changes in net assets	59,347	21,414	-	80,761
Net assets, beginning of year	1,040,244	9,396	-	1,049,640
Net assets, end of year	\$ 1,099,591	\$ 30,810	\$ -	\$ 1,130,401