SIDE BY SIDE VA, INC.
(Formerly ROSMY)
Richmond, Virginia

FINANCIAL STATEMENTS
Year Ended June 30, 2016

SIDE BY SIDE VA, INC.
(Formerly ROSMY)
FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Board of Directors
Side by Side VA Inc.
Richmond, Virginia

We have reviewed the accompanying financial statements of Side By Side VA, Inc., formerly known as ROSMY, (a nonprofit organization), which comprise the statement of financial position as of June 30, 2016, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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 internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Lane & Associates, P.C.

Certified Public Accountants
Richmond, Virginia
November 7, 2016

SIDE BY SIDE VA, INC. (formerly ROSMY)
STATEMENT OF FINANCIAL POSITION
June 30, 2016

ASSETS

Current assets		
Cash and cash equivalents	$ 282,764	
Unconditional promises to give, net	10,555	
Grants receivable	30,000	
Prepaid expenses	9,343	
Total current assets		$ 332,662
Property and equipment		
Property and equipment	448,811	
Less accumulated depreciation and amortization	(80,470)	
Property and equipment, net		368,341
Total assets		$ 701,003

LIABILITIES AND NET ASSETS

Current liabilities		
Accounts payable	$ 11,457	
Security deposit	1,000	
Other short term liabilities	100	
Current portion, long-term notes payable	11,341	
Current portion, capital lease payable	1,657	
Total current liabilities		$ 25,555
Long-term debt		
Notes payable, net of current portion	202,527	
Capital lease payable, net of current portion	7,828	
Total long-term debt		210,355
Total liabilities		235,910
Net assets		
Unrestricted	371,345	
Temporarily restricted	93,748	
Total net assets		465,093
Total liabilities and net assets		$ 701,003

SIDE BY SIDE VA, INC. (formerly ROSMY)
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2016

	Unrestricted	Temporarily Restricted	Total
Revenue and other support			
Contributions	$ 119,978	$ -	$ 119,978
Grants	38,500	100,500	139,000
Noncash contributions	6,464	-	6,464
Special events, net of costs of $130,831	116,022	-	116,022
United Way	19,193	14,874	34,067
Earned income	1,900	-	1,900
Sublease rental revenue	4,800	-	4,800
Interest income	585	-	585
Gain on disposal of fixed assets	801	-	801
Net assets released from restrictions	114,661	(114,661)	-
Total revenue and other support	422,904	713	423,617
Expenses			
Program services	268,378	-	268,378
Support services			
General administration	41,548	-	41,548
Fund raising	38,169	-	38,169
Total support services	79,717	-	79,717
Total expenses	348,095	-	348,095
Change in net assets	74,809	713	75,522
Net assets at beginning of year	296,536	93,035	389,571
Net assets at end of year	$ 371,345	$ 93,748	$ 465,093

SIDE BY SIDE VA, INC. (formerly ROSMY)
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2016

Cash flows from operating activities:		
Change in net assets		$ 75,522
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	$ 14,659	
Realized gain on disposal of fixed assets	(801)	
(Increase) decrease in operating assets		
Accounts receivable	1,000	
Unconditional promises to give, net	(2,366)	
Grants receivable	(10,000)	
Short-term deposits	1,800	
Prepaid expenses	(1,999)	
Increase (decrease) in operating liabilities		
Accounts payable	(7,024)	
Other short term liabilities	100	
Total adjustments to net income		(4,631)
Net cash provided by operating activities		70,891
Cash flows from investing activities		
Proceeds from disposal of fixed assets	2,295	
Purchases of fixed assets	(15,149)	
Net cash used by investing activities		(12,854)
Cash flows from financing activities		
Payments on long-term notes payable	(9,987)	
Payments on capital leases	5,205	
Net cash used by fiancing activities		(4,782)
Net increase in cash and cash equivalents		53,255
Cash and cash equivalents at beginning of year		229,509
Cash and cash equivalents at end of year		$ 282,764

Supplemental cash flow information:

Cash paid during the year for interest was $10,517

No cash paid for income taxes during the year.

SIDE BY SIDE VA, INC. (formerly ROSMY)
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2016

		Support Services			
	Program	Management	Fundraising	Total Support	Total
Salaries	$ 161,223	$ 2,205	$ 24,926	$ 27,131	$ 188,354
Payroll tax expense	9,525	152	1,715	1,867	11,392
Employee benefits	8,477	170	234	404	8,881
Advertising and promotion	4,971	59	888	947	5,918
Depreciation and amortization	13,193	733	733	1,466	14,659
Occupancy	6,650	370	370	740	7,390
Mortgage interest	8,529	474	474	948	9,477
Real estate taxes	2,889	160	160	320	3,209
Program supplies	8,106	-	-	-	8,106
Travel	3,536	-	186	186	3,722
Office expense	9,375	521	521	1,042	10,417
Mailing and printing	1,764	1,319	1,038	2,357	4,121
Telephone and internet	4,275	238	238	476	4,751
General insurance	6,077	1,770	-	1,770	7,847
Legal and professional expense	-	21,950	-	21,950	21,950
Development consultants	-	-	5,900	5,900	5,900
Taxes and licenses	-	273	-	273	273
Staff development	2,846	-	-	-	2,846
Volunteer expenses	4,596	-	-	-	4,596
Scholarships awarded	2,000	-	-	-	2,000
Food and beverage	7,583	-	-	-	7,583
Bad debt expense	2,763	9,161	-	9,161	11,924
Miscellaneous expenses	-	953	786	1,739	1,739
Interest expense	-	1,040	-	1,040	1,040
Total expenses	$ 268,378	$ 41,548	$ 38,169	$ 79,717	$ 348,095

SIDE BY SIDE
(Formerly ROSMY)
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

1. NATURE OF ACTIVITIES

Side by Side VA, Inc. (formerly ROSMY) (the Organization) is a not-for-profit organization that addresses the specific needs of lesbian, gay, bisexual, transgender, and questioning youth aged eleven through twenty. The core of the Organization's Youth Support Programs is the weekly adult-facilitated support groups in both Richmond and Charlottesville. Other major programs include a 24/7 toll-free youth support hotline, educational resources, a youth leadership program, and youth center drop in hours. Through the Institute for Equality, the Organization trains youth service providers throughout Central Virginia to effectively assess and respond to the needs of LGBTQ youth in a safe and supportive manner. The Organization receives support from contributions, grants, special events, and allocations from the United Way.

2. SUMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting: The financial statements of the Organization have been prepared in accordance with generally accepted accounting principles. This basis of accounting involves the application of accrual accounting; consequently, revenues are recognized when earned and expenses are recognized when incurred.

B. Net Assets: The Organization reports 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. Net assets of the Association and changes are classified as follows:

Unrestricted net asset are net assets that are not subject to donor imposed stipulations.

Temporarily restricted net assets are net assets subject to donor-imposed stipulations that may or will be met, either by actions of the organization and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently restricted net assets are subject to donor-imposed stipulations that they be maintained permanently by the Organization to use all or part of the income earned on any related investments for general or specific purposes. The Organization does not currently have permanently restricted net assets.

C. Cash and Cash Equivalents: The Organization considers all highly liquid investments which are not subject to withdrawal restrictions and have a maturity of three months or less when purchased to be cash or cash equivalents.

D. Property and Equipment: Property and equipment are stated at cost if purchased and fair market value if donated. Expenditures for assets in excess of $1,000 are capitalized. Depreciation and amortization is computed by the straight-line method based on estimated useful lives of from 5 to 40 years. It is at least reasonably possible that estimates of remaining useful lives will change in the near term. Amortization of capital leases and loan origination fees is included in depreciation expense.

E. Contributions: All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Support that is restricted by donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

Unconditional promises to give are recorded when pledged. The value of unconditional promises to give not expected to be received within one year of the date of the financial statements is based upon the present value of the expected future cash flows unless the present value adjustment is immaterial.

Contributions of donated non-cash assets are recorded at their estimated fair values in the period received. Contributions of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their estimated fair values in the period received.

F. United Way, Pledges, and Grants Receivable: United Way Pledges for which award letters have been provided are stated net of an allowance for doubtful accounts. The Organization provides for probable uncollectible amounts through a provision for bad debt expense and adjustment to a valuation allowance based on historical activity. Balances that are still outstanding at the conclusion of each campaign year are written off through a charge to the valuation allowance and a reduction to pledges or tuition receivable. Because of the inherent uncertainties in estimating the allowances for doubtful accounts, it is at least reasonably possible that the estimates used will change within the near term.

Other pledges and grants receivable are stated at the full amount of the commitment under the direct write-off method. Generally accepted accounting principles require that the allowance method be used to recognize bad debts;

however, due to the infrequency of bad debts, the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method.

The organization has chosen not to record a discount for pledges and grants receivable with due dates of more than one year. Generally accepted accounting principles require that a discount be recorded for long-term pledges; however the effect of not recording a discount is not materially different from the results that would have been obtained by recording a discount.

G. Generally accepted accounting principles require that the allowance method be used to recognize bad debts on non-pledge receivables; however, due to the infrequency of bad debts, the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method.

H. Tax Status: The Organization is a not-for-profit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation. However, income from certain activities not directly related to the Organization's tax-exempt purpose, in particular sublease rental income and advertising revenue, could be subject to taxation as unrelated business income, which would be reported on a Form 990-T Exempt Organization Income Tax Return.

The Organization believes that it has appropriate support for any tax positions taken, and, accordingly, does not have any uncertain tax positions that are material to the financial statements. Any interest and penalties assessed by taxing authorities or associated with unrecognized tax positions would be included as such in operating expenses.

The Organization's Forms 990 and 990-T remain subject to examination for tax years 2012 through 2014.

I. Functional Expenses: Functional expenses are determined by allocating total expenses incurred to functions.

J. Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

3. CASH AND CASH EQUIVALENTS

As of June 30, 2016, the Organization's balances of cash and cash equivalents consisted of cash on hand, checking, and money market accounts at a bank. The deposits are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. At June 30, 2016, the Organization's balances in bank accounts exceeded the FDIC limits by $32,514.

4. PROPERTY AND EQUIPMENT

As of June 30, 2016, property and equipment consisted of the following:

Building	$ 305,678
Building improvements	42,910
Land	59,917
Signs	2,054
Furniture and equipment	11,786
Computers	9,841
Software	6,808
Assets under capital leases	9,817
Total property and equipment	448,811
Less: Accumulated depreciation and amortization	80,470
Total property and equipment, net	$ 368,341

Depreciation and amortization expense for the year was $13,880.

5. UNCONDITIONAL PROMISES TO GIVE FROM UNITED WAY

The Organization receives unconditional promises to give from various United Way Campaigns. Outstanding unconditional promises to give as of June 30, 2016 were:

United Way Campaigns	$ 21,503
Less allowance for uncollectible pledges	(10,948)
Unconditional promises to give, net	$ 10,555

6. CONCENTRATION OF SUPPORT AND GRANTS RECEIVABLE

During the Year Ended June 30, 2016, support received from three contributors made up 37.8% of the Organization's total support and revenue. As of June 30, 2016, 100% of the Organization's grants receivable of $30,000 was due within one year and was from one contributor.

SIDE BY SIDE
(Formerly ROSMY)
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

7. TEMPORARILY RESTRICTED NET ASSETS

As of June 30, 2016, temporarily restricted net assets were available for the following purposes:

Purpose restricted net assets		
Youth programs	$ 7,891	
Database and web site upgrades	5,442	
Youth Engaged in Leadership	2,214	
Scholarships	250	
On site counseling	7,086	
HVAC upgrades	311	
Total purpose restricted net assets		$ 23,194
Time restricted net assets (pledges and grants receivable)		70,554
Total temporarily restricted net assets		$ 93,748

8. CAPITAL LEASE

The organization leases office equipment under capital leases. The cost of equipment under capital leases included in the statement of position at June 30, 2016 with an imputed interest rate of 8.5% was $9,817 and accumulated amortization was $327.

Future minimum lease payments required under the capital leases and the present value of the net minimum lease payments as of June 30, 2016 are as follows:

Year ending June 30	
2017	$ 2,400
2018	2,400
2019	2,400
2020	2,400
2021	2,000
Total minimum lease payments	11,600
Less: Amount representing interest	(2,115)
Present value of net minimum lease payments	9,485
Less: current maturities of capital lease obligations	(1,657)
Long-term capital lease obligations	$ 7,828

9. NOTES PAYABLE

As of June 30, 2016, long-term notes payable consisted of:

Bank mortgage on building	
Annual rate of 4.25% fixed rate, secured by the Organization's building and improvements, original loan amount $224,655, monthly payments of principal and interest of $1,622, loan amount fully due and payable May 1, 2020.	$ 213,868
Less current portion	11,341
Long-term debt, net of current	$ 202,527

Mortgage interest paid was $12,354 for the year ended June 30, 2015.

Future annual maturities of long-term debt are:

Year ending June 30	
2017	$ 11,341
2018	11,071
2019	11,550
2020	179,906
	$ 213,868

10. NONCASH CONTRIBUTIONS

The Organization recognizes contribution revenue for contributed goods and services. Contribution revenue was measured based on the estimated value of those goods and services, and the amounts recognized in the year were as follows:

Special events supplies		$ 48,492
Other expenses		
Accounting services	$ 3,000	
Amplified speakers & sound board	1,670	
Furniture	1,470	
IT services	324	
Total other expenses		6,464
Total noncash contributions		$ 54,956

Noncash contribution revenue for special events is included in gross special events revenue, and not in noncash contributions, on the statement of activities.

The Organization receives a significant amount of donated volunteer time in program and support functions. No value has been recognized for this time in the financial statements because it does not meet the recognition criteria for inclusion in the financial statements. Total contributed volunteer time during the year was 7,315 hours, which the Organization values at $ 124,355.

11. ALLOCATION OF JOINT COSTS

The Organization incurred joint costs for program, administrative, and fundraising purposes. Joint costs include salaries, payroll tax, employee benefits, advertising and promotion, depreciation, mortgage interest, real estate taxes, and occupancy costs, office expenses, mailing and printing, travel, and telephone. These costs have been allocated among the three categories. Total joint costs for the year were $ 268,170 and are allocated as follows: $ 232,643 program expenses, $ 5,082 administrative expenses, and $ 30,455 fundraising expenses.

12. CHANGE OF NAME

On September 14, 2016, the Organization changed its name from ROSMY to Side by Side VA, Inc.

13. SUBSEQUENT EVENTS

Management has evaluated subsequent events through November 7, 2016, the date which the financial statements were available to be issued.