ALLENTOWN FIRST AID SQUAD

REPORT OF AUDIT

FOR THE YEAR 2017

BOWMAN & COMPANY LLP
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

40400

ALLENTOWN FIRST AID SQUAD

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of the
Allentown First Aid Squad
70 County Road 526
Allentown, New Jersey 08501

We have audited the accompanying financial statements of the Allentown First Aid Squad (a nonprofit organization), which comprise the statement of assets, liabilities, and net assets—cash basis as of December 31, 2017, the related statement of support, revenue, and expenses—cash basis, and functional expenses – cash basis for the year then 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 cash basis of accounting as described in Note 1; this includes determining that the cash 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

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 from 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, 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 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 financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets of the Allentown First Aid Squad as of December 31, 2017, and its support, revenue, and expenses for the year then ended in accordance with the cash basis of accounting as described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the 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.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants and Consultants

Voorhees, New Jersey
March 26, 2019

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ALLENTOWN FIRST AID SQUAD
Statement of Assets, Liabilities and Net Assets -- Cash Basis
As of December 31, 2017

	2017
ASSETS	
Current Assets:	
Cash and Cash Equivalents	$ 426,956.86
Total Assets	$ 426,956.86
LIABILITIES AND NET ASSETS	
Net Assets:	
Unrestricted:	
Undesignated	$ 426,956.86
Total Net Assets	$ 426,956.86

The accompanying Notes to Financial Statements are an integral part of this statement.

ALLENTOWN FIRST AID SQUAD
Statement of Support, Revenue and Expenses -- Cash Basis
For the Year Ended December 31, 2017

	2017
PUBLIC SUPPORT AND REVENUES	
Annual Fund Drive, Net	$ 35,319.01
Donations	4,364.56
Building Rental/Voting	4,335.00
Investment Earnings	35,717.86
Municipal Aid	109,350.00
Miscellaneous Revenue	769.66
Total Public Support and Revenues	189,856.09
EXPENSES	
Program Services	288,968.63
Total Expenses	288,968.63
Change in Net Assets	(99,112.54)
Net Assets, Beginning of Year	526,069.40
Net Assets, End of Year	$ 426,956.86

The accompanying Notes to Financial Statements are an integral part of this statement.

ALLENTOWN FIRST AID SQUAD
Statement of Functional Expenses -- Cash Basis
For the Year Ended December 31, 2017

	2017		
	Program Services	Support Services	Total
Other Salaries and Wages	$ 121,782.38		$ 121,782.38
Payroll Taxes	11,806.32		11,806.32
Accounting	4,039.00		4,039.00
Office Expenses	1,660.81		1,660.81
Travel	44.01		44.01
Insurance	14,664.79		14,664.79
Operations and Maintenance	20,698.66		20,698.66
Business Dues	1,068.90		1,068.90
Continuing Education	3,650.76		3,650.76
All Other Expenses	109,553.00		109,553.00
	$ 288,968.63	-	$ 288,968.63

The accompanying Notes to Financial Statements are an integral part of this statement.

ALLENTOWN FIRST AID SQUAD
Notes to Financial Statements
For the Year Ended December 31, 2017

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of the Reporting Entity – Allentown First Aid Squad, is a nonprofit organization, incorporated in the State of New Jersey on April 8, 1943. It is located within the Borough of Allentown, and provides first aid and emergency services to the Borough of Allentown and the Township of Upper Freehold.

Accounting Method - Allentown First Aid Squad's policy is to prepare its financial statements on the cash basis of accounting; consequently, certain revenues are recognized when received rather than when earned and certain expenses and purchases of assets are recognized when cash is disbursed rather than when the obligation is incurred.

Property – Property and equipment are stated at cost. Major renewals and improvements are charged to property accounts, while replacements, maintenance, and repairs, which do not improve or extend the life of the respective assets, are expensed currently. At the time properties are retired or otherwise disposed of, the property and related accumulated depreciation accounts are adjusted. Gain or loss from retirements or sales is credited or charged to income.

Contributions - Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions.

Estimates - The preparation of financial statements in conformity with the cash basis of accounting requires Allentown First Aid Squad to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Depreciation - Depreciation is computed principally by the use of the straight-line method based upon the estimated useful lives of the assets.

Tax Status - Allentown First Aid Squad is a not-for-profit organization that is exempt from income taxes under Section 501 (c) (4) of the Internal Revenue Code.

Cash and Cash Equivalents - Cash and cash equivalents include all monies in banks and highly liquid investments with maturity dates of less than three months. The carrying value of cash and cash equivalents approximates fair valued because of the short maturities of those financial instruments.

Note 2: CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in banks and all highly liquid investments with maturity of three months or less at the time of purchase.

At various times during the year, the Squad's cash in bank balances exceeded the federally insured limits. At December 31, 2017, the Squad's uninsured cash balances totaled $62,654.11. The carrying amount which approximates fair value of the Squad's deposits with financial institutions at December 31, 2017 is as follows:

	2017
Cash and Cash Eqivalents	$ 426,956.86

Note 3: NET ASSETS

Unrestricted:

Undesignated – The balance of unrestricted net assets is undesignated and used for the organization's regular activities. At December 31, 2017, the balance in Unrestricted, Undesignated Net Assets was $426,956.86.