

Canebrake Fire District
Audited Financial Statement
Year Ended June 30, 2016

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
of Canebrake Fire District

I have audited the accompanying financial statement of Canebrake Fire District (a nonprofit organization), which comprises the statement of cash receipts and disbursements for the year ended June 30, 2016, and the related notes to the financial statement.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statement 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 statement that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on this financial statement based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from 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 of the financial statement, 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 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, I 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 statement.

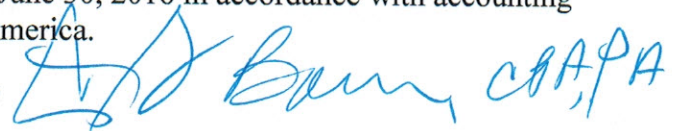
I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statement referred to above present fairly, in all material respects, the financial position of Canebrake Fire District for the year ended June 30, 2016 in accordance with accounting principles generally accepted in the United States of America.

Greenville, South Carolina

January 16, 2017

Handwritten signature of Cheryl L. Borum, CPA in blue ink.

CANEBRAKE FIRE DISTRICT
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
For The Year Ended June 30, 2016

CASH RECEIPTS

Tax revenues	\$ 286,367
EMS rent	2,250
Grant income	15,000
Gross proceeds on sale of fixed assets (excess equipment)	16,474
Miscellaneous income	6,815
Interest income	<u>12</u>

Total cash receipts	\$ 326,918
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CASH DISBURSEMENTS

Accounting	660
Fuel	3,937
Building maintenance	4,647
Cleaning supplies	2,607
Communications	7,068
County taxes	262
Dues	535
Equipment	31,113
Fire prevention	812
Insurance	21,153
Interest paid	4,868
Miscellaneous	1,964
Office expense	1,831
Pension plan	8,398
Subcontract labor	2,930
Taxes paid on wages	6,286
Training	4,134
Travel reimbursement	11,330
Truck maintenance	8,380
Truck payment	21,887
Uniforms	932
Utilities	10,416
Wages	<u>82,164</u>

Total cash disbursements	<u>238,314</u>
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Increase (Decrease) in cash	88,604
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CASH, BEGINNING OF YEAR	<u>97,234</u>
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CASH, END OF YEAR	<u><u>\$ 185,838</u></u>
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See accompanying notes and independent accountant's audit report.

CANEBRAKE FIRE DISTRICT
NOTES TO FINANCIAL STATEMENT
June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Canebrake Fire District is Special Purpose District #205 in the County of Greenville, South Carolina created by an act of the General Assembly or pursuant to general law and which provides any local governmental power or function including fire protection created under the provisions of Chapter 13 of Title 6.

Basis of Accounting

The Organization's policy is to prepare its financial statement on the cash basis of accounting; consequently, tax revenues and other income are recognized when received rather than when promised or earned, and certain expenses and purchases of assets are recognized when cash is disbursed rather than when the obligation is incurred.

Cash

The Organization considers all short-term investments with an original maturity of three months or less to be cash equivalents.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Advertising Costs

All advertising is nondirect response and charged to disbursements when paid. The amount spent for advertising for the year ended June 30, 2016 was zero.

CANEBRAKE FIRE DISTRICT
NOTES TO FINANCIAL STATEMENT
June 30, 2016

NOTE B - LONG-TERM DEBT

Long-term debt consisted of the following at June 30, 2016:

Note payable to a financial institution payable in 7 annual installments of \$26,754 and 1 installment of \$7,000 (includes interest at 4.2% per annum) collateralized by an International fire truck with an original cost of \$167,000.

	\$ 96,891
Less current portion	<u>(24,797)</u>
	<u><u>\$ 72,094</u></u>

Maturities of long-term debt are as follows at June 30, 2016:

Year ending June 30,

2017	\$ 24,797
2018	26,502
2019	26,595
2020	18,997
2021	-
thereafter	<u>-</u>
	<u><u>\$ 96,891</u></u>

NOTE C - PENSION MATCH

The Organization voted to start an IRA match on two employees. The Organization will match 3%. During the year ended June 30, 2016, the Organization contributed \$1,042 to employees' IRA accounts.

CANEBRAKE FIRE DISTRICT
NOTES TO FINANCIAL STATEMENT
June 30, 2016

NOTE D - RETIREMENT BENEFIT

The Organization voted to pay retirement benefits to a retired employee that was the co-founder per month for one year. The Organization will re-vote on this expenditure annually. The Organization paid \$7,356 during the fiscal year ended June 30, 2016.

NOTE E - SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through January 16, 2017, the date on which the financial statement was available to be issued.

The Organization was awarded the Assistance to Firefighters Grant by the Department of Homeland Security in the amount of \$148,572. These funds were deposited August 30, 2016. The funds are restricted and to be used for special-purpose equipment. Twenty-four MSA 30 minute cylinder air packs with oxygen were purchased fulfilling the restricted fund requirement.