

United Way of Wilson County, Inc.

Financial Statements

December 31, 2024

United Way of Wilson County, Inc.
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Year Ended December 31, 2024

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Independent Auditors' Report

To the Board of Directors
United Way of Wilson County, Inc.
Wilson, NC 27894-1147

Opinion

We have audited the accompanying financial statements of the United Way of Wilson County, Inc. (the "United Way", a non-profit organization) which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the United Way of Wilson County, Inc. as of December 31, 2024 and the changes in its net assets and its cash flows for the years ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of the United Way and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibility of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the United Way's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions are considered material if there is substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 United Way's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raises substantial doubt about the United Way's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information in schedules 1 and 2 is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited the United Way of Wilson County, Inc.'s financial statements for the year ended December 31, 2023 and our report dated December 17, 2024 expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Anthony, Tabb & Creel, P.A.

Certified Public Accountants
Wilson, North Carolina 27893

August 19, 2025

United Way of Wilson County, Inc.
Statement of Financial Position
December 31, 2024
With Comparative Totals as of December 31, 2023

Assets

	<u>12/31/24</u>	<u>12/31/23</u>
<u>Current Assets:</u>		
Cash	\$ 702,924	\$ 852,048
Investments - at fair market values	697,253	638,085
Accounts receivable	1,523	1,307
Prepaid expenses	5,760	3,600
Unconditional promises to give:		
Campaign in progress, less allowance for uncollectible pledges of \$35,609 and \$31,596 respectively	452,684	484,373
Previous campaigns	259,722	212,994
Total Current Assets	<u>2,119,866</u>	<u>2,192,407</u>
<u>Fixed Assets:</u>		
Equipment	3,480	3,480
Furniture and fixtures	3,133	3,133
Total Fixed Assets	6,613	6,613
Less: Accumulated Depreciation	(6,613)	(6,613)
Net Fixed Assets	<u>-</u>	<u>-</u>
<u>Other Assets:</u>		
Right of Use Lease Asset	421,731	443,257
Total Assets	<u>\$ 2,541,597</u>	<u>\$ 2,635,664</u>

See the accompanying notes and Independent Auditors' Report.

United Way of Wilson County, Inc.
Statement of Financial Position
December 31, 2024
With Comparative Totals as of December 31, 2023

Liabilities and Net Assets

	<u>12/31/24</u>	<u>12/31/23</u>
<u>Current Liabilities:</u>		
Accounts Payable and Accrued Liabilities	\$ 4,922	\$ 10,231
Current Portion of Lease Liability	<u>22,627</u>	<u>21,526</u>
Total Current Liabilities	27,549	31,757
<u>Long-term Liabilities:</u>		
Lease Liability, net of current portion	<u>399,104</u>	<u>421,731</u>
Total Liabilities	<u>426,653</u>	<u>453,488</u>
<u>Net Assets:</u>		
Without Donor Restrictions:		
Operating	1,331,280	1,408,551
Board Designated	71,258	76,258
Fixed Assets	<u>-</u>	<u>-</u>
Total Without Donor Restrictions	1,402,538	1,484,809
With Donor Restrictions	<u>712,406</u>	<u>697,367</u>
Total Net Assets	2,114,944	2,182,176
Total Liabilities and Net Assets	<u>\$ 2,541,597</u>	<u>\$ 2,635,664</u>

See the accompanying notes and Independent Auditors' Report.

United Way of Wilson County, Inc.

Statement of Activities

For the Year Ended December 31, 2024

With Comparative Totals for the Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Totals 2024	Totals 2023
<u>Revenues, Gains and Other Support:</u>				
Contributions	\$ 16,572	\$ 752,677	\$ 769,249	\$ 631,559
Miscellaneous public support	-	262	262	947
Sponsors of meetings	-	(16)	(16)	-
Rent of Building	6,200	-	6,200	-
Legacies and bequests	5,104	-	5,104	-
Miscellaneous	50,460	-	50,460	73,356
Investment income or (loss)	79,228	-	79,228	51,625
Net Assets Released from Restrictions:				
Satisfaction of Program Restrictions	737,884	(737,884)	-	-
<u>Total Revenues, Gains and</u>				
<u>Other Support</u>	895,448	15,039	910,487	757,487
<u>Allocations and Expenses:</u>				
Allocations to agencies - Schedule 1	455,716	-	455,716	461,858
211 Program expenses	4,777	-	4,777	4,727
Payments for grants	5,000	-	5,000	12,500
Payments for Out of County Designations	3,551	-	3,551	3,802
Payments to United Way Worldwide	10,890	-	10,890	6,751
Payments to United Way of NC	2,705	-	2,705	2,851
Payments to NC Choices/Designations	25,364	-	25,364	22,760
Functional expenses - Exhibit C				
Fundraising	187,886	-	187,886	147,784
Budgeting and agency allocation	93,943	-	93,943	73,892
Management and general	140,915	-	140,915	110,838
Planning and evaluation	46,972	-	46,972	36,946
<u>Total Allocations and Expenses</u>	977,719	-	977,719	884,710
Change in net assets	(82,271)	15,039	(67,232)	(127,223)
Net Assets - Beginning of Year	1,484,809	697,367	2,182,176	2,309,399
Net Assets - End of Year	<u>\$ 1,402,538</u>	<u>\$ 712,406</u>	<u>\$ 2,114,944</u>	<u>\$ 2,182,176</u>

See the accompanying notes and Independent Auditors' Report.

United Way of Wilson County, Inc.
Statement of Functional Expenses
For the Year Ended December 31, 2024

	40%	20%	30%	10%	2024
	<u>Fundraising</u>	<u>Budgeting and Allocations</u>	<u>Management and General</u>	<u>Planning and Evaluation</u>	<u>Totals</u>
Staff and Benefits:					
Salaries	\$ 78,794	\$ 39,397	\$ 59,096	\$ 19,699	\$ 196,986
Pension	7,659	3,830	5,744	1,915	19,148
Health Insurance	16,262	8,131	12,196	4,065	40,654
Payroll Taxes	6,028	3,014	4,521	1,507	15,069
Total Staff and Benefits	108,743	54,371	81,557	27,186	271,857
Awards/Film/Video	50	25	37	12	124
Special Events	10,049	5,024	7,537	2,512	25,122
CC/Bank/Finance Charges	1,003	502	752	251	2,508
Payroll Processing Fees	549	275	412	137	1,373
Equipment Rental and Maintenance	2,214	1,107	1,661	554	5,535
Computer Software	4,016	2,008	3,012	1,004	10,039
Freight and Postage	299	150	224	75	748
Printing/Reproduction/Advertising	128	64	96	32	321
Consulting Fees	20,183	10,092	15,137	5,046	50,458
Professional Fees	3,068	1,534	2,301	767	7,670
Dues and Subscriptions	638	319	479	160	1,595
Occupancy	19,530	9,765	14,647	4,882	48,824
Telephone/Internet/Web-Site	2,056	1,028	1,542	514	5,140
Conferences/Meetings/Mileage/Training	1,205	602	904	301	3,012
Campaign Supplies	311	156	233	78	778
Office Supplies and Miscellaneous	724	362	543	181	1,810
T-Shirts	511	255	383	128	1,277
Sub-Contract Labor	11,310	5,655	8,483	2,828	28,275
Insurance - Other Than Employee Health	1,300	650	975	325	3,250
Total Functional Expenses	\$ 187,886	\$ 93,943	\$ 140,915	\$ 46,972	\$ 469,715

See the accompanying notes and Independent Auditors' Report.

United Way of Wilson County, Inc.

Statement of Cash Flows

For the Year Ended December 31, 2024

With Comparative Totals for the Year Ended December 31, 2023

	<u>2024</u>	<u>2023</u>
<u>Cash Flows From Operating Activities</u>		
Change in net assets	\$ (67,232)	\$ (127,223)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	-	-
Decrease (Increase) in Operating Assets:		
Accounts receivable	(214)	(918)
Pledges receivable	(15,039)	224,352
Prepaid expenses	(2,160)	(3,600)
Increase (Decrease) in Operating Liabilities:		
Accounts payable and accrued expenses	(5,311)	2,216
Total Adjustments	<u>(22,724)</u>	<u>222,050</u>
Net Cash Provided By (Used In) Operating Activities	<u>(89,956)</u>	<u>94,827</u>
<u>Cash Flows From Investing Activities</u>		
Acquisition of fixed assets	-	-
(Increase) decrease in investments, net	<u>(59,168)</u>	<u>(28,903)</u>
Net Cash Provided By (Used In) Investing Activities	<u>(59,168)</u>	<u>(28,903)</u>
<u>Cash Flows From Financing Activities</u>		
Notes payable borrowings	-	-
Notes payable repayments	<u>-</u>	<u>-</u>
Net Cash Provided By (Used In) Financing Activities	<u>-</u>	<u>-</u>
Net Increase (Decrease) In Cash and Cash Equivalents	(149,124)	65,924
Cash and Cash Equivalents - January 1	<u>852,048</u>	<u>786,124</u>
Cash and Cash Equivalents - December 31	<u><u>\$ 702,924</u></u>	<u><u>\$ 852,048</u></u>
<u>Supplementary Cash Flow Information:</u>		
Cash Paid for Interest During the Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See the accompanying notes and Independent Auditors' Report.

United Way of Wilson County, Inc.
Notes to the Financial Statements
December 31, 2024

Note 1 - Summary of Significant Accounting Policies

Organization and Nature of Activities

The United Way of Wilson County, Inc. was incorporated in 1959 as a private, nonprofit organization; their mission is to improve the quality of life in Wilson County.

Income Taxes

The United Way of Wilson County, Inc. is a nonprofit organization as described in Section 501(c)(3) of the Internal Revenue Code and is generally exempt from federal and state income taxes.

At December 31, 2024, the Organization's nonprofit tax returns for the years ended December 31, 2023, 2022, and 2021 may be subject to examination by the Internal Revenue Service, which normally may be subject to examination within three (3) years after the returns are filed.

Basis of Accounting

The financial statements are prepared on the accrual basis of accounting, except for Schedules 3 and 4, which have been presented on the cash receipts and disbursements basis at the request of the governing board to facilitate comparison with the annual budget. Under the accrual basis, revenues and the related assets are recognized when earned, and expenses are recognized when the obligation is incurred, both regardless of when cash is received or disbursed.

Public Support and Revenue

Annual contributions are generally available for unrestricted use in the related campaign year unless specifically restricted by the donor; unconditional promises to give are recorded when received. Unconditional promises to give that are due in subsequent years are reflected as long-term promises to give. The majority of the promises to give are received from a broad base of Wilson County contributors as a result of an annual campaign. An allowance for uncollectible promises is provided for, based on management's evaluation of potential uncollectible promises receivable at year end.

Contributions of donated noncash assets are recorded at their fair values in the period received; the Organization receives volunteer services, which are not measurable, and therefore have been excluded from the financial statements.

Grants and other contributions of cash and other assets are reported as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or a 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.

United Way of Wilson County, Inc.
Notes to the Financial Statements
December 31, 2024

The United Way of Wilson County, Inc. reports information regarding its financial position and activities according to two classes of net assets - net assets with donor restrictions and net assets without donor restrictions. This follows the Statement of Financial Accounting Standards (SFAS) No. 117, "*Financial Statements of Not-For-Profit Organizations*," as updated for ASU-2016-14 - *Not-For-Profit Entities (Topic 958): Presentation of Financial Statements of Not-For-Profit Entities*.

Fair Values of Financial Instruments

The following methods and assumptions were used by the Organization in estimating its fair value disclosures for financial instruments:

Cash, cash equivalents, short-term unconditional promises to give, and notes payable: the carrying amounts reported in the statement of financial position approximate fair values because of the short maturities of those instruments.

Estimates

The preparation of financial statements in conformity with accounting principles generally in the United States requires the use of certain estimates by management; actual results could differ from those estimates.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents; cash and cash equivalents for purposes of the statement of cash flows do not include permanently restricted cash, if any.

Depreciation and Amortization

Furniture and equipment are being depreciated over estimated useful lives of five to eight years using the straight-line method, prorated by month in the years of acquisition or disposal; the building and improvements are being amortized over the estimated useful life of the assets, which is fifteen to thirty years. Depreciation expense for the year ended December 31, 2024 was \$0.00.

Functional Allocation of Expenses

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

Budgeting

The Board of Directors adopts annual budgets for pledges, operating expenses, and agency allocations.

United Way of Wilson County, Inc.
Notes to the Financial Statements
December 31, 2024

Note 2 - Investments

Investments are stated at fair value and are summarized as follows as of December 31, 2024:

	<u>Cost</u>	<u>Fair Value</u>
Merrill Lynch Ready Asset account	\$ 5,406	\$ 5,406
Level Four Investments - mutual funds	419,540	472,616
Certificates of deposit (maturities longer than ninety days)	<u>219,231</u>	<u>219,231</u>
Totals	<u>\$ 644,177</u>	<u>\$ 697,253</u>

The following schedule summarizes the investment return and its classification in the statement of activities for the years ended December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Interest Income	\$ 31,109	\$ 21,998
Dividend Income	7,933	7,414
Unrealized gain or (loss)	33,974	21,474
Realized gain or (Loss)	<u>6,212</u>	<u>739</u>
Net investment income or (loss)	<u>\$ 79,228</u>	<u>\$ 51,625</u>

Note 3 - Liquidity and Availability of Financial Assets

The following reflects the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date. Donor-restricted amounts that are available for use within one year for general purposes include United Way campaign pledges to be received.

	<u>2024</u>	<u>2023</u>
Financial assets at year end	\$ 2,114,106	\$ 2,188,807
Less those unavailable for general expenditures within one year, due to board designations:		
Workforce Development	3,274	3,274
United Way Disaster Relief	23,697	23,697
Other Disaster Relief	16,766	16,766
Mental Health	24,235	29,235
Childrens' Relief	<u>3,286</u>	<u>3,286</u>
Total unavailable	<u>71,258</u>	<u>76,258</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 2,042,848</u>	<u>\$ 2,112,549</u>

United Way of Wilson County, Inc.
Notes to the Financial Statements
December 31, 2024

Note 4 - Unconditional Promises to Give - Current Campaign in Progress

The majority of unconditional promises to give consists of annual campaign pledges that have not been received as of year end; the reported amounts for the current campaign in progress for 2024 and 2023 are calculated as follows:

	<u>2024</u>	<u>2023</u>
Pledges made through December 31	\$ 712,181	\$ 697,749
Less anticipated (losses) gains	(8,067)	11,829
Net pledges at December 31	704,114	709,578
Less collections through December 31	(251,430)	(225,205)
Net pledges receivable at December 31	<u>\$ 452,684</u>	<u>\$ 484,373</u>

Note 5 - Unconditional Promises to Give - Previous Campaign

Past experience shows that a significant amount of pledges receivable from the previous year's campaign at December 31 are actually collected by the middle of the subsequent year. Therefore, management of the United Way of Wilson County, Inc. believes that it is reasonable to establish the audit completion date to officially determine the final campaign results on the previous campaign. The final result is to be used as a basis on which future anticipated collection percentages are computed, based on subsequent collections. Pledges receivable of \$259,722 at December 31, 2024 represents actual 2024 collections on 2023-2024 through August 11, 2025. Pledges receivable of \$212,994 at December 31, 2023 represents actual 2023 collections on 2022-2023 campaign pledges through November 11, 2024.

Note 6 - Net Assets Without Donor Restrictions - Board Designated

Net assets without donor restrictions that have been designated for specific purposes by the Board of Directors as of December 31, 2024 and 2023 were as follows:

	<u>2024</u>	<u>2023</u>
Workforce Development	\$ 3,274	\$ 3,274
United Way Disaster Relief	23,697	23,697
Other Disaster Relief	16,766	16,766
Mental Health	24,235	29,235
Childrens' Relief	3,286	3,286
Total Board Designated	<u>\$ 71,258</u>	<u>\$ 76,258</u>

United Way of Wilson County, Inc.
Notes to the Financial Statements
December 31, 2024

Note 7 - Donor Restricted Net Assets

Donor restricted net assets were available for the following purposes or periods as of December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Periods after December 31	\$ 712,406	\$ 697,367
Program activities:		
United Way Disaster Relief	-	-
Other Disaster Relief	-	-
Americorps/VISTA	-	-
Total donor restricted net assets	<u>\$ 712,406</u>	<u>\$ 697,367</u>

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

	<u>2024</u>	<u>2023</u>
Purpose restrictions accomplished:		
Sponsored meetings	\$ (16)	\$ -
Food Council Grant	(270)	351
Government Grants	532	596
Time restrictions expiring on campaign contributions:		
Campaign contributions	<u>737,638</u>	<u>855,910</u>
Total restrictions released	<u>\$ 737,884</u>	<u>\$ 856,857</u>

United Way of Wilson County, Inc.
Notes to the Financial Statements
December 31, 2024

Note 8 - Equipment Lease Obligation

On July 1, 2021 the Organization entered into an agreement to lease a copier; the agreement calls for 60 monthly payments of \$447.97 (not including the refundable tax of 6.75 percent), adjusted for annual upgrades. At December 31, 2024 there were 18 monthly payments of \$467.11 remaining.

Future minimum annual payments payable under this obligation are as follows:

Year Ended December 31

2025	\$	5,605
2026		2,803
2027		-

Due to the small size of this obligation, the Organization has elected to not capitalize it.

Note 9 - Office Lease Obligation

On October 1, 2023 the Organization entered into an agreement to lease an office; the agreement calls for 60 monthly payments of \$3,600. At the end of the initial five year agreement, the Organization has the option to enter into a series of three additional agreements of three years each; each renewal will have a monthly obligation increased by three percent over the prior lease period. At December 31, 2024 there were 45 monthly payments remaining on the initial lease term.

The following summarizes the line items on the balance sheet for the lease as of December 31, 2024:

Assets:

Right of Use Lease Asset	\$	<u>421,731</u>
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Liabilities:

Current Portion of Lease Liability	\$	22,627
Lease Liability, net of current portion		<u>399,104</u>
Total Lease Liability	\$	<u>421,731</u>

Continued.....

United Way of Wilson County, Inc.
Notes to the Financial Statements
December 31, 2024

Note 9 continued.....

The maturities of the lease liability (including the three renewals of 36 months each) as of December 31, 2024 were as follows:

Year Ended December 31

2025	\$ 43,200
2026	43,200
2027	43,200
2028	43,524
2029	44,496
Thereafter	<u>356,976</u>
Total lease payments remaining	574,596
Less: present value discount factor	<u>(152,865)</u>
Present value of lease liability	<u><u>\$ 421,731</u></u>

Note 10 - Defined Contribution Plan

The Organization has a defined contribution plan (the "Plan") covering all eligible employees. For the years ended December 31, 2024 and 2023 the Organization's contribution to the Plan was 11% of each participant's compensation; the expense for each of those years was \$19,148 and \$15,961, respectively.

Note 11 - Accumulated Vacation

Employees of the Organization are entitled to paid vacation depending on length of service and other factors; at December 31, 2024 and 2023, the value of accumulated vacation leave was not accrued, as management believes the amount is not material. Sick leave is not accrued because it does not vest - employees are not paid for any sick leave balance at separation from employment or at any other time.

Note 12 - Donated Services

No amounts have been reflected in the statements for donated services, since the contributed services do not meet the accounting standards required for measurement; however, the Organization receives a significant amount of donated services from unpaid volunteers who assist in fundraising and special projects.

United Way of Wilson County, Inc.
Notes to the Financial Statements
December 31, 2024

Note 13 - Employee Benefits

Employee benefits consist of the following for the years ended December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Pension plan contribution - Note 11	\$ 19,148	\$ 15,961
Hospitalization, disability and life insurance	40,654	34,956
Social security, medicare and unemployment taxes	<u>15,069</u>	<u>11,100</u>
Total employee benefits	<u>\$ 74,871</u>	<u>\$ 62,017</u>

Note 14 - Significant Concentration of Risk on Pledges

Almost all of the Organization's pledges are from the Wilson County, North Carolina geographic region; the level of future pledges and the collectibility of the pledges could both be affected by future economic conditions in the Wilson County area. Further, approximately 40% the total pledges were made by the employees of two companies. Pledges collected by payroll deduction could be adversely affected by layoffs, plant closings, etc.

Note 15 - Significant Concentration of Credit Risk

The Organization has concentrated its credit risk for cash by maintaining deposits of cash in one institution in excess of \$250,000, the maximum amount covered by the Federal Deposit Insurance Corporation (FDIC). At December 31, 2024 the uninsured deposits were computed as follows:

<u>Institution</u>	<u>Bank Balance</u>
Truist Bank	\$ 825,904
Less FDIC insurance amount	<u>(250,000)</u>
Uninsured deposits at 12/31/24	<u>\$ 575,904</u>

Management is not concerned as to the safety and soundness of the referenced institution.

In addition to the uninsured bank deposits, the Organization has funds invested in several mutual funds; these funds are not insured and they fluctuate in value on a daily basis. These investments are reported at their market value of \$478,022 at December 31, 2024,

United Way of Wilson County, Inc.
Notes to the Financial Statements
December 31, 2024

Note 16 - Subsequent Events

In accordance with the provisions of ASC 855, "Subsequent Events," the Organization evaluated all material events subsequent to the balance sheet date (December 31, 2024) through August 19, 2025, the date the statements were available, for events requiring disclosure or recognition in the Organization's financial statements.

There were no subsequent events requiring disclosure or recognition in the Organization's financial statements.

Supplementary Financial Information

United Way of Wilson County, Inc.
Schedule of Allocations to Agencies
For the Year Ended December 31, 2024
With Comparative Totals for the Year Ended December 31, 2023

	<u>2024</u>	<u>2023</u>
American Red Cross	\$ 26,740	\$ 27,740
The Arc	33,000	33,000
Diversified Opportunities, Inc.	25,000	25,000
Flynn Christian Fellowship Home	13,260	16,000
St. John Community Development Corporation	-	4,000
Wesley Shelter, Inc.	67,800	67,800
Wilson County Interfaith Services - Hope Station	10,064	9,402
Wilson County Office of Senior Citizens' Affairs	78,740	78,740
Wilson Crisis Center	69,588	67,044
Wilson Police Athletic League	17,024	17,882
Wilson Youth United, Inc. - The SPOT	75,000	75,500
Y.O.U.T.H. of Wilson County	<u>39,500</u>	<u>39,750</u>
 Total allocations to agencies	 <u>\$ 455,716</u>	 <u>\$ 461,858</u>

See independent auditors' report.

United Way of Wilson County, Inc.
Schedule of Cash Disbursements - Annual Budget and Actual
For the Year Ended December 31, 2024
With Comparative Totals for the Year Ended December 31, 2023

	2024	2024	2024	2023
	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)	<u>Actual</u>
Unrestricted disbursements:				
Salaries	\$ 178,122	\$ 196,986	\$ (18,864)	\$ 145,104
Employee benefits and payroll taxes	67,461	74,871	(7,410)	62,017
Payroll preparation service	1,161	1,373	(212)	1,140
Temporary office help	72,000	28,275	43,725	63,623
Professional fees	8,500	7,670	830	7,500
Consulting fees	50,460	50,458	2	-
Films and awards	500	124	376	726
Special Event - United Way Fundraiser	32,000	25,122	6,878	33,837
Supplies	2,971	2,588	383	3,862
Telephone and internet	3,102	3,580	(478)	3,325
Postage and shipping	931	748	183	931
Volunteer training	600	421	179	356
Web-site expense	3,300	1,560	1,740	1,560
Printing and publications	1,461	321	1,140	1,461
Staff travel expense	630	376	254	586
T-shirts	1,600	1,277	323	1,679
Conferences, meetings, and workshops	9,223	2,215	7,008	5,727
Liability insurance for officers and directors	2,215	2,282	(67)	2,215
Equipment maintenance and rental	5,604	5,535	69	5,869
Network and software expense	7,500	10,039	(2,539)	7,487
Solicitation fee	302	-	302	302
Fidelity bond	375	344	31	375
Rent	43,200	43,200	-	10,800
Insurance - workers' comp	1,162	624	538	462
Miscellaneous	1,806	1,595	211	1,806
Credit card fees and bank/finance charges	2,496	2,508	(12)	2,492
Agency grants	12,500	5,000	7,500	12,500
Out-of-County designations	3,800	3,551	249	3,802
United Way of America	9,000	10,890	(1,890)	6,751
United Way of North Carolina	2,851	2,705	146	2,851
Designation only Agencies	22,000	25,364	(3,364)	22,760
Building expenses	4,287	5,624	(1,337)	4,219
211 Program, WF Development and Warren St.	4,730	4,777	(47)	4,727

Continued.....

See independent auditors' report.

United Way of Wilson County, Inc.
Schedule of Cash Disbursements - Annual Budget and Actual
For the Year Ended December 31, 2024
With Comparative Totals for the Year Ended December 31, 2023

	2024	2024	2024	2023
	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)	<u>Actual</u>
American Red Cross	26,740	26,740	-	27,740
The Arc	33,000	33,000	-	33,000
Diversified Opportunities, Inc.	25,000	25,000	-	25,000
Flynn Christian Fellowship Home	13,260	13,260	-	16,000
St. John Community Development Corporation	-	-	-	4,000
Wesley Shelter, Inc.	67,800	67,800	-	67,800
Wilson County Interfaith Services - Hope Station	10,064	10,064	-	9,402
Wilson County Office of Senior Citizens' Affairs	78,740	78,740	-	78,740
Wilson Crisis Center	69,588	69,588	-	67,044
Wilson Police Athletic League	17,024	17,024	-	17,882
Wilson Youth United, Inc. - The SPOT	75,000	75,000	-	75,500
Y.O.U.T.H. of Wilson County	39,500	39,500	-	39,750
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total disbursements	<u>\$ 1,013,566</u>	<u>\$ 977,719</u>	<u>\$ 35,847</u>	<u>\$ 884,710</u>

See independent auditors' report.

Other Required Auditor Communications

ANTHONY, TABB & CREEL, P.A.
Certified Public Accountants

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Shalinee Prasada, CPA
Jonathan D. Wood, CPA
Cristal Lashley, EA

August 19, 2025

To the Board of Directors
United Way of Wilson County, Inc.
Wilson, NC 27894-1147

We have audited the financial statements of the United Way of Wilson County, Inc. (the "United Way") for the year ended December 31, 2024 and have issued our report thereon dated August 19, 2025. Professional standards require that we advise you of the following matters related to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated June 3, 2025, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that we have prepared with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of its responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of your internal control over financial reporting. Accordingly, as a part of our audit, we considered the system of internal control of the United Way solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

August 19, 2025

To the Board of Directors
United Way of Wilson County, Inc.
Wilson, NC 27894-1147

We have audited the financial statements of the United Way of Wilson County, Inc. (the "United Way") for the year ended December 31, 2024 and have issued our report thereon dated August 19, 2025. Professional standards require that we advise you of the following matters related to our audit.

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Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team and others in our firm, as appropriate, have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the United Way's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the United Way is included in Note 1 to the financial statements. There have been no changes in significant accounting policies or their application during the year ended December 31, 2024. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions, and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimate affecting the financial statements is:

- Management's estimate of the allowance for uncollectible pledges is based on five percent of the current campaign pledge total.

We evaluated the key factors and assumptions used to develop the estimate and determined that they are reasonable in relation to the basic financial statements as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the United Way's financial statements are:

- The disclosure of the basis of presentation for the financial statements in Note 1 to the financial statements, which is the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when the obligation is incurred.

Significant Unusual Transactions

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. No significant unusual transactions were noted during our audit of your financial statements.

Identified or Suspected Fraud

No identified or suspected fraud activities were identified during our audit of your financial statements.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. There were no uncorrected entries.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the United Way's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Circumstances that Affect the Form and Content of the Auditor's Report

For purposes of this letter, professional standards require we communicate any circumstances that affect the form and content of our auditor's report. No such circumstances occurred during the audit that affected the form or content of our auditor's report for your audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the representation letter dated August 19, 2025.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings or Issues

In the normal course of our professional association with the United Way, we generally discuss a variety of matters, including the application of accounting principles and standards, significant events or transactions that occurred during the year, operating conditions affecting the United Way, and operating plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the United Way's auditors.

This report is intended solely for the information and use of the Board of Directors and management of the United Way of Wilson County, Inc. and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Anthony, Tabb & Creel, P.A.

Certified Public Accountants
Wilson, North Carolina

ANTHONY, TABB & CREEL, P.A.
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August 19, 2025

To the Board of Directors
United Way of Wilson County, Inc.
Wilson, NC 27894-1147

In planning and performing our audit of the financial statements of the United Way of Wilson County, Inc. as of and for the year ended December 31, 2024 in accordance with auditing standards generally accepted in the United States of America, we considered the United Way of Wilson County, Inc.'s internal control over financial reporting (internal control) as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, therefore, material weaknesses on significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiency in the United Way of Wilson County, Inc.'s internal control to be a significant deficiency:

1 - Management is responsible for establishing and maintaining internal controls, including monitoring, and for the fair presentation in the financial statements the assets, liabilities, net assets, revenue, and expenses, including the notes to the financial statements, in conformity with generally accepted accounting principles.

At times, management may choose to outsource certain accounting functions due to cost or training considerations. Such accounting functions and service providers must be governed by the control policies and procedures of the entity. Management is responsible for outsourced functions performed by a service provider just as it would be for such functions performed internally. Specifically, management is responsible for management decisions and functions; for designating an individual with suitable skill, knowledge, or experience to oversee any outsourced services; and for evaluating the adequacy and results of those services and accepting responsibility for them.

As part of the audit, management requested us to prepare a draft of your financial statements, including the related notes to the financial statements. Management reviewed, approved, and accepted responsibility for those financial statements prior to their issuance; however, management did not perform a detailed review of the financial statements.

The absence of this control procedure is considered a significant deficiency because more than a remote likelihood exists that a misstatement of the financial statements that is more than inconsequential could occur and not be prevented or detected by the entity's internal control.

This communication is intended solely for the information and use of management, the Board of Directors, and others within the United Way of Wilson County, Inc., and is not intended to be and should not be used by anyone other than these specified parties.

Anthony, Tabb & Creel, P.A.

Certified Public Accountants
Wilson, North Carolina