

CROSS VERMONT TRAIL ASSOCIATION, INC.

**FINANCIAL STATEMENTS
AND
INDEPENDENT ACCOUNTANT'S
REVIEW REPORT**

JUNE 30, 2011

CROSS VERMONT TRAIL ASSOCIATION, INC.

JUNE 30, 2011

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors of
Cross Vermont Trail Association, Inc

We have reviewed the accompanying statement of financial position of Cross Vermont Trail Association, Inc. (a nonprofit organization) as of June 30, 2011, and the related statements of activities and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Organization 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 is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

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 conformity with accounting principles generally accepted in the United States of America.

Pace & Hawley, LLC

Montpelier, VT
February 29, 2012

CROSS VERMONT TRAIL ASSOCIATION, INC.
Statement of Financial Position
June 30, 2011

Assets	<u>2011</u>
Current assets:	
Cash	\$ 9,882
Grants receivable	24,301
Prepaid expenses	<u>1,784</u>
Total current assets	<u>35,967</u>
Noncurrent assets:	
Property and equipment	10,795
Less: accumulated depreciation	<u>(701)</u>
Total capital assets	<u>10,094</u>
Total assets	<u>\$ 46,061</u>
 Liabilities and net assets	
Current liabilities:	
Accounts payable	\$ 15,824
Loan due to employee	<u>1,000</u>
Total current liabilities	<u>16,824</u>
Total liabilities	<u>16,824</u>
Net assets:	
Permanently restricted	7,835
Temporarily restricted	452
Unrestricted	<u>20,950</u>
Total net assets	<u>29,237</u>
Total liabilities and net assets	<u>\$ 46,061</u>

See accompanying notes and independent accountant's review report.

CROSS VERMONT TRAIL ASSOCIATION, INC.
Statement of Activities
For the Year Ended June 30, 2011

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Revenues:				
Grants	\$ 105,977	\$ -	\$ -	\$ 105,977
Contributions	9,206	-	-	9,206
Investment income	15	98	-	113
Miscellaneous	37	-	-	37
Net assets released from restrictions:				
Satisfaction of program use restriction	<u>25,000</u>	<u>(25,000)</u>	<u>-</u>	<u>-</u>
Total revenues	<u>140,235</u>	<u>(24,902)</u>	<u>-</u>	<u>115,333</u>
Expenses:				
Trail construction & maintenance	214,607	-	-	214,607
Fundraising	15,071	-	-	15,071
Administration	<u>18,627</u>	<u>-</u>	<u>-</u>	<u>18,627</u>
Total expenses	<u>248,305</u>	<u>-</u>	<u>-</u>	<u>248,305</u>
Change in net assets	(108,070)	(24,902)	-	(132,972)
Net assets, beginning of year	<u>129,020</u>	<u>25,354</u>	<u>7,835</u>	<u>162,209</u>
Net assets, end of year	\$ <u>20,950</u>	\$ <u>452</u>	\$ <u>7,835</u>	\$ <u>29,237</u>

See accompanying notes and independent accountant's review report.

CROSS VERMONT TRAIL ASSOCIATION, INC.
Statement of Cash Flows
For the Year Ended June 30, 2011

Cash flows from operating activities	
Change in net assets	\$ (132,972)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	81
Noncash donations	120,000
Investment income	(113)
(Increase) decrease in grants receivable	22,415
(Increase) decrease in prepaid expenses	(14)
Increase (decrease) in accounts payable	<u>(6,190)</u>
Net cash provided by operating activities	<u>3,207</u>
 Cash flows from investing activities	
Interest received	<u>113</u>
Net cash provided by investing activities	<u>113</u>
 Cash flows from financing activities	
Payment of line of credit	(7,620)
Proceeds from note payable	<u>1,000</u>
Net cash provided (used) by financing activities	<u>(6,620)</u>
 Net increase (decrease) in cash	 (3,300)
Cash, beginning of year	<u>13,182</u>
Cash, end of year	\$ <u>9,882</u>
 <i>Noncash investing and financing activities:</i>	
Donation of land	\$ 120,000
 <i>Supplemental disclosure of cash flow information:</i>	
Cash paid during the year for interest	\$ 424

See accompanying notes and independent accountant's review report.