

**NATIONAL COUNCIL OF CHILD SUPPORT DIRECTORS  
(A NON PROFIT ORGANIZATION)**

**FINANCIAL STATEMENTS - CASH BASIS**

**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

**NATIONAL COUNCIL OF CHILD SUPPORT DIRECTORS  
(A NON PROFIT ORGANIZATION)**

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## INDEPENDENT ACCOUNTANTS' REVIEW REPORT

### **To the Board of Directors**

National Council of Child Support Directors

We have reviewed the accompanying financial statements of National Council of Child Support Directors, which comprise the statement of assets, liabilities, and net assets - cash basis as of September 30, 2018 and the related statement of revenues, expenses, and other changes in net assets – cash basis 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 the cash basis of accounting; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of 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.

### ***Accountants' 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 the cash basis of accounting. We believe that the results of our procedures provide a reasonable basis for our conclusion.

### ***Accountants' 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 the cash basis of accounting.

***Basis of Accounting***

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our conclusion is not with respect to this matter.

*Marcum LLP*

Providence, RI  
January 10, 2020

**NATIONAL COUNCIL OF CHILD SUPPORT DIRECTORS  
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**STATEMENT OF ASSETS, LIABILITIES AND NET ASSETS - CASH BASIS**

**SEPTEMBER 30, 2018**

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<b>Assets</b>	
Cash	\$ <u>78,288</u>
<b>Total Assets</b>	<u>\$ 78,288</u>
<b>Liabilities and Net Assets</b>	
Net assets - unrestricted	\$ <u>78,288</u>
<b>Total Liabilities and Net Assets</b>	<u>\$ 78,288</u>

*See accompanying notes and independent accountants' review report.*

**NATIONAL COUNCIL OF CHILD SUPPORT DIRECTORS  
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**STATEMENT OF REVENUES, EXPENSES AND OTHER CHANGES IN NET ASSETS -  
CASH BASIS**

**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

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**Revenues Collected**

Conference \$ 92,699

**Total Revenues Collected**

92,699

**Expenses Paid**

Conference 78,613

Web development 2,710

Spring dinner 3,028

Administrative & other 2,840

**Total Expenses Paid**

87,191

**Increase in Net Assets**

5,508

**Unrestricted Net Assets - Beginning of Year**

72,780

**Unrestricted Net Assets - End of Year**

\$ 78,288

*See accompanying notes and independent accountants' review report.*

**NATIONAL COUNCIL OF CHILD SUPPORT DIRECTORS  
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**NOTE TO FINANCIAL STATEMENTS – CASH BASIS**

**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***NATURE OF BUSINESS***

National Council of Child Support Directors, (the “Council”) is a non-profit organization established to promote the development of legislation and/or policies which will have a positive effect on the Title IV-D Child Support Program and upon the operation of the Uniform Interstate Family Support Act or similar acts in several states and foreign nations, to provide a forum for the State IV-D Child Support Directors, to provide a structured medium for communicating with federal agencies the views, opinions or consensus of the Council.

***BASIS OF ACCOUNTING***

The financial statements of the Council are prepared using the cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Unlike generally accepted accounting principles of accrual accounting, the Council does not recognize receivables and payables and their related effects on the change in unrestricted net assets. Financial transactions are recorded when the actual cash transactions occur irrespective of when revenue is earned or expense obligations are incurred.

Accordingly, the accompanying financial statements are not intended to present the financial position and results of operations in conformity with generally accepted accounting principles.

***BASIS OF PRESENTATION***

The Council presents its financial statements in accordance with Presentation of Financial Statements for Not for Profit Entities Topic of the FASB Accounting Standards Codification. Under this topic, the Council is required to report 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.

**Unrestricted Net Assets** – consist of those amounts that are available for operations and support in carrying out the purpose of the Council and not subject to donor imposed stipulations.

**NATIONAL COUNCIL OF CHILD SUPPORT DIRECTORS  
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**NOTE TO FINANCIAL STATEMENTS – CASH BASIS**

**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***BASIS OF PRESENTATION (CONTINUED)***

**Temporarily Restricted Net Assets** – consist of those amounts that are restricted by donors to specific program activities. When the restrictions are met as the activities are performed, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Donor-restricted resources that meet the restrictions in the same reporting period are reported as unrestricted support.

**Permanently Restricted Net Assets** – consist of resources subject to donor-imposed stipulations that they be maintained permanently by the Council. The donors of these assets permit the Council to use all of the income earned on related investments, while the income may be either temporarily restricted or unrestricted, according to the donors' wishes.

There were no temporarily restricted or permanently restricted net assets as of September 30, 2018.

***USE OF ESTIMATES***

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual amounts could differ from those estimates.

***INCOME TAXES***

The Council is exempt from income taxes under Section 501 (c) (6) of the Internal Revenue Code. Accordingly, no provision for Federal income tax has been made in the financial statements.

The Council accounts for uncertain tax positions in accordance with Accounting Standards Codification (ASC) 740, Accounting for Income Taxes. This guidance increases the relevancy and comparability of financial reporting by clarifying the way entities account for uncertainties in income taxes for tax positions taken or expected to be taken. The Council has evaluated its accounting and tax positions, including its properly approved and maintained non-profit status, and is of the opinion that more likely than not policies and positions it has adopted will remain unchanged. There are no such uncertain tax positions for the Council for the year ended September 30, 2018.



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**NOTE TO FINANCIAL STATEMENTS – CASH BASIS**

**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***FIXED ASSETS***

Any significant fixed asset purchases are to be capitalized and depreciated over the estimated useful life of the asset. The Council does not currently hold any fixed assets on their books.

***MAJOR PROGRAM ACTIVITY***

The Council's major program activity is an annual conference. The reported amounts of conference revenues received is for registration fees paid.

***SUBSEQUENT EVENTS***

Management has evaluated subsequent events through, January 10, 2020, the date which the financial statements were available to be issued. No significant events have been identified that would require adjustment of, or disclosure in the accompanying financial statements.