

RAINIER SCHOLARS

**FINANCIAL STATEMENTS WITH
INDEPENDENT AUDITORS' REPORT**

JUNE 30, 2017 AND 2016



INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Rainier Scholars
Seattle, Washington

We have audited the accompanying financial statements of Rainier Scholars (a nonprofit organization), which comprise the statements of financial position as of June 30, 2017 and 2016, and the related statements of activities, functional expenses, and cash flows for the years 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 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 financial position of Rainier Scholars as of June 30, 2017 and 2016, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in cursive script that reads "Jones & Associates LLC, CPAs".

Jones & Associates, LLC CPAs
October 26, 2017

TEL 206.525.5170
1701 NE 104th Street
Seattle, WA 98125-7646
www.judyjonescpa.com

RAINIER SCHOLARS
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2017 AND 2016

	2017	2016
ASSETS		
Cash and cash equivalents	\$ 1,462,927	\$ 933,217
Prepaid expenses	18,835	13,446
Investments	3,568,756	3,830,925
Pledges receivable, net	1,432,019	1,574,121
Property and equipment, net	100,826	137,751
	\$ 6,583,363	\$ 6,489,460
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	\$ 59,914	\$ 36,231
Payroll liabilities	122,984	102,531
Deferred revenue	14,845	10,980
	197,743	149,742
NET ASSETS		
Unrestricted		
Undesignated	2,646,918	2,786,019
Board designated	1,836,625	1,569,437
	4,483,543	4,355,456
Temporarily restricted	1,902,077	1,984,262
	6,385,620	6,339,718
	\$ 6,583,363	\$ 6,489,460

**RAINIER SCHOLARS
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2017**

	Unrestricted	Temporarily Restricted	Total
SUPPORT AND REVENUE			
Contributions and grants	\$ 1,562,659	\$ 475,000	\$ 2,037,659
Special events, net	1,745,416	-	1,745,416
In-kind contributions	22,587	-	22,587
Program service fees	11,730	-	11,730
Investment return	295,801	-	295,801
Other income	3,806	-	3,806
	<u>3,641,999</u>	<u>475,000</u>	<u>4,116,999</u>
Net assets released from restriction			
Satisfaction of program restriction	382,083	(382,083)	-
Satisfaction of time restriction	175,102	(175,102)	-
	<u>557,185</u>	<u>(557,185)</u>	<u>-</u>
	<u>4,199,184</u>	<u>(82,185)</u>	<u>4,116,999</u>
EXPENSES			
Program services	3,230,473	-	3,230,473
Management and general	238,024	-	238,024
Fundraising	602,600	-	602,600
	<u>4,071,097</u>	<u>-</u>	<u>4,071,097</u>
Change in net assets	128,087	(82,185)	45,902
NET ASSETS			
Beginning of the year	<u>4,355,456</u>	<u>1,984,262</u>	<u>6,339,718</u>
End of the year	<u>\$ 4,483,543</u>	<u>\$ 1,902,077</u>	<u>\$ 6,385,620</u>