

NUCLEAR INFORMATION AND RESOURCE SERVICE

**FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT**

JANUARY 31, 2015 AND 2014

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Independent Auditor's Report

To The Board of Directors
Nuclear Information and Resource Service
Takoma Park, MD

We have audited the accompanying financial statements of Nuclear Information and Resource Service ("NIRS") (a nonprofit organization), which comprise the statement of financial position as of January 31, 2015 and 2014, 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.

Auditor's 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 audits 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.

Independent Auditor's Report
Nuclear Information and Resource Service
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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Nuclear Information and Resource Service as of January 31, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in conformity with the accounting principles generally accepted in the United States of America.

Jane Marusa & McQuade PA

August 17, 2015
Columbia, MD

**NUCLEAR INFORMATION AND RESOURCE SERVICE
STATEMENTS OF FINANCIAL POSITION
JANUARY 31, 2015 AND 2014**

<u>ASSETS</u>		
	2015	2014
CURRENT ASSETS		
Cash and cash equivalents	\$ 23,935	\$ 33,787
Accounts receivable	12,500	12,500
Total Current Assets	36,435	46,287
 PROPERTY AND EQUIPMENT		
Property and equipment, net	179,495	189,824
 OTHER ASSETS		
Security deposit	28,275	28,125
TOTAL ASSETS	\$ 244,205	\$ 264,236
 <u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable	\$ 46,432	\$ 35,016
Accrued expenses	30,693	33,445
Capital lease obligation	-	8,132
Loan payable	46,054	51,034
Total Current Liabilities	123,179	127,627
 NET ASSETS		
Unrestricted assets	33,020	58,075
Temporarily restricted assets	88,006	78,534
Total Net Assets	121,026	136,609
TOTAL LIABILITIES AND NET ASSETS	\$ 244,205	\$ 264,236

See independent auditor's report and accompanying notes to financial statements.

**NUCLEAR INFORMATION AND RESOURCE SERVICE
STATEMENT OF ACTIVITIES
YEAR ENDED JANUARY 31, 2015**

	Unrestricted	Temporarily Restricted	Total
REVENUE AND SUPPORT			
Grants and contributions	\$ 494,347	\$ 82,500	576,847
Rental income	10,302	-	10,302
Miscellaneous	891	-	891
Other income	1,406	-	1,406
Interest income	4	-	4
Net assets released from restrictions	73,028	(73,028)	-
Total Revenue and Support	579,978	9,472	589,450
EXPENSES			
Program services	474,466	-	474,466
Support services:			
Management and general	91,073	-	91,073
Fundraising	39,494	-	39,494
Total support services	130,567	-	130,567
Total Expenses	605,033	-	605,033
CHANGE IN NET ASSETS	(25,055)	9,472	(15,583)
NET ASSETS, beginning of year	58,075	78,534	136,609
NET ASSETS, end of year	\$ 33,020	\$ 88,006	\$ 121,026

See independent auditor's report and accompanying notes to financial statements.

**NUCLEAR INFORMATION AND RESOURCE SERVICE
STATEMENT OF ACTIVITIES
YEAR ENDED JANUARY 31, 2014**

	Unrestricted	Temporarily Restricted	Total
REVENUE AND SUPPORT			
Grants and contributions	\$ 343,983	\$ 53,119	\$ 397,102
Rental income	13,342	-	13,342
Miscellaneous	1,856	-	1,856
Other income	16,123	-	16,123
Interest income	13	-	13
Net assets released from restrictions	106,750	(106,750)	-
Total Revenue and Support	482,067	(53,631)	428,436
EXPENSES			
Program services	422,848	-	422,848
Support services:			
Management and general	85,146	-	85,146
Fundraising	45,657	-	45,657
Total support services	130,803	-	130,803
Total Expenses	553,651	-	553,651
CHANGE IN NET ASSETS	(71,584)	(53,631)	(125,215)
NET ASSETS, beginning of year	129,659	132,165	261,824
NET ASSETS, end of year	\$ 58,075	\$ 78,534	\$ 136,609

See independent auditor's report and accompanying notes to financial statements.

**NUCLEAR INFORMATION AND RESOURCE SERVICE
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JANUARY 31, 2015**

	Supporting Services			
	Program Services	Management and General	Fundraising	Total Supporting Services
Personnel costs:				
Salaries	\$ 257,743	\$ 46,220	\$ 24,301	\$ 70,521
Payroll taxes	20,579	3,690	1,940	5,630
Employee benefits	35,775	6,415	3,373	9,788
Subtotal personnel costs	314,097	56,325	29,614	85,939
Accounting and consulting	3,950	12,383	-	12,383
Bank and credit card fees	-	1,145	-	1,145
Depreciation	4,900	879	462	1,341
Dues and subscriptions	451	-	-	-
Equipment and maintenance	7,571	1,358	714	2,072
Grants and contributions	37,350	-	-	-
Insurance	7,792	1,397	735	2,132
Interest expense	2,425	435	228	663
Legal fees	-	595	-	595
Meetings and conferences	2,639	-	-	-
Occupancy	56,663	10,161	5,343	15,504
Office supplies	969	174	91	265
Postage and shipping	1,537	276	144	420
Printing and copying	1,896	340	179	519
Telephone	9,771	1,752	921	2,673
Travel	11,188	1,833	-	1,833
Website and IT support	11,267	2,020	1,063	3,083
Total	\$ 474,466	\$ 91,073	\$ 39,494	\$ 130,567
				\$ 605,033

See independent auditor's report and accompanying notes to financial statements.

**NUCLEAR INFORMATION AND RESOURCE SERVICE
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JANUARY 31, 2014**

	Supporting Services				
	Program Services	Management and General	Fundraising	Supporting Services	Total Expenses
Personnel costs:					
Salaries	\$ 228,211	\$ 40,924	\$ 21,517	\$ 62,441	\$ 290,652
Payroll taxes	16,809	3,014	1,585	4,599	21,408
Employee benefits	30,533	5,475	2,879	8,354	38,887
Subtotal personnel costs	275,553	49,413	25,981	75,394	350,947
Accounting	-	17,048	-	17,048	17,048
Bank and credit card fees	-	961	-	961	961
Depreciation	6,810	1,221	642	1,863	8,673
Dues and subscriptions	594	-	-	-	594
Equipment and maintenance	3,787	679	357	1,036	4,823
Grants and contributions	26,500	-	-	-	26,500
Insurance	3,551	637	334	971	4,522
Interest expense	3,979	714	375	1,089	5,068
Legal fees	-	28	-	28	28
Meetings and conferences	527	-	-	-	527
Occupancy	54,505	9,774	5,139	14,913	69,418
Office supplies	934	167	88	255	1,189
Postage and shipping	1,990	357	3,205	3,562	5,552
Printing and copying	400	72	7,188	7,260	7,660
Professional fees	14,790	-	-	-	14,790
Telephone	7,533	1,351	710	2,061	9,594
Travel	3,112	510	-	510	3,622
Website and IT support	18,283	2,214	1,638	3,852	22,135
Total	\$ 422,848	\$ 85,146	\$ 45,657	\$ 130,803	\$ 553,651

See independent auditor's report and accompanying notes to financial statements.

NUCLEAR INFORMATION AND RESOURCE SERVICE
STATEMENTS OF CASH FLOWS
JANUARY 31, 2015 AND 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (15,583)	\$ (125,215)
Adjustments to reconcile change in net assets to net cash provided by (used for) operating activities:		
Depreciation	6,241	8,673
Decrease (increase) in assets:		
Accounts receivable	-	75,986
Security deposit	(150)	-
Increase (decrease) in liabilities:		
Accounts payable	11,416	(14,077)
Accrued expenses	(2,752)	32,394
Net Cash Used for Operating Activities	(828)	(22,239)
 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment	-	(828)
Disposal of equipment	4,088	-
Payments on capital lease obligation	(8,132)	(5,130)
Payments on loan payable	(4,980)	(4,650)
Net Cash Used for Investing Activities	(9,024)	(10,608)
 NET DECREASE IN CASH AND CASH EQUIVALENTS	(9,852)	(32,847)
 CASH AND CASH EQUIVALENTS, beginning of year	33,787	66,634
 CASH AND CASH EQUIVALENTS, end of year	\$ 23,935	\$ 33,787
 SUPPLEMENTARY INFORMATION		
Interest expense	\$ 3,088	\$ 5,068

See independent auditor's report and accompanying notes to financial statements.

**NUCLEAR INFORMATION AND RESOURCE SERVICE
NOTES TO FINANCIAL STATEMENTS
JANUARY 31, 2015 AND 2014**

NOTE A – ORGANIZATION AND NATURE OF ACTIVITIES

Organization

Nuclear Information and Resource Service (“NIRS”) is a not-for-profit organization, incorporated in Washington, D.C. for the purpose of being the national information and networking center for citizens and environmental activists concerned about nuclear power, radioactive waste, radiation and sustainable energy issues.

NIRS educates and empowers individuals and groups working to end nuclear power and build a safe, clean, sustainable and affordable nuclear-free, carbon-free energy system. NIRS facilitates the ability of individuals to participate in issues that affect them, and also engages in legal actions to prevent construction of new nuclear power reactors and to promote positive changes in regulatory policy.

The following is a description of NIRS’s Programs for the fiscal years ended January 31, 2015 and 2014:

The Nuclear 911 Campaign is an effort to take the lessons learned from the real-life disasters at Fukushima and Chernobyl and apply them to emergency response planning for reactors in the United States. Goals include expanding the size of current emergency evacuation and agricultural interdiction zones and providing more realistic and useful training for emergency responders and utility personnel.

The West Valley Project is an effort to clean up nuclear waste on the West Valley nuclear waste site in New York that has been leaking radioactive waste into the ground since 1966. In an effort to persuade the Department of Energy (“DOE”) to clean up the site, NIRS has joined with other organizations and undertaken the dissemination and public release of hydrogeology studies of surface and groundwater on and offsite at West Valley. The author of the studies will meet for public briefings with elected officials, public interest allies and for media work. Public education and outreach is being carried out with events to publicize the West Valley nuclear problems. Additionally, efforts are being made to continue to track DOE physical site activities and provide detailed input on DOE’s science panel and study teams.

NUCLEAR INFORMATION AND RESOURCE SERVICE
NOTES TO FINANCIAL STATEMENTS
JANUARY 31, 2015 AND 2014
(continued)

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements are prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Revenue is recognized when earned and expenses are recorded as incurred.

Financial Statement Presentation

Net assets and revenue are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of and changes therein, are classified and reported as follows:

Unrestricted Net Assets - Net assets not subject to donor-imposed restrictions.

Temporarily Restricted Net Assets - Net assets subject to donor-imposed restrictions that may or will be met by either actions of NIRS and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the statement of activities as net assets released from restrictions.

Permanently Restricted Net Assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by NIRS. There were no permanently restricted net assets as of January 31, 2015 and 2014.

Cash and Cash Equivalents

NIRS considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalent.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year end. Annually, management determines if an allowance for doubtful accounts is necessary based upon a review of outstanding receivables, historical collection of information and existing economic conditions. Accounts deemed uncollectible are charged off based on specific circumstances of the parties involved. Management believes all receivables are fully collectible within one year and no provision for allowance for doubtful accounts is deemed necessary.

NUCLEAR INFORMATION AND RESOURCE SERVICE
NOTES TO FINANCIAL STATEMENTS
JANUARY 31, 2015 AND 2014
(continued)

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Fixed Assets

Fixed assets are stated at cost and depreciated on a straight-line basis over the estimated useful lives of the related assets, generally two to thirty-nine years. Expenditures which extend the useful life of an asset are capitalized, while repairs and maintenance are generally expensed.

Revenue Recognition

Grants and contributions, including unconditional promises to give, are recognized as revenue in the period in which a notification is received. Grants and contributions received with donor restrictions are recorded as temporarily or permanently restricted revenue based on the donor's intent. Expirations of temporary restrictions are reported as reclassifications from temporarily restricted net assets to unrestricted net assets.

Functional Allocation of Expenses

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

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 revenue and expenses during the reporting period. Actual results could differ from these estimates.

NOTE C – INCOME TAXES

NIRS is a 501(c)(3) entity exempt from federal income tax under Section 501(a) of the Internal Revenue Code. NIRS is, however, subject to tax on business income unrelated to their exempt purpose.

NIRS believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements or that would have an effect on its tax-exempt status. There are no unrecognized tax benefits or liabilities that need to be recorded.

NUCLEAR INFORMATION AND RESOURCE SERVICE
NOTES TO FINANCIAL STATEMENTS
JANUARY 31, 2015 AND 2014
(continued)

NOTE C – INCOME TAXES - continued

NIRS's income tax returns are subject to examination by the Internal Revenue Service for a period of three years from the date they were filed, except under certain circumstances. NIRS's Form 990 tax returns for the years ended January 31, 2012 through 2014, are open for a tax examination by the Internal Revenue Service, although no request has been made as of the date of these financial statements.

NOTE D – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of January 31:

	2015	2014
Land	\$ 50,000	\$ 50,000
Buildings	150,000	150,000
Furniture and equipment	103,150	103,150
Capital lease asset	-	22,299
	<u>303,150</u>	<u>325,449</u>
Less accumulated depreciation	(123,655)	(135,625)
Total	<u>\$ 179,495</u>	<u>\$ 189,824</u>

Depreciation expense totaled \$6,241 and \$8,673 for the years ended January 31, 2015, and 2014, respectively.

NOTE E – RETIREMENT PLAN

NIRS maintains a tax-deferred annuity plan qualified under Section 403(b) of the Internal Revenue Code. Participation in the plan is available to all employees meeting eligibility requirements. NIRS does not contribute to the plan.

NOTE F – LOAN PAYABLE

NIRS has a loan with Home Trust Bank with an original principal amount of \$60,000. This loan bears an interest rate of 5%. The loan matures on September 1, 2015. It is secured by real property located at 45 Riverview Drive, Asheville, NC., The outstanding balance due as of January 31, 2015 and 2014, totaled \$46,054 and \$51,034, respectively. Interest expense totaled \$2,508 and \$3,454 for the years ended January 31, 2015 and 2014, respectively.

NUCLEAR INFORMATION AND RESOURCE SERVICE
NOTES TO FINANCIAL STATEMENTS
JANUARY 31, 2015 AND 2014
(continued)

NOTE G – TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets were designated by donors for the following purposes as of January 31:

	2015	2014
Anon-Endeavor	\$ 20,000	\$ -
Normandie/West Valley	21,952	15,000
Southeast office housing	46,054	51,034
Time restrictions	-	12,500
Total	<u>\$ 88,006</u>	<u>\$ 78,534</u>

NOTE H – CAPITAL LEASE OBLIGATION

In July 2010, NIRS entered into a five-year, capital lease agreement for a new copier with the Xerox Corporation in the amount of \$22,299. The lease was terminated early and a new operating lease for a copier was entered into as of August 2014. As of January 31, 2015 and 2014, the accumulated depreciation expense on the capital leased equipment totaled \$- and \$15,981, respectively. Capital lease obligations for the years ended January 31, 2015 and 2014, totaled \$- and \$8,132, and interest expense totaled \$580 and \$1,614, respectively.

NOTE I – LEASE COMMITMENTS

NIRS entered into a lease agreement with Takoma Business Center, LLC, for the office space located at 6930 Carrol Avenue, Suite #340, Takoma Park, Maryland. The lease commenced on July 1, 2011, and will end on February 28, 2018. The lease is subject to a 3% increase on March 1 of each fiscal year. A security deposit in the amount of \$28,125 is part of the lease agreement for the office space and is included on the statement of financial position.

The future lease payments exceeding one year are as follows for the years ending January 31,:

2016	\$ 64,510
2017	66,446
2018	68,439
2019	5,717
Total future lease payments	<u>\$ 205,112</u>

The monthly lease payment amounts include operating and storage expenses. The lease payments and the related office space expenses for the years ended January 31, 2015 and 2014, totaled \$72,167 and \$69,418, respectively.

NUCLEAR INFORMATION AND RESOURCE SERVICE
NOTES TO FINANCIAL STATEMENTS
JANUARY 31, 2015 AND 2014
(continued)

NOTE J – SUBSEQUENT EVENTS

In preparing these financial statements, NIRS's management has evaluated events and transactions for potential recognition or disclosure through August 17, 2015, the date the financial statements were available to be issued. There were no additional events or transactions discovered during the evaluation that required further disclosure.