

NUCLEAR INFORMATION AND RESOURCE SERVICE

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

JANUARY 31, 2016 AND 2015

TABLE OF CONTENTS

	<u>Page No.</u>
INDEPENDENT AUDITOR'S REPORT	1 - 2
FINANCIAL STATEMENTS	
Statements of Financial Position	3
Statement of Activities, Year Ended January 31, 2016	4
Statement of Activities, Year Ended January 31, 2015	5
Statement of Functional Expenses, Year Ended January 31, 2016	6
Statement of Functional Expenses, Year Ended January 31, 2015	7
Statements of Cash Flows	8
Notes to the Financial Statements	9 - 14



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 (a nonprofit organization), which comprise the statements of financial position as of January 31, 2016 and 2015, 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 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.

Independent Auditor's Report
Nuclear Information and Resource Service
Page Two

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, 2016 and 2015, 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.

Jane Hanna & McQuade PA

Washington, DC
August 23, 2016

**NUCLEAR INFORMATION AND RESOURCE SERVICE
STATEMENTS OF FINANCIAL POSITION
JANUARY 31, 2016 AND 2015**

	2016	2015
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and cash equivalents	\$ 63,493	\$ 23,935
Accounts receivable	7,500	12,500
Total Current Assets	70,993	36,435
PROPERTY AND EQUIPMENT, NET	175,483	179,495
OTHER ASSETS		
Security deposit	28,125	28,275
TOTAL ASSETS	\$ 274,601	\$ 244,205
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable	\$ 37,712	\$ 46,432
Accrued expenses	42,920	30,693
Loan payable	41,757	46,054
Total Current Liabilities	122,389	123,179
NET ASSETS		
Unrestricted	71,995	33,020
Temporarily restricted	80,217	88,006
Total Net Assets	152,212	121,026
TOTAL LIABILITIES AND NET ASSETS	\$ 274,601	\$ 244,205

The accompanying notes are an integral part of these financial statements.

NUCLEAR INFORMATION AND RESOURCE SERVICE
STATEMENT OF ACTIVITIES
YEAR ENDED JANUARY 31, 2016

	Unrestricted	Temporarily Restricted	Total
REVENUE AND SUPPORT			
Grants and contributions	\$ 621,248	\$ 66,000	687,248
Rental income	10,470	-	10,470
Miscellaneous	493	-	493
Interest income	9	-	9
Net assets released from restrictions	73,789	(73,789)	-
Total Revenue and Support	<u>706,009</u>	<u>(7,789)</u>	<u>698,220</u>
EXPENSES			
Program services	541,670	-	541,670
Support services:			
Management and general	96,200	-	96,200
Fundraising	29,164	-	29,164
Total Support Services	<u>125,364</u>	<u>-</u>	<u>125,364</u>
Total Expenses	<u>667,034</u>	<u>-</u>	<u>667,034</u>
CHANGE IN NET ASSETS	38,975	(7,789)	31,186
NET ASSETS , beginning of year	<u>33,020</u>	<u>88,006</u>	<u>121,026</u>
NET ASSETS , end of year	<u>\$ 71,995</u>	<u>\$ 80,217</u>	<u>\$ 152,212</u>

The accompanying notes are an integral part of these 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	476,489	-	476,489
Support services:			
Management and general	94,251	-	94,251
Fundraising	34,293	-	34,293
Total Support Services	128,544	-	128,544
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

The accompanying notes are an integral part of these financial statements.

**NUCLEAR INFORMATION AND RESOURCE SERVICE
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JANUARY 31, 2016**

	Support Services			Total Support Services	Total Expenses
	Program Services	Management and General	Fundraising		
Personnel costs:					
Salaries	\$ 278,175	\$ 48,064	\$ 15,125	\$ 63,189	\$ 341,364
Payroll taxes	20,694	3,575	1,125	4,700	25,394
Employee benefits	40,867	7,058	2,200	9,258	50,125
Subtotal Personnel Costs	339,736	58,697	18,450	77,147	416,883
Accounting and consulting	45,550	13,638	-	13,638	59,188
Bank and credit card fees	-	1,833	-	1,833	1,833
Depreciation	3,150	565	297	862	4,012
Dues and subscriptions	880	-	-	-	880
Equipment and maintenance	10,492	1,882	989	2,871	13,363
Grants and contributions	29,400	-	-	-	29,400
Insurance	4,330	777	408	1,185	5,515
Interest expense	1,803	323	170	493	2,296
Legal fees	-	395	-	395	395
Meetings and conferences	4,789	-	-	-	4,789
Occupancy	59,781	10,720	5,637	16,357	76,138
Office supplies	933	167	88	255	1,188
Postage and shipping	993	178	94	272	1,265
Printing and copying	6,784	1,217	639	1,856	8,640
Telephone	9,166	1,644	864	2,508	11,674
Travel	7,672	1,257	-	1,257	8,929
Website and IT support	16,211	2,907	1,528	4,435	20,646
Total	\$ 541,670	\$ 96,200	\$ 29,164	\$ 125,364	\$ 667,034

The accompanying notes are an integral part of these financial statements.

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

	Support Services			Total Support Services	Total Expenses
	Program Services	Management and General	Fundraising		
Personnel costs:					
Salaries	\$ 257,743	\$ 46,220	\$ 24,301	\$ 70,521	\$ 328,264
Payroll taxes	20,579	3,690	1,940	5,630	26,209
Employee benefits	35,775	6,415	3,373	9,788	45,563
Subtotal Personnel Costs	314,097	56,325	29,614	85,939	400,036
Accounting and consulting	-	16,333	-	16,333	16,333
Bank and credit card fees	-	1,145	-	1,145	1,145
Depreciation	4,900	879	462	1,341	6,241
Dues and subscriptions	451	-	-	-	451
Equipment and maintenance	7,571	1,358	714	2,072	9,643
Grants and contributions	37,350	-	-	-	37,350
Insurance	7,792	1,397	735	2,132	9,924
Interest expense	2,425	435	228	663	3,088
Legal fees	-	595	-	595	595
Meetings and conferences	2,639	-	-	-	2,639
Occupancy	56,663	10,161	5,343	15,504	72,167
Office supplies	969	174	91	265	1,234
Postage and shipping	1,990	357	(390)	(33)	1,957
Printing and copying	400	72	1,943	2,015	2,415
Professional fees	-	-	-	-	-
Telephone	9,771	1,752	921	2,673	12,444
Travel	11,188	1,833	-	1,833	13,021
Website and IT support	18,283	1,435	(5,368)	(3,933)	14,350
Total	<u>\$ 476,489</u>	<u>\$ 94,251</u>	<u>\$ 34,293</u>	<u>\$ 128,544</u>	<u>\$ 605,033</u>

The accompanying notes are an integral part of these financial statements.

NUCLEAR INFORMATION AND RESOURCE SERVICE
STATEMENTS OF CASH FLOWS
JANUARY 31, 2016 AND 2015

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 31,186	\$ (15,583)
Adjustments to reconcile change in net assets to net cash provided by (used for) operating activities:		
Depreciation	4,012	6,241
Decrease (increase) in assets:		
Accounts receivable	5,000	-
Security deposit	150	(150)
Increase (decrease) in liabilities:		
Accounts payable	(8,720)	11,416
Accrued expenses	12,227	(2,752)
Net Cash Provided (Used) for Operating Activities	43,855	(828)
 CASH FLOWS FROM INVESTING ACTIVITIES		
Disposal of equipment	-	4,088
Payments on capital lease obligation	-	(8,132)
Payments on loan payable	(4,297)	(4,980)
Net Cash Used for Investing Activities	(4,297)	(9,024)
 NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	39,558	(9,852)
 CASH AND CASH EQUIVALENTS, beginning of year	23,935	33,787
 CASH AND CASH EQUIVALENTS, end of year	\$ 63,493	\$ 23,935
 SUPPLEMENTARY INFORMATION		
Cash paid for interest	\$ 2,296	\$ 3,088

The accompanying notes are an integral part of these financial statements.

**NUCLEAR INFORMATION AND RESOURCE SERVICE
NOTES TO THE FINANCIAL STATEMENTS
JANUARY 31, 2016 AND 2015**

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, 2016 and 2015:

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 THE FINANCIAL STATEMENTS
JANUARY 31, 2016 AND 2015
(continued)

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

NIRS prepares its financial statements on the accrual basis of accounting therefore, revenue and the related assets are recognized when earned and expenses and related liabilities are recognized as the obligations are incurred.

Financial Statement Presentation

Financial statement preparation follows Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) topic Not-for-Profit entities. In accordance with the topic, net assets, revenue, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of NIRS 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, 2016 and 2015.

Cash and Cash Equivalents

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

NUCLEAR INFORMATION AND RESOURCE SERVICE
NOTES TO THE FINANCIAL STATEMENTS
JANUARY 31, 2016 AND 2015
(continued)

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

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.

Property and Equipment

Property and equipment 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 and greater than \$1,000 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.

NUCLEAR INFORMATION AND RESOURCE SERVICE
NOTES TO THE FINANCIAL STATEMENTS
JANUARY 31, 2016 AND 2015
(continued)

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.

NIRS’s information 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 information returns for the years ended January 31, 2013 through 2015, 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:

	2016	2015
Land	\$ 50,000	\$ 50,000
Buildings	150,000	150,000
Furniture and equipment	103,150	103,150
	<u>303,150</u>	<u>303,150</u>
Less accumulated depreciation	(127,667)	(123,655)
Total	<u>\$ 175,483</u>	<u>\$ 179,495</u>

Depreciation expense totaled \$4,012 and \$6,241 for the years ended January 31, 2016, and 2015, respectively.

NOTE E – RETIREMENT PLAN

NIRS maintains a tax-deferred annuity plan (the “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.

NUCLEAR INFORMATION AND RESOURCE SERVICE
NOTES TO THE FINANCIAL STATEMENTS
JANUARY 31, 2016 AND 2015
(continued)

NOTE F – LOAN PAYABLE

NIRS has a loan with Home Trust Bank with an original principal amount of \$60,000. The original loan bears an annual interest rate of 5% and a maturity date of September 1, 2015. NIRS began the process of refinancing the loan at the maturity date, and agreed on a refinancing on March 22, 2016, with a principal amount of \$41,339 and a maturity date of December 1, 2020. The loan calls for 56 payments to be made of \$853 beginning on April 1, 2016

It is secured by real property located at 45 Riverview Drive, Ashville, NC., The outstanding balance due as of January 31, 2016 and 2015, totaled \$41,757 and \$46,054, respectively. Interest expense totaled \$2,296 and \$2,508 for the years ended January 31, 2016 and 2015, respectively.

NOTE G – TEMPORARILY RESTRICTED NET ASSETS

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

	2016	2015
Anon-Endeavor	\$ 13,454	\$ 20,000
Normandie/West Valley	21,299	21,952
Southeast office housing	41,757	46,054
Maryland grid conference	3,707	-
Total	\$ 80,217	\$ 88,006

NOTE H – 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 was required in accordance with the lease agreement and is included in the statement of financial position.

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

2017	\$ 66,446
2018	68,439
2019	5,717
Total future lease payments	\$ 140,602

NUCLEAR INFORMATION AND RESOURCE SERVICE
NOTES TO THE FINANCIAL STATEMENTS
JANUARY 31, 2016 AND 2015
(continued)

NOTE H – LEASE COMMITMENTS – continued

Monthly lease payments include operating and storage expenses. Occupancy expense for the years ended January 31, 2016 and 2015, totaled \$76,138 and \$72,167, respectively.

NOTE I – SUBSEQUENT EVENTS

In preparing these financial statements, NIRS's management has evaluated events and transactions for potential recognition or disclosure through August 23, 2016, the date the financial statements were available to be issued. There were no additional events or transactions discovered during the evaluation that required further recognition or disclosure.