

NUCLEAR INFORMATION AND RESOURCE SERVICE

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

JANUARY 31, 2017 AND 2016

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

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.

Nuclear Information and Resource Service
Independent Auditor's Report
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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, 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.

James Maruca & McQuade PA

Washington, DC
October 10, 2017

**NUCLEAR INFORMATION AND RESOURCE SERVICE
STATEMENTS OF FINANCIAL POSITION
JANUARY 31, 2017 AND 2016**

	2017	2016
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and cash equivalents	\$ 191,094	\$ 63,493
Accounts receivable	5,000	7,500
Total Current Assets	196,094	70,993
PROPERTY AND EQUIPMENT, NET	193,196	175,483
OTHER ASSETS		
Security deposit	28,125	28,125
TOTAL ASSETS	\$ 417,415	\$ 274,601
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable	\$ 39,748	\$ 37,712
Accrued expenses	35,997	42,920
Loan payable, current portion	8,035	41,757
Total Current Liabilities	83,780	122,389
NON CURRENT LIABILITIES		
Loan payable, net of current portion	27,080	-
Total Liabilities	110,860	122,389
NET ASSETS		
Unrestricted	204,072	71,995
Temporarily restricted	102,483	80,217
Total Net Assets	306,555	152,212
TOTAL LIABILITIES AND NET ASSETS	\$ 417,415	\$ 274,601

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

NUCLEAR INFORMATION AND RESOURCE SERVICE
STATEMENT OF ACTIVITIES
YEAR ENDED JANUARY 31, 2017

	Unrestricted	Temporarily Restricted	Total
REVENUE AND SUPPORT			
Grants and contributions	\$ 536,635	\$ 205,000	\$ 741,635
Rental income	16,813	-	16,813
Miscellaneous	6,382	-	6,382
Interest income	40	-	40
Net assets released from restrictions	182,734	(182,734)	-
Total Revenue and Support	742,604	22,266	764,870
EXPENSES			
Program services	488,983	-	488,983
Support services:			
Management and general	84,002	-	84,002
Fundraising	37,542	-	37,542
Total Support Services	121,544	-	121,544
Total Expenses	610,527	-	610,527
CHANGE IN NET ASSETS	132,077	22,266	154,343
NET ASSETS , beginning of year	71,995	80,217	152,212
NET ASSETS , end of year	\$ 204,072	\$ 102,483	\$ 306,555

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	706,009	(7,789)	698,220
EXPENSES			
Program services	541,670	-	541,670
Support services:			
Management and general	96,200	-	96,200
Fundraising	29,164	-	29,164
Total Support Services	125,364	-	125,364
Total Expenses	667,034	-	667,034
CHANGE IN NET ASSETS	38,975	(7,789)	31,186
NET ASSETS , beginning of year	33,020	88,006	121,026
NET ASSETS , end of year	\$ 71,995	\$ 80,217	\$ 152,212

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

NUCLEAR INFORMATION AND RESOURCE SERVICE
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JANUARY 31, 2017

	Support Services			Total Support Services	Total Expenses
	Program Services	Management and General	Fundraising		
Personnel costs:					
Salaries	\$ 238,850	\$ 42,832	\$ 22,520	\$ 65,352	\$ 304,202
Payroll taxes	18,582	3,332	1,752	5,084	23,666
Employee benefits	37,211	6,673	3,508	10,181	47,392
Subtotal Personnel Costs	294,643	52,837	27,780	80,617	375,260
Accounting and consulting	36,504	10,280	-	10,280	46,784
Bank and credit card fees	-	1,537	-	1,537	1,537
Depreciation	3,150	565	297	862	4,012
Dues and subscriptions	12,658	-	-	-	12,658
Equipment and maintenance	7,820	1,402	737	2,139	9,959
Grants and contributions	31,414	-	-	-	31,414
Insurance	4,543	815	428	1,243	5,786
Interest	2,392	429	225	654	3,046
Legal fees	-	95	-	95	95
Meetings and conferences	6,030	-	-	-	6,030
Occupancy	61,757	11,074	5,823	16,897	78,654
Office supplies	805	144	76	220	1,025
Postage and shipping	626	112	59	171	797
Printing and copying	190	34	18	52	242
Telephone	9,432	1,691	890	2,581	12,013
Travel	4,193	687	-	687	4,880
Website and IT support	12,826	2,300	1,209	3,509	16,335
Total	<u>\$ 488,983</u>	<u>\$ 84,002</u>	<u>\$ 37,542</u>	<u>\$ 121,544</u>	<u>\$ 610,527</u>

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	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	<u>\$ 541,670</u>	<u>\$ 96,200</u>	<u>\$ 29,164</u>	<u>\$ 125,364</u>	<u>\$ 667,034</u>

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

NUCLEAR INFORMATION AND RESOURCE SERVICE
STATEMENTS OF CASH FLOWS
YEARS ENDED JANUARY 31, 2017 AND 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 154,343	\$ 31,186
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	4,012	4,012
Decrease (increase) in assets:		
Accounts receivable	2,500	5,000
Security deposit	-	150
Increase (decrease) in liabilities:		
Accounts payable	2,036	(8,720)
Accrued expenses	(6,923)	12,227
Net Cash Provided by Operating Activities	155,968	43,855
 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(21,725)	-
Payments on loan payable	(6,642)	(4,297)
Net Cash Used for Investing Activities	(28,367)	(4,297)
 NET INCREASE IN CASH AND CASH EQUIVALENTS	127,601	39,558
 CASH AND CASH EQUIVALENTS, beginning of year	63,493	23,935
 CASH AND CASH EQUIVALENTS, end of year	\$ 191,094	\$ 63,493
 SUPPLEMENTARY INFORMATION		
Cash paid for interest	\$ 3,046	\$ 2,296

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

**NUCLEAR INFORMATION AND RESOURCE SERVICE
NOTES TO THE FINANCIAL STATEMENTS
JANUARY 31, 2017 AND 2016**

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, 2017 and 2016:

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, 2017 AND 2016
(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, 2017 and 2016.

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, 2017 AND 2016
(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, 2017 AND 2016
(continued)

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Reclassifications

Certain amounts in the 2016 financial statements have been reclassified to conform to current year presentation. Such reclassification had no effect on the previously reported net assets or change in net assets.

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, 2014 through 2016, 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:

	2017	2016
Land	\$ 50,000	\$ 50,000
Buildings	150,000	150,000
Furniture and equipment	103,150	103,150
Website	21,725	-
	324,875	303,150
Less accumulated depreciation	(131,679)	(127,667)
Property and Equipment, Net	\$ 193,196	\$ 175,483

Depreciation expense totaled \$4,012 and \$4,012 for the years ended January 31, 2017, and 2016, respectively.

NUCLEAR INFORMATION AND RESOURCE SERVICE
NOTES TO THE FINANCIAL STATEMENTS
JANUARY 31, 2017 AND 2016
(continued)

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.

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 secured refinancing on March 22, 2016, with a principal amount of \$41,339 and a maturity date of December 1, 2020. The loan calls for 57 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, 2017 and 2016, totaled \$35,115 and \$41,757, respectively. Interest expense totaled \$3,046 and \$2,296 for the years ended January 31, 2017 and 2016, respectively.

The following are the future minimum payments for the loan payable as of January 31,:

	2018	\$	8,035
	2019		8,616
	2020		9,238
	2021		9,226
Total Future Minimum Payments		\$	35,115

NOTE G – TEMPORARILY RESTRICTED NET ASSETS

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

	2017	2016
Anon-Endeavor	\$ -	\$ 13,454
Normandie/West Valley	15,000	21,299
Southeast office housing	35,115	35,115
Maryland grid conference	52,368	3,707
Total	\$ 102,483	\$ 73,575

NUCLEAR INFORMATION AND RESOURCE SERVICE
NOTES TO THE FINANCIAL STATEMENTS
JANUARY 31, 2017 AND 2016
(continued)

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 1st 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:

2018	\$	68,439
2019		<u>5,717</u>
Total future lease payments	\$	<u><u>74,156</u></u>

Monthly lease payments include operating and storage expenses. Occupancy expense for the years ended January 31, 2017 and 2016, totaled \$78,654 and \$76,138, respectively.

NOTE I – SUBSEQUENT EVENTS

In preparing these financial statements, NIRS's management has evaluated events and transactions for potential recognition or disclosure through October 10, 2017, 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.