

NUCLEAR INFORMATION AND RESOURCE SERVICE

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

JANUARY 31, 2018 AND 2017

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, 2018	4
Statement of Activities, Year Ended January 31, 2017	5
Statement of Functional Expenses, Year Ended January 31, 2018	6
Statement of Functional Expenses, Year Ended January 31, 2017	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, 2018 and 2017, 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
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, 2018 and 2017, 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.

Janis M. Mendenhall & M^A Quade PA

Washington, DC
November 3, 2018

**NUCLEAR INFORMATION AND RESOURCE SERVICE
STATEMENTS OF FINANCIAL POSITION
JANUARY 31, 2018 AND 2017**

	2018	2017
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and cash equivalents	\$ 43,107	\$ 191,094
Grants receivable	45,000	5,000
Total Current Assets	88,107	196,094
PROPERTY AND EQUIPMENT, NET	184,840	193,196
OTHER ASSETS		
Security deposit	28,125	28,125
TOTAL ASSETS	\$ 301,072	\$ 417,415
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable	\$ 38,910	\$ 39,748
Accrued expenses	22,880	35,997
Loan payable, current portion	8,616	8,035
Total Current Liabilities	70,406	83,780
NON CURRENT LIABILITIES		
Loan payable, net of current portion	18,516	27,080
Total Liabilities	88,922	110,860
NET ASSETS		
Unrestricted	22,524	204,072
Temporarily restricted	189,626	102,483
Total Net Assets	212,150	306,555
TOTAL LIABILITIES AND NET ASSETS	\$ 301,072	\$ 417,415

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

**NUCLEAR INFORMATION AND RESOURCE SERVICE
STATEMENT OF ACTIVITIES
YEAR ENDED JANUARY 31, 2018**

	Unrestricted	Temporarily Restricted	Total
REVENUE AND SUPPORT			
Grants and contributions	\$ 329,928	\$ 262,500	\$ 592,428
Rental income	17,942	-	17,942
Miscellaneous	5,493	-	5,493
Interest income	27	-	27
Net assets released from restrictions	175,357	(175,357)	-
Total Revenue and Support	528,747	87,143	615,890
EXPENSES			
Program services	576,644	-	576,644
Support services:			
Management and general	72,581	-	72,581
Fundraising	61,070	-	61,070
Total Support Services	133,651	-	133,651
Total Expenses	710,295	-	710,295
CHANGE IN NET ASSETS	(181,548)	87,143	(94,405)
NET ASSETS , beginning of year	204,072	102,483	306,555
NET ASSETS , end of year	\$ 22,524	\$ 189,626	\$ 212,150

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 FUNCTIONAL EXPENSES
YEAR ENDED JANUARY 31, 2018**

	Support Services				Total Support Services	Total Expenses
	Program Services	Management and General	Fundraising	Management and General		
Personnel costs:						
Salaries	\$ 295,200	\$ 37,756	\$ 37,057	\$ 74,813	\$ 370,013	
Payroll taxes	23,400	2,993	2,937	5,930	29,330	
Employee benefits	48,573	6,213	6,097	12,310	60,883	
Subtotal Personnel Costs	367,173	46,962	46,091	93,053	460,226	
Accounting and consulting	28,108	7,915	-	7,915	36,023	
Bank and credit card fees	-	1,543	-	1,543	1,543	
Depreciation	6,667	853	836	1,689	8,356	
Dues and subscriptions	9,090	-	-	-	9,090	
Equipment and maintenance	7,958	1,018	999	2,017	9,975	
Grants and contributions	34,500	-	-	-	34,500	
Insurance	4,412	564	554	1,118	5,530	
Interest	1,799	230	226	456	2,255	
Legal fees	-	95	-	95	95	
Meetings and conferences	11,373	-	-	-	11,373	
Occupancy	65,598	8,390	8,235	16,625	82,223	
Office supplies	2,650	339	332	671	3,321	
Postage and shipping	1,332	170	167	337	1,669	
Printing and copying	5,712	731	716	1,447	7,159	
Telephone	8,580	1,097	1,078	2,175	10,755	
Travel	7,066	803	-	803	7,869	
Website and IT support	14,626	1,871	1,836	3,707	18,333	
Total	\$ 576,644	\$ 72,581	\$ 61,070	\$ 133,651	\$ 710,295	

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	Management and General		
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	\$ 488,983	\$ 84,002	\$ 37,542	\$ 121,544	\$ 610,527	

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

NUCLEAR INFORMATION AND RESOURCE SERVICE
STATEMENTS OF CASH FLOWS
YEARS ENDED JANUARY 31, 2018 AND 2017

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (94,405)	\$ 154,343
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	8,356	4,012
Decrease (increase) in assets:		
Grants receivable	(40,000)	2,500
Increase (decrease) in liabilities:		
Accounts payable	(838)	2,036
Accrued expenses	(13,117)	(6,923)
Net Cash (Used for) Provided by Operating Activities	(140,004)	155,968
 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	-	(21,725)
Payments on loan payable	(7,983)	(6,642)
Net Cash Used for Investing Activities	(7,983)	(28,367)
 NET INCREASE IN CASH AND CASH EQUIVALENTS	(147,987)	127,601
 CASH AND CASH EQUIVALENTS, beginning of year	191,094	63,493
 CASH AND CASH EQUIVALENTS, end of year	\$ 43,107	\$ 191,094
 SUPPLEMENTARY INFORMATION		
Cash paid for interest	\$ 2,255	\$ 3,046

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

**NUCLEAR INFORMATION AND RESOURCE SERVICE
NOTES TO THE FINANCIAL STATEMENTS
JANUARY 31, 2018 AND 2017**

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, 2018 and 2017:

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, 2018 AND 2017
(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, 2018 and 2017.

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, 2018 AND 2017
(continued)

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Grants Receivable

Grants 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, 2018 AND 2017
(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, 2015 through 2017, 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:

	2018	2017
Land	\$ 50,000	\$ 50,000
Buildings	150,000	150,000
Furniture and equipment	103,150	103,150
Website	21,725	21,725
	<u>324,875</u>	<u>324,875</u>
Less accumulated depreciation	(140,035)	(131,679)
Property and Equipment, Net	<u>\$ 184,840</u>	<u>\$ 193,196</u>

Depreciation expense totaled \$8,356 and \$4,012 for the years ended January 31, 2018, and 2017, 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, 2018 AND 2017
(continued)

NOTE F – LOAN PAYABLE

NIRS has a loan with Home Trust Bank with an original principal amount of \$60,000. The original loan bore an annual interest rate of 5% and had 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, 2018 and 2017, totaled \$27,132 and \$35,115, respectively. Interest expense totaled \$2,255 and \$3,046 for the years ended January 31, 2018 and 2017, respectively.

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

	2019	\$	8,616
	2020		9,239
	2021		9,226
Total Future Minimum Payments		<u>\$</u>	<u>27,081</u>

NOTE G – TEMPORARILY RESTRICTED NET ASSETS

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

	2018		2017
Maryland grid conference	\$ 162,495	\$	52,368
Southeast office housing	27,131		35,115
Normandie/West Valley	-		15,000
Total	<u>\$ 189,626</u>	<u>\$</u>	<u>102,483</u>

NUCLEAR INFORMATION AND RESOURCE SERVICE
NOTES TO THE FINANCIAL STATEMENTS
JANUARY 31, 2018 AND 2017
(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:

	2019	\$	63,423
	2020		65,296
	2021		67,255
	2022		69,272
	2023		71,350
	Thereafter		155,510
Total future lease payments		<u>\$</u>	<u>492,106</u>

Monthly lease payments include operating and storage expenses. Occupancy expense for the years ended January 31, 2018 and 2017, totaled \$82,223 and \$78,654, respectively.

NOTE I – SUBSEQUENT EVENTS

In preparing these financial statements, NIRS's management has evaluated events and transactions for potential recognition or disclosure through November 3, 2018, 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.