

NUCLEAR INFORMATION AND RESOURCE SERVICE

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

JANUARY 31, 2019 AND 2018

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, 2019	4
Statement of Activities, Year Ended January 31, 2018	5
Statement of Functional Expenses, Year Ended January 31, 2019	6
Statement of Functional Expenses, Year Ended January 31, 2018	7
Statements of Cash Flows	8
Notes to the Financial Statements	9 - 15



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, 2019 and 2018, 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, 2019 and 2018, 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 Marusa & McQuade PA

Washington, DC
October 4, 2019

**NUCLEAR INFORMATION AND RESOURCE SERVICE
STATEMENTS OF FINANCIAL POSITION
JANUARY 31, 2019 AND 2018**

	2019	2018
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and cash equivalents	\$ 60,389	\$ 43,107
Grants receivable	30,589	45,000
Total Current Assets	90,978	88,107
PROPERTY AND EQUIPMENT, NET	176,836	184,840
OTHER ASSETS		
Security deposit	5,296	28,125
TOTAL ASSETS	\$ 273,110	\$ 301,072
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable	\$ 95,227	\$ 38,910
Accrued expenses	21,095	22,880
Loans payable - related parties	4,600	-
Loan payable, current portion	9,239	8,616
Total Current Liabilities	130,161	70,406
NON CURRENT LIABILITIES		
Loan payable, net of current portion	9,320	18,516
Total Liabilities	139,481	88,922
NET ASSETS		
Without donor restrictions	81,924	22,524
With donor restrictions	51,705	189,626
Total Net Assets	133,629	212,150
TOTAL LIABILITIES AND NET ASSETS	\$ 273,110	\$ 301,072

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

**NUCLEAR INFORMATION AND RESOURCE SERVICE
STATEMENT OF ACTIVITIES
YEAR ENDED JANUARY 31, 2019**

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND SUPPORT			
Grants and contributions	\$ 422,556	\$ 75,000	\$ 497,556
Rental income	14,775	-	14,775
Miscellaneous	875	-	875
Other income	6,250	-	6,250
Interest income	1	-	1
Net assets released from restrictions	212,921	(212,921)	-
Total Revenue and Support	657,378	(137,921)	519,457
EXPENSES			
Program services	483,013	-	483,013
Support services:			
Management and general	68,501	-	68,501
Fundraising	46,464	-	46,464
Total Support Services	114,965	-	114,965
Total Expenses	597,978	-	597,978
CHANGE IN NET ASSETS	59,400	(137,921)	(78,521)
NET ASSETS , beginning of year	22,524	189,626	212,150
NET ASSETS , end of year	\$ 81,924	\$ 51,705	\$ 133,629

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

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

	Without Donor Restrictions	With Donor Restrictions	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	<u>528,747</u>	<u>87,143</u>	<u>615,890</u>
EXPENSES			
Program services	576,644	-	576,644
Support services:			
Management and general	72,581	-	72,581
Fundraising	61,070	-	61,070
Total Support Services	<u>133,651</u>	<u>-</u>	<u>133,651</u>
Total Expenses	<u>710,295</u>	<u>-</u>	<u>710,295</u>
CHANGE IN NET ASSETS	(181,548)	87,143	(94,405)
NET ASSETS, beginning of year	<u>204,072</u>	<u>102,483</u>	<u>306,555</u>
NET ASSETS, end of year	<u><u>\$ 22,524</u></u>	<u><u>\$ 189,626</u></u>	<u><u>\$ 212,150</u></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, 2019**

	Support Services			Total Support Services	Total Expenses
	Program Services	Management and General	Fundraising		
Personnel costs:					
Salaries	\$ 218,280	\$ 29,665	\$ 26,042	\$ 55,707	\$ 273,987
Payroll taxes	26,499	3,601	3,162	6,763	33,262
Employee benefits	43,265	5,880	5,162	11,042	54,307
Subtotal Personnel Costs	288,044	39,146	34,366	73,512	361,556
Accounting and consulting	36,773	13,444	-	13,444	50,217
Bank and credit card fees	-	2,039	-	2,039	2,039
Depreciation	6,690	909	798	1,707	8,397
Dues and subscriptions	6,795	-	-	-	6,795
Equipment and maintenance	3,814	518	455	973	4,787
Grants and contributions	23,300	-	-	-	23,300
Insurance	7,608	1,034	908	1,942	9,550
Interest	1,327	180	159	339	1,666
Legal fees	5,000	95	-	95	5,095
Meetings and conferences	11,705	-	-	-	11,705
Occupancy	55,654	7,564	6,640	14,204	69,858
Office supplies	1,819	247	217	464	2,283
Postage and shipping	660	90	79	169	829
Printing and copying	4,696	638	561	1,199	5,895
Telephone	6,138	834	733	1,567	7,705
Travel	10,018	-	-	-	10,018
Website and IT support	12,972	1,763	1,548	3,311	16,283
Total	\$ 483,013	\$ 68,501	\$ 46,464	\$ 114,965	\$ 597,978

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		
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	<u>\$ 576,644</u>	<u>\$ 72,581</u>	<u>\$ 61,070</u>	<u>\$ 133,651</u>	<u>\$ 710,295</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, 2019 AND 2018**

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (78,521)	\$ (94,405)
Adjustments to reconcile change in net assets to net cash provided by (used for) operating activities:		
Depreciation	8,397	8,356
Decrease (increase) in assets:		
Grants receivable	14,411	(40,000)
Security deposit	22,829	-
Increase (decrease) in liabilities:		
Accounts payable	56,317	(838)
Accrued expenses	(1,785)	(13,117)
Net Cash (Used for) Provided by Operating Activities	21,648	(140,004)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(393)	-
Proceeds from loans payable - related parties	4,600	-
Payments on loan payable	(8,573)	(7,983)
Net Cash Used for Investing Activities	(4,366)	(7,983)
NET CHANGE IN CASH AND CASH EQUIVALENTS	17,282	(147,987)
CASH AND CASH EQUIVALENTS, beginning of year	43,107	191,094
CASH AND CASH EQUIVALENTS, end of year	\$ 60,389	\$ 43,107
SUPPLEMENTARY INFORMATION		
Cash paid for interest	\$ 1,666	\$ 2,255

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

**NUCLEAR INFORMATION AND RESOURCE SERVICE
NOTES TO THE FINANCIAL STATEMENTS
JANUARY 31, 2019 AND 2018**

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, 2019 and 2018:

Maryland Grid of the Future Coalition – An effort to inform the public of the need for energy infrastructure modernization and its potential for advancing renewable energy, improving energy affordability, creating jobs, and reducing social and economic inequality

Don’t Waste America- An effort to raise awareness of the environmental and public safety impacts of nuclear waste and proposals to undertake cross-country transportation of it, and to encourage public involvement in the siting of high-level radioactive waste facilities.

The West Valley Project - 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.

NUCLEAR INFORMATION AND RESOURCE SERVICE
NOTES TO THE FINANCIAL STATEMENTS
JANUARY 31, 2019 AND 2018
(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.

Adoption of New Accounting Pronouncement

For the year ended December 31, 2018, NIRS adopted the Financial Accounting Standards Board's Accounting Standards Update (ASU) No. 2016-14 – *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. This update addresses the complexity and understandability of net assets classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return between not-for-profit entities. The changes required by the update have been applied retrospectively to all periods presented. A key change required by ASU 2016-14 is the change to the net assets classes used in these financial statements. Amounts previously reported as unrestricted net assets are now reported as net assets without donor restrictions and amounts previously reported as temporarily restricted net assets and permanently restricted net assets, if applicable, are now reported as net assets with donor restrictions.

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:

Net Assets without Donor Restrictions- Net assets not subject to donor-imposed stipulations.

Net Assets with Donor Restrictions – Net assets subject to donor-imposed stipulations that may or will be met by either actions of NIRS and/or the passage of time, or that must be maintained permanently by NIRS. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statement of activities as net assets released from restrictions. Contributions received with donor restrictions that are met in the same reporting period are reported as support without donor restrictions and increase net assets without donor restrictions.

NUCLEAR INFORMATION AND RESOURCE SERVICE
NOTES TO THE FINANCIAL STATEMENTS
JANUARY 31, 2019 AND 2018
(continued)

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

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.

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 is 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 \$300 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 revenue with donor restrictions based on the donor's intent. Expirations of donor restrictions are reported as reclassifications from net assets with donor restrictions to net assets without donor restrictions.

Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributable to one or more program or supporting services of NIRS. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include depreciation, equipment and maintenance, interest, occupancy, office supplies, postage, printing, telephone and website, as well as salaries and benefits and payroll taxes, all of which are allocated on the basis of estimates of time and effort.

NUCLEAR INFORMATION AND RESOURCE SERVICE
NOTES TO THE FINANCIAL STATEMENTS
JANUARY 31, 2019 AND 2018
(continued)

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

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.

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, 2016 through 2018, 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:

	2019	2018
Land	\$ 50,000	\$ 50,000
Buildings	150,000	150,000
Furniture and equipment	103,543	103,150
Website	21,725	21,725
	<u>325,268</u>	<u>324,875</u>
Less accumulated depreciation	(148,432)	(140,035)
Property and Equipment, Net	<u>\$ 176,836</u>	<u>\$ 184,840</u>

NUCLEAR INFORMATION AND RESOURCE SERVICE
NOTES TO THE FINANCIAL STATEMENTS
JANUARY 31, 2019 AND 2018
(continued)

NOTE D – PROPERTY AND EQUIPMENT

Depreciation expense totaled \$8,397 and \$8,356 for the years ended January 31, 2019, and 2018, 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.

NOTE F – LOAN PAYABLE

Bank Loan

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 with an annual interest rate of 7%. 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, Asheville, NC. The outstanding balance due as of January 31, 2019 and 2018, totaled \$18,559 and \$27,132, respectively. Interest expense totaled \$1,666 and \$2,255 for the years ended January 31, 2019 and 2018, respectively.

Loans Payable – Related parties

During the year ended January 31, 2019, NIRS borrowed a total of \$7,600 from related parties of NIRS. Included in these loans were two short-term non-interest bearing loans from members of the board of directors totaling \$5,500 and one short-term non-interest bearing loan from the Executive Director of the organization for \$2,100. During the year ended January 31, 2019, one of the loans to one of the members of the board of directors was paid off for \$3,000. As of January 31, 2019, two of these loans were still outstanding for a total of \$4,600 and were payable on demand.

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

	2020	\$	13,839
	2021		9,320
Total Future Minimum Payments		\$	23,159

NUCLEAR INFORMATION AND RESOURCE SERVICE
NOTES TO THE FINANCIAL STATEMENTS
JANUARY 31, 2019 AND 2018
(continued)

NOTE G – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions were designated by donors for the following purposes as of January 31:

	2019	2018
Maryland grid conference	\$ 19,087	\$ 162,495
Southeast office housing	18,559	27,131
Don't waste America	14,059	-
Total	<u>\$ 51,705</u>	<u>\$ 189,626</u>

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 ended on February 28, 2018. The lease was 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 was included in the statement of financial position as of January 31, 2018. During 2018, NIRS renewed the lease agreement with Takoma Business Center, LLC for their office space. The renewed lease commenced on March 1, 2018 and ends on February 28, 2025, with an option to extend for an additional 3 years. The lease is subject to a 3% increase on March 1st of each fiscal year. In accordance with the lease renewal, the security deposit was reduced to \$5,296 which is included in the statement of financial position as of January 31, 2019.

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

2020	\$ 65,296
2021	67,255
2022	69,272
2023	71,350
2024	73,491
Thereafter	82,019
Total future lease payments	<u>\$ 428,683</u>

Monthly lease payments include operating and storage expenses. Occupancy expense for the years ended January 31, 2019 and 2018, totaled \$69,858 and \$82,223, respectively.

NUCLEAR INFORMATION AND RESOURCE SERVICE
NOTES TO THE FINANCIAL STATEMENTS
JANUARY 31, 2019 AND 2018
(continued)

NOTE I – SUBSEQUENT EVENTS

In preparing these financial statements, NIRS's management has evaluated events and transactions for potential recognition or disclosure through October 4, 2019, 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.