

Association for Play Therapy, Inc.

Financial Statements

March 31, 2017 and 2016



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May 18, 2017

To the Board of Directors
Association for Play Therapy, Inc.
Fresno, California

Management is responsible for the accompanying financial statements of the Association for Play Therapy, Inc. (a nonprofit corporation), which comprise the statements of assets, liabilities, and equity - tax-basis as of March 31, 2017 and 2016, and the related statements of revenue, expenses, and retained earnings - tax-basis for the years then ended in accordance with the tax-basis of accounting, and for determining that the tax-basis of accounting is an acceptable financial reporting framework. We have performed compilation engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion or conclusion, nor provide any form of assurance on these financial statements.

The financial statements are prepared in accordance with the tax-basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

A handwritten signature in cursive script that reads "Berry & Homen".

BERRY & HOMEN
Accountancy Corporation

Association for Play Therapy, Inc.
 Fresno, California
 Statement of Assets, Liabilities and Equity - Tax-Basis
 March 31, 2017 and 2016

	2017	2016
ASSETS		
<u>Current Assets:</u>		
Cash and Cash Equivalents	\$ 913,396	\$ 819,976
Marketable Securities - at Market	1,436,532	1,264,391
Inventory - Cost	5,543	6,592
Prepaid Expenses	1,225	1,720
Total Current Assets	2,356,696	2,092,679
<u>Property, Plant and Equipment:</u>		
Equipment	43,347	43,347
Less: Accumulated Depreciation	(21,342)	(16,375)
Total Property, Plant and Equipment	22,005	26,972
 Total Assets	 \$ 2,378,701	 \$ 2,119,651
LIABILITIES AND EQUITY		
<u>Current Assets:</u>		
Payroll Taxes Payable	\$ 294	\$ 264
Total Current Liabilities	294	264
<u>Equity:</u>		
Retained Earnings	2,378,407	2,119,387
 Total Liabilities and Equity	 \$ 2,378,701	 \$ 2,119,651

See Accountants' Report and Notes to Financial Statements

Association for Play Therapy, Inc.
Fresno, California
Statement of Revenues, Expenses, and Retained Earnings - Tax-Basis
For the Years Ended March 31, 2017 and 2016

	2017	2016
<u>Revenues:</u>		
Dues - net	\$ 478,132	\$ 459,618
Conference - net	127,185	199,507
Rpts Apps	254,931	223,079
CE Provider Apps	109,045	106,254
Investment Income	86,530	117,181
Sundry Income	66,839	64,488
Total Revenues	1,122,662	1,170,127
 <u>General Expenses</u>		
Accounting and Legal	9,475	12,552
Advertising	118,198	15,224
Bank Charges	46,789	48,598
Board Expenses	31,785	34,973
Depreciation	4,967	2,045
Employee Benefits	73,804	72,712
Equipment Rent	11,449	11,287
Insurance	16,884	16,337
Journal Expenses	37,797	37,361
Miscellaneous	32,531	43,160
Office Expense	6,071	5,763
Postage and Printing	14,171	18,871
Newsletter	48,251	48,534
Rent	37,773	37,150
Taxes	42,306	32,486
Salaries and Wages	420,411	367,287
Total General Expenses	952,662	804,340
Total Income (Loss) from Operations	170,000	365,787
 <u>Other Income and Expenses</u>		
Unrealized Gain (Loss) on Securities	89,020	(167,477)
Total Other Income and Expenses	89,020	(167,477)
Total Income (Loss)	259,020	198,310
Retained Earnings, Beginning	2,119,387	1,921,077
Retained Earnings, Ending	\$ 2,378,407	\$ 2,119,387

See Accountants' Report and Notes to Financial Statements

**Association for Play Therapy, Inc.
Fresno, California
Notes to Financial Statements**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business. Association for Play Therapy, Inc. is made up of professional members who use and promote play therapy in their practices. Play therapy, as described by the Association is the systematic use of a theoretical model to establish an interpersonal process wherein trained play therapists use the therapeutic powers of play to help clients prevent or resolve psychosocial difficulties and achieve optimal growth and development.

Method of Accounting. The Association's policy is to prepare its financial statements on the income tax basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. Accordingly, revenue is recorded when received rather than when earned and expenses are recorded when paid rather than when the obligation is incurred.

Inventories. Inventories consist of books and products. Inventory is stated at the lower of cost or market, with cost determined using the last-in, first-out method.

Property, Plant and Equipment. Expenditures for fixed assets are included in the accounts at cost. Depreciation is computed using the straight-line and declining balance methods over the estimated useful life of the assets.

Income Taxes. The Association is exempt from income taxes under section 501(c)(6) of the Internal Revenue Code and California Franchise Tax Regulation Section 23701(e). Thus, no provision for taxes is included in these statements.

Investment in Securities. Investments in marketable equity securities are reflected at readily determinable fair values in the statements of assets, liabilities and net assets. Unrealized gains and losses are included in the change in net assets in the accompanying statements of revenue, expenses and retained earnings.

CONCENTRATIONS OF CREDIT RISK

The Association maintains cash balances in several accounts with financial institutions located in Fresno, California. The Federal Deposit Insurance Corporation (FDIC) insures total cash balances up to \$250,000 per bank. At March 31, 2017, the organization had accounts with combined balances of \$121,989 that were not FDIC insured.

**Association for Play Therapy, Inc
Fresno, California
Notes to Financial Statements**

INVESTMENT IN SECURITIES

Investment in securities as of March 31, 2017 and 2016, are summarized as follows:

	Cost	Unrealized Gain/(Loss)	Fair Value
Mutual Funds 2016	\$1,255,011	\$ 9,380	\$1,264,391
Mutual Funds 2017	\$1,335,878	\$ 100,653	\$1,436,531

The fair values of the investment securities are obtained from various quotation services.

There is an unrealized gain(loss) of value of \$89,020 and \$(167,477) that is reported on the statement of revenue, expenses and retained earnings - tax-basis.

LEASES

The Association entered into a new operating lease in 2013 for a Ricoh MP 5002SP copier, which terminates in March 2018.

Future minimum lease payments on the copier are as follows:

Year Ending March 31, 2018	\$7,039
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On December 1, 2015 the Association entered into a new six year office lease.

Rent expense for the years ended March 31, 2017 and 2016, was \$37,773 and \$37,150, respectively.

Future minimum rent payments for the office are as follows:

Year Ending March 31, 2018	\$38,932
2019	39,708
2020	40,504
2021	41,312