

ALLENFORCE

ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
APRIL 30, 2017

ALLENFORCE

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FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT



INDEPENDENT AUDITORS' REPORT

July 7, 2017

Members of the Board of Directors
AllenForce
Plainfield, Illinois

We have audited the accompanying financial statements of AllenForce, a non-profit organization, which comprise the statement of financial position as of April 30, 2017, and the related statements of activities, cash flows and functional expenses for the year 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 opinions on these financial statements based on our audit. We conducted our audit 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 of 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 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 AllenForce'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 AllenForce'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 opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of AllenForce as of April 30, 2017, and the respective changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Lauterbach + Amen LLP
LAUTERBACH & AMEN, LLP

FINANCIAL STATEMENTS

ALLENFORCE**Statement of Financial Position
April 30, 2017**

	Unrestricted	Temporarily Restricted	Totals
ASSETS			
Current Assets			
Cash and Investments	\$ 30,998	-	30,998
Accounts Receivable	2,101	-	2,101
Prepays	8	-	8
Total Current Assets	<u>33,107</u>	-	<u>33,107</u>
Noncurrent Assets			
Depreciable Capital Assets	89,827	-	89,827
Accumulated Depreciation	(25,823)	-	(25,823)
Total Noncurrent Assets	<u>64,004</u>	-	<u>64,004</u>
Total Assets	<u>97,111</u>	-	<u>97,111</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	<u>2,177</u>	-	<u>2,177</u>
NET ASSETS			
Temporarily Restricted	-	-	-
Unrestricted	<u>94,934</u>	-	<u>94,934</u>
Total Net Assets	<u>94,934</u>	-	<u>94,934</u>

The notes to the financial statements are an integral part of this statement.

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**Statement of Activities
For the Fiscal Year Ended April 30, 2017**

	Unrestricted	Temporarily Restricted	Totals
Revenues			
Program Service Fees	\$ 13,379	-	13,379
Contributions	158,741	-	158,741
Interest	1	-	1
Miscellaneous	332	-	332
Total Revenues	<u>172,453</u>	-	<u>172,453</u>
Expenses			
Program Services	93,773	-	93,773
Management and General	53,904	-	53,904
Fundraising	16,108	-	16,108
Total Expenses	<u>163,785</u>	-	<u>163,785</u>
Change in Net Assets	8,668	-	8,668
Net Assets - Beginning	<u>86,266</u>	-	<u>86,266</u>
Net Assets - Ending	<u>94,934</u>	-	<u>94,934</u>

The notes to the financial statements are an integral part of this statement.

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Statement of Cash Flows For the Fiscal Year Ended April 30, 2017

Cash Flows from Operating Activities	
Increase (Decrease) in Net Assets	\$ 8,668
Adjustments to Reconcile Changes in Unrestricted Net Assets to Net Cash Provided by Operating Activities:	
Depreciation	11,602
(Increase) Decrease in Current Assets	(1,575)
Increase (Decrease) in Current Liabilities	(9,995)
Net Cash Provided by Operating Activities	<u>8,700</u>
 Cash Flows from Investing Activities	
Interest Income	<u>1</u>
 Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	<u>(31,433)</u>
 Change in Cash and Cash Equivalents	<u>(22,732)</u>
 Cash and Cash Equivalents	
Beginning	<u>53,730</u>
 Ending	<u><u>30,998</u></u>

The notes to the financial statements are an integral part of this statement.

ALLENFORCE**Statement of Functional Expenses
For the Fiscal Year Ended April 30, 2017**

	Program Services	Management and General	Fundraising	Totals
Salaries and Wages	\$ 5,000	400	5,000	10,400
Insurance/ Other Expenses	5,451	3,771	665	9,887
Processing Fees	105	159	265	529
Interest Expense	-	21	-	21
Contingency	-	100	-	100
Advertising and Marketing	-	254	-	254
Conferences and Meetings	3,370	49	64	3,483
Travel	656	400	491	1,547
Printing and Copying	880	587	359	1,826
Postage and Shipping	-	73	5	78
Supplies*	4,193	1,077	2,937	8,207
Information Technology	1,183	74	222	1,479
Corps Expenses	-	35	-	35
Contracts - Programs	2,375	-	-	2,375
Audit and Accounting	-	5,100	-	5,100
Professional Fees*	70,560	30,202	6,100	106,862
Depreciation	-	11,602	-	11,602
Total Functional Expenses	93,773	53,904	16,108	163,785

*As stated in Note 1 to the financial statements on page 8, the expense includes \$105,317 of in-kind contributed services and supplies. The total consists of the following: Professional Fees of \$104,600 (Program and Services - \$69,600; Management and General - \$30,000; and Fundraising - \$5,000) and Supplies of \$717 (Fundraising - \$717).

ALLENFORCE

Notes to the Financial Statements April 30, 2017

NOTE 1 – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

AllenForce was formed in 2012 and received the IRS determination letter recognizing its exempt status on April 20, 2012. The purpose of AllenForce is to promote a healthy and successful lifestyle for all veterans of all eras of the United States Armed Forces and their families by providing positive networking, fitness and recreational opportunities and community events. AllenForce strives to bridge the gap between military and civilian life as veterans face an ever-changing adjustment process after serving our nation.

BASIS OF PRESENTATION

AllenForce is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. AllenForce reports only unrestricted net assets at year-end. Unrestricted net assets are net assets that are not subject to any donor imposed stipulations.

BASIS OF ACCOUNTING

AllenForce maintains its accounting records on the accrual basis of accounting. Under this method, revenues are recognized when earned and expenses are recognized when incurred.

CASH AND CASH EQUIVALENTS

For purposes of the statement of cash flows, AllenForce considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

CAPITAL ASSETS

AllenForce capitalizes property and equipment over \$1,000. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, AllenForce reports expirations of donor restrictions when the donated or acquired assets are placed in service. AllenForce reclassifies temporarily restricted net assets to unrestricted net assets at that time. Property and equipment are depreciated using the straight-line method over estimated useful lives ranging from five to seven years.

ALLENFORCE

Notes to the Financial Statements April 30, 2017

NOTE 1 – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

CONTRIBUTED SERVICES

Donated equipment, goods and services are reflected as a contribution at their estimated value at the date of receipt as determined by management. Contributions to be received after one year are discounted at an appropriate discount commensurate with the risk involved. During the year ended April 30, 2017, there were \$105,317 of contributed services and supplies.

In addition, a substantial number of volunteers have donated significant amounts of their time to the Foundation's activities, but these services do not meet the criteria for recognition as contributed services. The criteria are for services that require specialized skills and would, typically, be purchased if not provided by donation.

SUPPORT AND EXPENSES

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Contributions received are measured at their fair values and are reported as an increase in net assets. AllenForce reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activity as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support. AllenForce uses the direct write off method to record uncollectible receivables, based on management's analysis of specific receivables.

TAX STATUS

AllenForce is a not-for-profit organization that is exempt from income taxes under Section 501(C)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as a public charity.

AllenForce's Forms 990, *Return of Organization Exempt from Income Tax*, are subject to examination by the IRS, generally, for three years after they were filed. Annual filings with the State of Illinois are, similarly, subject to examination.

ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

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Notes to the Financial Statements April 30, 2017

NOTE 2 – CAPITAL ASSETS

Capital assets consist of the following at year-end:

	Beginning Balances	Increases	Decreases	Ending Balances
Depreciable Capital Assets				
Equipment & Vehicles	\$ 58,394	31,433	-	89,827
Less Accumulated Depreciation				
Equipment & Vehicles	14,221	11,602	-	25,823
Total Net Capital Assets	44,173	19,831	-	64,004

NOTE 3 – SUBSEQUENT EVENTS

Subsequent events have been evaluated by management through July 7, 2017 which is the date the financial statements were issued. There were no significant findings.