

**ALLENFORCE**

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**ANNUAL FINANCIAL REPORT**



**FOR THE FISCAL YEAR ENDED**  
**APRIL 30, 2016**

**ALLENFORCE**

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# **INDEPENDENT AUDITORS' REPORT**



## **INDEPENDENT AUDITORS' REPORT**

October 13, 2016

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, 2016, 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 the Foundation'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 Foundation'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, 2016, 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, 2016**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Totals</u>
<b>ASSETS</b>			
Current Assets			
Cash and Investments	\$ 53,730	-	53,730
Accounts Receivable	527	-	527
Prepays	8	-	8
Total Current Assets	<u>54,265</u>	-	<u>54,265</u>
Noncurrent Assets			
Depreciable Capital Assets	58,394	-	58,394
Accumulated Depreciation	(14,221)	-	(14,221)
Total Noncurrent Assets	<u>44,173</u>	-	<u>44,173</u>
Total Assets	<u>98,438</u>	-	<u>98,438</u>
<b>LIABILITIES</b>			
Current Liabilities			
Accounts Payable	<u>12,172</u>	-	<u>12,172</u>
<b>NET ASSETS</b>			
Restricted	-	-	-
Unrestricted	<u>86,266</u>	-	<u>86,266</u>
Total Net Assets	<u>86,266</u>	-	<u>86,266</u>

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

**ALLENFORCE**

**Statement of Activities  
For the Fiscal Year Ended April 30, 2016**

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	Unrestricted	Restricted	Totals
Revenues			
Program Service Fees	\$ 6,528	-	6,528
Contributions	172,728	-	172,728
Interest	2	-	2
Miscellaneous	187	-	187
Total Revenues	<u>179,445</u>	-	<u>179,445</u>
Expenses			
Program Services	74,336	-	74,336
Management and General	64,917	-	64,917
Fundraising	11,214	-	11,214
Total Expenses	<u>150,467</u>	-	<u>150,467</u>
Change in Net Assets	28,978	-	28,978
Net Assets - Beginning	<u>57,288</u>	-	<u>57,288</u>
Net Assets - Ending	<u>86,266</u>	-	<u>86,266</u>

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



## ALLENFORCE

### Statement of Cash Flows For the Fiscal Year Ended April 30, 2016

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Cash Flows from Operating Activities	
Increase (Decrease) in Net Assets	\$ 28,978
Adjustments to Reconcile Changes in Unrestricted Net Assets to Net Cash Provided by Operating Activities:	
Depreciation	6,898
(Increase) Decrease in Current Assets	(527)
Increase (Decrease) in Current Liabilities	(30,582)
Net Cash Provided by Operating Activities	<u>4,767</u>
 Cash Flows from Investing Activities	
Interest Income	<u>2</u>
 Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	<u>(18,567)</u>
 Change in Cash and Cash Equivalents	<u>(13,798)</u>
 Cash and Cash Equivalents	
Beginning	<u>67,528</u>
 Ending	<u><u>53,730</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, 2016**

	Program Services	Management and General	Fundraising	Totals
Other Expenses	\$ -	27	-	27
Processing Fees	-	469	-	469
Interest Expense	-	624	-	624
Contingency	-	1,332	-	1,332
Advertising and Marketing	-	-	45	45
Conferences and Meetings	-	4,071	-	4,071
Travel	-	774	-	774
Subscriptions, Dues and Certifications	-	250	-	250
Printing and Copying	-	-	1,169	1,169
Postage and Shipping	-	182	-	182
Supplies	-	6,558	-	6,558
Information Technology	-	2,930	-	2,930
Corps Expenses	136	-	-	136
Contracts - Programs	4,200	-	-	4,200
Audit and Accounting	-	1,465	-	1,465
Professional Fees	70,000	39,337	10,000	119,337
Depreciation	-	6,898	-	6,898
Total Functional Expenses	74,336	64,917	11,214	150,467

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

## **ALLENFORCE**

### **Notes to the Financial Statements April 30, 2016**

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#### **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, 2016**

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#### **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, 2016, there were \$115,000 of contributed services.

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.

## ALLENFORCE

### Notes to the Financial Statements April 30, 2016

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#### NOTE 2 – CAPITAL ASSETS

Capital assets consist of the following at year-end:

	Beginning Balances	Increases	Decreases	Ending Balances
Depreciable Capital Assets				
Equipment & Vehicles	\$ 39,827	18,567	-	58,394
Less Accumulated Depreciation				
Equipment & Vehicles	7,323	6,898	-	14,221
Total Capital Assets, Net	32,504	11,669	-	44,173

#### NOTE 3 – SUBSEQUENT EVENTS

Subsequent events have been evaluated by management through October 13, 2016 which is the date the financial statements were issued. There were no significant findings.