

**AMERICAN NETWORK OF  
COMMUNITY OPTIONS AND RESOURCES**

CONSOLIDATED FINANCIAL STATEMENTS  
WITH CONSOLIDATING INFORMATION

December 31, 2018 and 2017

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Finance Committee  
American Network of Community Options and Resources  
Alexandria, Virginia

We have audited the accompanying consolidated financial statements of American Network of Community Options and Resources, which comprise the consolidated statements of financial position as of December 31, 2018 and 2017, and the related consolidated statements of activities and cash flows for the years then ended, and the related consolidated statement of functional expenses for the year ended December 31, 2018, 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.

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of American Network of Community Options and Resources as of December 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.

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### ***Adoption of New Accounting Pronouncement***

As discussed in Note 1 to the financial statements, American Network of Community Options and Resources 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*, as of and for the year ended December 31, 2018. The requirements of the ASU have been applied retrospectively to all periods presented. Our opinion is not modified with respect to this matter.

### ***Report on Consolidating Information***

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The consolidating schedules of financial position and activities are presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position and changes in net assets of the individual organizations, and they are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated in all material respects in relation to the financial statements as a whole.

*Wegner CPAs LLP*

Wegner CPAs, LLP  
Alexandria, Virginia  
April 25, 2019

**AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
December 31, 2018 and 2017

	2018	2017
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 873,908	\$ 556,114
Accounts receivable	142,031	178,774
Current portion of pledges receivable	108,841	-
Prepaid expenses	63,013	75,287
Total current assets	1,187,793	810,175
<b>PROPERTY AND EQUIPMENT</b>		
Office condominium	475,770	475,770
Membership software	269,807	269,807
Website	151,120	151,120
Equipment	84,570	76,872
Property and equipment	981,267	973,569
Less accumulated depreciation	(679,793)	(635,592)
Property and equipment - net	301,474	337,977
<b>OTHER ASSETS</b>		
Investments	1,682,599	1,599,274
Pledges receivable less current portion	93,130	-
Deposits	2,150	2,150
<b>Total assets</b>	<b>\$ 3,267,146</b>	<b>\$ 2,749,576</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 108,766	\$ 138,524
Accrued payroll	66,699	50,186
Accrued vacation	58,215	58,758
Deferred revenue	511,426	293,462
Current portion of capital lease payable	3,177	3,060
Total current liabilities	748,283	543,990
<b>LONG-TERM LIABILITIES</b>		
Capital lease payable less current portion	8,668	12,375
Total liabilities	756,951	556,365
<b>NET ASSETS</b>		
Without donor restrictions	2,126,052	1,981,776
With donor restrictions	384,143	211,435
Total net assets	2,510,195	2,193,211
<b>Total liabilities and net assets</b>	<b>\$ 3,267,146</b>	<b>\$ 2,749,576</b>

See accompanying notes.

**AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES**  
**CONSOLIDATED STATEMENTS OF ACTIVITIES**  
Years Ended December 31, 2018 and 2017

	2018	2017
<b>CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>		
<b>SUPPORT AND REVENUE</b>		
Membership dues	\$ 2,252,482	\$ 2,141,592
Affinity programs	158,366	110,283
Conferences and seminars	882,114	754,997
Contributions	191,379	25,595
Grant revenue	141,710	139,754
Investment return	(16,563)	126,446
Advertising	49,449	92,669
Miscellaneous	20,850	1,544
Publications	3,000	215
<b>Total support and revenue</b>	<b>3,682,787</b>	<b>3,393,095</b>
<b>EXPENSES</b>		
Program services		
Administration for Community Living	141,706	130,182
Conferences and Seminars	514,081	438,021
Leadership Initiatives	-	13,416
Legacy Leader Circle	12,337	21,263
Communications	282,860	243,409
Membership Services	342,441	320,632
National Advocacy Campaign	26,551	55,192
Government Relations & Public Policy	667,779	852,390
Publications	-	21,958
ISE Public Awareness Campaign	190,902	162,421
Supporting activities		
Management & General	865,590	570,688
Leadership & Governance	173,922	195,770
Membership Development	177,836	116,888
Partnership Development	59,632	-
Fundraising	122,012	42,149
<b>Total expenses</b>	<b>3,577,649</b>	<b>3,184,379</b>
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>		
Satisfaction of purpose restrictions	39,139	40,255
<b>Change in net assets without donor restrictions</b>	<b>144,277</b>	<b>248,971</b>
<b>CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS</b>		
Contributions	211,846	62,475
Satisfaction of purpose restrictions	(39,139)	(40,255)
<b>Change in net assets with donor restrictions</b>	<b>172,707</b>	<b>22,220</b>
<b>Change in net assets</b>	<b>316,984</b>	<b>271,191</b>
Net assets at beginning of year	2,193,211	1,922,020
<b>Net assets at end of year</b>	<b>\$ 2,510,195</b>	<b>\$ 2,193,211</b>

See accompanying notes.

**AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
Year Ended December 31, 2018

	Program Services					
	Administration for Community Living	Conferences and Seminars	Legacy Leader Circle	Communications	Membership Services	National Advocacy Campaign
Grants and assistance	\$ -	\$ 250	\$ 2,190	\$ 68,400	\$ -	\$ -
Personnel	98,846	182,681	-	155,224	208,857	-
Professional fees	15,511	29,920	4,214	23,384	14,160	9,941
Advertising	-	-	-	-	-	-
Office expenses	407	26,878	486	11,998	62,696	2,846
Information technology	8,183	18,080	-	9,528	32,335	7,467
Occupancy	3,863	7,149	-	6,111	8,185	-
Travel	7,667	9,771	-	363	3,876	475
Conferences and meetings	3,873	190,551	5,447	-	-	5,822
Depreciation	2,323	4,157	-	3,532	6,056	-
Insurance	693	4,483	-	1,088	4,907	-
Dues and subscriptions	340	628	-	3,232	717	-
Taxes	-	-	-	-	-	-
Miscellaneous	-	39,533	-	-	652	-
<b>Total expenses</b>	<b>\$ 141,706</b>	<b>\$ 514,081</b>	<b>\$ 12,337</b>	<b>\$ 282,860</b>	<b>\$ 342,441</b>	<b>\$ 26,551</b>

Supporting Activities

Government Relations & Public Policy	ISE Public Awareness Campaign	Management & General	Leadership & Governance	Membership Development	Partnership Development	Fundraising	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 70,840
365,344	-	586,302	68,460	118,432	48,874	-	1,833,020
167,038	176,837	97,645	-	38,807	-	99,542	676,999
-	-	34,952	-	4,238	67	2,542	41,799
4,262	2,200	14,714	6,204	487	203	5,747	139,128
23,170	2,800	38,690	4,202	7,270	3,000	-	154,725
38,628	-	23,226	2,710	4,670	1,903	-	96,445
17,663	5,245	-	23,817	-	3,965	1,529	74,371
7,252	3,820	-	59,592	-	-	12,449	288,806
8,255	-	14,513	1,558	2,695	1,112	-	44,201
2,543	-	4,111	4,114	830	340	-	23,109
30,675	-	2,018	2,533	407	168	-	40,718
-	-	46,518	-	-	-	-	46,518
2,949	-	2,901	732	-	-	203	46,970
<u>\$ 667,779</u>	<u>\$ 190,902</u>	<u>\$ 865,590</u>	<u>\$ 173,922</u>	<u>\$ 177,836</u>	<u>\$ 59,632</u>	<u>\$ 122,012</u>	<u>\$ 3,577,649</u>



**AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
Years Ended December 31, 2018 and 2017

	2018	2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 316,984	\$ 271,191
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Amortization of discount on pledges receivable	2,328	-
Depreciation	44,201	50,023
Net realized and unrealized (gains) losses on investments	55,123	(100,744)
(Increase) decrease in assets		
Accounts receivable	36,743	(139,007)
Pledges receivable	(204,299)	-
Prepaid expenses	12,274	(25,040)
Increase (decrease) in liabilities		
Accounts payable	(29,758)	71,824
Accrued payroll	16,513	1,383
Accrued vacation	(543)	8,388
Deferred revenue	217,964	(239,736)
<b>Net cash flows from operating activities</b>	<b>467,530</b>	<b>(101,718)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of property and equipment	(7,698)	(18,795)
Purchases of and interest retained in investments	(538,448)	(25,387)
Proceeds from sales of investments	400,000	-
<b>Net cash flows from investing activities</b>	<b>(146,146)</b>	<b>(44,182)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments on capital lease payable	(3,590)	(3,401)
<b>Change in cash</b>	<b>317,794</b>	<b>(149,301)</b>
Cash at beginning of year	556,114	705,415
<b>Cash at end of year</b>	<b>\$ 873,908</b>	<b>\$ 556,114</b>
<b>SUPPLEMENTAL CASH FLOW INFORMATION</b>		
Noncash investing and financing transaction		
Equipment acquired under a capital lease	\$ -	\$ 17,952
Cash paid for income taxes	43,433	27,578

See accompanying notes.

**AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES**  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
December 31, 2018 and 2017

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American Network of Community Options and Resources (ANCOR) is based in Alexandria, Virginia and was formed in 1970 as a national nonprofit trade association representing private providers who provide supports and services to people with intellectual and developmental disabilities. ANCOR provides leading practices, resources and advocacy for member agencies and the people and families they support. ANCOR formed a charitable foundation and a for-profit company to complement its basic mission.

The following is a summary of the entities included in these financial statements:

ANCOR – the purposes of ANCOR are to serve as an information source of critical information and technical support for its members; to provide leadership in the development of high quality supports and services in the private sector; to provide members with an influential and respected voice with our government; to provide training and educational opportunities; to communicate and assist the membership with outreach programs and to develop networks, advocate and raise awareness among members, related organizations and the general public.

ANCOR Foundation, Inc. – was formed in 2000 to expand the commitment and capacity of providers and communities dedicated to improving the quality of life for people with intellectual and developmental disabilities. Through its leadership development and recognition initiatives, ANCOR Foundation recognizes and supports those who provide the supports and services that empower people with intellectual and developmental disabilities to live more independently.

ANCOR Services Corp. – was formed in 2004 to provide to ANCOR members and individuals receiving their services group purchasing discounts on voluntary employee benefits programs, property and casualty insurance and discounts on various products and services.

**NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Principles of Consolidation**

The consolidated financial statements include the accounts of ANCOR and its wholly owned subsidiary, ANCOR Services Corp. The consolidated financial statements also include the financial statements of ANCOR Foundation, Inc., which is related through common management. All material intra-entity transactions have been eliminated.

**Accounts Receivable**

ANCOR considers all accounts receivable to be fully collectible. Accordingly, no allowance for doubtful accounts has been developed. If accounts become uncollectible, they will be charged to operations when that determination is made.

**Pledges Receivable**

Unconditional pledges receivable are recognized as revenues in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional pledges receivable are recognized only when the conditions on which they depend are substantially met and the pledges become unconditional.

**AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES**  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
December 31, 2018 and 2017

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NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**Investments**

ANCOR reports investments in equity securities with readily determinable fair values and all investments in debt securities at their fair values in the consolidated statements of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying consolidated statements of activities.

Investment securities, in general, are exposed to various risks, such as interest rates, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the consolidated statements of financial position.

**Property and Equipment**

ANCOR capitalizes all expenditures for property and equipment in excess of \$1,500. Purchased property and equipment are carried at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Depreciation expense for 2018 and 2017 was \$44,201 and \$50,023.

**Revenue Recognition**

ANCOR recognizes membership dues as support when earned. Conference and seminar fees and their related expenses are recognized during the period in which they are held.

Membership dues, conference and seminar fees collected in advance of the fiscal year are classified as deferred revenue.

**Contributions**

Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

**Expense Allocation**

The financial statements report certain categories of expenses that are attributable to more than one program service or supporting activity. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include personnel, professional fees, office expenses, information technology, occupancy, travel, conferences and meetings, depreciation, insurance, dues and subscriptions, and miscellaneous, which are allocated on the basis of estimates of time and effort.

**AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES**  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
December 31, 2018 and 2017

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NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**Income Tax Status**

ANCOR is exempt from federal income tax under Section 501(c)(6) of the Internal Revenue Code. However, income from certain activities not directly related to its tax-exempt purpose is subject to taxation as unrelated business income. ANCOR Foundation, Inc. is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. ANCOR Services Corp. is treated as a corporation for federal and state income tax purposes.

**Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Date of Management's Review**

Management has evaluated subsequent events through April 25, 2019, the date which the financial statements were available to be issued.

**Adoption of New Accounting Pronouncement**

ANCOR adopted the Financial Accounting Standards Board's Accounting Standards Update No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*, as of and for the year ended December 31, 2018. This update addresses the complexity and understandability of net asset 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. The changes required by the update have been applied retrospectively to all periods presented. A key change required by the update are the net asset 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.

**Reclassifications**

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements.

**AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2018 and 2017

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**NOTE 2—CONCENTRATION OF CREDIT RISK**

ANCOR maintains its cash balances in two financial institutions located in Rockville, Maryland. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2018, ANCOR's uninsured cash balances total approximately \$146,000. At December 31, 2017, ANCOR's cash balances were fully insured with federal depository insurance.

**NOTE 3—RELATED PARTIES**

ANCOR PAC is a political action committee ANCOR established to advocate for ANCOR members. ANCOR PAC is operated by a governing committee appointed by the ANCOR board of directors and management. ANCOR performs all of the administrative work for ANCOR PAC at no cost.

During the year ended December 31, 2018, ANCOR paid a consultant \$35,000 for video production of the ISE Campaign. The consultant is a spouse of a member of ANCOR's board of directors.

**NOTE 4—PLEDGES RECEIVABLE**

Pledges receivable are as follows:

	2018	2017
Receivable in less than one year	\$ 108,841	\$ -
Receivable in one to five years	95,458	-
Total pledges receivable	204,299	-
Less discounts to present value	(2,328)	-
Pledges receivable	\$ 201,971	\$ -

Pledges receivable in more than one year are discounted at 2.5%.

**NOTE 5—INVESTMENTS**

Investments consist of the following:

	2018	2017
Money market funds	\$ 746,311	\$ 632,080
Mutual funds	857,840	875,590
Exchange traded funds	78,448	91,604
Investments	\$ 1,682,599	\$ 1,599,274

**AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2018 and 2017

NOTE 6—FAIR VALUE MEASUREMENTS

Fair values of assets measured on a recurring basis are as follows:

	Assets at Fair Value as of December 31, 2018	
	Fair Value	Quoted Prices in Active Markets For Identical Assets (Level 1)
Mutual funds	\$ 857,840	\$ 857,840
Exchange traded funds	78,448	78,448
	\$ 936,288	\$ 936,288
	Assets at Fair Value as of December 31, 2017	
	Fair Value	Quoted Prices in Active Markets For Identical Assets (Level 1)
Mutual funds	\$ 875,590	\$ 875,590
Exchange traded funds	91,604	91,604
	\$ 967,194	\$ 967,194

Fair values for mutual funds and exchange traded funds are determined by reference to quoted market prices and other relevant information generated by market transactions.

NOTE 7—RETIREMENT PLAN

ANCOR provides a 401(k) salary deferral retirement plan for all eligible employees. All employees who have attained age twenty-one with three months of service are eligible to participate in the plan. ANCOR contributes the equivalent of 3% of an employee's annual compensation. ANCOR retirement plan expense for the years ended December 31, 2018 and 2017 totaled \$43,742 and \$39,913, respectively.

NOTE 8—COMMITMENT

ANCOR has entered into agreements to reserve space for future conferences. These agreements indicate that ANCOR would be liable for certain cancellation fees and liquidated damages in the event of cancellation. If cancellations occur, ANCOR could be liable for up to approximately \$263,000. Management does not expect any hotel agreement cancellations.

**AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2018 and 2017

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NOTE 9—LEASES

**Capital Lease**

ANCOR leased equipment under a capital lease requiring monthly payments of \$273 with a lease term through March 2018. During 2017, this lease was terminated and a new lease was entered into for similar equipment under a capital lease that expires in February 2022. The capital lease requires monthly payments of principal and interest of \$299. Interest expense for the years ended December 31, 2018 and 2017 was \$475 and \$531, respectively.

Future minimum payments on ANCOR's capital lease is as follows:

2019	\$	3,590
2020		3,590
2021		3,590
2022		<u>2,488</u>
Total minimum capital lease payments		13,258
Less the amount representing interest		<u>1,413</u>
Present value of net minimum capital lease payments		<u>\$ 11,845</u>

The leased equipment has a cost of \$17,952 and accumulated depreciation of \$6,582 and \$2,992 at December 31, 2018 and 2017, respectively.

**Office Lease**

ANCOR had a lease agreement for office space in Washington, D.C. that expired January 1, 2018. The lease required monthly payments of \$2,150. Rent expense under this lease agreement totaled \$25,800 for 2017.

Effective January 1, 2018, ANCOR entered into a lease agreement of the lease of office space in Washington, D.C. that expires on December 31, 2019, requiring monthly payments of \$3,219.

Future minimum payments on ANCOR's office lease agreement are \$39,785 for 2019.

NOTE 10—INCOME TAXES

Income taxes consisted of the following:

	<u>2018</u>	<u>2017</u>
Federal income tax	\$ 35,696	\$ 58,851
State income tax	<u>10,822</u>	<u>12,391</u>
Income taxes	<u>\$ 46,518</u>	<u>\$ 71,242</u>

**AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES**  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
December 31, 2018 and 2017

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NOTE 11—NET ASSETS

Board designated net assets at December 31, 2018 and 2017 includes \$187,000 and \$76,601 designated for the ISE Public Awareness Campaign.

Net assets with donor restrictions are restricted for the following purposes or periods:

	<u>2018</u>	<u>2017</u>
Legacy Leader Circle	\$ 54,635	\$ 57,095
National Advocacy Campaign	127,371	153,925
Self Advocacy Campaign	166	415
ISE Public Awareness Campaign	<u>201,971</u>	<u>-</u>
Net assets with donor restrictions	<u>\$ 384,143</u>	<u>\$ 211,435</u>

NOTE 12—LIQUIDITY AND AVAILABILITY

The following reflects ANCOR's financial assets as of the date of the statement of financial position, reduced by amounts not available for expenditures within one year of the date of statement financial position because of donor-imposed restrictions or internal designations.

Financial assets at end of year	
Cash	\$ 873,908
Accounts receivable	142,031
Pledges receivable	201,971
Investments	<u>1,682,599</u>
Total financial assets	2,900,509
Less amounts unavailable for general expenditures within one year:	
Restricted by donors with purpose restrictions	(384,393)
Investments held for long-term purposes	<u>(936,813)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,579,303</u>

As part of ANCOR's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. ANCOR's goal is to maintain an unrestricted reserve balance equal to or greater than approximately 25-30% of revenues without donor restrictions. Financial assets not available for general expenditures include \$936,813 set aside for long-term purposes; however, amounts could be made available if necessary. In addition, ANCOR invests cash in excess of daily requirements in short-term and long-term investments.



**AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES**  
**CONSOLIDATING SCHEDULE OF FINANCIAL POSITION**  
December 31, 2018

	ANCOR	ANCOR Services Corp	ANCOR Foundation	Eliminations	Consolidating Totals
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash	\$ 431,224	\$ 147,980	\$ 294,704	\$ -	\$ 873,908
Accounts receivable	167,428	1,409	660	(27,466)	142,031
Current portion of pledges receivable	-	-	108,841	-	108,841
Prepaid expenses	63,013	-	-	-	63,013
<b>Total current assets</b>	<b>661,665</b>	<b>149,389</b>	<b>404,205</b>	<b>(27,466)</b>	<b>1,187,793</b>
<b>PROPERTY AND EQUIPMENT</b>					
Office condominium	475,770	-	-	-	475,770
Membership software	269,807	-	-	-	269,807
Website	145,270	-	5,850	-	151,120
Equipment	84,570	-	-	-	84,570
<b>Property and equipment</b>	<b>975,417</b>	<b>-</b>	<b>5,850</b>	<b>-</b>	<b>981,267</b>
Less accumulated depreciation	(677,843)	-	(1,950)	-	(679,793)
<b>Property and equipment - net</b>	<b>297,574</b>	<b>-</b>	<b>3,900</b>	<b>-</b>	<b>301,474</b>
<b>OTHER ASSETS</b>					
Investments	1,683,599	-	-	(1,000)	1,682,599
Pledges receivable less current portion	-	-	93,130	-	93,130
Deposits	2,150	-	-	-	2,150
<b>Total assets</b>	<b>\$ 2,644,988</b>	<b>\$ 149,389</b>	<b>\$ 501,235</b>	<b>\$ (28,466)</b>	<b>\$ 3,267,146</b>
<b>LIABILITIES AND NET ASSETS</b>					
<b>CURRENT LIABILITIES</b>					
Accounts payable	\$ 68,074	\$ 34,490	\$ 33,668	\$ (27,466)	\$ 108,766
Accrued payroll	66,699	-	-	-	66,699
Accrued vacation	58,215	-	-	-	58,215
Deferred revenue	509,626	-	1,800	-	511,426
Current portion of capital lease payable	3,177	-	-	-	3,177
<b>Total current liabilities</b>	<b>705,791</b>	<b>34,490</b>	<b>35,468</b>	<b>(27,466)</b>	<b>748,283</b>
<b>LONG-TERM LIABILITIES</b>					
Capital lease payable less current portion	8,668	-	-	-	8,668
<b>Total liabilities</b>	<b>714,459</b>	<b>34,490</b>	<b>35,468</b>	<b>(27,466)</b>	<b>756,951</b>
<b>NET ASSETS</b>					
Common stock	-	1,000	-	(1,000)	-
Without donor restrictions	1,809,250	113,899	15,903	187,000	2,126,052
With donor restrictions	121,279	-	449,864	(187,000)	384,143
<b>Total net assets</b>	<b>1,930,529</b>	<b>114,899</b>	<b>465,767</b>	<b>(1,000)</b>	<b>2,510,195</b>
<b>Total liabilities and net assets</b>	<b>\$ 2,644,988</b>	<b>\$ 149,389</b>	<b>\$ 501,235</b>	<b>\$ (28,466)</b>	<b>\$ 3,267,146</b>

**AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES**  
**CONSOLIDATING SCHEDULE OF ACTIVITIES**  
Year Ended December 31, 2018

	ANCOR	ANCOR Services Corp	ANCOR Foundation	Eliminations	Consolidating Totals
<b>CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>					
<b>SUPPORT AND REVENUE</b>					
Membership dues	\$ 2,252,482	\$ -	\$ -	\$ -	\$ 2,252,482
Affinity programs	-	158,366	-	-	158,366
Conferences and seminars	893,355	-	-	(11,241)	882,114
Contributions	2,000	-	189,379	-	191,379
Grant revenue	141,710	-	-	-	141,710
Service fees	47,286	-	-	(47,286)	-
Investment return	3,360	-	77	(20,000)	(16,563)
Advertising	51,208	-	-	(1,759)	49,449
Miscellaneous	20,850	-	-	-	20,850
Publications	3,000	-	-	-	3,000
<b>Total support and revenue</b>	<b>3,415,251</b>	<b>158,366</b>	<b>189,456</b>	<b>(80,286)</b>	<b>3,682,787</b>
<b>EXPENSES</b>					
Grants and assistance	220,650	35,000	2,190	(187,000)	70,840
Personnel	1,833,020	-	-	-	1,833,020
Professional fees	384,539	32,553	282,891	(22,984)	676,999
Advertising	12,929	45,718	11,988	(28,836)	41,799
Office expenses	122,709	15,998	8,887	(8,466)	139,128
Information technology	149,224	2,700	2,801	-	154,725
Occupancy	96,277	168	-	-	96,445
Travel	67,597	-	6,774	-	74,371
Conferences and meetings	265,546	-	23,260	-	288,806
Depreciation	43,031	-	1,170	-	44,201
Insurance	23,109	-	-	-	23,109
Dues and subscriptions	40,718	-	-	-	40,718
Taxes	32,246	14,272	-	-	46,518
Miscellaneous	46,740	27	203	-	46,970
<b>Total expenses</b>	<b>3,338,335</b>	<b>146,436</b>	<b>340,164</b>	<b>(247,286)</b>	<b>3,577,649</b>
<b>NET ASSETS RELEASSED FROM RESTRICTION</b>					
Satisfaction of purpose restrictions	26,802	-	12,337	-	39,139
<b>Change in net assets without donor restrictions</b>	<b>103,718</b>	<b>11,930</b>	<b>(138,371)</b>	<b>167,000</b>	<b>144,277</b>
<b>CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS</b>					
Contributions	-	-	398,846	(187,000)	211,846
Satisfaction of purpose restrictions	(26,802)	-	(12,337)	-	(39,139)
<b>Change in net assets with donor restrictions</b>	<b>(26,802)</b>	<b>-</b>	<b>386,509</b>	<b>(187,000)</b>	<b>172,707</b>
<b>Change in net assets</b>	<b>76,916</b>	<b>11,930</b>	<b>248,138</b>	<b>(20,000)</b>	<b>316,984</b>
Net assets at beginning of year	1,853,613	122,969	217,629	(1,000)	2,193,211
Dividends paid	-	(20,000)	-	20,000	-
<b>Net assets at end of year</b>	<b>\$ 1,930,529</b>	<b>\$ 114,899</b>	<b>\$ 465,767</b>	<b>\$ (1,000)</b>	<b>\$ 2,510,195</b>