

Kosciw & Associates, LLC

CPA and Business Consultant Services

AMERICAN NETWORK OF COMMUNITY OPTIONS and RESOURCES

AUDITED CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2010 and 2009

**AMERICAN NETWORK OF COMMUNITY
OPTIONS AND RESOURCES**

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Kosciw & Associates, LLC

CPA and Business Consultant Services

June 1, 2011

INDEPENDENT AUDITORS' REPORT

Board of Directors
American Network of Community Options and Resources

We have audited the accompanying consolidated statements of financial position of American Network of Community Options and Resources as of December 31, 2010 and 2009, and the related consolidated statements of activities and changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with U.S. generally accepted auditing standards. 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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, 2010 and 2009, and the changes in its net assets and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The consolidating schedules for the statements of financial position and statements of activities and changes in net assets on pages 13 through 22 are presented for the purposes of additional analysis and are not a required part of the consolidated basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Kosciw & Associates, LLC

Kosciw & Associates, LLC
Certified Public Accountants

**AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

DECEMBER 31, 2010 and 2009

ASSETS

	<u>2010</u>	<u>2009</u>
<u>CURRENT ASSETS</u>		
Cash	\$ 561,389	\$ 643,825
Marketable Securities	373,630	338,144
Accounts Receivable	49,496	17,811
Prepaid Expenses	21,726	24,471
	<hr/>	<hr/>
TOTAL CURRENT ASSETS	1,006,241	1,024,251
	<hr/>	<hr/>
<u>PROPERTY AND EQUIPMENT</u>		
Office Condominium	475,770	475,770
Computers and Software	20,883	21,783
Furniture and Equipment	86,205	86,205
Membership Software	185,507	177,367
Website	45,000	-
Total	813,365	761,125
Accumulated Depreciation	(325,805)	(260,570)
	<hr/>	<hr/>
TOTAL PROPERTY AND EQUIPMENT	487,560	500,555
	<hr/>	<hr/>
<u>OTHER ASSETS</u>		
Data Base / Web Software WIP	-	25,500
	<hr/>	<hr/>
TOTAL ASSETS	<u>\$ 1,493,801</u>	<u>\$ 1,550,306</u>

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

**AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

DECEMBER 31, 2010 and 2009

LIABILITIES AND NET ASSETS

	2010	2009
<u>CURRENT LIABILITIES</u>		
Accounts Payable	\$ 66,442	\$ 33,808
Accrued Payroll	18,686	16,546
Accrued Vacation	26,878	34,200
Deferred Revenue	291,381	361,703
Income Tax Payable	300	450
Capital Lease Payable	3,244	3,244
Mortgage Payable	-	5,142
	406,931	455,093
TOTAL CURRENT LIABILITIES		
<u>LONG-TERM LIABILITIES</u>		
Capital Lease Payable	7,074	10,318
Mortgage Payable	-	161,822
	7,074	172,140
TOTAL LONG-TERM LIABILITIES		
	414,005	627,233
TOTAL LIABILITIES		
<u>NET ASSETS</u>		
Unrestricted	851,866	733,053
Temporarily restricted	227,930	190,020
	1,079,796	923,073
TOTAL NET ASSETS		
	1,079,796	923,073
TOTAL LIABILITIES AND NET ASSETS	\$ 1,493,801	\$ 1,550,306

**AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
CONSOLIDATED STATEMENTS OF ACTIVITIES
and CHANGES IN NET ASSETS**

FOR THE YEARS ENDED DECEMBER 31, 2010 and 2009

	2010	2009
<u>CHANGE IN UNRESTRICTED NET ASSETS</u>		
<u>REVENUES</u>		
Membership dues	\$ 1,356,635	\$ 1,285,583
Affinity Program / Sponsorships	328,156	136,361
Conference and Seminars	295,580	336,901
Contributions	705	848
Fundraising Income	239	341
Investment Income	33,433	50,939
Publications - Advertising	8,019	17,540
Publications - Sales	8,548	12,041
Sublease Income	-	3,600
Net Assets Released from Restrictions	206,915	110,814
TOTAL REVENUES	2,238,230	1,954,968
<u>EXPENSES</u>		
<u>Program Services</u>		
Affinity Program / Scholarship Expense	114,460	-
Cares Fund Expense	7,108	20
Conference and seminars	92,678	146,485
International Program	17,937	-
Leadership Circle	6,197	-
Marketing and Communications	25,671	12,157
Membership Services	81,557	24,654
National Advocacy Campaign	151,227	93,670
Performance Excellence Initiative	30,183	16,600
Public Policy	145,973	219,895
Publications Expense	4,883	13,534
Research and Development	538	13,133
Self Advocacy Campaign	-	524
TOTAL PROGRAM SERVICES	678,412	540,672

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

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
CONSOLIDATED STATEMENTS OF ACTIVITIES
and CHANGES IN NET ASSETS

FOR THE YEARS ENDED DECEMBER 31, 2010 and 2009

	2010	2009
<u>Supporting services</u>		
General and Administrative	268,381	238,936
Salaries, Payroll Taxes and Benefits	1,087,314	1,028,114
Leadership and Governance	85,010	95,187
Fundraising	-	815
Income Tax Expense	300	1,071
TOTAL SUPPORTING SERVICES	1,441,005	1,364,123
TOTAL EXPENSES	2,119,417	1,904,795
INCREASE IN UNRESTRICTED NET ASSETS	\$ 118,969	\$ 50,173
<u>CHANGE IN TEMPORARILY RESTRICTED NET ASSETS</u>		
Contributions	63,176	29,681
Performance Excellence Initiative	50,350	14,500
Voluntary Membership Dues	131,299	160,496
Net Assets Released from Restrictions	(206,915)	(110,814)
INCREASE (DECREASE) IN TEMPORARILY RESTRICTED NET ASSETS	\$ 37,910	\$ 93,863
CHANGE IN NET ASSETS	156,879	144,036
NET ASSETS AT BEGINNING OF YEARS	923,073	779,037
NET ASSETS AT END OF YEARS	\$ 1,079,952	\$ 923,073

**AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
CONSOLIDATED STATEMENTS OF CASH FLOWS**

FOR THE YEARS ENDED DECEMBER 31, 2010 and 2009

	2010	2009
OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets	\$ 156,723	\$ 144,036
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	66,135	53,584
Realized/unrealized (gain) loss on marketable securities	(29,091)	(40,796)
<u>(Increase) decrease in:</u>		
Accounts Receivable	(31,685)	11,022
Income Tax Receivable	-	4,500
Prepaid Expenses	2,745	5,132
<u>Increase (decrease) in:</u>		
Accounts Payable and Accrued Expenses	27,452	(6,445)
Deferred Revenue	(70,322)	92,277
Income Tax Payable	(150)	(348)
Security Deposit - Tenant	-	(1,200)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	121,807	261,762
INVESTING ACTIVITIES		
Office Equipment, Computers and Software Purchased	(8,140)	(20,374)
Membership Software Development Costs	(19,500)	(25,500)
Marketable Securities Sales Proceeds	149,876	-
Marketable Securities Purchased	(156,271)	(8,308)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(34,035)	(54,182)
FINANCING ACTIVITIES:		
Principal payments on capital lease payable	(3,244)	(3,055)
Principal payments on mortgage payable	(166,964)	(4,767)
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	(170,208)	(7,822)
Net Increase (decrease) in cash	\$ (82,436)	\$ 199,758
Cash at beginning of period	643,825	444,067
CASH AT END OF PERIOD	\$ 561,389	\$ 643,825
Supplemental Cash Flow Information:		
Cash paid during the year for interest	\$ 10,917	\$ 13,287
Cash paid during the year for income tax	\$ 450	\$ 1,419

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

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of the Business

American Network of Community Options and Resources (ANCOR) is based in Alexandria, Virginia and was formed in 1970 and is a national nonprofit trade association representing private providers who provide supports and services to people with disabilities. ANCOR provides leading, practices, resources and advocacy for member agencies and the people and families they serve and 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 – was formed in 2000 to support the development of program concepts and identify and disseminate information that will improve the quality of life for people with disabilities. The Foundation encourages and nurtures partnerships among community leaders and people with disabilities in order to promote full participation for all within the community.

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

Principles of Consolidation

The consolidated financial statements have all material intercompany transactions eliminated.

Accounting Policies

The following is a summary of the significant accounting policies followed in the preparation of these financial statements:

- (a) **Financial Statement Presentation** – ANCOR reports 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. There are currently no permanently restricted net assets.

Unrestricted Net Assets – Net assets that are not subject to donor-imposed stipulations

Temporarily Restricted Net Asset – Net assets that are subject to donor or board imposed stipulations that may be met either by actions of the organization or through the passage of time.

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:
continued

- (b) Cash – Cash Equivalents are reported as cash. Cash equivalents are highly liquid investments with a maturity of three months or less when purchased.
- (c) Accounts Receivable - When appropriate, the Association provides an allowance for doubtful accounts for receivables that may be uncollectible. There is no collection allowance at December 31, 2010 and 2009.
- (d) Promises to Give – Contributions are recognized when the donor makes a promise to give to the Foundation that is in substance and unconditional. All donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted assets.
- (e) Investments - Marketable securities are carried at fair value. Realized and unrealized gains and losses are computed using the average cost method.
- (f) Property and Equipment - Property and equipment is recorded at cost. Replacements and major improvements are capitalized; maintenance and repairs are charged to expense as incurred. Property and equipment is depreciated over its estimated useful life by the use of the straight-line method.
- (g) Revenue Recognition – The organization 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 are classified as deferred revenue.

The organization reports gifts of cash and other assets as restricted revenue if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires or is satisfied the temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the consolidated statement of activities as net assets released from restriction.

- (h) Functional Reporting of Expenses – The costs of providing various programs and other activities are summarized on a functional basis in the accompanying statement of activities. Accordingly, certain costs are allocated among the program and supporting services that benefited.

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: continued

- (i) Income Taxes - ANCOR is exempt from income taxes under Internal Revenue Code Section 501(c) (6). Ancor Foundation is exempt from income taxes under Internal Revenue Code Section 501(c) (3). Both entities may be subject to income tax on certain unrelated business activities.

Ancor Services Corp. is a for-profit entity subject to federal and state income taxes. Income taxes are provided for the tax effects of transactions reported in the financial statements. ANCOR Services Corp. reports its taxable income on the same basis as its financial statement income.

- (j) Concentration of Credit Risk – The organization maintains its temporary cash investments with high quality financial institutions. At times, such amounts may be in excess of Federal Deposit Insurance.
- (k) Estimates - The process of preparing financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated.
- (l) Account Reclassifications –The 2009 report was reclassified to conform to the current year presentation.

NOTE 2 - MORTGAGE NOTE PAYABLE

The following is a summary of the mortgage obligation at December 31, 2010 and 2009:

M&T Bank - Deed of trust mortgage secured by ANCOR's
Office Condominium at 1101 King Street, Alexandria, VA;
The mortgage is amortized over a 20 year period with a \$1,472 monthly principle
and interest payment; Interest is at 7.5%; the loan matured in 2026 but was paid in
full during 2010.

	<u>2009</u>
Balance	\$ 166,964
Less amounts maturing in one year	<u>(5,143)</u>
Long term	\$ <u>161,821</u>

Interest expense on the mortgage note payable for the years ended December 31, 2010 and 2009 was \$9,700 and \$12,891 respectively.

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Continued)**

NOTE 3 - INVESTMENT INCOME

Investment income at December 31 consists of the following:

	<u>2010</u>	<u>2009</u>
Interest and dividends	\$ 9,553	\$ 10,143
Realized/Unrealized Gain (loss) on marketable securities	<u>23,880</u>	<u>40,792</u>
TOTAL	<u>\$33,433</u>	<u>\$ 50,939</u>

NOTE 4 - INCOME TAXES

Income tax expense at December 31 consists of the following:

	<u>2010</u>	<u>2009</u>
State income tax	\$ <u>300</u>	\$ <u>1,071</u>
TOTAL	<u>\$ 300</u>	<u>\$ 1,071</u>

At December 31, 2010 ANCOR Services Corp has \$4,437 in charitable contributions deduction that can be used to offset future taxable income. Charitable contributions are limited to 10% of taxable income and are carried forward for a period of five years before they expire. The charitable contributions carryovers expire in 2010, 2011 and 2012.

ANCOR Services Corp has \$13,366 in net operating loss carryovers that expire in 2028 and 2029.

There are no deferred tax assets recorded for these tax deductions that are available to offset future years' taxable income.

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Continued)**

NOTE 5 - CAPITAL LEASE

ANCOR is leasing a copier under capital lease which began in 2009 and expires in 2013. Equipment held under capital lease is included in property and equipment in the accompanying statement of financial position.

	<u>2010</u>	<u>2009</u>
Cost of Assets under Capital Lease	\$17,108	\$ 17,108
Accumulated Depreciation	<u>3,422</u>	<u>3,422</u>
TOTAL	<u>\$13,686</u>	<u>\$ 13,686</u>

Future minimum payments for the capitalized lease at December 31, 2010 are as follow:

2011	\$ 3,969
2012	3,969
2013	<u>3,308</u>
TOTAL MINIMUM LEASE PAYMENTS	\$ 11,246
Less: Amount representing interest	<u>928</u>
PRESENT VALUE OF NET MINIMUM LEASE OBLIGATION	\$ <u>10,318</u>
CURRENT CAPITAL LEASE PAYABLE	\$ 3,244
LONG TERM CAPITAL LEASE PAYABLE	<u>7,074</u>
TOTAL	<u>\$10,318</u>

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

NOTE 6 – TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted nets assets at December 31 were available for the following purposes:

	<u>2010</u>	<u>2009</u>
Cares Fund	\$ 17,234	\$ 10,621
International Fund	-	12,200
Leadership Circle	23,836	-
National Advocacy Campaign	163,042	163,548
Performance Excellence Initiative	22,416	2,249
Self Advocacy Campaign	<u>1,402</u>	<u>1,402</u>
TOTAL	\$ <u>227,930</u>	\$ <u>190,020</u>

NOTE 7 - RETIREMENT PLANS

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 3% of an employee's annual compensation excluding overtime and bonus pay.

ANCOR contributions for the years ended December 31, 2010 and 2009 were \$27,068 and \$25,113, respectively.

NOTE 8 - COMMITMENTS

ANCOR has entered into a contract for a future conference meeting site. This contract provides for cancellation fees if sufficient notification of cancellation is not provided.

**AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
CONSOLIDATING SCHEDULE - STATEMENT OF FINANCIAL POSITION**

DECEMBER 31, 2010

ASSETS

	ANCOR	ANCOR Foundation	ANCOR Services Corp	Elimination	Total
<u>CURRENT ASSETS</u>					
Cash	\$ 449,406	\$ 71,687	\$ 40,296	\$ -	\$ 561,389
Marketable Securities	373,630	-	-	-	373,630
Accounts Receivable	38,261	1,833	36,135	(26,733)	49,496
Prepaid Expenses	21,726	-	-	-	21,726
TOTAL CURRENT ASSETS	883,023	73,520	76,431	(26,733)	1,006,241
<u>PROPERTY AND EQUIPMENT</u>					
Office Condominium	475,770	-	-	-	475,770
Computers and Software	20,883	-	-	-	20,883
Furniture and Equipment	86,205	-	-	-	86,205
Membership Software	185,507	-	-	-	185,507
Website	45,000	-	-	-	45,000
Total	813,365	-	-	-	813,365
Accumulated Depreciation	(325,805)	-	-	-	(325,805)
TOTAL PROPERTY AND EQUIPMENT	487,560	-	-	-	487,560
<u>OTHER ASSETS</u>					
Investment in Subsidiary	1,000	-	-	(1,000)	-
TOTAL ASSETS	\$ 1,371,583	\$ 73,520	\$ 76,431	\$ (27,733)	\$ 1,493,801

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

**AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
CONSOLIDATING SCHEDULE - STATEMENT OF FINANCIAL POSITION**

DECEMBER 31, 2010

LIABILITIES AND NET ASSETS

	ANCOR	ANCOR Foundation	ANCOR Services Corp	Elimination	b/c	Total
<u>CURRENT LIABILITIES</u>						
Accounts Payable	\$ 36,094	\$ 1,161	\$ 56,220	\$ (26,733)	b/c	\$ 66,742
Accrued Payroll	18,686	-	-	-		18,686
Accrued Vacation	26,878	-	-	-		26,878
Deferred Revenue	291,381	-	-	-		291,381
Capital Lease Payable	3,244	-	-	-		3,244
TOTAL CURRENT LIABILITIES	376,283	1,161	56,220	(26,733)		406,931
<u>LONG-TERM LIABILITIES</u>						
Capital Lease Payable	7,074	-	-	-		7,074
Mortgage Payable	-	-	-	-		-
TOTAL LONG-TERM LIABILITIES	7,074	-	-	-		7,074
TOTAL LIABILITIES	383,357	1,161	56,220	(26,733)		414,005
<u>NET ASSETS</u>						
Common stock:					a	
Unrestricted	807,674	24,981	19,211	-		851,866
Temporarily restricted	180,552	47,378	-	-		227,930
TOTAL NET ASSETS	988,226	72,359	20,211	(1,000)		1,079,796
TOTAL LIABILITIES AND NET ASSETS	\$ 1,371,583	\$ 73,520	\$ 76,431	\$ (27,733)		\$ 1,493,801

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

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
CONSOLIDATING SCHEDULE - STATEMENT OF ACTIVITIES
and CHANGES IN NET ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2010

CHANGE IN UNRESTRICTED NET ASSETS

	ANCOR	ANCOR Foundation	ANCOR Services Corp	Elimination	Total
REVENUES					
Membership dues	\$ 1,356,635	\$ -	\$ -	\$ -	\$ 1,356,635
Affinity Program / Sponsorships	233,160	-	115,996	(21,000)	328,156
Conference and Seminars	287,138	8,442	-	-	295,580
Contributions	-	2,394	-	(1,689)	705
Fundraising Income	-	239	-	-	239
Investment Income	33,350	83	-	-	33,433
Publications - Advertising	8,019	-	-	-	8,019
Publications - Sales	8,276	272	-	-	8,548
Service Fees	38,606	-	-	(38,606)	-
Net Assets Released from Restrictions	172,177	34,738	-	-	206,915
TOTAL REVENUES	2,137,361	46,168	115,996	(61,295)	2,238,230

EXPENSES

	ANCOR	ANCOR Foundation	ANCOR Services Corp	Elimination	Total
Program Services					
Affinity Program / Sponsorships Expense	114,460	-	21,000	(21,000)	114,460
Cares Fund Expenses	-	7,108	-	-	7,108
Conference and seminars	92,678	-	-	-	92,678
International Program	5,737	12,200	-	-	17,937
Leadership Circle	-	6,197	-	-	6,197
Marketing and Communications	19,929	-	44,348	(38,606)	25,671
Membership Services	56,188	-	25,369	-	81,557
National Advocacy Campaign	141,994	9,233	-	-	151,227
Performance Excellence Initiative	30,183	-	-	-	30,183
Public Policy	145,973	-	-	-	145,973
Publications Expense	4,883	-	-	-	4,883
Research and Development	538	-	-	-	538
TOTAL PROGRAM SERVICES	612,563	34,738	90,717	(59,606)	678,412

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

**AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
CONSOLIDATING SCHEDULE - STATEMENT OF ACTIVITIES
and CHANGES IN NET ASSETS**

FOR THE YEAR ENDED DECEMBER 31, 2010

	ANCOR	ANCOR Foundation	ANCOR Services Corp	Elimination	Total
<u>Supporting services</u>					
General and Administrative	245,332	4,060	20,678	(1,689)	268,381
Salaries, Payroll Taxes and Benefits	1,087,314	-	-	-	1,087,314
Leadership and Governance	83,216	1,794	-	-	85,010
Income Tax Expense	-	-	300	-	300
TOTAL SUPPORTING SERVICES	1,415,862	5,854	20,978	(1,689)	1,441,005
TOTAL EXPENSES	2,028,425	40,592	111,695	(61,295)	2,119,417
INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS	\$ 108,936	\$ 5,576	\$ 4,301	\$ -	\$ 118,813
<u>CHANGE IN TEMPORARILY RESTRICTED NET ASSETS</u>					
Contributions	5,500	57,676	-	-	63,176
Performance Excellence Initiative	50,350	-	-	-	50,350
Voluntary Membership Dues	131,299	-	-	-	131,299
Net Assets Released from Restrictions	(172,177)	(34,738)	-	-	(206,915)
INCREASE (DECREASE) IN TEMPORARILY RESTRICTED NET ASSETS	\$ 14,972	\$ 22,938	\$ -	\$ -	\$ 37,910
CHANGE IN NET ASSETS	123,908	28,514	4,301	-	156,723
NET ASSETS AT BEGINNING OF YEAR	864,318	43,845	14,910	-	923,073
NET ASSETS AT END OF YEAR	\$ 988,226	\$ 72,359	\$ 19,211	\$ -	\$ 1,079,796

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

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
ELIMINATION ENTRIES LEGEND
DECEMBER 31, 2010

Ref	Companies	Elimination Item	Amount
a	ANCOR/Services Corp	ANCOR investment in Services Corp	1,000
b	ANCOR/Services Corp	Intercompany receivables/payables	26,642
b	ANCOR/Services Corp	Intercompany receivables/payables	76
c	ANCOR/Foundation	Intercompany receivables/payables	15
d	ANCOR/Foundation	Intercompany receivables/payables	31
e	ANCOR/Services Corp	Sponsorship revenue /expense allocation	21,000
f	ANCOR/Services Corp	Fees-expense recovery/expense allocation	38,606
e	ANCOR/Foundation	Intercompany receivables/payables	76
g	Foundation/Services Corp	Intercompany receivables/payables	1,689
h	Foundation/Services Corp	Contribution revenue/expense	1,689

**AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
CONSOLIDATING SCHEDULE - STATEMENT OF FINANCIAL POSITION**

DECEMBER 31, 2009

ASSETS

	ANCOR	ANCOR Foundation	ANCOR Services Corp	Elimination	Total
<u>CURRENT ASSETS</u>					
Cash	\$ 580,285	\$ 44,376	\$ 19,164	\$ -	\$ 643,825
Marketable Securities	338,144	-	-	-	338,144
Accounts Receivable	20,517	31	5,843	(8,580)	17,811
Prepaid Expenses	24,471	-	-	-	24,471
TOTAL CURRENT ASSETS	963,417	44,407	25,007	(8,580)	1,024,251
<u>PROPERTY AND EQUIPMENT</u>					
Office Condominium	475,770	-	-	-	475,770
Computers and Software	21,783	-	-	-	21,783
Furniture and Equipment	86,205	-	-	-	86,205
Membership Software	177,367	-	-	-	177,367
Total	761,125	-	-	-	761,125
Accumulated Depreciation	(260,570)	-	-	-	(260,570)
TOTAL PROPERTY AND EQUIPMENT	500,555	-	-	-	500,555
<u>OTHER ASSETS</u>					
Investment in Subsidiary	1,000	-	-	(1,000)	-
Data Base / Web Software WIP	25,500	-	-	-	25,500
TOTAL OTHER ASSETS	26,500	-	-	(1,000)	25,500
TOTAL ASSETS	\$ 1,490,472	\$ 44,407	\$ 25,007	\$ (9,580)	\$ 1,550,306

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

**AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
CONSOLIDATING SCHEDULE - STATEMENT OF FINANCIAL POSITION**

DECEMBER 31, 2009

LIABILITIES AND NET ASSETS

	ANCOR	ANCOR Foundation	ANCOR Services Corp	Elimination	a/b/c	Total
<u>CURRENT LIABILITIES</u>						
Accounts Payable	\$ 33,179	\$ 562	\$ 8,647	\$ (8,580)		\$ 33,808
Accrued Payroll	16,546	-	-	-		16,546
Accrued Vacation	34,200	-	-	-		34,200
Deferred Revenue	361,703	-	-	-		361,703
Income Tax Payable	-	-	450	-		450
Capital Lease Payable	3,244	-	-	-		3,244
Mortgage Payable	5,142	-	-	-		5,142
TOTAL CURRENT LIABILITIES	454,014	562	9,097	(8,580)		455,093
<u>LONG-TERM LIABILITIES</u>						
Capital Lease Payable	10,318	-	-	-		10,318
Mortgage Payable	161,822	-	-	-		161,822
TOTAL LONG-TERM LIABILITIES	172,140	-	-	-		172,140
TOTAL LIABILITIES	626,154	562	9,097	(8,580)		627,233
<u>NET ASSETS</u>						
Common stock:						
Unrestricted	698,738	19,405	14,910	(1,000)	d	733,053
Temporarily restricted	165,580	24,440	-	-		190,020
TOTAL NET ASSETS	864,318	43,845	15,910	(1,000)		923,073
TOTAL LIABILITIES AND NET ASSETS	\$ 1,490,472	\$ 44,407	\$ 25,007	\$ (9,580)		\$ 1,550,306

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

**AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
CONSOLIDATING SCHEDULE - STATEMENT OF ACTIVITIES
and CHANGES IN NET ASSETS**

FOR THE YEAR ENDED DECEMBER 31, 2009

CHANGE IN UNRESTRICTED NET ASSETS

	ANCOR	ANCOR	ANCOR	ANCOR	Total
	Foundation	Foundation Services Corp	Elimination		
<u>REVENUES</u>					
Membership dues	\$ 1,285,583	\$ -	\$ -	\$ -	\$ 1,285,583
Affinity Program / Sponsorships	82,015	72,346	(18,000)	e	136,361
Conference and Seminars	333,242	3,659	-	-	336,901
Contributions	-	848	-	-	848
Fundraising Income	-	341	-	-	341
Investment Income	50,939	-	-	-	50,939
Publications - Advertising	17,540	-	-	-	17,540
Publications - Sales	12,041	-	-	-	12,041
Service Fees	40,121	-	(40,121)	f	-
Sublease Income	3,600	-	-	-	3,600
Net Assets Released from Restrictions	97,133	13,681	-	-	110,814
TOTAL REVENUES	1,922,214	18,529	72,346	(58,121)	1,954,968

EXPENSES

	ANCOR	ANCOR	ANCOR	ANCOR	Total
	Foundation	Foundation Services Corp	Elimination		
<u>Program Services</u>					
Cares Fund Expenses	-	-	-	-	20
Conference and seminars	144,690	1,795	-	-	146,485
Marketing and Communications	12,157	-	24,041	(24,041)	e/f
Membership Services	24,654	-	-	-	24,654
National Advocacy Campaign	80,009	13,661	-	-	93,670
Performance Excellence Initiative	16,600	-	-	-	16,600
Public Policy	219,895	-	-	-	219,895
Publications Expense	13,534	-	-	-	13,534
Research and Development	13,133	-	-	-	13,133
Self Advocacy Campaign	524	-	-	-	524
TOTAL PROGRAM SERVICES	525,196	15,476	24,041	(24,041)	540,672

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

**AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
CONSOLIDATING SCHEDULE - STATEMENT OF ACTIVITIES
and CHANGES IN NET ASSETS**

FOR THE YEAR ENDED DECEMBER 31, 2009

	ANCOR Foundation	ANCOR Services Corp	Elimination	Total
<u>Supporting services</u>				
General and Administrative	217,320	3,621	52,075	238,936
Salaries, Payroll Taxes and Benefits	1,028,114	-	(34,080)	1,028,114
Leadership and Governance	91,777	3,410	-	95,187
Fundraising	-	815	-	815
Income Tax Expense	-	1,071	-	1,071
TOTAL SUPPORTING SERVICES	1,337,211	7,846	53,146	1,364,123
TOTAL EXPENSES	1,862,407	23,322	(58,121)	1,904,795
INCREASE IN UNRESTRICTED NET ASSETS	\$ 59,807	\$ (4,793)	\$ (4,841)	\$ 50,173
<u>CHANGE IN TEMPORARILY RESTRICTED NET ASSETS</u>				
Voluntary Membership Dues	160,496	-	-	160,496
Performance Excellence Initiative	14,500	-	-	14,500
Contributions	2,611	27,070	-	29,681
Net Assets Released from Restrictions	(97,133)	(13,681)	-	(110,814)
INCREASE (DECREASE) IN TEMPORARILY RESTRICTED NET ASSETS	\$ 80,474	\$ 13,389	\$ -	\$ 93,863
CHANGE IN NET ASSETS	140,281	8,596	(4,841)	144,036
NET ASSETS AT BEGINNING OF YEAR	724,037	35,249	19,751	779,037
NET ASSETS AT END OF YEAR	\$ 864,318	\$ 43,845	\$ 14,910	\$ 923,073

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

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
ELIMINATION ENTRIES LEGEND
DECEMBER 31, 2009

Ref	Companies	Elimination Item	Amount
a	ANCOR/Services Corp	ANCOR investment in Services Corp	1,000
b	ANCOR/Services Corp	Intercompany receivables/payables	8,420
c	ANCOR/Foundation	Intercompany receivables/payables	160
d	ANCOR/Foundation	Intercompany receivables/payables	31
e	ANCOR/Services Corp	Sponsorship revenue /expense allocation	18,000
f	ANCOR/Services Corp	Fees-expense recovery/expense allocation	40,121

