

Kosciw & Associates, LLC

CPA and Business Consultant Services

AMERICAN NETWORK OF COMMUNITY OPTIONS and RESOURCES

AUDITED CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2015 and 2014

**AMERICAN NETWORK OF COMMUNITY
OPTIONS AND RESOURCES**

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Kosciw & Associates, LLC

CPA and Business Consultant Services

May 8, 2016

INDEPENDENT AUDITOR'S REPORT

Board of Directors
American Network of Community Options and Resources

We have audited the accompanying consolidated financial statements of American Network of Community Options and Resources (ANCOR), a nonprofit organization, which comprise the consolidated statements of financial position as of December 31, 2015 and 2014 and the related consolidated statements of activities and cash flows for the years 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 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.

Auditor's Responsibility

Our responsibility is to express an opinion 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 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 consolidated financial position of ANCOR as of December 31, 2015 and 2014 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.



Kosciw & Associates, LLC
Certified Public Accountants

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

DECEMBER 31, 2015 and 2014

ASSETS

	2015	2014
<u>CURRENT ASSETS</u>		
Cash	\$ 1,080,046	\$ 799,252
Marketable Securities	606,272	593,225
Accounts Receivable	40,204	30,870
Prepaid Expenses	39,794	52,212
Prepaid Income Tax	3,500	-
TOTAL CURRENT ASSETS	1,769,816	1,475,559
<u>PROPERTY AND EQUIPMENT</u>		
Office Condominium	475,770	475,770
Computers and Software	23,175	23,175
Furniture and Equipment	60,516	55,295
Membership Software	266,747	251,267
Website	96,750	96,750
TOTAL COST	922,958	902,257
Accumulated Depreciation	(549,544)	(489,281)
TOTAL PROPERTY AND EQUIPMENT	373,414	412,976
TOTAL ASSETS	\$ 2,143,230	\$ 1,888,535

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, 2015 and 2014

LIABILITIES AND NET ASSETS

	2015	2014
<u>CURRENT LIABILITIES</u>		
Accounts Payable	\$ 95,362	\$ 74,268
Accrued Payroll	66,771	99,482
Accrued Vacation	40,927	44,447
Deferred Revenue	298,766	312,515
Income Tax Payable	99	13,287
Capital Lease Payable	3,276	3,276
TOTAL CURRENT LIABILITIES	505,201	547,275
<u>LONG-TERM LIABILITY</u>		
Capital Lease Payable	4,190	7,498
TOTAL LIABILITIES	509,391	554,773
<u>NET ASSETS</u>		
Unrestricted	1,459,293	1,175,116
Temporarily restricted	174,546	158,646
TOTAL NET ASSETS	1,633,839	1,333,762
TOTAL LIABILITIES AND NET ASSETS	\$ 2,143,230	\$ 1,888,535

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, 2015 and 2014

<u>CHANGE IN UNRESTRICTED NET ASSETS</u>	<u>2015</u>	<u>2014</u>
<u>REVENUES</u>		
Membership Dues	\$ 1,647,796	\$ 1,524,984
Affinity Program / Sponsorships	270,853	261,561
Conference and Seminars	512,273	494,208
Contributions	25,381	5,689
Investment Income	20,882	51,400
Advertising	14,783	15,296
Publications - Sales	3,409	1,958
Net Assets Released from Restrictions	113,260	161,365
TOTAL REVENUES	<u>2,608,637</u>	<u>2,516,461</u>
<u>EXPENSES</u>		
<u>Program Services</u>		
Affinity Program / Sponsored Expenses	57,358	37,800
Cares Fund Expense	67	-
Conference and Seminars	132,679	124,537
Leadership Initiatives	171	-
Legacy Leader Circle	6,886	52,898
Lighthouse Agency	30,000	30,000
Marketing and Communications	84,214	58,385
Membership Services	63,010	82,953
National Advocacy Campaign	76,307	78,467
Public Policy	159,608	123,712
Publications Expense	31	-
TOTAL PROGRAM SERVICES	<u>610,331</u>	<u>588,752</u>

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, 2015 and 2014

	2015	2014
<u>CHANGE IN UNRESTRICTED NET ASSETS</u>		
<u>EXPENSES</u>		
<u>Supporting services</u>		
General and Administrative	265,696	252,737
Salaries, Payroll Taxes and Benefits	1,308,171	1,314,129
CEO Transition	-	60,696
Leadership and Governance	126,731	115,892
Income Tax Expense	13,531	15,121
TOTAL SUPPORTING SERVICES	1,714,129	1,758,575
TOTAL EXPENSES	2,324,460	2,347,327
INCREASE IN UNRESTRICTED NET ASSETS	\$ 284,177	\$ 169,134
<u>CHANGE IN TEMPORARILY RESTRICTED NET ASSETS</u>		
Contributions	53,810	118,403
Voluntary Membership Dues	75,350	100,360
Net Assets Released from Restrictions	(113,260)	(161,365)
INCREASE (DECREASE) IN TEMPORARILY RESTRICTED NET ASSETS	\$ 15,900	\$ 57,398
CHANGE IN NET ASSETS	300,077	226,532
NET ASSETS AT BEGINNING OF YEAR	1,333,762	1,107,230
NET ASSETS AT END OF YEAR	\$ 1,633,839	\$ 1,333,762

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

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

FOR THE YEARS ENDED DECEMBER 31, 2015 and 2014

	2015	2014
<u>OPERATING ACTIVITIES</u>		
Increase (Decrease) in Net Assets	\$ 300,077	\$ 226,532
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	60,263	52,334
Realized/unrealized (gain) loss on marketable securities	(7,750)	(42,732)
<u>(Increase) decrease in:</u>		
Accounts Receivable	(9,334)	(7,215)
Prepaid Expenses	12,418	(29,269)
Prepaid Income Tax	(3,500)	-
<u>Increase (decrease) in:</u>		
Accounts Payable	21,094	1,683
Accrued Payroll	(32,711)	65,463
Accrued Vacation	(3,520)	1,415
Deferred Revenue	(13,749)	91,942
Income Tax Payable	(13,188)	12,110
	310,100	372,263
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
<u>INVESTING ACTIVITIES</u>		
Computers and Software Purchased	(5,221)	-
Membership Software Development Costs	(15,480)	(52,650)
Marketable Securities Purchased	(5,297)	(101,728)
	(25,998)	(154,378)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES		
<u>FINANCING ACTIVITIES:</u>		
Principal payments on capital lease payable	(3,308)	(3,149)
	(3,308)	(3,149)
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES		
Net Increase (decrease) in cash	\$ 280,794	\$ 214,736
Cash at beginning of period	799,252	584,516
CASH AT END OF PERIOD	\$ 1,080,046	\$ 799,252
 Supplemental Cash Flow Information:		
Cash paid during the year for income tax	\$ 26,719	\$ 3,011

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 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.

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 Assets – 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, 2015 and 2014.
- (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 using the straight-line method of depreciation.
- (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 of the fiscal year 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 nets 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 business activities not related to its tax exempt purpose.

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.

NOTE 2 - INVESTMENTS - FAIR VALUE MEASUREMENT and INVESTMENT INCOME

ANCOR follows FASB ASC 820, *Fair Value Measurements and Disclosures*, for its financial assets. This standard establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Fair value measurement standards require an entity to maximize the use of observable inputs (such as quoted prices in active markets) and minimize the use of unobservable inputs (such as appraisals or other valuation techniques) to determine fair value. The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the entity's perceived risk of that instrument.

The inputs used in measuring fair value are categorized into three levels. Level 1 consists of unadjusted quoted prices in active markets for identical assets and liabilities and has the highest priority. Level 2 is based upon observable inputs other than quoted market prices, and Level 3 is based on unobservable inputs.

Financial assets valued using Level 2 inputs are based on quoted prices for instruments that are identical or similar in markets that are not active and for which all significant inputs are observable, either directly or indirectly, in active markets.

ANCOR invests in publically traded mutual funds and are held and managed by Fidelity Investments.

Accordingly, ANCOR's investments are valued using quoted market prices and are classified as Level 1. ANCOR does not hold any Level 2 or Level 3 investments.

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES

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

NOTE 2 - INVESTMENTS - FAIR VALUE MEASUREMENT and INVESTMENT INCOME

The following table presents ANCOR's fair value hierarchy for those investments measured on a recurring basis at December 31:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>2015</u>				
Mutual Fund Investments	<u>\$606,272</u>	\$ -	\$ -	<u>\$606,272</u>
<u>2014</u>				
Mutual Fund Investments	<u>\$593,225</u>	\$ -	\$ -	<u>\$593,225</u>

Investment Income

Investment income at December 31 consists of the following:

	<u>2015</u>	<u>2014</u>
Interest and dividends	\$13,132	\$ 8,668
Realized/Unrealized Gain (loss) on marketable securities	<u>7,750</u>	<u>42,732</u>
TOTAL	<u>\$20,882</u>	\$ <u>51,400</u>

NOTE 3 - INCOME TAXES

Income tax expense at December 31 consists of the following:

	<u>2015</u>	<u>2014</u>
Federal income tax	\$ 9,770	\$10,890
State income tax	<u>3,761</u>	<u>4,231</u>
TOTAL	<u>\$13,531</u>	\$ <u>15,121</u>

At December 31, 2015 and 2014 ANCOR Services Corp has \$6,093 and \$6,093 in charitable contribution carryover deductions that can be used to offset future federal 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 contribution carryover at December 31, 2015 expires in 2018 and 2019.

The tax reporting for 2012, 2013, 2014 and 2015 are subject to examination by the federal and state tax authorities. The Company is no longer subject to US, Virginia, New York or Ohio examination by tax authorities before 2012.

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

NOTE 4 - CAPITAL LEASE

ANCOR leases a copier under capital lease. At the end of the lease term, a new copier is acquired under a new capital lease. The current lease began in 2013 and expires in 2018. Equipment held under capital lease is included in property and equipment in the accompanying statement of financial position.

	<u>2015</u>	<u>2014</u>
Cost of Assets under Capital Lease	\$16,380	\$16,380
Accumulated Depreciation	<u>(9,282)</u>	<u>(6,006)</u>
BOOK VALUE	\$ <u>7,098</u>	\$ <u>10,374</u>
Depreciation expense on leased asset	\$ <u>3,276</u>	\$ <u>3,276</u>

Future minimum payments for the capitalized lease at December 31, 2015 are as follow:

2016	\$ 3,276
2017	3,276
2018	<u>914</u>
TOTAL MINIMUM LEASE PAYMENTS	\$ <u>7,466</u>
CURRENT CAPITAL LEASE PAYABLE	\$ 3,276
LONG TERM CAPITAL LEASE PAYABLE	<u>4,190</u>
TOTAL	\$ <u>7,466</u>

NOTE 5 - TEMPORARILY RESTRICTED NET ASSETS

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

	<u>2015</u>	<u>2014</u>
Cares Fund	\$ -	\$ 67
Legacy Leader Circle	53,931	52,157
National Advocacy Campaign	120,200	106,007
Self Advocacy Campaign	<u>415</u>	<u>415</u>
TOTAL	\$ <u>174,546</u>	\$ <u>158,646</u>

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

NOTE 6 – 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.

ANCOR retirement plan expense for the years ended December 31, 2015 and 2014 were \$31,004 and \$33,521, respectively.

NOTE 7 - COMMITMENTS

ANCOR has entered into a contract for future conference and meeting sites. These contracts provide for cancellation fees if sufficient notification of cancellation is not provided.

NOTE 8 - EVALUATION OF SUBSEQUENT EVENTS

ANCOR has evaluated subsequent events through May 8, 2016, the date which the financial statements were available to be issued.

Kosciw & Associates, LLC

CPA and Business Consultant Services

May 8, 2016

INDEPENDENT AUDITOR'S REPORT

Board of Directors
American Network of Community Options and Resources

REPORT ON SUPPLEMENTARY INFORMATION

Our audits as conducted for the purpose of forming an opinion on the financial statements as a whole. The consolidating schedules for the 2015 and 2014 statements of financial position and the statements of activities on pages 14 to 23 are presented for purposes of additional analysis and 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 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 information is fairly stated in all material respects in relation to the financial statements as a whole.



Kosciw & Associates, LLC
Certified Public Accountants

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

DECEMBER 31, 2015

ASSETS

	ANCOR	ANCOR Foundation	ANCOR Services Corp	Elimination		Total
<u>CURRENT ASSETS</u>						
Cash	\$ 845,735	\$ 118,058	\$ 116,253	\$ -		\$ 1,080,046
Marketable Securities	606,272	-	-	-		606,272
Accounts Receivable	51,112	750	1,962	(13,620)	a/c	40,204
Prepaid Expenses	38,994	800	-	-		39,794
Prepaid Income Tax	2,572	-	928	-		3,500
TOTAL CURRENT ASSETS	1,544,685	119,608	119,143	(13,620)		1,769,816
<u>PROPERTY AND EQUIPMENT</u>						
Office Condominium	475,770	-	-	-		475,770
Computers and Software	23,175	-	-	-		23,175
Furniture and Equipment	60,516	-	-	-		60,516
Membership Software	266,747	-	-	-		266,747
Website	96,750	-	-	-		96,750
TOTAL COST	922,958	-	-	-		922,958
Accumulated Depreciation	(549,544)	-	-	-		(549,544)
TOTAL PROPERTY AND EQUIPMENT	373,414	-	-	-		373,414
TOTAL OTHER ASSETS	1,000	-	-	(1,000)	b	-
TOTAL ASSETS	\$ 1,919,099	\$ 119,608	\$ 119,143	\$ (14,620)		\$ 2,143,230

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, 2015

LIABILITIES AND NET ASSETS

	ANCOR	ANCOR Foundation	ANCOR Services Corp	Elimination	a/c	Total
<u>CURRENT LIABILITIES</u>						
Accounts Payable	\$ 94,156	\$ 722	\$ 14,104	\$ (13,620)		\$ 95,362
Accrued Payroll	66,771	-	-	-		66,771
Accrued Vacation	40,927	-	-	-		40,927
Deferred Revenue	298,766	-	-	-		298,766
Income Tax Payable	-	-	99	-		99
Capital Lease Payable	3,276	-	-	-		3,276
TOTAL CURRENT LIABILITIES	503,896	722	14,203	(13,620)		505,201
<u>LONG-TERM LIABILITIES</u>						
Capital Lease Payable	4,190	-	-	-		4,190
TOTAL LIABILITIES	508,086	722	14,203	(13,620)		509,391
<u>NET ASSETS</u>						
Common stock:	-	-	1,000	(1,000)	b	-
Unrestricted	1,296,656	58,697	103,940	-		1,459,293
Temporarily restricted	114,357	60,189	-	-		174,546
TOTAL NET ASSETS	1,411,013	118,886	104,940	(1,000)		1,633,839
TOTAL LIABILITIES AND NET ASSETS	\$ 1,919,099	\$ 119,608	\$ 119,143	\$ (14,620)		\$ 2,143,230

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, 2015

<u>CHANGE IN UNRESTRICTED NET ASSETS</u>	<u>ANCOR</u>	<u>ANCOR Foundation</u>	<u>ANCOR Services Corp</u>	<u>Elimination</u>		<u>Total</u>
<u>REVENUES</u>						
Membership Dues	\$ 1,647,796	\$ -	\$ -	\$ -		\$ 1,647,796
Affinity Program / Sponsorships	166,459	-	116,894	(12,500)	<i>d</i>	270,853
Conference and Seminars	512,273	-	-	-		512,273
Contributions	-	25,381	-	-		25,381
Investment Income	20,696	186	-	-		20,882
Advertising	14,783	-	-	-		14,783
Publications - Sales	3,409	-	-	-		3,409
Service Fees	37,155	-	-	(37,155)	<i>e</i>	-
Net Assets Released from Restrictions	76,307	36,953	-	-		113,260
TOTAL REVENUES	<u>2,478,878</u>	<u>62,520</u>	<u>116,894</u>	<u>(49,655)</u>		<u>2,608,637</u>
<u>EXPENSES</u>						
<u>Program Services</u>						
Affinity Program / Sponsored Expenses	57,358	-	12,500	(12,500)	<i>d</i>	57,358
Cares Fund Expenses	-	67	-	-		67
Conference and Seminars	132,679	-	-	-		132,679
Leadership Initiatives	-	171	-	-		171
Legacy Leader Circle	-	6,886	-	-		6,886
Lighthouse Agency	-	30,000	-	-		30,000
Marketing and Communications	78,341	-	43,028	(37,155)	<i>e</i>	84,214
Membership Services	63,010	-	-	-		63,010
National Advocacy Campaign	76,307	-	-	-		76,307
Public Policy	159,608	-	-	-		159,608
Publications Expense	31	-	-	-		31
TOTAL PROGRAM SERVICES	<u>567,334</u>	<u>37,124</u>	<u>55,528</u>	<u>(49,655)</u>		<u>610,331</u>

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, 2015

	ANCOR	ANCOR Foundation	ANCOR Services Corp	Elimination	Total
<u>CHANGE IN UNRESTRICTED NET ASSETS</u>					
<u>Supporting services</u>					
General and Administrative	246,215	4,429	15,052	-	265,696
Salaries, Payroll Taxes and Benefits	1,308,171	-	-	-	1,308,171
Leadership and Governance	121,983	4,748	-	-	126,731
Income Tax Expense	5,099	-	8,432	-	13,531
TOTAL SUPPORTING SERVICES	1,681,468	9,177	23,484	-	1,714,129
TOTAL EXPENSES	2,248,802	46,301	79,012	(49,655)	2,324,460
INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS	\$ 230,076	\$ 16,219	\$ 37,882	\$ -	\$ 284,177
<u>CHANGE IN TEMPORARILY RESTRICTED NET ASSETS</u>					
Contributions	15,050	38,760	-	-	53,810
Voluntary Membership Dues	75,350	-	-	-	75,350
Net Assets Released from Restrictions	(76,307)	(36,953)	-	-	(113,260)
INCREASE (DECREASE) IN TEMPORARILY RESTRICTED NET ASSETS	\$ 14,093	\$ 1,807	\$ -	\$ -	\$ 15,900
CHANGE IN NET ASSETS	244,169	18,026	37,882	-	300,077
NET ASSETS AT BEGINNING OF YEAR	1,166,844	100,860	67,058	(1,000)	1,333,762
NET ASSETS AT END OF YEAR	\$ 1,411,013	\$ 118,886	\$ 104,940	\$ (1,000)	\$ 1,633,839

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, 2015

Ref	Companies	Elimination Item	Amount
a	ANCOR/Services Corp	Intercompany receivables/payables	13,516
b	ANCOR/Services Corp	ANCOR investment in Services Corp	1,000
c	ANCOR/Foundation	Intercompany receivables/payables	104
d	ANCOR/Services Corp	Sponsorship revenue /expense allocation	12,500
e	ANCOR/Services Corp	Fees-expense recovery/expense allocation	37,155

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

DECEMBER 31, 2014

ASSETS

	ANCOR	ANCOR Foundation	ANCOR Services Corp	Elimination		Total
<u>CURRENT ASSETS</u>						
Cash	\$ 585,732	\$ 92,803	\$ 120,717	\$ -		\$ 799,252
Marketable Securities	593,225	-	-	-		593,225
Accounts Receivable	46,040	10,305	2,645	(28,120)	<i>a/c/f</i>	30,870
Prepaid Expenses	51,412	800	-	-		52,212
TOTAL CURRENT ASSETS	1,276,409	103,908	123,362	(28,120)		1,475,559
<u>PROPERTY AND EQUIPMENT</u>						
Office Condominium	475,770	-	-	-		475,770
Computers and Software	23,175	-	-	-		23,175
Furniture and Equipment	55,295	-	-	-		55,295
Membership Software	251,267	-	-	-		251,267
Website	96,750	-	-	-		96,750
TOTAL COST	902,257	-	-	-		902,257
Accumulated Depreciation	(489,281)	-	-	-		(489,281)
TOTAL PROPERTY AND EQUIPMENT	412,976	-	-	-		412,976
TOTAL OTHER ASSETS	1,000	-	-	(1,000)	<i>b</i>	-
TOTAL ASSETS	\$ 1,690,385	\$ 103,908	\$ 123,362	\$ (29,120)		\$ 1,888,535

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, 2014

LIABILITIES AND NET ASSETS

	ANCOR	ANCOR Foundation	ANCOR Services Corp	Elimination		Total
<u>CURRENT LIABILITIES</u>						
Accounts Payable	\$ 51,228	\$ 3,048	\$ 48,112	\$ (28,120)	a/c	\$ 74,268
Accrued Payroll	99,482	-	-	-		99,482
Accrued Vacation/Separation	44,447	-	-	-		44,447
Deferred Revenue	312,515	-	-	-		312,515
Income Tax Payable	5,095	-	8,192	-		13,287
Capital Lease Payable	3,276	-	-	-		3,276
	<hr/>					<hr/>
TOTAL CURRENT LIABILITIES	516,043	3,048	56,304	(28,120)		547,275
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<u>LONG-TERM LIABILITIES</u>						
Capital Lease Payable	7,498	-	-	-		7,498
	<hr/>					<hr/>
TOTAL LIABILITIES	523,541	3,048	56,304	(28,120)		554,773
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<u>NET ASSETS</u>						
Common stock:	-	-	1,000	(1,000)	b	-
Unrestricted	1,066,580	42,478	66,058	-		1,175,116
Temporarily restricted	100,264	58,382	-	-		158,646
	<hr/>					<hr/>
TOTAL NET ASSETS	1,166,844	100,860	67,058	(1,000)		1,333,762
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TOTAL LIABILITIES AND NET ASSETS	\$ 1,690,385	\$ 103,908	\$ 123,362	\$ (29,120)		\$ 1,888,535
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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 ACTIVITIES
and CHANGES IN NET ASSETS**

FOR THE YEAR ENDED DECEMBER 31, 2014

<u>CHANGE IN UNRESTRICTED NET ASSETS</u>	<u>ANCOR</u>	<u>ANCOR Foundation</u>	<u>ANCOR Services Corp</u>	<u>Elimination</u>		<u>Total</u>
<u>REVENUES</u>						
Membership Dues	\$ 1,524,984	\$ -	\$ -	\$ -		\$ 1,524,984
Affinity Program / Sponsorships	118,718	-	155,343	(12,500)	<i>d</i>	261,561
Conference and Seminars	494,208	-	-	-		494,208
Contributions	-	15,689	-	(10,000)	<i>g</i>	5,689
Investment Income	51,385	15	-	-		51,400
Advertising	15,296	-	-	-		15,296
Publications - Sales	1,958	-	-	-		1,958
Service Fees	43,728	-	-	(43,728)	<i>e</i>	-
Net Assets Released from Restrictions	78,467	82,898	-	-		161,365
TOTAL REVENUES	<u>2,328,744</u>	<u>98,602</u>	<u>155,343</u>	<u>(66,228)</u>		<u>2,516,461</u>
<u>EXPENSES</u>						
<u>Program Services</u>						
Affinity Program / Sponsored Expenses	37,800	-	12,500	(12,500)	<i>d</i>	37,800
Cares Fund Expenses	-	-	-	-		-
Conference and Seminars	124,537	-	-	-		124,537
Legacy Leader Circle	-	52,898	-	-		52,898
Lighthouse Agency	-	30,000	-	-		30,000
Marketing and Communications	54,981	-	47,132	(43,728)	<i>e</i>	58,385
Membership Services	51,440	-	31,513	-		82,953
National Advocacy Campaign	78,467	-	-	-		78,467
Public Policy	123,712	-	-	-		123,712
TOTAL PROGRAM SERVICES	<u>470,937</u>	<u>82,898</u>	<u>91,145</u>	<u>(56,228)</u>		<u>588,752</u>

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, 2014

	ANCOR	ANCOR Foundation	ANCOR Services Corp	Elimination		Total
<u>CHANGE IN UNRESTRICTED NET ASSETS</u>						
<u>EXPENSES</u>						
<u>Supporting services</u>						
General and Administrative	234,700	2,138	25,899	(10,000)	<i>h</i>	252,737
Salaries, Payroll Taxes and Benefits	1,314,129	-	-	-		1,314,129
Leadership and Governance	107,748	8,144	-	-		115,892
CEO Transition	60,696	-	-	-		60,696
Income Tax Expense	6,116	-	9,005	-		15,121
TOTAL SUPPORTING SERVICES	1,723,389	10,282	34,904	(10,000)		1,758,575
TOTAL EXPENSES	2,194,326	93,180	126,049	(66,228)		2,347,327
INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS	\$ 134,418	\$ 5,422	\$ 29,294	\$ -		\$ 169,134
<u>CHANGE IN TEMPORARILY RESTRICTED NET ASSETS</u>						
Contributions	16,025	102,378	-	-		118,403
Voluntary Membership Dues	100,360	-	-	-		100,360
Net Assets Released from Restrictions	(78,467)	(82,898)	-	-		(161,365)
INCREASE (DECREASE) IN TEMPORARILY RESTRICTED NET ASSETS	\$ 37,918	\$ 19,480	\$ -	\$ -		\$ 57,398
CHANGE IN NET ASSETS	172,336	24,902	29,294	-		226,532
NET ASSETS AT BEGINNING OF YEAR	994,508	75,958	37,764	(1,000)	<i>b</i>	1,107,230
NET ASSETS AT END OF YEAR	\$ 1,166,844	\$ 100,860	\$ 67,058	\$ (1,000)		\$ 1,333,762

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, 2014

Ref	Companies	Elimination Item	Amount
a	ANCOR/Services Corp	Intercompany receivables/payables	16,242
b	ANCOR/Services Corp	ANCOR investment in Services Corp	1,000
c	ANCOR/Foundation	Intercompany receivables/payables	1,878
d	ANCOR/Services Corp	Sponsorship revenue /expense allocation	12,500
e	ANCOR/Services Corp	Fees-expense recovery/expense allocation	43,728
f	Foundation/Services Corp	Contribution receivable/payable	10,000
g	Foundation/Services Corp	Contribution revenue/expense	10,000