

**AMERICAN NETWORK OF
COMMUNITY OPTIONS AND RESOURCES**

CONSOLIDATED FINANCIAL STATEMENTS
WITH CONSOLIDATING INFORMATION

December 31, 2020 and 2019

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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 financial statements of American Network of Community Options and Resources, which comprise the consolidated statements of financial position as of December 31, 2020 and 2019, and the related consolidated statements of activities, functional expenses, 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 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.

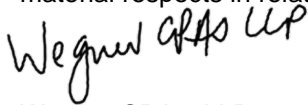
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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, 2020 and 2019, 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.

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 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.

A handwritten signature in black ink that reads "Wegner CPAs LLP". The signature is written in a cursive, flowing style.

Wegner CPAs, LLP
Alexandria, Virginia
June 11, 2021

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
December 31, 2020 and 2019

	2020	2019
ASSETS		
CURRENT ASSETS		
Cash	\$ 864,686	\$ 983,270
Accounts receivable	125,658	168,252
Pledges receivable	44,483	129,378
Prepaid expenses	120,822	91,144
Total current assets	1,155,649	1,372,044
PROPERTY AND EQUIPMENT		
Office condominium	475,770	475,770
Membership software	279,401	269,807
Website	151,120	151,120
Equipment	100,088	100,609
Property and equipment	1,006,379	997,306
Less accumulated depreciation	(743,213)	(718,190)
Property and equipment, net	263,166	279,116
OTHER ASSETS		
Investments	2,460,217	2,199,303
Deferred compensation asset	10,000	-
Deposits	2,150	2,150
Total assets	\$ 3,891,182	\$ 3,852,613
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 66,986	\$ 130,935
Accrued payroll	53,119	77,106
Accrued vacation	85,390	68,145
Deferred revenue	662,645	695,614
Current portion of capital lease payable	3,426	3,299
Total current liabilities	871,566	975,099
LONG-TERM LIABILITIES		
Capital lease payable less current portion	939	4,956
Deferred compensation liability	10,000	-
Total liabilities	882,505	980,055
NET ASSETS		
Without donor restrictions	2,908,166	2,630,933
With donor restrictions	100,511	241,625
Total net assets	3,008,677	2,872,558
Total liabilities and net assets	\$ 3,891,182	\$ 3,852,613

See accompanying notes.

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
CONSOLIDATED STATEMENTS OF ACTIVITIES
Years Ended December 31, 2020 and 2019

	2020	2019
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS		
SUPPORT AND REVENUE		
Membership dues	\$ 2,535,306	\$ 2,331,808
Affinity programs	96,044	155,385
Conferences and seminars	542,330	835,950
Contributions	116,984	214,420
Grant revenue	12,500	114,025
Investment return, net	161,022	216,829
Advertising	87,830	102,566
Miscellaneous	117,530	36,090
Publications	2,050	3,150
Total support and revenue	3,671,596	4,010,223
EXPENSES		
Program services		
Institute for Community Inclusion	2,730	-
Administration for Community Living	-	128,276
Conferences and Seminars	286,463	564,573
Legacy Leader Circle	47,749	29,522
Communications	360,168	216,955
Membership Services	369,174	273,978
National Advocacy Campaign	38,107	54,966
Government Relations & Public Policy	950,005	673,348
ISE Public Awareness Campaign	282,320	346,334
Supporting activities		
Management & General	695,830	727,199
Leadership & Governance	226,964	255,516
Membership Development	136,620	136,451
Partnership Development	61,993	84,221
Fundraising	91,369	162,693
Total expenses	3,549,492	3,654,032
NET ASSETS RELEASED FROM RESTRICTIONS		
Satisfaction of purpose restrictions	155,129	148,690
Change in net assets without donor restrictions	277,233	504,881
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS		
Contributions	14,015	6,172
Satisfaction of purpose restrictions	(155,129)	(148,690)
Change in net assets with donor restrictions	(141,114)	(142,518)
Change in net assets	136,119	362,363
Net assets at beginning of year	2,872,558	2,510,195
Net assets at end of year	\$ 3,008,677	\$ 2,872,558

See accompanying notes.

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2020

	Program Services					
	Institute for Community Inclusion	Conferences and Seminars	Legacy Leader Circle	Communications	Membership Services	National Advocacy Campaign
Grants and assistance	\$ -	\$ -	\$ 1,600	\$ -	\$ 17,000	\$ -
Personnel	2,530	190,087	20,067	253,548	251,556	9,351
Professional fees	-	33,262	23,755	55,000	10,000	14,729
Advertising	-	7,758	-	17,516	7,997	7,765
Office expenses	23	16,398	2,327	5,605	26,172	688
Information technology	51	19,645	-	12,108	38,583	468
Occupancy	107	7,035	-	9,344	9,291	322
Travel	-	1,971	-	498	350	-
Conferences and meetings	-	-	-	-	-	-
Depreciation	12	2,325	-	3,075	3,075	125
Insurance	7	7,894	-	1,673	1,673	68
Dues and subscriptions	-	-	-	-	3,333	-
Taxes	-	-	-	-	-	-
Miscellaneous	-	88	-	1,801	144	4,591
Total expenses	\$ 2,730	\$ 286,463	\$ 47,749	\$ 360,168	\$ 369,174	\$ 38,107

Supporting Activities

Government Relations & Public Policy	ISE Public Awareness Campaign	Management & General	Leadership & Governance	Membership Development	Partnership Development	Fundraising	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,600
597,685	60,573	528,245	151,610	99,638	54,293	12,279	2,231,462
210,068	172,903	41,813	398	12,248	-	74,556	648,732
-	28,525	-	-	1,269	-	18	70,848
18,869	413	17,048	6,822	2,219	1,848	3,552	101,984
45,925	1,950	21,931	5,271	13,159	2,448	945	162,484
40,978	-	17,669	4,243	3,706	1,987	-	94,682
8,484	340	-	10,018	350	413	-	22,424
676	7,500	-	28,418	-	-	-	36,594
7,274	-	8,861	1,400	1,225	650	12	28,034
3,957	-	3,169	9,349	666	354	7	28,817
13,892	-	-	7,100	-	-	-	24,325
-	-	55,520	-	-	-	-	55,520
2,197	10,116	1,574	2,335	2,140	-	-	24,986
<u>\$ 950,005</u>	<u>\$ 282,320</u>	<u>\$ 695,830</u>	<u>\$ 226,964</u>	<u>\$ 136,620</u>	<u>\$ 61,993</u>	<u>\$ 91,369</u>	<u>\$ 3,549,492</u>

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2019

	Program Services					
	Administration for Community Living	Conferences and Seminars	Legacy Leader Circle	Communications	Membership Services	National Advocacy Campaign
Grants and assistance	\$ -	\$ -	\$ 1,600	\$ 14,605	\$ 850	\$ -
Personnel	92,756	241,957	19,935	132,354	176,070	20,922
Professional fees	3,911	42,212	3,632	17,799	12,227	13,813
Advertising	-	-	-	21,419	-	318
Office expenses	2,564	21,025	123	5,459	29,454	1,206
Information technology	8,310	21,906	-	12,889	39,281	6,187
Occupancy	3,044	9,586	-	4,679	6,975	687
Travel	12,398	32,841	159	3,640	3,630	28
Conferences and meetings	2,400	183,499	4,073	-	-	10,644
Depreciation	2,182	5,693	-	2,778	4,142	492
Insurance	711	5,132	-	905	1,349	160
Dues and subscriptions	-	-	-	199	-	-
Taxes	-	-	-	-	-	-
Miscellaneous	-	722	-	229	-	509
Total expenses	\$ 128,276	\$ 564,573	\$ 29,522	\$ 216,955	\$ 273,978	\$ 54,966

Supporting Activities

Government Relations & Public Policy	ISE Public Awareness Campaign	Management & General	Leadership & Governance	Membership Development	Partnership Development	Fundraising	Total
\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,155
336,544	102,745	525,618	117,163	90,713	66,507	26,544	1,949,828
199,862	208,835	56,338	255	16,790	-	101,830	677,504
-	23,955	758	-	7,220	-	5,076	58,746
13,237	2,135	23,723	9,033	2,507	1,838	4,110	116,414
42,531	-	29,311	6,310	10,636	3,880	222	181,463
41,118	-	19,755	4,284	3,594	2,635	151	96,508
17,375	7,003	1,013	32,946	914	7,286	1,004	120,237
3,082	1,661	2,160	70,030	-	-	19,284	296,833
7,918	-	12,860	2,544	2,134	1,565	90	42,398
2,579	-	3,787	4,463	695	510	29	20,320
7,985	-	-	7,075	-	-	-	15,259
-	-	49,007	-	-	-	-	49,007
1,017	-	2,869	1,413	1,248	-	4,353	12,360
<u>\$ 673,348</u>	<u>\$ 346,334</u>	<u>\$ 727,199</u>	<u>\$ 255,516</u>	<u>\$ 136,451</u>	<u>\$ 84,221</u>	<u>\$ 162,693</u>	<u>\$ 3,654,032</u>

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
CONSOLIDATED STATEMENTS OF CASH FLOWS
Years Ended December 31, 2020 and 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 136,119	\$ 362,363
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Amortization of discount on pledges receivable	-	(2,328)
Depreciation	28,034	42,398
Loss on disposal of equipment	410	269
Net realized and unrealized gains on investments	(132,325)	(166,911)
(Increase) decrease in assets		
Accounts receivable	42,594	(26,221)
Pledges receivable	84,895	74,921
Prepaid expenses	(29,678)	(28,131)
Deferred compensation asset	(10,000)	-
Increase (decrease) in liabilities		
Accounts payable	(63,949)	22,169
Accrued payroll	(23,987)	10,407
Accrued vacation	17,245	9,930
Deferred revenue	(32,969)	184,188
Deferred compensation liability	10,000	-
Net cash flows from operating activities	26,389	483,054
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(12,494)	(20,310)
Purchases of and interest retained in investments	(528,589)	(849,792)
Proceeds from sales of investments	400,000	500,000
Net cash flows from investing activities	(141,083)	(370,102)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on capital lease payable	(3,890)	(3,590)
Change in cash	(118,584)	109,362
Cash at beginning of year	983,270	873,908
Cash at end of year	\$ 864,686	\$ 983,270
SUPPLEMENTAL CASH FLOW INFORMATION		
Cash paid for income taxes	\$ 50,710	\$ 61,595

See accompanying notes.

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

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 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

Accounts receivable primarily represent amounts due from customers for various services, meetings, and events provided by ANCOR. Accounts receivable are stated at the amount management expects to be collected from outstanding balances. As of December 31, 2020 and 2019, management has determined, based on historical experience, that all amounts are fully collectible and no allowance for doubtful accounts is necessary.

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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. At December 31, 2020 and 2019, all pledges receivable are collectible within one year.

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.

Property and Equipment

ANCOR capitalizes all expenditures for property and equipment in excess of \$5,000. Purchased property and equipment are carried at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

Revenue Recognition

ANCOR's earned revenue consists of membership dues, affinity programs, conferences and seminars, advertising, publications and other similar services.

ANCOR recognizes revenue from membership dues ratably over the applicable membership period, which is on a calendar year basis. ANCOR generally bills member three months in advance of the applicable membership period. Membership dues received in advance of the applicable membership period are deferred and recognized as revenue in that future period. Membership dues are refundable on a pro-rata basis, by quarter.

Revenues from conferences and seminars (for example, ticket sales and exhibit booth space), affinity programs, advertising, publications, and similar services are generally considered to be single performance obligations that are satisfied at a point in time or over the period of the event.

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. 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.

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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 June 11, 2021, the date which the financial statements were available to be issued.

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, 2020 and 2019, ANCOR's uninsured cash balances total approximately \$133,000 and \$167,000, respectively.

NOTE 3—RELATED PARTY

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.

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 4—INVESTMENTS

Investments consist of the following:

	2020	2019
Money market funds	\$ 1,175,180	\$ 1,070,631
Mutual funds	1,145,934	1,025,450
Exchange traded funds	139,103	103,222
Investments	\$ 2,460,217	\$ 2,199,303

Fair values of mutual funds and exchange traded funds are valued at the closing price reported on the active market on which the mutual funds and exchange traded funds are traded and are considered Level 1 fair value measurements.

NOTE 5—RETIREMENT PLAN

Defined Contribution 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, plus the time to open enrollment, 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, 2020 and 2019 totaled \$56,217 and \$44,739, respectively.

Deferred Compensation Plan

In 2020, ANCOR established a nonqualified deferred compensation plan created for the benefit of its Chief Executive Officer, in accordance with section 457(b) of the Internal Revenue Code. ANCOR will make an annual discretionary contribution to the plan. For the year ended December 31, 2020, \$10,000 was contributed to the plan. The assets and liability associated with this plan was \$10,000 at December 31, 2020 and is included as deferred compensation in the accompanying consolidated statements of financial position.

NOTE 6—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 \$261,000. Management does not expect any hotel agreement cancellations.

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 7—INCOME TAXES

Income taxes consisted of the following:

	2020	2019
Federal income tax	\$ 41,580	\$ 37,581
State income tax	13,940	11,426
Income taxes	\$ 55,520	\$ 49,007

NOTE 8—LEASES

Capital Lease

ANCOR leases equipment under a capital lease requiring monthly payments of principal and interest of \$299 with a lease term through February 2022. Interest expense for the years ended December 31, 2020 and 2019 was \$291 and \$413, respectively.

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

2021	\$ 3,426
2022	1,409
Total minimum capital lease payments	4,835
Less the amount representing interest	470
Present value of net minimum capital lease payments	\$ 4,365

The leased equipment has a cost of \$17,952 and accumulated depreciation of \$13,763 and \$10,173 at December 31, 2020 and 2019, respectively.

Office Lease

Effective January 1, 2018, ANCOR entered into a lease agreement for the lease of office space in Washington, D.C. that expired on December 31, 2020, requiring monthly payments of \$3,219. The lease was amended, effective January 1, 2021, to expire in August 2022, requiring monthly payments of \$1,660. Rent expense under this lease for the years ended December 31, 2020 and 2019 was \$40,978 and \$39,785, respectively.

Future minimum payments on ANCOR's office lease agreement for the years ended December 13, 2021 and 2022 are \$19,922 and \$13,281, respectively.

NOTE 9—NET ASSETS

Board designated net assets at December 31, 2020 and 2019 includes \$150,493 and \$226,067, respectively, designated for the ISE Public Awareness Campaign.

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 9—NET ASSETS (continued)

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

	<u>2020</u>	<u>2019</u>
Legacy Leader Circle	\$ 31,426	\$ 45,888
National Advocacy Campaign	68,919	96,466
Self Advocacy Campaign	166	166
ISE Public Awareness Campaign	<u>-</u>	<u>99,105</u>
Net assets with donor restrictions	<u>\$ 100,511</u>	<u>\$ 241,625</u>

NOTE 10—LIQUIDITY AND AVAILABILITY

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

	<u>2020</u>	<u>2019</u>
Financial assets at end of year		
Cash	\$ 864,686	\$ 983,270
Accounts receivable	125,658	168,252
Pledges receivable	44,483	129,378
Investments	2,460,217	2,199,303
Deferred compensation asset	<u>10,000</u>	<u>-</u>
Total financial assets	3,505,044	3,480,203
Less amounts unavailable for general expenditures within one year:		
Restricted by donors with purpose restrictions	(100,511)	(241,625)
Designated by board of directors for ISE Public Awareness Campaign	(150,493)	(226,067)
Investments held for long-term purposes	(1,286,605)	(1,129,139)
Deferred compensation liability	<u>(10,000)</u>	<u>-</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,967,435</u>	<u>\$ 1,883,372</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. For the years ended December 31, 2020 and 2019, financial assets not available for general expenditures include \$1,286,605 and \$1,129,139, respectively, 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
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 11—SUBSEQUENT EVENT

In January 2021, the board of directors ANCOR Services Corp voted to dissolve the corporation and is currently winding down operations. Upon dissolution, all assets and liabilities of ANCOR Services Corp will transfer to ANCOR.

NOTE 12—RISKS AND UNCERTAINTY

The COVID-19 outbreak has caused disruption for nonprofit organizations and other businesses and has resulted in significant volatility in the financial markets. There have been mandated and voluntary closings of businesses including cancellations of events and meetings. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of restrictions on gatherings and potential economic impacts. Management is continually evaluating contracts for future meetings and working with various hotel sites to minimize potential damages to be paid in the event a cancellation of a meeting is required. At this time, the potential related financial impact on ANCOR's operations and financial statements cannot be reasonably estimated.

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
December 31, 2020

	<u>ANCOR</u>	<u>ANCOR Services Corp</u>	<u>ANCOR Foundation</u>	<u>Eliminations</u>	<u>Consolidated Total</u>
ASSETS					
CURRENT ASSETS					
Cash	\$ 552,332	\$ 112,485	\$ 199,869	\$ -	\$ 864,686
Accounts receivable	128,813	583	-	(3,738)	125,658
Pledges receivable	-	-	44,483	-	44,483
Prepaid expenses	100,234	3,921	16,667	-	120,822
	<u>781,379</u>	<u>116,989</u>	<u>261,019</u>	<u>(3,738)</u>	<u>1,155,649</u>
PROPERTY AND EQUIPMENT					
Office condominium	475,770	-	-	-	475,770
Membership software	279,401	-	-	-	279,401
Website	145,270	-	5,850	-	151,120
Equipment	100,088	-	-	-	100,088
	<u>1,000,529</u>	<u>-</u>	<u>5,850</u>	<u>-</u>	<u>1,006,379</u>
Less accumulated depreciation	(738,923)	-	(4,290)	-	(743,213)
	<u>261,606</u>	<u>-</u>	<u>1,560</u>	<u>-</u>	<u>263,166</u>
OTHER ASSETS					
Investments	2,461,217	-	-	(1,000)	2,460,217
Deferred compensation asset	10,000	-	-	-	10,000
Deposits	2,150	-	-	-	2,150
	<u>2,473,367</u>	<u>-</u>	<u>-</u>	<u>(1,000)</u>	<u>2,472,367</u>
Total assets	<u>\$ 3,516,352</u>	<u>\$ 116,989</u>	<u>\$ 262,579</u>	<u>\$ (4,738)</u>	<u>\$ 3,891,182</u>
LIABILITIES AND NET ASSETS					
CURRENT LIABILITIES					
Accounts payable	\$ 50,461	\$ 3,619	\$ 16,644	\$ (3,738)	\$ 66,986
Accrued payroll	53,119	-	-	-	53,119
Accrued vacation	85,390	-	-	-	85,390
Deferred revenue	662,645	-	-	-	662,645
Current portion of capital lease payable	3,426	-	-	-	3,426
	<u>855,041</u>	<u>3,619</u>	<u>16,644</u>	<u>(3,738)</u>	<u>871,566</u>
LONG-TERM LIABILITIES					
Capital lease payable less current portion	939	-	-	-	939
Deferred compensation liability	10,000	-	-	-	10,000
	<u>865,980</u>	<u>3,619</u>	<u>16,644</u>	<u>(3,738)</u>	<u>882,505</u>
NET ASSETS					
Common stock	-	1,000	-	(1,000)	-
Without donor restrictions	2,584,918	112,370	210,878	-	2,908,166
With donor restrictions	65,454	-	35,057	-	100,511
	<u>2,650,372</u>	<u>113,370</u>	<u>245,935</u>	<u>(1,000)</u>	<u>3,008,677</u>
Total liabilities and net assets	<u>\$ 3,516,352</u>	<u>\$ 116,989</u>	<u>\$ 262,579</u>	<u>\$ (4,738)</u>	<u>\$ 3,891,182</u>

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
December 31, 2019

	ANCOR	ANCOR Services Corp	ANCOR Foundation	Eliminations	Consolidated Total
ASSETS					
CURRENT ASSETS					
Cash	\$ 523,859	\$ 162,406	\$ 297,005	\$ -	\$ 983,270
Accounts receivable	186,055	1,742	-	(19,545)	168,252
Pledges receivable	-	-	154,503	(25,125)	129,378
Prepaid expenses	89,371	1,773	-	-	91,144
Total current assets	799,285	165,921	451,508	(44,670)	1,372,044
PROPERTY AND EQUIPMENT					
Office condominium	475,770	-	-	-	475,770
Membership software	269,807	-	-	-	269,807
Website	145,270	-	5,850	-	151,120
Equipment	100,609	-	-	-	100,609
Property and equipment	991,456	-	5,850	-	997,306
Less accumulated depreciation	(715,070)	-	(3,120)	-	(718,190)
Property and equipment, net	276,386	-	2,730	-	279,116
OTHER ASSETS					
Investments	2,200,303	-	-	(1,000)	2,199,303
Deposits	2,150	-	-	-	2,150
Total assets	\$ 3,278,124	\$ 165,921	\$ 454,238	\$ (45,670)	\$ 3,852,613
LIABILITIES AND NET ASSETS					
CURRENT LIABILITIES					
Accounts payable	\$ 99,732	\$ 38,960	\$ 36,913	\$ (44,670)	\$ 130,935
Accrued payroll	77,106	-	-	-	77,106
Accrued vacation	68,145	-	-	-	68,145
Deferred revenue	695,614	-	-	-	695,614
Current portion of capital lease payable	3,299	-	-	-	3,299
Total current liabilities	943,896	38,960	36,913	(44,670)	975,099
LONG-TERM LIABILITIES					
Capital lease payable less current portion	4,956	-	-	-	4,956
Total liabilities	948,852	38,960	36,913	(44,670)	980,055
NET ASSETS					
Common stock	-	1,000	-	(1,000)	-
Without donor restrictions	2,236,271	125,961	42,634	226,067	2,630,933
With donor restrictions	93,001	-	374,691	(226,067)	241,625
Total net assets	2,329,272	126,961	417,325	(1,000)	2,872,558
Total liabilities and net assets	\$ 3,278,124	\$ 165,921	\$ 454,238	\$ (45,670)	\$ 3,852,613

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
CONSOLIDATING SCHEDULE OF ACTIVITIES
Year Ended December 31, 2020

	ANCOR	ANCOR Services Corp	ANCOR Foundation	Eliminations	Consolidated Totals
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS					
SUPPORT AND REVENUE					
Membership dues	\$ 2,535,306	\$ -	\$ -	\$ -	\$ 2,535,306
Affinity programs	-	96,044	-	-	96,044
Conferences and seminars	542,330	-	-	-	542,330
Contributions	9,097	-	142,887	(35,000)	116,984
Grant revenue	12,500	-	-	-	12,500
Service fees	24,971	-	-	(24,971)	-
Investment return, net	180,926	-	96	(20,000)	161,022
Advertising	87,830	-	-	-	87,830
Miscellaneous	117,530	-	-	-	117,530
Publications	2,050	-	-	-	2,050
Total support and revenue	3,512,540	96,044	142,983	(79,971)	3,671,596
EXPENSES					
Grants and assistance	17,000	35,000	1,600	(35,000)	18,600
Personnel	2,231,462	-	-	-	2,231,462
Professional fees	385,849	10,144	267,994	(15,255)	648,732
Advertising	32,607	9,716	28,525	-	70,848
Office expenses	89,545	15,746	6,409	(9,716)	101,984
Information technology	160,534	-	1,950	-	162,484
Occupancy	94,682	-	-	-	94,682
Travel	19,501	-	2,923	-	22,424
Conferences and meetings	29,094	-	7,500	-	36,594
Depreciation	26,864	-	1,170	-	28,034
Insurance	24,020	4,797	-	-	28,817
Dues and subscriptions	24,325	-	-	-	24,325
Taxes	42,367	13,153	-	-	55,520
Miscellaneous	13,590	1,079	10,317	-	24,986
Total expenses	3,191,440	89,635	328,388	(59,971)	3,549,492
NET ASSETS RESRELEASED FROM RESTRICTIONS					
Satisfaction of purpose restrictions	27,547	-	127,582	-	155,129
Change in net assets without donor restrictions	348,647	6,409	(57,823)	(20,000)	277,233
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS					
Contributions	-	-	14,015	-	14,015
Satisfaction of purpose restrictions	(27,547)	-	(127,582)	-	(155,129)
Change in net assets with donor restrictions	(27,547)	-	(113,567)	-	(141,114)
Change in net assets	321,100	6,409	(171,390)	(20,000)	136,119
Net assets at beginning of year	2,329,272	126,961	417,325	(1,000)	2,872,558
Dividends paid	-	(20,000)	-	20,000	-
Net assets at end of year	\$ 2,650,372	\$ 113,370	\$ 245,935	\$ (1,000)	\$ 3,008,677

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
CONSOLIDATING SCHEDULE OF ACTIVITIES
Year Ended December 31, 2019

	<u>ANCOR</u>	<u>ANCOR Services Corp</u>	<u>ANCOR Foundation</u>	<u>Eliminations</u>	<u>Consolidated Total</u>
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS					
SUPPORT AND REVENUE					
Membership dues	\$ 2,331,808	\$ -	\$ -	\$ -	\$ 2,331,808
Affinity programs	-	155,385	-	-	155,385
Conferences and seminars	847,190	-	-	(11,240)	835,950
Contributions	4,767	-	344,653	(135,000)	214,420
Grant revenue	114,025	-	-	-	114,025
Service fees	37,732	-	-	(37,732)	-
Investment return, net	236,703	-	126	(20,000)	216,829
Advertising	104,551	-	-	(1,985)	102,566
Miscellaneous	36,090	-	-	-	36,090
Publications	3,150	-	-	-	3,150
Total support and revenue	3,716,016	155,385	344,779	(205,957)	4,010,223
EXPENSES					
Grants and assistance	115,555	35,000	1,600	(135,000)	17,155
Personnel	1,949,828	-	-	-	1,949,828
Professional fees	351,308	24,517	318,929	(17,250)	677,504
Advertising	28,639	29,357	29,349	(28,599)	58,746
Office expenses	100,853	13,858	6,811	(5,108)	116,414
Information technology	181,463	-	-	-	181,463
Occupancy	96,332	176	-	-	96,508
Travel	111,986	-	8,251	-	120,237
Conferences and meetings	267,930	-	28,903	-	296,833
Depreciation	41,228	-	1,170	-	42,398
Insurance	20,320	-	-	-	20,320
Dues and subscriptions	15,259	-	-	-	15,259
Taxes	28,626	20,381	-	-	49,007
Miscellaneous	7,948	34	4,378	-	12,360
Total expenses	3,317,275	123,323	399,391	(185,957)	3,654,032
NET ASSETS RESLEASSED FROM RESTRICTIONS					
Satisfaction of purpose restrictions	28,278	-	120,412	-	148,690
Change in net assets without donor restrictions	427,019	32,062	65,800	(20,000)	504,881
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS					
Contributions	-	-	6,172	-	6,172
Satisfaction of purpose restrictions	(28,278)	-	(120,412)	-	(148,690)
Change in net assets with donor restrictions	(28,278)	-	(114,240)	-	(142,518)
Change in net assets	398,741	32,062	(48,440)	(20,000)	362,363
Net assets at beginning of year	1,930,531	114,899	465,765	(1,000)	2,510,195
Dividends paid	-	(20,000)	-	20,000	-
Net assets at end of year	\$ 2,329,272	\$ 126,961	\$ 417,325	\$ (1,000)	\$ 2,872,558