



CONSOLIDATED FINANCIAL STATEMENTS
WITH CONSOLIDATING INFORMATION

December 31, 2023 and 2022

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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

Opinion

We have audited the financial statements of American Network of Community Options and Resources, which comprise the consolidated statements of financial position as of December 31, 2023 and 2022, 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.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of American Network of Community Options and Resources as of December 31, 2023 and 2022, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of American Network of Community Options and Resources and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about American Network of Community Options and Resources' ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 American Network of Community Options and Resources' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about American Network of Community Options and Resources' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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 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.



Wegner CPAs, LLP
Alexandria, Virginia
June 20, 2024

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
December 31, 2023 and 2022

	2023	2022
ASSETS		
CURRENT ASSETS		
Cash	\$ 1,160,196	\$ 941,316
Accounts receivable	164,382	141,167
Prepaid expenses	125,483	100,773
Total current assets	1,450,061	1,183,256
PROPERTY AND EQUIPMENT		
Office condominium	1,472,900	-
Membership software	487,755	423,516
Website	332,304	325,075
Equipment	35,704	35,704
Property and equipment	2,328,663	784,295
Less accumulated depreciation	(580,409)	(503,541)
Property and equipment, net	1,748,254	280,754
OTHER ASSETS		
Investments	3,070,251	4,002,234
Finance lease right-of-use asset	4,098	7,880
Deferred compensation asset	75,219	36,383
Deposits	-	50,000
Total assets	\$ 6,347,883	\$ 5,560,507
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 155,013	\$ 119,623
Accrued payroll	37,326	29,927
Accrued vacation	91,550	79,467
Deferred revenue	1,298,190	999,443
Current portion of finance lease liability	3,549	3,840
Total current liabilities	1,585,628	1,232,300
LONG-TERM LIABILITIES		
Finance lease liability less current portion	298	4,077
Deferred compensation liability	75,219	36,383
Total liabilities	1,661,145	1,272,760
NET ASSETS		
Without donor restrictions	4,673,723	4,254,356
With donor restrictions	13,015	33,391
Total net assets	4,686,738	4,287,747
Total liabilities and net assets	\$ 6,347,883	\$ 5,560,507

See accompanying notes.

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
CONSOLIDATED STATEMENTS OF ACTIVITIES
Years Ended December 31, 2023 and 2022

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE						
Membership dues	\$ 3,019,056	\$ -	\$ 3,019,056	\$ 2,779,429	\$ -	\$ 2,779,429
Conferences and seminars	1,591,076	-	1,591,076	1,264,950	-	1,264,950
Contributions	104,307	500	104,807	55,231	33,407	88,638
Grant revenue	2,500	-	2,500	118,117	-	118,117
Investment return, net	382,168	-	382,168	(223,611)	-	(223,611)
Advertising	89,154	-	89,154	108,472	-	108,472
Royalties	147,138	-	147,138	120,242	-	120,242
Miscellaneous	5,948	-	5,948	248	-	248
Publications	52,497	-	52,497	3,650	-	3,650
Total support and revenue	5,393,844	500	5,394,344	4,226,728	33,407	4,260,135
EXPENSES						
Program services						
Conferences and Seminars	1,204,383	-	1,204,383	784,004	-	784,004
Legacy Leader Circle	53,354	-	53,354	66,088	-	66,088
Communications	512,898	-	512,898	432,076	-	432,076
Membership Services	278,427	-	278,427	611,611	-	611,611
National Advocacy Campaign	16,302	-	16,302	28,218	-	28,218
Government Relations & Public Policy	1,080,960	-	1,080,960	888,421	-	888,421
Puerto Rico DEIA Initiative	-	-	-	20,740	-	20,740
Supporting activities						
Management & General	1,028,270	-	1,028,270	763,652	-	763,652
Leadership & Governance	587,618	-	587,618	368,740	-	368,740
Membership Development	58,547	-	58,547	134,389	-	134,389
Partnership Development	107,433	-	107,433	120,058	-	120,058
Fundraising	67,161	-	67,161	51,808	-	51,808
Total expenses	4,995,353	-	4,995,353	4,269,805	-	4,269,805
NET ASSETS RELEASED FROM RESTRICTIONS						
Satisfaction of purpose restrictions	20,876	(20,876)	-	77,436	(77,436)	-
OTHER CHANGES						
Gain on sale of building	-	-	-	771,817	-	771,817
Change in net assets	419,367	(20,376)	398,991	806,176	(44,029)	762,147
Net assets at beginning of year	4,254,356	33,391	4,287,747	3,448,180	77,420	3,525,600
Net assets at end of year	\$ 4,673,723	\$ 13,015	\$ 4,686,738	\$ 4,254,356	\$ 33,391	\$ 4,287,747

See accompanying notes.

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2023

	Program Services					
	Conferences and Seminars	Legacy Leader Circle	Communications	Membership Services	National Advocacy Campaign	Government Relations & Public Policy
Grants and assistance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Personnel	381,267	7,465	271,963	105,665	-	632,245
Professional fees	87,573	40,200	155,071	49,989	2,570	257,524
Advertising	-	-	-	1,043	-	-
Office expenses	91,928	-	8,455	26,613	-	9,564
Information technology	275,452	511	22,366	64,259	-	52,592
Occupancy	18,191	-	12,966	5,043	-	30,193
Travel	41,617	-	20,347	18,049	-	23,157
Conferences and meetings	289,121	4,617	-	1,477	9,912	2,071
Depreciation and amortization	13,454	-	9,589	3,729	-	22,329
Insurance	3,627	-	2,584	1,004	-	6,018
Dues and subscriptions	-	-	9,288	-	-	42,355
Taxes and fees	-	-	-	-	-	-
Miscellaneous	2,153	561	269	1,556	3,820	2,912
Total expenses	\$ 1,204,383	\$ 53,354	\$ 512,898	\$ 278,427	\$ 16,302	\$ 1,080,960

Supporting Activities

Management & General	Leadership & Governance	Membership Development	Partnership Development	Fundraising	Total
\$ -	\$ 2,500	\$ -	\$ -	\$ -	\$ 2,500
739,434	372,895	37,596	78,615	10,559	2,637,704
123,011	6,389	-	9,500	11,869	743,696
-	-	-	-	-	1,043
10,463	5,170	522	1,090	6,443	160,248
57,747	31,109	16,950	6,465	2,675	530,126
33,477	16,274	1,795	3,748	403	122,090
9	43,186	-	399	-	146,764
-	80,086	-	3,950	34,833	426,067
15,116	12,036	1,327	2,772	298	80,650
6,671	4,309	357	748	81	25,399
-	11,445	-	-	-	63,088
29,704	-	-	-	-	29,704
12,638	2,219	-	146	-	26,274
<u>\$ 1,028,270</u>	<u>\$ 587,618</u>	<u>\$ 58,547</u>	<u>\$ 107,433</u>	<u>\$ 67,161</u>	<u>\$ 4,995,353</u>

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2022

	Program Services					
	Conferences and Seminars	Legacy Leader Circle	Communications	Membership Services	National Advocacy Campaign	Government Relations & Public Policy
Grants and assistance	\$ 1,000	\$ -	\$ -	\$ -	\$ -	\$ -
Personnel	223,277	26,369	249,897	381,655	-	553,354
Professional fees	92,788	25,097	113,481	53,884	18,010	172,367
Advertising	-	-	7,850	-	-	-
Office expenses	49,421	1,060	8,190	32,937	4,817	10,134
Information technology	214,978	2,538	25,917	64,363	924	34,637
Occupancy	4,409	-	6,086	7,308	-	15,431
Travel	28,857	693	2,820	31,956	-	16,743
Conferences and meetings	143,402	8,067	-	-	-	10,352
Depreciation and amortization	5,516	167	7,613	9,143	-	14,043
Insurance	7,734	-	2,414	2,898	-	4,452
Dues and subscriptions	-	-	479	-	-	42,657
Taxes and fees	5,311	-	7,329	8,802	-	13,520
Miscellaneous	7,311	2,097	-	18,665	4,467	731
Total expenses	\$ 784,004	\$ 66,088	\$ 432,076	\$ 611,611	\$ 28,218	\$ 888,421

Supporting Activities						
Puerto Rico DEIA Initiative	Management & General	Leadership & Governance	Membership Development	Partnership Development	Fundraising	Total
\$ -	\$ 8,333	\$ 31,127	\$ -	\$ -	\$ -	\$ 40,460
2,366	535,081	230,938	101,605	3,769	5,574	2,313,885
12,031	117,139	6,519	3,842	115,000	17,072	747,230
-	-	-	-	-	-	7,850
19	8,577	2,220	858	23	1,213	119,469
72	35,301	6,430	20,212	90	2,333	407,795
23	11,441	2,084	1,079	29	50	47,940
6,163	32	31,048	3,716	1,064	4,973	128,065
-	-	30,473	-	-	20,430	212,724
29	8,037	2,682	1,350	36	83	48,699
9	4,538	9,118	428	12	20	31,623
-	-	10,709	-	-	-	53,845
28	13,780	2,510	1,299	35	60	52,674
-	21,393	2,882	-	-	-	57,546
<u>\$ 20,740</u>	<u>\$ 763,652</u>	<u>\$ 368,740</u>	<u>\$ 134,389</u>	<u>\$ 120,058</u>	<u>\$ 51,808</u>	<u>\$ 4,269,805</u>

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
CONSOLIDATED STATEMENTS OF CASH FLOWS
Years Ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 398,991	\$ 762,147
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Depreciation and amortization	80,650	48,699
Gain on sale of building	-	(771,817)
Net realized and unrealized (gains) losses on investments	(241,215)	292,699
(Increase) decrease in assets		
Accounts receivable	(23,215)	8,994
Prepaid expenses	(24,710)	(5,802)
Deferred compensation asset	(38,836)	(6,883)
Deposits	50,000	(47,850)
Increase (decrease) in liabilities		
Accounts payable	35,390	12,035
Accrued payroll	7,399	950
Accrued vacation	12,083	12,588
Deferred revenue	298,747	230,850
Deferred compensation liability	38,836	6,883
Net cash flows from operating activities	<u>594,120</u>	<u>543,493</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(1,544,368)	(162,693)
Proceeds from sale of property and equipment	-	992,164
Purchases of and interest retained in investments	(140,894)	(1,165,114)
Proceeds from sales of investments	<u>1,314,092</u>	<u>-</u>
Net cash flows from investing activities	<u>(371,170)</u>	<u>(335,643)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on finance lease liability	<u>(4,070)</u>	<u>(4,541)</u>
Change in cash	218,880	203,309
Cash at beginning of year	<u>941,316</u>	<u>738,007</u>
Cash at end of year	<u>\$ 1,160,196</u>	<u>\$ 941,316</u>
SUPPLEMENTAL CASH FLOW INFORMATION		
Cash paid for income taxes	\$ 35,612	\$ 52,675

See accompanying notes.

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
NOTES TO FINANCIAL STATEMENTS
December 31, 2023 and 2022

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.

Principles of Consolidation

The consolidated financial statements include the accounts of ANCOR and 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. ANCOR uses historical loss information based on the aging of accounts receivable as the basis to determine expected credit losses. Management believes the composition of accounts receivable is consistent with historical conditions and accounts receivable are expected to be settled within a relatively short time frame based on current conditions. As such, credit losses are expected to be insignificant.

Pledges Receivable

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

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
NOTES TO FINANCIAL STATEMENTS
December 31, 2023 and 2022

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments

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

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

Property and Equipment

ANCOR capitalizes all expenditures for property and equipment in excess of \$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, 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 members 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 recognized 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 FINANCIAL STATEMENTS
December 31, 2023 and 2022

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 and amortization, insurance, dues and subscriptions, and miscellaneous, which are allocated on the basis of estimates of time and effort.

Leases

ANCOR does not recognize short-term leases in the consolidated statements of financial position. For these leases, ANCOR recognizes the lease payments in the change in net assets on a straight-line basis over the lease term and variable lease payments in the period in which the obligation for those payments is incurred. ANCOR also does not separate nonlease components from lease components for all classes of underlying assets and instead accounts for each separate lease component and the nonlease components associated with that lease component as a single lease component. If the rate implicit in the lease is not readily determinable, ANCOR uses a risk-free rate as the discount rate for the lease for all classes of underlying assets.

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 20, 2024, the date which the financial statements were available to be issued.

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
NOTES TO FINANCIAL STATEMENTS
December 31, 2023 and 2022

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 times during the year, ANCOR’s cash balances exceed the FDIC Insurance amount. At December 31, 2023 and 2022, ANCOR’s uninsured cash balances total approximately \$575,000 and \$450,000, 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.

NOTE 4—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 \$1,027,000. Management does not expect any hotel agreement cancellations.

NOTE 5—INVESTMENTS

Investments consist of the following:

	2023	2022
Money market funds	\$ 581	\$ 1,918
Mutual funds	2,879,718	3,849,051
Exchange traded funds	189,952	151,265
Investments	\$ 3,070,251	\$ 4,002,234

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 6—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 4% of an employee’s annual compensation. ANCOR retirement plan expense for the years ended December 31, 2023 and 2022 totaled \$93,793 and \$52,007, respectively.

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
NOTES TO FINANCIAL STATEMENTS
December 31, 2023 and 2022

NOTE 6—RETIREMENT PLAN (continued)

Deferred Compensation Plans

ANCOR has established a nonqualified deferred compensation plan created for the benefit of its Chief Executive Officer, in accordance with section 457(b) and 457(f) of the Internal Revenue Code. ANCOR will make an annual discretionary contribution to the plans. For the years ended December 31, 2023 and 2022, \$35,000 and \$10,000, respectively, was contributed to the plans. At December 31, 2023 and 2022, the assets and liability associated with these plans was \$75,219 and \$36,383, respectively, and is included as deferred compensation in the accompanying consolidated statements of financial position.

NOTE 7—INCOME TAXES

Income taxes consisted of the following:

	2023	2022
Federal income tax	\$ 21,562	\$ 32,114
State income tax	6,161	9,175
Income taxes	\$ 27,723	\$ 41,289

NOTE 8—NET ASSETS

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

	2023	2022
Legacy Leader Circle	\$ -	\$ 3,575
National Advocacy Campaign	2,015	18,316
Diversity, Equity, and Inclusion	11,000	11,500
Net assets with donor restrictions	\$ 13,015	\$ 33,391

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
NOTES TO FINANCIAL STATEMENTS
December 31, 2023 and 2022

NOTE 9—LEASES

ANCOR had an operating lease agreement for office space that expired in August 2022. In February 2022, ANCOR entered into a financing lease agreement for a copier, which expires in January 2025. There are no variable lease components associated with ANCOR's leases.

The components of total lease cost are as follows:

	<u>2023</u>	<u>2022</u>
Finance lease cost		
Amortization of right-of-use asset	\$ 3,782	\$ 3,467
Interest on lease liability	61	90
Operating lease cost	<u>-</u>	<u>15,431</u>
Total lease cost	<u>\$ 3,843</u>	<u>\$ 18,988</u>

Other information related to financing leases is as follows:

	<u>2023</u>	<u>2022</u>
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from finance leases	\$ 64	\$ 83
Financing cash flows from finance leases	3,776	3,117
Right-of-use assets obtained in exchange for new finance lease liabilities	-	11,027
Weighted average remaining lease term		
Finance leases	1.08 years	2.08 years
Weighted average discount rate		
Finance leases	1.04%	1.04%

The maturities of financing leases as of December 31, 2023 are as follows:

Year ending December 31:	
2024	\$ 3,840
2025	<u>320</u>
Total minimum lease payments	4,160
Imputed interest	<u>(313)</u>
Total lease liabilities	<u>\$ 3,847</u>

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
NOTES TO FINANCIAL STATEMENTS
December 31, 2023 and 2022

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.

	2023	2022
Financial assets at end of year		
Cash	\$ 1,160,196	\$ 941,316
Accounts receivable	164,382	141,167
Investments	3,070,251	4,002,234
Deferred compensation asset	75,219	36,383
Total financial assets	4,470,048	5,121,100
Less amounts unavailable for general expenditures within one year:		
Restricted by donors with purpose restrictions	(13,015)	(33,391)
Designated by board of directors for ISE Public		
Investments held for long-term purposes	(1,662,405)	(1,390,624)
Deferred compensation liability	(75,219)	(36,383)
Financial assets available to meet cash needs for general expenditures within one year	\$ 2,794,628	\$ 3,697,085

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, 2023 and 2022, financial assets not available for general expenditures include \$1,662,405 and \$1,390,624, 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
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
December 31, 2023

	ANCOR	ANCOR Foundation	Eliminations	Consolidated Total
ASSETS				
CURRENT ASSETS				
Cash	\$ 811,256	\$ 348,940	\$ -	\$ 1,160,196
Accounts receivable	177,518	7,035	(20,171)	164,382
Prepaid expenses	125,483	-	-	125,483
Total current assets	1,114,257	355,975	(20,171)	1,450,061
PROPERTY AND EQUIPMENT				
Office condominium	1,472,900	-	-	1,472,900
Membership software	487,755	-	-	487,755
Website	326,454	5,850	-	332,304
Equipment	35,704	-	-	35,704
Property and equipment	2,322,813	5,850	-	2,328,663
Less accumulated depreciation	(574,559)	(5,850)	-	(580,409)
Property and equipment, net	1,748,254	-	-	1,748,254
OTHER ASSETS				
Investments	3,070,251	-	-	3,070,251
Finance lease right-of-use asset	4,098	-	-	4,098
Deferred compensation asset	75,219	-	-	75,219
Total assets	\$ 6,012,079	\$ 355,975	\$ (20,171)	\$ 6,347,883
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts payable	\$ 156,680	\$ 18,504	\$ (20,171)	\$ 155,013
Accrued payroll	37,326	-	-	37,326
Accrued vacation	91,550	-	-	91,550
Deferred revenue	1,272,798	25,392	-	1,298,190
Current portion of finance lease liability	3,549	-	-	3,549
Total current liabilities	1,561,903	43,896	(20,171)	1,585,628
LONG-TERM LIABILITIES				
Finance lease liability less current portion	298	-	-	298
Deferred compensation liability	75,219	-	-	75,219
Total liabilities	1,637,420	43,896	(20,171)	1,661,145
NET ASSETS				
Without donor restrictions	4,374,659	299,064	-	4,673,723
With donor restrictions	-	13,015	-	13,015
Total net assets	4,374,659	312,079	-	4,686,738
Total liabilities and net assets	\$ 6,012,079	\$ 355,975	\$ (20,171)	\$ 6,347,883

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
December 31, 2022

	ANCOR	ANCOR Foundation	Eliminations	Consolidated Total
ASSETS				
CURRENT ASSETS				
Cash	\$ 610,870	\$ 330,446	\$ -	\$ 941,316
Accounts receivable	141,532	4,905	(5,270)	141,167
Prepaid expenses	98,448	2,325	-	100,773
Total current assets	850,850	337,676	(5,270)	1,183,256
PROPERTY AND EQUIPMENT				
Membership software	423,516	-	-	423,516
Website	319,225	5,850	-	325,075
Equipment	35,704	-	-	35,704
Property and equipment	778,445	5,850	-	784,295
Less accumulated depreciation	(497,691)	(5,850)	-	(503,541)
Property and equipment, net	280,754	-	-	280,754
OTHER ASSETS				
Investments	4,002,234	-	-	4,002,234
Finance lease right-of-use asset	7,880	-	-	7,880
Deferred compensation asset	36,383	-	-	36,383
Deposits	50,000	-	-	50,000
Total assets	\$ 5,228,101	\$ 337,676	\$ (5,270)	\$ 5,560,507
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts payable	\$ 122,604	\$ 2,289	\$ (5,270)	\$ 119,623
Accrued payroll	29,927	-	-	29,927
Accrued vacation	79,467	-	-	79,467
Deferred revenue	997,233	2,210	-	999,443
Current portion of finance lease liability	3,840	-	-	3,840
Total current liabilities	1,233,071	4,499	(5,270)	1,232,300
LONG-TERM LIABILITIES				
Finance lease liability less current portion	4,077	-	-	4,077
Deferred compensation liability	36,383	-	-	36,383
Total liabilities	1,273,531	4,499	(5,270)	1,272,760
NET ASSETS				
Without donor restrictions	3,939,485	314,871	-	4,254,356
With donor restrictions	15,085	18,306	-	33,391
Total net assets	3,954,570	333,177	-	4,287,747
Total liabilities and net assets	\$ 5,228,101	\$ 337,676	\$ (5,270)	\$ 5,560,507

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
CONSOLIDATING SCHEDULE OF ACTIVITIES
Year Ended December 31, 2023

	ANCOR	ANCOR Foundation	Eliminations	Consolidated Totals
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS				
SUPPORT AND REVENUE				
Membership dues	\$ 3,019,056	\$ -	\$ -	\$ 3,019,056
Conferences and seminars	1,548,638	42,438	-	1,591,076
Contributions	42,976	66,811	(5,480)	104,307
Grant revenue	2,500	-	-	2,500
Investment return, net	382,111	57	-	382,168
Advertising	89,154	-	-	89,154
Service fees	20,000	-	(20,000)	-
Royalties	147,138	-	-	147,138
Miscellaneous	5,948	-	-	5,948
Publications	52,497	-	-	52,497
Total support and revenue	5,310,018	109,306	(25,480)	5,393,844
EXPENSES				
Grants and assistance	7,980	-	(5,480)	2,500
Personnel	2,637,704	-	-	2,637,704
Professional fees	684,468	79,228	(20,000)	743,696
Advertising	1,043	-	-	1,043
Office expenses	153,202	7,046	-	160,248
Information technology	529,091	1,035	-	530,126
Occupancy	122,090	-	-	122,090
Travel	146,060	704	-	146,764
Conferences and meetings	384,854	41,213	-	426,067
Depreciation and amortization	80,650	-	-	80,650
Insurance	25,399	-	-	25,399
Dues and subscriptions	63,088	-	-	63,088
Taxes	29,704	-	-	29,704
Miscellaneous	24,596	1,678	-	26,274
Total expenses	4,889,929	130,904	(25,480)	4,995,353
NET ASSETS RESRELEASED FROM RESTRICTIONS				
Satisfaction of purpose restrictions	15,085	5,791	-	20,876
Change in net assets without donor restrictions	435,174	(15,807)	-	419,367
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS				
Contributions	-	500	-	500
Satisfaction of purpose restrictions	(15,085)	(5,791)	-	(20,876)
Change in net assets with donor restrictions	(15,085)	(5,291)	-	(20,376)
Change in net assets	420,089	(21,098)	-	398,991
Net assets at beginning of year	3,954,570	333,177	-	4,287,747
Net assets at end of year	\$ 4,374,659	\$ 312,079	\$ -	\$ 4,686,738

AMERICAN NETWORK OF COMMUNITY OPTIONS AND RESOURCES
CONSOLIDATING SCHEDULE OF ACTIVITIES
Year Ended December 31, 2022

	ANCOR	ANCOR Foundation	Eliminations	Consolidated Total
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS				
SUPPORT AND REVENUE				
Membership dues	\$ 2,779,429	\$ -	\$ -	\$ 2,779,429
Affinity programs	-	-	-	-
Conferences and seminars	1,264,950	-	-	1,264,950
Contributions	9,018	50,406	(4,193)	55,231
Grant revenue	118,117	-	-	118,117
Investment return, net	(223,668)	57	-	(223,611)
Advertising	108,472	-	-	108,472
Royalties	120,242	-	-	120,242
Miscellaneous	248	-	-	248
Publications	3,650	-	-	3,650
Total support and revenue	4,180,458	50,463	(4,193)	4,226,728
EXPENSES				
Grants and assistance	32,127	8,333	-	40,460
Personnel	2,313,885	-	-	2,313,885
Professional fees	709,516	41,907	(4,193)	747,230
Advertising	7,850	-	-	7,850
Office expenses	117,258	2,211	-	119,469
Information technology	404,614	3,181	-	407,795
Occupancy	47,940	-	-	47,940
Travel	127,315	750	-	128,065
Conferences and meetings	180,275	32,449	-	212,724
Depreciation and amortization	48,309	390	-	48,699
Insurance	31,623	-	-	31,623
Dues and subscriptions	53,845	-	-	53,845
Taxes	52,674	-	-	52,674
Miscellaneous	53,581	3,965	-	57,546
Total expenses	4,180,812	93,186	(4,193)	4,269,805
NET ASSETS RESLEASSED FROM RESTRICTIONS				
Satisfaction of purpose restrictions	27,984	49,452	-	77,436
Change in net assets without donor restrictions	27,630	6,729	-	34,359
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS				
Contributions	-	33,407	-	33,407
Satisfaction of purpose restrictions	(27,984)	(49,452)	-	(77,436)
Change in net assets with donor restrictions	(27,984)	(16,045)	-	(44,029)
OTHER CHANGES				
Gain on sale of building	771,817	-	-	771,817
Change in net assets	771,463	(9,316)	-	762,147
Net assets at beginning of year	3,183,107	342,493	-	3,525,600
Net assets at end of year	\$ 3,954,570	\$ 333,177	\$ -	\$ 4,287,747