
Be An Angel Fund, Inc.

August 31, 2016



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Be An Angel Fund, Inc.:

We have audited the accompanying financial statements of Be An Angel Fund, Inc. (a nonprofit organization), which comprise the statement of financial position as of August 31, 2016, and the related statements of activities, cash flows, and functional expenses for the year 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 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 assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

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 Be An Angel Fund, Inc. as of August 31, 2016, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Brooks Cardiel, PLLC

BrooksCardiel, PLLC
Certified Public Accountants
The Woodlands, Texas
March 28, 2017

Be An Angel Fund, Inc.
STATEMENT OF FINANCIAL POSITION
August 31, 2016

ASSETS	
Cash and cash equivalents	\$ 135,950
Pledges receivable	53,201
TOTAL CURRENT ASSETS	189,151
Property, land, & equipment	158,892
Less: Accumulated depreciation	(133,463)
Property, land, & equipment, net	25,429
TOTAL ASSETS	\$ 214,580
NET ASSETS	
Unrestricted	192,324
Temporarily restricted	22,256
TOTAL NET ASSETS	214,580
TOTAL LIABILITIES AND NET ASSETS	\$ 214,580

The accompanying notes are an integral part of these financial statements.

Be An Angel Fund, Inc.

STATEMENT OF ACTIVITIES

For the Year Ended August 31, 2016

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUES AND SUPPORT			
Christmas program	\$ 472,092	\$ -	\$ 472,092
Donations	516,300	116,562	632,862
In-kind donations	-	63,444	63,444
Golf tournaments	31,700	-	31,700
Other fundraisers	135,923	-	135,923
Partnership	10,607	-	10,607
All Ears!	-	54,901	54,901
SUCCESS Golf	-	70,000	70,000
American Sign Language	-	2,200	2,200
Interest	9	-	9
Other Income	58	-	58
TOTAL REVENUE	<u>1,166,689</u>	<u>307,107</u>	<u>1,473,796</u>
EXPENSES			
Program services	843,063	288,936	1,131,999
Management and general	158,811	-	158,811
Fundraising	243,585	-	243,585
TOTAL EXPENSES	<u>1,245,459</u>	<u>288,936</u>	<u>1,534,395</u>
Increase (decrease) in net assets	(78,770)	18,171	(60,599)
Net assets, beginning of year	<u>271,094</u>	<u>4,085</u>	<u>275,179</u>
Net assets, end of year	<u>\$ 192,324</u>	<u>\$ 22,256</u>	<u>\$ 214,580</u>

The accompanying notes are an integral part of these financial statements.

Be An Angel Fund, Inc.

STATEMENT OF CASH FLOWS

For the Year Ended August 31, 2016

CASH FLOWS FROM OPERATING ACTIVITIES	
Decrease in net assets	\$ (60,599)
Adjustments to reconcile increase in net assets to net cash used for operating activities:	
Depreciation	6,750
Change in assets and liabilities:	
Pledges receivable	(42,201)
Net cash used by operating activities	<u>(96,050)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(96,050)
Cash and cash equivalents, beginning of period	232,000
Cash and cash equivalents, end of period	<u>\$ 135,950</u>

The accompanying notes are an integral part of these financial statements.

Be An Angel Fund, Inc.

STATEMENT OF FUNCTIONAL EXPENSES (Page 1 of 3)

For the Year Ended August 31, 2016

	Camp Be An Angel	Snowday	Christmas Programs	Respite
Salaries & Payroll Taxes	\$ -	-	-	-
Playgrounds	-	-	-	-
Individual Requests	-	-	18,317	-
International	-	-	-	-
Hearing Aid Program	-	-	-	-
Toys	-	10,192	239,193	-
In-Kind	-	-	49,905	-
Student Activities	57,106	-	-	-
Equipment & Maintenance	-	-	-	-
Materials & Supplies	14,595	-	4,787	-
Advertising / Pub. Awareness	-	-	-	-
Contract Labor	-	-	408	80,009
Telephone & Internet	-	-	-	-
Insurance - General	-	-	-	-
Office & Postage	-	-	7,052	-
Awards & Appreciation	-	-	15,750	-
Meetings & Dues	-	-	-	-
Travel & Transportation	-	-	397	-
Delivery	-	-	-	-
Other	-	-	2,919	-
Professional services	-	-	-	-
Entertainment	-	-	-	-
Storage and rent	-	-	-	-
Depreciation	-	-	-	-
Bank service charge	-	-	-	-
TOTAL EXPENSES	<u>\$ 71,701</u>	<u>10,192</u>	<u>338,728</u>	<u>80,009</u>

The accompanying notes are an integral part of these financial statements.

Be An Angel Fund, Inc.

STATEMENT OF FUNCTIONAL EXPENSES (Page 2 of 3)

For the Year Ended August 31, 2016

	SUCCESS				Total Programs
	Child/Family Assistance	Institutional Assistance	Golf Program	Other	
Salaries & Payroll Taxes	\$ -	-	-	184,136	\$ 184,136
Playgrounds	-	33,613	-	-	33,613
Individual Requests	69,405	-	-	-	87,722
International	78,824	-	-	-	78,824
Hearing Aid Program	128,017	-	-	-	128,017
Toys	-	-	-	-	249,385
In-Kind	-	-	-	-	49,905
Student Activities	-	-	-	-	57,106
Equipment & Maintenance	-	-	4,695	3,533	8,228
Materials & Supplies	-	-	39	1,083	20,504
Advertising / Pub. Awareness	-	-	92	52,276	52,368
Contract Labor	-	-	12,831	-	93,248
Telephone & Internet	-	-	-	4,549	4,549
Insurance - General	-	-	-	9,784	9,784
Office & Postage	-	-	-	1,640	8,692
Awards & Appreciation	-	-	-	-	15,750
Meetings & Dues	-	-	-	140	140
Travel & Transportation	-	-	17,317	13,748	31,462
Delivery	-	-	-	39	39
Other	-	-	12,113	387	15,419
Professional services	-	-	-	-	-
Entertainment	-	-	-	-	-
Storage and rent	-	-	3,108	-	3,108
Depreciation	-	-	-	-	-
Bank service charge	-	-	-	-	-
TOTAL EXPENSES	<u>\$ 276,246</u>	<u>33,613</u>	<u>50,195</u>	<u>271,315</u>	<u>\$ 1,131,999</u>

The accompanying notes are an integral part of these financial statements.

Be An Angel Fund, Inc.

STATEMENT OF FUNCTIONAL EXPENSES (Page 3 of 3)

For the Year Ended August 31, 2016

	Total Programs	Fundraising	Management & General	Total
Salaries & Payroll Taxes	\$ 184,136	\$ 102,672	\$ 68,160	\$ 354,968
Playgrounds	33,613	-	-	33,613
Individual Requests	87,722	-	-	87,722
International	78,824	-	-	78,824
Hearing Aid Program	128,017	-	-	128,017
Toys	249,385	-	-	249,385
In-Kind	49,905	-	13,200	63,105
Student Activities	57,106	-	-	57,106
Equipment & Maintenance	8,228	-	6,677	14,905
Materials & Supplies	20,504	32,454	3,362	56,320
Advertising / Pub. Awareness	52,368	-	-	52,368
Contract Labor	93,248	-	-	93,248
Telephone & Internet	4,549	-	2,818	7,367
Insurance - General	9,784	-	11,992	21,776
Office & Postage	8,692	6,996	9,243	24,931
Awards & Appreciation	15,750	7,605	4,860	28,215
Meetings & Dues	140	-	3,997	4,137
Travel & Transportation	31,462	5,857	949	38,268
Delivery	39	-	29	68
Other	15,419	2,265	5,996	23,680
Professional services	-	22,919	10,385	33,304
Entertainment	-	56,714	-	56,714
Storage and rent	3,108	-	-	3,108
Depreciation	-	-	6,750	6,750
Bank service charge	-	6,103	10,393	16,496
TOTAL EXPENSES	<u>\$ 1,131,999</u>	<u>\$ 243,585</u>	<u>\$ 158,811</u>	<u>\$ 1,534,395</u>

The accompanying notes are an integral part of these financial statements.

Be An Angel Fund, Inc.
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended August 31, 2016

ORGANIZATION AND PURPOSE

Be An Angel Fund, Inc. (Organization) is a 501(c)3 nonprofit corporation founded in 1986 and incorporated in October 1988 for the purpose of improving the quality of life for children living in the Houston, Dallas and Fort Worth metropolitan areas who have multiple disabilities or profound deafness by providing to these children and their families adaptive equipment and support services.

These services include:

- Institutional Programs: Providing barrier free playgrounds, hydrotherapy pool and sensory rooms enabling special children the ongoing development and experiences that their bodies need.
- Individual Programs: Providing motorized wheelchairs, hearing aids, nutritional supplements, medical tricycles, automobile lifts, medical strollers, and other miscellaneous medical equipment.
- Activities: Offering weekend family camping retreat designed to allow entire family to enjoy their time spent together.
- Respite Care: Offering day care with trained staff so that family care givers can work and their children can continue their development outside of normal school hours, including summer.
- Christmas Program: Providing 4,731 disabled children from low-income homes with Christmas Gifts.
- Snow Day Program: Creating a winter wonderland for disabled and profoundly deaf children with the help of over 60 tons of snow, a signing Santa, petting zoo and train rides at T. H. Rogers School and K-4 graders in the Aldine ISD MO Campbell Building.
- Students Undertaking Challenging Courses Ensuring development of Sportsmanship and Skill (SUCCESS) Golf Program: Promoting healthy exercise, increasing cognitive development, and converting fun skills to life skills and more through an original 9-hole mobile golf course.

The Organization is governed by a volunteer Board of Directors and generates income and revenue through individual and corporate donations and grants.

BASIS OF PRESENTATION

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Be An Angel Fund, Inc.
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended August 31, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount 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 periods. Actual results could differ from those estimates.

Net Assets Classification

Net assets, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization represent the difference between assets and liabilities and changes therein are classified and reported as follows:

Unrestricted net assets – Include those assets over which the Board of Directors has discretionary control in carrying out the operations of the Organization.

Temporarily restricted net assets – Net assets subject to donor-imposed restrictions that will be met either by actions of the Organization and/or the passage of time. When donor-stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently restricted net assets – Net assets that are subject to donor-imposed restrictions that specify assets are donated to be invested to provide a permanent source of income. There were no permanently restricted assets as of August 31, 2016.

During the reporting period, the Organization had only unrestricted and temporarily restricted net assets. Temporarily restricted net assets as of August 31, 2016, relate to contributions for which the funds have not yet been spent for the purpose designated by the donor.

Budgetary Control

The Organization has established its fiscal year as the twelve-month period beginning September 1. The Organization's Executive Director and Board of Directors estimate expenditures for the ensuing fiscal year after which the Board of Directors Treasurer submits a budget of estimated expenditures and revenues to the entire Board for review and discussion.

Be An Angel Fund, Inc.
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended August 31, 2016

The budget is then authorized by a motion and majority vote of the Board. The Board is authorized to transfer budgeted amounts between line items; however, any revisions that alter the total expenditures of the budget must be approved by the Board. Budgeted amounts are as originally adopted or as amended by the Board.

Revenue Recognition

Contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support depending on the existence and/or nature of any donor restrictions. Unrestricted contributions, grants, and donor bequests and donor-restricted contributions, grants, and donor bequests to the Organization are recorded as revenue.

Nonreciprocal revenues or contributions are reported as increases in unrestricted net assets unless their use is limited by donor-imposed restrictions or conditions. Expiration of donor-imposed restrictions (i.e., the donor-stipulated purpose has been satisfied) is reported as satisfaction of program restrictions. The Organization reports donations as unrestricted revenue when the donor does not restrict its use as well as when the donor's restrictions are met in the same reporting period.

Support that is restricted by the donor is reported as an increase in temporarily restricted or permanently restricted net assets in the reporting period in which the support is recognized. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

When donor-restricted funds are expended, they are either capitalized or expensed, whichever is applicable. Estimates of completion are based on judgments by management and the donor. Those judgments are based on specific requirements of the donor agreements and the amount of work completed. Revenue which is earned but not billed is reported as accounts receivable on the statement of financial position. Advance payments from donors are classified as deferred revenue and recognized as revenue upon the expenditure of allowable costs or completion of the various stages of the studies.

Cash and Cash Equivalents

The Organization considers all cash on hand, demand bank deposits, and highly liquid investments available for current use with an initial maturity of three months or less when purchased to be defined as cash and cash equivalents.

Be An Angel Fund, Inc.
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended August 31, 2016

Custodial Credit Risk

Financial instruments which potentially subject the Organization to credit risk include cash and cash equivalents and pledges receivable. In the case of bank deposits, custodial credit risk is the risk that in the event of a bank failure, the Organization's bank deposits, whose balances exceed the insurance coverage guaranteed by the Federal Deposit Insurance Corporation (FDIC), which was \$250,000 for 2016, may not be returned to it. From time to time during the year, the Organization's cash balances exceeded this FDIC limit. The Organization has not experienced any losses and management believes it is not exposed to any significant custodial credit risk on cash.

Donated Materials and Services

Donated materials and equipment are reflected as contributions in the accompanying statements at their estimated values at date of receipt. Such donations are reported as unrestricted support unless the donor has restricted the donated assets to a specific purpose. The Organization recognizes donated services that create or enhance non-financial assets or that require specialized skills and are provided by individuals possessing those skills, and would typically need to be purchased, if not provided by donation. The value of other donated services is not reflected in the accompanying financial statements since there is no objective basis available by which to measure the value of such services. However, a substantial number of volunteers, including the Board of Directors, have donated significant amounts of their time in the Organization's efforts.

Functional Expenses

The Organization presents its expenses according to their functional classification on the statement of activities. Functional expenses presented include program services, which encompass expenses related to the fulfillment of the purpose, and mission for which the Organization exists, and supporting services and administration, which include all activities not considered program services. General management and fundraising activities are considered supporting services.

The statement of functional expenses presents the Organization's expenses in further detail, displaying expenses according to both functional classification and account.

Pledges Receivable

Pledges receivable arise in the normal course of business and are stated at the amount the Organization expects to collect from balances outstanding at year-end. It is the policy of management to review the outstanding accounts receivable at year-end, as well as the bad debt

Be An Angel Fund, Inc.
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended August 31, 2016

write-offs experienced in the past, and establish an allowance for doubtful accounts. Based on the Organization's assessment of the credit history with customers having outstanding balances and current relationships with them, it has concluded that realization losses on balances outstanding at year-end will be immaterial, and as such, no allowance for doubtful accounts was determined necessary by management at August 31, 2016.

Compensated Absences

Employees of the Organization are entitled to paid vacation, paid sick days and paid personal days off. None of these benefits vest or accrue, and cannot be carried forward if unused at the end of each year. As such, no liability for compensated absences has been established.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and did not conduct unrelated business activities. Therefore, the Organization has made no provision for federal income taxes in the accompanying financial statements.

Fixed Assets and Depreciation

All asset purchases are recorded at cost when purchased. The Organization defines assets with a life of over one year and a cost of over \$500 as fixed assets that are to be capitalized and depreciated. Donated assets are recorded at fair market value on the date acquired. The costs of normal repairs and maintenance that do not add to the value of the asset or materially extend the asset's life are not capitalized.

Depreciation has been calculated based on the asset's estimated useful life for each class of depreciable property using the straight-line method as follows:

Building & improvements	25 years
Other equipment & vehicle	3 - 5 years
Furniture & office equipment	3 - 5 years

Be An Angel Fund, Inc.
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended August 31, 2016

NOTE 2 - TEMPORARILY RESTRICTED NET ASSETS

The balance of temporarily restricted net assets of \$22,256 is available as of August 31, 2016 for use as directed. This balance is designated as follows:

Purpose	Amount Restricted
Success Golf	\$ 19,806
American Sign Language	2,200
Playgrounds	250
TOTAL	\$ 22,256

There was \$288,936 of net assets released from donor restriction during the year ended August 31, 2016, by incurring expenses to satisfy the purpose of the restriction, by the passage of time, or by the occurrence of other specific events.

NOTE 3 - OFFICE FACILITIES

During the year ended August 31, 2009, the Organization purchased a portable building for use as an office. The total cost was \$74,471. Aldine Independent School District provides space for the building at no charge. Certain schools and students in the Aldine Independent School District are beneficiaries of some of the Organization's programs. For the year ended August 31, 2016, \$13,200 has been recorded as in-kind contributions for rent and utilities.

NOTE 4 - FIXED ASSETS

A detail of the Organization's fixed assets costs and related accumulated depreciation expense as of August 31, 2016, is as follows:

Land	\$ 780
Building	74,471
Furniture and office equipment	49,668
Other equipment and vehicle	<u>33,973</u>
Total Fixed Assets	<u>158,892</u>
Less Accumulated Depreciation	<u>(133,463)</u>
Net Fixed Assets	<u>\$ 25,429</u>

Depreciation expense was \$6,750 for the year ended August 31, 2016.

Be An Angel Fund, Inc.
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended August 31, 2016

NOTE 5 – ADVERTISING

The Organization expenses advertising costs as incurred. Advertising expense incurred for the year ended August 31, 2016 was \$52,369.

NOTE 6 - RETIREMENT PLAN

The Organization has a SIMPLE Individual Retirement Account Retirement Plan (SIMPLE IRA) for its employees. A SIMPLE IRA plan is an IRA-based plan that gives small employers (no more than 100 employees who earned \$5,000 or more in compensation) a simplified method to make contributions toward their employees' retirement and their own retirement. Under a SIMPLE IRA plan, employees may choose to make salary reduction contributions and the employer makes matching or non-elective contributions. All contributions are made directly to an Individual Retirement Account or Individual Retirement Annuity set up for each employee. The Organization does not direct the investments. SIMPLE IRA plans are maintained on a calendar-year basis.

NOTE 7 - INCOME TAX STATUS

The Organization applied for and received a tax determination letter from the Internal Revenue Service, which exempted the Organization from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization did not conduct unrelated business activities. The Organization is not required to pay income taxes and has made no provision for federal income taxes in the accompanying financial statements. The Organization's federal tax returns are subject to examination by the Internal Revenue Service, generally for three years after they were filed.

Support and donations received are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization has been classified as an organization not organized for profit but operated exclusively for the promotion of the social welfare of the individuals served and the net earnings of which are devoted exclusively to charitable, educational, or recreational purposes.

NOTE 8 - ENDOWMENT

In March 2013, the Board established the "Be An Angel Foundation, Inc." (Foundation). The Foundation currently has no by-laws, no investments, and no governing body, although certain members of the Organization's Board are listed as the Foundation's officers on tax filings. The purpose for the formation of the Foundation is to use unrestricted or designated cash balances for future related programs and to offset expenses of the Organization.

Be An Angel Fund, Inc.
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended August 31, 2016

NOTE 9 - RISK MANAGEMENT

The Organization is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; personal injury and death; and natural disasters for which the Organization purchases commercial insurance. The Organization has no additional risk or responsibility outside of the payment of insurance premiums. The Organization has not significantly reduced insurance coverage or had settlements that exceeded coverage amounts for the past several years.

The Organization owns and operates a motor vehicle and may provide such vehicle to certain employees for business use during the course and scope of their employment. The Organization is insured as to its own property losses, and the liability of loss to others.

NOTE 10 - COMMITMENTS AND CONCENTRATIONS

As of August 31, 2016, \$50,000 out of the total accounts receivable of \$53,201 was owed from one organization. This represented a material concentration to the Organization. The Organization had no other material concentrations during the year ended August 31, 2016. The Organization is dependent on business and individual's donations to continue as a going concern.

The Organization has entered into various contractual relationships with outside consultants and organizations to provide administrative services, program services, and certain other operational tasks.

NOTE 11 - CONTINGENT LIABILITIES

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends, including frequency and amount of payouts, and other economic and social factors. No claim liabilities are reported at year end.

The Organization participates in grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs may be subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Organization had not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable may be impaired. In the opinion of Organization's management, there are no significant contingent

Be An Angel Fund, Inc.
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended August 31, 2016

liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying basic financial statements for such contingencies.

The Organization receives contributions with donor-imposed restrictions as to use. In the opinion of Organization's management, there are no significant contingent liabilities relating to noncompliance with the restrictions governing these contributions; therefore, no provision has been recorded in the accompanying basic financial statements for such contingencies.

NOTE 12 – RELATED PARTIES

A company that a board member, Texas Lt. Gov. Dan Patrick, has an ownership interest in donated public service announcements in connection with the Organization's annual Christmas fundraising drive and golf tournament. The fair value of this donation was recorded as in-kind revenue and expense for \$5,040. The Organization does not have any commitments from the aforementioned contributors to continue such activities in the future.

The Organization commonly receives donations from directors, employees, and affiliated businesses. No donations represented a material concentration to the Organization for the year ended August 31, 2016.

NOTE 13 - SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the statement of financial position date but before financial statements are issued. The Organization recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the statement of financial position, including the estimates inherent in the process of preparing the financial statements. The Organization's financial statements do not recognize subsequent events that provide evidenced about conditions that did not exist at the date of the statement of financial position but arose after the statement of financial position date and before financial statements are available to be issued.

There were no subsequent events through March 28, 2017, the date the financial statements were available to be issued.