

AVANCE- AUSTIN, INC.
(A Texas Nonprofit Organization)

Financial Statements and
Independent Auditor's Report

Years Ended June 30, 2017 and 2016

AVANCE- AUSTIN, INC.
(A Texas Nonprofit Organization)

JUNE 30, 2017 AND 2016

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
AVANCE- Austin, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of AVANCE- Austin, Inc. (AVANCE- Austin), a Texas nonprofit organization, which comprise the statement of financial position as of June 30, 2017 and 2016, and the related 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.

Auditors' 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 of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of AVANCE- Austin as of June 30, 2017 and 2016, 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.

Other Matters

Supplementary and Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules of revenues, expenses, and changes in net assets by program for the years ended June 30, 2017 and 2016 as listed in the table of contents on pages 17-20, 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.



Houston, Texas
December 19, 2017

AVANCE- AUSTIN, INC.
(A Texas Nonprofit Organization)

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2017 AND 2016

ASSETS:	<u>2017</u>	<u>2016</u>
Cash & cash equivalents	\$ 263,012	\$ 208,164
Grants receivable and reimbursable grant expenses	165,795	158,327
Other receivables and deposits	10,903	3,785
Prepaid items	4,000	10,000
Due from affiliate	176	-
Property and equipment, net	<u>3,020</u>	<u>4,530</u>
TOTAL ASSETS	<u><u>\$ 446,906</u></u>	<u><u>\$ 384,806</u></u>
LIABILITIES AND NET ASSETS:		
Liabilities		
Accounts payable and accrued expenses	\$ 28,148	\$ 25,163
Due to affiliate	<u>2,000</u>	<u>-</u>
TOTAL LIABILITIES	<u>30,148</u>	<u>25,163</u>
Net Assets		
Unrestricted	282,651	273,198
Temporarily restricted	<u>134,107</u>	<u>86,445</u>
TOTAL NET ASSETS	<u>416,758</u>	<u>359,643</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u><u>\$ 446,906</u></u>	 <u><u>\$ 384,806</u></u>

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

AVANCE- AUSTIN, INC.
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STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	2017	2016
Change in Unrestricted Net Assets		
Revenue and Other Support		
State and local grants	\$ 347,172	\$ 343,751
Contributions and other support:		
Contributions and other support	193,982	216,648
United Way	150,000	74,000
Fundraising events, net of direct expenses	124,749	100,527
In-kind	192,134	200,447
Interest	22	-
Total Revenue and Other Support Before Net Assets Released	1,008,059	935,373
Net assets released from restrictions	66,445	48,455
Total Revenue and Other Support	1,074,504	983,828
Expenses		
Program services	804,325	740,364
Supporting services:		
General and administrative	110,761	140,674
Fundraising	149,965	72,977
Total Expenses	1,065,051	954,015
Change in Unrestricted Net Assets	9,453	29,813
Change in Temporarily Restricted Net Assets		
Grants and contributions	114,107	80,445
Net assets released from restrictions	(66,445)	(48,455)
Change in Temporarily Restricted Net Assets	47,662	31,990
Change in Net Assets	57,115	61,803
NET ASSETS, BEGINNING OF YEAR	359,643	297,840
NET ASSETS, END OF YEAR	\$ 416,758	\$ 359,643

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

AVANCE- AUSTIN, INC.
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STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2017

	Program Services	Supporting Services		Total
		General and Administrative	Fundraising	
Salaries	\$ 390,695	\$ 50,063	\$ 81,513	\$ 522,271
Employee benefits	66,079	7,486	4,827	78,392
Payroll taxes	45,278	4,619	8,810	58,707
Professional fees	9,570	28,022	4,459	42,051
Supplies	15,176	1,211	-	16,387
Donated supplies	6,400	-	-	6,400
Telephone/fax/internet	1,741	300	-	2,041
Postage/shipping	69	268	310	647
Occupancy	38,487	9,596	-	48,083
Donated use of facilities	185,734	-	-	185,734
Rental/maintenance of equipment	5,699	324	-	6,023
Travel	1,776	595	11	2,382
Transportation	3,579	-	-	3,579
Client fees	2,295	-	-	2,295
Conferences and meetings	75	2,350	540	2,965
Staff development	1,707	167	30	1,904
Membership fees	-	1,333	-	1,333
Insurance	5,091	539	-	5,630
Interest	-	1,740	-	1,740
Miscellaneous	9	1,915	-	1,924
Capital assets	3,479	-	-	3,479
Affiliation fees	19,876	233	-	20,109
Total expenses before depreciation	802,815	110,761	149,965	1,063,541
Depreciation	1,510	-	-	1,510
TOTAL EXPENSES	\$ 804,325	\$ 110,761	\$ 149,965	\$ 1,065,051

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

AVANCE- AUSTIN, INC.
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STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2016

	Program Services	Supporting Services		Total
		General and Administrative	Fundraising	
Salaries	\$ 326,306	\$ 71,824	\$ 52,179	\$ 450,309
Employee benefits	49,439	8,022	5,953	63,414
Payroll taxes	41,198	6,852	6,033	54,083
Professional fees	10,308	29,962	6,725	46,995
Donated professional services	526	-	-	526
Supplies	33,286	938	41	34,265
Donated supplies	12,000	-	-	12,000
Telephone/fax/internet	1,585	600	-	2,185
Postage/shipping	1,276	363	1,214	2,853
Occupancy	29,108	12,174	-	41,282
Donated use of facilities	187,921	-	-	187,921
Rental/maintenance of equipment	4,832	761	-	5,593
Printing/publications	1,146	495	73	1,714
Travel	815	280	-	1,095
Transportation	5,477	-	-	5,477
Client fees	2,090	-	-	2,090
Conferences and meetings	57	2,828	48	2,933
Staff development	2,200	635	136	2,971
Membership fees	670	761	575	2,006
Insurance	5,757	-	-	5,757
Interest	-	3,066	-	3,066
Miscellaneous	6	576	-	582
Capital assets	5,227	537	-	5,764
Affiliation fees	17,624	-	-	17,624
Total expenses before depreciation	738,854	140,674	72,977	952,505
Depreciation	1,510	-	-	1,510
TOTAL EXPENSES	\$ 740,364	\$ 140,674	\$ 72,977	\$ 954,015

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

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STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 57,115	\$ 61,803
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	1,510	1,510
Changes in:		
Grants receivable and reimbursable grant expenses	(7,468)	(107,839)
Other receivables and deposits	(7,118)	(3,050)
Prepaid items	6,000	(10,000)
Due from affiliate	(176)	13,118
Accounts payable and accrued expenses	2,985	4,732
Due to affiliate	2,000	-
Total adjustments	(2,267)	(101,529)
Net cash (used in)/provided by operating activities	54,848	(39,726)
NET (DECREASE)/INCREASE IN CASH	54,848	(39,726)
CASH, BEGINNING OF YEAR	208,164	247,890
CASH, END OF YEAR	\$ 263,012	\$ 208,164

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

AVANCE- AUSTIN, INC.
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

NOTE 1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Business

AVANCE- Austin, Inc. (AVANCE- Austin) was established in 1998 and operates as a nonprofit organization, providing educational programs for parents and children. It is a chapter of AVANCE, Inc.

AVANCE- Austin, which operates in Austin, Texas, receives a substantial portion of its financial support from state and local government entities as well as from private sources.

A summary of the significant accounting policies followed by AVANCE- Austin in preparation of the accompanying financial statements is set forth below.

Basis of Accounting

The financial statements of AVANCE- Austin have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Cash and Cash Equivalents

AVANCE- Austin considers all instruments with an original maturity of three months or less to be cash equivalents. The carrying value of cash approximates fair value because of the short maturities of those financial instruments. AVANCE- Austin had cash equivalents of \$19,881 and \$0 at June 30, 2017 or 2016, respectively.

Grants and Reimbursable Grant Expense Receivables

Reimbursements from government grants are recorded as receivables and revenue when the expenses are incurred, and represent pending reimbursements of program expenses. An allowance has not been established for grants receivable and reimbursable grants expense as it is management's opinion that losses, if incurred, would not materially affect the consolidated financial statements.

Pledges Receivable

Unconditional promises to give are recorded at net realizable value. An allowance is made for uncollectible pledges based upon management's judgment and an analysis of the creditworthiness of the donors, past collection experience, and other relevant factors.

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FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

Property and Equipment

Property and equipment are stated at cost if purchased, or at fair market value if donated. Depreciation is calculated on the straight-line method over the following estimated useful lives:

Property & Equipment	Useful Life
Vehicles	5 years
Office furniture and equipment	5 years

Fixed assets of \$5,000 or more are capitalized as property and equipment. Maintenance and repair costs are charged to operations when incurred.

Financial Statement Presentation

AVANCE- Austin's financial statements are presented in accordance with Financial Accounting Standards Board's (FASB) Accounting Standard Codification (ASC) Topic 958-205, *Not-for-Profit Entities-Presentation of Financial Statements*. Under FASB ASC Topic 958-205, AVANCE- Austin is to report information regarding its financial position and activities according to three classes of net assets as defined below:

Unrestricted (including Board-Designated Funds) – Portion of the net assets that is not subject to donor-imposed restrictions.

Temporarily Restricted – Portion of the net assets that is subject to donor- imposed purpose and/or time restrictions. When the restriction is met, the temporarily restricted net assets are reclassified as unrestricted net assets.

Permanently Restricted – The portion of net assets resulting from contributions and other inflows of assets whose use by AVANCE-Austin is limited by donor-imposed stipulations that neither expire by the passage of time, nor can be fulfilled or otherwise removed by actions of AVANCE- Austin. As of June 30, 2017 and 2016, AVANCE- Austin had no permanently restricted net assets.

Additionally, AVANCE- Austin is also required under FASB ASC Topic 958-205 to present statements of activities, statements of functional expenses, and statements of cash flows.

Revenue Recognition

Generally, grants are recognized as revenues when earned. Grants that operate on a reimbursement basis are recognized on the accrual basis as revenues only to the extent of disbursements and commitments that are allowable for reimbursement. Revenues from contributions, donations and other sources are recognized as unrestricted or temporarily restricted revenues when received or unconditionally promised by a third party. Revenues from special events are recognized when the events are held. Interest income is recognized when

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FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

earned based on the passage of time. Program income and other income are recognized when received. Conditional promises to give cash or other assets are not recognized until received.

Contributions Received – Cash and other assets are reported as temporarily restricted support if received with donor stipulations that limit the use of the contributed assets. Contributions that are restricted by the donor are reported as increases in unrestricted net assets 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. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Consolidated Statements of Activities and Changes in Net Assets as net assets released from restrictions.

Contributed Facilities – Contributed facilities, when susceptible to objective measurement and valuation, are recorded as support and expense at estimated fair rental value in the period in which the facilities are used.

Reimbursement Grants – Reimbursement grants are classified as revenue from fees for service in the period in which the service was provided. The effect of this accounting treatment is to include this type of government grant revenue as unrestricted revenue, as grant expenses are incurred. Revenue in excess of period expenses (if any) is classified as deferred revenue on the Consolidated Statements of Financial Position.

Allowance for Uncollectible Receivables

AVANCE- Austin uses the allowance method to determine uncollectible receivables. The allowance is based on management's experience and analysis of receivables. Receivables are considered impaired if full principal payments are not received in accordance with the contract terms. It is AVANCE- Austin's policy to charge off uncollectible accounts receivable against allowances when management determines the receivable will not be collected. Management considers receivables at June 30, 2017 and 2016 to be fully collectible. Accordingly, no allowances for delinquent receivables were made in the accompanying financial statements.

Federal Income Taxes

AVANCE- Austin is exempt from federal income taxes pursuant to provisions of Section 501(c)(6) and 501(c)(3), respectively, of the Internal Revenue Code (the "Code"). AVANCE- Austin adopted the provisions of ASC 740-10, *Income Taxes*, which require recognition and disclosure of uncertain tax positions in the financial statements. Under ASC 740-10, an organization must recognize the tax benefit associated with tax positions taken for tax return purposes when it is more-likely-than-not that the position will be sustained. The implementation of ASC 740-10 had no impact on AVANCE- Austin's financial statements. AVANCE- Austin's management believes that it has appropriate support for any tax positions taken and that it has no material uncertain tax positions. Accordingly, it will not recognize any related liability. For the years ended June 30, 2017 or 2016, AVANCE- Austin did not recognize any interest or

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FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

penalties.

Tax years 2014-2016 remain open to examination by the taxing jurisdictions to which AVANCE- Austin is subject, and these periods have not been extended beyond the applicable statute of limitations.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant estimates included in the financial statements include estimates of the value of in-kind contributions and services, as well as the functional allocation of expenses.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities and in the statements of functional expenses. Accordingly, certain costs have been allocated among the program services and supportive services benefitted in accordance with AVANCE- Austin's cost allocation plan. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for overall support and direction of AVANCE- Austin.

Compensable Absences

Annual vacation time and sick leave are granted to AVANCE- Austin's employees. Under AVANCE- Austin's policy, vacation time and sick leave are earned based on the employees' length of service. Any unused vacation time up to a maximum of 25 days not taken by the end of the year may be carried over to the following calendar year, but is not considered vested. Upon separation of employment, any unused vacation time is forfeited. Paid sick leave may be carried from one year to the next to a maximum sick leave bank of 60 days. Paid absences for employee vacation and sick leave are recorded as expenses when used. No accrual for unused employee vacation and sick days are recorded in the accompanying financial statements since earned vacation and sick days are not vested, and are forfeited upon separation of employment.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

New Accounting Standards

In February 2016, the FASB issued Accounting Standards Update (ASU) 2016-02 – *Leases* (Topic 842), which supersedes existing guidance on leases and amends and supersedes a number of other paragraphs throughout the FASB ASC. This update will be effective for AVANCE-Austin’s 2021 annual financial statements. Management is currently evaluating the impact this update will have on the Organization’s financial statements.

Reclassifications

Certain reclassifications have been made to the 2016 financial statements to conform to the 2017 financial statement presentation. These reclassifications had no effect on changes in net assets.

NOTE 2. PROGRAM SERVICES

The costs of providing AVANCE- Austin’s Parent Child Education Program (PCEP) are shown in the accompanying statements of activities and statements of functional expenses. The PCEP offers a two generation approach that capitalizes on parents’ strength and love to help them become the best teachers and stewards of their children’s success. PCEP fosters parenting knowledge and skills that directly impact children’s development, while also empowering parents to achieve their own educational and professional goals.

NOTE 3. CONCENTRATION OF CREDIT RISKS

Credit risk associated with grants receivable is minimal due to the credit worthiness of the federal, state, and local funding agencies.

For the years ended June 30, 2017 and 2016, United Way represented 13% and 7% of AVANCE-Austin’s revenue and other support.

NOTE 4. GRANTS RECEIVABLE AND REIMBURSABLE GRANT EXPENSES

Grants receivable and reimbursable grant expenses are as follows as of June 30:

	<u>2017</u>	<u>2016</u>
Receivable in less than one year	\$ 145,795	\$ 138,327
Receivable in one to five years	20,000	20,000
Total	<u>\$ 165,795</u>	<u>\$ 158,327</u>

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

NOTE 5. PROPERTY AND EQUIPMENT

Property and equipment for the years ended June 30, 2017 and 2016 consisted of the following:

	<u>2017</u>	<u>2016</u>
Vehicles	\$ 38,837	\$ 38,837
Less: accumulated depreciation	<u>(35,817)</u>	<u>(34,307)</u>
Property and equipment, net	<u>\$ 3,020</u>	<u>\$ 4,530</u>

Depreciation expense for the years ended June 30, 2017 and 2016 totaled \$1,510 and \$1,510, respectively.

NOTE 6. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets at June 30, 2017 and 2016 were \$134,107 and \$86,445, respectively, for the Parent-Child Education Program as follows:

	<u>2017</u>	<u>2016</u>
Time restricted:		
United Way	\$ 75,000	\$ -
Lola Wright Foundation	15,107	-
Shield-Ayers Foundation	10,000	20,000
Donald D. Hammill Foundation	-	5,000
Lowe Foundation	20,000	40,000
Samsung	-	10,545
Long Foundation	14,000	-
Fidelity Charitable	<u>-</u>	<u>10,900</u>
Total temporarily restricted net assets	<u>\$ 134,107</u>	<u>\$ 86,445</u>

NOTE 7. NET ASSETS

Unrestricted net assets in the amount of \$282,651 and \$273,198 as of June 30, 2017 and 2016, respectively, are available for any purpose and activity of AVANCE- Austin.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of other events specified by donors as follows:

	<u>2017</u>	<u>2016</u>
Expiration of time restrictions	\$ 66,445	\$ 48,455
Net assets released from restrictions	\$ 66,445	\$ 48,455

NOTE 8. CONTRIBUTED FACILITIES, SERVICES, AND SUPPLIES

AVANCE- Austin occupies certain facilities without charge. The estimated fair rental value of the facilities, which has been reported in revenue and other support and expense in the Statements of Activities, totaled \$185,734 and \$187,921 for the years ended June 30, 2017 and 2016, respectively. AVANCE- Austin also received donated supplies totaling \$6,400 and \$12,000 during fiscal years ended June 30, 2017 and 2016, respectively, which have been reported as revenue and other support and expense in the Statements of Activities.

A substantial number of unpaid volunteers have made significant contributions of their time in AVANCE- Austin's program services and in its fundraising activities. The value of this contributed time is not reflected in these statements because it does not meet the current GAAP definition of in-kind services. However, donated professional educator services of \$0 and \$526 for the years ended June 30, 2017 and 2016, respectively, have been reflected in these financial statements.

NOTE 9. RETIREMENT PLAN

AVANCE- Austin participated in a 403(b) Annuity Plan sponsored by AVANCE, Inc., which allows employees the opportunity to invest a portion of their income in a tax-deferred annuity. The plan covers all full-time employees who have completed 12 months of service and are at least 21 years of age. Annual organizational contributions to the plan are discretionary and are determined by the Board of Directors. For the years ended June 30, 2017 and 2016, AVANCE - Austin's contributions to the Plan totaled \$3,444 and \$1,398, respectively.

NOTE 10. COMMITMENTS AND CONTINGENCIES

Commitments:

AVANCE- Austin leases office facilities and office equipment pursuant to non-cancellable operating lease agreements expiring at various times through April 2019. Rent expense on such office facilities and equipment totaled \$6,023 and \$4,832 for the years ended June 30, 2017 and 2016, respectively.

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FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

Minimum rental commitments on the above-mentioned operating leases by fiscal years are as follows:

<u>Year ending June 30,</u>		
2018	\$	4,800
2019		<u>4,002</u>
Total	\$	8,802

Contingencies:

AVANCE- Austin participates in several state and federal grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that AVANCE- Austin is determined by the grantor agency not to have complied with the rules and regulations governing the grants, refunds of any monies received may be required and the collectability of any related receivable may be impaired. In the opinion of AVANCE- Austin, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

From time to time, AVANCE- Austin is a defendant in legal proceedings related to its operations. In the best judgment of AVANCE- Austin's management, and after consultation with its legal counsel, the outcome of any present legal proceedings will not have a material adverse effect on the accompanying financial statements.

NOTE 11. RELATED PARTY TRANSACTIONS

Chapters

AVANCE, Inc. is comprised of a National Office and six chapters. Chapter bylaws must conform to the requirements of AVANCE, Inc. bylaws. Chapters have their own separately elected Board. During the years ended June 30, 2017 and 2016, AVANCE- Austin paid \$20,109 and \$17,624, respectively, for technical support to the National Office.

AmeriCorps funds were passed through the One Star Foundation to the AVANCE- El Paso Chapter, a portion of which were then passed through to AVANCE- Austin. For the years ended June 30, 2017 and 2016, AVANCE- Austin received \$0 and \$0 from AVANCE- El Paso, Inc. At June 30, 2017 and 2016, the amount due to AVANCE- Austin from AVANCE- El Paso was \$0 and \$0, respectively.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

NOTE 12. SUBSEQUENT EVENTS

Subsequent events have been evaluated through December 19, 2017, which is the date these financial statements were available to be issued. No changes were made, or are necessary to be made, to the financial statements, as a result of that evaluation.

SUPPLEMENTARY INFORMATION

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SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS BY PROGRAM

FOR THE YEAR ENDED JUNE 30, 2017

	AISD	Travis	City of Austin	United Way	Lowe	Powell	RBV Foundation	Austin Community
Revenue and Other Support:								
Federal Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State & Local Grants	100,000	95,000	152,172	-	-	-	-	-
Contributions and other support:								
Contributions and other	-	-	-	-	-	25,000	2,000	25,000
United Way	-	-	-	150,000	-	-	-	-
Fundraising events, net of direct expenses	-	-	-	-	-	-	-	-
In-kind	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Gain on sale of fixed assets	-	-	-	-	-	-	-	-
Total Revenue and Other Support	100,000	95,000	152,172	150,000	-	25,000	2,000	25,000
Expenses:								
Program services	99,003	90,825	148,012	58,074	16,880	16,278	2,000	25,000
General and administrative	997	4,175	4,160	16,926	3,114	8,548	-	-
Fundraising	-	-	-	-	6	174	-	-
Total Expenses	100,000	95,000	152,172	75,000	20,000	25,000	2,000	25,000
CHANGE IN NET ASSETS	\$ -	\$ -	\$ -	\$ 75,000	\$ (20,000)	\$ -	\$ -	\$ -

Longs Fam	Topfer Foundation	Wells Fargo	Hury Foundation	Applied	Hammill	Lola	Fath	Shield- Ayers	Fundraising	General Fund	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
-	-	-	-	-	-	-	-	-	-	-	347,172
-	-	-	-	-	-	-	-	-	-	-	-
29,000	5,000	7,500	-	25,000	5,000	15,107	25,000	10,000	129,374	5,108	308,089
-	-	-	-	-	-	-	-	-	-	-	150,000
-	-	-	-	-	-	-	-	-	124,749	-	124,749
-	-	-	-	-	-	-	-	-	-	192,134	192,134
-	-	-	-	-	-	-	-	-	-	22	22
-	-	-	-	-	-	-	-	-	-	-	-
<u>29,000</u>	<u>5,000</u>	<u>7,500</u>	<u>-</u>	<u>25,000</u>	<u>5,000</u>	<u>15,107</u>	<u>25,000</u>	<u>10,000</u>	<u>254,123</u>	<u>197,264</u>	<u>1,122,166</u>
13,000	1,535	7,500	-	25,000	786	-	24,192	8,000	12,568	255,672	804,325
2,000	2,073	-	-	-	3,743	-	744	2,000	24,126	38,155	110,761
-	1,392	-	-	-	471	-	64	-	147,688	170	149,965
<u>15,000</u>	<u>5,000</u>	<u>7,500</u>	<u>-</u>	<u>25,000</u>	<u>5,000</u>	<u>-</u>	<u>25,000</u>	<u>10,000</u>	<u>184,382</u>	<u>293,997</u>	<u>1,065,051</u>
<u>\$ 14,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,107</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 69,741</u>	<u>\$ (96,733)</u>	<u>\$ 57,115</u>

AVANCE- AUSTIN, INC.
(A Texas Nonprofit Organization)

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS BY PROGRAM

FOR THE YEAR ENDED JUNE 30, 2016

	AISD	Travis	City of Austin	United Way	Lowe	Powell	Buena Vista	Samsung
Revenue and Other Support:								
Federal Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State & Local Grants	100,000	95,000	148,751	-	-	-	-	-
Contributions and other support:								
Contributions and other	-	-	-	-	60,000	20,000	35,000	10,546
United Way	-	-	-	74,000	-	-	-	-
Fundraising events, net of direct expense	-	-	-	-	-	-	-	-
In-kind	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Gain on sale of fixed assets	-	-	-	-	-	-	-	-
Total Revenue and Other Support	100,000	95,000	148,751	74,000	60,000	20,000	35,000	10,546
Expenses:								
Program services	98,990	93,330	140,644	68,302	-	12,735	28,022	-
General and administrative	1,010	1,670	8,107	5,698	-	7,265	6,930	-
Fundraising	-	-	-	-	-	-	48	-
Total Expenses	100,000	95,000	148,751	74,000	-	20,000	35,000	-
CHANGE IN NET ASSETS	\$ -	\$ -	\$ -	\$ -	\$ 60,000	\$ -	\$ -	\$ 10,546

Longs Fam	Topfer Foundation	Superior Health	Wells Fargo	Hammill	Lola	Fath	Shield- Ayers	Fundraising	General Fund	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-	-	343,751
15,000	7,500	5,000	10,000	5,000	-	-	-	120,906	8,141	297,093
-	-	-	-	-	-	-	-	-	-	74,000
-	-	-	-	-	-	-	-	100,527	-	100,527
-	-	-	-	-	-	-	-	-	200,447	200,447
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
<u>15,000</u>	<u>7,500</u>	<u>5,000</u>	<u>10,000</u>	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>221,433</u>	<u>208,588</u>	<u>1,015,818</u>
14,590	2,695	5,000	6,349	2,890	7,937	12,570	9,929	15,368	221,013	740,364
410	714	-	3,275	2,110	3,518	5,400	71	61,557	32,939	140,674
-	4,091	-	376	-	-	30	-	-	68,432	72,977
<u>15,000</u>	<u>7,500</u>	<u>5,000</u>	<u>10,000</u>	<u>5,000</u>	<u>11,455</u>	<u>18,000</u>	<u>10,000</u>	<u>76,925</u>	<u>322,384</u>	<u>954,015</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (11,455)</u>	<u>\$ (18,000)</u>	<u>\$ (10,000)</u>	<u>\$ 144,508</u>	<u>\$ (113,796)</u>	<u>\$ 61,803</u>