

ACCORD, INC.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2017

TOGETHER WITH INDEPENDENT ACCOUNTANTS'
REVIEW REPORT

ACCORD, INC.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

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April 19, 2018

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

Board of Directors
Accord, Inc.
Lakewood, Colorado

We have reviewed the accompanying financial statements of **Accord, Inc.** (a Colorado nonprofit corporation), which comprise the statement of financial position as of December 31, 2017, and the related statement of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of entity management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

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.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.



TAYLOR, ROTH AND COMPANY, PLLC
CERTIFIED PUBLIC ACCOUNTANTS

ACCORD, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2017

	2017
<u>Assets</u>	
Cash and cash equivalents - unrestricted	\$ 32,426
Cash and cash equivalents - temporarily restricted	76,618
Contributions receivable (Note 3)	5,782
Prepaid expenses	948
Total assets	\$ 115,774
 <u>Liabilities and net assets</u>	
Accounts payable	\$ 3,522
Payroll accruals	275
Commitments (Note 4)	
Liabilities	3,797
 Net assets	
Unrestricted	
Operating	35,359
Temporarily restricted (Note 5)	76,618
Total net assets	111,977
Total liabilities and net assets	\$ 115,774

See accompanying notes and independent accountants' review report

ACCORD, INC.

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017

	2017		
	Unrestricted	Temporarily Restricted	Total
<u>Revenue and other support</u>			
Donations	\$ 166,005	\$ 105,910	\$ 271,915
Sublease income	7,700	-	7,700
Special events, revenue	7,414	-	7,414
Less: direct expenses	(663)		(663)
Product sales	2,032	-	2,032
Less: cost of goods sold	(1,268)		(1,268)
Net assets released from restrictions (Note 6)	54,292	(54,292)	-
Total revenue and other support	235,512	51,618	287,130
<u>Expense</u>			
Program services	242,105	-	242,105
Supporting services			
Management and general	30,475	-	30,475
Fund-raising	13,565	-	13,565
Total expense	286,145	-	286,145
Change in net assets	(50,633)	51,618	985
Net assets, beginning of year	85,992	25,000	110,992
Net assets, end of year	\$ 35,359	\$ 76,618	\$ 111,977

See accompanying notes and independent accountants' review report

ACCORD, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2017

	2017			
		Supporting Services		
	Program	Management and General	Fund- raising	Total
Salaries, payroll taxes and benefits	\$ 43,200	\$ 2,400	\$ 2,400	\$ 48,000
Contract labor	91,146	5,064	5,064	101,274
Project costs (Note 7)	50,550	-	-	50,550
Donations	23,512	-	-	23,512
Travel	12,657	-	-	12,657
Rent	-	11,239	468	11,707
Mission trips	10,453	-	-	10,453
Professional fees	-	6,538	-	6,538
Fundraising fees	-	-	5,306	5,306
Bank fees	2,150	1,433	-	3,583
Communications & technology	2,651	-	-	2,651
Equipment	1,107	1,107	-	2,214
Meals & entertainment	1,537	-	-	1,537
Dues	757	758	-	1,515
Insurance	621	622	-	1,243
Scholarships	1,000	-	-	1,000
Supplies	445	445	-	890
Marketing	-	490	327	817
Postage	-	268	-	268
Staff training	213	-	-	213
Seminar expenses	106	-	-	106
Repairs & maintenance	-	75	-	75
Printing and other	-	36	-	36
Total expenses	\$ 242,105	\$ 30,475	\$ 13,565	\$ 286,145

See accompanying notes and independent accountants' review report

ACCORD, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2017

	2017
<u>Cash flows from operating activities</u>	
Change in net assets	\$ 985
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities	
<u>Changes in operating assets and liabilities</u>	
(Increase)decrease in contributions receivable	(5,782)
(Increase)decrease in grants receivable	-
(Increase)decrease in prepaid expenses	-
Increase(decrease) in accounts payable	(13)
Increase(decrease) in payroll accruals	249
Increase(decrease) in deferred revenue	-
	(4,561)
Net cash provided(used) by operating activities	(4,561)
Net increase(decrease) in cash and cash equivalents	(4,561)
Cash and cash equivalents, beginning of year	113,605
Cash and cash equivalents, end of year	\$ 109,044

See accompanying notes and independent accountants' review report

ACCORD, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 1 - NATURE OF ACTIVITIES

Accord, Inc. (the Organization) was incorporated in Colorado as a 501(c)(3) non-profit organization. The Organization was founded in 2010 and works alongside groups of people who are overlooked, misunderstood and marginalized in our global community. The Organization's passion is to walk alongside these groups as they grow to reach their potential. The Organization is primarily funded by donations.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES

1. Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

2. Basis of Presentation

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

3. Cash and Cash Equivalents

The Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash and cash equivalents.

4. Donations

The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of donated assets. 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 statement of activities, as net assets released from restrictions.

5. Capitalization and Depreciation

The Organization follows the practice of capitalizing all expenditures for furniture and equipment in excess of \$1,000. The fair value of donated assets is similarly capitalized. Depreciation of furniture and equipment is provided over the estimated useful life of the respective assets on a straight-line basis.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES (Concluded)

6. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

7. Income Taxes

The Organization has received an Internal Revenue Service exemption from federal income taxes under Section 501(c)(3). Accordingly, no provision or liability for income taxes has been provided in the accompanying financial statements.

8. Functional Reporting of Expenses

For the year ended December 31, 2017, the costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

10. Subsequent Events

Management has evaluated subsequent events through April 19, 2018, the date the financial statements were available for distribution.

NOTE 3 - CONTRIBUTIONS RECEIVABLE

Contributions receivable consists of contributions collected by ColoradoGives.Org and received by the Organization after year-end.

NOTE 4 - COMMITMENTS

The Organization has entered into a lease agreement for administrative office space through August 31, 2019. The minimum future payments are:

<u>Year</u>	<u>Amount</u>
2018	\$ 11,802
2019	<u>7,868</u>
Total	<u>\$ 19,670</u>

NOTE 5 - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes:

<u>Description</u>	<u>Amount</u>
Migration Project Europe	\$ 33,688
Cetro Te Veo	26,928
Staff Empowerment	<u>16,002</u>
Total	<u>\$ 76,618</u>

NOTE 6 - NET ASSETS RELEASED FROM RESTRICTIONS

During the year, net assets were released from donor restrictions by incurring expenses satisfying the restricted program purposes:

<u>Description</u>	<u>Amount</u>
Migration Project Europe	\$ 29,992
Te Veo House	20,614
Middle East Refugee Support	3,286
Scholarship Fund	<u>400</u>
Total	<u>\$ 54,292</u>

NOTE 7 - PROJECT COSTS

Project costs is comprised of the following:

<u>Description</u>	<u>Amount</u>
Migration Project Europe costs	\$ 21,948
Centro Te Veo construction costs	16,600
Middle East Refugee Support	6,000
In country director and contractor expenses	5,802
Other expenses	<u>200</u>
Total	<u>\$ 50,550</u>