

AMERICA SCORES AND AFFILIATE
CONSOLIDATED FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION

August 31, 2018

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
America SCORES and Affiliate
New York, New York

We have reviewed the accompanying consolidated financial statements of America SCORES and Affiliate (nonprofit organizations), which comprise the consolidated statement of financial position as of August 31, 2018, and the related consolidated statements 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 management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the consolidated financial statements 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 consolidated 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 consolidated financial statements that are free from material misstatement whether due to fraud or error.

Accountant's 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 consolidated financial statements for them to be in accordance with accounting principles general accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

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

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Supplementary Information

The supplementary information included on pages 10-12 is presented for purposes of additional analysis and is not a required part of the basic consolidated 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 consolidated financial statements. The supplementary information has been subjected to the review procedures applied in our review of the basic consolidated financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and do not express an opinion on such information.

Wegner CPAs LLP

Wegner CPAs, LLP
New York, New York
January 18, 2019

AMERICA SCORES AND AFFILIATE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
August 31, 2018

ASSETS	
Cash	\$ 116,860
Grants and contributions receivable	25,000
Accounts receivable	16,532
Prepaid expenses and other assets	<u>-</u>
Total assets	<u><u>\$ 158,392</u></u>
LIABILITIES	
Accounts payable and accrued expenses	\$ -
NET ASSETS	
Unrestricted	<u>158,392</u>
Total net assets	<u>158,392</u>
Total liabilities and net assets	<u><u>\$ 158,392</u></u>

See accompanying notes and independent accountant's review report.

AMERICA SCORES AND AFFILIATE
CONSOLIDATED STATEMENT OF ACTIVITIES
Year ended August 31, 2018

UNRESTRICTED NET ASSETS	
SUPPORT AND REVENUE	
Affiliate fees income	\$ 90,000
Corporation and foundation contributions	75,923
Individual contributions	<u>8,972</u>
Total unrestricted support and revenue	174,895
EXPENSES	
Program services	
Program support and training	88,212
Publications	<u>8,451</u>
Total program services	96,663
Supporting activities	
Fundraising	5,425
General and administrative	<u>37,119</u>
Total supporting activities	<u>42,544</u>
Total expenses	139,207
Net assets released from restrictions	<u>24,990</u>
Change in unrestricted net assets	60,678
TEMPORARILY RESTRICTED NET ASSETS	
Net assets released from restrictions	<u>(24,990)</u>
Change in net assets	35,688
Net assets - beginning of year	<u>122,704</u>
Net assets - end of year	<u><u>\$ 158,392</u></u>

See accompanying notes and independent accountant's review report.

AMERICA SCORES AND AFFILIATE
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
Year ended August 31, 2018

	<u>Program Services</u>		<u>Supporting Activities</u>		<u>Total</u>
	<u>Program Support and Training</u>	<u>Publications</u>	<u>Fundraising</u>	<u>General and Administrative</u>	
Management fees	\$ 43,400	\$ -	\$ 5,425	\$ 5,425	\$ 54,250
Staff retreats	36,752	-	-	-	36,752
Accounting	-	-	-	19,550	19,550
Printing and reproduction	2,000	7,973	-	-	9,973
Events, soccer equipment and program supplies	3,000	329	-	1,284	4,613
Teacher and coach stipends	3,000	-	-	-	3,000
Insurance	-	-	-	2,422	2,422
Rent and utilities	-	-	-	600	600
Postage and delivery	-	149	-	362	511
Telecommunications	60	-	-	216	276
Office supplies	-	-	-	256	256
Bank charges and interest	-	-	-	240	240
Dues and publications	-	-	-	163	163
Miscellaneous	-	-	-	6,601	6,601
Total expenses	<u>\$ 88,212</u>	<u>\$ 8,451</u>	<u>\$ 5,425</u>	<u>\$ 37,119</u>	<u>\$ 139,207</u>

See accompanying notes and independent accountant's review report.

AMERICA SCORES AND AFFILIATE
CONSOLIDATED STATEMENT OF CASH FLOWS
Year ended August 31, 2018

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	\$ 35,688
Adjustments to reconcile change in net assets to net cash flows from operating activities	
Increase in accounts receivable	(14,068)
Decrease in accounts payable and accrued expenses	<u>(4,110)</u>
Net cash flows from operating activities	17,510
Cash - beginning of year	<u>99,350</u>
Cash - end of year	<u><u>\$ 116,860</u></u>

See accompanying notes and independent accountant's review report.

AMERICA SCORES AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
August 31, 2018

America SCORES, a not-for-profit organization, was incorporated in 1996 as DC SCORES in the District of Columbia and legally changed its name to America SCORES on June 1, 1999. America SCORES and Affiliate (collectively referred to as the “Organization”) partner with urban schools to provide a creative and enriching team-based program that integrates soccer, poetry, and service-learning. This innovative approach improves students’ health, academic achievement, and civic engagement. The Organization’s mission is to inspire urban youth to lead healthy lives, be engaged students, and have the confidence and character to make a difference in the world.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of America SCORES and America SCORES Denver, of which America SCORES maintains an economic interest and control through common management. All material intra-entity activity has been eliminated in consolidation.

The board of directors of America SCORES Denver approved a plan of liquidation effective June 30, 2017, and America SCORES Denver began liquidation shortly thereafter. Substantially all assets have been liquidated as of August 31, 2018. The remainder of its assets will be transferred to America SCORES upon completion of the liquidation.

Basis of Presentation

The Organization reports information regarding its financial position and activities according to three classes of net assets:

Unrestricted net assets—Net assets that are not restricted by donors. Designations are voluntary board-approved segregations of unrestricted net assets for specific purposes, projects, or investments.

Temporarily restricted net assets—Net assets whose use has been limited by donor-imposed time restrictions or purpose restrictions.

Permanently restricted net assets—Net assets that have been restricted by donors to be maintained by the Organization in perpetuity.

Receivables

All receivables are stated at the amount management expects to collect. Grants and contributions receivable at August 31, 2018 are collectible within one year; therefore, no discount to present value is required.

Management evaluates such receivables and establishes an allowance for doubtful accounts based on a history of write-offs and collections and current credit conditions. At August 31, 2018, management deemed that no allowance was required.

AMERICA SCORES AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
August 31, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue and Support Recognition

The Organization derives revenue and support primarily from contributions and fees charged to affiliated organizations.

Contributions are recognized as support when they are unconditionally promised. Conditional promises to give are recognized as contributions when substantially all the conditions are met. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statements of activities as “Net assets released from restrictions”. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as unrestricted contributions.

Revenue from affiliate fees income is recognized as the services are provided.

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statements of activities and functional expenses. Accordingly, certain costs have been allocated among the program services and supporting activities benefited. Program services include program support and training and publications.

Estimates

Management uses estimates and assumptions in preparing consolidated financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Income Taxes

America SCORES and America SCORES Denver qualify as tax-exempt, not-for-profit organizations under Section 501(c)(3) of the Internal Revenue Code, and qualify as not-for-profit organizations under the respective state laws. Accordingly, no provisions for federal or state income taxes is required.

Date of Management’s Review

Management has evaluated subsequent events through January 18, 2019, the date which the consolidated financial statements were available to be issued.

AMERICA SCORES AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
August 31, 2018

NOTE 2 – CONCENTRATIONS

Approximately 23% of the Organization's support and revenue for the year ended August 31, 2018 came from two funding sources.

NOTE 3 – RELATED PARTY TRANSACTIONS

Affiliate Fees Income

America SCORES charged an annual fee for services provided to affiliates under contractual agreements. The total annual fee income from affiliates for the year ended August 31, 2018 was \$90,000.

Management Agreement

The Organization entered into a management agreement with DC SCORES, an affiliate of America SCORES, which commenced March 2017. The agreement requires monthly payments to DC SCORES of \$4,521 and expires August 2019. Management fees for the year ended August 31, 2018 were \$54,250. Future minimum payments required for the year ending August 31, 2019 total \$54,250.

AMERICA SCORES AND AFFILIATE
CONSOLIDATING SCHEDULE OF SUPPORT AND REVENUE BY ENTITY
Year ended August 31, 2018

	America SCORES	America SCORES Denver	Total
SUPPORT AND REVENUE			
Affiliate fees income	\$ 90,000	\$ -	\$ 90,000
Corporation and foundation contributions	75,923	-	75,923
Individual contributions	6,701	2,271	8,972
Total support and revenue	\$ 172,624	\$ 2,271	\$ 174,895

See independent accountant's review report.

AMERICA SCORES AND AFFILIATE
SCHEDULE OF FUNCTIONAL EXPENSES — AMERICA SCORES
Year ended August 31, 2018

	Program Services			Supporting Activities		Total
	Program Support and Training	Publications	Total Program Services	Fundraising	General and Administrative	
Management fees	\$ 43,400	\$ -	\$ 43,400	\$ 5,425	\$ 5,425	\$ 54,250
Staff retreats	36,752	-	36,752	-	-	36,752
Accounting	-	-	-	-	19,000	19,000
Printing and reproduction	2,000	7,973	9,973	-	-	9,973
Events, soccer equipment and program supplies	3,000	329	3,329	-	-	3,329
Teacher and coach stipends	3,000	-	3,000	-	-	3,000
Insurance	-	-	-	-	2,422	2,422
Postage and delivery	-	149	149	-	362	511
Telecommunications	60	-	60	-	216	276
Office supplies	-	-	-	-	256	256
Bank charges and interest	-	-	-	-	195	195
Dues and publications	-	-	-	-	163	163
Miscellaneous	-	-	-	-	6,075	6,075
Total expenses	\$ 88,212	\$ 8,451	\$ 96,663	\$ 5,425	\$ 34,114	\$ 136,202

See independent accountant's review report.

AMERICA SCORES AND AFFILIATE
SCHEDULE OF FUNCTIONAL EXPENSES — AMERICA SCORES DENVER
Year ended August 31, 2018

	Total Program Services	Supporting Activities		Total
		Fundraising	General and Administrative	
Accounting	\$ -	\$ -	\$ 550	\$ 550
Events, soccer equipment and program supplies	-	-	1,284	1,284
Rent and utilities	-	-	600	600
Bank charges and interest	-	-	45	45
Miscellaneous	-	-	526	526
Total expenses	\$ -	\$ -	\$ 3,005	\$ 3,005

See independent accountant's review report.