

Anchorage Counseling Ministry, Inc.

Financial Statements

December 31, 2016 and 2015

O'Connor, Pagano and Associates

Business Advisors and Certified Public Accountants

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Anchorpoint Counseling Ministry, Inc.

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Independent Auditors' Report

Board of Directors
Anchorpoint Counseling Ministry, Inc.
Pittsburgh, Pennsylvania

We have audited the accompanying financial statements of Anchorpoint Counseling Ministry, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2016 and 2015, 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.

Auditor's 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 from 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 Anchorpoint Counseling Ministry, Inc. as of December 31, 2016 and 2015, 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.

Oliver, Ryan & Associates

Pittsburgh, Pennsylvania

June 30, 2017

Anchorpoint Counseling Ministry, Inc.

Statements of Financial Position

December 31, 2016 and 2015

ASSETS

	<u>2016</u>	<u>2015</u>
Current Assets		
Cash and Cash Equivalents - Unrestricted	\$ 149,616	\$ 175,708
Cash and Cash Equivalents - Restricted	75,621	1,000
Fees Receivable	38,329	35,309
Restricted Grants Receivable	5,000	1,000
Investments	397,734	341,032
Total Current Assets	<u>666,300</u>	<u>554,049</u>
Property and Equipment, Net	<u>321,648</u>	<u>340,528</u>
Other Long Term Assets		
Investments	-	25,844
Total Long Term Assets	<u>-</u>	<u>25,844</u>
Total Assets	<u>\$ 987,948</u>	<u>\$ 920,421</u>

LIABILITIES AND NET ASSETS

Current Liabilities		
Accounts Payable	\$ 2,067	\$ 1,021
Total Current Liabilities	<u>2,067</u>	<u>1,021</u>
Net Assets		
Unrestricted	905,260	918,400
Temporarily Restricted	80,621	1,000
Total Net Assets	<u>985,881</u>	<u>919,400</u>
Total Liabilities and Net Assets	<u>\$ 987,948</u>	<u>\$ 920,421</u>

The accompanying notes are an integral part of these financial statements

Anchorpoint Counseling Ministry, Inc.
Statement of Activities
Year Ended December 31, 2016

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2016 Total</u>
Support and Revenues:			
Program Services:			
Counseling Fees	\$ 142,514	\$ -	\$ 142,514
Tutoring	24,049	-	24,049
Workshops	2,623	-	2,623
Total Program Services	<u>169,186</u>	<u>-</u>	<u>169,186</u>
Public Support:			
Contributions	95,484	-	95,484
Donated Goods and Services	14,531	-	14,531
Fundraising Events	74,823	-	74,823
Anchor Fund Donations	-	55,621	55,621
Grants	33,800	31,500	65,300
Total Public Support	<u>218,638</u>	<u>87,121</u>	<u>305,759</u>
Other Revenue:			
Miscellaneous Income	13,291	-	13,291
Investment Income	39,997	-	39,997
Total Other Revenue	<u>53,288</u>	<u>-</u>	<u>53,288</u>
	441,112	87,121	528,233
Net Assets Released from Restriction	<u>7,500</u>	<u>(7,500)</u>	<u>-</u>
Total Support and Revenues	<u>448,612</u>	<u>79,621</u>	<u>528,233</u>
Functional Expenses:			
Program Services	286,872	-	286,872
General and Administrative	113,947	-	113,947
Fundraising	60,933	-	60,933
Total Expenses	<u>461,752</u>	<u>-</u>	<u>461,752</u>
Changes in Net Assets	(13,140)	79,621	66,481
Net Assets at Beginning of Year	<u>918,400</u>	<u>1,000</u>	<u>919,400</u>
Net Assets at End of Year	<u>\$ 905,260</u>	<u>\$ 80,621</u>	<u>\$ 985,881</u>

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Anchorpoint Counseling Ministry, Inc.
Statement of Activities
Year Ended December 31, 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2015 Total</u>
Support and Revenues:			
Program Services:			
Counseling Fees	\$ 158,140	\$ -	\$ 158,140
Tutoring	21,526	-	21,526
Workshops	9,744	-	9,744
Total Program Services	<u>189,410</u>	<u>-</u>	<u>189,410</u>
Public Support:			
Contributions	110,614	-	110,614
Donated Goods and Services	20,895	-	20,895
Fundraising Events	95,091	-	95,091
Grants	33,550	-	33,550
Total Public Support	<u>260,150</u>	<u>-</u>	<u>260,150</u>
Other Revenue:			
Miscellaneous Income	8,294	-	8,294
Investment Income (Loss)	(6,933)	-	(6,933)
Total Other Revenue	<u>1,361</u>	<u>-</u>	<u>1,361</u>
	450,921	-	450,921
Net Assets Released from Restriction	<u>14,000</u>	<u>(14,000)</u>	<u>-</u>
Total Support and Revenues	<u>464,921</u>	<u>(14,000)</u>	<u>450,921</u>
Functional Expenses:			
Program Services	247,725	-	247,725
General and Administrative	140,136	-	140,136
Fundraising	89,476	-	89,476
Total Expenses	<u>477,337</u>	<u>-</u>	<u>477,337</u>
Changes in Net Assets	(12,416)	(14,000)	(26,416)
Net Assets at Beginning of Year	<u>930,816</u>	<u>15,000</u>	<u>945,816</u>
Net Assets at End of Year	<u>\$ 918,400</u>	<u>\$ 1,000</u>	<u>\$ 919,400</u>

The accompanying notes are an integral part of these financial statements

Anchorpoint Counseling Ministry, Inc.
Statement of Functional Expenses
Year Ended December 31, 2016

	<u>Program Services</u>	<u>General and Admin.</u>	<u>Fund- Raising</u>	<u>2016 Total</u>
Salaries	\$ 169,757	\$ 57,301	\$ 37,946	\$ 265,004
Fringe Benefits and Payroll Taxes	30,010	10,130	6,708	46,848
Advertising	2,778	265	35	3,078
Association Fee	11,591	2,095	279	13,965
Community Outreach	15,351	103	-	15,454
Depreciation	10,384	5,664	2,832	18,880
Donated Goods and Services	-	5,728	8,803	14,531
Insurance	6,996	1,567	-	8,563
Maintenance and Repairs	14,069	2,965	524	17,558
Membership and Fees	-	525	525	1,050
Miscellaneous Expenses	984	2,442	210	3,636
Newsletter and Publications	1,492	373	-	1,865
Office Expenses	1,916	13,636	297	15,849
Postage	1,932	1,008	-	2,940
Professional Services	8,310	4,152	1,208	13,670
Public Relations	1,426	1,321	1,509	4,256
Solicitations	786	196	-	982
Staff Development	625	169	-	794
Travel	-	2,190	57	2,247
Utilities	8,465	2,117	-	10,582
Total Functional Expenses	<u>\$ 286,872</u>	<u>\$ 113,947</u>	<u>\$ 60,933</u>	<u>\$ 461,752</u>

The accompanying notes are an integral part of these financial statements

Anchorpoint Counseling Ministry, Inc.
Statement of Functional Expenses
Year Ended December 31, 2015

	<u>Program Services</u>	<u>General and Admin.</u>	<u>Fund- Raising</u>	<u>2015 Total</u>
Salaries	\$ 144,254	\$ 83,476	\$ 41,052	\$ 268,782
Fringe Benefits and Payroll Taxes	25,506	14,760	7,259	47,525
Advertising	1,454	615	-	2,069
Association Fee	11,591	2,095	279	13,965
Community Outreach	13,505	-	-	13,505
Depreciation	10,947	5,973	2,985	19,905
Donated Goods and Services	-	5,728	15,167	20,895
Insurance	6,680	1,495	-	8,175
Maintenance and Repairs	10,870	3,730	523	15,123
Membership and Fees	-	250	150	400
Miscellaneous Expenses	232	330	53	615
Newsletter and Publications	1,273	318	-	1,591
Office Expenses	1,408	13,984	41	15,433
Postage	1,790	726		2,516
Professional Services	7,966	3,892	14,165	26,023
Public Relations	249	253	1,864	2,366
Solicitations	-	-	2,902	2,902
Staff Development	970	211	192	1,373
Travel	12	128	2,844	2,984
Utilities	9,018	2,172	-	11,190
Total Functional Expenses	<u><u>\$ 247,725</u></u>	<u><u>\$ 140,136</u></u>	<u><u>\$ 89,476</u></u>	<u><u>\$ 477,337</u></u>

The accompanying notes are an integral part of these financial statements

Anchorpoint Counseling Ministry, Inc.

Statements of Cash Flows
Years Ended December 31, 2016
and 2015

	<u>2016</u>	<u>2015</u>
Cash Flows from Operating Activities		
Change in Net Assets	\$ 66,481	\$ (26,416)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operations:		
Depreciation	18,880	19,905
Donated Stock Included in Contributions	(8,222)	(3,035)
Unrealized (Gains) Losses on Investments	(23,876)	27,935
Change in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivables	(3,020)	(19,806)
(Increase) Decrease in Grants Receivables	(4,000)	14,000
Increase (Decrease) in Accounts Payable	1,046	210
Net Cash Provided By Operating Activities	<u>47,289</u>	<u>12,793</u>
Cash Flows from Investing Activities		
Proceeds from Sales of Investments, Net	81,147	3,035
Purchases of Investments	(79,907)	(3,795)
Acquisitions of Fixed Assets	-	-
Net Cash Used In Investing Activities	<u>1,240</u>	<u>(760)</u>
Increase in Cash and Cash Equivalents	48,529	12,033
Cash and Cash Equivalents at Beginning of Year	<u>176,708</u>	<u>164,675</u>
Cash and Cash Equivalents at End of Year	<u><u>\$ 225,237</u></u>	<u><u>\$ 176,708</u></u>
Supplemental Disclosures of Cash Flow Information:		
Cash Paid During the Year for:		
Interest	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

The accompanying notes are an integral part of these financial statements

Anchorpoint Counseling Ministry, Inc.
Notes to the Financial Statements
December 31, 2016 and 2015

Note 1. Organization

Anchorpoint Counseling Ministry, Inc., (the Ministry), is a non-profit, non-denominational, faith-based community service organization that provides family, marital, individual, and group counseling, along with supportive, preventive, educational, and advocacy services. Originally established in 1966 as an outreach ministry to teens which was supported financially by member churches, the Ministry's focus and services have broadened to include individuals and families. Primary financial support now comes from fees for counseling services. Additional financial support is received from grants and contributions from mission funds of a cooperative ministry of local churches, individuals, clubs, civic organizations, and businesses.

The Ministry was established and originally known as North Hills Youth Ministry, Inc. In 2009, the Ministry changed its name to Anchorpoint Counseling Ministry, Inc. to better reflect its current focus and broadened outreach.

Note 2. Summary of Significant Accounting Policies

Basis of Accounting: The accompanying financial statements are presented on the accrual basis of accounting as applicable to not-for-profit organizations in accordance with accounting principles generally accepted in the United States of America. Accordingly, revenues and support are recorded when earned and expenses are recognized when the liabilities are incurred.

Financial Statements Presentation: The Ministry prepares its financial statements in accordance with Statement of Financial Accounting Standards (SFAS) 117, Financial Statements of Not-for-Profit Organizations. Under SFAS 117, the Ministry is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted.

Unrestricted – Accumulates all unrestricted and board-designated resources. These are the net assets of the organization that are neither permanently restricted nor temporarily restricted by donor imposed stipulations.

Temporarily Restricted - Represents net assets whose use by the organization is limited by donor-imposed restrictions that can be fulfilled and thereby removed by actions of the organization. When donor restrictions are met, temporarily restricted net assets are reclassified to unrestricted net assets and reported in

Anchorpoint Counseling Ministry, Inc.
Notes to the Financial Statements
December 31, 2016 and 2015

Note 2. Summary of Significant Accounting Policies (continued)

the statements of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are satisfied in the same fiscal year as when the contributions are received are reported as unrestricted support.

Permanently Restricted - Represents net assets with a donor-imposed restriction that stipulates that the resources be set aside permanently, but which allows the organization to expend part or all of the income derived from the assets. The Ministry has no permanently restricted net assets.

Cash and Cash Equivalents: For purposes of the financial statements, the Ministry considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Allowance for Uncollectible Accounts: The Ministry considers all receivable balances at December 31, 2016 and 2015 to be fully collectible and, therefore, no allowance for doubtful accounts is provided. If amounts do become uncollectible, they will be written off when that determination is made.

Investments: Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Long-term investments consist of debt securities with original maturities of greater than twelve months.

Valuation of Investments at Fair Value – Definition and Hierarchy: Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC Topic 820, Fair Value Measurements and Disclosures, establishes a framework for measuring fair value. That framework includes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The three levels of the fair value hierarchy are as follows:

Level 1 – Unadjusted quoted prices for identical assets or liabilities in active markets;

Level 2 - Inputs other than quoted prices in active markets for identical assets and liabilities that are observable either directly or indirectly for substantially the full term of the asset or liability;

Anchorpoint Counseling Ministry, Inc.

Notes to the Financial Statements

December 31, 2016 and 2015

Note 2. Summary of Significant Accounting Policies (continued)

Level 3 - Significant unobservable inputs for the asset or liability, which include management's own assumption about the assumptions market participants would use in pricing the asset or liability, including assumptions about risk.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Property and Equipment: The Ministry follows the policy of capitalizing all expenditures for equipment and improvements in excess of \$500. Additions are recorded at cost, or if donated, at estimated fair value at the date of gift. Depreciation is provided over 39 years for buildings and 5 to 7 years for equipment, furniture and fixtures.

Contributions and Grants: The Ministry accounts for its contributions according to the provisions of SFAS 116, Accounting for Contributions Received and Contributions Made, whereby contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and nature of any donor restrictions. Contributions and grants are recognized as revenues when they are received or unconditionally pledged to the Ministry.

Donated Goods and Services: The Ministry receives significant donations of goods, facilities, and services. Donated goods and facilities are recorded as contributions. Donated equipment and furniture, which will be used by the Ministry in its operations, are recorded as property when received. For the value of donated services to be recognized in the financial statements, SFAS 116 states that the services must either create or enhance a non-financial asset, or be specialized skills, provided by entities or persons possessing those skills that would be purchased if they were not donated. All donations of goods and services are recorded at their estimated fair market value on the date of donation.

Functional Allocation of Expenses: The costs of providing the various programs and other activities of the Ministry have been summarized on a functional basis in the statements of activities and functional expenses. Accordingly, certain costs have been allocated to program, general and administrative, and fundraising services, based primarily upon direct charges and on estimates made by management.

Anchorpoint Counseling Ministry, Inc.
Notes to the Financial Statements
December 31, 2016 and 2015

Note 2. Summary of Significant Accounting Policies (continued)

Tax Exempt Status: The Ministry is exempt from federal tax as an organization described in Section 501(c)(3) of the Internal Revenue Code. The Ministry is not a private foundation. Further, the Ministry annually files a Form 990 with the Internal Revenue Service. This form is subject to examination by the IRS generally for three years after it is filed. Management asserts that they have no uncertain tax positions.

ASC 740 clarifies the accounting for uncertainty in tax positions and requires that an entity recognize in its financial statements the impact of a tax position, only if it is more likely than not of being sustained upon examination, based on the technical merits of the position. As a result of the implementation, the Ministry recognized no material adjustments to the liability for unrecognized income tax benefits.

The Ministry is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Ministry believes it is no longer subject to income tax examinations for years up to and including the year ended December 31, 2013.

New Pronouncements

As new accounting pronouncements are released, management will assess if they are applicable and if they are applicable, their affect will be included in the notes to the financial statements.

Estimates and Uncertainties: 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 effect reported amounts and disclosures. Actual results may differ from these estimates.

Note 3. Cash and Cash Equivalents

At December 31, 2016 and 2015, the Ministry had \$225,237 and \$176,708, respectively, in cash and cash equivalents. Included in these balances at December 31, 2016 and 2015 were \$300 in undeposited funds that were not covered by insurance provided by the Federal Deposits Insurance Corporation. Management believes the Ministry is not exposed to any significant credit risk related to cash.

Anchorpoint Counseling Ministry, Inc.
Notes to the Financial Statements
December 31, 2016 and 2015

Note 4. Grants and Grants Receivable

In the years ended December 31, 2016 and 2015, the Ministry was awarded grants of \$65,300 and \$33,550, respectively.

During 2016, the Ministry received a \$24,000 grant from one foundation to assist in implementing an electronic medical records system. An additional benefit to this system is that it enabled the Ministry to begin tracking counseling services donated for hardship cases. These services amounted to \$42,819 during 2016. Prior to the implementation of electronic medical records in 2016, this amount was not readily available to be reported. As of December 31, 2016, \$4,000 was expended from these grant funds. The remaining \$20,000 is included in temporarily restricted net assets at December 31, 2016.

Also during 2016, the Ministry was awarded a three-year grant from another organization for \$2,500 per year for the Youth Development Program. During 2016, \$2,500 was expended from this grant. As of December 31, 2016, \$5,000 is recorded as both a grant receivable and temporarily restricted net assets.

The remaining grants awarded in 2016 were received and expended during the year.

Note 5. Investments

Short-term investments are stated at fair value at December 31, as follows:

	2016		2015	
	Cost	Fair Value	Cost	Fair Value
Mutual Funds	\$227,990	\$287,258	\$234,118	\$277,643
Exchange Traded Funds	83,236	110,475	20,821	39,377
Certificate of Deposit, 0.15% interest, maturity date 4/15/16	-	-	23,988	24,012
Total	\$311,226	\$397,733	\$278,927	\$341,032

Anchorpoint Counseling Ministry, Inc.

Notes to the Financial Statements

December 31, 2016 and 2015

Note 5. Investments (continued)

Long-term investments are stated at fair value at December 31, as follows:

	2016		2015	
	Cost	Fair Value	Cost	Fair Value
General Electric Capital Corp. Note, 5.375% interest, maturity 10/20/16	\$ -	\$ -	\$ 25,295	\$ 25,844
Total	\$ -	\$ -	\$ 25,295	\$ 25,844

The certificate of deposit values includes reinvested interest of \$12 and \$36 in 2016 and 2015, respectively.

The following schedule summarizes investment returns and their classification in the statement of activities for the years ended December 31, 2016 and 2015:

	2016 (Unrestricted)	2015 (Unrestricted)
Interest and Dividends	\$ 15,358	\$ 21,002
Realized Gains	763	-
Unrealized Gains (Losses)	23,876	(27,935)
Investment Income (Loss)	\$ 39,997	\$ (6,933)

Note 6. Fair Value Measurement

The Ministry's investments at fair value, within the fair value hierarchy as disclosed in Note 2, are as follows as of December 31, 2016 and 2015:

	2016		2015	
	Fair Value	Significant Observable Inputs (Level 2)	Fair Value	Significant Observable Inputs (Level 2)
Short-Term Investments				
Mutual Funds	\$ 287,258	\$ 287,258	\$ 277,643	\$ 277,643
Exchange Traded Funds	110,475	110,475	39,377	39,377
Certificate of Deposit	-	-	24,012	24,012
Total Short-Term	\$ 397,733	\$ 397,733	\$ 341,032	\$ 341,032

Anchorpoint Counseling Ministry, Inc.

Notes to the Financial Statements

December 31, 2016 and 2015

Note 6. Fair Value Measurement (continued)

	2016		2015	
	Fair Value	Significant Observable Inputs (Level 2)	Fair Value	Significant Observable Inputs (Level 2)
Long-Term Investments				
General Electric Capital Note	\$ -	\$ -	\$ 25,844	\$ 25,844
Total Long-Term	\$ -	\$ -	\$ 25,844	\$ 25,844

The Ministry uses appropriate valuation techniques based on the inputs available to measure the fair value of its investments. There have been no changes in the methodologies used for the years ended December 31, 2016 and 2015.

The Ministry recognizes transfers of assets into and out of levels as of the date an event or change in circumstances causes the transfer. There were no transfers between levels in the years ended December 31, 2016 and 2015.

Note 7. Property and Equipment (at Cost and Donated Value)

Property and equipment consists of the following:

	Buildings and Improvements	Furniture and Equipment	Total
Beginning Balance 1/1/16	\$ 590,396	\$ 137,455	\$ 727,851
New Assets Purchased	-	-	-
Ending Balance 12/31/16	\$ 590,396	\$ 137,455	\$ 727,851
Accum. Deprec. 1/1/16	\$ 254,151	\$ 133,172	\$ 387,323
Current Year Depreciation	15,253	3,627	18,880
Accum. Deprec. 12/31/16	\$ 269,404	\$ 136,799	\$ 406,203
Net Fixed Assets 12/31/15	\$ 336,245	\$ 4,283	\$ 340,528
Net Fixed Assets 12/31/16	\$ 320,992	\$ 656	\$ 321,648

Depreciation expense for the years ended December 31, 2016 and 2015 was \$18,880 and \$19,905, respectively.

Anchorpoint Counseling Ministry, Inc.
Notes to the Financial Statements
December 31, 2016 and 2015

Note 8. Temporarily Restricted Net Assets

Temporarily restricted net assets consist of contributions and grants restricted for programs for which the expenditures have not yet been incurred, or the time to which the contributions relate has not yet elapsed. (Notes 4 and 9) On December 31, 2016 and 2015, there was \$80,621 and \$1,000 respectively in temporarily restricted net assets as follows:

Description	2016	2015
Analysis of Development/Fundraising	\$ -	\$ 1,000
Anchor Fund Contributions (Note 9)	55,621	-
Implementation of Electronic Medical Records	20,000	-
Youth Development – Time Restriction	5,000	-
Total	<u>\$ 80,621</u>	<u>\$ 1,000</u>

Note 9. Anchor Fund

As recommended by an outside development assessment firm, a new fundraising initiative titled the Anchor Fund was established during 2016. This is a restricted fund to be used for future program development. There were no expenditures from this fund during 2016. As of December 31, 2016, the fund balance was \$55,621. Subsequent to December 31, 2016, the Ministry transferred \$100,000 into the Anchor Fund from the investment account. This was done to support the purpose and goal of the Anchor Fund initiative; in effect, the Ministry is investing in their own future. The funds remaining in the Ministry's investment account after the transfer noted above are to be used as a reserve for current operations.

Anchorpoint Counseling Ministry, Inc.
Notes to the Financial Statements
December 31, 2016 and 2015

Note 10. Donated Goods and Services

The following donations of facilities, goods, and services were received in 2016 and 2015, which are reflected in the Statement of Activities and Statement of Functional Expenses.

	2016	2015
Use of Rental Space: Book Sale	\$ -	\$ 7,500
Goods and Prizes for Fundraising Events	8,803	7,667
Auditing Services	4,000	4,000
Vehicle Use	1,728	1,728
Total	<u>\$ 14,531</u>	<u>\$ 20,895</u>

The Ministry discontinued the Book Sale Fundraiser in 2016. An area business supplies the Ministry with a 2005 sport utility vehicle for use in its operations at no charge. The estimated value of the donated vehicle for both 2016 and 2015 is \$1,728.

Note 11. Fundraising Events

The Ministry held special events for fundraising purposes in 2016. The major revenue and direct expenses related to these events are as follows:

	Book Sale	Gala	Golf Outing	Walk	Total
Gross Revenue	\$ -	\$ 50,560	\$ 63,737	\$ 4,454	\$ 118,751
Direct Expenses	-	(17,708)	(24,974)	(1,246)	(43,928)
Net Revenue	<u>\$ -</u>	<u>\$ 32,852</u>	<u>\$ 38,763</u>	<u>\$ 3,208</u>	<u>\$ 74,823</u>

Revenue and direct expenses related to fundraising event in 2015 are as follows:

	Book Sale	Gala	Golf Outing	Walk	Total
Gross Revenue	\$ 24,626	\$ 41,935	\$ 63,176	\$ 9,277	\$139,014
Direct Expenses	(6,753)	(16,352)	(19,096)	(1,722)	(43,923)
Net Revenue	<u>\$ 17,873</u>	<u>\$ 25,583</u>	<u>\$ 44,080</u>	<u>\$ 7,555</u>	<u>\$ 95,091</u>

Anchorpoint Counseling Ministry, Inc.
Notes to the Financial Statements
December 31, 2016 and 2015

Note 12. Restatement of Prior Year Numbers

For comparative purposes, the format of certain numbers for 2015 was restated.

Note 13. Subsequent Events

The Ministry has evaluated subsequent events in accordance with ASC Topic 855, Subsequent Events, through June 30, 2017, which is the date the financial statements were available to be issued. During this evaluation, no subsequent events were identified.