Financial Statements and
Independent Auditor's Report

June 30, 2015

COLLEGE BOUND OPPORTUNITIES

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
College Bound Opportunities

We have audited the accompanying financial statements of College Bound Opportunities ("CBO") (a nonprofit organization), which comprise the statements of financial position as of June 30, 2015, and the related statements of activities, functional expenses and cash flows for the year then 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 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 CBO as of June 30, 2015, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information
We have previously audited CBO's 2014 financial statements, and we expressed an unqualified audit opinion on those audited financial statements in our report dated November 3, 2014. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2014, is consistent, in all material respects, with the audited financial statements from which it has been derived.

FGMK, LLC

Bannockburn, Illinois
November 10, 2015

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COLLEGE BOUND OPPORTUNITIES

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2015 AND 2014

ASSETS

	2015	2014
CURRENT ASSETS		
Cash and cash equivalents	$ 339,667	$ 1,066,985
Investments	757,561	-
Contributions receivable	149,838	65,997
Other current assets	27,685	7,422
	1,274,751	1,140,404
PROPERTY AND EQUIPMENT	2,393	2,143
Less: Accumulated depreciation	1,523	1,110
	870	1,033
CONTRIBUTIONS RECEIVABLE - NON-CURRENT	173,884	35,550
	$ 1,449,505	$ 1,176,987

LIABILITIES AND NET ASSETS

	2015	2014
CURRENT LIABILITIES		
Accounts payable and accrued expenses	$ 7,115	$ 21,741
Deferred revenue	54,165	-
Scholarships payable	535,898	493,146
	597,178	514,887
NET ASSETS		
Unrestricted	366,588	307,372
Temporarily restricted	485,739	354,728
	852,327	662,100
	$ 1,449,505	$ 1,176,987

The accompanying notes are an integral part of these statements.

COLLEGE BOUND OPPORTUNITIES

STATEMENTS OF ACTIVITIES

YEAR ENDED JUNE 30, 2015
(With Summarized Financial Information for the Year Ended June 30, 2014)

	2015			
	Unrestricted	**Temporarily Restricted**	**Total**	**2014**
REVENUE AND SUPPORT				
Contributions	$ 342,612	$ 310,962	$ 653,574	$ 570,448
Special events	279,250	-	279,250	249,364
Investment return, net	6,387	-	6,387	-
Interest income	856	-	856	1,654
Net assets released from restrictions	179,951	(179,951)	-	-
	809,056	131,011	940,067	821,466
EXPENSES				
Program services	536,063	-	536,063	493,260
Fundraising	173,540	-	173,540	168,182
General and administrative	40,237	-	40,237	34,971
	749,840	-	749,840	696,413
CHANGE IN NET ASSETS	59,216	131,011	190,227	125,053
NET ASSETS - BEGINNING OF YEAR	307,372	354,728	662,100	537,047
NET ASSETS - END OF YEAR	$ 366,588	$ 485,739	$ 852,327	$ 662,100

The accompanying notes are an integral part of these statements.

COLLEGE BOUND OPPORTUNITIES

STATEMENTS OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2015
(With Summarized Financial Information for the Year Ended June 30, 2014)

	2015				
	Program Services	Fundraising	General and Administrative	Total	2014
Scholarships	$ 313,948	$ -	$ -	$ 313,948	$ 304,673
Compensation	137,225	86,120	20,824	244,169	224,842
Fundraising	-	82,985	-	82,985	82,186
Student computers	32,868	-	-	32,868	19,687
Training and student support	28,919	-	-	28,919	23,759
Office expense and supplies	14,058	1,978	-	16,036	12,881
Professional fees	-	-	10,275	10,275	8,515
Insurance - liability	-	-	7,767	7,767	7,621
Student functions	5,342	-	-	5,342	5,181
Bank charges	-	2,457	61	2,518	2,698
Mentor support	2,851	-	-	2,851	1,968
Miscellaneous	-	-	1,310	1,310	1,837
Website	439	-	-	439	237
Depreciation	413	-	-	413	328
	$ 536,063	$ 173,540	$ 40,237	$ 749,840	$ 696,413

The accompanying notes are an integral part of these statements.

COLLEGE BOUND OPPORTUNITIES

STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2015 AND 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 190,227	$ 125,053
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	413	328
Unrealized loss on investments	5,901	-
Changes in operating assets and liabilities		
Contributions receivable	(222,175)	48,365
Other current assets	(20,263)	5,929
Accounts payable and accrued expenses	(14,626)	606
Deferred revenue	54,165	-
Scholarships payable	42,752	16,175
Net Cash Provided By Operating Activities	36,394	196,456
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	(763,462)	-
Purchases of property and equipment	(250)	-
Net Cash Used In Investing Activities	(763,712)	-
NET CHANGE IN CASH	(727,318)	196,456
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	1,066,985	870,529
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 339,667	$ 1,066,985

The accompanying notes are an integral part of these statements.

COLLEGE BOUND OPPORTUNITIES

NOTES TO THE FINANCIAL STATEMENTS

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

Nature of Activities. College Bound Opportunities (the "Organization") is a nonprofit organization incorporated on April 25, 2006, to provide assistance to public high school students of limited means, and those whose cultural backgrounds may pose barriers, to gain entry into a college or university. The Organization assists in identifying scholarship opportunities for these students and guides them toward successful experiences in higher education. Substantially all of the Organization's assets are designated for scholarships.

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 assets and liabilities. The Organization reports its financial position and activities according to three classes of net assets: unrestricted net assets temporarily restricted net assets and permanently restricted net assets. There were no permanently restricted net assets as of June 30, 2015 and 2014.

Management Estimates and Assumptions. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates. Significant estimates and assumptions are used for, but not limited to: (1) recognition of contributions receivable and related support; (2) classification of contributions as unrestricted or restricted and (3) recognition of scholarships payable. Future events and their effects cannot be predicted with certainty; accordingly, accounting estimates require the exercise of judgment. Accounting estimates used in the preparation of these financial statements change as new events occur, as more experience is required, as additional information is obtained and the operating environment changes.

Cash and Cash Equivalents. Cash and cash equivalents consist of monies held in checking, savings, and certificate of deposit accounts. The Organization maintains cash in bank deposit accounts that, at times, may exceed Federal Deposit Insurance Corporation limits. The Organization has not experienced any losses in such accounts.

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 statement of activities for the year. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis.

Contributions Receivable. Contributions receivable represent unconditional promises to give and are stated at the amounts that management expects to collect from balances outstanding at year-end. Management believes that all contributions receivable as of June 30, 2015 and 2014 are fully collectible. As a result, the Organization does not consider a valuation allowance necessary.

Property and Equipment. Property and equipment are stated at cost. Depreciation is computed on a straight line basis over the estimated useful lives of the assets which are typically five years. The Organization capitalizes all acquisitions of property and equipment in excess of $500. Expenditures that extend the useful lives of the assets are generally capitalized. Expenses for maintenance and repairs are charged to expense as incurred.

Contributions. Contributions are recognized as support when they are received or upon receipt of a promise to give by the donor and are recorded as unrestricted or restricted support depending on the existence or nature of any time imposed or purpose imposed restrictions on the use of the funds. Contributions received with donor imposed conditions are not recognized as revenue until donor-imposed conditions have been substantially met. Contributions related to special events are recognized as support in the fiscal year the event occurs. Amounts received in advance of the event are reported as deferred revenue at year-end.

Contributions reported as temporarily restricted support are released to unrestricted net assets when the restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished. Amounts released from restrictions are reported as such on the statement of activities. Restricted contributions expended for their restricted purposes in the year received are reported as unrestricted contributions.

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COLLEGE BOUND OPPORTUNITIES

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concluded)

In-kind Contributions. In-kind contributions consist of donated goods and services. The estimated fair value of these donations was approximately $100 and $2,000 for the years ended June 30, 2015 and 2014, respectively, and is reflected in the accompanying statement of activities. Donated personal services of volunteers are not reflected in the accompanying financial statements because they did not met the criteria for recognition under generally accepted accounting principles.

Scholarship Expense. Scholarships are accounted for as conditional promises to give that are renewable each year if specified academic performance criteria are met. The Organization considers that conditions are satisfied when recipients are enrolled in classes for the upcoming academic year and an expense is accordingly recognized for that commitment in the current year. Projected scholarships for subsequent years are disclosed as commitments.

Functional Allocation of Expenses. 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 program and supporting services on the basis of management estimates.

Income Taxes. The Organization is a non-profit organization as described in Section 501(C)(3) of the Internal Revenue Code and is exempt from federal and state income taxes excluding any income not related to its tax exempt purpose. Accordingly, no provision for income taxes has been recorded in the financial statements.

NOTE 2 – COMPARATIVE FINANCIAL INFORMATION

Comparative financial information presented on the statement of activities is summarized and does not present revenues, expenses, gains and losses by net asset class. Similarly, comparative financial information presented on the statement of functional expenses does not present the functional analysis of that information. This prior year financial information is presented for comparative purposes only and does not include sufficient detail to constitute a presentation in accordance with GAAP. Accordingly, such financial information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2014, from which the summarized information was derived.

NOTE 3 – CONTRIBUTIONS RECEIVABLE

Contributions receivable consisted of the following as of June 30, 2015 and 2014:

Amounts expected to be collected in:	2015	2014
Less than one year	$ 149,838	$ 65,997
One to five years	173,884	35,550
	$ 323,722	$ 101,547

NOTE 4 – INVESTMENTS

Financial Accounting Standards Board ("FASB") *Accounting Standards Codification* ("ASC") 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1. Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

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COLLEGE BOUND OPPORTUNITIES

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4 – INVESTMENTS (Concluded)

Level 2. Inputs to the valuation methodology include the following:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3. Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset 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.

The Organization's investments are stated at fair value based on closing prices reported on the active market on which the individual securities are traded. Management has determined that all investments held by the Organization are level 1 assets within the fair value hierarchy based on the lowest level of input that is significant to the fair value measurement.

Investments consisted of the following as of June 30:

	2015	2014
Short-Term Bond Fund	$ 503,121	$ -
Common Stock	98,117	-
Mutual Funds - Equities	87,685	-
Mutual Funds - Non-Traditional	41,107	-
Uninvested Cash	14,734	-
Mutual Funds - Other	12,797	-
	$ 757,561	$ -

Investment return consisted of the following for the years ended June 30:

	2015	2014
Interest and dividends	$ 12,288	$ -
Net depreciation	(5,901)	-
	$ 6,387	$ -

NOTE 5 – NET ASSETS

Temporarily restricted net assets arise from contributions and other inflows of assets, the use of which by the Organization is limited by donor-imposed stipulations that either expire by passage of time or can be removed by action of the Organization pursuant to those stipulations. Restrictions primarily relate to donor stipulations that contributions be used for direct student support. Restricted net assets as of June 30, 2015 include approximately $59,000 of contributions restricted to payment of costs related to the organization's office lease. Unrestricted net assets have been designated for scholarship payments by the Board of Directors to the extent of scholarship commitments made.

COLLEGE BOUND OPPORTUNITIES

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6 – SCHOLARSHIP COMMITMENTS

The Organization commits to providing qualifying students up to $4,000 each school year towards tuition. Starting with the expected college graduating class of 2019, the annual commitment for freshmen and senior years is adjusted to $2,000 and $6,000 respectively. In exchange for its commitment, each student executes a contract with the Organization that delineates the students obligations related to participating in the program. Scholarships payable during the year ended June 30, 2015 are recorded as a current year expense and a liability as of and for the year ended June 30, 2015, respectively. Unrecorded commitments for future years are disclosed below.

Scholarships payable during the year ending June 30, 2017 and subsequent years, subject to satisfaction of underlying conditions are estimated as follows as of June 30, 2015:

Year Ending June 30	Amount
2017	$ 342,000
2018	193,500
2019	144,500
	$ 680,000

NOTE 7 – LEASES

The Organization leases its office space under an operating lease that expires April 30, 2018.

Future minimum lease payments under this lease as of June 30, 2015 are as follows:

Years Ending June 30	Amount
2016	$ 15,934
2017	21,154
2018	18,070
	$ 55,158

Rent expense was $7,246 and $6,514 for the years ending June 30, 2015 and 2014, respectively.

NOTE 8 – SUBSEQUENT EVENTS

The Organization's management has evaluated all known subsequent events from June 30, 2015 through November 10, 2015, the date the accompanying financial statements were available to be issued, and is not aware of any material subsequent events occurring during this period.