

I Live Here, I Give Here
Financial Statements and
Independent Auditors' Report
June 30, 2017 and 2016

I Live Here, I Give Here

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Dunagan★Jack LLP
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
I Live Here, I Give Here

We have audited the accompanying financial statements of I Live Here, I Give Here (a Texas nonprofit corporation), which comprise the statements of financial position as of June 30, 2017 and 2016, and the related statements of activities 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 audits 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 I Live Here, I Give Here 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.

A handwritten signature in black ink that reads "DUNAGAN JACK LLP". The signature is stylized and written in a cursive-like font.

Austin, Texas
October 9, 2017

FINANCIAL STATEMENTS

I Live Here, I Give Here

STATEMENTS OF FINANCIAL POSITION

June 30,

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash and cash equivalents	\$ 796,045	\$ 567,084
Contributions receivable	30,044	28,082
Prepaid expenses and other assets	17,625	14,044
Property and equipment	<u>16,253</u>	<u>23,737</u>
Total assets	<u>\$ 859,967</u>	<u>\$ 632,947</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 7,324	\$ 9,395
Agency liabilities	16,230	9,437
Deferred memberships	<u>80,458</u>	<u>76,395</u>
Total liabilities	<u>104,012</u>	<u>95,227</u>
Net assets		
Unrestricted		
Undesignated	469,175	463,955
Board designated operating reserve	200,088	-
Temporarily restricted	86,692	73,765
Permanently restricted	<u>-</u>	<u>-</u>
Total net assets	<u>755,955</u>	<u>537,720</u>
Total liabilities and net assets	<u>\$ 859,967</u>	<u>\$ 632,947</u>

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

I Live Here, I Give Here

STATEMENT OF ACTIVITIES

For the year ended June 30, 2017

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues				
AmplifyATX platform contributions and associated matches	\$ 8,832,749	\$ -	\$ -	\$ 8,832,749
Less donor designations	(8,832,749)	-	-	(8,832,749)
Net Amplify Austin	-	-	-	-
Memberships and service charges	822,196	-	-	822,196
In-kind media, services, & facilities	380,186	-	-	380,186
Grants and contributions	433,152	23,325	-	456,477
Special events	117,479	53,367	-	170,846
Other revenues	7,234	-	-	7,234
Total revenues	1,760,247	76,692	-	1,836,939
Net assets released from restrictions	63,765	(63,765)	-	-
Total revenues and other support	1,824,012	12,927	-	1,836,939
Expenses				
Program services				
In-kind media, services, & facilities	375,291	-	-	375,291
Incentive pool & prizes	366,462	-	-	366,462
Other program service expenses	555,193	-	-	555,193
General and administrative	221,919	-	-	221,919
Fundraising	99,839	-	-	99,839
Total expenses	1,618,704	-	-	1,618,704
Change in net assets	205,308	12,927	-	218,235
Net assets, beginning of year	463,955	73,765	-	537,720
Net assets, end of year	<u>\$ 669,263</u>	<u>\$ 86,692</u>	<u>\$ -</u>	<u>\$ 755,955</u>

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

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STATEMENT OF ACTIVITIES

For the year ended June 30, 2016

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues				
AmplifyATX platform contributions and associated matches	\$ 7,785,313	\$ -	\$ -	\$ 7,785,313
Less donor designations	(7,785,313)	-	-	(7,785,313)
Net Amplify Austin	-	-	-	-
Memberships and service charges	736,197	-	-	736,197
In-kind media, services, & facilities	505,291	-	-	505,291
Grants and contributions	244,367	21,380	-	265,747
Special events	88,570	32,385	-	120,955
Other revenues	2,725	-	-	2,725
Total revenues	1,577,150	53,765	-	1,630,915
Net assets released from restrictions	43,900	(43,900)	-	-
Total revenues and other support	1,621,050	9,865	-	1,630,915
Expenses				
Program services				
In-kind media, services, & facilities	478,352	-	-	478,352
Incentive pool & prizes	179,657	-	-	179,657
Other program service expenses	511,767	-	-	511,767
General and administrative	213,199	-	-	213,199
Fundraising	97,570	-	-	97,570
Total expenses	1,480,545	-	-	1,480,545
Change in net assets	140,505	9,865	-	150,370
Net assets, beginning of year	323,450	63,900	-	387,350
Net assets, end of year	\$ 463,955	\$ 73,765	\$ -	\$ 537,720

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,

	<u>2017</u>	<u>2016</u>
Cash flows from operating activities:		
Change in net assets	\$ 218,235	\$ 150,370
Adjustments to reconcile change in net assets to cash provided (used) by operating activities:		
Depreciation and amortization	18,025	19,531
(Increase) decrease in contributions receivable	(1,962)	13,968
Increase in prepaid expenses and other assets	(3,581)	(2,873)
(Decrease) increase in accounts payable and accrued expenses	(2,071)	5,338
Increase in agency liabilities	6,793	4,158
Increase in deferred memberships	4,063	10,057
Net cash provided by operating activities	<u>239,502</u>	<u>200,549</u>
Cash flows from investing activities:		
Purchases of property and equipment	<u>(10,541)</u>	<u>(9,500)</u>
Net cash used by investing activities	<u>(10,541)</u>	<u>(9,500)</u>
Cash flows from financing activities:	<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents	228,961	191,049
Cash and cash equivalents at beginning of year	<u>567,084</u>	<u>376,035</u>
Cash and cash equivalents at end of year	<u>\$ 796,045</u>	<u>\$ 567,084</u>
Amounts paid during the year for:		
Income taxes	<u>\$ -</u>	<u>\$ -</u>
Interest	<u>\$ -</u>	<u>\$ -</u>

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

NOTES TO FINANCIAL STATEMENTS

I Live Here, I Give Here

NOTES TO FINANCIAL STATEMENTS

June 30, 2017 and 2016

NOTE A - ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

1. Organization and Nature of Activities

I Live Here, I Give Here (Organization) is a Texas nonprofit corporation. Its mission is to promote philanthropy in Central Texas. In 2013, the Organization launched its signature program, a 24-hour giving period known as Amplify Austin Day. Beyond Amplify Austin, which provides a year-round giving platform (AmplifyATX) for member organizations, the Organization provides a variety of unique programs all designed to engage new and emerging donors.

2. Basis of Accounting

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

3. Basis of Presentation

Financial statement presentation follows the guidance of the Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 958-205, *Not-for-Profit Entities: Presentation of Financial Statements*. 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.

4. Cash and Cash Equivalents

The Organization's cash and cash equivalents comprised checking and savings accounts.

5. Property and Equipment

Property and equipment are recorded at cost, if purchased, or at fair market value, if donated. Depreciation and amortization is computed using the straight-line method over the estimated useful lives of the assets; generally five to seven years for furniture and equipment and three years for website and application development.

I Live Here, I Give Here

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2017 and 2016

NOTE A - ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

6. Contributions

The Organization records contributions using the guidance of FASB ASC 958-605, *Not-for-Profit Entities: Revenue Recognition*. Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor 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.

During Amplify Austin Day, and throughout the year, the Organization receives contributions on behalf of its member organizations. These amounts are recorded as agency transactions and not as contributions to I Live Here, I Give Here. Amounts received, but not yet remitted to member organizations, are reflected as agency liabilities in the statements of financial position.

7. Revenue Recognition

Memberships provide for a year of services from the Organization for the calendar year to which they relate. These amounts are recognized ratably over the year as earned. Deferred memberships comprised amounts received that had not yet been earned.

Service charges are assessed on all donations made through the AmplifyATX platform. These service charges are recognized in the period of donation receipt. No additional charges associated with those donations are passed through to members.

8. Functional Expenses

Expenses are categorized by function in the statements of activities as either (1) program services, (2) general or administrative, or (3) fundraising expenses. Expenses that are specifically identifiable to a function are charged to that function. Expenses that are not specifically identifiable to a function are allocated based upon management's estimate of time and resources devoted to the function.

9. Estimates

The preparation of the 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.

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NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2017 and 2016

NOTE B - TAX EXEMPT STATUS

The Organization is exempt from federal income tax under Internal Revenue Code (Code) Section 501(a) as an organization described in Section 501(c)(3). Furthermore, the Internal Revenue Service determined the Organization is not a private foundation within the meaning of Section 509(a) of the Code because it was an organization described in Sections 509(a)(1) and 170(b)(1)(A)(vi). Therefore, no provision for income taxes has been included in these financial statements.

NOTE C - CONTRIBUTIONS RECEIVABLE

Due to the immaterial amount of discounts calculated as of June 30, 2017 and 2016, no discounts are reflected in these financial statements. Contributions receivable comprised the following at June 30,

	<u>2017</u>	<u>2016</u>
Due within one year	\$ 30,044	\$ 18,082
Due in one to five years	-	10,000
Due in more than five years	-	-
Contributions receivable, gross	30,044	28,082
Less allowance for uncollectible contributions	-	-
Less discount to present value	-	-
Contributions receivable, net	<u>\$ 30,044</u>	<u>\$ 28,082</u>

NOTE D - PROPERTY AND EQUIPMENT

Property and equipment comprised the following at June 30,

	<u>2017</u>	<u>2016</u>
Website and application development	\$ 71,935	\$ 64,923
Computer equipment	3,528	-
Less accumulated depreciation and amortization	<u>(59,210)</u>	<u>(41,186)</u>
Property and equipment, net	<u>\$ 16,253</u>	<u>\$ 23,737</u>

Depreciation and amortization expense totaled \$18,025 and \$19,531 for the years ended June 30, 2017 and 2016, respectively.

I Live Here, I Give Here

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2017 and 2016

NOTE E - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets comprised balances restricted for the following purposes and periods at June 30,

	<u>2017</u>	<u>2016</u>
The Big Give sponsorships	\$ 43,450	\$ 23,000
Annual Business Member sponsorships	23,325	-
For use in subsequent periods	10,000	20,000
See Jane Give!® sponsorships	6,192	3,675
Give Back Jack® sponsorships	3,725	5,710
Incentive pool	<u>-</u>	<u>21,380</u>
Temporarily restricted net assets	<u>\$ 86,692</u>	<u>\$ 73,765</u>

NOTE F - DONATED ADVERTISING, SERVICES, AND FACILITIES

The Organization was the recipient of very generous in-kind contributions of advertising, which helped make its Amplify Austin Days huge successes, as well as certain services and facilities. The Organization estimates the fair values of donated advertising were approximately \$362,000 and \$461,000 for the years ended June 30, 2017 and 2016, respectively. The Organization estimates the fair values of donated services and facilities were approximately \$18,000 and \$44,000 for the years ended June 30, 2017 and 2016, respectively.

NOTE G - CONCENTRATION

All of a depositor's accounts at an insured depository institution, including all noninterest-bearing transaction accounts, are insured by the FDIC up to the standard maximum deposit insurance amount (\$250,000). The Organization's uninsured cash balances totaled approximately \$557,000 and \$330,000 at June 30, 2017 and 2016, respectively.

In October 2017, in order to mitigate this concentration, the Organization opened an account with another financial institution and transferred \$200,000 to reduce this exposure.

NOTE H - SUBSEQUENT EVENTS

Subsequent events have been evaluated through October 9, 2017 the date the financial statements were available to be issued.