

CORPORATE AMERICA SUPPORTS YOU

FINANCIAL STATEMENTS

**FOR THE YEARS ENDED
DECEMBER 31, 2018 AND 2017**

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Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

To the Members of
Corporate America Supports You
St. Louis, Missouri

We have audited the accompanying financial statements of Corporate America Supports You (the "Organization"), which comprise the statements of financial position as of December 31, 2018 and 2017, 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 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 auditors' 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.

BWTP P.C.

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Corporate America Supports You as of December 31, 2018 and 2017, 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.

BWTP P.C.

BWTP P.C.
St. Louis, MO
June 3, 2019

CORPORATE AMERICA SUPPORTS YOU

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2018 AND 2017

ASSETS

	<u>2018</u>	<u>2017</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 3,683,707	\$ 3,015,762
Pledges receivable	250,000	75,698
Other assets	20,044	47
Total Current Assets	<u>3,953,751</u>	<u>3,091,507</u>
OTHER ASSETS		
Website deposits	250,000	-
Total Assets	<u>\$ 4,203,751</u>	<u>\$ 3,091,507</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable	\$ 118,691	\$ 78,252
Accrued expenses	13,622	7,004
Total Liabilities	<u>132,313</u>	<u>85,256</u>
NET ASSETS		
Net assets without donor restrictions	3,889,415	2,936,251
Net assets with donor restrictions	182,023	70,000
Total Net Assets	<u>4,071,438</u>	<u>3,006,251</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 4,203,751</u>	<u>\$ 3,091,507</u>

CORPORATE AMERICA SUPPORTS YOU

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

	2018		2017	
NET ASSETS WITHOUT RESTRICTIONS				
SUPPORT AND REVENUES				
Contributions	\$ 3,008,328		\$ 2,756,951	
Investment income	53,872		11,962	
Net income released from restrictions	70,000		198,476	
Total Support and Revenues	3,132,200		2,967,389	
EXPENSES				
Program services				
Information technology	33,485		139,961	
Payroll expense	185,898		240,617	
Subcontract labor	1,691,585		1,325,014	
Training	128,899		3,017	
Travel	50,855		29,176	
Other expenses	5,818		8,333	
Total Program Services	2,096,540	96.2	1,746,118	96.1
Management and general				
Information technology	15,441		15,540	
Payroll expense	8,831		3,368	
Subcontract labor	10,627		10,313	
Other expenses	19,781		20,137	
Travel	4,362		3,428	
Insurance	5,357		6,346	
Total Management and General	64,399	3.0	59,132	3.3
Fundraising				
Payroll expense	12,481		6,173	
Subcontract labor	5,329		5,000	
Other expenses	287		390	
Total Fundraising Expense	18,097	0.8	11,563	0.6
Total Expenses	2,179,036	100.0	1,816,813	100.0
 CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	 953,164		 1,150,576	
 NET ASSETS WITHOUT DONOR RESTRICTIONS - BEGINNING OF YEAR	 2,936,251		 1,785,675	
 NET ASSETS WITHOUT DONOR RESTRICTIONS - END OF YEAR	 \$ 3,889,415		 \$ 2,936,251	

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STATEMENTS OF ACTIVITIES (CONTINUED) FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
NET ASSETS WITH DONOR RESTRICTIONS		
Contributions and grants	\$ 182,023	\$ 70,000
Net assets released from restrictions	<u>(70,000)</u>	<u>(198,476)</u>
CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS	112,023	(128,476)
NET ASSETS WITH DONOR RESTRICTIONS - BEGINNING OF YEAR	70,000	198,476
NET ASSETS WITH DONOR RESTRICTIONS - END OF YEAR	\$ <u>182,023</u>	\$ <u>70,000</u>
CHANGE IN NET ASSETS	\$ 1,065,187	\$ 1,022,100
NET ASSETS - BEGINNING OF YEAR	<u>3,006,251</u>	<u>1,984,151</u>
NET ASSETS - END OF YEAR	\$ <u>4,071,438</u>	\$ <u>3,006,251</u>

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STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 1,065,187	\$ 1,022,100
Adjustments to reconcile change in net assets to net cash from operating activities:		
Decrease (Increase) in Current Assets:		
Pledges receivable	(174,302)	(71,198)
Other assets	(19,997)	-
Increase (Decrease) in Current Liabilities:		
Accounts payable	40,439	27,652
Accrued expenses	6,618	(7,798)
Net Cash From Operating Activities	<u>917,945</u>	<u>970,756</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of website	<u>(250,000)</u>	-
NET INCREASE IN CASH	667,945	970,756
CASH, BEGINNING OF PERIOD	<u>3,015,762</u>	<u>2,045,006</u>
CASH, END OF PERIOD	<u>\$ 3,683,707</u>	<u>\$ 3,015,762</u>

CORPORATE AMERICA SUPPORTS YOU

NOTES TO FINANCIAL STATEMENTS

Note 1 – Organization and Summary of Significant Accounting Policies

Organization and Nature of Activities

Corporate America Supports You (“CASYS”) is a not-for-profit entity formed in the state of Texas in 2004. CASYS provides employment referral and job placement solutions to the military and war wounded at no cost. CASYS operates with a user-friendly Internet Gateway available to job seekers and partnered employers. The Organization is supported through public grants, contributions, and investment income.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Classification of Net Assets

Net assets of the Organization are classified based on the presence or absence of donor-imposed restrictions. Net assets are comprised of two groups as follows:

Net Assets Without Donor Restrictions represent those net assets whose use is not restricted by donors. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Net assets without donor restrictions were \$3,889,415 and \$2,936,251 at December 31, 2018 and 2017, respectively.

Net Assets With Donor Restrictions represents those net assets whose use has been limited by donor-imposed restrictions. Net assets with donor restrictions were \$182,023 and \$70,000 at December 31, 2018 and 2017, respectively.

Estimates and Assumptions

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could vary from those estimates.

Reclassifications

Certain prior year amounts have been reclassified where appropriate to conform to the current year financial statement presentation.

Contributions and Grants

All contributions and grants are considered to be available for unrestricted use unless specifically restricted by the donor.

Income Taxes

CASYS is exempt from federal income taxes under Section 501(c) (3) of the Internal Revenue Code, and therefore, has made no provision for income taxes in the accompanying financial statements. There was no unrelated business income for the years ended December 31, 2018 and 2017.

CORPORATE AMERICA SUPPORTS YOU

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 1 – Organization and Summary of Significant Accounting Policies (Continued)

Subsequent Events

The Organization has evaluated subsequent events through June 3, 2019, the date on which the financial statements were available to be issued.

Note 2 – Cash And Cash Equivalents

The Organization considers short-term highly liquid investments to be cash equivalents provided that they are both readily convertible to cash and had an original maturity of three months or less when purchased. The balance in cash and cash equivalents at December 31, 2018 and 2017 includes:

	<u>2018</u>	<u>2017</u>
Bank of America – Tampa, FL		
Checking	\$ 220,959	\$ 250,468
Krilogy Financial (Money Market and CD's)	3,461,935	2,765,217
Other cash	813	77
	<u>\$ 3,683,707</u>	<u>\$ 3,015,762</u>

Note 3 – Related Party Transactions

Corporate America Supports You (CASYS) shares the same corporate officers and directors as Military Spouse Corporate Career Network (MSCCN), both organizations have a common purpose goal. No significant transactions between the two organizations occurred during the fiscal years ended December 31, 2018 and 2017.

CASYS shares corporate officers with DK Consulting, LLC and DLK Consulting, LLC which provides subcontractor labor to CASYS. For the years ended December 31, 2018 and 2017, DK Consulting, LLC was paid nonemployee compensation amounting to \$52,000 and \$47,300 respectively.

Note 4 – Concentrations

The Organization maintains cash and cash equivalents in excess of federally insured limits. The Organization has not experienced any losses in such accounts. In management's opinion, risk pertaining to such concentrations is minimal.

Approximately 78% and 85% of CASYS's revenue was earned under grants of two donors during the years ended December 31, 2018 and 2017, respectively.

Note 5 – Non-Cash Donations

During the years ended December 31, 2018 and 2017, CASYS received non-cash donations of services amounting to \$126,000 and \$126,000, respectively, that have been reflected in the financial statements. IBM Technology contributed services consisting of programming and software support that allows the tracking of candidates from registration through their first year on the job.

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NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 6 - Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributable to various programs, fundraising and supporting functions of the Organization. Most expenses are functionalized based on actual expenses incurred. Payroll expenses are categorized based on actual hours. Expenses are charged directly to program, management and general, fundraising categories based on specific identification.

Note 7 – Adoption of Accounting Pronouncement

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) NO. 2016-14, Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities. ASU 2016-14 requires significant changes to the financial reporting model of organizations who follow the not-for-profit reporting model. The changes include reducing the classes of net assets from three classes to two – net assets with donor restrictions and net assets without donor restrictions. The ASU also require changes in the way certain information is aggregated and reported by the Organization, including required disclosures about liquidity and availability of resources and increased disclosures on functional expenses. The new standard is effective for the Organization's year ended December 31, 2018 and thereafter and must be applied on a retrospective basis. The Organization adopted the ASU effective January 1, 2018. Adoption of the ASU did not result in any reclassification or restatements to net assets or changes in net assets.

Note 8 – Liquidity

At December 31, 2018, the Organization has \$3,953,751 of current assets, of which \$3,683,707 consists of cash available to meet needs for general expenditure. None of the financial assets are subject to donor or contractual restrictions. Accordingly, all such funds are available to meet the cash needs of the Organization in the next 12 months.

The Organization manages its liquidity by developing and adopting annual operating budgets that provide sufficient funds for general expenditures in meeting its liabilities and other obligations as they become due. Cash needs of the Organization are expected to be met on a monthly basis from contributions. In general, the Organization maintains sufficient financial assets for its normal operating expenses.

Note 9 – Subsequent Event

In November and December 2018, the Organization made payments of \$250,000 towards the purchase of the stock of VetJobs.com, Inc, a Georgia Company, to gain access to their website.

The payments are shown on the financial statements as 'Website deposits'. The purchase of the stock was completed in January 2019. The purchase does not effect the net assets for the year ended December 31, 2018.