

MILITARY SPOUSE CORPORATE CAREER NETWORK, INC.

FINANCIAL STATEMENTS

FOR THE YEARS ENDED

DECEMBER 31, 2017 AND 2016

CONTENTS

INDEPENDENT AUDITORS' REPORT	1- 2
FINANCIAL STATEMENTS:	
Statements of Financial Position.....	3
Statements of Activities	4
Statements of Cash Flows	5
Notes to Financial Statements	6 - 8



Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

To the Members of
Military Spouse Corporate Career Network, Inc.
St. Louis, Missouri

We have audited the accompanying financial statements of Military Spouse Corporate Career Network, Inc. (the "Organization"), a not-for-profit corporation, which comprise the statements of financial position as of December 31, 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 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.

424 S. Woods Mill Road, Ste. 340 / Chesterfield, MO 63017 / Ph 314.576.1350
Fax 314.576.9650 / Toll Free 877.253.5084 / www.bwtpcpa.com

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Military Spouse Corporate Career Network, Inc. as of December 31, 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.

BWTP P.C.

BWTP P.C.
St. Louis, MO
May 14, 2018

MILITARY SPOUSE CORPORATE CAREER NETWORK, INC.

STATEMENTS OF FINANCIAL POSITION**DECEMBER 31, 2017 AND 2016**

	<u>2017</u>	<u>2016</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 771,289	\$ 444,460
Total Assets	<u>\$ 771,289</u>	<u>\$ 444,460</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 2,681	\$ 1,120
Accrued expenses	<u>2,306</u>	<u>2,765</u>
Total Liabilities	<u>4,987</u>	<u>3,885</u>
NET ASSETS		
Unrestricted net assets	<u>766,302</u>	<u>440,575</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 771,289</u>	<u>\$ 444,460</u>

MILITARY SPOUSE CORPORATE CAREER NETWORK, INC.

STATEMENTS OF ACTIVITIES**FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

	<u>2017</u>		<u>2016</u>	
SUPPORT AND REVENUES				
Contributions	\$	517,265	\$	235,708
Investment income		68		108
Total Support and Revenues		<u>517,333</u>		<u>235,816</u>
EXPENSES				
Program Services				
Information technology		86,193		114,944
Subcontract labor		40,307		23,146
Payroll expenses		53,138		36,163
Other expenses		-		1,216
Total Program Services		<u>179,638</u>	93.8	<u>175,469</u> 95.8
Management and general		8,421	4.3	4,476 2.5
Fundraising expenses		3,547	1.9	3,129 1.7
Total Expenses		<u>191,606</u>	<u>100.0</u>	<u>183,074</u> <u>100.0</u>
CHANGE IN NET ASSETS		325,727		52,742
NET ASSETS - BEGINNING OF YEAR		<u>440,575</u>		<u>387,833</u>
NET ASSETS - END OF YEAR	\$	<u>766,302</u>	\$	<u>440,575</u>

MILITARY SPOUSE CORPORATE CAREER NETWORK, INC.

STATEMENTS OF CASH FLOWS**FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

	<u>2017</u>	<u>2016</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 325,727	\$ 52,742
Adjustments to reconcile change in net assets to net cash from operating activities:		
Increase (decrease) in Current Liabilities:		
Accounts payable	1,561	(1,016)
Accrued expenses	(459)	2,765
Net Cash From Operating Activities	<u>326,829</u>	<u>54,491</u>
 NET INCREASE IN CASH	 326,829	 54,491
 CASH AND EQUIVALENTS, BEGINNING OF PERIOD	 <u>444,460</u>	 <u>389,969</u>
 CASH AND EQUIVALENTS, END OF PERIOD	 <u>\$ 771,289</u>	 <u>\$ 444,460</u>

MILITARY SPOUSE CORPORATE CAREER NETWORK, INC.

NOTES TO FINANCIAL STATEMENTS

Note 1 – Organization and Summary of Significant Accounting Policies

Organization and Nature of Activities

Military Spouse Corporate Career Network, Inc. (“MSCCN”) is a not-for-profit entity formed in 2004. MSCCN provides no-cost employment readiness, vocational training, and one-on-one job placement services for military spouses and caregivers of war wounded. MSCCN 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.

Financial Statement Format

According to generally accepted accounting principles in the United States of America, 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. As permitted by the statement, the Organization does not use fund accounting. The three classes of net assets are described in more detail as follows:

1. *Unrestricted Net Assets* 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. Temporarily restricted contributions that are expended for their restricted purpose in the same reporting period as received may be recorded as unrestricted. Unrestricted net assets were \$766,302 and \$440,575 at December 31, 2017 and 2016, respectively.
2. *Temporarily Restricted Net Assets* represent those net assets whose use has been limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Organization pursuant to those stipulations. The Organization had no temporarily restricted net assets at December 31, 2017 and 2016.
3. *Permanently Restricted Net Assets* represents those net assets whose use has been limited by donor-imposed stipulations and must be maintained in perpetuity. The Organization had no permanently restricted net assets at December 31, 2017 and 2016.

Estimates and Assumptions

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 affect the reported amounts of assets and liabilities and disclosures 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.

Contributions and Grants

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

MILITARY SPOUSE CORPORATE CAREER NETWORK, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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

Functional Expenses

Expenses are charged directly to program or management in general categories based on specific identification. Indirect expenses have been allocated based on analysis of personnel time utilized for the related activity.

Income Taxes

MSCCN 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, 2017 and 2016.

The Organization files informational returns in the U.S. federal jurisdiction. The Organization is no longer subject to examination by U.S. federal tax authorities for years ended prior to December 31, 2014.

Subsequent Events

The Company has evaluated subsequent events through May 14, 2018, 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.

	<u>2017</u>	<u>2016</u>
Bank of America – Tampa, FL		
Checking and Savings	\$ 421,769	\$ 95,009
Certificates of Deposit	349,520	349,451
	<u>\$ 771,289</u>	<u>\$ 444,460</u>

Note 3 – Related Parties

Military Spouse Corporate Career Network (MSCCN) shares the same corporate officers and directors as Corporate America Supports You (CASY), both organizations have a common purpose goal. No material transactions between the two organizations occurred during the fiscal years ended December 31, 2017 and 2016.

MSCCN has the same corporate officer as DLK Consulting, LLC which provides subcontractor labor to MSCCN. For the years ended December 31, 2017, DLK Consulting, LLC was paid nonemployee compensation amounting to \$13,250.

Note 4 – Concentrations

The Organization periodically 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 retained to such concentrations is minimal.

MILITARY SPOUSE CORPORATE CAREER NETWORK, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 4 – Concentrations (Continued)

Approximately 81% and 85% of MSCCN's revenue was earned through corporate contributions of two donors during the years ended December 31, 2017 and 2016, respectively.

Note 5 – Non-Cash Donations

During the years ended December 31, 2017 and 2016, MSCCN received non-cash donations of services amounting to \$84,000 and \$114,350 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.