

**AMERICAN CORPORATE PARTNERS, INC.**

Financial Statements and  
Independent Auditors' Report  
Years Ended  
December 31, 2016 and 2015

**AMERICAN CORPORATE PARTNERS, INC.**

Financial Statements  
Years Ended December 31, 2016 and 2015

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
American Corporate Partners, Inc.

### ***Report on the Financial Statements***

We have audited the accompanying statements of financial position of American Corporate Partners, Inc. as of December 31, 2016 and 2015, and the related statements of activities and cash flows for each of 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 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 of material misstatement.

An audit involves performing procedures to obtain 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 American Corporate Partners Inc. as of December 31, 2016 and 2015 and the changes in net assets and its cash flows for each of the years ended December 31, 2016 and 2015 in conformity with accounting principles generally accepted in the United States of America.

### ***Other Matter***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses on page 14 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

**RBSM LLP**

RBSM LLP

New York, New York  
February 28, 2017

**AMERICAN CORPORATE PARTNERS, INC.**  
**STATEMENTS OF FINANCIAL POSITION**

	<u>December 31, 2016</u>	<u>December 31, 2015</u>
<b><u>ASSETS</u></b>		
Cash and cash equivalents	\$ 3,521,467	\$ 3,121,357
Restricted cash - certificate of deposit	301,790	100,436
Prepaid expenses	17,490	52,068
Computer equipment and software-net	26,057	19,626
Office furniture and equipment-net	274,454	44,032
Leasehold improvements-net	<u>25,522</u>	<u>1,262</u>
<b>TOTAL ASSETS</b>	<b>\$ <u>4,166,780</u></b>	<b>\$ <u>3,338,781</u></b>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
Liabilities:		
Accounts payable and accrued expenses	\$ <u>70,025</u>	\$ <u>30,915</u>
<b>TOTAL LIABILITIES</b>	<b><u>70,025</u></b>	<b><u>30,915</u></b>
Net Assets :		
Unrestricted	<u>4,096,755</u>	<u>3,307,866</u>
<b>TOTAL NET ASSETS</b>	<b><u>4,096,755</u></b>	<b><u>3,307,866</u></b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ <u>4,166,780</u></b>	<b>\$ <u>3,338,781</u></b>

See accompanying notes to financial statements

**AMERICAN CORPORATE PARTNERS, INC.**  
**STATEMENTS OF ACTIVITIES**

	<b>Years ended December 31,</b>	
	<b>2016</b>	<b>2015</b>
<b><u>CONTRIBUTIONS AND PROGRAM REVENUES:</u></b>		
Grants in cash	\$ 3,352,251	\$ 2,756,059
<b>TOTAL CONTRIBUTIONS</b>	<b>3,352,251</b>	<b>2,756,059</b>
<b><u>EXPENSES:</u></b>		
<b>(See Schedule of Functional Expenses for detail)</b>		
Programs	2,523,688	2,309,889
Support services	44,427	33,986
<b>TOTAL EXPENSES</b>	<b>2,568,115</b>	<b>2,343,875</b>
<b>EXCESS OF CONTRIBUTIONS OVER EXPENSES</b>	<b>784,136</b>	<b>412,184</b>
<b><u>OTHER INCOME:</u></b>		
Interest income	4,753	3,798
<b>TOTAL OTHER INCOME</b>	<b>4,753</b>	<b>3,798</b>
<b>CHANGE IN NET ASSETS - Unrestricted</b>	<b>788,889</b>	<b>415,982</b>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>3,307,866</b>	<b>2,891,884</b>
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 4,096,755</b>	<b>\$ 3,307,866</b>

See accompanying notes to financial statements

**AMERICAN CORPORATE PARTNERS, INC.**  
**STATEMENTS OF CASH FLOWS**

	<b>Years Ended December 31,</b>	
	<b>2016</b>	<b>2015</b>
<b><u>OPERATING ACTIVITIES</u></b>		
CHANGE IN NET ASSETS	\$ 788,889	\$ 415,982
Adjustments to reconcile change in net assets to cash provided by operating activities:		
Depreciation and amortization	45,783	44,321
Decrease ( increase ) in prepaid expenses	34,578	(10,251)
Increase (decrease) in accounts payable and accrued expenses	39,109	(12,010)
	119,470	22,060
NET CASH PROVIDED BY OPERATING ACTIVITIES	908,359	438,042
<b><u>INVESTING ACTIVITIES</u></b>		
Certificate of deposit - security for letter of credit, net	(201,354)	85
Purchase of furniture and equipment	(306,895)	(6,729)
NET CASH USED IN INVESTING ACTIVITIES	(508,249)	(6,644)
<b><u>FINANCING ACTIVITIES</u></b>		
	-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	400,110	431,398
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	3,121,357	2,689,959
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 3,521,467	\$ 3,121,357
Cash Paid for:		
Interest	\$ -	\$ -
Taxes	\$ -	\$ -

See accompanying notes to financial statements

**American Corporate Partners, Inc.**  
**Notes to Financial Statements**  
**Years Ended December 31, 2016 and 2015**

**NOTE A: DESCRIPTION OF THE ORGANIZATION**

American Corporate Partners ("ACP") is a New York City based non-profit organization incorporated in the State of New York in November 2007 and approved for 501(c)(3) status on September 12, 2008. ACP consists of two programs: The ACP Veteran Mentoring Program, and ACP AdvisorNet. Both programs are dedicated to helping service members and veterans of the armed services transition to the corporate environment. The ACP Veteran Mentoring Program provides current and past military members with mentoring and networking opportunities offered by employees of some of America's leading corporations and select universities. The Mentoring Program offers both local and national (long-distance) mentorships depending on geography and preferences. At the conclusion of 2016, approximately 2,500 veteran Proteges were paired with corporate Mentors throughout the United States. ACP expects this number of mentorships to increase significantly in the years ahead.

ACP's Veteran Mentoring Program provides a unique career development opportunity to veterans, from former enlisted members and officers to current Reservists and National Guard members who have served on active duty since 2001. The Mentoring Program also accepts applications from spouses of those service members severely wounded or killed while serving. ACP's Mentoring Program is not a jobs program; rather, it is designed to assist veterans in their career development.

On November 11th, 2011, ACP launched ACP AdvisorNet. ACP AdvisorNet is a free, online "Quick Question Community" connecting veterans and their family members with business leaders across the country. Through an interactive Q&A platform, veterans can ask questions about career development, employment and small business and receive advice from business professionals with expertise in a variety of different fields. ACP AdvisorNet is open to all current and former members of the U.S. Military and their immediate family, as well as business leaders nationwide looking to share their expertise and advice.

As of December 31, 2016, ACP's Corporate Partners included: 21st Century Fox, AECOM, Amgen, Aon, Arconic, AT&T, BlackRock, Bloomberg LP, Bristol-Myers Squibb, CBS Veterans Network, Cargill, Caterpillar, The Coca-Cola Company, Colgate-Palmolive Company, Credit Suisse, Deere & Company, Deloitte LLP, Disney, Eli Lilly and Company, Energy Future Holdings, Fidelity Investments, Frontier Communications, General Electric Company, General Motors and United Automobile Workers, Harvard University, Hewlett-Packard, The Home Depot Inc., Hospital Corporation of America, IBM Corporation, Intel Corporation, International Paper, Johnson & Johnson, Johnson Controls, Kaiser Permanente, Liberty Mutual Group, Lockheed Martin, MasterCard, Memorial Sloan-Kettering Cancer Center, MetLife, Morgan Stanley, News Corp, Northrop Grumman, Occidental Petroleum Corporation, Och-Ziff Capital Management Group, Omnicom Group, Partners Healthcare, PepsiCo Inc., PNC, Pratt & Whitney, Pricewaterhousecoopers, Raytheon, S&P Global, TEGNA, TIAA, Time Inc., The Travelers Companies Inc., UBS, UMB Financial Corporation, Unilever, The University of Texas System, UPS, USAA, Visa, Wells Fargo, Westfield Corporation and Whirlpool.

Funding for the organization has been obtained through a one-time contribution from ACP's Founder, Sidney E. Goodfriend, and through financial contributions from ACP's Corporate Partners and additional contributors.



**American Corporate Partners, Inc.**  
**Notes to Financial Statements**  
**Years Ended December 31, 2016 and 2015**

**NOTE B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Presentation of Financial Statements**

The Financial Accounting Standards Board's guidance on, "Financial Statements of Not-for-Profit Organizations," requires that Net Assets be presented as being either unrestricted, temporarily restricted, or permanently restricted. Unrestricted net assets result from contributions whose use is not limited by the donor. Temporarily restricted net assets result from contributions whose use is 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 these restrictions. Permanently restricted net assets result from contributions whose use is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by the organization's actions.

**Accrual Basis**

The accompanying financial statements have been prepared on the accrual basis.

**Cash and Cash Equivalents**

The Company considers highly liquid financial instruments with maturities of three months or less at the time of purchase to be cash equivalents.

**Estimates**

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 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 differ from those estimates.

**Revenue Recognition**

The organization's revenue is obtained through sponsorship from corporations. It is the policy of the organization to record these contributions as received.

**Contributions and Grants**

All contributions and grants are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for future periods or for specific purposes are reported as temporarily restricted or permanently restricted support, depending on the nature of the restrictions. If a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the support as unrestricted. Otherwise, when a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

**Contributed/ Donated Services**

Donated services are recognized as contributions in accordance with FASB ASC 958-605, *Not-for-Profit Entities Revenue Recognition*, if the services (a) create or enhance nonfinancial

**American Corporate Partners, Inc.**  
**Notes to Financial Statements**  
**Years Ended December 31, 2016 and 2015**

assets or (b) require specialized skills that are performed by people with those skills, and would otherwise be purchased by the Organization. They are recorded at their fair values in the period received. ACP may at times receive contributed services, which if a value is not readily determinable, we do not ascribe a value to such contributed services received. Volunteers also provided other services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria under FASB ASC 958 were not met.

**Advertising**

ACP has received contributed advertising services during 2016 from two different vendors. The advertising services rendered was not reasonable to value, since at times the marketing services rendered may go unused by the contributors and typically the type of services rendered get discounted in the open market in varying degrees, as a result no value as been recorded for these contributed services.

**Consideration of Credit Risk**

ACP maintains its cash in bank deposits at high credit quality financial institutions. The balances, at times, may exceed federally insured limits of \$250,000. At December 31, 2016 ACP cash balances exceeded the federal limits by \$3,271,467. At December 31, 2015 ACP cash balances exceeded the federal limits by \$2,871,357.

**Long Lived Assets**

ACP has acquired its current equipment, furniture and leasehold improvements through purchases. At times ACP may acquire long lived assets or intangibles through donations. Donated long lived assets are fair valued at the time of such donation. Our current long-lived assets held and used or disposed of, are evaluated for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If the sum of the expected cash flows, undiscounted and without interest, is less than the carrying amount of the asset, an impairment loss is recognized as the amount by which the carrying amount of the asset exceeds its fair value. At December 31, 2016 and 2015 no assets were impaired.

**Depreciation and Amortization**

Depreciation and amortization of furniture and equipment, web site and database costs are calculated over the estimated useful lives of the respective assets, 3-10 years, using the straight-line method.

**Allocation of Expenses**

The cost of providing various programs and other activities has been summarized on a functional basis in the Statements of Activities and in the Schedule of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services based on management's estimate of the benefit to the related program and supporting service and certain expenses are allocated to program, general and administrative and fundraising based on a percentage of space utilization. The allocation of expenses at December 31, 2016 and 2015 were allocated at approximately 98% to program and 2% to support services. No expenses are allocated to fundraising, as ACP does not do any fundraising.

**American Corporate Partners, Inc.**  
**Notes to Financial Statements**  
**Years Ended December 31, 2016 and 2015**

**Income Taxes**

ACP is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, if income from certain activities not directly related to the Organization's tax-exempt purpose were received, it would be subject to taxation as unrelated business income. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2). The Organizations' tax returns for the years 2013-2016 remain open to an Internal Revenue Service audit.

**Fair Value of Financial Instruments**

The Company adopted the accounting guidance of the Fair Value Measurements and Disclosure Topic of the Accounting Standards Codification for assets and liabilities measured at fair value on a recurring basis. This guidance establishes a common definition for fair value to be applied to existing generally accepted accounting principles that require the use of fair value measurements, establishes a framework for measuring fair value and expands disclosure about such fair value measurements. The adoption of this guidance did not have an impact on the Company's financial position or operating results, but did expand certain disclosures. The guidance defines fair value 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. Additionally, the guidance requires the use of valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. These inputs are prioritized below:

Level 1: Quoted prices in active markets.

Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data.

Level 3: Unobservable inputs for which there is little or no market data, which require the use of the reporting entity's own assumptions.

The fair values of financial assets of the company were determined using the following categories at December 31, 2016:

	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Value at December 31, 2016
Restricted Cash – certificate of deposit	301,790	-	301,790
	\$ 301,790	\$ -	\$ 301,790

The marketable securities presented above consist of a certificate of deposit which serves as collateral for a letter of credit required and evidenced in the Company's lease agreement. See Footnote G below for further details. This certificate of deposit matured on January 28, 2017 and bears interest at .65%, and has subsequently been renewed with a new maturity date of January 28, 2018.

**American Corporate Partners, Inc.**  
**Notes to Financial Statements**  
**Years Ended December 31, 2016 and 2015**

The fair values of financial assets of the company were determined using the following categories at December 31, 2015:

	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Value at December 31, 2015
Restricted Cash – certificate of deposit	100,436	-	100,436
\$	<u>100,436</u>	\$ -	<u>\$ 100,436</u>

The marketable securities presented above consist of a certificate of deposit which serves as collateral for a letter of credit required and evidenced in the Company's lease agreement. See Footnote G below for further details. This certificate of deposit matured and has been redeemed, was bearing interest at .80% per annum.

**Restrictions on Net Assets**

The Company has restricted cash in the form of a certificate of deposit which is held as collateral for a letter of Credit required by the leasing company where the Company resides. The collateral is limited to \$300,000 and does not include the interest portion of such certificate of deposit. There are no other restrictions on net assets, revenues or expenses at the end of 2016 and 2015. The Statements of Financial Position and Statement of Activities is presented to reflect all net assets, revenues and expenses as either restricted or non- restricted.

**Reclassifications**

Certain reclassifications to the comparable prior year financials to conform to the current year presentation.

**Recent Accounting Pronouncements**

In February 2016, the Financial Accounting Standards Board (FASB) issued an Accounting Standards Update (ASU) "ASU 2016 – 02 Leases "intended to improve financial reporting about leasing transactions. The ASU affects all companies and other organizations that lease assets such as real estate, and equipment, including office equipment.

The ASU will require organizations that lease assets—referred to as "lessees"—to recognize on the balance sheet the assets and liabilities for the rights and obligations created by those leases. Under the new guidance, a lessee will be required to recognize assets and liabilities for leases with lease terms of more than 12 months. Consistent with current Generally Accepted Accounting Principles (GAAP), the recognition, measurement, and presentation of expenses and cash flows arising from a lease by a lessee primarily will depend on its classification as a finance or operating lease. However, unlike current GAAP—which requires only capital leases to be recognized on the balance sheet—the new ASU will require both types of leases to be recognized on the balance sheet. The ASU on leases will take effect for non-public companies for fiscal years beginning after December 15, 2019, and for interim periods within fiscal years beginning after December 15, 2020. The Company is currently evaluating the impact of this ASU on its consolidated financial statements. Early adoption is permitted. The Company has not adopted this guidance for 2016 and is currently evaluating the impact of adopting this guidance.

**American Corporate Partners, Inc.**  
**Notes to Financial Statements**  
**Years Ended December 31, 2016 and 2015**

In August 2016, the Financial Accounting Standards Board (FASB) issued an Accounting Standards Update (ASU) "ASU 2016 – 14 Not-for-Profit Entities – Presentation of Financial Statements of Not-for-Profit Entities. The main provisions of this Update, which amend the requirements for financial statements and notes in Topic 958, Not-for-Profit Entities, require an NFP to present two classes of net assets rather than current requirement of three classes, which will be "net assets with donor restrictions" and "net assets without donor restrictions", modify the statement of activities as well for such changes to the net asset presentations, changes if the direct method of cash flows is presented, changes to the disclosures relating to governing board designations, appropriations and other self imposed limits on the use of resources without donor imposed restrictions, discuss how the NFP manages its liquid resources to meet cash needs for general expenditures, qualitative disclosures presenting how the cash needs are to be met for the next year, methods used to allocate costs among program and support functions, increased disclosures on underwater endowment funds, report investment return net of external and internal investment expenses as well as other narrow topic and specific changes to financial statement presentations and disclosures.

The amendments in this ASU 2016-14 are effective for annual financial statements issued for fiscal years beginning after December 15, 2017, and for interim periods within fiscal years beginning after December 15, 2018. Application to interim financial statements is permitted but not required in the initial year of application. Early application of the amendments in this ASU 2016-14 is permitted. The amendments in this Update should be initially adopted only for an annual fiscal period or for the first interim period within the fiscal year of adoption.

The amendments in this ASU 2016-14 should be applied on a retrospective basis in the year that the ASU 2016-14 is first applied. However, if presenting comparative financial statements, an NFP has the option to omit certain information. The Company has not adopted this guidance for 2016 and is currently evaluating the impact of adopting this guidance.

The Company does not believe any of the other recently issued but not yet effective accounting pronouncements once effective will have any effect on the Company's reporting needs.

**NOTE C: COMPUTER EQUIPMENT AND SOFTWARE**

Computer equipment and software is carried at cost. Depreciation is provided by the straight-line-method at rates calculated to amortize the cost over the estimated lives (5-7 years) of the individual assets.

Computer equipment and software consists of the following:

	<u>December 31,</u>	
	2016	2015
Computer equipment	\$ 39,967	\$ 62,846
Software	-	842
Less: accumulated depreciation	(12,910)	(44,062)
Net computer equipment and software	\$ 26,057	\$ 19,626

Depreciation expense for the years ended December 31, 2016 and 2015 was \$9,906 and \$8,662, respectively.

**American Corporate Partners, Inc.**  
**Notes to Financial Statements**  
**Years Ended December 31, 2016 and 2015**

**NOTE D: OFFICE FURNITURE AND EQUIPMENT**

Office furniture and equipment is carried at cost. Depreciation is provided by the straight-line method at rates calculated to amortize the cost over the estimated lives (5-7 years) of the individual assets.

Office furniture and equipment consists of the following:

	<u>December 31,</u>	
	2016	2015
Office furniture	\$ 215,351	\$ 143,390
Office equipment	103,676	31,675
Less: accumulated depreciation	(44,573)	(131,033)
Net office furniture and equipment	\$ 274,454	\$ 44,032

Depreciation expense for the years ended December 31, 2016 and 2015 was \$33,590 and \$23,692, respectively.

**NOTE E: WEB SITE AND DATABASE COSTS**

Web site and data base costs are recorded at cost or the in-kind contribution value when incurred. These costs when capitalized are amortized over the estimated lives (3-5 years) of the individual assets associated with them. Currently the costs incurred during 2016 and 2015, for both intangible assets have been expensed, since these costs have been considered reworking of an existing platform or database.

Amortization expense for the years ended December 31, 2016 and 2015 was \$0 and \$8,400 to fully amortize such asset to zero, respectively.

**NOTE F: LEASEHOLD IMPROVEMENTS**

Leasehold improvements were recorded at cost when incurred. These costs are being amortized over the life of the lease (10 years).

Leasehold improvements consist of the following:

	<u>December 31,</u>	
	2016	2015
Leasehold improvements	\$ 26,402	\$ 17,828
Less: accumulated amortization	( 880)	(16,566)
Net leasehold improvements	\$ 25,522	\$ 1,262

Amortization expense for the years ended December 31, 2016 and 2015 was \$2,287 and \$3,567, respectively.

**NOTE G: COMMITMENTS**

The Company moved their office to a new location in November 2016. As a result they entered into a new lease, which commenced on November 1, 2016 and expires on October 31, 2026. The lease contains provisions for future rent increases, as well as certain rent free holiday provisions.

**American Corporate Partners, Inc.**  
**Notes to Financial Statements**  
**Years Ended December 31, 2016 and 2015**

Future minimal lease payments are as follows:

For the years ended December 31,

2017	\$	545,978
2018		545,978
2019		595,612
2020		595,612
2021		602,911
Thereafter		<u>3,090,467</u>
Total	\$	<u>5,976,558</u>

During fiscal years ended December 31, 2016 and 2015, the Company's rent expense was \$332,858 and \$359,848, respectively.

The new lease agreement also provides for a security deposit of \$300,000, which at December 31, 2016 was evidenced by a letter of credit collateralized by the Company's funds held in a deposit account. The letter of credit matured on February 3, 2017, and is subject to automatic twelve month renewals through 2027, unless the financial institution renders a 60 day notice of non-renewal prior to the annual expiration date.

**NOTE H: RELATED PARTY TRANSACTIONS**

The founder of ACP, Sid Goodfriend has contributed services and is taking no compensation for his services rendered.

In 2008 the Founder of ACP, Sid Goodfriend contributed \$200,000 of personal funds to ACP.

**NOTE I: SUBSEQUENT EVENTS**

The Company has evaluated any other subsequent events through February 28, 2017, the financial statement issuance date.

**SUPPLEMENTARY FINANCIAL INFORMATION**

**SCHEDULE OF FUNCTIONAL EXPENSES**

**For the Year Ended December 31, 2016:**

	<u>Programs</u>		<u>Fund Raising</u>		<u>Support Services</u>		<u>Total</u>
Payroll and personnel costs	\$ 1,859,584	\$	-	\$	32,737	\$	1,892,321
Professional fees	31,544		-		555		32,099
Depreciation and amortization	44,991		-		792		45,783
Marketing and promotional	47,656		-		839		48,495
Technology and web design	100,150		-		1,763		101,913
Travel related expenses	21,014		-		370		21,384
Rent and utilities	340,600		-		5,996		346,596
Office and other	78,149		-		1,375		79,524
	<u>\$ 2,523,688</u>	\$	<u>-</u>	\$	<u>44,427</u>	\$	<u>2,568,115</u>

**SCHEDULE OF FUNCTIONAL EXPENSES**

**For the Year Ended December 31, 2015:**

	<u>Programs</u>		<u>Fund Raising</u>		<u>Support Services</u>		<u>Total</u>
Payroll and personnel costs	\$ 1,627,214	\$	-	\$	23,942	\$	1,651,156
Professional fees	30,058		-		442		30,500
Depreciation and amortization	43,678		-		643		44,321
Marketing and promotional	67,692		-		996		68,688
Technology and web design	79,264		-		1,166		80,430
Travel related expenses	26,277		-		387		26,664
Rent and utilities	355,023		-		5,224		360,247
Office and other	80,683		-		1,186		81,869
	<u>\$ 2,309,889</u>	\$	<u>-</u>	\$	<u>33,986</u>	\$	<u>2,343,875</u>