

I-SAVE FOUNDATION LTD NFP

FINANCIAL STATEMENTS

December 31, 2011

TOGETHER WITH INDEPENDENT AUDITOR'S REPORT

I-SAVE FOUNDATION LTD NFP

FINANCIAL STATEMENTS

December 31, 2011

TABLE OF CONTENTS

| | <u>PAGE</u> |
|--|-------------|
| INDEPENDENT AUDITOR'S REPORT | 1 |
| Statement of Financial Position | 2 |
| Statement of Activities | 3 |
| Statement of Functional Expenses | 4 |
| Statement of Cash Flows | 5 |
| NOTES TO FINANCIAL STATEMENTS SUPPLEMENTARY INFORMATION | 6-9 |

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
I-SAVE Foundation LTD NFP
Chicago, IL

We have audited the accompanying statement of financial position of I-SAVE Foundation LTD NFP (the Foundation) as of December 31, 2011, and the related statements of activities, of functional expenses, and of cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of I-SAVE Foundation LTD NFP as of December 31, 2011, and the changes in its net assets, functional expenses, and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Chicago, Illinois
July 31, 2013

I-SAVE FOUNDATION LTD NFP

STATEMENT OF FINANCIAL POSITION
As of December 31, 2011

| | <u>2011</u> |
|--|----------------------|
| ASSETS: | |
| Current assets: | |
| Cash and cash equivalents | \$ 560 |
| Total current assets | <u>560</u> |
| Fixed assets - at cost (net of accumulated depreciation and amortization of \$0) | - |
| Total assets | <u><u>\$ 560</u></u> |
| LIABILITIES AND NET ASSETS: | |
| Current liabilities: | |
| Accounts payable and accrued expense | \$ 9,198 |
| Line of Credit | - |
| Total current liabilities/Total liabilities | <u>9,198</u> |
| Net assets: | |
| Unrestricted | (8,638) |
| Total liabilities and net assets | <u><u>\$ 560</u></u> |

See accompanying notes to financial statements

I-SAVE FOUNDATION LTD NFP

STATEMENT OF ACTIVITIES
For the year ended December 31, 2011

| | <u>2011</u> |
|------------------------------------|--------------------------|
| REVENUE: | |
| Public support and Revenue: | |
| Contributions | 21,646 |
| Special events | 3,900 |
| In-kind donations | <u>239,750</u> |
| Total revenue | <u>\$ 265,296</u> |
| EXPENSES: | |
| Program services | 264,523 |
| Supporting services: | |
| Management and general | 4,925 |
| Fund-raising | 6,965 |
| Total supporting services | <u>11,890</u> |
| Total expenses | <u>276,413</u> |
| Changes in unrestricted net assets | (11,117) |
| Net assets, beginning of year | 2,479 |
| Net assets, end of year | <u><u>\$ (8,638)</u></u> |

See accompanying notes to financial statements

I-SAVE FOUNDATION LTD NFP
 STATEMENT OF CASH FLOWS
 For the year ended December 31, 2011

| | 2011 |
|--|-------------|
| CASH FLOW FROM OPERATING ACTIVITIES: | |
| (Decrease)Increase in net assets | \$ (11,117) |
| Adjustments to reconcile decrease in net assets to net cash Provided by operating activities: | |
| Depreciation | - |
| Increase in operating assets: | |
| (Increase)Decrease in receivables | - |
| Increase(decrease) in accounts payable and accrued expenses | 9,198 |
| Net cash provided by operating activities | (1,919) |
| CASH FLOWS FROM INVESTING ACTIVITIES: | |
| Additions to property and equipment | - |
| Net cash used by investing activities | - |
| CASH FLOWS FROM FINANCING ACTIVITIES: | |
| Payment on line of credit | - |
| Net cash provided by financing activities | - |
| Net Increase in Cash and Cash Equivalents | (1,919) |
| CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR | 2,479 |
| CASH AND CASH EQUIVALENTS, END OF YEAR | \$ 560 |

See accompanying notes to financial statements

I-SAVE Foundation LTD NFP

STATEMENTS OF FUNCTIONAL EXPENSES
For the years ended December 31, 2011 and 2010

| | <u>SUPPORTING SERVICES</u> | | | <u>TOTAL</u> |
|--------------------------------|----------------------------|---------------------------------|------------------------|--------------------------|
| | <u>PROGRAM SERVICES</u> | <u>Management & General</u> | <u>Fund Raising</u> | |
| Salaries | \$ 3,000 | \$ 750 | \$ - | \$ 3,750 |
| Employee benefits & FICA | 230 | 57 | | 287 |
| Total Salaries and Benefits | <u>\$ 3,230</u> | <u>\$ 807</u> | <u>\$ -</u> | <u>\$ 4,037</u> |
| Professional services | 2,130 | 2,000 | - | 4,130 |
| Office supplies | - | 605 | - | 605 |
| Printing and Postage | | 86 | | 86 |
| Meetings and Conference | - | - | 3,276 | 3,276 |
| Advertising & Promotions | 12,800 | - | 3,629 | 16,429 |
| Gifts & Grants | - | - | - | - |
| Insurance | - | - | | - |
| Bank charges & credit card fee | 300 | 1,111 | 60 | 1,471 |
| Telephone service | | 303 | | 303 |
| Travel expenses | 6,313 | - | - | 6,313 |
| Miscellaneous | | 13 | | 13 |
| In-kind expenses | 239,750 | - | - | 239,750 |
| TOTAL EXPENSES | <u><u>\$ 264,523</u></u> | <u><u>\$ 4,925</u></u> | <u><u>\$ 6,965</u></u> | <u><u>\$ 276,413</u></u> |

See accompanying notes to financial statements

I-SAVE FOUNDATION LTD NFP

NOTES TO THE FINANCIAL STATEMENTS

Year ENDED DECEMBER 31 2011

NOTE 1- OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Operations

ISAVE Foundation LTD NFP is an Illinois not-for-profit corporation formed to provide Specific and accurate information regarding health benefits, education benefits and information as a resource center regarding the needs and requirements of veterans to offer free services to veterans of all conflicts whenever possible, by raising funds to support the operation expenses.

Significant Accounting Policies

The organization prepares its financial statements in accordance with generally accepted accounting principles promulgated in the United States of America (U.S. GAAP) for NFPs. The significant accounting and reporting policies used by the organization are described subsequently to enhance the usefulness and understandability of the financial statements.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting period and the reported amounts of assets and liabilities at the date of the financial statements. On an ongoing basis, the organization's management evaluates the estimates and assumptions based upon historical experience and various other factors and circumstances. The organization's management believes that the estimates and assumptions are reasonable in the circumstances; however, the actual results could differ from those estimates.

Net Assets

The financial statements report net assets and changes in net assets in three classes that are based upon the existence or absence of restrictions on use that are placed by its donors, as follows:

Unrestricted Net Assets

Unrestricted net assets are resources available to support operations. The only limits on the use of unrestricted net assets are the broad limits resulting for the nature of the organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Temporarily Restricted Net Assets

Temporarily restricted net assets are resources that are restricted by a donor for use for a particular purpose or in a particular future period. The organization's unspent contributions are classified in this class if the donor limited their use, as are the unspent appreciation of its donor-restricted endowment funds.

I-SAVE FOUNDATION LTD NFP

NOTES TO THE FINANCIAL STATEMENTS

Year ENDED DECEMBER 31 2011

NOTE 1- OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-CONTINUED

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from temporarily restricted to unrestricted net assets. The I-Save Foundation did not have any temporarily restricted net assets as of December 31, 2011.

Permanently Restricted Net Assets

Net assets subject to donor-imposed stipulations that require the net assets be maintained permanently by the School. Generally, the donors of these assets permit the use of all or part of the income earned on any related investments for general or specific purposes. The I-Save Foundation did not have any permanently restricted net assets as of December 31, 2011.

Fair Value Measurements

The School reports its fair value measures using a three-level hierarchy that prioritizes the inputs used to measure fair value. This hierarchy, established by GAAP, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The value of all of the I-Save Foundation's assets and liabilities which are required to be carried at fair value are valued at quoted prices in active markets for identical assets and liabilities are, therefore, considered Level I assets and liabilities.

Cash Equivalents

Cash equivalents are short term, interest bearing, highly liquid investments with original maturities of three months or less, unless the investments are held for meeting restrictions of a capital or endowment nature.

Accounts Receivable

Accounts receivable are primarily unsecured non-interest-bearing amounts due from student fees that all outstanding accounts receivable are receivable in full, therefore no allowance for uncollectible receivables has been provided.

Contributions Receivable

Contributions receivable are unconditional promises to give that are recognized as contributions when the promise is received. Contributions receivable that are expected to be collected in less than a year are recorded at fair value at the date of promise. That fair value is computed using technique applied to anticipated cash flows. Amortization of the resulting discount is recognized as additional contribution revenue. The allowance for uncollectible contributions receivable is a management's evaluation of the collectibility of individual promises. Promises that remain uncollected more than one year after their due dates are written off unless the donors indicate that payment is merely postponed.

I-SAVE FOUNDATION LTD NFP

NOTES TO THE FINANCIAL STATEMENTS

Year ENDED DECEMBER 31 2011

NOTE 1- OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-CONTINUED

Land, Buildings, and Equipment

Land, buildings and equipment are reported in the statement of financial position at cost, if purchased, and at fair value at the date of donation, if donated. All land and buildings are capitalized. Equipment is capitalized if it has a cost of \$500 or more and a useful life when acquired of more than 1 year. Repairs and maintenance that do not significantly increase the useful life of the asset are expensed as incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, as follows:

| | |
|------------------------|-----------|
| Furniture and fixtures | 5-7 years |
| Equipment | 3-5 years |
| Vehicle | 5 years |

Accounting for Contributions

Contributions, including unconditional promises to give, are recognized when received. All contributions are reported as increases in unrestricted net assets unless use of the contributed assets is specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in either temporarily restricted or permanently restricted net assets, consistent with the nature of the restriction. Unconditional promises with payments due in future years have an implied restriction to be used in the year the payment is due, and therefore are reported as temporarily restricted until the payment is due unless the contribution is clearly intended to support activities of the current fiscal year or is received with permanent restrictions. Conditional promises, such as matching grants, are not recognized until they become unconditional, that is, until all conditions on which they depend are substantially met.

Expense Recognition and Allocation

The cost of providing the organization's programs and other activities is summarized on a functional basis in the statement of activities and statement of functional expenses. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions have been allocated among the various functions benefited. General and administrative expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the organization.

Tax Status

The organization is incorporated exempt from federal income taxation under Section 501(c) (3) of the Internal Revenue Code (IRC), though it would be subject to tax on income unrelated to its exempt purposes (unless that income is otherwise excluded by the IRC). Contributions to the organization are tax deductible to donors under Section 170 of the IRC. The organization is not classified as a private foundation.

I-SAVE FOUNDATION LTD NFP

NOTES TO THE FINANCIAL STATEMENTS

Year ENDED DECEMBER 31 2011

NOTE 1- OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-CONTINUED

Concentrations of Risk

Amounts held in financial institutions occasionally are in excess of the Federal Deposit Insurance Corporation and Securities Investor Protection Corporation limits. The organization deposits its cash with high quality financial institutions, and management believes the organization is not exposed to significant credit risk on those amounts.

Subsequent Events

Subsequent events have been evaluated through July 31, 2013, which is the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.

NOTE 2 – DONATED SERVICES AND MATERIALS

I-SAVE Foundation receives donated services from a variety of unpaid volunteers assisting the I-SAVE Foundation in program services and supporting services. No amounts have been recognized in the accompanying statement of activities because the criteria for recognition of such volunteer effort under FASB ASC 958-605-25-17 have not been satisfied.

I-SAVE Foundation also receives donated materials on special events from various organizations and distribute to the Veterans of Wars who attended the special event. The amounts have been recognized at fair market value in the accompanying statement of activities as follows:

| | |
|------------------------------------|-------------------------|
| Materials and Supplies | \$ 1,500 |
| Food | 24,900 |
| Ambulatory Services | 1,500 |
| Equipment Rental | 2,500 |
| Hotel Rooms | 4,500 |
| Various sports tickets | 195,000 |
| Advertising on TV, Radio, Internet | 90,000 |
| Gift Certificates | 2,250 |
| Athletic Training & Membership | 2,500 |
| Prescription drugs | 2,500 |
| | ----- |
| | <u><u>\$327,150</u></u> |