

YOUTH VOLUNTEER CORPS
FINANCIAL STATEMENTS
YEARS ENDED MARCH 31, 2018 AND 2017

**YOUTH VOLUNTEER CORPS
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YEARS ENDED MARCH 31, 2018 AND 2017**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Youth Volunteer Corps
Kansas City, Missouri

We have audited the accompanying financial statements of Youth Volunteer Corps (a nonprofit organization), which comprises the statements of financial position as of March 31, 2018 and 2017, and the related statements of activities and changes in net assets, functional expenses, 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 audit 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.

Board of Directors
Youth Volunteer Corps

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Youth Volunteer Corps, as of March 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Overland Park, Kansas
August 15, 2018

**YOUTH VOLUNTEER CORPS
STATEMENTS OF FINANCIAL POSITION
MARCH 31, 2018 AND 2017**

ASSETS	2018	2017
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 719,230	\$ 864,463
Investments, at Fair Value	308,097	270,373
Accounts Receivable:		
Grants	-	514,946
Pledges	250	2,000
In-Kind Pledges, Net	19,270	-
Interest	90	87
Prepaid Expenses	3,501	1,946
Total Current Assets	1,050,438	1,653,815
PROPERTY AND EQUIPMENT		
Leasehold Improvements	4,450	4,450
Fixtures and Equipment	51,724	48,433
Software and Websites	28,578	25,078
Internally Developed Software in Progress	14,164	-
Total Property and Equipment	98,916	77,961
Less: Accumulated Depreciation	63,217	53,456
Net Property and Equipment	35,699	24,505
OTHER ASSETS		
Trademarks	6,208	6,208
Security Deposit	2,083	2,083
Total Other Assets	8,291	8,291
 Total Assets	 \$ 1,094,428	 \$ 1,686,611
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ 5,687	\$ 10,677
Accrued Liabilities	22,573	17,261
Total Current Liabilities	28,260	27,938
NET ASSETS		
Unrestricted:		
Undesignated	432,852	628,796
Board Designated	2,000	2,375
Total Unrestricted:	434,852	631,171
Restricted:		
Temporarily Restricted	631,316	1,027,502
Total Net Assets	1,066,168	1,658,673
 Total Liabilities and Net Assets	 \$ 1,094,428	 \$ 1,686,611

See accompanying Notes to Financial Statements.

YOUTH VOLUNTEER CORPS
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
YEARS ENDED MARCH 31, 2018 AND 2017

	2018			2017		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
REVENUE						
Contributions:						
Individuals	\$ 118,037	\$ 24,814	\$ 142,851	\$ 138,509	\$ 29,146	\$ 167,655
Corporations	64,032	29,270	93,302	67,297	30,500	97,797
Foundations	8,710	20,675	29,385	28,644	1,002,000	1,030,644
Total Contributions	<u>190,779</u>	<u>74,759</u>	<u>265,538</u>	<u>234,450</u>	<u>1,061,646</u>	<u>1,296,096</u>
Grants	-	65,196	65,196	-	215,046	215,046
Affiliate Sites	43,990	-	43,990	38,554	91,132	129,686
Investment Income	38,384	-	38,384	42,571	-	42,571
Other Revenue	894	-	894	1,541	-	1,541
Net Assets Released From Restriction:						
Satisfaction of Purpose Restrictions	536,141	(536,141)	-	395,376	(395,376)	-
Total Revenue	<u>810,188</u>	<u>(396,186)</u>	<u>414,002</u>	<u>712,492</u>	<u>972,448</u>	<u>1,684,940</u>
EXPENSES						
Program Services	840,736	-	840,736	636,509	-	636,509
Management and General	70,439	-	70,439	51,924	-	51,924
Fundraising	95,332	-	95,332	108,482	-	108,482
Total Expenses	<u>1,006,507</u>	<u>-</u>	<u>1,006,507</u>	<u>796,915</u>	<u>-</u>	<u>796,915</u>
CHANGE IN NET ASSETS	(196,319)	(396,186)	(592,505)	(84,423)	972,448	888,025
Net Assets - Beginning Of Year	<u>631,171</u>	<u>1,027,502</u>	<u>1,658,673</u>	<u>715,594</u>	<u>55,054</u>	<u>770,648</u>
NET ASSETS - END OF YEAR	<u><u>\$ 434,852</u></u>	<u><u>\$ 631,316</u></u>	<u><u>\$ 1,066,168</u></u>	<u><u>\$ 631,171</u></u>	<u><u>\$ 1,027,502</u></u>	<u><u>\$ 1,658,673</u></u>

See accompanying Notes to Financial Statements.

**YOUTH VOLUNTEER CORPS
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED MARCH 31, 2018**

	Program Services	Support Activities		Total Expenses
	Affiliate Development	Management and General	Fundraising	
Salaries and Benefits	\$ 364,766	\$ 43,442	\$ 69,746	\$ 477,954
Affiliate Support and Programming	371,421	404	675	372,500
Rent	58,220	7,937	13,257	79,414
Travel	9,103	374	626	10,103
Professional and Consulting	-	14,860	3,925	18,785
Depreciation	7,156	976	1,629	9,761
Insurance	3,434	442	738	4,614
Information Technology	9,354	935	1,694	11,983
Printing and Production	4,768	-	1,420	6,188
Telephone and Communication	3,364	107	107	3,578
Office Supplies	2,249	307	512	3,068
Training and Staff Development	3,887	353	870	5,110
Miscellaneous	3,014	302	133	3,449
Total Expenses by Function	\$ 840,736	\$ 70,439	\$ 95,332	\$ 1,006,507

See accompanying Notes to Financial Statements.

**YOUTH VOLUNTEER CORPS
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED MARCH 31, 2017**

	Program Services	Support Activities		Total Expenses
	Affiliate Development	Management and General	Fundraising	
Salaries and Benefits	\$ 446,222	\$ 26,743	\$ 75,102	\$ 548,067
Affiliate Support and Programming	75,268	48	119	75,435
Rent	57,739	5,794	14,361	77,894
Travel	14,568	270	670	15,508
Professional and Consulting	-	15,652	7,559	23,211
Depreciation	8,661	869	2,154	11,684
Insurance	12,600	946	2,345	15,891
Information Technology	8,451	618	1,652	10,721
Printing and Production	4,225	-	3,225	7,450
Telephone and Communication	2,614	145	145	2,904
Office Supplies	2,014	202	501	2,717
Training and Staff Development	2,261	227	562	3,050
Miscellaneous	1,886	410	87	2,383
Total Expenses by Function	\$ 636,509	\$ 51,924	\$ 108,482	\$ 796,915

See accompanying Notes to Financial Statements.

**YOUTH VOLUNTEER CORPS
STATEMENTS OF CASH FLOWS
YEARS ENDED MARCH 31, 2018 AND 2017**

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (592,505)	\$ 888,025
Adjustments to Reconcile Change in Net Assets to Net Cash		
Provided by (Used in) Operating Activities:		
Realized and Unrealized Gains on Investments, Net	(32,120)	(36,531)
Donated Stock	(15,000)	(12,662)
Donated Office Space	(19,270)	-
Depreciation	9,761	11,684
Effects of Changes in Operating Assets and Liabilities:		
Grants Receivable	514,946	(494,004)
Pledges Receivable	1,750	24,998
Interest Receivable	(3)	-
Prepaid Expenses	(1,555)	1,767
Accounts Payable	(4,990)	3,423
Accrued Liabilities	5,312	(4,651)
Net Cash Provided by (Used in) Operating Activities	(133,674)	382,049
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Property and Equipment	(20,955)	(6,827)
Purchases of Investment Securities	(5,604)	(5,387)
Proceeds from Sale of Investment Securities	15,000	32,653
Net Cash Provided by (Used in) Investing Activities	(11,559)	20,439
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(145,233)	402,488
Cash and Cash Equivalents - Beginning of Year	864,463	461,975
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 719,230	\$ 864,463

See accompanying Notes to Financial Statements.

**YOUTH VOLUNTEER CORPS
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2018 AND 2017**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Youth Volunteer Corps (the Organization) was incorporated as a Missouri nonprofit corporation in 1991. The Organization was organized to create volunteer opportunities to address community needs and to inspire youth for a lifetime commitment to service. The Organization is primarily funded by contributions from foundations, corporations, and individuals, as well as by government grants.

The Organization is located in over 30 communities across the United States and Canada and recruits teams of diverse youth between the ages of 11 and 18 to perform service learning projects in their communities. The projects address unmet needs of the community while promoting a lifetime ethic of service among young people.

The Organization's primary responsibility is to act as an international headquarters and to support its affiliates, which are essentially the Organization's programs sponsored by community or government organizations such as a local YMCA or United Way. The Organization does not own or control any of these community or government organizations, nor are any of them fiscally dependent upon the Organization or vice versa.

Use of Estimates in Preparing Financial Statements

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, expenses, gains, losses, and other changes in net assets during the reporting period. Significant estimates incorporated into the Organization's financial statements include the estimated useful lives of depreciable assets and the allocation of costs between functional cost centers. Actual results could differ from those estimates.

Net Assets

Financial statement presentation follows the recommendations of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-205, *Financial Statements of Not-For-Profit Associations*. Under ASC 958-205, the Association 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.

**YOUTH VOLUNTEER CORPS
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2018 AND 2017**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Unrestricted

Unrestricted net assets include all net assets which are neither temporarily nor permanently restricted. This category includes board designated net assets.

Temporarily Restricted

Temporarily restricted net assets include contributed net assets for which donor imposed time and purpose restrictions have not been met and the ultimate purpose of the contribution is not permanently restricted.

Permanently Restricted

Permanently restricted net assets include contributed net assets which require, by donor restriction, that the corpus be invested in perpetuity and only the income be made available for program operations in accordance with donor restrictions. The organization does not have any permanently restricted assets for the years ending March 31, 2018 and 2017

Basis of Accounting

The accounts of the Organization are maintained on the accrual basis of accounting in accordance with principles of fund accounting. Separate accounts are maintained for each fund. However, the accompanying financial statements have been prepared on a basis which shows the financial position and changes in net assets of the Organization in total. Funds with similar characteristics have been combined for financial statement presentation.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities and changes in net assets as net assets released from restriction.

In-Kind Contributions

In-kind contributions consist of goods and services donated to the Organization. These have been reflected in the financial statements at their estimated fair market value at the date of donation.

The Organization records in-kind support for contributed services if these services (a) create or enhance long-lived assets or (b) require specialized skills, are provided by an individual possessing those skills, and would typically need to be purchased if not provided by donation. Such support could be used in program activities of the Organization as well as in fundraising and administrative activities. The value of services meeting these requirements, to the extent measurable, is reflected in the accompanying financial statements.

**YOUTH VOLUNTEER CORPS
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2018 AND 2017**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In-Kind Contributions (Continued)

Office space rent, donated stock, and federal grant assistance are reflected as contributions and grant revenue at their estimated values at date of receipt, summarized below for the years ended March 31, 2018 and 2017, respectively.

	<u>2018</u>	<u>2017</u>
Contributions:		
Office Space - Current Year	\$ 45,955	\$ 46,882
Office Space - Future Years	19,270	-
Stock	15,000	12,662
Federal Grants:		
AmeriCorps VISTA	21,678	10,481
Total In-Kind Contributions	<u>\$ 101,903</u>	<u>\$ 70,025</u>

The Organization receives a substantial amount of support from nonprofessional volunteer services that do not meet the criteria listed above. These nonprofessional volunteers donate services for fundraising, education, and administration that are not valued or recorded in the statements of activities and changes in net assets.

Cash and Cash Equivalents

Cash equivalents for the purposes of the statements of cash flows consist of cash in operating bank accounts and certificates of deposit and are recorded at cost.

Investments

Investments include equity mutual funds, which are carried at fair value, with realized and unrealized gains and losses on investments reported as increases or decreases in unrestricted, temporarily restricted, or permanently restricted net assets based upon donor-imposed restrictions. The Organization invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the Organization's financial statements.

Grants Receivable

Grants are recognized when the grant letter is received, absent the presence of conditional provisions, and are classified as temporarily restricted net assets if time or purpose restrictions are present. No allowance for doubtful accounts is recorded for grants as of March 31, 2018 and 2017, as management does not believe the required amount of such an allowance would be material to the financial statements. Grants receivable are expected to be collected within one year as of March 31, 2018 and 2017.

YOUTH VOLUNTEER CORPS
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2018 AND 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pledges Receivable

Pledges are recorded when received and determined to be unconditional. Allowances are provided for amounts estimated to be uncollectible. No allowance for doubtful accounts is recorded for pledges as of March 31, 2018 or 2017, as management does not believe the required amount of such an allowance would be material to the financial statements. Pledges receivable are expected to be collected within one year as of March 31, 2018 and 2017.

Property and Equipment

The Organization's property and equipment are carried at cost if purchased, and fair value as of the contribution date if contributed. The cost of property and equipment purchased in excess of \$1,000 is capitalized. Depreciation is provided for using the straight-line method over the estimated useful lives of the respective assets, which is generally 3 to 7 years. Repair and maintenance costs are charged to expense as incurred.

Impairment of Long-Lived Assets

The Organization reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets held for sale are reported at the lower of their carrying amount or fair value less costs to sell. The Organization follows the standard for evaluating uncertain tax positions and has determined no liability should be recorded.

Income Taxes

No provision for income taxes is included in the statements of activities and changes in net assets since the Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

The Organization accounts for income taxes in accordance with FASB ASC 740, *Accounting for Income Taxes*, which provides guidance on how to measure and account for various tax positions. The Organization has determined that no material unrecognized tax benefits or liabilities exist as of March 31, 2018 for the Organization. If applicable, the Organization will recognize interest and penalties related to the underpayment of income taxes in the year incurred. The Organization is not at the present time under examination by any taxing authority.

**YOUTH VOLUNTEER CORPS
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2018 AND 2017**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Expenses

The costs of providing the Organization's program and other support activities have been summarized on a functional basis in the statements of activities and changes in net assets. Certain costs have been allocated between the program and support services benefited as depicted in the accompanying statements of functional expenses. Expenses that can be identified with the program specifically or with support services are assigned directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated based on management's estimate of resources devoted to the program or support services.

New Accounting Pronouncement Effective in Future Accounting Period

In August 2016, the FASB issued Accounting Standards Update (ASU) 2016-14, *Not-For-Profit Entities (Topic 958), Presentation of Financial Statements of Not-for-Profit Entities*. This standard was issued to improve the information presented in financial statements and notes about a nonprofit entity's liquidity, financial performance, and Cash flows. ASU 2016-14 is effective for fiscal year ending March 31, 2019. Management will be evaluating the effects of this new standard.

On May 28, 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers* (Topic 606). The guidance requires an entity to recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. The guidance also requires expanded disclosures relating to the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. Additionally, qualitative and quantitative disclosures are required regarding customer contracts, significant judgments and changes in judgments, and assets recognized from the costs to obtain or fulfill a contract. The standard does not impact the recording of contributions. Since then, the board issued proposed ASU, *Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date*. The amendments in this update defer the effective date of Update 2014-09 for all entities by one year, making the standard effective for fiscal year ending March 31, 2020. Management will be evaluating the effects of this new standard.

In February 2016, FASB issued ASU 2016-02 *Leases (Topic 842)*. This update increases transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. ASU 2016-02 is effective for the Organization for the fiscal year ending March 31, 2021. Management will be evaluating the effects of this new standard.

**YOUTH VOLUNTEER CORPS
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2018 AND 2017**

NOTE 2 CONCENTRATION OF CREDIT RISK

Financial instruments, which subject the Organization to concentration of credit risk, consist of demand deposits, certificates of deposit, and mutual funds that are held by financial institutions. In the normal course of business operations, the Organization may have funds on deposit in various financial institutions in excess of federal and other insurance limits. The Organization had uninsured balances totaling \$217,370 at March 31, 2018.

NOTE 3 FAIR VALUE MEASUREMENTS

FASB ASC 820, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that we can access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3 – Unobservable inputs for the asset or liability. In these situations, we develop inputs using the best information available in the circumstances.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value:

Mutual Funds: Valued at the daily closing price as reported by the fund. The mutual funds held by the Organization are deemed to be actively traded (Level 1).

**YOUTH VOLUNTEER CORPS
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2018 AND 2017**

NOTE 3 FAIR VALUE MEASUREMENTS (CONTINUED)

The following table presents assets measured at fair value on a recurring basis at March 31, 2018:

	March 31, 2018		
	Level 1	Level 2	Level 3
Mutual Funds	\$ 308,097	\$ -	\$ -
Total	<u>\$ 308,097</u>	<u>\$ -</u>	<u>\$ -</u>

The following table presents assets measured at fair value on a recurring basis at March 31, 2017:

	March 31, 2017		
	Level 1	Level 2	Level 3
Mutual Funds	\$ 270,373	\$ -	\$ -
Total	<u>\$ 270,373</u>	<u>\$ -</u>	<u>\$ -</u>

NOTE 4 INVESTMENTS

Investment returns consist of the following for the years ended March 31:

	2018	2017
Interest and Dividends	\$ 6,264	\$ 6,040
Realized Gains, Net	-	1,699
Unrealized Gains, Net	32,120	34,832
Total Investment Returns	<u>\$ 38,384</u>	<u>\$ 42,571</u>

NOTE 5 OTHER ASSETS

Other assets consist of the following at March 31:

	2018	2017
Trademarks:		
Word Mark	\$ 4,163	\$ 4,163
Design Mark	2,045	2,045
Office Rent Deposit	2,083	2,083
Total	<u>\$ 8,291</u>	<u>\$ 8,291</u>

The trademarks are comprised of the associated legal and filings costs as part of the trademark registration process and are considered to have an indefinite life; therefore, no amortization has been recorded as of March 31, 2018 or 2017. Additionally, no impairment has been recorded as of March 31, 2018 or 2017.

**YOUTH VOLUNTEER CORPS
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2018 AND 2017**

NOTE 6 LEASE COMMITMENTS

The Organization leased office space during the years ended March 31, 2018 and 2017 under a noncancelable operating lease. The prior year lease expired in August 2017 and the new lease began January 2018. Total lease expense was \$79,414 in 2018 and \$77,894 in 2017, of which \$45,955 and \$46,882, respectively, was considered to be an in-kind contribution from the landlord. Future minimum lease commitments for this lease are as follows:

<u>Fiscal Year Ending March 31,</u>	<u>Amount</u>
2019	\$ 42,390
2020	43,521
2021	43,521
2022	43,904
2023	33,790
	\$ 207,126

NOTE 7 BENEFICIAL INTEREST IN COMMUNITY FOUNDATION

On January 27, 2014, a donor established the Adele Hall Joy of Serving Fund (the Fund) at the Greater Kansas City Community Foundation (GKCCF). The establishing document called for GKCCF to distribute annual net income from the Fund to the Organization as follows: “25% of the annual net income shall be used for innovative programs and best practices in Kansas City which may be exported nationally and 75% of the annual net income shall be used for expenses of the Organization.”

After the fifteenth anniversary of the date of this establishing document, if the Organization meets certain conditions then it will become the advisor to the Fund and may request distributions of income and principal from the Fund at any time for any charitable purpose in its discretion. If, instead, the Organization ceases to exist then GKCCF can make distributions from the income and principal of the Fund in their discretion to another organization that meets certain requirements outlined in the establishing document.

The establishing document grants GKCCF variance power to modify a restriction or condition on the distribution of funds for any specific charitable purpose or to specified charitable organizations. As a result, the Organization has not recorded the principal of the Fund and only records contribution revenue upon receipt of distributions from the Fund.

The Organization received annual distributions from the Fund in the amount of \$98,458 and \$79,743 during the years ended March 31, 2018 and 2017, respectively.

**YOUTH VOLUNTEER CORPS
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2018 AND 2017**

NOTE 8 TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purpose or time periods at March 31:

	2018	2017
Don and Jean Sloan Scholarship Fund	\$ -	\$ 625
Adele Hall Joy of Serving Fund	24,615	19,986
Service Learning Library	-	1,418
Program Expenses	10,000	5,153
KC Support Services	-	320
2018 Summit Sponsorships	200	-
Construction Related Service Projects	577,231	1,000,000
In-Kind Pledges Receivable, Net	19,270	-
Total	\$ 631,316	\$ 1,027,502

NOTE 9 FEDERAL GRANTS

On July 25, 2013, the Organization was awarded \$263,840 in federal grant funds by the Corporation for National and Community Service (CNCS) for each year during the three-year grant period beginning September 1, 2013 and ending August 31, 2016. Such funds are available to be drawn down at any time, regardless of when expenditures are incurred. During the fiscal year ended March 31, 2018, \$43,518 of this grant was recognized as grant revenue. During the fiscal year ended March 31, 2017, \$204,565 of this grant was recognized as grant revenue, of which \$14,946 was included in grants receivable.

NOTE 10 RELATED PARTY TRANSACTIONS

For the year ended March 31, 2018, approximately 13% of total contributions revenue and 100% of pledges receivable originated from board members, key management, staff, and their immediate family members. For the year ended March 31, 2017, approximately 8% of total contributions revenue and 100% of pledges receivable originated from board members, key management, staff, and their immediate family members.

NOTE 11 ECONOMIC RISKS

In December 2017, the Tax Cuts and Jobs Act (TCJA) was approved by the United States Congress and signed into law. Provisions in the TCJA increase the standard deduction for taxpayers, lower tax rates, and increase estate tax exclusions and limits on the deductibility for contributions of cash to public charities. Uncertainty exists on the potential impact of contribution revenue to the Organization.

**YOUTH VOLUNTEER CORPS
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2018 AND 2017**

NOTE 12 CONCENTRATION OF REVENUE RISK

For the year ended March 31, 2018, two donors contributed approximately \$144,413 or 59% of total contribution revenue. For the year ended March 31, 2017, one donor contributed approximately \$1,000,000 or 77% of total contribution revenue.

NOTE 13 CONTINGENCY

On December 22, 2016, the Organization entered into a contract for services and accommodations for a future event. If the Organization were to breach this contract, it would incur liquidating damages ranging from approximately \$23,000 to \$30,000.

NOTE 14 SUBSEQUENT EVENTS

Management has evaluated subsequent events through August 15, 2018, the date which the financial statements were available for issue.