

**American Council of the Blind and Subsidiary**

**Consolidated Financial Statements**

**December 31, 2016 and 2015**



**American Council of the Blind and Subsidiary  
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## Independent Auditor's Report

Board of Directors  
American Council of the Blind and Subsidiary  
Brooklyn Center, Minnesota

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

We have audited the accompanying consolidated financial statements of American Council of the Blind and Subsidiary (a nonprofit organization) which comprise the consolidated statements of financial position as of December 31, 2016 and 2015, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended and related notes to consolidated financial statements.

### ***Management's Responsibility for the Consolidated Financial Statements***

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the consolidated 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 Organization'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 consolidated 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 consolidated financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of American Council of the Blind and Subsidiary, as of December 31, 2016 and 2015, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Report on Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The accompanying consolidating statements of financial position and activities are presented for purposes of additional analysis, rather than to present financial position and results of operations of the individual organizations, and they are not a required part of the consolidated 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 consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with accounting principles generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

*BerganKDV, Ltd.*

Minneapolis, Minnesota  
May 2, 2017

**CONSOLIDATED FINANCIAL STATEMENTS**

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**American Council of the Blind and Subsidiary  
Consolidated Statements of Financial Position  
As of December 31, 2016 and 2015**

	2016	2015
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 118,057	203,049
Restricted cash	65,258	30,211
Accounts receivable, including promises to give, net	3,218	9,217
Accounts receivable, other	15,579	51,800
Inventories	54,648	56,852
Prepaid expenses	49,841	11,968
Total current assets	306,601	363,097
Investments		
Endowment		
Donor restricted	945,340	936,437
Other		
Operational	3,550	3,550
Unrestricted	25,637	-
Board-designated reserves	1,053,619	1,012,134
Donor restricted	186,344	130,735
Total investments	2,214,490	2,082,856
Other assets		
Long-term accounts receivable	11,217	14,846
Deposits	6,383	14,809
Total other assets	17,600	29,655
Property and equipment, net		
	66,758	45,171
Total assets	\$ 2,605,449	\$ 2,520,779
<b>Liabilities and Net Assets</b>		
Current liabilities		
Accounts payable	\$ 79,620	\$ 83,277
Accrued expenses	181,678	182,794
Deferred revenue	1,560	99,129
Total current liabilities	262,858	365,200
Net assets		
Unrestricted		
Undesignated	248,541	191,825
Board designated operating reserve	897,108	866,371
Total unrestricted	1,145,649	1,058,196
Temporarily restricted	663,746	568,687
Permanently restricted	533,196	528,696
Total net assets	2,342,591	2,155,579
Total liabilities and net assets	\$ 2,605,449	\$ 2,520,779

See notes to consolidated financial statements.

**American Council of the Blind and Subsidiary**  
**Consolidated Statement of Activities**  
**Year Ended December 31, 2016**

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>Revenue, Support, and Gains</b>				
Contributions for individuals and organizations	\$ 342,878	\$ 207,834	\$ 4,500	\$ 555,212
Legacies and bequests	26,404	-	-	26,404
In-kind contributions	9,133	-	-	9,133
Assessments and dues from local member units	62,715	-	-	62,715
Program fees	427,403	-	-	427,403
Other program activities	124,480	-	-	124,480
Miscellaneous income	19,920	-	-	19,920
Net investment return	57,022	39,728	-	96,750
Thrift store activities, net	75,174	-	-	75,174
	<u>1,145,129</u>	<u>247,562</u>	<u>4,500</u>	<u>1,397,191</u>
Total revenue, support, and gains				
Net assets released from restriction	<u>152,503</u>	<u>(152,503)</u>	<u>-</u>	<u>-</u>
	<u>1,297,632</u>	<u>95,059</u>	<u>4,500</u>	<u>1,397,191</u>
<b>Expenses by Function</b>				
Program services				
Scholarships	83,847	-	-	83,847
Conventions	229,283	-	-	229,283
Audio description project	76,871	-	-	76,871
ACB radio	60,234	-	-	60,234
Telephone hotline	44,030	-	-	44,030
Advocacy and government affairs	112,447	-	-	112,447
Program consultation	91,275	-	-	91,275
Membership services	92,883	-	-	92,883
Public awareness	195,654	-	-	195,654
Liaison with external organizations	53,585	-	-	53,585
Support services				
Management and general	84,246	-	-	84,246
Fundraising	85,824	-	-	85,824
	<u>1,210,179</u>	<u>-</u>	<u>-</u>	<u>1,210,179</u>
Total expenses by function				
Change in net assets	87,453	95,059	4,500	187,012
<b>Net Assets</b>				
Beginning of year	<u>1,058,196</u>	<u>568,687</u>	<u>528,696</u>	<u>2,155,579</u>
End of year	<u>\$ 1,145,649</u>	<u>\$ 663,746</u>	<u>\$ 533,196</u>	<u>\$ 2,342,591</u>



**American Council of the Blind and Subsidiary**  
**Consolidated Statement of Activities**  
**Year Ended December 31, 2015**

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>Revenue, Support, and Gains</b>				
Contributions for individuals and organizations	\$ 292,852	\$ 37,145	\$ 2,500	\$ 332,497
Legacies and bequests	163,486	-	-	163,486
In-kind contributions	9,695	-	-	9,695
Assessments and dues from local member units	58,417	-	-	58,417
Program fees	300,853	-	-	300,853
Other program activities	116,101	-	-	116,101
Miscellaneous income	181,199	-	-	181,199
Net investment return	(16,119)	(54,146)	-	(70,265)
Thrift store activities, net	22,966	-	-	22,966
	<u>1,129,450</u>	<u>(17,001)</u>	<u>2,500</u>	<u>1,114,949</u>
Total revenue, support, and gains				
Net assets released from restriction	104,100	(104,100)	-	-
	<u>1,233,550</u>	<u>(121,101)</u>	<u>2,500</u>	<u>1,114,949</u>
<b>Expenses by Function</b>				
Program services				
Scholarships	87,541	-	-	87,541
Conventions	219,074	-	-	219,074
Audio description project	83,204	-	-	83,204
ACB radio	63,430	-	-	63,430
Telephone hotline	50,162	-	-	50,162
Advocacy and government affairs	104,698	-	-	104,698
Program consultation	126,733	-	-	126,733
Membership services	90,492	-	-	90,492
Public awareness	224,666	-	-	224,666
Liaison with external organizations	65,007	-	-	65,007
Support services				
Management and general	92,343	-	-	92,343
Fundraising	96,358	-	-	96,358
	<u>1,303,708</u>	<u>-</u>	<u>-</u>	<u>1,303,708</u>
Total expenses by function				
Change in net assets	(70,158)	(121,101)	2,500	(188,759)
<b>Net Assets</b>				
Beginning of year	<u>1,128,354</u>	<u>689,788</u>	<u>526,196</u>	<u>2,344,338</u>
End of year	<u>\$ 1,058,196</u>	<u>\$ 568,687</u>	<u>\$ 528,696</u>	<u>\$ 2,155,579</u>

**American Council of the Blind and Subsidiary  
Consolidated Statement of Functional Expenses  
Year Ended December 31, 2016**

	Program Services					Advocacy and Government Affairs
	ACB Scholarships	Convention	Audio Description Project	ACB Radio	Telephone Hotline	
Expenses						
Scholarships and awards	\$ 46,825	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries and benefits	6,296	40,386	6,296	6,296	26,027	59,491
Legal	-	-	-	-	-	-
Accounting	187	1,202	187	187	775	1,770
Other professional fees	11,075	35,607	37,298	31,318	1,368	1,487
Professional fundraising services	-	-	-	-	-	-
Advertising and publicity	-	1,715	-	2,645	2,645	-
Printing and publications	1,830	11,571	1,830	1,830	-	3,659
Communications	632	632	632	777	1,605	1,264
Supplies and equipment	287	12,066	8,325	287	931	2,252
Postage and shipping	217	1,355	217	217	217	435
Accounting offices	8,566	8,566	4,283	4,283	-	-
IT and website services	2,762	5,225	2,262	8,485	610	1,267
Occupancy	1,226	7,864	1,226	1,226	5,068	11,583
Travel	3,461	12,881	2,955	510	-	2,687
Meeting and conferences	-	79,331	-	-	-	4,854
Depreciation	244	8,360	244	244	1,009	2,305
Insurance	231	1,479	231	231	953	2,179
Memberships and dues	-	-	486	486	2,431	2,431
Grant expense	-	-	10,050	-	-	9,560
Other expenses	8	1,043	349	1,212	391	5,223
<b>Total expenses by function</b>	<b><u>\$ 83,847</u></b>	<b><u>\$ 229,283</u></b>	<b><u>\$ 76,871</u></b>	<b><u>\$ 60,234</u></b>	<b><u>\$ 44,030</u></b>	<b><u>\$ 112,447</u></b>

See notes to consolidated financial statements.

Program Services					Supporting Services			Consolidated
Program Consultation	Membership Services	Public Awareness	Liaison	Total	Management and General	Fundraising	Total	
\$ -	\$ -	\$ -	\$ -	\$ 46,825	\$ -	\$ -	\$ -	\$ 46,825
30,196	30,268	62,858	29,638	297,752	19,375	18,887	38,262	336,014
1,173	-	419	-	1,592	83	-	83	1,675
899	901	1,871	882	8,861	577	562	1,139	10,000
6,824	1,383	22,665	1,381	150,406	9,413	15,792	25,205	175,611
-	-	57	-	57	-	6,754	6,754	6,811
-	4,409	7,055	-	18,469	-	882	882	19,351
3,659	1,830	44,267	-	70,476	-	7,205	7,205	77,681
1,264	1,264	1,554	1,264	10,888	1,119	632	1,751	12,639
1,204	1,145	2,928	1,060	30,485	691	676	1,367	31,852
435	435	435	435	4,398	650	435	1,085	5,483
4,283	4,283	8,566	4,283	47,113	29,979	8,566	38,545	85,658
4,194	4,885	14,903	4,131	48,724	4,819	2,860	7,679	56,403
5,879	5,893	12,239	5,771	57,975	3,772	3,678	7,450	65,425
7,755	7,618	1,716	1,799	41,382	4,154	990	5,144	46,526
2,860	4,084	1,214	-	92,343	1,098	-	1,098	93,441
1,170	1,173	2,436	1,148	18,333	751	732	1,483	19,816
1,106	1,109	2,302	1,086	10,907	709	692	1,401	12,308
2,431	-	972	-	9,237	-	485	485	9,722
9,560	19,121	-	-	48,291	7,019	-	7,019	55,310
6,383	3,082	7,197	707	25,595	37	15,996	16,033	41,628
<u>\$ 91,275</u>	<u>\$ 92,883</u>	<u>\$ 195,654</u>	<u>\$ 53,585</u>	<u>\$ 1,040,109</u>	<u>\$ 84,246</u>	<u>\$ 85,824</u>	<u>\$ 170,070</u>	<u>\$ 1,210,179</u>

**American Council of the Blind and Subsidiary  
Consolidated Statement of Functional Expenses  
Year Ended December 31, 2015**

	Program Services					
	ACB Scholarships	Convention	Audio Description Project	ACB Radio	Telephone Hotline	Advocacy and Government Affairs
Expenses						
Scholarships and awards	\$ 41,550	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries and benefits	6,097	39,142	6,097	6,097	24,841	47,858
Legal	-	-	-	-	-	-
Accounting	211	1,358	211	212	862	1,661
Other professional fees	11,041	24,145	39,226	31,397	1,338	1,399
Professional fundraising services	-	-	-	-	-	-
Advertising and publicity	-	5,457	-	206	206	-
Printing and publications	1,911	11,554	1,911	1,911	-	3,823
Communications	551	551	551	662	1,433	1,103
Supplies and equipment	272	9,453	4,037	272	1,004	1,986
Postage and shipping	237	3,512	237	237	197	473
Accounting offices	13,233	13,233	6,617	6,615	-	-
IT and website services	1,804	5,081	4,204	8,071	592	1,173
Occupancy	2,675	17,173	2,675	2,675	10,899	20,997
Travel	7,493	10,539	2,061	556	-	4,388
Meeting and conferences	-	67,827	-	-	-	3,164
Depreciation	254	8,688	254	254	1,033	1,990
Insurance	212	1,361	212	212	863	1,663
Memberships and dues	-	-	799	799	3,997	3,997
Grant expense	-	-	13,870	2,655	2,655	5,396
Other expenses	-	-	242	599	242	3,627
<b>Total expenses by function</b>	<b>\$ 87,541</b>	<b>\$ 219,074</b>	<b>\$ 83,204</b>	<b>\$ 63,430</b>	<b>\$ 50,162</b>	<b>\$ 104,698</b>

See notes to consolidated financial statements.

Program Services					Supporting Services			
Program Consultation	Membership Services	Public Awareness	Liaison	Total	Management and General	Fundraising	Total	Consolidated
\$ -	\$ -	\$ -	\$ -	\$ 41,550	\$ -	\$ -	\$ -	\$ 41,550
37,446	28,126	56,073	29,471	281,248	17,535	13,155	30,690	311,938
19,228	-	6,867	-	26,095	1,373	-	1,373	27,468
1,299	976	1,946	1,023	9,759	609	457	1,066	10,825
5,757	1,347	19,458	1,350	136,458	7,727	13,685	21,412	157,870
-	-	25,713	-	25,713	-	23,022	23,022	48,735
-	343	549	-	6,761	-	69	69	6,830
3,823	1,911	36,101	-	62,945	-	5,021	5,021	67,966
1,103	1,103	1,324	1,103	9,484	993	552	1,545	11,029
1,565	1,163	2,545	1,192	23,489	709	532	1,241	24,730
473	432	833	393	7,024	590	393	983	8,007
6,617	6,617	13,233	6,617	72,782	46,315	13,233	59,548	132,330
3,958	4,454	14,427	3,712	47,476	1,299	1,920	3,219	50,695
16,429	12,340	24,601	12,930	123,394	7,693	5,771	13,464	136,858
10,131	6,847	2,562	4,216	48,793	3,855	983	4,838	53,631
3,355	4,801	791	-	79,938	1,709	-	1,709	81,647
1,558	1,169	2,333	1,226	18,759	729	547	1,276	20,035
1,302	978	1,949	1,024	9,776	610	457	1,067	10,843
3,997	-	1,599	-	15,188	-	799	799	15,987
5,396	15,218	7,966	-	53,156	-	-	-	53,156
3,296	2,667	3,796	750	15,219	597	15,762	16,359	31,578
<u>\$ 126,733</u>	<u>\$ 90,492</u>	<u>\$ 224,666</u>	<u>\$ 65,007</u>	<u>\$ 1,115,007</u>	<u>\$ 92,343</u>	<u>\$ 96,358</u>	<u>\$ 188,701</u>	<u>\$ 1,303,708</u>

**American Council of the Blind and Subsidiary**  
**Consolidated Statements of Cash Flows**  
**Years Ended December 31, 2016 and 2015**

	2016	2015
<b>Cash Flows - Operating Activities</b>		
Change in net assets	\$ 187,012	\$ (188,759)
Adjustments to reconcile change in net assets to net cash flows - operating activities		
Depreciation	23,768	29,625
Net loss on disposal of property and equipment	-	4,702
Net unrealized loss (gain) on investments	(36,415)	156,792
Change in allowance for doubtful accounts	45,780	515
Change in operating assets and liabilities		
Accounts receivable	69	(4,504)
Inventories	2,204	6,024
Prepaid expenses and deposits	(29,447)	7,883
Accounts payable	(3,657)	(23,285)
Accrued expenses	(1,116)	(20,323)
Deferred revenue	(97,569)	99,129
Total adjustments	(96,383)	256,558
Net cash flows - operating activities	90,629	67,799
 <b>Cash Flows - Investing Activities</b>		
Purchases of property and equipment	(45,355)	(12,469)
Purchases of investments and reinvested earnings	(126,514)	(589,524)
Sale or maturity of investments	31,295	656,760
Net cash flows - investing activities	(140,574)	54,767
 Net change in cash and cash equivalents	(49,945)	122,566
 <b>Cash and Cash Equivalents</b>		
Beginning of year	233,260	110,694
End of year	\$ 183,315	\$ 233,260
	2016	2015
Cash and cash equivalents	\$ 118,057	\$ 203,049
Restricted cash	65,258	30,211
Total cash and cash equivalents	\$ 183,315	\$ 233,260

See notes to consolidated financial statements.

**American Council of the Blind and Subsidiary**  
**Notes to Consolidated Financial Statements**

**NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Organization**

The American Council of the Blind (ACB) and Subsidiary is a nonprofit corporation organized for the purpose of increasing the independence, equality of opportunity and quality of life for people who are blind and visually impaired. ACB's controlled subsidiary, American Council of the Blind Enterprises and Services, Inc. (ACBES), owns and operates three thrift stores for the benefit of ACB.

ACB's operations are supported by the public through contributions, solicitations, dues, program fees, legacies, and bequests. Additional funds are provided by its subsidiary's retail thrift stores which sell merchandise principally donated by the general public.

**Principles of Consolidation**

The consolidated financial statements include the accounts of ACB and ACBES (the Organization) because ACB has both control and economic interest in ACBES. All significant intercompany balances and transactions have been eliminated in consolidation.

**Basis of Accounting**

The Organization uses the accrual basis of accounting whereby revenue and support are recognized when earned and expenses are recognized when incurred.

**Consolidated Financial Statement Presentation**

The net assets and revenues of the Organization are reported based upon net asset restrictions and the purposes for which resources are to be spent and the means by which spending activities are controlled. Net asset restrictions are categorized as follows:

**Unrestricted**

Accounts for all expendable financial resources which are neither permanently restricted nor temporarily restricted by donor-imposed stipulations. These resources are available for operations at the discretion of the Board of Directors.

**Temporarily Restricted**

Accounts for (a) contributions and other inflows of assets whose use by the Organization 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 those stipulations, (b) other asset enhancements and diminishments subject to the same kinds of stipulations, and (c) reclassifications to (or from) other classes of net assets as a consequence of donor-imposed stipulations, their expiration by passage of time or their fulfillment and removal by actions of the Organization pursuant to those stipulations.

**Permanently Restricted**

Accounts for all financial resources which include a donor-imposed restriction that stipulates the resources be maintained permanently, but permits the Organization to use or expend part or all of the income derived from the donated assets.

**American Council of the Blind and Subsidiary  
Notes to Consolidated Financial Statements**

**NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Estimates**

The preparation of the consolidated 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

**Cash and Cash Equivalents**

The Organization considers cash in financial institutions and all highly liquid investments purchased with a maturity of three months or less, and which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Cash and highly liquid financial instruments restricted to capital expenditures, permanent endowment, or other long-term purposes of the Organization are excluded from this definition.

**Restricted Cash**

The Organization records cash received and designated by donors for a specific purpose to restricted cash.

**Accounts Receivable**

The accounts receivable consist primarily of noninterest bearing amounts due for scholarships and other miscellaneous items. Management determines the allowance for uncollectable accounts based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Accounts receivable are written off when deemed uncollectable. At December 31, 2016 and 2015, the allowance was \$50,250 and \$4,470, respectively.

**Promises to Give**

Unconditional promises to give expected to be collected within one year are recorded at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the consolidated statement of activities. Management determines the allowance for uncollectible promises to give based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectible.

**Inventories**

Donated inventory is valued at the lower of the cost of soliciting, transporting and sorting the donated merchandise or market value. Purchased inventory is valued at the lower of the cost of the merchandise and transportation costs on a first-in, first-out method of valuation or market value.

**Investments**

Investment purchases are recorded at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the consolidated statements of financial position.



**American Council of the Blind and Subsidiary  
Notes to Consolidated Financial Statements**

**NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Property and Equipment**

Property and equipment additions over \$1,000 are recorded at cost, or if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from one to seven years, or in the case of the leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any remaining gain or loss is included in the statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed. Depreciation for 2016 and 2015 was \$23,768 and \$29,625, respectively.

**Long Lived Assets**

The Organization reviews the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment at December 31, 2016 and 2015.

**Revenue and Revenue Recognition**

Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

Program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed or expenditures are incurred.

Grants are recorded as contributions or exchange transactions based on grantor based performance criteria. Grants that qualify as contributions follow contribution recognition policies. Grants that are exchange transactions are recognized as revenue in the accounting period when the related allowable expenses are incurred. Grant funds drawn in excess of the related grant expenses are treated as deferred revenue. Grant expenses in excess of the related grant funds drawn are treated as grants receivable

Thrift store revenue is recognized upon sale of the merchandise to thrift store customers and other third party merchandise customers. Merchandise is sold as is with no warranty.

Membership dues are received from individuals and special interest affiliates of ACB and are recognized during the period covered.

Registration fees, exhibit booth fees and fees for activities during the convention are received from individuals and special interest affiliates of ACB and are recognized when the event has occurred.

**American Council of the Blind and Subsidiary**  
**Notes to Consolidated Financial Statements**

**NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Donated Services and In-Kind Contributions**

Volunteers contributed significant amounts of time to the Organization's program services, administration, fundraising, and development activities, however, the consolidated financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by accounting principles generally accepted in the United States of America. Volunteers contributed approximately 17,758 and 9,230 hours of service in 2016 and 2015, respectively.

**Cost Allocation**

The Organization uses a cost allocation plan to allocate costs that cannot be identified to one program.

**Functional Allocation of Expenses**

The costs of providing the program and supporting services have been summarized on a functional basis in the consolidated statements of activities and consolidated statements of functional expenses. Accordingly, certain costs have been allocated among the program and supporting services benefited.

**Advertising Costs**

The Organization's policy is to expense advertising costs as they are incurred. During 2016 and 2015, the Organization incurred advertising costs totaling \$38,185 and \$18,086, respectively.

**Tax Status**

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC). The Organization is also exempt from Minnesota franchise and income tax.

The Organization is required to assess whether any uncertain tax positions exist and if there should be recognition of a related benefit or liability in the consolidated financial statements. The Organization has determined there are no amounts to record as assets or liabilities related to uncertain tax positions.

**Subsequent Events**

The Organization has evaluated subsequent events through May 2, 2017, the date which the consolidated financial statements were available to be issued.

**American Council of the Blind and Subsidiary**  
**Notes to Consolidated Financial Statements**

**NOTE 2 – INVESTMENTS**

	<u>2016</u>	<u>2015</u>
At cost		
Cash and money market funds	\$ 111,611	\$ 54,861
Other	3,550	3,550
	<u>115,161</u>	<u>58,411</u>
At fair value		
Equity securities	1,009,840	982,961
Taxable fixed income	792,813	756,290
Real estate funds	296,676	285,194
	<u>2,099,329</u>	<u>2,024,445</u>
 Total investments	 <u>\$ 2,214,490</u>	 <u>\$ 2,082,856</u>

Net investment return is summarized in the consolidated statements of activities as follows:

	<u>2016</u>	<u>2015</u>
Interest and dividend income	\$ 43,514	\$ 49,635
Net unrealized gain (loss)	36,415	(156,792)
Net realized gain	<u>16,821</u>	<u>36,892</u>
 Net investment return	 <u>\$ 96,750</u>	 <u>\$ (70,265)</u>

**NOTE 3 – FAIR VALUE MEASUREMENTS**

The Organization uses a fair value hierarchy established by accounting principles generally accepted in the United States of America 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 asset's or liability's fair value measurement level is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodology used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2016 and 2015.

Investments – The fair value of investments is based on quoted market prices and are classified within level 1.

**American Council of the Blind and Subsidiary  
Notes to Consolidated Financial Statements**

**NOTE 3 – FAIR VALUE MEASUREMENTS (CONTINUED)**

Fair values of assets measured on a recurring basis are as follows:

	<u>12/31/2016</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<b>Investments</b>				
Equity securities	\$ 1,009,840	\$ 1,009,840	\$ -	\$ -
Taxable fixed income	792,813	792,813	-	-
Real estate funds	<u>296,676</u>	<u>296,676</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 2,099,329</u>	<u>\$ 2,099,329</u>	<u>\$ -</u>	<u>\$ -</u>
	<u>12/31/2015</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<b>Investments</b>				
Equity securities	\$ 982,961	\$ 982,961	\$ -	\$ -
Taxable fixed income	756,290	756,290	-	-
Real estate funds	<u>285,194</u>	<u>285,194</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 2,024,445</u>	<u>\$ 2,024,445</u>	<u>\$ -</u>	<u>\$ -</u>

**NOTE 4 – PROPERTY AND EQUIPMENT**

	<u>2016</u>	<u>2015</u>
Trucks	\$ 214,739	\$ 214,738
Equipment	549,446	509,502
Leasehold improvements	<u>124,877</u>	<u>124,877</u>
	889,062	849,117
Less accumulated depreciation	<u>(822,304)</u>	<u>(803,946)</u>
Property and equipment, net	<u>\$ 66,758</u>	<u>\$ 45,171</u>

**American Council of the Blind and Subsidiary  
Notes to Consolidated Financial Statements**

**NOTE 5 – RETIREMENT PLAN**

The Organization contributes to a retirement plan for eligible employees. The Plan provides for an elective employer match of employee deferrals up to a maximum of 4.75% of employee compensation. Employer contributions for 2016 and 2015 were \$16,769 and \$19,258, respectively.

**NOTE 6 – OPERATING LEASES**

At December 31, 2016, ACB was committed under a noncancelable operating lease for its administrative office and ACBES was committed under noncancelable operating leases for its administrative office and thrift stores. The Organization also holds leases for office equipment. These leases expire on various dates through April 2021 and generally include renewal options. Some of the leases require payment of property taxes, common area maintenance expenses, and insurance. ACB lease expense for 2016 and 2015 was \$56,039 and \$124,022, respectively. ACBES lease expense for 2016 and 2015 was \$285,464 and \$333,720, respectively.

Future minimum lease payments relating to these agreements are approximately as follows for the years ending December 31:

	<u>ACB</u>	<u>ACBES</u>	<u>Total</u>
2017	\$ 53,593	\$ 273,177	\$ 326,770
2018	54,870	27,433	82,303
2019	53,659	15,216	68,875
2020	55,000	8,593	63,593
2021	18,371	-	18,371
	<u>\$ 235,493</u>	<u>\$ 324,419</u>	<u>\$ 559,912</u>
Total future minimum lease payments			

**American Council of the Blind and Subsidiary  
Notes to Consolidated Financial Statements**

**NOTE 7 – RESTRICTED NET ASSETS**

	<u>2016</u>	<u>2015</u>
Restricted for purpose		
Scholarships	\$ 280,000	\$ 280,000
Buell fund (sports related activities)	98,273	101,485
Durward K McDaniel fund (convention)	31,731	29,250
Audio description project	4,950	22,500
Technology	60,308	-
Dispute resolution	53,340	-
Other	-	4,711
Time restrictions to future periods	3,000	3,000
Unspent appreciation of endowment funds which must be appropriated for expenditure before use	<u>132,144</u>	<u>127,741</u>
Total temporarily restricted assets	<u>\$ 663,746</u>	<u>\$ 568,687</u>

The organization has permanently restricted net assets for investment that are to be held in perpetuity with income available to support scholarships as specified by the donors. The permanently restricted net asset balances are \$533,196 and \$528,696 at December 31, 2016 and 2015, respectively.

**NOTE 8 – NET ASSETS RELEASED FROM DONOR RESTRICTIONS**

The net assets released from donor restrictions by incurring expenses satisfying the restricted purposes or by the occurrence of other events specified by donors are as follows:

	<u>2016</u>	<u>2015</u>
Purpose restrictions released		
Scholarships	\$ 17,625	\$ 20,650
Audio description project	17,550	-
Buell fund (sports related activities)	7,000	5,000
Legislative seminar	20,000	17,423
Other	59,828	35,777
Restricted-purpose spending-rate distributions and appropriations		
Scholarships	<u>30,500</u>	<u>25,250</u>
Total net assets released from donor restrictions	<u>\$ 152,503</u>	<u>\$ 104,100</u>

**American Council of the Blind and Subsidiary  
Notes to Consolidated Financial Statements**

**NOTE 9 – ENDOWMENT INVESTMENT AND SPENDING POLICIES**

The Organization's endowment consists of funds established for a variety of purposes, including scholarships. The Organization has adopted investment and spending policies for endowment assets that is expected to provide a predictable stream of funding to operations and programs while seeking to maintain the purchasing power of the endowment assets; the Organization's spending and investment policies work together to achieve this objective.

**Interpretation of Relevant Law**

The board of directors has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the donor restricted endowment fund as permanently restricted, absent donor stipulations to the contrary.

**Investment and Spending Policies**

In accordance with UPMIFA, the Organization considers the following factors in making a prudent determination to appropriate or accumulate donor restricted endowment funds:

- (1) The duration and preservation of the endowment fund,
- (2) Purposes of the Organization and the endowment fund,
- (3) General economic conditions,
- (4) Possible effect of inflation or deflation,
- (5) Expected total return from income and the appreciation of investments,
- (6) Other resources of the institution, and,
- (7) Investment policy of the institution.

The Organization invests its endowment fund in a balanced portfolio of debt and equity securities with the objective of growing the asset base to increase income for future appropriations of scholarships. The balanced portfolio investment return objective is to produce real returns, net of inflation of approximately 7% over time at a moderate level of risk to invested capital.

The Organization's spending policy sets forth the calculation of the amount of money annually available for distribution from the endowed funds for annual programs. The board of directors approved appropriations of \$30,500 and \$25,250 during 2016 and 2015, respectively, of the endowment fund balance. The amount is determined based on the overall need of the Organization balanced with long-term investment return objectives for a fund to be held in perpetuity.

From time to time, the fair value of assets associated with donor restricted endowment funds may fall below the level that the donor or UPMIFA requires the Organization to retain as a fund of perpetual duration. In accordance with accounting principles generally accepted in the United States of America, deficiencies of this nature that are reported as unrestricted net assets were \$0 at December 31, 2016 and 2015.

**American Council of the Blind and Subsidiary  
Notes to Consolidated Financial Statements**

**NOTE 9 – ENDOWMENT INVESTMENT AND SPENDING POLICIES (CONTINUED)**

**Composition of the Endowment**

	2016			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
Donor restricted for permanent endowment	\$ -	\$ 132,144	\$ 533,196	\$ 665,340
Board designated quasi-endowment of other donor restricted net assets	-	280,000	-	280,000
Total	<u>\$ -</u>	<u>\$ 412,144</u>	<u>\$ 533,196</u>	<u>\$ 945,340</u>
	2015			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor restricted for permanent endowment	\$ -	\$ 127,741	\$ 528,696	\$ 656,437
Board designated quasi-endowment of other donor restricted net assets	-	280,000	-	\$ 280,000
Total	<u>\$ -</u>	<u>\$ 407,741</u>	<u>\$ 528,696</u>	<u>\$ 936,437</u>



**American Council of the Blind and Subsidiary**  
**Notes to Consolidated Financial Statements**

**NOTE 9 – ENDOWMENT INVESTMENT AND SPENDING POLICIES (CONTINUED)**

**Reconciliation of the Endowment**

	2016			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
Endowment net assets, beginning of year	\$ -	\$ 407,741	\$ 528,696	\$ 936,437
Investment income, net	-	34,903	-	34,903
Contributions	-	-	4,500	4,500
Amounts appropriated for expenditure	-	(30,500)	-	(30,500)
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ 412,144</u>	<u>\$ 533,196</u>	<u>\$ 945,340</u>
	2015			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	\$ -	\$ 481,037	\$ 526,196	\$ 1,007,233
Investment loss, net	-	(48,046)	-	(48,046)
Contributions	-	-	2,500	2,500
Amounts appropriated for expenditure	-	(25,250)	-	(25,250)
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ 407,741</u>	<u>\$ 528,696</u>	<u>\$ 936,437</u>

**American Council of the Blind and Subsidiary  
Notes to Consolidated Financial Statements**

**NOTE 10 – VEHICLE DONATION ACTIVITIES**

The Organization reported vehicle donation activity on the consolidated statements of activities and functional expenses as follows:

	<u>2016</u>	<u>2015</u>
Contributions	\$ 9,670	\$ 17,464
Professional fundraising expenses	<u>6,727</u>	<u>10,642</u>
Net	<u>\$ 2,943</u>	<u>\$ 6,822</u>

**NOTE 11 – ACBES THRIFT STORE ACTIVITIES**

The Organization reported sales from thrift store activities, net of expenses. Thrift store activity expenses are reported on a consolidated basis after elimination of expenses paid to ACB. The unrestricted activities of ACB's controlled subsidiary, ACBES, are summarized below:

	<u>2016</u>	<u>2015</u>
Thrift store sales	<u>\$ 1,432,245</u>	<u>\$ 1,496,955</u>
Operating costs		
Donated goods collection costs, including costs of goods sold	127,053	126,415
Thrift store operating expenses	<u>1,298,188</u>	<u>1,345,393</u>
Total operating costs	<u>1,425,241</u>	<u>1,471,808</u>
Income from thrift store operations	7,004	25,147
Other income (expense), net	<u>68,170</u>	<u>(2,181)</u>
Net change in unrestricted net assets	<u>\$ 75,174</u>	<u>\$ 22,966</u>

**American Council of the Blind and Subsidiary**  
**Notes to Consolidated Financial Statements**

**NOTE 12 – COMMITMENTS**

The Organization has entered into various hospitality contracts for purposes of hosting the Organization's annual conferences. The contracts include terms for the minimum room nights to be reserved by conference attendees and the minimum number of meals served. The Organization is generally liable for compensating the hospitality providers if minimum room and meal quotas are not met. Although it is unlikely the Organization will not meet their minimum quotas based on historical experience, at December 31, 2016 and 2015, the Organization's commitments to hospitality providers totaled approximately \$1,039,451 and \$979,353, respectively, for conferences scheduled through 2019.

The Organization has entered into an agreement with Louisville Web Group to manage, develop and enhance their web presence. The contracted amount is \$60,000, due in the form of monthly installments through October 2018. Two payments totaling \$5,000 were paid during 2016.

**NOTE 13 – CONTINGENCY**

The Organization is subject to claims arising in the normal course of business. While it is not feasible to determine the outcome of any of these claims, it is the opinion of management that their outcomes will not have a material adverse effect on the financial position or operations of the Organization.

**NOTE 14 – CONCENTRATION**

At various times during the year, the Organization had cash on deposit with its financial institutions in excess of Federal Deposit Insurance Corporation (FDIC) insurance limits. The Organization has not experienced losses from such deposits.

**NOTE 15 – RELATED PARTY TRANSACTIONS**

The Organization had board member contributions of \$3,801 and \$18,240 for 2016 and 2015, respectively, consisting of cash and in-kind travel.

**NOTE 16 – RECLASSIFICATIONS**

Certain amounts in the prior year consolidated financial statements have been reclassified to conform to the presentation used in the current year consolidated financial statements.

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**SUPPLEMENTARY INFORMATION**

**American Council of the Blind and Subsidiary  
Consolidating Statement of Financial Position  
As of December 31, 2016**

	<u>ACB</u>	<u>ACBES</u>	<u>Eliminations</u>	<u>Consolidated</u>
<b>Assets</b>				
Current assets				
Cash and cash equivalents	\$ 84,025	\$ 34,032	\$ -	\$ 118,057
Restricted cash	65,258	-	-	65,258
Accounts receivable, including promises to give, net	1,317,434	230	(1,314,446)	3,218
Accounts receivable, other	-	15,579	-	15,579
Inventories	8,480	46,168	-	54,648
Prepaid expenses	49,841	-	-	49,841
Total current assets	<u>1,525,038</u>	<u>96,009</u>	<u>(1,314,446)</u>	<u>306,601</u>
Investments				
Endowment				
Donor restricted	945,340	-	-	945,340
Other				
Operational	3,550	-	-	3,550
Unrestricted	25,637	-	-	25,637
Board-designated reserves	1,053,619	-	-	1,053,619
Donor restricted	186,344	-	-	186,344
Total investments	<u>2,214,490</u>	<u>-</u>	<u>-</u>	<u>2,214,490</u>
Other assets				
Long-term accounts receivable	11,217	-	-	11,217
Deposits	4,161	2,222	-	6,383
Total other assets	<u>15,378</u>	<u>2,222</u>	<u>-</u>	<u>17,600</u>
Property and equipment, net	<u>54,011</u>	<u>12,747</u>	<u>-</u>	<u>66,758</u>
Equity (deficit) in ACBES	<u>(1,344,566)</u>	<u>-</u>	<u>1,344,566</u>	<u>-</u>
Total assets	<u>\$ 2,464,351</u>	<u>\$ 110,978</u>	<u>\$ 30,120</u>	<u>\$ 2,605,449</u>
<b>Liabilities and Net Assets</b>				
Current liabilities				
Accounts payable	\$ 60,529	\$ 1,333,537	\$ (1,314,446)	\$ 79,620
Accrued expenses	59,671	122,007	-	181,678
Deferred revenue	1,560	-	-	1,560
Total current liabilities	<u>121,760</u>	<u>1,455,544</u>	<u>(1,314,446)</u>	<u>262,858</u>
Net assets				
Unrestricted				
Undesignated	248,541	(1,344,566)	1,344,566	248,541
Board designated operating reserve	897,108	-	-	897,108
Total unrestricted	<u>1,145,649</u>	<u>(1,344,566)</u>	<u>1,344,566</u>	<u>1,145,649</u>
Temporarily restricted	663,746	-	-	663,746
Permanently restricted	533,196	-	-	533,196
Total net assets	<u>2,342,591</u>	<u>(1,344,566)</u>	<u>1,344,566</u>	<u>2,342,591</u>
Total liabilities and net assets	<u>\$ 2,464,351</u>	<u>\$ 110,978</u>	<u>\$ 30,120</u>	<u>\$ 2,605,449</u>

**American Council of the Blind and Subsidiary  
Consolidating Statement of Financial Position  
As of December 31, 2015**

	<u>ACB</u>	<u>ACBES</u>	<u>Eliminations</u>	<u>Consolidated</u>
<b>Assets</b>				
Current assets				
Cash and cash equivalents	\$ 187,610	\$ 15,439	\$ -	\$ 203,049
Restricted cash	30,211	-	-	30,211
Accounts receivable, including promises to give, net	1,398,109	2,118	(1,391,010)	9,217
Accounts receivable, other	-	51,800	-	51,800
Inventories	9,383	47,469	-	56,852
Prepaid expenses	8,911	3,057	-	11,968
Total current assets	<u>1,634,224</u>	<u>119,883</u>	<u>(1,391,010)</u>	<u>363,097</u>
Investments				
Endowment				
Donor restricted	936,437	-	-	936,437
Other				
Operational	3,550	-	-	3,550
Board-designated reserves	1,012,134	-	-	1,012,134
Donor restricted	130,735	-	-	130,735
Total investments	<u>2,082,856</u>	<u>-</u>	<u>-</u>	<u>2,082,856</u>
Other assets				
Long-term accounts receivable	14,846	-	-	14,846
Deposits	12,587	2,222	-	14,809
Total other assets	<u>27,433</u>	<u>2,222</u>	<u>-</u>	<u>29,655</u>
Property and equipment, net	<u>28,471</u>	<u>16,700</u>	<u>-</u>	<u>45,171</u>
Equity (deficit) in ACBES	<u>(1,419,740)</u>	<u>-</u>	<u>1,419,740</u>	<u>-</u>
Total assets	<u>\$ 2,353,244</u>	<u>\$ 138,805</u>	<u>\$ 28,730</u>	<u>\$ 2,520,779</u>
<b>Liabilities and Net Assets</b>				
Current liabilities				
Accounts payable	\$ 62,022	\$ 1,412,265	\$ (1,391,010)	\$ 83,277
Accrued expenses	36,514	146,280	-	182,794
Deferred revenue	99,129	-	-	99,129
Total current liabilities	<u>197,665</u>	<u>1,558,545</u>	<u>(1,391,010)</u>	<u>365,200</u>
Net assets				
Unrestricted				
Undesignated	191,825	(1,419,740)	1,419,740	191,825
Board designated operating reserve	866,371	-	-	866,371
Total unrestricted	1,058,196	(1,419,740)	1,419,740	1,058,196
Temporarily restricted	568,687	-	-	568,687
Permanently restricted	528,696	-	-	528,696
Total net assets	<u>2,155,579</u>	<u>(1,419,740)</u>	<u>1,419,740</u>	<u>2,155,579</u>
Total liabilities and net assets	<u>\$ 2,353,244</u>	<u>\$ 138,805</u>	<u>\$ 28,730</u>	<u>\$ 2,520,779</u>

**American Council of the Blind and Subsidiary**  
**Consolidating Statement of Activities**  
**Year Ended December 31, 2016**

	Unrestricted	Temporarily Restricted	Permanently Restricted
<b>Revenue, Support, and Gains</b>			
Contributions for individuals and organizations	\$ 342,878	\$ 207,834	\$ 4,500
Legacies and bequests	26,404	-	-
In-kind contributions	9,133	-	-
Assessments and dues from local member units	62,715	-	-
Program fees	427,403	-	-
Other program activities	124,480	-	-
Miscellaneous income	19,920	-	-
Net investment return	57,022	39,728	-
Thrift store activities, net	-	-	-
Equity in income of ACBES	75,174	-	-
Total revenue, support, and gains	1,145,129	247,562	4,500
Net assets released from restriction	152,503	(152,503)	-
	1,297,632	95,059	4,500
<b>Expenses by Function</b>			
Program services			
Scholarships	83,847	-	-
Conventions	229,283	-	-
Audio description project	76,871	-	-
ACB radio	60,234	-	-
Telephone hotline	44,030	-	-
Advocacy and government affairs	112,447	-	-
Program consultation	91,275	-	-
Membership services	92,883	-	-
Public awareness	195,654	-	-
Liaison with external organizations	53,585	-	-
Support services			
Management and general	84,246	-	-
Fundraising	85,824	-	-
Total expenses by function	1,210,179	-	-
Change in net assets	87,453	95,059	4,500
<b>Net Assets</b>			
Beginning of year	1,058,196	568,687	528,696
End of year	\$ 1,145,649	\$ 663,746	\$ 533,196



<u>ACB Total</u>	<u>ACBES</u>	<u>Eliminations</u>	<u>Consolidated</u>
\$ 555,212	\$ -	\$ -	\$ 555,212
26,404	-	-	26,404
9,133	-	-	9,133
62,715	-	-	62,715
427,403	-	-	427,403
124,480	-	-	124,480
19,920	-	-	19,920
96,750	-	-	96,750
-	75,174	-	75,174
75,174	-	(75,174)	-
1,397,191	75,174	(75,174)	1,397,191
-	-	-	-
<u>1,397,191</u>	<u>75,174</u>	<u>(75,174)</u>	<u>1,397,191</u>
83,847	-	-	83,847
229,283	-	-	229,283
76,871	-	-	76,871
60,234	-	-	60,234
44,030	-	-	44,030
112,447	-	-	112,447
91,275	-	-	91,275
92,883	-	-	92,883
195,654	-	-	195,654
53,585	-	-	53,585
84,246	-	-	84,246
85,824	-	-	85,824
<u>1,210,179</u>	<u>-</u>	<u>-</u>	<u>1,210,179</u>
187,012	75,174	(75,174)	187,012
<u>2,155,579</u>	<u>(1,419,740)</u>	<u>1,419,740</u>	<u>2,155,579</u>
<u><u>\$ 2,342,591</u></u>	<u><u>\$(1,344,566)</u></u>	<u><u>\$ 1,344,566</u></u>	<u><u>\$ 2,342,591</u></u>

**American Council of the Blind and Subsidiary**  
**Consolidating Statement of Activities**  
**Year Ended December 31, 2015**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>
<b>Revenue, Support, and Gains</b>			
Contributions for individuals and organizations	\$ 292,852	\$ 37,145	\$ 2,500
Legacies and bequests	163,486	-	-
In-kind contributions	9,695	-	-
Assessments and dues from local member units	58,417	-	-
Program fees	300,853	-	-
Other program activities	116,101	-	-
Miscellaneous income	188,912	-	-
Net investment return	(16,119)	(54,146)	-
Thrift store activities, net	-	-	-
Equity in income of ACBES	15,253	-	-
	<u>1,129,450</u>	<u>(17,001)</u>	<u>2,500</u>
 Total revenue, support, and gains			
	1,129,450	(17,001)	2,500
 Net assets released from restriction	<u>104,100</u>	<u>(104,100)</u>	<u>-</u>
	<u>1,233,550</u>	<u>(121,101)</u>	<u>2,500</u>
 <b>Expenses by Function</b>			
Program services			
Scholarships	87,541	-	-
Conventions	219,074	-	-
Audio description project	83,204	-	-
ACB radio	63,430	-	-
Telephone hotline	50,162	-	-
Advocacy and government affairs	104,698	-	-
Program consultation	126,733	-	-
Membership services	90,492	-	-
Public awareness	224,666	-	-
Liaison with external organizations	65,007	-	-
Support services			
Management and general	92,343	-	-
Fundraising	96,358	-	-
Total expenses by function	<u>1,303,708</u>	<u>-</u>	<u>-</u>
 Change in net assets	(70,158)	(121,101)	2,500
 <b>Net Assets</b>			
Beginning of year	<u>1,128,354</u>	<u>689,788</u>	<u>526,196</u>
End of year	<u>\$ 1,058,196</u>	<u>\$ 568,687</u>	<u>\$ 528,696</u>

ACB Total	ACBES	Eliminations	Consolidated
\$ 332,497	\$ -	\$ -	\$ 332,497
163,486	-	-	163,486
9,695	-	-	9,695
58,417	-	-	58,417
300,853	-	-	300,853
116,101	-	-	116,101
188,912	-	(7,713)	181,199
(70,265)	-	-	(70,265)
-	15,253	7,713	22,966
15,253	-	(15,253)	-
1,114,949	15,253	(15,253)	1,114,949
-	-	-	-
<u>1,114,949</u>	<u>15,253</u>	<u>(15,253)</u>	<u>1,114,949</u>
87,541	-	-	87,541
219,074	-	-	219,074
83,204	-	-	83,204
63,430	-	-	63,430
50,162	-	-	50,162
104,698	-	-	104,698
126,733	-	-	126,733
90,492	-	-	90,492
224,666	-	-	224,666
65,007	-	-	65,007
92,343	-	-	92,343
96,358	-	-	96,358
<u>1,303,708</u>	<u>-</u>	<u>-</u>	<u>1,303,708</u>
(188,759)	15,253	(15,253)	(188,759)
<u>2,344,338</u>	<u>(1,434,993)</u>	<u>1,434,993</u>	<u>2,344,338</u>
<u>\$ 2,155,579</u>	<u>\$ (1,419,740)</u>	<u>\$ 1,419,740</u>	<u>\$ 2,155,579</u>