

**American Council of the Blind and Subsidiary**

**Consolidated Financial Statements**

**December 31, 2015 and 2014**



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

BerganKDV, Ltd.

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

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### 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, 2015, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended and related notes to consolidated financial statements.

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### 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.

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### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.

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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.

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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, 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.

**Prior Period Consolidated Financial Statements and Supplementary Information**

The consolidated financial statements of American Council of the Blind and Subsidiary and supplementary information as of and for the year ended December 31, 2014 were audited by other auditors whose report dated May 22, 2015, expressed an unmodified opinion on those statements.

**Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the 2015 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 2015 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 2015 consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit of the 2015 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 2015 consolidated financial statements or to the 2015 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 2015 consolidated financial statements as a whole.

*BergankDV, Ltd.*

Minneapolis, Minnesota  
April 28, 2016

## **CONSOLIDATED FINANCIAL STATEMENTS**

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**American Council of the Blind and Subsidiary**  
**Consolidated Statements of Financial Position**  
**As of December 31, 2015 and 2014**

	2015	2014
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 203,049	\$ 40,244
Restricted cash	30,211	70,450
Accounts receivable, net	9,217	20,074
Accounts receivable, other	51,800	51,800
Inventories	56,852	62,876
Prepaid expenses	11,968	14,621
Total current assets	363,097	260,065
Investments		
Endowment		
Donor restricted	936,437	1,007,233
Other		
Operational	3,550	3,550
Board-designated reserves	1,012,134	1,157,800
Donor restricted	130,735	138,301
Total investments	2,082,856	2,306,884
Other assets		
Long-term accounts receivable	14,846	-
Deposits	14,809	20,039
Total other assets	29,655	20,039
Property and equipment, net		
	45,171	67,029
Total assets	\$ 2,520,779	\$ 2,654,017
<b>Liabilities and Net Assets</b>		
Current liabilities		
Accounts payable	\$ 162,392	\$ 185,677
Accrued expenses	103,679	124,002
Deferred revenue	99,129	-
Total current liabilities	365,200	309,679
<b>Net Assets</b>		
Unrestricted		
Undesignated	191,825	41,004
Board designated operating reserve	866,371	1,087,350
Total unrestricted	1,058,196	1,128,354
Temporarily restricted	568,687	689,788
Permanently restricted	528,696	526,196
Total net assets	2,155,579	2,344,338
Total liabilities and net assets		
	\$ 2,520,779	\$ 2,654,017

See notes to consolidated financial statements.

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

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<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
Total revenue, support and gains	<u>1,129,450</u>	<u>(17,001)</u>	<u>2,500</u>	<u>1,114,949</u>
Net assets released from restriction	<u>104,100</u>	<u>(104,100)</u>	<u>-</u>	<u>-</u>
	<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
Total expenses by function	<u>1,303,708</u>	<u>-</u>	<u>-</u>	<u>1,303,708</u>
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>

See notes to consolidated financial statements.



**American Council of the Blind and Subsidiary  
Consolidated Statement of Activities  
Year Ended December 31, 2014**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<b>Revenue, Support, and Gains</b>				
Contributions for individuals and organizations	\$ 331,985	\$ 129,943	\$ 1,200	\$ 463,128
Legacies and bequests	459,727	-	-	459,727
In-kind contributions	20,700	-	-	20,700
Assessments and dues from local member units	65,088	-	-	65,088
Program fees	285,432	-	-	285,432
Other program activities	108,161	-	-	108,161
Miscellaneous income	29,900	-	-	29,900
Net investment return	54,854	46,516	-	101,370
Thrift store activities, net	(140,504)	-	-	(140,504)
Total revenue, support and gains	<u>1,215,343</u>	<u>176,459</u>	<u>1,200</u>	<u>1,393,002</u>
Net assets released from restriction	<u>98,006</u>	<u>(98,006)</u>	<u>-</u>	<u>-</u>
	<u>1,313,349</u>	<u>78,453</u>	<u>1,200</u>	<u>1,393,002</u>
<b>Expenses by Function</b>				
Program services				
Scholarships	80,187	-	-	80,187
Conventions	203,579	-	-	203,579
Audio description project	69,857	-	-	69,857
ACB radio	53,546	-	-	53,546
Telephone hotline	52,251	-	-	52,251
Advocacy and government affairs	110,584	-	-	110,584
Program consultation	104,573	-	-	104,573
Membership services	85,263	-	-	85,263
Public awareness	240,125	-	-	240,125
Liaison with external organizations	64,622	-	-	64,622
Support services				
Management and general	91,600	-	-	91,600
Fundraising	107,979	-	-	107,979
Total expenses by function	<u>1,264,166</u>	<u>-</u>	<u>-</u>	<u>1,264,166</u>
Change in net assets	49,183	78,453	1,200	128,836
<b>Net Assets</b>				
Beginning of year	<u>1,079,171</u>	<u>611,335</u>	<u>524,996</u>	<u>2,215,502</u>
End of year	<u>\$ 1,128,354</u>	<u>\$ 689,788</u>	<u>\$ 526,196</u>	<u>\$ 2,344,338</u>

See notes to consolidated financial statements.

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

	Program Services					Advocacy and Government Affairs
	ACB Scholarships	Convention	Audio Description Project	ACB Radio	Telephone Hotline	
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><u>\$ 87,541</u></b>	<b><u>\$ 219,074</u></b>	<b><u>\$ 83,204</u></b>	<b><u>\$ 63,430</u></b>	<b><u>\$ 50,162</u></b>	<b><u>\$ 104,698</u></b>

Program Services					Supporting Services			Consolidated
Program Consultation	Membership Services	Public Awareness	Liaison	Total	Management and General	Fundraising	Total	
\$ -	\$ -	\$ -	\$ -	\$ 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 Statement of Functional Expenses**  
**Year Ended December 31, 2014**

Expenses	Program Services					Advocacy and Government Affairs
	ACB Scholarships	Convention	Audio Description Project	ACB Radio	Telephone Hotline	
Scholarships and awards	\$ 36,000	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries and benefits	5,446	37,071	5,446	5,446	27,626	54,771
Legal	31	210	31	31	157	311
Accounting	175	1,192	175	175	888	1,761
Other professional fees	10,246	27,842	40,403	30,787	822	1,705
Professional fundraising services	-	-	-	-	-	-
Advertising and publicity	-	5,721	-	27	27	-
Printing and publications	1,904	11,589	1,904	1,904	-	3,808
Communications	598	598	598	707	1,575	1,196
Supplies and equipment	325	4,484	8,230	325	1,080	2,365
Postage and shipping	223	4,518	223	223	186	446
Accounting offices	9,546	-	4,773	4,773	-	-
IT and website services	1,952	5,424	3,052	3,812	1,027	2,046
Occupancy	2,478	16,866	2,478	2,478	12,569	24,920
Travel	10,798	17,189	1,120	1,120	-	4,193
Meeting and conferences	-	56,961	-	-	-	2,940
Depreciation	275	11,165	275	275	1,395	2,766
Insurance	180	2,425	180	180	914	1,813
Memberships and dues	-	-	744	744	3,720	3,720
Other expenses	10	324	225	539	265	1,823
<b>Total expenses by function</b>	<b>\$ 80,187</b>	<b>\$ 203,579</b>	<b>\$ 69,857</b>	<b>\$ 53,546</b>	<b>\$ 52,251</b>	<b>\$ 110,584</b>

Program Services					Supporting Services			Consolidated
Program Consultation	Membership Services	Public Awareness	Liaison	Total	Management and General	Fundraising	Total	
\$ -	\$ -	\$ -	\$ -	\$ 36,000	\$ -	\$ -	\$ -	\$ 36,000
39,599	29,220	56,934	30,178	291,737	20,786	10,893	31,679	323,416
225	166	323	171	1,656	118	62	180	1,836
1,273	940	1,831	970	9,380	668	350	1,018	10,398
4,038	1,288	29,596	1,002	147,729	5,278	17,656	22,934	170,663
-	-	50,919	-	50,919	-	36,851	36,851	87,770
-	45	72	-	5,892	-	9	9	5,901
3,808	1,904	25,015	-	51,836	-	452	452	52,288
1,196	1,196	1,413	1,196	10,273	1,087	598	1,685	11,958
1,772	1,254	3,460	1,180	24,475	813	426	1,239	25,714
446	409	784	371	7,829	557	371	928	8,757
-	9,546	9,546	4,773	42,957	38,134	14,319	52,453	95,410
6,638	4,889	20,182	4,230	53,252	4,236	2,887	7,123	60,375
18,017	13,295	25,904	13,730	132,735	9,457	4,956	14,413	147,148
12,086	9,642	3,007	4,244	63,399	6,612	1,370	7,982	71,381
3,476	6,625	735	-	70,737	1,827	-	1,827	72,564
2,000	1,476	2,875	1,524	24,026	1,050	550	1,600	25,626
1,310	967	1,884	999	10,852	688	360	1,048	11,900
3,720	-	1,488	-	14,136	-	744	744	14,880
4,969	2,401	4,157	54	14,767	289	15,125	15,414	30,181
<u>\$ 104,573</u>	<u>\$ 85,263</u>	<u>\$ 240,125</u>	<u>\$ 64,622</u>	<u>\$ 1,064,587</u>	<u>\$ 91,600</u>	<u>\$ 107,979</u>	<u>\$ 199,579</u>	<u>\$ 1,264,166</u>

**American Council of the Blind and Subsidiary**  
**Consolidated Statements of Cash Flows**  
**Years Ended December 31, 2015 and 2014**

	2015	2014
<b>Cash Flows - Operating Activities</b>		
Change in net assets	\$ (188,759)	\$ 128,836
Adjustments to reconcile change in net assets to net cash flows - operating activities		
Depreciation	29,625	46,592
Net loss on disposal of property and equipment	4,702	6,680
Net unrealized loss (gain) on investments	70,265	(101,370)
Change in allowance for doubtful accounts	515	50
Change in operating assets and liabilities		
Accounts receivable	(4,504)	954
Inventories	6,024	1,918
Prepaid expenses and deposits	7,883	12,441
Accounts payable	(23,285)	(31,389)
Accrued expenses	(20,323)	(66,449)
Deferred revenue	99,129	-
Total adjustments	170,031	(130,573)
Net cash flows - operating activities	(18,728)	(1,737)
 <b>Cash Flows - Investing Activities</b>		
Purchases of property and equipment	(12,469)	(17,052)
Proceeds from sale of property and equipment	-	7,950
Purchases of investments	(502,997)	(1,162,767)
Sale or maturity of investments	656,760	1,189,797
Net cash flows - investing activities	141,294	17,928
 Net change in cash and cash equivalents	122,566	16,191
 <b>Cash and Cash Equivalents</b>		
Beginning of year	110,694	94,503
End of year	\$ 233,260	\$ 110,694

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.

**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, 2015 and 2014, the allowance was \$4,470 and \$3,955, 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 statement 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 \$500 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 ten 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 2015 and 2014 was \$29,625 and \$46,592.

**Long Lived Assets**

The Organization reviews the carrying values of the 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, 2015 and 2014.

**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 9,230 and 8,500 hours of service in 2015 and 2014, respectively.

**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 2015 and 2014, the Organization incurred advertising costs totaling \$18,086 and \$21,326, 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. Generally, the Organization is no longer subject to examination by tax authorities for years before December 31, 2012.

**NOTE 2 – INVESTMENTS**

	<u>2015</u>	<u>2014</u>
Cash and money market funds (at cost)	\$ 54,861	\$ 122,546
Equity securities	982,961	1,034,390
Mutual funds	756,290	885,982
Real estate funds	285,194	239,857
Certificates of deposit	-	20,559
Other (at cost)	<u>3,550</u>	<u>3,550</u>
Total investments	<u>\$ 2,082,856</u>	<u>\$ 2,306,884</u>

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

**NOTE 2 – INVESTMENTS**

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

	<u>2015</u>	<u>2014</u>
Interest and dividend income	\$ 49,635	\$ 98,834
Net unrealized gain	36,892	165,076
Net realized loss	<u>(156,792)</u>	<u>(162,540)</u>
Net investment return	<u>\$ (70,265)</u>	<u>\$ 101,370</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.

Investments – The fair value of investments in marketable equity and debt securities is based on quoted market prices and are classified within level 1. In addition, level 1 investments include cash and money market funds (reported at cost). Certificates of deposit are valued by the custodians of the investment using pricing models based on credit quality, time to maturity, stated interest rates and market assumptions, and are classified within level 2.

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

**NOTE 3 – FAIR VALUE MEASUREMENTS**

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

	<u>12/31/2015</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<b>Investments</b>				
Cash and money market funds (at cost)	\$ 54,861	\$ 54,861	\$ -	\$ -
Equity securities				
U.S. equities	505,801	505,801	-	-
International equities	477,160	477,160	-	-
Mutual funds				
Taxable fixed income	756,290	756,290	-	-
Real estate funds	285,194	285,194	-	-
Other (at cost)	3,550	3,550	-	-
	<u>3,550</u>	<u>3,550</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 2,082,856</u>	<u>\$ 2,082,856</u>	<u>\$ -</u>	<u>\$ -</u>
	<u>12/31/2014</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<b>Investments</b>				
Cash and money market funds (at cost)	\$ 122,546	\$ 122,546	\$ -	\$ -
Equity securities				
U.S. equities	568,269	568,269	-	-
International equities	466,121	466,121	-	-
Mutual funds				
Taxable fixed income	885,982	885,982	-	-
Real estate funds	239,857	239,857	-	-
Certificates of deposit	20,559	-	20,559	-
Other (at cost)	3,550	3,550	-	-
	<u>3,550</u>	<u>3,550</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 2,306,884</u>	<u>\$ 2,286,325</u>	<u>\$ 20,559</u>	<u>\$ -</u>

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

**NOTE 4 – PROPERTY AND EQUIPMENT**

	2015	2014
Trucks	\$ 214,738	\$ 214,738
Equipment and sign	509,502	513,849
Leasehold improvements	124,877	139,772
	849,117	868,359
Less accumulated depreciation	(803,946)	(801,330)
Property and equipment, net	\$ 45,171	\$ 67,029

**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 2015 and 2014 were \$19,258 and \$21,238, respectively.

**NOTE 6 – OPERATING LEASES**

At December 31, 2015, 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 2015 and 2014 was \$124,022 and \$147,147, respectively. ACBES lease expense for 2015 and 2014 was \$333,720 and \$488,737, respectively.

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

	ACB	ACBES	Total
2016	\$ 55,895	\$ 189,094	\$ 244,989
2017	53,593	27,433	81,026
2018	54,870	16,444	71,314
2019	55,976	15,566	71,542
2020	55,000	8,593	63,593
Thereafter	18,371	-	18,371
Total future minimum lease payments	\$ 293,705	\$ 257,130	\$ 550,835

Subsequent to year end, the Organization entered into an additional lease. See note 16 for details.

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

**NOTE 7 – RESTRICTED NET ASSETS**

	<u>2015</u>	<u>2014</u>
Restricted for purpose		
Scholarships	\$ 280,000	\$ 280,000
Buell fund (sports related activities)	101,485	111,823
Durward K McDaniel fund (convention)	29,250	26,478
Audio description project	22,500	22,500
Braille Sense	-	3,250
Other	4,711	42,700
Time restrictions to future periods	3,000	2,000
Unspent appreciation of endowment funds which must be appropriated for expenditure before use	<u>127,741</u>	<u>201,037</u>
Total temporarily restricted assets	<u><u>\$ 568,687</u></u>	<u><u>\$ 689,788</u></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 \$528,696 and \$526,196 at December 31, 2015 and 2014, 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>2015</u>	<u>2014</u>
Purpose restrictions released		
Scholarships	\$ 28,500	\$ 15,000
Buell fund (sports related activities)	5,000	3,500
Durward K McDaniel fund (convention)	-	3,095
Audio description project	-	13,150
Other	42,700	39,761
Restricted-purpose spending-rate distributions and appropriations		
Scholarships	<u>27,900</u>	<u>23,500</u>
Total net assets released from restrictions	<u><u>\$ 104,100</u></u>	<u><u>\$ 98,006</u></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 \$25,250 and \$23,500 during 2015 and 2014, 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, 2015 and 2014.

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

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

**Composition of the Endowment**

	2015			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
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>
	2014			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor restricted for permanent endowment	\$ -	\$ 201,037	\$ 526,196	\$ 727,233
Board designated quasi-endowment of other donor restricted net assets	-	280,000	-	280,000
Total	<u>\$ -</u>	<u>\$ 481,037</u>	<u>\$ 526,196</u>	<u>\$ 1,007,233</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**

	2015			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
Endowment net assets, beginning of year	\$ -	\$ 481,037	\$ 526,196	\$ 1,007,233
Investment loss, net	-	(45,396)	-	(45,396)
Contributions	-	-	2,500	2,500
Amounts appropriated for expenditure	-	(27,900)	-	(27,900)
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ 407,741</u>	<u>\$ 528,696</u>	<u>\$ 936,437</u>
	2014			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	\$ -	\$ 462,672	\$ 524,996	\$ 987,668
Investment income, net	-	41,865	-	41,865
Contributions	-	-	1,200	1,200
Amounts appropriated for expenditure	-	(23,500)	-	(23,500)
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ 481,037</u>	<u>\$ 526,196</u>	<u>\$ 1,007,233</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>2015</u>	<u>2014</u>
Contributions	\$ 17,464	\$ 18,900
Professional Fundraising Expenses	<u>10,642</u>	<u>12,334</u>
Net	<u>\$ 6,822</u>	<u>\$ 6,566</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, for 2015 and 2014 are summarized below:

	<u>2015</u>	<u>2014</u>
Thrift store sales	<u>\$ 1,496,955</u>	<u>\$ 1,943,716</u>
Operating costs		
Donated goods collection costs, including costs of goods sold	126,415	188,404
Thrift store operating expenses	<u>1,345,393</u>	<u>1,893,120</u>
Total operating costs	<u>1,471,808</u>	<u>2,081,524</u>
Income (loss) from thrift store operations	25,147	(137,808)
Other expense, net	<u>(2,181)</u>	<u>(2,696)</u>
Net change in unrestricted net assets	<u>\$ 22,966</u>	<u>\$ (140,504)</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, 2015, the Organization's commitments to hospitality providers totaled approximately \$979,353 for conferences scheduled through 2018.

**NOTE 13 – 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 14 – RELATED PARTY TRANSACTIONS**

The Organization had board member contributions of \$18,240 and \$27,104, consisting of cash and in-kind travel for 2015 and 2014, respectively.

**NOTE 15 – RECLASSIFICATIONS**

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

**NOTE 16 – SUBSEQUENT EVENTS**

The Organization entered into a lease for administrative offices as of February 1, 2016, in Alexandria, Virginia. Expected annual rental expense through April 2021 is \$52,661.

The Organization has evaluated subsequent events through April 28, 2016, the date which the consolidated financial statements were available to be issued.

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**SUPPLEMENTARY INFORMATION**

**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 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	\$ 1,491,380	(1,391,010)	162,392
Accrued expenses	36,514	67,165	-	103,679
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>
<b>Net Assets</b>				
Unrestricted				
Undesignated	191,825	(1,419,740)	1,419,740	191,825
Board designated operating reserve	866,371	-	-	866,371
Total unrestricted	<u>1,058,196</u>	<u>(1,419,740)</u>	<u>1,419,740</u>	<u>1,058,196</u>
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 Financial Position  
As of December 31, 2014**

	<u>ACB</u>	<u>ACBES</u>	<u>Eliminations</u>	<u>Consolidated</u>
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ 13,282	\$ 26,962	\$ -	\$ 40,244
Restricted cash	70,450	-	-	70,450
Accounts receivable, including promises to give, net	1,473,517	3,002	(1,456,445)	20,074
Accounts receivable, other	-	51,800	-	51,800
Inventories	5,951	56,925	-	62,876
Prepaid expenses	10,662	3,959	-	14,621
Total current assets	<u>1,573,862</u>	<u>142,648</u>	<u>(1,456,445)</u>	<u>260,065</u>
<b>Investments</b>				
<b>Endowment</b>				
Donor restricted	1,007,233	-	-	1,007,233
<b>Other</b>				
Operational	3,550	-	-	3,550
Board-designated reserves	1,157,800	-	-	1,157,800
Donor restricted	138,301	-	-	138,301
Total investments	<u>2,306,884</u>	<u>-</u>	<u>-</u>	<u>2,306,884</u>
<b>Other assets</b>				
Deposits	<u>2,797</u>	<u>17,242</u>	<u>-</u>	<u>20,039</u>
Property and equipment, net	<u>36,035</u>	<u>30,994</u>	<u>-</u>	<u>67,029</u>
Equity in ACBES	<u>(1,434,993)</u>	<u>-</u>	<u>1,434,993</u>	<u>-</u>
Total assets	<u>\$ 2,484,585</u>	<u>\$ 190,884</u>	<u>\$ (21,452)</u>	<u>\$ 2,654,017</u>
<b>Liabilities and Net Assets</b>				
<b>Current liabilities</b>				
Accounts payable	\$ 93,914	\$ 1,548,208	\$ (1,456,445)	\$ 185,677
Accrued expenses	46,333	77,669	-	124,002
Total current liabilities	<u>140,247</u>	<u>1,625,877</u>	<u>(1,456,445)</u>	<u>309,679</u>
<b>Net Assets</b>				
<b>Unrestricted</b>				
Undesignated	41,004	(1,434,993)	1,434,993	41,004
Board designated operating reserve	1,087,350	-	-	1,087,350
Total unrestricted	<u>1,128,354</u>	<u>(1,434,993)</u>	<u>1,434,993</u>	<u>1,128,354</u>
Temporarily restricted	689,788	-	-	689,788
Permanently restricted	526,196	-	-	526,196
Total net assets	<u>2,344,338</u>	<u>(1,434,993)</u>	<u>1,434,993</u>	<u>2,344,338</u>
Total liabilities and net assets	<u>\$ 2,484,585</u>	<u>\$ 190,884</u>	<u>\$ (21,452)</u>	<u>\$ 2,654,017</u>

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

	Unrestricted	Temporarily Restricted	Permanently Restricted
<b>Revenue, Gains and Other Support</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, including interest income	188,912	-	-
Net investment return	(16,119)	(54,146)	-
Thrift store activities, net	-	-	-
Equity in income (loss) of ACBES	15,253	-	-
	1,129,450	(17,001)	2,500
Total revenue, gains, and other support			
	1,129,450	(17,001)	2,500
Net assets released from restriction	104,100	(104,100)	-
	1,233,550	(121,101)	2,500
<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	1,303,708	-	-
Change in net assets	(70,158)	(121,101)	2,500
<b>Net Assets</b>			
Beginning of year	1,128,354	689,788	526,196
End of year	\$ 1,058,196	\$ 568,687	\$ 528,696



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)
2,344,338	(1,434,993)	1,434,993	2,344,338
<u>\$ 2,155,579</u>	<u>\$ (1,419,740)</u>	<u>\$ 1,419,740</u>	<u>\$ 2,155,579</u>

**American Council of the Blind and Subsidiary**  
**Consolidating Statement of Activities**  
**Year Ended December 31, 2014**

	Unrestricted	Temporarily Restricted	Permanently Restricted
<b>Revenue, Gains, and Other Support</b>			
Contributions for individuals and organizations	\$ 331,985	\$ 129,943	\$ 1,200
Legacies and bequests	459,727	-	-
In-kind contributions	20,700	-	-
Assessments and dues from local member units	65,088	-	-
Program fees	285,432	-	-
Other program activities	108,161	-	-
Miscellaneous income, including interest income	59,664	-	-
Net investment return	54,854	46,516	-
Thrift store activities, net	-	-	-
Equity in income (loss) of ACBES	(170,268)	-	-
Total revenue, gains, and other support	1,215,343	176,459	1,200
Net assets released from restriction	98,006	(98,006)	-
	1,313,349	78,453	1,200
<b>Expenses by Function</b>			
Program services			
Scholarships	80,187	-	-
Conventions	203,579	-	-
Audio description project	69,857	-	-
ACB radio	53,546	-	-
Telephone hotline	52,251	-	-
Advocacy and government affairs	110,584	-	-
Program consultation	104,573	-	-
Membership services	85,263	-	-
Public awareness	240,125	-	-
Liaison with external organizations	64,622	-	-
Support services			
Management and general	91,600	-	-
Fundraising	107,979	-	-
Total expenses by function	1,264,166	-	-
Change in net assets	49,183	78,453	1,200
Net assets, beginning of year	1,079,171	611,335	524,996
Net assets, end of year	\$ 1,128,354	\$ 689,788	\$ 526,196

ACB Total	ACBES	Eliminations	Consolidated
\$ 463,128	\$ -	\$ -	\$ 463,128
459,727	-	-	459,727
20,700	-	-	20,700
65,088	-	-	65,088
285,432	-	-	285,432
108,161	-	-	108,161
59,664	-	(29,764)	29,900
101,370	-	-	101,370
-	(170,268)	29,764	(140,504)
(170,268)	-	170,268	-
1,393,002	(170,268)	170,268	1,393,002
-	-	-	-
<u>1,393,002</u>	<u>(170,268)</u>	<u>170,268</u>	<u>1,393,002</u>
80,187	-	-	80,187
203,579	-	-	203,579
69,857	-	-	69,857
53,546	-	-	53,546
52,251	-	-	52,251
110,584	-	-	110,584
104,573	-	-	104,573
85,263	-	-	85,263
240,125	-	-	240,125
64,622	-	-	64,622
91,600	-	-	91,600
107,979	-	-	107,979
<u>1,264,166</u>	<u>-</u>	<u>-</u>	<u>1,264,166</u>
128,836	(170,268)	170,268	128,836
<u>2,215,502</u>	<u>(1,264,725)</u>	<u>1,264,725</u>	<u>2,215,502</u>
<u><u>\$ 2,344,338</u></u>	<u><u>\$(1,434,993)</u></u>	<u><u>\$ 1,434,993</u></u>	<u><u>\$ 2,344,338</u></u>