

**COLORADO ASSOCIATION OF BLACK PROFESSIONAL ENGINEERS AND
SCIENTISTS**

Financial Statements

For the Year Ended June 30, 2016 and 2015



1600 Downing Street, Suite 770
Denver, Colorado 80218

**Roy W. Gentry
Certified Public Accountant**

CONTENTS

	Page
Independent Auditor's Report	1
Statement of Financial Position	2
Statement of Activities	3
Statement of Cash Flows	4
Statement of Functional Expenses	5
Notes to Financial Statements	6-7



ROY WILLIS GENTRY, INC.
Certified Public Accountant

Independent Auditor's Report

To the Board of Directors
Colorado Association of Black Professional Engineers and Scientist
4301 East Colfax Avenue
Denver, Colorado 80220

I have audited the accompanying financial statements of Colorado Association of Black Professional Engineers and Scientist (a Colorado non-profit corporation) which comprise the statement of financial position as of June 30, 2016 and 2015, and the related statements of activities, cash flows and functional expense for the years then ended, and the related notes to the financial statements.

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions on the statement of financial position as of June 30, 2016 and 2015, and the statements of activities, cash flows and functional expense for the years then ended.

In my opinion, the statement of financial position of Colorado Association of Black Professional Engineers and Scientist as of June 30, 2016 and 2015, and the statements of activities, cash flows and functional expense for the years then ended, present fairly, in all material respects, the financial position of Colorado Association of Black Professional Engineers and Scientist as of June 30, 2016 and 2015, in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in black ink that reads 'Roy W. Gentry'.

Denver, Colorado
February 6, 2017

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COLORADO ASSOCIATION OF BLACK PROFESSIONAL ENGINEERS AND SCIENTISTS
Statement of Financial Position
June 30, 2016 and 2015

	2016	2015
ASSETS:		
Current Assets		
Cash	\$ 54,049	\$ 63,472
Total Current Assets	54,049	63,472
Fixed Assets		
Computer/ Office Equipment	70,238	70,238
Less: Accumulated Depreciation	(68,065)	(66,880)
Net Fixed Assets	2,173	3,358
Total Assets:	\$ 56,222	66,830
 Liabilities and Net Assets:		
Current Liabilities		
Accounts Payable	\$ 3,034	5,113
Credit Card/Line of Credit	12,504	16,845
Total Current Liabilities	15,538	21,957
Net Assets		
Unrestricted Net Assets	40,685	44,873
Total Net Assets	40,685	44,873
TOTAL LIABILITIES AND NET ASSETS:	\$ 56,222	\$ 66,830

The accompanying notes are an integral part of these financial statements.

COLORADO ASSOCIATION OF BLACK PROFESSIONAL ENGINEERS AND SCIENTISTS

Statements of Activities
For the Years Ended June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Changes in Unrestricted Net Assets		
Unrestricted support		
Annual Gala	\$ 39,520	\$ 40,650
Grants and donations	82,763	70,026
Membership/Dues	11,640	7,371
Miscellaneous Income	-	-
Total unrestricted support, net	<u>133,924</u>	<u>118,047</u>
Other unrestricted revenues		
Program Revenue	5,749	9,493
Interest Income	-	18
Total unrestricted revenue and other support, net	<u>139,673</u>	<u>127,558</u>
Net Assets released from restrictions		
Expiration of time restrictions		
Total unrestricted revenues and other support	<u>139,673</u>	<u>127,558</u>
Expenses		
Program Expenses	117,188	79,571
Management and General	5,276	7,186
Fundraising Expenses	21,397	23,647
Total Expenses	<u>143,861</u>	<u>110,404</u>
Increase (decrease) in unrestricted net assets	<u>(4,188)</u>	<u>17,155</u>
Changes in Temporary Restricted Net Assets		
Contributions	-	-
Net Assets released from restrictions	-	-
Increase (Decrease) in temporarily restricted net assets	<u>-</u>	<u>-</u>
Increase (Decrease) in net Assets	<u>(4,188)</u>	<u>17,155</u>
Net Assets-Beginning of Year	<u>44,873</u>	<u>27,718</u>
Net Assets - End of Year	<u>\$ 40,685</u>	<u>\$ 44,873</u>

The accompanying notes are an integral part of these financial statements.

COLORADO ASSOCIATION OF BLACK PROFESSIONAL ENGINEERS AND SCIENTISTS
 Statements of Cash Flows
 For the Years Ended June 30, 2016 and 2015

	2016	2015
Cash flows from operating activities:		
(Decrease) Increase in net assets	(4,188)	17,155
Adjustments to reconcile net assets to net cash used by operating activities		
Depreciation	1,185	1,166
Changes in assets and liabilities:		
Accounts Payable	(2,079)	3,729
Wells Fargo Line of Credit	(3,041)	(3,422)
Net cash provided by operating activities	(8,122)	18,628
 Cash flows from investing activities:		
Purchase office equipment	-	(3,556)
Net Cash used in Investing Activities	-	(3,556)
Net Increase in Cash and Cash Equivalents	(8,122)	15,072
Cash and Cash Equivalents at Beginning of Year	63,472	48,400
Cash and Cash Equivalents at End of Year	55,349	63,472

The accompanying notes are an integral part of these financial statements.

COLORADO ASSOCIATION OF BLACK PROFESSIONAL ENGINEERS AND SCIENTISTS

Statements of Functional Expenses
For the Years Ended June 30, 2016 and 2015

Expenses	Program Services	General Admin.	Fundraising	2016 Total	2015 Total
Advertising and Marketing		\$ -		\$ -	\$ 572
Insurance	1,321			1,321	905
Office Expenses	373	1,511	1,659	3,543	5,441
Program Expenses	4,737		19,718	24,455	26,889
Postage	20	20	20	60	-
Salaries and Benefits	85,545			85,545	64,402
Scholarships	4,600			4,600	-
Telephone Expenses	514			514	516
Rent	4,845			4,845	-
Donations and Dues		160		160	125
Professional Fees	14,780	2,400		17,180	10,348
Training	95			95	-
Taxes and Miscellaneous	359			359	40
Depreciation	-	1,185		1,185	1,166
Total Expenses	\$ 117,188	\$ 5,276	\$ 21,397	\$ 143,861	\$ 110,404

The accompanying notes are an integral part of these financial statements.

Note 1-General:

Nature of Organization

Colorado Association of Black Professional Engineers and Scientists (“CABPES”) is a Colorado non-profit organization with 501(c)(3) status that was effective on June 5, 1982. The purpose of the organization is to stimulate interest and encourage minority youth to pursue careers in engineering and applied science and to develop solid math and aptitude test-taking skills essential for success in these careers. The Organization’s primary sources of revenue are grants and individual donations.

Note 2- Summary of Significant Accounting Policies:

Basis of Accounting

These financial statements are presented on the accrual method of accounting in accordance with accounting principles generally accepted in the United States.

Support and Expenses

Contributions received are measured at their fair values and are reported as an increase in net assets. The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activity as net assets released from restrictions.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash held in checking and money market accounts with maturities of less than 90 days. At year-end and throughout the year, the organization’s cash balances were deposited in several banks. Management believes the Organization is not exposed to any significant credit risk on cash and cash equivalents.

COLORADO ASSOCIATION OF BLACK PROFESSIONAL ENGINEERS AND SCIENTISTS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016, and 2015

Computer and Office Equipment

CABPES follows the practice of capitalizing, at cost, all expenditures for fixed assets in excess of \$500. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets generally as follows:

Computers and Office Equipment	5 years
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Income Taxes

CABPES is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and therefore has made no provision for federal income taxes in the accompanying financial statements. In addition, CABPES has been determined by the Internal Revenue Service not to be a “private foundation” within the meaning of Section 509(a) of the Internal Revenue Code. There was no unrelated business income for 2016.

Note 3- Functional Allocation of Expenses

The costs of providing the various programs, fund-raising and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and fund-raising activities benefited.

Note 4 – Property and Equipment

<u>June 30, 2016</u>	<u>Costs</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Equipment and Furnishings	\$70,238	\$66,880	\$ 3,358
Additions	-	1,185	1,185
Totals	<u>\$70,238</u>	<u>\$68,065</u>	<u>\$ 2,173</u>