

**BLIND INSTITUTE
OF TECHNOLOGY**

FINANCIAL STATEMENTS

DECEMBER 31, 2017

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THE ADAMS GROUP, LLC

CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report

The Board of Directors
Blind Institute of Technology
Denver, Colorado

We have audited the accompanying financial statements of Blind Institute of Technology (a nonprofit organization) which comprise the statement of financial position as of December 31, 2017, and the related statements of activities and cash flows for the year then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Blind Institute of Technology, as of December 31, 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

The Adams Group, LLC

October 12, 2018
Denver, Colorado

BLIND INSTITUTE OF TECHNOLOGY
STATEMENT OF FINANCIAL POSITION

<u>December 31,</u>	<u>2017</u>
<u>Assets</u>	
Cash and cash equivalents	\$ 52,572
Accounts receivable, net	146,364
Prepaid expenses	<u>11,395</u>
Total Assets	<u>\$ 210,331</u>
 <u>Liabilities and Net Assets</u>	
<u>Liabilities</u>	
Accounts payable and accrued expenses	\$ 46,767
Deferred revenue	<u>36,650</u>
Total Liabilities	<u>83,417</u>
 <u>Net assets</u>	
Unrestricted	<u>126,914</u>
Total Net Assets	<u>126,914</u>
Total Liabilities and Net Assets	<u>\$ 210,331</u>

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

BLIND INSTITUTE OF TECHNOLOGY
STATEMENT OF ACTIVITIES

<u>For the Year Ended December 31,</u>	<u>2017</u>
<u>Support, Revenue, and Other Gains</u>	
Contributions	\$ 3,090
Program fees	819,862
Grant revenue	19,775
Special events, net of \$23,573 expense	<u>75,444</u>
Total support, revenue, and other gains	<u>918,171</u>
<u>Expenses</u>	
Program services	621,374
Management and general	82,858
Fundraising	<u>93,501</u>
Total expenses	<u>797,733</u>
Changes in net assets	120,438
Net assets, beginning of year	<u>6,476</u>
Net assets, end of year	<u>\$ 126,914</u>

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

BLIND INSTITUTE OF TECHNOLOGY
STATEMENT OF CASH FLOWS

<u>For the Year Ended December 31,</u>	<u>2017</u>
Cash flows from operating activities	
Cash received from contributions	\$ 3,090
Cash received from program fees	703,999
Cash received from grants	19,775
Other cash	99,017
Cash paid to employees and suppliers	<u>(794,400)</u>
Net cash provided by operating activities	<u>31,481</u>
Cash flows from financing activities	
Proceeds from note payable	60,000
Payments on note payable	<u>(60,000)</u>
Net cash provided by financing activities	<u>0</u>
Net increase in cash and cash equivalents	31,481
Cash and cash equivalents, beginning of year	<u>21,091</u>
Cash and cash equivalents, end of year	<u>\$ 52,572</u>
Reconciliation of changes in net assets to net cash provided by operating activities:	
Changes in net assets	\$ 120,438
Increase in assets	(134,729)
Increase in liabilities	<u>45,772</u>
Net cash provided by operating activities	<u>\$ 31,481</u>

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

BLIND INSTITUTE OF TECHNOLOGY
NOTES TO FINANCIAL STATEMENTS

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Blind Institute of Technology (Institute) is a nonprofit corporation whose mission is to provide workforce development and inclusive employment solutions that prepare people with disabilities, and the employers who hire them, for success in the workplace.

The Institute is exempt from income tax under section 501(c)(3) of the United States Internal Revenue Code and comparable state law, and contributions to it are deductible within the limitations prescribed by the Code. The Institute has been classified as a publicly supported organization which is not a private foundation under section 509(a) of the Code. The Blind Institute of Technology did not have any material unrelated business income tax liability or significant uncertain income tax positions for the year ended December 31, 2017. The Blind Institute of Technology's open Internal Revenue Service audit period are December 31, 2014 and thereafter.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Classes of Net Assets

The financial statements report amounts separately by classes of net assets:

Unrestricted amounts are those currently available at the discretion of the Board for use in the Institute 's activities, and those resources invested in property and equipment.

Temporarily restricted amounts are those which are restricted by donors for specific operating purposes, for the acquisition of land, buildings, and equipment, or with a stipulated time restriction. 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 activities as net assets released from restrictions.

Permanently restricted net assets are those restricted by donors requiring in perpetuity that the principal be invested and the income only be used for the Institute 's exempt purpose. Income from these funds is recognized as unrestricted, temporarily restricted, and permanently restricted income.

Property, Equipment and Depreciation

Assets over \$750 are recorded at cost if purchased, or if donated at their fair value at the time of the donation. Depreciation of property and equipment is provided over the estimated useful life of the respective asset on a straight line basis.

The Blind Institute of Technology reports gifts of land, buildings, and equipment as unrestricted support unless explicit donor stipulations specify how the donated asset must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how those long-lived assets must be maintained, the Institute reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

BLIND INSTITUTE OF TECHNOLOGY
NOTES TO FINANCIAL STATEMENTS

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributed Services

Many individuals volunteer their time and perform a variety of tasks to assist the Blind Institute of Technology including services in the Institute 's programs and special events. No amounts have been reflected in the financial statements for such services.

Allowance for Uncollectable Accounts

Accounts receivable is stated net of an allowance for uncollectable accounts. The Institute estimates the allowance based on analysis by management. The allowance for uncollectable accounts for accounts receivable is \$0 at December 31, 2017.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program and supporting services benefited.

Advertising Costs

The costs of promotion and advertising are expensed as incurred.

Other Matters

For the purposes of the statement of cash flows, the Blind Institute of Technology considers investments in all highly liquid debt instruments with a maturity of three months or less to be cash and cash equivalents. The Blind Institute of Technology periodically has cash accounts that exceed the federally insured limit. They are selective with regard to the choice of financial institutions with which they deposit funds.

Subsequent Events

Management is required to evaluate, through the date the financial statements are issued or available to be issued, events or transactions that may require recognition or disclosure in the financial statements, and to disclose the date through which subsequent events were evaluated. The Institute 's financial statements were available to be issued on October 12, 2018, and this is the date through which subsequent events were evaluated. The Institute did not identify any subsequent events requiring disclosure.

NOTE 2 – CONCENTRATION IN REVENUES

Seventy two percent of the 2017 total support, revenue, and other gains were received from two customers. The Institute monitors its cash flow so that it does not rely on these large donations to perform its exempt purpose.