

BRING EVERYONE IN THE ZONE, INC.
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

BRING EVERYONE IN THE ZONE, INC.

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**CONNIE J. GREEN
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INDEPENDENT AUDITORS' REPORT

Board of Directors
Bring Everyone In The Zone, Inc.
Killeen, Texas

We have audited the accompanying statement of financial position of Bring Everyone in the Zone, Inc. (a nonprofit organization) as of September 30, 2018, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the organizations management. 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 preform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bring Everyone in the Zone, Inc. as of September 30, 2018 and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Connie J. Green CPA
Killeen, Texas
September 30, 2019

Member of the American Institute of Certified Public Accountants

FINANCIAL STATEMENTS

BRING EVERYONE IN THE ZONE, INC.
STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2018

ASSETS

Current Assets	
Cash and Cash Equivalents	\$ 1,678
Accounts Receivable	27,615
Supplies Inventory	<u>41,416</u>
Total Current Assets	70,709
Property and Equipment	
Furniture and Fixtures	\$ 21,145
Electronic Equipment	25,284
Office Equipment	28,287
Vehicles	26,975
Other Equipment	3,055
Less: Accumulated Depreciation	<u>(104,746)</u>
Total Property and Equipment	0
Total Assets	\$ 70,709
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LIABILITIES

Current liabilities	
Payroll Liabilities	\$ 0
Accounts Payable	<u>0</u>
Total Current Liabilities	0
Total Liabilities	\$ <u>0</u>

NET ASSETS

Net assets	
Unrestricted	\$ <u>70,709</u>
Total Net Assets	70,709
Total Liabilities and Net Assets	\$ <u>70,709</u>
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SEE ACCOMPANYING NOTES.

BRING EVERYONE IN THE ZONE, INC.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2018

REVENUES & OTHER INCOME

Support	
Grants and Contracts	\$ 222,164
Donations	145,755
Total Revenues & Other Income	<u>367,919</u>

EXPENSES

Program Services Expenses	
Salaries	160,231
Payroll taxes	10,169
Advertising, Promotion & Outreach	2,394
Dues & Subscriptions	1,910
Military Assistance Program	37,204
Postage	159
Storage	875
Training Expenses	5,937
Supplies	4,412
Telephone, Internet & Technology	1,663
Travel	10,639
Insurance	10,270
Occupancy Expenses	4,822
Meeting Expenses	362
Que for Kids	125,862
Office Expenses	3,560
Printing and Reproduction	<u>450</u>

Total Expenses 380,919

Decrease in Unrestricted Net Assets (13,000)

Net Assets, Unrestricted at Beginning of Year 83,709

Net Assets, Unrestricted at End of Year \$ 70,709
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SEE ACCOMPANYING NOTES.

BRING EVERYONE IN THE ZONE, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

Cash Flows from Operating Activities:

Decrease in Net Assets	\$ (13,000)
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**Adjustments to Reconcile Change in Net Assets
To Net Cash Provided By Operating Activities:**

Accounts Receivable	7,255
Payroll Liabilities	<u>(2,797)</u>

Net Cash Provided By Operating Activities	(8,542)
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Cash and Cash Equivalents at Beginning of Year	<u>10,220</u>
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Cash and Cash Equivalents at End of Year	<u><u>1,678</u></u>
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SEE ACCOMPANYING NOTES.

BRING EVERYONE IN THE ZONE, INC.
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

NOTE A- NATURE OF THE ORGANIZATION

Bring Everyone in the Zone, Inc. (hereafter referred to as “BEITZ”), is a non-profit organization that is approved and monitored by a board of directors and depends on contributions and grants to support its’ operation. BEITZ’s purpose is to provide education and support to service personnel and their families who are experiencing the devastating effects of post-traumatic stress disorder. BEITZ’s programs train facilitators in recognizing cases that require additional services including medical referral and providing them with needed responses.

NOTE B- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The financial statements of BEITZ are prepared on the accrual basis of accounting. Using this method, revenues are recognized when earned and expenses are recognized when incurred.

Recognition of donor restrictions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Support that is restrictive by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanent restricted net assets depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. BEITZ reports donor-restricted contributions whose restrictions are completely met in the same period as unrestricted support.

Statement of Cash Flows

For purposes of the statements of cash flows, cash and cash equivalents includes cash and money market accounts.

Property and equipment

Property and equipment are valued at cost; if donated, the assets are valued at the fair market value at the date of donation. Significant renewals and betterments are capitalized, while repairs and maintenance expenses that do not increase the useful lives of the assets are recognized as expenses when incurred. Equipment is depreciated over 5 years using the straight-line method. Only property and equipment over \$1,500 is capitalized.

BRING EVERYONE IN THE ZONE, INC.
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

Contributed Goods and Services

Volunteers donate significant hours of service to BEITZ programs during 2018. These services have not been recognized on the income statement because these services do not require specialized skills or would typically be purchased had they not been provided by donation. The value of these services is not individually significant or material to the financial statements.

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, BEITZ results could differ from those estimates.

Income Tax

BEITZ is a not-for-profit organization that is exempt from income taxes under section 501(c) (3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation. BEITZ is also exempt from Texas state franchise tax.

NOTE C- PROPERTY & EQUIPMENT

Property and Equipment consist of the following as of September 30, 2018:

Furniture and Fixtures	\$21,145
Electronic Equipment	25,284
Office Equipment	28,287
Vehicles	26,975
Other Equipment	<u>3,055</u>
Total Property & Equipment	104,746
Less: Accumulated Depreciation	<u>(104,746)</u>
Net Property & Equipment	\$ -0-
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NOTE D- NET ASSETS

Unrestricted Net Assets represents contributions made by local businesses, charitable organizations, and individuals to BEITZ without any restrictions and may be used for purposes determined by the Board of Directors. Temporarily Restricted Net Assets represent assets that have donor imposed time or purpose restrictions. As of September 30, 2018, there were no temporarily restricted net assets. Permanently Restricted Net Assets represent assets that are restricted for specific programs. As of September 30, 2018, there were no Permanently Restricted Net Assets.

BRING EVERYONE IN THE ZONE, INC.
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

NOTE E- CONCENTRATION OF CREDIT RISK

BEITZ maintains its cash balances in one financial institution located in Killeen, Texas. The balances are insured by the Federal Deposits Insurance Corporation up to \$250,000. For the year ended September 30, 2018, BEITZ's cash balances did not exceed federally insured limits

NOTE F- ADVERTISING

BEITZ uses advertising to promote its programs and raise awareness of post-traumatic stress disorder. Advertising expenses are expensed as incurred.

NOTE G- FUNCTIONAL EXPENSES

All expenses are reported as program service expenses. General and administrative functions are performed by a board member at no expense to the organization.

NOTE H – COMMUNITY DEVELOPMENT BLOCK GRANT FUNDING

BEITZ received a grant from the City of Killeen Community Development Block Grant Program (CDBG) (CFDA 14.218) B-17-MC-48-0020. The purpose of the grant was to provide funding for the BEITZ Military Support Program for a portion of the salary for the Resource Manager who works with economically disadvantaged Veterans and their families in need of guidance and counseling on household budgets and fiscal matters. Funding received from the City of Killeen CDBG Program has been reported in the Statement of Activities as Grants and Contracts Support Revenue.

NOTE I – EVALUATION OF SUBSEQUENT EVENTS

BEITZ has evaluated subsequent events through September 27, 2019, the date which the financial statements were available for issue.