ALLIANCE FOR CHOICE IN EDUCATION AND SUBSIDIARIES

Consolidated Financial Statements
and
Independent Auditors' Report
December 31, 2016 and 2015

ALLIANCE FOR CHOICE IN EDUCATION AND SUBSIDIARIES

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Alliance for Choice in Education and Subsidiaries
Denver, Colorado

We have audited the accompanying consolidated financial statements of Alliance for Choice in Education and Subsidiaries, which are comprised of the consolidated statements of financial position as of December 31, 2016 and 2015, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the 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.

AUDITORS' 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 auditors' 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 auditors consider internal control relevant to the entity'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 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 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 above present fairly, in all material respects, the financial position of Alliance for Choice in Education and Subsidiaries 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.

OTHER MATTERS

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, change in net assets, and cash flows of the individual entities and is 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 information has been subjected to the auditing procedures applied in the audits 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 auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

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August 16, 2017
Denver, Colorado

ALLIANCE FOR CHOICE IN EDUCATION AND SUBSIDIARIES

Consolidated Statements of Financial Position

	December 31, 2016	December 31, 2015
Assets		
Current assets		
Cash and cash equivalents	$ 7,298,740	$ 5,242,723
Short-term investments	709,336	811,484
Promises to give, current portion	2,235,648	2,505,416
Other receivable	10,226	5,795
Prepaid expenses	95,707	91,892
Total current assets	10,349,657	8,657,310
Non-current assets		
Promises to give, net of current portion	95,491	192,461
Furniture and equipment, net	231,823	53,930
Deposits	3,207	3,207
Total non-current assets	330,521	249,598
Total assets	$ 10,680,178	$ 8,906,908
Liabilities and Net Assets		
Current liabilities		
Accounts payable and accrued expenses	$ 199,868	$ 101,761
Accounts payable - related party	466,741	312,089
Total current liabilities	666,609	413,850
Commitments		
Net assets		
Unrestricted	21,860	2,618,189
Temporarily restricted	9,991,709	5,874,869
Total net assets	10,013,569	8,493,058
Total liabilities and net assets	$ 10,680,178	$ 8,906,908

See notes to consolidated financial statements.

ALLIANCE FOR CHOICE IN EDUCATION AND SUBSIDIARIES

Consolidated Statements of Activities

	For the Years Ended					
	December 31, 2016			December 31, 2015		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Support and revenue						
Contributions	$ 9,016,960	$ 5,300,544	$ 14,317,504	$ 5,266,531	$ 5,353,308	$ 10,619,839
In-kind contributions	229,866	-	229,866	239,078	-	239,078
Other	29,911	-	29,911	10,348	-	10,348
Total support and revenue	9,276,737	5,300,544	14,577,281	5,515,957	5,353,308	10,869,265
Net assets released from restrictions						
Satisfaction of time or purpose restrictions	3,801,893	(3,801,893)	-	4,467,139	(4,467,139)	-
Expenses						
Program services						
Scholarships						
Primary and secondary	9,408,390	-	9,408,390	6,684,280	-	6,684,280
College	-	-	-	1,997	-	1,997
Total scholarships	9,408,390	-	9,408,390	6,686,277	-	6,686,277
Other education support programs	1,497,180	-	1,497,180	1,258,540	-	1,258,540
Total program services	10,905,570	-	10,905,570	7,944,817	-	7,944,817
Support services						
Fundraising	1,464,641	-	1,464,641	1,439,550	-	1,439,550
General and administrative	663,579	-	663,579	334,355	-	334,355
Total support services	2,128,220	-	2,128,220	1,773,905	-	1,773,905
Total expenses	13,033,790	-	13,033,790	9,718,722	-	9,718,722
Change in net assets from operations	44,840	1,498,651	1,543,491	264,374	886,169	1,150,543
Loss from uncollectible promises to give	(22,980)	-	(22,980)	(55,010)	-	(55,010)
Gain on disposal of assets	-	-	-	1,705	-	1,705
Change in net assets	21,860	1,498,651	1,520,511	211,069	886,169	1,097,238
Reclassification of net assets	(2,618,189)	2,618,189	-	-	-	-
Net assets at beginning of year	2,618,189	5,874,869	8,493,058	2,407,120	4,988,700	7,395,820
Net assets at end of year	$ 21,860	$ 9,991,709	$ 10,013,569	$ 2,618,189	$ 5,874,869	$ 8,493,058

See notes to consolidated financial statements.

ALLIANCE FOR CHOICE IN EDUCATION AND SUBSIDIARIES

Consolidated Statements of Cash Flows

	For the Years Ended December 31, 2016	2015
Cash flows from operating activities		
Change in net assets	$ 1,520,511	$ 1,097,238
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation expense	40,282	28,388
Loss from uncollectible promises to give	22,980	55,010
Gain on disposal of assets	-	(1,705)
Changes in assets and liabilities		
Promises to give	343,758	(472,812)
Other receivable	(4,431)	(2,147)
Prepaid expenses	(3,815)	(15,228)
Accounts payable and accrued expenses	252,759	(71,686)
Net cash provided by operating activities	2,172,044	617,058
Cash flows from investing activities		
Purchases of furniture and equipment	(218,175)	(25,993)
Proceeds from the disposal of assets	-	1,705
Purchase of short-term investments	-	(104,068)
Proceeds from sale of short-term investments	102,148	-
Net cash used in investing activities	(116,027)	(128,356)
Net increase in cash and cash equivalents	2,056,017	488,702
Cash and cash equivalents at beginning of year	5,242,723	4,754,021
Cash and cash equivalents at end of year	$ 7,298,740	$ 5,242,723

See notes to consolidated financial statements.

Note 1 - Organization and Summary of Significant Accounting Policies

Organization

Alliance for Choice in Education ("ACE") was incorporated in the state of Colorado on May 4, 2000 and is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code (the "Code"). ACE is dedicated to enhancing the quality and diversity of educational choices available to children by promoting greater accessibility to private schools through scholarships.

ACE upholds the mission that every child – regardless of family income – is of equal worth, is equally deserving of a quality education, and that providing every child with an educational choice will promote an accountable and competitive education marketplace that fosters effective private and public schools.

Principles of Consolidation

Since 2012, ACE has expanded its programs to several states outside of Colorado: Kansas, Louisiana, Montana, Texas (2017), and Wyoming (2017), and expects to add more states each year. ACE has formed single member LLCs, with ACE as the sole member, for each state operation. Each LLC is a disregarded entity for federal income tax purposes, and its accounts are included with ACE's accounts (collectively referred to as the "Organization") in these consolidated financial statements.

All intercompany accounts and transactions have been eliminated in the consolidation.

Basis of Presentation

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

> Unrestricted amounts are those currently available at the discretion of the Board of Directors for use in the Organization's operations and those resources invested in furniture and equipment.
>
> Temporarily restricted amounts are monies restricted by donors specifically for certain time periods, purposes, or programs.
>
> Permanently restricted amounts are monies that must be maintained permanently by the Organization as required by the donor; however, the Organization is permitted to use or expend part or all of any income derived from the donated assets. The Organization does not currently maintain any permanently restricted net assets.

Due to the formation of a national model and expansion into multiple states, the net assets related to each state-specific activity have been reflected as temporarily restricted net assets. During 2016, $2,618,189 was reclassified from unrestricted to temporarily restricted due to this change.

Note 1 - Organization and Summary of Significant Accounting Policies (continued)

Recently Issued Accounting Standards

In August 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2016-14, *Not-For-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. The amendment applies to all not-for-profit entities. The amendment reduces the classes of net assets to net assets with donor restrictions and net assets without donor restrictions; removes the reconciliation of cash flows to the indirect method if using the direct method; requires the reporting of investment returns, net of expenses, with no disclosure of netted expenses required; requires the use, in the absence of explicit donor stipulations, of the placed-in-service approach for reporting expirations of restrictions on cash or other asset donations; and requires disclosure of expenses by both their natural and functional classification on the face of the statement of activities, as a separate statement, or in the notes to the financial statements. In addition, the amendment provides enhanced disclosures on amounts and purposes of board designations and appropriations, composition of net assets with donor restrictions, discussion of liquidity for the year following year-end, discussion of liquidity of financial assets at year-end, methodology used to allocate costs between program and support functions, and underwater endowment funds. The amendment is effective for all fiscal years beginning after December 15, 2017, with early adoption allowed. Entities should apply the amendment in this update retrospectively to all periods presented.

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers*, which amended revenue recognition guidance to clarify the principles for recognizing revenue from contracts with customers. The guidance requires an entity to recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The guidance also requires expanded disclosures relating to the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. Additionally, qualitative and quantitative disclosures are required about customer contracts, significant judgments and changes in judgments, and assets recognized from the costs to obtain or fulfill a contract. ASU No. 2014-09 is effective for annual reporting in fiscal years beginning after December 15, 2018.

In February 2016, the FASB issued ASU No. 2016-02, *Leases*. The new standard establishes a right-of-use ("ROU") model that requires a lessee to record a ROU asset and a lease liability on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. The new standard is effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available.

The Organization is currently evaluating the impacts of the pending adoption of the new standards on its consolidated financial statements.

Note 1 - Organization and Summary of Significant Accounting Policies (continued)

Cash and Cash Equivalents

For purposes of the consolidated statements of cash flows, the Organization considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

The Organization periodically maintains cash balances in excess of the FDIC's insurance limit of $250,000.

Short-Term Investments

Short-term investments consist of certificates of deposit with an original maturity of greater than three months. Short-term investments are recorded at cost plus accrued interest.

Promises to Give

Promises to give consist of unconditional pledges of future contributions from donors. The allowance method is used to determine uncollectible unconditional promises to give. The allowance is based on management's analysis of specific pledges. No allowance for uncollectible promises to give has been recorded as management believes all promises to give recorded as of December 31, 2016 and 2015 to be collectible.

Promises to give that are expected to be collected within one year are recorded at their net realizable values. Promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows.

Concentration of Risk

Of the $2,331,139 of total promises to give at December 31, 2016, approximately $1,325,000 was from four donors. Of the $2,697,877 of total promises to give at December 31, 2015, approximately $919,000 was from three donors.

Of the $14,317,504 of total contributions received during 2016, no donor contributed more than 10%. Of the $10,619,839 of total contributions received during 2015, approximately $1,436,000 was from one donor.

Furniture and Equipment

The Organization capitalizes all furniture and equipment with a cost or fair value of $1,000 or greater. Furniture and equipment purchased by the Organization are recorded at cost. Donated furniture and equipment are capitalized at fair value at the date of donation. Depreciation and amortization are provided on the straight-line method based upon the estimated useful lives of the assets, which range from three to seven years.

Note 1 - Organization and Summary of Significant Accounting Policies (continued)

Contributions

Contributions are recorded as unrestricted or temporarily restricted support depending on the existence and/or nature of any donor restrictions. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restriction expires in the reporting period in which the contribution is recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restriction and subsequently released to unrestricted net assets when expenses have been incurred in satisfaction of those restrictions. Contributions are recognized when cash or ownership of donated assets are unconditionally promised to the Organization. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Contributed Services, Materials, and Facilities

The Organization has received significant amounts of donated services and materials, used to assist the Organization in achieving its mission and in supporting its program activities, from a company that has a common founder. The consolidated financial statements reflect the value of the donated services based on the fair value that would have been paid for such services and materials based on the purchased cost.

Functional Expenses

Expenses incurred directly for a program service are charged to such service. Fringe benefits are allocated to all services based on a pro rata basis of total direct salary expenses incurred. Allocations of certain overhead costs are also allocated to services on a pro rata basis of total space occupied by each service.

Functional expenses as percentages of total expenses were as follows:

	For the Years Ended December 31,			
	2016		2015	
Program services	$ 10,905,570	83.7 %	$ 7,944,817	81.7 %
Fundraising	1,464,641	11.2	1,439,550	14.8
General and administrative	663,579	5.1	334,355	3.5
Total expenses	$ 13,033,790	100.0 %	$ 9,718,722	100.0 %

Other Educational Support Programs

The Organization's major program is granting K-12 scholarships. Other educational support programs include allocated support services.

Note 1 - Organization and Summary of Significant Accounting Policies (continued)

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Code. The Organization is not a private foundation within the meaning of Section 509(a) of the Code.

The Organization applies a more-likely-than-not measurement methodology to reflect the financial statement impact of uncertain tax positions taken or expected to be taken in a tax return. After evaluating the tax positions taken, none are considered to be uncertain; therefore, no amounts have been recognized as of December 31, 2016 or 2015.

Interest and penalties associated with tax positions are recorded in the period assessed as miscellaneous administrative expense. No interest or penalties have been assessed as of December 31, 2016 and 2015.

Use of Estimates

The preparation of 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 disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue, expenses, gains, losses, and other changes in net assets during the reporting period. Actual results could differ from those estimates.

Subsequent Events

The Organization has evaluated all subsequent events through the auditors' report date, which is the date the consolidated financial statements were available to be issued, and has determined that there are no events requiring disclosure.

Note 2 - Promises to Give

Unconditional promises to give consist of the following:

	December 31,	
	2016	2015
Due in less than one year	$ 2,235,648	$ 2,505,416
Due in one to five years	100,000	200,000
	2,335,648	2,705,416
Less unamortized discount on promises to give	(4,509)	(7,539)
	2,331,139	2,697,877
Less current portion	(2,235,648)	(2,505,416)
Promises to give, net of current portion	$ 95,491	$ 192,461

The discount rate used on long-term promises to give was 1.55% for the year ended December 31, 2016, which represents the prevailing rate at the date of the pledge.

Note 3 - Furniture and Equipment

The Organization's furniture and equipment consist of the following:

	December 31, 2016	December 31, 2015
Computers and software	$ 195,038	$ 124,497
Furniture and fixtures	45,514	21,726
Leasehold improvements	128,494	4,649
	369,046	150,872
Less accumulated depreciation and amortization	(137,223)	(96,942)
	$ 231,823	$ 53,930

Note 4 - Commitments

Scholarships

During 2013, the Organization revised its scholarship commitment policy. While scholarships are still generally awarded for four consecutive school years, scholarships are now awarded each year without a commitment to award that scholarship in the future; therefore, the Organization has no future obligation related to the scholarships.

Operating Leases

The Organization leases a facility under a non-cancelable operating lease from a related party and has month-to-month leases for parking and storage requiring annual lease payments. Rent expense for the years ended December 31, 2016 and 2015 was $117,309 and $86,864, respectively. Future minimum lease payments are approximately as follows:

Year Ending December 31,	
2017	$ 102,000
2018	104,000
2019	107,000
2020	109,000
2021	28,000
	$ 450,000

Note 5 - Temporarily Restricted Net Assets

The temporarily restricted net assets represent the net proceeds of donations that have been restricted by the donors to be used only for scholarship awards, state-specific operations, or that have time restrictions placed on them.

Note 5 - Temporarily Restricted Net Assets (continued)

Temporarily restricted net assets at December 31, 2016 consisted of the following:

	Colorado	Montana	Louisiana	Kansas	Total
Scholarships	$ 230,429	$ 819,033	$ 2,122,134	$ 249,346	$ 3,420,942
State-specific operations	3,902,501	-	315,228	21,899	4,239,628
Promises to give in support of future operations	836,363	774,544	715,232	5,000	2,331,139
	$ 4,969,293	$ 1,593,577	$ 3,152,594	$ 276,245	$ 9,991,709

Temporarily restricted net assets at December 31, 2015 consisted of the following:

	Colorado	Montana	Louisiana	Kansas	Total
Scholarships	$ 478,520	$ 906,634	$ 816,641	$ -	$ 2,201,795
State-specific operations	-	787,199	-	187,998	975,197
Promises to give in support of future operations	1,586,949	246,750	864,178	-	2,697,877
	$ 2,065,469	$ 1,940,583	$ 1,680,819	$ 187,998	$ 5,874,869

Note 6 - Related Party Transactions

The Organization uses resources provided by a related company and reimburses the company for most of the related expenses. The remaining unreimbursed expenses are recorded as in-kind contributions. As of December 31, 2016 and 2015, the Organization owed this company approximately $466,700 and $312,100, respectively. In-kind donations from the company for the years ended December 31, 2016 and 2015 totaled approximately $214,000 and $220,000, respectively. The related company has committed to continue supporting the Organization through its in-kind contributions into the foreseeable future. No amounts have been reflected in the consolidated financial statements for future in-kind contributions from the related company.

Note 7 - Employee Benefit Plan

All employees of the Organization are eligible to participate in the 401(k) plan (the "Plan") upon completing the Plan's eligibility requirements. In order to participate in the Plan, an employee must be at least age 21. Employees may contribute from 1% to 84% of their eligible earnings. The Organization matches 100% of the employee contribution up to a maximum of a 6% contribution. The Organization recognized contribution expense of $63,009 and $47,055 for the years ended December 31, 2016 and 2015, respectively.

SUPPLEMENTARY INFORMATION

ALLIANCE FOR CHOICE IN EDUCATION AND SUBSIDIARIES

Departmental Statement of Financial Position
December 31, 2016

	Colorado	Montana	Louisiana	Kansas	National Office	Eliminations	Consolidated
Assets							
Current assets							
Cash and cash equivalents	$ 3,388,176	$ 879,076	$ 2,465,486	$ 334,631	$ 231,371	$ -	$ 7,298,740
Short-term investments	709,336	-	-	-	-	-	709,336
Promises to give, current portion	740,872	774,544	715,232	5,000	-	-	2,235,648
Other receivable	928	2,024	7,274	-	-	-	10,226
Prepaid expenses	94,444	-	1,263	-	-	-	95,707
Inter-departmental receivables	78,617	2,402	37,854	-	38,458	(157,331)	-
Total current assets	5,012,373	1,658,046	3,227,109	339,631	269,829	(157,331)	10,349,657
Non-current assets							
Promises to give, net of current portion	95,491	-	-	-	-	-	95,491
Furniture and equipment, net	231,823	-	-	-	-	-	231,823
Deposits	3,207	-	-	-	-	-	3,207
Total non-current assets	330,521	-	-	-	-	-	330,521
Total assets	$ 5,342,894	$ 1,658,046	$ 3,227,109	$ 339,631	$ 269,829	$ (157,331)	$ 10,680,178
Liabilities and Net Assets							
Current liabilities							
Accounts payable and accrued expenses	$ 95,385	$ 11,359	$ 19,696	$ 3,724	$ 69,704	$ -	$ 199,868
Accounts payable - related party	250,836	29,121	46,084	19,519	121,181	-	466,741
Inter-departmental payables	27,380	23,989	8,735	40,143	57,084	(157,331)	-
Total current liabilities	373,601	64,469	74,515	63,386	247,969	(157,331)	666,609
Commitments							
Net assets							
Unrestricted	-	-	-	-	21,860	-	21,860
Temporarily restricted	4,969,293	1,593,577	3,152,594	276,245	-	-	9,991,709
Total net assets	4,969,293	1,593,577	3,152,594	276,245	21,860	-	10,013,569
Total liabilities and net assets	$ 5,342,894	$ 1,658,046	$ 3,227,109	$ 339,631	$ 269,829	$ (157,331)	$ 10,680,178

See notes to consolidated financial statements.

ALLIANCE FOR CHOICE IN EDUCATION AND SUBSIDIARIES

Departmental Statement of Financial Position
December 31, 2015

	Colorado	Montana	Louisiana	Kansas	Eliminations	Consolidated
Assets						
Current assets						
Cash and cash equivalents	$ 4,350,907	$ -	$ 891,816	$ -	$ -	$ 5,242,723
Short-term investments	811,484	-	-	-	-	811,484
Promises to give, current portion	1,394,488	246,750	864,178	-	-	2,505,416
Other receivable	4,334	1,461	-	-	-	5,795
Prepaid expenses	91,475	417	-	-	-	91,892
Inter-departmental receivables	14,518	1,694,263	3,208	187,998	(1,899,987)	-
Total current assets	6,667,206	1,942,891	1,759,202	187,998	(1,899,987)	8,657,310
Non-current assets						
Promises to give, net of current portion	192,461	-	-	-	-	192,461
Furniture and equipment, net	53,930	-	-	-	-	53,930
Deposits	3,207	-	-	-	-	3,207
Total non-current assets	249,598	-	-	-	-	249,598
Total assets	$ 6,916,804	$ 1,942,891	$ 1,759,202	$ 187,998	$ (1,899,987)	$ 8,906,908
Liabilities and Net Assets						
Current liabilities						
Accounts payable and accrued expenses	$ 93,078	$ 2,308	$ 6,375	$ -	$ -	$ 101,761
Accounts payable - related party	254,599	-	57,490	-	-	312,089
Inter-departmental payables	1,885,469	-	14,518	-	(1,899,987)	-
Total current liabilities	2,233,146	2,308	78,383	-	(1,899,987)	413,850
Commitments						
Net assets						
Unrestricted	2,618,189	-	-	-	-	2,618,189
Temporarily restricted	2,065,469	1,940,583	1,680,819	187,998	-	5,874,869
Total net assets	4,683,658	1,940,583	1,680,819	187,998	-	8,493,058
Total liabilities and net assets	$ 6,916,804	$ 1,942,891	$ 1,759,202	$ 187,998	$ (1,899,987)	$ 8,906,908

See notes to consolidated financial statements.

ALLIANCE FOR CHOICE IN EDUCATION AND SUBSIDIARIES

Departmental Statement of Activities
For the Year Ended December 31, 2016

	Colorado	Montana	Louisiana	Kansas	National Office	Eliminations	Consolidated
Support and revenue							
Contributions	$ 6,571,016	$ 1,523,111	$ 5,280,877	$ 505,000	$ 437,500	$ -	$ 14,317,504
In-kind contributions	121,451	10,718	15,345	21,437	60,915	-	229,866
Other	26,411	737	2,144	462	157	-	29,911
Shared services revenue	-	-	-	-	134,603	(134,603)	-
Total support and revenue	6,718,878	1,534,566	5,298,366	526,899	633,175	(134,603)	14,577,281
Expenses							
Program services							
Primary and secondary scholarships	4,101,626	1,561,088	3,489,873	255,803	-	-	9,408,390
Other education support programs	865,550	150,682	162,422	90,100	295,727	(67,301)	1,497,180
Total program services	4,967,176	1,711,770	3,652,295	345,903	295,727	(67,301)	10,905,570
Support services							
Fundraising	1,059,822	95,884	102,440	56,982	189,894	(40,381)	1,464,641
General and administrative	403,265	53,918	71,856	35,767	125,694	(26,921)	663,579
Total support services	1,463,087	149,802	174,296	92,749	315,588	(67,302)	2,128,220
Total expenses	6,430,263	1,861,572	3,826,591	438,652	611,315	(134,603)	13,033,790
Loss from uncollectible promises to give	(2,980)	(20,000)	-	-	-	-	(22,980)
Change in net assets	285,635	(347,006)	1,471,775	88,247	21,860	-	1,520,511
Net assets at beginning of year	4,683,658	1,940,583	1,680,819	187,998	-	-	8,493,058
Net assets at end of year	$ 4,969,293	$ 1,593,577	$ 3,152,594	$ 276,245	$ 21,860	$ -	$ 10,013,569

See notes to consolidated financial statements.

ALLIANCE FOR CHOICE IN EDUCATION AND SUBSIDIARIES

Departmental Statement of Activities
For the Year Ended December 31, 2015

	Colorado	Montana	Louisiana	Kansas	Eliminations	Consolidated
Support and revenue						
Contributions	$ 6,341,153	$ 1,830,881	$ 2,259,807	$ 187,998	$ -	$ 10,619,839
In-kind contributions	239,078	-	-	-	-	239,078
Other	10,267	-	81	-	-	10,348
Shared services revenue	149,520	-	-	-	(149,520)	-
Total support and revenue	6,740,018	1,830,881	2,259,888	187,998	(149,520)	10,869,265
Expenses						
Program services						
Scholarships						
Primary and secondary	4,042,732	1,459,082	1,182,466	-	-	6,684,280
College	1,997	-	-	-	-	1,997
Total scholarships	4,044,729	1,459,082	1,182,466	-	-	6,686,277
Other education support programs	993,392	73,235	191,913	-	-	1,258,540
Total program services	5,038,121	1,532,317	1,374,379	-	-	7,944,817
Support services						
Fundraising	1,129,409	89,908	220,233	-	-	1,439,550
General and administrative	389,144	20,518	74,213	-	(149,520)	334,355
Total support services	1,518,553	110,426	294,446	-	(149,520)	1,773,905
Total expenses	6,556,674	1,642,743	1,668,825	-	(149,520)	9,718,722
Loss from uncollectible promises to give	(55,010)	-	-	-	-	(55,010)
Gain on disposal of assets	1,705	-	-	-	-	1,705
Change in net assets	130,039	188,138	591,063	187,998	-	1,097,238
Net assets at beginning of year	4,553,619	1,752,445	1,089,756	-	-	7,395,820
Net assets at end of year	$ 4,683,658	$ 1,940,583	$ 1,680,819	$ 187,998	$ -	$ 8,493,058

See notes to consolidated financial statements.