

**MACC Alliance of Connected Communities**  
Minneapolis, Minnesota

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Consolidated Financial Statements  
Auditor's Report  
For the Years Ended  
December 31, 2013 and 2012

**Carpenter *Evert***  
Certified Public Accountants



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## Carpenter Evert

### Independent Auditor's Report

Board of Directors  
MACC Alliance of Connected Communities  
Minneapolis, Minnesota

We have audited the accompanying consolidated financial statements of MACC Alliance of Connected Communities, which comprise of the consolidated statements of financial position as of December 31, 2013 and 2012, and the related consolidated statements of activities and changes in net assets, functional expenses, and cash flows for the years 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 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 financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

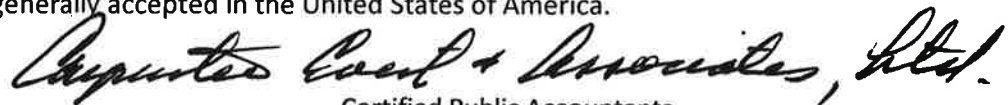
Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable 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 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, 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of MACC Alliance of Connected Communities as of December 31, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

  
Carpenter Evert & Associates, Ltd.  
Certified Public Accountants

Minneapolis, Minnesota  
June 12, 2014

EXHIBIT A

MACC ALLIANCE OF CONNECTED COMMUNITIES  
 CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS  
 FOR THE YEARS ENDED DECEMBER 31, 2013 and 2012

	2013		2012		Total
	Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted	
Support and Revenue:					
Contributions	\$ 64,266	\$ 87,000	\$ 26,816	\$ 120,000	\$ 146,816
Government Grants and Contracts	564,374	-	414,617	-	414,617
Service Fees	3,921,649	-	3,612,443	-	3,612,443
Membership Dues	79,024	-	74,202	-	74,202
Interest and Other Income	2,421	-	2,106	-	2,106
Net Assets Released from Restrictions:					
Satisfaction of Program Restrictions	238,328	(238,328)	102,213	(102,213)	-
Total Support and Revenue	4,870,062	(151,328)	4,232,397	17,787	4,250,184
Expense:					
Program Services	4,564,274	-	4,002,220	-	4,002,220
Support Services:					
Management and General	164,706	-	164,787	-	164,787
Fundraising	14,428	-	16,547	-	16,547
Total Support Services	179,134	-	181,334	-	181,334
Total Expense	4,743,408	-	4,183,554	-	4,183,554
Change in Net Assets	126,654	(151,328)	48,843	17,787	66,630
Net Assets - Beginning of Year	465,536	220,000	416,693	202,213	618,906
Net Assets - End of Year	\$ 592,190	\$ 68,672	\$ 465,536	\$ 220,000	\$ 685,536

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

EXHIBIT B

MACALLIANCE OF CONNECTED COMMUNITIES  
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSE  
FOR THE YEAR ENDED DECEMBER 31, 2013 WITH COMPARATIVE TOTALS FOR 2012

	2013				2012	
	Total Program Services	Management & General	Fund- raising	Total Support Services	Total All Services	Total All Services
Wages	\$ 2,187,922	\$ 72,691	\$ 11,143	\$ 83,834	\$ 2,271,756	\$ 1,899,846
Employee Benefits	345,987	10,701	-	10,701	356,688	297,493
Payroll Taxes	156,402	4,837	-	4,837	161,239	132,709
Temporary Agency	17,785	550	-	550	18,335	87,835
Subtotal Personnel	<u>2,708,096</u>	<u>88,779</u>	<u>11,143</u>	<u>99,922</u>	<u>2,808,018</u>	<u>2,417,883</u>
Professional Fees	1,394,966	49,190	3,050	52,240	1,447,206	1,366,243
Office and Technology	181,593	8,704	205	8,909	190,502	192,990
Occupancy	116,622	3,855	-	3,855	120,477	92,578
Other Expense	34,257	12,248	-	12,248	46,505	29,243
Staff and Volunteer Training	45,120	1,409	-	1,409	46,529	46,383
National Dues	26,320	-	-	-	26,320	23,805
Telecommunication	18,635	384	30	414	19,049	4,394
Transportation	4,419	87	-	87	4,506	2,073
Depreciation	34,246	50	-	50	34,296	7,962
Total Expense	<u>\$ 4,564,274</u>	<u>\$ 164,706</u>	<u>\$ 14,428</u>	<u>\$ 179,134</u>	<u>\$ 4,743,408</u>	<u>\$ 4,183,554</u>

The accompanying Notes to Consolidated Financial Statements  
are an integral part of this statement.

MACC ALLIANCE OF CONNECTED COMMUNITIES  
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSE  
FOR THE YEAR ENDED DECEMBER 31, 2012

	Total Program Services	Support Services			Total All Services
		Management & General	Fund- raising	Total Support Services	
Wages	\$ 1,813,434	\$ 74,865	\$ 11,547	\$ 86,412	\$ 1,899,846
Employee Benefits	286,426	11,067	-	11,067	297,493
Payroll Taxes	127,772	4,937	-	4,937	132,709
Temporary Agency	84,568	3,267	-	3,267	87,835
Subtotal Personnel	2,312,200	94,136	11,547	105,683	2,417,883
Professional Fees	1,313,144	48,099	5,000	53,099	1,366,243
Office and Technology	183,172	9,818	-	9,818	192,990
Occupancy	89,828	2,750	-	2,750	92,578
Other Expense	20,849	8,394	-	8,394	29,243
Staff and Volunteer Training	44,891	1,492	-	1,492	46,383
National Dues	23,805	-	-	-	23,805
Telecommunication	4,352	42	-	42	4,394
Transportation	2,028	45	-	45	2,073
Depreciation	7,951	11	-	11	7,962
Total Expense	\$ 4,002,220	\$ 164,787	\$ 16,547	\$ 181,334	\$ 4,183,554

The accompanying Notes to Consolidated Financial Statements are an integral part of this statement.

MACC ALLIANCE OF CONNECTED COMMUNITIES  
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2013 and 2012

<u>ASSETS</u>	<u>2013</u>	<u>2012</u>
<b>Current Assets:</b>		
Cash and Cash Equivalents	\$ 952,903	\$ 941,468
Accounts Receivable	201,423	217,370
Grants Receivable	-	60,000
Prepaid Expense	89,824	145,787
Total Current Assets	1,244,150	1,364,625
<b>Long-term Assets:</b>		
Property and Equipment - Net	129,856	34,240
Net Long-term Assets	129,856	34,240
<b>TOTAL ASSETS</b>	<b>\$ 1,374,006</b>	<b>\$ 1,398,865</b>
<u>LIABILITIES AND NET ASSETS</u>		
<b>Current Liabilities:</b>		
Accounts Payable	\$ 1,088	\$ 35,092
Accrued Expense	427,320	407,958
Deferred Revenue	29,162	14,705
Total Current Liabilities	457,570	457,755
Notes Payable to Founders	255,574	255,574
Total Liabilities	713,144	713,329
<b>Net Assets:</b>		
Unrestricted	592,190	465,536
Temporarily Restricted	68,672	220,000
Total Net Assets	660,862	685,536
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 1,374,006</b>	<b>\$ 1,398,865</b>

The accompanying Notes to Consolidated Financial Statements  
are an integral part of these statements.

MACC ALLIANCE OF CONNECTED COMMUNITIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2013 and 2012

<u>Increase (Decrease) in Cash</u>	<u>2013</u>	<u>2012</u>
Cash Flows from Operating Activities:		
Change in Net Assets	\$ (24,674)	\$ 66,630
Total Adjustments	<u>166,021</u>	<u>(92,589)</u>
Net Cash Provided by Operating Activities	141,347	(25,959)
Cash Flows from Investing Activities:		
Purchase of property and equipment	(129,912)	(39,202)
Cash Flows from Financing Activities:		
None	<u>-</u>	<u>-</u>
Net (Decrease) in Cash and Cash Equivalents	11,435	(65,161)
Cash - Beginning of Year	<u>941,468</u>	<u>1,006,629</u>
Cash - End of Year	<u>\$ 952,903</u>	<u>\$ 941,468</u>

The accompanying Notes to Consolidated Financial Statements  
are an integral part of these statements.



MACC ALLIANCE OF CONNECTED COMMUNITIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2013 AND 2012

1. Summary of Significant Accounting Policies

Basis of Consolidation

The consolidated financial statements of MACC Alliance of Connected Communities (Alliance) include the accounts of MACC CommonWealth Services (MCW), and MACC Service Network, LLC. (MSN). Significant inter-company transactions have been eliminated. The Board of Directors of the Alliance controls the appointment of the MCW Board of Directors and the appointment of the MSN Board of Governors. MCW became the single member entity of the Alliance on January 1, 2011. MSN became the single member of the Alliance on February 22, 2012.

Organizational Purpose

MACC Alliance of Connected Communities (Alliance), launched in 1999, is a partnership of community-based social service organizations, primarily neighborhood and community centers, with the primary goal of advocating collectively for changes in both policy and practice in order to affect long-term, systemic change in the lives of low-income individuals, families and communities in the Minneapolis/St. Paul Metropolitan area.

MACC CommonWealth Services, Inc. (MCW) was launched by the Alliance in 2007 to provide management services to Alliance non-profit member organizations. Service is provided in the areas of finance, human resources, information technology, medical billing, facilities, and client data management. MCW is managed by its Board of Directors, which is appointed by the Board of Directors of the Alliance.

MACC Service Network, LLC. (MSN) was launched by the Alliance in 2012 to provide operating flexibility for fund raising and program operation of and between Alliance members.

Fund Accounting

In order to observe the limitation and restrictions placed on resources available to the Alliance, MCW, and MSN, the accounts are maintained in accordance with the principles of fund accounting. This is the procedure whereby resources are classified for accounting and reporting purposes into net asset groupings established according to their nature and restrictions. A description of the groupings is as follows:

Unrestricted Net Assets – Net assets which are neither permanently nor temporarily restricted by donor-imposed stipulations. These net assets include both board designated and undesignated amounts. Property and equipment is reported as unrestricted net assets.

Temporarily Restricted Net Assets – The part of net assets of Alliance, MCW, and MSN resulting from contributions and other inflows of assets whose use is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions pursuant to those stipulations.

MACC ALLIANCE OF CONNECTED COMMUNITIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2013 AND 2012

1. Summary of Significant Accounting Policies (continued)

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Alliance, MCW, and MSN considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Accounts Receivable and Doubtful Accounts

The Alliance, MCW, and MSN extends credit to their customers on terms established for individual customers. Receivables are recorded at amounts billed and are generally due when billed. Amounts outstanding for more than 30 days are considered delinquent. Accounts receivable are generally uncollateralized and overdue balances may be charged interest at 1% per month. Alliance, MCW, and MSN review accounts receivable balances on a periodic basis and writes off delinquent receivables when they are considered uncollectible.

Equipment

All major expenditures for equipment in excess of \$2,500 are recorded at cost if purchased, or an estimated market value if donated. Depreciation is provided using the straight-line method, over the following estimated useful lives:

Computer Equipment	2-5 years
Furniture and Equipment	3-10 years

Contributions

Contributions are recorded when received and recognized as support in the period received. If donor-imposed restrictions accompany the contribution, the amount is recorded as temporarily or permanently restricted until the donor-imposed restrictions expire or are fulfilled. Temporarily restricted net assets are reclassified to unrestricted in the period donor-imposed restrictions expire or are fulfilled, and are reported in the Statements of Activities under the Support and Revenue Category – Net Assets Released from Restrictions, except when receipt and satisfaction occur in the same period, in which case the contribution is shown as unrestricted.

Contributions of long-lived assets are recorded as temporarily restricted when received and the restriction is satisfied as they are depreciated.

Promises-To-Give (Pledges Receivable)

Unconditional promises-to-give are recognized in the period the promises are made. Conditional promises-to-give are recognized when the conditions on which they depend are substantially met, that is, when the conditional promise becomes unconditional.

MACC ALLIANCE OF CONNECTED COMMUNITIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2013 AND 2012

1. Summary of Significant Accounting Policies (continued)

Functional Allocation of Expense

Expenses are recorded in functional categories when incurred. In certain cases, allocations between categories must be made. When allocations are required, they are based on the best estimates of management.

Income Tax

The Alliance and MCW have a tax-exempt status under Section 501(c)(3) of the Internal Revenue Code. MSN is a disregarded tax entity of the Alliance. The Organizations have adopted *Accounting for Uncertainty in Income Taxes*, ASC 740-10. The policy of Alliance and MCW is to evaluate uncertain tax positions, at least annually, for the potential for income tax exposure from unrelated business income or from loss of nonprofit status. Alliance and MCW continue to operate consistent with their original exemption applications and each year takes the necessary actions to maintain their exempt status. Alliance and MCW have been classified as organizations that are not private foundations under the Internal Revenue Code and charitable contributions by donors are tax deductible. In compliance with its exempt status, Alliance and MCW annually file a Return of Organization Exempt From Income Tax (Form 990) and Exempt Organization Income Tax Return (Form 990-T). The returns for the years ending December 31, 2010 and later remain subject to examination by the Internal Revenue Service.

MACC Commonwealth Services has determined that the revenue from services it provides to organizations that are not Founding Members are subject to unrelated business income tax. In 2013, there was a taxable loss of \$95,728 from providing these services which will carryover as a net operating loss to future years.

Risks and Uncertainties

The preparation of 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 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.

Subsequent Events

The Alliance, MCW, and MSN have evaluated the effect that subsequent events would have on the financial statements through June 12, 2014, which is the date financial statements were available to be issued.

MACC ALLIANCE OF CONNECTED COMMUNITIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2013 AND 2012

2. Significant Concentrations of Credit Risk

The Alliance, MCW, and MSN provide services within the Twin Cities area. Contributions, service fees and accounts receivable are from local institutions and members.

Concentrations of Credit Risk Arising from Cash Deposits in Excess of Insured Limits

At December 31, 2013 and 2012, Alliance, MCW, and MSN had funds on deposit in a local financial institution in excess of federally insured limits.

3. Equipment

MCW's equipment was comprised of the following as of:

	December 31,	
	2013	2012
Computer Equipment	\$ 281,025	\$ 154,041
Furniture & Equipment	2,928	-
	283,953	154,041
Less Accumulated Depreciation	154,097	119,801
	\$ 129,856	\$ 34,240

Depreciation and amortization expense of \$34,296 and \$7,962 was recorded for the years ended December 31, 2013 and 2012, respectively.

4. Notes Payable to Founders

Non-interest bearing notes payable to founders are as follows as of:

	December 31,	
	2013	2012
Pillsbury United Communities	\$ 147,753	\$ 147,753
The Family Partnership	84,405	84,405
Plymouth Christian Youth Center	17,225	17,225
Phyllis Wheatley Community Center	6,191	6,191
	\$ 255,574	\$ 255,574

The member notes are payable upon dissolution of MCW unless prepaid.

MACC ALLIANCE OF CONNECTED COMMUNITIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2013 AND 2012

5. In-kind Contributions

The Alliance, MCW, and MSN record in-kind contributions at fair market value at date of donation. In-kind contributions include the following as of:

	December 31,	
	2013	2012
Interest	\$ 12,816	\$ 12,816

6. Leased Facilities

MCW leases office space from The Family Partnership on a month-to-month basis. Rent expense was \$111,810 and \$83,347 for the years ending December 31, 2013 and 2012, respectively.

7. Pension Plan

MCW initiated a 403(b) retirement plan January 1, 2009. The plan is funded by discretionary employer profit sharing and matching contributions, and employee contributions. Employer contributions of \$102,045 and \$95,586 were made in the years ended December 31, 2013 and 2012, respectively.

8. Temporarily Restricted Net Assets

Temporarily restricted net assets consisted of amounts from the following as of:

	December 31,	
	2013	2012
Capacity Building Strategies	\$ 60,000	\$ 120,000
Wagner Travel Expense	8,672	-
Client Data System Development	-	100,000
	\$ 68,672	\$ 220,000

9. Line-of-Credit

MCW maintains a \$150,000 line-of-credit with Wells Fargo Bank at a rate of Prime plus .45% which expires October 31, 2014. Principal is due on demand and is unsecured. Balance was \$-0- for the year ended December 31, 2013 and 2012.

MACC ALLIANCE OF CONNECTED COMMUNITIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2013 AND 2012

10. Cash Flow Operating Adjustments

Adjustments to reconcile Change in Net Assets to Net Cash (Used) by Operating Activities were as follows as of:

	<u>December 31,</u>	
	<u>2013</u>	<u>2012</u>
Depreciation	\$ 34,296	\$ 7,962
Increases (Decreases) in Current Liabilities:		
Accounts Payable	(24,929)	5,703
Accrued Expense	19,362	70,547
Deferred Revenue	14,457	(16,440)
Decreases (Increases) in Current Assets:		
Accounts Receivable	6,872	(23,584)
Grants receivable	60,000	(60,000)
Prepaid Expense	<u>55,963</u>	<u>(76,777)</u>
Total Adjustments	<u>\$ 166,021</u>	<u>\$ (92,589)</u>

**ADDITIONAL INFORMATION**

Certified Public Accountants

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## Carpenter Evert

### Statement of Auditor's Responsibility

Board of Directors  
MACC Alliance of Connected Communities  
Minneapolis, Minnesota

We have audited the consolidated financial statements of MACC Alliance of Connected Communities as of and for the years ended December 31, 2013 and 2012, and our report thereon dated June 12, 2014, which expressed an unmodified opinion on those consolidated financial statements, appears on page 1.

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating schedule of assets and liabilities as of December 31, 2013 and 2012, and the consolidating schedule of revenue and expense for the years ended December 31, 2013 and 2012, are presented for purposes of additional analysis and are not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.



Certified Public Accountants

Minneapolis, Minnesota  
June 12, 2014



MACC ALLIANCE OF CONNECTED COMMUNITIES  
CONSOLIDATING SCHEDULE OF REVENUE AND EXPENSE  
FOR THE YEAR ENDED DECEMBER 31, 2013

	MACC Alliance of Connected Communities	MACC Commonwealth Services	MACC Services Network, LLC	Eliminations	2013 Total
<b>Support and Revenue:</b>					
Contributions	\$ 35,299	\$ 24,816	\$ 96,949	\$ (5,798)	151,266
Government Grants and Contracts	-	257,478	306,896	-	564,374
Service Fees	300	3,943,558	74,520	(96,729)	3,921,649
Membership Dues	79,024	-	-	-	79,024
Interest and Other Income	-	2,421	-	-	2,421
<b>Total Support and Revenue</b>	<b>114,623</b>	<b>4,228,273</b>	<b>478,365</b>	<b>(102,527)</b>	<b>4,718,734</b>
<b>Expense:</b>					
Wages	45,872	2,175,424	50,460	-	2,271,756
Employee Benefits	-	356,688	-	-	356,688
Payroll Taxes	-	161,239	-	-	161,239
Temporary Agency	-	18,335	-	-	18,335
<b>Total Personnel Expense</b>	<b>45,872</b>	<b>2,711,686</b>	<b>50,460</b>	<b>-</b>	<b>2,808,018</b>
Professional Fees	92,350	1,118,814	332,771	(96,729)	1,447,206
Program Expense	-	-	-	-	-
Telecommunication	285	18,846	488	(570)	19,049
Office and Technology	1,844	189,136	2,770	(3,248)	190,502
Occupancy	990	120,477	990	(1,980)	120,477
Transportation	112	4,162	232	-	4,506
Staff and Volunteer Training	3,163	42,961	405	-	46,529
Other Expense	4,679	41,826	-	-	46,505
National Dues	26,320	-	-	-	26,320
Depreciation	-	34,296	-	-	34,296
<b>Total Expense</b>	<b>175,615</b>	<b>4,282,204</b>	<b>388,116</b>	<b>(102,527)</b>	<b>4,743,408</b>
<b>Change in Net Assets from Operations</b>	<b>(60,992)</b>	<b>(53,931)</b>	<b>90,249</b>	<b>-</b>	<b>(24,674)</b>
<b>Net Assets - Beginning of Year</b>	<b>122,030</b>	<b>549,966</b>	<b>14,540</b>	<b>(1,000)</b>	<b>685,536</b>
<b>Net Assets - End of Year</b>	<b>\$ 61,038</b>	<b>\$ 496,035</b>	<b>\$ 104,789</b>	<b>\$ (1,000)</b>	<b>660,862</b>

**MACC ALLIANCE OF CONNECTED COMMUNITIES**  
**CONSOLIDATING SCHEDULE OF ASSETS AND LIABILITIES**  
**DECEMBER 31, 2013**

<u>ASSETS</u>	MACC Alliance of Connected Communities	MACC CommonWealth Services	MACC Services Network, LLC	Eliminations	2013 Total
<b>Current Assets:</b>					
Cash and Cash Equivalents	\$ 65,476	\$ 773,602	\$ 113,825	\$ -	\$ 952,903
Accounts Receivable	806	136,395	73,297	(9,075)	201,423
Grants Receivable	-	-	-	-	-
Prepaid Expense	-	89,824	-	-	89,824
Total Current Assets	<u>66,282</u>	<u>999,821</u>	<u>187,122</u>	<u>(9,075)</u>	<u>1,244,150</u>
Receivable from MCW	745	-	-	(745)	-
Investment in MACC Service Network	1,000	-	-	(1,000)	-
Property and Equipment - Net	-	129,856	-	-	129,856
<b>TOTAL ASSETS</b>	<u><u>\$ 68,027</u></u>	<u><u>\$ 1,129,677</u></u>	<u><u>\$ 187,122</u></u>	<u><u>\$ (10,820)</u></u>	<u><u>\$ 1,374,006</u></u>
 <b>LIABILITIES AND NET ASSETS</b>					
<b>Current Liabilities:</b>					
Accounts Payable	\$ 52	\$ 10,111	\$ -	\$ (9,075)	\$ 1,088
Accrued Expense	4,499	340,488	82,333	-	427,320
Deferred Revenue	2,438	26,724	-	-	29,162
Total Current Liabilities	<u>6,989</u>	<u>377,323</u>	<u>82,333</u>	<u>(9,075)</u>	<u>457,570</u>
Notes Payable to Founders	-	256,319	-	(745)	255,574
Total Liabilities	<u>6,989</u>	<u>633,642</u>	<u>82,333</u>	<u>(9,820)</u>	<u>713,144</u>
<b>Net Assets:</b>					
Unrestricted	1,038	487,363	104,789	(1,000)	592,190
Temporarily Restricted	60,000	8,672	-	-	68,672
Total Net Assets	<u>61,038</u>	<u>496,035</u>	<u>104,789</u>	<u>(1,000)</u>	<u>660,862</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 68,027</u></u>	<u><u>\$ 1,129,677</u></u>	<u><u>\$ 187,122</u></u>	<u><u>\$ (10,820)</u></u>	<u><u>\$ 1,374,006</u></u>