

FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITOR'S REPORT

USA CARES, INC.

DECEMBER 31, 2015 AND 2014

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
USA Cares, Inc.

We have audited the accompanying financial statements of USA Cares, Inc., (a not-for-profit organization) which comprise the statements of financial position as of December 31, 2015 and 2014 and the related statements of activities, 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 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 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 financial statements referred to above present fairly, in all material respects, the financial position of USA Cares, Inc. as of December 31, 2015 and 2014 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 .

*Baldwin CPAs, PLLC*

Louisville, Kentucky  
March 17, 2016

**STATEMENTS OF FINANCIAL POSITION**  
**USA CARES, INC.**  
**DECEMBER 31, 2015 AND 2014**

	2015	2014
<b>ASSETS</b>		
Cash	\$ 774,704	\$ 350,961
Accounts receivable	8,394	
Promises to give, net	93,875	255,746
Prepaid expenses	7,022	8,725
Inventory	10,635	6,563
Investments	109,133	114,958
Property and equipment, net	321,945	304,565
Total assets	\$ 1,325,708	\$ 1,041,518
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts payable	\$ 45,758	\$ 112,810
Accrued expenses and other liabilities	40,957	51,209
Total liabilities	86,715	164,019
<b>NET ASSETS</b>		
Unrestricted	694,246	280,943
Temporarily restricted	463,719	515,528
Permanently restricted	81,028	81,028
Total net assets	1,238,993	877,499
Total liabilities and net assets	\$ 1,325,708	\$ 1,041,518

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

STATEMENTS OF ACTIVITIES  
USA CARES, INC.  
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015				2014			
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanent ly Restricted</u>	<u>Total</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Revenue and support:								
Contributions and grants	\$ 1,933,403	\$ 162,770	\$ -	\$ 2,096,173	\$ 1,953,548	\$ 36,525	\$ -	\$ 1,990,073
Special event revenue	453,002			453,002	442,055			442,055
Special event direct costs	(130,271)			(130,271)	(147,404)			(147,404)
Investment income	146	4,154		4,300	160	6,186		6,346
Unrealized gain (loss)		(9,979)		(9,979)		(2,033)		(2,033)
Total revenue and support	2,256,280	156,945		2,413,225	2,248,359	40,678		2,289,037
Net assets released from restrictions								
Satisfaction of restrictions	208,754	{208,754}			167,273	{167,273}		
Total revenue, support and reclassifications	<u>2,465,034</u>	<u>{51,809}</u>		<u>2,413,225</u>	<u>2,415,632</u>	<u>{126,595}</u>		<u>2,289,037</u>
Expenses:								
Program services	1,578,463			1,578,463	2,113,633			2,113,633
Management and general	208,618			208,618	182,743			182,743
Fund raising	264,650			264,650	344,800			344,800
Total expenses	<u>2,051,731</u>			<u>2,051,731</u>	<u>2,641,176</u>			<u>2,641,176</u>
Increase (decrease) in net assets	413,303	(51,809)		361,494	(225,544)	(126,595)		(352,139)
Net assets at beginning of year	280,943	515,528	81,028	877,499	506,487	642,123	81,028	1,229,638
Net assets at end of year	<u>\$ 694,246</u>	<u>\$ 463,719</u>	<u>\$ 81,028</u>	<u>\$ 1,238,993</u>	<u>\$ 280,943</u>	<u>\$ 515,528</u>	<u>\$ 81,028</u>	<u>\$ 877,499</u>

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

STATEMENTS OF FUNCTIONAL EXPENSES  
USA CARES, INC.  
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015				2014			
	Total	Program Services	Management and General	Fund Raising	Total	Program Services	Management and General	Fund Raising
Assistance	\$ 551,110	\$ 551,110	\$ -	\$ -	\$ 836,430	\$ 836,430	\$ -	\$ -
Business development	37,549	16,942	1,043	19,564	47,567	29,102	4,985	13,480
Wages and benefits	948,780	663,890	130,977	153,913	1,184,043	881,293	112,470	190,280
Occupancy	75,160	66,245	5,942	2,973	69,435	60,412	5,937	3,086
Other expenses	15,524	636	4,351	10,537	15,855	3,134	886	11,835
Depreciation	9,129	6,388	1,260	1,481	2,013	1,443	191	379
Office supplies	14,292	7,745	4,816	1,731	23,664	16,104	3,570	3,990
Conventions/meetings	36,342	36,327		15	58,961	52,360	21	6,580
Taxes, licenses and fees	14,152		9,559	4,593	5,545		31	5,514
Interest expense	4,409		4,409		2,850		2,850	
Bank charges	5,071		5,071		728		728	
Postage and shipping	15,460	8,929	1,299	5,232	21,838	11,677	2,105	8,056
Printing, media and publicity	26,813	14,704		12,109	7,668	6,720		948
Professional costs	125,080	85,379	20,971	18,730	167,894	64,645	30,236	73,013
Insurance	24,907	6,067	5,340	13,500	19,903	16,849	2,834	220
Technology	21,973	15,160	2,316	4,497	23,080	16,539	1,663	4,878
Telecommunications	28,332	17,524	7,435	3,373	30,143	18,393	7,876	3,874
Travel	97,648	81,417	3,829	12,402	123,559	98,532	6,360	18,667
<b>Total expenses</b>	<b><u>\$ 2,051,731</u></b>	<b><u>\$ 1,578,463</u></b>	<b><u>\$ 208,618</u></b>	<b><u>\$ 264,650</u></b>	<b><u>\$ 2,641,176</u></b>	<b><u>\$ 2,113,633</u></b>	<b><u>\$ 182,743</u></b>	<b><u>\$ 344,800</u></b>
<b>Percent of total</b>	<b><u>100.00%</u></b>	<b><u>76.93%</u></b>	<b><u>10.17%</u></b>	<b><u>12.90%</u></b>	<b><u>100.00%</u></b>	<b><u>80.03%</u></b>	<b><u>6.92%</u></b>	<b><u>13.05%</u></b>

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

STATEMENTS OF CASH FLOWS  
USA CARES, INC.  
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015	2014
<b>CASH FLOWS FROM OPERATING ACTIVITIES :</b>		
Change in net assets	\$ 361,494	\$ (352,139)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	9,129	2,013
Unrealized (gain) loss	9,979	2,033
Donated property and equipment		(41,956)
(Increase) decrease in operating assets:		
Accounts receivable	(8,394)	
Promises to give	161,871	189,328
Prepaid expenses	1,703	12,033
Inventory	(4,072)	9,066
Increase (decrease) in operating liabilities:		
Accounts payable	(67,052)	54,592
Accrued expenses and other liabilities	<u>(10,252)</u>	<u>12,689</u>
Net cash provided (used) by operating activities	<u>454,406</u>	<u>(112,341)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of property and equipment	(26,509)	
Purchase of investments	<u>(4,154)</u>	<u>(6,186)</u>
Net cash provided (used) by investing activities	<u>(30,663)</u>	<u>(6,186)</u>
Net increase (decrease) in cash	423,743	(118,527)
Cash at beginning of year	<u>350,961</u>	<u>469,488</u>
Cash at end of year	<u>\$ 774,704</u>	<u>\$ 350,961</u>
<b>SUPPLEMENTAL INFORMATION :</b>		
Cash paid for interest	<u>\$ 4,409</u>	<u>\$ 2,850</u>

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

NOTES TO FINANCIAL STATEMENTS  
USA CARES, INC.  
DECEMBER 31, 2015 AND 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

USA Cares, Inc. is a not-for-profit, tax-exempt organization formed to provide financial support to American military service members (both active service members and veterans that have been honorably discharged after September 11, 2001) and their families. These services are funded primarily by contributions and grants.

The Organization is a national organization that currently has thirteen chapters located throughout the United States.

Basis of Accounting

The financial statements of USA Cares, Inc. have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) with regards to financial statements of Not-for-Profit Organizations. Under this guidance, USA Cares, Inc. 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. A description of the three net assets categories follows:

Unrestricted Net Assets: include the portion of expendable funds that are not subject to donor-imposed stipulations.

Temporarily Restricted Net Assets: include gifts for which donor-imposed restrictions have not been met.

Permanently Restricted Net Assets: include amounts which the donor has stipulated that the corpus be invested in perpetuity and only the income be made available for program operations in accordance with donor restrictions.

## NOTES TO FINANCIAL STATEMENTS -CONTINUED

### Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

### Cash

USA Cares, Inc. considers all cash in deposit accounts as cash for financial statement purposes.

### Accounts Receivable

Accounts receivable consists of a refund due from a financial institution. There is no allowance for uncollectible accounts at December 31, 2015 or 2014. USA Cares, Inc. writes off uncollectible receivables after the exhaustion of all collection efforts.

### Promises to Give

Promises to give are recognized when the donor makes a promise to give to USA Cares, Inc. that is, in substance, unconditional. Unconditional pledges receivable becoming due in the next year are recorded at net realizable value. Unconditional pledges receivable due in subsequent years are reported at the present value of their net realizable value, using risk-free interest rates applicable to the years in which the promises are received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

### Inventory

Inventory consists of gift cards valued at their cash value.

### Investments

The ASC establishes a framework for measuring fair value based upon a hierarchy that prioritizes observable and unobservable inputs used to measure fair value as follows:

Level 1 – Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities.

## NOTES TO FINANCIAL STATEMENTS -CONTINUED

Level 2 -Observable inputs other than level 1 prices such as quoted prices for similar assets or liabilities; quoted prices for identical or similar assets or liabilities in inactive markets; or other inputs that are observable or can be corroborated by observable market data.

Level 3 -Unobservable inputs that are supported by little or no market activity and are significant to the fair value of the assets or liabilities.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

### Property and Equipment

Property and equipment are recorded at cost if purchased and fair market value if donated and are depreciated based on the straight-line method over the estimated useful life of the respective assets (5-40 years). The cost of property and equipment purchased in excess of \$2,500 is capitalized.

### Contributions

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 restricted 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 permanently restricted net assets, depending on the nature of the restriction. When a 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 statements of activities as net assets released from restrictions.

## NOTES TO FINANCIAL STATEMENTS - CONTINUED

### In-kind Materials, Equipment, and Services

In-kind materials, equipment and certain services are reflected as contributions and assets or expense in the accompanying statements at their estimated fair values on the date of contribution.

### Expense Allocation

Expenses are allocated based on estimated time allocation to programs and supporting services. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

### Income Tax Status

USA Cares, Inc. is exempt from federal income tax under Section 501(c)(3) of *the* Internal Revenue Code. USA Cares, Inc. qualifies for *the* charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

Management has concluded that any tax positions that would not meet *the* more-likely-than-not criterion of FASB ASC 740-10 would be immaterial to *the* financial statements taken as a whole. Accordingly, *the* accompanying financial statements do not include any provision for uncertain tax positions, and no related interest or penalties have been recorded in *the* statement of activities or accrued in *the* statement of financial position. Federal and state tax returns of the entity are generally open to examination by the relevant taxing authorities for a period of three years from the date the returns are filed.

### Reclassifications

Certain accounts in *the* prior-year financial statements have been reclassified for comparative purposes to conform to *the* presentation in current year financial statements.

## NOTES TO FINANCIAL STATEMENTS -CONTINUED

### NOTE 2. CONCENTRATIONS OF CREDIT RISK

Cash -USA Cares, Inc. maintains its cash balances and marketable securities in several financial institutions. The cash balances are insured by the Federal Deposit Insurance Corporation. At various times the cash balances exceed amounts federally insured. The risk is managed by maintaining all deposits in high quality financial institutions.

Accounts Receivable – Concentrations of credit risk with respect to accounts receivable are limited due to the nature of the accounts receivable from a high quality financial institution.

Promises to Give - Concentrations of credit risk with respect to promises to give are limited due to the types of contributors comprising the Organization's contributor base and their dispersion across different industries and geographic areas.

Investments -Investment securities are exposed to various risks, such as interest rate, market and credit. Due to the level of risk associated with certain investment securities, and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term would result in material changes in the fair value of investments and net assets of the Organization. To address the risk, USA Cares, Inc. maintains a formal investment policy that sets out investment guidelines, asset allocation guidelines and requires review of the investment manager's performance. The finance committee oversees the entire process.

NOTES TO FINANCIAL STATEMENTS -CONTINUED

**NOTE 3. PROMISES TO GIVE**

Promises to give consisted of the following at December 31, 2015 and 2014:

	<u>2015</u>	<u>2014</u>
Program expense	\$ 95,000	\$ 260,000
Receivable in less than one year	\$ 95,000	\$ 165,000
Receivable in one to five years	<u>                    </u>	<u>95,000</u>
Total promises to give	95,000	260,000
Less discounts to net present value	(1,125)	<u>(4,254)</u>
Net promises to give	<u>\$ 93,875</u>	<u>\$ 255,746</u>

Promises to give due in more than one year are recognized at fair value, using present value techniques and a discount rate of 2%. No allowance for uncollectibles is considered necessary because of the type of donors that have made promises to give.

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**NOTE 4. INVESTMENTS**

Investments consist of cash and mutual funds and are presented in the financial statements at fair value based on quoted market prices in active markets (all Level 1 measurements). Market risk could occur and is dependent on the future changes in market prices of the various investments held. Cost, fair values and unrealized gain at December 31, 2015 and 2014 are as follows:

December 31, 2015	Cost Basis	Fair Value	Unrealized Gain (Loss)
Cash and cash equivalents	\$ 438	\$ 438	\$
Mutual funds - equity	66,788	64,715	(2,073)
Mutual funds - fixed income	<u>45,540</u>	<u>43,980</u>	(1,560)
	<u>\$ 112,766</u>	\$ 109,133	\$ (3,633)
December 31, 2014	<u>Cost Basis</u>	<u>Fair Value</u>	Unrealized Gain (Loss)
Cash and cash equivalents	\$ 1,334	\$ 1,334	\$
Mutual funds - equity	62,197	68,639	6,442
Mutual funds - fixed income	<u>44,673</u>	<u>44,985</u>	<u>312</u>
	<u>\$ 108,204</u>	<u>\$</u>	\$ 6,754
	<u>114,958</u>		

Investment management fees paid for the years ending December 31, 2015 and 2014 were \$1,127 and \$1,132, respectively.

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**NOTE 5. PROPERTY AND EQUIPMENT**

Depreciation is provided in amounts sufficient to relate the cost of depreciable assets to operations over the estimated useful lives on a straight-line basis. The cost and accumulated depreciation of such assets at December 31, 2015 and 2014 are as follows:

	2015	2014
Land	\$ 247,500	\$ 247,500
Construction in progress	63,640	48,956
Furniture and fixtures	69,078	69,078
Equipment	124,037	124,037
Vehicles	11,834	
Website	63,373	63,373
	579,462	552,953
Less accumulated depreciation	_(257,517)	_(248,388)
Property and equipment, net	\$ 321,945	\$ 304,565
Depreciation expense	\$ 9,129	\$ 2,013

**NOTE 6. LINE OF CREDIT**

The Organization has available a line of credit for \$250,000. Interest is payable monthly at a rate of prime plus 1%. The line of credit expires May 15, 2016, and is secured by the Organization's Hilliard Lyons Investment account. There was no outstanding balance at December 31, 2015.

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**NOTE 7. LEASES/RELATED PARTY**

USA Cares, Inc. leases office space from a board member under a month to month operating lease agreement in the amount of \$3,825 per month; however, in 2015 three months of rent were donated. USA Cares, Inc. also receives donated office space in Louisville, KY under a month to month agreement. The amount of donated rent expense for the Louisville office for years ended December 31, 2015 and 2014 was \$12,600 and \$0, respectively. Total lease expense was \$58,505 and \$45,905 for the years ended December 31, 2015 and 2014, respectively.

USA Cares, Inc. also leases office equipment for \$212 per month, expiring December 2016. Future minimum lease payments are as follows:

2016	\$ <u>2,544</u>
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**NOTE 8. TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets are available for the following purposes:

	<u>2015</u>	2014
Endowment income	\$ 28,104	\$ 33,929
Building		30,508
Programs	435,615	451,091
	\$ 463,719	\$ 515,528

## NOTES TO FINANCIAL STATEMENTS -CONTINUED

### NOTE 9. PERMANENTLY RESTRICTED NET ASSETS

USA Cares, Inc. follows the Uniform Prudent Management of Institutional Funds Act (UPMIFA). UPMIFA eliminates the requirement to maintain the historic dollar value of donor restricted endowments and instead focuses on donor intent and spending practices that are prudent for the uses, benefits, purposes and duration for which the endowment fund is established. UPMIFA also places a time restriction on the earnings retained in the endowment fund. The Organization has adopted FASB ASC 958-205, which provides guidance and additional disclosures on the net asset classification of endowment funds.

USA Cares, Inc.'s endowment fund consists of donor restricted endowments. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors for USA Cares, Inc. has interpreted the UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, USA Cares, Inc. classifies as permanently restricted net assets (a) the original value of gifts to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets. In accordance with UPMIFA, USA Cares, Inc. considered the following factors: (1) the duration and preservation of the fund, (2) the purposes of the organization and the donor-restricted endowment fund, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the organization, and (7) the investment policies of the organization.

The Organization has not adopted a spending policy.

NOTES TO FINANCIAL STATEMENTS -CONTINUED

Endowment net asset composition by type at December 31, 2015 and 2014 are as follows:

	<u>Unrestricted</u>	Temporarily <u>Restricted</u>	Permanently <u>Restricted</u>	Total
Balance, December 31, 2015	\$ <u>          </u>	\$ <u> 28,105</u>	\$ <u> 81,028</u>	<u>\$ 109,133</u>
Balance, December 31, 2014	\$ <u>          </u>	\$ <u> 33,930</u>	\$ <u> 81,028</u>	<u>\$ 114,958</u>

Changes in endowment net assets for the years ended December 31, 2015 and 2014 are as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Balance, December 31, 2013	\$	\$ 29,777	\$ 81,028	\$ 110,805
Dividend income		2,161		2,161
Realized gain (loss)		4,024		4,024
Unrealized gain (loss)		(2,032)		{(2,032)}
Balance, December 31, 2014	<u>\$</u>	<u>\$ 33,930</u>	<u>\$ 81,028</u>	<u>\$ 114,958</u>
Dividend income		3,223		3,223
Realized gain (loss)		931		931
Unrealized gain (loss)		(9,979)		(9,979)
Balance, December 31, 2015	<u>\$</u>	<u>\$ 28,105</u>	<u>\$ 81,028</u>	<u>\$ 109,133</u>

NOTE 10. DEFINED CONTRIBUTION PENSION PLAN

Effective January 1, 2014, the Organization began offering a 403(b) plan to eligible employees. The Organization does not currently offer a match on employee deferrals.

## NOTES TO FINANCIAL STATEMENTS -CONTINUED

### NOTE 11. IN-KIND DONATIONS

USA Cares, Inc. records various types of in-kind support, including materials and other tangible assets. Contributed in-kind support is recognized in accordance with the Financial Accounting Standards Board in its Accounting Standards Codification 958-605-25, which governs the presentation of financial statements of not-for-profit organizations. This pronouncement requires recognition of professional services received if those services (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Most of the services received by USA Cares, Inc. do not meet these criteria. In 2015 and 2014, USA Cares, Inc. did not recognize any in-kind professional services.

Contributions of tangible assets are recognized at fair market value when received. The amounts are reflected in the accompanying financial statements as support and are offset by like amounts included in expenses or assets. In-kind donations for the years ended December 31, 2015 and 2014 were \$95,320 and \$86,672, respectively.

### NOTE 12. SUBSEQUENT EVENTS

Management has evaluated subsequent events for recognition or disclosure in the financial statements through March 17, 2016, which was the date at which the financial statements were available to be issued.